

A-Mark Precious Metals, Inc.
Form 10-Q
February 09, 2018
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☐ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
☐ ACT OF 1934

For the quarterly period ended December 31, 2017

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF
☐ 1934

For the transition period from _____ to _____

Commission File Number: 001-36347

A-MARK PRECIOUS METALS, INC.
(Exact name of registrant as specified in its charter)

Delaware 11-2464169
(State of Incorporation) (IRS Employer I.D. No.)
2121 Rosecrans Ave. Suite 6300
El Segundo, CA 90245
(Address of principal executive offices)(Zip Code)
(310) 587-1477
(Registrant's Telephone Number, Including Area Code)

Securities registered under Section 12(b) of the Exchange Act:

Title of each class	Name of each exchange on which registered
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Common Stock, \$0.01 par value	NASDAQ Global Select Market
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Securities registered under Section 12 (g) of the Exchange Act: None

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes. ☐ No. ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes. ☐ No. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company in Rule 12b-2 of the Exchange Act.

Large accelerated filer <input type="checkbox"/>	Accelerated filer <input type="checkbox"/>	Non-accelerated filer <input type="checkbox"/>	Smaller reporting company <input type="checkbox"/>	Emerging growth company <input type="checkbox"/>
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(Do not check if a smaller reporting
company)

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

..

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes. " No. p

As of February 5, 2018, the registrant had 7,031,450 shares of common stock outstanding, par value \$0.01 per share.

A-MARK PRECIOUS METALS, INC.

QUARTERLY REPORT ON FORM 10-Q
For the Quarter Ended December 31, 2017

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A-MARK PRECIOUS METALS, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

(amounts in thousands, except for share data) (unaudited)

	December 31, 2017	June 30, 2017
ASSETS		
Current assets:		
Cash	\$ 12,011	\$13,059
Receivables, net	39,418	39,295
Derivative assets	1,399	17,587
Secured loans receivable	96,971	91,238
Inventories:		
Inventories	215,074	149,316
Restricted inventories	120,161	135,343
	335,235	284,659
Income taxes receivable	663	—
Prepaid expenses and other assets	2,233	1,183
Total current assets	487,930	447,021
Plant, property and equipment, net	7,890	6,607
Goodwill	10,331	8,881
Intangibles, net	8,656	4,065
Long-term investments	8,146	7,967
Deferred tax assets - non-current	4,170	3,959
Total assets	\$ 527,123	\$478,500
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Lines of credit	\$ 214,000	\$180,000
Liability on borrowed metals	19,526	5,625
Product financing arrangements	120,161	135,343
Accounts payable	59,754	41,947
Derivative liabilities	27,420	34,582
Note payable (related party)	—	500
Accrued liabilities	5,263	4,945
Income taxes payable	—	1,418
Total current liabilities	446,124	404,360
Debt obligation (related party)	6,873	—
Other long-term liabilities (related party)	1,103	1,117
Total liabilities	454,100	405,477
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, \$0.01 par value, authorized 10,000,000 shares; issued and outstanding: none	—	—
as of December 31, 2017 and June 30, 2017	71	71

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Common Stock, par value \$0.01; 40,000,000 shares authorized; 7,031,450 shares issued and outstanding as of December 31, 2017 and June 30, 2017

Additional paid-in capital	24,264	23,526
Retained earnings	45,143	45,994
Total A-Mark Precious Metals, Inc. stockholders' equity	69,478	69,591
Non-controlling interest	3,545	3,432
Total stockholders' equity	73,023	73,023
Total liabilities, non-controlling interest and stockholders' equity	\$ 527,123	\$478,500
See accompanying <u>Notes to Condensed Consolidated Financial Statements</u>		

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A-MARK PRECIOUS METALS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(in thousands, except for share and per share data)
(unaudited)