

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 19, 2021



A-MARK PRECIOUS METALS, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-36347

(Commission File Number)

11-2464169
(I.R.S. Employer
Identification No.)

2121 Rosecrans Avenue
Suite 6300
El Segundo, CA
(Address of Principal Executive Offices)

90245
(Zip Code)

Registrant's telephone number, including area code: (310) 587-1477

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value	AMRK	NASDAQ Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth 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.

Item 1.01. Entry into a Material Definitive Agreement

In connection with the consummation of the acquisition by A-Mark Precious Metals, Inc., a Delaware corporation (the "Company"), of JM Bullion, Inc., a Delaware corporation ("JMB"), disclosed in Item 2.01 below, the Company entered into the employment agreement with Mr. Michael Wittmeyer (the "Wittmeyer Employment Agreement"), the lock-up agreements and the registration rights agreement described in Item 1.01 of the Current Report on Form 8-K filed by the Company on February 11, 2021 (the "February 11, 2021 Form 8-K"). The description of these agreements is incorporated by reference from the February 11, 2021 Form 8-K. The text of these agreements are included as exhibits to the Stock Purchase Agreement (the "Stock Purchase Agreement") among the Company and the other former stockholders of JMB (the "Other JMB Stockholders"), dated February 8, 2011, filed as Exhibit 2.1 to the February 11, 2021 Form 8-K.

Item 2.01. Completion of Acquisition or Disposition of Assets

On March 19, 2021, the Company consummated the acquisition (the "JMB Acquisition") of the approximately 79.47% of the issued and outstanding shares of JMB that it did not previously own, in accordance with the terms of the Stock Purchase Agreement. JMB is an e-commerce retailer of gold, silver, copper, platinum and palladium products. The Company acquired the shares from the Other JMB stockholders.

Mr. Gregory Roberts, the chief executive officer of the Company, has served on the board of JMB since 2017. In addition to owning approximately 20.53% of the shares of JMB prior to the JMB Acquisition, the Company was a supplier of product to JMB, and also provided certain logistical services to JMB.

For purposes of the JMB Acquisition, the JMB business was valued at \$174.0 million, which value was arrived at in arms-length negotiations between the Company and the Other JMB Stockholders. This implied a value of approximately \$138.3 million for the approximately 79.47% of JMB that the Company did not previously own. The adjusted preliminary purchase price was \$136.8 million, consisting of \$106.5 million in cash and \$30.3 million in common stock of the Company. In accordance with the Stock Purchase Agreement, the cash portion of the purchase price was reduced by 20.53% of the amount of a cash redemption made by JMB to its stockholders (excluding the Company) immediately prior to the closing of the JMB Acquisition. Taking into account this reduction, along with certain other adjustments specified in the Stock Purchase Agreement, the total amount paid at closing consisted of \$82.3 million of cash and \$30.3 million of the Company's common stock, valued as of the signing of the Stock Purchase Agreement. The Company financed the cash portion of the purchase price with cash on hand and from net proceeds from the Company's public offering of common stock, which closed on March 8, 2021.

A copy of the press release announcing the consummation of the JMB Acquisition is attached hereto as Exhibit 99.1.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

Effective upon the closing of the JMB Acquisition, Mr. Wittmeyer, the chief executive officer of JMB and a significant stockholder of JMB prior to the closing, and Mr. Kendall J. Saville, the chairman of the board and a significant stockholder of JMB prior to the closing, were appointed to the Company's Board of Directors. These appointments were made pursuant to the Stock Purchase Agreement, which provides that the Other JMB Stockholders have the right to designate two directors to the Company's Board. Mr. Saville is an independent director who will serve on the Audit Committee of the Board.

At the closing of the JMB Acquisition, the Company made a cash payment to Mr. Wittmeyer of \$19.7 million and issued to Mr. Wittmeyer 323,787 shares of the Company's common stock in consideration for his shares of JMB, and paid to Mr. Saville \$8.6 million and issued to Mr. Saville 140,853 shares of the Company's common in consideration for his shares of JMB. Mr. Wittmeyer and Mr. Saville may be entitled to additional cash payments if cash is released to the Other JMB Stockholders from escrow in accordance with the terms of the Stock Purchase Agreement.

Also at the closing of the JMB Acquisition, JMB and Mr. Wittmeyer entered into the Wittmeyer Employment Agreement.

Effective March 19, 2021, the Company also appointed Ms. Monique Sanchez to the Company's Board of Directors. Ms. Sanchez is an independent director who will serve on the Audit Committee and the Nominating and Governance Committee of the Board.

In connection with their appointments, the Compensation Committee of the Board granted to each of Mr. Saville and Ms. Sanchez options to acquire 3,000 shares of common stock of the Company, at an exercise price of \$39.74 per share, vesting ratably over three years, and with a maximum term of ten years.

Item 8.01. Other Events

On March 8, 2021, the Company and the Other JMB Stockholders entered into a letter agreement with respect to the Stock Purchase Agreement. Under the terms of the letter agreement, the Other JMB Stockholders agreed to jointly and severally indemnify

the Company against approximately 79.47% of any liabilities arising out of an intrusion into JMB's systems that occurred in the first half of 2020, including a related complaint, to the extent the liabilities of JMB exceed insurance proceeds (net of costs). After the application of any available insurance proceeds, the obligations of the Other JMB Stockholders will be satisfied out of the transaction escrow, to the extent then available, and thereafter, by the Other JMB Stockholders. The Company anticipates that any such liabilities of JMB will be covered by insurance and views the letter agreement as precautionary only.

Item 9.01. Financial Statements and Exhibits

(a) Financial statements of businesses or funds acquired:

Reference is made to the Company's Registration Statement on Form S-3, File No. 333-249060, as amended (the "Form S-3 Registration Statement"), for certain financial statements of JMB.

(b) Pro forma financial information:

Reference is made to the Form S-3 Registration Statement for certain pro forma financial information related to the JMB Acquisition.

(d) Exhibits:

Exhibit	Description
99.1	<u>Press Release of A-Mark Precious Metals, Inc., dated March 19, 2021.</u>



A-Mark Closes Previously Announced Acquisition of Retailer JM Bullion

JM Bullion's CEO and Co-Founder Michael Wittmeyer and Former JMB Chairman Kendall Saville, along with Technology Executive Monique Sanchez, Join A-Mark's Board of Directors

El Segundo, CA – March 19, 2021 – A-Mark Precious Metals, Inc. (NASDAQ: AMRK) (A-Mark) a leading fully integrated precious metals platform, has closed its previously announced acquisition of the 79.5% of the issued and outstanding shares of **JM Bullion, Inc. (JMB)**, a leading e-commerce retailer of precious metals, not previously owned by A-Mark.

"Today is a significant day for A-Mark's and JMB's employees, customers, partners, and shareholders, as we complete the acquisition of JMB and create the industry's preeminent fully integrated precious metals platform," said A-Mark CEO Greg Roberts. "As the anchor to our multifaceted direct-to-retail strategy, JMB enables us to more effectively capitalize on the growing demand for precious metals through online and e-commerce channels."

JMB Transaction Terms

As previously announced, for purposes of the acquisition, the JMB business was valued at \$174.0 million, implying a value of approximately \$138.3 million for the 79.5% of JMB that A-Mark did not previously own. The adjusted preliminary purchase price was \$136.8 million, consisting of \$106.5 million in cash and \$30.3 million in common stock of the Company. In accordance with the definitive agreement, the cash portion of the purchase price was reduced by 20.53% of the amount of a cash redemption made by JMB to its stockholders (excluding A-Mark) immediately prior to the closing. Taking into account this reduction, along with certain other adjustments specified in the definitive agreement, the total amount paid at closing consisted of \$82.3 million of cash and \$30.3 million of A-Mark common stock, valued as of the signing of the definitive agreement. A-Mark financed the cash portion of the purchase price with cash on hand and from net proceeds from the Company's public offering of common stock, which closed on March 8, 2021.

Transaction Advisors

D.A. Davidson & Co. acted as financial advisor to A-Mark and Kramer Levin Naftalis & Frankel LLP acted as legal advisor to A-Mark. Duane Morris LLP acted as legal advisor to JMB.

A-Mark Board of Director Appointments

In connection with the acquisition, JMB CEO and Co-Founder Michael Wittmeyer and Chairman Kendall Saville joined A-Mark's board of directors. Mr. Wittmeyer also assumed the role of Executive VP of A-Mark's Direct Sales segment, which includes A-Mark's existing Goldline business.

Mr. Wittmeyer has entered into an employment agreement with JMB effective as of the closing, for a term ending June 30, 2024. As an inducement to Mr. Wittmeyer to enter into the employment agreement, A-Mark granted him a stock option to purchase 60,000 A-Mark shares with a stated term of

10 years, vesting on June 30, 2024. The stock option's exercise price per share will be the closing price of A-Mark's stock on the Nasdaq Global Select Market on the date of grant.

In addition to serving as Chairman of JMB for seven years, Mr. Saville co-founded PlayUSA, an iGaming media network which was acquired by Catena Media (STO: CTM), and served as a consultant to Catena Media from 2016 to 2019. Mr. Saville is currently the CEO of Ocean View Marketing and i15 Media, an iGaming marketing company. Mr. Saville's investment specialty is in store-of-value businesses, and his focus for nearly a decade has been investments in cryptocurrency technology, including the largest cryptocurrency exchange in the Middle East, and decentralized finance.

In addition to Mr. Wittmeyer and Mr. Saville, A-Mark's board of directors also appointed Monique Sanchez to the board. Ms. Sanchez brings to A-Mark nearly 30 years of experience, with over 21 years in the digital advertising industry with a deep expertise in selling advertising technologies and media solutions to global agencies, marketers, and publishers. Since 2008, she has held senior sales and business development roles at Google, including most recently as Director Agency Sales Development, where she is responsible for leading an agency development team focused on driving revenue growth across Google's largest market and U.S. clients and agency holding companies. Previously, Ms. Sanchez held business development roles at DoubleClick, which was acquired by Google in 2008.

"On behalf of the entire organization, I would like to welcome Michael, Kendall, and Monique to A-Mark's board of directors," said Chairman Jeffrey D. Benjamin. "All three executives bring unique and valuable perspectives and experience to the boardroom, in particular in the ecommerce and digital marketing industries, which we look forward to benefiting from as we enter A-Mark's next phase of growth and profitability."

With the additions of Mr. Wittmeyer, Mr. Saville, and Ms. Sanchez, A-Mark's board of directors expands to nine directors, including seven independent directors.

About A-Mark Precious Metals

Founded in 1965, A-Mark Precious Metals, Inc. (NASDAQ: AMRK) is a leading full-service precious metals company and wholesaler of gold, silver, platinum and palladium bullion and related products. The company's global customer base includes sovereign and private mints, manufacturers and fabricators, refiners, dealers, financial institutions, industrial users, investors, collectors, and e-commerce and other retail customers. The company conducts its operations through three complementary segments: Direct Sales, Wholesale, and Secured Lending,

A-Mark is headquartered in El Segundo, California, with offices and facilities in Los Angeles, California, Vienna, Austria, Las Vegas, Nevada, Winchester, Indiana, and Dallas, Texas. For more information, visit www.amark.com.

About JM Bullion

JM Bullion is a leading online retailer of precious metals, headquartered in Dallas, Texas. For more information, visit www.jmbullion.com.

Important Cautions Regarding Forward-Looking Statements

Statements in this press release that relate to the anticipated benefits of the JMB acquisition, the future growth and profitability of our company and other such disclosures are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and the Securities Exchange

Act of 1934. Future events and uncertainties, individually or in the aggregate, could cause actual results 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 realize the strategic rationale for the JMB acquisition, in whole or in part; difficulties integrating the businesses and management of A-Mark and JMB; changes in consumer demand and preferences for precious metal products, particularly through e-commerce channels; the effects of the COVID-19 pandemic and the eventual return to normalized business and economic conditions; and other strategic, business, economic, financial, political, governmental and market risks described in the company's public filings with the Securities and Exchange Commission.

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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