

4Q25 and FY25 Nexa's Transcript Earnings Call and Q&A

Participants:

I - Mr. Ignacio Rosado – CEO of Nexa Resources

J - Mr. José Carlos del Valle – CFO of Nexa Resources

R - Mr. Rodrigo Cammarosano – Head of IR & Treasury of Nexa Resources

L - Mr. Leonardo Coelho – Senior VP of Mining Operations of Nexa Resources

O - Operator

O – Good morning and welcome to Nexa Resources Fourth Quarter and Full-Year 2025 Conference Call. [Operator Instructions].

I would now like to turn the conference over to Mr. Rodrigo Cammarosano, Head of Investor Relations, for opening remarks. Please go ahead.

R – Good day, everyone, and welcome to Nexa Resources' fourth quarter and full-year 2025 earnings conference call. We appreciate your time and participation today. During the call, we will discuss Nexa's performance as detailed in the earnings release issued yesterday. We encourage you to follow along with the presentation available through the webcast. Before we begin, please turn to slide number 2, which contains our forward-looking statements disclaimer. We ask that you review the information regarding these statements and the associated risk factors. Joining us today are our CEO, Ignacio Rosado; our CFO, José Carlos Del Valle; and our Senior Vice President of Mining Operations, Leonardo Coelho. With that, I will now turn the call over to Ignacio for his remarks. Ignacio, please go ahead.

I – Thank you, Rodrigo. Good day, everyone, and thank you for joining us today. Starting on slide number 3. Nexa delivered a strong finish to the year, with our fourth-quarter results demonstrating consistent operational execution and the benefits of our disciplined focus on safety, efficiency, and cost management, all within a supportive pricing environment. On the mining side, zinc production reached 91 thousand tonnes, a solid increase both quarter-over-quarter and year-over-year. This performance was driven by stronger results across all our operations, with Aripuanã standing out as it achieved its highest quarterly production to date, a clear reflection of its growing operational stability. In our smelting division, total zinc sales were 142 thousand tonnes. While Cajamarquilla continued to deliver stable output, the sequential volume was constrained by lower production at our Brazilian smelters, and softer demand for zinc oxide. Financially, this operational performance translated into our strongest quarter of the year. We reported net revenues of US\$903 million and Adjusted EBITDA of US\$300 million, with both metrics showing relevant improvement across all comparable periods. This was underpinned by higher realized prices for zinc and our key by-products, combined with our increased mining volumes. We recorded a net income of US\$81 million, or US\$0.38 per share, and generated US\$51 million in free cash flow. As a result, our net leverage improved to 1.7x, further strengthening our balance sheet. Looking now at the full year 2025: Zinc production totaled 316 thousand tonnes, successfully achieving our consolidated mining production guidance, with all individual metals also landing within their respective target ranges. In smelting, total metal sales reached 567 thousand tonnes, which is in line with the midpoint of our guidance. From a financial perspective, full-year net revenues were US\$3.0 billion, while Adjusted EBITDA reached US\$772 million, one of the strongest levels in the company's history.

This performance reflects solid operational execution combined with a favorable pricing environment for zinc and key by-products. Net income for the year was US\$223 million, or US\$1.00 per share. Free cash flow was negative US\$105 million, which included debt reduction and dividends. The combination of a supportive pricing environment and disciplined cost management allowed us to reduce gross debt and reinforce our financial flexibility. With that, let's move to slide number 4 to take a closer look at our mining performance.

Our quarterly zinc production of 91 thousand tonnes represents a 9% increase from the third quarter, driven by enhanced operational performance at Vazante, Aripuanã, Cerro Lindo, and Atacocha. For the full year, our production of 316 thousand tonnes of zinc met guidance. As we have previously discussed, volumes were impacted in the first half due to temporary operational constraints and lower grades. On costs, our consolidated mining cash cost, net of by-products, improved sequentially to negative US\$0.58 per pound, benefiting from stronger by-product credits and lower treatment charges. For the full year, cash cost came in at negative US\$0.30 per pound, below our guidance, reflecting our disciplined cost management and favorable price dynamics. The cost per tonne of run-of-mine was US\$56 in the quarter, a sequential increase primarily due to higher operational costs at Aripuanã as we continue to ramp up and stabilize the asset. On a full-year basis, this cost was in line with our guidance. Financially, the mining segment delivered a robust performance with net revenues of US\$532 million and Adjusted EBITDA of US\$266 million in the quarter, translating to a strong 50% EBITDA margin. This was fueled by higher metal prices and improved operational execution. For the full year 2025, the segment generated approximately US\$1.6 billion in net revenues and US\$658 million in Adjusted EBITDA, a 42% margin that clearly demonstrates the earnings resilience of our mining portfolio. With that, let's move to slide number 5 for a closer look at Aripuanã's operational progress.

In the fourth quarter, Aripuanã achieved its highest production level to date, a direct result of enhanced operational reliability, reduced plant downtime, and lower workforce turnover. The fourth tailings filter arrived on site in early November, and its installation is progressing as planned. We achieved key structural and mechanical milestones during the quarter, keeping the project firmly on schedule. Commissioning remains on track for the first half of 2026, positioning us to reach full operational capacity in the second half of the year. This is a critical step toward unlocking the plant's full potential and securing long-term cash flow generation. On exploration, recent drilling has confirmed new mineralized extensions, reinforcing our confidence in the asset's geological upside and its potential for further life-of-mine extension. Now, please turn to slide number 6 for an update on the Cerro Pasco Integration Project.

In parallel with our operational progress, we have advanced preparatory studies for phase II, including technical assessments of the picasso shaft and several underground integration alternatives. Our goal is to define the most efficient long-term configuration to maximize value from this highly prospective mineral district. Looking ahead to 2026, we will intensify phase I construction and commissioning activities, with a strong focus on disciplined and consistent execution. The Cerro Pasco Integration Project remains a key strategic driver, supporting a potential life-of-mine extension of over 15 years, enhancing profitability, and solidifying Nexa's long-term presence in one of Peru's most important mining districts. Next, on slide number 7, I would like to highlight the continued progress of our exploration program.

Our 2025 exploration plan delivered solid results across our key assets, reaffirming their geological potential. In slide number 7, you can see deep intersections with high metal grades across all mines. At Cerro Lindo, activities focused on expanding known ore bodies in the southeast region. Drilling confirmed the continuity of mineralized zones, particularly in orebody 8C, which supports the mine's long-term production profile. At Aripuanã, exploration



concentrated on the Massaranduba target, where drilling confirmed new mineralized areas, including thick, high-grade intersections in a recently identified structure. At Vazante, brownfield exploration advanced near existing infrastructure, confirming extensions of known zones and enhancing operational flexibility within the current mine plan. Finally, at Cerro Pasco, exploration continued delivering positive results around the integration target, which remains a strategic upside for the Cerro Pasco Integration Project. Together, these results reinforce our resources and reserves inventory, paving the way for further life of mine extensions. Now, let's turn to slide number 8 to review our smelting performance in more detail.

Turning to the smelting segment. Sales were 142 thousand tonnes for the quarter and 567 thousand tonnes for the full year, in line with our 2025 guidance. The sequential decline was primarily driven by lower production at our Brazilian smelters and softer demand for zinc oxide. From a cost perspective, the quarterly cash cost was US\$1.41 per pound. This reflects the impact of higher zinc prices and lower treatment charges, which impact margins in an environment of tight concentrate supply. For the full year, cash cost was US\$1.28 per pound, in line with our guidance. Conversion cost was US\$0.34 per pound in the quarter, slightly lower sequentially. On a year-over-year basis, the increase is attributable to higher operational costs and unfavorable foreign exchange variations at our Brazilian units. For the full year, conversion cost remained below our annual guidance, demonstrating disciplined cost control despite the challenging environment. From a financial standpoint, the segment generated net revenues of US\$573 million and Adjusted EBITDA of US\$34 million in the quarter, reflecting the challenging market environment and operational constraints. For full year 2025, net revenues totaled approximately US\$2.0 billion, with Adjusted EBITDA of US\$113 million, corresponding to an EBITDA margin of 6%. Looking forward, increasing global mine supply is expected to lift treatment charges, supporting a gradual rebound in margins. With that, I will now hand the call over to our CFO, José Carlos Del Valle, for a detailed review of our financial results. José, please go ahead.

J –Thank you, Ignacio, and good morning, everyone. Let's turn to slide number 9 for an overview of our financial performance. We closed the year with strong momentum in the fourth quarter, driven by improved operational execution and a supportive pricing environment. Starting with the upper-left chart, in 4Q25 net revenues reached US\$903 million, up 18% sequentially and 22% year-over-year. This growth was fueled by higher average metal prices, stronger contribution from by-products, and improved mining performance. For the full year, net revenues totaled US\$3.0 billion, a 9% increase compared to 2024. Moving to Adjusted EBITDA, we reported US\$300 million in the quarter, a significant improvement both quarter-over-quarter and year-over-year, translating to a 33% EBITDA margin. This reflects stronger price realization combined with improved operating leverage from increased volumes. For the full year, Adjusted EBITDA reached US\$772 million, up 8% versus 2024, with a margin of 26%. This demonstrates the resilience of our integrated mining and smelting portfolio across varying market conditions. Overall, the year reflects disciplined execution, pricing support, and effective cost management across our segments. Now, let's turn to slide number 10 for a closer look at our investments.

For the full year 2025, total capex reached US\$352 million. The majority was directed toward sustaining activities, including mine development, maintenance, and tailings storage facilities, all fully aligned with our operational priorities and commitment to asset integrity. Capex execution came in slightly above our US\$347 million guidance, primarily due to the appreciation of the Brazilian real against the U.S. Dollar, which had an approximate impact of US\$7 million during the year. In the fourth quarter, capex totaled US\$125 million, in line with our plan. Regarding the Cerro Pasco Integration Project, phase



I investments reached US\$12 million in the quarter and US\$42 million for the full year. This was slightly below the initial plan of US\$44 million, reflecting disciplined project execution and cost control. Moving to the lower section of the slide, exploration and project evaluation investments totaled US\$78 million for the year, below the initial plan of US\$88 million. This performance is consistent with our capital allocation framework, which aims to maintain our focus on mine life extension and portfolio optimization. With that, let's turn to slide number 11 to review our cash flow generation.

Starting from the US\$772 million of Adjusted EBITDA and after adjusting non-operational items we can see that during 2025 we generated US\$846 million in operating cash flow before working capital and other variations. From this amount, we invested US\$354 million in capex across our operations and paid US\$254 million in interest and taxes, reflecting both our investment cycle and our capital structure. Working capital and other cash flow variations had a negative impact of US\$212 million. Operational working capital remained essentially flat, with the movement largely explained by other cash items, including some one-offs. We continue to advance initiatives to enhance our cash conversion cycle and further strengthen liquidity. Foreign exchange variations contributed positively by US\$13 million, mainly due to the appreciation of the Brazilian real. As a result, cash flow before loans, debt payments, and dividends totaled US\$39 million. On the financing side, we can see a net, debt reduction of US\$96 million, reflecting our liability-management efforts and consistency in our debt-reduction strategy. Additionally, during the year, we successfully issued a 12-year bond in April and completed the full redemption and partial tender offer of two earlier-maturity bonds. Towards the end of the year, we also executed early repayments of certain financial indebtedness, along with our regular lease-liability payments. These actions were essential to further strengthen our maturity profile and advance our overall debt-reduction strategy. Furthermore, we also distributed US\$48 million in dividends, including share premium reimbursements and payments to non-controlling interests. After these movements, free cash flow for the full year was negative US\$105 million. Importantly, this outcome reflects deliberate capital allocation decisions, including debt reduction and shareholder distributions, while maintaining strong operating cash generation. With that, let's move to slide number 12.

As you can see, our liquidity position remains robust, supporting a solid balance sheet and an extended debt maturity profile. We closed the quarter with total liquidity of US\$842 million, including our undrawn US\$320 million sustainability-linked revolving credit facility. Our average debt maturity increased to 7.6 years, compared to 5.6 years at the end of 2024, with an average cost of debt of 6.49%. This improvement reflects the proactive liability management actions during the year. Importantly, our available liquidity, excluding the RCF, covers all financial commitments over the next five years. Finally, net leverage improved to 1.7x, down from 2.2x in the previous quarter, supported by higher last-twelve-month EBITDA and a reduction in net debt. We continue to optimize our capital structure through funding diversification and disciplined liquidity management. Maintaining a maturity profile aligned with the life-of-mine prospects of our assets remains a priority, while preserving our investment-grade rating and a competitive cost of capital. Looking ahead, we remain committed to further deleveraging and reducing gross debt over time, with the target of lowering interest expenses and enhancing financial flexibility. With that, I will now hand the call back to Rodrigo to discuss market fundamentals.

R – Thank you, José Carlos. Turning now to the zinc and copper markets on slide number 13. As you can see, zinc prices remained well-supported throughout 2025. This strength was largely driven by persistent concentrate tightness and substantially low LME



inventories. Treatment charges, particularly in China, averaged negative levels during the year, a clear reflection of raw material scarcity. Imported TCs ended the year around sixty dollars per tonne, still well below mid-cycle conditions. Structurally, the zinc market continues to reflect limited near-term mine supply growth relative to smelting capacity. This imbalance has supported prices, even against a backdrop of macro and trade-related volatility. Looking ahead to 2026, we expect a gradual improvement of mine supply, which should support a modest recovery in treatment charges from the historically low levels seen in 2025. However, this recovery is likely to be regionally distinguished. In China, smelters are expected to calibrate capacity utilization based on domestic concentrate availability and TCs for imported concentrates, while outside China, high energy costs and sub-historical TCs may continue to constrain margin expansion in the near term. Overall, zinc prices should remain supported, at least in the first half of 2026, by tight inventories, resilient demand, and a softer U.S. Dollar environment. Against this backdrop, Nexa's integrated mine-to-smelter platform remains a key differentiator. It allows us to partially mitigate concentrate market volatility and preserve margin resilience across cycles. Turning now to copper: prices appreciated in 2025 on the back of supply discipline and sustained demand driven mainly by electrification. While trade policy volatility added uncertainty during the year, the underlying structural fundamentals remain constructive. Incremental supply additions are unlikely to fully rebalance the market in the near term, meaning medium-term supply constraints remain a key theme supporting copper pricing. Now, let's turn to slide number 14 for a look at precious metals.

Moving now to silver and gold. Silver was one of the best-performing metals in the fourth quarter of 2025. The rally was supported by strong investment flows, monetary policy expectations, and sustained industrial demand, especially from solar energy, electrification, and AI-related infrastructure. Silver's dual role as both a monetary asset and an industrial input continues to support its demand profile. Importantly for Nexa, we produce around eleven million ounces of silver annually, which provides meaningful precious metals exposure within our base metals portfolio. And beginning in the second quarter of 2026, this is a key point, our silver streaming agreement steps down from 65% to 25%. This materially increases our realized exposure to silver prices and enhances EBITDA leverage going forward. It is a relevant structural catalyst for our earnings profile. Turning to gold: prices traded near record levels in the fourth quarter, supported by central bank buying, ETF inflows, a softer U.S. Dollar, and elevated geopolitical uncertainty. Gold continues to provide portfolio diversification and counter-cyclical support. Looking ahead, U.S. Monetary policy and geopolitical developments remain key drivers for precious metals pricing. Now on slide number 15. I will comment on the developments of our ESG agenda.

Let me briefly turn to ESG. In 2025, we continued to advance our ESG strategy as an integral component of business management. On climate and decarbonization, we consolidated renewable energy supply across our operations and continued implementing operational efficiency initiatives aimed at managing emissions intensity. We also advanced circular economy initiatives, reinforcing our focus on waste reduction and resource efficiency across our units. From a governance standpoint, we maintained our CDP ratings at "B" for both climate change and water security and further reinforced the integration of ESG criteria into our enterprise risk management framework. Community engagement also remained a focus, with continued investments in local infrastructure and structured development programs both in Brazil and Peru. Our participation at COP30 reinforced our long-term commitment to climate action and responsible mining. Now, I would like to address an important governance development. Over recent months, we conducted a

structured review of our public ESG targets. The objective was to enhance methodological consistency, improve transparency, and ensure alignment with operational realities and updated baselines. As a result of this process, we are proposing recalibrated targets grounded in three pillars: First: technical robustness, including refined baselines and third-party verification. Second: strategic transparency, with recognition of operational constraints and industry dynamics. And third: sustainability of commitments, ensuring that targets remain realistic, measurable, and aligned with long-term business performance. We will disclose the full methodology and detailed targets in our sustainability report and 2026 materials. Now, moving to our final slide, our focus and priorities. I will now hand it back to Ignacio for his comments. Ignacio, the floor is yours.

I – Thank you, Rodrigo. Now turning to slide number 16. Before we open the floor for Q&A, let me close by reinforcing our strategic drivers and priorities. Aripuanã continues to be a key near-term catalyst. The fourth filter is progressing on schedule and will unlock full production capacity in 2026, positioning the asset to further strengthen cash generation. Supported by a long reserve life and resources base, Aripuanã is a core contributor to our long-term value creation. At Cerro Pasco, the Integration Project targets a relevant life-of-mine extension within a well-established mineral region. The project enhances asset integration, improves operating flexibility, and enhances the profitability profile of the entire complex. Exploration continues to deliver across our assets, paving the way to further life-of-mine extension and reinforcing the quality of our asset portfolio. At the same time, we remain disciplined in our approach to growth. We continue to evaluate value-accretive opportunities selectively. Operational and financial discipline remain central to our strategy. We are focused on generating sustainable cash flow to continue strengthening our balance sheet and to support a balanced capital-allocation approach that includes deleveraging and shareholder returns. Finally, ESG continues to evolve as a core pillar of how we manage the business at Nexa. In 2025, we enhanced our governance framework, improved methodological consistency in our public targets, and reinforced the alignment between sustainability commitments and operational realities. Our goal is clear: increase transparency and ensure ESG execution strengthens the long-term sustainability of the business. As we look ahead, we enter 2026 with improved operational stability, disciplined capital allocation, and a well-defined set of priorities focused on business resilience and consistent shareholder returns. With that, let's open the floor for your questions.

Q&A Session:

O – [Operator Instructions]. Our first question comes from Pedro Mello from Citi.

Question – My question relates to the seasonal rainy period at the Aripuanã assets this quarter. Could you provide some color on the evolution of the asset production throughout this year given the seasonal context of the first quarter and the inauguration of the fourth filter affecting the second half of the year, please?

I – Yes. Yes, it's a very good question. In January, to give you an idea and based on some numbers, the bottleneck that we have with these 3 filters, the tailings filters take the plant around 140,000 tonnes to 145,000 tonnes per month, okay? We have been delivering production at this rate during the last 6 months. In the last 3 years, the rainy season that was very heavy caused a lot of pressure on the filters, and that's why we needed to slower this throughput because the filters were not performing at this capacity, okay? In the case



of January, we had a rate of 140,000 again, and given that we are mining a high-grade zone, we produce a very high zinc equivalent production. So, we are at the same rate as previous 6 months that were wet season. In February, it also went very well, we needed to reduce the throughput a little bit because we want to make sure that we pass the rainy season in a very smooth way. But we maintained the silver equivalent production and actually, we increased it because also we were accessing zones of higher grades. This is going to be the case for March, which is important. So compared to previous years, this plant shows that with this rainy season that we are facing, this plant is starting to stabilize at these levels, okay? In April, we're going to implement the fourth filter that is going to be ramping up between April, May and June. And with that and the capacity of these filters, we should be able to reach full capacity in the second half of this year. So, we see that the rainy season is no longer a bottleneck, and we are confident that Aripuanã finally is going to be at full capacity.

Question – Thank you, really clear.

O - The next question came in by phone. Please state your name and company before asking your question.

Question – This is Orest Wowkodaw with Scotiabank. Can you hear me?

R – Orest, we can hear you clearly.

Question – My question is around your silver. Obviously, there's been a ton of interest in the market with silver pricing really having moved up. We've seen some really extraordinary valuations out there for silver streams. I'm just curious, I know you have an existing stream, but I'm curious if you're at all contemplating doing additional silver streaming that could potentially bring you significant cash to just fully de-lever the balance sheet fairly quickly.

J – Orest, thank you for the question. You're right. We are an important producer of silver, produce around 11 million ounces. So, this certainly has a strong contribution in our results and in our valuation as well. As you mentioned, we do have a prevailing silver streaming agreement in Cerro Lindo that actually has a step down probably in May of this year when we reach a milestone of 19 million ounces. So that in itself is going to bring some additional benefit to our annual results. To your specific question, whether we are considering this, I mean no, we're always looking for the best options to have a strong balance sheet and to maximize the balance of having strong financials, investment grade rating and the needed cash, but we are confident with the structure that we have today. We view positively the recent trend in prices, not just on silver. So, we're confident that with that, we will be able to generate strong cash flow and continue with our commitment of reducing debt in the coming years.

Question – Okay. So, it's not something that's a high priority right now.

J – No, it's not.

O - The next question comes from Camilo Huaccha from Kallpa.

Question – My name is Camilo Huaccha. I'm at Kallpa Securities, Peru. And my question is related to the one before. And it is, how should we think about the cash flow impact of the Cerro Lindo silver stream in 2026 and 2027, if applicable, considering that deliveries are priced at a fixed percentage of spot.

J – Yes. Thank you for the question. Yes, as I mentioned, we've had this silver streaming agreement for a while, and there's a step down that is reached when we deliver 19 million

ounces. So, this is going to happen in the next few months. And these percentages that are committed to the silver streaming agreement will go down from 65% of the Cerro Lindo silver production to 25% of the Cerro Lindo silver production. So, there's 40% that in the past had to be delivered to the streamer and now will stay within Nexa. So, you can do the math at the current prices, what the impact of that would be.

O – Now I would like to turn the call over to Mr. Rodrigo for the writing question. Please go ahead.

R – Thank you, operator. We have one first question here from the audience. The question is, recently, there has been some news related to strong rains in Peru, so can you comment if there has been an incident in any of our operations or logistics?

I – Yes, Peru's facing again, the El Niño phenomenon. And we are not facing any impact on production on logistics now. We have been working through the years in this. We had some events in Cerro Lindo of summer heavy rain. Nothing happened, and we are managing that and production hasn't been impacted and in the case of Pasco as well. So, we are well prepared today for those events. We don't know what will happen in the future. But so far, we haven't been impacted by that.

R – Thank you, Ignacio. The first question was from Orlando Barriga from Credicorp Capital. So, we have a second question here is, can you provide color on Phase 2 of the Cerro de Pasco integration project? And especially in regards to the start-up date and when we expect to have access to high-grade reserves at Atacocha?

I – Yes. This is a very good question, and this is a very good problem to have, I would say. We don't have any specific date because we are already starting on planning this second phase because we have been drilling heavily at the intersection of the 2 mines. And because of that, we have been funding a lot of resources with very high grade. And because of that, we decided to postpone this Phase 2. Having said that, we will still drill this intersection. And in, I would say, in 1 or 2 years, we will have an inventory of reserves that is more important for us and with that, we will build a mine plan. So, we don't have any specific date to access high grades at Atacocha. They are good grades, but probably the intersection has higher grades, the NSR is higher. So, we will know eventually when we will have the mine plan. So, we will keep the market informed, but for the time being, it's a very good problem to have. And specifically, we don't have a date, and we will have some color in the next 1 or 2 years.

R – Thank you, Ignacio. We have another question from the audience. Is there ambition of the management to use the instrument, I believe, it is the one that Jose Carlos mentioned, to lock in the benefits of currently high silver prices.

J – Yes. As I mentioned, we're not considering silver streaming as an option today, it's not a priority. We always listen to proposals, obviously there's a lot of interest in silver. It's currently not a priority.

R – Thank you, Jose Carlos. We have another question that comes from Omar Avellaneda from Vinci Compass. Can you provide an update on Magistral project and Tinka Resources investment?

I – Yes. Well, Magistral, we said before, it's a very good project. And we are always assessing what we're going to do with this project. The environmental impact study was disapproved, and we are now at the stage that we have to sit with the government to see how we perceive this asset, this important project going forward. So, for the time being, we don't have any specific action for that, especially only sitting with them and see how

can we envision this in the coming years. In the case of Tinka, there was a follow-up on equity that we decided not to go through because we believe that is a very important asset, but we have other priorities. So, we got diluted, okay? I guess there is another question in that around the elections.

R – Yes. Let me read the question again. So, there is a sequential question from Omar, which is can you comment on current electoral environment in Peru and the company talks on this matter?

I – Yes. Well, it's a shame that we have another president that is going to stay for the next 3 months in Peru. And the last one lasted only 4 months. And there is a lot of political noise around this, and it's very, very difficult to digest, especially for people outside Peru. Having said that, I would say that the economic context of the country is very strong and the economic development of the country in a sense does not follow this a political problem that we face, okay? Regarding the new president that will come, it's very difficult to say. We have to wait until the first round that is happening in April. But in any case, in all of these years, Peru has been a stable country from an economic point of view with a stable exchange rate, growing and the political environment does not impact most of the economic development of the country. In the mining sector, specifically, our surroundings, our stakeholders, especially communities. We have very good relationship with them in most cases. And they also don't follow these political problems that we are facing. Actually, the relationship that we have with them and the way we treat that relationship from an economic point of view is the thing that matters, okay? So that's why this new president won't influence in the next 3 to 4 months our relationship with communities. So, we'll see what happens in April, and we'll come back to that question later on, okay?

R – Thank you, Ignacio. We got another question from Orlando from Credicorp Capital. So, you amortize around \$120 million in gross debt during the 4Q. How much are you planning on paying down in 2026 and 2027?

J – Thanks for the question. Orlando. Yes, as we have been mentioning in our last calls, debt repayment is a priority. So, in the absence of any major changes, the idea is that any excess cash that we generate, we will use to pay dividends according to our dividend policy, and the rest will go to pay down debt. So that's the plan.

R – Thank you, Jose. We have another question. So, this is more specific in regards to the hedge of silver and gold. So could you provide details on the floor and upper limit of the hedging program for silver and gold.

J – Yes. Thank you for the question. That's true. We did a small, we hedged a small portion of our silver production also taking into consideration that we have the silver streaming agreement. So, it was a small portion of our silver production, mainly in Peru. The floor is around \$52, and the cap is around \$84.

R – Thank you, Jose. We have another question here from the audience comes from Pedro Mello from Citibank. So, the question is more related to the medium-term strategy for the company. So, if the company managed to implement the fourth filter for Aripuanã, execute a turnaround by reducing leverage and gross debt with the extension of mine life being constant, I mean, the replenish of the mine life such as the Cerro de Pasco complex project. So, what should be the company's next step for long-term investments?

I – Yes. Very good question. As José Carlos mentioned, the idea is that with these price levels and the stability on operations that we are showing now, especially with Aripuanã, we generate significant cash flow this year, and we try to start reducing in a significant way our debt. This

debt was accumulated because of the Aripuanã project. Based on that and the other fronts going forward, Aripuanã is stabilizing and growing, Cerro Pasco is stabilizing and growing and Cerro Lindo being stable and Vazante as well. And the smelters recovering part of the profitability with a market that is changing. Nexa with the current assets is in a solid position exposed to very good prices and bringing down debt. With that, I would say that the next step is that we are very active looking for opportunities in the market, especially in copper. We have a list of alternatives that we have assessed and are very close to, and I would say that if that happens through this year, we will be more active looking for these opportunities because the balance sheet that we will have is going to be more flexible to try to achieve those. So, it's very simple, a solid company exposed to prices and trying to look for the opportunity in copper.

R – Thank you, Ignacio. So, I will hand it back to the operator. I believe we have a couple of questions through the phone.

O – The next question comes from Henrique Braga from Morgan Stanley.

Question – I just wanted to follow up on Cerro Pasco. If you could give additional details on your CapEx disbursement that you have envisioned for the project this year and the next?

R – This is Rodrigo. I can take this question. So, we are on track with the execution of the Phase 1. The CapEx that we spent last year was pretty much in line with the expectation for the year, around US\$42 million. So, we believe that the CapEx for this year should be the same amount because the idea is to complete the Phase 1 this year, and this will pave the way for Phase 2 just like Ignacio mentioned. So, execution is on track and CapEx so far is on budget.

O – This concludes our question-and-answer session. I would now like to hand the call over to Mr. Ignacio Rosado for his closing remarks. Mr. Rosado, please go ahead.

I – Thank you very much. Before we conclude, I would like to briefly address the recent intense rainfall in Juiz de Fora here in Brazil. We recognize the impact that these weather conditions have had on the municipality and express our solidarity with the local community. We reaffirm that our dam structures continue to be closely monitored and remain safe with no change in their stability levels. Safety remains our top priority, and we reaffirm our ongoing commitment to the integrity of our operations, our employees and the communities that we operate. In this case specifically, we are providing full support to employees who have been affected by the situation and the community in general. Regarding our first quarter, we are looking forward to have a strong quarter from an operational point of view. Hopefully, we close the quarter, exposed again with these prices. And we look forward to speaking with you again during next quarter. Have a great day and thank you very much again.

Participants of the Q&A:

Pedro Macedo Ferreira de Mello - *Citibank*

Henrique Braga da Silva – *Morgan Stanley*

Orest Wowkodaw - *Scotiabank*

Camilo Huaccha – *Kallpa Securities*

(Call Duration: 52 Minutes)