CONCIERGE TECHNOLOGIES INC
Form 10-Q
May 15, 2018

Table of Contents

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended March 31, 2018

OR

Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from to .

Commission File Number: 000-29913

CONCIERGE TECHNOLOGIES, INC.

(Exact name of registrant as specified in its charter)

Nevada	**90-1133909**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

29115 Valley Center Rd. K-206

Valley Center, CA 92082

866-800-2978

Fax: 888.312.0124

(Address and telephone number of registrant's principal

executive offices and principal place of business)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding twelve months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	Accelerated filer
Non-accelerated filer (Do not check if a smaller reporting company)	Smaller reporting company
	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.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes No

The registrant had 29,559,139 shares of Common Stock, $0.001 par value, and 436,951 shares of Series B Convertible, Voting, Preferred Stock on May 10, 2018. Series B Preferred stock is convertible, under certain conditions, to 20 shares of common stock for each share of Series B Preferred stock. Each share of Series B Preferred stock votes as 20 shares of common stock.

Table of Contents

CONCIERGE TECHNOLOGIES, INC.

Table of Contents

Table of Contents

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of the federal securities laws, which statements involve substantial risks and uncertainties. Forward-looking statements generally relate to future events or our future financial or operating performance. In some cases, you can identify forward-looking statements because they contain words such as “may,” “will,” “should,” “would,” “shall,” “might,” “expects,” “plans,” “anticip “could,” “intends,” “target,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “potential,” or “continue” or the ne these words or other similar terms or expressions that concern our expectations, strategy, plans, or intentions. Forward-looking statements contained in this Quarterly Report on Form 10-Q include, but are not limited to, statements about:

- our future financial performance, including our revenue, cost of revenue, gross profit, gross margin, operating expenses, ability to generate positive cash flow, and ability to achieve and maintain profitability;
- the sufficiency of our cash and cash equivalents to meet our working capital, capital expenditure, and liquidity needs;
- our ability to attract and retain customers to use our products, to optimize the pricing for our products, to expand our sales to our customers, and to convince our existing customers to renew subscriptions;
- the evolution of technologies affecting our products and markets;
- our ability to innovate and provide a superior user experience and our intentions and strategy with respect thereto;
- our ability to successfully penetrate enterprise markets;
- our ability to successfully expand in our existing markets and into new markets, including international markets;
- the attraction and retention of key personnel;
- our ability to effectively manage our growth and future expenses;
- worldwide economic conditions and their impact on spending; and
- our ability to comply with modified or new laws and regulations applying to our business, including privacy and data security regulations.

We caution you that the foregoing list does not contain all of the forward-looking statements made in this Quarterly Report on Form 10-Q.

You should not rely upon forward-looking statements as predictions of future events. We have based the forward-looking statements contained in this Quarterly Report on Form 10-Q primarily on our current expectations and projections about future events and trends that we believe may affect our business, financial condition, operating results, and prospects. The outcome of the events described in these forward-looking statements is subject to risks, uncertainties, and other factors described in the section titled “Risk Factors” in our annual report on Form 10-K for the year ended June 30, 2017. Moreover, we and our subsidiaries operate in a very competitive and rapidly changing environment. New risks and uncertainties emerge from time to time, and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this Quarterly Report on Form 10-Q. We cannot assure you that the results, events, and circumstances reflected in the forward-looking statements will be achieved or occur, and actual results, events, or circumstances could differ materially from those described in the forward-looking statements.

The forward-looking statements made in this Quarterly Report on Form 10-Q relate only to events as of the date on which the statements are made. We undertake no obligation to update any forward-looking statements made in this Quarterly Report on Form 10-Q to reflect events or circumstances after the date of this Quarterly Report on Form 10-Q or to reflect new information or the occurrence of unanticipated events, except as required by law. We and our subsidiaries may not actually achieve the plans, intentions, or expectations disclosed in our forward-looking statements and you should not place undue reliance on our forward-looking statements. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures, or investments we may make.

Table of Contents

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements.

CONCIERGE TECHNOLOGIES, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

(UNAUDITED)

	March 31, 2018	June 30, 2017
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$7,065,272	$6,730,486
Accounts receivable, net	757,691	871,570
Accounts receivable - related parties	1,442,617	1,762,271
Inventories	944,386	444,274
Prepaid income tax and tax receivable	1,642,181	1,276,540
Investments	3,113,106	3,578,749
Other current assets	543,128	369,599
Total current assets	15,508,381	15,033,489
Restricted cash	14,486	14,870
Property and equipment, net	1,192,411	1,159,465
Goodwill	915,790	498,973
Intangible assets, net	3,057,996	899,276
Deferred tax assets, net	1,030,814	1,480,272
Other assets, long-term	518,710	509,538
Total assets	$22,238,588	$19,595,883
LIABILITIES, CONVERTIBLE PREFERRED STOCK, AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	$2,686,564	$2,842,855
Expense waivers - related parties	1,055,162	589,093
Purchase consideration payable	1,227,500	-
Notes payable - related parties	3,500	3,500
Equipment loans	47,067	17,388
Total current liabilities	5,019,793	3,452,836

Notes payable - related parties	*600,000*	*600,000*
Equipment loans, net of current portion	*164,447*	*72,605*
Deferred tax liabilities	*258,601*	*258,601*
Total liabilities	*6,042,841*	*4,384,042*
Commitments and Contingencies (Note 16)		
Convertible preferred stock, $0.001 par value; 50,000,000 shares authorized		
Series B: 0 issued and outstanding at March 31, 2018 and 436,951 at June 30, 2017 [1]	-	*2,011,934*
	-	*2,011,934*
STOCKHOLDERS' EQUITY		
Preferred stock, $0.001 par value; 50,000,000 shares authorized		
Series B: 436,951 issued and outstanding at March 31, 2018 and 0 at June 30, 2017	*437*	-
Common stock, $0.001 par value; 900,000,000 shares authorized; 29,559,139 shares issued and outstanding at March 31, 2018 and 29,559,139 at June 30, 2017 [1]	*29,559*	*29,559*
Additional paid-in capital	*9,186,132*	*7,174,635*
Accumulated other comprehensive income	*252,864*	*119,338*
Retained earnings	6,726,755	*5,876,375*
Total stockholders' equity	*16,195,747*	*13,199,907*
Total liabilities, convertible preferred stock, and stockholders' equity	$*22,238,588*	$*19,595,883*

[1] Share amounts adjusted for 30:1 reverse stock split (Note 14)

The accompanying notes are an integral part of these unaudited consolidated financial statements.

3

Table of Contents

CONCIERGE TECHNOLOGIES, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(UNAUDITED)

	For the Three Month Periods Ended March 31,		For the Nine Month Periods Ended March 31,	
	2018	2017	2018	2017
Net revenue				
Fund management - related party	$4,345,234	$5,637,011	$14,348,806	$18,477,486
Food products	1,236,137	1,127,950	3,752,093	3,524,527
Security alarm monitoring	553,723	702,178	2,527,958	2,313,713
Beauty products and other	654,842	26,999	765,833	116,566
Net revenue	6,789,936	7,494,138	21,394,690	24,432,292
Cost of revenue	1,447,459	1,043,303	4,173,924	3,227,709
Gross profit	5,342,477	6,450,835	17,220,766	21,204,583
Operating expense				
General & administrative expense	1,279,509	1,505,205	3,835,759	4,601,215
Fund operations	1,207,562	1,388,232	3,632,571	4,157,699
Marketing and advertising	1,031,003	893,374	2,747,351	2,676,176
Depreciation and amortization	201,630	112,542	430,740	312,472
Salaries and compensation	1,400,331	1,451,490	4,349,771	4,377,709
Total operating expenses	5,120,035	5,350,843	14,996,192	16,125,271
Income from operations	222,442	1,099,992	2,224,574	5,079,312
Other (expense) income				
Other (expense) income	(228,380)	2,086	(262,174)	6,939
Interest and dividend income	102,597	-	108,976	-
Interest expense	(72,793)	(5,937)	(86,574)	(11,619)
Total other (expense) income, net	(198,576)	(3,851)	(239,772)	(4,680)
Income before income taxes	23,866	1,096,141	1,984,802	5,074,632
Provision of income taxes	(23,087)	(51,620)	(1,134,422)	(1,707,200)
Net income	$779	$1,044,521	$850,380	$3,367,432

Weighted average shares of common stock				
Basic	*29,559,139*	*29,559,139*	*29,559,139*	*29,559,139*
Diluted	*38,298,159*	*38,298,159*	*38,298,159*	*38,298,159*
Net income per common share				
Basic	$*0.00*	$*0.04*	$*0.03*	$*0.11*
Diluted	$*0.00*	$*0.03*	$*0.02*	$*0.09*

The accompanying notes are an integral part of these unaudited consolidated financial statements.

Table of Contents

CONCIERGE TECHNOLOGIES, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(UNAUDITED)

	Three Months Ended		**Nine Months Ended**	
	March 31,		**March 31,**	
	2018	**2017**	**2018**	**2017**
Net income	$*779*	$*1,044,521*	$*850,380*	$*3,367,432*
Other comprehensive (loss) income				
Foreign currency translation (loss) gain	*(31,130*)	*14,602*	*(90,807*)	*(106,183*)
Changes in short-term investment valuation	*269,162*	*38,805*	*224,333*	*32,363*
Comprehensive income	$*238,811*	$*1,097,928*	$*983,906*	$*3,293,612*

The accompanying notes are an integral part of these unaudited consolidated financial statements.

Table of Contents

CONCIERGE TECHNOLOGIES, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(UNAUDITED)

	For the Nine Month Periods Ended	
	March 31, 2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$850,380	$3,367,432
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	430,740	312,472
Loss (gain) on sale of investments	341,553	(1,371)
(Gain) loss on disposal of equipment	(3,193)	6,105
Decrease (Increase) in current assets:		
Accounts receivable	404,667	162,446
Accounts receivable - related party	319,654	258,050
Deferred taxes, net	371,837	(197,188)
Prepaid income taxes	(377,523)	(471,717)
Inventory	(131,318)	(36,231)
Other current assets	(164,258)	(154,503)
Increase (decrease) in current liabilities:		
Accounts payable and accrued expenses	(154,745)	72,992
Expense waivers - related party	466,069	779,688
Net cash provided by operating activities	2,353,863	4,098,175
CASH FLOWS FROM INVESTING ACTIVITIES:		
Cash paid for acquisition of business assets	(2,254,672)	(214,035)
Purchase of equipment-net of disposals	(302,133)	(222,477)
Sale of investments	1,372,019	59,367
Purchase of investments	(1,023,593)	(3,342,994)
Net cash used in investing activities	(2,208,379)	(3,720,139)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from equipment loan	178,604	90,574
Repayment of equipment loan	(55,199)	-
Repayment of loans from related parties	-	(5,000)
Net cash provided by financing activities	123,405	85,574
Effect of exchange rate change on cash and cash equivalents	65,897	(102,070)
NET INCREASE IN CASH AND CASH EQUIVALENTS	334,786	361,540

CASH AND CASH EQUIVALENTS, BEGINNING BALANCE	*6,730,486*	*5,454,107*
CASH AND CASH EQUIVALENTS, ENDING BALANCE	$*7,065,272*	$5,815,647
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash paid during the period for:		
Interest paid	$-	$*5,000*
Income taxes paid	$*960,800*	$*2,200,800*
Purchase consideration payable (see Note 13)	$*1,227,500*	$-

6

Table of Contents

CONCIERGE TECHNOLOGIES, INC. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIALS STATEMENTS

(UNAUDITED)

NOTE *1.* ORGANIZATION AND DESCRIPTION OF BUSINESS

Concierge Technologies, Inc., (the “Company” or “Concierge”), a Nevada corporation, operates through its wholly owned subsidiaries who are engaged in varied business activities. The operations of the Company’s wholly-owned subsidiaries are more particularly described herein but are summarized as follows:

Wainwright Holdings, Inc. (“Wainwright”), a U.S. based company, is the sole member of *two* investment services limited liability company subsidiaries, United States Commodity Funds LLC (“USCF”), and USCF Advisers LLC (“USCF Advisers”), each of which manages, operates or is an investment advisor to exchange traded funds organized as limited partnerships or investment trusts that issue shares which trade on the NYSE Arca stock exchange.
Gourmet Foods, Ltd. (“Gourmet Foods”), a New Zealand based company, manufactures and distributes New Zealand meat pies on a commercial scale.
Brigadier Security Systems (“Brigadier”), a Canadian based company, sells and installs commercial and residential alarm monitoring systems.
Original Sprout ("Original Sprout"), a U.S. based company operating under Kahnalytics, Inc., also a U.S. based company which no longer has significant operations, is engaged in the wholesale distribution of hair and skin care products under the brand name Original Sprout on a global scale.

See “Note *13.* Business Combinations” for a description of the terms of our acquisitions for our operating businesses.

Concierge manages its operating businesses on a decentralized basis. There are *no* centralized or integrated operational functions such as marketing, sales, legal or other professional services and there is little involvement by Concierge’s management in the day-to-day business affairs of its operating subsidiary businesses. Concierge’s corporate management is responsible for capital allocation decisions, investment activities and selection and retention of the Chief Executive to head each of the operating subsidiaries. Concierge's corporate management is also responsible for corporate governance practices, monitoring regulatory affairs, including those of its operating businesses and involvement in governance-related issues of its subsidiaries as needed.

NOTE *2*. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Accounting Principles

The Company has prepared the accompanying financial statements on a consolidated basis. In the opinion of management, the accompanying consolidated balance sheets and related statements of income and comprehensive income, and cash flows include all adjustments, consisting only of normal recurring items, necessary for their fair presentation, prepared on an accrual basis, in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”). The information included in this Form *10*-Q should be read in conjunction with information included in the Company’s *2017* annual report on Form *10*-K filed on *October 13, 2017* with the U.S. Securities and Exchange Commission.

Principles of Consolidation

The accompanying condensed consolidated financial statements, which are referred herein as the “Financial Statements” include the accounts of Concierge and its wholly owned subsidiaries, Wainwright, Gourmet Foods, Brigadier and Original Sprout.

Wainwright was acquired during the prior fiscal year. Due to the commonality of ownership and control between the *two* companies, the transaction has been accounted for as a transaction between entities under common control (Refer to Note *13* of the Financial Statements). The accompanying Financial Statements as of *March 31, 2018* and *June 30, 2017* include the assets, liabilities and the results of operations of Wainwright at carrying amounts as though the transaction and exchange of equity interests has occurred at the beginning of the comparative period, or *July 1, 2016.*

All significant inter-company transactions and accounts have been eliminated in consolidation.

Table of Contents

Use of Estimates

The preparation of the Financial Statements are in conformity with U.S. GAAP which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include all highly liquid debt instruments with original maturities of *three* months or less. The Company maintains its cash and cash equivalents in financial institutions in the United States, Canada, and New Zealand. Accounts in the United States are insured by the Federal Deposit Insurance Corporation up to *$250,000* per depositor, and accounts in Canada are insured by the Canada Deposit Insurance Corporation up to *CD$100,000* per depositor. Accounts in New Zealand are uninsured. The Company has, at times, held deposits in excess of insured amounts, but the Company does *not* expect any losses in such accounts.

Accounts Receivable - Related Parties and Accounts Receivable, net

Accounts receivable - related parties, consist of fund asset management fees receivable from the Wainwright business. Management fees receivable generally consist of *one* month of management fees which are collected in the month after they are earned. As of *March 31, 2018* and *June 30, 2017,* there is *no* allowance for doubtful accounts as all amounts are deemed collectible.

Accounts receivable, net, consist of receivables from the Brigadier, Gourmet Foods and Original Sprout businesses. The Company maintains an allowance for doubtful accounts for estimated losses inherent in its accounts receivable portfolio. In establishing the required allowance, management regularly reviews the composition of accounts receivable and analyzes customer credit worthiness, customer concentrations, current economic trends and changes in customer payment patterns. Reserves are recorded primarily on a specific identification basis. Account balances are charged off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote. As of *March 31, 2018* and *June 30, 2017,* the Company had *$46,550* and *nil,* respectively, recorded in doubtful accounts.

Major Customers & Suppliers – Concentration of Credit Risk

Concierge, through Original Sprout, is dependent upon its relationship with a product packaging company who, at the direction of Original Sprout, manufactures the products, packages them in appropriate containers, and delivers the finished goods to Original Sprout for distribution to its customers. All of Original Sprout’s products are currently produced by this packaging company, although if this relationship were to fail there are other similar packaging companies available to Original Sprout at competitive pricing. For the current *three* and *nine* month periods, Original Sprout, which was acquired on *December 18, 2017,* included only *103* days of operations in our financial statements. As a result, a list of major customers over the *nine* month time period would *not* be indicative of actual concentration of risk with regard to sales revenues or accounts receivable and is therefore omitted. For the current *three* month period *no* single customer accounted for over *10%* of Original Sprout's total sales revenues.

Concierge, through Brigadier, is dependent upon its contractual relationship with the alarm monitoring company who purchases the monitoring contracts and provides monitoring services to Brigadier’s customers. Sales revenues derived from this customer, which includes contracts and recurring monthly residuals from monitoring contracts, totaled *51%* of the total revenues for the *three* months ended *March 31, 2018* and *39%* for the *nine* months ended *March 31, 2018* as compared to *46%* of the total revenues for the *three* month period ended *March 31, 2017* and *44%* for the *nine* month period ended *March 31, 2017,* respectively, while accounting for approximately *38%* and *40%* of accounts receivable as of *March 31, 2018* and *June 30, 2017,* respectively. Sales to *one* large customer totaled *16%* of the total revenues for the *nine* months ended *March 31, 2018,* but were insignificant for other comparison periods and *not* likely to repeat on a regular basis.

Table of Contents

Concierge, through Gourmet Foods, has *three* major customer groups comprising the gross revenues to Gourmet Foods; *1*) grocery, *2*) gasoline convenience stores, and *3*) independent retailers. The grocery and food industry is dominated by several large chain operations, which are customers of Gourmet Foods, and there are *no* long term guarantees that these major customers will continue to purchase products from Gourmet Foods, however the relationships have been in place for sufficient time to give management reasonable confidence in their continuing business For the *three* months ended *March 31, 2018* and *2017,* our largest customer in the grocery industry, who operates through a number of independently branded stores, accounted for approximately *22%* and *17%*, respectively, of our gross sales revenues as compared to *20%* and *18%,* respectively, for the *nine* months ended *March 31, 2018* and *2017.* The same customer accounted for *31%* and *26%* of our accounts receivable for as of *March 31, 2018* and *June 30, 2017,* respectively. The *second* largest customer in the grocery industry accounted for approximately *12%* and *11%* of our gross revenues for the *three* and *nine* month periods ended *March 31, 2018,* respectively, as compared to *10%* and *11%* of gross revenues for the *three* and *nine* month periods ended *March 31, 2017.* The same customer accounted for *14%* of our accounts receivable as of *March 31, 2018* compared to *11%* as of *June 30, 2017.* In the gasoline convenience store market we supply *two* major channels. The largest is a marketing consortium of gasoline dealers who, for the *three* and *nine* months ended *March 31, 2018* accounted for approximately *42%* and *42%,* respectively, of our gross sales revenues as compared to *44%* and *43%* for the *three* and *nine* months ended *March 31, 2017. No* single member of the consortium is responsible for a significant portion of our accounts receivable. The *second* largest are independent operators accounting for less than *10%* of gross sales however *no* single independent operator is responsible for a significant portion of our accounts receivable. The *third* category of independent retailers and cafes accounted for the balance of our gross sales revenue however the group is fragmented and *no one* customer accounts for a significant portion of our revenues or accounts receivable. Gourmet Foods is *not* dependent upon any *one* major supplier as many alternative sources are available in the local market place should the need arise.

For our subsidiary, Wainwright, the concentration of risk and the relative reliance on major customers are found within the various funds it manages and the associated *three* and *nine* month revenues as of *March 31, 2018* and *March 31, 2017* along with the accounts receivable at *March 31, 2018* as compared with *June 30, 2017* as depicted below.

	Three Months Ended March 31, 2018 Revenue		**Three Months Ended March 31, 2017 Revenue**	
Fund				
USO	$*2,187,506*	*50* %	$*3,226,589*	*57* %
USCI	*1,038,924*	*24* %	*1,128,905*	*20* %
UNG	*648,691*	*15* %	*739,810*	*13* %
All Others	*470,113*	*11* %	*541,707*	*10* %
Total	$*4,345,234*	*100*%	$*5,637,011*	*100*%

Fund	Nine Months Ended March 31, 2018 Revenue		Nine Months Ended March 31, 2017 Revenue	
USO	$*7,630,965*	*53* %	$*10,529,803*	*57* %
USCI	*2,996,917*	*21* %	*3,825,555*	*21* %
UNG	*2,220,710*	*16* %	*2,457,919*	*13* %
All Others	*1,500,214*	*10* %	*1,664,209*	*9* %
Total	$*14,348,806*	*100*%	$*18,477,486*	*100*%

Fund	March 31, 2018 Accounts Receivable		June 30, 2017 Accounts Receivable	
USO	$*714,883*	*50* %	$*1,060,421*	*60* %
USCI	*371,206*	*26* %	*317,032*	*18* %
UNG	*191,580*	*13* %	*217,760*	*12* %
All Others	*164,948*	*11* %	*167,058*	*10* %
Total	$*1,442,617*	*100*%	$*1,762,271*	*100*%

Inventories

Inventories, consisting primarily of food products and packaging in New Zealand, hair and skin care finished products and components in the U.S. and security system hardware in Canada, are valued at the lower of cost (determined on a FIFO basis) or net realizable value. Inventories include product cost, inbound freight and warehousing costs where applicable. Management compares the cost of inventories with the net realizable value and an allowance is made for writing down the inventories to their net realizable value, if lower. For the *nine* months ended *March 31, 2018* and *2017* impairment to inventory value was recorded as *$0* and *$2,090,* respectively. An assessment is made at the end of each fiscal year to determine what inventory items have remained in stock from the close of the previous fiscal year. If such items exist, either a reserve is established to reduce inventory value by the value of these items, or these items are removed from the inventory valuation and recorded as an expense. For the nine months ended *March 31, 2018* and *March 31, 2017,* the expense for slow moving or obsolete inventory was *$0* and *$36,239,* respectively. As of *March 31, 2018* and *June 30, 2017* there was *no* reserve established for slow moving inventory valuation.

Property and Equipment

Property and equipment are stated at cost. Expenditures for maintenance and repairs are charged to earnings as incurred; additions, renewals and leasehold improvements are capitalized. Office furniture and equipment include office fixtures, computers, printers and other office equipment plus software and applicable packaging designs.

Leasehold improvements, which are included in plant and equipment, are depreciated over the shorter of the useful life of the improvement and the length of the lease. When property and equipment are retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the respective accounts, and any gain or loss is included in operations. Depreciation is computed using the straight line method over the estimated useful life of the asset (see Note *5* to the Financial Statements).

Table of Contents

Category	Estimated Useful Life (in years)
Plant and equipment:	5 to 10
Furniture and office equipment:	3 to 5
Vehicles	3 to 5

Intangible Assets

Intangible assets consist of brand names, domain names, recipes, non-compete agreements and customer lists. Intangible assets with finite lives are amortized over the estimated useful life and are evaluated for impairment at least on an annual basis and whenever events or changes in circumstances indicate that the carrying value *may not* be recoverable. The Company assesses recoverability by determining whether the carrying value of such assets will be recovered through the discounted expected future cash flows. If the future discounted cash flows are less than the carrying amount of these assets, the Company recognizes an impairment loss based on the excess of the carrying amount over the fair value of the assets. There was *no* impairment recorded for the *nine* months ended *March 31, 2018* or for the year ended *June 30, 2017.*

Goodwill

Goodwill represents the excess of the aggregate purchase price over the fair value of the net assets acquired in a purchase businesses combination. Goodwill is tested for impairment on an annual basis during the *fourth* quarter of our fiscal year, or more frequently if events or changes in circumstances indicate that the carrying amount of goodwill *may* be impaired. The goodwill impairment test is a *two*-step test. Under the *first* step, the fair value of the reporting unit is compared with its carrying value including goodwill. If the fair value of the reporting unit exceeds its carrying value, step *two* does *not* need to be performed. If the fair value of the reporting unit is less than its carrying value, an indication of goodwill impairment exists for the reporting unit and the enterprise must perform step *two* of the impairment test. Under step two, an impairment loss is recognized for any excess of the carrying amount of the reporting unit's goodwill over the implied fair value of that goodwill. The implied fair value of goodwill is determined by allocating the fair value of the reporting unit in a manner similar to a purchase price allocation. The residual fair value after this allocation is the implied fair value of the reporting unit goodwill. There was *no* impairment recorded for the three or *nine* months ended *March 31, 2018.*

Impairment of Long-Lived Assets

The Company tests long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset *may not* be recoverable through the estimated undiscounted cash flows expected to result from the use and eventual disposition of the assets. Whenever any such impairment exists, an impairment loss will be recognized for the amount by which the carrying value exceeds the fair value. There was *no* impairment recorded for the *nine* months ended *March 31, 2018* or for the year ended *June 30, 2017.*

Investments and Fair Value of Financial Instruments

Investments are classified as available-for-sale securities. The Company measures the investments at fair value at period end with any changes in fair value reflected as unrealized gains or (losses) on the condensed consolidated statements of comprehensive income. The Company values its investments in accordance with Accounting Standards Codification ("ASC") *820 – Fair Value Measurements and Disclosures* (“ASC *820”*). ASC *820* defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles, and expands disclosures about fair value measurement. The changes to past practice resulting from the application of ASC *820* relate to the definition of fair value, the methods used to measure fair value, and the expanded disclosures about fair value measurement. ASC *820* establishes a fair value hierarchy that distinguishes between: (*1*) market participant assumptions developed based on market data obtained from sources independent of the Company (observable inputs) and (*2*) The Company’s own assumptions about market participant assumptions developed based on the best information available under the circumstances (unobservable inputs). The *three* levels defined by the ASC *820* hierarchy are as follows:

Level *1* – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level *2* – Inputs other than quoted prices included within Level *1* that are observable for the asset or liability, either directly or indirectly. Level *2* assets include the following: quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are *not* active, inputs other than quoted prices that are observable for the asset or liability, and inputs that are derived principally from or corroborated by observable market data by correlation or other means (market-corroborated inputs).

Level *3* – Unobservable pricing input at the measurement date for the asset or liability. Unobservable inputs shall be used to measure fair value to the extent that observable inputs are *not* available.

In some instances, the inputs used to measure fair value might fall within different levels of the fair value hierarchy. The level in the fair value hierarchy within which the fair value measurement in its entirety falls shall be determined based on the lowest input level that is significant to the fair value measurement in its entirety. There were *no* transfers between levels during the *nine* months ended *March 31, 2018* and *2017.*

Revenue Recognition

Revenue consists of fees earned through management of investment funds, sale of gourmet meat pies and related bakery confections in New Zealand, security alarm system installation and monitoring service in Canada, and wholesale distribution of hair and skin care products. Revenue is accounted for net of sales taxes, sales returns, trade discounts. Revenue is recognized when persuasive evidence of an arrangement exists, the price is fixed or determinable, the delivery has occurred, *no* other significant obligations of the Company exist, and collectability is probable. Product is considered delivered to the customer once it has been shipped and title, risk of loss and rewards of ownership have been transferred. For most of the Company's product sales or services, these criteria are met at the time the product is shipped, the subscription period commences, or the management fees are accrued.

Income Taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date. A valuation allowance is provided for deferred tax assets if it is more likely than *not* that these items will either expire before the Company is able to realize their benefits or if future deductibility is uncertain.

When tax returns are filed, it is highly certain that some positions taken would be sustained upon examination by the taxing authorities, while others are subject to uncertainty about the merits of the position taken or the amount of the position that would be ultimately sustained. The benefit of a tax position is recognized in the financial statements in the period during which, based on all available evidence, management believes it is more likely than *not* that the position will be sustained upon examination, including the resolution of appeals or litigation processes, if any. Tax positions taken are *not* offset or aggregated with other positions. Tax positions that meet the more-likely-than-*not* recognition threshold are measured as the largest amount of tax benefit that is more than *50* percent likely of being realized upon settlement with the applicable taxing authority. The portion of the benefits associated with tax positions taken that exceeds the amount measured as described above is reflected as a liability for unrecognized tax benefits in the balance sheets along with any associated interest and penalties that would be payable to the taxing authorities upon examination. Applicable interest and penalties associated with unrecognized tax benefits are classified as additional income taxes in the statements of operations.

Marketing and Advertising Costs

The Company expenses the cost of marketing and advertising as incurred. Marketing and advertising costs for the *three* and *nine* months ended *March 31, 2018* were approximately *$1.0* million and *$2.7* million, respectively, as compared to approximately *$0.9* million and *$2.7* million for the *three* and *nine* month periods ended *March 31, 2017.*

Other Comprehensive Income (Loss)

Foreign Currency Translation

We record foreign currency translation adjustments and transaction gains and losses in accordance with ASC *830-30, Foreign Currency Translation*. The accounts of Gourmet Foods use the New Zealand dollar as the functional currency. The accounts of Brigadier Security System use the Canadian dollar as the functional currency. Assets and liabilities are translated at the exchange rate on the balance sheet date, and operating results are translated at the weighted average exchange rate throughout the period. Foreign currency transaction gains and (losses) can also occur if a transaction is settled in a currency other than the entity's functional currency. Accumulated currency translation gains and (losses) are classified as an item of accumulated other comprehensive income (loss) in the stockholders' equity section of the consolidated balance sheet. Other comprehensive income, foreign currency translation (loss) gain was approximately ($*31*) thousand and *$15* thousand for the *three* months ended *March 31, 2018* and *2017,* respectively, and approximately (*$91*) thousand and (*$106*) thousand for the *nine* months ended *March 31, 2018* and *2017,* respectively.

Table of Contents

Investment Valuation

Other comprehensive income attributed to changes in the valuation of short-term investments held for sale by Wainwright was approximately *$269* thousand and *$39* thousand for the *three* months ended *March 31, 2018* and *2017,* respectively, and approximately $224 thousand and *$32* thousand for the *nine* months ended *March 31, 2018* and *2017.*

Segment Reporting

The Company defines operating segments as components about which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performances. The Company allocates its resources and assesses the performance of its sales activities based on the geographic locations of its subsidiaries (Refer to Note *17* of the Financial Statements).

Business Combinations

We allocate the fair value of purchase consideration to the tangible assets acquired, liabilities assumed and intangible assets acquired based on their estimated fair values. The excess of the fair value of purchase consideration over the fair values of these identifiable assets and liabilities is recorded as goodwill. Such valuations require management to make significant estimates and assumptions, especially with respect to intangible assets. Significant estimates in valuing certain intangible assets include, but are *not* limited to, future expected cash flows from acquired users, acquired trade names from a market participant perspective, useful lives and discount rates. Management's estimates of fair value are based upon assumptions believed to be reasonable, but which are inherently uncertain and unpredictable and, as a result, actual results *may* differ from estimates. During the measurement period, which is *one* year from the acquisition date, we *may* record adjustments to the assets acquired and liabilities assumed. For the each of the *three* and *nine* months ended *March 31, 2018* and *2017,* a determination was made that *no* adjustments were necessary, except for the amount provisionally recorded to goodwill as related to the purchase of assets by Original Sprout. After the results of an independent valuation of the identifiable intangible assets were known, the Company's subsidiary Original Sprout restated its purchase price allocation in accordance with the table found in Note *13* to these financial statements.

Recent Accounting Pronouncements

The Company has reviewed new accounting pronouncements issued between *October 13, 2017,* the filing date of our most recent prior Annual Report on Form *10*-K, and the filing date of this Quarterly Report on Form *10*-Q and has determined that *no* pronouncements issued are relevant to the Company, and/or have, or will have, a material impact on the Company's consolidated financial position, results of operations or disclosure requirements.

NOTE *3*. BASIC AND DILUTED NET INCOME PER SHARE

Basic net income per share is based upon the weighted average number of common shares outstanding. Diluted net income per share is based on the assumption that all dilutive convertible shares and stock options were converted or exercised. Dilution is computed by applying the treasury stock method. Under this method, options and warrants are assumed to be exercised at the beginning of the period (or at the time of issuance, if later), and as if funds obtained thereby were used to purchase common stock at the average market price during the period.

Diluted net income per share reflects the effects of shares potentially issuable upon conversion of convertible preferred stock.

The components of basic and diluted earnings per share were as follows:

	For the Three Months Ended March 31, 2018		
	Net Income	**Shares**	**Per Share**
Basic income per share:			
Net income	$ *779*	*29,559,139*	$ *0.00*
Effect of dilutive securities			
Preferred stock Series B	-	*8,739,020*	-
Diluted income per share	$ *779*	*38,298,159*	$ *0.00*

	For the Three Months Ended March 31, 2017		
	Net Income	**Shares**	**Per Share**
Basic income per share:			
Net income	$ *1,044,521*	*29,559,139*	$ *0.04*
Effect of dilutive securities			
Preferred stock Series B	-	*8,739,020*	-
Diluted income per share	$ *1,044,521*	*38,298,159*	$ *0.03*

	For the Nine Months Ended March 31, 2018		
	Net Income	**Shares**	**Per Share**
Basic income per share:			
Net income	$ *850,380*	*29,559,139*	$ *0.03*
Effect of dilutive securities			
Preferred stock Series B	-	*8,739,020*	-
Diluted income per share	$ *850,380*	*38,298,159*	$ *0.02*

12

Table of Contents

	For the Nine Months Ended March 31, 2017		
	Net Income	**Shares**	**Per Share**
Basic income per share:			
Net income	$ *3,367,432*	*29,559,139*	$ *0.11*
Effect of dilutive securities			
Preferred stock Series B	-	*8,739,020*	-
Diluted income per share	$ *3,367,432*	*38,298,159*	$ *0.09*

NOTE *4.* INVENTORIES

Inventories consisted of the following as of:

	March 31, 2018	**June 30, 2017**
Raw materials	$ *49,234*	$ *43,088*
Supplies and packing materials	*320,666*	*125,241*
Finished goods	*574,486*	*275,945*
Total	$ *944,386*	$ *444,274*

NOTE *5.* PROPERTY AND EQUIPMENT, NET

Property, plant and equipment consisted of the following as of:

	March 31, 2018	**June 30, 2017**
Plant and equipment	$ *1,551,476*	$ *1,460,180*
Furniture and office equipment	*177,831*	*162,781*
Vehicles	*367,112*	*185,866*
Total property, plant and equipment, gross	*2,096,419*	*1,808,827*

Accumulated depreciation	*(904,008*)	*(649,362*)
Total property, plant and equipment, net	$*1,192,411*	$*1,159,465*

For the *three* and *nine* month periods ended *March 31, 2018* depreciation expense for property, plant and equipment totaled *$90,306* and *$259,460,* respectively, as compared to *$83,215* and *$223,188* for the *three* and *nine* month periods ended *March 31, 2017,* respectively.

NOTE *6.* INTANGIBLE ASSETS

Intangible assets consisted of the following as of:

	March 31, 2018	**June 30, 2017**
Brand name	$*1,142,123*	$*402,123*
Domain name	*36,913*	*36,913*
Customer relationships	*700,252*	*500,252*
Non-compete agreement	*274,982*	*84,982*
Recipes and formulas	*1,221,601*	*21,601*
Total	*3,375,871*	*1,045,871*
Less : accumulated amortization	*(317,875*)	*(146,595*)
Net intangibles	$*3,057,996*	$*899,276*

Table of Contents

CUSTOMER RELATIONSHIPS

On *August 11, 2015,* the Company acquired Gourmet Foods. The fair value on the acquired customer relationships was estimated to be *$66,153* and is amortized over the remaining useful life of *10* years. On *June 2, 2016,* the Company acquired Brigadier Security Systems. The fair value on the acquired customer relationships was estimated to be *$434,099* and is amortized over the remaining useful life of *10* years. On *December 18, 2017* the Company's wholly-owned subsidiary, Kahnalytics, Inc., acquired the assets of Original Sprout LLC. The fair value of the acquired customer relationships was determined to be *$200,000* and is amortized over the remaining useful life of *7* years.

	March 31, 2018	**June 30, 2017**
Customer relationships	$*700,252*	*500,252*
Less: accumulated amortization	*(105,300*)	*(59,684*)
Total customer relationships, net	$*594,952*	*440,568*

BRAND NAME

On *August 11, 2015,* the Company acquired Gourmet Foods. The fair value on the acquired brand name was estimated to be *$61,429* and is amortized over the remaining useful life of *10* years. On *June 2, 2016,* the Company acquired Brigadier Security Systems. The fair value on the acquired brand name was estimated to be *$340,694* and is amortized over the remaining useful life of *10* years. On *December 18, 2017* the Company's wholly-owned subsidiary, Kahnalytics, Inc., acquired the assets of Original Sprout LLC. The fair value of the acquired brand name was determined to be *$740,000* and is amortized over the remaining useful life of *10* years.

	March 31, 2018	**June 30, 2017**
Brand name	$*1,142,123*	$*402,123*
Less: accumulated amortization	*(99,729*)	*(48,660*)
Total brand name, net	$*1,042,394*	$*353,463*

DOMAIN NAME

On *August 11, 2015,* the Company acquired Gourmet Foods. The fair value on the acquired domain name was estimated to be *$21,601* and is amortized over the remaining useful life of *5* years. On *June 2, 2016,* the Company acquired Brigadier Security Systems. The fair value on the acquired domain name was estimated to be *$15,312* and is amortized over the remaining useful life of *5* years.

	March 31, 2018	**June 30, 2017**
Domain name	$*36,913*	$*36,913*
Less: accumulated amortization	*(17,118*)	*(11,576*)
Total brand name, net	$*19,795*	$*25,337*

RECIPES AND FORMULAS

On *August 11, 2015,* the Company acquired Gourmet Foods. The fair value on the recipes was estimated to be *$21,601* and is amortized over the remaining useful life of *5* years. On *December 18, 2017* the Company's wholly-owned subsidiary, Kahnalytics, Inc., acquired the assets of Original Sprout LLC. The fair value of the acquired recipes and formulas was determined to be *$1,200,000* and is amortized over the remaining useful life of *8* years.

	March 31, 2018	**June 30, 2017**
Recipes and formulas	$*1,221,601*	$*21,601*
Less: accumulated amortization	*(53,829*)	*(8,257*)
Total recipes and formulas, net	$*1,167,772*	$*13,344*

NON-COMPETE AGREEMENT

On *June 2, 2016,* the Company acquired Brigadier Security Systems. The fair value on the acquired non-compete agreement was estimated to be *$84,982* and is amortized over the remaining useful life of *5* years. On *December 18, 2017* the Company's wholly-owned subsidiary, Kahnalytics, Inc., acquired the assets of Original Sprout LLC. The fair value of the acquired non-compete agreement was determined to be *$190,000* and is amortized over the remaining useful life of *5* years.

Table of Contents

	March 31, 2018	June 30, 2017
Non-compete agreement	$*274,982*	$*84,982*
Less: accumulated amortization	*(41,900*)	*(18,418*)
Total non-compete agreement, net	$*233,082*	$*66,564*

AMORTIZATION EXPENSE

The total intangible amortization expense for the *three* and *nine* months ended *March 31, 2018* was *$111,324* and *$171,280,* respectively, as compared to *$29,327* and *$89,284,* respectively, for the *three* and *nine* months ended *March 31, 2017.*

Estimated amortization expenses of intangible assets for the next *five* fiscal years, are as follows:

Years Ending June 30,	**Expense**
2018	$*102,097*
2019	*409,508*
2020	*409,508*
2021	*399,219*
2022	*380,809*
Thereafter	*1,356,855*
Total	$*3,057,996*

NOTE *7.* INVESTMENTS AND FAIR VALUE OF FINANCIAL INSTRUMENTS

Wainwright, from time to time, provides initial investments in the creation of ETP funds that Wainwright manages. Wainwright classifies these investments as current assets as these investments are generally sold within *one* year from the balance sheet date. Investments in which *no* controlling financial interest or significant influence exists are recorded at fair value with unrealized holding gains and losses included in accumulated other comprehensive income (loss) as a component of stockholders' equity, except for unrealized losses determined to be other-than-temporary, which are included in the consolidated statements of operations and comprehensive income (loss). Investments in which *no* controlling financial interest exists, but significant influence exists are recorded as per the equity method of investment accounting. As of *March 31, 2018* and *June 30, 2017,* there were *no* investments requiring the equity method investment accounting.

Investments measured at estimated fair value consist of the following as of *March 31, 2018* and *June 30, 2017:*

	March 31, 2018			
	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Money market funds	$ *180,045*	$ -	$ -	$ *180,045*
USCF mutual fund investment	*2,500,000*	*216,640*	-	*2,716,640*
Hedged asset	*437,100*	-	*(221,743*)	*215,357*
Other equities	*1,577*	-	*(513*)	*1,064*
Total investments	$ *3,118,722*	$ *216,640*	$ *(222,256*)	*3,113,106*

	June 30, 2017			
	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Money market funds	$ *86,204*	$ -	$ -	$ *86,204*
USCF mutual fund investment	*2,500,000*	-	*(49,080*)	*2,450,920*
MENU ETF investment	*768,427*	*41,473*	-	*809,900*
Hedged asset	*187,000*	*43,746*	-	*230,746*
Other equities	*1,577*	-	*(598*)	*979*
Total investments	$ *3,543,208*	$ *85,219*	$ *(49,678*)	$ *3,578,749*

15

Table of Contents

The following tables summarize the valuation of the Company's securities at *March 31, 2018* and *June 30, 2017* using the fair value hierarchy:

	March 31, 2018			
	Total	Level 1	Level 2	Level 3
Money market funds	$*180,045*	$*180,045*	$-	$ -
USCF mutual fund investment	*2,716,640*	*2,716,640*	-	-
Hedge asset	*215,357*	-	*215,357*	-
Other equities	*1,064*	*1,064*	-	-
Total	$*3,113,106*	$*2,897,749*	$*215,357*	$ -

	June 30, 2017			
	Total	Level 1	Level 2	Level 3
Money market funds	$*86,204*	$*86,204*	$-	$ -
Mutual fund investment	*2,450,920*	*2,450,920*	-	-
ETF investment	*809,900*	*809,900*	-	-
Hedge asset	*230,746*	-	*230,746*	-
Other equities	*979*	*979*	-	-
Total	$*3,578,749*	$*3,348,003*	$*230,746*	$ -

During the *three* and *nine* months ended *March 31, 2018* and *2017,* there were *no* transfers between Level *1* and Level *2.*

NOTE *8*. OTHER ASSETS

Other Current Assets

Other current assets totaling *$543,128* as of *March 31, 2018* and *$369,599* as of *June 30, 2017* are comprised of various components as listed below.

	March 31, 2018	June 30, 2017
Prepaid expenses and deposits	$*438,128*	$*212,301*
Notes receivable	-	*150,000*
Other current assets	*105,000*	*7,298*
Total	$*543,128*	$*369,599*

Restricted Cash

At *March 31, 2018* Gourmet Foods had on deposit *NZ$20,000* (approximately *US$14,486*) securing a lease bond for *one* of its properties. The same amount was posted at *June 30, 2017* and translated to approximately *US$14,870.* The cash securing the bond is restricted from access or withdrawal so long as the bond remains in place.

Long Term Assets

Other long term assets totaling *$518,710* and *$509,538* at *March 31, 2018* and *June 30, 2017,* respectively, were attributed to Wainwright and Original Sprout and consisted of

(i) *$500,000* as of *March 31, 2018* and *June 30, 2017* representing *10%* equity investment in a registered investment adviser accounted for on a cost basis,
(ii) and *$18,710* as of *March 31, 2018* and *$9,538* at *June 30, 2017* representing deposits and prepayments of rent.

NOTE *9*. GOODWILL

Goodwill represents the excess of the aggregate purchase price over the fair value of the net assets acquired in business combinations. The amounts recorded in goodwill for March 31, 2018 were $915,790 as compared to $498,973 at June 30, 2017. The change is attributed to the purchase of assets by Original Sprout as further detailed in Note 13 to the Financial Statements.

Table of Contents

NOTE *10.* ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses consisted of the following:

	March 31, 2018	**June 30, 2017**
Accounts payable	$*1,244,032*	$*1,781,772*
Accrued interest	*50,636*	*32,410*
Taxes payable	*2,413*	*123*
Deferred rent	*6,441*	*13,402*
Accrued payroll and vacation pay	*143,309*	*349,507*
Other accrued expenses	*1,239,733*	*665,641*
Total	$*2,686,564*	$*2,842,855*

NOTE *11.* RELATED PARTY TRANSACTIONS

Notes Payable - Related Parties

Current related party notes payable consist of the following:

	March 31, 2018	**June 30, 2017**
Notes payable to shareholder, interest rate of 8%, unsecured and payable on December 31, 2012 (past due)	$*3,500*	$*3,500*
Notes payable to shareholder, interest rate of 4%, unsecured and payable on May 25, 2022	*250,000*	*250,000*
Notes payable to shareholder, interest rate of 4%, unsecured and payable on April 8, 2022	*350,000*	*350,000*
	$*603,500*	$*603,500*

Interest expense for all related party notes for the *three* and *nine* months ended *March 31, 2018* were *$5,987* and *$18,227,* respectively, and for the *three* and *nine* months ended *March 31, 2017* the interest expense (as adjusted) for all related party notes were *$5,987* and *$18,227,* respectively.

Wainwright - Related Party Transactions

The Funds managed by USCF and USCF Advisers are deemed by management to be related parties. The Company's Wainwright revenues, totaling *$4.3* million and *$14.3* million for the *three* and *nine* months ended *March 31, 2018,* respectively, were earned from these related parties as compared to *$5.6* million and *$18.5* million for the *three* and *nine* month periods ended *March 31, 2017.* Accounts receivable, totaling *$1.4* million and *$1.8* million as of *March 31, 2018* and *June 30, 2017,* respectively, were owed from these related parties. Fund expense waivers, totaling *$0.2* million and *$0.6* million for the *three* and *nine* months ended *March 31, 2018,* respectively, were incurred on behalf of these related parties as compared to *$0.3* million and *$0.8* million for the *three* and *nine* month periods ended *March 31, 2017.* Waivers payable, totaling *$1.1* million and *$0.6* million as of *March 31, 2018* and *June 30, 2017,* respectively, were owed to these related parties. Fund expense waivers and fund expense limitation obligations are defined under Note *16* to the Financial Statements.

NOTE *12.* EQUIPMENT LOANS

As of *March 31, 2018,* Brigadier had, in the aggregate, an outstanding principal balance of *CD$272,745* (approx. *US$211,514*) related to new vehicle purchases. For each vehicle purchased, the loan principal together with interest is amortized over *60* equal monthly installments. The Consolidated Balance Sheets as of *March 31, 2018* and *June 30, 2017* reflect the amount of the principal balance which is due within *twelve* months as a current liability of *US$47,067* and *US$17,388,* respectively. Principal amounts under the loans which is due after *twelve* months are recorded in long term liabilities as *US$164,447* and *US$72,605* at *March 31, 2018* and *June 30, 2017* respectively. Interest on the loans is expensed or accrued as it becomes due. Total interest on all vehicle loans for the *three* and *nine* months ended *March 31, 2018* and was US$*2,630* and $*7,596*, respectively, as compared to *$0* and *$0* for the *three* and *nine* month periods ended *March 31, 2017.*

Table of Contents

NOTE *13.* BUSINESS COMBINATIONS

Acquisition of the assets of The Original Sprout, LLC

Kahnalytics, Inc., a wholly owned subsidiary of Concierge Technologies domiciled in California, was founded during *May 2015* for the purpose of carrying on the residual business from the disposal of Concierge Technologies' former subsidiary, Wireless Village dba/Janus Cam. As that business segment slowly wound down over the ensuing *two* years, management began a search for another business opportunity for Kahnalytics. Accordingly, on *December 18, 2017,* Kahnalytics acquired all of the assets of The Original Sprout, LLC, a California limited liability company. Simultaneous with the acquisition, Kahnalytics registered a "doing business as" (or "dba") name of “Original Sprout” and transitioned its business to the manufacture, warehousing and wholesale distribution of non-toxic, all-natural, hair and skin care products under the brand name Original Sprout. The acquisition by Kahnalytics was financed through a non-interest bearing note from Concierge Technologies. The purchase price was approximately *$3.5* million with payments to be made over the course of a *twelve*-month period and per the estimated allocation as depicted in the following table.

Item	**Amount**
Inventory	$*371,866*
Accounts receivable	*288,804*
Furniture, fixtures and equipment	*1,734*
Pre-payments of inventory	*8,775*
Discount on installment payments**	64,176
Intangible assets*	*2,330,000*
Goodwill	416,817
Total Purchase Price	$*3,482,172*

*See Note *6* for further detail of intangible assets acquired

**This amount represents a discount on installment payments and is charged to interest expense as incurred.

On the closing date of the transaction, *December 18, 2017,* Kahnalytics paid *$982,172* in cash towards the purchase price and deposited an additional *$1,250,000* in an attorney-held client trust account to be released to the sellers, subject to any downward purchase price adjustment, on *May 18, 2018.* The balance of the purchase price, *$1,250,000,* subject to downward adjustment for prior payments which, as of *March 31, 2018,* resulted in a balance of *$1,227,500,* is due by *January 5, 2019* and is secured by a promissory note from Kahnalytics and a corporate guarantee from Concierge Technologies.

Supplemental Pro Forma Information

The following unaudited supplemental pro forma information for the three and nine month periods ending March 31, 2018 and 2017, assumes the acquisition of the Original Sprout LLC assets had occurred as of July 1, 2016, giving effect on a pro forma basis to purchase accounting adjustments such as depreciation of property and equipment, amortization of intangible assets, and acquisition related costs. The pro forma data is for informational purposes only and may not necessarily reflect the actual results of operations had the assets of Original Sprout LLC been operated as part of the company since July 1, 2016. Furthermore, the pro forma results do not intend to predict the future results of operations of the Company.

The following table presents consolidated unaudited results of operations for the three and nine month periods ended March 31, 2018 and 2017 assuming the acquisition of the Original Sprout LLC assets had occured as of July 1, 2016.

	Three Months Ended March 31, 2018 Pro Forma [(1)]	**Three Months Ended March 31, 2017 Pro Forma [(1)]**	**Nine Months Ended March 31, 2018 Pro Forma [(1)]**	**Nine Months Ended March 31, 2017 Pro Forma [(1)]**
Net Revenues	$6,789,936	$8,301,608	$23,467,041	$27,119,965
Net Income	$277,471	$1,060,745	$1,436,402	$3,445,010
Basic Earnings per Share	$0.01	$0.04	$0.05	$0.12
Diluted Earnings per Share	$0.01	$0.03	$0.04	$0.09

[(1)] Includes the operation of the assets acquired from Original Sprout on a consolidated basis and the estimated transaction costs, amortization of intangible assets, and estimated income tax.

Wainwright Holdings, Inc.

On *December 9, 2016,* the Company closed a Stock Purchase Agreement (the "Purchase Agreement"), by and among the Company and Wainwright and each of the shareholders of Wainwright common stock (the "Wainwright Sellers"), pursuant to which the Wainwright Sellers agreed to sell, and the Company agreed to purchase *1,741* shares of Wainwright common stock, par value *$0.01* per share, (the "Wainwright Common Stock"), which represents all of the issued and outstanding Wainwright Common Stock, in exchange for: (i) *27,293,330* shares (as adjusted approximately for the *1* for *30* reverse stock split effective on *December 15, 2017)* of Company Common Stock, and (ii) *311,804* (as adjusted approximately for the *1* for *30* reverse stock split effective on *December 15, 2017)* shares of Company Preferred Stock (which preferred shares are convertible into approximately *6,236,079* shares of Company Common Stock). Wainwright and the Company have a commonality of ownership and control as represented by the shareholdings, either directly or beneficially, of Nicholas Gerber and Scott Schoenberger as a group pursuant to the aforementioned Purchase Agreement and a voting agreement which gives them control of over *50%* of Wainwright and over *50%* of Concierge both before and after the business combination. Accordingly, the acquisition has been recorded as a transaction between entities under common control in the accompanying financial statements. Further, the accompanying financial statements have been adjusted to include the carrying value of assets, liabilities, equity and operations of Wainwright as if the transaction had concluded on *July 1, 2015.* The Wainwright assets, liabilities and shareholders' equity were recorded at their historical values with *no* step-up or adjustment to fair market value.

NOTE *14.* STOCKHOLDERS' EQUITY

Reverse Stock Split

On *November 17, 2017,* the Board of Directors (the “Board’) of the Company approved the implementation of a *one*-for-*thirty* (*1:30*) reverse stock split of all of the Company’s issued and outstanding common and preferred stock (the “Reverse Stock Split”). The Reverse Stock Split became effective when trading opened on *December 15, 2017.* The Reverse Stock Split was previously approved by the Company’s shareholders pursuant to a majority written consent and by the Board pursuant to unanimous written consent on *February 13, 2017.* The approvals provided discretion to the Board to implement the Reverse Stock Split by the end of *2017.* The number of the Company’s authorized shares of common stock did *not* change. All figures have been presented on the basis of reverse split where ever applicable for all the periods presented in these financial statements.

Convertible Preferred Stock

Series B Voting, Convertible Preferred Stock is convertible into *20* shares of common stock and carries a vote of *20* shares of common stock in all matters brought before the shareholders for a vote. The Series B stock is eligible for conversion only after the elapse of *270* days from the date of issuance has transpired, and provided there are sufficient authorized, unissued, shares of common stock available to convert all shares of Series B Voting, Convertible Preferred Stock.

Table of Contents

Prior to the Reverse Stock Split, the Company did *not* have sufficient authorized, unissued, shares of common stock available to convert all shares of Series B Voting, Convertible Preferred Stock. Accordingly, the Series B Voting, Convertible Preferred Stock was reclassified to the mezzanine section as a contingent liability on the Company's prior Consolidated Balance Sheets with other equity accounts being adjusted to reflect the historical cost basis of Wainwright. As a result of the Reverse Stock Split, sufficient shares were made available to allow for conversion of the Series B Voting, Convertible, Preferred Stock such that the shares have been reclassified to the equity section of the Consolidated Balance Sheet as of *March 31, 2018.*

NOTE *15.* INCOME TAXES

The Company accounts for income taxes under the asset and liability method, which recognizes deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the tax bases of assets and liabilities and their financial statement reported amounts, and for net operating losses and tax credit carryforwards. Deferred income tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The Company records a valuation allowance against deferred tax assets when it is more likely than *not* that such asset will *not* be realized. The Company continues to monitor the likelihood that it will be able to recover its deferred tax assets. If recovery is *not* likely, the Company must increase its provision for income taxes by recording a valuation allowance against the deferred tax assets.

The Company accounts for uncertain tax positions in accordance with the authoritative guidance on income taxes under which the Company *may* only recognize or continue to recognize tax positions that meet a "more likely than *not"* threshold. The Company recognizes accrued interest and penalties related to unrecognized tax benefits as a component of the provision for income taxes.

As of *March 31, 2018,* the Company's total unrecognized tax benefits were approximately *$0.2* million, which would affect the effective tax rate if recognized. The Company will recognize interest and penalties, when they occur, related to uncertain tax provisions as a component of tax expense. There is *no* interest or penalties to be recognized for the *nine* month periods ended *March 31, 2018* or *2017.*

The Company is required to make its best estimate of the annual effective tax rate for the full fiscal year and use that rate to provide for income taxes on a current year-to-date basis. The Company recorded a tax provision of *$1.1* million and *$1.7* million from its operations for the *nine* months ended *March 31, 2018* and *March 31, 2017,* respectively. Substantially all of the Company's tax expense is borne in the U.S. The effective tax rate for the *nine* months ended *March 31, 2018* and *2017* differed from the statutory rate primarily due to the net charge related to the Tax Cuts and Jobs Act ("TCJA") and the mix of non-deductible items.

On *December 22, 2017,* the TCJA was enacted into law, which significantly changes existing U.S. tax law and includes numerous provisions that affect the Company, such as imposing a *one*-time transition tax on deemed repatriation of deferred foreign income, reducing the U.S. federal statutory tax rate, and adopting a territorial tax system. The TCJA requires a *one*-time transition tax on deferred foreign income *not* previously subject to U.S. income tax at a rate of *15.5%* for foreign cash and certain other net current assets, and *8%* on the remaining income. The TCJA also reduces the U.S. federal statutory tax rate from *35%* to *21%* effective *January 1, 2018.* For fiscal year *2018,* the blended U.S. federal statutory tax rate is *28%.* This is the result of using the tax rate of *35%* for the *first* and *second* quarter of fiscal year *2018* and the reduced tax rate of *21%* for the *third* and *fourth* quarter of fiscal year *2018.* The TCJA includes a provision to tax global intangible low-taxed income ("GILTI") of foreign subsidiaries and a base erosion anti-abuse tax ("BEAT") measure that taxes certain payments between a U.S. corporation and its subsidiaries. The GILTI and BEAT provisions of the TCJA will be effective beginning *July 1, 2018.*

The TCJA is effective in the *second* quarter of fiscal year *2018.* During the *second* quarter of fiscal year *2018,* the Company recorded a charge of *$0.05* million related to the TCJA, due to the impact of the *one*-time transition tax on the deemed repatriation of deferred foreign income of *$1.0* million.

To calculate the transition tax, the Company estimated the deferred foreign income for fiscal year *2017* and the *first* and *second* quarter of fiscal year *2018* because these tax returns are *not* complete or due. The fiscal year *2017* and fiscal year *2018* taxable income will be known once the respective tax returns are complete and filed.

In addition, the Company recorded a *$0.5* million expense during the *second quarter ended December 31, 2017* from the impact of changes in the tax rate, primarily on deferred tax assets and liabilities, which was included in provision for income taxes on the consolidated income statements and deferred income taxes on the consolidated balance sheet. The remeasurement of the deferred taxes reflects the reduced rate that will apply when these deferred taxes are settled or realized in future periods.

The Company is subject to income taxes in the U.S. federal, various states, Canada and New Zealand tax jurisdictions. Tax regulations within each jurisdiction are subject to the interpretation of the related tax laws and regulations and require significant judgment to apply. The Company's tax years *2014* through *2017* will remain open for examination by the federal and state authorities which is *three* and *four* years, respectively. The Company's tax years from acquisition through *2017* remain open for examination by Canada and New Zealand authorities which is *four* years. As of *March 31, 2018,* there were *no* active taxing authority examinations.

Table of Contents

NOTE *16.* COMMITMENTS AND CONTINGENCIES

Lease Commitments

The Company leases various facilities and offices throughout the world including the following subsidiary locations:

Gourmet Foods has operating leases for its office, factory and warehouse facilities located in Tauranga, New Zealand, as well as for certain equipment including vehicles. These leases are generally for *three*-year terms, with options to renew for additional *three*-year periods. The leases mature between *August 2018* and *August 2021,* and require monthly rental payments of approximately *US$11,712* translated to U.S. currency as of *March 31, 2018.*

Brigadier leases office and storage facilities in Saskatoon and Regina, Saskatchewan. As of *March 31, 2018,* only the Saskatoon facility has an extended lease where the minimum lease obligations require monthly payments of approximately *US$4,377* translated to U.S. currency as of *March 31, 2018.*

Original Sprout currently leases office and warehouse space in San Clemente, CA with a lease agreement until *March 1, 2021.* The total amount of rent expense for the *three* and *nine* month periods ended *March 31, 2018* was *$26,438* and *$28,769* respectively. The lease will require monthly payments of approximately *$7,805* with increases annually thereafter.

Wainwright leases office space in Oakland, California under an operating lease, which expires in *October 2018.* Rent expense was *$36,549* and *$108,890* for the *three* and *nine* months ended *March 31, 2018,* respectively.

Future minimum consolidated lease payments for Concierge and its subsidiaries are as follows:

Year Ended June 30,	**Lease Amount**
2018	$*103,576*
2019	*187,493*
2020	*114,289*
2021	*76,951*
2022	*1,789*
Total minimum lease commitment	$*484,098*

Additionally, Gourmet Foods entered into a General Security Agreement in favor of the Gerald O'Leary Family Trust and registered on the Personal Property Securities Register for a priority sum of *NZ$110,000* (approximately *US$79,675*) to secure the lease of its primary facility. In addition, a *NZ$20,000* (approximately *US$14,486*) bond has been posted through ANZ Bank and secured with a cash deposit of equal amount to secure a separate facilities lease. The General Security Agreement and the cash deposit will remain until such time as the respective leases are satisfactorily terminated in accordance with their terms. Interest from the cash deposit securing the lease accumulates to the benefit of Gourmet Foods and is listed as a component of interest income/expense on the accompanying Consolidated Statements of Operations.

Other Agreements and Commitments

USCF Advisers has entered into expense limitation agreements with *one* of the funds it manages under which USCF Advisers has agreed to waive, reimburse fees or pay fund expenses in order to limit the fund's total annual operating expenses to certain threshold amounts. The USCF Commodity Strategy Fund expense limitation agreement remains in effect until *July 31, 2018* and limits fund expenses to *1.30%* and *0.95%* of the funds average daily net assets for the Class A and Class I shares classes, respectively. After such dates, USCF Advisers *may* terminate the expense limitation agreements at any time upon *not* less than *90* days' notice to the respective fund trust boards.

USCF manages *seven* funds which have expense waiver provisions, whereby USCF will reimburse funds when fund expenditure levels exceed certain thresholds amounts. As of *March 31, 2018* and *June 30, 2017* the expense waiver payable was *$1,055,162* and *$589,093,* respectively. Expense waiver expense for the *three* and *nine* months ended *March 31, 2018* was *$189,846* and *$597,069,* respectively, as compared to *$289,233* and *$779,688* for the *three* and *nine* months ended *March 31, 2017.* However, USCF has *no* obligation to continue such payments into subsequent periods.

Table of Contents

Litigation

From time to time, the Company is involved in legal proceedings arising mainly from the ordinary course of its business. In management's opinion, the legal proceedings are *not* expected to have a material effect on the Company's financial position or results of operations.

Retirement Plan

Wainwright's wholly owned subsidiary USCF, has a *401*(k) Profit Sharing Plan covering its employees who are over *21* years of age and who have completed a minimum of *1,000* hours of service and have worked for USCF for *one* or more years. Participants *may* make contributions pursuant to a salary reduction agreement. In addition, USCF makes an annual safe harbor matching contribution. Annual profit sharing contributions paid totaled approximately *$84* thousand and *$63* thousand for each of the years ended *June 30, 2017* and *2016,* respectively.

NOTE *17.* SEGMENT REPORTING

With the acquisition of Wainwright Holdings, Gourmet Foods, Ltd., Brigadier, and the launch of the Original Sprout business unit of Kahnalytics, the Company has identified *four* segments for its products and services; U.S.A. investment fund management, U.S.A. beauty products, New Zealand food industry and Canada security alarm monitoring. Our reportable segments are business units located in different global regions. The Company's operations in the U.S.A. include the manufacture and wholesale distribution of all-natural hair and skin care products by Original Sprout and the income derived from management of various investment funds by our subsidiary Wainwright. In New Zealand operations include the production, packaging and distribution on a commercial scale of gourmet meat pies and related bakery confections through our wholly owned subsidiary Gourmet Foods, Ltd. and in Canada we provide security alarm system installation and monitoring to residential and commercial customers sold through our wholly owned subsidiary Brigadier. Separate management of each segment is required because each business unit is subject to different operational issues and strategies due to their particular regional location. The Company accounts for intra-company sales and expenses as if the sales or expenses were to *third* parties and eliminates them in the consolidation. Amounts are adjusted for currency translation as of the balance sheet date and presented in US dollars.

The following table presents a summary of identifiable assets as of March 31, 2018 and June 30, 2017:

	March 31, 2018	**June 30, 2017**
Identifiable assets:		
Corporate headquarters	$2,273,894	$ 3,302,979
U.S.A.: beauty products and other	3,622,879	89,459
U.S.A.: fund management	12,544,679	12,721,559
New Zealand: food industry	2,151,768	2,203,725
Canada: security alarm monitoring	1,645,368	1,278,161
Consolidated total	$22,238,588	$19,595,883

The following table presents a summary of operating information for the *three* months ended *March 31, 2018* and *2017:*

	Three Months Ended March 31, 2018	**Three Months Ended March 31, 2017**
Revenues from unaffiliated customers:		
U.S.A. : beauty products and other	$*654,842*	$*26,999*
U.S.A. : investment fund management	*4,345,234*	*5,637,011*
New Zealand : food industry	*1,236,137*	*1,127,950*
Canada : security alarm monitoring	*553,723*	*702,178*
Consolidated total	$*6,789,936*	$*7,494,138*
Net (loss) income:		
Corporate headquarters	$*(184,497*)	$*(368,319*)
U.S.A. : beauty products and other	*(104,387*)	*266*
U.S.A. : investment fund management	*198,781*	*1,346,294*
New Zealand : food industry	*102,186*	*8,911*
Canada : security alarm monitoring	*(11,304*)	*57,369*
Consolidated total	$*779*	$*1,044,521*

The following table presents a summary of operating information for the *nine* months ended *March 31, 2018* and *2017:*

	Nine Months Ended March 31,	**Nine Months Ended March 31,**

	2018	2017
Revenues from unaffiliated customers:		
U.S.A. : beauty products and other	$765,833	$116,566
U.S.A. : investment fund management	14,348,806	18,477,486
New Zealand : food industry	3,752,093	3,524,527
Canada : security alarm monitoring	2,527,958	2,313,713
Consolidated total	$21,394,690	$24,432,292
Net (loss) income:		
Corporate headquarters	$(686,055)	$(706,225)
U.S.A. : beauty products and other	(130,473)	(32,601)
U.S.A. : investment fund management	1,226,349	3,832,526
New Zealand : food industry	121,016	1,263
Canada : security alarm monitoring	319,543	272,469
Consolidated total	$850,380	$3,367,432

The following table represents the property, plant and equipment in use at each of the Company's locations as of *March 31, 2018* and *June 30, 2017:*

	As of March 31, 2018	As of June 30, 2017
Asset Location		
Corporate headquarters	$ 14,305	$ 13,810
U.S.A. : beauty products and other	4,424	2,690
U.S.A. : investment fund management	-	-
New Zealand : food industry	1,701,282	1,583,631
Canada : security alarm monitoring	376,408	208,696
Total All Locations	2,096,419	1,808,827
Less accumulated depreciation	(904,008)	(649,362)
Net property, plant and equipment	$ 1,192,411	$ 1,159,465

21

Table of Contents

NOTE *18.* SUBSEQUENT EVENTS

The Company evaluated subsequent events for recognition and disclosure through the date the financial statements were issued or filed. Other than what is noted below nothing has occurred outside normal operations since the required recognition or disclosure in these financial statements.

As it relates to Wainwright, on May 3, 2018, the ETF Trust launched a new fund, the USCF SummerHaven Dynamic Commodity Strategy No K-1 Fund ("SDCI"), with initial investor seed capital of $6.6 million.

Wainwright's USCF subsidiary entered into a new office lease for its California corporate office in April 2018. The 63 month lease commences October 1, 2018 with annual rents ranging from $143,500 to $163,500 totaling approximately $762,500 over the lease term.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis should be read in conjunction with the condensed financial statements and the accompanying notes thereto and is qualified in its entirety by the foregoing and by more detailed financial information appearing elsewhere in this quarterly report on Form 10-Q. See "Financial Statements."

Overview

Concierge Technologies, Inc. ("Concierge") or the ("Company") conducts business through its wholly-owned operating subsidiaries operating in the U.S., New Zealand and Canada, respectively. The operations of the Company's wholly-owned subsidiaries are more particularly described herein but are summarized as follows:

Wainwright Holdings, Inc. ("Wainwright"), a U.S. based company, is the sole member of two investment services limited liability company subsidiaries that manages, operates or is an investment advisor to exchange traded funds organized as limited partnerships or investment trusts that issue shares that trade on the NYSE Arca stock exchange.
Gourmet Foods, Ltd. ("Gourmet Foods"), a New Zealand based company, manufactures and distributes New Zealand meat pies on a commercial scale.

Brigadier Security Systems (“Brigadier”), a Canadian based company, sells and installs commercial and residential alarm monitoring systems.

Kahnalytics, Inc. dba/Original Sprout ("Original Sprout"), a U.S. based company, is engaged in the manufacture and wholesale distribution of hair and skin care products under the brand name Original Sprout on a global scale from its location in San Clemente, California

Results of Operations

Concierge and Subsidiaries

With the acquisition of Wainwright, where Wainwright and Concierge have a commonality of ownership and control as represented by the shareholdings, the acquisition has been recorded as a transaction between entities under common control on the Consolidated Balance Sheets of the Company. Further, the Consolidated Statements of Operations and Comprehensive Income have been adjusted to include the operations of Wainwright as if the transaction had concluded on July 1, 2015.

For the Three Months Ended March 31, 2018 Compared to the Three Months Ended March 31, 2017

Operating Income

Concierge produced an operating income for the three months ended March 31, 2018 of approximately $0.2 million as compared to approximately $1.1 million for the three months ended March 31, 2017. This represents a decrease in operating income of approximately $0.9 million for the three months ended March 31, 2018 when compared to the three months ended March 31, 2017, or approximately 80%. The decrease in operating income is primarily attributable to lower Wainwright revenue due to lower assets under management as well as increased advertising and marketing costs during the current period connected to the preparation of new product offerings.

Table of Contents

Other Expenses and Income Taxes

Other (expense) were ($199) thousand and ($4) thousand for the three months ended March 31, 2018 and 2017, respectively, due to a realized investment hedge loss against an unrealized gain on a Wainwright mutual fund investment during the current quarter. Provision for income taxes of $23 thousand compared to $52 thousand for the three months ended March 31, 2018 and 2017, respectively, was a result of new federal income tax laws taking effect as of January 1, 2018, but having an effect on tax provisions recorded for prior quarters and the overall estimated tax for the fiscal year ending June 30, 2018. After recording a provision for income tax, net income for the three month periods ended March 31, 2018 and 2017 was $0 and $1.0 million, respectively. After giving consideration to currency translation losses of approximately ($31) thousand and changes in short-term investment valuations of approximately $269 thousand, the comprehensive income for the three months ended March 31, 2018 was approximately $239 thousand as compared to the three months ended March 31, 2017 where the currency translation gain was approximately $15 thousand, the changes in short term investment valuation was approximately $39 thousand, and the comprehensive income was approximately $1.1 million.

For the Nine Months Ended March 31, 2018 Compared to the Nine Months Ended March 31, 2017

Operating Income

Concierge produced an operating income for the nine months ended March 31, 2018 of approximately $2.2 million as compared to approximately $5.1 million for the nine months ended March 31, 2017. This represents a decrease in operating income of approximately $2.9 million for the nine months ended March 31, 2018 when compared to the nine months ended March 31, 2017, or approximately 56%. The decrease in operating income is primarily attributable to lower Wainwright revenue due to lower assets under management plus transaction costs incurred while acquiring Original Sprout as well as increased advertising and marketing costs during the current year connected to the preparation of new product offerings.

Other Expenses and Income Taxes

Other (expense) were ($240) thousand and ($5) thousand for the nine months ended March 31, 2018 and 2017, respectively, due to the realized hedge loss against the mutual fund investment as noted above. A reduction in provision for income taxes to $1.1 million compared to $1.7 million for the nine months ended March 31, 2018 and 2017, respectively, was a result of lower operating income in the current period offset somewhat by higher effective tax rates in 2017 resulting from enactment of new tax laws taking effect during our current fiscal year. The resulting net income for the nine months ended March 31, 2018 and 2017 was $0.9 million and $3.4 million, respectively. After giving consideration to currency translation loss of approximately ($91) thousand and gains in short-term investment valuations of approximately $224 thousand, the comprehensive income for the nine months ended March 31, 2018 was approximately $0.98 million as compared to the nine months ended March 31, 2017 where the currency translation loss was approximately ($106) thousand, the gains in short term investment valuation were approximately $32 thousand, and the comprehensive income was approximately $3.3 million.

Wainwright Holdings

Wainwright was founded as a holding company in March 2004 as a Delaware corporation with one subsidiary, Ameristock Corporation, which was an investment adviser to Ameristock Mutual Fund, Inc., a registered 1940 Act large cap value equity fund. In January 2010, Ameristock Corporation was spun off as a standalone company. In May 2005, USCF was formed as a single member limited liability company in the state of Delaware. In June 2013, USCF Advisers was formed as a Delaware limited liability company and in July 2014, was registered as an investment adviser under the Investment Advisers Act of 1940, as amended. In November 2013, the USCF Advisers board of managers formed USCF ETF Trust (“ETF Trust”) and in July 2016, the USCF Mutual Funds Trust (“Mutual Funds Trust” and together with “ETF Trust” the “Trusts”) both as open-end management investment companies registered under the Investment Company Act of 1940, as amended ("the 1940 Act"). The Trusts are authorized to have multiple segregated series or portfolios. Wainwright owns all of the issued and outstanding limited liability company membership interests of its subsidiaries, USCF and USCF Advisers, each a Delaware limited liability company and are affiliated companies. USCF serves as the general partner (“General Partner”) for various limited partnerships (“LP”) and sponsor (“Sponsor”) as noted below. USCF and USCF Advisers are subject to federal, state and local laws and regulations generally applicable to the investment services industry. USCF is a commodity pool operator (“CPO”) subject to regulation by the Commodity Futures Trading Commission (the "CFTC") and the National Futures Association (the “NFA”) under the Commodities Exchange Act (“CEA”). USCF Advisers is an investment adviser registered under the Investment Advisers Act of 1940, as amended and has registered as a CPO under the CEA. Exchange traded products (“ETPs”) issued or sponsored by USCF are required to be registered with the Securities and Exchange Commission (the “SEC”) in accordance with the Securities Act of 1933. USCF Advisers advises two exchange traded funds (“ETFs”) and one commodity mutual fund registered with the SEC under the Investment Company Act of 1940. Wainwright and subsidiaries USCF and USCF Advisers are collectively referred to as “Wainwright” hereafter.

Table of Contents

USCF is currently the General Partner in the following Securities Act of 1933 LP commodity based index funds and Sponsor (“Sponsor”) for the fund series within the United States Commodity Index Funds Trust (“USCIF Trust”) and the USCF Funds Trust (“USCF Funds Trust”):

USCF as General Partner for the following funds	
United States Oil Fund, LP (“USO”)	Organized as a Delaware limited partnership in May 2005
United States Natural Gas Fund, LP (“UNG”)	Organized as a Delaware limited partnership in November 2006
United States Gasoline Fund, LP (“UGA”)	Organized as a Delaware limited partnership in April 2007
United States Diesel Heating Oil Fund, LP (“UHN”)	Organized as a Delaware limited partnership in April 2007
United States 12 Month Oil Fund, LP (“USL”)	Organized as a Delaware limited partnership in June 2007
United States 12 Month Natural Gas Fund, LP (“UNL”)	Organized as a Delaware limited partnership in June 2007
United States Short Oil Fund, LP (“DNO”)	Organized as a Delaware limited partnership in June 2008
United States Brent Oil Fund, LP (“BNO”)	Organized as a Delaware limited partnership in September 2009
USCF as fund Sponsor - each a series within the USCIF Trust	
United States Commodity Index Funds Trust (“USCIF Trust”)	A series trust formed in Delaware December 2009
United States Commodity Index Fund (“USCI”)	A commodity pool formed in April 2010 and made public August 2010
United States Copper Index Fund (“CPER”)	A commodity pool formed in November 2010 and made public November 2011
United States Agriculture Index Fund (“USAG”)	A commodity pool formed in November 2010 and made public April 2012
USCF as fund Sponsor - each a series within the USCF Funds Trust	
USCF Funds Trust (“USCF Funds Trust”)	A series trust formed in Delaware March 2016
United States 3X Oil Fund (“USOU”)	A commodity pool formed in May 2017 and made public July 2017
United States 3X Short Oil Fund (“USOD”)	A commodity pool formed in May 2017 and made public July 2017

In addition, USCF is the sponsor of the USCF Funds Trust, with its series, the REX S&P MLP Fund (“RMLP”) and the REX S&P MLP Inverse Fund (“MLPD”), which were in registration and had not commenced operations, filed to withdraw from registration on March 30, 2018. USCF is also the sponsor of the USCIF Trust, with its USCF Canadian Crude Oil Index Fund ("UCCO"), which is currently in registration but has not commenced operations.

USCF Advisers serves as the investment adviser to the fund(s) listed below within the Trusts and has overall responsibility for the general management and administration for the Trusts. Pursuant to the current Investment Advisory Agreements, USCF Advisers provides an investment program for the Trusts’ fund(s) and manages the investment of the assets.

Advisers as fund manager for each series within the USCF ETF Trust and the USCF Mutual Funds Trust

USCF ETF Trust (“ETF Trust”)	Organized as a Delaware statutory trust in November 2013
USCF SummerHaven SHPEI Index Fund ("BUY")	Fund launched November 30, 2017
USCF SummerHaven SHPEN Index Fund ("BUYN")	Fund launched November 30, 2017
Stock Split Index Fund (“TOFR”)	Fund launched September 2014; Liquidated October 20, 2017
Restaurant Leaders Index Fund (“MENU”)	Fund launched November 2016; Liquidated October 20, 2017
USCF Mutual Funds Trust ("Mutual Funds Trust")	
USCF Commodity Strategy Fund ("USCFX" and "USCIX")	Fund launched March 2017

All USCF funds and the Trusts' funds are collectively referred to as the “Funds” hereafter.

Wainwright’s revenue and expenses are primarily driven by the amount of Fund assets under management (“AUM”). Wainwright earns monthly management and advisory fees based on agreements with each Fund as determined by the contractual basis point management fee structure in each agreement multiplied by the average AUM over the given period. Many of the company’s expenses are dependent upon the amount of AUM. These variable expenses include Fund administration, custody, accounting, transfer agency, marketing and distribution, and sub-adviser fees and are primarily determined by multiplying contractual fee rates by AUM. Total Operating Expenses are grouped into the following financial statement line items: General and Administrative, Marketing, Operations and Salaries and Compensation.

<u>For the Three Months Ended March 31, 2018, Compared to the Three Months Ended March 31, 2017</u>

Average AUM for the three months ended March 31, 2018 decreased to $3.2 billion, or 25%, from the three-month average of $4.3 billion for the three months ended March 31, 2017 due to fund redemption (outflow) trading activity exceeding fund creation (inflow) actvity in our larger single comodity funds and partially offset by growth in our broad basket commodity funds. As a result of decreased AUM, revenues also decreased 23%, or $1.29 million, to $4.35 million from $5.64 million over the respective three-month period.

Wainwright’s total Operating Expenses for three months ended March 31, 2018 decreased by $0.31 million to $3.98 million, or 7%, from $4.29 million for the three months ended March 31, 2017. Variable expenses, as described above, decreased $0.27 million over the respective three-month period due to lower AUM which reduced sub-advisory fees and other variable costs, but were partially offset by operating costs of new funds and fixed minimum costs of smaller funds. General and Administrative expenses decreased $0.21 million to $0.69 million for the three months ended March 31, 2018 from $0.90 million for the three months ended March 31, 2017 due to decreases in legal and professional fees. Marketing expenses had an increase of $0.15 million to $0.99 million for the three months ended March 31, 2018 as compared to the comparable prior year period even though advertising expenses increased by $0.34 million as a result of continued new fund marketing efforts and conference sponsorships, but were substantially offset by a reduction in variable distribution costs as a result of lower AUM. Employee Salaries and Compensation expenses were approximately $1.04 million for the three months ended March 31, 2018 compared to $1.12 million for the comparable prior year period.

Table of Contents

Income before taxes for the three months ended March 31, 2018 decreased $1.15 million to $0.20 million from $1.35 million for three months ended March 31, 2017 primarily due to the $1.29 million decrease in revenue, offset by decreases in Operations expenses and General and Administrative expenses along with a $0.10 million dividend from an investment holding.

For the Nine Months Ended March 31, 2018, Compared to the Nine Months Ended March 31, 2017

Average AUM for the nine months ended March 31, 2018 decreased to $3.5 billion, or 24%, from the nine-month average of $4.6 billion for the nine months ended March 31, 2017. As a result of decreased AUM, revenues also decreased 22%, or $4.13 million, to $14.35 million from $18.48 million over the respective nine-month period.

Wainwright's total Operating Expenses for nine months ended March 31, 2018 decreased by $1.18 million to $11.90 million, or 9%, from $13.08 million for the nine months ended March 31, 2017. Variable expenses, as described above, decreased $1.10 million over the respective nine-month period due to lower AUM which reduced sub-advisory fees and other variable costs, but were partially offset by operating costs of new funds and fixed minimum costs of smaller funds. General and Administrative expenses decreased $0.72 million to $2.01 million for the nine months ended March 31, 2018 from $2.73 million for the nine months ended March 31, 2017 due to decreases legal and professional fees and in fund expense waiver reimbursements based on contractual expense thresholds for certain funds. Marketing expenses had an increase of $0.12 million to $2.64 million for the nine months ended March 31, 2018 as compared to the comparable prior year period even though advertising expenses increased by $0.50 million as a result of continued new fund marketing efforts and conference sponsorships, but were substantially offset by a reduction in variable distribution costs as a result of lower AUM. Employee Salaries and Compensation expenses were approximately $3.5 million for both respective nine month periods.

Net income before taxes for the three months ended March 31, 2018 decreased $3.26 million to $2.14 million from $5.40 million for three months ended March 31, 2017 primarily due to the $4.13 million decrease in revenue partially offset by decreases in Operations expenses and in General and Administrative expenses.

Gourmet Foods, Ltd.

Gourmet Foods, Ltd. ("Gourmet Foods"), was organized in its current form in 2005 (previously known as Pats Pantry Ltd). Pats Pantry was founded in 1966 to produce and sell wholesale bakery products, meat pies and patisserie cakes and slices, in New Zealand. Gourmet Foods, located in Tauranga, New Zealand, sells substantially all of its goods to supermarkets and service station chains with stores located throughout New Zealand. Gourmet Foods also has a large number of smaller independent lunch bars, cafes and corner dairies among the customer list, however they comprise a relatively insignificant dollar volume in comparison to the primary accounts of large distributors and retailers.

Concierge purchased all of the issued and outstanding shares of Gourmet Foods as of August 1, 2015 even though the transaction did not officially close until August 11, 2015.

For the Three Months Ended March 31, 2018 Compared to the Three Months Ended March 31, 2017

Net revenues for the three months ended March 31, 2018 were $1.2 million with cost of goods sold of $0.8 million resulting in a gross profit of $0.4 million as compared to the three months ended March 31, 2017 where net revenues were $1.1 million; cost of goods sold were $0.8 million; and gross profit was $0.3 million.

General, administrative and selling expenses, including wages and marketing, for the three months ended March 31, 2018 and the three months ended March 31, 2017 were $0.3 million and $0.2 million producing operating income of $160 thousand and $80 thousand, respectively, or approximately 13% net operating profit for three months ended March 31, 2018 as compared to 7% for the three months ended March 31, 2017.

The depreciation expense, income tax provision and other income totaled $58 thousand for the three months ended March 31, 2018 as compared to $72 thousand for the three months ended March 31, 2017, resulting in income after income taxes of approximately $102 thousand as compared to income after income taxes of approximately $9 thousand, respectively.

Table of Contents

For the Nine Months Ended March 31, 2018 Compared to the Nine Months Ended March 31, 2017

Net revenues for the nine months ended March 31, 2018 were $3.8 million with cost of goods sold of $2.6 million resulting in a gross profit of $1.2 million as compared to the nine months ended March 31, 2017 where net revenues were $3.5 million; cost of goods sold were $2.5 million; and gross profit was $1.0 million.

General, administrative and selling expenses, including wages and marketing, for the nine months ended March 31, 2018 and the nine months ended March 31, 2017 were $0.9 million and $0.9 million producing operating income of $325 thousand and $203 thousand, respectively, or approximately 9% net operating profit for nine months ended March 31, 2018 as compared to 6% for the nine months ended March 31, 2017.

The depreciation expense, income tax provision and other income totaled $204 thousand for the nine months ended March 31, 2018 as compared to $195 thousand for the nine months ended March 31, 2017, resulting in income after income taxes of approximately $121 thousand as compared to income after income taxes of approximately $1 thousand, respectively.

Brigadier Security Systems (2000) Ltd.

Brigadier Security Systems (2000) Ltd. (“Brigadier”) was founded in 1985 and through internal growth and acquisitions the core business of Brigadier began in 1998. Today Brigadier is one of the largest SecurTek security monitoring dealers in Saskatchewan with offices in both major urban areas of Regina (dba “Elite Security”) and Saskatoon. SecurTek is owned by Saskatchewan's publicly-owned telecommunications utility with well over 100,000 customers across Canada. Brigadier is also a Honeywell Certified Access Control Distributor, Kantech Global Dealer and UTC Interlogix Security Pro dealer and the largest independent security contractor in the province. Brigadier provides comprehensive security solutions including access control, camera monitoring, motion detection, and intrusion alarms to home and business owners as well as government offices, schools and public buildings. Brigadier typically sells hardware to customers and a full-time monitoring of the premises. The contract for monitoring the premises` is then conveyed to a third-party telecom in exchange for recurring residuals based on subscriber contracts.

For the Three Months Ended March 31, 2018 Compared to the Three Months Ended March 31, 2017

Net revenues for the three months ended March 31, 2018 were $0.6 million with cost of goods sold recorded as $0.3 million, resulting in a gross profit of $0.3 million, or approximately 50%, as compared to the three months ended March 31, 2017 where net revenues were $0.7 million with cost of goods sold of $0.3 million and a gross profit of $0.4 million, or approximately 51%.

General, administrative and selling expenses for the three months ended March 31, 2018 were $0.3 million producing an operating loss of $26 thousand or approximately (5%) as compared to the three months ended March 31, 2017 where general, administrative and selling expenses of $0.3 million produced an operating profit of $90 thousand, or approximately 13%.

Other income comprised of depreciation, income tax, interest income, commission income and gain on sale of assets totaled $14 thousand for the three months ended March 31, 2018 resulting in a loss after income taxes of $11 thousand as compared to a net profit of $57 thousand for the three months ended March 31, 2017 where other expense totaled $33 thousand.

For the Nine Months Ended March 31, 2018 Compared to the Nine Months Ended March 31, 2017

Net revenues for the nine months ended March 31, 2018 were $2.5 million with cost of goods sold recorded as approximately $1.2 million, resulting in a gross profit of approximately $1.3 million, or approximately 50%, as compared to the nine months ended March 31, 2017 where net revenues were approximately $2.3 million with cost of goods sold of $1.1 million and a gross profit of $1.2 million, or approximately 54%.

General, administrative and selling expenses for the nine months ended March 31, 2018 were $0.8 million producing an operating profit of $0.4 million or approximately 16% as compared to the nine months ended March 31, 2017 where operating profits were $0.4 million, or approximately 17%, with general, administrative and selling expenses of $0.8 million.

Table of Contents

Other expense comprised of depreciation, income tax, interest income, commission income and gain on sale of assets totaled $75 thousand for the nine months ended March 31, 2018 resulting in income after income taxes of $0.3 million as compared to income after income taxes of $0.3 million for the nine months ended March 31, 2017 where other expense totaled $120 thousand.

Original Sprout

Kahnalytics was founded in 2015 and adopted the dba/Original Sprout in December 2017 (see Note 13 to the Financial Statements). For the years ended June 30, 2017 and 2016, the Company had incurred de minimis operating losses insignificant to the overall enterprise. Prior to the acquisition of the Original Sprout assets, and as of June 30, 2017, the residual business the company was founded to oversee was being wound down and management expected to transition focus to another industry. Accordingly, the results of operations for the nine month period ending March 31, 2018 is not indicative of the projected operations as the current period included only approximately 1 three-month period of business operations with the newly acquired assets. Similarly, there is no meaningful comparative data for the three and nine month periods in 2017 as the business of 2017 included nominal subscription sales to a web hosted service and not the wholesale distribution of beauty products as currently exist. As a result, only the operating results for the three months ended March 31, 2018 are included below.

For the three months ended March 31, 2018

Net revenues for the three months ended March 31, 2018 were $655 thousand with cost of goods sold recorded of approximately $344 thousand (including a one-time $46 thousand inventory charge as a result of purchase price accounting from the acquisition) producing a gross profit of approximately $311 thousand and a gross margin of approximately 47% (or 55% excluding one-time inventory charge). General, administrative and selling expenses were approximately $267 thousand, resulting in an operating income of approximately $44 thousand or 7% (or 14% excluding one-time inventory charge.) After consideration given to income tax provision of approximately $2 thousand, depreciation and amortization of intangible assets of approximately $82 thousand and acquisition imputed interest charges of $64 thousand, the net loss for the three-month period ending March 31, 2018 was approximately $104 thousand (or $6 thousand of net income excluding one-time inventory and acquisition charges).

Plan of Operation for the Next Twelve Months

Our plan of operation for the next twelve months is to grow the business of Original Sprout through concentrated marketing efforts and application of resources. Additionally, we are expecting moderate growth in Brigadier through focused management initiatives and consolidation within the security industry. Similarly, we expect Gourmet Foods to be operating more efficiently under current management and continue to increase market share through additional product offerings and channels to market. Wainwright will continue to develop innovative and new fund products to grow its portfolio. Our long-term mission is to continue with our acquisition strategy by identifying and acquiring profitable, mature, companies of a diverse nature and with in-place management to produce increasing revenue streams. By these initiatives we hope to:

- continue to gain market share for our wholly owned subsidiaries' areas of operation,
- increase our gross revenues and realize net operating profits,
- lower our operating costs by unburdening certain selling expenses to third party distributors,
- Have sufficient cash reserves to pay down accrued expenses,
- Attract parties who have an interest in selling their privately held companies to us, and
- Achieve efficiencies in accounting and reporting through consolidated operations of our subsidiaries from a management perspective.

Liquidity and Capital Resources

Concierge is a holding company that conducts its operations through its subsidiaries. At its holding-company level, its liquidity needs relate to operational expenses and the funding of additional business acquisitions. Our operating subsidiaries' principal liquidity requirements arise from cash used in operating activities, debt service, and capital expenditures, including purchases of equipment and services, operating costs and expenses, and income taxes.

As of March 31, 2018, we had $7.1 million of cash and cash equivalents on a consolidated basis as compared to $6.7 million as of June 30, 2017. The increase in working capital is a result of lessened transaction costs during the current quarter coupled with the continuing revenue stream from operating subsidiaries.

Investments

Wainwright, from time to time, provides initial investments in the creation of ETP funds that Wainwright manages. Wainwright classifies these investments as current assets as these investments are generally sold within one year from the balance sheet date. These investments are described further in Note 7 to our Financial Statements.

Reverse Stock Split

Our Board and the majority stockholders previously approved the adoption of a one-for-thirty (1:30) reverse stock split whereby each thirty shares of our common stock and Series B Preferred stock issued and outstanding as of the record date established by the Board shall be combined into one share of common stock or preferred stock, as applicable (the "Reverse Stock Split"). The Reverse Stock Split became effective as of December 15, 2017. All share-based numbers have been retroactively adjusted for the reverse stock split. See Note 14 to our Financial Statements.

Table of Contents

Recent Developments

On October 18, 2017, through our wholly owned subsidiary Kahnalytics, we entered into an Asset Purchase Agreement which resulted in the purchase of all of the assets of The Original Sprout LLC, a California limited liability company, which engages in the manufacture and sale of organic, non-toxic, all natural hair care, bath, skin, and styling products, by Kahnalytics. The transaction closed on December 18, 2017 with a purchase price of approximately $3.5 million. See Note 13 to our Financial Statements for more information.

Item 3. Quantitative and Qualitative Disclosures about Market Risk.

Concierge is a smaller reporting company and is not required to provide the information required by this item.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

Concierge maintains disclosure controls and procedures that are designed to provide reasonable assurances that the information required to be disclosed in Concierge's periodic reports filed or submitted under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time period specified in the SEC's rules and forms.

The duly appointed officers of Concierge, including its chief executive officer and chief financial officer, who perform functions equivalent to those of a principal executive officer and principal financial officer of Concierge if Concierge had any officers, have evaluated the effectiveness of Concierge's disclosure controls and procedures and have concluded that the disclosure controls and procedures of Concierge have been effective as of the end of the period covered by this quarterly report on Form 10-Q.

Change in Internal Control Over Financial Reporting

There were no significant changes in the Company's internal control over financial reporting during the period covered by this report that have materially affected, or are reasonably likely to materially affect our internal controls over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

None.

Item 1A. Risk Factors

Concierge is a smaller reporting company and is not required to provide the information required by this item.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Table of Contents

Item 5. Other Information

None

Item 6. Exhibits

The following exhibits are filed or incorporated by reference as part of this Form 10-Q:

Exhibit Number	Description of Document
2.1	Agreement for Sale and Purchase of a Business, dated May 29, 2015, by and between Gourmet Foods Ltd. and Concierge Technologies, Inc.[4]
2.2	Stock Purchase Agreement, dated May 27, 2016, by and among Concierge Technologies, Inc., Brigadier Security Systems (2000) Ltd., and the shareholders of Brigadier Security Systems (2000) Ltd.[6]
2.3	Stock Purchase Agreement, dated September 19, 2016 by and Among Concierge Technologies, Inc., Wainwright Holdings, Inc. and Each of the Individuals and Entities Executing Signature Pages Attached Thereto[7]
2.4	Amended and Restated Asset Purchase Agreement, dated November 20, 2017 by and between Kahnalytics, Inc. and The Original Sprout, LLC, and the members of Original Sprout.[11]
3.1	Certificate of Designation (Series of Preferred Stock) filed with the Secretary of State of Nevada on September 23, 2010.
3.2	Amended Articles of Incorporation of Concierge Technologies, Inc., a Nevada corporation, filed with the Secretary of State of Nevada on April 17, 2017.[9]
3.3	Amended Bylaws of Concierge Technologies, Inc., which became the Bylaws of Concierge Technologies, Inc. on March 20, 2017.[9]
10.1	Securities Purchase Agreement, dated January 26, 2015, by and among Concierge Technologies, Inc. and Purchasers.[2]
10.2	Registration Rights Agreement, dated January 26, 2015, by and among Concierge Technologies, Inc. and Purchasers.[2]
10.3	Consulting Agreement, dated January 26, 2015, by and between Concierge Technologies, Inc. and David Neibert.[2]
10.4	Stock Redemption Agreement, dated February 26, 2015, by and among Concierge Technologies, Inc. the Shareholders and Janus Cam.[5]
10.5	Distribution Agreement, dated March 4, 2015, by and between Concierge Technologies, Inc. and Janus Cam.[3]
10.6	Convertible Promissory Note by and between Wainwright Holdings, Inc. and Concierge Technologies, Inc. dated January 27, 2016.[5]
14.1	Code of Ethics[1]
16.1	Letter dated April 6, 2017, from Kabani and Company, Inc.[10]
31.1[(1)]	

	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2[(1)]	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1[(1)]	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2[(1)]	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

101.INS	XBRL Instance Document#
101.SCH	XBRL Taxonomy Extension Schema Document#
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document#
101.LAB	XBRL Taxonomy Extension Labels Linkbase Document#
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document#
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document#

Filed Herewith. Pursuant to Regulation S-T, this interactive data file is deemed not filed or part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, is deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, and otherwise is not subject to liability under these sections.

(1) Filed herewith.

Table of Contents

[1]Previously filed with Annual Report on Form 10-KSB on October 13, 2004 and incorporated by reference herein.

[2]Previously filed with Current Report on Form 8-K on January 29, 2015 and incorporated by reference herein.

[3] Previously filed with Current Report on Form 8-K on March 4, 2015 and incorporated by reference herein.

[4]Previously filed with Current Report on Form 8-K on June 2, 2015 and incorporated by reference herein.

[5] Previously filed with Current Report on Form 8-K on February 2, 2016 and incorporated by reference herein.

[6] Previously filed with Current Report on Form 8-K on June 8, 2016 and incorporated by reference herein.

[7] Previously filed with Current Report on Form 8-K on September 19, 2016 and incorporated by reference herein.

[8]Previously filed with Current Report on Form 8-K on December 12, 2016 and incorporated by reference herein.

[9]Previously filed with Definitive Proxy Materials on Schedule 14A on February 28, 2017 and incorporated by reference herein.

[10] Previously filed with Current Report on Form 8-K on April 6, 2017 and incorporated by reference herein.

[11] Previously filed with Current Report on Form 8-K on December 19, 2017 and incorporated by reference herein.

Table of Contents

SIGNATURES

Pursuant to the requirements of the Exchange Act of 1934, the Registrant has caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

	CONCIERGE TECHNOLOGIES, INC.	
Dated: May 15, 2018	By:	*/s/ Nicholas Gerber* Nicholas Gerber Chief Executive Officer

A signed original of this written statement required by Section 906 has been provided to Concierge Technologies, Inc. and will be retained by Concierge Technologies, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.