

Nexa Resources Announces Solid 3Q24 Results with Net Income of US\$6 Million and Adjusted EBITDA of US\$183 million

01.11.2024 | [ACCESS Newswire](#)

- Adjusted EBITDA reached more than double the US\$87 million reported in 3Q23, primarily due to higher zinc prices, strong by-products contribution, improved results from Aripuanã, and lower mineral exploration and project evaluation expenses in the period.
- Net revenues totaled US\$709 million in 3Q24, up 9% year-over-year, driven by higher zinc and copper prices.
- Free cash flow was US\$51 million, supported by robust operating cash flow and lower CAPEX investments, partially offset by a negative working capital variation.

LUXEMBOURG, October 31, 2024 - Nexa Resources, one of the world's leading zinc producers, delivered a solid performance in 3Q24. Net income for the quarter was US\$6 million, compared to a net loss of US\$64 million in 3Q23 and US\$70 million in 2Q24. This improvement was primarily driven by favorable exchange rate effects, impairment reversals, and improved operating performance.

Adjusted EBITDA reached US\$183 million, more than double the US\$87 million reported in 3Q23, driven by higher by-products contribution, zinc prices, improved results from Aripuanã, and lower exploration and project evaluation expenses. Compared to 2Q24, Adjusted EBITDA decreased by 11%, mainly attributed to higher costs and lower by-products contribution, partially offset by increased smelting sales volume. For the 9M24, Adjusted EBITDA totaled US\$517 million, up by 75% from the same period a year ago.

Net revenues totaled US\$709 million in 3Q24, and increased by 9% compared to US\$649 million reported in 3Q23, primarily driven by higher zinc and copper prices. Compared to 2Q24, net revenues decreased by 4%, mainly due to lower LME base metal prices and lower by-products contribution, partially offset by increased smelting sales volume. For the first nine months of 2024, net revenues reached US\$2,026 million, up 4% from the same period a year ago.

Free cash flow in 3Q24 was US\$51 million, mainly driven by robust operating cash flow and lower CAPEX investments. This was partially offset by a negative working capital variation of US\$43 million, primarily due to higher inventory levels, reduced liabilities, and a decrease in trade payables.

Ignacio Rosado, CEO of Nexa Resources, commented on the quarter's results: "We are pleased to report yet another favorable quarter, underscoring our unwavering commitment to operational excellence and financial discipline. As anticipated, zinc prices have remained resilient, buoyed by solid fundamentals. We also expect the recent Federal Reserve interest rate cut and China's announced economic stimulus to positively impact demand in the coming months. Copper prices also performed well, driven by low treatment charges due to tight supply and a positive demand outlook fueled by the energy transition."

During 3Q24, Nexa's investments in sustaining CAPEX totaled US\$53 million, primarily allocated to mine development, maintenance, and equipment acquisition. This included investments in infrastructure improvements as well as health, safety, and environmental (HS&E) initiatives, reflecting Nexa's ongoing commitment to enhancing operational efficiency, extending the life of our mines, and prioritizing the safety of our employees. Total CAPEX for the first nine months of 2024 amounted to US\$191 million.

Operational Performance

In 3Q24, Nexa's zinc production totaled 83,000 tons, down by 5% year-over-year due to lower average zinc grades at Vazante and El Porvenir, as well as the absence of contributions from Morro Agudo following its divestment. Despite this reduction, Nexa reaffirms its 2024 guidance for total zinc production, with increased volumes expected at Cerro Lindo, Vazante, and Atacocha to offset the contributions from Morro Agudo. Compared to 2Q24, zinc production remained stable, supported by higher volumes at Vazante, El Porvenir, and Atacocha.

Copper production totaled 9,000 tons, flat year-over-year, but decreased by 4% quarter-over-quarter, primarily due to lower contributions from Cerro Lindo. Lead production reached 17,000 tons, up 3% year-over-year and 2% quarter-over-quarter, driven by higher contributions from Aripuanã, Atacocha, and Cerro Lindo, while silver production was 2.9 million ounces, up by 8% from 3Q23 and remained flat compared to 2Q24.

In the smelting segment, zinc metal and oxide production totaled 153,000 tons, increased by 2% year-over-year and 0.4% quarter-over-quarter, driven by higher volumes at Cajamarquilla and improved performance at Três Marias, which enhanced production stability in the period.

"Our operations delivered consistent production levels and a modest increase in smelting sales quarter-over-quarter, supported by higher demand in our home market in 3Q24. Benefiting from an improved pricing environment, which positively impacted by-products, alongside our disciplined cost management and ongoing optimization initiatives, we successfully reduced our cash cost guidance in the mining segment, further strengthening our competitive position," said Mr. Rosado.

In its October 24, 2024, press release, Nexa reaffirmed its 2024 total mining production guidance for all metals, with upward revisions in zinc and lead production at specific mines to offset reductions from Aripuanã and the absence of contribution from Morro Agudo. Nexa also revised its mining cash cost and capital expenditures guidance downward, supported by higher LME prices, increased by-products contributions, and foreign exchange effects. The 2024 guidance for metal sales in the smelting segment remains unchanged.

Growth strategy and asset portfolio

In line with its portfolio optimization strategy, Nexa announced in September 2024 the sale of its greenfield Pukaqaqa project and its non-operational Peruvian subsidiary, Minera Pampa de Cobre S.A.C., owner of the Chapi mine. These divestments align with Nexa's focus on efficient capital allocation toward high-return assets and sustainable free cash flow generation. Additionally, Nexa remains committed to prioritizing capital for sustaining projects, brownfield mineral exploration, and ESG, as well as Health, Safety, and Environment (HS&E) initiatives.

"Safety remains a core priority, and we are pleased with the substantial progress made across all fronts, which was enhanced by the safety plan introduced in early 2Q24. In line with our strategy to optimize our portfolio, we executed strategic transactions, including the sale of the Chapi mine and Pukaqaqa project, allowing us to focus on our key assets and the most promising opportunities," added Mr. Rosado.

ESG

In 3Q24, Nexa advanced initiatives that underscore its commitment to environmental responsibility and social impact. In line with its ESG strategy, the period was marked by several significant achievements and strategic actions:

- Nexa expanded its "Cloud Talent for Women" program in 3Q24, benefiting an additional 75 women in Mato Grosso state and communities near Aripuanã and Três Marias. In partnership with AWS, this initiative provides digital training for women pursuing technology careers, supporting Nexa's income generation programs.
- In August, Nexa received the Gold Seal from the Brazilian GHG Protocol Program, a recognition of transparency in emissions reporting. Nexa is committed to reducing Scope 1 emissions by 20% by 2030, reinforcing its dedication to climate action.
- In September, more than 3,500 employees across Peru and Brazil participated in Nexa's Internal Workplace Accident Prevention Week, where a culture of safety was promoted through targeted training and workshops.
- Nexa partnered with WEG, a Brazilian multinational in electrical equipment, as part of its circular economy strategy to develop anticorrosive paints from jarosite, a by-product of zinc smelting. Pending further testing, this project could reduce waste levels at Juiz de Fora and represents a potential investment of US\$0.5 million.
- In August, Nexa launched the Cajamarquilla Children's Choir 2024, providing music education to 40 children from communities surrounding the Cajamarquilla smelter. This initiative promotes cultural growth through classes led by experienced instructors.
- Nexa was recognized as one of the five most innovative companies in mining, metallurgy, and steel at the Valor Inovação Brasil 2024 Awards, advancing 42 positions in the overall ranking.
- Nexa conducted a pilot test in September at Atacocha on modified tailings as a partial substitute for cement, with the potential to replace 30% of traditional cement and reduce the need for tailings disposal.
- At the Brazil Mining Best Practices Awards, Nexa won first place in energy efficiency for its use of bio-oil in zinc oxide production at Três Marias and placed third in innovation, highlighting its commitment to sustainable technology.
- S&P and Fitch reaffirmed Nexa's 'BBB-' investment grade rating with a stable outlook in August and September, respectively, reflecting confidence in its financial stability.
- On October 1, 2024, Nexa announced changes to its Board of Directors and senior leadership team. Mr. João Schmidt, a member of the Board of Directors since 2016, stepped down, and Mr. Flavio Aidar joined as a new member, bringing extensive experience in the industrial, infrastructure, and mining sectors.
- Also in October 2024, Mr. Marcio Godoy, Senior Vice President of Technical Services and Projects, resigned, with his responsibilities distributed across other management functions to ensure continuity and maintain operational efficiency.

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 3Q24 Earnings Release document, please go to our Investor Relations website at: <http://ir.nexaresources.com>

For further information, please contact our teams:

NEXA | Investor Relations NEXA
E-mail: ir@nexaresources.com

Communications & Corporate Affairs
E-mail: bruno.carrilho@nexaresources.com

SOURCE: [Nexa Resources S.A.](#)

[View the original press release on accesswire.com](#)

Dieser Artikel stammt von [Rohstoff-Welt.de](#)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/483967--Nexa-Resources-Announces-Solid-3Q24-Results-with-Net-Income-of-US6-Million-and-Adjusted-EBITDA-of-US183>

Für den Inhalt des Beitrages ist allein der Autor verantwortlich bzw. die aufgeführte Quelle. Bild- oder Filmrechte liegen beim Autor/Quelle bzw. bei der vom ihm benannten Quelle. Bei Übersetzungen können Fehler nicht ausgeschlossen werden. Der vertretene Standpunkt eines Autors spiegelt generell nicht die Meinung des Webseiten-Betreibers wieder. Mittels der Veröffentlichung will dieser lediglich ein pluralistisches Meinungsbild darstellen. Direkte oder indirekte Aussagen in einem Beitrag stellen keinerlei Aufforderung zum Kauf-/Verkauf von Wertpapieren dar. Wir wehren uns gegen jede Form von Hass, Diskriminierung und Verletzung der Menschenwürde. Beachten Sie bitte auch unsere [AGB/Disclaimer!](#)

Die Reproduktion, Modifikation oder Verwendung der Inhalte ganz oder teilweise ohne schriftliche Genehmigung ist untersagt!
Alle Angaben ohne Gewähr! Copyright © by Rohstoff-Welt.de -1999-2026. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).