

CONCIERGE TECHNOLOGIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

	<u>December 31,</u> <u>2020</u>	<u>June 30, 2020</u> <u>(AUDITED)</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 13,322,054	\$ 9,813,188
Accounts receivable, net	1,535,480	717,841
Accounts receivable - related parties	2,092,552	2,610,917
Inventories	1,893,717	1,174,603
Prepaid income tax and tax receivable	570,539	857,793
Investments	1,826,421	1,820,516
Other current assets	390,069	603,944
Total current assets	<u>21,630,832</u>	<u>17,598,802</u>
Restricted cash	14,464	12,854
Property and equipment, net	1,632,466	1,197,192
Operating lease right-of-use asset	1,421,612	733,917
Goodwill	1,043,473	915,790
Intangible assets, net	2,505,157	2,541,285
Deferred tax assets, net	900,878	900,878
Other assets, long - term	548,695	523,607
Total assets	<u>\$ 29,697,577</u>	<u>\$ 24,424,325</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 2,827,631	\$ 2,843,616
Expense waivers – related parties	975,228	421,892
Operating lease liabilities, current portion	626,273	323,395
Notes payable - related parties	3,500	3,500
Loans - property and equipment, current portion	14,380	13,196
Total current liabilities	<u>4,447,012</u>	<u>3,605,599</u>
LONG TERM LIABILITIES		
Notes payable - related parties	600,000	600,000
Loans - property and equipment, net of current portion	376,882	359,845
Long-term operating lease liabilities, net of current portion	852,435	447,062
Deferred tax liabilities	329,984	261,923
Total long-term liabilities	<u>2,159,301</u>	<u>1,668,830</u>
Total liabilities	<u>6,606,313</u>	<u>5,274,429</u>
STOCKHOLDERS' EQUITY		
Preferred stock, \$0.001 par value; 50,000,000 authorized		
Series B: 53,032 issued and outstanding at December 31, 2020 and at June 30, 2020	53	53
Common stock, \$0.001 par value; 900,000,000 shares authorized; 37,412,519 shares issued and outstanding at December 31, 2020 and at June 30, 2020	37,412	37,412
Additional paid-in capital	9,330,913	9,330,913
Accumulated other comprehensive income (loss)	225,402	(144,744)
Retained earnings	13,497,484	9,926,262
Total stockholders' equity	<u>23,091,264</u>	<u>19,149,896</u>
Total liabilities and stockholders' equity	<u>\$ 29,697,577</u>	<u>\$ 24,424,325</u>

CONCIERGE TECHNOLOGIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	For the Three-Month Periods Ended December 31,		For the Six-Month Periods Ended December 31,	
	2020	2019	2020	2019
Net revenue				
Fund management - related party	\$ 6,149,415	\$ 2,839,718	\$ 13,185,716	\$ 5,880,287
Food products	2,134,402	1,320,357	4,191,974	2,570,334
Security systems	617,780	733,533	1,297,222	1,506,753
Beauty products and other	1,060,225	902,928	2,032,968	1,866,601
Net revenue	<u>9,961,822</u>	<u>5,796,536</u>	<u>20,707,880</u>	<u>11,823,975</u>
Cost of revenue	2,378,024	1,724,507	4,781,584	3,493,827
Gross profit	<u>7,583,798</u>	<u>4,072,029</u>	<u>15,926,296</u>	<u>8,330,148</u>
Operating expense				
General and administrative expense	1,641,196	986,392	3,555,259	2,106,392
Fund operations	799,658	727,450	1,702,498	1,537,287
Marketing and advertising	742,529	634,871	1,540,351	1,210,003
Depreciation and amortization	177,225	150,485	343,124	300,148
Salaries and compensation	2,485,357	1,673,443	4,181,577	3,216,485
Total operating expenses	<u>5,845,965</u>	<u>4,172,641</u>	<u>11,322,809</u>	<u>8,370,315</u>
Income (loss) from operations	<u>1,737,833</u>	<u>(100,612)</u>	<u>4,603,487</u>	<u>(40,167)</u>
Other income (expense):				
Other income (expense)	55,695	(31,347)	176,638	(22,458)
Interest and dividend income	6,799	26,403	15,442	52,239
Interest expense	(10,141)	(10,246)	(20,225)	(21,248)
Total other income (expense), net	<u>52,353</u>	<u>(15,190)</u>	<u>171,855</u>	<u>8,533</u>
Income (loss) before income taxes	1,790,186	(115,802)	4,775,342	(31,634)
(Provision) benefit of income taxes	(438,398)	40,888	(1,204,120)	11,612
Net income (loss)	<u>\$ 1,351,788</u>	<u>\$ (74,914)</u>	<u>\$ 3,571,222</u>	<u>\$ (20,022)</u>
Weighted average shares of common stock				
Basic	<u>37,412,519</u>	<u>37,412,519</u>	<u>37,412,519</u>	<u>37,368,769</u>
Diluted	<u>38,473,159</u>	<u>37,412,519</u>	<u>38,473,159</u>	<u>37,368,769</u>
Net income (loss) per common share				
Basic	<u>\$ 0.04</u>	<u>\$ (0.00)</u>	<u>\$ 0.10</u>	<u>\$ (0.00)</u>
Diluted	<u>\$ 0.04</u>	<u>\$ (0.00)</u>	<u>\$ 0.09</u>	<u>\$ (0.00)</u>

CONCIERGE TECHNOLOGIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(UNAUDITED)

	Three Months Ended December 31,		Six Months Ended December 31,	
	2020	2019	2020	2019
Net income (loss)	\$ 1,351,788	\$ (74,914)	\$ 3,571,222	\$ (20,022)
Other comprehensive income:				
Foreign currency translation gain	<u>297,432</u>	<u>135,588</u>	<u>370,146</u>	<u>169,537</u>
Comprehensive income	<u>\$ 1,649,220</u>	<u>\$ 60,674</u>	<u>\$ 3,941,368</u>	<u>\$ 149,515</u>

CONCIERGE TECHNOLOGIES, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

FOR THE THREE AND SIX MONTH PERIODS ENDING DECEMBER 31, 2020 AND DECEMBER 31, 2019

(UNAUDITED)

Period Ending December 31, 2020	Preferred Stock (Series B)		Common Stock			Additional Paid - in Capital	Accumulated Other Comprehensive (Loss) Income	Retained Earnings	Total Stockholders' Equity
	Number of Shares	Amount	Number of Shares	Par Value					
Balance at July 1, 2020	53,032	\$ 53	37,412,519	\$ 37,412		\$9,330,913	\$ (144,744)	\$ 9,926,262	\$ 19,149,896
Gain on currency translation	-	-	-	-	-	-	72,714	-	72,714
Net income	-	-	-	-	-	-	-	2,219,434	2,219,434
Balance at September 30, 2020	53,032	\$ 53	37,412,519	\$ 37,412		\$9,330,913	\$ (72,030)	\$12,145,696	\$ 21,442,044
Gain on currency translation	-	-	-	-	-	-	297,432	-	297,432
Net income	-	-	-	-	-	-	-	1,351,788	1,351,788
Balance at December 31, 2020	53,032	\$ 53	37,412,519	\$ 37,412		\$9,330,913	\$ 225,402	\$13,497,484	\$ 23,091,264

Period Ending December 31, 2019	Preferred Stock (Series B)		Common Stock			Additional Paid - in Capital	Accumulated Other Comprehensive (Loss) Income	Retained Earnings	Total Stockholders' Equity
	Number of Shares	Amount	Number of Shares	Par Value					
Balance at July 1, 2019	53,032	\$ 53	37,237,519	\$ 37,237		\$9,178,838	\$ (175,659)	\$8,152,861	\$ 17,193,330
Gain on currency translation	-	-	-	-	-	-	33,949	-	33,949
Common stock issued for services	-	-	175,000	175	-	-	-	-	175
Common stock issued for services - earned (1)	-	-	-	-	-	37,366	-	-	37,366
Net income	-	-	-	-	-	-	-	54,892	54,892
Balance at September 30, 2019	53,032	\$ 53	37,412,519	\$ 37,412		\$9,216,204	\$ (141,710)	\$8,207,753	\$ 17,319,712
Gain on currency translation	-	-	-	-	-	-	135,588	-	135,588
Common stock issued for services - earned (1)	-	-	-	-	-	76,751	-	-	76,751
Net loss	-	-	-	-	-	-	-	(74,914)	(74,914)
Balance at December 31, 2019	53,032	\$ 53	37,412,519	\$ 37,412		\$9,292,955	\$ (6,122)	\$8,132,839	\$ 17,457,137

CONCIERGE TECHNOLOGIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	For the Six-Month Period Ended December 31,	
	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss)	\$ 3,571,222	\$ (20,022)
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	343,124	300,148
Stock based vendor compensation	-	114,292
Bad debt expense	14,075	91
Impairment to inventory value	32,688	-
Unrealized gain (loss) on investments	(1,128)	688
Gain on disposal of equipment	(2,122)	-
Operating lease right-of-use asset - non-cash lease cost	231,879	184,876
Decrease (increase) in current assets:		
Accounts receivable	(373,656)	130,917
Accounts receivable - related party	518,364	34,437
Prepaid income taxes and tax receivable	292,905	427,260
Inventories	(149,153)	(207,324)
Other current assets	82,433	94,986
Decrease (increase) in current liabilities:		
Accounts payable and accrued expenses	(466,096)	(781,736)
Operating lease liabilities	(233,222)	(184,068)
Expense waivers - related party	553,336	(37,702)
Net cash provided by operating activities	4,414,649	56,843
CASH FLOWS FROM INVESTING ACTIVITIES:		
Cash paid for acquisition of business	(993,435)	-
Purchase of real estate and equipment	(30,213)	(495,579)
Purchase of investments	(411)	(29,060)
Net cash used in investing activities	(1,024,059)	(524,639)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Loans - real estate, property and equipment	-	404,518
Repayment of property and equipment loans	(3,445)	(94,613)
Net cash (used in) provided by financing activities	(3,445)	309,905
Effect of exchange rate change on cash and cash equivalents	123,331	208,393
NET INCREASE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	3,510,476	50,502
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, BEGINNING BALANCE	9,826,042	6,495,251
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, ENDING BALANCE	\$ 13,336,518	\$ 6,545,753
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash paid during the period for:		
Interest paid	\$ 7,985	\$ 8,990
Income taxes paid, net of refunds	\$ 859,320	\$ 159,363

Non-cash financing and investing activities:

Acquisition of operating right-of-use assets through operating lease obligations	\$ 730,741	\$ 1,150,916
Reclassification of acquisition deposit	\$ 122,111	\$ -
Reclassification of building deposit	\$ -	\$ 178,276

The accompanying notes found in the Company's Form 10-Q filed on February 16, 2021 are an integral part of these consolidated financial statements.