Wheaton Precious Metals

Maiden US$1bn annual net earnings beckon

Q325 results and updated FY25 forecasts

Metals and mining

7 November 2025

Wheaton Precious Metals' (WPM's) Q3 adjusted EPS was 6.6% above Edison's expectations and 1.6% above the market consensus (source: LSEG Data & Analytics, 6 November), with operational results from Sudbury, Blackwater, Marmato, Antamina, Stillwater (for palladium) and Voisey's Bay ahead of our forecasts. Production also beat our forecasts for Constancia and Penasquito although sales lagged. For the third quarter in succession, net earnings achieved a record level. The main reason for the outperformance was a positive variance in Salobo's sales. Whereas we had expected sales to undershoot production by 25.0% (or 18,624oz), in the event they only undershot by 16.8% (11,229oz). As a result, gold inventories rose by 3,852oz less than expected to only 3.31 months of production (cf 3.45 months forecast). Aggregate costs were also well controlled (US $4.1m better than our forecasts). Together with a lower tax charge, these drove a US$17.5m (6.6%) positive variance in underlying net earnings and contributed to the upgrading of our FY25 adjusted net EPS forecast by 4.0c/ share (1.5%). Note that, at current metals prices, our FY26 EPS estimate more than doubles from that shown below to US$3.70/share.

Year end	Revenue ($m)	PBT ($m)	EPS ($)	DPS ($)	P/E (x)	Yield (%)
12/23	1,016.0	533.4	1.18	0.60	81.9	0.6
12/24	1,284.6	752.5	1.41	0.62	68.3	0.6
12/25e	2,131.3	1,467.1	2.75	0.66	35.0	0.7
12/26e	1,650.5	817.1	1.55	0.70	62.0	0.7

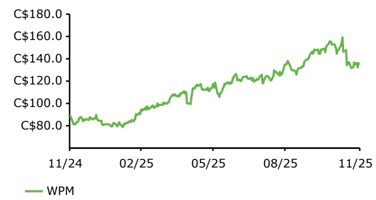
Note: PBT and EPS are normalised, excluding amortisation of acquired intangibles and exceptional items.

Valuation: Continuing to trend upwards

Using a capital asset pricing model-type method, whereby we discount cash flows at a nominal 9% per year, we calculate a terminal valuation for WPM of US$77.99/ share (or C$110.08/share) in FY30, assuming zero long-term growth in real cash flows thereafter (which we think unlikely). If we instead assume 7.7% per year long-term growth in cash flows (ie the average CAGR in the price of gold from 1967 to 2024), our terminal value rises to US$308.95/share (C$436.08/share) and our current valuation to US$192.87/share (C$272.24/share). As such, at an implied growth rate of 6.3% per year, WPM's share price currently appears to be discounting future compound annual average increases in cash flows per share from FY30 well below historical levels (+14.3% CAGR since FY05), especially given that production is expected to deliver 8.6% pa organic growth between now and FY30 alone. An alternative interpretation is that the market is assuming that current precious metals prices will prevail into FY30 with compound annual average increases in WPM's cash flows per share thereafter of just 3.9% pa (ie below the long-term rate of historical US inflation). Otherwise, assuming no purchases of additional streams, we calculate a value per share of US$60.77 (or C$85.78, or £46.26) in FY27, based on a historical multiple of 31.2x contemporary earnings (albeit at a gold price of only US$2,239/oz and a silver price of only US$25.30/oz). At current prices, this value rises by 132.8% to US$141.45/share (C$199.66/share, or £107.66). WPM maintains a premium rating within the sector. However, this reverses into quite a material discount if metals prices remain at current levels into FY26–27. Note that WPM simultaneously announced the acquisition of a new stream at Spring Valley in Nevada; this will be the subject of a separate note.

Price	**C$135.99**
Market cap	**C$61,904m**
	C$1.4115/US$, US$1.3138/£
Cash at end Q325 (excluding US $8.0m in lease liabilities)	$1,157.7m
Shares in issue	454.0m
Code	WPM
Primary exchange	TSX
Secondary exchange	LSE

Share price performance



%	1m	3m	12m
Abs	(11.0)	1.2	51.5
52-week high/low		C$160.4	C$79.4

Business description

Wheaton Precious Metals (WPM) is the world's pre-eminent precious metals streaming company, with over 40 high-quality precious metals streams and early deposit agreements over mines in Mexico, Canada, Brazil, Chile, the US, Argentina, Peru, Sweden, Greece, Portugal and Colombia among others.

Next events

Ex-dividend date	20 November 2025
Fourth quarterly dividend paid	c 4 December 2025
Q4/FY25 production results	February 2026
Q425/FY25 financial results	March 2026

Analyst

Lord Ashbourne +44 (0)20 3077 5700

mining@edisongroup.com

Edison profile page

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Updated FY25 forecasts

In the light of its Q325 results, we have revised our forecasts for Wheaton for the remainder of the year to those shown below.

Exhibit 1: WPM Q1–Q425 underlying financial forecasts*, by quarter

US$000s (unless otherwise stated)	Q125	Q225	Q325e (prior)	Q325	Q425e (prior)	Q425	FY25e (current)	FY25e (prior)
Silver production (koz)	4,733	5,407	5,359	5,999	5,644	5,649	**21,788**	**21,143**
Gold production (oz)	92,681	91,968	97,321	100,090	101,354	101,336	**386,075**	**383,324**
Palladium production (oz)	2,661	2,435	2,338	2,650	2,338	2,338	**10,084**	**9,772**
Cobalt production (klb)	540	647	476	604	483	514	**2,305**	**2,145**
Silver sales (koz)	4,483	4,868	4,840	4,760	5,436	5,440	**19,551**	**19,626**
Gold sales (oz)	111,297	98,973	76,559	78,944	100,774	100,756	**389,970**	**387,603**
Palladium sales (oz)	2,457	2,575	2,104	2,594	2,104	2,104	**9,730**	**9,239**
Cobalt sales (klb)	265	353	476	529	483	514	**1,661**	**1,576**
Avg realised Ag price (US$/oz)	33.55	34.81	39.52	40.50	49.48	48.52	**39.05**	**39.28**
Avg realised Au price (US$/oz)	2,853	3,350	3,458	3,470	4,020	4,007	**3,402**	**3,400**
Avg realised Pd price (US$/oz)	965	996	1,172	1,173	1,458	1,393	**1,121**	**1,133**
Avg realised Co price (US$/lb)	12.88	18.60	15.01	18.19	21.02	21.03	**18.30**	**17.29**
Avg Ag cash cost (US$/oz)	5.17	5.33	5.56	6.35	6.24	6.69	**5.92**	**5.60**
Avg Au cash cost (US$/oz)	445	470	487	515	482	505	**481**	**469**
Avg Pd cash cost (US$/oz)	172	175	211	205	262	251	**199**	**202**
Avg Co cash cost (US$/lb)**	2.46	3.57	2.70	3.44	3.78	3.78	**3.42**	**3.19**
Sales	470,411	503,218	465,609	476,257	687,235	681,399	**2,131,286**	**2,126,474**
Cost of sales								
Cost of sales, excluding depletion	74,635	75,169	65,911	74,303	84,913	89,752	**313,858**	**300,627**
Depletion	76,693	75,002	69,668	65,966	85,690	78,620	**296,281**	**307,053**
Total cost of sales	151,328	150,171	135,578	140,269	170,603	168,372	**610,139**	**607,680**
Earnings from operations	319,083	353,047	330,031	335,988	516,632	513,028	**1,521,147**	**1,518,794**
Expenses and other income								
– General and administrative***	28,399	23,352	26,319	20,482	12,573	12,295	**84,528**	**90,642**
– Foreign exchange (gain)/loss	0	0	0	0	0	0	**0**	**0**
– Net interest paid/(received)	1,441	1,427	1,387	1,441	1,387	1,387	**5,696**	**5,643**
– Other (income)/expense	(6,712)	(7,415)	(7,828)	(10,880)	(7,266)	(11,199)	**(36,206)**	**(29,221)**
Total expenses and other income	23,128	17,364	19,877	11,043	6,694	2,483	**54,018**	**67,063**
Earnings before income taxes	295,955	335,683	310,154	324,945	509,938	510,544	**1,467,129**	**1,451,731**
Income tax expense/(recovery)	45,130	49,679	46,585	43,891	79,814	79,577	**218,277**	**221,208**
Marginal tax rate (%)	15.2	14.8	15.0	13.5	15.7	15.6	**14.9**	**15.2**
Net earnings	250,825	286,004	263,569	281,054	430,124	430,967	**1,248,851**	**1,230,523**
Average no. shares in issue (000s)	453,692	453,889	453,954	453,967	453,954	453,967	**453,879**	**453,872**
Basic EPS (US$)	0.553	0.630	0.581	0.619	0.948	0.949	**2.752**	**2.711**
Diluted EPS (US$)	0.552	0.629	0.580	0.618	0.946	0.948	**2.747**	**2.707**
DPS (US$)	0.165	0.165	0.165	0.165	0.220	0.165	**0.660**	**0.715**

Source: Company data, Edison Investment Research
Note: *Excluding impairment, impairment reversals and exceptional items (unless otherwise indicated). **Cobalt inventory is held on WPM's balance sheet at the lower of cost and net realisable value; cash costs per pound of cobalt sold are, therefore, affected by changes in the valuation of inventory quarterly. ***Forecasts include stock-based compensation costs. Totals may not add up owing to rounding.

Exhibit 2: Financial summary

$000s	2020	2021	2022	2023	2024	2025e	2026e	2027e
Year end 31 December	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS
PROFIT & LOSS								
Revenue	1,096,224	1,201,665	1,065,053	1,016,045	1,284,639	2,131,286	1,650,465	1,920,660
Cost of Sales	(266,763)	(287,947)	(267,621)	(228,171)	(235,108)	(313,858)	(358,279)	(397,338)
Gross Profit	829,461	913,718	797,432	787,874	1,049,531	1,817,428	1,292,186	1,523,322
EBITDA	763,763	852,733	735,245	719,704	976,637	1,732,900	1,207,658	1,438,794
Operating profit (before amort. and excepts.)	519,874	597,940	503,293	505,270	729,693	1,436,619	815,294	1,016,721
Intangible Amortisation	0	0	0	0	0	0	0	0
Exceptionals	4,469	162,806	164,214	4,593	(111,030)	94,711	0	0
Other	387	190	7,680	33,658	28,373	36,206	0	0
Operating Profit	524,730	760,936	675,187	543,521	647,036	1,567,536	815,294	1,016,721
Net Interest	(16,715)	(5,817)	(5,586)	(5,510)	(5,549)	(5,696)	1,839	2,032
Profit Before Tax (norm)	503,546	592,313	505,387	533,418	752,517	1,467,129	817,133	1,018,753
Profit Before Tax (FRS 3)	508,015	755,119	669,601	538,011	641,487	1,561,840	817,133	1,018,753
Tax	(211)	(234)	(475)	(367)	(112,347)	(218,277)	(111,260)	(135,150)
Profit After Tax (norm)	503,335	592,079	504,912	533,051	640,170	1,248,851	705,873	883,603
Profit After Tax (FRS 3)	507,804	754,885	669,126	537,644	529,140	1,343,562	705,873	883,603
Average Number of Shares Outstanding (m)	449	450	452	453	453	454	454	454
EPS - normalised (c)	112	132	112	118	141	275	155	195
EPS - normalised and fully diluted (c)	112	131	112	118	141	275	155	194
EPS - (IFRS) (c)	113	168	148	119	117	296	155	195
Dividend per share (c)	42	57	60	60	62	66	70	79
Gross Margin (%)	75.7	76.0	74.9	77.5	81.7	85.3	78.3	79.3
EBITDA Margin (%)	69.7	71.0	69.0	70.8	76.0	81.3	73.2	74.9
Operating Margin (before GW and except.) (%)	47.4	49.8	47.3	49.7	56.8	67.4	49.4	52.9
BALANCE SHEET								
Fixed Assets	5,755,441	6,046,427	6,039,813	6,463,774	6,596,377	7,538,750	7,760,728	7,796,745
Intangible Assets	5,521,632	5,940,538	5,753,111	6,169,534	6,426,674	7,359,631	7,581,609	7,617,626
Tangible Assets	33,931	44,412	30,607	47,562	70,728	71,450	71,450	71,450
Investments	199,878	61,477	256,095	246,678	98,975	107,669	107,669	107,669
Current Assets	201,831	249,724	720,093	567,411	828,080	1,061,657	1,160,730	1,579,893
Stocks	3,265	12,102	13,817	10,806	3,697	23,681	18,338	21,341
Debtors	5,883	11,577	10,187	10,078	6,217	11,678	9,044	10,524
Cash	192,683	226,045	696,089	546,527	818,166	1,026,298	1,133,348	1,548,028
Other	0	0	0	0	0	0	0	0
Current Liabilities	(31,169)	(29,691)	(30,717)	(26,075)	(29,504)	(30,999)	(33,129)	(35,001)
Creditors	(30,396)	(28,878)	(29,899)	(25,471)	(29,242)	(30,737)	(32,867)	(34,739)
Short-term borrowings	(773)	(813)	(818)	(604)	(262)	(262)	(262)	(262)
Long-term liabilities	(211,532)	(16,343)	(11,514)	(19,594)	(135,574)	(353,401)	(344,220)	(273,681)
Long-term borrowings	(197,864)	(2,060)	(1,152)	(5,625)	(4,909)	(4,458)	(4,458)	(4,458)
Other long-term liabilities	(13,668)	(14,283)	(10,362)	(13,969)	(130,665)	(348,942)	(339,762)	(269,223)
Net Assets	5,714,571	6,250,117	6,717,675	6,985,516	7,259,379	8,216,007	8,544,109	9,067,956
CASH FLOW								
Operating Cash Flow	779,156	845,832	737,821	725,548	997,762	1,746,176	1,217,764	1,436,184
Net Interest	(13,763)	(187)	6,227	33,770	23,491	(5,696)	1,839	2,032
Tax	49	(279)	(171)	(6,192)	8,516	0	(120,441)	(205,689)
Capex	149,648	(404,437)	(44,750)	(648,963)	(490,491)	(1,239,674)	(614,341)	(458,090)
Acquisitions/disposals	0	0	0	0	0	0	0	0
Financing	22,396	7,992	10,171	12,934	12,942	7,336	0	0
Dividends	(167,212)	(218,052)	(237,097)	(265,109)	(279,050)	(299,560)	(377,771)	(359,756)
Net Cash Flow	770,274	230,869	472,201	(148,012)	273,170	208,582	107,050	414,681
Opening net debt/(cash)	774,766	5,954	(223,172)	(694,119)	(540,298)	(812,995)	(1,021,577)	(1,128,627)
HP finance leases initiated	0	0	0	0	0	0	0	0
Other	(1,462)	(1,743)	(1,254)	(5,809)	(473)	0	0	0
Closing net debt/(cash)	5,954	(223,172)	(694,119)	(540,298)	(812,995)	(1,021,577)	(1,128,627)	(1,543,308)

Source: Company data, Edison Investment Research

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Australia

New Zealand

United Kingdom

United States

London | New York | Frankfurt
20 Red Lion Street
London, WC1R 4PS
United Kingdom