

3Q25 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 Third Quarter 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 morning, everyone, and welcome to Nexa Resources' third quarter 2025 earnings conference call. Thank you for joining us today. During the call, we will discuss Nexa's performance as per our earnings release issued yesterday. We encourage you to follow the on-screen presentation through the webcast. Before we begin, I would like to highlight slide number 2, which outlines forward-looking statements about our business. Please refer to the disclaimer regarding these statements and their conditions. Now, it is my pleasure to introduce our speakers. Joining us today are our CEO, Ignacio Rosado; our CFO, José Carlos del Valle; and our Senior VP of Mining Operations, Leonardo Coelho. I will now hand the call over to Ignacio for his comments. Ignacio, please go ahead.

I – Thank you, Rodrigo. Good morning, everyone, and thank you for joining us today. Before we dive into our third-quarter results, I would like to highlight the strategic catalysts that are strengthening Nexa's competitive position and underpinning our long-term value creation. We are executing our strategy across five key business catalysts, building a more resilient portfolio for long-term sustainable cash generation. Starting with Aripuanã, we are pleased to share that the fourth tailings filter is en route to the mine site. Installation begins in 4Q25, enabling commissioning in early 2026. This is a critical step to achieving full production capacity. We will provide more details shortly. In Peru, the Cerro Pasco Integration Project advances on plan. It leverages a well-known high-potential mineral district with over 15 years of potential mine life and meaningful net smelting return uplift. Our integrated mine-smelter model remains a core differentiator. It mitigates volatility during downcycles, captures stronger margins in supportive pricing environments, and enhances value retention across the zinc chain. Finally, our growth strategy involves actively evaluating accretive opportunities in mining-friendly jurisdictions. Any investment will be grounded in disciplined capital allocation, prioritizing returns, operational excellence, and sustainability. Together, these catalysts reinforce our strategic positioning and lay a strong foundation for long-term performance. Let's begin with a review of our strong third-quarter performance on slide number 4.

Nexa delivered robust operational and financial results this quarter, driven by disciplined execution, improved mining output, and a constructive price environment. Mining production reached 84 thousand tonnes of zinc, a sequential year-over-year increase. This was driven mainly by a record quarter at Aripuanã, and a solid recovery at Vazante, following the disruptions at the beginning of the year. In smelting, total zinc sales were 150 thousand tonnes, reflecting stronger performance across all units, with Cajamarquilla also achieving its highest quarterly

output to date. Financially, this translates into: Net revenues of US\$764 million and Adjusted EBITDA of US\$186 million, both improving in all comparable periods, supported by higher volumes and stronger by-products prices. We recorded a net income of US\$100 million, or 0.52 cents per share, and a free cash flow of US\$52 million, up versus previous quarter, strengthening our balance sheet, with net leverage slightly decreasing to 2.2x. Now, let's dive deeper into our mining performance on slide number 5.

Our quarterly zinc production of 84 thousand tonnes was up 14% from the second quarter. This was powered by a solid recovery at Vazante and a record quarter increase at Aripuanã, which produced 10 thousand tonnes of zinc, a 70% sequential increase. For the first nine months of 2025, zinc production reached 225 thousand tonnes, reflecting lower treated volumes and grades in the first half of this year. Our consolidated mining cash cost net of by-products strongly improved to US\$(0.49) per pound, driven by higher by-product credits and lower TCs. Year-to-date cash costs were US\$(0.18) per pound, better than our guidance. Our cost per run-of-mine was US\$51 per tonne, stable quarter-over-quarter and in line with our guidance. As we previously highlighted, the year-over-year increase mainly reflects conditions at Aripuanã earlier in the year. Excluding Aripuanã, costs were broadly in line with the prior year. Financially, the mining segment delivered net revenues of US\$372 million and Adjusted EBITDA of US\$164 million, with a 44% EBITDA margin, supported by stronger prices and improved operational performance. With that, let's move to slide number 6, for more on Aripuanã's quarterly milestone.

Aripuanã delivered its best performance since ramp-up, reflecting a more stable operation and higher throughput in this period. The arrival of the fourth tailings filter is a critical step. We expect this upgrade to enable reaching nameplate capacity by the second half of 2026, securing long-term operational stability and cash generation. On cost performance, we saw a notable quarterly improvement, supported by higher treated ore volumes and ongoing optimization. And finally, exploration continues to enhance future potential. Recent drilling results confirm new mineralized extensions, reinforcing our confidence in the geological upside and the potential to keep extending the life of the asset. Let's move to slide number 7 to review the latest developments on the Cerro Pasco Integration Project.

In the third quarter, we made strong progress on phase I, which focuses on the new tailings pumping and piping system. Site mobilization is now complete, and we are progressing well with earthworks and civil construction on key areas, including the plant platform, tailings thickener, and drive pipe channel. Major procurement packages are secured, with two key packages fully manufactured this quarter. In parallel, we are advancing with phase II studies, which include technical assessments for the Picasso shaft and underground integration to define the most efficient long-term configuration. This project remains a strategic enabler for Cerro Pasco's long-term sustainability, supporting future production in this important mineral district. Let's move to slide number 8 to review our smelting operating performance in more detail.

In our smelting segment, sales reached 150 thousand tonnes in the quarter, a 3% sequential increase driven by higher production across all units, including a record quarter at Cajamarquilla and a continued recovery at Três Marias. For the first nine months of 2025, sales totaled 425 thousand tonnes, in line with our sales guidance, which reflected lower production earlier in the year. Financially, in 3Q25, the segment delivered net revenues of US\$541 million and Adjusted EBITDA of US\$23 million, reflecting the current margin environment and costs dynamics. Our cost performance in the quarter was in line with expectations, with a cash cost of US\$1.32 per pound, driven by higher zinc prices and lower TCs. Year-to-date, cash costs were US\$1.24 per pound, well aligned with our guidance. Our conversion cost was US\$0.35 per pound, stable



quarter-over-quarter, and slightly below guidance year-to-date. The year-over-year comparison reflects lower sales volume and higher operational costs, as expected. With that, I will 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 a summary of our financial performance. We saw strong momentum this quarter. Starting with the chart on the upper left, net revenues reached US\$764 million, up 8% sequentially and year-over-year, driven by higher zinc prices, by-product credits, and stronger operational performance. Year-to-date, net revenues reached US\$2.1 billion, an increase of 4% versus the first nine months of 2024. Moving to Adjusted EBITDA, we reported US\$186 million in the quarter, a 16% increase from the last quarter and a 2% increase year-over-year, with a healthy margin of 24%. This performance was supported by higher sales volume and improved by-product revenues. For the first nine months of the year, Adjusted EBITDA totaled US\$472 million, 9% lower than the last year, primarily due to lower sales volumes in the first half of the year, lower TCs, and higher operating costs. Now, turning to slide number 10 for some detail on our investments.

In the first nine months of 2025, we invested US\$227 million in capex, with the majority allocated to sustaining activities, including mine development, maintenance, and tailings storage facilities - fully aligned with our operational priorities. In the quarter alone, capex totaled US\$90 million, in line with our expectations. For the Cerro Pasco Integration Project, phase I investments reached US\$12 million in the quarter and US\$30 million year-to-date, keeping us firmly on track with our full-year guidance of US\$44 million. As such, our total 2025 capex guidance remains unchanged at US\$347 million. Moving to the lower part of the slide, exploration and project evaluation investments totaled US\$53 million in the first nine months of the year, of which US\$21 million was in the third quarter. These investments were primarily directed toward exploration drilling and mine development across our portfolio, supporting long-term optionality and value creation. We also reaffirm our US\$88 million guidance for exploration and project evaluation for the year, as we continue to invest in our long-term pipeline. Let’s look at our cash flow generation for the quarter on slide number 11.

We generated US\$196 million in operating cash flow before working capital, starting from US\$186 million of Adjusted EBITDA and after excluding non-operational items. From this amount, we paid US\$48 million in interest and taxes and invested US\$91 million in capex across our operations. Loans and investments required US\$10 million, reflecting regular payments of financing and lease liabilities, partially offset by dividends received and the net sales of financial investments. We also paid US\$16 million in dividends to non-controlling interests. Foreign exchange gains contributed US\$2 million, mainly due to the continued appreciation of the Brazilian real. Finally, working capital posted a positive impact of US\$19 million, as we continued to prioritize initiatives to optimize our cycle and strengthen our liquidity. Looking ahead, we expect working capital to remain positive in the fourth quarter, bringing the full-year position closer to neutral. Combining these effects, free cash flow in the quarter totaled US\$52 million.0020With that, let’s move to slide number 12.

As you can see, our liquidity position remains healthy, supporting a solid balance sheet and an extended debt maturity profile.

We ended the quarter with a solid liquidity of US\$790 million, including our undrawn US\$320 million sustainability-linked revolving credit facility. Our average debt maturity stands at 7.4 years, with an average cost of 6.2%. Importantly, our available liquidity, excluding the RCF, comfortably covers all of our financial commitments through the next four years. Net leverage improved to 2.2x, down from 2.3x at the end of last quarter, reflecting higher EBITDA for the last twelve months and a reduction in net debt. Furthermore, we continue to optimize our capital structure by diversifying funding sources and enhancing liquidity. A key priority is maintaining a debt maturity profile that is aligned with the long life of our assets, while preserving our investment grade rating and guaranteeing competitive financing costs. We remain committed to deleveraging and reducing gross debt. Additionally, in the fourth quarter we expect working capital normalization and stronger cash generation to further support our financial flexibility. With that, I will now hand the call back to Rodrigo, who will discuss market fundamentals and our key insights from LME Week. Rodrigo, please go ahead.

R – Thank you, José Carlos. Moving to slide number 13. Let's start with the zinc market, where we see the backdrop continuing to evolve in a more constructive direction. During the quarter, LME prices trended higher, closing September at around US\$3,010 per ton. This strength was primarily supported by low exchange inventories and a weaker U.S. Dollar. On the supply side, while concentrate availability is gradually improving, utilization across the smelting segment remains uneven. We believe seasonal and logistical factors will likely keep market relatively tight in the near term, supporting prices. This is reflected in treatment charges. In China, imported spot TCs rose to about US\$110 per ton, reflecting increased concentrate availability. Meanwhile, Chinese domestic TCs eased toward the quarter's end, as local supply restricted against steady smelter demand. Looking ahead, we see the market moving toward a balance. Galvanization demand remains robust, supported by global infrastructure and renewable energy investments. On the other hand, supply growth continues to face structural headwinds from declining ore grades and mine depletion, particularly in the western hemisphere. Now, turning to slide number 14 for a look at copper and silver.

Copper market remains well supported by strong fundamentals. Supply disruptions and slower-than-expected mine ramp-ups have restricted balances, helping to keep prices at around US\$10,300 per ton. Demand continues to be driven by electrification, infrastructure spending, and the rapid expansion of ai-related infrastructure, such as data centers. Silver also performed strongly, up roughly 58% year-over-year. This reflects its dual role as both a key industrial metal for the energy transition, and a safe-haven asset, supported by the monetary dynamics. Our outlook for both is constructive. Copper's fundamentals are solid, with structural demand from electrification, EVs, and grid investments expected to outpace new supply, which remains constrained by permitting and project delays. For silver, industrial demand, particularly from solar, electronics, and electric vehicles, continues to grow, while investment demand benefits from global monetary uncertainty. This combination should help sustain prices at elevated levels relative to historical averages. Now moving to the next slide.

Finally, on slides 15 and 16, I want to summarize our key takeaways from LME Week, held in London in mid-October. The sentiment was notably constructive. Despite global macro volatility, there was a broad, bullish consensus on base metals, and a strong recognition of zinc's essential role in decarbonization, especially in galvanizing steel for renewables, EVs, and infrastructure. This aligns perfectly with our earlier discussions and reinforces that Nexa is well-positioned to capture value as the market rebalances.

Looking forward, there are a few key factors we are watching closely: treatment charge benchmarks for the next year, Chinese export flows, mine output in the western hemisphere, and trade policy developments. The 2026 forecasted TC benchmark is currently trending toward US\$130–180 per ton, which points to a gradual recovery in smelter margins. We see zinc prices holding near US\$3,000 per ton, with limited downside given the tightening supply outside China. Furthermore, potential export restrictions and logistical issues in China could redirect material flows to other markets. This would favor producers like Nexa, with our regionally integrated, low-carbon operations in the Americas. As major mines in the western world approach depletion, and our Aripuanã mine advances toward full capacity, Nexa’s reliable and sustainable asset base is a key differentiator, strengthening our leadership position. In summary, we see a highly supportive backdrop across our key commodities: resilient demand, tightening supply, and a growing recognition of zinc’s strategic importance. Now on slide number 17. I will comment on our ESG agenda.

First, in social performance and community, we received the Perumin Seal of Excellence in Gender Equity, a recognition of our efforts to advance diversity and inclusion in the mining sector. We also launched 'Nexa Transforma' in Brazil, a unified platform to scale our social investments. Second, in the environmental stewardship, we obtained the GHG Protocol Brazil gold seal for the second year, demonstrating our progress in reducing emissions. We also advanced circular economy projects at our smelters. And third, in governance and transparency, we achieved full compliance with LME responsible sourcing standards (track a), aligned with “OECD” due diligence guidance, an important milestone that reinforces credibility across our value chain. Taken together, these achievements underscore our leadership in sustainable zinc production and our commitment to creating long-term value for all stakeholders. 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 18, to explain our focus and priorities. We delivered a strong third quarter and continue to execute our strategy with discipline. At Aripuanã, while some short-term challenges remain, the asset is demonstrating its long-term strength. A record quarter production reinforces its potential and sustainable cash generation. At Cerro Pasco, execution continues to move forward, unlocking a significant value-creation opportunity in a proven district. Exploration results across our portfolio indicate potential further mine life extensions and greater mine-smelter integration, reinforcing our business model. From a financial perspective, our balance sheet remains solid, supported by disciplined capital allocation and a clear commitment to deleveraging. Most importantly, our unwavering commitment to safety for our people and communities remains the foundation of everything we do. This is all underpinned by our ESG leadership, exemplified by our Cajamarquilla smelter, one of the world’s largest zinc smelters, which is now powered by 100% renewable energy. In closing, we thank you again for the time and continued confidence in Nexa.

Operator, we are now ready to take questions.

Q&A Session:

O – [Operator Instructions]. Our first question comes from Gabriel Barra from Citi.

Question – I have two here from my side and mostly focused on the capital allocation. You guys have mentioned about the working capital relief in the fourth quarter. We believe and we are seeing the results of the company, we expect the company to have a stronger free cash flow for now on. How should we see the leverage level of the company behaving in the short to medium term? And what's the level of leverage that the company is targeting for next year? I know that you guys cannot give like a kind of guidance, but I want to understand the trend here for the leverage? And additionally, on this question, there is any other way here to decrease faster the gross debt in the short term? How do you see this liability management given this comfortable level of liquidity in the short term of the company? So, those are the two questions that I have here. Thank you guys.

J – Gabriel, thank you for the question. Yes, I think this is an important topic and one that has come up in previous meetings as well. And I think we can reinforce our commitment to deleveraging. Obviously, the speed at which we can do that will rely on, first of all, our discipline in achieving our operational results, which we are on track for. The expectation that we have on operational results going forward. That's key, and that's something that we can control. Something that we don't control, but that is showing favorable tailwinds is current level of prices, which will obviously help us to achieve better free cash flow and to reduce leverage faster as well.

Going forward, we continue to see that operational results and free cash flow generation should improve, obviously, subject to what prices are going to be. Ideally, we would like to reduce our gross debt by about US\$500 million to US\$600 million in the next 4 years or so, but we have to take this one year at a time, obviously. And we would like to bring down our net leverage to levels closer to 1.0x, so that we have more flexibility because we will continue to see volatility, and we know we are in a cyclical industry, so conditions can change. And this all in parallel to our constant efforts to control costs despite inflation, our aspiration is to keep costs at least at the level of what we had the prior year despite inflation. So that's a continuous effort, and I don't see that changing in the short to medium term. So our goals continue to be the same. Our priorities, as we have mentioned before, are the same. Deleveraging is key. And in line with that, also maintaining our investment grade. Hope I answered your question. Please let me know if I missed something.

Question – No, really clear.

O - Our next question comes via phone from Carlos de Alba from Morgan Stanley.

Question – Can you hear me?

I – Perfectly.

Question – All right. So, two questions. One is on the Aripuanã. Can you maybe provide Ignacio or Leonardo a little bit more color as to what are the next steps to install the fourth filter. You did mention Ignacio that you should expect the second or middle of the year, second half of the year to have this in operation. But what are the critical steps between now and then? And then my second question will be on free cash flow generation. I wanted to confirm, José Carlos, that you expect working capital in the fourth quarter to generate cash; and therefore, bringing the full year working capital to be neutral in terms of cash contribution? And then any views, early views on the CapEx for 2026?

I – Okay. Thank you, Carlos. Thank you for the questions. First of all, around Aripuanã, as I was saying, the project is on track to start commissioning in April next year. The filter has arrived in Brazil is going to be in the operation next week and all the infrastructure that we are building to accommodate the filter and putting the piping system in place and all the earthworks that have to be done are advancing very well. So, we anticipate that at the end of the first quarter April, we will start commissioning. Commissioning should be very fast because, I mean, we have done everything we needed to do in terms of details of construction to make sure that we can commission in a fast way. So that's why we are saying that the full benefit will come through the mid next year, okay? Important to mention that today, we have the 3 filters that we have that have, they have limited capacity in terms of achieving humidity for our stockpiles. We are performing very well on those, and we are achieving close to 80% of capacity of the plant and the filter, the fourth filter itself has a capacity around 75,000 tons to 80,000 tons and the total capacity of the plant is 180,000 tons. So, it gives us a 35%, 40% capacity. So, with the 3 filters that we have today and the fourth filter that is coming, we should be able to produce at full capacity, as we are saying, starting April commissioning and in the second half at full speed. So, we are very confident on that. And we believe that the project is on track and the CapEx that we said that we were going to spend is also the one that we are achieving today. Okay? Regarding working capital, José Carlos, please?

J – Yes. I will address that. You're right. As we have seen in prior years, we have this intra-year seasonality, which we have seen quarter after quarter this year as well. So, our expectation is that in the fourth quarter, we will also have a positive contribution from working capital. And the target continues to be that for the entire year, the impact should be close to zero. And for planning purposes, that is the same assumption that we use, that we see some seasonality within the year. But year-over-year, unless something surprising happens, we should expect working capital to have a neutral effect on the cash flow generation of the company. In terms of CapEx for next year, we're still actually in the budgeting process. So, it will be early to tell you, to give you some guidance. Obviously, we will make that public as soon as we finalize our figures. But I don't see anything drastic changing in 2026 compared to 2025. So, for practical purposes, you can assume that it will be something in the same neighborhood, but we are finalizing the details of that, and we will share as soon as we can.

O - Our next question comes from Tathiane Candini from JPMorgan.

Question – My question is a little bit of a follow-up for my colleagues. And I would just like to understand a little bit your perspective when it comes to 2026. I think we are a little bit more conservative on zinc prices with like some rise in supplies, demand, which is not following up that fast. We know that prices have been pretty resilient. But my question for you guys is the CapEx, and I understand that you still budgeted this, but does the CapEx for next year has flexibility to adjust in case of lower zinc prices? We know that Pasco Complex has some development to happen. We know that Aripuanã also, as you mentioned, is working on the fourth filter. So my question here is just to understand a little bit on how flexibility do you feel that you have for CapEx if needed?

I – Thank you for the question. We have some flexibility on CapEx. Let's say, we have 3 streams on CapEx. One is the projects that we have that are important for us, the fourth filter, the Cerro Pasco Project, and those we have to develop. Because at the end of the day, this is value creation for the company in the long term. The second one is sustaining CapEx, which is the CapEx that you have to incur to make sure that you achieve your production for the year and that you make the money that you are expecting to make. And that is something that is somehow flexible, but it's better to achieve that because otherwise, the operations are going to suffer in 2027 because you have to develop the mine, you have to buy the equipment, and we are very, very rigid or

disciplined on that. And the third is the CapEx that we have in different projects that they follow a capital allocation strategy. That CapEx that accounts more or less 20%, 25% of the total CapEx is the one that is flexible for us for 2026 and in general, okay? But having said that, you're talking about prices. The way we do our budget is that we are very conservative on zinc. Zinc is our main metal. And we believe that doing a conservative price scenario for zinc for next year for us is important. So we challenge our operations and make sure that we have the production we want, we have the cost that we want and we achieve the CapEx that we need to achieve, okay? The good thing is that we also produce other metals: 70,000 tons of lead, 12 million ounces of silver, which is a lot and the upside on silver is very high; and we produce almost 30,000 tons of copper. So, these 3 metals that are by-products for us are showing fundamental values that might be able to be similar to the levels that we have today in 2026. So having said that, managing the variables that we can manage, I believe being conservative on zinc, we might get some exposure in the other metals, and we might get a more robust cash flow, okay?

Question – Clear, guys.

O – Our next question comes from Lawson Winder with Bank of America.

Question – Okay. If I could turn the attention back to Aripuanã and dig in a bit more on the workforce turnover issues that you had. And of course, on recent calls, you've spoken to some of the efforts to address those. But where is that today? And where is the turnover versus recent peaks? And then some of the programs that you've spoken to in the past to address the issue, how are those proceeding?

I – Yes, very important your question because Aripuanã has been a very difficult project to build. We had a very tough 2 years of commissioning. And one of the work streams that are very important, is very important for us is turnover. We started with a turnover of 35%, 40%, and that was very high because this Aripuanã location is very isolated from the rest of Brazil. And it's a small town that we have been developing for the long term. We have been working on putting schools, hospitals and building entertainment for families that is important for us. So you are right, turnover is improving. The average that we have today is between 18% to 20%, which is still high, yes. So, the measures that we take, the most important one is trying to make sure that the families that live there have a long-term view of staying in that town, okay? And this is schools, this is health programs. This is building programs for wives. We are also working on retention programs for key people. We need to bring senior people because of the turnover. The senior people are the ones that really manage the plant, the mine and the main facilities. And because of the turnover, you have to train and train and train again. So, we are putting programs for senior people with retention bonuses that are important, and we are giving them flexibility on the fly in, fly out again. So, there is a coordination effort to make sure that this turnover goes down to normal levels that are between 8% to 10%. Having said that, we experienced that many years in the past in Vazante. So, this is our process. We are aware that this is our process. So we take some backup actions here. One is that instead of having, let's say, in maintenance for the plant, a shift of 20 people, we have more. So, we train them all and with the turnover, we have the full team in the plant whenever it's needed, okay? So, we have also some backup plans that are costing us money. And if you can see the cost of Aripuanã today is high, but it's part of the progress that we need to be in terms of building the team that we want. We have very good people there. We have talented people there. But it's difficult for them because, again, Brazil it's a full employment. So, we compete with other industries and other mining companies, we have to do a big effort to retain this talent. But I think we are doing the right thing. We believe we have the right strategy. So that's why turnover is going down, but still there is a long way to go.

Question – Okay. Fantastic. I also wanted to just say thank you for providing a specific Q4 guidance. And then on Cerro Lindo, you didn't mention silver, but the guidance and 9 months results imply flat silver production in Q4 versus Q3. Is that accurate?

R – Lawson, this is Rodrigo. Thanks for the question. You're right. We expect Cerro Lindo, actually, we expect Cerro Lindo to perform slightly better in 4Q versus 3Q in terms of zinc production and lead production. Silver may be flat quarter-over-quarter. This is basically driven by the current mine plan. But as we move forward with the 4Q reaching the end of the year, we're going to revise the very short-term mine plan to see if we can eventually access higher silver grades. But so far, we are planning to have like a flat quarter-over-quarter in terms of silver.

Question – Okay. And then just finally, Ignacio, a question for you, just given where you come from. There's a national election just around the corner in Peru. What is your view right now on the mood in the country? And is there any risk of a potential material change in direction post elections, but then particularly as it pertains to mining?

I – Yes. It's a very important question. And you know that we have a new President that is in place 2 weeks ago. And if you are not local or you're not close to Peru, you believe that this is a very difficult situation in terms of political environment, which is but in any case, what I want to convey, and this will happen also for the next elections is that the country or the mining sector runs according to your relationship with communities and relationship with authorities regarding permits and projects and doing that. So, in the last 10, 15 years, the case has been that if you keep a strong relationship with communities, you make a win-win strategy and you develop your projects, it shouldn't be a problem in the political environment. So, the political environment, in a sense, is isolated from the day-to-day of mining companies and in other industries as well. Having said that, it's difficult to predict what will happen in the new election because today, we have many candidates, and this has been the case for the last also 15, 20 years. So, towards the finishing to start the first round, which is, I think, is in April next year, we will know 3 to 5 days before who are going to be the ones that are going to go to the second round. Today, we don't know. So, this is a career that is a marathon from here to April. Yes. But the comment is that I think most presidents have realized always that the income that they get from the mining sector is so important that they cannot. I mean, affect the mining companies and the mining sector. This has been the case for Las Bambas. This has been the case for Cerro Verde and for most mining companies because 12%, 15% of the GDP of Peru is mining. So, I think everybody realizes that it's good to keep the mining sector going on. And I think this relates to new projects, this relates to permits that you will get. This relates to relationship with authorities that you have. But then you have to build always a relationship with community. So, this is more or less the context, Lawson. I believe there is a lot that we can say in the next months, and we have to wait. We have to wait.

O – Now I'll turn the call over to Mr. Rodrigo Cammarosano for reading questions. Please go ahead, sir.

R – Thank you, operator. We have one initial question from an investor. So, the question is, with an increased silver price, is Nexa pursuing any opportunities to increase silver production? I will hand this discussion to José Carlos.

J – Thank you, Rodrigo. The short answer is no, and I wish that we have that flexibility. But as you probably know, for us, silver is a by-product. So, it comes together with the other metals that we produce and that they already have a defined mining plan. It's very difficult to prioritize even though it will be great given current prices. However, the good news, and you probably

remember this, we have a silver streaming agreement that dates back from 2016 or 2017, and this is related to the silver production of Cerro Lindo. So, 65% of the Cerro Lindo silver production goes to the silver streamer, but this streaming contract stipulates that once a certain threshold of 90 million ounces is reached, this steps down to 25%. And this is happening towards the end of the second quarter. We expect that this will happen towards the end of second quarter of next year. So that's about, Cerro Lindo produces close to 4 million ounces, close to 4 million ounces of silver. So this is about 1.6 million ounces. This could be \$70 million to \$75 million of additional cash flow at current prices. So, this is significant. This is the good news, even though our silver production is not that flexible. This is good news for Nexa in 2026.

O – This concludes our question-and-answer section. 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. Thank you very much all for attending one more time. I would like to reiterate our commitment to deliver a strong production on the fourth quarter of this year. I believe that at these price levels, we should be able to generate additional cash flow. This has been a very difficult year for us. And as we were saying, we have a very weak first half of the year based on the Aripuanã performance, based on the geotechnical problems we had on Vazante. And also based on the poor market of smelters regarding the TCs, very low TCs and sometimes negative TCs that affected the cash flows of the smelters. So, with those challenges, the third quarter for us was strong. We believe that we are in a good trend to build the fourth quarter also similar to the third one. And next year, we are very committed to make sure that Aripuanã achieves full production that we finish the piping system in Pasco and that we are exposed to better commercial terms to our smelters, especially in Brazil. So, thank you very much to all. We look forward to speaking with you about our year closing numbers. Thank you.

Participants of the Q&A:

Gabriel Coelho Barra - *Citi*

Carlos de Alba - *Morgan Stanley*

Tathiane Martins Candini - *JPMorgan*

Lawson Winder - *BofA Securities*

(Call Duration: 50 Minutes)