(Free translation from the original in Spanish)

Nexa Resources Perú S.A.A. and subsidiaries

Consolidated financial statements at December 31, 2024 and independent auditor's report

Contents

(Free translation from the original in Spanish)

Nexa Resources Perú S.A.A. and subsidiaries

Consolidated income statement and of comprehensive income
Years ended on December 31,
All amounts in thousands of US$ dollars, unless otherwise stated

	Note	2024	2023 (Restated)
Net revenues	5	881,122	735,337
Cost of sales	6	(581,538)	(554,546)
Gross profit		**299,584**	**180,791**
Operating expenses			
Selling and administrative expenses	6	(38,180)	(27,366)
Mineral exploration and project evaluation	6 and 7	(32,781)	(37,935)
Impairment of long-lived assets	30	(45,693)	(4,726)
Other income and expenses, net	8	763	(17,589)
		(115,891)	**(87,616)**
Operating income		**183,693**	**93,175**
Net financial results	9		
Financial income		32,039	25,931
Financial expenses		(33,914)	(26,635)
Foreign exchange effects, net		(152)	(4,695)
		(2,027)	**(5,399)**
Income before income tax		**181,666**	**87,776**
Income tax expense	10 (a)	**(174,722)**	**(42,743)**
Net income for the year		**6,944**	**45,033**
Attributable to owners of the controlling entity	29 (d)	4,207	46,931
Attributable to non-controlling interests	29 (e)	2,737	(1,898)
Net income for the year		**6,944**	**45,033**
Weighted average number of outstanding shares - in thousands	29 (d)	1,272,108	1,272,108
Basic and diluted earnings per share – US$	29 (d)	0.003	0.037

The accompanying notes are an integral part of these consolidated financial statements.

(Free translation from the original in Spanish)

Nexa Resources Perú S.A.A. and subsidiaries

Consolidated balance sheet

All amounts in thousands of US$ dollars, unless otherwise stated

Assets	Note	December 31, 2024	December 31, 2023 (Restated)	January 1, 2023 (Restated)
Current assets				
Cash and cash equivalents	14	336,318	217,359	243,504
Trade accounts receivables	15	332,335	269,510	345,360
Inventory	16	35,678	39,017	45,556
Recoverable income tax		34	10,118	950
Other assets with related parties	18	115,107	10,720	4,250
Other assets	17	21,255	34,362	18,479
		840,727	**581,086**	**658,099**
Non-current assets				
Deferred income tax	10 (b)	22,963	15,024	14,630
Other assets with related parties	18	-	100,000	-
Other assets	17	5,655	10,502	-
Recoverable income tax		841	549	9,719
Property, plant and equipment	19	401,620	343,785	295,169
Intangible assets	20	109,694	169,119	170,569
Right-of-use assets	21	30,635	10,716	3,643
		571,408	**649,695**	**493,730**
Total assets		**1,412,135**	**1,230,781**	**1,151,829**
Liabilities and shareholders' equity				
Current liabilities				
Loans and financings		-	-	443
Lease liabilities	21	10,982	4,392	1,493
Trade payables	22	173,518	177,761	155,165
Confirming payables	23	6,469	15,042	3,368
Salaries and payroll charges	24	33,687	23,168	30,984
Asset retirement and environmental obligations	25	26,364	15,631	13,167
Provisions	28	2,819	-	-
Contractual obligations	26	31,686	37,432	26,188
Payable income tax		54,591	64	12,307
Other liabilities	27	89,514	26,863	26,151
		429,630	**300,353**	**269,266**
Non-current liabilities				
Lease liabilities	21	22,132	5,400	1,245
Trade payables	22	89	1,163	1,266
Asset retirement and environmental obligations	25	82,849	115,573	108,598
Deferred income tax	10 (b)	14,792	-	401
Provisions	28	14,936	20,765	15,299
Contractual obligations	26	69,272	79,680	105,972
Payable income tax		82,120	12,974	-
Other liabilities	27	507	105	72
		286,697	**235,660**	**232,853**
Total liabilities		**716,327**	**536,013**	**502,119**
Shareholders' equity	29			
Attributable to owners of the controlling entity		699,589	705,566	658,610
Attributable to non-controlling interests		(3,781)	(10,798)	(8,900)
		695,808	**694,768**	**649,710**
Total liabilities and shareholders' equity		**1,412,135**	**1,230,781**	**1,151,829**

The accompanying notes are an integral part of these consolidated financial statements.

(Free translation from the original in Spanish)

Nexa Resources Perú S.A.A. and subsidiaries

Consolidated statement of cash flows

Years ended on December 31,

All amounts in thousands of US$ dollars, unless otherwise stated

	Note	2024	2023 (Restated)
Cash flows from operating activities			
Income before income tax		181,666	87,776
Less, income tax	10 (a)	(174,722)	(42,743)
Deferred income tax	10 (a)	6,853	3,235
Impairment loss of long-lived assets	30	45,693	4,726
Depreciation and amortization	6	98,478	77,487
Interest and foreign exchange effects		33,756	26,326
Write-offs and loss on sale of property, plant and equipment, net	8	724	3,638
Changes in accruals and other assets impairments		(23,197)	1,494
Contractual obligations	26	(22,578)	(20,377)
Gain on sale of subsidiary		(4,578)	-
(Increase) decrease in assets			
Trade accounts receivables		(63,336)	76,405
Inventory		1,492	9,334
Other assets		15,325	(11,125)
Increase (decrease) in liabilities			
Trade payables		(2,885)	22,493
Confirming payables		(8,573)	11,674
Provisions		(6,031)	(5,208)
Other liabilities		197,658	11,899
Cash provided by operating activities		**275,745**	**257,034**
Interest paid on loans and financings		-	(1)
Interest paid on lease liabilities	21 (b)	(2,542)	(394)
Income tax paid		(28,263)	(50,476)
Net cash provided by operating activities		**244,940**	**206,163**
Cash flows from investing activities			
Additions of property, plant and equipment and Intangible assets		(121,670)	(128,998)
Loans to related parties	18 (a)	-	(100,000)
Purchase of stake in subsidiary from non-controlling shareholders		510	-
Interest received on loans to related parties		8,602	1,981
Proceeds from the sale of property, plant and equipment		-	26
Sale of investments in subsidiaries		4,551	-
Net cash used in investing activities		**(108,007)**	**(226,991)**
Cash flows from financing activities			
Payments of loans and financings		-	(447)
Contribution of non-controlling interest capital		(865)	-
Payments of lease liabilities	21 (b)	(9,431)	(3,157)
Dividens paid	29	(5,949)	-
Net cash used in financing activities		**(16,245)**	**(3,604)**
Foreign exchange effects on cash and cash equivalents		(1,729)	(1,713)
Increase (decrease) in cash and cash equivalents		**118,959**	**(26,145)**
Cash and cash equivalents at the beginning of the year		217,359	243,504
Cash and cash equivalents at the end of the year	**14**	**336,318**	**217,359**
Non-cash investing and financing transactions			
Other equity movements		-	(25)
Additions to Property, Plant and Equipment		(18,580)	-
Additions to right-of-use assets	21 (a)	(31,335)	(10,261)

The accompanying notes are an integral part of these consolidated financial statements.

(Free translation from the original in Spanish)

Nexa Resources Perú S.A.A. and subsidiaries

nexa

Consolidated statement of changes in shareholders' equity
At and for the years ended on December 31,
All amounts in thousands of US$ dollars, unless otherwise stated

	Equity attributable to owners of the controlling entity							
	Capital	**Investment shares**	**Legal reserve**	**Other equity reserves**	**Retained earnings**	**Total**	**Non-controlling interests**	**Total shareholders' equity**
At January 1, 2023 (Restated)	**423,334**	**4,551**	**84,766**	**386**	**145,573**	**658,610**	**(8,900)**	**649,710**
Net income for the year	-	-	-	-	46,931	46,931	(1,898)	45,033
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**46,931**	**46,931**	**(1,898)**	**45,033**
Other equity movements	-	-	-	25	-	25	-	25
At December 31, 2023 (Restated)	**423,334**	**4,551**	**84,766**	**411**	**192,504**	**705,566**	**(10,798)**	**694,768**
Net income for the year	-	-	-	-	4,207	4,207	2,737	6,944
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**4,207**	**4,207**	**2,737**	**6,944**
Distribution of dividends	-	-	-	-	(5,549)	(5,549)	-	(5,549)
Other equity movements				(411)	411	-	-	-
Acquisition of non-controlling interests							1,005	1,005
Purchase of shares in subsidiary from non-controlling shareholders	-	-	-	-	-	-	510	510
Contribution of non-controlling interest capital - 29 (f)	-	-	-		(4,635)	(4,635)	2,765	(1,870)
At December 31, 2024	**423,334**	**4,551**	**84,766**	**-**	**186,938**	**699,589**	**(3,781)**	**695,808**

The accompanying notes are an integral part of these consolidated financial statements.

1 General information

Nexa Resources Perú S.A.A. ("the Company" or "Nexa Peru") is a public limited company incorporated in Peru in 1949. The Company trades its common (symbol NEXAPEC1) and investment (symbol NEXAPEI1) shares on the Lima Stock Exchange ("Bolsa de Valores de Lima"). The Company's registered office is located at Avenida Circunvalación del Club Golf Los Incas N° 170, Torre El Golf (Block A), Piso 22, Santiago de Surco, Lima, Peru.

The fiscal domicile of the subsidiaries is the same as the Company, with the except of Nexa Resources UK Limited (Nexa UK) whose address is located in the United Kingdom.

The Company and its subsidiaries ("the Group") are mainly engaged in the exploration, exploitation, production and commercialization of zinc, copper and lead concentrates; the last two with gold and silver contents. The Group owns and operates the polymetallic mines Cerro Lindo, El Porvenir and Atacocha in the regions of Ica and Pasco in Perú.

The Company is an indirect subsidiary of Nexa Resources S.A. (the "Parent Company" or "NEXA"), an entity based in Luxembourg that trades its shares on the New York Stock Exchange ("NYSE").

NEXA controls 83.37% of the Company's common shares through Nexa Resources Cajamarquilla S.A. (the "Controlling entity" or "Nexa Cajamarquilla").

NEXA's majority shareholder is Votorantim S.A. (the "Ultimate parent company" or "VSA"), which holds 64.68% of its equity. VSA is a Brazilian privately-owned industrial conglomerate that holds ownership interests in metal, steel, cement, and energy companies, among others.

(a) Results of divestments, net

On November 22, 2024, and December 23, 2024, the Group concluded the sale of two non-operational subsidiaries, the Compañía Minera Cerro Colorado S.A.C. (owner of the greenfield Pukaqaqa Project) for the total amount of US$ 4,300, recognizing a gain of US$ 322, and the Minera Pampa de Cobre S.A.C. (owner of the Chapi copper mine) for the total amount of US$ 251, recognizing a gain of US$ 8,806.

b) Operating segments

The Group's Chief Executive Officer has been identified as the chief operating decision maker ("CODM") since the role encompasses authority over resource allocation decisions and performance assessment, mainly analyzing performance from the production obtained in the operations. The Group has identified one single reportable segment:

- Mining: consists of the long-life polymetallic mines located in the Pasco and Ica regions in Peru. In addition to zinc, the Group produces substantial amounts of copper, lead, silver, and gold as by-products, which reduce the overall cost to produce mined zinc.

2 Basis of preparation of the consolidated financial statements

These consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS Accounting Standards), as issued by the International Accounting Standards Board ("IASB") and the IFRS Interpretations Committee (IFRIC Interpretations).

The consolidated financial statements have been prepared under the historical cost convention, except for certain financial assets (including other financial instruments) measured at fair value at the end of each reporting period.

The consolidated financial statements of the Company for the year ended December 31, 2024, were approved for issue in accordance with a resolution of the Board of Directors on February 20, 2025.

Approval of the consolidated financial statements

The consolidated financial statements for the year ended December 31, 2024, were approved for issue by the Board of Directors on February 27, 2025 and will be presented for the approval of the Shareholders within the term established by Law. Group's Management considers that the consolidated financial statements will be approved without modifications at the General Shareholders' Meeting that will take place during the first quarter of 2025. On February 21, 2024, the General Shareholders' Meeting approved the audited consolidated financial statements for the year ended on December 31, 2023.

2.1 Restated of the consolidated annual financial statements

The Management identified an adjustment to the previously issued consolidated financial statements for the year 2023. Therefore, the consolidated financial statements for these periods have been restated to include this adjustment.

Asset retirement obligations

During the second quarter 2024, the Management identified old and non-operational structures which were not identified in previous years and therefore were not recognized by the Group.

This omission resulted in material adjustments in comparative periods for retained earnings, net income, underestimated asset retirement obligations liabilities and interest expenses related to the present value and discount rate of these asset retirement obligations.

The accumulated amounts have been corrected by restating each of the affected items in the consolidated income statement, consolidated balance sheet, consolidated statement of changes in equity and consolidated cash flow for prior periods presented.

Impacts on the consolidated annual financial statements

The effects on the consolidated financial statements of the Group are presented below.

(a) Consolidated income statement and of comprehensive income

	2023 (As previously reported)	Adjustments	2023 (Restated)
Operating expenses			
Other income and expenses, net	(17,622)	33	(17,589)
Operating income	**93,142**	**33**	**93,175**
Net financial results			
Financial expenses	(25,192)	(1,443)	(26,635)
Income before income tax	**89,186**	**(1,410)**	**87,776**
Net income for the year	**46,443**	**(1,410)**	**45,033**
Attributable to owners of the controlling entity	48,341	(1,410)	46,931
Attributable to non-controlling interests	(1,898)	-	(1,898)
Net income for the year	**46,443**	**(1,410)**	**45,033**
Weighted average number of outstanding shares – in thousands	1,272,108	-	1,272,108
Basic and diluted loss per share – US$	0.038	(0.001)	0.037

(b) Consolidated balance sheet

			Consolidated
	January 1, 2023 (As previously reported)	Adjustments	January 1, 2023 (Restated)
Non-current liabilities			
Asset retirement and environmental obligations	96,591	12,007	108,598
	220,846	**12,007**	**232,853**
Total liabilities	**490,112**	**12,007**	**502,119**
Shareholders' equity			
Retained earnings	62,735	(12,007)	50,728
Total shareholders' equity	**661,717**	**(12,007)**	**649,710**
Total liabilities and shareholders' equity	**1,151,829**	**-**	**1,151,829**

			Consolidated
	2023 (As previously reported)	Adjustments	2023 (Restated)
Non-current liabilities			
Asset retirement and environmental obligations	102,156	13,417	115,573
	222,243	**13,417**	**235,660**
Total liabilities	**522,596**	**13,417**	**536,013**
Shareholders' equity			
Net income	46,443	(1,410)	45,033
Retained earnings	157,580	(12,007)	145,573
Total shareholders' equity	**708,185**	**(13,417)**	**694,768**
Total liabilities and shareholders' equity	**1,230,781**	**-**	**1,230,781**

All amounts in thousands of US$ dollars, unless otherwise stated

(c) Consolidated statement of cash flow

	2023 (As previously reported)	Adjustments	2023 (Restated)
Income before income tax	89,186	(1,410)	87,776
Interest and foreign exchange effects, net	24,883	1,443	26,326
Changes in accruals	1,527	(33)	1,494
Cash provided by operating activities	**115,596**	**-**	**115,596**

All amounts in thousands of US$ dollars, unless otherwise stated

(d) Consolidated statement of changes in shareholders' equity

	(As previously reported)					(Restated)			
	Equity attributable to owners of the controlling entity					Equity attributable to owners of the controlling entity			
	Retained earnings	Total	Non-controlling interests	Total shareholders' equity	Adjustments	Retained earnings	Total	Non-controlling interests	Total shareholders' equity
At January 1, 2023	**157,580**	**670,617**	**(8,900)**	**661,717**	**(12,007)**	**145,573**	**658,610**	**(8,900)**	**649,710**
Net income for the year	48,341	48,341	(1,898)	46,443	(1,410)	46,931	46,931	(1,898)	45,033
Total comprehensive income for the year	**48,341**	**48,341**	**(1,898)**	**46,443**	**(1,410)**	**46,931**	**46,931**	**(1,898)**	**45,033**
Other equity movements	-	25	-	25	-	-	25	-	25
At December 31, 2023	**205,921**	**718,983**	**(10,798)**	**708,185**	**(13,417)**	**192,504**	**705,566**	**(10,798)**	**694,768**

All amounts in thousands of US$ dollars, unless otherwise stated

3 Principles of consolidation

The consolidated financial statements comprise the financial statements of Nexa Peru and its subsidiaries as of December 31,2024.

The main entities included in the consolidated financial statements are:

	Percentage of shares 2024	2023	Company controls	Headquarter	Activities
Subsidiaries					
Nexa Resources El Porvenir S.A.C. - "Nexa El Porvenir"	99.99	99.99	Directly	Peru	Mining
Nexa Resources Atacocha S.A.A. - "Nexa Atacocha" (ii)	86.65	66.62	Indirectly	Peru	Mining
Minera Pampa de Cobre S.A.C. (i)	-	99.99	Directly	Peru	Mining
Nexa Resources UK Limited	100.00	100.00	Directly	United Kingdom	Mining
Joint-operation					
Cia. Minera Shalipayco S.A.C.	75.00	75.00		Peru	Mining projects

(i) On December 20, 2024, the Group sold 100% of the common shares of Minera Pampa de Cobre S.A.C.

(ii) For more details about this change see note 29 (e).

(a) Subsidiaries

Subsidiaries include all entities over which the Company has control. The Company controls an entity when it (i) has the power over the entity; (ii) is exposed, or has the right, to variable returns from its involvement with the entity; and (iii) has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group, except when the predecessor basis of accounting is applied. Subsidiaries are unconsolidated from the date that control ceases.

Accounting policies of subsidiaries are usually consistent with the policies adopted by the Company. If there are differences, an adjustment is made in the consolidation process.

Non-controlling interests in the subsidiaries' equity and results are shown separately in the consolidated balance sheet, income statement, statement of comprehensive income and statement of changes in shareholders' equity.

A change in a subsidiary's ownership interest, without loss of control, is accounted for as an equity transaction.

If the Company loses control over a subsidiary, it derecognizes the related assets, liabilities, non-controlling interests and other equity components and any resultant gain or loss is recognized in the income statement. Any investment retained is recognized at fair value.

In general, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting rights of an investee, it considers all relevant facts and circumstances to determine whether it has control over the investee. This may include contractual arrangements with the other holders of voting rights in the investee; rights arising from other contractual arrangements and the Company's voting rights and potential voting rights that will give it the practical ability to direct the relevant activities of the investee unilaterally.

Intercompany transactions, balances, and unrealized gains on transactions between companies in the consolidated Group are eliminated in full on consolidation. Unrealized losses are also eliminated unless the transaction indicates impairment of the transferred asset.

(b) Transaction with non-controlling interests

Transactions with non-controlling interests that do not result in a loss of control are recognized within shareholders' equity as transactions with equity owners of the consolidated Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amounts of the adjustment to non-controlling interests and any consideration paid or received is recognized in Additional paid in capital within shareholders' equity.

(c) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which each entity operates ("the functional currency"). All subsidiaries have US$ Dollar (US$) as their functional currency, including foreign subsidiaries. The Group's consolidated financial statements are presented in US$, which is Group's functional and reporting currency.

(ii) Transactions and balances

Foreign currency transactions are initially recorded by each of the Group's entities at their respective functional currency spot rates at the date the transaction is recognized.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the functional currency spot rates at the end of each reporting period are recognized in the income statement. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transaction. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

4 Changes in the main accounting policies and disclosures

(a) New standards and amendments – applicable as of January 1, 2024

The Group applied for the first time certain standards and amendments that are effective for annual periods beginning on January 1, 2024. The adoption of these new standards and amendments did not have a material impact on the Group's consolidated financial statements. The amendments to IAS 7 and IFRS 7 related to Supplier Finance Arrangements were early adopted by the Group in the financial statements at December 31, 2023. The Group has not early adopted any other standard, amendment or interpretation that has been issued but not yet effective.

Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants –Amendments to IAS 1

The amendments to IAS 1 specify the requirements for classifying liabilities as current or non-current depending on the rights to defer settlement at the end of the reporting period.

In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. These disclosures include the carrying amount of the liability, the information about the covenants; and facts and circumstances, if any, indicating that the entity might have difficulty complying with the covenants.

Lease Liability in Sale and Leaseback – Amendments to IFRS 16

The amendments in IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

(b) New standards and interpretations not yet adopted

There were some standards and amendments that have been issued but are not yet effective, the impact on the Group's operations or financial statements is under evaluation.

Amendments to IAS 21 - Lack of Exchangeability

In August 2023, the IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

The amendments are not expected to have a material impact on the Group's Consolidate financial statements.

New standard - IFRS 18 - Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest, due to this changes there were consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The Group is currently working to identify the impacts to it financial statements regarding this new standard and the consequential amendments to other standards.

Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments

In May 2024, the IASB issued targeted amendments to IFRS 9 and IFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments should clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system, include further guidance for assessing whether a financial asset meets the payments of principal and interest (SPPI) criterion, define additional disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets), and update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The amendments will become effective for annual periods starting on or after January 1, 2026. Early adoption is permitted, with the option to adopt the amendments early for contingent features only.

The Group is currently working on identifying all the impacts the amendments will have on its financial statements.

Amendments to IFRS 9 and IFRS 7 - Classification and disclosure of own use and hedge accounting in 'Contracts Referencing Nature-dependent Electricity'

In December 2024, the IASB amended IFRS 9 and IFRS 7 to address the classification and disclosure of own use and hedge accounting in 'Contracts Referencing Nature-dependent Electricity'. The amendments pertain to own-use requirements, and hedge accounting requirements, together with related disclosures. The scope of the amendments is narrow and applies only to contracts meeting the specified scoping characteristics.

The effective date of the amendments is for annual reporting periods beginning on or after January 1, 2026, with early application permitted.

The Group is currently working on identifying all the impacts the amendments will have on its financial statements.

(c) Critical estimates, assumptions and judgments

The preparation of the Group's consolidated financial statements requires the use of estimates, assumptions and judgments that affect the reported amounts of revenues, expenses, assets and liabilities, as well as, as well as the accompanying disclosures, and the disclosure of contingent liabilities as of the reporting date. By definition, critical estimates, assumptions, and judgments seldom equal the actual results and are continually evaluated to reflect changing expectations about future events. Management must also exercise judgment when applying the Group's accounting policies.

This note provides an overview of the areas that involve a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong due to their uncertainty. Detailed information about each of these estimates, assumptions and judgments is included in other notes together with information about the basis of calculation for each affected item in the consolidated financial statements.

The critical accounting estimates, assumptions and judgments applied by the Group in the preparation of these consolidated financial statements are as follows:

(i) Estimation of current and deferred income tax – note 10
(ii) Estimation of fair value of financial instruments – note 13
(iii) Estimation of impairment of trade accounts receivables – note 15
(iv) Estimation of quantification of mineral reserves and resources for useful life calculation – note 20
(v) Estimation of asset retirement and environmental obligations – note 25
(vi) Estimation of contractual obligations – note 26
(vii) Estimation of provisions for legal claims – note 28
(viii) Estimation impairment of long-lived assets – note 30

Estimates, assumptions and judgments are continuously evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

Among others, the Group has considered the effects of the Environmental, Social and Governance ("ESG") commitments when making its critical, estimates, assumptions and judgments based on the updated long-term ESG commitments. Events and changes in circumstances arising after December 31, 2024, will be reflected in Management's estimates for future periods, as well as the effective disbursements will be capitalized or expensed, depending on its nature and function, in the period in which they are incurred.

5 Net revenues

Accounting policy

Revenues represent the amount of the consideration received or receivable for the sale of goods in the ordinary course of the Group's activities. Revenues are shown net of value-added tax, returns, rebates and discounts, after eliminating sales between the consolidated companies.

The Group recognizes revenues when a performance obligation is satisfied by transferring a promised good or service to a customer. The asset is transferred when the customer obtains control of that asset. To determine the point in time at which a customer obtains control of a promised asset the Group considers the following indicators: (i) the Group has a present right to payment for the asset; (ii) the customer has legal title to the asset; (iii) the Group has transferred physical possession of the asset; (iv) the customer has the significant risks and rewards of ownership of the asset; (v) the customer has accepted the asset.

<u>Identification and timing of satisfaction of performance obligations</u>

The Group has two distinct performance obligations included in certain sales contracts:

(i) the promise to provide goods to its customers; and (ii) the promise to provide freight and insurance services to its customers.

Promise to provide goods: this performance obligation is satisfied when the control of such goods is transferred to the final customer, which is substantially determined based on the Incoterms agreed upon in each of the contracts with customers.

Promise to provide freight and contracting insurance services: this performance obligation is satisfied when the freight and insurance services contracted to customers are completed.

As a result of the distinct performance obligations identified, part of the Group's revenues is presented as revenues from services. Cost related to revenues from services is presented as Cost of sales.

All amounts in thousands of US$ dollars, unless otherwise stated

Revenues from the sale of goods and from freight and contracting insurance services are recognized at a point in time when control is transferred and when contracted services are provided. It is at this point that a trade receivable is recognized because only the passage of time is required before the consideration is due. The Group does not have any contract assets, which give right to consideration in exchange for goods or services that the Group has transferred to the customer, since all rights to consideration of the contracts are unconditional.

Revenues of US$ 694,035, which represent approximately 79% of the total net revenues are derived from four main customers (one of whom is a related customer as explained in note 18 (b)).

Contractual obligations are an entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer (or the payment is due) but the transfer has not yet been completed. For contracts where performance obligations are satisfied over a period of time, the stage of completion is required to calculate how much revenue should be recognized to date and revenue shall be deducted from the prepayment to the extent that performance obligations are delivered. Refer to note 26 for the specific accounting policy and information related to the Group's contractual obligations.

Determining the transaction price and the amounts allocated to performance obligations.

The Group considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration that the Group expects to be entitled to receive in exchange for transferring promised goods or services to its customers. Transaction price is allocated to each performance obligation on a relative standalone selling price basis.

The transaction prices included in the Group's sales contracts are mainly based on international prices references and subject to price adjustments based on the market price at the end of the relevant quotation period stipulated in the sales contract. These are referred to as provisional pricing arrangements which are subject to a monthly price adjustment as per the London Metal Exchange ("LME") quotational periods. As of December 31, 2024, the pending price adjustments to be made were a profit of US$ 4,152 (profit of US$ 2,589 as of December 31, 2023).

Additionally, the Group has a contractual obligation related to a long-term silver streaming arrangement linked to specific production of its Cerro Lindo mine. The Group received an upfront payment in advance of this specific production. The transaction price is linked to the silver production and spot market prices, which change over time and, therefore, it is accounted for as variable consideration. For more details about this streaming transaction see note 26.

(a) Composition

(i) Gross billing reconciliation

	Note	2024	2023
Gross billing		**1,038,605**	**854,416**
Billing from products		1,019,163	834,223
Billing from services	6 (i)	19,442	20,193
Taxes on sales		(157,483)	(119,079)
Net revenues		**881,122**	**735,337**

All amounts in thousands of US$ dollars, unless otherwise stated

(ii) Net revenues breakdown

		Value		Amount
	2024	2023	2024	2023
Zinc	283,332	229,651	276,582 TMS	271,048 TMS
Lead	280,853	234,696	100,692 TMS	93,455 TMS
Copper	267,694	225,858	121,569 TMS	111,059 TMS
Silver certificates	29,801	24,939	2,610 Thousands Oz	1,968 Thousands Oz
Services	19,442	20,193		
Net revenues	**881,122**	**735,337**		
Taxes on sales	157,483	119,079		
Gross billing	**1,038,605**	**854,416**		

(b) Information on geographical areas in which the Group operates

The geographical areas are determined based on the location of the Group's customers. The net revenues of the Group, classified by geographical location and currency, are as follows:

	2024	2023
Peru	800,517	593,035
America	80,605	39,371
Europe	-	52,816
Asia	-	50,115
Net revenues (i)	**881,122**	**735,337**

(i) In 2024, the Group has focused its sales on customers in Peru and America.

6 Expenses by nature

Accounting policy

Cost of sales mainly consists of the cost of manufacturing the products sold by the Group and is recognized in the consolidated income statement and of comprehensive income on the date of delivery to the customer at the same time revenue is recognized from the related sale.

Selling and administrative expenses are recognized on the accrual basis and, if applicable, in the same period in which the income they are related to is recognized.

(a) Composition

				2024
	Cost of sales (ii)	Selling and administrative expenses	Mineral exploration and project evaluation	Total
Third-party services (i)	(257,008)	(14,236)	(22,937)	(294,181)
Raw materials and consumables used	(141,245)	-	(337)	(141,582)
Employee benefit expenses	(76,355)	(22,398)	(3,632)	(102,385)
Depreciation and amortization	(97,101)	(1,251)	(126)	(98,478)
Other expenses	(9,829)	(295)	(5,749)	(15,873)
	(581,538)	**(38,180)**	**(32,781)**	**(652,499)**

All amounts in thousands of US$ dollars, unless otherwise stated

				2023
	Cost of sales (ii)	**Selling and administrative expenses**	**Mineral exploration and project evaluation**	**Total**
Third-party services (i)	(265,015)	(11,986)	(26,615)	(303,616)
Raw materials and consumables used	(138,997)	-	(530)	(139,527)
Employee benefit expenses	(63,748)	(17,300)	(3,397)	(84,445)
Depreciation and amortization	(76,767)	(637)	(83)	(77,487)
Other expenses	(10,019)	2,557	(7,310)	(14,772)
	(554,546)	**(27,366)**	**(37,935)**	**(619,847)**

(i) Third-party services include the cost of freight and insurance. For the year ended on December 31, 2024, is US$ 19,442 (for the year ended on December 31, 2023: US$ 20,193), see note 5.

(ii) As of December 31, 2024, the Group recognized US$ 3,661 in Cost of sales related to idle-capacity costs due to the suspension of the mine for ten days in El Porvenir (for the year ended on December 31, 2023 was US$ 9,256).

7 Mineral exploration and project evaluation

Accounting policy

Mineral exploration and project evaluation costs are expensed in the year in which they are incurred.

Mineral exploration activities involve the search for mineral resources from potential areas up to the determination of commercial viability and technical feasibility of an identified resource. Mineral exploration costs include gathering exploration data through geological and geophysical studies, conducting exploratory drilling and sampling, and determining and examining the volume and grade of the identified resources.

Project evaluation costs are mainly related to scoping, pre-feasibility and feasibility studies for greenfield and brownfield projects. Additionally, these evaluation costs could also include costs incurred for studies related to other corporate projects, research, innovation, automation and information technology projects.

Note 20 describes when mineral exploration and project evaluation costs begin to be capitalized.

Composition

	2024	**2023**
Mineral exploration	28,562	30,911
Projects evaluation	4,219	7,024
	32,781	**37,935**

All amounts in thousands of US$ dollars, unless otherwise stated

8 Other income and expenses, net

	Note	2024	2023 (Restated)
Contribution to communities (i)		(12,523)	(11,263)
Provision of slow moving and obsolete inventory, net		(6,645)	(1,798)
Expenses on temporary suspension of underground mine		(6,243)	(2,110)
Expected loss (gain) of trade accounts receivable, net	17 (b)	(2,260)	254
Write-offs and loss on sale of property, plant and equipment, net		(724)	(3,638)
Net (loss) gain in the sale of supplies		(35)	3,432
Provisions of legal claims, net	28 (a)	868	(6,930)
Results of divestments, net (ii)		9,128	-
Change in asset retirement and environmental obligations (iii)	19 (a) y 25 (a)	18,243	2,086
Other operating (loss) income,net		954	2,378
		763	**(17,589)**

(i) Contribution to communities include expenses in road maintenance, water supply and other constructions in our host communities.

(ii) Refers to results related to divestments done in subsidiaries the Compañía Minera Cerro Colorado and Minera Pampa de Cobre mentioned in note 1 (a).

(iii) As of December 31, 2024 the change in asset retirement obligations increased mainly due to the update of the remeasurement discount rate.

9 Net financial results

Accounting policy

(i) Financial expenses

Financial costs of obligations are recognized as expenses when accrued, except for those directly attributable to the acquisition or the construction of qualifying assets, that is, assets that require a substantial amount of time to be ready for use, which are capitalized at cost within property, plant and equipment and/or intangibles assets.

(ii) Financial income

Financial income is mainly composed of interest income and is recognized on an accrual basis to reflect the asset's effective yield under the effective interest rate method.

All amounts in thousands of US$ dollars, unless otherwise stated

(a) Composition

	Note	2024	2023 (Restated)
Financial income			
Interest on trade receivables with related parties	18(b)	15,001	9,392
Commission for guarantee of bonds issued by NEXA	18(b)	2,626	5,577
Interest of loans with related parties	18(b)	8,513	5,414
Interest income on cash equivalents		5,696	5,238
Other financial income		203	310
		32,039	**25,931**
Financial expenses			
Interest on asset retirement obligations	25	(15,347)	(14,226)
Accretion on contractual obligations	26	(6,424)	(5,329)
Interest contingency		(4,025)	(4,483)
Other financial expenses		(8,118)	(2,597)
		(33,914)	**(26,635)**
Foreign exchange effects, net		(152)	(4,695)
		(152)	**(4,695)**
		(2,027)	**(5,399)**

10 Current and deferred income tax

Accounting policy

The income tax expense for the year comprises current and deferred income tax, special mining levy and the special mining tax. Tax expense is recognized in the consolidated statement of comprehensive income.

The current income tax expense of the Company and of its domestic subsidiaries is calculated and recognized in accordance with the Peruvian tax regime in force and, in the case of its subsidiaries domiciled abroad, in accordance with the applicable tax regime in the country in which they operate. Management periodically evaluates positions taken by the Group in the taxes on income returns with respect to situations in which the applicable tax regulations are subject to interpretation. It establishes provisions when appropriate, considering amounts expected to be paid to the tax authorities.

The current income tax is presented net, separated by tax paying entity, in liabilities when there are amounts payable, or in assets when the amounts prepaid exceed the total amount as of the date of the consolidated financial statements.

Deferred income tax is provided in full, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted at the end of the reporting period and that are expected to be applied when the related deferred income tax asset is realized, or the deferred income tax liability is settled.

Deferred tax assets are recognized only to the extent it is probable that future taxable income will be available against which the temporary deductible differences and/or tax losses can be utilized. Deferred tax assets and liabilities are offset when there is a legally enforceable right and an intention to offset them in the calculation of current taxes, generally when they are related to the same legal entity and the same tax authority. Accordingly, deferred tax assets and liabilities in different entities or in different countries are generally presented separately, and not on a net basis.

All amounts in thousands of US$ dollars, unless otherwise stated

Deferred tax liabilities and assets are not recognized for temporary differences between the carrying amounts and tax bases of investments in foreign operations where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not be reversed in the foreseeable future.

Critical accounting estimates, assumptions and judgments

The Group is subject to income tax in all countries in which it operates where uncertainties arise in the application of complex tax regulations. Significant estimates, assumptions and judgments are required to determine the amount of deferred tax assets that would be recovered since this amount may be affected by factors including, but not limited to: (i) internal assumptions on the projected taxable income, which are based on production and sales planning, commodity prices, operational costs and planned capital costs; (ii) macroeconomic environment; and (iii) trade and tax scenarios.

In addition, there are many transactions and calculations for which the ultimate tax determination is uncertain. The Group also exercises judgment in the identification of these uncertainties over income tax treatments which could impact the consolidated financial statements as the Group operates in a complex multinational environment.

The Company and its domestic subsidiaries are subject to reviews of income tax filings and other tax payments, and disputes can arise with the tax authorities over the interpretation of the applicable laws and regulations.

(a) Reconciliation of income tax (expense)

	2024	**2023 (Restated)**
Income before income tax	181,666	87,776
Statutory income tax rate	29.50%	29.50%
Income tax (expense) at standard rate	(53,591)	(25,894)
Tax losses for the year without expectation of recovery	(6,625)	(5,403)
Special mining tax	(7,198)	(5,366)
Temporary items for the year without expectation of recovery	(2,060)	(1,361)
Tax effect of translation of non-monetary assets/liabilities to functional currency	621	12,331
Mining royalties	(670)	-
Reversal of deferred asset without expectation of recovery	(13,200)	-
Contingencies	(815)	(3,543)
Uncertain income tax treatment	(86,751)	(4,801)
Other permanent tax differences	(4,433)	(8,706)
Income tax expense	**(174,722)**	**(42,743)**
Current (i)	(167,869)	(39,508)
Deferred	(6,853)	(3,235)
Income tax expense	**(174,722)**	**(42,743)**

(i) It includes mainly income tax provision related to the discussion of Cerro Lindo Stability Agreement for the years 2014 to 2021. Nexa's management made the decision in 2024 to provide elements for the Tax Authorities to segregate the amounts that would be stabilized. For further details, please refer to note 10 (d).

All amounts in thousands of US$ dollars, unless otherwise stated

(b) Analysis of deferred income tax assets and liabilities

	2024	2023
Tax credits on net operating losses	2,309	2,287
Tax credits on temporary differences		
Impairment of long-lived assets	17,448	23,655
Asset retirement obligations	8,760	5,055
Provision for obsolete and slow-moving inventory	2,990	1,775
Labor and environmental provisions	956	420
Other	5,595	5,481
Tax debits on temporary differences		
Foreign exchange of non-monetary items	(11,125)	(15,247)
Differences in depreciation and amortization rates	(17,202)	(7,357)
Asset retirement obligations	(1,560)	(291)
Other	-	(754)
	8,171	**15,024**
Deferred income tax assets	22,963	15,024
Deferred income tax liabilities	(14,792)	-
	8,171	**15,024**

(c) Effects of deferred tax on income statement and other comprehensive income

	2024	2023
Balance at the beginning of the year	**15,024**	**18,259**
Effect on loss for the year	(6,853)	(3,235)
Balance at the end of the year	**8,171**	**15,024**

(d) Summary of uncertain tax positions on income taxes

As of December 31, 2024, the main uncertain tax positions are related to: (i) the interpretation of the application of the Cerro Lindo´s stability agreement; and (ii) the deductibility of certain cost and expenses

The estimated amount of these contingent liabilities on December 31,2024 is US$ 282,036 which decreased compared to that estimated on December 31, 2023 of US$ 354,988, mainly due to: (i) partial reduction of the amounts related to the 2014, 2015 and 2017 Cerro Lindo's stability agreement tax assessments, following SUNAT's recognition that part of these amounts assessed prescribed and are no longer due; (ii) changes in the risk assessment concluding that some positions are unlikely to be sustained, leading to the establishment of new provisions and a decrease in contingent liabilities; and (iii) partially offset by increases from other income tax assessment matters, based on reassessments by internal and external advisors.

SUNAT issued unfavorable decisions against the Company regarding Cerro Lindo´s stability agreement for the years from 2014 to 2017, arguing that the stabilized income tax rate granted under the stability agreement applies only to income generated from the production of 5,000 tons per day, rather than from the Company's entire production capacity, which expanded over time. The Company has filed strong appeals against these periods decisions. SUNAT is currently auditing 2019 and 2020 tax years, while audit remains open for the year 2021 (when the term of the stability agreement expired).

In the fourth quarter of 2024, SUNAT completed its audit of the 2018 tax period, recognizing that income generated from part of the production was stabilized. In January 2025, Nexa's management opted to pay US$ 18,300 (including other expenses) to obtain a 60% reduction in fines and interests. However, the Company will continue its legal defense within the applicable deadlines and, therefore, part of these payments do not constitute an acknowledgment of liability for the tax debt.

11 Financial risk management

Financial risk factors

The Group's activities expose it to a variety of financial risks: a) market risk (including currency risk, interest rate risk and commodities risk); b) credit risk; and c) liquidity risk.

A significant portion of the products sold by the Group are commodities, with prices pegged to international indices and denominated in US$. Part of the production costs, however, is denominated in Peruvian Soles ("PEN"), and therefore, there is a mismatch of currencies between revenues and costs. Additionally, the Group has debts linked to different indices and currencies, which may impact its cash flows.

To mitigate the potential adverse effects of each financial risk factor, the Group follows a Financial Risk Management Policy that establishes governance and guidelines for the financial risk management process, as well as metrics for measurement and monitoring. This policy establishes guidelines and rules for: (i) Commodities Exposure Management, (ii) Foreign Exchange Exposure Management, (iii) Interest Rate Exposure Management, (iv) Issuers and Counterparties Risk Management, and (v) Liquidity and Financial Indebtedness Management. All strategies and proposals must comply with the NEXA's Financial Risk Management Policy guidelines and rules, be presented to and discussed with the Finance Committee of the Board of Directors, and, when applicable, submitted for the approval of the Board of Directors, under the governance structure described in such Policy.

All amounts in thousands of US$ dollars, unless otherwise stated

(a) Market risk

The purpose of the market risk management process and all related actions is intended to protect the Group's cash flows against adverse events, such as changes in foreign exchange rates, interest rates and commodity prices, to maintain the ability to pay financial obligations, and to comply with liquidity and indebtedness levels defined by management.

(i) Sensitivity analysis

Presented below is a sensitivity analysis of the main risk factors that affect the pricing of the outstanding financial instruments related to cash and cash equivalents, and loans and financings. The main sensitivities are the exposure to changes in the US$ and Peruvian Soles exchange rate. The scenarios for these factors are prepared using market sources and other relevant sources, in compliance with the Group's policies. The scenarios on December 31, 2024 are described below:

Scenario I: considers a change in the market forward yield curves and quotations as of December 31, 2024, according to the base scenario defined by the Group for March 31, 2025.

Scenario II: considers a change of + or -25% in the market forward yield curves as of December 31, 2024.

Scenario III: considers a change of + or -50% in the market forward yield curves as of December 31, 2024.

					Impacts on income statement			
					Scenarios II and III			
Risk factor	**Quotation at December 31, 2024**	**Amount**	**Changes from 2024**	**Scenario I**	**-25%**	**-50%**	**+25%**	**+50%**
Cash and cash equivalents								
Foreign exchange rates								
PEN	0.266	20,352	-2.31%	(470)	(5,088)	(10,176)	5,088	10,176

All amounts in thousands of US$ dollars, unless otherwise stated

(ii) Foreign exchange risk

Foreign exchange risk is managed through the Group's Financial Risk Management Policy, which states that the objectives of derivative transactions are to reduce cash flow volatility.

Presented below are the financial assets and liabilities in foreign currencies (mainly PEN converted to US$) on December 31, 2024 and 2023.

US$ amounts of foreign currency balances	2024	2023
Assets		
Cash and cash equivalents	20,352	19,116
Other assets	19,602	15,426
	39,954	**34,542**
Liabilities		
Trade payables	(30,633)	(32,150)
Salaries and payroll charges	(33,137)	(22,843)
Other liabilities	(15,215)	(29,113)
	(78,985)	**(84,106)**
Net exposure	**(39,031)**	**(49,564)**

(iii) Interest rate risk

The Group's interest rate risk arises mainly from long-term loans. Loans at variable rates expose the Group to cash flow interest rate risk. Loans at fixed rates expose the Group to fair value risk associated with interest rates. For further information related to interest rates.

The Group's Financial Risk Management Policy establishes guidelines and rules to hedge against changes in interest rates that impact the Group's cash flows. Exposure to each interest rate is projected until the maturity of the assets and liabilities exposed to this index. Occasionally the Group enters into floating to fixed interest rate swaps to manage its cash flow interest rate risk.

(iv) Commodity price risk

The commodity price risk is related to the volatility in the prices of the Group's commodities. Prices fluctuate depending on demand, production capacity, inventory levels, commercial strategies adopted by large producers, and the availability of substitutes for these products in the global market.

Therefore, Financial Risk Management maintains strict control of its operating costs and makes important productive and technological investments, in order to maintain competitive cost levels.

At December 31, 2024 and 2023 the Group did not have hedging contracts.

(b) Credit risk

Trade receivables and term deposits create exposure to credit risk with respect to the counterparties and issuers. The Group has a policy of making deposits in financial institutions that have, at least, a rating from two of the following international rating agencies: Fitch, Moody's or Standard & Poor's. The minimum rating required for counterparties is determined as follows:

- Onshore operations: rating "A", or equivalent, on a local scale by two rating agencies. In the case of foreign financial institutions that have a local rating by only one rating agency, it should be at least "AA-", and/or its headquarters shall have a rating "A" minimum on a global scale.

- Offshore operations: rating "BBB-", or equivalent, on a global scale by two rating agencies.

All amounts in thousands of US$ dollars, unless otherwise stated

In the specific case of financial institutions in Peru or in Luxembourg, local ratings from local agency associated with rating agencies approved in the Group's policy are accepted. In case that only a global rating assessment are, it will be eligible provided that it has a rating "BBB-" at least by one rating agency.

In the case of financial institutions that do not have a rating available for a specific country, it will be eligible provided its headquarters follow the minimum ratings specified above.

The pre-settlement risk methodology is used to assess counterparty risks in derivative transactions. This methodology consists of determining the risk associated with the likelihood (via Monte Carlo simulations) of a counterparty defaulting on the financial commitments defined by contract.

The global ratings were obtained from the rating agencies Fitch, Moody's or Standard & Poor's ratings and are related to commitments in foreign or local currency and, in both cases, they assess the capacity to honor these commitments, using a scale applicable on a global basis. Therefore, both ratings in foreign currency and in local currency are internationally comparable ratings.

The ratings used by the Group are always the most conservative ratings of the referred agencies.

In the case of credit risk arising from customer credit exposure, the Group assesses the credit quality of the customer, considering mainly the history of the relationship and financial indicators defining individual credit limits, which are continuously monitored.

The Group performs initial analyses of customer credit and, when deemed necessary, guarantees or letters of credit are obtained to mitigate the credit risk.

The carrying amount of the Group's financial instruments best represents the maximum exposure to their credit risk.

The following table reflects the credit quality of issuers and counterparties for transactions involving cash and cash equivalents. The variations presented are mainly related to the Group's transactions in the year and not to changes in the counterparties' ratings.

			2024			**2023**
Cash and cash equivalents	**Local rating**	**Global rating**	**Total**	**Local rating**	**Global rating**	**Total**
AAA	168,663	-	168,663	79,712	-	79,712
A+	-	39,598	39,598	-	38,886	38,886
A	10,563	-	10,563	-	30,373	30,373
A-	-	29,184	29,184	-	21,744	21,744
AA	-	70,717	70,717	-	-	-
AA-	-	17,592	17,592	-	46,318	46,318
BB+	-	-	-	-	1	1
No rating (i)	1	-	1	-	325	325
	179,227	**157,091**	**336,318**	**79,712**	**137,647**	**217,359**

(i) Refers to subsidiaries of international financial institutions that do not have a global rating available in the international rating agencies. According to the Group's policy, for these financial institutions, the rating of the financial institution controlling entities is assumed, which must be at least BBB-.

All amounts in thousands of US$ dollars, unless otherwise stated

(c) Liquidity risk

Liquidity risk is managed through the Group's Financial Risk Management Policy, which aims to ensure the availability of funds to meet the Group's financial obligations. The main liquidity measurement and monitoring instrument is the cash flow projection, using a minimum projection period of 12 months from the benchmark date. Financial institutions that provide the Group with financial services are within Nexa's rating policies, and in the same level of the ones provided for the Group's credit risk.

A substantial part of the confirming payables arrangement is with one financial institution. However, there are other financial institutions that the Group has relations with that could be considered for future supplier financing transactions. If this service is not available, the entity may be required to increase its debt levels which may negatively impact its leverage ratios.

The table below shows the Group's financial obligations to be settled by the Group based on their maturity (the remaining period from the balance sheet up to the contractual maturity date). The amounts below represent the estimated undiscounted future cash flows, which include interests to be incurred and, accordingly, do not reconcile directly with the amounts presented in the consolidated balance sheet.

2024	**Less than 1 year**	**Between 1 and 3 years**	**Between 3 and 5 years**	**Over 5 years**	**Total**
Lease liabilities	12,272	12,449	1,915	11,507	38,143
Trade payables	173,518	89	-	-	173,607
Confirming payables	6,469	-	-	-	6,469
Other liabilities	64,732	507	-	-	65,239
Asset retirement and environmental obligations	26,364	31,793	21,505	128,913	208,575
	283,355	**44,838**	**23,420**	**140,420**	**492,033**

2023	**Less than 1 year**	**Between 1 and 3 years**	**Between 3 and 5 years**	**Over 5 years**	**Total**
Lease liabilities	4,689	5,521	365	102	10,677
Trade payables	177,761	1,163	-	-	178,924
Confirming payables	15,042	-	-	-	15,042
Other liabilities	14,066	105	-	-	14,171
Asset retirement and environmental obligations	15,505	49,045	57,732	67,680	189,962
	227,063	**55,834**	**58,097**	**67,782**	**408,776**

(d) Capital management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, so it can continue to provide returns for shareholders and benefits for other stakeholders; and to maintain an optimal capital structure to reduce the cost of capital.

To maintain or adjust the capital structure, the Group may adjust the dividends level of paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Group monitors capital mainly using the leverage ratio, calculated as net debt to Adjusted EBITDA.

The Group defines Adjusted EBITDA as follows: net income (loss) for the year, adjusted by (i) depreciation and amortization, (ii) net financial results, (iii) income tax, (iv) non-cash events and non-cash gains or losses that do not specifically reflect our operational performance for the specific period, such as: gain (loss) on sale of investments; impairment and impairment reversals; gain (loss) on sale of long-lived assets; write-offs of long-lived assets; remeasurement in estimates of asset retirement obligations and, remeasurement adjustment of streaming. In addition, Management may adjust the effect of certain types of transactions that in its judgments are (i) events that are non-recurring, unusual or infrequent, and (ii) other specific events that, by their nature and scope, do not reflect Nexa's operational performance for the period.

All amounts in thousands of US$ dollars, unless otherwise stated

Net debt and Adjusted EBITDA measures should not be considered in isolation or as a substitute for net income (loss) or operating income, as indicators of operating performance, or as alternatives to cash flow as measures of liquidity. Additionally, management's calculation of Adjusted EBITDA may be different from the calculation used by other companies, including competitors in the mining and smelting industry, so these measures may not be comparable to those of other companies.

	Note	2024	2023 (Restated)
Lease liabilities	21 (b)	33,114	9,792
Cash and cash equivalents	14 (a)	(336,318)	(217,359)
Net debt (i)		**(303,204)**	**(207,567)**
Net income for the year		6,944	45,033
Plus			
Depreciation and amortization	6	98,478	77,487
Net financial results	9	2,027	5,399
Income tax expense	10 (a)	174,722	42,743
Divestment	8	(9,128)	-
EBITDA (ii)		**273,043**	**170,662**
Impairment of long-lived assets	30	45,693	4,726
Write-offs and loss on sale of property, plant and equipment, net	8	724	3,638
Remeasurement in estimates of asset retirement obligations	8	(19,581)	(3,926)
Remeasurement adjustment of streaming agreement (ii)	26	21,084	10,121
Adjusted EBITDA		**320,963**	**185,221**
Leverage ratio (Net debt / Adjusted EBITDA)		**(0.94)**	**(1.12)**

(i) Net debt is defined as (a) lease liabilities, less (b) cash and cash equivalents.

(ii) This amount includes the annual remeasurement adjustment of the Group's silver streaming revenues previously recognized given the changes in long-term prices and in the mining plan for the Cerro Lindo mining unit (note 26). This remeasurement is a non-cash item and has been included in the Group's Adjusted EBITDA calculation.

The leverage ratio at December 31, 2024 and 2023 is presented with a negative value because the balances of cash and cash equivalents exceed the balance loans and financings and lease liabilities.

12 Financial instruments

Accounting policy

Normal purchases and sales of financial assets are recognized on the trade date - the date on which the Group commits to purchase or sell the asset. Financial assets are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss, if any, are initially recognized at fair value, and transaction costs are expensed in the consolidated income statement.

Financial assets are derecognized when the rights to receive cash flows have expired or the Group has transferred substantially all the risks and rewards of ownership. Financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and other accounts receivable are carried at amortized costs using the effective interest rate method.

Then, the Group classifies its financial assets and liabilities under the following categories: amortized cost, fair value through profit or loss and fair value through other comprehensive income.

(i) Amortized cost

Financial assets measured at amortized cost are assets held within a business model whose objective is to hold financial assets to collect contractual cash flows and for which the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

Financial liabilities are measured at amortized cost, except for financial liabilities at fair value through profit or loss, such as derivatives and some specific loans and financings.

(ii) Fair value through profit or loss

Financial assets measured at fair value through profit or loss are assets which an entity manages with the objective of realizing cash flows through the sale of such assets and financial assets that do not give rise to cash flows that are SPPI on the principal amount outstanding.

Financial liabilities measured at fair value through profit or loss are liabilities which were not measured at amortized cost, such as loans and financings that are designated at fair value option is adopted to eliminate an accounting mismatch that would arise if amortized cost were used.

All amounts in thousands of US$ dollars, unless otherwise stated

(a) Breakdown by category

The Group financial assets and liabilities are classified as follows:

				2024
Assets per balance sheet	**Note**	**Amortized cost**	**Fair value through profit or loss**	**Total**
Cash and cash equivalents	14	336,318	-	336,318
Trade accounts receivables	15	-	332,335	332,335
Other assets with related parties	18	115,107	-	115,107
Other assets		1,753	-	1,753
		453,178	**332,335**	**785,513**
Liabilities per balance sheet				
Lease liabilities	21	33,114	-	33,114
Trade payables	22	173,607	-	173,607
Confirming payables	23	6,469	-	6,469
Other liabilities		3,544	-	3,544
		216,734	**-**	**216,734**

				2023
Assets per balance sheet	**Note**	**Amortized cost**	**Fair value through profit or loss**	**Total**
Cash and cash equivalents	14	217,359	-	217,359
Trade accounts receivables	15	-	269,510	269,510
Other assets with related parties	18	110,720	-	110,720
Other assets		5,607	-	5,607
		333,686	**269,510**	**603,196**
Liabilities per balance sheet				
Lease liabilities	21	9,792	-	9,792
Trade payables	22	178,924	-	178,924
Confirming payables	23	15,042	-	15,042
Other liabilities		4,248	-	4,248
		208,006	**-**	**208,006**

13 Fair value estimates

Critical accounting estimates, assumptions and judgments

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses judgment to select among a variety of methods and makes estimates and assumptions that are mainly based on market conditions existing at the end of each reporting period.

Although management has used its best judgment in estimating the fair value of its financial instruments, any technique for making said estimates and assumptions involves some level of inherent fragility.

(a) Analysis

The main financial instruments and the estimates and assumptions made by the Group for their valuation are described below:

- Trade accounts receivable - considering their nature, terms and maturity, the carrying amounts approximate their fair value.

All amounts in thousands of US$ dollars, unless otherwise stated

(b) Fair value by hierarchy

The Group's main financial instruments and the assumptions made in valuation are described as follows:

			2024
	Note	**Level 2**	**Total**
Assets			
Trade accounts receivables	15	332,335	332,335
		332,335	**332,335**

			2023
	Note	**Level 2**	**Total**
Assets			
Trade accounts receivables	15	269,510	269,510
		269,510	**269,510**

The Group discloses fair value measurements based on their level on the following fair value measurement hierarchy:

Level 1:

When fair value is calculated with quoted prices (unadjusted) in active markets for identical assets and liabilities traded in active markets at the balance sheet date.

A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price.

Level 2:

When fair value is calculated with valuation techniques since the financial instruments are not traded in an active market, and all the significant inputs required to identify the fair value an instrument are observable. Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments are used where available.
- The fair values of interest rate swaps are calculated at the present value of the estimated future cash flow based on observable yield curves; and
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date, with the resulting value discounted to present value.

Other techniques, such as discounted cash flows analysis, are used to determine the fair value of the remaining financial instruments.

Level 3:

When fair value is calculated with inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). As of December 31, 2024, there were no financial assets and liabilities carried at fair value classified as Level 3.

All amounts in thousands of US$ dollars, unless otherwise stated

(c) Fair value measurement and disclosure

The valuation techniques used in the measurement and disclosure of fair value, including critical accounting estimates, assumptions and judgments made by the Group, are consistent with those used and disclosed in the audited consolidated financial statements on December 31, 2023. On December 31, 2024 and 2023 loans and financings are measured at amortized cost.

14 Cash and cash equivalents

Accounting policy

Cash and cash equivalents include cash, bank deposits and, highly liquid short-term investments (investments with an original maturity less than 90 days) which are readily convertible into a known amount of cash and subject to an immaterial risk of changes in value.

Interest on interest-bearing banks and time deposits are recognized on a time-proportion basis to reflect the effective yield of the assets under the effective interest rate method.

Composition

	2024	2023
Cash and banks	217,741	193,625
Term deposits	118,577	23,734
	336,318	**217,359**

15 Trade accounts receivables

Accounting policy

Trade accounts receivables are amounts due from customers for goods sold or services provided in the ordinary course of the Group's business.

Trade accounts receivables are recognized initially at fair value and subsequently measured at:

(i) Fair value through profit or loss when are related to sales that are subsequently adjusted to changes in LME prices, which are recorded in net revenues. These accounts receivable do not meet the SPPI criteria because there is a component of commodity price risk that modifies the cash flows that otherwise would be required by the sales contract.

(ii) Amortized cost using the effective interest rate method, less impairment, when the receivables do not meet the aforementioned classifications.

Credit risk can arise from non-performance by counterparties of their contractual obligations to the Group. To ensure an effective credit risk evaluation, management applies procedures related to the application for credit granting and approvals, renewal of credit limits, continuous monitoring of credit exposure in relation to established limits and events that trigger requirements for secured payment terms. As part of the Group's process, the credit exposures with all counterparties are regularly monitored and assessed.

The Group applies the IFRS 9 simplified approach to measure the impairment losses on trade accounts receivables. This approach requires the use of the lifetime expected credit losses on its trade accounts receivables measured at amortized cost. To calculate the lifetime expected credit losses, the Group uses a provision matrix and forward-looking information. The additions to impairment of trade accounts receivables are included in selling expenses. Trade accounts receivables are generally written off when there is no expectation of recovering additional cash.

All amounts in thousands of US$ dollars, unless otherwise stated

(a) Composition

	Note	2024	2023
Related parties	18	293,413	233,433
Third parties		39,805	36,449
Impairment of trade accounts receivables		(883)	(372)
		332,335	**269,510**

(b) Changes in impairment of trade accounts receivables

	2024	2023
Balance at the beginning of the year	**(372)**	**(927)**
Additions	(2,363)	(371)
Reversals	1,852	926
Balance at the end of the year	**(883)**	**(372)**

(c) Aging of trade accounts receivables

	2024	2023
Current	269,290	202,802
Up to 3 months past due	43,350	45,280
From 3 to 6 months past due	6,268	12,169
From 6 months past due	14,310	9,631
	333,218	**269,882**
Impairment	(883)	(372)
	332,335	**269,510**

16 Inventory

Accounting policy

The costs related to the production process are accumulated in products in process and concentrate. Inventories are stated at the lower of cost or net realizable value. Cost includes the purchase price net of discounts, rebates and others. The cost of spare parts and supplies is determined by the weighted average method, except for in-transit inventory, which is recognized by the specific identification method.

(i) Concentrates (zinc, lead and copper)

The balance of ore concentrates (zinc, copper and lead) results from the production activities of the Company and its subsidiaries, they are valued at the average cost, which incorporates the costs incurred in the production process.

The cost of concentrates and products in process includes the cost of contractors' services, the consumption of spare parts and supplies, the cost of direct labor, other direct costs and the general manufacturing expenses that are assigned to the cost of the inventories based on the normal operating capacity of the plant.

The normal operating capacity of the plant is supported in the annual production budget. The cost of inventories excludes financing expenses and exchange differences.

The Management calculated its idle cost capacity considering the reduction in the level of production due to unusual events. The assumptions used involved judgments based on IAS 2 Inventories. The calculation of idleness was based on the comparison of the production carried out with the production projections of the Group's forecast.

All amounts in thousands of US$ dollars, unless otherwise stated

The net realization value is the estimated sales price in the normal course of business, less the estimated costs to complete their production and the expenses to place the inventories in sale condition and to carry out their commercialization. For the reductions in the carrying amount of the inventories to their net realization value, a provision is established for impairment of inventory with a charge to the cost of sales in the period in which such reductions occur.

(ii) Silver certificates

Silver certificates are recognized at the lower of cost or net realizable value. Cost is determined according to the average cost method.

Net realizable value is the estimated sales price of the product, that is, the average market Price for the previous month.

(iii) Spare parts and supplies

Other spare parts and supplies are stated at the lower of cost or net realizable value, the cost is determined under the weighted average method. The cost of these items includes freight and applicable non-reimbursable taxes. In-transit Inventory is recorded at cost using the specific identification method. The provision for impairment of these items is estimated based on an annual review of spare parts and supplies with no movement for more than 2.5 years carried out by qualified technical staff of the Group. If the carrying amount of the inventories of spare parts and supplies exceed their replacement value, the difference is charged to profit or loss in the period in which this situation is determined. Management considers that at the date of the consolidated financial statements no additional provisions beyond those already recognized in the consolidated financial statements are necessary to cover losses due to obsolescence of inventories.

(a) Composition

	2024	2023
Spare parts and supplies	33,344	35,666
Concentrates	3,215	2,203
Semi-finished products	3,841	4,244
Silver certificates	6,044	5,901
In-transit goods	1,192	1,114
Inventory provisions (b)	(11,958)	(10,111)
	35,678	**39,017**

(b) Changes in the provisions of the year

	2024	2023
Balance at the beginning of the year	**(10,111)**	**(12,906)**
Reversals	6,307	8,348
Additions	(8,154)	(5,553)
Balance at the end of the year	**(11,958)**	**(10,111)**

All amounts in thousands of US$ dollars, unless otherwise stated

17 Other assets

Accounting policy

See note 12 (i).

(a) Composition

Comprising balances receivable from third parties for the sale of fixed assets, taxes receivable, spare parts and supplies, loans to personnel and others.

	2024	2023
Receivables from mining contractors	10,893	14,722
Advances to suppliers	6,385	7,197
Insurance prepaid	2,697	2,589
Security deposit	1,184	1,207
Works-for-taxes program (i)	751	4,002
Tax credit for general sales tax	70	8,187
Other assets	7,517	7,287
Inpairment Other trade account	(2,587)	(327)
	26,910	**44,864**
Current assets	21,255	34,362
Non-current assets	5,655	10,502
	26,910	**44,864**

(i) Comprising disbursements made by the Group within the Works-for-Taxes program according to Law No.29230.

(b) Changes in impairment of other assets

		2024	2023
Balance at the beginning of the year	**Note**	**(327)**	**(581)**
Additions	8	(2,260)	(327)
Reversals		-	581
Balance at the end of the year		**(2,587)**	**(327)**

All amounts in thousands of US$ dollars, unless otherwise stated

18 Related parties

(a) Balances

	Trade accounts receivables - note 15		Other assets (ii)		Other liabilities - note 27		Dividends payable - note 27 – (i)	
Assets and liabilities	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Controlling entity								
Nexa Resources Cajamarquilla S.A.	228,393	142,051	6,506	4,531	-	-	-	-
Parent Company								
Nexa Resources S.A.	13,540	91,382	5,627	2,757	-	-	1,005	1,005
Other related parties								
Votorantim Internacional CSC S.A.C.	-	-	-	-	301	618	-	-
Nexa Recursos Minerais S.A. (ii)	51,480	-	102,974	103,432	-	-	-	-
	293,413	**233,433**	**115,107**	**110,720**	**301**	**618**	**1,005**	**1,005**
Current	293,413	233,433	115,107	10,720	301	618	1,005	1,005
Non-current	-	-	-	100,000	-	-	-	-
	293,413	**233,433**	**115,107**	**110,720**	**301**	**618**	**1,005**	**1,005**

(i) On March 27, 2024, the Company's shareholders approved dividend payment No. 144 for US$ 5,549, considering dividends per share of US$ 0.004362 per share. In July 2024, the Company made a total cash payment of these dividends. Besides, the outstanding dividends payable correspond to the dividends approved in 2022.

(ii) On March 29, 2023, the Company and Nexa Resources El Porvenir S.A.C. (Nexa El Porvenir) entered into a loan agreement for a total principal amount of US$ 10,000 and US$ 40,000, respectively with its related company Nexa Recursos Minerais S.A. (Nexa Brasil), with a 2-year maturity in March 2025 and an interest rate of 2.79% plus the 6-month SOFR TERM (Secured Overnight Financing Rate), to be paid semi-annually. Besides, on June 15, 2023, the Company and Nexa El Porvenir entered into a loan agreement for a total principal amount of US$ 35,000 and US$ 15,000, respectively with its related company Nexa Brasil, with a 2-year maturity in June 2025 and an interest rate of 3.50% plus the 6-month SOFR TERM, to be paid semiannually.

All amounts in thousands of US$ dollars, unless otherwise stated

(b) Transactions

	Net revenues(iii)		Financial income - note 9		Operating income (expenses)	
Profit and loss	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Controlling entity						
Nexa Resources Cajamarquilla S.A.	243,494	160,883	9,544	6,917	3,695	2,908
Parent Company						
Nexa Resources S.A.	-	61,202	6,008	8,052	-	-
Other related parties						
Nexa Recursos Minerais S.A. (ii)	51,480	-	10,588	5,414	-	-
Votorantim Internacional CSC S.A.C.	-	-	-	-	(3,233)	(3,541)
	294,974	**222,085**	**26,140**	**20,383**	**462**	**(633)**

(ii) At December 31, 2024 the net revenues increased, mainly to the higher metal prices and volumes in zinc. And financial income increased as of December 31, 2024 mainly due to the higher interest rates of commercial sales.

(iii) Due to a commercial strategy for the year 2024, the group has decided to sell directly to Nexa Resources Minerais. Therefore, no sales were made to Nexa Resources S.A.C. contrary to 2023.

(c) Key management compensation

Key management includes directors (executive and non-executive). Key management compensation, including all benefits, was a follows:

	2024	2023
Short-term benefits	14,070	16,943
Long-term benefits	507	105
	14,577	**17,048**

Short-term benefits include fixed compensation, payroll charges and short-term benefits under the Group's variable compensation program. Other long-term benefits relate to the variable compensation program.

19 Property, plant and equipment

Accounting policy

Property, plant and equipment are stated at their historical cost of acquisition or construction less accumulated depreciation and any recognized impairment losses. Historical cost includes expenditures that are directly attributable to the acquisition and construction of the assets.

Subsequent costs that are attributable to an item of fixed assets are capitalized only when it is probable that future economic benefits associated with the item will flow to the Group. All other repairs and maintenance are charged to production cost or expense, as appropriate, during the reporting period in which they are incurred.

Disbursements incurred to replace a component of an item of property, plant and equipment are separately capitalized, writing down the carrying amount of the item being replaced. If the replaced component is not considered a separate component from the asset, the replacement value of the new component is used to estimate the carrying amount of the replaced asset.

Assets under construction stage are capitalized as a separate item. Upon completion, the cost of these assets is transferred to its final category. Work in progress is not depreciated.

Property, plant and equipment are written-off when they are disposed of or when economic benefits are no longer expected from their use or subsequent sale. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within other income and expenses, net in the income statement.

Land is not depreciated. Depreciation of mine closure assets is determined under the unit of production ("UoP") method and the depreciation of other assets is calculated using the straight-line method to reduce their costs to their residual values over their estimated useful lives.

The assets' residual values, useful lives and depreciation methods are reviewed annually and adjusted, if appropriate, at the date of the consolidated financial statements. Any change in these estimates is adjusted prospectively.

Asset retirement obligations

The Group entities recognize a provision for the restoration of the environment and for the closure of mining units, which corresponds to their legal obligation to restore the environment at the conclusion of their operations. In order to determine said provision, it is necessary to make significant estimates and assumptions, since there are various factors that will affect the amount of this obligation.

The capitalized cost recognized in Property, plant and equipment is depreciated based on the UoP method. Any reduction in the provision and, therefore, any reduction of the asset to which it is related that exceeds the carrying amount of the asset, is immediately recognized in the consolidated income statement as other income and expenses, net.

Impairment of long-lived assets

Refer to note 30 for the Group's accounting policy related to impairment of Property, plant and equipment.

All amounts in thousands of US$ dollars, unless otherwise stated

(a) Changes in the year

						2024
	Land, buildings and other constructions	**Machinery and equipment**	**Assets and projects under construction**	**Asset retirement obligations**	**Other**	**Total**
Balance at the beginning of the year						
Cost	375,278	899,481	150,024	97,031	3,008	1,524,822
Accumulated depreciation and impairment	(260,053)	(817,317)	(11,823)	(89,654)	(2,190)	(1,181,037)
Net balance at the beginning of the year	**115,225**	**82,164**	**138,201**	**7,377**	**818**	**343,785**
Additions (i)	-	536	139,277	2,063	-	141,876
Disposals and write-offs	(1)	(605)	(118)	-	-	(724)
Depreciation	(51,246)	(32,502)	-	(928)	(208)	(84,884)
Transfers (ii) - note 20	127,809	11,027	(138,866)	-	-	(30)
Remeasurement of asset retirement obligations - note 25	-	-	-	(6,446)	-	(6,446)
Impairment reversal (loss) of long-lived assets	8,521	3,479	(3,957)	-	-	8,043
Balance at the end of the year	**200,308**	**64,099**	**134,537**	**2,066**	**610**	**401,620**
Cost	482,360	844,641	150,202	92,642	3,008	1,572,853
Accumulated depreciation and impairment	(282,052)	(780,542)	(15,665)	(90,576)	(2,398)	(1,171,233)
Balance at the end of the year	**200,308**	**64,099**	**134,537**	**2,066**	**610**	**401,620**
Average annual depreciation rates %	9.33	13.66	-	UoP	18.56	

All amounts in thousands of US$ dollars, unless otherwise stated

						2023
	Land, buildings and other constructions	**Machinery and equipment**	**Assets and projects under construction**	**Asset retirement obligations**	**Other**	**Total**
Balance at the beginning of the year						
Cost	319,952	874,307	106,375	96,554	2,638	1,399,826
Accumulated depreciation and impairment	(225,673)	(780,195)	(8,104)	(88,712)	(1,973)	(1,104,657)
Net balance at the beginning of the year	**94,279**	**94,112**	**98,271**	**7,842**	**665**	**295,169**
Additions (i)	-	-	128,612	-	-	128,612
Disposals and write-offs	-	-	(3,664)	-	-	(3,664)
Depreciation	(33,747)	(36,659)	-	(942)	(216)	(71,564)
Transfers (ii) - note 20	54,693	25,337	(81,298)	-	369	(899)
Remeasurement of asset retirement obligations - note 26	-	-	-	477	-	477
Impairment loss – note 30	-	(626)	(3,720)	-	-	(4,346)
Balance at the end of the year	**115,225**	**82,164**	**138,201**	**7,377**	**818**	**343,785**
Cost	375,278	899,481	150,024	97,031	3,008	1,524,822
Accumulated depreciation and impairment	(260,053)	(817,317)	(11,823)	(89,654)	(2,190)	(1,181,037)
Balance at the end of the year	**115,225**	**82,164**	**138,201**	**7,377**	**818**	**343,785**
Average annual depreciation rates %	9.92	14.71		UoP	18.56	

(i) Additions in Work in progress are primarily related with mine development projects.
(ii) This amount comprises the transfers related to the costs of open pit mine San Gerardo and mineral exploration costs for the Magistral project.

20 Intangible assets

Accounting policy

Rights to use natural resources

The significant costs incurred for the acquisition of legal rights to explore mining concessions and develop mineral properties are capitalized and are amortized as production costs when the associated projects start their commercial operation using the UoP method over their useful lives. Useful lives consider the period of extraction for both mineral reserves and mineral resources, which includes a portion of the Group's inferred resources in the Group's mining operations. The costs for the acquisition of legal rights attributed to mining projects are not depreciated until the project becomes operational and production activities start.

The costs incurred are impaired if the Group determines that the projects and their mineral rights associated have no future economic value. For purposes of impairment assessment, rights to use natural resources are allocated to Cash Generating Units ("CGUs"). Refer to note 30 for the Group's impairment accounting policy.

Mining Projects

The Group starts to capitalize a project's mineral exploration and evaluation costs at the beginning of its feasibility study phase, following completion of a pre-feasibility study in which probability of economic feasibility has been established and where there is sufficient geologic and economic certainty of converting mineral resources into proven and probable mineral reserves at a development stage (construction or execution phase) or production stage based on various factors including the known geology, metallurgy and life of mine ("LOM") plans.

Capitalized costs incurred during a project's mineral exploration and evaluation stages are classified within Mining projects, under Property, plant and equipment until the project starts its development stage and are only depreciated by the UoP method once the development stage finishes and the project's operation starts.

Costs incurred during a project's development stage are also capitalized under Property, plant, and equipment but within Assets and projects under construction. In this way, the capitalized mineral exploration and evaluation costs will remain within Mining projects and will only be depreciated once the development stage finishes and the project´s operation starts.

Once the development stage is finished and the project's operation starts, the capitalized development costs are reclassified to the appropriate group of assets considering their nature and are depreciated on a linear calculation based on the assets' useful life.

Based on the above, once a project begins operation, there will be depreciation coming from the project's capitalized mineral exploration and evaluation costs within the Mining projects account and based on the UoP method and from the project's capitalized development costs within the corresponding group of assets based on their useful life.

The carrying value of the capitalized mineral exploration and evaluation costs, which remain within Mining projects, and the capitalized development costs, which are within Assets and projects under construction, of the projects are assessed for impairment at least annually or whenever evidence indicates that the assets may be impaired in accordance with IFRS 6 and IAS 36. If the Company decides at any moment to discontinue the project, this could be an impairment indicator that will be assessed under the impairment test. For purposes of this impairment assessment, the projects are allocated to cash generating units ("CGUs").

The annual impairment test is disclosed in note 30.

Refer to note 7 for the Group's accounting policy related to expensed mineral exploration and projects evaluation costs for mining projects.

Costs to acquire exploration legal mining rights are included as Intangible within Rights to use natural resources.

Critical accounting estimates, assumptions and judgments - Quantification of mineral reserves and resources for useful life calculation

The Group classifies proven and probable reserves, and measured, indicated and inferred resources based on the definitions of the United States Securities and Exchange Commission's (SEC) Modernized Property Disclosure Requirements for Mining Registrants as described in Subpart 229.1300 of Regulation S-K, Disclosure by Registrants Engaged in Mining Operations (S-K 1300) and Item 601 (b)(96) Technical Report Summary.

The useful life determination applied to the rights to use natural resources reflect the pattern in which the benefits are expected to be derived by the Company and is based on the estimated life of mine ("LOM"). Any changes to the LOM, based on new information regarding estimates of mineral reserves and mineral resources and mining plan, may affect prospectively the LOM and amortization rates.

The estimation process of mineral reserves and mineral resources is based on a technical evaluation, which includes geological, geophysics, engineering, environmental, legal and economic estimates and may have relevant impact on the economic viability of the mineral reserves and mineral resources. These estimates are reviewed periodically, and any changes are reflected in the expected LOM. Management is confident based on testing, continuity of the ore bodies and conversion experience that a part of the inferred resources will be converted into measured and indicated resources, and if they are economically recoverable, and such inferred resources may also be classified as proven and probable mineral reserves. Where the Group can demonstrate the expected economic recovery with a high level of confidence, inferred resources are included in the amortization calculation.

However, the future conversion of inferred resources is inherently uncertain and involves estimates, assumptions and judgments that could have a material impact on the Company's results of operations.

Impairment of long-lived assets

See note 30.

All amounts in thousands of US$ dollars, unless otherwise stated

(a) Changes in the year

	Note	Rights to use natural resources	Mining projects (i)	Computer programs		Work in progress	Total
							2024
Balance at the beginning of the year							
Cost		127,470	229,301	3,550		386	360,707
Accumulated amortization and impairment		(96,046)	(92,838)	(2,704)		-	(191,588)
Net balance at the beginning of the year		**31,424**	**136,463**	**846**		**386**	**169,119**
Additions			-	-		437	437
Amortization		(1,075)	(845)	(258)		-	(2,178)
Transfers from property, plant and equipment	20	(4)	30	-		4	30
Transfers to assets held for sale		-	(3,978)	-		-	(3,978)
Impairment reversal (loss) of long live assets	30	572	(54,308)	-		-	(53,736)
Balance at the end of the year		**30,917**	**77,362**	**588**		**827**	**109,694**
Cost		127,466	144,248	3,549	-	827	276,090
Accumulated amortization and impairment		(96,549)	(66,886)	(2,961)	-	-	(166,396)
Net balance at the end of the year		**30,917**	**77,362**	**588**	**-**	**827**	**109,694**
Average annual amortization rates %		UoP	UoP	11.44			

	Note	Rights to use natural resources	Mining projects (i)	Computer programs	Work in progress	Total
						2023
Balance at the beginning of the year						
Cost		127,470	228,839	3,114	-	359,423
Accumulated amortization and impairment		(94,901)	(91,418)	(2,535)	-	(188,854)
Net balance at the beginning of the year		**32,569**	**137,421**	**579**	**-**	**170,569**
Additions		-	-	-	386	386
Amortization		(1,145)	(1,420)	(170)	-	(2,735)
Transfers from property, plant and equipment	19	-	462	437	-	899
Balance at the end of the year		**31,424**	**136,463**	**846**	**386**	**169,119**
Cost		127,470	229,301	3,550	386	360,707
Accumulated amortization and impairment		(96,046)	(92,838)	(2,704)	-	(191,588)
Net balance at the end of the year		**31,424**	**136,463**	**846**	**386**	**169,119**
Average annual amortization rates %		UoP	UoP	11.38		

(i) Only the amount related to the operating unit Atacocha is being amortized under the UoP method. The other balances of mining projects will be amortized once their development stage finishes, and the projects' operation starts.

21 Right-of-use assets and lease liabilities

Accounting policy

Right-of-use assets represent the right to use an underlying asset for the lease term and lease liabilities represent the Group's obligation to make lease payments arising from the lease.

Lease terms are negotiated on an individual asset basis and contractual provisions contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

The Group accounts for non-lease components such as service costs separately, whenever applicable. The Group's lease terms may include options to extend or terminate the lease and when it is reasonably certain that we will exercise that option, the financial effect is included in the contract's measurement.

Practical solutions applied in adoption

In applying IFRS 16 for the first time, the Group has made use of the following practical expedients permitted by the standard:
- The exclusion of the accounting for low value leases and leases with a remaining
remaining term of less than 12 months at January 1, 2019;
- The exclusion of the initial direct costs from the measurement of the right-of-use asset at
the date of initial adoption; and
- The use of a single discount rate for a group of leases with reasonably similar characteristics.
reasonably similar.

Measurement

Liabilities arising from a lease contract are initially measured on a present value basis, using the incremental borrowing rate approach. The incremental borrowing rate is determined by the Group based on equivalent financial costs that would be charged by a counterparty for a transaction with the same currency and a similar amount, term and risk as the lease contract. The finance cost charged to the statement of comprehensive income produces a constant periodic rate of interest over the lease term.

On December 31, 2024 this interest rate is between 2.85% and 9.53% (2.85% and 9.53% as of December 31, 2023).

Lease contracts are recognized as a liability with a corresponding right-of-use asset at the date at which the leased asset is available for use by the Group. The right-of-use asset also includes any lease payments made and it is amortized over the shorter of the asset's useful life and the lease term on a straight-line basis. Amortization expenses are classified either in "Cost of sales" or "Administrative expenses" based on the designation of the related assets.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

All amounts in thousands of US$ dollars, unless otherwise stated

(a) Right-of-use assets – changes in the year

	Note	Lands, buildings and other constructions	Machinery and equipment	Vehicles	IT equipment	Total
						2024
Balance at the beginning of the year						
Cost (i)		3,149	7,086	4,930	200	15,365
Accumulated amortization		(642)	(831)	(3,051)	(125)	(4,649)
Net balance at the beginning of the year		**2,507**	**6,255**	**1,879**	**75**	**10,716**
New contracts		12,567	18,633	135	-	31,335
Amortization	6	(1,708)	(8,044)	(1,595)	(69)	(11,416)
Balance at the end of the year		**13,366**	**16,844**	**419**	**6**	**30,635**
Cost		14,561	25,719	2,636	105	43,021
Accumulated amortization		(1,195)	(8,875)	(2,217)	(99)	(12,386)
Net balance at the end of the year		**13,366**	**16,844**	**419**	**6**	**30,635**
Average annual amortization rates %		36.47	33.57	26.26	22.22	

(i) During the fourth quarter of 2024, the Company identified certain lease contracts from previous years in its Peruvian subsidiaries that were not initially recognized in accordance with IFRS 16. The Company's management performed quantitative and qualitative analysis and concluded that the misstatement is immaterial to the current year of 2024 and to the previously issued financial statements as of and for the years ended December 31, 2023, and 2022. Therefore, the effects of these contracts in the current year were recorded as an out-of-period adjustment. As of December 31, 2024, the Company recognized US$ 12,643 as "Right of use" assets, US 15,037 as "Lease liabilities" and US 2,394 as expense in "Consolidated income statement".

	Note	Lands, buildings and other constructions	Machinery and equipment	Vehicles	IT equipment	Total
						2023
Balance at the beginning of the year						
Cost		4,397	-	2,226	282	6,905
Accumulated amortization		(2,003)	-	(1,175)	(84)	(3,262)
Net balance at the beginning of the year		**2,394**	**-**	**1,051**	**198**	**3,643**
New contracts		375	7,087	2,703	-	10,165
Remeasurement		197	-	-	(101)	96
Amortization	6	(459)	(832)	(1,875)	(22)	(3,188)
Balance at the end of the year		**2,507**	**6,255**	**1,879**	**75**	**10,716**
Cost		3,149	7,087	4,929	200	15,365
Accumulated amortization		(642)	(832)	(3,050)	(125)	(4,649)
Net balance at the end of the year		**2,507**	**6,255**	**1,879**	**75**	**10,716**
Average annual amortization rates %		25.00	22.22	33.33	33.33	

All amounts in thousands of US$ dollars, unless otherwise stated

(b) Lease liabilities – changes in the year

		2024	2023
Balance at the beginning of the year	**Note**	**9,792**	**2,738**
New contracts	21 (a)	31,335	10,165
Accrued interest		3,960	344
Remeasurement	21 (a)	-	96
Capital payments		(9,431)	(3,157)
Interest paid on lease liabilities		(2,542)	(394)
Balance at the end of the year		**33,114**	**9,792**
Current liabilities		10,982	4,392
Non-current liabilities		22,132	5,400
Balance at the end of the year		**33,114**	**9,792**

(c) Maturity profile of lease liabilities

					2024
	2025	**2026**	**2027**	**2028**	**Total**
US$	10,982	7,938	4,611	9,583	33,114
	10,982	**7,938**	**4,611**	**9,583**	**33,114**

22 Trade Payables

Accounting policy

Trade payables represent liabilities for goods and services that were provided to the Group before the end of the financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. These amounts are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

(a) Composition

This item comprises:

	2024	2023
Current		
Trade payables	119,845	122,951
Services received remaining to be billed	53,673	54,810
	173,518	**177,761**
Non-current		
Trade payables	89	1,163
	89	**1,163**
	173,607	**178,924**

Trade payables correspond to balances with suppliers for the purchase of goods and services which are within their maturity term. These accounts do not bear interest.

Services received pending billing correspond to the accrual of construction and exploration services that were in progress at the reporting date of the consolidated financial statements and were awaiting billing by suppliers.

All amounts in thousands of US$ dollars, unless otherwise stated

23 Confirming Payables

Accounting policy

The Group has contracts with some suppliers whose commercial payment varies between 60 and 180 days without any additional guarantee. In these contracts, the supplier has the option to request a bank to advance the payment of their commercial invoice within 180 days, before the invoice matures. As a result of those contracts between the suppliers and the bank, the commercial terms agreed with the Group do not change. In accordance with the commercial agreement, the supplier communicates to the Group its interest in selling the invoice to the bank, and it is only the supplier who can decide to sell its invoice at any time during the commercial period. With this option, suppliers can improve their working capital position. The bank pays the supplier with an interest discount for advance of payment. The Group, however, understands that the separate presentation of these accounts within "Confirming payables" is relevant to the understanding of the Group financial position.

Based on concepts of IFRS 9, the Group assesses whether the payment term extension arrangement substantially modifies the original liability based on qualitative and quantitative assessments. If the original liability has not been substantially modified, the original liability remains and is disclosed as "Confirming Payable". If the original liability has been substantially modified, the Group derecognizes the original liability (confirming payables) and recognizes a new financial liability as "Other financial liabilities".

The Group concluded that for December 31, 2024, the transactions maintain their essence as "confirming payables" taking into consideration assessment policy of the Group.

Payments of the principal amounts and interest reimbursements are presented within the "operating activities group" in the Group's cash flow statement, in accordance with IAS 7, as the Group classifies the actual transactions as confirming payable.

(a) Carrying amount of financial liabilities

	2024	**2023**
Confirming payables	6,469	15,042
	6,469	**15,042**

As of December 31, 2024, financial institutions have paid the total amount of confirming payables to the suppliers.

(b) Range of payments due dates

	2024 Days after invoice	**2023 Days after invoice**
Liabilities that are part of confirming payables	60-150	60-180
Comparable trade payables that are not part of a confirming payables	30-120	30-150

(c) Non-cash changes

There were no business combinations or material foreign exchange differences in either periods.

All amounts in thousands of US$ dollars, unless otherwise stated

24 Salaries and payroll charges

Accounting policy

(i) Worker's profit sharing

The Group recognizes a liability and an expense for each Group entity's obligation for statutory workers' profit sharing, where applicable. Workers' profit sharing is calculated by applying a rate of 8% to each entity's taxable income, determined under Peruvian income tax laws currently in force.

(ii) Statutory bonuses

The Group recognizes an expense for statutory bonuses for its personnel and the corresponding liability based on the current labor legislation in the country.

(iii) Employees' severance indemnities

Employees' severance indemnities for time of service of the Group's staff hired in Peru comprise their indemnification rights calculated according to current legislation. These rights are credited to the bank accounts designated by the workers in May and November of each year. The compensation is equivalent to one monthly salary effective at the date of the bank deposit. After the annual deposits, the Group has no further obligations to make any additional payments to workers.

(iv) Vacation leave

The annual vacations of personnel are recognized on an accrual basis. The provision for the estimated liability related to the annual vacations of personnel resulting from services rendered by employees, is recognized as of the date of the consolidated statement of financial position.

(a) Composition

	2024	2023
Worker's profit sharing	19,652	8,642
Vacation leave	4,789	4,533
Termination of employment provision	2,038	2,998
Employees' severance indemnities	655	663
Other remunerations	6,553	6,332
	33,687	**23,168**

25 Asset retirement and environmental obligations

Accounting policy

Provision for asset retirement obligations include costs for restoration and closure of the mining assets and is recognized due to the development or mineral production, based on the net present value of estimated closure costs. Management uses its judgment and previous experience to determine the potential scope of rehabilitation work required and the related costs associated with that work, which are recognized as a "Property, plant and equipment" for asset retirement obligations relating to operating mining assets or as Other income and expenses, net for non-operating structures.

The liabilities are discounted to present value using a credit risk-adjusted rate that reflects current market assessments of the time value of the money and the specifics risks for the asset to be restored. The interest rate charges relating to the liability are recognized as an accretion expense in the Net financial results. Difference in the settlement amount of the liability is recognized in the income statement.

Critical accounting estimates, assumptions and judgments

The initial recognition and the subsequent revisions of the asset retirement obligations and environmental obligations consider critical future closure and repairing costs and several assumptions such as interest rates, inflation, useful lives of the assets and the estimated moment that the expenditure will be executed. These estimates are reviewed annually by the Group.

Cost estimates can vary in response to many factors of each site that include timing, expected LOM, changes to the relevant legal or government requirements and commitments with stakeholders, review of remediation and relinquishment options, emergence of new restoration techniques, stage of engineering evaluation maturity among others. Engineering projects for each liability are in different stages of maturity, some of them still in the conceptual engineering phase, for which the estimation of expenditures includes in its methodology a high degree of uncertainty in the definition of the total cost of the project in accordance with best market practices.

External experts support the cost estimation process where appropriate. These factors either isolated or consolidated could significantly affect the future income statement and balance sheet position.

All amounts in thousands of US$ dollars, unless otherwise stated

(a) Changes in the year

				2024			**2023 (Restated)**
	Note	**Asset retirement obligations (i)**	**Environmental obligations**	**Total**	**Asset retirement obligations (i)**	**Environmental obligations**	**Total**
Balance at the beginning of the year		**131,078**	**126**	**131,204**	**121,733**	**32**	**121,765**
Payments		(2,848)	(1,191)	(4,039)	(1,432)	(1,746)	(3,178)
Interest accrual		15,347	-	15,347	14,226	-	14,226
Remeasurement discount rate (i)/(ii)	8 and 19	(32,314)	-	(32,314)	(7,422)	-	(7,422)
Additions (ii)	8 and 19	8,350	1,338	9,688	3,973	1,840	5,813
Exchange update		-	(15)	(15)	-	-	-
Classified as liabilities associated with assets held for sale	1 (a)	(10,658)	-	(10,658)	-	-	-
Balance at the end of the year		**108,955**	**258**	**109,213**	**131,078**	**126**	**131,204**
Current liabilities		26,106	258	26,364	15,505	126	15,631
Non-current liabilities		82,849	-	82,849	115,573	-	115,573
Balance at the end of the year		**108,955**	**258**	**109,213**	**131,078**	**126**	**131,204**

(i) As of December 31, 2024, the credit risk-adjusted rate used was between 11.0% to 12.1% (December 31, 2023: 10.9% to 12.5%).

(ii) The change in the year ended on December 31, 2024, was mainly due to the time change in the expected disbursements on decommissioning obligations in certain operations, in accordance with updates in their asset retirement and environmental obligations studies, and by the increase in the discount rates, as described above. In this way, asset retirement obligations for operational assets, decrease in an amount of US$ 6,446 (December 31, 2023: decreased of US$ 477) as shown in note 19; and asset retirement and environmental obligations for non-operational assets expense in US$ 18,243 (December 31, 2023: expense of US$ 2,086) as shown in note 8.

26 Contractual obligations

Accounting policy

Contractual obligations consist of advance payments received by the Group under a silver streaming agreement, signed with a counterparty (the "Streamer") and by which referential silver contents found in the ore concentrates produced by the Group's Cerro Lindo mining unit are sold to the Streamer.

Determining the accounting treatment of silver streaming transactions requires the exercise of high degree of judgment.

Group assesses whether those advances obtained under this agreement should be recognized as contractual obligations (a sale of a non-financial item) or as a financial liability. For that purpose, the Group takes into consideration factors such as which party is exposed to the operational risk, the risk of access to the resources, the price risk, and assesses whether the transaction involves a sale of an own use asset for the counterparty. In those cases, in which the Group concludes that, in essence, the Streamer shares substantially the operational risks, the resource access and price risks, it delivers a non-financial item that qualifies as an "own use" item; any advance payment obtained is recognized as a contractual obligation in the framework of IFRS 15: Revenue from Contracts with customers. Otherwise, the Group would recognize a financial liability in the framework of the provisions of IFRS 9: Financial instruments.

When a contractual obligation is recognized, the balance is initially recognized at the amount received, and it is subsequently recognized as revenue when the control of the respective assets is transferred, that is, upon the physical delivery of the nonfinancial item (silver certificate). Contractual obligations are recognized within non-current liabilities, except for the portion of silver certificates that are estimated to be delivered over the 12 months following the balance sheet date.

The advance payment obtained under the silver streaming transaction entered by the Group in 2016 is recognized as contractual obligation to the extent that the risk assessment conducted by management indicates the relevant risks are substantially shared with the Streamer and the qualifying conditions of a sale of an "own use" item are met.

The advance payment was recognized as a Contractual obligation and the corresponding revenues are recognized as the silver is delivered, which is the time that the contractual performance obligations are satisfied. The Company delivers the certificates as the silver contents of its concentrate sales are collected from its customers that buy ore concentrates.

The recognition of interest on contractual obligation is based on the opening balance of the year of the contractual obligations applying a market rate percent, representing the effect of passage of time over the length of the Metal Purchase Agreement.

Determination of the transaction price

The transaction price is the amount of consideration to which the Group expects to be entitled in return for transferring the promised goods to its counterparty. The transaction price is allocated to each performance obligation based on the relative standalone selling prices. In the silver streaming transaction, the Group has variable considerations related to the production capacity of the mine linked to its LOM and to the LME. IFRS 15 requires that for contracts containing variable considerations, the transaction price be continually updated and re-allocated to the transferred goods. For this purpose, the contractual obligations require an adjustment to the transaction price per unit each time there is a change in the underlying production profile of a mine or the expected metal prices. The change in the transaction price per unit results in a retroactive adjustment to revenues in the period in which the change is made, reflecting the new production profile expected to be delivered under the streaming agreement or the expected metal prices. A corresponding retroactive adjustment is made to accretion expenses, reflecting the impact of the change in the contractual obligation balance.

All amounts in thousands of US$ dollars, unless otherwise stated

Critical accounting estimates, assumptions and judgments

The recognition of revenues and of the contractual obligation related to the silver transaction require the use of critical accounting estimates and assumptions including, but not limited to: (i) allocation of revenues on relative prices; (ii) estimate prices for determining the upfront payment; (iii) discount rates used to measure the present value of future inflows and outflows; and (iv) estimates of LOM, reserves and mineral production.

(a) Composition

In 2016, Nexa UK entered a silver streaming arrangement for the anticipated sale of a portion of the silver contained in the ore concentrates produced by the Cerro Lindo mining unit, which consisted of: i) an upfront payment of US$ 250,000 and ii) additional payments at the date of each delivery of the ounces of payable silver equivalent to 10% of the spot price at the date of settlement. In addition, by this agreement, sales of silver certificates to Triple Flag are limited to a total of 19.5 million of the ounces that Nexa Peru sells to its customers. Once that limit is reached, sales under the streaming will be made for 25% of the silver content in the Nexa Peru's sales of concentrate for a period equivalent to the life of said mining unit.

The changes in the contractual obligation are shown below:

	Note	2024	2023
Balance at the beginning of the year		**117,112**	**132,160**
Revenues recognition upon ore delivery		(43,662)	(30,498)
Remeasurement adjustment (i)		21,084	10,121
Accretion for the year	9	6,424	5,329
Balance at the end of the year		**100,958**	**117,112**
Current liabilities		31,686	37,432
Non-current liabilities		69,272	79,680
		100,958	**117,112**

(i) In September 2024, the Group recognized a remeasurement adjustment in its contractual obligations of silver streaming with a corresponding reduction in revenues for an amount of US$ 21,084, respectively and an increase in accretion for an amount of US$ 5,153 (in 2023: reduction in revenues for and amount of US$ 10,121 and an increase in accretion for an amount of US$ 1,219), given the higher long-term prices and the updated mine plan for its Cerro Lindo Mining Unit. According to the Company's silver streaming accounting policy, prices and changes in the LOM given an update in mine plans are variable considerations and, the recognized revenue under the streaming agreement should be adjusted to reflect the updated variables.

All amounts in thousands of US$ dollars, unless otherwise stated

27 Other liabilities

Accounting policy

See note 12 (i).

(a) Composition

	Note	2024	2023
Related parties	18 (a)	1,306	1,623
Third-parties			
Advances from customers (i)		51,689	-
Value added tax		11,305	663
Other taxes		1,325	716
Mining royalties		2,395	1,944
Special Mining Tax		1,632	1,371
Withholding tax		1,536	991
Other		18,833	19,660
		90,021	**26,968**
Current		89,514	26,863
Non-current		507	105
		90,021	**26,968**

(i) On December 12, 2024, the Group signed a commercial advance agreement with a customer, in which it agreed to sell concentrates produced by El Porvenir for a twelve-month period and received an advance payment of US$50,000. The advance payment was recognized as Other Liabilities and the corresponding revenues will be recognized when the concentrates are delivered, which is the time that the performance obligations are satisfied.

28 Provisions

Accounting policy

Provisions for legal claims are recognized when the Group has a present obligation, legal or assumed, as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. If the time value of money is significant, provisions are discounted using a pre-tax rate that reflects, when applicable, the specific risks related to the liability. Reversal of the discount due to the passage of time results in the increase of the obligation recognized in the consolidated income statement as financial expense.

Contingent liabilities and assets

Contingent liabilities are not recognized in the consolidated financial statements and are only disclosed, unless the likelihood of the use of resources is probable. Contingent assets are not recognized in the consolidated financial statements and are only disclosed when it is probable that an inflow of resources will flow.

Critical accounting estimates and assumptions - Provision for legal claims

The Group is subject to a number of laws and regulations as well as business practices effective in Peru and the United Kingdom.

All amounts in thousands of US$ dollars, unless otherwise stated

In this sense, Management makes judgment and estimates in recording provisions for tax environmental, labor, civil and environmental matters and seeking to comply with the technical standards issued by the local regulatory authorities.

Actual costs may differ from estimates for a number of reasons, such as changes in the cost estimations and different interpretations of laws, opinions and assessments in determining the quantity of losses. Furthermore, in the ordinary course of business, the Group is exposed to certain contingent liabilities related to existing or potential claims, litigation and other actions brought against it involving tax issues.

A provision is recorded for contingencies when it is probable that a liability has been incurred and the amount of the loss can be estimated reliably. The Group's accruals are based on projections that are updated considering the results of the above-mentioned litigation or other actions and the experience of its technical staff and legal counsel both internal and external in addressing and resolving tax, labor, civil and environmental issues, other than income tax. As the scope of the obligations becomes more clearly defined or further information become available, the Group may be required to change its future cost estimates, which could have a significant effect on the results of its operations and its financial position or liquidity.

(a) Changes in the year

	Note	Tax	Civil	Environmental	2024	2023
Balance at the beginning of the year		**358**	**4,003**	**16,404**	**20,765**	**15,299**
Additions	8	1,402	1,102	1,481	3,985	9,910
Reversals	8		(2,004)	(2,849)	(4,853)	(2,980)
Foreign exchange effects			(71)	(231)	(302)	373
Interest		62	33	57	152	193
Payments		(20)	(427)	(1,545)	(1,992)	(2,030)
Balance at the end of the year		**1,802**	**2,636**	**13,317**	**17,755**	**20,765**

(b) Contingent liabilities

Legal claims that have a possible likelihood that an obligation will arise are disclosed in the Group's financial statements. The Group does not recognize a liability because it is not probable that an outflow of resources will be required or because the amount of the liability cannot be reliably calculated. These legal claims are summarized below:

	2024	2023
Civil	6,999	26,781
Laboral (i)	14,155	12,654
Environmental	4,389	957
Tax	209	-
	25,752	**40,392**

(i) Civil contingencies decreased mainly due to the update of the change of estimate from possible to remote estimation of an indemnity claim from a third-party contract for US$ 15,450.

(ii) The main contingents against the Group are related to indemnity lawsuits and social benefits.

All amounts in thousands of US$ dollars, unless otherwise stated

29 Shareholders´ equity

Accounting policy

Common and investment shares are classified in equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds, net of tax.

The payment made by the Company to purchase its own equity share capital (treasury shares), including any cost directly attributable to the transaction (net of taxes) is deducted from equity attributable to the owners of the Company until the shares are cancelled, reissued or sold. The price paid over the nominal value of shares is shown within "Other capital reserves". When such treasury shares are subsequently reissued or sold, any consideration received in the reissue of treasury shares, net of any directly attributable incremental transaction costs and the related income tax effects is included in equity attributable to the owners of the Company.

The distribution of dividends to the shareholders is recognized as a liability in the financial statements in the year in which the dividends are approved by the Company's shareholders.

(a) Capital

At December 31, 2024 the Company's capital is comprised of 1,257,754 thousands common shares fully subscribed and paid-in (at December 31, 2023 it comprises 1,257,754 thousands common shares), at S/ 1.04 per share (at December 31, 2023 at S/ 1.04).

Outstanding shares are listed and traded daily on the Lima Stock Exchange ("*Bolsa de Valores de Lima*").

At December 31, 2024 the Company's shareholding structure registered with the Public Registry Office is as follows:

Percentage of individual interest in capital	Number of holders	Total percentage
Less than 1%	1,474	5.66
Between 1% and 5%	2	3.27
Between 5% and 10%	1	7.70
More than 10%	1	83.37
	1,478	**100.00**

The stock exchange quotation of the common shares at December 31, 2024 and 2023 was S/ 1.61 and S/ 1.38 per share, respectively (equivalent to US$ 0.43 and US$ 0.37, respectively).

(b) Investment shares

Investment shares do not entitle the holder to cast a vote at the General Shareholders' Meeting. However, they entitle holders to take part in dividend distributions based on their par value, to same as with common shares.

At December 31, 2024 and 2023 investment shares comprise 21,415 thousands common shares, respectively, at S/1 per value each, of which 14,354 are outstanding.

At December 31, 2024 the stock exchange quotation of investment shares was S/ 1.10 per share (equivalent to US$ 0.42), while at December 31, 2023 it was S/ 1.18 per share (equivalent to US$ 0.32). In 2024; the trading frequency of its investment shares were 17.67%.

(c) Legal reserve

In accordance with the General Law of Companies, the legal reserve is constituted by the transfer of 10% of the annual net profit until an amount equivalent to 20% of paid-in capital is reached. In the absence of profits or freely available reserves, the legal reserve must be applied to offsetting losses and must be replenished with the profits from subsequent periods. This reserve may be capitalized, subject to the same obligation to replenish it. As of December 31, 2024; the Company has reached the established limit according to the General Law of Companies.

(d) Earnings per share

Basic earnings per share are computed by dividing the net income attributable to the shareholders of the Group by the average number of outstanding shares for the year. Diluted earnings per share is computed in a similar way, but with the adjustment in the denominator when assuming the conversion of all shares that may be dilutive. The Group does not have any potentially dilutive shares and consequently the basic and diluted earnings per share are the same.

	2024	2023 (Restated)
Income for the year attributable to owners of the Controlling entity	**4,207**	**46,931**
Common shares	1,257,754	1,257,754
Investment shares	14,354	14,354
	1,272,108	**1,272,108**
Weighted average of outstanding shares - in thousands	**1,272,108**	**1,272,108**
Basic and diluted earnings per share (expressed in U.S. dollars)		
Common shares	0.003	0.037
Investment shares	0.003	0.037

(e) Non-controlling interests

	Nexa Resources Atacocha S.A.A.	
Summarized balance sheet	**2024**	**2023**
Current assets	63,718	42,520
Current liabilities	47,851	50,436
Current net assets	**15,867**	**(7,916)**
Non-current assets	44,096	32,274
Non-current liabilities	51,504	57,716
Non-current net assets	**(7,408)**	**(25,442)**
Net assets	**8,459**	**(33,358)**
Accumulated non-controlling interests	**(3,781)**	**(10,798)**

	Nexa Resources Atacocha S.A.A.	
Summarized income statement	**2024**	**2023**
Net revenues	93,382	77,279
Net income (loss) for the year	10,133	(5,683)
Total comprehensive income (loss) for the year	**10,133**	**(5,683)**
Comprehensive income (loss) attributable to non-controlling interests	2,737	(1,898)

All amounts in thousands of US$ dollars, unless otherwise stated

	Nexa Resources Atacocha S.A.A.	
Summarized statement of cash flows	**2024**	**2023**
Net cash provided by operating activities	14,833	26,294
Net cash used in investing activities	(12,047)	(16,306)
Net cash provided by financing activities	16,636	(10,635)
Increase (Decrease) in cash and cash equivalents	**19,422**	**(647)**

On November 18, 2024, Nexa Atacochas' General Shareholders Meeting approved a capital increase of up to US$ 37,000 to finance the development of the Cerro Pasco Integration Project with the issuance of up to 2,182,866 thousands shares (1,203,513 class A and 979,353 class B thousands shares).

On November 29, 2024, Nexa El Porvenir acquired a total of 35,917 thousand class A common shares of Nexa Atacocha (representing a 3.80% stake) at a price under par of US$ 0.0239 and US$ 0.0084 respectively. The carrying value at the acquisition date was US$ 12,669. As a result, the Company de-recognized the non-controlling interest, recording a decrease in equity attributable to owners of the controlling interest of US$ 1,871.

In December 2024, Nexa El Porvenir paid US$ 31,174 for the acquisition of Atacocha's 1,537,189 thousand shares (1,178,166 thousand class A common shares and 359,023 thousand class B common shares) representing 16.23% stake, at a purchase price of US$ 0.0239 and US$ 0.0084 respectively. As a result, the Company de-recognized the non-controlling interest, recording a decrease in equity attributable to owners of the controlling interest of US$ 2,765.

Consequently, as of December 31, 2024, the Company acquired a total of 1,573,107 thousand shares (representing a 20.03% stake) and recorded a total decrease in equity attributable to owners of the controlling interest for a total amount of US$ 4,635 in the year 2024.

(g) Dividend distribution

At the Board Meeting and the General Shareholders' Meeting held on March 27, 2024, dividend payment No. 144 was approved for US$ 5,548,642.50 on account of the 2023 profits, considering dividends per share of US$ 0.004362.

30 Impairment of long-lived assets

Accounting policy

Impairment of long-lived assets

The Group assesses at each reporting date, whether there are indicators that the carrying amount of an asset or CGU, may not be recovered. If any indicator exists, such as a change in forecasted commodity prices, a significant increase in operational costs, a significant decrease in production volumes, a reduction in LOM, the cancelation or significant reduction in the scope of a project, market conditions or unusual events that can affect the business, the Group estimates the recoverable amount of the assets or CGUs.

The recoverable amount is estimated by reference to the higher of an asset's or CGU's fair value less cost of disposal ("FVLCD") and its value in use ("VIU"). The recoverable amount is determined for an individual asset unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the asset is tested as part of a larger CGU to which it belongs.

If the carrying amount of an asset or CGU exceeds its recoverable amount, the asset or CGU is considered impaired and is reduced to its recoverable amount. Non-financial assets that were adjusted due to impairment are subsequently reviewed for possible reversal of the impairment at each reporting date. Generally, the opposite of indicators that gave rise to an impairment loss would be considered indicators that impairment losses might have to be reversed. If the underlying reasons for the original impairment have been removed or the potential of the asset or CGU has increased, an assessment of impairment reversals is performed by the Group. Reversals of impairment losses that arise simply from the passage of time are not recognized.

For individual assets, if there is any indicator that an asset become unusable by damage or a decision that would lead the asset to not contribute economically to the Group, it is impaired. In addition, greenfields, projects for which the Group decides to quit exploration and there is no expectation that in the future will bring cash inflows are also impaired.

Impairment of exploration and evaluation costs and development projects costs

Exploration assets (greenfields) representing mineral rights acquired in business combinations, mineral rights, and other capitalized exploration and evaluation costs, as well as development projects costs capitalized included in Property, plant and equipment are tested for impairment individually or allocated in aggregation with CGU or groups of CGUs that include producing assets, when applicable, through FVLCD when there are indicators that capitalized costs might not be recoverable. The allocation of exploration and evaluation costs, and development project costs to CGUs or group of CGUs is based on 1) expected synergies or share of producing assets infrastructure, assets and/or processing facilities 2) legal entity level, and 3) country level. When testing a CGU or a group of CGUs that include exploration and evaluation costs and development project costs, the Group performs the impairment test in two steps. In the first step, producing assets or group of producing assets, and exploration and evaluation costs and development projects costs that are not expected to share infrastructure assets are tested for impairment on an individual basis. In the second step, exploration and evaluation costs and development project costs that shared infrastructure assets and/or processing facilities are allocated to a CGU or a group of CGUs and tested for impairment on a combined basis.

Valuation methods and assumptions for recoverable amount based on FVLCD

<u>FVLCD</u>

FVLCD is an estimate of the price that the Group would receive to sell an asset, CGU or group of CGUs in an orderly transaction between market participants at the measurement date, less the cost of disposal. FVLCD is not an entity-specific measurement but is focused on market participants' assumptions for a particular asset when pricing the asset. FVLCD is estimated by the Group using discounted cash flows techniques (using a post-tax discount rate) and market past transaction multiples (amount paid per ton of minerals for projects in similar stages) for greenfield projects for which resources allocation is under review, although the Group considers observable inputs, a substantial portion of the assumptions used in the calculations are unobservable. These cash flows are classified as level 3 in the fair value hierarchy. No CGUs are currently assessed for impairment by reference to a recoverable amount based on FVLCD classified as level 1 or level 2.

<u>VIU</u>

VIU is determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset in its current condition and its residual value. VIU is determined by applying assumptions specific to the Group's continued use and does not consider enhancements or future developments. These assumptions are different from those used in calculating FVLCD and consequently the VIU calculation is likely to give a different result (usually lower) than a FVLCD calculation. Additionally, it is applied to the estimated future cash flows a pre-tax discount rate.

Forecast assumptions

The cash flow forecasts are based on management's best estimates of expected future revenues and costs, including the future cash costs of production, capital expenditure, and closure, restoration, and environmental costs. The resulting estimates are based on detailed LOM and long-term production plans. When calculating FVLCD, these forecasts include capital and operating expenditures related to expansions and restructurings of both brownfield and greenfield projects that a market participant would consider in seeking to obtain the highest and best use of the asset, considering their evaluation, eventual changes in their scope or feasibility, and their development stage.

The cash flow forecasts may include net cash flows expected to be realized from the extraction, processing and sale of material that does not currently qualify for inclusion in ore reserves. Such non-reserve material is only included if the Group has a high level of confidence it will be converted to reserves. This expectation is usually based on preliminary drilling and sampling of areas of mineralization that are contiguous with existing ore reserves, as well as on the historical internal conversion ratio. Typically, the additional evaluation required for conversion to reserves of such material has not yet been done because this would involve incurring evaluation costs earlier than is required for the efficient planning and operation of the producing mine.

For purposes of determining FVLCD from a market participant's perspective, the cash flows incorporate management's internal price forecasts that also reflects the view of market participants. The internal price forecasts are developed using a robust model that incorporates market-based supply, demand and cost data. The internal price forecasts used for ore reserve estimation testing and the Group's strategic planning are generally consistent with those used for the impairment testing.

Cost levels incorporated in the cash flow forecasts are based on the current LOM plan and long-term production plan for the CGU, which are based on detailed research, analysis and iterative modeling to optimize the level of return from investment, output and sequence of extraction. The mine plan considers all relevant characteristics of the orebody, including waste-to-ore ratios, ore grades, haul distances, chemical and metallurgical properties of the ore, process recoveries and capacities of processing equipment that can be used. The LOM plan and long-term production plans are, therefore, the basis for forecasting production output and production costs in each future year.

The discount rates applied to the future cash flow forecasts represent the Group's estimate of the rate that a market participant would apply to the time value of money and the risks specific to the asset for which the future cash flow estimates have not been adjusted. The Group's weighted average cost of capital is generally used for determining the discount rates, with appropriate adjustments for the risk profile of the countries in which the individual CGUs operate.

With respect to the estimated future cash flows of capitalized exploration assets and development projects, for some assets the Group applies a price to net assets value ratio discount in order to reflect the inherent risk of such projects and that are neither adjusted in the discount rate nor in the future cash flows.

The discount is based on the stage of the project and the type of metal.

Critical accounting estimates, assumptions and judgments - Impairment of long-lived assets

Impairment is assessed at the CGU level. A CGU is the smallest identifiable asset or group of assets that generates independent cash inflows. Judgment is applied to identify the Group's CGUs, particularly when assets belong to integrated operations, and changes in CGUs could impact impairment charges and reversals.

External and internal factors are quarterly monitored for impairment indicators. Judgment is required to determine, for example, whether the impact of adverse spot commodity price movements is significant and structural in nature. Also, the Group's assessment of whether internal factors such as an increase in production costs and delays in projects result in impairment indicators requires significant judgment. Among others, the long-term zinc price and the discount rate may have a significant impact on the Group's impairment estimations.

The process of estimating the recoverable amount involves the use of estimates and assumptions, judgment and projections for future cash flows. These calculations use cash flow projections, based on financial and operational budgets for a five-year period. After the five-year period, the cash flows are extended until the end of the useful LOM. Management's assumptions and estimates of future cash flows used for the Group's impairment testing of long-lived assets are subject to risk and uncertainties, including metal prices and macroeconomic conditions, which are particularly volatile and partially or totally outside the Group's control. Future changes in these variables may differ from management's expectations and may materially change the recoverable amounts of the CGUs.

Impairment test analysis

Throughout 2024, the Group, at each reporting date, assessed whether there were indicators that the carrying amount of an asset or cash generation unit (CGU) might not be recoverable, or if a previously recorded impairment needed to be reversed.

Cerro Pasco CGU

In the third quarter of 2024, the Company identified indicators of reversal, primarily driven by the increase of short-term and long-term metal prices. As a result, an impairment reversal for US$ 22,206 was recognized at the CGU Cerro Pasco.

Magistral Project assessment

In the second quarter of 2024, because of the rejection of the Company's Modification of the Environmental Impact Assessment (MEIA) described in Note 31, in June 2024, the Magistral Project was tested for impairment resulting in a loss of US$ 58,435, recognized in profit or loss.

The recoverable amount was determined using the fair value less cost of disposal (FVLCD), based on market past transaction multiples (amount paid per ton of minerals for projects in similar stages).

Pukaqaqa Project assessment

In the second quarter of 2024, Nexa´s management analyzed alternatives for the sale of Pukaqaqa mining project, part of Nexa Peru´s portfolio and in the third quarter of 2024 the Company signed a purchase and sale agreement to sell the Compañía Minera Cerro Colorado S.A.C. owner of the greenfield Pukaqaqa Project. This triggered an impairment assessment as the project's assets had been fully impaired based on the 2022 impairment evaluation.

The Company considered the most recent negotiation with the third-party to calculate the fair value less cost of disposal, considering the sales price and other obligations defined in the offer.

The sale transaction was completed on November 22, 2024 (as further described in Note 1 (a)) and the Company recorded an impairment reversal of US$ 3,978 for the year.

All amounts in thousands of US$ dollars, unless otherwise stated

Compañía Minera Shalipayco S.A.C.

In June 2024, the Compañía Minera Shalipayco S.A.C. (the joint-operation between Nexa and PAS) decided not to renew the rights for the mining concessions of the Shalipayco project. As a result of this decision, it was agreed to commence the dissolution process of said Company after unsuccessful attempts to find a potential buyer. This investment project in Nexa Peru was impaired in 2022 as part of Group's portfolio review. Consequently, no further material adjustment has been recognized in the year.

Impairment test summary

In summary, for the year 2024, the Group recognized the following impairment loss/reversal:

Impairment (losses) reversals	2024	2023
Magistral Project	(58,435)	-
Cerro Pasco CGU	12,826	-
Pukaqaqa Project	3,978	-
Others individual assets, net	(4,062)	(4,726)
Total	**(45,693)**	**(4,726)**

(a) Key assumptions used in impairment test

The recoverable amounts for each CGU were determined based on the FVLCD method, which were higher than those determined based on the VIU method.

The Group identified long term metal prices, discount rate and LOM as key assumptions in determining the recoverable amounts, due to the material impact of such assumptions may have on the recoverable value. Part of these assumptions are summarized below:

	2024	2023
Long-term zinc price (US$/t)	2,930	2,800
Discount rate (Peru)	7.08%	7.22%
Brownfield projects - LOM (Years)	From 3 to 12	From 4 to 13

(b) Impairment reversal – Cerro Pasco CGU

As mentioned above, the impairment reversal was identified at the CGU level, not being directly related to a single asset. Then, the gain was allocated on a pro rata basis to the following assets:

	Carrying amount prior to impairment reversal	Impairment reversal	Carrying amount after impairment reversal
Property, plant and equipment	218,431	12,104	230,535
Intangible assets	13,030	722	13,752
Other net assets	55,142	-	55,142
	286,603	**12,826**	**299,429**

The Group performed a stress test on the key assumptions used for the calculation of the recoverable amount of the CGU Cerro Pasco. A decrease of 5% in the long-term LME zinc price to US$ 2,784 per ton compared to management´s estimation as of September 30, 2024, would have resulted in an impairment loss of US$ 22,556 (or an impairment loss addition of US$ 35,382).

Also, an increase of 5% in the discount rate compared to management´s estimation, would have resulted in an impairment reversal of US$ 8,456 (or a decrease in the impairment reversal of US$ 4,401).

All amounts in thousands of US$ dollars, unless otherwise stated

(c) Sensitivity analysis

The Group estimated the amount by which the value assigned to the key assumptions must change in order for the assessed CGU recoverable amount, which was not impaired, to be equal to its carrying amount:

	Excess over recoverable amount	Decrease in Long term Zinc (US$/t)		Increase in WACC	
CGU		**Change**	**Price**	**Change**	**Rate**
Cerro Lindo	269,150	(24.81%)	2,203	169.19%	19.07%

31 Long-term commitments

Project evaluation

On February 8, 2024, the Peruvian Government approved an extension of the deadline for the Accreditable Investment Commitment under the Magistral Transfer Contract from September 2025 to August 2028. As of December 31, 2024, the unexecuted Accreditable Investment Commitment was US$ 323,000, and if not completed by August 2028, the potential penalty exposure could be US$ 97,029.

In December 2021, the Company submitted a request for the Modification of the Environmental Impact Assessment (MEIA) for the Magistral Project to the National Environmental Certification Agency (SENACE), through the applicable legal process. During the approval process, the Peruvian Water Authority (ANA) and the Protected Natural Areas Service - (SERNANP) raised unfavorable observations. On May 24, 2024, SENACE formally rejected the MEIA (refer to note 30 for further information on the impairment test).

According to the contract, the Company is currently in direct negotiations with the relevant authorities to discuss the impact of this situation on the Project's execution and expects to reach a solution in the coming months.

32 Events after the reporting period

(a) Capital increase

On January 15, 2025, the subscription and payment process for the shares of the capital increase through new monetary contributions by Nexa Atacocha, as approved by the General Shareholders' Meeting on November 18, 2024, was completed. As a result, 100% of the Class A shares and Class B shares, which represent 1,724,427,384 and 1,403,244,694 respectively, were subscribed. Consequently, Nexa's percentage of shares in Nexa Atacocha changed to 82.08%.

(b) Tax claim payments

In January of 2025, the Company paid the amount of US$ 18,300 regarding Cerro Lindo's stability agreement and other expenses as explained in note 10 (d).

(c) Dividend distribution

On February 27, 2025, the Company's Board of Directors approved, subject to ratification by the Company's shareholders at the 2024 annual shareholders' meeting in accordance with Peru laws, a dividends cash distribution to the Company's shareholders of US$ 100,000.

INDEPENDENT AUDITOR'S REPORT

To the shareholders and Board of Directors
Nexa Resources Perú S.A.A. and its subsidiaries

Opinion

We have audited the consolidated financial statements of **Nexa Resources Perú S.A.A.** and its subsidiaries (hereinafter the Group) which comprise the consolidated balance sheet at December 31, 2024, the consolidated income statement and of comprehensive income, the consolidated statement of changes in shareholders' equity and the consolidated statement of cash flows for the year then ended, as well as the notes to the consolidated financial statements, which include a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements, present fairly, in all material respects, the consolidated financial position of the Group at December 31, 2024, its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) approved for its application in Peru by the Board of Deans of the Institutes of Peruvian Certified Public Accountants. Our responsibilities, under those standards, are further described in the *Auditor's Responsibilities for the audit of consolidated financial statements* section of our report.

We are independent of the Group, in accordance with the International Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA Code of Ethics) and the ethical requirements, which are relevant for our audit of the consolidated financial statements in Peru, and we have fulfilled our other ethical responsibilities in accordance with those requirements and the IESBA Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were the most significant in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the matter
Impairment Assessment - long-lived assets	
As explained in Note 30, Impairment of long-lived assets to the consolidated financial statements on December 31, 2024, management performs annual impairment tests on long-lived assets or cash-generating units ("CGU"), or more frequently if the facts and circumstances indicate the carrying amount of long-lived assets or CGUs may be impaired. An impairment loss is recognized when the carrying amount of an item exceeds the recoverable amount of long-lived assets and CGUs. Any eventual reversal of impairment is applied to those long-lived assets and CGUs on which impairment was recorded in previous periods. The recoverable amount is the higher of the fair value less costs of sales (FVLCD) and value in use. Management estimates the FVLCD using the discounted cash flows technique. VIU is determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset in its current condition and its residual value. The expected cash flow forecasts made by management by each separate long-lived asset or CGUs include significant judgments and assumptions made regarding the price of metal commodities over the long term and the discount rate used. Management also recognizes impairment losses on other individual assets within the work in progress items and greenfields projects whenever facts and circumstances may be indicative that their carrying amounts are not recoverable.	Our audit approach to address this KAM included, among others, the following procedures: - Test the design and operating effectiveness of controls related to management's impairment assessment, including controls related to significant assumptions. - Testing the procedure implemented by management to determine the fair value estimates. - Testing the adequacy of the discounted cash flows model used by management. - Testing completeness and accuracy of the underlying data used in the model; and - Evaluate the reasonableness of the significant assumptions used by management related to long-term zinc price and discount rates. Evaluating the assumptions related to long-term metal prices and the discount rate involved evaluating whether the assumptions used by management and its experts were reasonable considering: (i) the consistency with the external market and industry data; and (ii) whether these assumptions are consistent with the evidence obtained by other audit areas. Professionals with specialized skill and knowledge were used to assist in the evaluation of the Group discounted cash flow model and certain significant assumptions, including the discount rate and the prices of metals over a long-term.

Key Audit Matter	How our audit addressed the matter
Impairment test carried out for the year ended December 31, 2024, resulted in recognition of losses net of US$45,693 as follows: - Impairment loss of US$58,435 on the greenfield project Magistral. - Impairment loss of US$4,062 on the Group individual assets. - Reversal of impairment of US$12,826 on Cerro Pasco CGU. - Reversal of impairment of US$3,978 on the greenfield project Pukaqaqa; because of the sale of this project which was previously impaired. Our principal consideration made in determining whether performing audit procedures on the management's assessment of impairment and reversal indicators of long-lived assets or CGU to be a KAM was management's exercise of significant assumptions on its assessment of impairment of long-lived assets or CGU in developing the recoverable amount of those items. This, in turn, led to a high degree of judgment, bias and effort on the part of the auditor in performing audit procedures to assess management's expected cash flow projections and the significant assumptions used, including the prices of metal commodities in the long term and the appropriate discount rate. In addition, the audit effort involved the use of professionals with specialized knowledge and expertise to assist the audit team in performing procedures to assess the audit evidence obtained.	

Key Audit Matter	How our audit addressed the matter
Remeasurement of silver streaming contractual obligations	
As explained in Note 26, Contractual obligations to the consolidated financial statements on December 31, 2024, in 2016 the Group signed a silver streaming agreement for the early sales of a portion of silver contained in lead and copper concentrates at Cerro Lindo mining unit in the form of certificates of silver delivery to Triple Flag Mining Finance Bermuda Ltda. (counterparty) for an early payment of US$250 million. Under the silver streaming agreement, the Group has a variable consideration related to the production capacity of the mine and its useful life, (LOM) and the long-term prices of metals. For contracts containing a variable consideration, the transaction price is updated periodically, and it is reallocated to the transferred goods. In this sense, contractual obligations need to include an updated transaction price every time there is a change in the underlying production of a given mine. The transaction price is the assessed value for which the Group expects to obtain economic benefits in exchange for the goods promised to its counterparty. Change in the transfer price results in a retroactive adjustment of revenue over the time when the change occurs, which reflects the new production levels that are expected to be delivered under the sales agreement. Also, a retroactive adjustment is made on interest to reflect the impact of a change in the balance of the contractual obligation. In September and December 2024, the Group recognized a remeasurement adjustment in its contractual obligations of silver streaming that resulted in the full recognition as of December 31, 2024, of: US$ 21,084 Decrease in net sales. US$ 5,153 Increase in interest expenses. US$ 26,237 Higher balance of liabilities involving contractual obligations.	Our audit approach to address this KAM included, among others, the following procedures: - Testing the design and operating effectiveness of controls in place over the review of the calculation of liabilities comprising contractual obligations to mitigate the risk of their overestimation/underestimation as well as a review of the sales prices of silver in under the agreed terms and conditions as a way to determine the correct period and whether the silver certificate sales transaction actually occurred. - Testing the procedures in place used by management to assess and determine the significant assumptions used, i.e., long-term prices of metals and the production capacity of the Cerro Lindo mining unit reflecting its LOM. Professionals with specialized skill and knowledge were used to assist in the evaluation of the assumptions.

Key Audit Matter	How our audit addressed the matter
Our principal consideration in determining whether to perform procedures on the “Remeasurement of silver streaming contractual obligations” to be a KAM was the significant judgment used by management to review the production capacity of the mining unit, involving projections of future prices of silver, which is a major assumption in calculation of the contractual payments. This, in turn, led to a high degree of judgment, bias and effort on the part of the auditor in performing audit procedures to assess those significant assumptions. In addition, the audit effort involved the use of professionals with specialized knowledge and expertise to assist the audit team in performing procedures to assess the audit evidence obtained.	

Other information

Management is responsible for the other information. The other information comprises the annual report required by the Peruvian Company and Security Regulator (Superintendencia del Mercado de Valores - SMV), which is not part of the consolidated financial statements or our auditor’s report, which is expected to be made available to us after the date of this auditor’s report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance or conclusion on that other information.

Regarding our audit of the consolidated financial statements, our responsibility is to read the other information indicated above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or if it appears that there is a material misstatement in the other information for some other reason.

When we read and consider the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with the Corporate Governance of the Company.

Responsibilities of Management and those charged with Corporate Governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with IFRS issued by the IASB, and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to the going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with Corporate Governance of the Group are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs, approved for its application in Peru, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, approved for its application in Peru, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We were responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with Corporate Governance of the Group regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with Corporate Governance of the Group with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with Corporate Governance of the Group, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Lima, Perú

February 27, 2025.

Gaveglio Aparicio y Asociados

Countersigned by

-----------------------------------(partner)
Fernando Gaveglio
Peruvian Public Accountant
Registration No. 19847