

# Nexa Resources Reports Solid Operational Performance and Financial Results in 2Q24

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- Adjusted EBITDA reached US\$ 200 million, up by 64% quarter-over-quarter and 180% year-over-year, mainly due to higher sales volume, higher zinc prices, improved margins at Aripuanã and higher by-products contribution.
- Net revenues increased to US\$ 736 million from US\$ 627 million in 2Q23 and US\$ 580 million in 1Q24, driven by higher LME metal prices in both cases, increased mining sales volume year-over-year, and increased smelting sales volume quarter-over-quarter.

LUXEMBOURG, August 1, 2024 - Nexa Resources, one of the world's leading zinc producers, achieved solid financial performance in 2Q24. Adjusted EBITDA reached US\$ 200 million, an increase of 64% from the previous quarter and 180% from the same period last year. This growth was primarily driven by increased by-products contribution, improved margins at Aripuanã, and higher zinc prices. In 1H24, Adjusted EBITDA amounted to US\$323 million, up by 58% compared to the same period a year ago.

Additionally, net revenues for the quarter increased to US\$ 736 million, up from US\$ 580 million in 1Q24 and US\$ 627 million in 2Q23. This increase was driven by higher LME metal prices in both cases, increased mining sales volume year-over-year, and increased smelting sales volume quarter-over-quarter. Over the first six months of 2024, net revenues reached US\$ 1,316 million, rising by 2% compared to the first half of the previous year.

Moreover, Nexa reported free cash flow of US\$ 149 million in 2Q24, primarily due to the issuance of an ESG-Linked debenture. The issuance amounted to R\$ 650 million (approximately US\$ 130 million) and was part of Nexa's strategy to extend its debt maturity profile and optimize its financial structure.

In 2Q24, the net loss was US\$ 69 million compared to US\$ 103 million in 2Q23 and US\$ 11 million in 1Q24. The quarter-over-quarter increase was mainly due to accounting adjustments associated with impairment losses, changes in the fair value of offtake agreements, adjustments to asset retirement obligations, and increased exploration and project evaluation expenses.

"We are pleased to report a favorable second quarter of 2024, highlighting our continued operational efficiency, increased production, improved margins at our Aripuanã mine, and disciplined capital allocation supported by higher zinc prices. Our ability to adapt to market dynamics has led to enhanced execution across our operations," said Ignacio Rosado, CEO of Nexa Resources.

During 2Q24, Nexa's investments in sustaining CAPEX totaled US\$ 64 million. This includes US\$ 10 million allocated to Aripuanã and Health, Safety, and Environment initiatives. These investments reflect Nexa's ongoing commitment to enhancing productivity, efficiency, and performance across operations and corporate areas, while also prioritizing the safety of its employees.

## Operational Performance

In 2Q24, Nexa's zinc production totaled 83,000 tons, representing a 2% year-over-year increase, mainly due to higher average zinc grades, despite a 5% quarter-over-quarter decrease. The quarterly decrease was primarily attributed to lower volumes from the Peruvian mines and the absence of contributions from Morro Agudo in May and June, following the cessation of mining operations on April 30, 2024, due to the divestment of this mine. This divestment was part of Nexa's portfolio optimization strategy to improve cash flow generation and returns. As of today, the Company reiterates its 2024 consolidated production guidance

for all metals.

Furthermore, copper production reached 10,000 tons, up by 13% from 2Q23 and 30% from 1Q24, driven by higher average grades, particularly from Cerro Lindo. Lead production totaled 17,000 tons, up 5% year-over-year and down 8% quarter-over-quarter, mainly attributed to the absence of contributions from Morro Agudo in May and June 2024. Silver production was 2.8 million ounces, up 8% year-over-year and relatively flat compared to the previous quarter.

In the smelting segment, zinc metal and oxide production totaled 152,000 tons in 2Q24, up by 3% year-over-year and 10% quarter-over-quarter. This increase was mainly driven by higher volumes at the Cajamarquilla and Juiz de Fora smelters, attributed to improved performance in the roasters, which enhanced production stability in the period.

"We remain confident in the long-term fundamentals of our industry, and we are prepared to capitalize on new opportunities in our operations, always striving to create shared value for all our stakeholders and the communities in which we operate," added Mr. Rosado.

#### Growth strategy and asset portfolio

In 2Q24, Nexa made significant progress on the main work fronts of the Cerro Pasco Integration Project. Support activities, including technical reviews and environmental studies and permits, are also advancing as expected. This project has the potential to unlock significant value for the Company and is anticipated to be submitted for final approval to our Board in the upcoming months.

Additionally, in line with Nexa's review of its assets, portfolio optimization, and efficient capital allocation, the Company initiated a structured process to sell its non-operational Peruvian subsidiary, Minera Pampa de Cobre S.A.C (owner of the Chapi mine asset) and the greenfield project Pukaqaqa.

"We will maintain focus on our priorities, including the improvement of Aripuanã's performance, the development of the Cerro Pasco Integration Project, delivering on guidance, extending the life of our mines, and consistently improving our cash generation," said Mr. Rosado.

#### ESG Update

In early May, Nexa implemented key initiatives to boost safety practices, reinforce leadership oversight, and reduce risk exposure as part of a structured 30-day, 90-day, and 180-day safety plan. This plan aims to further improve the solid safety system already in place. "At Nexa, the safety of our people and operations remains our topmost priority. We are committed to ensuring safe operations in our facilities and continue to invest in strengthening the organization-wide safety framework," stated Mr. Rosado.

In terms of Nexa's ESG strategy, the 2Q24 was also marked by several key initiatives:

- As part of Nexa's circular economy initiatives, the Company completed its first commercial sale transaction involving 26.4 tons of waste material (manganese dioxide - MnO<sub>2</sub>) from the Três Marias smelter. This project aims to sell significant amounts of waste from its smelters by developing partnerships and evaluating viable technologies and trade routes for these materials.
- Nexa signed a three-year collaboration agreement with the National University Daniel Alcides Carrión ("UNDAC") in Pasco, Peru. The partnership aims to foster the exchange of scientific and technological knowledge in the mining sector, enhance professional training, develop innovative technological solutions, and establish a startup incubator for social impact.
- Nexa provided school supplies to nearly 13,000 students from communities near its operations and greenfield projects in Peru. This initiative, part of the annual School Supplies Campaign, in line with the UN's Sustainable Development Goals ("SDGs") by aiming to alleviate the economic burden on families by supporting children's education.

- Nexa renewed its partnership with Amazon Web Services for the second edition of the "Talento na Nuvem" (Talent in the Cloud) program in Brazil, offering 40,000 scholarships. The program focuses on generative AI and cloud solution architecture, aiming to equip professionals from various fields with valuable technological skills. This initiative is part of the partnership announced in 2Q23, intended to train 100,000 individuals in technology in Brazil and Peru by 2025.
- Nexa, in collaboration with the Brazilian Agricultural Research Corporation ("Embrapa") and the Brazilian Micro and Small Business Support Service ("Sebrae") partnered to expand the Rural Practices Project in Vazante, Brazil. This initiative aims to enhance the income of 40 selected farmers by introducing new agricultural techniques and market strategies.
- Nexa Peru was recognized for the third consecutive year as one of the 16 leading companies in sustainable practices by the S&P/BVL Peru General ESG Index for the 2024-2025 period. This recognition reflects Nexa's ongoing commitment to integrating ESG strategies into its operations and advancing responsible mining practices.
- In June 2024, at the Annual General Meeting, Mr. Paulo Macedo was elected as a director of the Company for a term starting on June 13, 2024, and ending at the 2026 Annual General Meeting of the shareholders. Mr. Macedo brings extensive experience in private equity, M&A, investment banking, and capital markets. He is the co-founder and partner of 4x4 Capital, a New York-based private equity firm, and serves as board observer of 1440 Foods and as board member of Hejoassu, the ownership board of Votorantim. Simultaneously, Mr. Diego Hernandez and Mr. Eduardo Borges de Andrade Filho, members of our Board of Directors who served as chairs of the Sustainability and Capital Projects Committee and Compensation, Nominating and Governance Committee, respectively, ended their respective mandates.

#### Divestment of Morro Agudo Complex, in Paracatu (MG, Brazil)

On April 5, 2024, Nexa announced the signing of a definitive agreement to divest the Morro Agudo Complex, which encompasses the Morro Agudo and Ambrósia mines. Furthermore, on July 1, 2024, the company announced the closing of this transaction, and pursuant to the terms of the definitive agreement, Nexa has sold, transferred and assigned all rights, titles, and interests in the Morro Agudo Complex to Casa Verde. The transaction was completed following the fulfillment of all closing conditions.

Throughout this transition, Nexa prioritized its employees by ensuring transparent communication and structured support to facilitate their personal and professional transitions. Many employees were successfully relocated within Nexa's operations or found new opportunities in the region through job fairs organized by the Company. This structured and empathetic approach underscores Nexa's commitment to its people and its strategy of responsible business practices.

#### About Nexa

Nexa Resources is one of the world's leading zinc mining companies. Operating for over 65 years in the mining and metallurgy segments, with locations in Brazil and Peru and offices in Luxembourg and the United States, supplying its products to every continent. Every day, its employees work with a commitment to building the mining that changes with the world, aiming for sustainability, innovation, and upholding the best safety practices, respect for people, and the environment. Since 2017, its shares have been traded on the New York Stock Exchange, with its majority shareholder being Votorantim S.A. For more information about Nexa and its ESG strategy and commitments, please visit our website.

For a full version of the 2Q24 Earnings Release document, please go to our Investor Relations website at: <http://ir.nexaresources.com>

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