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A-Mark Precious Metals Direct-to-Consumer Subsidiary JM Bullion Closes Asset Acquisition of BGASC

EL SEGUNDO, Calif., Oct. 25, 2022 (GLOBE NEWSWIRE) -- [A-Mark Precious Metals, Inc. \(NASDAQ: AMRK\) \(A-Mark\)](#), a leading fully integrated precious metals platform, today announced that its wholly-owned subsidiary, JM Bullion, Inc. (“JMB”), has acquired certain assets of BGASC, LLC (“BGASC”), an established online precious metals dealer and one of the largest coin and bullion e-commerce dealers in the United States, for \$4.5 million in cash.

BGASC has over 120,000 customers and reported revenues for calendar year 2021 in excess of \$200 million. Based in California, BGASC delivers gold and silver coins and bullion directly to consumers through its online platform. The assets acquired include BGASC’s website, domain name, trademarks, logos, customer list, and all intellectual property. JMB intends to operate BGASC as a standalone brand.

“We are thrilled to close this previously announced transaction which reflects our continued efforts to expand our direct-to-consumer portfolio through strategic acquisitions and investments,” said JMB CEO Michael Wittmeyer. “JMB looks forward to integrating the well-respected BGASC e-commerce brand into our DTC segment, as well as leveraging our resources and expertise to offer new products, other value-added services and flexible payment methods to expand BGASC’s market presence.”

BGASC will contribute to the DTC segment’s performance and key operating metrics commencing in the second quarter of fiscal 2023.

Below is a summary of selected key operating metrics of the DTC segment as of and for the quarter ended September 30, 2022:

	Three Months Ended	
	9/30/2022	6/30/2022
Selected Key Operating Metrics (excluding BGASC):		
Direct-to-Consumer ("DTC") gold ounces sold ⁽¹⁾	153,000	141,000
Direct-to-Consumer silver ounces sold ⁽²⁾	6,400,000	5,696,000
Direct-to-Consumer number of new customers ⁽³⁾	49,000	48,800
Direct-to-Consumer number of active customers ⁽⁴⁾	139,900	133,100
Direct-to-Consumer number of total customers ⁽⁵⁾	2,062,000	2,013,000
Direct-to-Consumer average order value ("AOV") ⁽⁶⁾	\$2,333	\$2,742
CyberMetals number of new customers ⁽⁷⁾	2,300	5,200
CyberMetals number of active customers ⁽⁸⁾	2,000	2,800
CyberMetals number of total customers ⁽⁹⁾	8,200	5,900
CyberMetals customer assets under management ⁽¹⁰⁾	\$4,600,000	\$3,700,000
<p>(1) DTC gold ounces sold represents the ounces of gold product sold and delivered to the customer during the period, excluding ounces of gold recorded on forward contracts.</p> <p>(2) DTC silver ounces sold represents the ounces of silver product sold and delivered to the customer during the period, excluding ounces of silver recorded on forward contracts.</p> <p>(3) DTC number of new customers represents the number of customers that have registered or set up a new account or made a purchase for the first time during the period within the Direct-to-Consumer segment (includes JMB, GLI, and PMPP).</p> <p>(4) DTC number of active customers represents the number of customers that have made a purchase during the period within the Direct-to-Consumer segment.</p> <p>(5) DTC number of total customers represents the aggregate number of customers that have registered or set up an account or have made a purchase in the past within the Direct-to-Consumer segment.</p> <p>(6) DTC AOV represents the average dollar value of third-party product orders (excluding accumulation program orders) delivered to the customer during the period within the Direct-to-Consumer segment.</p> <p>(7) CyberMetals number of new customers represents the number of customers that have registered or set up a new account or made a purchase for the first time during the period on the CyberMetals platform.</p> <p>(8) CyberMetals number of active customers represents the number of customers that have made a purchase during the period from the CyberMetals platform.</p> <p>(9) CyberMetals number of total customers represents the aggregate number of customers that have registered or set up an account or have made a purchase in the past from the CyberMetals platform.</p> <p>(10) CyberMetals customer assets under management represents the total value of assets managed by the Company on behalf of CyberMetals customers.</p>		

Transaction Advisors

Dan Shea, Managing Director with Objective Capital Partners, acted as financial advisor to BGASC, and Duane Morris LLP acted as legal counsel to JM Bullion.

About A-Mark Precious Metals

Founded in 1965, A-Mark Precious Metals, Inc. (NASDAQ: AMRK) is a leading fully integrated precious metals platform that offers an array of gold, silver, platinum, palladium, and copper bullion, numismatic coins, and related products to wholesale and retail customers via a portfolio of channels. The company conducts its operations through three complementary segments: Wholesale Sales & Ancillary Services, Direct-to-Consumer, and Secured Lending. The company's global customer base spans sovereign and private mints, manufacturers and fabricators, refiners, dealers, financial institutions, industrial users, investors, collectors, and e-commerce and other retail customers.

A-Mark's Wholesale Sales & Ancillary Services segment distributes and purchases precious metal products from sovereign and private mints. As a U.S. Mint-authorized purchaser of gold, silver, and platinum coins since 1986, A-Mark purchases bullion products directly from

the U.S. Mint for sale to customers. A-Mark also has longstanding distributorships with other sovereign mints, including Australia, Austria, Canada, China, Mexico, South Africa, and the United Kingdom. The company sells more than 200 different products to e-commerce retailers, coin and bullion dealers, financial institutions, brokerages, and collectors. In addition, A-Mark sells precious metal products to industrial users, including metal refiners, manufacturers, and electronic fabricators.

Through its A-M Global Logistics subsidiary, A-Mark provides its customers with a range of complementary services, including managed storage options for precious metals as well as receiving, handling, inventorying, processing, packaging, and shipping of precious metals and coins on a secure basis. A-Mark's mint operations, which are conducted through its wholly owned subsidiary [Silver Towne Mint](#), enable the company to offer customers a wide range of proprietary coin and bar offerings and, during periods of market volatility when the availability of silver bullion from sovereign mints is often product constrained, preferred product access.

A-Mark's Direct-to-Consumer segment operates as an omni-channel retailer of precious metals, providing access to a multitude of products through its wholly owned subsidiaries, [JM Bullion](#) and [Goldline](#). JM Bullion is a leading e-commerce retailer of precious metals and operates six separately branded, company-owned websites targeting specific niches within the precious metals market: [JMBullion.com](#), [ProvidentMetals.com](#), [Silver.com](#), [GoldPrice.org](#), [SilverPrice.org](#) and [BGASC.com](#). JMB also owns [CyberMetals.com](#), an online platform where customers can purchase and sell fractional shares of digital gold, silver, platinum and palladium bars in a range of denominations. Goldline markets precious metals directly to the investor community through various channels, including television, radio, and telephonic sales efforts. A-Mark also holds minority ownership interests in two additional direct-to-consumer brands.

The company operates its Secured Lending segment through its wholly owned subsidiaries, Collateral Finance Corporation ([CFC](#)) and AM Capital Funding. Founded in 2005, CFC is a California licensed finance lender that originates and acquires loans secured by bullion and numismatic coins. Its customers include coin and precious metal dealers, investors, and collectors. AM Capital Funding was formed in 2018 for the purpose of securitizing eligible secured loans of CFC.

A-Mark is headquartered in El Segundo, CA and has additional offices and facilities in the neighboring Los Angeles area as well as in Dallas, TX, Las Vegas, NV, Winchester, IN, and Vienna, Austria. For more information, visit www.amark.com.

Important Cautions Regarding Forward-Looking Statements

Statements in this press release that relate to future plans, objectives, expectations, performance, events, and the like are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and the Securities Exchange Act of 1934. These include statements regarding future macroeconomic conditions and demand for precious metal products, and the Company's ability to effectively respond to changing economic conditions. Future events, risks, and uncertainties, individually or in the aggregate, could cause actual results or circumstances to differ materially from those expressed or implied in these statements. Factors that could cause actual results to differ include the following: the failure to execute the Company's growth strategy as planned; greater than

anticipated costs incurred to execute this strategy; changes in the current international political climate which has favorably contributed to demand and volatility in the precious metals markets; increased competition for the Company's higher margin services, which could depress pricing; the failure of the Company's business model to respond to changes in the market environment as anticipated; changes in consumer demand and preferences for precious metal products generally; the failure of BGASC to maintain its unique customer base or changes in the buying preferences of this customer base; the failure otherwise to achieve anticipated benefits of the acquisition; general risks of doing business in the commodity markets; the effects of the COVID-19 pandemic and the eventual return to normalized business and economic conditions; and the strategic, business, economic, financial, political and governmental risks described in the Company's public filings with the Securities and Exchange Commission. The words "should," "believe," "estimate," "expect," "intend," "anticipate," "foresee," "plan" and similar expressions and variations thereof identify certain of such forward-looking statements, which speak only as of the dates on which they were made. Additionally, any statements related to future improved performance and estimates of revenues and earnings per share are forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements.

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