



The Marygold Companies, Inc.

Message from the Chairman October 2024(*)

Dear Fellow Shareholders:

The Marygold Companies posted a net loss for the fiscal year ended June 30, 2024 of \$4.1 million, decreasing the book value of our Company by 12.4% as compared to June 30, 2023. Although the overall balance sheet posts a net loss, since 2015 shareholders fully diluted per share book value has grown from \$0.21 to \$0.66, a rate of 13.8% compounded annually. Our goal is to have the growth of book value exceed the growth of the FTSE Global All Cap index on average over time. That did not happen this year, and it is the first year since 2015 when the Company changed its ownership and corporate focus that we experienced a negative number. It will not be the last, and let me explain why.

The Marygold Companies Performance vs. the FTSE Global All Cap Index as of June 30, 2016 through June 30, 2024

Fiscal Year Ending June	MGLD Book Value Per share ⁽¹⁾⁽²⁾	MGLD Book Value % Change	MGLD Stock Price ⁽¹⁾	MGLD Stock Price % Change	FTSE Global All Cap Index with dividends included % Change
2016	\$0.21		\$1.05		
2017	\$0.34	67.9%	\$1.77	68.5%	18.9%
2018	\$0.44	28.6%	\$0.70	-60.5%	11.5%
2019	\$0.45	1.3%	\$0.65	-7.1%	5.3%
2020	\$0.50	10.9%	\$0.97	49.2%	1.8%
2021	\$0.66	32.0%	\$2.00	106.2%	41.1%
2022	\$0.74	13.1%	\$1.40	-30.0%	-15.9%
2023	\$0.75	2.0%	\$1.10	-21.4%	16.6%
2024	\$0.66	-12.4%	\$1.50	36.4%	20.1%

(1) Adjusted for splits. (2) Fully Diluted Shares

The last few years we refocused our resources into the fintech industry. During this time, we created a new business segment called “Financial Services”. You may have seen this appear on our SEC report filings. Financial Services is comprised of Marygold & Co. US and Marygold & Co. UK. Marygold US was tasked back in 2019 with developing a cutting-edge mobile banking fintech app that we introduced into a crowded marketplace during 2023. We then decided to expand into the United Kingdom by establishing Marygold UK. In the future, we would like to expand our fintech reach with a new business unit devoted to fintech software systems that we believe can be marketed outside of our fintech family which I will discuss a little later.

Marygold US has deployed its Marygold domestic fintech app that combines payments, savings, banking and investing all in one easy to use app. It has been available on the Apple and Google play stores for over a year now and shows consistent daily gains with over 3,000 clients to date. All you have to do to sign up is download the app, go through a simple and fun process which asks you to take a selfie and enter basic *Know Your Customer* information that any bank or brokerage requires, and you’re done! Soon, we hope to add instant funding and a virtual debit card so that anyone can open, fund and start spending or saving within minutes.

Marygold UK operates a bit differently. We acquired two U.K. investment advisors, all for cash, Marygold & Co. Limited, formerly Tiger Financial & Asset Management, and recently Step By Step Financial Planners. Together they have thousands of clients and about \$75M in assets under management. Unlike Marygold US, Marygold UK already produces revenues. What is going to produce operating losses is the adoption and implementation of the Marygold fintech app into the U.K. market. The approach will be a narrower product offering aimed at the specific United Kingdom market. Specifically, people and small businesses which already have a bank account but would like to earn more interest on their cash. They can keep their current bank account, but move money easily through the app to gain a higher yield on their insured account. Of course they’ll have first ever features like nudges and time locks which will make managing financial life a little easier.

How will we duplicate this effort and accelerate the growth of financial services in the fintech space?

Initially Marygold US created a development team using people from the US, Ghana and India devoted completely to the app’s development, its security features to prevent fraudulent transactions and bad actors, and evolved into the creation of an internal operating system which we believe is so robust and marketable that we can put it into a new business unit. If we’re successful we expect to be able to sell our software development efforts to other fintechs and smaller financial institutions. It’s also adaptable to other currencies, languages, and banking protocols.

The UK market, while smaller to the US by comparison, is still more than significant. What is nice about our fintech model is that it can be duplicated across Europe easily once it is proven and accepted in the UK. The total global addressable market is huge. Once we have proven the concept and can gain clients at an attractive cost per acquisition, we hope that it will be the engine that leads The Marygold Companies for years to come.

But here’s the downside. Each of these entities are going to need cash infusions to grow. That capital is going to come from operating profits derived from all of our operating subsidiaries, and possibly from equity or debt instruments. We post losses on a consolidated basis because we are investing in the future of Financial Services and in the fintech industry.

Because of this need, we entered into a private placement loan facility in September of up to \$6.56 million to support and implement our next-stage initiatives: Specifically, supporting a subsidized high yield Treasury account that provides app clients with a total yield of 6% as part of a new feature for our fintech app that we hope to launch in early 2025. We also invested in a bank and now own a little under 10% of Midland Capital Holdings, with 4 branches of Midland Federal Savings Bank located in the greater Chicago metro area. This investment has two major benefits; protecting us from a possible downside risk if the current sponsor bank of Marygold & Co. decides to exit banking as a service (something we've experienced before) while also opening up possible future business opportunities such as offering credit cards, loans and corporate accounts.

Meanwhile, our other operating subsidiaries are busy as well, introducing new products in their own right. Original Sprout just introduced two new product lines this year and they were a title sponsor of the World Surfing League Longboard Championship. Brigadier Security is busy upgrading surveillance systems for public schools in Saskatchewan, Canada. Gourmet Foods continues to supply Exxon/Mobil stations with fresh Kiwi meat pies throughout New Zealand. Printstock is operating at full tilt manufacturing food wrappers for all sorts of products from meat pies and sausage rolls to chocolate and butter. USCF Investments now operates 16 ETF's with a total of about \$3.1 billion in assets under management.

In summary, we have a sound base of operations and we're looking to leverage that success to gain a foothold in the emerging fintech space. I believe in the future of the fintech industry and I look forward to reporting positive results in my next update letter.

Until then, this year's Annual Shareholder meeting will be in San Francisco California on November 8th.

As always, feel free to email me directly at ngerber@themarygoldcompanies.com anytime about anything.

Thank you for being a shareholder of The Marygold Companies, Inc.

Nicholas D. Gerber
Chief Executive Officer
Chairman of the Board

Forward-Looking Statements Disclaimer

This letter contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. All forward-looking statements are inherently uncertain as they are based on current expectations and assumptions concerning future events or future performance of the Company. Readers are cautioned not to place undue reliance on these forward-looking statements, which are only predictions and speak only as of the date hereof. In evaluating such statements, you should review carefully various risks and uncertainties identified in this letter and matters set out in the Company's SEC filings. These risks and uncertainties could cause the Company's actual results to differ materially from those indicated in the forward-looking statements.