MarketVision – Second Hand Gold Market

April 2026

Agenda

- Global Gold Market
- The Circular Economy & Green Mining
- Second-Hand Gold Retail Market in Europe

Global Gold Market: An Overview of Market Trends, Investments Supply & Demand and Outlook

Global Gold Supply & Demand: Key Insights

Global Market

Global Gold Market Trends

- **2026 is shaping up to be a strong year**, mainly due to persistent geopolitical uncertainty, shifting macroeconomic conditions and structural changes in investor behavior. In **2025**, total demand reached c.5,002 tons, **reaching an all time high,** while supply grew only modestly, with mine production up to c.3,598 tons and recycled gold rising to c.1,404 tons. Moreover, supply of recycled gold increased +10.7% in 2024 vs 2023 and +2.9% between 2025 and 2024
- The widening gap between supply and demand has been a defining feature of the market since 2023, providing a structural tailwind for prices

Investment Supply & Demand

- **For 2025, Investment was a main driver of gold's performance**. Gold ETFs recorded strong inflows across North America, while European markets (historically lower) showed signs of recovery, with bar and coin demand surpassing US levels for the first time.
- Central bank accumulation remained a significant and main source of demand throughout the year, reinforcing the broader demand picture beyond retail and institutional investors
- On the supply side, **total mine production has grown at a slower pace**, **up just 2.3% since 2019** (+0.4% CAGR 2019-2025 and just 1.0% CAGR 2010-2029), ***while recycling, though rising with prices, has increased +10.1% from 2019***, with the highest increase year on year on 2024 (+10.7% vs 2023) with a +1.6% CAGR 2019-2025. Producers, benefiting from strong margins, have shown little appetite for hedging and the recycling response from consumers has been constrained by limited economic distress and expectations of continued price appreciation
- The total above-ground gold stock grows exclusively through mine production, whilst recycling circulates existing gold rather than creating new supply. With c.3,600t mined annually against c.220,000t above ground, the annual addition to global gold stock is just around 1.6%, underscoring gold's structural scarcity relative to other asset classes

Outlook

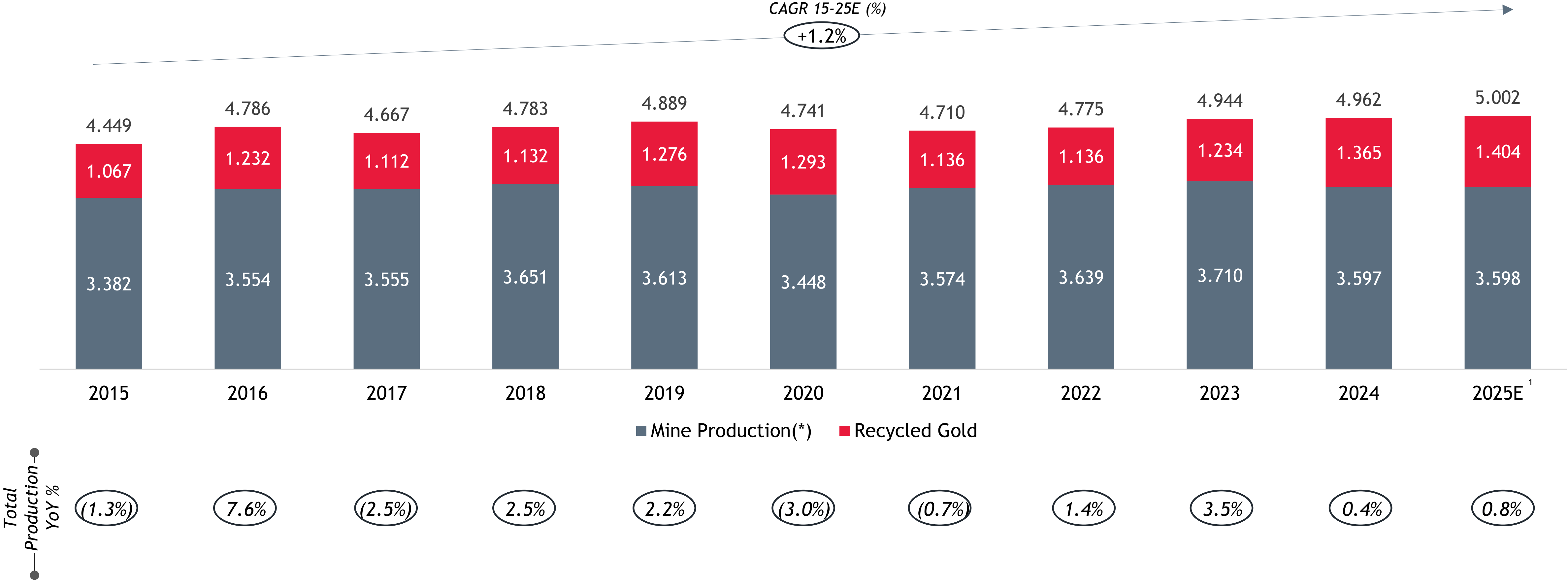
- Geopolitical risk, bond market uncertainty, and continued US dollar weakness are expected to sustain elevated investment demand through 2026, while central bank purchases should remain supportive. Jewelry demand is likely to face another challenging year in volume terms, although value-based spending should remain resilient
- Gold peaked at approximately $5,595/oz in January 2026 before correcting to around $4,600/oz following Middle East-related oil shocks, which reignited inflation concerns and reinforced a higher-for-longer rate environment. With prices now rebounding and structural fundamentals intact, the correction is widely viewed as a buying opportunity rather than a trend reversal
- The main downside risk remains a profit-taking-driven pullback in investment demand, particularly given strong recent price momentum

Source(s): BDO Analysis, World Gold Council Gold Demand Trends Q4 & FY2025, Metals Focus, ICE Benchmark Administration, Refinitiv GFM

Global Gold Market: Mine production growth has flattened with overall volumes showing a +1.2% CAGR from 2015 to 2025E

Global Market

Global Gold Supply 2010-2025E (Last Available Data)
(in tons, %)



Source(s): BDO Analysis, World Gold Council Gold Demand Trends Q4 & FY2025, Metals Focus, ICE Benchmark Administration, Refinitiv GFMS

Note(s): (*) Mine production is the total mine supply volumes includes mine production volumes and net producer hedging volumes. 1) 2025E represents Last Available Data per official reports

Global Gold Market: A 60.9% Investment Share (Bar & Coin, Central Banks and ETFs) confirms Gold's Transition from Commodity to Strategic Asset

Gold Demand by Sector: Key Insights

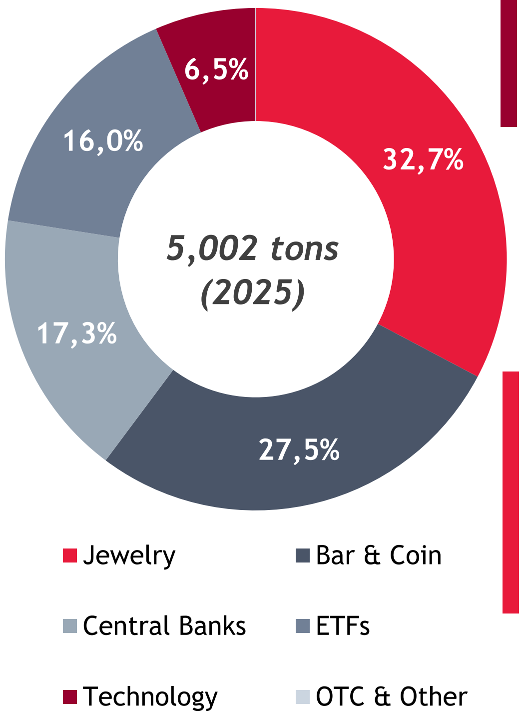
Global Market

Central banks, ETFs, and bar & coin holdings can be considered gold investment segments and together account for most of the market, representing approximately 60.9% of total demand

ETFs: representing c.**16.0%, Gold ETF holdings grew by 801 tons in 2025**, the second strongest year on record. North American inflows led the way, though European flows, historically more muted, showed meaningful recovery. Low relative holdings compared to peak levels across all regions point to continued room to grow

Central Banks: representing c.**17.3%, central banks purchased 863 tons in 2025,** marking the third consecutive year above 800 tons, nearly double the pre-2022 ten-year average of 554 tons. IMF COFER data shows **gold's share of global FX reserves is only now approaching early-1990s levels**, a period with far fewer incentives for gold ownership than today

Bar & Coin: representing c.**27.5%, retail investment in physical gold reached 1,374 tons in 2025** (a 12-year high), as private investors across geographies **responded to geopolitical uncertainty**, equity market fragility and currency concerns. **European bar and coin demand surpassed the US for the first time.** The structural case for physical gold ownership appears to be broadening across demographics and regions



Technology: representing c.**6.5%**, **technology demand reached 323 tons**, growing approximately 9% as **AI-driven electronics demand** accelerates. Gold remains indispensable in semiconductor bonding wire for next-generation AI chips, a use case that is growing rather than declining. Near-term headwinds from US tariffs and AI supply chain bottlenecks may temper the pace of growth in 2026, but the structural demand case from the technology sector will be still considerable

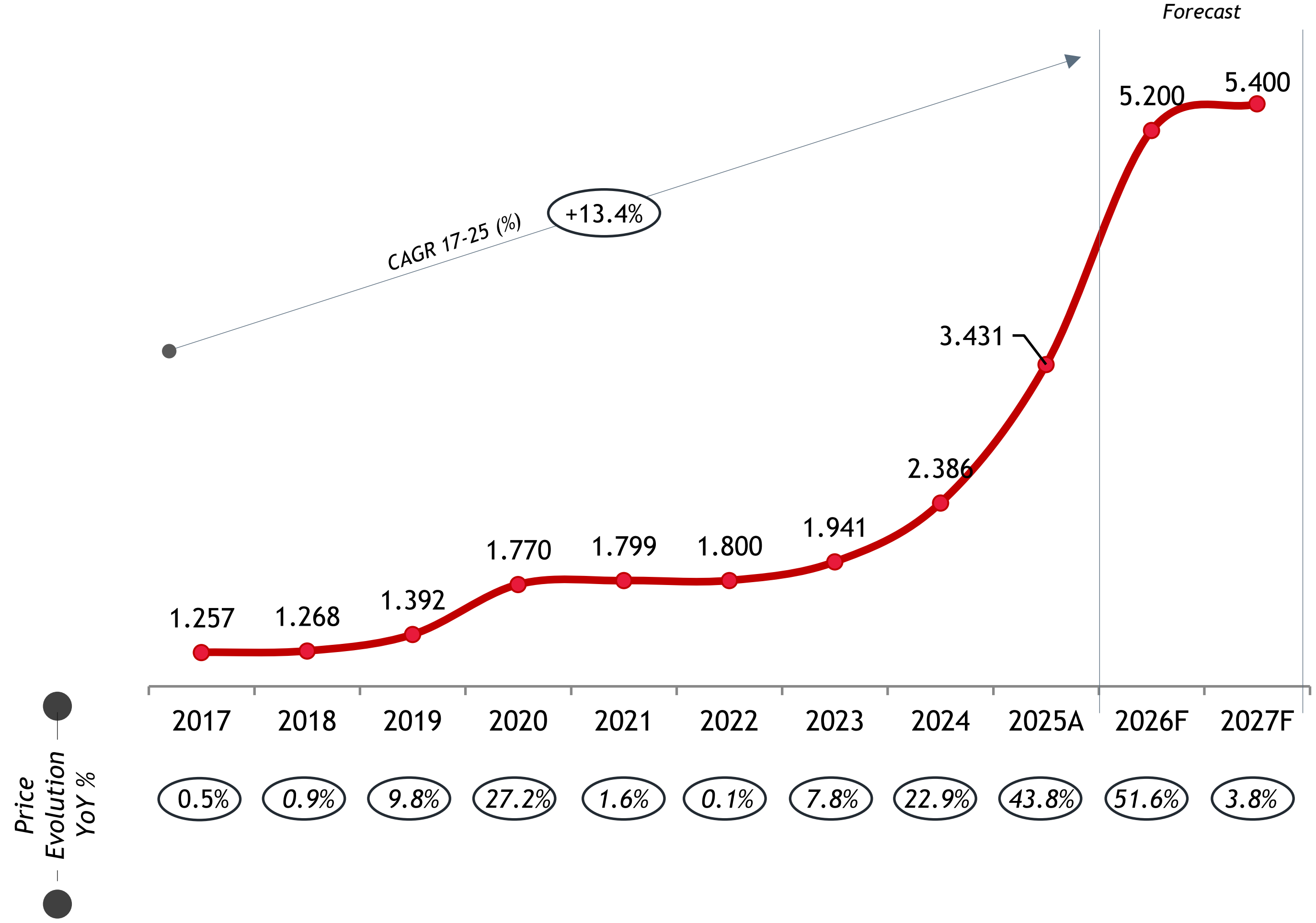
Jewelry: representing c.**32.7%** of the sector, remained the largest single demand segment by share, yet 2025 marked a year of meaningful volume pressure. **Consumers are paying more per gram and continuing to buy.** This is affordability-driven volume compression, not demand destruction. Yet, jewelry drives the circularity concept as purchases eventually re-enter markets as recycled gold

 Source(s): BDO Analysis, World Gold Council, Gold Demand Trends Q4 and Full Year 2025, Metals Focus, IMF COFER

Global Gold Market: Gold Prices Evolution & Consensus, with forecasts expecting to reach c.5,200$ in 2026 and c.$5,400 in 2027…

Global Market

Gold Price Evolution & Consensus Forecast ($/ounce, %)



A decade of appreciation, accelerating sharply

- Gold's **price trajectory from 2017 to 2025** tells a story of mounting **structural demand** meeting constrained supply with the pace of appreciation accelerating markedly in recent years. **From a 2017** base of US$1,257/oz, the gold price moved gradually through the **pandemic period** before entering a **sustained upward trend** from 2022 onward.
- The 2022–2025 period delivered a price CAGR of c.24.0%, with the annual average rising from US$1,800/oz in 2022 to US$3,431/oz in **2025, a year in which gold set 53 all-time highs**. As of April 2026, spot gold trades at approximately US$4,665/oz, representing a total price appreciation of over 270% since 2017
- **A significant additional milestone: gold surpassed the euro in 2025 to become the world's second most held reserve asset,** representing a reflection of the structural de-dollarisation trend that is reshaping global reserve management

Consensus Forecasts 2026

Bank	Forecast	Issuance	Bank	Forecast	Issuance
J.P. Morgan YE 2026	$6,300	*Feb25 2026 issuance*	HSBC Avg 2026	$5,000	*Jan8 2026 issuance*
Goldman Sachs YE 2026	$5,400	*Jan21 2026 issuance*	Commerzbank YE 2026	$5,000	*Mar27 2026 issuance*
UBS Base/Bull 2026	$5,600-$6,200	*Jan29 2026 issuance*	Wells Fargo Base/Bull case 2026	$6,100-$6,300	*Mar28 2026 issuance*
Deutsche Bank Year-end 2026	$6,000	*Jan27 2026 issuance*	Jefferies Avg. 2026	$5,079	*Apr9 2026 issuance*
			BNP Paribas Year-end 2026	$6,000	*Feb 2026 issuance*

Source(s): BDO Analysis, World Gold Council, Bloomberg consensus forecasts, J.P. Morgan, Goldman Sachs, UBS, Deutsche Bank, HSBC, Jefferies report, Commerzbank, Wells Fargo research, BNP Paribas
Note(s): Bank forecasts are forward-looking statements for illustrative purposes only. Individual institutions may have commercial relationships with market participants. Forecasts do not constitute investment advice

Global Gold Market: With consensus targets implying an increase in gold price, the operating environment for gold businesses is among the most favorable of recent history…

Global Market

Gold Price Evolution & Consensus Forecast: Key Insights

Institutional consensus: further upside ahead

- **The forward view** from major financial institutions is *unusually* aligned. J.P. Morgan, Goldman Sachs, UBS, Deutsche Bank, HSBC, Commerzbank, Jefferies and Wells Fargo all project 2026 average or year-end prices in the US$5,000–6,300/oz range. This is **a degree of consensus that reflects shared conviction in the durability of gold's structural drivers** rather than short-term speculation
- The **key forces** underpinning these forecasts are consistent across institutions: the Federal Reserve rate cut cycle reducing the opportunity cost of holding gold, continued de-dollarisation by sovereign reserve managers, persistent geopolitical instability across multiple theatres (Ukraine, the Middle East and US-China tensions) and sustained US dollar weakness on a real effective exchange rate basis
- At approximately US$4,665/oz, the April 2026 gold price sits some 16% below the January 2026 **all-time high and meaningfully below the floor of institutional consensus targets**.
- Against a backdrop of unresolved geopolitical risk and a Fed still in easing mode, this represents a constructive entry point relative to where major banks expect the price to settle through 2026 and into 2027

Implications for gold-related businesses

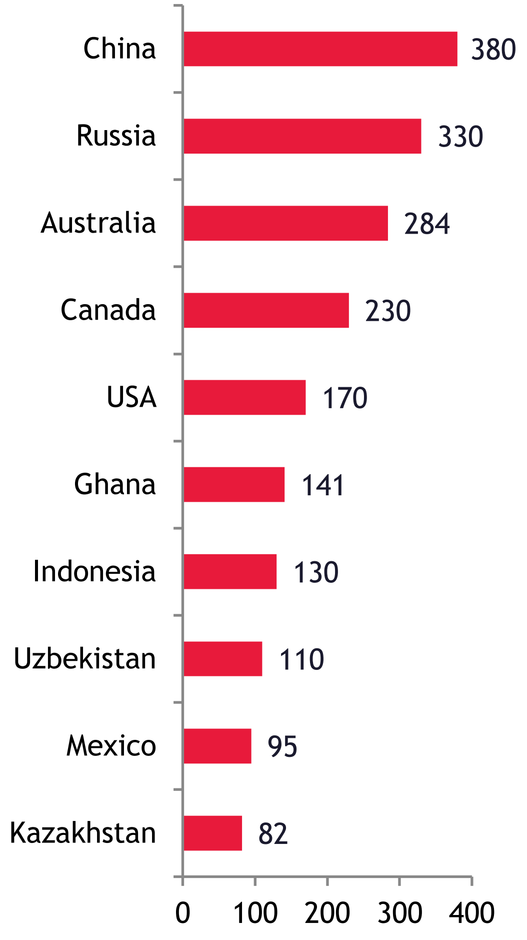
- For businesses operating in the gold sector, every US$500/oz increase in the gold price translates mechanically into higher per-transaction revenue. The same store footprint, the same staff, and the same compliance infrastructure now move significantly more revenue per gram collected
- With consensus targets implying a further 20–35% upside from current levels over the next 12–18 months, the operating environment for well-positioned gold businesses is among the most favorable in recent history
- A decline in gold price, as stated by the World Gold Council, tends to stimulate demand, particulary in the jewelry segment, reflecting the typical inverse relationship between price and volume

 Source(s): BDO Analysis, World Gold Council, Bloomberg consensus forecasts, J.P. Morgan, Goldman Sachs, UBS, Deutsche Bank, HSBC, Jefferies report, Commerzbank, Wells Fargo research

Global Gold Market: Despite Elevated Prices, Global Mine Output Delivers Near-Zero Growth for the Third Consecutive Year, Reflecting Deep Structural Constraints…

Global Market

Mining Supply per Country (Main Globally)
(in tons)



Key Insights (1/2)

Three consecutive years of near-zero growth despite record gold prices, structural constraints are shifting incremental supply towards recycled gold

Production concentrated, growth effectively exhausted

- Global gold mine production is heavily concentrated among a small number of producing nations. **China leads with 380 tons annually**, followed by **Russia** (330t), **Australia** (284t) and **Canada** (230t), together accounting for most of the global output (34.0% in 2024). The remainder is distributed across mid-tier producers including the **USA** (170t), **Ghana** (141t), **Indonesia** (130t), **Uzbekistan** (110t), **Mexico** (95t) and **Kazakhstan** (82t)
- This geographic concentration introduces meaningful supply-side risk: geopolitical disruption, export restrictions or regulatory changes in any of the top producers can have outsized effects on global availability
- **Despite elevated prices and strong producer margins**, total global mine output reached approximately 3,598 tons in 2025, with a **0.0% growth year on year from 2024**, marking the **third consecutive year of near-zero supply expansion**. This is not a cyclical phenomenon. It reflects a **convergence of structural constraints that are unlikely to resolve within any investment-relevant timeframe**

Rising costs compressing the marginal producer

- Industry all-in sustaining costs (AISC) reached c.US$1,605/oz in Q3 2025, up c.9% year-on-year and nearly double the US$984/oz recorded in 2019
- Cost inflation across fuel, labour, consumables and royalties tied to gold prices is compressing margins for non-tier 1 operators. Critically, this reduces the economic incentive to expand marginal production even at current price levels
- Producers, while benefiting from strong absolute margins at today's gold price, have shown little appetite for hedging their forward exposure, reflecting a broadly shared view that prices will remain elevated. Some incremental shift toward put option protection has been noted but call selling, which would cap upside exposure, remains rare

Source(s): BDO Analysis, World Gold Council, Gold Demand Trends Q4 and Full Year 2025; Metals Focus; Bloomberg

Global Gold Market: Near-Zero Mine Supply Growth Reflects Geological Depletion and ESG Friction with Reinforcement of Consumer-Sourced Recycled Gold as the marginal source of supply growth…

Global Market

Mining Supply: Key Insights (2/2)

Geological depletion:

- Global average ore grades have declined c.10% over the past decade with world's highest-quality deposits being progressively exhausted, and the discovery pipeline is thin
- Most new production is coming from expansions of existing operations rather than greenfield discoveries, the last significant new gold province identified was in Northern Quebec in the early 2000s. Higher prices can incentivize exploration, but they cannot accelerate geology. The lead time from discovery to first production now averages more than 15 years, meaning that even an exploration success today would not yield meaningful supply until well into the 2040s

Regulatory and ESG friction extending the supply gap

- Approximately 28% of global gold mining projects currently face permitting delays attributable to environmental review requirements, ESG compliance obligations or community opposition
- Projects in West Africa and Latin America (historically the industry's primary growth engine) face particular challenges. The ESG and community consent requirements facing new projects are intensifying across most major jurisdictions

Recycling

- Recycled gold avoids the need for exploration, permitting, and mine development, enabling a significantly faster and more flexible supply response to price signals. Processing scrap is also less capital and energy-intensive than extracting and refining ore, particularly as mined grades continue to decline
- Recycled material typically contains higher gold concentrations than mined ore, supporting stronger recovery efficiency and more attractive unit economics
- With finite reserves and declining discovery rates structurally constraining mine supply, recycled gold is increasingly positioned as the marginal source of supply growth and the most flexible contributor to incremental market balance

A structural tailwind for the supply chain

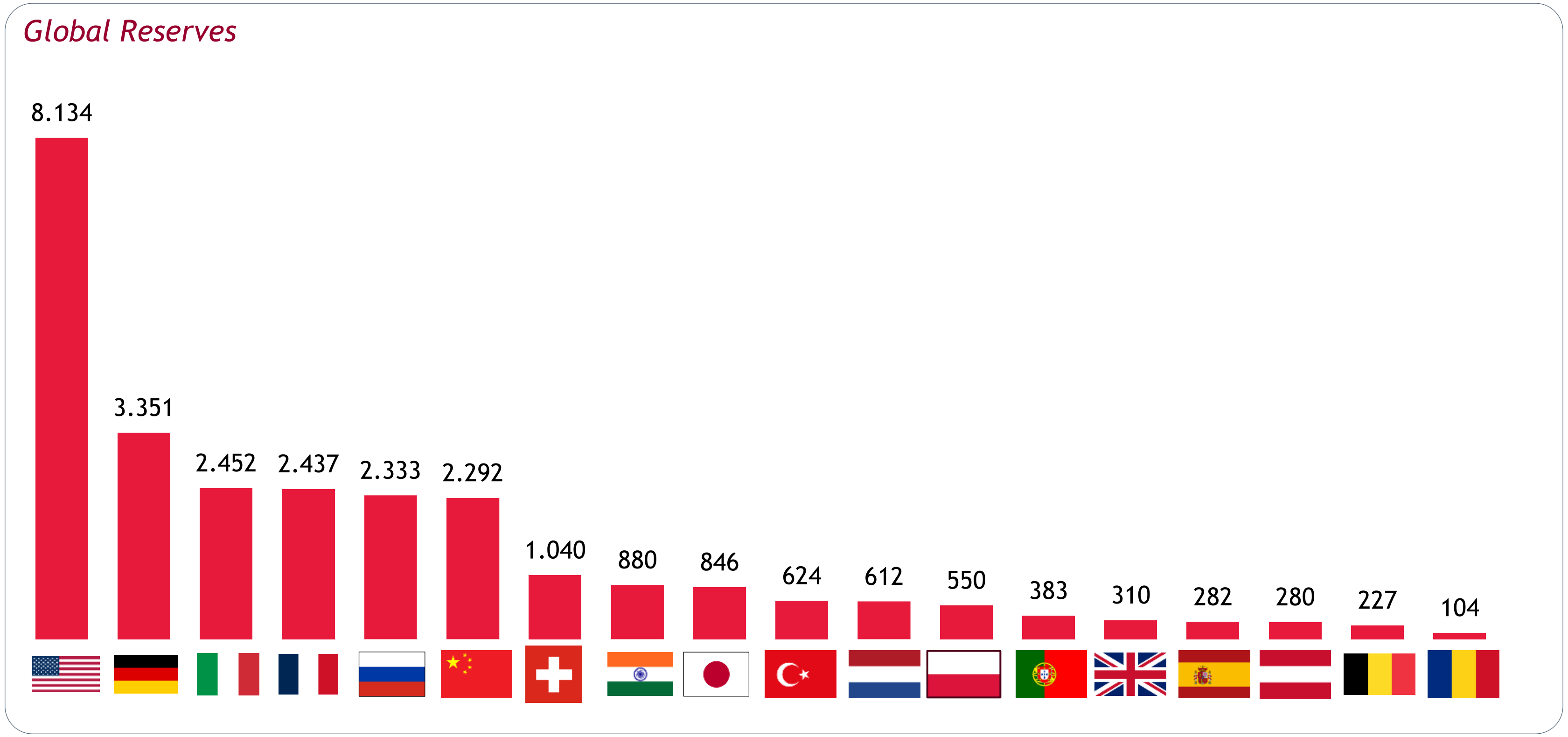
- The combination of cost pressure, geological depletion and regulatory friction means mine supply cannot readily respond to sustained demand growth
- Businesses positioned as large-scale acquirers of recycled gold are structurally advantaged within this supply-constrained environment, operating close to the marginal source of gold supply
- While these dynamics support long-term relevance and volume potential, profitability remains sensitive to competitive intensity, price volatility and the availability of scrap supply

Source(s): BDO Analysis, World Gold Council, Gold Demand Trends Q4 and Full Year 2025. Metals Focus, Bloomberg

Global Gold Market: Gold as central bank reserves remains an important asset for long-term stability, #1 USA followed by Germany, Italy, France and Russia…

Global Market

Global Gold Reserves by Country 2025
(official central bank holdings, in tons)



Key Insights:

- The US dominates global gold reserves with 8,134 tons, more than double Germany's 3,351 tons, the two largest holders account for over half of the reserves shown
- Russia and China represent the key non-Western holders, at 2,333 and 2,292 tons respectively, reflecting strategic diversification away from USD-denominated assets
- Asian nations, India and Japan, hold modest but meaningful reserves at 880 and 846 tons, consistent with their roles as large economies maintaining currency stability buffers
- Smaller European economies maintain sizeable positions: Turkey (624t), Poland (550t), Portugal (383t), Spain (282t) and Belgium (227t) signal broad institutional confidence in gold as a reserve asset
- Romania's 104 tons represents the smallest holding in the peer group, yet still reflects EU central bank norms of maintaining gold as part of a diversified reserve strategy

 Source(s): BDO Analysis, Fortune Business Insights, S&P Global, European Central Bank

Agenda

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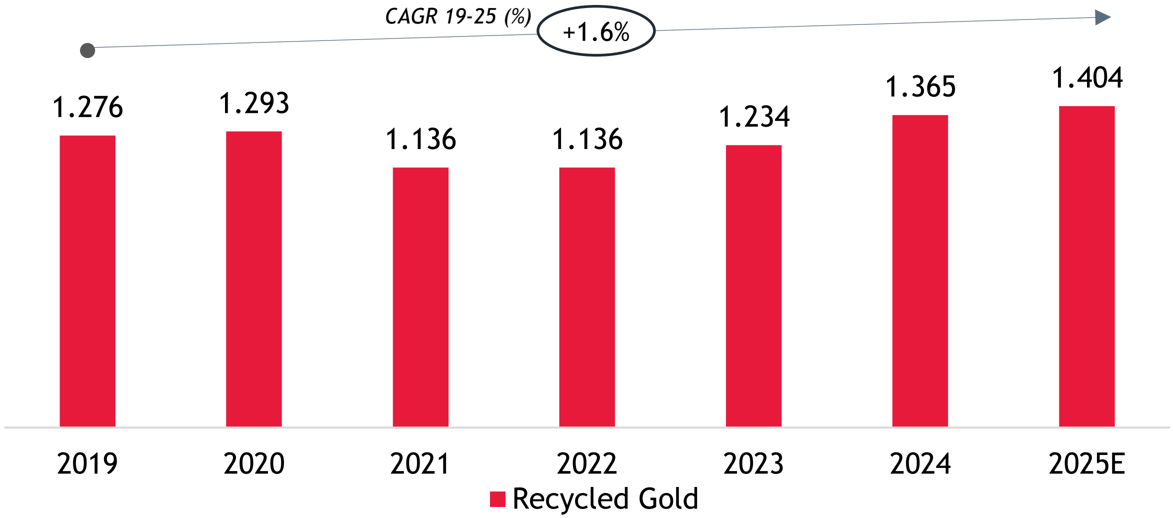
- Second-Hand Gold Retail Market in Europe

Circular Economy & Green Mining: Recycled Gold at 1,404 tons in 2025 as Supply Share Rises Despite Underwhelming Responses to Higher Prices of Gold

Global Market

Recycled Global Gold Supply & Demand 2019-2025E

(in tons, %)



	2019	2020	2021	2022	2023	2024	2025E
YoY % Growth	12.7%	1.4%	-12.2%	0.0%	8.6%	10.7%	2.9%
% of Total Supply*	26.1%	27.3%	24.1%	23.8%	25.0%	27.5%	28.1%

Key insights:

Despite a 43.8% increase in the USD gold price during 2025E vs 2024, recycling grew only c.2.9% in 2025E vs 2024 *(+1.6% CAGR 19-25)*

- Recycled gold does not alleviate long-term gold scarcity, but it redistributes existing gold. It has risen from 23.8% of total supply in 2022 to 28.1% in 2025, driven largely by record gold prices incentivizing holders to sell. Jewelry scrap accounts for c.90-95% of recycled supply, e-waste contributes the remainder
- Italy's Arezzo and Vicenza goldsmith clusters are a critical European hub, with Swiss border refineries (Valcambi, PAMP, Argor-Heraeus) dependent on Italian scrap imports

The recycled gold sensitivity paradox indicates structural scarcity in the market and reinforces the value of trusted physical networks

- Despite record-high gold prices in 2025, recycled volumes rose less than expected. According to the World Gold Council, this reflects consumers' expectations of further price appreciation and gold's role as a geopolitical safe haven, suggesting underlying scarcity rather than market weakness
- It conveys that gold is redirected through trade-in channels which advantages operators with dense physical retail networks, established consumer trust and certified refinery relationships, the profile needed to capture supply where sellers are more selective and increasingly loyalty-driven

Italy's Strategic Role

Italy is Europe's most important recycled gold hub. The Arezzo/Vicenza goldsmith clusters and proximity to Swiss refineries (Valcambi, PAMP, Argor-Heraeus) create a unique ecosystem

Source(s): BDO Analysis, World Gold Council GDT Q4 & FY2025, Metals Focus, Refinitiv GFMS, USGS Mineral Commodity Summaries 2025
Note(s): (*) Total supply is the total mine supply volumes includes mine production volumes and net producer hedging volumes

Circular Economy & Green Mining: Luxury brands are focusing on responsible sourcing, traceability and sustainability… these trends support the growth of second-hand gold market (1/2)

Global Market

The ESG transformation in detail (1 of 2)

1 From luxury pledge to supply chain mandate

The ESG commitment of major jewelry brands began with Chopard (100% ethical gold since 2018) and has cascaded through the industry. Pandora, the world's largest jewelry brand by volume, completed its transition to 100% recycled precious metals in 2024. Tiffany, Prada, Cartier/Richemont, and dozens of emerging jewelry startups now source exclusively from certified recycled streams. This is no longer optional, the Responsible Jewelry Council (RJC), with 600+ certified members, has made chain-of-custody a market access requirement

2 The EU regulatory tailwind is structural

SFDR (Sustainable Finance Disclosure Regulation) and EU Taxonomy rules are increasing institutional demand for ESG-compliant gold supply chains. Funds seeking SFDR Article 8 or Article 9 classification cannot hold uncertified gold supply chain exposures without disclosure risk. This creates a structural premium for strong retail operators who can provide full traceability from consumer seller to certified refinery to brand

Brand Commitments & Market Data

PANDORA	*100% recycled metals since 2024 — world's #1 by volume*
Chopard	*100% ethical gold since 2018 (Fairmined/Fairtrade)*
TIFFANY & CO.	*Conflict-free + responsible precious metal sourcing*
ROLEX	*Certified traceability system that tracks gold ensuring up to 99% traceability and full transparency*
PRADA Group	*Certified recycled gold across all product lines*
RICHEMONT	*Responsible gold sourcing aligned with RJC standards*
RESPONSIBLE JEWELLERY COUNCIL	*600+ certified companies; chain-of-custody mandatory*
LBMA GOOD DELIVERY REFINER	*Responsible gold sourcing mandatory for clearing members*

Key Insights

- ✓ +33% ESG-compliant gold production growth in 2024
- ✓ +36% Sustainable sourcing initiatives across major regions
- ✓ EU Taxonomy: SFDR Art.8/9 funds require traceable gold supply chain

Source(s): BDO Analysis, Pandora Annual Report 2024, RJC, LBMA Responsible Gold Guidance, Business Research Insights Gold Market 2026, EU SFDR Regulation

Circular Economy & Green Mining: Luxury brands are focusing on responsible sourcing, traceability and sustainability… these trends support the growth of second-hand gold market (2/2)

Global Market

The ESG transformation in detail (2 of 2)

3 Consumer behavior: sellers are not just liquidating — they are choosing ESG

The motivations of second-hand gold sellers have broadened beyond financial distress to include ESG-aligned portfolio management, inheritance planning, and lifestyle transitions. This broadening of the seller profile is a long-term demand driver for professionally managed cash-for-gold networks

4 Large retailers of green miners hold a supply chain advantage

Europe's largest acquirers of consumer-source recycled gold, hold a unique B2B supply position. All gold purchased through their network is channeled through certified refinery partners, creating 100% traceable recycled gold supply. This allows jewelry brands (which must now justify their sourcing to consumers, investors and regulators) to point to big market players as a verified green supply anchors

Source(s): BDO Analysis, Pandora Annual Report 2024, RJC, LBMA Responsible Gold Guidance, Business Research Insights Gold Market 2026, EU SFDR Regulation

Gold Refinery Landscape: Switzerland as the global hub, strategic proximity to Italy's goldsmith cluster

EU Market

Swiss Refinery Landscape: Key Insights

Switzerland: the world's gold refining capital

The four major Swiss refineries (Valcambi, PAMP, Argor-Heraeus and Metalor) collectively process an estimated **65-70% of the world's newly mined and recycled gold**, placing Switzerland at the absolute centre of the global gold supply chain. All four hold LBMA Good Delivery accreditation, the internationally recognized benchmark for quality and trust in precious metals

Strategic proximity to Italy's goldsmith clusters

Three of the four Swiss refineries (Valcambi, PAMP and Argor-Heraeus) deliberately established operations in **Canton Ticino, bordering northern Italy, to serve Italy's jewelry manufacturing clusters in Arezzo, Vicenza and Alessandria**. Valcambi is 30 minutes from Milan Malpensa. Argor-Heraeus in Mendrisio sits directly on the Italian border. This geography is the foundation of the Italian recycled gold supply chain

Recycled gold is structurally embedded in refining operations

Approximately **30% of annual Swiss refining throughput is recycled material** (jewelry scrap, industrial waste, e-waste). At Argor-Heraeus specifically, recycled input represents **approximately 50% of all precious metal processed,** sourced from operators who pass strict KYC assessments. This makes consumer-sourced recycled gold a strategically important and growing input for refineries

European Gold Refinery Capacity Comparison (2025)

(annual gold refining capacity, tons)

Refinery	Location	Owner	Capacity (t/yr)	LBMA Status	Italy Presence
Argor-Heraeus	Mendrisio, CH	Heraeus GmbH (Germany) — 100% since 2017	**1,380t for gold and 1,620 for silver**	Good Delivery Referee since 2003	**✓ Dedicated Italian subsidiary Focus: recycling & investment gold**
Valcambi	Balerna, CH	Rajesh Exports (India)	**c. 1,400-2,000t**	Good Delivery	Border proximity only (30 min Milan Malpensa)
PAMP	Castel San Pietro, CH	MKS PAMP Group (Switzerland)	**c. 450t**	Good Delivery	Border proximity only
Metalor	Neuchâtel, CH	Tanaka Kikinzoku Group (Japan)	**c. 650-800t**	Good Delivery Referee	No direct Italian presence

 Source(s): BDO Analysis, BullionStar Gold University, Argor-Heraeus Annual Reports, LBMA Good Delivery List, Swiss Gold Safe

Gold Refinery Landscape: The gold refinery market is set to grow by 6.7% between 2025 and 2026, driven by the luxury and jewelry sectors with a total market value of $40.6B in 2030…

Global Market

Refiners – Global Players

Key Insights:

- The **gold smelting market size** has grown strongly in recent years. It will grow from **$29.56 billion in 2025 to $31.55 billion in 2026** at a compound annual growth rate **(CAGR) of 6.7%.** Moreover, it will grow to **$40.58 billion in 2030** (+6.5% CAGR)
- The growth of the **jewelry and luxury goods** industries is expected to **drive the expansion** of the gold smelting market
- These industries involve the creation, manufacturing, and distribution of high-value items such as fine jewelry, watches, designer accessories, and luxury fashion products

Source(s): BDO Analysis, Gold Smelting Market Report 2026 – The Business Research Company

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European Second-Hand Gold Market: Fragmented, Heavily Regulated, and Driven by Episodic Consumer Selling Across High-Ownership Households

EU Market

Second-hand Gold Retail Market: Key Characteristics

The second-hand gold retail market consists of retail locations that purchase gold jewelry and objects from private individuals, typically offering immediate liquidity based on transparent reference gold prices

The market is present across all major European economies and is characterized by:

- *High household ownership of gold jewelry*
- *Low transaction frequency per individual customer*
- *Fragmented retail structures*
- *Strong regulatory oversight*

Customer motivations are driven by liquidity needs, price-driven opportunistic selling, estate management events, and portfolio rebalancing decisions

 Source(s): BDO Analysis, World Gold Council, Metals Focus

European Second-Hand Gold Market: An overview of the Strategic Role of Italy (Industrial Demand), France (Standards), Germany (ESG Growth) and Switzerland (Premium Retail)

EU Market

Second-hand Gold Retail Market: Key Characteristics

Italy

- Italy represents **more than a quarter of the European TAM** (nearly twice the size of any other single market) driven by its unique combination of **gold manufacturing heritage**, deep **consumer familiarity** with gold as a store of value, and the **highest density of *Cash-for-gold*** operators
- Confindustria Federorafi says the sector crafts about 70% of the gold used in Italy, which helps explain why **Italian demand for recycled and traceable gold** is strongly linked to **industrial sourcing needs**, not only final consumer preferences
- Demand in Italy is also being **reinforced by the luxury supply chain**, since many *maisons* source through Italian workshops and refiners that increasingly need RJC-compliant material to remain eligible suppliers
- This makes Italy one of the clearest markets where recycled gold is shifting **from a niche sustainability** claim **to a procurement requirement embedded in manufacturing**

Germany & France

&

- **French demand** tends to be **brand-led** rather than wholesale-led: the pull comes from *maisons* needing auditable, premium inputs that support claims around **sustainability, provenance, and circularity**. As a result, France often acts as a pricing and standards setter even when physical refining or recycling volumes are concentrated elsewhere in Europe.
- **Germany** is an important **growth market** because consumer **demand** is more explicitly **linked to sustainability**, **ethical sourcing, and product transparency** than in many traditional jewelry markets. Market commentary on Germany highlights that **recycled gold appeals** especially to **environmentally conscious buyers** and younger consumers, while **online retail is widening access to ethical-jewelry** propositions. That makes Germany especially relevant for recycled gold in the premium-accessible and contemporary jewelry segments, where ESG messaging can directly influence conversion

Switzerland

- Despite representing only 5% of the European weight, Switzerland generates a disproportionate retail TAM. **Average transaction** values are multiples **above any other market**, driven by the pre-owned luxury watch segment, a category largely absent from the *Cash-for-gold* model dominant elsewhere.
- Swiss industry initiatives such as the Swiss Better Gold Association and brand participation from houses including Chopard, Cartier, Richemont brands, and Tiffany signal that **demand for traceable and responsibly sourced gold is becoming institutionalized** rather than optional.
- Switzerland's **luxury sector is willing to pay for provenance, certification**, and chain-of-custody assurance, **not just recycled content as a label**

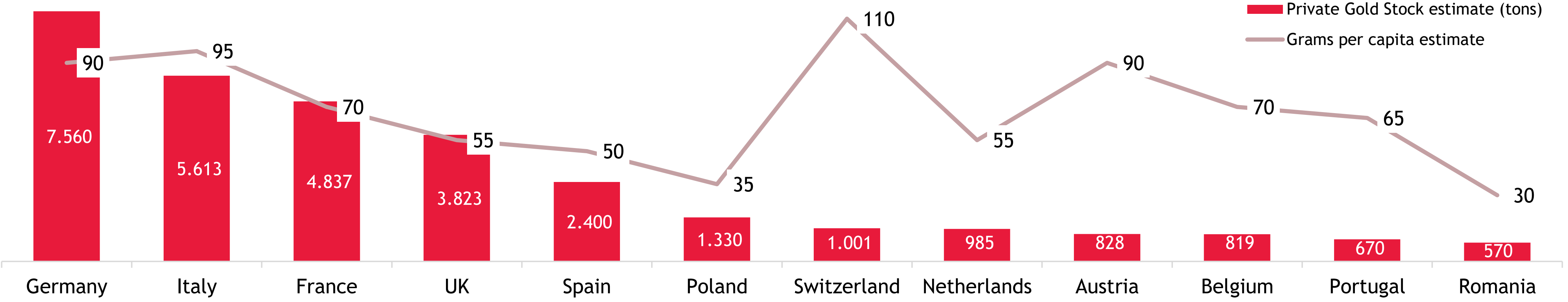
Source(s): BDO Analysis, Confindustria Federorafi, ICE Agency/Federorafi Europe & UK market survey, World Gold Council, RJC Certification, Responsible Jewelry Council, The Swiss Better Gold Association, Chopard Company Reports, Richemont Company Reports, LMBA

European Second-Hand Gold Market: European Private Gold Ownership is heavily concentrated among the largest economies, with Switzerland as the defined per-capita outlier

EU Market

Private Gold Holdings by Country Estimates*

(2025, tons)



Germany
Largest stock in Europe. Combines economic scale with a savings culture historically shaped by hyperinflation, driving a persistent preference for physical assets

Italy
Strong jewelry traditions and long-standing distrust of financial institutions have embedded gold as a household staple across generations

France
Holdings consistent with its position as the eurozone's third largest economy. Per-capita ownership sits at the European average

UK
Under indexes relative to economic weight, reflecting a financial culture that favors equity and property over physical assets

Spain
Mid-tier across both metrics. Savings culture is more oriented toward real estate, historically the primary store of wealth for Spanish households

Switzerland
Clear per-capita outlier. Disproportionate private wealth concentration and deep-rooted hard-asset preservation culture drive the highest g/capita

Netherlands
Modest absolute volumes but a solid per-capita figure, suggesting deliberate gold allocation consistent with strong financial literacy and wealth management culture

Austria
Home of the Vienna Philharmonic bullion coin, conservative savings mentality supports elevated per-capita ownership

Belgium
Steady mid-tier profile in line with its economic weight. Gold is a stable savings component but does not define Belgian financial culture

Portugal
Modest but consistent, shaped by lower average household wealth. Jewelry inheritance plays a strong role in sustaining stock levels across generations

Poland
Per-capita ownership is low but rising. One of Europe's fastest-growing economies with increasing retail gold investment interest

Romania
Lowest base across both metrics. As incomes rise and financial access improves, Romania represents the highest-potential growth opportunity in the dataset

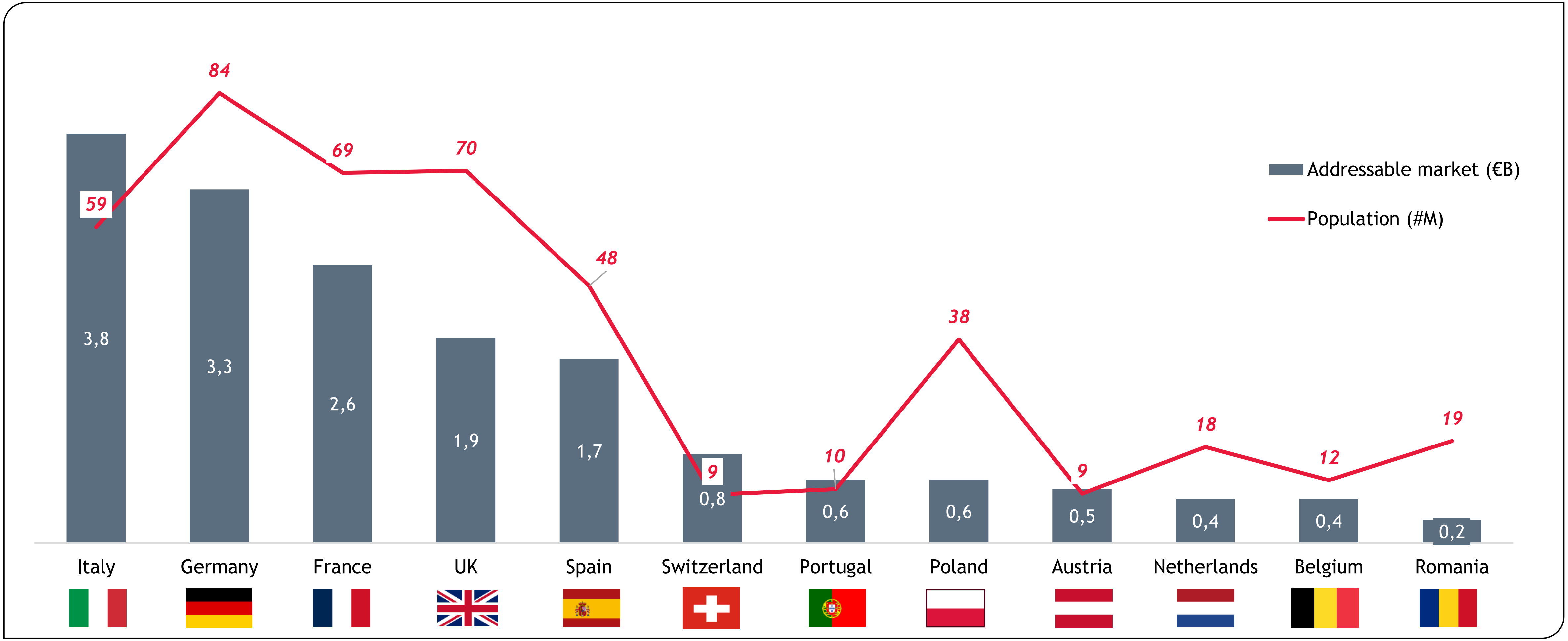
Source(s): BDO Analysis, Eurostat, ECB HFS, World Gold Council, Metals Focus, Bloomberg, ICE Benchmark Administration, FederPreziosi

Note(s): (*) Methodology: Total Private gold stock estimates based on grams/per capita derived from various analysis on World Gold Council, Steinbeis Research Center for Financial Services, World Bank with per-capita figures using last updated figures of Eurostat population data, a reliable proxy for structural ownership patterns across European markets. Jewelry, coins and investment bar included, central bank reserves excluded

European Second-Hand Gold Market: Italy as the Largest Addressable Market in Europe, followed by Germany, France, UK and Spain (size driven mainly by population and ownership rate)

EU Market

Total Addressable Market per *Selected Countries*:
(2025, B€)



Source(s): BDO Analysis, Eurostat, ECB HFS, World Gold Council, Metals Focus, Bloomberg, ICE Benchmark Administration, FederPreziosi
Note(s): Total Addressable Market Methodology: calculations based on Population (M) × Gold Ownership (%) × Sellable Stock (%) × Propensity to Sell (%) × 2025 Gold Price (€)

European Second-Hand Gold Market: Customer Profiles (Italy, Spain, Portugal) – liquidity seekers that tend to sell gold to cover short-term financial needs

EU Market

Italy

Southern Europe

Demographics

Female, 40-70 years

Typical Gold Type

Inherited/gifted jewelry

Average Ticket Size

€500-€700

Transaction Frequency

Episodic; distress driven

Cultural & Behavioural Driver

- *In Italy there is a deep gold-gifting tradition at births, baptisms and weddings creates large household gold reserves*
- *Cultural resistance to selling (gold = wealth preservation) is giving way as prices reach generational highs*
- *Average Italian household holds gold jewelry acquired across 2-3 generations*

Spain

Southern Europe

Demographics

Mixed, 45-75 years

Typical Gold Type

Investment bars, coins, jewelry

Average Ticket Size

€400-€800

Transaction Frequency

Price-triggered; semi-regular

Cultural & Behavioural Driver

- *Spanish consumers show a hybrid mindset between emotional and financial use of gold*
- *While jewelry still plays a role, there is greater acceptance of gold as a liquid savings tool*
- *Selling behavior is more price-sensitive and opportunistic, with consumers willing to act when market conditions are favorable*

Portugal

Southern Europe

Demographics

Mixed, 35-65 years

Typical Gold Type

Mix, increasing digital channel

Average Ticket Size

€300-€700

Transaction Frequency

More frequent; digitally driven

Cultural & Behavioural Driver

- *Portugal combines historically high gold ownership with increasing market pragmatism*
- *Consumers are becoming more digitally informed and transactional, showing lower emotional attachment to gold*
- *Selling is more liquidity-driven and normalized, especially among younger cohorts. The market is evolving toward frequency and accessibility, supported by online channels and price transparency*

 Source(s): BDO Analysis, World Gold Council Demand Trends, Confindustria Federorafi, ECB (Portuguese Market)

European Second-Hand Gold Market: Customer Profiles (Austria, Switzerland, Germany) – cultural differences with Southern Europe, high per capita incomes treating gold as an investment asset

EU Market

Austria

Central Europe

Demographics

Female, 40-70 years

Typical Gold Type

Coins (very strong cultural relevance), bars and some jewelry

Average Ticket Size

€1,000-€4,000

Transaction Frequency

Occasional but repeat

Cultural & Behavioural Driver

- *Austria shares many traits with Germany but with an even stronger cultural affinity for gold coins*
- *This creates a market where gold is both tangible and standardized, making it easier to trade*
- *Consumers display high trust in institutional players (e.g., mints, dealers) and behave in a conservative but structured way, selling primarily in response to macroeconomic signals rather than personal financial stress*

Switzerland

Central Europe

Demographics

Mixed, 35-65 years

Typical Gold Type

Investment-grade gold (bars, coins, high purity) favored due to tax advantages (no VAT on bullion)

Average Ticket Size

€2,000-€10,000

Transaction Frequency

Regular, portfolio-driven

Cultural & Behavioural Driver

- *Gold is treated as a core financial asset, integrated into wealth management strategies*
- *Sellers are typically highly informed, price-optimized, and channel-agnostic, leveraging banks, dealers, and digital platforms*
- *Selling is strategic and frequent, often linked to portfolio rebalancing rather than necessity, reflecting a broader culture of financial discipline and wealth preservation*

Germany

Central Europe

Demographics

Mixed, 30-60 years

Typical Gold Type

Investment gold (bars & coins) dominant

Average Ticket Size

€1,000-€5,000

Transaction Frequency

Repeat, cyclical

Cultural & Behavioural Driver

- *Germany stands out for its strong financialization of gold ownership*
- *Gold is widely perceived as a safe-haven and inflation hedge, deeply rooted in historical experiences with currency instability*
- *Sellers behave like investors: decisions are data-driven, price-aware, and often partial (i.e., selling only part of holdings). Selling is rarely distress-driven; instead, it reflects portfolio management and profit-taking strategies*

Source(s): BDO Analysis, World Gold Council Demand Trends, Metals Focus, Deutsche Bundesbank, Swiss National Bank, Philoro, ECB

European Second-Hand Gold Market: Customer Profiles (Belgium, Netherlands and UK) – more convenience-driven markets

EU Market

Belgium

Central Europe

Demographics

Mixed, 35-65 years

Typical Gold Type

Jewelry dominant, with some coins, bars less common in retail flows

Average Ticket Size

€800-€3,500

Transaction Frequency

Occasional, need-driven

Cultural & Behavioural Driver

- *Gold is primarily perceived as a liquidity source rather than an investment asset*
- *Transactions are often triggered by personal financial needs rather than portfolio strategies*
- *Market is fragmented and trust-driven, with strong reliance on local operators*
- *Limited financialization compared to Northern Europe; low integration with formal wealth management channels*

Netherlands

Central Europe

Demographics

Mixed, 40-70 years

Typical Gold Type

Jewelry dominant in resale, limited investment gold activity at retail level

Average Ticket Size

€1,000-€5,000

Transaction Frequency

Occasional, opportunistic

Cultural & Behavioural Driver

- *Selling behavior is price-sensitive and opportunistic, often linked to gold price peaks*
- *High consumer transparency expectations and price comparison behavior*
- *Market characterized by professionalized operators and strong regulatory oversight*

United Kingdom

Northern Europe

Demographics

Mixed, 35-65 years

Typical Gold Type

Jewelry dominant in resale, coins relevant; bars niche

Average Ticket Size

£800-£4,000

Transaction Frequency

Occasional but recurring at price peaks

Cultural & Behavioural Driver

- *Gold plays a dual role: legacy store of value (coins) and liquidity source (jewelry)*
- *Strong presence of retail chains and online gold buyers, increasing competition and price transparency*
- *Selling behavior is highly price-driven, with spikes during gold rallies*
- *Consumers are digitally engaged, often comparing offers before transacting*

 Source(s): BDO Analysis, World Gold Council Demand Trends, Metals Focus, Deutsche Bundesbank, Swiss National Bank, Philoro, ECB

European Second-Hand Gold Market: Customer Profiles (France, Poland and Romania) – France liquidity seeker and Eastern Europe emerging markets

EU Market

France

Western Europe

Demographics

Mixed, 45-75 years

Typical Gold Type

Strong presence of gold coins (Napoleon) and jewelry

Average Ticket Size

€1,000-€3,000

Transaction Frequency

Regular, both investment and liquidity-driven

Cultural & Behavioural Driver

- *Gold is a well-established savings and investment vehicle, deeply rooted culturally*
- *Strong preference for coins due to liquidity, tax treatment, and standardization*
- *Market supported by structured networks (banks, dealers) and formal channels*
- *Sellers can be both investors (portfolio rebalancing) and households monetizing assets*

Poland

Eastern Europe

Demographics

Mixed, 30-60 years

Typical Gold Type

Jewelry dominant, growing interest in bars and coins

Average Ticket Size

€500-€3,000

Transaction Frequency

Occasional, increasingly recurring

Cultural & Behavioural Driver

- *Gold is gaining relevance as a hedge against inflation and currency risk*
- *Market is still developing, with increasing awareness of investment gold*
- *Transactions are often need-based but shifting toward opportunistic selling*

Romania

Eastern Europe

Demographics

Mixed, 30-55 years

Typical Gold Type

Jewelry overwhelmingly dominant

Average Ticket Size

€300-€2,000

Transaction Frequency

Frequent, need driven

Cultural & Behavioural Driver

- *Gold is primarily used as a short-term liquidity tool, often linked to pawn/credit dynamics*
- *High transaction frequency driven by income volatility and limited access to formal credit*
- *Market is highly fragmented and price-sensitive*
- *Limited investment mindset; gold ownership is functional rather than strategic*

Source(s): BDO Analysis, World Gold Council Demand Trends, Metals Focus, Deutsche Bundesbank, Swiss National Bank, Philoro, ECB

European Second-Hand Gold Market: Main European "cash-for-gold" national players, led by Gens Aurea (OroCash, OroCaja, OuroCaixa, SuperEfectivo, GioiaPura), the EU market leader and multi-country operator

*Main Italian Players**

OROCASH
ORO in EURO
OROFACILE
orodei
GOLD GALLERY GIOIELLERIA
La Vetrina GOLD PLANET dei preziosi
SARNIORO
PUNTO ORO
GIOIELLO SICURO Gli Esperti del Gioiello Rigenerato
BLUESPIRIT
GV GIOIELLI DI VALENZA
aPesodOro COMPRO ORO E ARGENTO
Stroili

Main Spanish Players

OROCAJA
SUPER EFECTIVO
ORO EXPRESS
quickgold
OroCash

Portuguese Players

OUROCAIXA
Valores especialistas em OURO
ORO EXPRESS

Polish Players

TAVEX
MENNICA SKARBOWA

Belgian Players

goud wissel kantoor
cash converters

French Players

GODOT & FILS DEPUIS 1933
OR EN CASH
COMPTOIR NATIONAL DE L'OR Professionnels de l'Or depuis 1976
GoldUnion La référence en achat et vente d'or

Swiss Players

OROCASH
ACHATDOR.CH
GBT Gold Business Time
Degussa GOLD UND SILBER.
philoro

Austrian Players

GIOIAPURA
DOROTHEUM pfand
ÖGUSSA
philoro

German Players

philoro
Degussa GOLD UND SILBER.
pro aurum Edelmetalle. Münzen. Barren.
goldsilber shop.de

Dutch Players

goud wissel kantoor
de Goudwaag
MAXGOUD
Holland Gold

Romanian Players

TAVEX
TEZAUR

UK Players

H&T PAWNBROKERS
CASH GENERATOR The Buy & Sell Store
cash converters
RAMSDENS

Source(s): *BDO Analysis on publicly available information*
Note(s): *(*) Italian Players also include large jewelry brands that offer second-hand gold services*

Italian Second-Hand Gold Market Focus: Competitive Landscape At a Glance

Analytical Framework of the Italian Competitive Landscape

Italian Market

The analysis covers the full Cash for Gold Italian registry of 7,053 store locations across all Italian regions, providing a complete national picture.

For each region, the following dimensions are assessed:

1. Market Structure: full segmentation of operators by type: Independent Stores "Mamas & Papas" (1-2 stores), Regional Chains (3-9 stores, 1-2 regions), National Chains (10+ stores or 3+ regions)
2. Competitive Dynamics: national chain dominance vs. independent fragmentation, with top operator profiling

Key Facts and Overview

#7,053
OAM-Registered Store Locations
Across all 20 Italian regions

#20
Regions Covered
All Italian regions

c. #3,000
Unique Registered Entities
Primary and secondary activity operators

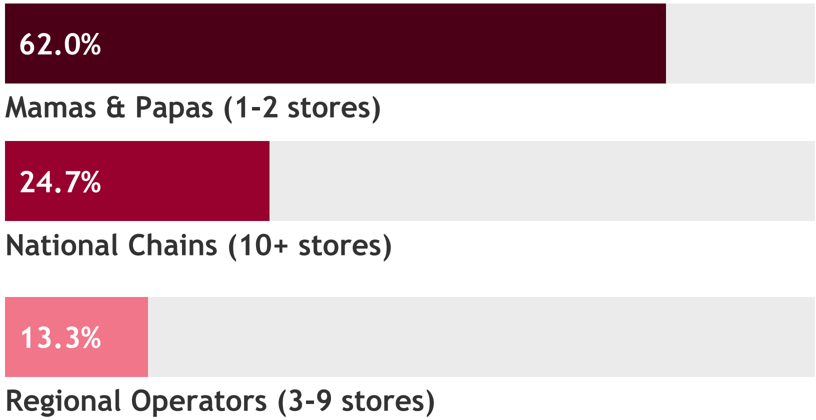
c.62%
Independent stores
"Mamas & Papas" operators

11.5x avg.
National Density
Stores per 100.000 residents

Source(s): BDO Analysis, OAM - Registro Operatori Compro Oro (D.lgs. 92/2017), export April 2026
Note(s): Data covers all registered operators (both primary and secondary activity)

Italian Second-Hand Gold Market Focus: The Italian Market is Highly Fragmented with c. 62% of Operators as Independent players ("Mamas & Papas" shops)

Operator Mix by Type
(% of total OAM-registered stores)

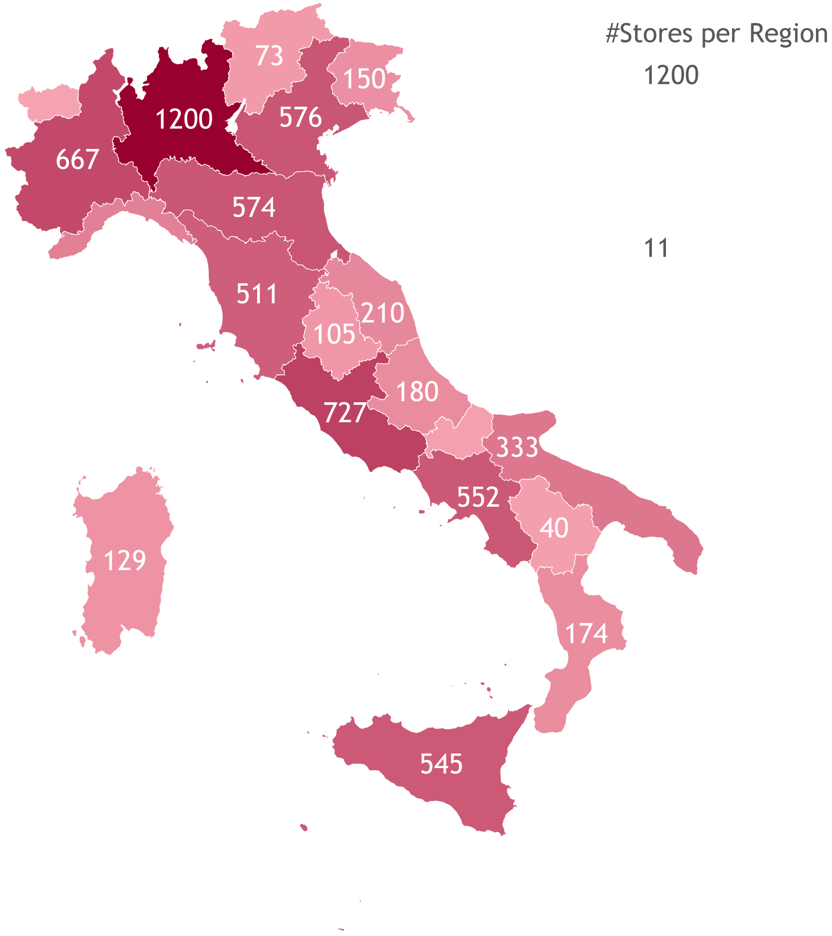


Key Insights

The market is dominated by independents with no brand or pricing power, a consolidation opportunity for scaled operators

Operator Concentration per Region
(# of total OAM-registered stores per region)

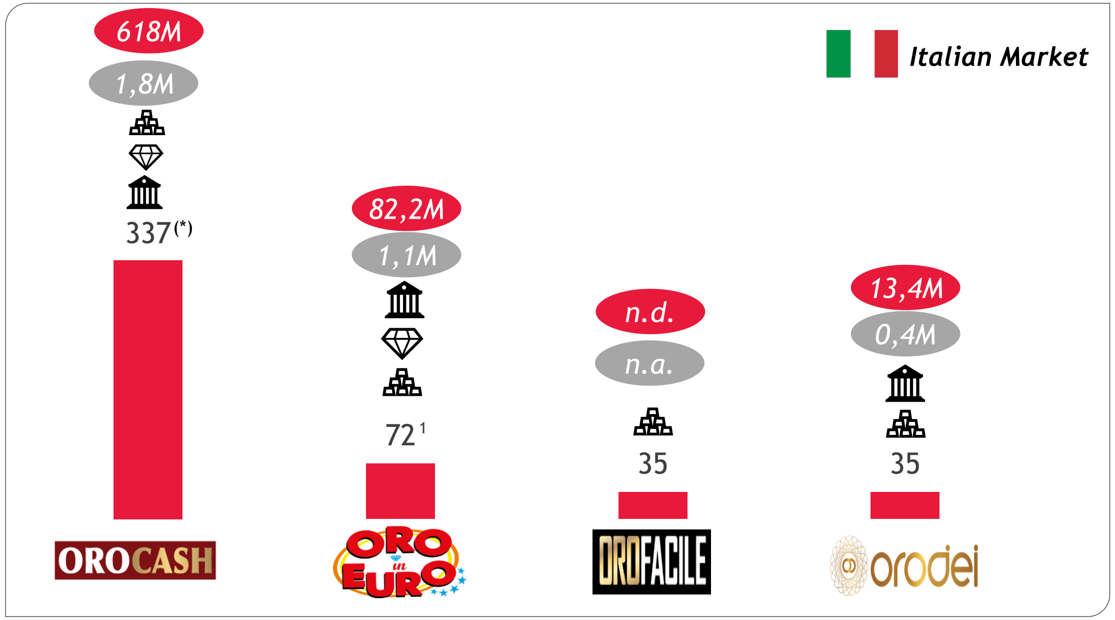
Italian Market



 Source(s): BDO Analysis, OAM – Registro Operatori Compro Oro (D.lgs. 92/2017), export April 2026; ISTAT 2023

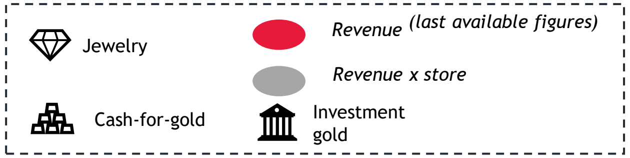
Italian Second-Hand Gold Market Focus: In Italy's highly fragmented market, OroCash (Gens Aurea) leads with c.16.2% of addressable value and 4.8% of stores, indicating strong store productivity

Main National Chain Stores - Italian market
(# of stores, €M)

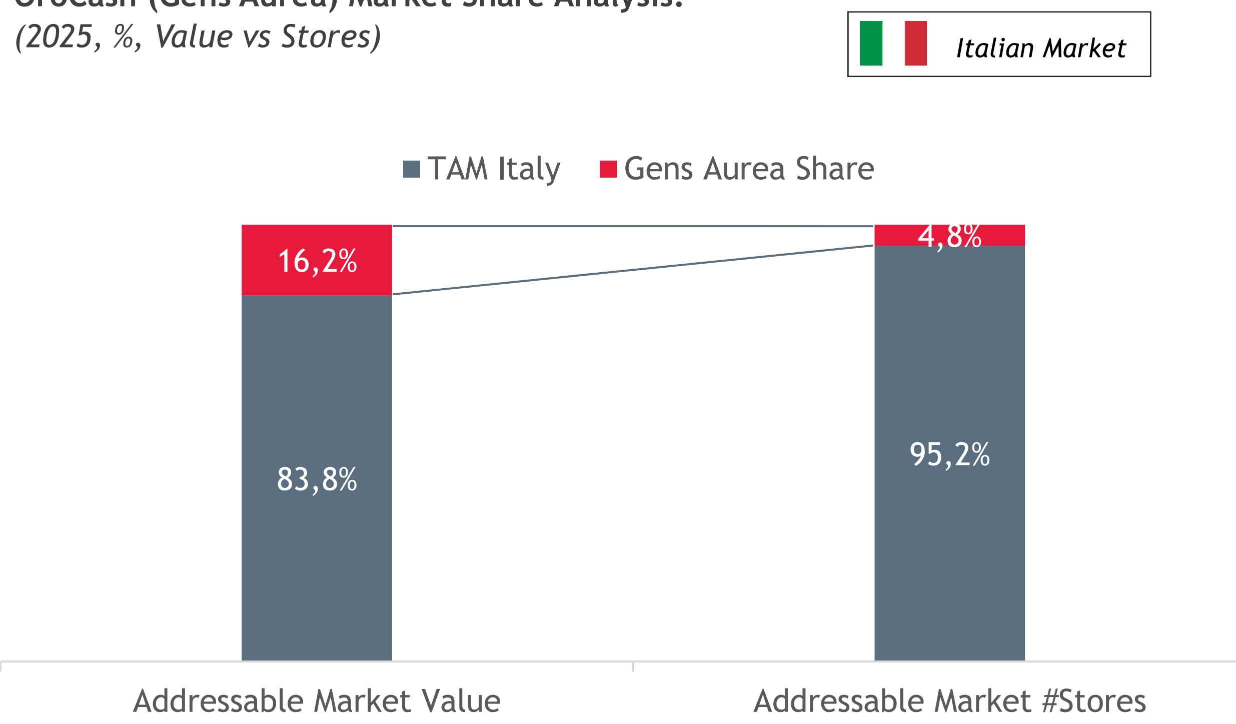


- *Italy is the most developed and saturated market in Europe*
- *It is highly fragmented by numerous local independent operators and 4 main national chains*

Legend



OroCash (Gens Aurea) Market Share Analysis:
(2025, %, Value vs Stores)

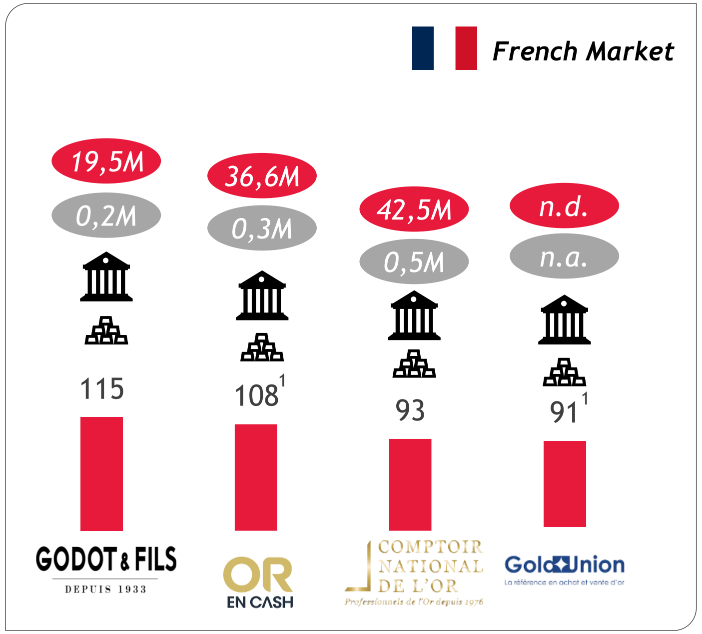


- As of **2025 figures**, **Gens Aurea** represents **c.16.2% of the Italian Addressable Market Share** in terms of value. **Whilst, with 337 stores across Italy** as of end of 2025, it **represents c. 4.8% of the total store presence** addressable market.
- This **reflects structurally higher productivity per store** (c.3.4x the market average), driven by superior site selection and performance management

Source(s): BDO Analysis, Company Websites, OAM register, Eurostat, ECB HFS, World Gold Council, Metals Focus, Bloomberg, ICE Benchmark Administration, FederPreziosi, ISTAT
Note(s): (1) these companies operate mainly through a franchising business model; (*) All Gens Aurea stores at 31.12.25

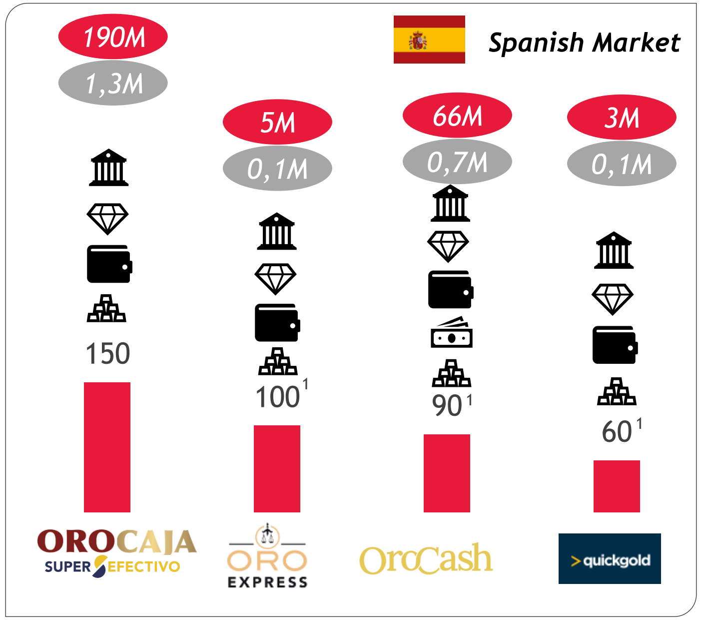
European Second-Hand Gold Market: Southern Europe is a dense and mature market, led by France and Spain, with Portugal showing slightly lower but still significant competitive intensity

Main National Chain Stores - French market
(# of stores, €M)



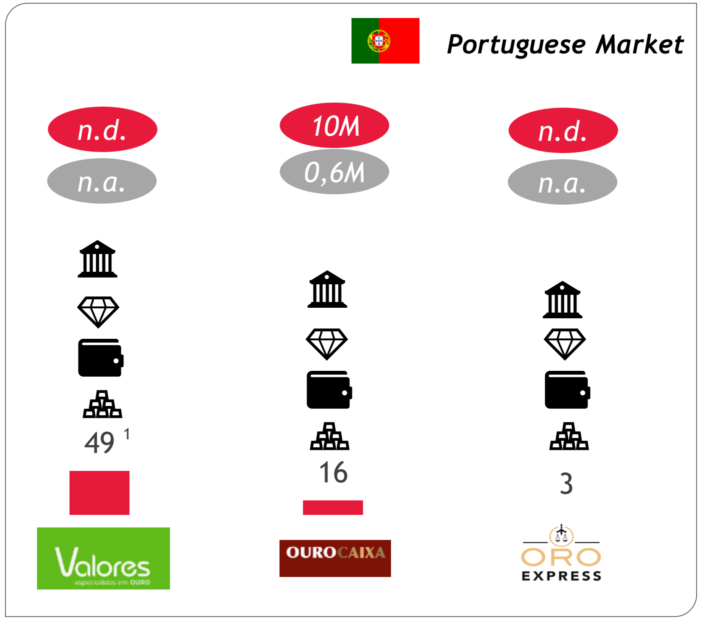
- *France has strong regulatory oversight with a mix of national chains and independent jewelers*
- *It is mainly brand-driven with a strong national chain presence*

Main National Chain Stores - Spanish market
(# of stores, €M)



- *Spain is a consolidated but competitive market*
- *It has a few dominants chains and strong franchise models*

Main National Chain Stores- Portuguese market
(# of stores, €M)



- *Portugal can be seen, compared to Italy and Spain, as under-penetrated with fewer national chains and more localized competition*

Legend

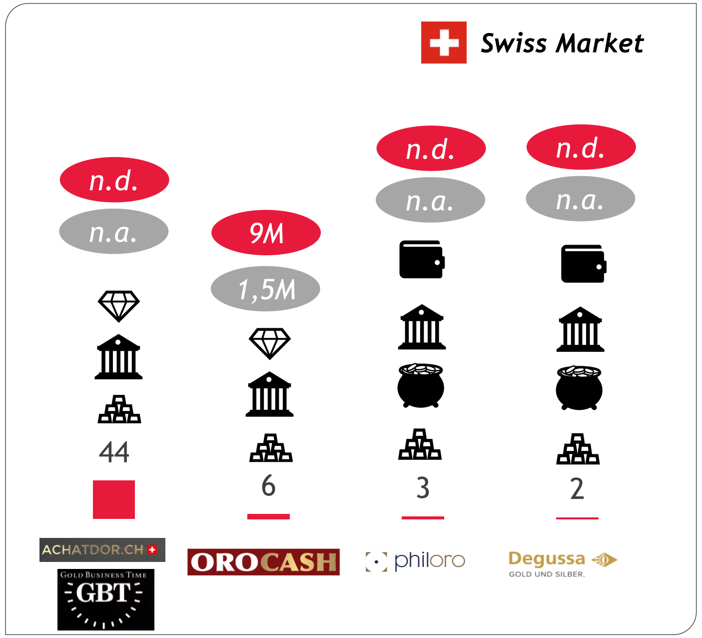
- Buy-back
- Currency exchange
- *Revenue* *(last available figures)*
- *Revenue x store*
- Jewelry
- Cash-for-gold
- Investment gold

Source(s): BDO Analysis, Company websites

Note(s): (1) these companies operate mainly through a franchising business model

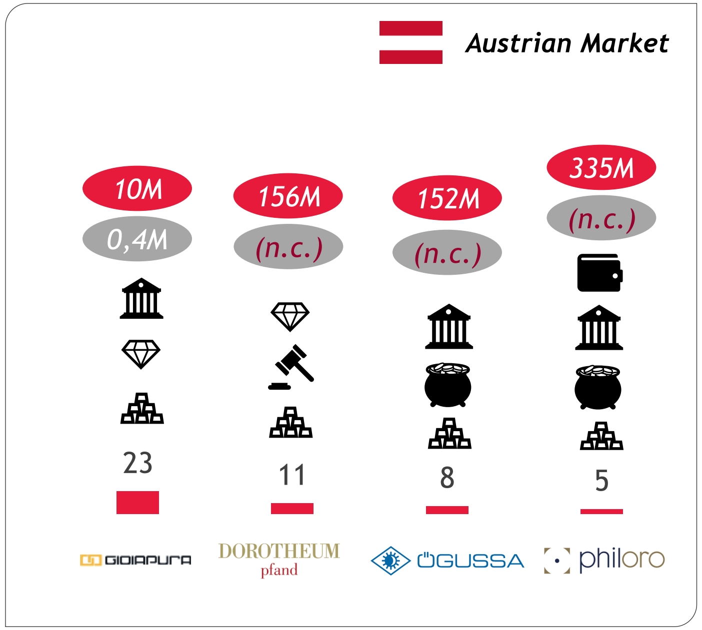
European Second-Hand Gold Market: The DACH region has fewer “cash-for-gold” chains than Southern Europe, reflecting a more investment-oriented market dynamic

Main National Chain Stores - Swiss market
(# of stores, €M)



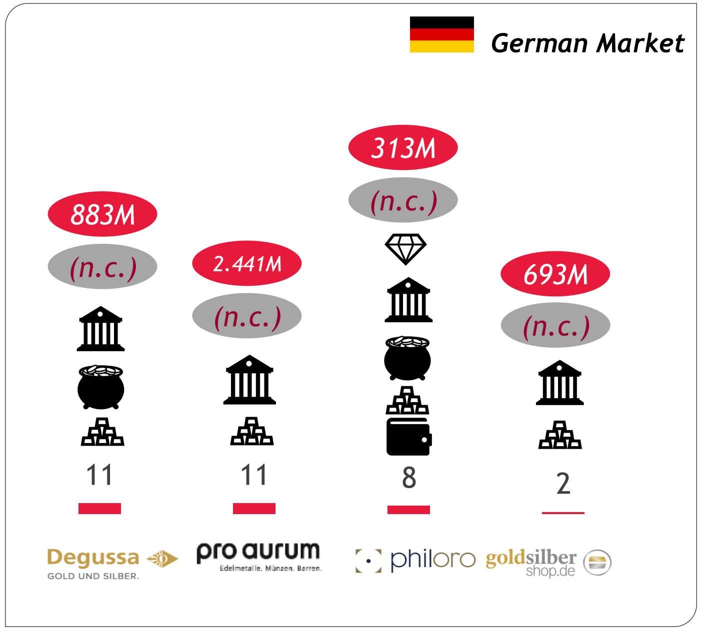
- *Switzerland is a premium market with specific market behavior*
- *It is trust driven and less retail-chain oriented and the competition also involves banks*

Main National Chain Stores - Austrian market
(# of stores, €M)



- *Austria has similarities to Switzerland but smaller*
- *It is a niche and concentrated with a competition that also involves banks*

Main National Chain Stores- German market
(# of stores, €M)



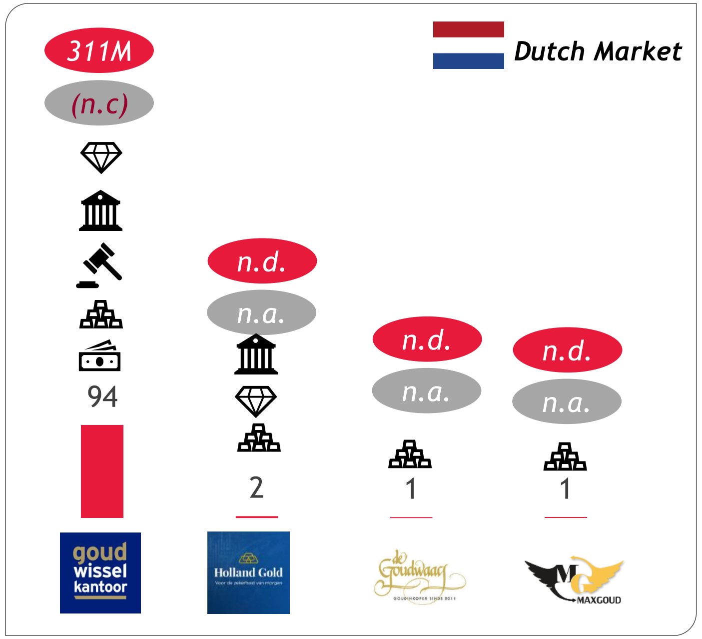
- *Germany is large, mainly due to a larger population but is very investment driven*
- *Chains are present but competition includes banks and bullion dealers*

Legend

Source(s): BDO Analysis, Company websites
Note(s): (n.c.) Business Models not comparable since they operate in different businesses

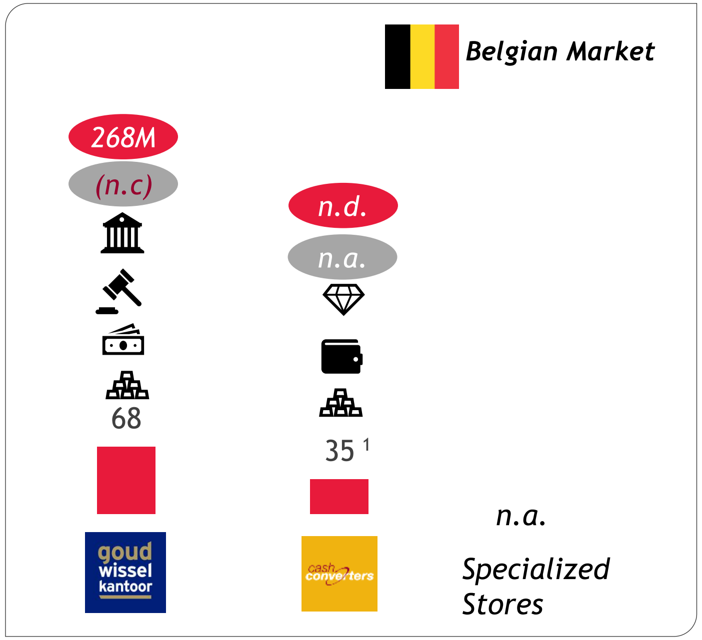
European Second-Hand Gold Market: the market leader in the Netherlands and Belgium provides a wide-range offer from cash-for-gold, pawn, auctions to currency exchange. Tezaur #1 in Romania

Main National Chain Stores - Dutch market
(# of stores, €M)



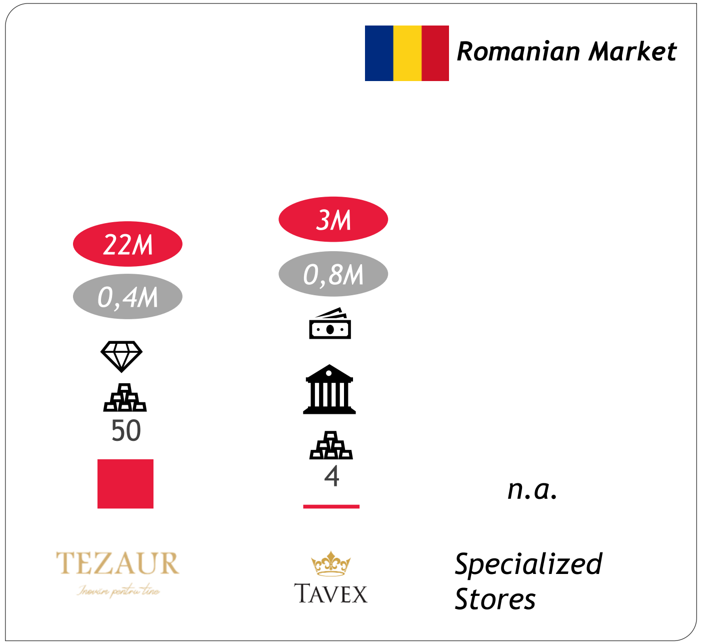
- *The Dutch market is highly concentrated around few national chains and driven by professionalized operators with strong brand trust*

Main National Chain Stores - Belgian market
(# of stores, €M)



- *The Belgian market is moderately concentrated, with a mix of international chains and local operators, however independent stores still play a relevant role alongside structured networks*

Main National Chain Stores - Romanian market
(# of stores, €M)



- *The Romanian market is fragmented, with a mix of local chains and independent operators*

Legend

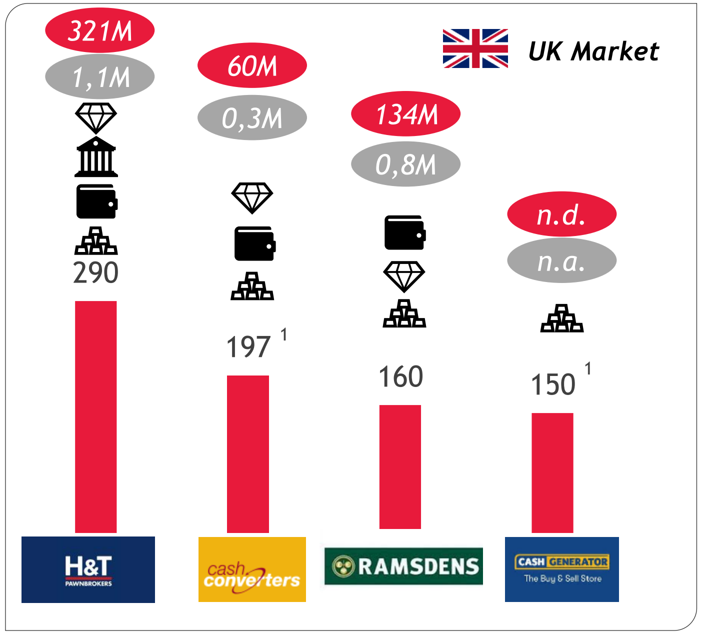
Investment gold; Buy- back; Currency exchange; *Revenue (last available figures)*; *Revenue x store*; Auction House; Jewelry; Cash-for-gold

Source(s): BDO Analysis, Company websites

Note(s): (1) these companies operate mainly through a franchising business model; (n.c.) Business Models not comparable since they operate in different businesses

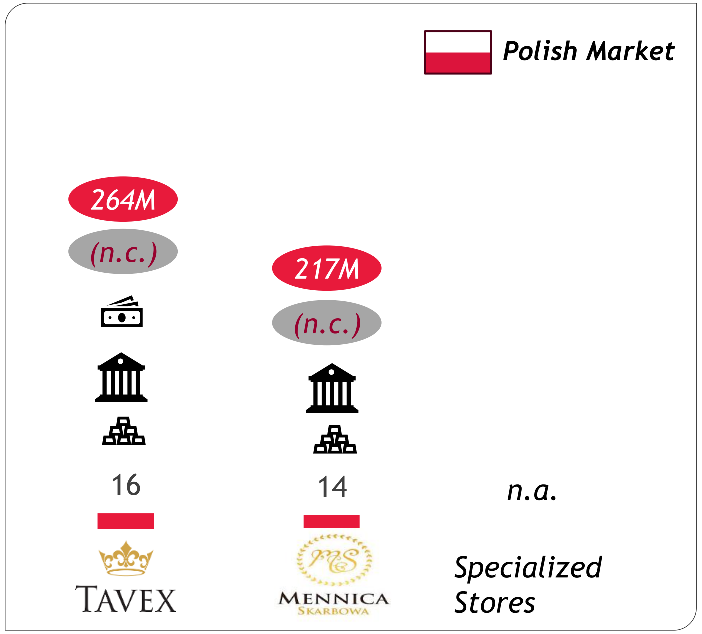
European Second-Hand Gold Market: the UK is driven by pawn and FX chains and Poland is a growing and fragmented market

Main National Chain Stores - UK market
(# of stores, €M)



- *UK is structurally different form Southern European players*
- *There is a strong presence of pawn shops currency exchange hybrids*
- *Many pawn shops are large players but with targeted presence in major cities but limited store count*

Main National Chain Stores - Polish market
(# of stores, €M)



- *Poland is a growing market with increasing gold awareness but very fragmented*
- *It is still developing compared to Western Europe*

Legend

Investment gold | Currency exchange | *Revenue (last available figures)* | *Revenue x store* | Buy-back | Cash-for-gold | Jewelry

Source(s): BDO Analysis, Company websites
Note(s): (1) these companies operate mainly through a franchising business model; (n.c.) Business Models not comparable since they operate in different businesses

European Second-Hand Gold Market: Regulatory Framework, Italy leads Europe with the most comprehensive regulatory framework, a structural barrier to entry…

EU Market

Regulatory Framework (*selected countries*)

Regulatory Framework by country

Italy ★★★★★
OPO Register (OAM, Apr 2025) — D.Lgs. 211/2024. Min. capital €50,000. Full AML/KYC obligations. Mandatory cash transaction reporting. Digital signature + PEC required. Strict anti-money laundering under D.Lgs. 92/2017. Most regulated market in Europe

Germany ★★★★
BaFin supervised. GwG (Money Laundering Act) AML obligations. Gewerbeordnung trade license. BaFin registration for pawnbrokers. €1,000 cash transaction limit. Moderate compliance burden — no national gold dealer registry

Austria ★★★★
FMA (Financial Market Authority) oversight. FM-GwG AML compliance. Gewerbeordnung license required. €10,000 cash transaction limit — highest in EU. Strong banking sector involvement in gold. Austrian Mint (OeNB-owned) dominates bullion

Switzerland ★★★★
FINMA regulated. GwG Money Laundering Act. Strong refinery ecosystem: PAMP, Valcambi, Argor-Heraeus on Italian border. CHF 100,000 cash limit. High-quality, high-value transactions. Very low retail market penetration

Spain ★★★
SEPBLAC (AML authority). Ley 10/2010. Municipal-level licensing — no national cash-for-gold registry. €1,000 cash transaction limit. Lower centralisation = easier market entry but less competitive protection

Portugal ★★★
Banco de Portugal + IMPIC supervision. Law 83/2017 AML. €3,000 cash reporting threshold. Similar to Spain — no centralized gold dealer register. Moderate regulatory burden

 Source(s): BDO Analysis, OAM Italy Vademecum OPO 2025; BaFin; FINMA; FMA Austria; SEPBLAC; Banco de Portugal; Namirial AML Guide 2025

European Second-Hand Gold Market: Five Structural Barriers, Brand Trust, Capital Requirements, Regulatory Compliance, Gold Assessment Expertise and Refinery Relationships

EU Market

Barriers to Entry – A market that rewards incumbents

The combination of regulatory, reputational and capital barriers makes the second-hand gold market structurally protective for established players

Reputation and brand trust is a hard-won asset

- A consumer handing over inherited jewelry is not choosing on price alone, they are choosing who they trust with something personal. That trust takes years of local presence, consistent pricing, and no scandals to build
- A new entrant with competitive pricing cannot replicate it on day one

Capital requirements scale with gold prices

- With rising prices of gold throughout the beginning of 2026 (April 2026 c. US$4,665/oz), building an inventory-backed buying network of stores requires major working capital investments, a barrier that rises automatically as prices increase
- Furthermore, significant initial capital required to pay customers up-front, combined with insurance fees can be a barrier for small retailers

Regulatory compliance

- With different applicability across countries, regulatory compliance can be costly and time consuming
- Italy's OPO register requires c.€50k capital, AML/PEC certification and annual reporting , a meaningful cost and time barrier that filters out opportunistic entrants and structurally protects compliant operators

Gold assessment expertise requires trained infrastructure

- Gold assessment expertise requires trained infrastructure. Karat testing, stone valuation and authentication demand skilled staff and quality control systems. It is a learnable but requiring time for training and sustained investment both for training and finding skilled workers

Refinery relationships

- Long-term offtake agreements (e.g. with Valcambi, PAMP and Argor-Heraeus) particularly for ESG-certified gold are slow to replicate and create a supply chain advantage that new entrants cannot shortcut

 Source(s): BDO Analysis, World Gold Council, LBMA, European Commission (AML Directives), FAFT, Metals Focus, OECD

European Second-Hand Gold Market: Digital threat assessment, disruption risk could be lower than it actually appears

EU Market

Digital Threat Assessment

Digital channels have changed how customers arrive, not whether they show up. They come more informed and more price-aware than ten years ago. That is not a threat to the physical model, it can be seen as an argument for pricing transparently and consistently, which scaled operators are better placed to do than independents

Mail-in platforms are a low-to-medium threat

- Consumer trust on valuable assets and immediacy remain key factors that can only be offered and reassured in “cash-for-gold” physical stores
- Many are reluctant to send high-value personal items and settlement delays are a structural disadvantage

Price comparison apps reinforce discipline, not disintermediation

- These digital pricing comparison tools increase pricing transparency, potentially compressing margins. Yet, they do not remove the physical need for a physical transactions and reassurance on price
- Well positioned players with competitive pricing remain largely unaffected

Digital gold ETFs and apps address a different customer

- The investor seeking exposure to gold is not the same person looking to liquidate inherited jewelry
- No meaningful overlap with the core second-hand gold consumer

Blockchain gold trading remains institutional

- While adoption is growing but confined to B2B and wholesale flows, it does not currently impact the retail cash-for-gold market
- No near-term threat to physical store operators

 Source(s): BDO Analysis, World Gold Council, OECD, European Commission, LBMA, World Economic Forum

CONTACTS

BDO Advisory Services S.r.l.
Viale Abruzzi, 94
20131 Milan
Tel. +39 02 58 20 10

Nicola Anzivino
+39 348 8519842
nicola.anzivino@bdo.it

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