

Mining that changes with the world

nexa

3Q23 Results
October 31, 2023

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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.

We assume no obligation to update forward-looking statements except as required under securities laws. Estimates and forward-looking statements refer only to the date when they were made, and we do not undertake any obligation to update or revise any estimate or forward-looking statement due to new information, future events or otherwise, except as required by law. Estimates and forward-looking statements involve risks and uncertainties and do not guarantee future performance, as actual results or developments may be substantially different from the expectations described in the forward-looking statements. Further information concerning risks and uncertainties associated with these forward-looking statements and our business can be found in our annual report on Form 20-F and in our other public disclosures available on our website and filed under our profile on SEDAR (www.sedar.com) and on EDGAR (www.sec.gov).

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.



3Q23 | Highlights

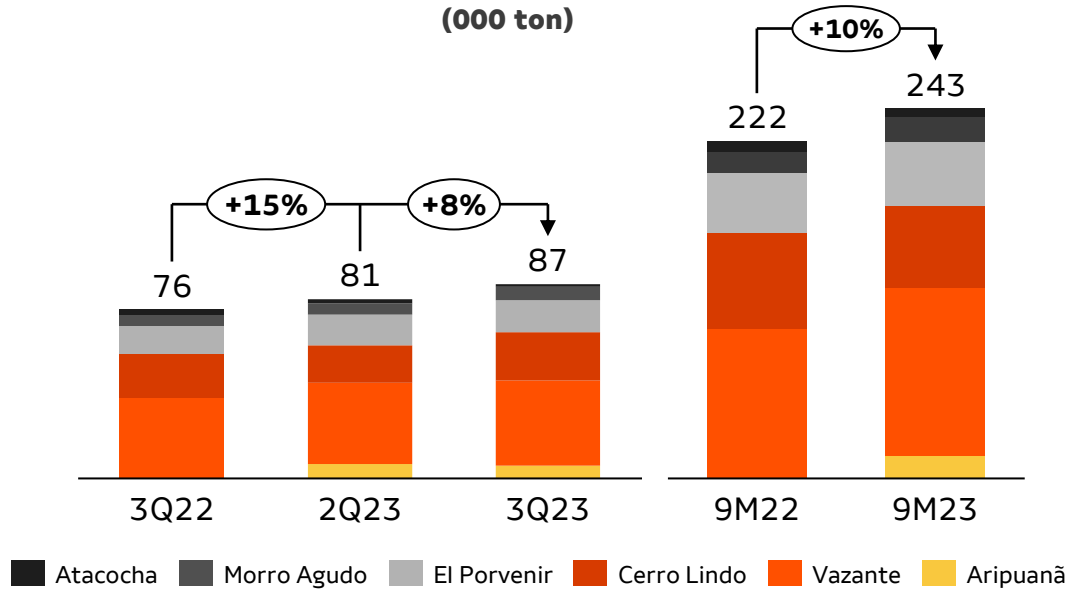


- ✓ Overall, **3Q23 operating performance in line with expectations**
 - **Mining:** higher metal production q-o-q and y-o-y
 - **Smelting:** higher metal sales q-o-q and slightly lower y-o-y
 - **2023 Mining and Smelting cash cost guidance revised downwards**
- ✓ **Financial Performance:** still challenging price environment
 - **Net revenue:** US\$649 million (+4% q-o-q and -8% y-o-y)
 - **Adjusted EBITDA:** US\$82 million (+14% q-o-q)
 - **Positive free cash flow** of US\$14 million
- ✓ **Aripuanã ramp-up**
 - 2023 production guidance: revised downwards (due to processing plant limitations and extension of ramp-up conclusion)
 - Utilization rate avg. 56% in 3Q23 (already going back up)
 - Zn production of 5.8 kt (-10% q-o-q)
 - Lead and Copper recoveries, grades and concentrates quality improving
 - **Production guidance for all other mines reaffirmed**
- ✓ **Others**
 - **Cerro de Pasco integration:** progressing on advanced technical studies
 - **Exploration & Project Evaluation and Other Expenses guidance:** revised down \$15 million, in line with initiatives to optimize capital allocation

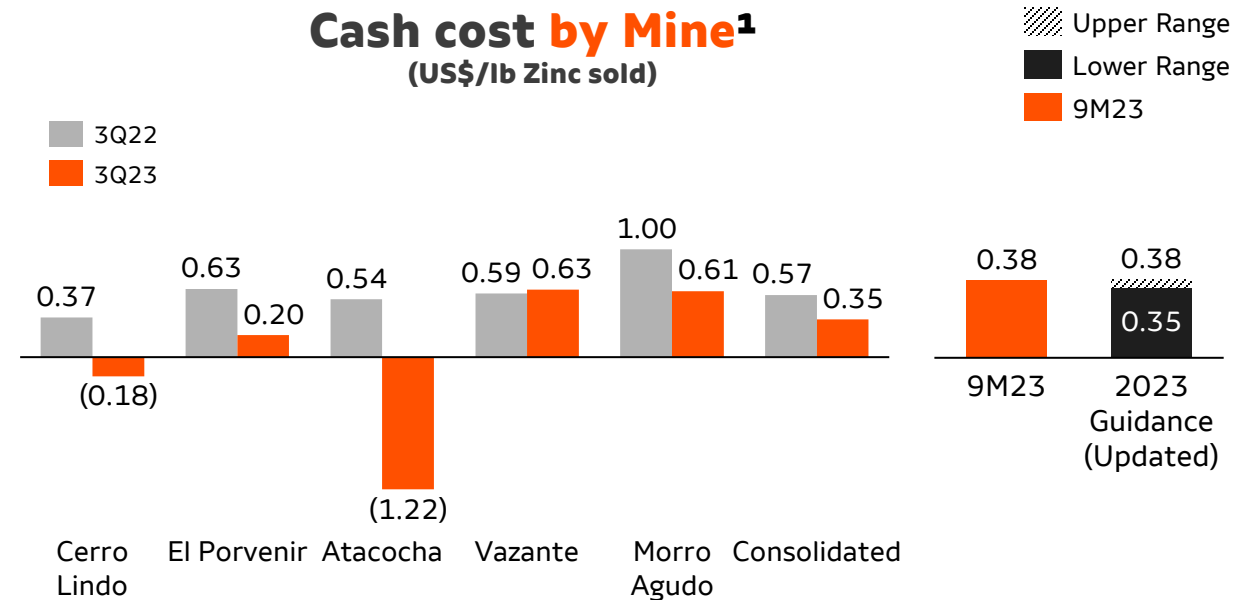
Operating Performance | Mining Segment



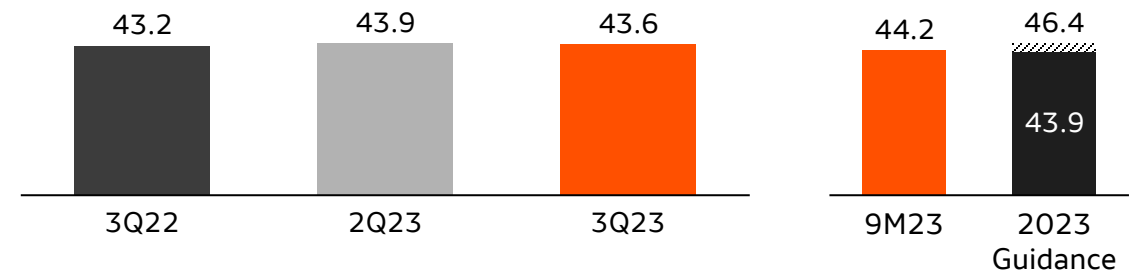
Zinc Production (000 ton)



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



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



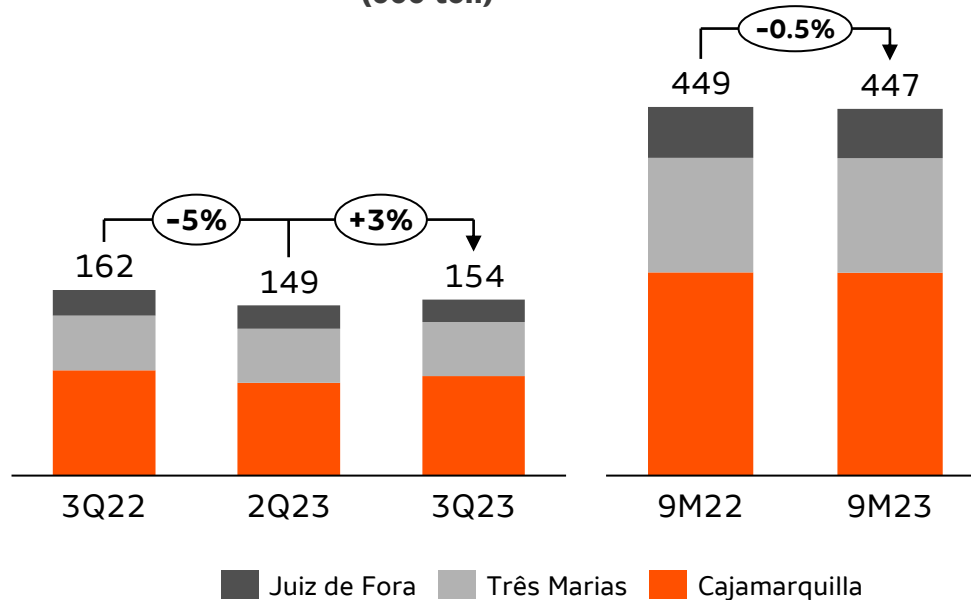
- **Zinc production 9M23: +10%** (vs. 9M22). Mainly driven by **start-up of Aripuanã mine**
- **Cash cost net of by-products:** decrease y-o-y mainly due to better by-products contribution (higher Cu and Pb prices)
- **Cost per ROM:** slightly higher vs. 3Q22; lower vs. 2Q23

1. 3Q23 consolidated cash cost of the Mining Segment and cash cost guidance in US\$/lb does not consider Aripuanã's cash cost.

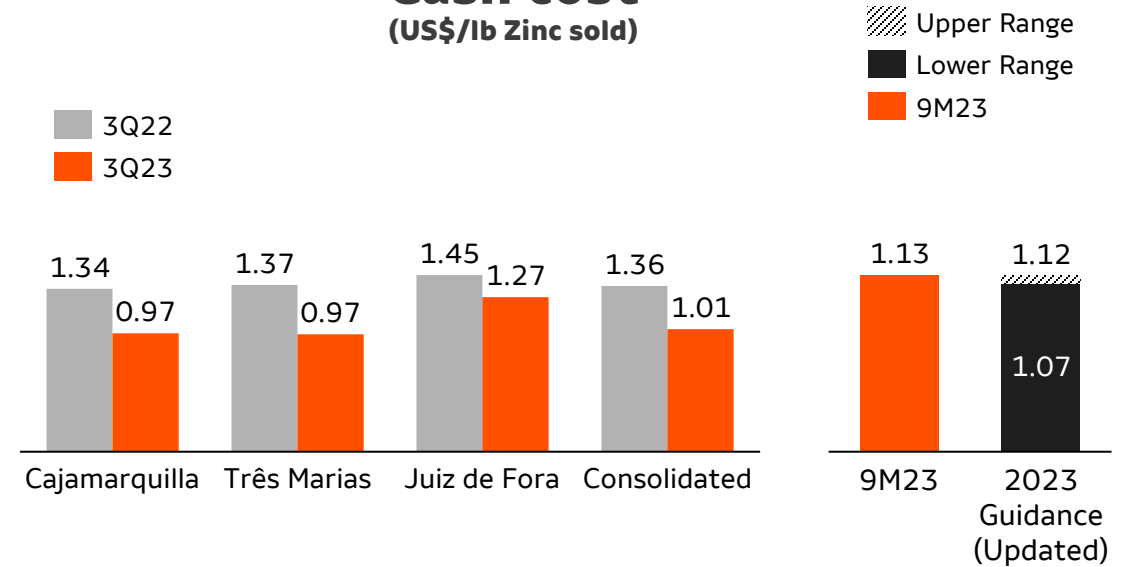
Operating Performance | Smelting Segment



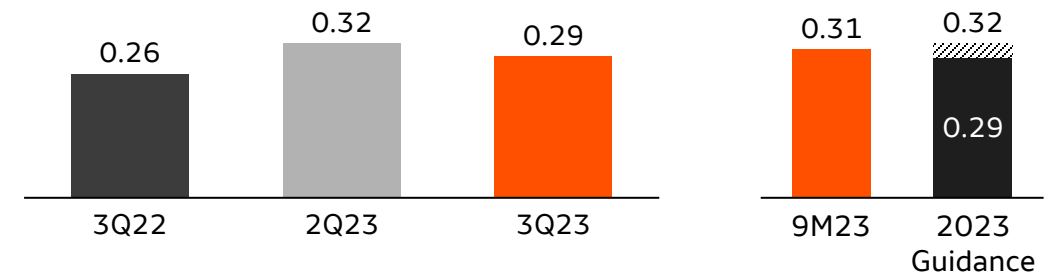
Metal Sales (000 ton)



Cash cost (US\$/lb Zinc sold)



Consolidated Conversion Cost (US\$/lb)



- **Metal sales: +3%** (vs. 2Q23) following slightly better production volumes. Flat 9M23 vs. 9M22
- **Cash cost net of by-products:** lower than 3Q22, due to lower raw material cost (lower Zn LME price)
- **Conversion cost:** overall cost within guidance and lower than 2Q23 mainly due to higher sales and better operational performance

Aripuanã | Update (1/3)

World-class, long-life underground polymetallic mine – our 3rd flagship mine



Ramp-up Status 3Q23

- ✓ Plant presented limitations in the original designed capacity of the flotation pumping system
- ✓ Replacement of pumping equipment to upgrade plant: to be fully delivered and installed in 1Q24 vs. 4Q23, as previously expected
- ✓ Ongoing actions (to improve/de-risking): plant processes, equipment and systems adjustments and upgrade of water treatment facilities

3Q23 Performance and current status

- **Utilization rate averaged** 56% (vs. 66% in 2Q23), but already going back up: expect to run at 70% throughout 4Q23
- Lead and Copper **recoveries** improved vs. 2Q23. Slightly decrease for Zinc but already going back up
- **Concentrates grades and quality** improving
- Underground mine: **run of mine improved significantly** in 3Q23

Exploration

- The results intercepted by drill holes throughout 3Q23 show that **we are in line with the proposal to expand Mineral Reserves**

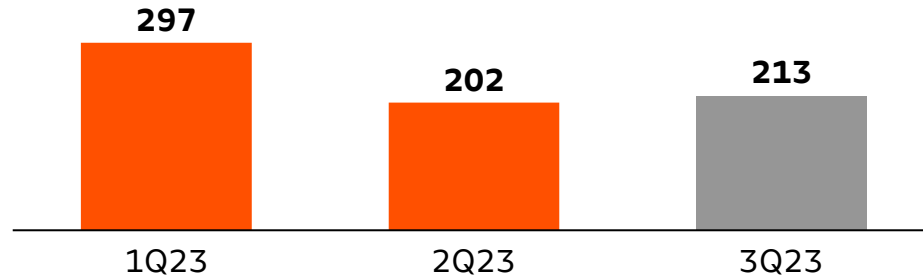


Aripuanã | Update (2/3)

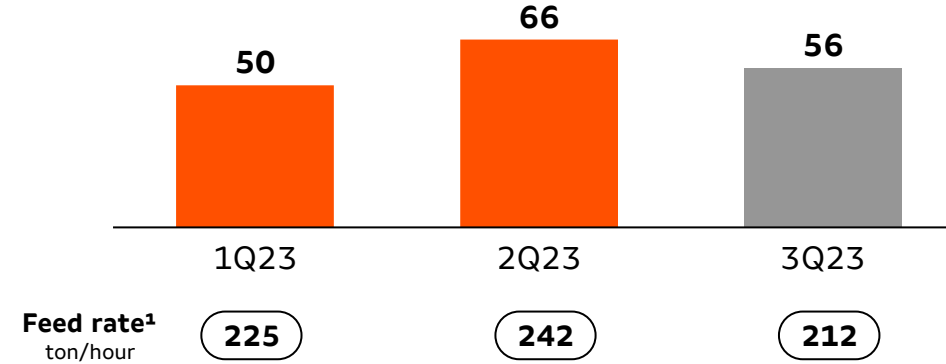
Key indicators: progress q-o-q



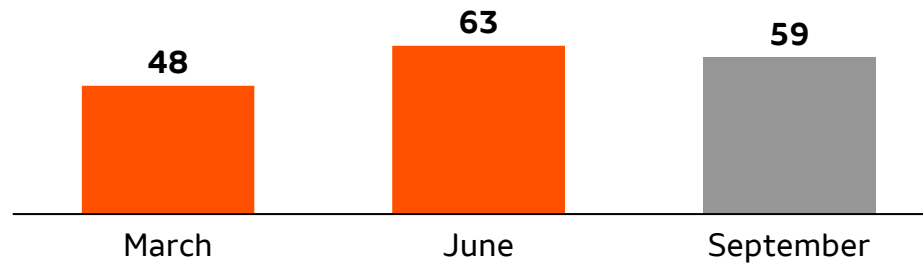
Plant **downtime** (avg. hours¹)



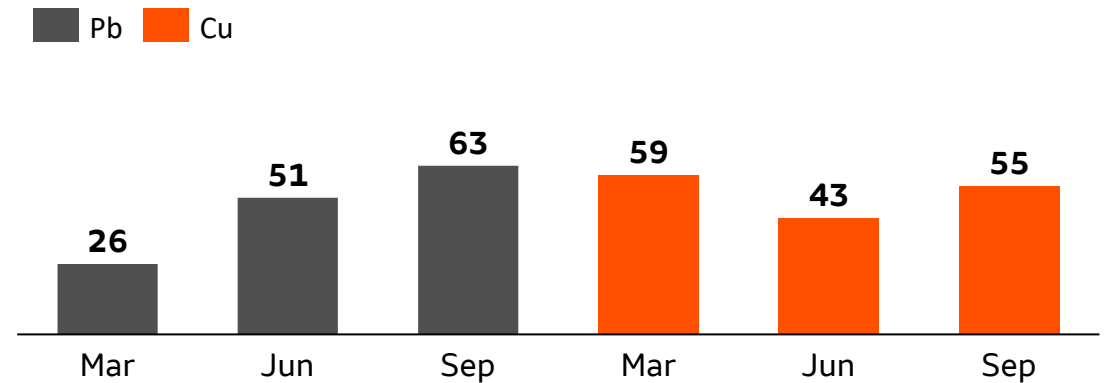
Plant **capacity utilization** (%)



Zn recovery (%)



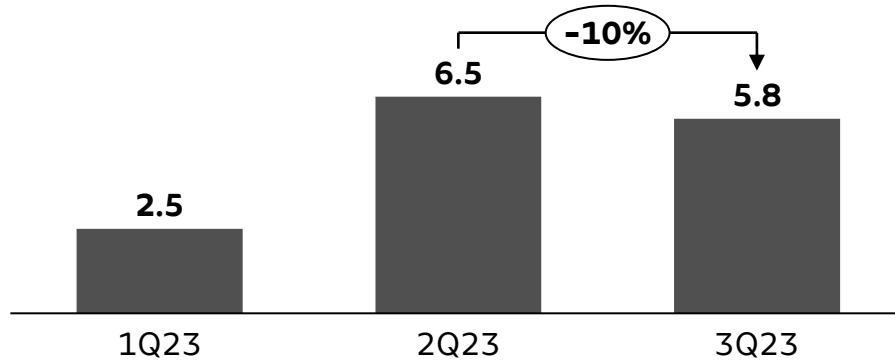
Pb & Cu recovery (%)



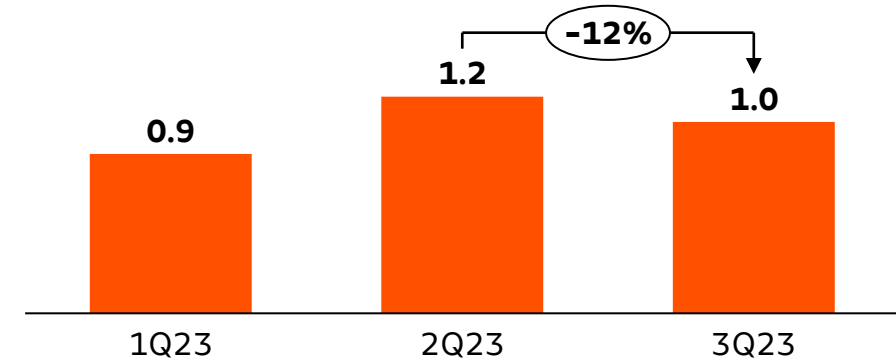
1. Monthly avg. hours. For the quarters, it considers the average of the referred quarter.



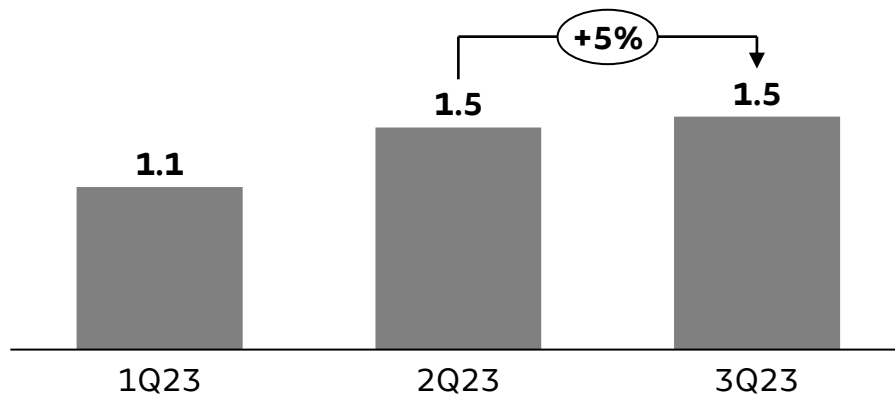
Zinc content production (kt)



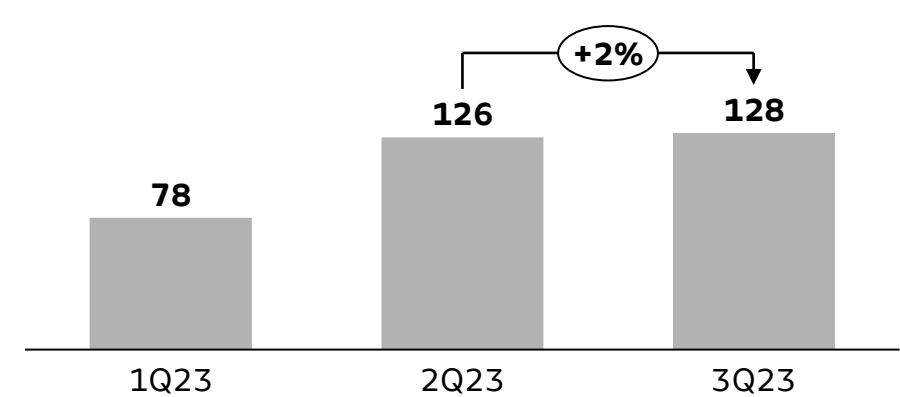
Copper content production (kt)



Lead content production (kt)



Silver content production (koz)



Pasco Complex Integration project | Update

A robust organic growth option



Progressing with the advanced technical studies for the project







Project rationale:

- Reposition asset's competitiveness: building a **robust organic growth option**
- Integration of AT/EP UG mines: **unlocking site's full potential (extending LoM)**
- **High geological potential** | Nexa operates in the area for +50yrs

Expected to submit for board approval in the 1Q24



Ongoing work fronts: Concluded Ongoing

Mines Integration of UG mines: EP and ATA	<ul style="list-style-type: none">• Engineering for the UG interconnection, including infrastructure • EP shaft upgrade: important also to support plant expansion 	Plant Increase EP plant capacity	<ul style="list-style-type: none">• Plant engineering assessment and studies on key-routes to improve capacity: crushing screening area, automation... 	TSF Increased storage capacity + pumping system	<ul style="list-style-type: none">• EP and ATA: detail engineering to raise TSF • Engineering studies for pumping system EP → ATA 	Support  <ul style="list-style-type: none">• Technical Review• Corporate structure• Environmental study & permits
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Exploration: increase resources-base and "blue-sky" inventories

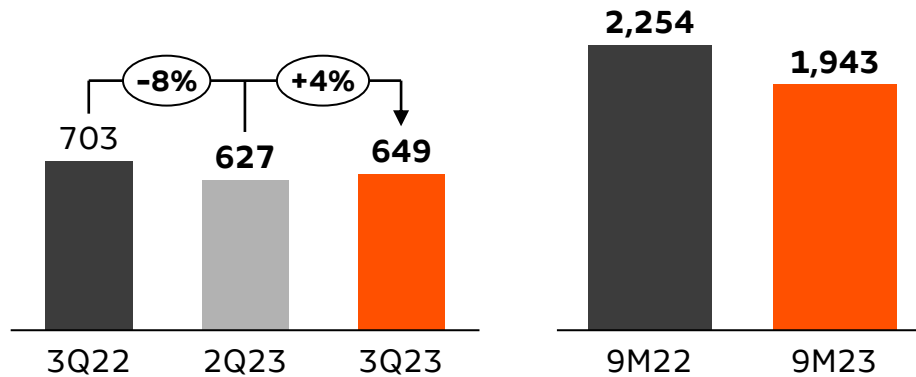


3Q23 | Adjusted EBITDA

Consolidated Results

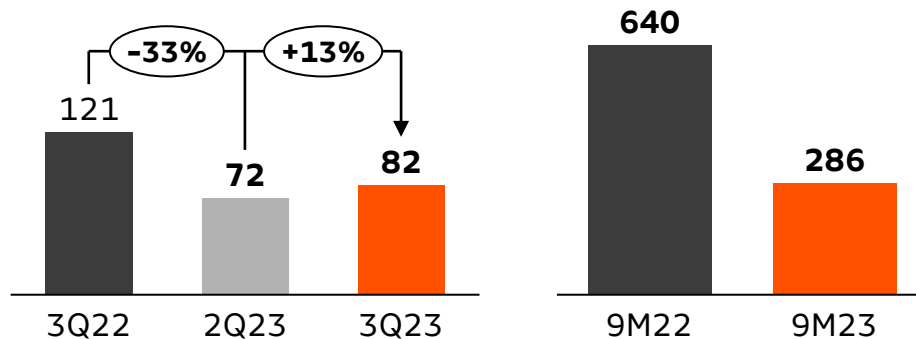


Net Revenues¹



- **3Q23 net revenue:** lower vs. 3Q22 mainly driven by lower zinc prices (-26%) and smelting sales volume driven, by reduced y-o-y demand
- **Compared to 2Q23,** net revenue **increased by 4%** driven by higher mining production and metal sales volumes

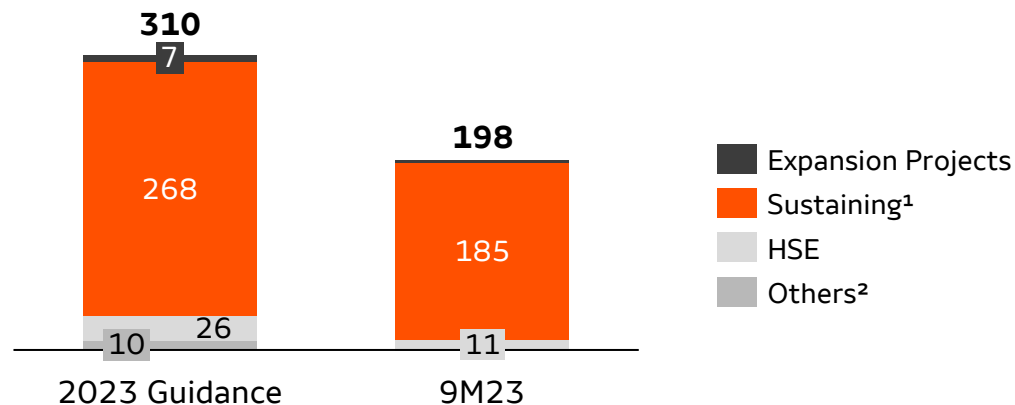
Adjusted EBITDA²



- **3Q23 Adj. EBITDA was** US\$82 million, lower y-o-y mainly due to lower zinc prices
- **Compared to 2Q23,** Adj. EBITDA **increased 13%** due to higher mining production, higher smelting sales and lower costs in Brazil

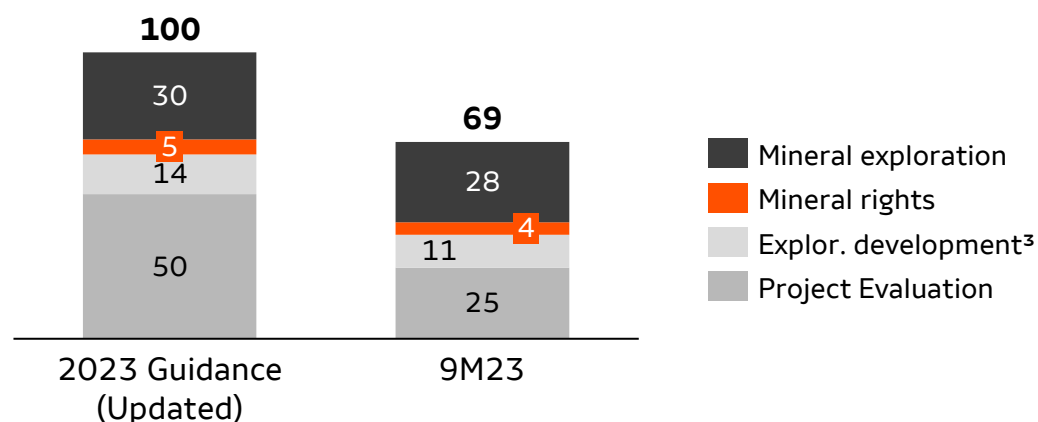
(1) Includes intersegment results; (2) Adjusted EBITDA excludes the items presented in the "Net Income reconciliation to Adjusted EBITDA" section on our earnings release – US\$15 million in 3Q23, totaling US\$148 million in 9M23.

Capital expenditures



- **3Q23 investment: US\$82 million. 9M23 = US\$198 million.** Nearly all related to sustaining (which includes mine development)
- **2023 CAPEX Guidance** remains unchanged to date

Exploration and Project evaluation

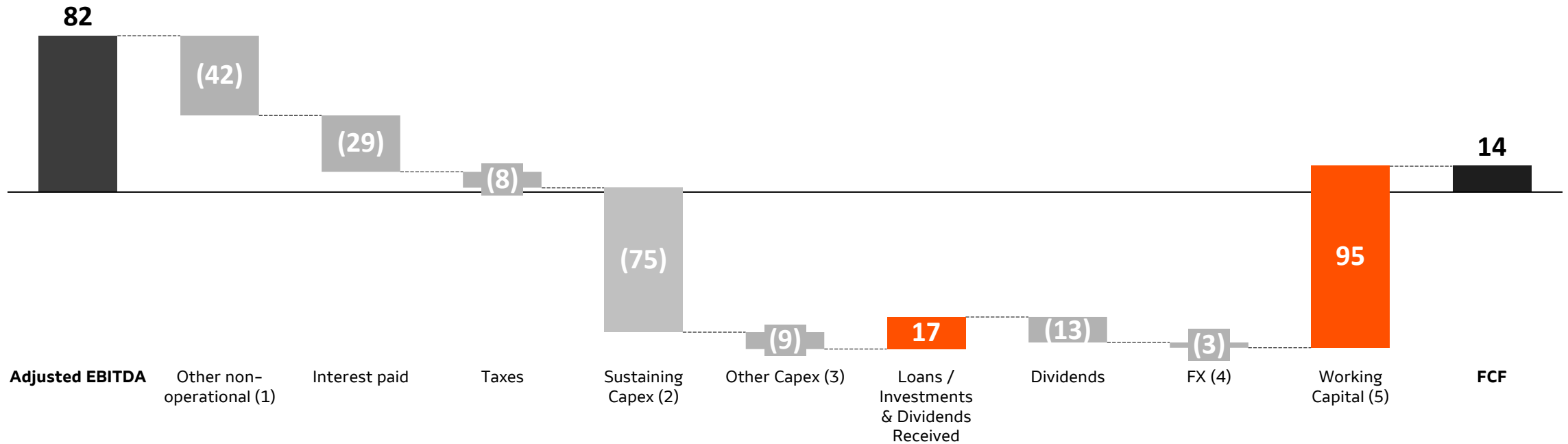


- **3Q23:** US\$26 million spent, totaling US\$69 million in 9M23
- **Exploration & Project Evaluation guidance** for the year **revised downwards by US\$10 million**, resulting from initiatives to optimize capital allocation

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

3Q23 | Cash Flow

US\$ million



Positive cash flow mainly driven by **higher EBITDA** q-o-q and **working capital impact of US\$95 million**, resulted partly from management initiatives implemented in 3Q23

Other **cash optimization initiatives at the operations level** still ongoing

Aripuanã's ramp-up FCF impact in 9M23: approx. -US\$ 146 million

(1) Adjustments to reconcile Adjusted EBITDA to cash provided by operations; (2) "Sustaining CAPEX" includes Sustaining, HS&E, Tailing Dams; (3) "Other CAPEX" includes Expansion/Greenfield (ex-Aripuanã), Modernization, IT & Others (detailed breakdown available in the Earnings Release); (4) Foreign exchange effects on cash and cash equivalents. (5) Breakdown available in Financial Statements explanatory note "Changes in operating assets and liabilities".

Liquidity and Indebtedness

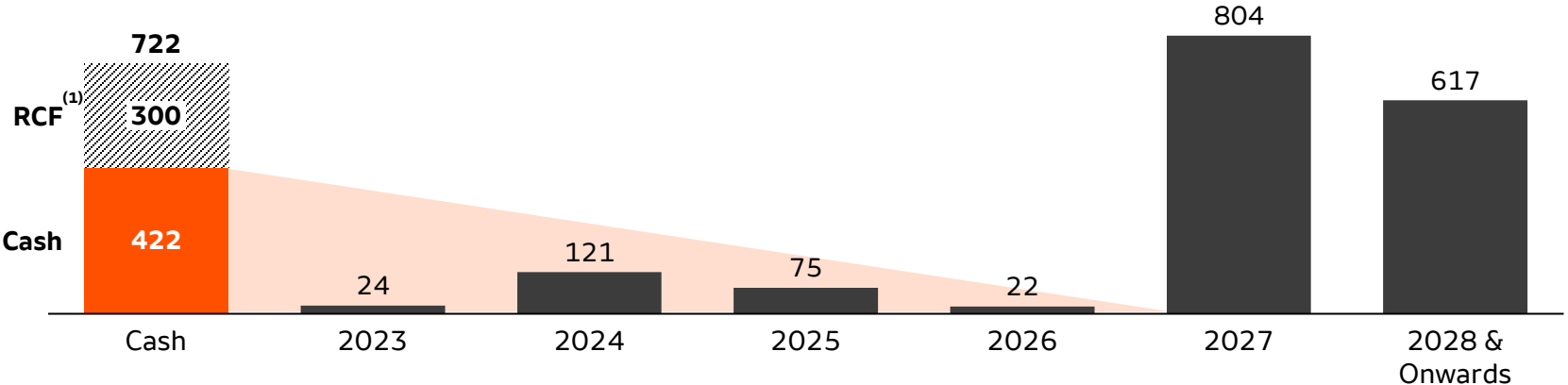


Debt profile (as of September 30, 2023)

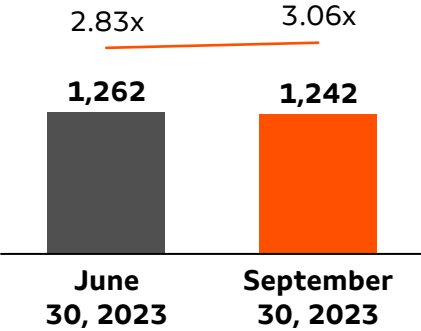
Average debt maturity: 3.9 years @5.56% avg. cost

Debt amortization schedule - (US\$ million)

Total Debt: 1,662



Net Debt⁽²⁾/LTM Adj. EBITDA



- **Sound balance sheet** with a long-term debt profile
- **Positive free cash flow in the period**
- Leverage increased to **3x** due to lower LTM Adj. EBITDA; **US\$20MM reduction in Net Debt** q-o-q

Rating agencies

Fitch

S&P

Moody's

Rating

BBB-

BB+

Ba2

Outlook

Stable

Positive

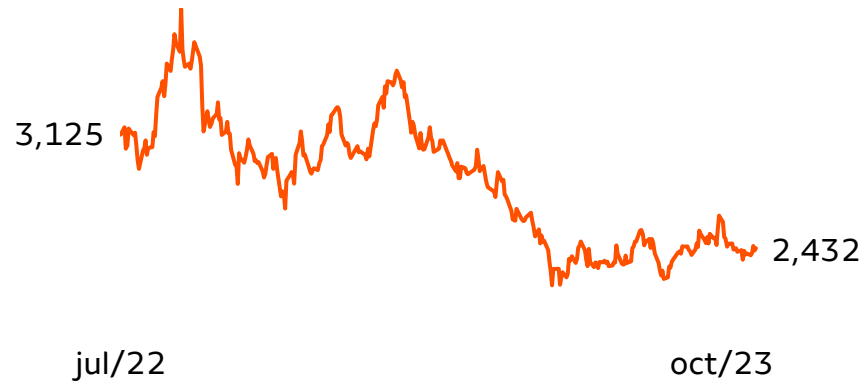
Stable

Note: In 3Q23 Nexa was in compliance with all of its financial covenants; (1) Revolving Credit Facility set to mature in Oct 2014. This line has been replaced by a new 5 yrs sustainability-linked US\$ 320M RCF effective on Oct 20th, 2023.; (2) Gross debt (US\$1,662 million) minus cash and cash equivalents (US\$414 million), minus financial investments (US\$8 million), plus negative derivatives (US\$3.4 million), plus Lease Liabilities (US\$6 million).



Zinc LME price evolution¹

US\$/ton



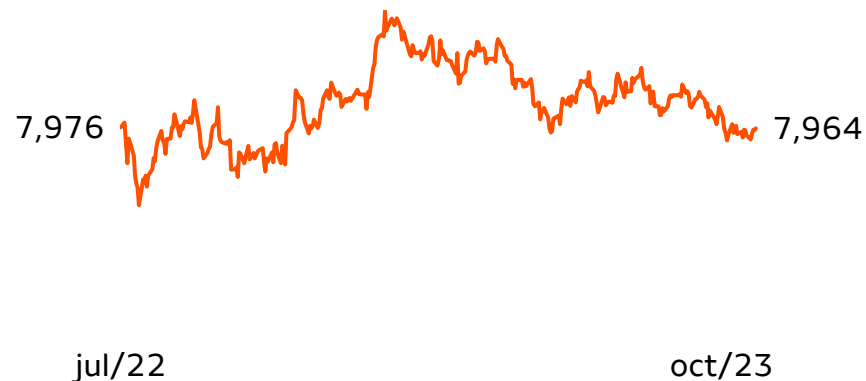
Zinc

- **Short-term:** Uncertainties about the behavior of key Chinese sectors (e.g., property) and persistent higher interest rates. However, due to current price level, production cuts in mines are already being seen globally, indicating possible support for prices
- **Mid-long term:** outlook remains positive, supported by possible lack of feasible supply to fulfill forecasted demand, which is expected to be driven by investments in infrastructure, construction, the auto sector (boosted by EV sales) and energy transition



Copper LME price evolution¹

US\$/ton



Copper

- **Short-term:** Concerns over China's economy recovery and global tensions causing volatility also weighing on Copper prices. Any positive sign should put upward pressure on prices
- **Mid-long term:** demand scenario still optimistic, as the metal plays an important 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 October 27th, 2023, as reported by the London Metal Exchange.



Aripuanã: Adjustments to increase utilization are underway. Extension of ramp up completion by a few months. **Focus on safe and stable production**



Growth: Pasco Complex progressing with evaluation of the integration project, aiming to consolidate a robust organic strategic option



2023 Mining and Smelting cash cost guidance review downwards. Continue to **deliver on guidance**, with sharp focus on **cost control**, **efficiency** and **cash flow** generation



Exploration program (current operations and projects): to continuously extend LOM in our flagship assets and having strategic long-term growth options



Keep ESG strategy active, constantly tracking progress toward achieving **our public commitments**



Maintain **financial discipline** with focus on **balance sheet** strength, **liquidity** and conservative **leverage** ratios





thank you
thank_you

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