

A-Mark Precious Metals, Inc.  
Form 10-Q  
February 08, 2017  
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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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FORM 10-Q

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

For the quarterly period ended December 31, 2016

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

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

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Delaware 11-2464169  
(State of Incorporation) (IRS Employer I.D. No.)  
429 Santa Monica Blvd. Suite 230  
Santa Monica, CA 90401  
(Address of principal executive offices)(Zip Code)  
(310) 587-1477  
(Registrant's Telephone Number, Including Area Code)

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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

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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, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act:

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Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☒ Smaller reporting company ☐  
(Do not check if a smaller reporting company)  
Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of February 4, 2017, the registrant had 7,031,450 shares of common stock outstanding, par value \$0.01 per share.

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A-MARK PRECIOUS METALS, INC.

QUARTERLY REPORT ON FORM 10-Q  
For the Quarter Ended December 31, 2016

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PART I — FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

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A-MARK PRECIOUS METALS, INC.  
 CONDENSED CONSOLIDATED BALANCE SHEETS  
 (amounts in thousands, except for share data)  
 (unaudited)

	December 31, 2016	June 30, 2016
<b>ASSETS</b>		
Current assets:		
Cash	\$ 13,270	\$ 17,142
Receivables, net	81,945	43,302
Derivative assets	39,577	33,732
Secured loans receivable	80,939	70,004
Inventories:		
Inventories	169,457	185,699
Restricted inventories	121,466	59,358
	290,923	245,057
Income taxes receivable	1,429	7,318
Income taxes receivable from Former Parent	—	203
Prepaid expenses and other assets	1,272	1,503
Total current assets	509,355	418,261
Plant, property and equipment, net	6,063	3,482
Goodwill	8,881	4,620
Intangibles, net	4,280	1,987
Long-term secured loans receivable	—	500
Long-term investments	7,952	7,873
Deferred tax assets - non-current	453	424
Total assets	\$ 536,984	\$ 437,147
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Lines of credit	\$ 185,000	\$ 212,000
Liability on borrowed metals	3,471	4,352
Product financing arrangements	121,466	59,358
Accounts payable	65,845	46,769
Derivative liabilities	74,358	36,454
Note payable - related party	500	—
Accrued liabilities	4,499	7,660
Income taxes payable	5,745	—
Total current liabilities	460,884	366,593
Deferred tax liabilities - non-current	3,933	7,245
Other long-term liabilities	1,117	—
Total liabilities	465,934	373,838
Commitments and contingencies		

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Stockholders' equity:

Preferred stock, \$0.01 par value, authorized 10,000,000 shares; issued and outstanding: none as of December 31, 2016 and June 30, 2016	—	—
Common Stock, par value \$0.01; 40,000,000 shares authorized; 7,031,450 and 7,021,450 shares issued and outstanding as of December 31, 2016 and June 30, 2016, respectively	71	71
Additional paid-in capital	22,812	22,220
Retained earnings	44,734	41,018
Total A-Mark Precious Metals, Inc. stockholders' equity	67,617	63,309
Non-controlling interest	3,433	—
Total stockholders' equity	71,050	63,309
Total liabilities, non-controlling interest and stockholders' equity	\$ 536,984	\$437,147

See accompanying Notes to Condensed Consolidated Financial Statements

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