

Mining that changes with the world

nexa

2Q24 Results

August 2, 2024

NEXA
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These forward-looking statements related to future events or future performance and include current estimates, predictions, forecasts, beliefs and statements as to management’s expectations with respect to, but not limited to, the business and operations of the Company and mining production our growth strategy, the impact of applicable laws and regulations, future zinc and other metal prices, smelting sales, CAPEX, expenses related to exploration and project evaluation, estimation of mineral reserves and mineral resources, mine life and our financial liquidity.

Forward-looking statements are necessarily based upon a number of factors and assumptions that, while considered reasonable and appropriate by management, are inherently subject to significant business, economic and competitive uncertainties and contingencies and may prove to be incorrect. Statements concerning future production costs or volumes are based on numerous assumptions of management regarding operating matters and on assumptions that demand for products develops as anticipated, that customers and other counterparties perform their contractual obligations, full integration of mining and smelting operations, that operating and capital plans will not be disrupted by issues such as mechanical failure, unavailability of parts and supplies, labor disturbances, interruption in transportation or utilities, adverse weather conditions, and other COVID-19 related impacts, and that there are no material unanticipated variations in metal prices, exchange rates, or the cost of energy, supplies or transportation, among other assumptions.

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Nexa’s management uses non-IFRS measures such as Adjusted EBITDA, cash cost net of by-products, all in sustaining cash cost net of by-products, among other measures, for internal planning and performance measurement purposes. We believe these measures provide useful information about the financial performance of our operations that facilitates period-to-period comparisons on a consistent basis. Management uses Adjusted EBITDA internally to evaluate our underlying operating performance for the reporting periods presented and to assist with the planning and forecasting of future operating results. Management believes that Adjusted EBITDA is a useful measure of our performance because it reflects our cash generation potential from our operational activities excluding impairment of non-current assets and other miscellaneous adjustments, if any. These measures should not be considered in isolation or as a substitute for profit (loss) or operating profit, as indicators of operating performance, or as alternatives to cash flow as measures of liquidity. Additionally, our calculation of Adjusted EBITDA may be different from the calculation used by other companies, including our competitors in the mining industry, so our measures may not be comparable to those of other companies.



OPERATING

Consistent performance

- **Metal + oxide sales: +7% q-o-q** (higher production across operations)
- **Mining production: Zinc** (-5%) and **Lead** (-8%) q-o-q, as per Morro Agudo sale. **Higher Copper** (+30%) driven by Cerro Lindo



FINANCIAL

Solid performance

- **Net revenues:** US\$736 million (+27% q-o-q)
- **Adj. EBITDA:** US\$200 million (+64% q-o-q)
- **Adj. EBITDA margin** ~27%
- **Lower leverage: 2.72x** (vs. 3.75x in 1Q24)



ARIPUANÃ

Solid performance: ongoing operation

- **Utilization rate:** >80% in June (~86% @ P90)
- Higher feed rate + reduced downtime + improved recoveries and concentrate quality = **higher production**
- **Positive Adj. EBITDA:** second consecutive quarter and **Operating cash** flow improving. **Positive in June**



GROWTH

- **Cerro de Pasco Integration Project:** advancements on all project's work fronts
- **2024 Exploration program on track**



PORTFOLIO OPTIMIZATION

- **Morro Agudo sale:** completed in July



OTHERS

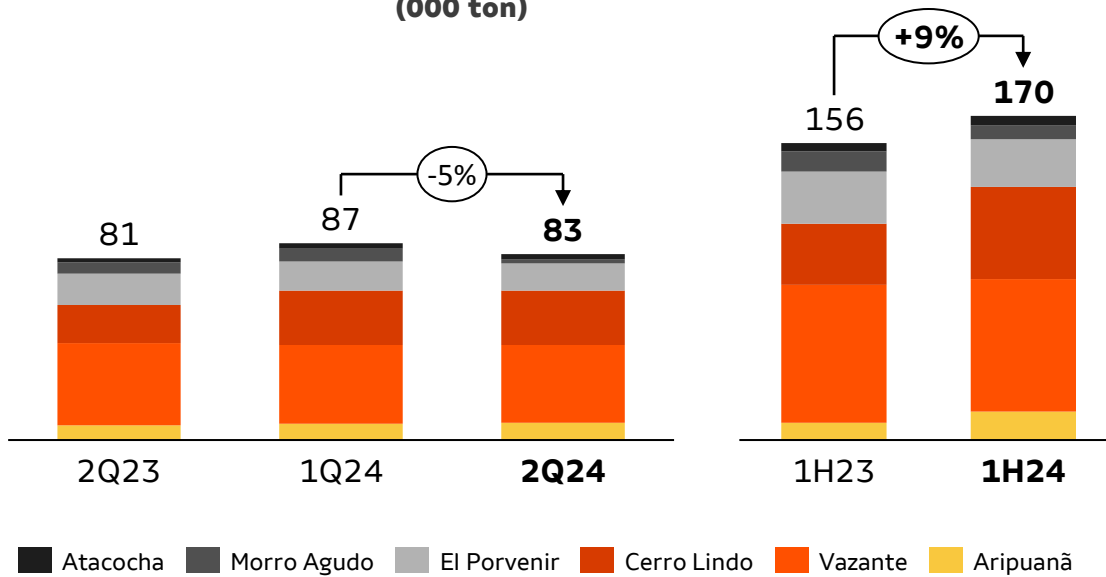
- **Liability management:** successful issuance of new 10-year notes and tender for part of the notes maturing in '27 and '28: **debt profile improvement**



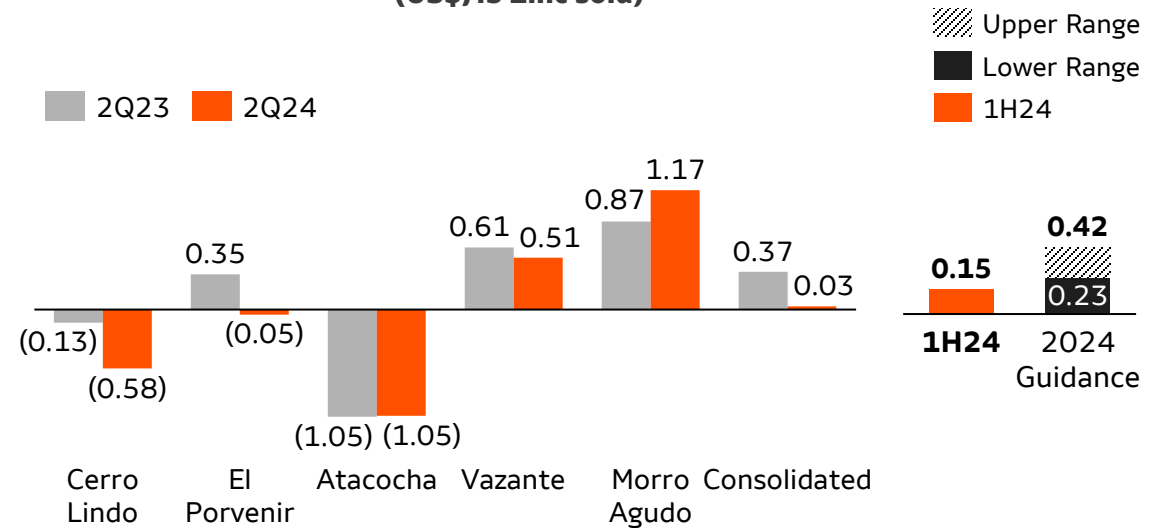
Operating Performance | Mining Segment



Zinc Production (000 ton)

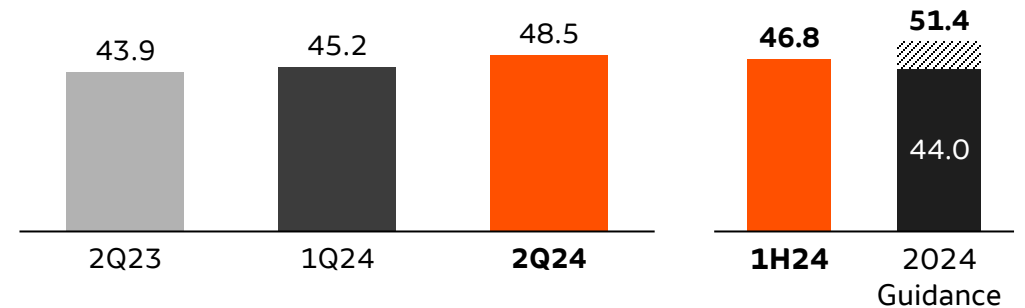


Cash cost by Mine¹ (US\$/lb Zinc sold)



- **2Q24 Zn production:** +2% y-o-y due to higher Zn grades in Cerro Lindo. -5% q-o-q (MA sale). +9% 1H24 vs. 1H23: Aripuanã and Cerro Lindo.
- **2Q24 Consolidated Cash cost:** strong reduction q-o-q due to higher by-products contribution (Cu and Pb prices), and lower TCs. **1H24 below lower range of guidance**
- **2Q24 Consolidated Cost ROM:** +7% q-o-q due to lower treated ore volumes impacted by MA sale. **1H24 at mid-range of guidance**

Consolidated Cost per ROM (US\$/ton Zinc sold)

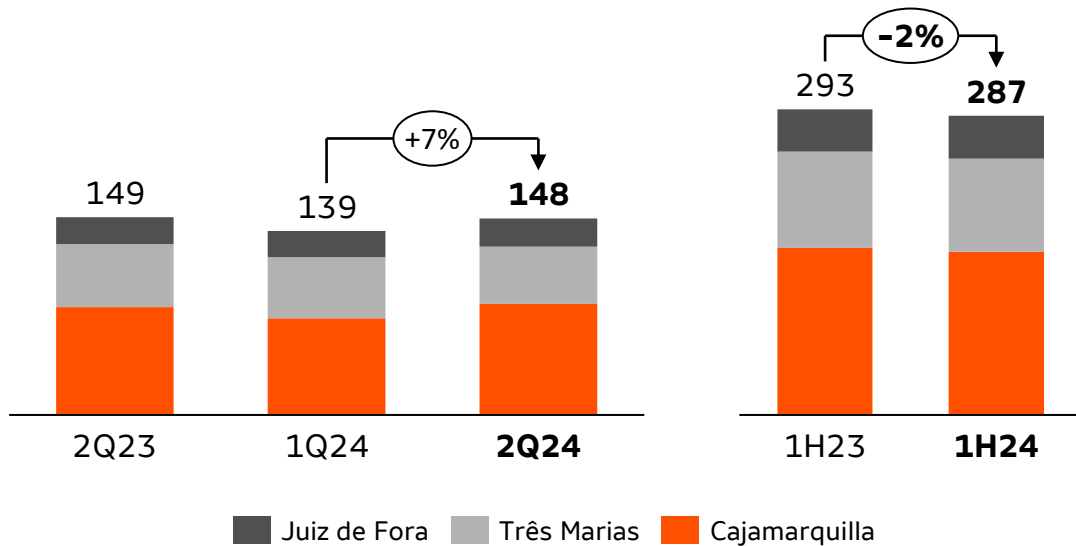


1. 2Q24 consolidated cash cost in US\$/lb of the Mining Segment and cash cost guidance do not consider Aripuanã's cash cost.

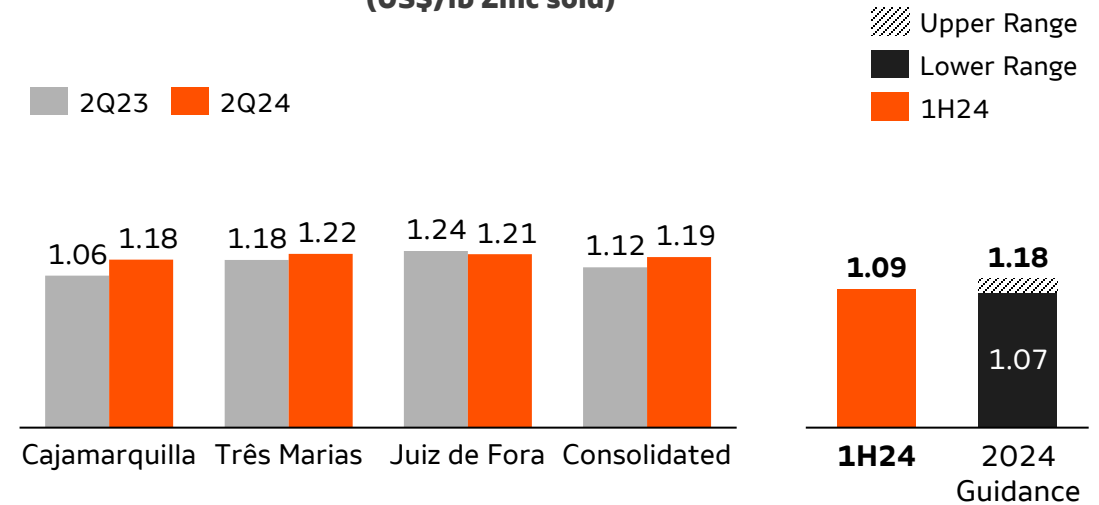
Operating Performance | Smelting Segment



Total Sales (Metal + Oxide Sales)
(000 ton)

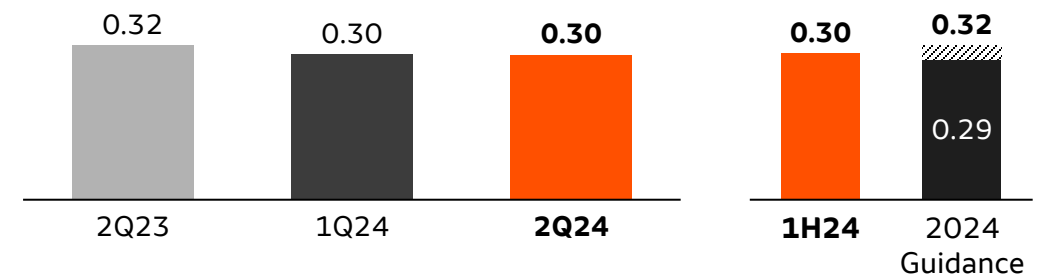


Cash cost by unit
(US\$/lb Zinc sold)



- **2Q24 Metal sales:** +7% q-o-q following higher production volumes in Cajamarquilla and Juiz de Fora
- **2Q24 Consolidated Cash cost:** higher Zn prices impacting concentrate purchases in 2Q24. **1H24 between lower-mid range of the guidance**
- **2Q24 Consolidated Conversion cost:** flat q-o-q. **1H24 at lower range of guidance.**

Consolidated Conversion Cost
(US\$/lb)



Aripuanã | Meaningful progress in 2Q24

World-class polymetallic asset. Our 3rd flagship mine

nexa



2Q24 Performance

- ✓ **Higher utilization rate:** >80% in June (~86% considering P90¹)
- ✓ **Higher treated ore:** 133kt in June and 140kt in July (E), (vs. 101kt in March). Capacity of 160kt (expected to be reached in Sept.)
- ✓ **Reduced plant downtime** with significant reduction in corrective downtime (lowest levels)
- ✓ **Stable concentrate quality** (commercial specification). **Metallurgical recoveries further improved**
- ✓ **Positive Adj. EBITDA:** Two consecutive quarters.
- ✓ **Operating cash flow:** 2Q24 close to breakeven, **June positive**

Moving forward

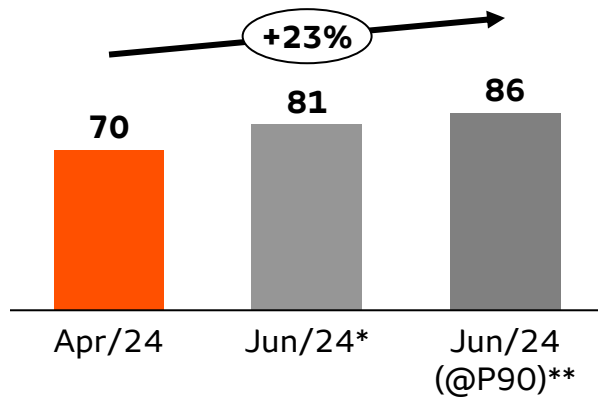
- **Feed rate:** keep increasing while maintaining stability
- **TSF filters:** continue to improve filtration performance to further increase production
- **Cost-reduction actions:** to continuously improving margin and operating cash flow

2Q24 Exploration Program

- **Exploration on track:** focus on Mineral Resources expansion at Massaranduba target
- Drill holes² completed in 4Q23 (assay results available in 2Q24): **confirmed the continuity of the mineralized zone.** Deep and thick mineralization confirmed

1. P90 for June; 2. Drill holes BRAPD000192 and BRAPD000192 (4Q23 drilling with results in 2Q24)

Plant capacity utilization (%)



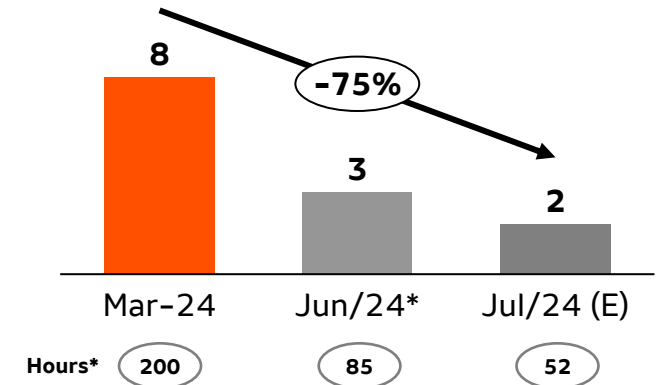
Higher utilization rate: >80% in June (~86% considering P90¹)

Higher feed rate: >90%

End of 2Q24: several days >90%

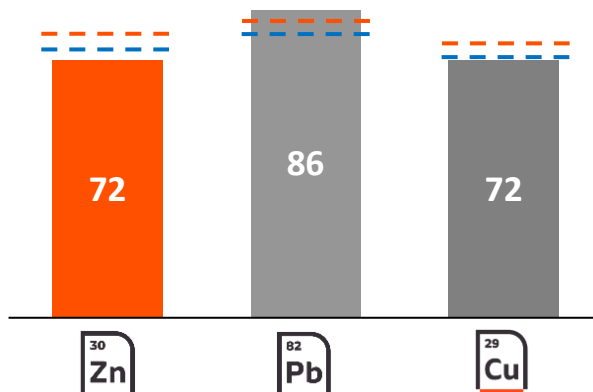
Strong reduction in downtime hours, including corrective hours

Days of corrective maintenance (#)



Recoveries - June (%)

-- Design -- Target



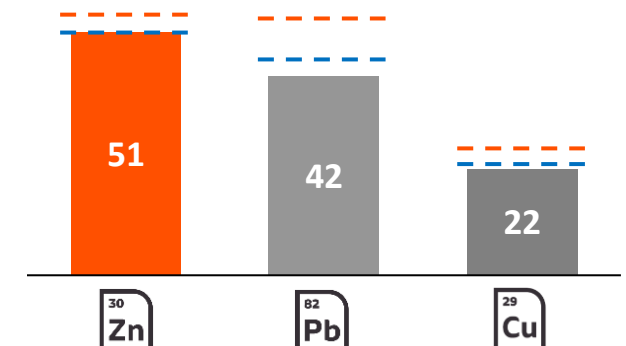
Recoveries: close or above target levels

Zn to further improve: higher grades from Link and Ambrex orebodies

Concentrate qualities: commercial specification. **At or near target levels**

Concentrate Quality - June (%)¹

-- Design -- Target



* Monthly average. ** Considering the P90 for the month. 1. Pb considers numbers as of May/24

Cerro Pasco Complex Integration | Update

Advancements on technical studies and main work fronts



Main work fronts: Concluded Ongoing

Mines

Integration of UG mines: EP and ATA

- **Engineering for the UG interconnection**, including infrastructure
- **EP shaft upgrade**: to support plant expansion and to improve average operating cost
- **Risk analysis and contingency**

TSF

Increased storage capacity + pumping system

- EP: detail **engineering to raise tailings storage facilities "TSF"**
- **Engineering studies for pumping system** EP → ATA
- ATA: detail **engineering to raise tailings storage facilities "TSF"**

Plant (upside)

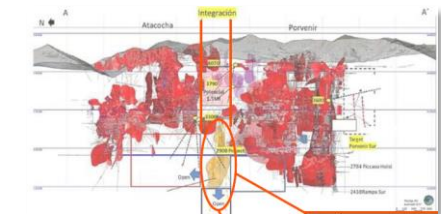
Increase EP plant capacity

- **Plant engineering assessment** and studies on key-routes to **improve capacity**: crushing screening area, automation...

Support

- Technical Review
- Corporate structure
- Environmental study & permits

- **Technical report** considering integration: 2P
- **Project organizational Chart** definition and approval
- **Communities' relations**: communities mapping, communication plan, rediscuss commitments etc
- **Preparation of all MEIA's** (Modification of the Environmental Impact Study) and permits
- **Overall capex review** and update on **project financials and feasibility report**



Exploration: increase resources-base and "blue-sky" inventories. Advancements on "Integración" target in 1H24

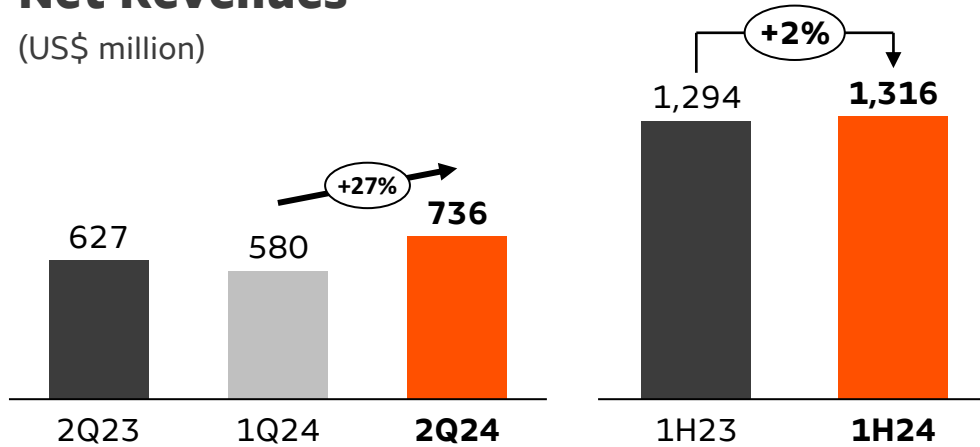
2Q24 | Financial Results

Consolidated Results



Net Revenues¹

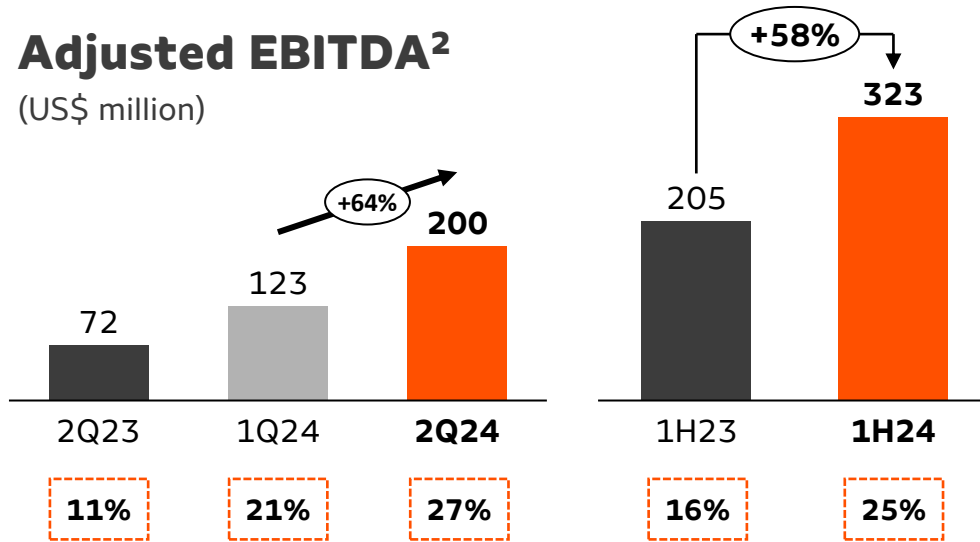
(US\$ million)



- **2Q24 Net Revenues: +27% q-o-q**, due to higher prices and higher smelting sales volume, partially offset by lower net premium.
- **2Q24 vs. 2Q23: +17% y-o-y**, due to higher prices and higher mining sales volumes, partially offset by lower net premium and slightly lower smelting sales volume.

Adjusted EBITDA²

(US\$ million)

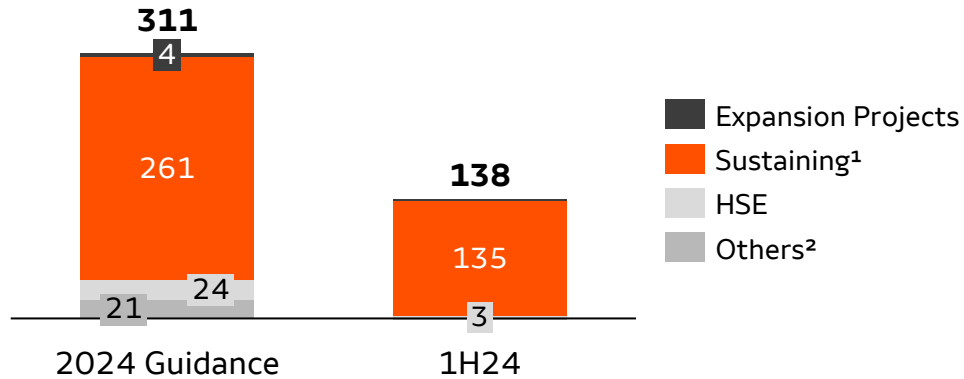


- **2Q24 Adj. EBITDA: US\$200 million. y-o-y** increase primarily driven by higher mine production (incl. ARP), higher by-products contribution, lower variable costs, and higher prices. **Adj. EBITDA Margin increased to 27%.**
- **2Q24 vs. 1Q24: +64% q-o-q** increase, attributed to higher by-products contribution, higher Zn price, and increased smelting sales volume.

(1) Includes intersegment results; (2) Adjusted EBITDA excludes the items presented in the "Net Income (loss) reconciliation to Adjusted EBITDA" section on our earnings release – US\$112 million in 2Q24, US\$1.7 million in 1Q24 and US\$115 million in 2Q23, totaling US\$113 million in 1H24 and US\$133 million in 1H23.

Capital expenditures

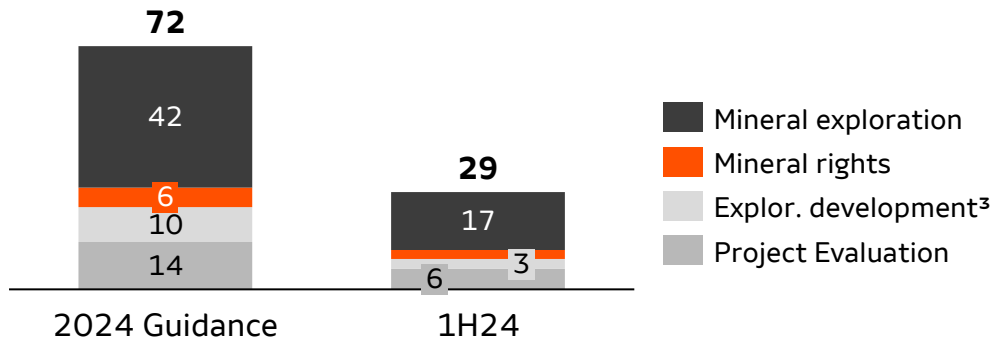
(US\$ million)



- **US\$138 million invested 1H24:** mainly sustaining activities (including mining development and TSF).
- **2024 guidance of US\$311 million remains unchanged.**

Exploration and Project evaluation

(US\$ million)

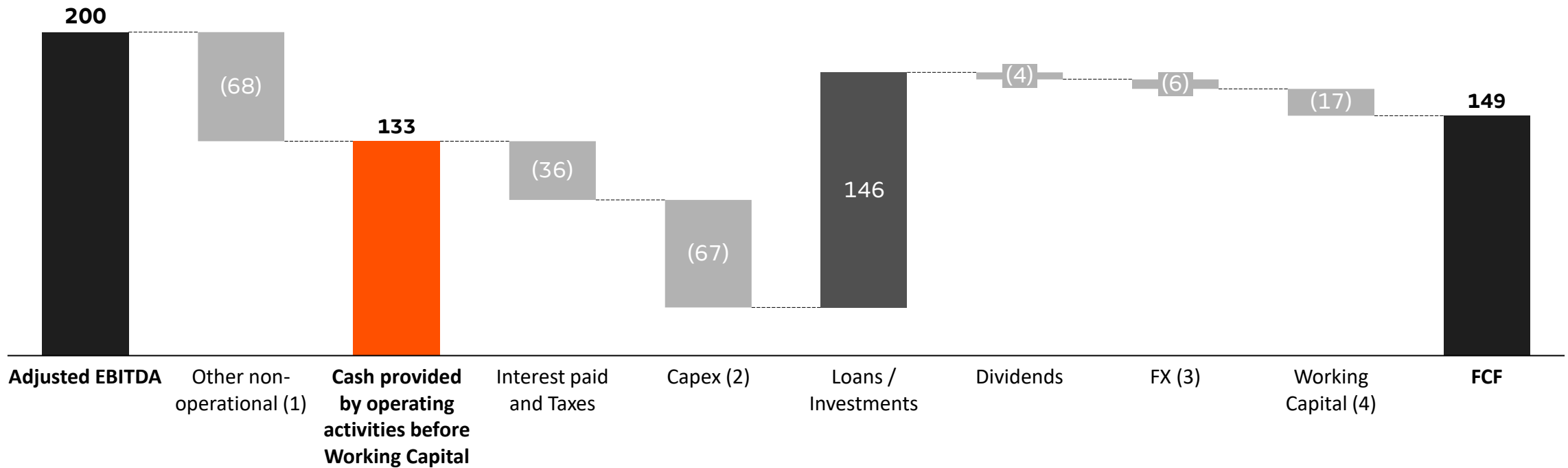


- **US\$29 million invested in 1H24:** exploration and project evaluation.
- **2024 guidance of US\$72 million remains unchanged.**

(1) Investments in tailing disposal and primary mine development are included in sustaining expenses; (2) Modernization, IT, others and Reconciliation to Financial Statements; (3) Exploratory mine development refers to the “secondary” development to support exploration program.

2Q24 | Free Cash Flow

(US\$ million)



Positive FCF in 2Q24: Consistent operational performance and higher Zn price, leading to higher Adj. EBITDA and Cash from Ops. Working capital evolution (less investment required) and liability management actions also contributing.

(1) Adjustments to reconcile Adjusted EBITDA to cash provided by operations; (2) "CAPEX" includes Sustaining, HS&E, Tailing Dams, Expansion, Modernization, IT & Others, and Capex Reconciliation to Financial Statements; (3) Foreign exchange effects on cash and cash equivalents; (4) Breakdown available in Financial Statements explanatory note "Changes in operating assets and liabilities".

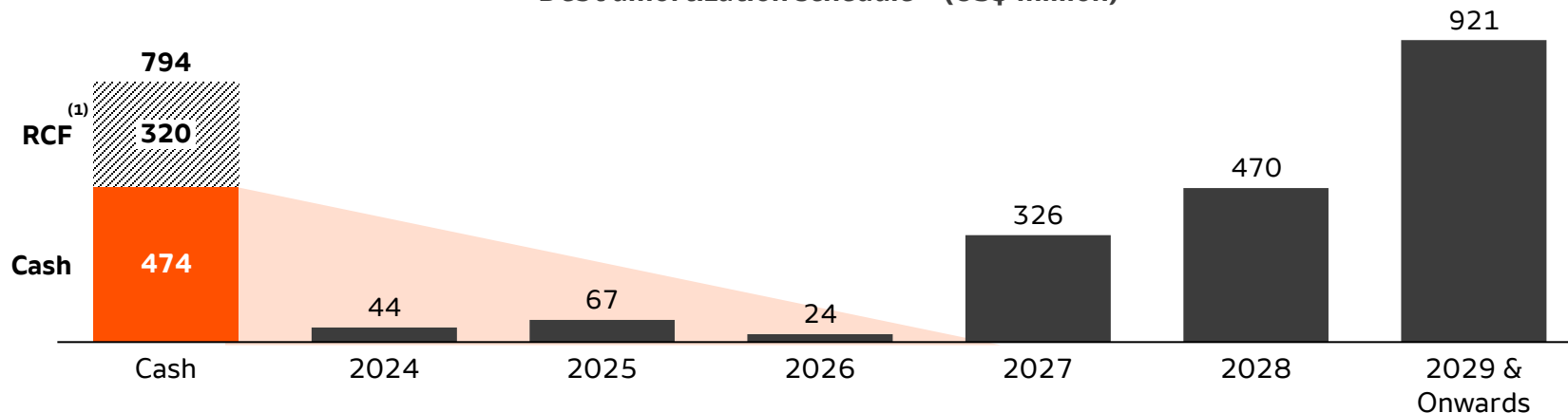
Liquidity and Indebtedness



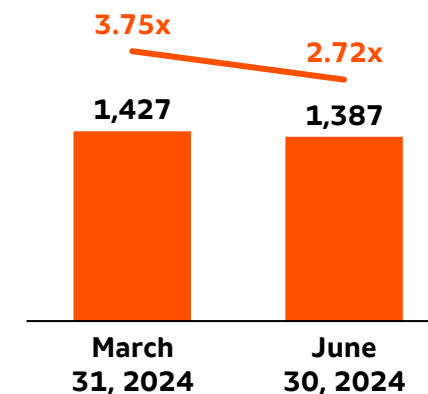
Debt profile (as of June 30, 2024)

Average debt maturity: 5.9 years @6.61% avg. cost

Debt amortization schedule - (US\$ million)



Net Debt⁽²⁾/LTM Adj. EBITDA



Strong liquidity

- Leverage reduced to **2.72x** (vs. 3.75x in 1Q24): higher LTM Adj. EBITDA and lower net debt

Liability Management: debt profile improvement

- **Apr:** US\$600 million 10-year bond issuance at 6.750% coupon. Tender offer for 69.2% and 19.9% of the of 27's and 28's notes, respectively
- **Apr:** R\$650 million (~US\$130 million) 6-year ESG-linked debenture issuance in Brazil
- **June:** R\$200 million (~US\$40 million) 8-year ESG credit line in Brazil

Rating agencies	Rating	Outlook
Fitch	BBB-	Stable
S&P	BBB-	Stable
Moody's	Ba2	Negative

Note: In 2Q24 Nexa was in compliance with all of its financial covenants; (1) 5 yrs sustainability-linked US\$320 million Revolving Credit Facility effective on Oct 20th, 2023.; (2) Gross debt (US\$1,854 million) minus cash and cash equivalents (US\$462 million), minus financial investments (US\$12 million), plus derivatives (US\$2.2 million), plus Lease Liabilities (US\$9.7 million).



Zinc LME price evolution¹



Zinc “silent” participant in energy transition

- **Short-term:** Tight concentrate market >> lower TCs >> pressure on smelters margin = possibly less metal available. Given current inventory level, this may add positive price support. **Expectation of FED action on interest rates, and US elections adding volatility.**
- **Mid-long term:** **positive outlook.** Support from **possible lack of feasible supply to fulfill forecasted demand**, expected to be driven by investments in infrastructure, construction, auto sector (boosted by EV sales) and energy transition.



Copper LME price evolution¹



Copper Key-metal for the “green economy”

- **Short-term:** China’s economic stimulus and tight concentrate market. Access to raw material bringing TC to lower levels. **Price should remain supported.**
- **Mid-long term:** **demand scenario still optimistic**, as the metal plays a **protagonist role in energy transition**. On the supply side, both greenfield and brownfield projects are expected to come online in 2024-2025 however, forecasted future demand would require more supply efforts.



⁽¹⁾ Based on daily prices until June 30th, 2024, as reported by the London Metal Exchange.



Aripuanã: solid and consistent operational performance → **meaningful progress**. Moving forward: focus on further increasing production, improving feed rate and tailings filters performance. Cost-reduction to improve margin and cash generation



Growth: Pasco integration progressing towards the approval process. Keep assessing long-term growth options



Exploration: focus on LOM extension (positive results also in 2Q24)



Keep ESG strategy active: To constantly tracking progress toward achieving our public commitments. Keen eye on safety to further improve our solid safety system



Strengthening balance sheet: **liability management and deleveraging**. Keep strong liquidity, continuously improving debt profile and seek conservative leverage ratios.



Maintain our financial and operational discipline, focusing on cash flow generation.





thank you
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