

unidas **2Q21**

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Novo Mercado

Ticker: LCAM3
Total shares: 508,729,411
Free-float: 322,163,610 (63.8%)

Results Conference Call

Wednesday, July 28th, 2021
13 p.m. (Brasília time)
12 p.m. (Nova York time)

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Estimated reading time:
20 minutes



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OTC Markets

NET INCOME RECORD OF R\$241.2 MILLION IN 2Q21 AND FLEET MANAGEMENT REACHES THE MARK OF 105.2 THOUSAND CARS

QUARTER HIGHLIGHTS

- **Recurring Net Income** broke new record reaching **R\$241.2 million** in 2Q21, **4.2% higher** than R\$231.4 presented in 1Q21. Net Margin reached **32.7% (+32.3 p.p. YoY)**;
- **Consolidated Recurring EBITDA** reached a new all-time high **for the third consecutive quarter**. In 2Q21, we registered **R\$557.2 million (+167.1% YoY and +5.5% QoQ)**. For the first half of the year, more than we doubled the result, reaching **R\$1.08 billion (+108.0% YoY)**. The **EBITDA Margin** reached **75.4% (+32.0 p.p. YoY and +0.3 p.p. QoQ)**;
- **Net Rental Revenue** with all-time record of **R\$738.8 million** in 2Q21 (**+53.8% YoY and +5.1% QoQ**) and **R\$1.4 billion** in 1H21 (**+33.8% YoY**);
- The **Average Rented Fleet** reached **139.6 thousand cars (+22.9% YoY and 3.5% QoQ)**. Looking at the Rented Fleet at the End of the Period, we have a growth of **9.2% QoQ**, representing an **addition of 12.1 thousand rented cars**;
- We bought **26.6 thousand cars** in 2Q21 (**+416.0% YoY and +66.9% QoQ**), which allowed the Company to deliver the **largest net addition** of cars in history, **more than 12.1 thousand cars** taking the **Total Fleet** at the end of 2Q21 to the record volume of **178.6 thousand cars (+8.1% YoY and +7.2% QoQ)**;
- We delivered high returns on investments, with an **ROE of 25.0%, ROIC of 14.4%** and **Spread ROIC/Cost of Debt of 10.7 p.p.**;
- **Fleet Management**: reached **Net Revenue Record** of **R\$435.5 million (+40.0% YoY and 10.2% QoQ)**, driven by the new volume record that reached **7.9 million dailies** in 2Q21 (**+21.8% YoY and +6.5% QoQ**), with a record Monthly Tariff of **R\$1,814 (+14.7% YoY and +2.6% QoQ)**.
- New record hiring of **15.6 thousand cars (+302.2% YoY and +36.1% QoQ)** with **Global Value of Contracts** of **R\$1.1 billion (+371.1% YoY and +57.7% QoQ)**;
- **Rent a Car**: ended the 2Q21 with **Net Revenue** of **R\$303.4 million (+79.2% YoY)**, result of **Average Daily Rate** of **R\$73.2 (+45.3% YoY and +0.2% QoQ)**, of **daily volume** of **4.5 million (+25.2% YoY)** and a **Occupancy Rate Record** of **86.0% (+24.3 p.p. YoY and +3.4 p.p. QoQ)**;
- The **Rented Fleet End of Period** reached the amount of **52.4 thousand car, 12.7% higher** than the Rented Fleet at the End of Period of 1Q21;
- **Used Cars Sales: EBITDA Margin Record** reach the value of **19.3%** in 2Q21 (**+17.3 p.p. YoY and 5.0 p.p. QoQ**), driven by **Average Sell Price Record** of **R\$58.3 thousand (+53.4% YoY and +7.0% QoQ)**. The volume of **Sold Cars** reached the amount of **14.5 thousand**, even with the sales scenario still impacted by the restricted supply of vehicles.

MESSAGE FROM THE MANAGEMENT

Welcome to Unidas' results for the second quarter of 2021.

The Company once again is pleased to present results with several records at a time that remains very challenging, which shows our resilience and efficiency in the operation.

Our Consolidated Net Revenue reached R\$1.6 billion, with an all-time record in rental net revenue of R\$738.8 million. Consolidated Recurrent EBITDA reached a record amount of R\$557.2 million, with a margin of 75.4% and Net Income presented a new record of R\$241.2 million and with a net margin of 32.6%. We delivered all this with high returns on investments, presenting an ROIC of 14.4%, a ROIC Spread/Cost of Debt of 10.7 p.p. and ROE of 25%.

The Fleet Management segment continues to show extraordinary results demonstrating the resilience of the business. Unidas' commercial and operational strength again brings robust results with several records this quarter:

- Net Revenue was Record with R\$435.5 million (+40.0% YoY and 10.2% QoQ), driven by the new volume record that reached 7.9 million of dailies in 2Q21 (+21.8% YoY and +6.5% QoQ), with a record Average Monthly Tariff of R\$1,814 (+14.7% YoY and +2.6% QoQ);
- The Rented Fleet End of Period reached 91,300 cars, growing 7.2% QoQ;
- The Total Fleet reached the amount of 105,179 vehicles and surpassed the historic mark of more than 100,000 vehicles, being the first rental company in the country to reach this level, without considering the Backlog record of 24,000 vehicles yet to be delivered;
- Hiring record of 15.6 thousand cars (+302.2% YoY and +36.1% QoQ) with Global Value of Contracts of R\$1.1 billion (+371.1% YoY and +57.7% QoQ);
- Commercial pipeline still with 73,000 cars in dispute for 3Q21.

The Rent a Car operation showed rapid recovery in the quarter, compared to the new lockdowns that took place between March and April. At the end of the quarter, this recovery showed better indicators than the average of the first quarter, and if we had obtained more cars during the quarter, we would have accelerated these indicators even more:

- Occupancy Rate Record of 86.0% (+24.3 p.p. YoY and +3.4 p.p. QoQ);
- Average Daily Rate of R\$73.2 (+45.3% YoY and +0.2% QoQ) and with daily volume of 4.5 million (+25.2% YoY and -1.7% QoQ);
- Revenue per Operating Car grows 98.0% compared to 2Q20 and 2.8% compared to the first quarter of 2021;
- Net Revenue of R\$303.4 million (+79.2% YoY and -1.4% QoQ);
- The Final Fleet grows, with a net addition of 3.4 thousand cars, and reaching a total of 70.7 thousand cars, 5.7% higher than 1Q21;
- The Rented Fleet at the End of Period reached a total of 52,400 cars, 12.7% higher than the Rented Fleet at the end of March.

In Used Cars, we once again delivered expressive results, bringing important growth on all fronts:

- EBITDA margin record of 19.3% (+17.3 p.p. YoY);
- Average Sale Price Record of R\$58.3 thousand (+53.4% YoY);
- The volume of vehicles sold reached the level of 14.5 thousand (+29.1% YoY);
- Net Revenue of R\$843.5 million (+98.2% YoY).

Additionally, we raised R\$950 million, already considering the R\$200 million operation settled in July, ending the quarter with a healthy R\$1.9 billion pro forma Cash position.

These results demonstrate the power of Unidas to evolve and are ratified by our customers, who elected us for the 6th consecutive time as the best Car Rental in the Modern Consumer Award.

This July, the company celebrated an important milestone in its history with the launch of the Unidas Sustainability Day to commemorate the achievements of the social and environmental agenda that mobilized employees, customers and partners in favor of a more sustainable and balanced environment for the entire society. The results were presented on July 1st, bringing a series of communications about the initiative, which demonstrates Unidas' commitment and purpose in making a difference and contributing to future generations.

The data were shown in the Sustainability Report and divided into environmental, social, employee recognition, volunteering, inclusion and diversity areas. And on that same day, the company launched the Unidas Carbon Neutral Program, which aims to neutralize all greenhouse gas (GHG) emissions by 2028. It also adopted as a strategy to reduce emissions the use of ethanol, which emits 111 times less gases greenhouse effect than gasoline, for its operational fleet and encourages its customers and partners to adopt the same practice.

Considering the 2019 and 2020 cycles, Unidas offset more than 143,000 tons of CO₂ through the purchase of carbon credits. In addition, it recently launched the Carbon Neutral product for RAC customers, who can now offset their emissions by renting a car in the amount of R\$ 1.99 per day. And to encourage, in the first month of launch, Unidas will double all the compensation made by the customer.

Unidas promotes engagement with society through social actions, in 2021 more than 21,000 people were assisted, we highlight the warm clothing campaign that supported 2000 homeless people with the delivery of blankets and personal hygiene items and the action of fights the hunger that mobilized our employees to donate more than 160 tons of food to more than 15,000 people. The Elo Program, which supports civil society institutions in a precarious situation, provides for the revitalization of the space, training of

employees, improvement of internal processes, management of activities and financial organization, in order to make environments more dignified and self-sustainable in the long term. In 2021, the program will serve another 14 institutions and more than 4,000 people. In all, the program accounts for 31 institutions in 12 Brazilian states with more than 8,300 people assisted.

On the Diversity and Inclusion front, Unidas has the Novos Horizontes Program, which contributes to the professional training of young people in vulnerable conditions by promoting technical and vocational education, in addition to offering scholarships, mentoring, lectures and workshops, has benefited a total of 315 young people since its launch.

Unidas has already trained a total of 69 refugee women for the labor market, in an action carried out in partnership with Empowering Refugees, a joint initiative of the UN for Refugees (UNHCR), Brazil Network of the Global Compact and UN Women, with a focus on employability of refugee women who arrive in Brazil without the political or economic conditions to live in their countries of origin.

Inclusion and diversity are equally important themes in our daily lives, where we have established as a goal to have 13% of employees over 50 in 2023 - currently 8%. The Company currently has 41% of women in leadership positions and intends to increase this indicator to 51% by 2023.

Business success is inseparable from the commitment to the best market practices in corporate governance. We adopt practices in line with Novo Mercado guidelines, which reinforce the transparency of our management. We act ethically in business, a non-negotiable value for Unidas, and to ratify this position, we are part of the Business Pact for Integrity and Against Corruption.

Regarding the merger process between the Company and Localiza (RENT3), we still depend on the approval of the Administrative Council for Economic Defense (CADE), which published the Concentration Act No. 08700.000149 / 2021-46. The analysis of this process may last up to 240 days, extendable for another 90 days, from February 8, 2021.

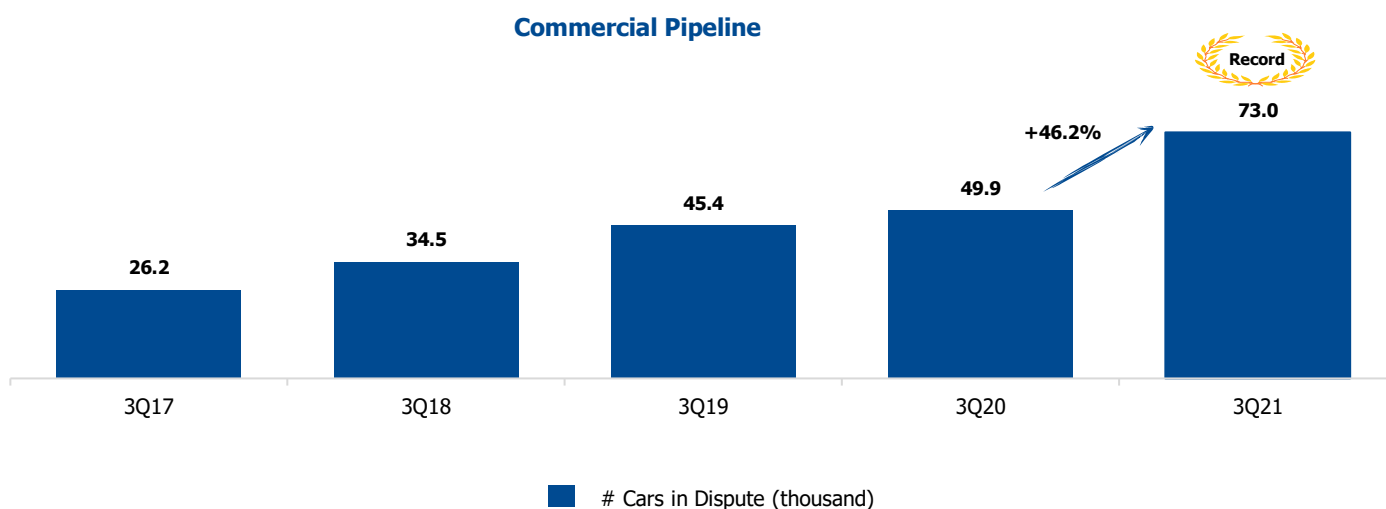
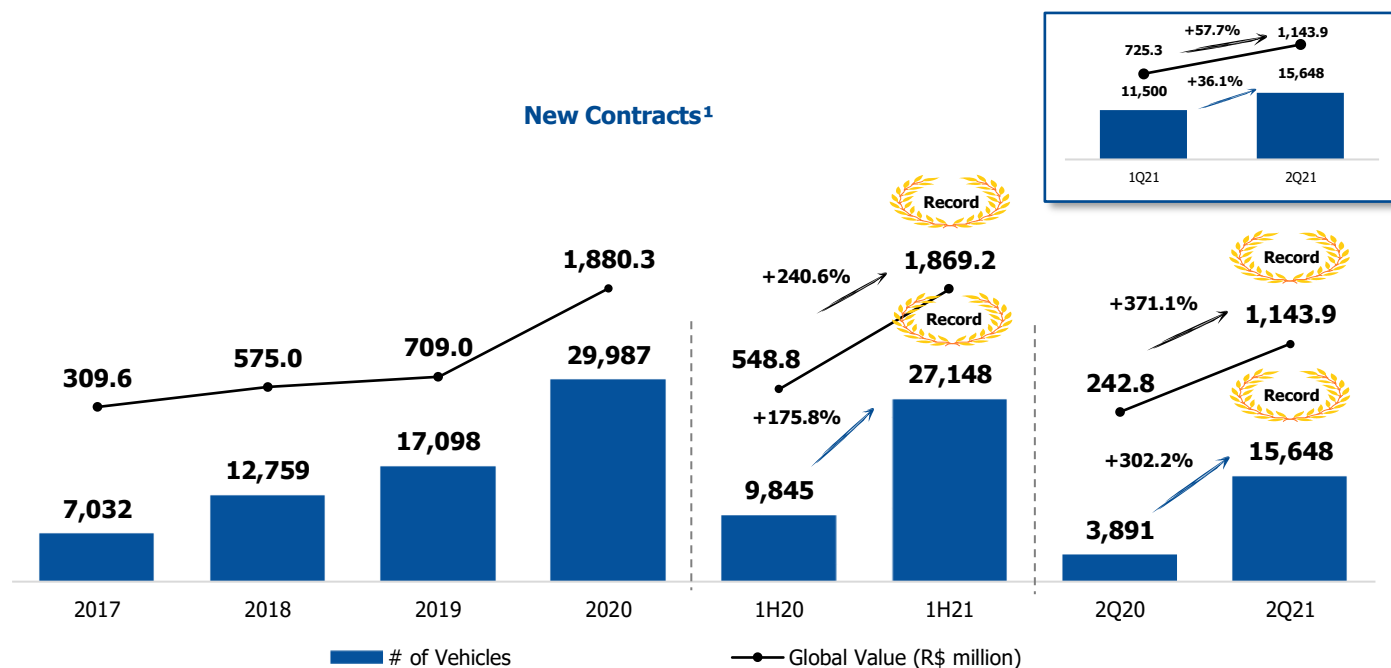
To conclude, I would like to thank the continuous, intense, and exemplary work of our employees who, even under adversity, overcome themselves quarter by quarter and allow us to achieve the results we bring now. In addition, I would also like to thank our customers, partners, and shareholders for continuing to believe in the Company.

Thank you very much and let's go together!

Luis Fernando Porto
CEO

Commercial Activity

- The Company's Commercial Force continues to show extraordinary results. The Global Value of the new contracts reached the record amount of R\$1.9 billion in just 6 months, the equivalent of the entire year of 2020, which will allow the continuity of revenue growth in this segment at current levels.

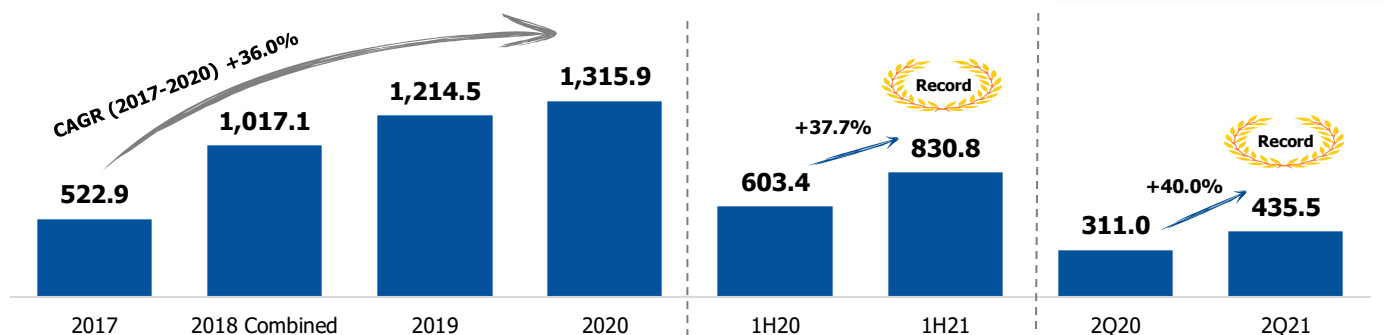


(1) For New Contracts, contract renewals are not considered.

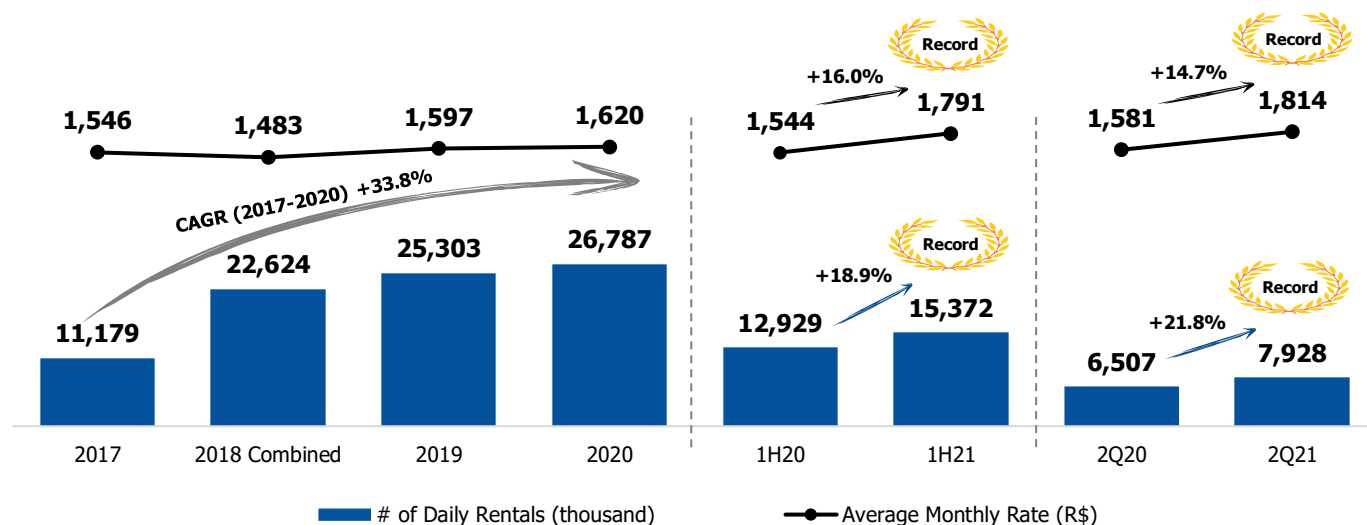
Performance in the Period

- Net revenue posted a record for the fourth consecutive quarter in Fleet Management, with growth of 40.0% versus the previous year. This result is supported by new records in volume and average tariff, even with a backlog of 24 thousand cars. Compared to 1Q21, revenue grew 10.2%.

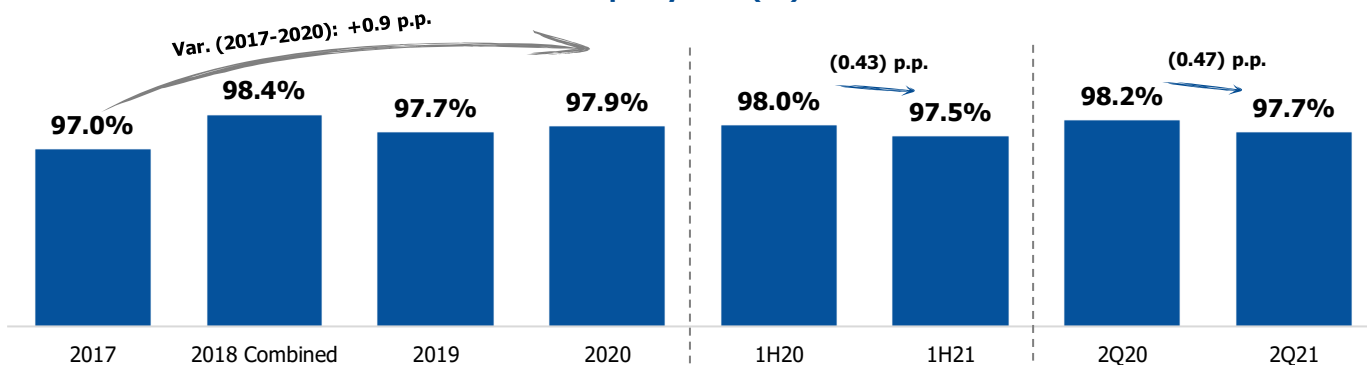
Net Revenue from Fleet Management
(R\$ Million)



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



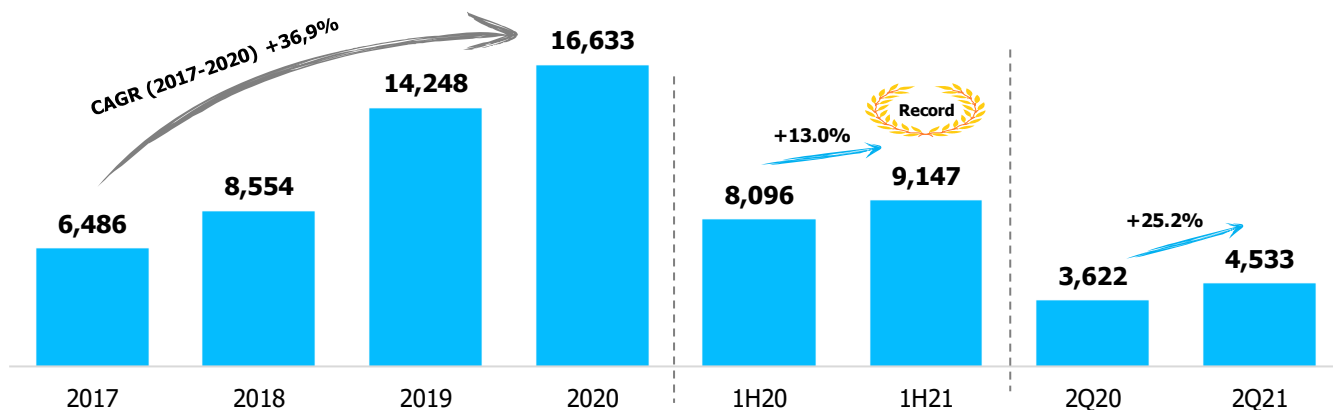
Occupancy Rate (%)



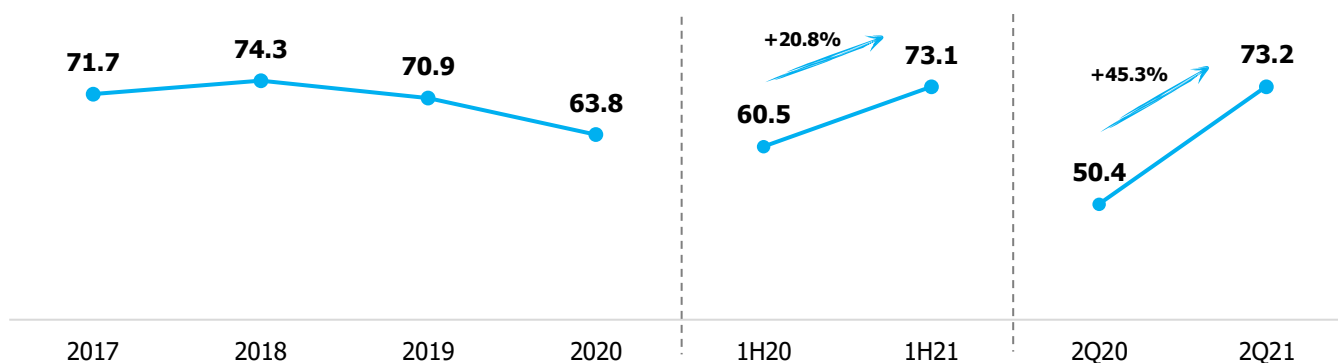
Performance in the Period

- The RAC operation showed rapid recovery in the quarter, in relation to the new lockdowns that took place between March and April.

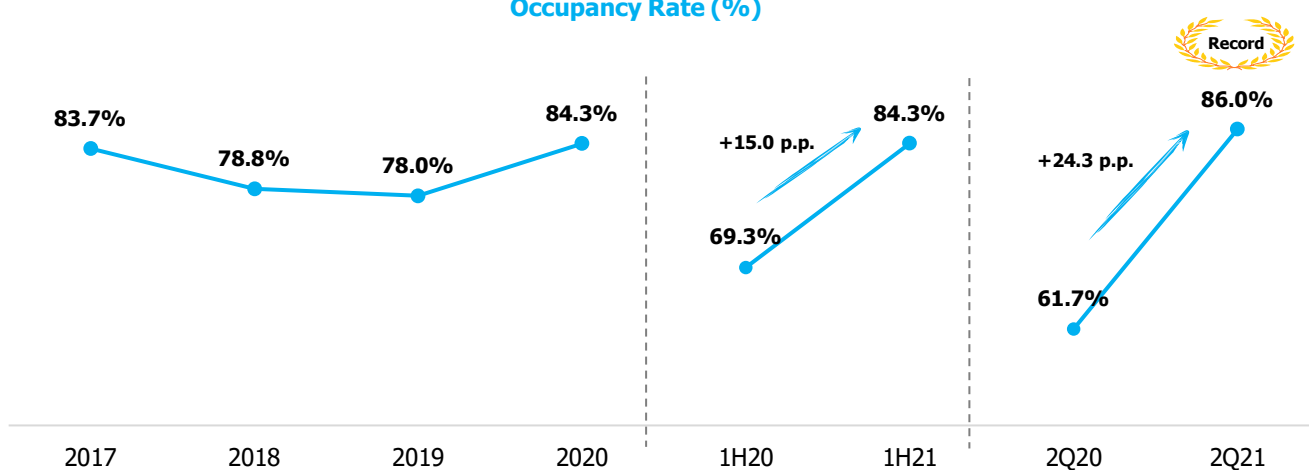
Number of Daily Rentals
(Excluding Franchises, Thousand)



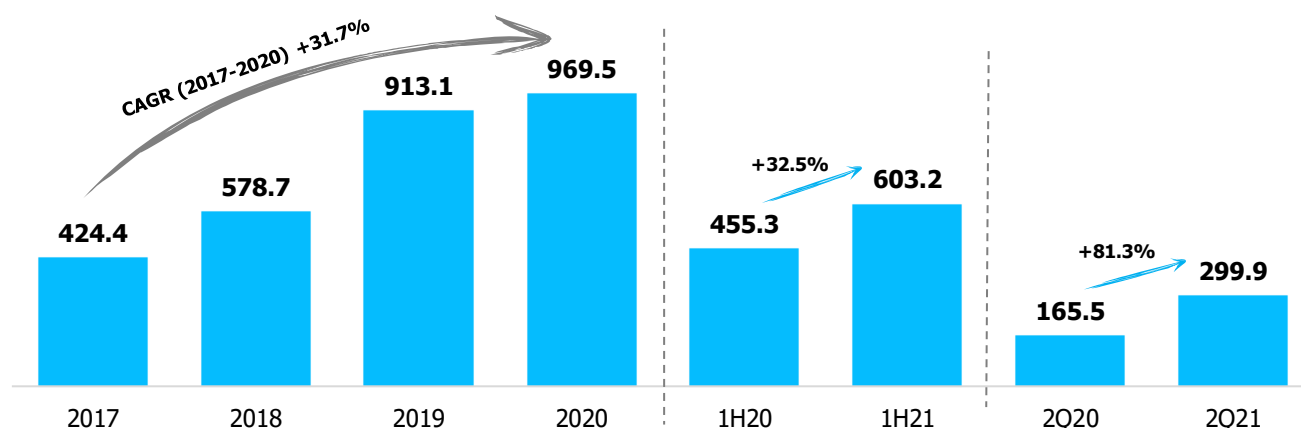
Average Daily Rate (R\$)



Occupancy Rate (%)



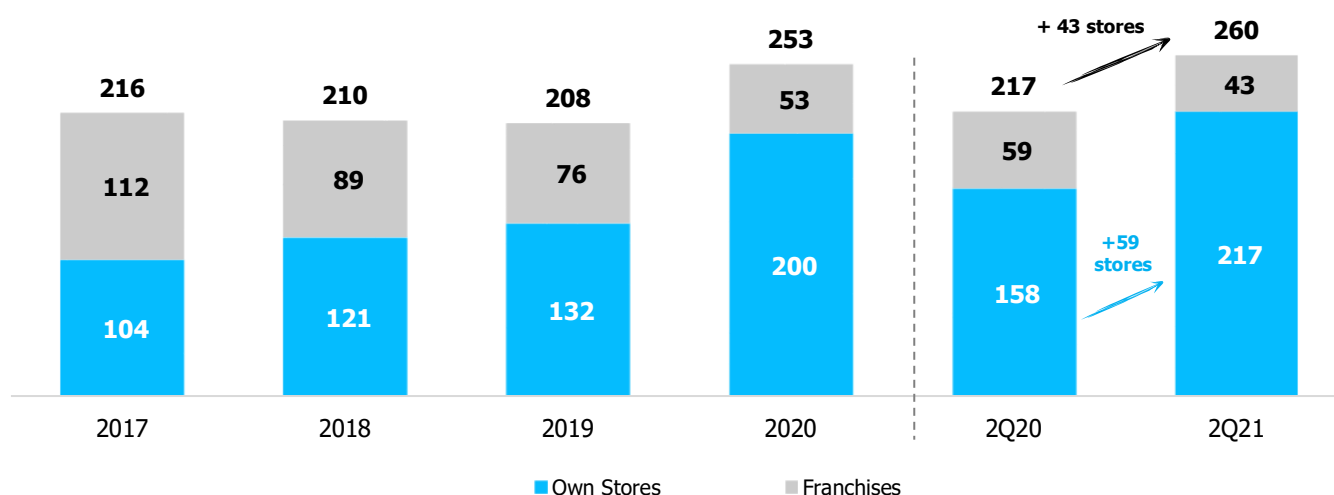
Net Revenue from Rent a Car
(Excluding Franchises, R\$ Million)



Customer Service Network

- In the last 12 months, we expanded by 59 stores in our own service network and an increase of 43 stores in total, considering the incorporation of some franchise stores. We maintain our growth strategy, so that we are ready to capture all the demand repressed by the pandemic, when the delivery of new vehicles is normalized.

Number of Stores – Rent a Car

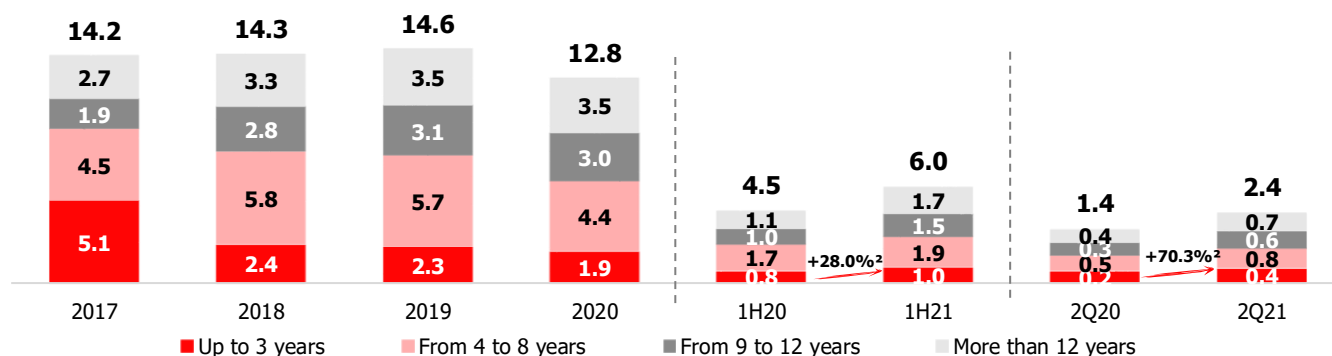


III – USED CARS SALES

Sectorial Scenario

- The search for used vehicles continues in full expansion, with growth of 28.0% in the first half of the year and 70.3% in 2Q21. The used car market totaled 6 million vehicles sold in the first half of the year (+32.8% YoY) and 2.4 million vehicles in 2Q21 (+75.0% YoY). We believe that the scenario will continue to be favorable for the Used Cars segment, given the low supply of 0km vehicles in the short term.

Used Cars Sales by Age in Brazil¹
(Millions of Units)

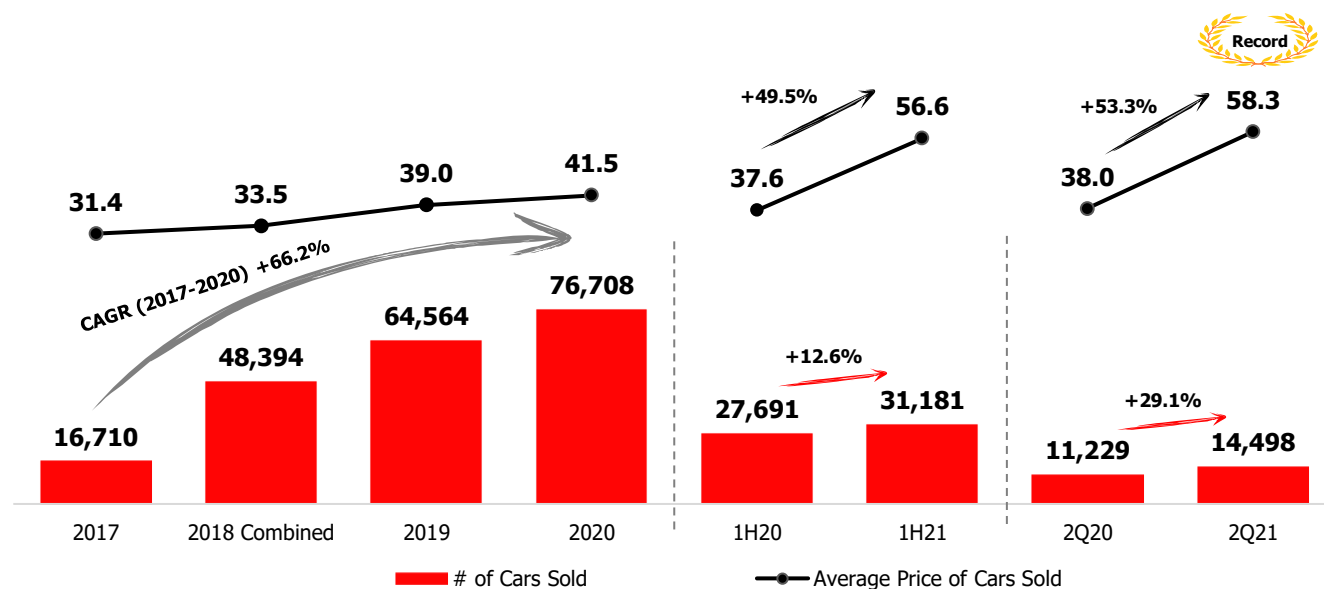


Source: ¹FENAUTO. Considers the sale of Automobiles, Light Commercials, Heavy Commercials, Motorcycles and Others. ² For the calculation of variations, numbers without rounding are being considered.

Performance in the Period

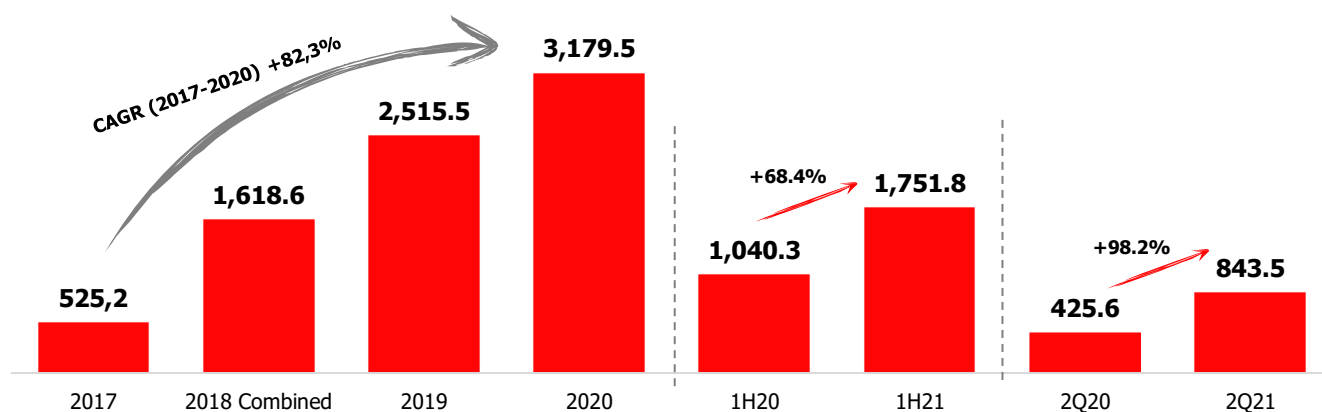
- For another consecutive quarter, we posted a record average sale price of vehicles sold, reaching R\$58.3 thousand in 2Q21 (+53.3% YoY). In the semester, the average sale price was R\$56.6 thousand (+50.4%). Sales continue to benefit from strong demand for used cars due to continued price increases for the 0 km car shown so far in 2021.

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



III – USED CARS SALES

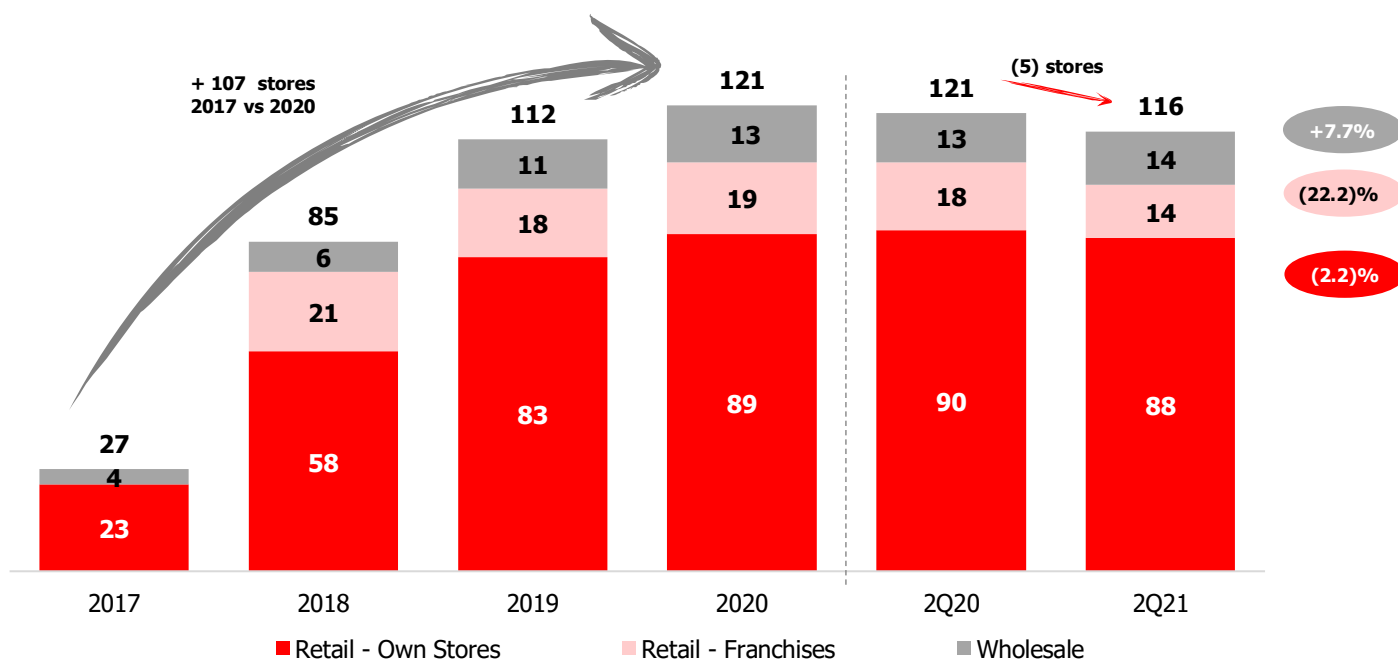
Net Revenue from Used Cars Sales (R\$ Million)



Used Car Sales Results (R\$ million)	1H20	1H21	Var. 1H21 vs 1H20	2Q20	2Q21	Var. 2Q21 vs 2Q20
(+) Used Cars Sales Net Revenues	1,040.3	1,751.8	68.4%	425.6	843.5	98.2%
(-) Cost of Cars Sold	(968.8)	(1,361.7)	40.6%	(387.3)	(639.3)	65.0%
= Used Cars Sales Results	71.6	390.1	445.2%	38.3	204.2	433.3%
% Used Cars Sales Gross Margin	6.9%	22.3%	15.4 p.p.	9.0%	24.2%	15.2 p.p.

Customer Service Network

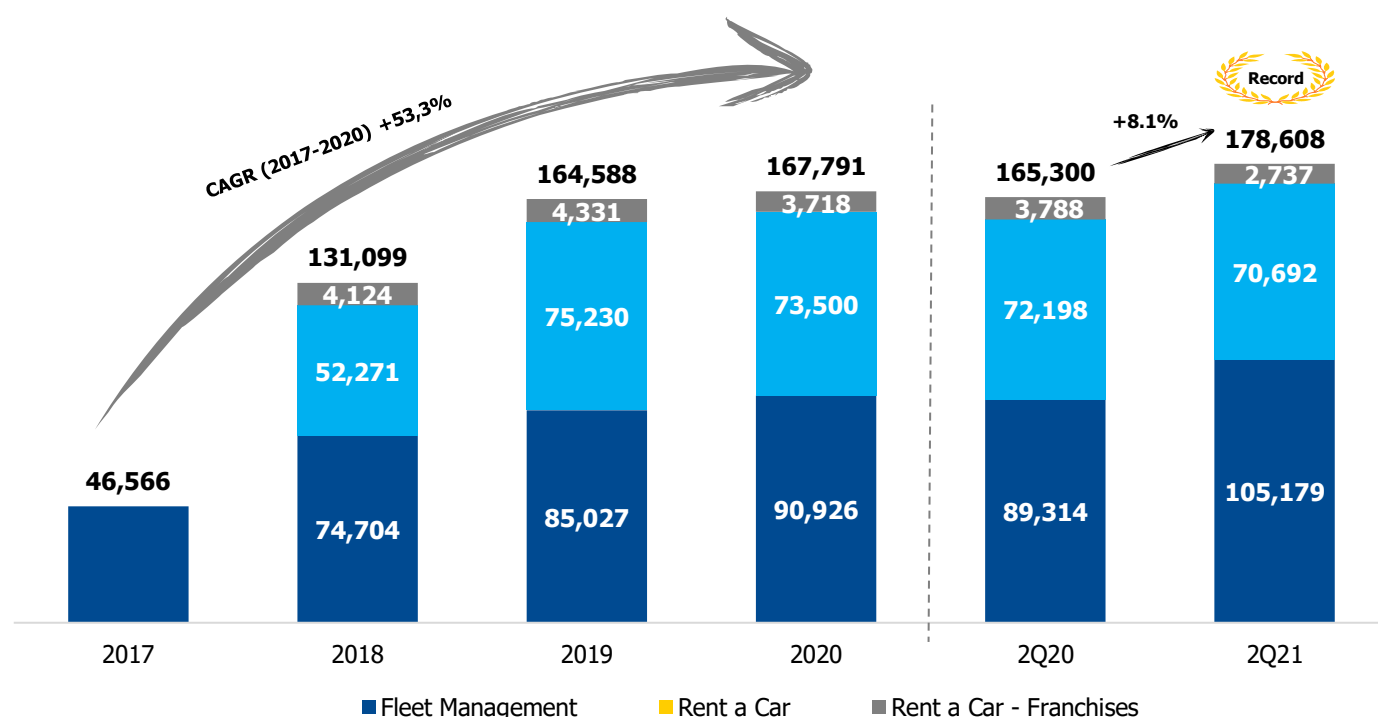
Number of Stores – Used Cars



IV – FLEET

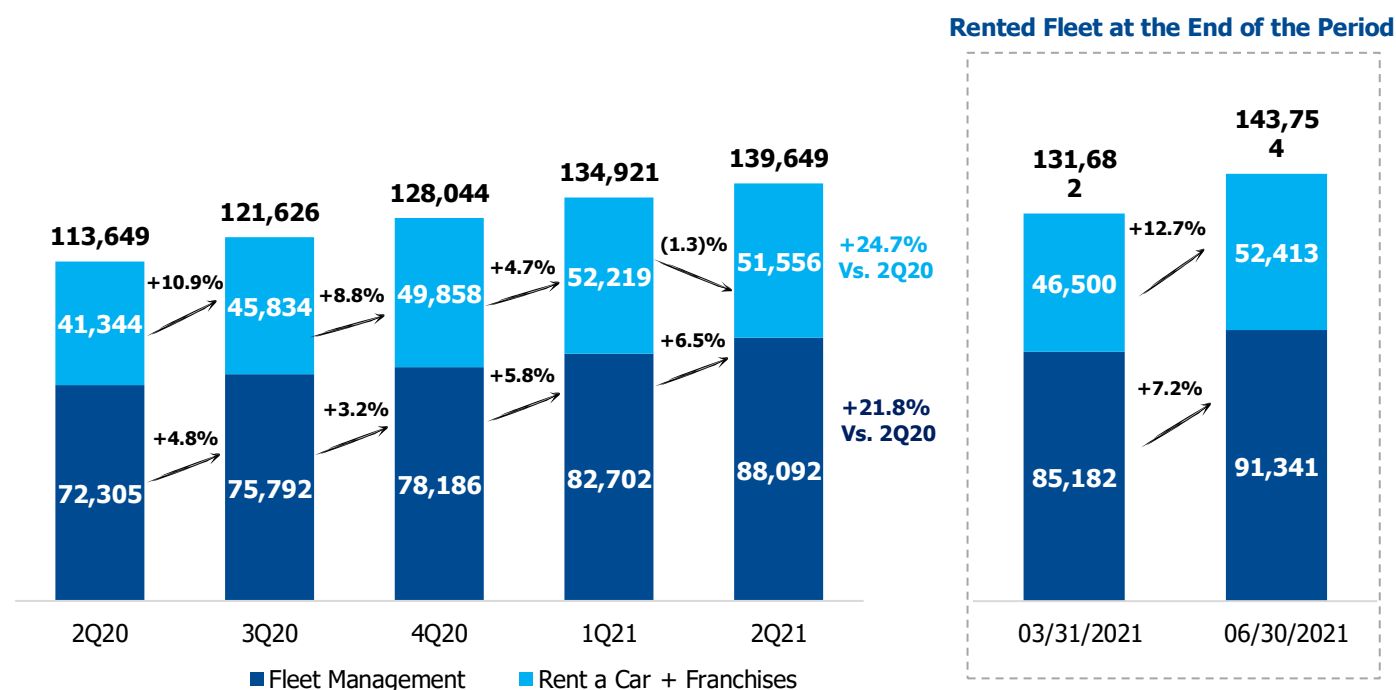
- The total fleet at the end of the period, presented a record amount of 178,608 thousand cars, an increase of 8.1% in 2Q21, driven by the 17.8% growth in the fleet management segment .

Final Fleet Opening – Consolidated



- The rented fleet end of period showed significant growth for both rental segments, we highlight not only the Fleet Management growing 7.2% with guaranteed revenue for the long term, but also the RAC segment with an increase 12.7% versus March 31, 2021.

Rented Fleet Opening – Consolidated

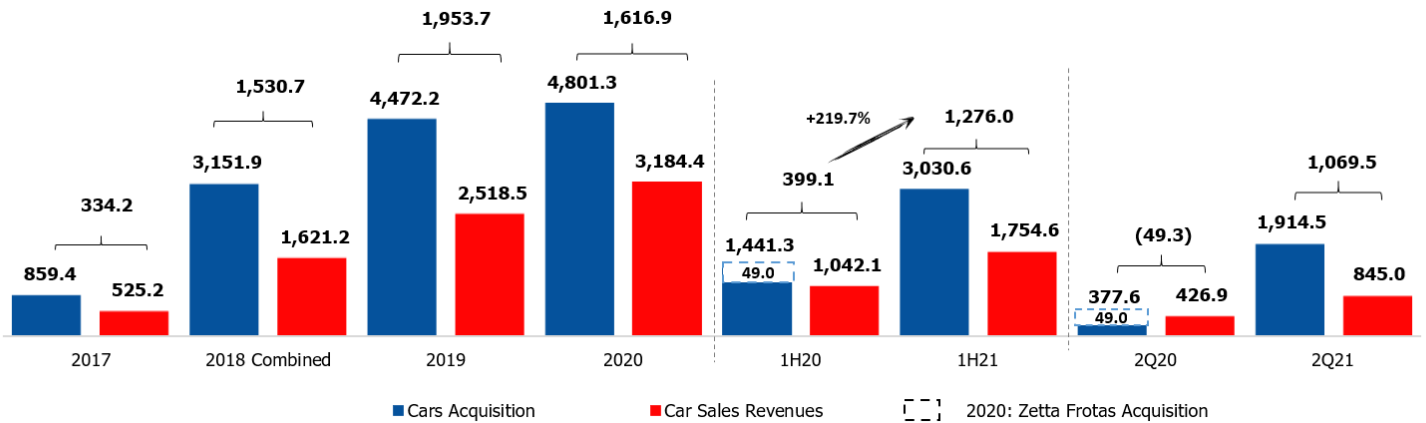


Investments in Fleet

- In this quarter, we broke a record in terms of net addition of cars, with 12.1 thousand vehicles coming into operation, in order to strongly grow the fleet compared to the previous quarter.

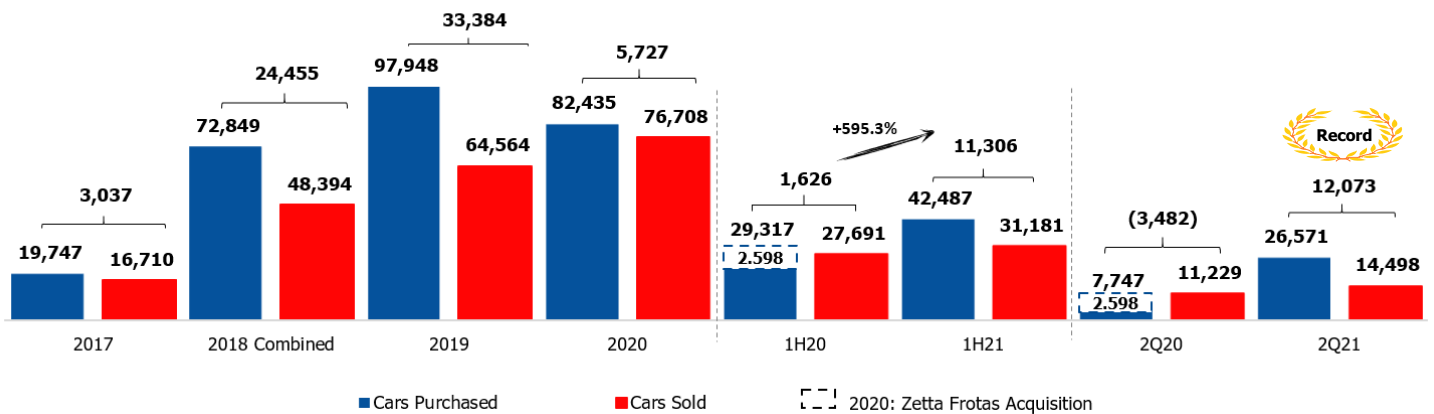
Net Investment in Fleet

(R\$ Million)



Net Investment in Fleet

(# of Vehicles)

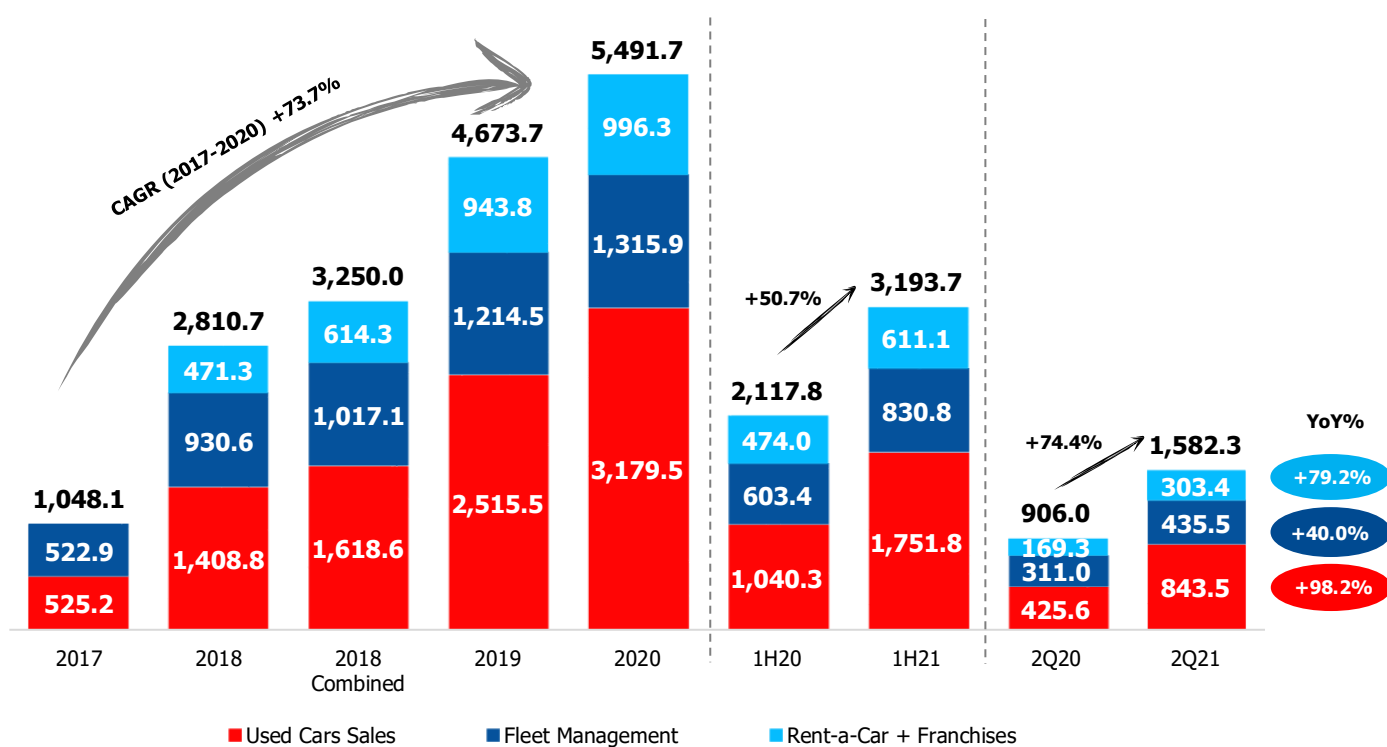


Consolidated Net Revenue

Revenue (R\$ million)	1H20	1H21	Var. 1H21 vs 1H20	2Q20	2Q21	Var. 2Q21 vs 2Q20
(+) Gross Rental Revenue	1,184.4	1,595.8	34.7%	529.7	815.2	53.9%
(+) Gross Used Cars Sales	1,042.1	1,754.6	68.4%	426.9	845.0	97.9%
(-) Taxes	(108.7)	(156.7)	44.1%	(50.7)	(77.8)	53.6%
= Total Net Revenue	2,117.8	3,193.7	50.8%	906.0	1,582.3	74.7%
Net Rental Revenue	1,077.4	1,441.9	33.8%	480.3	738.8	53.8%
Used Car Sales Revenue	1,040.3	1,751.8	68.4%	425.6	843.5	98.2%

- The Company's consolidated net revenue showed robust growth in 2Q21 and in the first half of the year, supported by strong revenue expansion in all of the Company's business segments. It is worth highlighting the performance of revenue in the rental segment, which broke a record this quarter and, in the first half of the year, represented 62% of all rental revenue in 2020, driven by the strength and resilience of the Fleet Management operation and by the quick resumption in the RAC segment.

Consolidated Net Revenue per Segment
(R\$ Million)

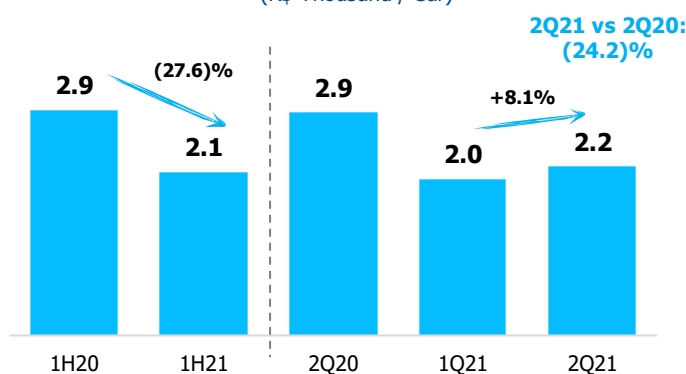


Operational Costs

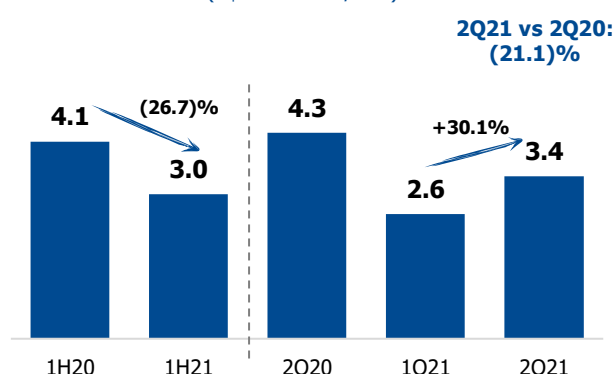
Operating Costs (R\$ million)	1H20	1H21	Var. 1H21 vs 1H20	2Q20	2Q21	Var. 2Q21 vs 2Q20
(-) Maintenance Cost and Others	(363.9)	(433.0)	19.0%	(178.0)	(225.2)	26.5%
(-) Personnel Costs	(53.0)	(68.9)	30.1%	(27.2)	(38.8)	42.7%
(+) PIS/COFINS Credits Recovery	78.2	113.1	44.6%	37.0	54.7	47.7%
(-) Recurring Other Operational Costs	(33.3)	(38.1)	14.6%	(16.2)	(19.0)	16.9%
= Cash Cost from Rental Activities	(371.9)	(426.9)	14.8%	(184.4)	(228.3)	23.8%
(-) Depreciation of Vehicles and Other Assets	(257.6)	(216.0)	(16.1)%	(130.4)	(118.9)	(8.8)%
= Total Cost from Rental Activities	(629.5)	(642.9)	2.1%	(314.7)	(347.2)	10.3%
Cash Cost as a % of Net Rental Revenues	34.5%	29.6%	(4.9) p.p.	38.4%	30.9%	(7.5) p.p.
Cash Cost as a % of Total Net Revenues	8.0%	7.8%	(0.2) p.p.	20.3%	14.4%	(5.9) p.p.
Depreciation Cost as a % of Net Rental Revenues	23.9%	15.0%	(8.9) p.p.	27.1%	16.1%	(11.0) p.p.
Depreciation Cost as a % of Total Net Revenues	5.5%	3.9%	(1.6) p.p.	14.4%	7.5%	(6.9) p.p.
Total Cost as a % of Net Rental Revenues	58.4%	44.6%	(13.8) p.p.	65.5%	47.0%	(18.5) p.p.
Total Cost as a % of Total Net Revenues	13.5%	11.7%	(1.8) p.p.	34.7%	21.9%	(12.8) p.p.
(+) Extraordinary Items	(24.5)	-	-	(24.5)	-	-
= Total Accounting Operating Costs	(654.0)	(642.9)	(1.7)%	(339.3)	(347.2)	2.3%

- The Cash Cost as a percentual of the Net Rental Revenues decreased 7.4 p.p. compared to 2Q20. Such performance is a result of the Company's operating leverage capacity with main cost lines dilution. The Company continues its investment strategy in its operations to capture with speed all the growth potential to be incorporated in the next quarters.
- The Company continues to work in a conservative way regarding depreciation of both segments given its non-cash expense nature that materializes only when the car is sold. The management understands that being more conservative in this moment will give us the opportunity of a longer tail in higher vehicle selling return levels.

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 sale.

V – FINANCIAL RESULTS

Operating Expenses (SG&A)

SG&A Expenses (R\$ million)	1H20	1H21	Var. 1H21 vs 1H20	2Q20	2Q21	Var. 2Q21 vs 2Q20
(-) Selling Expenses	(163.4)	(202.4)	23.9%	(76.1)	(94.4)	23.9%
(-) Recurring General and Administrative	(91.8)	(117.4)	27.8%	(49.5)	(63.2)	27.9%
(-) Other (Expenses) Operational Revenue	(0.1)	(0.1)	0.5%	(0.0)	0.0	-
= Total Operating Expenses (ex-depreciation)	(255.3)	(319.9)	25.3%	(125.6)	(157.6)	25.4%
(-) Depreciation and Amortization of Other Assets	(32.6)	(38.1)	16.6%	(17.4)	(19.1)	9.4%
= Total Operating Expenses	(287.9)	(357.9)	24.3%	(143.1)	(176.7)	23.5%
Operating Expenses (ex-depreciation) as % Net Revenue	12.1%	10.0%	(2.0) p.p.	13.9%	10.0%	(3.9) p.p.
Operating Expenses as % Net Revenue	13.6%	11.2%	(2.4) p.p.	15.8%	11.2%	(4.6) p.p.

- We continue to present our capacity to dilute expenses with operational leverage in our operations, with a decrease of 4.6 percentage pp in relation to Net Revenue versus 2Q20.

Operational Results

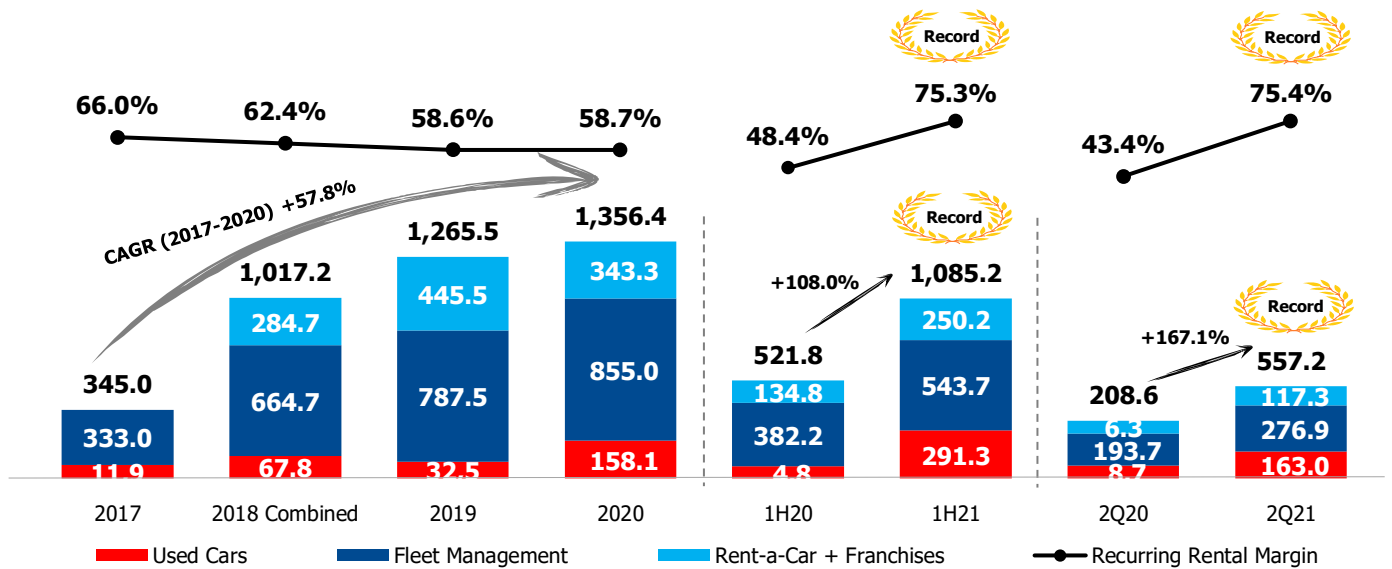
EBITDA and EBIT (R\$ million)	1H20	1H21	Var. 1H21 vs 1H20	2Q20	2Q21	Var. 2Q21 vs 2Q20
(+) Accounting Net Income	65.1	459.0	605.6%	(14.5)	239.5	-
(-/+) Equity Method	4.9	0.0	(99.9)%	2.4	0.3	(86.0)%
(+) Income Taxes	(4.6)	194.4	-	(23.1)	97.9	-
(+) Recurring Financial Result	141.7	157.0	10.8%	71.5	78.8	10.2%
(+) Extraordinary Financial Items	-	20.7	-	-	2.6	-
(+) Other Extraordinary Items	24.5	-	-	24.5	-	-
(+) Depreciation	290.2	254.1	(12.4)%	147.8	138.0	(6.6)%
= EBITDA	521.8	1,085.2	108.0%	208.6	557.2	167.1%
EBITDA Margin ¹	48.4%	75.3%	26.8 p.p.	43.4%	75.4%	32.0 p.p.
= EBIT	231.6	831.1	258.9%	60.8	419.2	589.3%
EBIT Margin ¹	21.5%	57.6%	36.1 p.p.	12.7%	56.7%	44.1 p.p.

(1) Margins calculated on Rental Revenue.

EBITDA

- The Company continues to present record levels of EBITDA and EBITDA Margin. Emphasis on the EBITDA margin of Used Cars, which presented a margin of 19.3%, with sequential growth since 2Q20.

Recurring EBITDA and EBITDA Margin¹
(R\$ Million)



The table below shows the comparison by segment.

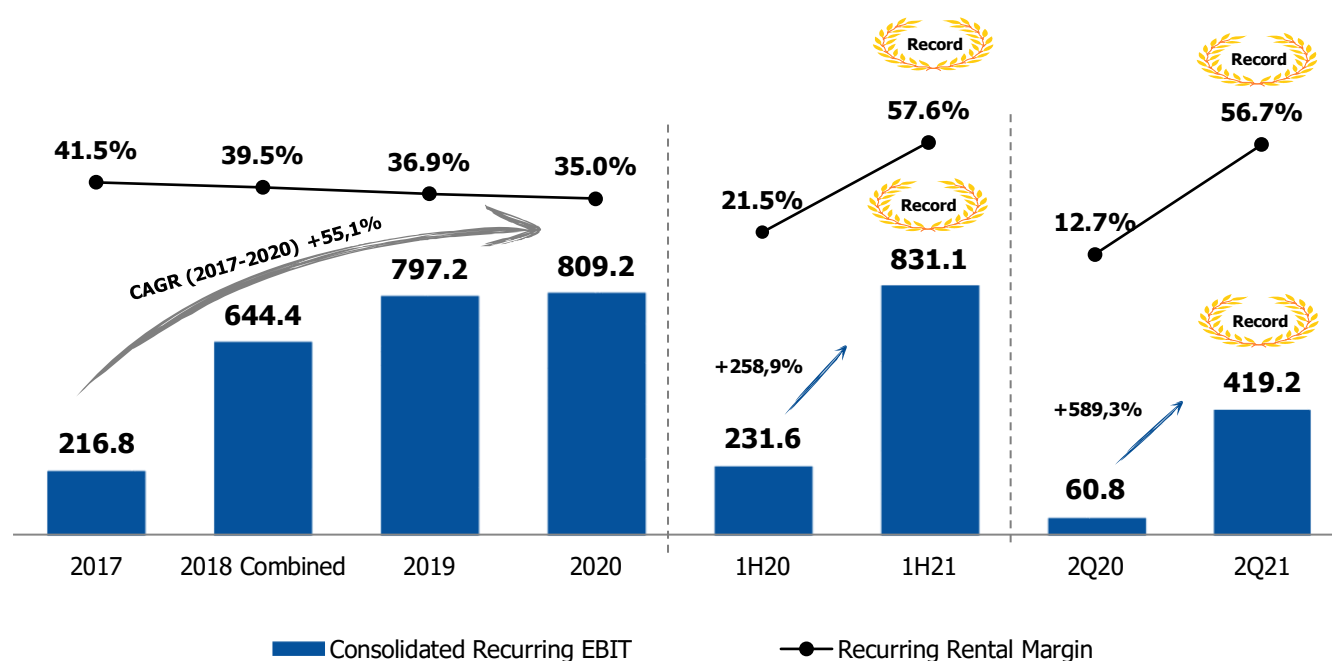
Recurring EBITDA	2017	2018 Combined	2019	2020	1H20	1H21	Var.	2Q20	2Q21	Var.
Fleet Management ¹	63.7%	65.4%	64.8%	65.0%	63.3%	65.4%	2.1 p.p.	62.3%	63.6%	1.3 p.p.
Rent-a-Car + Franchises ¹	-	46.3%	47.2%	34.5%	28.4%	40.9%	12.5 p.p.	3.7%	38.7%	35.0 p.p.
Rental ¹	63.7%	58.2%	57.1%	51.8%	48.0%	55.1%	7.1 p.p.	41.6%	53.4%	11.7 p.p.
Used Cars Sales ²	2.3%	4.2%	1.3%	5.0%	0.5%	16.6%	16.2 p.p.	2.0%	19.3%	17.3 p.p.
= Consolidated EBITDA ¹	66.0%	62.4%	58.6%	58.7%	48.4%	75.3%	26.8 p.p.	43.4%	75.4%	32.0 p.p.

(1) Margins calculated on Net Rental Revenue.

(2) Margins calculated on the Net Revenue from Used Cars.

EBIT

Recurring Consolidated EBIT and EBIT Margin¹ (R\$ Million)



Recurring EBIT	2017	2018 Combined	2019	2020	1H20	1H21	Var.	2Q20	2Q21	Var.
Fleet Management ¹	41.5%	44.4%	41.8%	44.1%	36.6%	61.2%	24.5 p.p.	34.9%	60.1%	25.2 p.p.
Rent-a-Car + Franchises ¹	-	31.3%	30.7%	22.9%	2.2%	52.9%	50.7 p.p.	(28.2)%	51.9%	80.1 p.p.
= Consolidated EBIT ¹	41.5%	39.5%	36.9%	35.0%	21.5%	57.6%	36.1 p.p.	12.7%	56.7%	44.1 p.p.

(1) Margins calculated on Net Rental Revenue.

V – FINANCIAL RESULTS

Net Financial Expenses

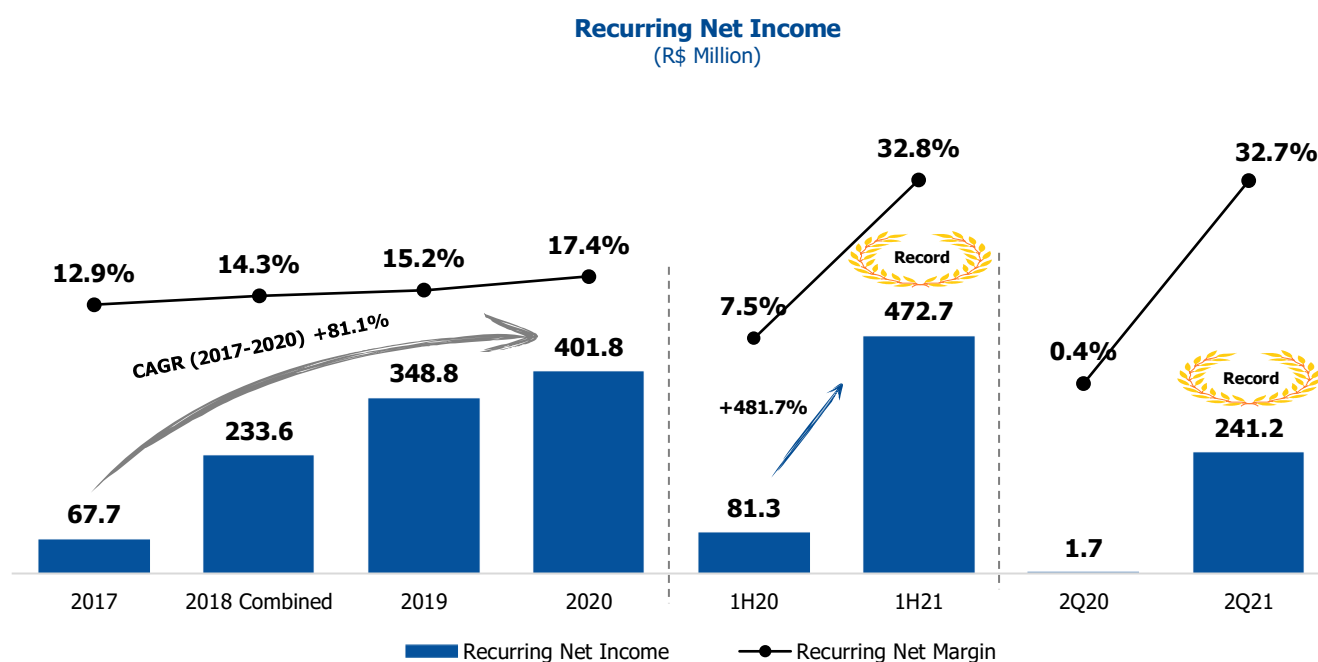
Net Financial Expenses (R\$ million)	1H20	1H21	Var. 1H21 vs 1H20	2Q20	2Q21	Var. 2Q21 vs 2Q20
(-) Accounting Financial Expenses	(163.8)	(201.7)	23.1%	(80.1)	(95.1)	18.7%
(+) Accounting Financial Income	22.1	24.0	8.7%	8.6	13.7	58.7%
= Accounting Financial Result	(141.7)	(177.7)	25.4%	(71.5)	(81.4)	13.8%
Accounting Financial Result as % of Net Revenues ¹	13.1%	12.3%	(0.8) p.p.	14.9%	11.0%	(3.9) p.p.
(+/-) Extraordinary Items	-	20.7	-	-	2.6	-
= Recurring Financial Result	(141.7)	(157.0)	10.8%	(71.5)	(78.8)	10.2%
Recurring Financial Result as % of Net Revenues ¹	13.1%	10.9%	(2.3) p.p.	14.9%	10.7%	(4.2) p.p.

- The financial result in relation to recurring Net Lease Revenue was 4.2 p.p. lower versus 2Q20. Compared to 1Q21, we had a reduction of 0.4 p.p, even in the scenario of an increase in the SELIC interest rate in the country, as a result of the increase in the value of rental fees.

Net Income

Net Income (R\$ million)	1H20	1H21	Var. 1H21 vs 1H20	2Q20	2Q21	Var. 2Q21 vs 2Q20
(+) Accounting Net Income	65.1	459.0	605.6%	(14.5)	239.5	-
(+) Extraordinary Items, net of Taxes	16.2	13.6	(15.8)%	16.2	1.7	(89.5)%
= Recurring Net Income	81.3	472.7	481.7%	1.7	241.2	-
Net Margin ¹	6.0%	31.8%	25.8 p.p.	(3.0)%	32.4%	35.4 p.p.
Recurring Net Margin ¹	7.5%	32.8%	25.3 p.p.	0.4%	32.7%	32.3 p.p.

- Again with a record, the Company presented Recurring Net Income for the fourth consecutive quarter and reached the record amount of R\$241.2 million with a net margin reaching 32.7% in this 2Q21.



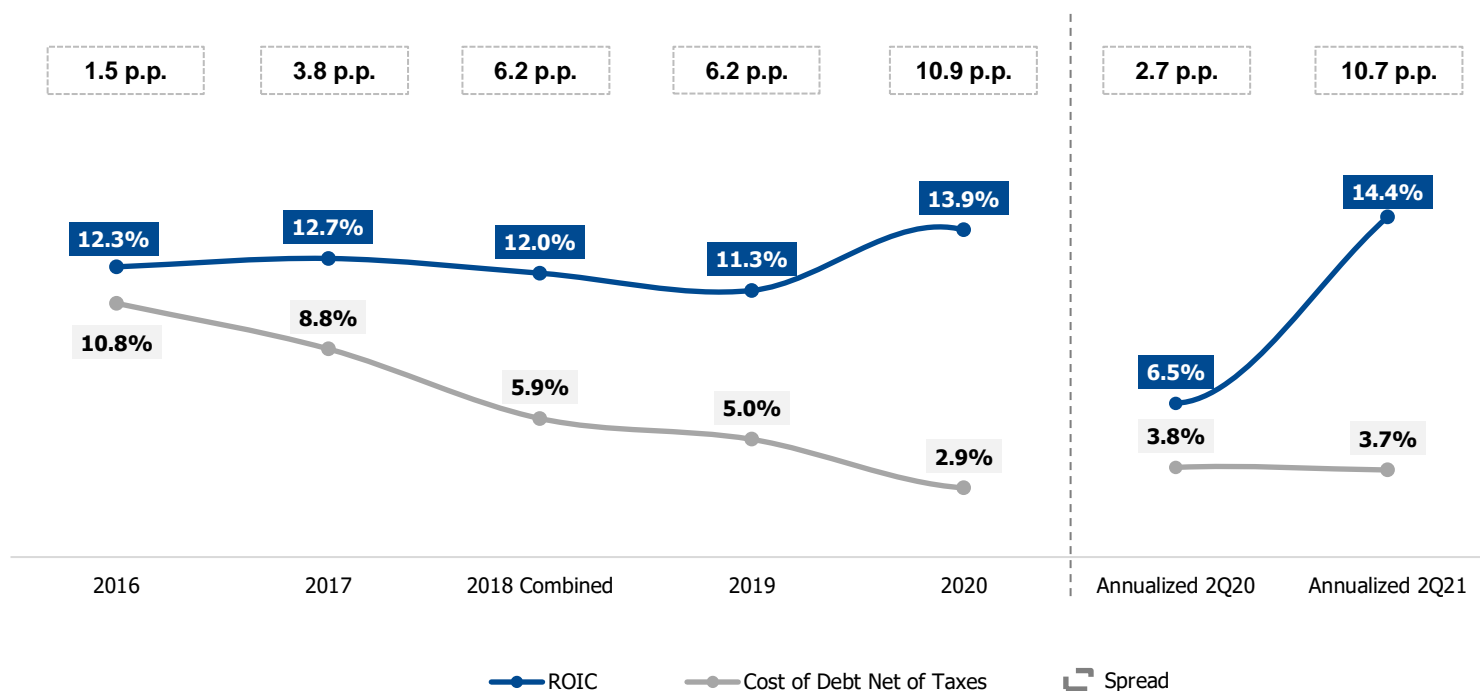
(1) Margins calculated on Net Rental Revenue.

V – FINANCIAL RESULTS

ROIC and Spread

- The continuous and robust growth of the Company's service revenue, the expansion of margins in all segments and the significant efficiency gains in asset management, led to a ROIC generation of 14.4%, with a significant spread in relation to cost of debt of 10.7 p.p.

Spread (ROIC discounting cost of debt after tax)¹



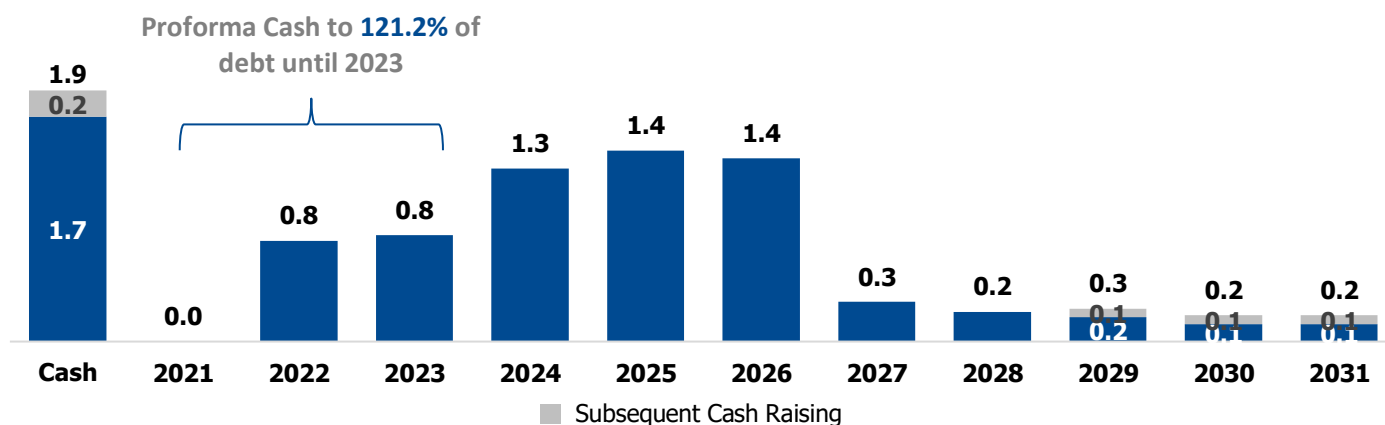
(1) **Annualized ROIC** considers recurring EBIT minus the recurring accounting tax rate (NOPAT), divided by Fixed Assets and Vehicle Inventory less short and long term accounts receivable and suppliers account (Invested Capital).

Indebtedness

Debt (R\$ billion)	1Q21	Var. 2Q21 vs 1Q21	2Q20	2Q21	Var. 2Q21 vs 2Q20
Gross Debt	6.3	6.4%	5.3	6.7	28.2%
Short Term Debt (%)	6.1%	1.7 p.p.	6.0%	7.8%	1.8 p.p.
Long Term Debt (%)	93.9%	(1.7) p.p.	94.0%	92.2%	(1.8) p.p.
(-) Cash, Cash Equivalents and Bonds	2.0	(11.0)%	1.8	1.7	(3.9)%
(-) Derivative Financial Instrument	0.3	(44.3)%	0.3	0.1	(45.5)%
Net Debt	4.1	17.8%	3.2	4.9	52.3%

- Considering the prepayment we made of short-term obligations in the previous quarter and the subsequent raising of funds through the issuance of Agribusiness Receivables Certificates in the amount of R\$200 million, we are very comfortable in relation to our level of Cash for the next three years.

Pro forma Principal Amortization Schedule on 06/30/2021 (R\$ billion)



V – FINANCIAL RESULTS

Consolidated Leverage Indicators

- We ended the quarter once again with very comfortable leverage levels. The Net Debt to Annualized Recurring EBITDA ratio was 1.97x lower compared to 2Q20. It is also worth mentioning the coverage of more than 6x EBITDA 12 months in relation to the financial result for the same period.

Ratios	2018	2019	2020	2Q20	2Q21
Net Debt / Fleet Value	37.4%	39.8%	44.0%	48.6%	49.4%
Net Debt /Annualized Recurring EBITDA*	3.04x	2.13x	1.94x	4.27x	2.30x
Net Debt / Equity	0.79x	0.74x	0.90x	0.94x	1.16x
Recurring EBITDA LTM / Net Financial Expenses LTM	3.04x	3.48x	4.64x	3.58x	6.12x

(*) Management number not used as a covenant indicator.

Debt Breakdown

- In the table below, we present the main information on the Company's current debts at the end of 2Q21:

Debt (06/30/2021)	Issuance Date	Average Cost	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Unidas														
16th debentures - single series	04/27/18	119% of CDI	-	116,7	116,7	116,7	-	-	-	-	-	-	-	350,0
17th debentures - single series	09/27/18	113% of CDI	-	200,0	200,0	-	-	-	-	-	-	-	-	400,0
18th debentures - single series	09/20/19	108% of CDI	-	-	-	200,0	-	-	-	-	-	-	-	200,0
19th debentures - single series	12/15/20	CDI + 2.40%	-	-	-	-	750,0	750,0	-	-	-	-	-	1.500,0
Working Capital	12/15/20	CDI + 2.40%	-	-	-	-	225,0	225,0	-	-	-	-	-	450,0
CRA	12/18/19	108% of CDI	-	-	-	-	62,5	62,5	-	-	-	-	-	125,0
20th debentures - 1st series	05/20/21	CDI + 2.00%	-	-	-	-	-	-	175,0	175,0	-	-	-	350,0
20th debentures - 2nd series	05/20/21	CDI + 2.40%	-	-	-	-	-	-	-	-	133,3	133,3	133,3	400,0
Unidas S.A.														
11th debentures - single series	03/29/18	117.5% of CDI	-	250,0	250,0	-	-	-	-	-	-	-	-	500,0
12th debentures - 1st series	09/15/18	110.6% of CDI	-	75,0	75,0	-	-	-	-	-	-	-	-	150,0
12th debentures - 2nd series	09/15/18	IPCA + 7.30%	-	-	-	56,7	56,7	-	-	-	-	-	-	113,4
13th debentures - 1st series	04/10/19	107.9% of CDI	-	-	-	527,4	-	-	-	-	-	-	-	527,4
13th debentures - 2nd series	04/10/19	110.5% of CDI	-	-	-	-	124,2	124,2	124,2	-	-	-	-	372,6
13th debentures - 3rd series	04/10/19	112.0% of CDI	-	-	-	-	-	-	-	50,0	50,0	-	-	100,0
14th debentures - single series	11/18/19	109.7% of CDI	-	40,0	80,0	80,0	-	-	-	-	-	-	-	200,0
15th debentures - single series	02/26/21	CDI + 2.25%	-	-	-	-	225,0	225,0	-	-	-	-	-	450,0
Foreign Loan - 4131	07/26/19	109.7% of CDI	-	-	-	246,3	-	-	-	-	-	-	-	246,3
Foreign Loan - 4131	03/19/20	CDI + 0.82%	-	82,3	82,3	82,3	-	-	-	-	-	-	-	247,0
Incurred Net Interest			54,1											54,1
Total SWAP (MtM & Accrual)			(115,6)											(115,6)
Cash and Equivalents and Bonds and Securities			(1.735,6)											(1.735,6)
Net Debt			(1.797,0)	764,0	804,0	1.309,4	1.443,4	1.386,7	299,2	225,0	183,3	133,3	133,3	4.884,6

VI – SHAREHOLDER REMUNERATION

Dividends and Interest on Capital

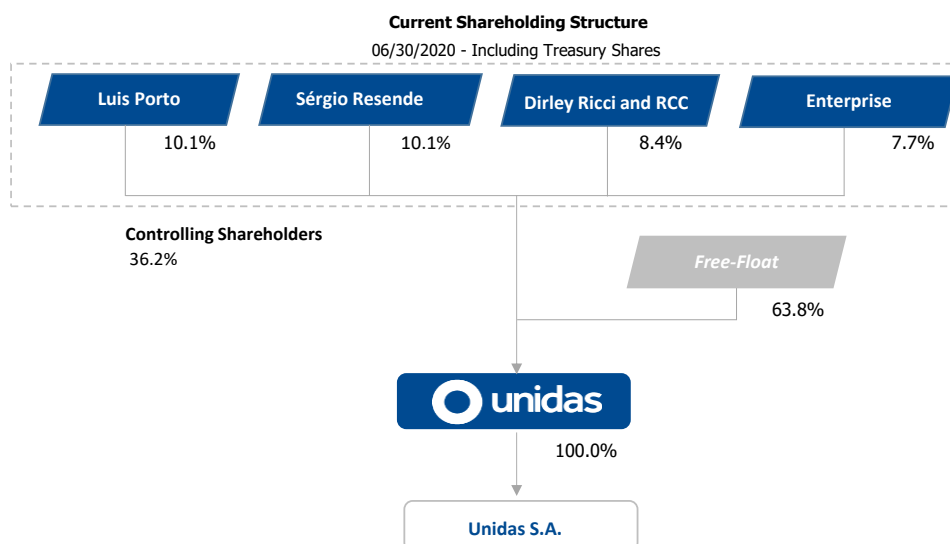
- On June 21, 2021, the Board of Directors approved the payment of interest on equity in the total gross amount of R\$48.4 million, equivalent to R\$0.0956890 per share. The payment to the shareholder was made in July 7, 2021.

Approval Date	Total Amount Declared (R\$ Million)	Value per Share (R\$)	Date of Shareholding Position
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
December 22, 2020	44.321	0.0876635	December 30, 2020
March 19, 2021	44.524	0.0879922	March 24, 2021
June 21, 2021	48.438	0.0956890	June 24, 2021

VII – CAPITAL MARKETS

Ownership Structure

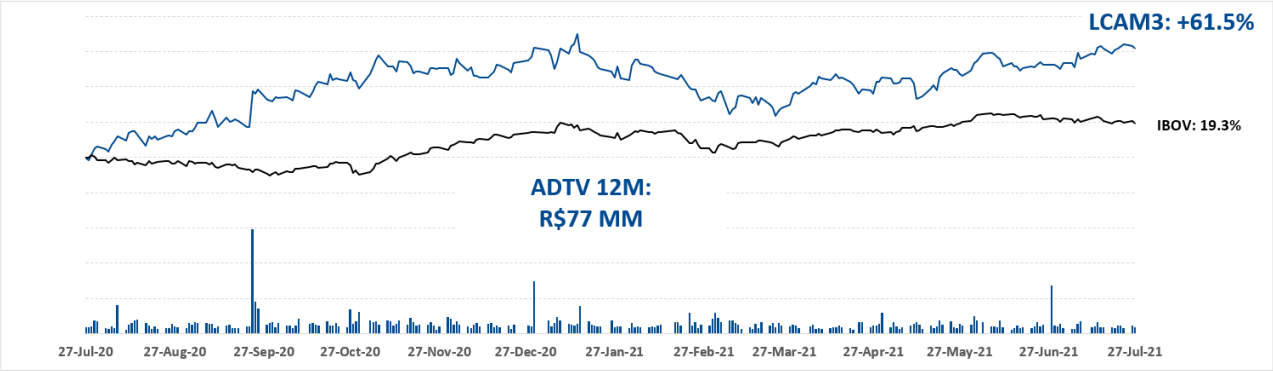
- On June 30, 2021 the Company held 508,729,411 common shares with the free-float representing 63.8% of total shares, including treasury shares.



LCAM3 Performance

Unidas' shares (LCAM3) closed the trading session on 07/27/2021 quoted at R\$29.17, an appreciation of 61.5% in 12 months, while the IBOV index increased by 19.3% for the same period. The average daily trading volume (ADTV) in the last 12 months was R\$77 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.

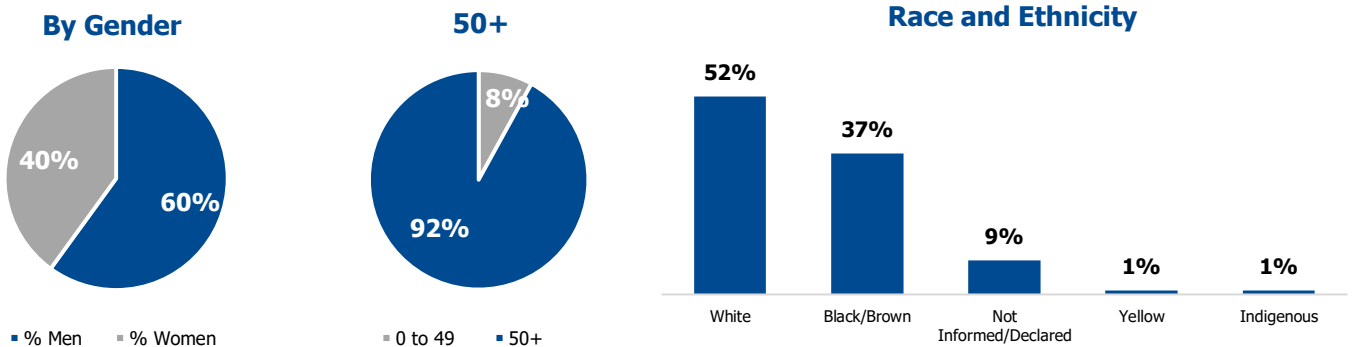
LCAM3 12M x IBOV



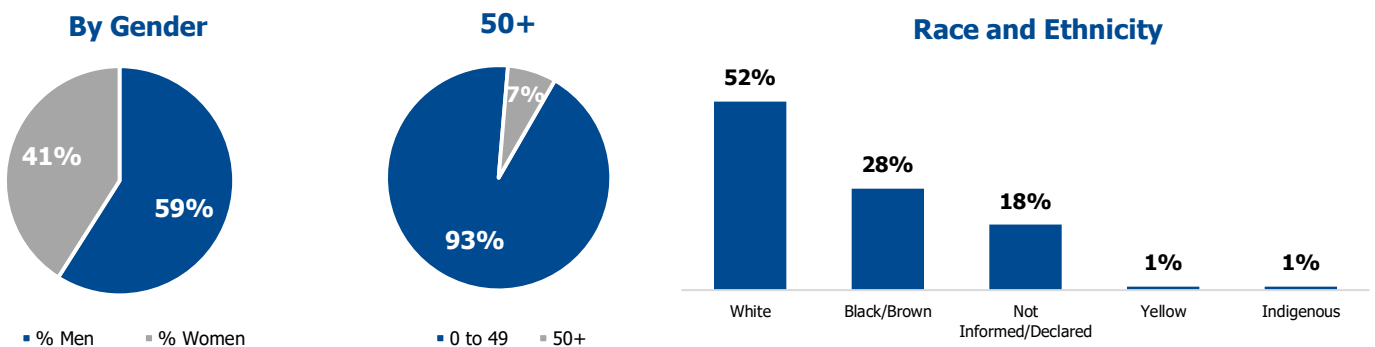
VIII – UNIDAS' ESG ACTIONS

- Sustainability Report:** Unidas has published on July 1st, 2021 its first Sustainability Report, which presents in a transparent manner its main 2020 achievements in relation to the environmental agenda, social actions, recognition of employees and programs to encourage inclusion and diversity. The data was compiled based on indicators of Global Reporting Initiative (GRI), a global research organization that helps companies, governments, and other entities to measure and disclose their positive impacts on society on issues such as the economy, climate change, human rights and fighting corruption. [Click here](#) to access the full document (Portuguese only);
- Donations:** in 2021, Unidas held its Winter Clothing Campaign in which 2,000 individuals living in the streets were assisted with blankets, hygiene kits (toothbrush, toothpaste, soap, tampons, and slippers) and snacks. Moreover, more than 15,000 individuals were assisted with basic food basket, corresponding to more than 160 tons of food distributed. Such actions are part of our Sustainability agenda which is based on the Global Pact and on the United Nations' Sustainable Development Goals (SDGs), which comprehends an action plan for the planet, the people and the organizations. The mentioned donations mainly aim to reach the goal of Reduced Inequalities, bringing more justice and equity for the society as a whole;
- Social Balance:** we present below an employees' profile analysis such as in overall level and also in terms of leadership in June 30, 2021:

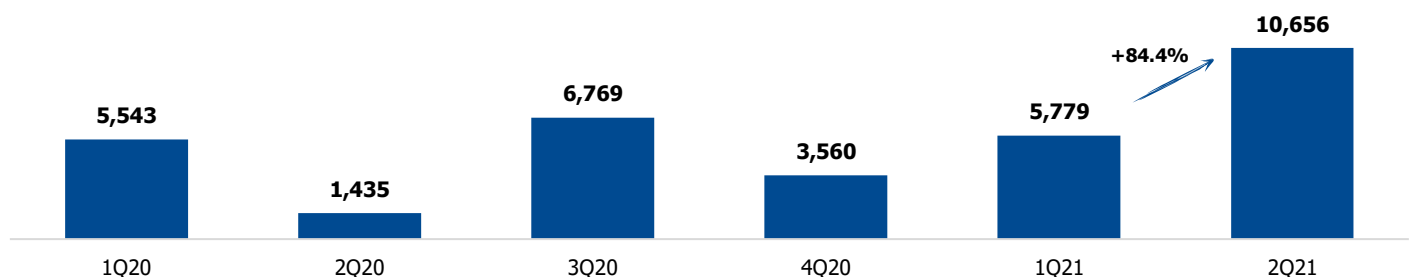
Overall Profile:



Leadership Profile:



- Investments in People:** the Company continues to invest in its talents quarter over quarter. We highlight the 10,656 training hours performed by the leadership just in the 2Q21, quantity more than 7 times higher than the presented in the same period of last year and 84.4% higher than 1Q21.



2Q21 Results Presentation Webcast

Conference Call in Portuguese (With Simultaneous Translation)

July 28, 2021

1:00 p.m. – Brasília Time

12:00 p.m. – New York Time

Phones:

+55 11 2188-0155 (Brazil)

+1 800 575-0962 (Toll Free – United States)

+1 800 575-0962 (Other countries)

Access Code: Unidas

Webcast and Results Presentation: ir.unidas.com.br

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Raphael Henrique Dias dos Santos – IR Analyst

Rodrigo Finotto Perez – IR Analyst

E-mail: ri@unidas.com.br

About Unidas - We are a leader in Fleet Management in Brazil and the second largest in Car Rental. Our strong competitive position, focus and scale will allow us to continue to consolidate the market organically. We have a wide geographical coverage, with a presence in all Brazilian states. The Company offers solutions for the entire customer cycle in both Fleet Management and Car Rental (Unidas 360 ° platform). In addition to the strong presence and expertise in demobilizing the 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 based exclusively on the Board's expectations about the future of the 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 Data¹

Operating Data	2018	2019	2020	Var.	1H20	1H21	Var.	2Q20	2Q21	Var.
Total Fleet at the End of the Period	129,926	162,842	166,111	2.0%	163,505	177,184	8.4%	163,505	177,184	8.4%
Fleet being implemented	9,956	7,347	12,516	70.4%	7,271	13,593	86.9%	7,271	13,593	86.9%
Demobilized fleet	10,046	14,004	9,145	-34.7%	16,192	7,519	(53.6)%	16,192	7,519	(53.6)%
Operating fleet	109,924	141,491	144,450	2.1%	140,042	156,072	11.4%	140,042	156,072	11.4%
Average Operating Fleet	91,977	124,071	137,934	11.17%	139,407	148,876	6.8%	139,657	149,924	7.4%
Fleet Management	58,421	71,943	75,975	5.60%	73,320	87,554	19.4%	73,650	90,166	22.4%
Rent-a-Car	31,183	50,070	60,303	20.44%	64,247	59,947	(6.7)%	64,464	58,553	(9.2)%
Rent-a-Car - Franchises	2,374	2,058	1,656	-19.54%	1,840	1,375	(25.2)%	1,543	1,205	(21.9)%
Average Rented Fleet	83,887	111,379	121,497	9.08%	118,159	137,286	16.2%	113,649	139,649	22.9%
Fleet Management	57,393	70,286	74,408	5.86%	71,827	85,397	18.9%	72,305	88,092	21.8%
Rent-a-Car	24,140	39,035	45,447	16.4%	44,492	50,533	13.6%	39,802	50,370	26.6%
Rent-a-Car - Franchises	2,354	2,058	1,642	(20.2)%	1,840	1,356	(26.3)%	1,543	1,186	(23.1)%
Average Age of Operating Fleet (months)	14.6	12.9	14.1	9.7%	13.3	15.1	13.6%	13.9	15.3	9.9%
Fleet Management	16.9	17.0	17.0	0.4%	16.6	18.1	8.9%	16.9	18.0	6.4%
Rent-a-Car	7.3	7.1	10.5	48.1%	9.6	10.8	12.6%	10.5	11.1	6.2%
Rent-a-Car - Franchises	11.1	10.6	12.9	21.1%	11.7	15.2	30.1%	12.9	14.4	11.1%
Number of Daily Rentals (thousand)	27,236	39,573	43,420	9.7%	21,025	24,518	16.6%	10,129	12,462	23.0%
Fleet Management	20,647	25,374	26,787	5.6%	12,929	15,372	18.9%	6,507	7,928	21.8%
Rent-a-Car (no franchises)	6,589	14,199	16,633	17.1%	8,096	9,147	13.0%	3,622	4,533	25.2%
Average Ticket (R\$)										
Fleet Management (monthly)	1,489	1,597	1,620	1.43%	1,544	1,791	16.0%	1,581	1,814	14.7%
Rent-a-Car (daily rate) ¹	74.4	70.9	63.8	(9.98)%	60.5	73.1	20.8%	50.4	73.2	45.3%
Occupancy Rate										
Fleet Management	98.2%	97.7%	97.9%	0.2 p.p.	98.0%	97.5%	(0.4) p.p.	98.2%	97.7%	(0.5) p.p.
Rent-a-Car ¹	77.4%	78.0%	75.4%	(2.6) p.p.	69.3%	84.3%	15.0 p.p.	61.7%	86.0%	24.3 p.p.
Depreciation (R\$ thousand)										
Fleet Management	3.4	3.8	3.8	1.1%	4.1	3.0	(26.7)%	4.3	3.4	(21.1)%
Rent-a-Car (including franchises)	2.2	2.0	2.5	22.4%	2.9	2.1	(27.6)%	2.9	2.2	(24.2)%
Fleet Value (R\$ million)	3,932.3	6,525.8	7,476.7	14.6%	7,439.7	10,109.5	35.9%	7,439.7	10,109.5	35.9%
Number of Cars Purchased	68,702	93,493	79,837	(14.61)%	26,719	42,487	59.0%	5,149	26,571	416.0%
Fleet Management	29,295	35,487	34,116	(3.9)%	12,926	26,042	101.5%	5,030	14,924	196.7%
Rent-a-Car	38,052	56,309	45,301	(19.5)%	13,653	16,124	18.1%	30	11,505	38250.0%
Rent-a-Car - Franchises	1,355	1,697	420	(75.3)%	140	321	129.3%	89	142	59.6%
Average Purchase Price (R\$ thousand)	42.9	47.8	59.5	24.4%	52.1	71.3	36.9%	63.8	72.1	12.9%
Fleet Management	44.5	50.1	69.0	37.6%	60.3	71.9	19.2%	63.7	73.4	15.3%
Rent-a-Car	41.8	46.5	52.7	13.1%	44.9	70.8	57.6%	143.1	70.5	(50.8)%
Rent-a-Car - Franchises	37.5	42.9	46.8	8.9%	43.9	54.7	24.4%	43.8	58.7	34.0%
Number of Cars Sold	41,736	64,564	76,708	18.81%	27,691	31,181	12.6%	11,229	14,498	29.1%
Fleet Management	25,025	29,769	32,739	10.0%	13,806	11,733	(15.0)%	5,550	5,985	7.8%
Rent-a-Car	15,696	33,151	42,955	29.6%	13,489	18,941	40.4%	5,481	8,147	48.6%
Rent-a-Car - Franchises	1,015	1,644	1,014	-38.3%	396	507	28.0%	198	366	84.8%
Average Selling Price (R\$ thousand)	33.5	39.0	41.5	6.5%	37.6	56.6	50.4%	38.0	58.3	53.3%
Fleet Management	31.4	35.6	39.4	10.7%	36.0	54.6	51.7%	36.9	54.4	47.6%
Rent-a-Car	36.9	42.3	43.3	2.5%	39.4	57.6	46.2%	39.3	61.6	56.8%
Rent-a-Car - Franchises	31.3	35.4	35.8	1.2%	36.1	47.3	31.0%	35.7	48.6	36.0%
Number of Employees	2,601	3,314	4,050	22.2%	3,435	4,593	33.7%	3,435	4,593	33.7%
Fleet per Employee ²	49.6	49.1	41.0	(16.5)%	47.6	38.6	(19.0)%	47.6	38.6	(19.0)%

¹ For the Total Fleet it does not consider the Franchisee Fleet of 1,424 vehicles and for the average value of the total fleet it considers the vehicles in preparation, operational and in stock.

² It considers the entry of Zetta Frotas (Special Vehicles) in 2020, which has a fleet with drivers.

Fleet Management (R\$ Thousand)

Consolidated Results (R\$ thousand)	1H20	1H21	Var.	2Q20	2Q21	Var.
Rental Gross Revenues	665,247	917,768	38.0%	343,030	479,341	39.7%
Used Cars sales gross revenue	496,489	640,036	28.9%	204,670	325,744	59.2%
Total Gross Revenues	1,161,736	1,557,804	34.1%	547,699	805,084	47.0%
Taxes on rental revenues	(61,836)	(86,980)	40.7%	(31,981)	(43,856)	37.1%
Taxes on Used Cars Sales	(851)	(975)	14.6%	(616)	(533)	(13.5)%
Total Taxes	(62,687)	(87,956)	40.3%	(32,598)	(44,389)	36.2%
Rental Net Revenues	603,411	830,788	37.7%	311,048	435,485	40.0%
Used Cars Sales Net Revenues	495,638	639,061	28.9%	204,054	325,210	59.4%
Consolidated Net Revenues	1,099,049	1,469,848	33.7%	515,102	760,695	47.7%
Rental Costs (Ex-depreciation)	(156,740)	(197,688)	26.1%	(81,293)	(108,138)	33.0%
Used Cars Sales Costs (Ex-depreciation)	(455,977)	(484,710)	6.3%	(187,010)	(237,153)	26.8%
Total Costs (ex-depreciation)	(612,717)	(682,398)	11.4%	(268,303)	(345,291)	28.7%
Gross Profit	486,332	787,450	61.9%	246,799	415,404	68.3%
Rental Operating Expenses (SG&A, ex-depreciation)	(64,479)	(89,394)	38.6%	(36,082)	(50,445)	39.8%
Used Cars Sales Operating Expenses (SG&A, ex-depreciation)	(31,950)	(36,484)	14.2%	(13,896)	(15,878)	14.3%
Total Operating Expenses (SG&A)	(96,429)	(125,878)	30.5%	(49,978)	(66,323)	32.7%
Depreciation	(168,756)	(153,523)	(9.0)%	(88,292)	(87,382)	(1.0)%
Recurring EBIT	221,147	508,050	129.7%	108,529	261,699	141.1%
Net Financial Expenses	(72,711)	(107,383)	47.7%	(37,233)	(52,692)	41.5%
Recurring EBT	148,436	400,667	169.9%	71,296	209,007	193.2%
Taxes	(27,326)	(118,927)	335.2%	(13,142)	(60,585)	361.0%
Recurring Net Profit	121,110	281,740	132.6%	58,154	148,422	155.2%
Net Margin over Net Rental Revenue	20.1%	33.9%	13.8 p.p.	18.7%	34.1%	15.4 p.p.
Recurring EBITDA	389,903	661,573	69.7%	196,821	349,081	77.4%
EBITDA Margin over Net Rental Revenue	64.6%	79.6%	15.0 p.p.	63.3%	80.2%	16.9 p.p.

Operating Data	1H20	1H21	Var.	2Q20	2Q21	Var.
Average Rented Fleet	71,827	85,397	18.9%	72,305	88,092	21.8%
Average Operating Fleet	73,320	87,554	19.4%	73,650	90,166	22.4%
Fleet at the end of the period	89,314	105,179	17.8%	89,314	105,179	17.8%
Average Age of the Operating Fleet (month)	16.6	18.1	8.9%	16.9	18.0	6.4%
Number of Daily Rentals (thousand)	12,929	15,372	18.9%	6,507	7,928	21.8%
Average Monthly Ticket (R\$)	1,543	1,791	16.0%	1,581	1,814	14.7%
Annualized average depreciation per car (R\$)	4,104	3,009	(26.7)%	4,286	3,383	(21.1)%
Utilization Rate	98.0%	97.5%	(0.4) p.p.	98.2%	97.7%	(0.5) p.p.
Number of cars purchased	12,926	26,042	101.5%	5,030	14,924	196.7%
Number of cars sold	13,806	11,733	(15.0)%	5,550	5,985	7.8%
Average sold fleet age (month)	31.0	30.8	(0.5)%	31.8	31.5	(1.1)%
Value of total fleet (R\$ million)	4,153.3	6,202.0	49.3%	4,153.3	6,202.0	49.3%
Average value per car in the period (R\$ thousand)	46.5	59.0	26.8%	46.5	59.0	26.8%

(1) Consider the cost of preparing vehicles for sale.

(2) Consider vehicles in preparation, operational and in stock.

Rent a Car (Includes Franchises, R\$ thousand)¹

Consolidated Results (R\$ thousand)	1H20	1H21	Var.	2Q20	2Q21	Var.
Rental Gross Revenues	519,142	677,990	30.6%	186,687	335,843	79.9%
Used Cars sales gross revenue	545,634	1,114,572	104.3%	222,242	519,241	133.6%
Total Gross Revenues	1,064,775	1,792,562	68.4%	408,929	855,084	109.1%
Taxes on rental revenues	(45,131)	(66,916)	48.3%	(17,405)	(32,480)	86.6%
Taxes on Used Cars Sales	(929)	(1,812)	95.1%	(669)	(950)	42.0%
Total Taxes	(46,060)	(68,728)	49.2%	(18,075)	(33,430)	85.0%
Rental Net Revenues	474,011	611,074	28.9%	169,282	303,364	79.2%
Used Cars Sales Net Revenues	544,705	1,112,759	104.3%	221,573	518,291	133.9%
Consolidated Net Revenues	1,018,716	1,723,834	69.2%	390,855	821,655	110.2%
Rental Costs (Ex-depreciation)	(215,151)	(229,201)	6.5%	(103,060)	(120,133)	16.6%
Used Cars Sales Costs (Ex-depreciation)	(512,808)	(877,006)	71.0%	(200,328)	(402,140)	100.7%
Total Costs (ex-depreciation)	(727,959)	(1,106,207)	52.0%	(303,388)	(522,273)	72.1%
Gross Profit	290,757	617,626	112.4%	87,466	299,382	242.3%
Rental Operating Expenses (SG&A, ex-depreciation)	(124,086)	(131,697)	6.1%	(59,950)	(65,894)	9.9%
Used Cars Sales Operating Expenses (SG&A, ex-depreciation)	(34,767)	(62,284)	79.1%	(15,707)	(25,359)	61.4%
Total Operating Expenses (SG&A)	(158,853)	(193,981)	22.1%	(75,658)	(91,253)	20.6%
Depreciation	(121,442)	(100,549)	-17.2%	(59,523)	(50,621)	(15.0)%
Recurring EBIT	10,463	323,097	2988.1%	(47,714)	157,507	(430.1)%
Net Financial Expenses	(68,965)	(49,601)	(28.1)%	(34,275)	(26,128)	(23.8)%
Recurring EBT	(58,502)	273,496	(567.5)%	(81,989)	131,380	(260.2)%
Taxes	23,561	(82,554)	(450.4)%	27,876	(38,237)	(237.2)%
Recurring Net Profit	(34,941)	190,942	(646.5)%	(54,113)	93,143	(272.1)%
Net Margin over Net Rental Revenue	(7.4)%	31.2%	38.6 p.p.	(32.0)%	30.7%	62.7 p.p.
Recurring EBITDA	131,904	423,646	221.2%	11,809	208,128	1662.5%
EBITDA Margin over Net Rental Revenue	27.8%	69.3%	41.5 p.p.	7.0%	68.6%	61.6 p.p.

Operating Data	1H20	1H21	Var.	2Q20	2Q21	Var.
Average Rented Fleet (Own Stores)	44,492	50,533	13.6%	39,802	50,370	26.6%
Average Rented Fleet (Franchises)	1,840	1,356	(26.3)%	1,543	1,186	(23.1)%
Average Operating Fleet (Own Stores)	64,247	59,947	(6.7)%	64,464	58,553	(9.2)%
Average Operating Fleet (Franchises)	1,840	1,375	(25.2)%	1,543	1,205	(21.9)%
Fleet at the end of the Period (Own Stores) ²	72,198	70,692	(2.1)%	72,198	70,692	(2.1)%
Fleet at the end of the period (Franchises) ²	1,993	1,313	(34.1)%	1,993	1,313	(34.1)%
Average Age Operating Fleet (Own stores, month)	9.6	10.8	12.6%	10.5	11.1	6.2%
Average Age Operating Fleet (Franchises, month)	11.7	15.2	30.1%	12.9	14.4	11.1%
Number of Daily Rentals (Own Stores, thousand)	8,096	9,147	13.0%	3,622	4,533	25.2%
Average Daily Ticket (Own Stores, thousand)	60.5	73.1	20.8%	50.4	73.2	45.3%
Annualized average depreciation per car (Considers Franchises, R\$)	2,886	2,091	(27.6)%	2,853	2,161.7	(24.2)%
Utilization Rate (Own Stores)	69.3%	84.3%	15.0 p.p.	61.7%	86.0%	24.3 p.p.
Number of cars purchased (Own Stores)	13,653	16,124	18.1%	30	11,505	38250.0%
Number of cars purchased (Franchises)	140	321	129.3%	89	142	59.6%
Number of cars sold (Own Stores)	13,489	18,941	40.4%	5,481	8,147	48.6%
Number of cars sold (Franchises)	396	507	28.0%	198	366	84.8%
Average Sold Fleet Age (Own Stores, month)	17.4	19.7	13.3%	18.4	20.9	13.4%
Value of total Fleet (considers Franchises, R\$ million)	3,286.4	3,907.6	18.9%	3,286.4	3,907.6	18.9%
Average value per car in the period (Considers Franchises, R\$ million)	44.3	54.3	22.5%	44.3	54.3	22.5%

(1) Consider the cost of preparing vehicles for sale.

(2) Consider vehicles in preparation, operational and in stock.

Income Statement (R\$ Thousand)

Financial Statements	Combined 2018	2019	2020	1H20	1H21	Var.	2Q20	2Q21	Var.
Rental Gross Revenues	1.794.782	2.385.581	2.538.039	1.184.388	1.595.758	34,7%	529.716	815.184	53,9%
Used Cars Sales Gross Revenues	1.621.261	2.518.495	3.184.378	1.042.123	1.754.607	68,4%	426.912	844.985	97,9%
Taxes over Gross Revenues	(166.041)	(230.350)	(230.681)	(108.746)	(156.684)	44,1%	(50.672)	(77.819)	53,6%
Consolidated Net Revenues	3.250.002	4.673.726	5.491.736	2.117.765	3.193.682	50,8%	905.956	1.582.350	74,7%
Maintenance Costs	(474.843)	(629.921)	(771.246)	(396.436)	(426.889)	7,7%	(208.898)	(228.271)	9,3%
Depreciation Costs	(333.937)	(407.517)	(473.529)	(257.566)	(216.016)	(16,1)%	(130.376)	(118.919)	(8,8)%
Cost of Vehicle sold	(1.452.678)	(2.335.705)	(2.866.961)	(968.784)	(1.361.716)	40,6%	(387.338)	(639.293)	65,0%
Rental and vehicle sales costs	(2.261.458)	(3.373.143)	(4.111.736)	(1.622.787)	(2.004.622)	23,5%	(726.613)	(986.483)	35,8%
Gross Profit	988.544	1.300.583	1.380.000	494.978	1.189.060	140,2%	179.344	595.867	232,2%
Sales	(172.249)	(289.066)	(320.391)	(163.377)	(202.397)	23,9%	(76.145)	(94.353)	23,9%
General and Administrative	(193.414)	(153.859)	(201.350)	(91.804)	(117.360)	27,8%	(49.453)	(63.232)	27,9%
Depreciation	(38.799)	(60.794)	(73.684)	(32.631)	(38.055)	16,6%	(17.438)	(19.084)	9,4%
Other operational revenues (costs)	1.695	362	34	(100)	(100)	-	(38)	9	-
Operating Expenses	(402.767)	(503.357)	(595.391)	(287.912)	(357.913)	24,3%	(143.074)	(176.661)	23,5%
Operating Income (EBIT)	585.776	797.226	784.609	207.066	831.147	301,4%	36.270	419.206	1055,8%
Financial expenses	(399.922)	(439.586)	(329.918)	(163.793)	(201.691)	23,1%	(80.147)	(95.109)	18,7%
Financial Income	60.934	73.098	52.016	22.117	24.030	8,7%	8.639	13.713	58,7%
Net financial income (expenses)	(338.988)	(366.488)	(277.902)	(141.676)	(177.661)	25,4%	(71.508)	(81.396)	13,8%
Earnings Before Taxes (EBT)	246.788	430.738	506.707	65.390	653.486	899,4%	(35.238)	337.810	-
Income Tax and Social Contribution Tax	(53.393)	(93.098)	(115.365)	4.580	(194.450)	-	23.079	(97.944)	-
Extraordinary Items - Opex (Effect on EBITDA and on Net Income)	58.666	-	24.545	24.545	-	-	24.545	-	-
Extraordinary Items - Financial Result (Effect on Net Income)	3.805	16.255	-	0	20.677	-	-	2.577	-
Extraordinary Items	62.471	16.255	24.545	24.545	20.677	(15,8)%	24.545	2.577	(89,5)%
Extraordinary Items, net of IT/SC at 34%	41.231	10.728	16.200	16.200	13.647	(15,8)%	16.200	1.701	(89,5)%
Equity Method	(1.018)	561	(5.692)	(4.913)	(4)	-	(2.353)	(329)	(86,0)%
Recurring Net Income	233.608	348.929	401.849	81.256	472.679	481,7%	1.687	241.238	-
Recurring EBITDA	1.017.178	1.265.537	1.356.367	521.808	1.085.218	108,0%	208.629	557.209	167,1%

Consolidated Balance Sheet (R\$ Thousand)

ASSETS	2018	2019	2020	2Q20	2Q21
CURRENT ASSETS					
Cash and Cash equivalents	1,755,864	1,770,114	3,338,488	1,643,310	1,682,177
Receivables from customers	377,743	457,875	552,088	419,013	513,745
Bonds and securities	207,324	243,240	352,034	161,461	39,055
Derivative financial instruments	--	--	--	--	16,540
Retiring vehicles for renewing the fleet	330,290	475,704	377,952	578,948	318,977
Vehicles for resale	--	20,780	12,635	20,996	41,831
Inventory of Products	--	--	148	--	3,210
Recoverable taxes	73,730	86,473	80,270	95,033	71,641
Prepaid expenses	10,926	13,198	13,789	66,545	78,206
Related parties	16,850	34,465	5,921	24,921	325
Other short-term assets	11,872	20,251	23,332	27,379	40,613
Total current assets	2,784,599	3,122,100	4,756,657	3,037,606	2,806,320
NON-CURRENT ASSETS					
Receivable from customers	6,399	16,202	9,557	4,760	4,801
Bonds and securities	1,710	1,340	3,642	1,351	14,376
Derivative financial instruments	--	--	145,929	192,532	114,680
Anticipated Expenses	--	1,130	2,869	3,190	4,992
Other long-term assets	3,064	2,116	36	94	1,693
Deferred Taxes	37,580	30,003	4,527	3,926	5,008
Deposits in court	49,829	59,771	69,388	63,125	79,123
Assets held for sale	3,223	2,373	2,373	2,373	2,373
Related Parties	302	282	460	460	--
Property for Investment	--	850	850	850	850
Property, plant and equipment	4,957,861	6,705,097	8,262,377	6,853,936	9,745,520
Right-of-use asset	--	132,595	137,283	124,203	116,554
Investments	2	2	196	2	989
Intangible assets	899,949	974,133	1,070,082	1,024,648	1,067,467
Total non-current assets	5,959,919	7,925,894	9,709,569	8,275,450	11,158,426
TOTAL ASSETS	8,744,518	11,047,994	14,466,226	11,313,056	13,964,746
LIABILITIES	2018	2019	2020	2Q20	2Q21
CURRENT LIABILITIES					
Suppliers	976,041	1,450,247	1,791,002	549,072	1,540,035
Loans, financing and debentures	330,193	119,521	726,143	314,437	525,852
Real state lease	--	38,536	44,246	42,364	44,889
Assignment of credits by vendors	998,086	476,620	575,788	937,316	281,267
Salaries, charges and social contribution taxes	23,997	42,490	54,980	37,099	83,422
Tax-related duties	21,730	23,331	73,166	25,329	68,887
Dividends and interes on equity payable	25,567	35,872	126,013	86,080	43,651
Related parties	13,840	32,370	9,291	6,402	8,011
Other account payable	26,623	36,720	103,288	66,742	125,559
Derivative financial instruments	--	22,695	40,593	65,181	9,216
Total current liabilities	2,416,077	2,278,402	3,544,510	2,130,022	2,730,789
NON-CURRENT LIABILITIES					
Loan, financing and debentures	3,594,154	4,553,004	6,387,644	4,939,290	6,209,943
Derivative Financial Instruments	--	--	--	--	6,446
Real state leasing	--	94,059	96,989	81,839	77,649
Provisions for contingencies	108,846	115,885	119,217	117,657	132,603
Deferred Tax	57,574	100,881	130,423	90,395	245,400
Other account payable	2,321	1,352	1,155	10,564	574
Total non-current liabilities	3,762,895	4,865,181	6,735,428	5,239,745	6,672,615
Total liabilities	6,178,972	7,143,583	10,279,938	7,369,767	9,403,404
SHAREHOLDERS' EQUITY					
Capital Stock	1,969,517	3,195,790	3,094,902	3,094,902	3,094,902
Share issue expenses	(47,336)	(100,888)	--	--	--
Treasury shares	(9,925)	(35,562)	(26,506)	(23,668)	(39,934)
Asset valuation adjustments	(16,291)	(20,925)	21,966	18,828	45,138
Capital reserve	528,961	550,969	582,384	569,129	581,624
Profit reserve	140,620	315,027	513,542	315,027	513,542
Accumulated profits	--	--	--	--	366,070
Accumulated losses	--	--	--	(30,929)	--
Total shareholders' equity	2,565,546	3,904,411	4,186,288	3,943,289	4,561,342
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	8,744,518	11,047,994	14,466,226	11,313,056	13,964,746

Cash Flow (R\$ Thousand)

STATEMENT OF CASH FLOW	2018	2019	2020	1H20	1H21
Cash flow from operating activities					
Income for the period	189.202	338.146	385.648	65.051	459.032
Adjustments by:					
Deferred Income tax and social contribution	52.924	42.813	20.960	(15.230)	100.097
Equity	--	--	(1)	--	3
Depreciation and amortization	294.204	471.634	549.851	295.823	256.209
Provisions stolen cars and residual value of stolen vehicles	29.962	131.157	173.591	79.482	43.208
Written-off residual value of vehicles sold	1.298.431	2.439.167	2.952.660	1.006.612	1.425.549
Share-based payment provision	51.459	13.396	13.062	4.896	6.945
Financial charges on financing	5.844	306.905	197.514	112.850	145.075
Allowance for doubtful accounts	258.820	33.227	52.378	41.428	22.199
Provisions for contingencies	10.743	7.240	10.474	1.664	13.386
Amortization of gain and loss from contingences	(834)	(601)	(7.250)	--	--
Provision for profit sharing	--	14.289	23.431	3.035	33.647
Lease Interest	12.988	8.996	9.352	2.433	5.409
Present Value Adjust	(296)	--	--	--	--
Provision for the retiring vehicles for renewing the fleet	--	--	280	--	--
Supplier's Assignemnt interests	--	50.063	38.577	11.979	9.305
SWAP	35.539	14.894	59.248	24.519	30.161
Renegotiation of IRFS16 / CPC06 (R2) contracts	26.620	--	9.851	--	--
Other	16.508	12.857	2.630	19.429	596
Adjusted Income	2.282.114	3.884.183	4.492.256	1.653.971	2.550.821
Changes in Assets and Liabilities					
Receivables from customers	(65.342)	(113.363)	(123.674)	24.960	20.953
Recoverable taxes	(13.678)	(12.656)	6.695	(8.068)	8.629
Prepaid expenses	40.152	(1.513)	(682)	(53.759)	(66.540)
Asset Related Parties	--	(49.456)	28.826	9.826	6.056
Other assets	(30.164)	(15.433)	(39.169)	(17.495)	(4.946)
Acquisition of vehicles net of the balance payable to suppliers (automakers)	(1.910.761)	(4.651.855)	(4.387.759)	(1.856.465)	(3.705.697)
Suppliers - excluding automakers	(36.789)	(6.662)	(14.999)	(23.103)	37.871
Payment of taxes	(11.498)	(31.490)	(41.844)	(20.030)	(101.767)
Debt Related Parties	--	18.530	(23.079)	(25.968)	(1.280)
Other liabilities	(30.138)	(3.034)	57.880	(14.541)	87.969
Lease Payment	--	(58.572)	(52.553)	(5.853)	(4.982)
Net cash provided by operating activities	223.896	(1.041.321)	(98.102)	(336.525)	(1.172.913)
Cash flow from investing activities					
Acquisitions of investments	(210.004)	(49.992)	(22.328)	(22.132)	--
Acquisitions of other investments	442	--	--	--	--
Transaction with related parties	5.767	--	--	--	--
Transaction of other property, plant and equipment and intangible assets	(31.379)	(119.031)	(93.104)	(47.776)	(47.011)
Acquisition of bonds and securities	(180.797)	(35.546)	(111.096)	81.768	302.245
Net cash provided by investing activities	(415.971)	(204.569)	(226.528)	11.860	255.234
Cash flow from financing activities					
Interest on loans, financing and debentures paid	(262.497)	(277.327)	(202.198)	(119.013)	(87.535)
Capital raised through loans, financing and debentures	1.965.408	1.699.723	2.490.153	549.221	1.182.853
Amortization of loans, financing and debentures	(998.279)	(1.100.718)	(223.688)	(165.828)	(1.593.215)
Derivative Financial Instrument Cash Effect	--	(31.554)	(57.494)	(23.420)	(30.444)
Lease Principal Payment	--	--	--	--	(21.821)
Issuance of shares and funds from the stock option plan	3.029	4.767	1.566	919	1.392
Distribution of Interest on Equity and Dividends	(75.795)	(130.720)	(77.756)	(35.814)	(166.177)
Share buy back	(3.544)	(39.979)	(37.579)	(8.204)	(23.685)
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	--	--	--
Net cash provided by financing activities	1.545.450	1.260.140	1.893.004	197.861	(738.632)
Increase (decrease) in cash and cash equivalents	1.353.375	14.250	1.568.374	(126.804)	(1.656.311)
Statement of increase (decrease) in cash and cash equivalents					
At the beginning of the period	402.489	1.755.864	1.770.114	1.770.114	3.338.488
At the end of the period	1.755.864	1.770.114	3.338.488	1.643.310	1.682.177
Cash Paid Statement for Vehicle Acquisitions					
Total vehicles + accessories acquired for property, plant and equipment	(3.028.658)	(4.472.497)	(4.752.276)	(1.392.294)	(3.026.846)
Total of vehicles acquired for resale	--	(111.237)	(77.554)	(38.044)	(93.029)
Change net of the balance payable to suppliers (automakers)	1.117.897	(68.121)	442.071	(426.127)	(585.822)
Total cash paid in the acquisition of vehicles	(1.910.761)	(4.651.855)	(4.387.759)	(1.856.465)	(3.705.697)

(A free translation of the original in Portuguese)

Companhia de Locação das Américas

***Quarterly information (ITR)
at June 30, 2021 and
independent auditor's report on
review of quarterly information***

(Convenience Translation into English from the Original Previously Issued in Portuguese)

INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INDIVIDUAL AND CONSOLIDATED INTERIM FINANCIAL INFORMATION

To the Management and Shareholders of
Companhia de Locação das Américas
Belo Horizonte - MG

Introduction

We have reviewed the accompanying individual and consolidated interim financial information of Companhia de Locação das Américas ("Company"), contained in the Interim Financial Information Form - ITR, for the six-month period ended June 30, 2021, which comprises the individual and consolidated balance sheet as at June 30, 2021, and the related individual and consolidated statements of profit and loss and of comprehensive income for the three and six-month periods then ended, and of changes in equity and of cash flows for the six-month period then ended, including the explanatory notes.

Management is responsible for the preparation of the individual and consolidated interim financial information in accordance with technical pronouncement CPC 21 (R1) and international standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board - IASB, as well as for the presentation of such information in accordance with the standards issued by the Brazilian Securities and Exchange Commission - CVM, applicable to the preparation of Interim Financial Information - ITR. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Review of Interim Financial Information (NBC TR 2410 and ISRE 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial 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 the 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 individual and consolidated interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual and consolidated interim financial information included in the interim financial information referred to above is not prepared, in all material respects, in accordance with technical pronouncement CPC 21 (R1) and international standard IAS 34, applicable to the preparation of ITR, and presented in accordance with the standards issued by the CVM.

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Other matters

Statements of value added


The interim financial information referred to above includes the individual and consolidated statements of value added - DVA for the six-month period ended June 30, 2021, prepared under the responsibility of the Company's Management and presented as supplemental information for international standard IAS 34 purposes. These statements were subject to review procedures performed together with the review of the Interim Financial Information - ITR to reach a conclusion on whether they are reconciled with the interim financial information and the accounting records, as applicable, and if their form and content are consistent with the criteria set forth 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 were not prepared, in all material respects, in accordance with technical pronouncement CPC 09 and consistently with the accompanying individual and consolidated interim financial information taken as a whole.

Corresponding figures

The corresponding information and figures for the three and six-month periods ended June 30, 2020, presented for purposes of comparison, were previously reviewed by another independent auditor, who issued an unmodified report dated August 13, 2020. The corresponding information and figures for the year ended December 31, 2020, presented for purposes of comparison, were previously audited by another independent auditor, who issued an unqualified report dated February 23, 2021.

The accompanying individual and consolidated interim financial information has been translated into English for the convenience of readers outside Brazil.

Belo Horizonte, July 27, 2021


DELOITTE TOUCHE TOHMATSU
Auditores Independentes
CRC nº 2 SP 011609/O-8


Manoel P. da Silva
Engagement Partner

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		6/30/2021	12/31/2020	6/30/2021	12/31/2020
Current assets					
Cash and cash equivalents	Note 5 a	591,256	1,997,982	1,682,177	3,338,488
Marketable securities	Note 5 b	39,055	188,203	39,055	352,034
Derivative financial instruments	Note 4.1 a	14,774		16,540	
Trade receivables	Note 6	232,564	160,889	513,745	552,088
Vehicles being decommissioned for fleet	Note 7	81,555	61,200	318,977	377,952
Vehicles for resale	Note 7			41,831	12,635
Inventory of goods	Note 7			3,210	148
Taxes recoverable		42,406	48,645	71,641	80,270
Prepaid expenses		30,927	2,831	78,206	13,789
Dividends receivable	Note 17 b	1,138	38,940		
Related parties	Note 17 b	768	3,761	325	5,921
Other receivables		13,743	6,889	40,613	23,332
Total current assets		1,048,186	2,509,340	2,806,320	4,756,657
Non-current assets					
Marketable securities	Note 5 b	14,376	3,642	14,376	3,642
Derivative financial instruments	Note 4.1 a			114,680	145,929
Trade receivables	Note 6	2,375	5,318	4,801	9,557
Prepaid expenses		2,599		4992	2,869
Other receivables				1,693	36
Deferred taxes	Note 8 a			5,008	4,527
Judicial deposits	Note 16 a	32,958	25,614	79,123	69,388
Assets held for sale		2,373	2,373	2,373	2,373
Related parties	Note 17 b				460
		54,681	36,947	227,046	238,781
Investment properties				850	850
Property and equipment	Note 10 a	4,524,775	2,896,014	9,745,520	8,262,377
Lease right-of-use assets	Note 11 a	8,639	10,465	116,554	137,283
Investments	Note 9 a	3,831,487	3,995,286	989	196
Intangible assets	Note 12	153,987	89,257	1,067,467	1,070,082
Total non-current assets		8,573,569	7,027,969	11,158,426	9,709,569
Total assets		9,621,755	9,537,309	13,964,746	14,466,226

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

Companhia de Locação das Américas



Balance sheet (continued)

All amounts in thousands of reais

(A free translation of the original in Portuguese)

Liabilities and equity		Parent company		Consolidated	
		6/30/2021	12/31/2020	6/30/2021	12/31/2020
Current liabilities					
Trade payables	Note 13	647,444	555,737	1,540,035	1,791,002
Assignment of credits by suppliers	Note 14	72,943	252,538	281,267	575,788
Borrowings and debentures	Note 15	171,723	503,577	525,852	726,143
Property leases	Note 11b	4,249	4,714	44,889	44,246
Derivative financial instruments	Note 4.1a	5,209	37,367	9,216	40,593
Salaries and social charges payable		34,707	23,293	83,422	54,980
Tax liabilities		11,529	7,367	68,887	73,166
Dividends and interest on capital payable	Note 18d	43,651	126,013	43,651	126,013
Related parties	Note 17b	6,181	395	8,011	9,291
Other payables		42,534	30,623	125,559	103,288
Total current liabilities		1,040,170	1,541,624	2,730,789	3,544,510
Non-current liabilities					
Borrowings and debentures	Note 15	3,642,435	3,584,235	6,209,943	6,387,644
Derivative financial instruments	Note 4.1a			6,446	
Property leases	Note 11b	3,828	5,987	77,649	96,989
Provision for contingencies	Note 16b	28,291	16,665	132,603	119,217
Deferred taxes	Note 8a	128,783	46,505	245,400	130,423
Related parties	Note 17b	216,334	155,438		
Other payables		572	567	574	1,155
Total non-current liabilities		4,020,243	3,809,397	6,672,615	6,735,428
Total liabilities		5,060,413	5,351,021	9,403,404	10,279,938
Equity					
Share capital	Note 18	3,094,902	3,094,902	3,094,902	3,094,902
Treasury shares		(39,934)	(26,506)	(39,934)	(26,506)
Capital reserve and options granted		581,624	582,384	581,624	582,384
Revenue reserves		513,542	513,542	513,542	513,542
Carrying value adjustment		45,138	21,966	45,138	21,966
Retained earnings		366,070		366,070	
Total equity		4,561,342	4,186,288	4,561,342	4,186,288
Total liabilities and equity		9,621,755	9,537,309	13,964,746	14,466,226

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

Companhia de Locação das Américas



Statement of profit or loss

Quarter and six-month period ended June 30

All amounts in thousands of reais unless otherwise stated

(A free translation of the original in Portuguese)

		Quarter ended June 30				Six-month period ended June 30			
		Parent company		Consolidated		Parent company		Consolidated	
		2021	2020	2021	2020 (*)	2021	2020	2021	2020 (*)
Net operating revenue	Note 19	556,269	298,582	1,636,935	920,803	1,034,149	653,593	3,278,778	2,160,996
Cost of rental and sale of vehicles	Note 20	(296,048)	(195,000)	(1,037,005)	(740,681)	(534,425)	(443,694)	(2,081,348)	(1,662,831)
Gross profit		260,221	103,582	599,930	180,122	499,724	209,899	1,197,430	498,165
Selling expenses	Note 20	(21,722)	(13,008)	(95,235)	(76,933)	(45,254)	(30,816)	(203,393)	(165,974)
General and administrative expenses	Note 20	(35,681)	(34,066)	(85,479)	(70,094)	(66,721)	(59,419)	(162,637)	(131,718)
Other operating income (expenses)		(1)	(8)	(3)	(179)	16	2	86	(461)
Equity in the results of investees	Note 9b	123,171	(41,452)	(55)		249,920	(1,144)	(3)	
Profit before finance result and taxes		325,988	15,048	419,158	32,916	637,685	118,522	831,483	200,012
Finance income	Note 21	4,073	5,900	13,985	8,686	8,938	14,660	24,598	22,174
Finance costs	Note 21	(54,981)	(38,617)	(95,504)	(80,409)	(122,480)	(75,612)	(202,483)	(164,241)
Finance costs, net		(50,908)	(32,717)	(81,519)	(71,723)	(113,542)	(60,952)	(177,885)	(142,067)
Profit (loss) before taxes		275,080	(17,669)	337,639	(38,807)	524,143	57,570	653,598	57,945
Current and deferred income tax and social contribution	Note 8b	(35,544)	3,150	(98,103)	24,288	(65,111)	7,481	(194,566)	7,106
Profit (loss) for the period		239,536	(14,519)	239,536	(14,519)	459,032	65,051	459,032	65,051
Basic earnings per share - R\$	Note 23					0.90	0.13	0.90	0.13
Diluted earnings per share - R\$	Note 23					0.89	0.13	0.89	0.13

(*) As from June 12, 2020, the date the control of Unidas Veículos Especiais S.A. was acquired, 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 six-month period ended June 30

All amounts in thousands of reais unless otherwise stated

(A free translation of the original in Portuguese)

	Quarter ended June 30				Six-month period ended June 30			
	Parent company		Consolidated		Parent company		Consolidated	
	2021	2020	2021	2020 (*)	2021	2020	2021	2020 (*)
Profit (loss) for the period	239,536	(14,519)	239,536	(14,519)	459,032	65,051	459,032	65,051
Other components of comprehensive income								
Hedge accounting - cash flow	6,005	(9,020)	(54,639)	14,997	46,453	(17,783)	35,109	61,000
Income tax and social contribution - hedge accounting	(2,042)	3,118	18,577	(5,048)	(15,794)	5,539	(11,937)	(21,247)
Hedge accounting effects – Subsidiary	(40,025)	15,851			(7,487)	51,997		
Other comprehensive income (loss) for the period, net of tax effects	(36,062)	9,949	(36,062)	9,949	23,172	39,753	23,172	39,753
Total comprehensive income (loss) for the period	<u>203,474</u>	<u>(4,570)</u>	<u>203,474</u>	<u>(4,570)</u>	<u>482,204</u>	<u>104,804</u>	<u>482,204</u>	<u>104,804</u>

(*) As from June 12, 2020, the date the control of Unidas Veículos Especiais S.A. was acquired, 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 Six-month period ended June 30

All amounts in thousands of reais

(A free translation of the original in Portuguese)

Parent company and Consolidated									
Share capital			Capital reserve		Revenue reserves		Carrying value adjustment	Retained earnings	Total
Share capital	Share issuance expenses	Treasury shares	Options granted reserve	Capital reserve	Legal reserve	Investment reserve			
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								65,051	65,051
Hedge accounting - cash flow							(17,783)		(17,783)
Income tax/ social contribution – hedge accounting							5,539		5,539
Hedge accounting effects – Subsidiary							51,997		51,997
Total comprehensive income for the period							39,753	65,051	104,804
Acquisition of investment		16,510		15,933					32,443
Share buyback		(8,204)							(8,204)
Stock option plan			4,896						4,896
Stock options exercised		3,588	(2,669)						919
Payment of interest on capital								(95,980)	(95,980)
Total transactions with owners of the parent		11,894	2,227	15,933				(95,980)	(65,926)
At June 30, 2020	3,195,790	(100,888)	(23,668)	17,002	552,127	35,135	279,892	18,828	3,943,289
At January 1, 2021	3,195,790	(100,888)	(26,506)	15,189	567,195	54,417	459,125	21,966	4,186,288
Profit for the period								459,032	459,032
Hedge accounting - cash flow							46,453		46,453
Income tax/ social contribution – hedge accounting							(15,794)		(15,794)
Hedge accounting effects – Subsidiary							(7,487)		(7,487)
Total comprehensive income for the period							23,172	459,032	482,204
Share buyback			(23,685)						(23,685)
Stock option plan				6,945					6,945
Stock options exercised			9,097	(7,705)					1,392
Payment of share-based profit sharing			1,160						1,160
Payment of interest on capital								(92,962)	(92,962)
Total transactions with owners of the parent			(13,428)	(760)				(92,962)	(107,150)
At June 30, 2021	3,195,790	(100,888)	(39,934)	14,429	567,195	54,417	459,125	45,138	4,561,342

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

Companhia de Locação das Américas



Statement of cash flows

Six-month period ended June 30

All amounts in thousands of reais

(A free translation of the original in Portuguese)

		Parent company		Consolidated	
		2021	2020	2021	2020 (*)
Cash flows from operating activities					
Profit for the period		459,032	65,051	459,032	65,051
Deferred income tax and social contribution	Note 8b	50,002	(7,481)	100,097	(15,230)
Equity in the results of subsidiaries	Note 9b	(249,920)	1,144	3	
Depreciation and amortization	Note 10b	98,831	119,632	256,209	295,823
Provision for stolen vehicles and residual value		10,754	9,876	43,208	79,482
Residual value of vehicles sold	Note 20	308,062	235,208	1,425,549	1,006,612
Provision for share-based payment	Note 18e	4,659	4,122	6,945	4,896
Interest on borrowings and funding costs	Note 4.2	90,172	49,671	145,075	112,850
Estimated impairment loss on trade receivables	Note 20	2,414	4,011	22,199	41,428
Provision for and amortization of surplus on revaluation of	Note 16b	11,277	(1,047)	13,386	1,664
Provision for profit sharing		13,887	3,035	33,647	3,035
Interest on lease	Note 21	452	344	5,409	2,433
Interest on assignment of receivables - suppliers	Note 21	4,192	4,374	9,305	11,979
Interest on swap transactions	Note 21	22,846	19,342	30,161	24,519
Other		1,214	(1,543)	596	19,429
		827,874	505,739	2,550,821	1,653,971
(Increase) decrease in assets					
Trade receivables		(42,487)	(11,088)	20,953	24,960
Taxes recoverable		6,479	(7,275)	8,629	(8,068)
Prepaid expenses		(24,226)	(14,305)	(66,540)	(53,759)
Related parties		2,993	(525)	6,056	9,826
Other current and non-current assets		(13,005)	(952)	(4,946)	(40,915)
		(70,246)	(34,145)	(35,848)	(67,956)
Increase (decrease) in liabilities					
Acquisition of vehicles net of the balance payable to suppliers - automakers and assignment of credits by suppliers		(1,708,252)	(497,452)	(3,705,697)	(1,856,465)
Payment of interest on lease	Note 11b	(516)	(678)	(4,982)	(5,553)
Related parties		5,552	253	(1,280)	(25,968)
Other current and non-current liabilities		12,451	(26,501)	87,969	(31,811)
Trade payables - except automakers		17,973	15,343	37,871	(5,833)
		(1,672,792)	(509,035)	(3,586,119)	(1,925,930)
Cash used in operating activities		(915,164)	(37,441)	(1,071,146)	(339,915)
Payment of income tax and social contribution		(14,344)	(4,639)	(101,767)	(20,030)
Net cash used in operating activities		(929,508)	(42,080)	(1,172,913)	(359,945)
Cash flows from investing activities					
Acquisition of investments			(39,276)		(22,132)
Capital increase in subsidiaries		(15,200)	(231,642)		
Advance for future capital increase			(595,578)		
Acquisition of other property and equipment and intangible assets	Notes 9a and 12	(6,610)	(5,126)	(47,011)	(47,776)
Dividends and interest on capital received from subsidiaries		100,000			
Marketable securities		138,414	75,437	302,245	81,768
Cash arising from the merger of Unidas Agro Locadora de Veiculos	Note 9d	6,347			
Net cash provided by (used in) investing activities		222,951	(796,185)	255,234	11,860
Cash flows from financing activities					
Proceeds from borrowings and debentures - net of funding costs	Note 4.2	738,131	298,516	1,182,853	549,221
Repayment of borrowings and debentures	Note 4.2	(1,168,000)	(75,076)	(1,593,215)	(165,828)
Cash effect of derivative financial instrument	Note 4.2	(23,325)		(30,444)	
Interest paid on borrowings and debentures	Note 4.2	(56,140)	(48,355)	(87,535)	(119,013)
Repayment of principal of lease	Note 11b	(2,365)		(21,821)	
Proceeds from stock option plan		1,392	919	1,392	919
Share buyback		(23,685)	(8,204)	(23,685)	(8,204)
Interest on capital paid	Note 18d	(166,177)	(35,814)	(166,177)	(35,814)
Net cash provided by (used in) financing activities		(700,169)	131,986	(738,632)	221,281
Decrease in cash and cash equivalents		(1,406,726)	(706,279)	(1,656,311)	(126,804)
Cash and cash equivalents at the beginning of the period		1,997,982	1,255,550	3,338,488	1,770,114
Cash and cash equivalents at the end of the period		591,256	549,271	1,682,177	1,643,310

(*) As from June 12, 2020, the date the control of Unidas Veículos Especiais S.A. was acquired, 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 cash flows

Six-month period ended June 30

All amounts in thousands of reais

(continued)

Supplemental disclosure of cash flow information		Parent company		Consolidated	
Total cash spent on acquisition of vehicles		2021	2020	2021	2020 (*)
Total vehicles and accessories Cquired for property and equipment	Note 10a	(1,457,371)	(498,115)	(3,026,846)	(1,392,294)
Total vehicles acquired for resale	Note 7			(93,029)	(38,044)
Net changes in the balance of trade payables - automakers and assignment of credits by suppliers		(250,881)	663	(585,822)	(426,127)
Total cash spent on acquisition of vehicles		(1,708,252)	(497,452)	(3,705,697)	(1,856,465)

Items not affecting cash		Parent company		Consolidated	
		2021	2020	2021	2020 (*)
Hedge accounting - cash flow		(46,453)	17,783	(35,109)	(61,000)
Hedge accounting - income tax and social contribution		15,794	(5,539)	11,937	21,247
Hedge accounting effects - subsidiary		7,487	(51,997)		
Interest on capital, net - accrued and not paid	Note 18d	43,651	86,080	43,651	86,080
Dividends accrued and not paid	Note 17b	(707)			
Capital increase through transfer of investment			14,797		
Hedge accounting - exchange variation	Note 4.2			25,170	(90,145)
Debt 4131 - exchange variation	Note 4.2			(25,170)	90,145
Acquisition of investment with treasury shares			32,443		
Addition of right-of-use - properties	Note 10a	2		6,025	9,634
Dividends receivable offset against non-current payables to related		51,660			
Non-current payables to related parties offset against dividends		(51,660)			
Loan agreement receivable offset against capital increase in			15,129		
Capital increase in subsidiaries with assets			(15,129)		
		19,774	93,567	26,504	55,961

(*) As from June 12, 2020, the date the control of Unidas Veículos Especiais S.A. was acquired, 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

Six-month period ended June 30

All amounts in thousands of reais

(A free translation of the original in Portuguese)

	Parent company		Consolidated	
	2021	2020	2021	2020 (*)
Revenue				
Gross revenue net of discounts and cancellations	1,098,001	692,989	3,442,335	2,270,866
Estimated impairment loss on trade receivables	(2,414)	(4,011)	(22,199)	(41,428)
	<u>1,095,587</u>	<u>688,978</u>	<u>3,420,136</u>	<u>2,229,438</u>
Inputs acquired from third parties				
Costs of sales and rentals of vehicles	(411,020)	(233,976)	(1,709,777)	(1,029,518)
Materials, electricity, third-party services and other	(29,539)	(96,514)	(149,413)	(372,246)
	<u>(440,559)</u>	<u>(330,490)</u>	<u>(1,859,190)</u>	<u>(1,401,764)</u>
Gross value added	<u>655,028</u>	<u>358,488</u>	<u>1,560,946</u>	<u>827,674</u>
Depreciation and amortization	(98,831)	(119,632)	(256,209)	(295,823)
Net value added generated	<u>556,197</u>	<u>238,856</u>	<u>1,304,737</u>	<u>531,851</u>
Value added received through transfer				
Equity in the results of subsidiaries	249,920	(1,144)	(3)	
Finance income	8,938	14,660	24,598	22,174
Value added received through transfer	<u>258,858</u>	<u>13,516</u>	<u>24,595</u>	<u>22,174</u>
Total value added to distribute	<u>815,055</u>	<u>252,372</u>	<u>1,329,332</u>	<u>554,025</u>
Distribution of value added				
Personnel				
Direct compensation	53,234	38,362	151,182	101,236
Benefits	5,485	4,800	22,514	20,949
Government Severance Indemnity Fund for Employees (FGTS)	3,675	1,770	9,566	6,029
Taxes, fees, and contributions				
Federal	140,176	38,012	383,512	120,632
State	27,511	26,261	72,229	70,153
Municipal	1,474	2,504	6,282	5,734
Remuneration of third-party capital				
Finance costs	122,480	75,612	202,483	164,241
Rentals	1,988		22,532	
Remuneration of own capital				
Dividends and interest on capital, gross	92,962	95,980	92,962	95,980
Retained earnings (accumulated deficit)	366,070	(30,929)	366,070	(30,929)
Total value added distributed	<u>815,055</u>	<u>252,372</u>	<u>1,329,332</u>	<u>554,025</u>

(*) As from June 12, 2020, the date the control of Unidas Veículos Especiais S.A. was acquired, 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 June 30, 2021

All amounts in thousands of reais unless otherwise stated

1 General information

Companhia de Locação das Américas ("Company" or "Locamerica") is a corporation domiciled in Brazil, incorporated on July 18, 2008, and listed on the São Paulo Stock Exchange (B3) with its shares traded on the Novo Mercado, IBOV and IBrX-100 listing segments, under the ticker symbol LCAM3.

The Company has its registered office at Avenida Raja Gabaglia, 1.781, 12th floor - Luxemburgo, in the city of Belo Horizonte, State of Minas Gerais. The Company and its subsidiaries (together "the Group"), which operate in a number of Brazilian states, are engaged in the following activities:

- Rental of national and imported vehicles with or without a driver, rental of machinery and equipment, and business intermediation in general - "Fleet management" and "RAC" segments (Locamerica, Unidas S.A., Unidas Agro Locação de Veículos S.A. (merged on February 1, 2021) and Unidas Veículos Especiais S.A.);
- Purchase and resale of pre-owned 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.);
- Tracking, telemetry, and Internet of Thinking (IoT) solutions (Iter Tecnologia S.A.).

At June 30, 2021, the Group's fleet comprised 177,184 vehicles (166,111 vehicles at December 31, 2020). The Company's fleet is renewed after the end of the vehicles' economic useful lives, 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 selling points, or in the Group's own stores.

a) Investees, subsidiaries, and consolidated companies

Name	Country	Year of acquisition/ constitution	Relationship	Direct ownership interest (%)	Indirect ownership interest (%)
Acelero Comércio de Veículos S.A.	Brazil	2017	Subsidiary	100	
Agile Gestão de Frotas e Serviços S.A.	Brazil	2008	Subsidiary	100	
Unidas Agro Locação de Veículos S.A.	Brazil	2019	Subsidiary	100	
Unidas S.A.	Brazil	2018	Subsidiary	100	
Unidas Comercial de Veículos S.A.	Brazil	2018	Subsidiary	100	
Unidas Franquias do Brasil S.A.	Brazil	2018	Subsidiary	100	
Unidas Veículos Especiais S.A.	Brazil	2020	Subsidiary	100	
Costa Dourada Veículos Ltda.	Brazil	2020	Indirect subsidiary		100
Amorim & Amorim Ltda.	Brazil	2020	Indirect subsidiary		100
Iter Tecnologia S.A.	Brazil	2020	Indirect subsidiary		100
Elo Telefonia, Sistemas e Equipamentos de Comunicação Ltda.	Brazil	2020	Indirect subsidiary's investee		50

Acelero Comércio de Veículos S.A. - Wholly-owned subsidiary of Locamerica, engaged in the resale of pre-owned 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.

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, was merged into the Company on February 1, 2021.

Companhia de Locação das Américas



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at June 30, 2021

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Unidas S.A. - Wholly-owned subsidiary of Locamerica, operating in the fleet management and rent-a-car segments, and headquartered in the city of Belo Horizonte, State of Minas Gerais.

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

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

Unidas Veículos Especiais S.A. - Wholly-owned subsidiary of Locamérica, operating in the fleet management segment, 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 management 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 management segment, and headquartered in Maceió, State of Alagoas.

Iter Tecnologia S.A. - Indirect subsidiary of Locamerica, through Agile Gestão de Frotas e Serviços S.A., engaged in the telecommunication segment, and headquartered in São José, State of Santa Catarina.

Elo Telefonia, Sistemas e Equipamentos de Comunicação Ltda. - Jointly-controlled subsidiary, through the indirect subsidiary Iter Tecnologia S.A., engaged in the provision of tracking and telemetry solutions, and headquartered in the city of Belo Horizonte, State of Minas Gerais.

b) Approval of the interim financial Information

The issue of this quarterly information was authorized by the Board of Directors on July 27, 2021.

1.1 Impacts of Coronavirus (Covid-19)

The safety measures recommended by health authorities were kept in place during the second quarter of 2021.

As a result of the new restrictions adopted by the State governments in Brazil, in an attempt to curb the increasing number of cases, a decrease in the demand for the Group's products and services was noticed from late February 2021, mainly in the car rental segment (RAC). The lower demand, however, did not significantly impact the Group's operations.

In view of this scenario and due to the social isolation measures imposed by the authorities, the Group constantly reviews its financial and operational indicators, and did not identify any impairment losses, reduction in assets or increase in liabilities to be recognized in this period as a consequence of the pandemic-related reduced level of activities.

The Group believes that the impact of the pandemic on its operations depends on how long the restrictions will remain in place, and despite this challenging scenario, it has managed to keep the growth pace and carry on with its investments and established strategic plans.

Committed to full transparency with the market and regulators in this constantly changing environment, the Group is and will be continuously updating information related to the potential impacts of COVID-19, monitoring macroeconomic and business trends, and preparing stress analyses for its operations, aimed at developing the best estimate of these impacts on a timely basis and allowing for their mitigation with rapid response and contingency plans.

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Notes to the quarterly information

at June 30, 2021

All amounts in thousands of reais unless otherwise stated

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

As disclosed in the financial statements at December 31, 2020, the Company and Localiza Rent a Car S.A. ("Localiza") signed a Share Merger Agreement ("Agreement") on September 22, 2020, which established the terms and conditions for a business combination through the merger of Locamérica's shares into Localiza ("Merger of Shares" or "Transaction").

The Transaction is contingent on 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, as well as on the approval of other certain conditions precedent typical for operations of this nature. Up to the date of this quarterly information, the Transaction had not yet been approved by CADE.

2 Summary of significant accounting policies

The main accounting policies applied in the preparation of this quarterly information were disclosed in the annual financial statements. These policies have been consistently applied to the periods presented, unless otherwise stated.

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 the Technical Pronouncement CPC 21(R1) - Interim Financial Statements, International Standard IAS 34 - Interim Financial Reporting issued by IASB, as well as the standards issued by the Brazilian Securities Commission (CVM) applicable to the preparation of Quarterly Information (ITR).

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

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 does not include all the accounting policies and practices applied by the Company and therefore should be read together with the annual financial statements as of December 31, 2020, approved by the Executive Board, the Board of Directors and the Statutory Audit Board on February 23, 2021 and filed on the same date.

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Notes to the quarterly information at June 30, 2021

All amounts in thousands of reais unless otherwise stated

2.2 New standards, amendments, and interpretations to standards

2.2.1 Recently issued accounting pronouncements and interpretations

The following amendments to standards were issued by the IASB and became effective from January 1, 2021.

a) Amendments to IFRS 9, IAS 39 and IFRS 7 "Financial Instruments", IFRS 4 "Insurance Contracts" and IFRS 16 "Leases"

The amendments foreseen in IBOR reform Phase 2 address issues that may affect financial statements during the reform of a benchmark interest rate, including the effects of changes in contractual cash flows or hedge relationships arising from the replacement of a rate with an alternative benchmark rate (replacement issues). This amendment's effective date is January 1, 2021. The Group's LIBOR-linked contracts are being reviewed by the parties and will be adjusted to the respective alternative rates published, plus spread. Management estimates that the adjusted cash flows will be economically equivalent to the original amounts, and does not expect any material impacts related to this replacement.

2.2.2 Standards that are not yet effective

The following amendments to standards were issued by the IASB but were not effective for 2021. The early adoption of standards, although encouraged by IASB, has not been implemented in Brazil by the Brazilian Accounting Pronouncements Committee (CPC).

a) Amendment to IAS 16 "Property, plant and equipment"

In May 2020, the IASB issued an amendment that prohibits an entity from deducting from the cost of property, plant and equipment, any proceeds received from selling items produced while the entity is preparing the asset for its intended use. These proceeds and the related production costs must be recognized in profit or loss. This amendment's effective date is January 1, 2022, and the Group does not expect significant impacts from its adoption.

b) Amendment to IAS 37 "Provisions, Contingent Liabilities and Contingent Assets"

Issued in May 2020 by the IASB, this amendment clarifies that for the purpose of assessing whether a contract is onerous, the cost of fulfilling the contract includes both the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to its fulfillment. This amendment's effective date is January 1, 2022, and the Group does not expect significant impacts from its adoption.

c) Amendment to IFRS 3 "Business Combination"

Issued in May 2020, this amendment replaces the references to the old version of the conceptual framework to the latest one. This amendment's effective date is January 1, 2022, and the Group does not expect significant impacts from its adoption.

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Notes to the quarterly information at June 30, 2021

All amounts in thousands of reais unless otherwise stated

d) Annual Improvements to IFRS Standards 2018-2020 Cycle

In May 2020, the IASB issued the following amendments as part of the annual improvement process, applicable from January 1, 2022:

- (i) IFRS 9 - "Financial Instruments" - clarifies which rates should be included in the "10 per cent test" for derecognition of financial liabilities.
- (ii) IFRS 16 - "Leases" - removes from Illustrative Example 13 the reimbursement of leasehold improvements by the lessor.
- (iii) IFRS 1 "Initial Adoption of IFRS" - simplifies the application of IFRS 1 by a subsidiary that becomes a first-time adopter later than its parent in relation to the measurement of cumulative translation differences.

There are no other IFRSs or IFRIC interpretations that are not yet effective, which would be expected to have a material impact on the Group's financial statements. The Group does not expect significant impacts from the adoption of the above-mentioned amendments.

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 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, 2020, published on February 23, 2021, 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 currency 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 set up specialized committees to address critical business topics, and an internal control system that contributes to the achievement of the Group's operational and strategic goals.

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Notes to the quarterly information at June 30, 2021

All amounts in thousands of reais unless otherwise stated

(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. The contracting of financial instruments for hedging purposes is carried out through a periodical analysis of the exposure to risk that management intends to hedge (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 an ongoing monitoring of the conditions contracted as compared with the conditions prevailing in the market. During the period, 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.

(ii) Foreign exchange risk

Foreign exchange risks arise from future commercial transactions, recognized assets and liabilities, and net investments in foreign operations. In conformity with its financial risk management policy, the Group enters into derivative financial instruments to hedge its exposure to changes in exchange rates through a currency swap for active contracts. At June 30, 2021, the Group had no material operations subject to foreign exchange risk.

(iii) Derivative financial instruments

During the quarter ended June 30, 2021, exclusively for hedging purposes, the Group entered into swap transactions, which exchange the CDI variable rate 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 will be recognized in profit or loss for the period in which the derivative financial instruments are settled.

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Notes to the quarterly information at June 30, 2021

All amounts in thousands of reais unless otherwise stated



Parent company											
At June 30, 2021			Rates		Interest			Mark-to-market			
Transactions	Period	Notional	Asset position	Liability position	Assets	Liabilities	Net	Assets	Liabilities	Net	Total
CDIx Fixed rate	15 to 60 months	1,106,166	100% to 119% of CDI	3.10% to 10.64% p.a.	1,192,085	(1,197,294)	(5,209)	1,191,664	(1,176,890)	14,774	9,565
					Current liabilities						(5,209)
					Current assets						14,774
Consolidated											
At June 30, 2021			Rates		Interest			Mark-to-market			
Transactions	Period	Notional	Asset position	Liability position	Assets	Liabilities	Net	Assets	Liabilities	Net	Total
CDIx Fixed rate	15 to 60 months	1,273,357	100% to 119% of CDI	3.10% to 12.32%	1,352,091	(1,358,083)	(5,992)	1,351,736	(1,335,197)	16,539	10,547
SWAP 4B1	60 months	188,500	FX variations +(3M LIBOR +0.40%)	109.7% of CDI	247,552	(189,772)	57,780	250,547	(193,646)	56,901	114,681
SWAP 4B1	48 months	252,480	FX variations +(3M LIBOR +0.87%)	CDI+0.82% p.a.	247,323	(252,823)	(5,500)	251,987	(256,157)	(4,170)	(9,670)
					1,846,966	(1,800,678)	46,288	1,854,270	(1,785,000)	69,270	115,558
					Current assets						16,540
					Non-current assets						56,900
					Current liabilities						(1,390)
					Non-current liabilities						(2,780)

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Notes to the quarterly information at June 30, 2021

All amounts in thousands of reais unless otherwise stated

Parent company											
At December 31, 2020			Rates		Interest			Mark-to-market			
Transactions	Period	Notional	Asset position	Liability position	Assets	Liabilities	Result	Assets	Liabilities	Net	Total
CDIx Fixed rate	15 to 60 months	1,106,166	100% to 119% of CDI	3.10% to 10.64% p.a.	1,109,409	(1,117,486)	(8,077)	1,117,818	(1,147,108)	(29,290)	(37,367)
							Current liabilities			(29,290)	(37,367)
Consolidated											
At December 31, 2020			Rates		Interest			Mark-to-market			
Transactions	Period	Notional	Asset position	Liability position	Assets	Liabilities	Result	Assets	Liabilities	Net	Total
CDIx Fixed rate	15 to 60 months	1,273,357	100% to 119% of CDI	3.10% to 12.32%	1,277,285	(1,286,728)	(9,443)	1,289,648	(1,320,798)	(31,150)	(40,593)
SWAP 4131	60 months	188,500	FX variations +(3M LIBOR +0.40%)	109.7% of CDI	448,680	(377,712)	70,968	444,264	(380,957)	63,307	134,275
SWAP 4131	48 months	252,480	FX variations +(3M LIBOR +0.87%)	CDI+0.82% p.a.	512,409	(505,149)	7,260	513,908	(509,514)	4,394	11,654
					2,238,374	(2,169,589)	68,785	2,247,820	(2,211,269)	36,551	105,336
							Non-current assets			67,701	145,929
							Current liabilities			(31,150)	(40,593)

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Notes to the quarterly information at June 30, 2021

All amounts in thousands of reais unless otherwise stated

(b) Credit risk

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

For trade receivables, the Group measures the expected losses using the simplified approach, as permitted by IFRS 9/CPC 48, which considers a provision for losses 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 determined based on internal or external ratings, in accordance with thresholds set by the Group. The utilization of credit limits is monitored on a regular basis.

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

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

		Parent company		Consolidated	
		6/30/2021	12/31/2020	6/30/2021	12/31/2020
Cash and cash equivalents	Note 5 a	591,256	1,997,982	1,682,177	3,338,488
Marketable securities	Note 5 b	53,431	191,845	53,431	355,676
Trade receivables	Note 6	234,939	166,207	518,546	561,645
Related parties	Note 17 b	768	3,761	325	6,381
Dividends receivable	Note 17 b	1,138	38,940		
Other receivables		13,743	6,889	40,613	23,332
Total		895,275	2,405,624	2,295,092	4,285,522

(i) Credit quality of financial assets

The credit quality of financial assets is assessed by reference to external credit ratings, for cash and cash equivalents and marketable securities, or to historical information about counterparty default rates:

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All amounts in thousands of reais unless otherwise stated

Cash and cash equivalents and marketable securities

	Parent company		Consolidated	
	6/30/2021	12/31/2020	6/30/2021	12/31/2020
Cash and bank deposits in current accounts				
AAA	1,839	1,196	9,081	3,609
AA	170	47	172	88
A	70	33	93	69
BB-	10		65	1
Cash	165	153	567	661
Total cash on hand and at banks' current accounts	2,254	1,429	9,978	4,428
Financial investments				
AAA	558,329	1,996,553	1,589,002	3,232,394
AA	30,578		83,101	47
A				101,619
BB-	95		96	
Total financial investments	589,002	1,996,553	1,672,199	3,334,060
Total cash and cash equivalents	591,256	1,997,982	1,682,177	3,338,488
Marketable securities				
AAA	14,949	154,245	14,949	318,076
AA	38,482		38,482	
AA-		37,600		37,600
Total marketable securities	53,431	191,845	53,431	355,676

(ii) Trade receivables

The Group's exposure to credit risk is mainly influenced by the individual characteristics of each customer. The Group has a broad base of customers, in which the largest customer represents only 1% of total revenue for the period (2% at December 31, 2020), and 2% of total trade receivables (2% at December 31, 2020). 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.

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

(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:

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All amounts in thousands of reais unless otherwise stated



			Parent company				
		6/30/2021	Contractual flow	Up to 12 months	From 2 to 5 years	Over 5 years	Total
Liabilities							
Trade payables	Note 13	(647,444)	(647,444)	(647,444)			(647,444)
Assignment of credits by suppliers	Note 14	(72,943)	(73,473)	(73,473)			(73,473)
Borrowings and debentures	Note 15	(3,814,158)	(5,438,353)	(314,384)	(4,055,595)	(1,068,374)	(5,438,353)
Property leases	Note 11b	(8,077)	(10,341)	(4,966)	(4,706)	(669)	(10,341)
Derivative financial instruments, net	Note 4.1a	9,565	9,565	9,565			9,565
Dividends and interest on capital payable	Note 18d	(43,651)	(43,651)	(43,651)			(43,651)
Related parties	Note 17b	(222,515)	(222,515)	(6,181)	(216,334)		(222,515)
Other payables		(43,106)	(43,106)	(42,534)	(572)		(43,106)
Total		(4,842,329)	(6,469,318)	(1,123,068)	(4,277,207)	(1,069,043)	(6,469,318)

			Consolidated				
		6/30/2021	Contractual flow	Up to 12 months	From 2 to 5 years	Over 5 years	Total
Liabilities							
Trade payables	Note 13	(1,540,035)	(1,540,035)	(1,540,035)			(1,540,035)
Assignment of credits by suppliers	Note 14	(281,267)	(284,446)	(284,446)			(284,446)
Borrowings and debentures	Note 15	(6,735,795)	(9,082,041)	(809,339)	(6,941,814)	(1,330,888)	(9,082,041)
Property leases	Note 11b	(122,538)	(140,020)	(49,780)	(86,016)	(4,224)	(140,020)
Derivative financial instruments, net	Note 4.1a	115,558	115,558	7,324	108,234		115,558
Dividends and interest on capital payable	Note 18d	(43,651)	(43,651)	(43,651)			(43,651)
Related parties	Note 17b	(8,011)	(8,011)	(8,011)			(8,011)
Other payables		(126,133)	(126,133)	(125,559)	(574)		(126,133)
Total		(8,741,872)	(11,108,779)	(2,853,497)	(6,920,170)	(1,335,112)	(11,108,779)

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			Parent company				
		12/31/2020	Contractual flow	Up to 12 months	From 2 to 5 years	Over 5 years	Total
Liabilities							
Trade payables	Note 13	(555,737)	(555,737)	(555,737)			(555,737)
Assignment of credits by suppliers	Note 14	(252,538)	(255,118)	(255,118)			(255,118)
Borrowings and debentures	Note 15	(4,087,812)	(5,023,388)	(567,223)	(3,429,648)	(1,026,517)	(5,023,388)
Property leases	Note 11b	(10,701)	(12,203)	(5,336)	(6,867)		(12,203)
Derivative financial instruments	Note 4.1a	(37,367)	(37,367)	(37,367)			(37,367)
Dividends and interest on capital payable	Note 18d	(126,013)	(126,013)	(126,013)			(126,013)
Related parties	Note 17b	(155,833)	(155,833)	(395)	(155,438)		(155,833)
Other payables		(31,190)	(31,190)	(30,623)	(567)		(31,190)
Total		(5,257,191)	(6,196,849)	(1,577,812)	(3,592,520)	(1,026,517)	(6,196,849)

			Consolidated				
		12/31/2020	Contractual flow	Up to 12 months	From 2 to 5 years	Over 5 years	Total
Liabilities							
Trade payables	Note 13	(1,791,002)	(1,791,002)	(1,791,002)			(1,791,002)
Assignment of credits by suppliers	Note 14	(575,788)	(581,430)	(581,430)			(581,430)
Borrowings and debentures	Note 15	(7,113,787)	(8,540,646)	(855,332)	(6,121,698)	(1,563,616)	(8,540,646)
Property leases	Note 11b	(141,235)	(162,893)	(52,125)	(110,256)	(512)	(162,893)
Derivative financial instruments	Note 4.1a	105,336	105,336	(40,593)	145,929		105,336
Dividends and interest on capital payable	Note 18d	(126,013)	(126,013)	(126,013)			(126,013)
Related parties	Note 17b	(9,291)	(9,291)	(9,291)			(9,291)
Other payables		(104,443)	(104,443)	(103,288)	(1,155)		(104,443)
Total		(9,756,223)	(11,210,382)	(3,559,074)	(6,087,180)	(1,564,128)	(11,210,382)

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(d) Additional sensitivity analysis

In the parent company, at June 30, 2021, the effects of a 2.43% increase in the CDI, with all other variables held constant, on the result for the year would be negative by R\$63,443 (negative by R\$1,849 in 2020), mainly due to higher interest expenses on floating-rate borrowings not hedged by swap transactions. Other components of equity would be negative by R\$45,031 (positive variation of R\$13,324 in 2020), mainly due to changes in the fair value of floating-rate financial assets measured at fair value through other comprehensive income.

In the consolidated, at June 30, 2021, the effects of a 2.43% in the CDI and a 4.21% decrease in the IPCA, with all other variables held constant, on the result for the year would be negative by R\$77,764 (positive variation of R\$8,241 in 2020), mainly due to higher interest expenses on floating-rate borrowings not hedged by swap transactions. Other components of equity would be negative by R\$42,895 (positive variation of R\$9,833 in 2020), mainly due to changes in the fair value of floating-rate financial assets measured at fair value through other comprehensive income.

Parent company				
Contents	Impact on profit		Impact on equity	
	6/30/2021	6/30/2020	6/30/2021	12/31/2020
Financial investments and marketable securities indexed to CDI	14,831	1,227		
Derivative financial instruments - CDI vs. fixed rate	(16,289)	(52)	(45,031)	13,324
Debt indexed to CDI	(61,985)	(3,024)		
Increase of 2.43% in CDI	(63,443)	(1,849)	(45,031)	13,324

Consolidated				
Contents	Impact on profit		Impact on equity	
	6/30/2021	6/30/2020	6/30/2021	12/31/2020
Financial investments and marketable securities indexed to CDI	38,256	3,547		
Derivative financial instruments - CDI vs. fixed rate	(17,988)	(67)	(49,734)	14,746
Derivative financial instruments and debt indexed to 3-month LIBOR vs. CDI	(5,812)	(721)	6,839	(4,913)
Debt indexed to CDI	(98,923)	11,602		
Debt indexed to IPCA	6,703	(6,120)		
Increase of 2.43% in CDI	(84,467)	14,361	(42,895)	9,833
Decrease of 4.21% in IPCA	6,703	(6,120)		

4.2 Capital management

The Executive Board's policy aims at maintaining maintain a sound capital basis to preserve the trust of the shareholders, creditors and the market, and sustain the future development of the business. Capitalization comprises 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 with more adequate levels of borrowings, and the advantages and security afforded by a sound capitalization.

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

		Parent company		Consolidated	
		6/30/2021	12/31/2020	6/30/2021	12/31/2020
Borrowings, debentures, and derivative liabilities	Notes 15 and 4.1 a	(3,819,367)	(4,125,179)	(6,751,457)	(7,154,380)
Cash and cash equivalents, marketable securities and derivative assets	Notes 5 a, 5 b and 4.1 a	659,461	2,189,827	1,866,828	3,840,093
Net debt		<u>(3,159,906)</u>	<u>(1,935,352)</u>	<u>(4,884,629)</u>	<u>(3,314,287)</u>
Total equity	Note 18	<u>(4,561,342)</u>	<u>(4,186,288)</u>	<u>(4,561,342)</u>	<u>(4,186,288)</u>
Total capitalization		<u>(7,721,248)</u>	<u>(6,121,640)</u>	<u>(9,445,971)</u>	<u>(7,500,575)</u>
Third-party capital to total capital ratio		41 %	32 %	52 %	44 %

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.

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Changes in net debt at June 30, 2021 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, 2021	(4,087,812)	(37,367)	(4,125,179)	2,189,827	(1,935,352)
Changes affecting cash flow					
Balance arising from the merger of Unidas Agro Locação de Veículos S.A.	(122,183)		(122,183)	6,347	(115,836)
Proceeds from borrowings	(750,000)		(750,000)	750,000	
Repayment of principal of borrowings	1,168,000		1,168,000	(1,168,000)	
Payment of interest on borrowings	56,140		56,140	(56,140)	
Funding costs disbursed during the period	11,869		11,869	(11,869)	
Cash effect of derivative financial instrument		23,325	23,325	(23,325)	
Other payments				(1,042,153)	(1,042,153)
Changes not affecting the cash flow					
Interest on borrowings and funding costs charged to profit or loss	(90,172)		(90,172)		(90,172)
Effect of derivative financial instrument		(22,846)	(22,846)		(22,846)
Mark-to-market effect - hedge accounting		46,453	46,453		46,453
At June 30, 2021	(3,814,158)	9,565	(3,804,593)	644,687	(3,159,906)

	Consolidated				
	Borrowings and debentures	Derivative financial instruments	Total debt	Cash and cash equivalents and marketable securities	Net debt
At January 1, 2021	(7,113,787)	105,336	(7,008,451)	3,694,164	(3,314,287)
Changes affecting cash flow					
Proceeds from borrowings	(1,200,000)		(1,200,000)	1,200,000	
Repayment of principal of borrowings	1,593,215		1,593,215	(1,593,215)	
Payment of interest on borrowings	87,535		87,535	(87,535)	
Funding costs disbursed during the period	17,147		17,147	(17,147)	
Cash effect of derivative financial instrument		30,444	30,444	(30,444)	
Other payments				(1,430,215)	(1,430,215)
Changes not affecting the cash flow					
Interest on borrowings and funding costs charged to profit or loss	(145,075)		(145,075)		(145,075)
Foreign exchange variation	25,170	(25,170)			
Effect of derivative financial instrument		(30,161)	(30,161)		(30,161)
Mark-to-market effect - hedge accounting		35,109	35,109		35,109
At June 30, 2021	(6,735,795)	115,558	(6,620,237)	1,735,608	(4,884,629)

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at June 30, 2021**

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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.

For the purposes of financial reporting, fair value measurements are classified as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs, other than quoted prices included within Level 1, which are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 - inputs for the assets or liabilities that are not based on observable market data (that is, unobservable inputs).

Specific valuation techniques used to value the financial instruments classified within Level 2 include:

- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves;
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.

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

(i) Share-based compensation plan

The fair value of employee share 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, the weighted average life of the instruments, the expected dividends, risk-free interest rates (based on government bonds), and total capital shares. Non-market service and performance conditions inherent in the transactions are not considered when determining the fair value.

The fair value of the options granted to the Group's executive officers and managers is measured on the grant date, and the expense is recognized in the statement of profit or loss 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.

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(ii) Main financial instruments contracted, by category, and respective fair values

	Parent company			
	6/30/2021		12/31/2020	
	Carrying amount	Fair value	Carrying amount	Fair value
Liabilities at amortized cost				
Borrowings and debentures (Note 15)	(3,814,158)	(3,680,503)	(4,087,812)	(3,905,772)
Property leases (Note 11b)	(8,077)	(11,018)	(10,701)	(11,699)
	Consolidated			
	6/30/2021		12/31/2020	
	Carrying amount	Fair value	Carrying amount	Fair value
Liabilities at amortized cost				
Borrowings and debentures (Note 15)	(6,735,795)	(6,530,312)	(7,113,787)	(6,811,207)
Property leases (Note 11b)	(122,538)	(139,103)	(141,235)	(149,203)

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 June 30, 2021 (Level 2 hierarchy).

Management believes 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.

5 Cash and cash equivalents and marketable securities

(a) Cash and cash equivalents

	Parent company		Consolidated	
	6/30/2021	12/31/2020	6/30/2021	12/31/2020
Cash on hand and deposits with banks	2,254	1,429	9,978	4,428
Bank Deposit Certificates (CDBs)	589,002	1,996,553	1,672,199	3,334,060
Total cash and cash equivalents	591,256	1,997,982	1,682,177	3,338,488

Highly liquid short-term financial investments are readily convertible into a known amount of cash, are subject to immaterial risk of change in value, and can be early redeemed without penalties. These financial investments comprise bank deposit certificates (CDBs) with an average return of 101.58% of the Interbank Deposit Certificate (CDI) rate in the parent company and 100.41% in the consolidated at June 30, 2021 (99.64% in the parent company and 100.30% in the consolidated at December 31, 2020).

The financial investments classified as cash and cash equivalents are valued by reference to external credit ratings. At June 30, 2021, there were no differences between the carrying amounts and the fair value of cash and cash equivalents.

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(b) Marketable securities

	Parent company		Consolidated	
	6/30/2021	12/31/2020	6/30/2021	12/31/2020
Bank Deposit Certificates (CDBs)	14,949	151,170	14,949	315,001
Investment fund units	38,482	40,675	38,482	40,675
Total marketable securities	53,431	191,845	53,431	355,676
Current	39,055	188,203	39,055	352,034
Non-current	14,376	3,642	14,376	3,642

At June 30, 2021, the Group's marketable securities comprised investments in Funds and Bank Deposit Certificates (CDBs) yielding an average return of 173.16% of the CDI rate in the parent company and in the consolidated (100% in the parent company and 99.91% in the consolidated at December 31, 2020).

Financial investments in CDBs have a restriction on redemption for the purpose of providing collateral for the debentures of Companhia de Locação das Américas and its subsidiary Unidas S.A.

At June 30, 2021, there were no differences between the carrying amount and the fair value of marketable securities.

6 Trade receivables

	Parent company		Consolidated	
	6/30/2021	12/31/2020	6/30/2021	12/31/2020
Rentals and fleet management	242,784	174,144	561,092	602,607
Sales of vehicles	2,962	3,610	25,340	33,430
	<u>245,746</u>	<u>177,754</u>	<u>586,432</u>	<u>636,037</u>
Adjustment to present value	(39)	(24)	(277)	(330)
Estimated impairment loss on trade receivables	(10,768)	(11,523)	(67,609)	(74,062)
Total	234,939	166,207	518,546	561,645
Current	232,564	160,889	513,745	552,088
Non-current	2,375	5,318	4,801	9,557

For calculating the adjustment to present value, the Group used the Interbank Deposit (DI) fixed rate expected for the average maturity of its trade receivables, increased by a spread of 2.10% p.a. (cost of debt), applied on the estimated contractual cash flows from receivables (DI fixed rate increased by a spread of 3% p.a. at December 31, 2020).

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

	Parent company		Consolidated	
	6/30/2021	12/31/2020	6/30/2021	12/31/2020
Not yet due	214,367	158,937	464,344	540,300
Overdue				
1 to 60 days	12,763	2,642	46,847	19,359
61 to 90 days	2,117	650	9,443	4,605
91 to 180 days	2,954	2,749	18,073	16,198
Over 180 days	13,545	12,776	47,725	55,575
	<u>245,746</u>	<u>177,754</u>	<u>586,432</u>	<u>636,037</u>

Changes in the provision for impairment of trade receivables at June 30, 2021 were as follows:

	Parent company		Consolidated	
	6/30/2021	12/31/2020	6/30/2021	12/31/2020
Balance at the beginning of the period	(11,523)	(4,631)	(74,062)	(59,144)
Balance arising from the acquisition of Unidas Veículos Especiais S.A.				(7,458)
Balance arising from the merger of Unidas Agro Locação de Veículos S.A.	(8,156)			
(Additions) reversals	(2,414)	(7,907)	(22,199)	(52,378)
Write-offs due to losses (a)	11,325	1,015	28,652	44,918
Balance at the end of the period/year	<u>(10,768)</u>	<u>(11,523)</u>	<u>(67,609)</u>	<u>(74,062)</u>

(a) relates to notes receivable overdue for more than 365 days that were fully provided for, but will continue to be collected through administrative and judicial proceedings. The net balance of trade receivables and the corresponding cash flows have not been affected.

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

7

Vehicles being decommissioned for fleet renewal, vehicles for resale, and inventory of products

	Parent company		Consolidated	
	6/30/2021	12/31/2020	6/30/2021	12/31/2020
Vehicles being decommissioned for fleet renewal	81,555	61,664	318,977	377,500
Vehicles for resale			41,831	12,635
Inventory of goods			3,210	148
Surplus on revaluation of inventories from Unidas S.A.				28
Surplus on revaluation of inventories from Unidas Agro Locação de				1,093
Surplus on revaluation of inventories from Unidas Veículos Especiais S.A.				
(***)				
Total	<u>81,555</u>	<u>61,200</u>	<u>364,018</u>	<u>390,735</u>
Vehicles being decommissioned for fleet renewal	81,555	61,200	318,977	377,952
Vehicles for resale			41,831	12,635
Inventory of goods			3,210	148

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Vehicles being decommissioned for fleet renewal are recorded at the lower of cost, net of depreciation accumulated up to the decommissioning date, or the estimated net realizable value.

The vehicles for resale come from the subsidiary Acelero Comércio de Veículos S.A. and the inventory of products, from the indirect subsidiary Iter Tecnologia S.A.

The provision for stolen and damaged vehicles relates exclusively to vehicles not covered by insurance.

None of the vehicles being decommissioned has been pledged as collateral.

8 Current and deferred income tax and social contribution

(a) Deferred tax assets (liabilities) recognized

Changes in deferred taxes in the period/year ended June 30, 2021 and December 31, 2020 were as follows:

	Parent company					
	12/31/2019	Changes	12/31/2020	Balance from the merger of Unidas Agro Locação de Veículos S.A.	Changes	6/30/2021
Income tax and social contribution losses	63,111	38,182	101,293		(6,848)	94,445
Estimated impairment loss on trade receivables	7,784	2,431	10,215	2,402	(1,554)	11,063
Provision for contingencies	4,169	306	4,475	119	611	5,205
Financial instruments	650	1,362	2,012		(164)	1,848
Expenses with share-based compensation plans	3,115	1,908	5,023	436	250	5,709
Debenture issuance costs	(7,268)	(1,446)	(8,714)		1,775	(6,939)
Depreciation	(107,673)	(59,756)	(167,429)	(14,293)	(44,442)	(226,164)
Hedge accounting (*)	11,240	441	11,681		(16,509)	(4,828)
Tax amortization of goodwill	(8,121)	(4,873)	(12,994)		(8,062)	(21,056)
Others	2,982	4,951	7,933	68	3,933	11,934
Total	(30,011)	(16,494)	(46,505)	(11,268)	(71,010)	(128,783)

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

Breakdown of changes in deferred tax assets and liabilities:		6/30/2021
Impact of the change in deferred taxes recorded in equity		(16,509)
Impact of changes in deferred taxes recorded in profit or loss (a)		(54,501)
Impact of the change in deferred taxes recorded in prior years' equity		715
Total changes in deferred taxes in the period		(70,295)
Changes in deferred taxes recorded against investments (amortization of revaluation surplus (deficit) (b)		3,095
Tax effects from the merger of Unidas Agro Locadora de Veículos S.A. (b)		1,505
Prior years' adjustments (*) (b)		(101)
Impact of deferred charges on profit or loss for the year = (a) + (b)		(50,002)

(*) In 2021, prior years' deferred taxes were adjusted, with no financial impacts to the Company.

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	Consolidated				
	12/31/2019	Changes	12/31/2020	Changes	6/30/2021
Income tax and social contribution losses	143,289	58,621	201,910	(39,568)	162,342
Estimated impairment loss on trade receivables	35,462	18,399	53,861	7,499	61,360
Provision for contingencies	14,007	(670)	13,337	(1,525)	11,812
Financial instruments	3,360	91	3,451	184	3,635
Share-based compensation expenses	5,146	4,070	9,216	1,310	10,526
Debenture issuance costs	(7,268)	(1,446)	(8,714)	1,775	(6,939)
Depreciation	(330,563)	(83,881)	(414,444)	(76,738)	(491,182)
Hedge accounting (*)	11,613	(21,240)	(9,627)	(13,730)	(23,357)
Intangible assets arising from acquisition/merger of subsidiary	(2,502)	464	(2,038)	143	(1,895)
Tax amortization of goodwill	(24,727)	(4,873)	(29,600)	(8,062)	(37,662)
Others	94,252	(21,380)	72,872	10,463	83,335
Deferred taxes arising from the business combination – Unidas S.A.	(9,305)	5,485	(3,820)	2,390	(1,430)
Deferred taxes arising from the business combination – Unidas Agro Locação de Veículos S.A.	(3,642)	1,502	(2,140)	468	(1,672)
Deferred taxes arising from the business combination – Unidas Veículos Especiais S.A.		(6,941)	(6,941)	627	(6,314)
Deferred taxes arising from the business combination – Iter Tecnologia S.A.		(3,219)	(3,219)	268	(2,951)
Total	(70,878)	(55,018)	(125,896)	(114,496)	(240,392)
Deferred taxes in non-current assets	30,003	(25,476)	4,527	481	5,008
Deferred taxes in non-current liabilities	(100,881)	(29,542)	(130,423)	(114,977)	(245,400)

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

Breakdown of changes in deferred tax assets and liabilities:	6/30/2021
Impact of changes in deferred taxes recorded in equity	(13,730)
Impact of the changes in deferred taxes recorded in profit or loss (a)	(100,766)
Impact of the change in deferred taxes recorded in prior years' equity	1793
Total changes in deferred taxes in the period	(112,703)
Prior years' adjustments (*) (b)	669
Impact of deferred charges on profit or loss for the year = (a) + (b)	(100,097)

(*) In 2021, prior years' deferred taxes were adjusted, with no financial impacts to the Group.

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

Year	Parent company		Consolidated	
	6/30/2021	12/31/2020	6/30/2021	12/31/2020
2021	73,120	51,727	103,459	117,485
2022	21,325	49,566	58,883	84,425
Total	94,445	101,293	162,342	201,910

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 can be carried forward indefinitely.

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(b) Current and deferred taxes on profit or loss

	Parent company		Consolidated	
	6/30/2021	6/30/2020	6/30/2021	6/30/2020
Profit for the year before taxation	524,143	57,570	653,598	57,945
Statutory rates	34%	34%	34%	34%
Income tax and social contribution at the statutory rate	(178,209)	(19,574)	(222,223)	(19,701)
Adjustments to the nominal expense:				
Equity in the results of investees	84,973	(389)	(1)	
Interest on capital (paid)	31,607	32,633	31,607	32,633
Interest on capital (received)		(849)		(849)
Write-off of tax losses		(3,966)		(3,966)
Other exclusions, net	(3,482)	(374)	(3,949)	(1,011)
Income tax and social contribution expenses	(65,111)	7,481	(194,566)	7,106
Total deferred income tax and social contribution	(50,002)	7,481	(100,097)	15,230
Total current income tax and social contribution	(15,109)		(94,469)	(8,124)
	(65,111)	7,481	(194,566)	7,106

(Note

9 Investments

(a) Breakdown of investments

	Parent company		Consolidated	
	6/30/2021	12/31/2020	6/30/2021	12/31/2020
Acelero Comércio de Veículos S.A.	47,561	38,960		
Agile Gestão de Frotas e Serviços S.A.	60,412	53,358		
Unidas S.A.	2,980,301	2,887,109		
Unidas Agro Locação de Veículos S.A.		294,778		
Unidas Franquias do Brasil S.A.	24,620	23,934		
Unidas Comercial de veículos S.A.	3,633	3,659		
Unidas Veículos Especiais S.A.	714,959	693,488		
Other investments	1			
Elo Telefonía, Sistemas e Equipamentos de Comunicação Ltda. (*)			989	196
	3,831,487	3,995,286	989	196

(*) Investment of 50% of Iter Tecnologia S.A., indirect subsidiary of Locamerica.

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(b) Changes in investments

	Parent company							
	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 Franquias do Brasil S.A.	Unidas Comercial de Veículos S.A.	Unidas Veículos Especiais S.A.	Other investments
At December 31, 2020	38,960	53,358	2,887,109	294,778	23,934	3,659	693,488	3,995,286
Write-off of subsidiary's investment due to merger				(233,222)				(233,222)
Write-off of subsidiary's goodwill due to merger				(59,684)				(59,684)
Write-off of subsidiary's surplus on revaluation due to Capital increase with cash	9,500	5,700		(3,954)				15,200
Equity in the results of subsidiaries	(899)	1,354	223,340	2,234	686	(26)	23,231	249,920
Share-based compensation plans - subsidiaries			2,122				164	2,286
Amortization of deficit on revaluation of contingencies			456					456
Amortization of surplus/deficit on revaluation of property and equipment, intangible assets, and vehicles being decommissioned for fleet renewal			(7,485)	(230)			(1,844)	(9,559)
Dividends receivable			(120,144)				(707)	(120,851)
Deferred charges on amortization of revaluation surplus			2,390	78			627	3,095
Hedge accounting - subsidiaries			(7,487)					(7,487)
Others								1
At June 30, 2021	47,561	60,412	2,980,301		24,620	3,633	714,959	3,831,487

(c) Summarized financial information

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

	6/30/2021			
	Assets	Liabilities	Equity	Profit (loss) for the year
Acelero Comércio de Veículos S.A.	57,466	9,905	47,561	(899)
Agile Gestão de Frotas e Serviços S.A.	61,290	878	60,412	1,354
Unidas S.A.	6,609,906	4,289,503	2,320,403	223,340
Unidas Franquias do Brasil S.A.	28,917	4,297	24,620	686
Unidas Comercial de Veículos S.A.	3,641	8	3,633	(26)
Unidas Veículos Especiais S.A.	898,298	218,350	679,948	23,231
Costa Dourada Veículos Ltda. (i)	35,107	16,875	18,232	1,236
Amorim & Amorim Ltda. (i)	7,858	546	7,312	95
Iter Tecnologia S.A. (i)	20,465	3,983	16,482	1,141
Elo Telefonía, Sistemas e Equipamentos de Comunicação Ltda. (ii)	2,103	124	1,979	(6)

(i) Indirect subsidiary

(ii) Investee of the indirect subsidiary Iter Tecnologia S.A.

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(d) Merger of Unidas Agro Locadora de Veículos Ltda.

On December 14, 2020, the Extraordinary General Meeting resolved and approved the merger, into the Company, of all the assets and liabilities of the wholly-owned subsidiary Unidas Agro Locação de Veículos S.A., which became an integral part of its parent company as from February 1, 2021.

The merged balances are presented below:

Assets	02/01/2021	Liabilities and equity	02/01/2021
Current assets		Current liabilities	
Cash and cash equivalents	6,347	Trade payables	100,985
Trade receivables	28,674	Assignment of credits by suppliers	41,985
Vehicles being decommissioned for fleet	10,729	Borrowings and debentures	313
Taxes recoverable - short term	240	Property leases	213
Prepaid expenses	6,469	Other payables	11,629
Other receivables	760		
Total current assets	53,219	Total current liabilities	155,125
Non-current assets		Non-current liabilities	
Judicial deposits	784	Borrowings and debentures	121,870
		Property leases - long term	821
		Provision for contingencies	349
		Deferred taxes	11,268
		Related parties	108,628
		Total non-current liabilities	242,936
	784	Total liabilities	398,061
Property and equipment	576,245	Equity	
Lease right-of-use assets	1,034	Share capital	179,433
Investments	1	Reserves	53,789
Total non-current assets	578,064	Total equity	233,222
Total assets	631,283	Total liabilities and equity	631,283

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10 Property and equipment

(a) Changes in cost and depreciation

Cost	Parent company		
	Vehicles	Other property and equipment	Total
At December 31, 2019	2,474,796	25,198	2,499,994
Additions	1,358,255	2,272	1,360,527
Reductions	(8,317)	(22)	(8,339)
Transfer to vehicles being decommissioned for fleet renewal	(650,668)		(650,668)
At December 31, 2020	3,174,066	27,448	3,201,514
Additions	1,457,371	5,274	1,462,645
Reductions	(38)	(1,155)	(1,193)
Transfer to vehicles being decommissioned for fleet renewal	(388,201)		(388,201)
Property and equipment arising from the merger of Unidas Agro Locadora de Veículos Ltda.	574,997	1,248	576,245
Surplus on revaluation arising from the merger of Unidas Agro Locadora de Veículos Ltda.	1,093		1,093
At June 30, 2021	4,819,288	32,815	4,852,103
Depreciation			
At December 31, 2019	(223,381)	(13,630)	(237,011)
Depreciation	(170,146)	(3,574)	(173,720)
Reductions	1,782		1,782
Transfer to vehicles being decommissioned for fleet renewal	103,449		103,449
At December 31, 2020	(288,296)	(17,204)	(305,500)
Depreciation	(79,901)	(2,989)	(82,890)
Amortization of surplus/deficit on revaluation	(219)		(219)
Transfer to vehicles being decommissioned for fleet renewal	61,281		61,281
At June 30, 2021	(307,135)	(20,193)	(327,328)
Net book value			
At June 30, 2021	4,512,153	12,622	4,524,775
At December 31, 2020	2,885,770	10,244	2,896,014

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Cost	Consolidated		
	Vehicles	Other property and equipment	Total
At December 31, 2019	6,863,400	137,449	7,000,849
Additions	4,752,276	54,523	4,806,799
Reductions	(29,564)	(2,603)	(32,167)
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 S.A.	(1,531)		(1,531)
Property and equipment arising from the acquisition of Iter Tecnologia S.A.	27	140	167
Transfer to vehicles being decommissioned for fleet renewal	(3,222,528)		(3,222,528)
At December 31, 2020	8,512,894	190,009	8,702,903
Additions	3,026,846	30,852	3,057,698
Reductions	(4,969)	(2,981)	(7,950)
Transfer to vehicles being decommissioned for fleet renewal	(1,493,470)		(1,493,470)
At June 30, 2021	10,041,301	217,880	10,259,181
Depreciation			
At December 31, 2019	(273,170)	(22,582)	(295,752)
Depreciation	(434,276)	(36,340)	(470,616)
Reductions	3,067	864	3,931
Amortization of surplus on revaluation	(9,544)		(9,544)
Transfer to vehicles being decommissioned for fleet renewal	331,455		331,455
At December 31, 2020	(382,468)	(58,058)	(440,526)
Depreciation	(186,249)	(25,056)	(211,305)
Reductions	880	558	1,438
Amortization of surplus/deficit on revaluation	(3,485)		(3,485)
Transfer to vehicles being decommissioned for fleet renewal	140,217		140,217
At June 30, 2021	(431,105)	(82,556)	(513,661)
Net book value			
At June 30, 2021	9,610,196	135,324	9,745,520
At December 31, 2020	8,130,426	131,951	8,262,377

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

		Parent company		Consolidated	
		6/30/2021	6/30/2020	6/30/2021	6/30/2020
Depreciation of property and equipment	Note 10 a	82,890	99,535	211,305	257,687
Amortization of intangible assets	Note 12	2,622	1,841	10,594	7,648
Amortization of surplus/deficit on revaluation of property and equipment and intangible assets	Notes 10 a and 12	783	1,546	10,961	14,914
Amortization of surplus on revaluation of vehicles being decommissioned for fleet renewal		364		465	1,251
Amortization of surplus/deficit on revaluation of PIS/COFINS on depreciation of right-of-use assets	Note 9 b	9,559	14,619		
Renegotiation of leases (right-of-use assets) (*)		(236)	(209)	(1,697)	(1,562)
Depreciation of right-of-use assets	Note 11 a	(185)			(4,100)
Total		2,849	2,485	24,581	19,985
		98,831	119,632	256,209	295,823

(*) Covid-19 renegotiation of installments under right-of-use contracts. The contractual clauses remained unchanged.

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11 Lease right-of-use assets and lease of properties

The Group rents properties for its RAC and Pre-owned vehicle stores and administrative offices, which include high street stores, and units in shopping malls and airports.

(a) Changes in right-of-use assets

Cost	Parent company	Consolidated
At December 31, 2019	21,765	182,863
Additions	1,176	47,915
Write-off of contracts		(828)
Balance arising from the acquisition of Unidas Veículos Especiais S.A.		2,787
Balance arising from the acquisition of Iter Tecnologia S.A.		26
At December 31, 2020	22,941	232,763
Additions	2	6,025
Write-off of contracts	(13)	(3,353)
Balance arising from the merger of Unidas Agro Locação de Veículos S.A.	1,034	
At June 30, 2021	23,964	235,435
Depreciation		
At December 31, 2019	(7,430)	(50,268)
Depreciation	(5,046)	(45,212)
At December 31, 2020	(12,476)	(95,480)
Depreciation	(2,849)	(24,581)
Reductions		1,180
At June 30, 2021	(15,325)	(118,881)
Net book value		
At June 30, 2021	8,639	116,554
At December 31, 2020	10,465	137,283

(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 7.34% p.a. was used in the parent company, and of 7.14% p.a. in the consolidated (7.28% p.a. in the parent company, and 7.32% p.a. in the consolidated at December 31, 2020).

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Property leases	Parent company	Consolidated
At December 31, 2019	16,696	156,790
Additions	1,374	56,076
Write-off of contracts		(227)
Payments	(5,867)	(52,553)
Balance arising from the acquisition of Unidas Veículos Especiais S.A.		2,787
Balance arising from the acquisition of Iter Tecnologia S.A.		20
At December 31, 2020	12,203	162,893
Additions	2	6,480
Write-off of contracts	(17)	(2,550)
Payments	(2,881)	(26,803)
Balance arising from the merger of Unidas Agro Locação de Veículos S.A.	1,034	
At June 30, 2021	10,341	140,020
Adjustment to present value		
At December 31, 2019	(2,361)	(24,195)
Additions	(198)	(8,161)
Write-off of contracts		(601)
Payments	1,057	11,299
At December 31, 2020	(1,502)	(21,658)
Additions		(455)
Write-off of contracts	(1,143)	(1,143)
Payments	381	5,774
At June 30, 2021	(2,264)	(17,482)
At June 30, 2021	8,077	122,538
Current	4,249	44,889
Non-current	3,828	77,649
At December 31, 2020	10,701	141,235
Current	4,714	44,246
Non-current	5,987	96,989

(c) Key aspects

The table below breaks down the lease agreements by maturity:

	Payment schedule			
	Parent company		Consolidated	
	6/30/2021	12/31/2020	6/30/2021	12/31/2020
2021	2,853	5,336	25,856	52,125
2022	4,744	3,454	45,598	43,823
2023	1,081	1,089	34,365	33,786
2023 onwards	1,663	2,324	34,201	33,159
Total	10,341	12,203	140,020	162,893
Built-in interest	(2,264)	(1,502)	(17,482)	(21,658)
Balance of lease liabilities	8,077	10,701	122,538	141,235

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 6.07% for 2021, 3.77% for 2022, and 3.25% for 2023 onwards, based on the Focus bulletin.

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

6/30/2021						
Parent company			Consolidated			
	Without inflation effects	With inflation effects	Variation %	Without inflation effects	With inflation effects	Variation %
Right-of-use, net	8,639	8,870	2.7 %	116,554	119,389	2.4 %
Lease liability	10,341	10,692	3.4 %	140,020	144,509	3.2 %

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 0.008% and 0.10% of equity, in the parent company and consolidated, respectively.

12 Intangible assets

Parent company						
Cost	Software	Customer portfolio	Trademarks and patents	Goodwill	Others	Total
At December 31, 2019	29,031	10,092	363	71,658	60	111,204
Additions	8,057					8,057
Disposals and write-offs	(97)					(97)
At December 31, 2020	36,991	10,092	363	71,658	60	119,164
Additions	4,338					4,338
Disposals and write-offs		(10,092)	(363)		(60)	(10,515)
Surplus on revaluation arising from the merger of Unidas Agro Locadora de Veículos Ltda.		3,954				3,954
Property and equipment arising from the merger of Unidas Agro Locadora de Veículos Ltda.				59,684		59,684
At June 30, 2021	41,329	3,954		131,342		176,625
Amortization						
At December 31, 2019	(15,387)	(7,256)	(363)			(23,006)
Amortization	(4,065)					(4,065)
Amortization of surplus on revaluation		(2,836)				(2,836)
At December 31, 2020	(19,452)	(10,092)	(363)			(29,907)
Amortization	(2,622)					(2,622)
Amortization of surplus on revaluation		(564)				(564)
Reductions		10,092	363			10,455
At June 30, 2021	(22,074)	(564)				(22,638)
Net book value						
At June 30, 2021	19,255	3,390		131,342		153,987
At December 31, 2020	17,539			71,658	60	89,257

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Cost	Consolidated					
	Software	Contracts with customers	Trademarks and patents	Goodwill	Others	Total
At December 31, 2019	59,847	58,277	31,347	865,740	6,294	1,021,505
Additions	37,636				945	38,581
Disposals and write-offs	(592)					(592)
Intangible assets arising from the acquisition of Unidas Veículos Especiais S.A.	107					107
Surplus on revaluation arising on the acquisition of Unidas Veículos Especiais S.A.		23,790				23,790
Goodwill arising on the acquisition of Unidas Veículos Especiais				22,755		22,755
Surplus on revaluation of the acquisition of Iter Tecnologia S.A.	6,225	3,317				9,542
Goodwill arising on the acquisition of Iter Tecnologia S.A.				35,541		35,541
At December 31, 2020	103,223	85,384	31,347	924,036	7,239	1,151,229
Additions	16,159					16,159
Disposals and write-offs	(644)	(10,092)	(363)		(60)	(11,159)
At June 30, 2021	118,738	75,292	30,984	924,036	7,179	1,156,229
Amortization						
At December 31, 2019	(20,223)	(23,424)	(765)		(2,960)	(47,372)
Amortization	(13,116)	(1,636)	(476)		(1,572)	(16,800)
Amortization of surplus on revaluation	(45)	(16,930)				(16,975)
At December 31, 2020	(33,384)	(41,990)	(1,241)		(4,532)	(81,147)
Amortization	(8,895)	(817)	(308)		(574)	(10,594)
Disposals and write-offs		10,092	363			10,455
Amortization of surplus on revaluation	(389)	(7,087)				(7,476)
At June 30, 2021	(42,668)	(39,802)	(1,186)		(5,106)	(88,762)
Net book value						
At June 30, 2021	76,070	35,490	29,798	924,036	2,073	1,067,467
At December 31, 2020	69,839	43,394	30,106	924,036	2,707	1,070,082

Surplus on revaluation of the acquisition 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. and Iter Tecnologia S.A. in 2020. In determining the purchase price allocation, a surplus value was identified on existing agreements between the four acquired companies and their customers, as well as on the software of Iter Tecnologia S.A.

Amortization of surplus on revaluation of software

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 will be amortized over an average term of seven years and six months.

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 will be amortized over an average term of three years and ten months.

Allocation of goodwill to the cash generating units

Goodwill and trademarks were tested for impairment on December 31, 2020, and no need for adjustments was identified. Likewise, no significant changes were identified in the quarter ended June 30, 2021, either.

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

Impairment tests for goodwill and trademark

Impairment of goodwill and trademarks was calculated according to the future profitability methodology, which is based on retrospective analysis, projected scenarios, and discounted cash flows.

The 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 Group's assets, revenue growth assumptions were considered with a pre-tax discount rate of 10%, and a perpetuity rate of 3.5%, in accordance with the actual market demand and installed capacity utilization rates.

An average annual revenue growth of 15.40% was considered for the first six years of the projection, after which the perpetuity growth rate was considered. These revenue growth assumptions were based on initiatives included in the business plan, by projecting an average annual growth of net revenue arising from increases in volume and price. Costs and expenses were projected considering their historical percentage on net revenue, while the costs of vehicle sales were projected based on the acquisition price of new vehicles and the average age of the vehicles sold.

13 Trade payables

	Parent company		Consolidated	
	6/30/2021	12/31/2020	6/30/2021	12/31/2020
Suppliers of vehicles	608,903	535,169	1,445,936	1,734,774
Others	38,541	20,568	94,099	56,228
	<u>647,444</u>	<u>555,737</u>	<u>1,540,035</u>	<u>1,791,002</u>

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, the related invoices are no longer payable to the suppliers, but to the financial institutions, which take into account the Group's credit risk. At June 30, 2021, the discount rates on credit assignment agreements entered into by the Group's suppliers with local financial institutions ranged from 0.30% to 0.92% p.m. (0.32% to 0.78% p.m. at December 31, 2020) on the amount of the transactions; finance costs are defrayed by the Group.

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The balances relating to these transactions were as follows at the reporting date:

	Parent company		Consolidated	
	6/30/2021	12/31/2020	6/30/2021	12/31/2020
Assignment of credits by suppliers	73,473	255,118	284,446	581,430
Unamortized cost	(530)	(2,580)	(3,179)	(5,642)
	<u>72,943</u>	<u>252,538</u>	<u>281,267</u>	<u>575,788</u>

These amounts mature as follows:

	Parent company		Consolidated	
	6/30/2021	12/31/2020	6/30/2021	12/31/2020
From 1 to 30 days	51,076	239,617	147,564	515,174
From 31 to 120 days		15,501		66,256
Over 120 days	22,397		136,882	
	<u>73,473</u>	<u>255,118</u>	<u>284,446</u>	<u>581,430</u>

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

15 Borrowings and debentures

	Parent company		Consolidated	
	6/30/2021	12/31/2020	6/30/2021	12/31/2020
Debentures	160,779	357,862	432,669	580,763
Promissory Note		142,884		142,884
Agribusiness Receivable Certificates (CRAs)	(305)		(305)	(425)
Working capital	11,249	2,831	93,488	2,921
Current liabilities	<u>171,723</u>	<u>503,577</u>	<u>525,852</u>	<u>726,143</u>
Debentures	3,069,838	2,834,931	5,226,295	4,992,579
Agribusiness Receivable Certificates (CRAs)	122,597		122,597	122,387
Working capital	450,000	749,304	861,051	1,272,678
Non-current liabilities	<u>3,642,435</u>	<u>3,584,235</u>	<u>6,209,943</u>	<u>6,387,644</u>
Total	<u>3,814,158</u>	<u>4,087,812</u>	<u>6,735,795</u>	<u>7,113,787</u>

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

At June 30, 2021, the breakdown of borrowings and debentures recorded in liabilities, net of funding costs, is as follows, by maturity year:

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	Parent company		Consolidated	
	6/30/2021	12/31/2020	6/30/2021	12/31/2020
2021	57,500	503,577	82,511	726,143
2022	311,751	571,721	754,929	1,227,612
2023	311,995	749,778	796,424	1,238,488
2023 to 2031	3,132,912	2,262,736	5,101,931	3,921,544
	3,814,158	4,087,812	6,735,795	7,113,787

(a) Funds raised during the period

On February 18, 2021, the Board of Directors of Unidas S.A. approved the 15th public issue of simple debentures, not convertible into shares, in a single series, of unsecured type with additional personal guarantee, in the amount of R\$450,000. The net proceeds obtained by the Issuer were used in the normal course of its business, to reinforce cash.

On April 30, 2021, the Company's Board of Directors approved the 20th public issue of simple debentures of Companhia de Locação das Américas, not convertible into shares, of unsecured type with additional personal guarantee, in two series of R\$350,000 for series 1 and R\$400,000 for series 2. The net proceeds obtained by the Issuer were used in the normal course of its business, to reinforce cash.

(b) Characteristics of the debentures

The Group's debentures are not convertible into shares, and have the following main characteristics:

Debt securities	Rate	Maturity year	Collateral
Debentures - 16th issue	119% of the CDI rate	2024	Floating guarantee on issuer's assets
Debentures - 17th issue	113% of the CDI rate	2023	Unsecured guarantee and additional personal guarantee granted
Debentures - 18th issue	108% of the CDI rate	2024	Unsecured guarantee and additional personal guarantee granted
Debentures - 19th issue	CDI + 2.40% p.a.	2026	Unsecured guarantee and additional personal guarantee granted
Debentures - 20th issue	CDI + 2.00% p.a. CDI + 2.40% p.a.	2028 - 1st series 2031 - 2nd series	Unsecured guarantee and additional personal guarantee granted
Agribusiness Receivable Certificates (CRAs)	108% of the CDI rate	2026	Additional personal guarantee granted and assignment of agribusiness credit rights
Bank Credit Certificate	CDI + 2.40% p.a.	2026	Assignment of Bank Deposit Certificate
Debentures - 11th issue	117.5% of CDI	2023	Floating guarantee on issuer's assets and additional personal guarantee granted
Debentures - 12th issue	110.6% of CDI - 1st series CDI + 7.3032% p.a. - 2nd series	2023 - 1st series 2025 - 2nd series	Unsecured guarantee and additional personal guarantee granted
Debentures - 13th issue	107.9% of CDI - 1st series 110.5% of CDI - 2nd series 112.0% of CDI - 3rd series	2024 - 1st series 2027 - 2nd series 2029 - 3rd series	Unsecured guarantee and additional personal guarantee granted
Debentures - 14th issue	109.72% of the CDI rate	2024	Unsecured guarantee and additional personal guarantee granted
Debentures - 15th issue	CDI + 2.25% p.a.	2026	Unsecured guarantee and additional personal guarantee granted
Debt 4.131	(3-month LIBOR + 0.40%) x 1176471	2024	Unsecured guarantee and additional personal guarantee granted
Debt 4.131	(3-month LIBOR + 0.87%) x 1176471	2024	Unsecured guarantee and additional personal guarantee granted

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Contractual guarantees

The Group has no assets pledged as collateral for its debentures.

Acceleration covenants

The issues include hypotheses of accelerated maturity, applicable to the following situations, among others:

- Breach of financial obligations, not corrected 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 June 30, 2021 and December 31, 2020, the Group had complied with all the covenants.

Funding cost of debentures, promissory notes, and Agribusiness Receivables Certificates (CRAs)

The transaction costs incurred 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 profit or loss under the effective interest rate method.

Transaction costs to be recognized in subsequent periods are as follows:

Year	Parent company		Consolidated	
	6/30/2021	12/31/2020	6/30/2021	12/31/2020
2021	(2,472)	(7,854)	(4,563)	(14,108)
2022	(4,904)	(7,074)	(9,052)	(12,796)
2023	(4,678)	(4,035)	(7,576)	(6,937)
2023 to 2031	(8,760)	(3,936)	(11,726)	(7,342)
Total	(20,814)	(22,899)	(32,917)	(41,183)

16 Judicial deposits and provision for contingencies

(a) Judicial deposits

Breakdown of the balances of judicial deposits, by type of lawsuit:

	Parent company		Consolidated	
	6/30/2021	12/31/2020	6/30/2021	12/31/2020
Civil and labor	4,551	4,353	19,464	17,523
Tax contingencies	28,407	21,261	59,659	51,865
	32,958	25,614	79,123	69,388

(b) Provision for contingencies

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

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Changes in provisions were as follows:

Parent company			
	Civil and labor contingencies	Tax contingencies	Total
At December 31, 2019	16,638	2,513	19,151
Amortization of deficit on revaluation	(3,385)		(3,385)
Provision recorded in the year	289	610	899
At December 31, 2020	13,542	3,123	16,665
Balance arising from the merger of Unidas Agro Locadora de Veículos Ltda.		349	349
Provision recorded in the period	1,744	9,533	11,277
At June 30, 2021	15,286	13,005	28,291

Consolidated			
	Civil and labor contingencies	Tax contingencies	Total
At December 31, 2019	29,816	86,069	115,885
Balance arising from the acquisition of Unidas Veículos Especiais S.A.	108		108
Amortization of deficit on revaluation	(6,579)	(671)	(7,250)
Provision recorded (reversed) in the year	14,172	(3,698)	10,474
At December 31, 2020	37,517	81,700	119,217
Amortization of deficit on revaluation	44	412	456
Provision recorded in the period	3,745	9,185	12,930
At June 30, 2021	41,306	91,297	132,603

(c) Contingencies classified as involving probable losses

Civil claims

The Group is the defendant in civil lawsuits seeking compensation for victims of traffic accidents involving vehicles of its fleet, with claims for personal and property damages. A provision was recorded at an amount deemed sufficient to cover probable losses on these lawsuits.

These proceedings are handled at different court levels, and the Company maintains judicial deposits to cover part of the disputes.

It is not possible to determine the prevailing trend of case law in these civil proceedings, as most involve car accidents, and the court evaluates the circumstances and evidence presented in each case, rather than following an established pattern.

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 probable losses.

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The court decisions on labor litigations involving overtime and severance pay are based on the circumstances and evidence presented in each case. Accordingly, in view of the disperse nature of proceedings, it is not possible to conclude on the applicable case law for each matter.

For the employment relationship of employees hired through labor cooperatives, there is the understanding consolidated by the Superior Labor Court, according to which the cooperative is seen as a labor provider, and therefore, there is no legal impediment that prevents the Company and its subsidiaries from recognizing the direct employment relationship with the labor cooperative. Management believes that the Company's defense may not prevail and has recorded provisions to cover probable 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.

Past decisions rendered by the Superior Court of Justice (STJ) considered that rentals of movable properties constitute billings, and, as such, should be included in the PIS and COFINS tax base. In September 2010, the Federal Government filed a tax collection lawsuit claiming the payment of the amounts due. For the purposes of suspending the enforceability of these taxes and filing a motion to stay the execution, the Company deposited in court the amounts of R\$19,468 and R\$847, related to COFINS and PIS, respectively (R\$19,355 and R\$843 at December 31, 2020). In view of the jurisprudence involving the aforementioned dispute and the decisions handed down during the course of the lawsuit, the Company classifies the risk of loss as probable, and records a provision at the subsidiary Unidas S.A. for the adjusted amount of debt, which totaled R\$21,392 at June 30, 2021 (R\$20,754 at December 31, 2020).

At June 30, 2021, the provisions for tax lawsuits amounted to R\$13,005 in the parent company, and R\$91,297 in the consolidated (R\$3,123 and R\$81,700 in the parent company and consolidated, respectively, at December 31, 2020). The Company monitors the lawsuits in progress before the State and Federal trial and appellate courts, classifying them based on the decisions rendered.

(d) Contingencies classified as involving possible losses

The lawsuits classified by management, under the advice of legal counsel, as involving possible risk of loss and for which no provision has been recorded totaled R\$122,184 in the parent company, and R\$390,248 in the consolidated (R\$122,846 in the parent company, and R\$381,681 in the consolidated at December 31, 2020). The amounts are distributed as follows: approximately R\$93,811 in the parent company and R\$268,065 in the consolidated relating to tax lawsuits (R\$98,478 in the parent company and R\$274,286 in the consolidated at December 31, 2020); R\$4,955 in the parent company and R\$24,551 in the consolidated relating to labor lawsuits (R\$4,770 in the parent company and R\$22,810 in the consolidated at December 31, 2020); and R\$23,418 in the parent company and R\$97,632 in the consolidated, relating to civil lawsuits (R\$19,598 in the parent company and R\$84,802 in the consolidated at December 31, 2020).

Most of 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\$11,932 in the parent company and R\$20,058 in the consolidated (R\$11,623 in the parent company and R\$19,514 in the consolidated at December 31, 2020).

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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 full utilization of these credits is requested pursuant to the provisions of Law 10,833/2003, Article 3, paragraph 14, item VI, and Article 15, item II. At June 30, 2021, the Group's management classified the likelihood of an unfavorable outcome as possible and estimated the related loss at R\$73,263 (R\$71,734 at December 31, 2020).

On May 21, 2009, the Brazilian Federal Revenue Service (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 June 30, 2021, the adjusted amount totaled R\$ 58,474 (R\$58,170 at December 31, 2020).

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 in 2009. At June 30, 2021, the adjusted amount of these debts totaled R\$35,269 (R\$35,037 at December 31, 2020).

The Group's management disagrees with the grounds that led to the issue of these tax assessment notices, and having challenged these assessments at the administrative level, within the deadlines established by law, awaits judgment on such appeals.

Supported by reports issued by its legal advisors, management classifies as possible the likelihood of an unfavorable outcome in these appeals, and therefore, no provision has been recognized. On the reporting date, the aforementioned tax assessment notices were still in progress.

In October 2019, the subsidiary Unidas S.A. filed a lawsuit to dispute the use of certain PIS and COFINS credits, seeking to preclude the application of Interpretative Declaratory Act of the Brazilian Federal Revenue Service - RFB 04/2015, 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 request to use these credits is based on provisions of Law 10,833/2003, Article 3, paragraph 14, item VI, and Article 15, item II. At June 30, 2021, the Group's management classified the likelihood of loss on this contingency as possible and estimated the risk of loss at R\$27,947 (R\$28,713 at December 31, 2020).

At the reporting date, the Group has lawsuits not provided for, amounting to R\$1,438 in the parent company and R\$5,876 in the consolidated (R\$1,406 in the parent company and R\$4,987 in the consolidated at December 31, 2020), concerning the requirement of ICMS on the decommissioning of property and equipment assets, which is carried out through the sale. On July 7, 2006, the National Council of Fiscal Policy (CONFAZ) amended Convention 64, establishing the levy of ICMS on pre-owned vehicles that are sold in less than 12 months from their acquisition. All Brazilian States adhered to the Convention, except for the State of São Paulo, which issued CAT Decision 02/06, with the same regulation.

The Company claims that, in addition to the aforementioned regulation, the Federal Supreme Court (STF) had already taken a position in the judgment of Matter 1012, confirming the assumptions of Agreement 64, i.e., in the case of car rental companies, ICMS is levied only on vehicles sold in less than 12 months from the date they were acquired from the automaker. There were no significant changes that would justify accounting or contingency adjustments, since the legal and jurisprudential scenario remained the same after the judgment handed down by the STF.

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17 Related parties

(a) Remuneration of the key management personnel

The remuneration paid to key management personnel (statutory officers) in the periods ended June 30, 2021 and 2020, is shown below, by category:

	Parent company		Consolidated	
	6/30/2021	6/30/2020	6/30/2021	6/30/2020
Board of Directors and Statutory Audit Board				
Direct compensation and related charges	1,224	720	1,224	720
Share-based compensation plan	16	28	16	28
Executive Board				
Direct compensation and related charges	12,883	6,082	19,930	10,284
Share-based compensation plan	4,936	1,323	9,080	1,784
	<u>19,059</u>	<u>8,153</u>	<u>30,250</u>	<u>12,816</u>

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(b) Related-party transactions

Related parties (balance sheet balances)

Current receivables from related parties
Dividends receivable
Current payables to related parties
Non-current payables to related parties

Parent company					
Unidas S.A.		Others		Total	
6/30/2021	12/31/2020	6/30/2021	12/31/2020	6/30/2021	12/31/2020
738	972	30	2,789	768	3,761
	31,516	1,138	7,424	1,138	38,940
(4,243)	(364)	(1,938)	(31)	(6,181)	(395)
(216,334)	(155,438)			(216,334)	(155,438)
(219,839)	(123,314)	(770)	10,182	(220,609)	(113,132)

Related parties (balance sheet balances)

Current receivables from related parties
Non-current receivables from related parties
Current payables to related parties

Consolidated					
Vanguard Car Rental System USA LLC.		Others		Total	
6/30/2021	12/31/2020	6/30/2021	12/31/2020	6/30/2021	12/31/2020
	3,135	325	2,786	325	5,921
			460		460
(6,491)	(9,088)	(1,520)	(203)	(8,011)	(9,291)
(6,491)	(5,953)	(1,195)	3,043	(7,686)	(2,910)

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Related parties (profit/loss)

Revenue

Costs and expenses

Parent company					
Unidas S.A.		Others		Total	
6/30/2021	6/30/2020	6/30/2021	6/30/2020	6/30/2021	6/30/2020
109	524	4,054	5,485	4,163	6,009
(17,641)	(10,590)	(362)		(18,003)	(10,590)
(17,532)	(10,066)	3,692	5,485	(13,840)	(4,581)

Related parties (profit/loss)

Revenue

Costs and expenses

Consolidated					
Vanguard Car Rental System USA LLC.		Others		Total	
6/30/2021	6/30/2020	6/30/2021	6/30/2020	6/30/2021	6/30/2020
		7,968	3,993	7,968	3,993
(31,043)	(50,219)	(402)	(104)	(31,445)	(50,323)
(31,043)	(50,219)	7,566	3,889	(23,477)	(46,330)

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(c) Relationship between the Company and its related parties

- Acelero Comércio de Veículos S.A. - No transactions with this related party.
- Agile Gestão de Frotas e Serviços S.A. - Dividends receivable.
- Armal Empreendimentos e Participação - Property rental transaction.
- Guerra Empreendimentos e Participações - Property rental transaction.
- Ls Mg Comércio de Veículos Ltda. - No transactions with this related party.
- Via Jap Comercio de Veículos Ltda. - Purchase and sale of vehicles
- 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. (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 relates to the transfer of rental amounts paid by customers directly to Vanguard.
- Unidas S.A. - Rental of vehicles and loan agreement.
- Unidas Comercial de Veículos S.A. - No transactions with this related party.
- 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, and dividends receivable.
- Unidas Veículos Especiais S.A. - Dividends receivable.
- Costa Dourada Veículos Ltda. - No transactions with this indirect subsidiary in the period.
- Amorim & Amorim Ltda. - No transactions with this indirect subsidiary in the period.
- Iter Tecnologia S.A. - Purchases of equipment and software licensing services.
- Elo Telefonia, Sistemas e Equipamentos de Comunicação Ltda. - No transactions with the investee of is indirect subsidiary Iter Tecnologia S.A. in the period.

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18 Equity

(a) Share capital

At March 31, 2021, the Company's shares were held as follows:

	6/30/2021		12/31/2020	
	Shares	%	Shares	%
Luís Fernando Memoria 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	32,368,613	6.36%	32,368,613	6.36%
SF 166 Participações Societárias S.A.	10,577,891	2.08%	10,577,891	2.08%
RCC Participações Sociais Ltda.	10,120,680	1.99%	10,120,680	1.99%
Free Float (*)	322,163,610	63.33%	322,556,313	63.40%
Total shares outstanding	506,370,046	99.54%	506,762,749	99.09%
Treasury shares	2,359,365	0.46%	1,966,662	0.39%
Total	508,729,411	100.00%	508,729,411	100.00%

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

At June 30, 2021, the Company's fully subscribed and paid-up share capital, totaling R\$3,094,902, was represented by 508,729,411 registered common shares with no par value (R\$3,094,902, represented by 508,729,411 common shares at December 31, 2020).

(b) Share buyback and treasury stock

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 June 30, 2021, treasury stock totaled R\$39,934 (R\$ 26,506 at December 31, 2020).

At June 30, 2021, the balance of repurchased shares amounted to R\$23,865 (R\$37,579 at December 31, 2020).

At June 30, 2021, the balance of stock options exercised totaled R\$9,097 (R\$14,214 at December 31, 2020).

(c) Revenue reserves

- Legal reserve

The legal reserve is credited annually with 5% of the profit for the year, up to the limit of 20% of the share capital, as provided for in Article 193 of Law 6,404/76. The purpose of the legal reserve is to preserve capital, and it can only be used to offset losses and increase capital.

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• Investment reserve

The investment reserve is made up 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 June 30, 2021, the investment reserve amounted to R\$459,125 (R\$459,125 at December 31, 2020).

(d) Interest on capital

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

Approval date	Gross amount	Net amount	Amount per share (in R\$)	Date of shareholding position	Payment date
3/19/2021	44,524	40,164	0.08799	3/24/2021	04/06/2021
6/21/2021	48,438	43,651	0.09569	6/24/2021	07/07/2021
Total	92,962	83,815			

Approval date	Gross amount	Net amount	Amount per share (in R\$)	Date of shareholding position	Payment date
3/30/2020	48,539	43,651	0.09641	04/02/2020	01/10/2021
6/26/2020	47,441	42,429	0.09378	07/02/2020	01/10/2021
9/15/2020	46,831	41,942	0.09253	10/09/2020	10/08/2020
12/21/2020	44,322	39,933	0.08766	12/29/2020	01/10/2021
Total	187,133	167,955			

(e) Capital reserve and options granted reserve

The Company sets up a capital reserve for the stock options granted under the share-based compensation plan. At June 30, 2021, the options granted totaled R\$14,429 (R\$ 15,189 at December 31, 2020).

Changes in share-based payments during the period ended June 30, 2021 were as follows:

Changes in capital reserve	
At December 31, 2020	15,189
Expenses related to share-based payments recognized in the statement of operations	5,389
Write-offs and cancellations	(730)
Employees of subsidiaries recognized in equity	2,286
Realization or right to the share-based compensation plan	(7,705)
At June 30, 2021	14,429

At June 30, 2021, the balance of the capital reserve was R\$567,195 (R\$567,195 at December 31, 2020).

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(i) 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 period ended June 30, 2021 are shown below:

Main characteristics and assumptions							Quantitative changes		
Plan	Program	Grant date	Vesting (Service clause)	Exercise price (in reais)	Expiry date	Fair value of the option/share (in reais)	At 12/31/2020	Changes	At 6/30/2021
Options 2	3	7/27/2016	Up to 5 years	1.38	7/26/2026	2.55	349,700	(20,000)	329,700
Options 2	3	03/08/2017	Up to 5 years	1.72	03/07/2027	6.39	120,000	(60,000)	60,000
Options 2	3	07/05/2017	Up to 5 years	2.56	07/04/2027	8.77	683,310	(70,310)	613,000
Options 2	5	03/08/2018	Up to 5 years	5.20	03/07/2028	18.49	450,000	(150,000)	300,000
Options 2	3	04/02/2018	Up to 5 years	7.97	04/01/2028	12.30	738,300	(96,000)	642,300
Restricted stock	Single	11/21/2018	Up to 5 years	9.70	11/20/2024	29.11	419,400	(12,600)	406,800
Matching stock	Single	3/21/2019	Up to 6 years	13.12	3/21/2025	39.35	394,349		394,349
Restricted stock	Single	3/21/2019	Up to 5 years	12.93	3/21/2024	12.93	162,000	(40,500)	121,500
Restricted stock	Single	6/19/2019	Up to 5 years	15.61	6/19/2024	15.61	465,600	(188,400)	277,200
Restricted stock	Single	10/17/2019	Up to 5 years	17.40	10/17/2024	17.40	144,000	(26,000)	118,000
Stock matching	Single	6/19/2020	Up to 6 years	15.82	6/19/2026	15.82	635,261		635,261
Restricted stock	Single	06/12/2020	Up to 5 years	15.62	06/12/2025	15.62	130,000		130,000
Restricted stock	Single	11/30/2020	Up to 5 years	27.24	11/30/2025	27.24	183,500		183,500
Restricted stock	Single	12/01/2020	Up to 5 years	26.53	12/01/2025	26.53	25,000		25,000
Restricted stock	Single	1/28/2021	Up to 5 years	27.39	1/28/2026	27.39		24,000	24,000
Stock matching	Single	3/31/2021	Up to 4 years	14.83	3/31/2025	14.83		195,629	195,629
Stock matching	Single	3/31/2021	Up to 4 years	24.00	3/31/2025	24.00		19,250	19,250
Stock matching	Single	3/31/2021	Up to 4 years	24.22	3/31/2025	24.22		25,000	25,000
Stock matching	Single	3/31/2021	Up to 4 years	23.62	3/31/2025	23.62		15,750	15,750
Stock matching	Single	3/31/2021	Up to 4 years	23.27	3/31/2025	23.27		8,007	8,007
Stock matching	Single	3/31/2021	Up to 6 years	23.27	3/31/2027	23.27		8,006	8,006
Stock matching	Single	3/31/2021	Up to 4 years	24.30	3/31/2025	24.30		9,150	9,150
Stock matching	Single	3/31/2021	Up to 6 years	24.30	3/31/2027	24.30		9,150	9,150
Stock matching	Single	3/31/2021	Up to 4 years	22.97	3/31/2025	22.97		7,050	7,050
Stock matching	Single	3/31/2021	Up to 6 years	22.97	3/31/2027	22.97		7,050	7,050
Restricted stock	Single	04/01/2021	Up to 5 years	24.55	04/01/2026	24.55		58,212	58,212
Restricted stock	Single	05/01/2021	Up to 5 years	26.37	05/01/2026	26.37		257,000	257,000
Restricted stock	Single	06/01/2021	Up to 5 years	27.79	06/01/2026	27.79		127,000	127,000
							4,900,420	106,444	5,006,864

(f) Carrying value adjustments

During the quarter ended June 30, 2021, the Group recognized other comprehensive income of R\$23,172 (net of taxes) referring to hedge operations.

At June 30, 2021, carrying value adjustments amounted to R\$45,138 (R\$ 21,966 at December 31, 2020).

19 Net operating revenue

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

	Parent company			
	Quarter ended		Six-month period ended	
	6/30/2021	6/30/2020	6/30/2021	6/30/2020
Gross revenue	598,853	351,620	1,113,005	743,718
Discounts and	(7,914)	(33,007)	(15,004)	(50,729)
Taxes levied	(34,670)	(20,031)	(63,852)	(39,396)
Net operating revenue	556,269	298,582	1,034,149	653,593

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	Consolidated			
	Quarter ended		Six-month period ended	
	6/30/2021	6/30/2020	6/30/2021	6/30/2020
Gross revenue	1,734,640	1,061,511	3,471,849	2,401,251
Discounts and	(15,661)	(89,651)	(29,514)	(130,385)
Taxes levied	(82,044)	(51,057)	(163,557)	(109,870)
Operating revenue	1,636,935	920,803	3,278,778	2,160,996

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

	Parent company			
	Quarter ended		Six-month period ended	
	6/30/2021	6/30/2020	6/30/2021	6/30/2020
Revenue from rental of vehicles and fleet management	371,097	223,058	682,823	439,338
Sales of semi-new vehicles (*)	219,841	95,555	415,177	253,651
Taxes levied	(34,669)	(20,031)	(63,851)	(39,396)
Net operating revenue	556,269	298,582	1,034,149	653,593

	Consolidated			
	Quarter ended		Six-month period ended	
	6/30/2021	6/30/2020	6/30/2021	6/30/2020
Rental of vehicles	806,626	525,794	1,584,525	1,178,412
Franchising	812	538	1,965	1,937
Management of third-parties' fleet	19,526	3,384	28,125	4,037
Sales of semi-new vehicles (*)	841,202	426,914	1,750,824	1,042,125
Resale of semi-new vehicles (**)	50,813	15,230	76,896	44,355
Taxes levied	(82,044)	(51,057)	(163,557)	(109,870)
Net operating revenue	1,636,935	920,803	3,278,778	2,160,996

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

(*) The resale of pre-owned vehicles is performed exclusively by Acelero and Unidas Comercial.

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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	
	6/30/2021	6/30/2020	6/30/2021	6/30/2020	6/30/2021	6/30/2020
Cost of sale of pre-owned vehicles	(160,062)	(87,981)			(160,062)	(87,981)
Vehicle maintenance and fees, and write-offs due to theft	(100,076)	(62,102)			(100,076)	(62,102)
Depreciation and amortization	(53,477)	(51,896)	(8,099)	(13,779)	(61,576)	(65,675)
Personnel	(7,910)	(5,966)	(30,307)	(17,863)	(38,217)	(23,829)
Advertising and marketing			(1,387)	(1,274)	(1,387)	(1,274)
Commissions, fees, and outsourced services			(9,152)	(9,455)	(9,152)	(9,455)
Estimated impairment loss on trade receivables			(2,951)	(2,861)	(2,951)	(2,861)
Recovery of PIS/COFINS tax credits	26,028	15,941			26,028	15,941
Others	(551)	(2,151)	(5,507)	(1,842)	(6,058)	(3,993)
Total	(296,048)	(195,000)	(57,403)	(47,074)	(353,451)	(242,074)

	Parent company					
	Cost of rental and sale of vehicles		Selling, general and administrative expenses		Total	
	Six-month period ended		Six-month period ended		Six-month period ended	
	6/30/2021	6/30/2020	6/30/2021	6/30/2020	6/30/2021	6/30/2020
Cost of sale of pre-owned vehicles	(308,062)	(235,208)			(308,062)	(235,208)
Provision for adjustment of assets to their recoverable value		(845)				(845)
Vehicle maintenance and fees, and write-offs due to theft	(178,243)	(126,043)			(178,243)	(126,043)
Depreciation and amortization	(82,252)	(99,267)	(16,579)	(20,365)	(98,831)	(119,632)
Personnel	(13,578)	(11,173)	(60,363)	(40,030)	(73,941)	(51,203)
Advertising and marketing			(3,178)	(5,011)	(3,178)	(5,011)
Commissions, fees, and outsourced services			(19,057)	(12,380)	(19,057)	(12,380)
Estimated impairment loss on trade receivables			(2,414)	(4,011)	(2,414)	(4,011)
Recovery of PIS/COFINS tax credits	48,963	31,340			48,963	31,340
Others	(1,253)	(2,498)	(10,384)	(8,438)	(11,637)	(10,936)
Total	(534,425)	(443,694)	(111,975)	(90,235)	(646,400)	(533,929)

	Consolidated					
	Cost of rental and sale of vehicles		Selling, general and administrative expenses		Total	
	Quarter ended		Quarter ended		Quarter ended	
	6/30/2021	6/30/2020	6/30/2021	6/30/2020	6/30/2021	6/30/2020
Cost of sale of pre-owned vehicles	(639,293)	(387,338)			(639,293)	(387,338)
Adjustment of assets to their recoverable value (*)		(24,545)				(24,545)
Cost of resale of semi-new vehicles (*)	(43,125)	(13,126)			(43,125)	(13,126)
Vehicle maintenance and fees, and write-offs due to theft	(232,832)	(178,520)			(232,832)	(178,520)
Depreciation and amortization	(118,919)	(130,376)	(19,842)	(18,265)	(138,761)	(148,641)
Personnel	(39,127)	(27,155)	(71,600)	(42,501)	(110,727)	(69,656)
Advertising and marketing			(8,213)	(5,412)	(8,213)	(5,412)
Commissions, fees, and outsourced services			(46,898)	(37,352)	(46,898)	(37,352)
Estimated impairment loss on trade receivables			(13,364)	(25,142)	(13,364)	(25,142)
Recovery of PIS/COFINS tax credits	54,963	34,220			54,963	34,220
Others	(18,672)	(13,841)	(20,797)	(18,355)	(39,469)	(32,196)
Total	(1,037,005)	(740,681)	(180,714)	(147,027)	(1,217,719)	(887,708)

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at June 30, 2021

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	Consolidated					
	Cost of rental and sale of vehicles		Selling, general and administrative expenses		Total	
	Six-month period ended		Six-month period ended		Six-month period ended	
	6/30/2021	6/30/2020	6/30/2021	6/30/2020	6/30/2021	6/30/2020
Cost of sale of pre-owned vehicles	(1,361,716)	(968,784)			(1,361,716)	(968,784)
Adjustment of assets to their recoverable value (*)		(24,545)				(24,545)
Cost of resale of semi-new vehicles (*)	(63,833)	(37,828)			(63,833)	(37,828)
Vehicle maintenance and fees, and write-offs due to theft	(448,743)	(364,879)			(448,743)	(364,879)
Depreciation and amortization	(216,016)	(257,696)	(40,193)	(38,127)	(256,209)	(295,823)
Personnel	(69,234)	(52,869)	(146,221)	(94,572)	(215,455)	(147,441)
Advertising and marketing			(15,690)	(13,379)	(15,690)	(13,379)
Commissions, fees, and outsourced services			(101,442)	(76,958)	(101,442)	(76,958)
Estimated impairment loss on trade receivables			(22,199)	(41,428)	(22,199)	(41,428)
Recovery of PIS/COFINS tax credits	113,342	78,344			113,342	78,344
Others	(35,148)	(34,574)	(40,285)	(33,228)	(75,433)	(67,802)
Total	(2,081,348)	(1,662,831)	(366,030)	(297,692)	(2,447,378)	(1,960,523)

(*) The resale of pre-owned vehicles is performed exclusively by Acelero and Unidas Comercial.

21 Finance income (costs), net

	Parent company			
	Quarter ended		Six-month period ended	
	6/30/2021	6/30/2020	6/30/2021	6/30/2020
Interest on financial investments and trade receivables	4,064	5,784	8,929	14,439
Other finance income	9	116	9	221
Total finance income	4,073	5,900	8,938	14,660
Interest on borrowings and funding costs	(44,523)	(22,851)	(90,172)	(49,671)
Interest on assignment of receivables - suppliers	(1,627)	(3,772)	(4,192)	(4,374)
Interest on swap transactions (*)	(5,203)	(10,919)	(22,846)	(19,342)
Interest on lease	(227)	(158)	(452)	(344)
Banking expenses	(866)	(616)	(1,404)	(1,344)
Other finance costs	(2,535)	(301)	(3,414)	(537)
Total finance costs	(54,981)	(38,617)	(122,480)	(75,612)
Total	(50,908)	(32,717)	(113,542)	(60,952)

	Consolidated			
	Quarter ended		Six-month period ended	
	6/30/2021	6/30/2020	6/30/2021	6/30/2020
Interest on financial investments and trade receivables	13,573	8,321	23,921	20,785
Other finance income	412	365	677	1,389
Total finance income	13,985	8,686	24,598	22,174
Interest on borrowings and funding costs	(73,141)	(49,930)	(145,075)	(112,850)
Interest on assignment of receivables - suppliers	(3,534)	(9,767)	(9,305)	(11,979)
Interest on swap transactions (*)	(9,442)	(13,965)	(30,161)	(24,519)
Interest on lease	(2,122)	(938)	(5,409)	(2,433)
Banking expenses	(6,313)	(3,445)	(10,534)	(8,742)
Other finance costs	(952)	(2,364)	(1,999)	(3,718)
Total finance costs	(95,504)	(80,409)	(202,483)	(164,241)
Total	(81,519)	(71,723)	(177,885)	(142,067)

(*) At June 30, 2021, the amount of R\$2,389 relates to mark-to-market expenses, and R\$20,457, to interest expenses accrued in the parent company. In the consolidated, mark-to-market expenses totaled R\$2,389, and interest expenses accrued, R\$27,772.

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22 Segment Information

Operating segments are defined as entity components that engage in business activities: (i) from which they 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 the following three operating segments, which are managed separately, based on the reports used for strategic decision-making by the Executive Board and the Board of Directors: (i) rental of vehicles under long-term contracts ("Fleet management"); (ii) rental of vehicles under short-term contracts ("RAC" or "rent-a-car"), and (iii) purchase and resale of pre-owned vehicles carried out by Acelero.

Below is a breakdown of the results by segment.

	6/30/2021				6/30/2020			
	Fleet Management	RAC	Acelero	Consolidated	Fleet Management	RAC	Acelero	Consolidated
Net revenue from rental of vehicles and fleet management	842,493	611,074		1,453,567	603,410	474,011		1,077,421
Net revenue from sale of pre-owned vehicles	638,792	113,028	73,391	1,825,211	495,638	544,705	43,232	1,083,575
Net revenue	1,481,285	1,724,102	73,391	3,278,778	1,099,048	1,018,716	43,232	2,160,996
Cost of rental and sale of vehicles net of depreciation	(693,882)	(1,104,217)	(67,233)	(1,865,332)	(613,976)	(751,114)	(40,045)	(1,405,135)
Gross profit, net of depreciation	787,403	619,885	6,158	1,413,446	485,072	267,602	3,187	755,861
Selling expenses, net of depreciation	(59,794)	(142,911)	(688)	(203,393)	(57,281)	(106,125)	(2,568)	(165,974)
General and administrative expenses, net of depreciation	(66,646)	(51,100)	(4,698)	(122,444)	(28,010)	(59,711)	(5,870)	(93,591)
Other operating income (expenses), net	55	31		86	(7,087)	6,983	(357)	(461)
Equity in the results of investees	(3)			(3)				
EBITDA (Not reviewed)	661,015	425,905	772	1,087,692	392,694	108,749	(5,608)	495,835
Depreciation and amortization	(153,984)	(100,549)	(1,676)	(256,209)	(172,941)	(121,442)	(1,440)	(295,823)
Profit before finance result and taxes	507,031	325,356	(904)	831,483	(12,693)	(7,048)		200,012
Finance costs, net				(177,885)				(142,067)
EBT (Not reviewed)				653,598				57,945
Income tax and social contribution				(194,566)				7,106
Profit for the period				459,032				65,051

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 Basic and diluted earnings per share

(a) Basic earnings per share

Basic earnings per share are calculated by dividing the profit attributable to 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	
	6/30/2021	6/30/2020
Profit attributable to owners of the parent	459,032	65,051
Weighted average number of outstanding common shares (in thousands)	508,729	508,729
Basic earnings per share - R\$	0.90	0.13

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(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 market price of the Company's shares) is calculated based on the monetary value of the subscription 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	
	6/30/2021	6/30/2020
Profit attributable to owners of the parent	459,032	65,051
Weighted average number of outstanding common shares (in thousands)	508,729	508,729
Average number of stock options (in thousands)	4,870	5,648
Weighted average number of common shares for diluted earnings per share (in thousands)	513,599	514,377
Diluted earnings per share - R\$	0.89	0.13

24 Insurance

The Group's policy is to maintain insurance coverage for the fleet in accordance with contractual requirements, and for damage to third parties.

25 Events after the reporting date

In July 2021, the Company repurchased 1,300 shares under the fourth share buyback program.

On July 23, 2021, the Extraordinary General Meeting approved the issue of Agribusiness Credit Rights (CDCAs) in the gross amount of R\$ 200,000 and at a cost of CDI + 1.42% p.a. The net proceeds obtained with the Offering pursuant to the terms of CVM Instructions 600 and 400 were used in the normal course of the Company's business, to reinforce cash. The debt matures in 2031.

* * *

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, headquartered at Avenida Raja Gabágliã, 1.781, 12th floor, district of Luxemburgo, in the city of Belo Horizonte, State of Minas Gerais, 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 individual and consolidated financial information of Companhia de Locação das Américas for the period ended June 30, 2021.

Belo Horizonte, July 27, 2021

Luis Fernando M. Porto - Chief Executive Officer

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, headquartered at Avenida Raja Gabágua, 1.781, 12th floor, district of Luxemburgo, in the city of Belo Horizonte, State of Minas Gerais, 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 agreed with the opinion expressed in the report on review of the individual and consolidated quarterly information of Companhia de Locação das Américas for the period ended June 30, 2021, issued by Deloitte Touche Tohmatsu Auditores.

Belo Horizonte, July 27, 2021

Luis Fernando M. Porto - Chief Executive Officer

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

Luís Fernando Memoria Porto
CEO

Marco Túlio de Carvalho Oliveira
Financial and Investor Relations Officer

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

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