MOODY'S
RATINGS

Rating Action: Moody's Ratings affirms Movida's Ba3 ratings; stable outlook

09 Feb 2026

New York, February 09, 2026 -- Moody's Ratings (Moody's) has today affirmed Movida Participacoes S.A. (Movida)'s Ba3 corporate family rating (CFR). At the same time, we affirmed the Ba3 rating on the $500 million backed senior unsecured notes due 2029 issued by Movida Europe S.A. The outlook is stable for both entities.

RATINGS RATIONALE

Movida's Ba3 ratings reflect its competitive position as the second largest company in the Brazilian car and fleet rental market. It has a flexible business model, which helps it weather economic and auto market slowdowns. The company's adequate liquidity, stable operating performance, and Moody's expectation of an adequate leverage over the next 12-18 months also support the rating.

In 2025, Movida reduced fleet investments, resulting in a slowdown in fleet growth and a reduction in capex. At the same time, the company implemented significant tariff increases across both the Rent-a-Car and Fleet Management segments, driving revenue growth of 5.8% in the twelve months ended September 2025. These measures substantially reduced cash consumption and supported deleveraging, with Debt/EBITDA improving to 3.5x in September 2025 from 4.2x in December 2024.

The ratings also incorporate Movida's relevance for Simpar S.A. (Ba3 stable) and benefits derived from being controlled by Simpar group, which holds a 67.7% ownership stake in Movida. The significant board representation gives it strong incentives and ability to influence Movida's financial policies and provide support when needed. Movida benefits from the broader group's scale and diversification, while the absence of guarantee-related debt links preserves Simpar's flexibility to manage its portfolio. At the same time, Movida maintains substantial operational independence, supported by its own dedicated management team and a distinct brand identity.

Constraining the ratings of Movida is the capital-intensive nature of the car rental business, because of that Moody's expects the company to maintain gross leverage at around 3.5x – 4.0x. Although the company has the ability to fairly cover maintenance capex by divesting of used vehicles, fleet expansions require funding obtained from third-party debt. Additionally, Movida's ratings incorporate the lack of significant international footprint with most of its revenues generated in Brazil; the Government of Brazil (Brazil, Ba1 stable).

The stable rating outlook reflects Moody's expectations that Movida will continue to grow, while maintaining profitability, cash generation and adequate leverage, including a large unencumbered fleet.

FACTORS THAT COULD LEAD TO AN UPGRADE OR DOWNGRADE OF THE RATINGS

Movida's rating could be upgraded if the company is able to increase market share, geographic diversification and revenue while maintaining healthy credit metrics. A rating upgrade would also require Movida to improve free cash flow and its liquidity profile by extending debt maturities. Quantitatively, a rating upgrade would require total Moody's-adjusted gross debt/EBITDA below 3.5x and EBIT margin above 20%, and RCF/Net Debt above 25% on a sustained basis. A rating upgrade would also be dependent on the relative positioning to the rating of Simpar, given the strong links between the two companies.

The ratings could be downgraded if Movida's liquidity deteriorates because of weakness in operations, inability to sell used vehicles or to refinance upcoming maturities. Negative rating pressure would emerge if EBITDA growth does not materialize, such that Movida's Moody's-adjusted gross leverage remains above 4.5x on a sustained basis, and EBIT Margin declines below 15% without prospects of improvement.

The principal methodology used in these ratings was Equipment and Transportation Rental published in October 2025 and available at https://ratings.moodys.com/rmc-documents/452286. Alternatively, please see the Rating Methodologies page on https://ratings.moodys.com for a copy of this methodology.

The net effect of any adjustments applied to rating factor scores or scorecard outputs under the primary methodology(ies), if any, was not material to the ratings addressed in this announcement.

REGULATORY DISCLOSURES

For further specification of Moody's key rating assumptions and sensitivity analysis, see the sections Methodology Assumptions and Sensitivity to Assumptions in the disclosure form. Moody's Rating Symbols and Definitions can be found on https://ratings.moodys.com/rating-definitions.

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For provisional ratings, the Credit Rating Announcement provides certain regulatory disclosures in relation to the provisional rating assigned, and in relation to a definitive rating that may be assigned subsequent to the final issuance of the debt, in each case where the transaction structure and terms have not changed prior to the assignment of the definitive rating in a manner that would have affected the rating.

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Regulatory disclosures contained in this press release apply to the credit rating and, if applicable, the related rating outlook or rating review.

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