



## Nu Holdings Ltd. Reports Third Quarter 2024 Financial Results

**São Paulo, Brazil, November 13, 2024** - Nu Holdings Ltd. (NYSE: NU) ("Nu" or the "Company"), one of the world's largest digital financial services platforms, released its Third Quarter financial results today. Financial results are expressed in U.S. dollars and are presented in accordance with International Financial Reporting Standards (IFRS). The full earnings release has been made available on the Company's Investor Relations website at [www.investors.nu](http://www.investors.nu), as well as the details of the Earnings Conference Call Nu will hold today at 5:00 pm Eastern time/7:00 pm Brasilia time.

"Our third quarter 2024 underscores the strength of our business model, demonstrating top-line growth and sustained profitability. We reached \$2.9 billion in revenue, driven by both customer acquisition – now reaching 110 million globally – and enhanced customer engagement through cross-selling and up-selling initiatives, alongside appealing product launches. This growth was accompanied by a virtually stable cost-to-serve and a record ROE of 30%, resulting in a more than doubling of net income to \$553 million for the quarter (YoY FXN). Our expansion into Mexico and Colombia continues to generate impressive results, with nearly 9 million customers in Mexico and over 2 million in Colombia. As we make progress in our execution, we are preparing ourselves to consolidate Nu as the world's leading digital services platform, going beyond financial services", said David Vélez, founder and CEO of Nubank.

### Q3'24 Results Snapshot

Below are the Q3'24 performance highlights of Nu Holdings Ltd.:

#### Operating Highlights:

- **Customer growth:** Nu added 5.2 million customers in Q3'24, reaching a total of 109.7 million customers globally by September 30, 2024, reflecting a 23% YoY increase. This growth further strengthens Nu's position as one of the fastest-growing digital services platforms worldwide, and one of the largest financial institutions in Latin America by number of customers. In Brazil, Nu has already become the institution with the largest number of active customers in credit operations.
- **Engagement and activity rates:** Monthly Average Revenue per Active Customer (ARPAC) stands at \$11.0 in Q3'24, with more mature cohorts already at \$25. On an FX neutral basis<sup>1</sup> it grew 2% sequentially and 25% year-over-year, up from US\$10.0 from one year ago. The monthly activity rate<sup>2</sup> had another sequential increase to 84%, up from 83% one year ago. This represents the twelfth consecutive increase in activity rate, underscoring our ability to consistently provide a compelling value proposition to our customers.
- **Low-cost operating platform:** Monthly Average Cost to Serve Per Active Customer remained below the one dollar level at \$0.7 per customer (or \$0.8 when adjusted by one-offs occurred in Q3'24), demonstrating the strong operating leverage of the business model. The company's efficiency ratio improved 60 basis points quarter-over-quarter, reaching 31.4% and more than 300 basis points better than a year ago, and despite the one-off expenses of US\$48 million associated with the repositioning of Nucoins.

- **Asset Quality:** Our leading indicator, the 15-90 NPL ratio, declined once again during the third quarter, dropping 10 basis points from last quarter to 4.4%. 90+ NPLs increased by 20 basis points to 7.2%, also in line with expectations. The 20 basis points increase this quarter reflects the increase in the NPL 15-90 accumulated over prior periods, since this indicator behaves as a stock rather than flow metric.

#### Financial Highlights:

- **Net & Adjusted Income:** At a Holding level, Nu continued to drive increasing profitability and posted a Net Income for Q3'24 of \$553.4 million and an annualized ROE of 30%. Adjusted Net Income<sup>3</sup> for Q3'24 reached \$592.2 million with an annualized adjusted ROE of 33%. Nu is achieving these strong levels of profitability and efficiency, despite maintaining a considerable excess cash of \$2.4 billion sitting at the holding level and continuing to make substantial investments in future products and geographic expansion, as the company sees tremendous potential to continue building the largest consumer platform in Latin America.
- **Revenue:** Nu's revenues were up 56% year-over-year on FX neutral basis, setting a new record at \$2.9 billion. This showcases the company's unique ability to consistently expand its active customer base while compounding revenue growth and profitability.
- **Gross Profit:** Nu's gross profit stands at \$1.348 billion, marking a 67% year-over-year growth, with a gross margin of 46% from 43% in Q3'23.
- **Liquidity:** On September 30, 2024, Nu had an interest-earning portfolio (IEP) of \$11.2 billion which rose 81% YoY FXN. The ramp up of the lending portfolio, which expanded 97% year-over-year and 19% quarter-over-quarter on an FX neutral basis, to US\$5.7 billion, and credit card receivables, which increased 33% year-over-year and 4% quarter-over-quarter, on an FX neutral basis, to US\$15.2 billion, were the main drivers of growth. Total deposits increased to US\$28.3 billion, up 60% year-over-year on FX neutral terms, supported by robust expansion across all three geographies.
- **Net interest income:** increased 63% year-on-year. On a sequential basis, NII expanded 4% quarter-over-quarter on FX neutral terms, to US\$1.7 billion. The net interest margin (NIM) compressed 140 base points sequentially to 18.4% this quarter. Risk-Adjusted NIM compressed 90bp QoQ to 10.1%, a slower pace compared to NIM as cost of risk improved 50bp sequentially. Yet, Risk-Adjusted NIM expanded 110bp YoY, underscoring once again the result of our focus on optimizing the lifetime value of our customer relationship cohorts. The NIM compression in the quarter was mainly driven by the combination of three factors. First, yields on the credit card portfolio declined reflecting lower risk in products and customer mix; Second, lending yields declined due to the increasing mix of secured loans in the portfolio; and Third, funding costs were pressured by the deposit ramp-up in Mexico and Colombia, in line with our depo rates strategy in new geos.

#### Business highlights:

- **Performance and Growth in Brazil:** In Brazil, the customer base reached 98.8 million by September 30, 2024, with an average of 1.1 million new customers monthly, and recently the company celebrated the milestone of surpassing 100 million customers in the country.
- **International Expansion:** In Mexico, Nu's growth remained strong, with a net add of 1.2 million new customers in the quarter, reaching a total of 8.9 million customers at quarter-end. The expansion validates the strategy of increasing deposit yields in the country. In Colombia, Nu surpassed 2 million customers, sustaining the positive momentum from the launch of the Cuenta product.

## Footnotes

<sup>1</sup> FX neutral measures were calculated to present what such measures in preceding periods/years would have been had exchange rates remained stable from these preceding periods/years until the date of the Company's more recent financial information.

<sup>2</sup> Activity rate is defined as monthly active customers divided by the total number of customers as of a specific date.

<sup>3</sup> Adjusted Net Income is a non-IFRS measure calculated using Net Income adjusted for expenses related to Nu's share-based compensation as well as the hedge accounting and tax effects related to these items, among others. For more information, please see "Non-IFRS Financial Measures and Reconciliations – Adjusted Net Income Reconciliation".

### CONFERENCE EARNINGS CALL DETAILS

Nu will hold a Conference Earnings Call today at 5:00pm Eastern time/7:00pm Brasília time with simultaneous translation in Portuguese and English.

To pre-register for this call, please [click here](#).

A replay of the webcast will be made available after the call on the Investor Relations page: [click here](#).

### Note on forward-looking statements and non-IFRS financial measures

This release speaks at the date hereof and the Company is under no obligation to update or keep current the information contained in this presentation. Any information expressed herein is subject to change without notice. Any market or other third-party data included in this presentation has been obtained by the Company from third-party sources. While the Company has compiled and extracted the market data, it can provide no assurances of the accuracy and completeness of such information and takes no responsibility for such data.

This release contains forward-looking statements. All statements other than statements of historical fact contained in this presentation may be forward-looking statements and include, but are not limited to, statements regarding the Company's intent, belief or current expectations. These forward-looking statements are subject to risks and uncertainties, and may include, among others, financial forecasts and estimates based on assumptions or statements regarding plans, objectives and expectations. Although the Company believes that these estimates and forward-looking statements are based upon reasonable assumptions, they are subject to several risks and uncertainties and are made in light of information currently available, and actual results may differ materially from those expressed or implied in the forward-looking statements due to various factors, including those risks and uncertainties included under the captions "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the prospectus dated December 8, 2021 filed with the Securities and Exchange Commission pursuant to Rule 424(b) under the Securities Act of 1933, as amended, and in the Annual Report on Form 20-F for the year ended December 31, 2023, which was filed with the Securities and Exchange Commission on April 19, 2024. The Company, its advisers and each of their respective directors, officers and employees disclaim any obligation to update the Company's view of such risks and uncertainties or to publicly announce the result of any revision to the forward-looking statements made herein, except where it would be required to do so under applicable law. The forward-looking statements can be identified, in certain cases, through the use of words such as "believe," "may," "might," "can," "could," "is designed to," "will," "aim," "estimate," "continue," "anticipate," "intend," "expect," "forecast," "plan", "predict", "potential", "aspiration," "should," "purpose," "belief," and similar, or variations of, or the negative of such words and expressions.

The financial information in this document includes forecasts, projections and other predictive statements that represent the Company's assumptions and expectations in light of currently available information. These forecasts, projections and other predictive statements are based on the Company's expectations and are subject to variables and uncertainties. The Company's actual performance results may differ. Consequently, no guarantee is presented or implied as to the accuracy of specific forecasts, projections or predictive statements contained herein, and undue reliance should not be placed on the forward-looking statements in this presentation, which are inherently uncertain.

In addition to IFRS financials, this presentation includes certain summarized, non-audited or non-IFRS financial information. These summarized, non-audited or non-IFRS financial measures are in addition to, and not a substitute for or superior to, measures of financial performance prepared in accordance with IFRS. References in this presentation to “R\$” refer to the Brazilian Real, the official currency of Brazil.

### **About Nu**

Nu is one of the world’s largest digital financial services platforms, serving 110 million customers across Brazil, Mexico, and Colombia. The company has been leading an industry transformation by leveraging data and proprietary technology to develop innovative products and services. Guided by its mission to fight complexity and empower people, Nu caters to customers’ complete financial journey, promoting financial access and advancement with responsible lending and transparency. The company is powered by an efficient and scalable business model that combines low cost to serve with growing returns. Nu’s impact has been recognized in multiple awards, including Time 100 Companies, Fast Company’s Most Innovative Companies, and Forbes World’s Best Banks

For more information, please visit <https://international.nubank.com.br/about/>.

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