S&P Global Ratings

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Movida Participacoes S.A.

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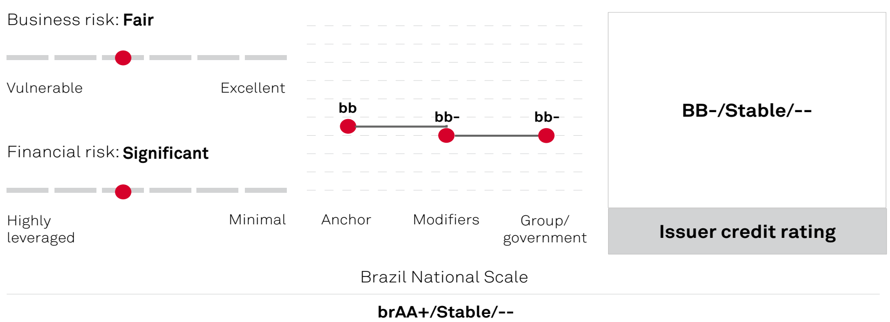
Ratings Score Snapshot



Credit Highlights

Overview

Key strengths	Key risks
Solid position as the second largest player in the Brazilian car rental and fleet management market.	Pressured credit metrics in 2024, with EBIT interest coverage at about 1.6x and funds from operations (FFO) to debt below 20%.
Strong bargaining power with automakers because it's part of a larger transportation group.	Generally high capital expenditure (capex) requirements to sustain fleet renewal and expansion.
Access to long-term funding to finance growth.	Exposure to cash flow volatility in the rent-a-car (RaC) segment, which represents about 45% of consolidated EBITDA.

S&P Global Ratings expects modest fleet growth for Movida Participacoes S.A. (Movida) in the next few years, with capex mostly directed to fleet renewal. We expect the total fleet to shrink close to 6% to about 229,000 vehicles at year-end 2024 versus 2023, but then expand to about 246,000 in 2025. The fleet reduction includes 21,500 fewer cars in the RaC segment, but an expansion of 6,300 vehicles in fleet management (GTF; long-term contracts). The expansion of the GTF fleet should increase Movida's cash-flow predictability due to the associated long-term contracts, while the RaC segment is more volatile and dependent on discretionary demand. We expect net capex of about Brazilian real (R$) 1.7 billion in 2024, and R$5.4 billion in 2025, considering fleet renewal and modest expansion.

Movida's focus on deleveraging should continue, mostly via operational efficiency measures. The basic interest rate in Brazil has been rising since mid-September. This led Movida to prioritize leverage reduction in 2024 and 2025, through higher cash flows. This should come with the company's ongoing operating efficiency measures, such as focusing on higher rental tariffs and occupancy rates. We expect the average utilization rate for RaC to be about 75%-80% in 2024-2025, from 80.5% in 2023, while the increase in daily tariffs should be more pronounced at about 15%-20% in 2024 and 7% in 2025. For GTF, tariffs are expected to rise by 20% in 2024 and 12% in 2025 due to contract renegotiations and higher average price for vehicles, while the segment maintains occupancy rates at about 95%-98% of the total fleet. With our forecast of increasing cash flows, we expect net debt to EBITDA of about 3.5x in 2024 and 3.0x in 2025.

We expect continued liability management will lengthen the debt maturity profile and reduce debt costs. Movida has been prepaying existing debt with new cheaper credit lines. Until September 2024, the company raised approximately R$6 billion through senior notes, debentures, and bilateral bank loans. The average cost of the new debt is at about the Brazilian interbank rate (CDI) plus 2.0%-2.5%, while the proceeds were mostly used to prepay debt with higher average costs, estimated at about CDI plus 2.8%.

We expect the company's liability management exercises will continue, leading EBIT interest coverage to improve to above 1.7x by 2025 compared with about 1.5x by year-end 2024, and FFO to debt trending to 20% in the next few years with higher EBITDA.

Outlook

The stable outlook reflects our expectation that Movida will continue focusing on efficiency gains in the next few years to compensate for sustained high interest rates. We expect modest fleet expansion and the maintenance of higher occupancy rates, while the company sustains its solid position in the RaC industry and increases the share of GTF in overall results. In our view, the company will finance future growth mostly from operating cash flows, not incurring significant additional debt. However, the elevated interest burden will continue weighing on credit metrics in 2025. We expect EBIT interest coverage of close to 1.7x and FFO to debt approaching 19% next year.

Downside scenario

We could lower the ratings if the company fails to deliver expected operating cash flows to partly offset the high interest burden in the next 12-18 months. In this scenario, credit metrics won't improve, with EBIT interest coverage consistently below 1.7x and FFO to debt not close to 20%.

Upside scenario

A positive rating action could occur in the next 12-18 months if Movida continues growing and increasing the share of cash flows from fleet management, while not incurring additional debt. In this scenario, we would see FFO to debt of more than 20% and EBIT interest coverage of about 2.0x on a consistent basis. Still, an upgrade would depend on the same rating action on Movida's parent company, Simpar S.A. (BB-/Stable/--; brAA+/Stable/--), which we believe is unlikely in the short to medium term due to high interest rates pressuring Simpar's credit metrics.

Our Base-Case Scenario

Assumptions

- Brazil's GDP grows 2.8% in 2024, 1.8% in 2025, and 2.1% in 2026, influencing overall demand and pricing power in the fleet management business.
- Brazil's inflation averages about 4.3% in 2024, 3.8% in 2025, and 3.5% in 2026, affecting labor-related and fleet maintenance costs.
- Average policy rates of 10.81% in 2024, 10.94% in 2025, and 9.25% in 2026, affecting funding costs and tariffs of new fleet management contracts.
- The company allocates about 60% of its vehicles to the fleet management segment and about 40% to the RaC segment in 2024-2026.
- Average utilization rates in the RaC business increase to 82.0%-85.0% in the next few years from 80.5% in 2023, because of efficiency gains with the smaller fleet size.
- Fleet management tariffs increase on average 20% in 2024 and 12% to 13% in 2025-2026, reflecting higher returns when negotiating new contracts.
- Average RaC daily tariffs expand about 3.5%-4.0% in 2024, 7.0% in 2025, and about 3.5% in 2026, reflecting the sector's continued demand and efficiency focus.
- Used-car sales revenue of about R$5.7 billion in 2024, R$6.2 billion in 2025, and R$7.4 billion in 2026.
- Used-car EBITDA margins normalize at about 2%, pressuring consolidated metrics versus previous years.
- Debt issuance of R$3.5 billion in 2024 to support capex needs related to fleet renewal and stable gross debt from 2025.
- Net capex of R$1.7 billion in 2024, R$5.4 billion in 2025, and R$3.5 billion in 2026, mostly for fleet renewal.
- Dividend distributions of 25% of the previous year's net income from 2025.

Key metrics

Movida Participacoes S.A.--Forecast summary

Period ending	Dec-31-2020	Dec-31-2021	Dec-31-2022	Dec-31-2023	Dec-31-2024	Dec-31-2025	Dec-31-2026	Dec-31-2027
(Mil. BRL)	2020a	2021a	2022a	2023a	2024e	2025f	2026f	2027f
Revenue	4,085	5,333	9,600	10,342	12,214	13,631	15,653	17,590
Gross profit	1,278	2,803	4,740	5,006	5,740	6,664	7,350	8,302
EBITDA (reported)	717	2,083	3,551	3,499	4,477	5,242	5,827	6,591
Plus: Operating lease adjustment (OLA) rent	--	--	--	--	--	--	--	--
Plus/(less): Other	178	30	65	139	--	--	--	--
EBITDA	895	2,113	3,617	3,638	4,477	5,242	5,827	6,591
Less: Cash interest paid	(229)	(488)	(1,416)	(1,712)	(1,583)	(1,807)	(1,811)	(1,785)
Less: Cash taxes paid	(19)	(81)	(89)	(160)	(154)	(381)	(399)	(503)

Movida Participacoes S.A.--Forecast summary

Plus/(less): Other	--	--	--	--	--	--	--	--
Funds from operations (FFO)	646	1,545	2,112	1,767	2,740	3,055	3,616	4,304
EBIT	534	1,960	2,981	1,648	2,943	3,645	4,052	4,628
Interest expense	202	750	1,686	1,338	1,861	2,124	2,129	2,098
Cash flow from operations (CFO)	887	1,554	2,105	4,088	2,883	3,388	4,197	5,102
Capital expenditure (capex)	908	4,259	5,464	4,544	1,680	4,924	3,519	4,044
Free operating cash flow (FOCF)	(21)	(2,705)	(3,359)	(455)	1,203	(1,537)	678	1,058
Dividends	57	107	448	138	--	75	185	194
Share repurchases (reported)	3	4	2	36	--	--	--	--
Discretionary cash flow (DCF)	(81)	(2,816)	(3,808)	(630)	1,203	(1,611)	493	865
Debt (reported)	4,234	14,313	17,231	14,756	16,904	20,383	20,422	20,461
Plus: Lease liabilities debt	173	453	493	544	567	589	609	631
Plus: Pension and other postretirement debt	--	--	--	--	--	--	--	--
Less: Accessible cash and liquid Investments	(1,693)	(7,786)	(6,828)	(2,999)	(4,037)	(5,732)	(6,056)	(6,752)
Plus/(less): Other	149	344	2,195	1,222	1,260	863	863	863
Debt	2,864	7,323	13,091	13,523	14,694	16,103	15,839	15,202
Equity	2,359	3,284	2,769	2,522	2,820	3,485	4,075	4,857
FOCF (adjusted for lease capex)	(68)	(3,134)	(3,609)	(662)	1,016	(1,720)	488	869
Interest expense (reported)	202	750	1,686	1,338	1,861	2,124	2,129	2,098
Capex (reported)	76	109	212	272	1,680	4,924	3,519	4,044
Cash and short-term investments (reported)	1,693	7,786	6,828	2,999	4,037	5,732	6,056	6,752
Adjusted ratios								
Debt/EBITDA (x)	3.2	3.5	3.6	3.7	3.3	3.1	2.7	2.3
FFO/debt (%)	22.6	21.1	16.1	13.1	18.6	19.0	22.8	28.3
FFO cash interest coverage (x)	3.8	4.2	2.5	2.0	2.7	2.7	3.0	3.4
EBITDA interest coverage (x)	4.4	2.8	2.1	2.7	2.4	2.5	2.7	3.1
CFO/debt (%)	31.0	21.2	16.1	30.2	19.6	21.0	26.5	33.6
FOCF/debt (%)	(0.7)	(36.9)	(25.7)	(3.4)	8.2	(9.5)	4.3	7.0
DCF/debt (%)	(2.8)	(38.5)	(29.1)	(4.7)	8.2	(10.0)	3.1	5.7
Lease capex-adjusted FOCF/debt (%)	(2.4)	(42.8)	(27.6)	(4.9)	6.9	(10.7)	3.1	5.7
Annual revenue growth (%)	6.5	30.5	80.0	7.7	18.1	11.6	14.8	12.4
Gross margin (%)	31.3	52.6	49.4	48.4	47.0	48.9	47.0	47.2
EBITDA margin (%)	21.9	39.6	37.7	35.2	36.7	38.5	37.2	37.5
Return on capital (%)	11.1	24.8	22.5	10.3	17.5	19.6	20.5	23.2
Return on total assets (%)	6.8	13.0	12.4	6.4	11.1	12.0	12.1	13.2
EBITDA/cash interest (x)	3.9	4.3	2.6	2.1	2.8	2.9	3.2	3.7
EBIT interest coverage (x)	2.6	2.6	1.8	1.2	1.6	1.7	1.9	2.2
Debt/debt and equity (%)	54.8	69.0	82.5	84.3	83.9	82.2	79.5	75.8
Debt fixed-charge coverage (x)	4.4	2.8	2.1	2.7	0.7	2.5	2.7	3.1

Movida Participacoes S.A.--Forecast summary

Debt/debt and undepreciated equity (%)	54.8	69.0	82.5	84.3	83.9	82.2	79.5	75.8

All figures are adjusted by S&P Global Ratings, unless stated as reported. a--Actual. e--Estimate. f--Forecast. R$--Brazilian real.

Depreciation rates shouldn't be an issue in the coming years. According to Movida, depreciation and amortization (D&A) rates for the RaC segment stood at 8%-9% in second-quarter 2024, while in GTF the average was 8%-10% for new contracts, which it considers normalized levels. Depreciation reflects the mix of vehicles purchased, while the price of used vehicles is still falling from highs during the COVID-19 pandemic. In turn, we forecast EBIT margins of about 25.5%-26.5% in 2025 and 2026, compared with 24.0% in 2024.

Company Description

Movida is the second largest car rental company in Brazil, offering car rental and fleet management services, with a total fleet of 246,364 cars as of June 30, 2024. We expect the company to post consolidated revenue of close to R$12.2 billion and EBITDA of R$4.5 billion in 2024.

The company is controlled by Brazilian transportation group Simpar S.A., which has a 65% stake. The remaining shares are free-floating. We expect Movida to contribute about 40% to the group's revenue and EBITDA in 2024.

Peer Comparison

Movida's scale and fleet size expanded significantly in recent years primarily through internal growth. Still, in terms of revenue it is smaller than its main domestic peer Localiza and international player Avis Budget. The latter benefits from a global footprint protecting it from drastic cash flow swings, unlike Movida, which is exposed to a single jurisdiction.

As of June 2024, Movida's total fleet size was 246,364 (56% GTF and 44% RaC), while Localiza's was 631,639 (49% GTF and 51% RaC). Localiza is the market leader in fleet management in terms of the size of the fleet. But, with significant exposure to fleet management, we expect both companies to have less volatile cash flows than peers with greater exposure to RaC. Historically, Localiza has had stronger efficiency metrics than its peers, but with Movida's fleet size adjustment, we believe both companies will post similar RaC occupancy rates of close to 80%, while fleet management occupancy for both remains 95%-100%.

Movida Participacoes S.A.--Peer Comparisons

	Movida Participacoes S.A.	Localiza Rent a Car S.A.	Avis Budget Group Inc.
Foreign currency issuer credit rating	BB-/Stable/--	BBB-/Stable/--	BB/Stable/NR
Local currency issuer credit rating	BB-/Stable/--	BBB-/Stable/--	BB/Stable/NR
Period	Annual	Annual	Annual
Period ending	2023-12-31	2023-12-31	2023-12-31
Mil.	R$	R$	R$
Revenue	10,342	28,902	58,264
EBITDA	3,638	10,737	28,147

Movida Participacoes S.A.--Peer Comparisons

Funds from operations (FFO)	1,767	5,720	21,568
Interest	1,338	5,120	5,817
Cash interest paid	1,712	4,886	5,759
Operating cash flow (OCF)	4,088	5,445	22,592
Capital expenditure	4,544	11,394	34,232
Free operating cash flow (FOCF)	(455)	(5,949)	(11,640)
Discretionary cash flow (DCF)	(630)	(7,611)	(17,976)
Cash and short-term investments	2,999	9,477	2,693
Gross available cash	2,999	9,477	2,693
Debt	13,523	32,568	128,778
Equity	2,522	25,398	(1,664)
EBITDA margin (%)	35.2	37.1	48.3
Return on capital (%)	10.3	13.1	13.6
EBITDA interest coverage (x)	2.7	2.1	4.8
FFO cash interest coverage (x)	2.0	2.2	4.7
Debt/EBITDA (x)	3.7	3.0	4.6
FFO/debt (%)	13.1	17.6	16.7
OCF/debt (%)	30.2	16.7	17.5
FOCF/debt (%)	(3.4)	(18.3)	(9.0)
DCF/debt (%)	(4.7)	(23.4)	(14.0)

Financial Risk

Movida Participacoes S.A.--Financial Summary

Period ending	Dec-31-2018	Dec-31-2019	Dec-31-2020	Dec-31-2021	Dec-31-2022	Dec-31-2023
Reporting period	2018a	2019a	2020a	2021a	2022a	2023a
Display currency (mil.)	R$	R$	R$	R$	R$	R$
Revenues	2,539	3,836	4,085	5,333	9,600	10,342
EBITDA	538	747	895	2,113	3,617	3,638
Funds from operations (FFO)	339	489	646	1,545	2,112	1,767
Interest expense	200	233	202	750	1,686	1,338
Cash interest paid	187	221	229	488	1,416	1,712
Operating cash flow (OCF)	325	457	887	1,554	2,105	4,088
Capital expenditure	1,142	1,259	908	4,259	5,464	4,544
Free operating cash flow (FOCF)	(818)	(802)	(21)	(2,705)	(3,359)	(455)
Discretionary cash flow (DCF)	(850)	(903)	(81)	(2,816)	(3,808)	(630)
Cash and short-term investments	812	1,047	1,693	7,786	6,828	2,999
Gross available cash	812	1,047	1,693	7,786	6,828	2,999
Debt	1,633	2,097	2,864	7,323	13,091	13,523

Movida Participacoes S.A.--Financial Summary

Common equity	1,659	2,301	2,359	3,284	2,769	2,522
Adjusted ratios						
EBITDA margin (%)	21.2	19.5	21.9	39.6	37.7	35.2
Return on capital (%)	15.0	13.7	11.1	24.8	22.5	10.3
EBITDA interest coverage (x)	2.7	3.2	4.4	2.8	2.1	2.7
FFO cash interest coverage (x)	2.8	3.2	3.8	4.2	2.5	2.0
Debt/EBITDA (x)	3.0	2.8	3.2	3.5	3.6	3.7
FFO/debt (%)	20.8	23.3	22.6	21.1	16.1	13.1
OCF/debt (%)	19.9	21.8	31.0	21.2	16.1	30.2
FOCF/debt (%)	(50.1)	(38.3)	(0.7)	(36.9)	(25.7)	(3.4)
DCF/debt (%)	(52.1)	(43.1)	(2.8)	(38.5)	(29.1)	(4.7)

Reconciliation Of Movida Participacoes S.A. Reported Amounts With S&P Global Adjusted Amounts (Mil. R$)

	Debt	Shareholder Equity	Revenue	EBITDA	Operating income	Interest expense	S&PGR adjusted EBITDA	Operating cash flow	Dividends	Capital expenditure
Financial year	Dec-31-2023									
Company reported amounts	14,756	2,522	10,342	3,499	1,262	1,338	3,638	3,227	138	272
Cash taxes paid	-	-	-	-	-	-	(160)	-	-	-
Cash interest paid	-	-	-	-	-	-	(1,712)	-	-	-
Lease liabilities	544	-	-	-	-	-	-	-	-	-
Accessible cash and liquid investments	(2,999)	-	-	-	-	-	-	-	-	-
Nonoperating income (expense)	-	-	-	-	247	-	-	-	-	-
Debt: Derivatives	216	-	-	-	-	-	-	-	-	-
Debt: other	1,006	-	-	-	-	-	-	-	-	-
EBITDA: Valuation gains/(losses)	-	-	-	139	139	-	-	-	-	-
Working capital: other	-	-	-	-	-	-	-	(3,410)	-	-
OCF: Asset disposals	-	-	-	-	-	-	-	(4,644)	-	-
OCF: other	-	-	-	-	-	-	-	8,915	-	-
Capex: other	-	-	-	-	-	-	-	-	-	4,272
Total adjustments	(1,233)	-	-	139	386	-	(1,872)	861	-	4,272
S&P Global Ratings adjusted	**Debt**	**Equity**	**Revenue**	**EBITDA**	**EBIT**	**Interest expense**	**Funds from Operations**	**Operating cash flow**	**Dividends**	**Capital expenditure**
	13,523	2,522	10,342	3,638	1,648	1,338	1,767	4,088	138	4,544

Liquidity

Movida's liquidity remains adequate, with sources to uses of cash above 1.2x in the next 12 months. We expect Movida to continue financing most of its capex with internal cash flows, and importantly to continue its liability management exercises, reducing the overall cost of debt. We assess the company will maintain wide access to the domestic credit market and its solid relationships with banks, while potentially accessing international debt markets, as seen this year.

Principal liquidity sources

- Cash and cash equivalents of R$3.7 billion as of June 30, 2024.
- Expected FFO of about R$2.9 billion in the next 12 months from June 30, 2024.
- New debt issuances amounting to R$2.7 billion in July and August 2024.
- The ability to contract uncommitted secured funding of up to 70% of net capex.

Principal liquidity uses

- Short-term debt of R$1.1 billion as of June 30, 2024.
- Short-term assignment of credit rights of R$1.5 billion as of June 30, 2024.
- Net capex of about R$3.5 billion in the next 12 months.
- Dividend distributions of about R$40 million in the next 12 months.

Covenant Analysis

Requirements

Movida's financial flexibility is limited by payment acceleration covenants on its debentures and promissory notes, which require it to maintain net debt to EBITDA below 3.5x and EBITDA interest coverage above 1.5x, measured annually.

Compliance expectations

In our base case, we expect the company to maintain a cushion of 15%-20% for net debt to EBITDA and above 50% for interest coverage in the next two years, mostly due to decreasing basic interest rates.

Environmental, Social, And Governance

Governance factors are a neutral consideration in our credit analysis of Movida. The CEO of Simpar, the parent of Movida and indirect controlling shareholder, has been implicated in alleged fraud in bidding for contracts and accused of corruption and bribery. Most of the lawsuits have already been ruled off and some dismissed because of a lack of proof. The amounts associated with the remaining lawsuits are immaterial.

Group Influence

We view Movida as a highly strategic subsidiary of Simpar. We believe Movida is very important to the group's long-term strategy, and it's highly unlikely that the company will be sold. We expect Simpar to provide support to Movida under almost all foreseeable circumstances based on historical evidence. In 2018, for instance, Simpar increased its stake in the company through a capital raise. After its acquisition back in 2013, Movida was linked to the parent's long-term strategy of increasing diversification in strategic sectors, following its existing operations of fleet management for trucks and other heavy vehicles. Still, Movida's operations are managed independently, with different executives and administrative functions than those of Simpar, and we don't view it as closely linked to the group's name and brand.

Issue Ratings--Recovery Analysis

Key analytical factors

- Our recovery rating is '3', with average recovery prospects of 65%, on the senior unsecured debentures issued by the company and its subsidiary Movida Locações S.A., as well as on the senior notes issued by financial vehicle Movida Europe. The parent guarantees these issuances.
- We assess recovery prospects using a simulated default scenario, with a discrete asset valuation (DAV) approach. We value the company on a going concern scenario because we believe Movida would be restructured given the long-term nature of its fleet management contracts, thereby generating greater value for its creditors.
- In our default scenario, we incorporate a combination of factors such as high delinquency rates in Movida's contracts, a drop in vehicle prices and demand for used cars in Brazil, and further increases in interest rates. These factors would severely reduce the company's cash flow and limit its access to debt refinancing.

Simulated default assumptions

- Country of insolvency: Brazil (Jurisdiction B), resulting in a '3' jurisdictional cap for unsecured debt.
- Simulated year of default: 2029
- We apply a 15% haircut to the fleet value because the company would need to apply a discount to liquidate those assets under a stress scenario.
- Dilution rate of 20% and then a haircut of 30% in receivables, simulating a potential drop in contract renewal rates and an increase in delinquency rates.
- We assume Movida would use excess cash to purchase vehicles, and we apply a 100% haircut to the company's remaining cash position because it would be consumed up to the default point.
- The above assumptions lead to a general haircut of about 45% to Movida's total asset base value, resulting in an estimated gross enterprise value at emergence of approximately R$20 billion.

Simplified waterfall

- Net enterprise value after 5% of administrative expenses: R$19 billion
- Priority secured debt: R$24 million (Finep)
- Senior unsecured debt: R$19.6 billion
- Recovery expectations: 50%-70% (rounded estimate 65%)

Note: All debt amounts include six months of prepetition interest.

Rating Component Scores	
Foreign currency issuer credit rating	**BB-/Stable/--**
Local currency issuer credit rating	**BB-/Stable/--**
Business risk	**Fair**
Country risk	Moderately High
Industry risk	Intermediate
Competitive position	Fair
Financial risk	**Significant**
Cash flow/leverage	Significant
Anchor	**bb**
Diversification/portfolio effect	Neutral (no impact)
Capital structure	Neutral (no impact)
Financial policy	Neutral (no impact)
Liquidity	Adequate (no impact)
Management and governance	Neutral (no impact)
Comparable rating analysis	Negative (-1 notch)
Stand-alone credit profile	**bb-**

Related Criteria

- General Criteria: National And Regional Scale Credit Ratings Methodology, June 8, 2023
- Criteria | Corporates | General: Methodology: Management And Governance Credit Factors For Corporate Entities, Jan. 7, 2024
- Criteria | Corporates | General: Corporate Methodology, Jan. 7, 2024
- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct. 10, 2021
- General Criteria: Group Rating Methodology, July 1, 2019
- Criteria | Corporates | General: Corporate Methodology: Ratios And Adjustments, April 1, 2019
- Criteria | Corporates | Industrials: Key Credit Factors For The Operating Leasing Industry, Dec. 14, 2016
- Criteria | Corporates | General: Recovery Rating Criteria For Speculative-Grade Corporate Issuers, Dec. 7, 2016
- Criteria | Corporates | Recovery: Methodology: Jurisdiction Ranking Assessments, Jan. 20, 2016
- Criteria | Corporates | General: Methodology And Assumptions: Liquidity Descriptors For Global Corporate Issuers, Dec. 16, 2014
- General Criteria: Methodology: Industry Risk, Nov. 19, 2013
- General Criteria: Country Risk Assessment Methodology And Assumptions, Nov. 19, 2013

- General Criteria: Principles Of Credit Ratings, Feb. 16, 2011

Related Research

- JSL's, Movida's, And Vamos' Management And Governance Modifier Assessments Revised To Neutral; Ratings Affirmed, Sept. 24, 2024

Ratings Detail (as of October 29, 2024)*		
Movida Participacoes S.A.		
Issuer Credit Rating		BB-/Stable/--
Brazil National Scale		brAA+/Stable/--
Senior Unsecured		
Brazil National Scale		brAA+
Issuer Credit Ratings History		
16-Dec-2022		BB-/Stable/--
21-Dec-2021		BB-/Positive/--
28-Jul-2021		BB-/Stable/--
25-Jan-2021		B+/Stable/--
16-Dec-2022	*Brazil National Scale*	brAA+/Stable/--
21-Dec-2021		brAA+/Positive/--
28-Jul-2021		brAA+/Stable/--
13-Oct-2020		brAA/Stable/--
19-May-2020		brAA/Negative/--
19-Mar-2020		brAA/Watch Neg/--
Related Entities		
Ciclus Ambiental do Brasil S.A.		
Senior Unsecured		
Brazil National Scale		brAA+
JSL S.A.		
Issuer Credit Rating		BB-/Stable/--
Brazil National Scale		brAA+/Stable/--
Senior Unsecured		
Brazil National Scale		brAA+
Movida Europe		
Senior Unsecured		BB-
Movida Locacao de Veiculos S.A.		
Issuer Credit Rating		
Brazil National Scale		brAA+/Stable/--
Senior Unsecured		
Brazil National Scale		brAA+
Simpar S.A.		
Issuer Credit Rating		BB-/Stable/--
Brazil National Scale		brAA+/Stable/--

Ratings Detail (as of October 29, 2024)*	
Senior Unsecured	
Brazil National Scale	brAA+
Vamos Locacao de Caminhoes, Maquinas e Equipamentos S.A.	
Issuer Credit Rating	BB-/Stable/--
Brazil National Scale	brAA+/Stable/--
Senior Unsecured	
Brazil National Scale	brAA+

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings credit ratings on the global scale are comparable across countries. S&P Global Ratings credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.