BANG HOLDINGS CORP.

FORM 10-Q
(Quarterly Report)

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

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended **June 30, 2018**

[ ] **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: 333-204011

BANG HOLDINGS CORP.

(Name of registrant as specified in its charter)

Colorado	**46-5707130**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1400 NE Miami Gardens Drive, Suite 208
North Miami Beach, FL 33179
(Address of principal executive offices) (Zip Code)

(305) 600-2417
(Registrant's telephone number, including area code)

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 12 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 [X]

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 [X] No [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or 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.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See 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	[X]

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 [X]

As of August 20, 2018, there were 23,607,600 shares of common stock issued and outstanding.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q (this "Report") contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements discuss matters that are not historical facts. Because they discuss future events or conditions, forward-looking statements may include words such as "anticipate," "believe," "estimate," "intend," "could," "should," "would," "may," "seek," "plan," "might," "will," "expect," "predict," "project," "forecast," "potential," "continue" negatives thereof or similar expressions. Forward-looking statements speak only as of the date they are made, are based on various underlying assumptions and current expectations about the future and are not guarantees. Such statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, level of activity, performance or achievement to be materially different from the results of operations or plans expressed or implied by such forward-looking statements.

We cannot predict all of the risks and uncertainties. Accordingly, such information should not be regarded as representations that the results or conditions described in such statements or that our objectives and plans will be achieved and we do not assume any responsibility for the accuracy or completeness of any of these forward-looking statements. These forward-looking statements are found at various places throughout this Report and include information concerning possible or assumed future results of our operations, including statements about potential acquisition or merger targets; business strategies; future cash flows; financing plans; plans and objectives of management; any other statements regarding future acquisitions, future cash needs, future operations, business plans and future financial results, and any other statements that are not historical facts.

These forward-looking statements represent our intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors. Many of those factors are outside of our control and could cause actual results to differ materially from the results expressed or implied by those forward-looking statements. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements might not occur or might occur to a different extent or at a different time than we have described. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this Report. All subsequent written and oral forward-looking statements concerning other matters addressed in this Report and attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this Report.

Except to the extent required by law, we undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, a change in events, conditions, circumstances or assumptions underlying such statements, or otherwise.

BANG HOLDINGS, CORP.
CONDENSED CONSOLIDATED BALANCE SHEETS

	June 30, 2018 (Unaudited)	December 31, 2017
ASSETS		
CURRENT ASSETS		
Cash	$ 33,197	$ 75,335
Accounts receivable	500	7,500
Accounts receivable – related party	48,281	88,281
Prepaid expenses	1,000	1,000
TOTAL CURRENT ASSETS	82,978	172,116
FURNITURE AND EQUIPMENT, Net	5,198	6,588
TOTAL ASSETS	$ 88,176	$ 178,704
LIABILITIES AND STOCKHOLDERS' DEFICIENCY		
CURRENT LIABILITIES		
Accounts payable	$ 104,457	$ 98,386
Accrued expenses	230,285	197,269
Accrued payroll and related expenses	456,820	373,628
Loan payable	6,500	6,500
Due to related party	92,500	77,500
Convertible notes payable	85,000	85,000
Convertible notes payable - related party	500,000	500,000
TOTAL CURRENT LIABILITIES	1,475,562	1,338,283
COMMITMENTS AND CONTINGENCIES	-	-
STOCKHOLDERS' DEFICIENCY		
Preferred stock, $0.0001 par value, 50,000,000 shares authorized, no shares issued and outstanding	-	-
Common stock, $0.0001 par value, 500,000,000 shares authorized, 23,626,600 and 23,598,480 shares issued and outstanding, respectively	2,364	2,361
Additional paid in capital	3,207,338	3,180,281
Accumulated deficit	(4,597,088)	(4,342,221)
TOTAL STOCKHOLDERS' DEFICIENCY	(1,387,386)	(1,159,579)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIENCY	$ 88,176	$ 178,704

See accompanying notes to condensed consolidated financial statements.

BANG HOLDINGS, CORP.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	For the Three Months Ended		For the Six Months Ended	
	June 30, 2018	June 30, 2017	June 30, 2018	June 30, 2017
REVENUE				
Advertising sales	$ 36,000	$ 37,500	$ 59,500	$ 37,500
Advertising sales – related party	30,000	-	60,000	-
Total Revenue	66,000	37,500	119,500	37,500
OPERATING EXPENSES				
Sales and marketing	19,967	32,069	32,427	51,961
Professional fees	27,774	58,029	70,574	78,965
General and administrative	120,915	196,622	238,984	395,909
Total Operating Expenses	168,656	286,720	341,985	526,835
NET LOSS FROM OPERATIONS	(102,656)	(249,220)	(222,485)	(489,335)
OTHER EXPENSES				
Interest expense	(16,281)	(14,764)	(32,382)	(29,445)
Total Other Expenses	(16,281)	(14,764)	(32,382)	(29,445)
Net loss before provision for income taxes	(118,937)	(263,984)	(254,867)	(518,780)
Provision for Income Taxes	-	-	-	-
NET LOSS	$ (118,937)	$ (263,984)	$ (254,867)	$ (518,780)
Net loss per share - basic and diluted	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.02)
Weighted average number of shares outstanding during the year - basic and diluted	23,613,948	23,409,242	23,606,674	23,383,611

See accompanying notes to condensed consolidated financial statements.

BANG HOLDINGS, CORP.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	For the Six Months Ended	
	June 30, 2018	June 30, 2017
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (254,867)	$ (518,780)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock-based compensation	27,060	189,820
Depreciation expense	1,390	978
Changes in operating assets and liabilities:		
Accounts receivable	7,000	(22,500)
Accounts receivable – related party	40,000	-
Prepaid expenses	-	8,560
Accounts payable, accrued expenses and accrued payroll and related expenses	122,279	132,064
Due to related party - accrued rent	15,000	(3,007)
Net Cash Used In Operating Activities	(42,138)	(212,865)
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash paid for purchase of fixed assets	-	(4,900)
Net Cash Used In Investing Activities	-	(4,900)
NET DECREASE IN CASH	(42,138)	(217,765)
CASH AT BEGINNING OF PERIOD	75,335	244,968
CASH AT END OF PERIOD	$ 33,197	$ 27,203
Supplemental cash flow information:		
Cash paid for income taxes	$ -	$ -
Cash paid for interest expense	$ -	$ -

See accompanying notes to condensed consolidated financial statements.

BANG HOLDINGS CORP.
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2018 AND 2017

NOTE 1 – ORGANIZATION, NATURE OF BUSINESS AND GOING CONCERN

(A) Organization

Bang Holdings Corp. was incorporated in the State of Colorado on May 13, 2014. The Company was organized to develop and sell E-Cigarette products.

Bang Vapor, Inc. was incorporated in the State of Florida on October 27, 2014. The Company was organized to develop and sell E-Cigarette products. Bang Vapor, Inc. was dissolved in June 2017.

Bang Digital Media, Inc. was incorporated in the State of Florida on November 23, 2015. The Company was organized to develop digital and electronic media.

Bang Technologies, Inc. was incorporated in the State of Colorado on March 27, 2018. Bang Technologies will focus on investing in the research and development of artificial intelligence (A.I.) — specifically with regards to its implementation within the cannabis industry.

(B) Basis of Presentation – Unaudited Interim Financial Information

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) for interim financial information. Accordingly, they do not include all of the information and disclosures required by U.S. GAAP for annual financial statements. In the opinion of management, such statements include all adjustments (consisting only of normal recurring items) which are considered necessary for a fair presentation of the condensed consolidated financial position of the Company as of June 30, 2018, the results of operations for the three and six months ended June 30, 2018 and 2017, and the statement of cash flows for the six months ended June 31, 2018 and 2017. The results of operations for the six months ended June 30, 2018 are not necessarily indicative of the operating results for the full year ending December 31, 2018 or any other period.

These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and related disclosures of the Company as of December 31, 2017 and for the year then ended, which were filed with the Securities and Exchange Commission (“SEC”) on Form 10-K on March 30, 2018.

(C) Principles of Consolidation

The accompanying condensed consolidated financial statements include the accounts of Bang Holdings Corp. and its wholly owned subsidiaries Bang Vapor, Inc. (from October 27, 2014 through June 7, 2017) and Bang Digital Media, Inc. (from November 23, 2015) and Bang Technologies, Inc. (from March 27, 2018) and are hereafter referred to as (the “Company’). All intercompany accounts have been eliminated in the consolidation.

(D) Going Concern and Management’s Liquidity Plans

The Company has generated minimal revenues since inception and continues to incur recurring losses from operations and has an accumulated deficit. Accordingly, the accompanying condensed consolidated financial statements have been prepared assuming that the Company will continue as a going concern. The Company has incurred a net loss of approximately $255,000 and net cash used in operations of approximately $42,000 for the six months ended June 30, 2018. In addition, the Company has notes payable in default (see Notes 5 & 6). These conditions indicate that there is substantial doubt about the Company’s ability to continue as a going concern within one year from the issuance date of the condensed consolidated financial statements.

The Company's primary source of operating funds since inception has been cash proceeds from the sale of common stock and common stock warrants, convertible debentures, notes payable and exercise of common stock warrants. The ability of the Company to continue as a going concern is dependent upon its ability to further implement its business plan and generate sufficient revenue and its ability to raise additional funds by way of a public or private offering.

The Company requires immediate capital to remain viable. The Company can give no assurance that such financing will be available on terms advantageous to the Company, or at all. Should the Company not be successful in obtaining the necessary financing to fund its operations, the Company would need to curtail certain or all of its operational activities. There can be no assurance that such a plan will be successful. The accompanying condensed consolidated financial statements do not include any adjustments that might be necessary should the Company be unable to continue as a going concern.

Accordingly, the accompanying condensed consolidated financial statements have been prepared in conformity with U.S. GAAP, which contemplates continuation of the Company as a going concern and the realization of assets and satisfaction of liabilities in the normal course of business. The carrying amounts of assets and liabilities presented in the condensed consolidated financial statements do not necessarily purport to represent realizable or settlement values. The condensed consolidated financial statements do not include any adjustment that might result from the outcome of this uncertainty.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(A) Cash and Cash Equivalents

The Company considers all highly liquid temporary cash instruments with a maturity of three months or less to be cash equivalents.

(B) Use of Estimates in Financial Statements

The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") 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. Significant estimates during the period covered by these financial statements include the valuation of website costs, allowance for doubtful accounts, valuation of deferred tax asset, stock based compensation and beneficial conversion features on convertible debt.

(C) Fair value measurements and Fair value of Financial Instruments

The Company adopted FASB ASC Topic 820, Fair Value Measurements. ASC Topic 820 clarifies the definition of fair value, prescribes methods for measuring fair value, and establishes a fair value hierarchy to classify the inputs used in measuring fair value as follows:

Level 1-Inputs are unadjusted quoted prices in active markets for identical assets or liabilities available at the measurement date.

Level 2-Inputs are unadjusted quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, inputs other than quoted prices that are observable, and inputs derived from or corroborated by observable market data.

Level 3-Inputs are unobservable inputs which reflect the reporting entity's own assumptions on what assumptions the market participants would use in pricing the asset or liability based on the best available information.

The Company did not identify any assets or liabilities that are required to be presented on the balance sheets at fair value in accordance with ASC Topic 820.

Due to the short-term nature of all financial assets and liabilities, their carrying value approximates their fair value as of the balance sheet dates.

(D) Computer and Equipment and Website Costs

Computer Equipment and Website Costs are capitalized at cost, net of accumulated depreciation. Depreciation is calculated by using the straight-line method over the estimated useful lives of the assets, which is three to five years for all categories. Repairs and maintenance are charged to expense as incurred. Expenditures for betterments and renewals are capitalized. The cost of computer equipment and the related accumulated depreciation are removed from the accounts upon retirement or disposal with any resulting gain or loss being recorded in operations.

Software maintenance costs are charged to expense as incurred. Expenditures for enhanced functionality are capitalized.

The Company has adopted the provisions of ASC 350-50-15, "Accounting for Web Site Development Costs." Costs inured in the planning stage of a website are expensed as research and development while costs incurred in the development stage are capitalized and amortized over the life of the asset, estimated to be three years.

Asset Category	**Depreciation/ Amortization Period**
Furniture and fixtures	5 Years
Computer equipment	3 Years
Website costs	3 Years

Computer and equipment and website costs consisted of the following:

	June 30, 2018	**December 31, 2017**
Computer equipment	$ 11,745	$ 11,745
Website development	-	-
Total	11,745	11,745
Impairments	-	-
Accumulated depreciation	(6,547)	(5,157)
Balance	$ 5,198	$ 6,588

Depreciation expense for the six months ended June 30, 2018 and 2017 was $1,390 and $978, respectively.

Depreciation expense for the three months ended June 30, 2018 and 2017 was $695 and $636, respectively.

(E) Revenue Recognition

The Company adopted ASC 606 effective January 1, 2018 using the modified retrospective method which would require a cumulative effect adjustment for initially applying the new revenue standard as an adjustment to the opening balance of retained earnings and the comparative information would not require to be restated and continue to be reported under the accounting standards in effect for those periods.

Based on the Company's analysis the Company did not identify a cumulative effect adjustment for initially applying the new revenue standards. The Company principally generates revenue through providing advertising services on a monthly basis.

The adoption of ASC 606 represents a change in accounting principle that will more closely align revenue recognition with the delivery of the Company's services and will provide financial statement readers with enhanced disclosures. In accordance with ASC 606, revenue is recognized when a customer obtains control of promised services. The amount of revenue recognized reflects the consideration to which the Company expects to be entitled to receive in exchange for these services. To achieve this core principle, the Company applies the following five steps:

1) *Identify the contract with a customer*

A contract with a customer exists when (i) the Company enters into an enforceable contract with a customer that defines each party's rights regarding the services to be transferred and identifies the payment terms related to these services, (ii) the contract has commercial substance and, (iii) the Company determines that collection of substantially all consideration for services that are transferred is probable based on the customer's intent and ability to pay the promised consideration. The Company applies judgment in determining the customer's ability and intention to pay, which is based on a variety of factors including the customer's historical payment experience or, in the case of a new customer, published credit and financial information pertaining to the customer.

2) *Identify the performance obligations in the contract*

Performance obligations promised in a contract are identified based on the services that will be transferred to the customer that are both capable of being distinct, whereby the customer can benefit from the service either on its own or together with other resources that are readily available from third parties or from the Company, and are distinct in the context of the contract, whereby the transfer of the services is separately identifiable from other promises in the contract. To the extent a contract includes multiple promised services, the Company must apply judgment to determine whether promised services are capable of being distinct and distinct in the context of the contract. If these criteria are not met the promised services are accounted for as a combined performance obligation.

3) *Determine the transaction price*

The transaction price is determined based on the consideration to which the Company will be entitled in exchange for transferring services to the customer. To the extent the transaction price includes variable consideration, the Company estimates the amount of variable consideration that should be included in the transaction price utilizing either the expected value method or the most likely amount method depending on the nature of the variable consideration. Variable consideration is included in the transaction price if, in the Company's judgment, it is probable that a significant future reversal of cumulative revenue under the contract will not occur. None of the Company's contracts as of June 30, 2018 contained a significant financing component. Determining the transaction price requires significant judgment, which is discussed by revenue category in further detail below.

4) *Allocate the transaction price to performance obligations in the contract*

If the contract contains a single performance obligation, the entire transaction price is allocated to the single performance obligation. However, if a series of distinct services that are substantially the same qualifies as a single performance obligation in a contract with variable consideration, the Company must determine if the variable consideration is attributable to the entire contract or to a specific part of the contract. For example, a bonus or penalty may be associated with one or more, but not all, distinct services promised in a series of distinct services that forms part of a single performance obligation. Contracts that contain multiple performance obligations require an allocation of the transaction price to each performance obligation based on a relative standalone selling price basis unless the transaction price is variable and meets the criteria to be allocated entirely to a performance obligation or to a distinct service that forms part of a single performance obligation. The Company determines standalone selling price based on the price at which the performance obligation is sold separately. If the standalone selling price is not observable through past transactions, the Company estimates the standalone selling price taking into account available information such as market conditions and internally approved pricing guidelines related to the performance obligations.

5) *Recognize revenue when or as the Company satisfies a performance obligation*

The Company satisfies performance obligations either over time or at a point in time. Revenue is recognized at the time the related performance obligation is satisfied by transferring a promised service to a customer.

(F) Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable are stated at the amount management expects to collect from outstanding balances. The Company generally does not require collateral to support customer receivables. The Company determines if receivables are past due based on days outstanding, and amounts are written off when determined to be uncollectible by management.

(G) Significant Customers

The Company's business focuses on securing a smaller number of high quality, highly profitable projects, which sometimes results in having a concentration of sales and accounts receivable among a few customers. This concentration is customary among the design and build industry for a company of our size. As we continue to grow and are awarded more projects, this concentration will continue to decrease.

At June 30, 2018 the Company had two customers representing 99%, a related party (See Note 9), and 1% of the total accounts receivable balance.

At December 31, 2017 the Company had two customers representing 92%, a related party (See Note 9), and 8% of the total accounts receivable balance.

For the six months ended June 30, 2018, the Company had three customers that represented 50%, a related party (See Note 9), 30%, and 20% of the total advertising revenue and for the year ended December 31, 2017, the Company had two customers that represented 72% a related party (See Note 9), and 25% of the total revenue.

(H) Advertising, Marketing and Promotion Costs

Advertising, marketing and promotion expenses are expensed as incurred and are included in selling, general and administrative expenses on the accompanying statement of operations. For the six months ended June 30, 2018 and 2017, advertising, marketing and promotion expense was $16,227 and $ 7,455, respectively.

(I) Segments

The Company operates in one segment and therefore segment information is not presented.

(J) Loss Per Share

The basic loss per share is calculated by dividing the Company's net loss available to common shareholders by the weighted average number of common shares during the period. The diluted loss per share is calculated by dividing the Company's net loss by the diluted weighted average number of shares outstanding during the period. The diluted weighted average number of shares outstanding is the basic weighted number of shares adjusted for any potentially dilutive debt or equity. The Company had 1,519,107 shares issuable upon the exercise of options and warrants and 2,052,518 shares issuable upon conversion of convertible notes payable that were not included in the computation of dilutive loss per share because their inclusion is anti-dilutive for six months ended June 30, 2018. The Company had 1,879,107 shares issuable upon the exercise of options and warrants and 1,900,058 shares issuable upon conversion of convertible notes payable that were not included in the computation of dilutive loss per share because their inclusion is anti-dilutive for six months ended June 30, 2017.

(K) Stock-Based Compensation

The Company recognizes compensation costs to employees under FASB ASC Topic 718, Compensation – Stock Compensation. Under FASB ASC Topic. 718, companies are required to measure the compensation costs of share-based compensation arrangements based on the grant-date fair value and recognize the costs in the financial statements over the period during which employees are required to provide services. Share based compensation arrangements include stock options, restricted share plans, performance based awards, share appreciation rights and employee share purchase plans. As such, compensation cost is measured on the date of grant at their fair value. Such compensation amounts, if any, are amortized over the respective vesting periods of the option grant.

Equity instruments issued to other than employees are recorded on the basis of the fair value of the instruments, as required by FASB ASC Topic 505, Equity Based Payments to Non-Employees. In general, the measurement date is when either a (a) performance commitment, as defined, is reached or (b) the earlier of (i) the non-employee performance is complete or (ii) the instruments are vested. The measured value related to the instruments is recognized over a period based on the facts and circumstances of each particular grant as defined in the FASB Accounting Standards Codification.

(L) Income Taxes

The Company accounts for income taxes pursuant to the provision of ASC 740-10, "Accounting for Income Taxes" ("ASC 740-10"), which requires, among other things, an asset and liability approach to calculating deferred income taxes. The asset and liability approach requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax bases of assets and liabilities. A valuation allowance is provided to offset any net deferred tax assets for which management believes it is more likely than not that the net deferred asset will not be realized.

The Company follows the provision of ASC 740-10 related to Accounting for Uncertain Income Tax Positions. When tax returns are filed, there may be uncertainty about the merits of positions taken or the amount of the position that would be ultimately sustained. In accordance with the guidance of ASC 740-10, 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 at 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 benefit associated with tax positions taken that exceed the amount measured as described above should be reflected as a liability for uncertain tax benefits in the accompanying balance sheet along with any associated interest and penalties that would be payable to the taxing authorities upon examination. The Company believes its tax positions are all more likely than not to be upheld upon examination. As such, the Company has not recorded a liability for uncertain tax benefits.

The Company has adopted ASC 740-10-25, "Definition of Settlement", which provides guidance on how an entity should determine whether a tax position is effectively settled for the purpose of recognizing previously unrecognized tax benefits and provides that a tax position can be effectively settled upon the completion and examination by a taxing authority without being legally extinguished. For tax positions considered effectively settled, an entity would recognize the full amount of tax benefit, even if the tax position is not considered more likely than not to be sustained based solely on the basis of its technical merits and the statute of limitations remains open. The federal and state income tax returns of the Company are subject to examination by the IRS and state taxing authorities, generally for three years after they are filed.

(M) Recent Accounting Pronouncements

In February 2016, FASB issued ASU 2016-02: "Leases (Topic 842)". The new guidance generally requires an entity to recognize on its balance sheet operating and financing lease liabilities and corresponding right-of-use assets. The standard will be effective for the first interim period within annual reporting periods beginning after December 15, 2018 and early adoption is permitted. The new standard requires a modified retrospective transition for existing leases to each prior reporting period presented. The Company is currently evaluating the impact of the adoption of ASU 2016-02 on its condensed consolidated financial position, results of operations and cash flows.

In January 2017, the FASB issued ASU 2017-01 "Business Combinations (Topic 805): Clarifying the Definition of a Business", which clarifies the definition of a business to assist entities with evaluating whether transactions should be accounted for as acquisitions or disposals of assets or businesses. The standard introduces a screen for determining when assets acquired are not a business and clarifies that a business must include, at a minimum, an input and a substantive process that contribute to an output to be considered a business. This standard is effective for fiscal years beginning after December 15, 2017, including interim periods within that reporting period. The Company adopted ASU 2017-01 on January 1, 2018 and expects that the adoption of this ASU could have a material impact on future condensed consolidated financial statements for acquisitions that are not considered to be businesses.

In January 2017, the FASB issued ASU 2017-04: "Intangibles — Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment," which removes Step 2 from the goodwill impairment test. It is effective for annual and interim periods beginning after December 15, 2019. Early adoption is permitted for interim or annual goodwill impairment test performed with a measurement date after January 1, 2017. The Company is currently evaluating the effect that ASU 2017-04 will have on the Company's condensed consolidated financial position, results of operations and cash flows.

Other recent accounting pronouncements issued by FASB (including the Emerging Issues Task Force), the AICPA and the SEC, did not or are not believed by the Company management, to have a material impact on the Company's present or future financial statements.

NOTE 3 – PREPAID EXPENSES

As of June 30, 2018 and December 31, 2017 the company had a prepaid retainer for legal services of $1,000.

NOTE 4 – LOAN PAYABLE

The Company entered in an agreement with a third party for a loan for gross proceeds of $6,500. The loan is non-interest bearing and matured in April 2017. The outstanding principal balance on the loan at June 30, 2018 and December 31, 2017 was $6,500. The note is currently in default.

NOTE 5 – CONVERTIBLE NOTES PAYABLE

On July 25, 2016, the Company entered into an agreement for the issuance of a convertible note to a third party lender for $50,000. The note accrues interest at 10% per annum maturing on July 25, 2017 and is convertible into common stock at the discretion of the holder at a conversion price of $1.50 per share, subject to adjustment. The outstanding principal balance on the note at June 30, 2018 and December 31, 2017 was $50,000. Accrued and unpaid interest on the note at June 30, 2018 and December 31, 2017 was $13,397 and $8,934, respectively. The note is currently in default.

On July 29, 2016, the Company entered in an agreement with a third party for a convertible promissory note for gross proceeds of $10,000. The note bears interest at 10% per annum, is due on July 29, 2017 and is convertible into common stock at the discretion of the holder at a conversion price of $1.50 per share, subject to adjustment. The outstanding principal balance on the note at June 30, 2018 and December 31, 2017 was $10,000. Accrued and unpaid interest on the note at June 30, 2018 and December 31, 2017 was $2,660 and $1,767, respectively. The note is currently in default.

On October 10, 2016, the Company entered in an agreement with a third party for a convertible promissory note for gross proceeds of $25,000. The note bears interest at 10% per annum, is due on October 10, 2017 and is convertible into common stock at the discretion of the holder at a conversion price of $1.50 per share, subject to adjustment. The outstanding principal balance on the note at June 30, 2018 and December 31, 2017 was $25,000. Accrued and unpaid interest on the note at June 30, 2018 and December 31, 2017 was $5,750 and $3,519, respectively. The Company may prepay the note in cash in full according to the following schedule:

0-180 days: 117.5% of principal amount
180-270 days: 115.0% of principal amount
270-360 days: 112.5% of principal amount

The note is currently in default.

NOTE 6 – CONVERTIBLE NOTES PAYABLE – RELATED PARTIES

On August 22, 2014, the Company entered into an agreement to issue an unsecured convertible promissory note for $500,000 and security purchase agreement for 1,000,000 shares of common stock for $350,000 ($0.35 per share), respectively with a related party. The note bears interest at an annual rate of 10% and is payable on or before 12 months from the date of issuance. The Company issued the holder a total of 1,500,000 warrants exercisable at a cashless conversion price of $.35 for a period of 5 years. In addition, the note may be converted at any time, at the option of the holder, into shares of the Company's common stock at a conversion price of $0.35 per share, subject to adjustment.

The outstanding principal balance on the note at June 30, 2018 and December 31, 2017 was $500,000. Accrued and unpaid interest on the note at June 30, 2018 and December 31, 2017 was $193,014 and $168,219, respectively. The Company is currently in default of the note, making the entire unpaid principal and interest due and payable. The note was purchased from the original investor by a company controlled by our CEO's mother, Alam Berke during 2017.

On January 29, 2016, the Company's President loaned the Company $30,000 pursuant to a convertible debenture. During the year ended December 31, 2016, the note principal was repaid. Accrued and unpaid interest on the note at June 30, 2018 and December 31, 2017 was $1,911.

NOTE 7 – STOCKHOLDERS' EQUITY

The Company is authorized to issue 500,000,000 shares of common stock, par value $0.0001, and 50,000,000 shares of preferred stock, par value $0.0001.

During the six months ended June 30, 2018, the Company issued 28,120 shares of common stock and recorded stock-based compensation with a fair value of $18,440 which is included in total stock-based compensation.

NOTE 8 – OPTIONS AND WARRANTS

The Company uses the Black-Scholes option pricing model to determine the fair value of options granted.

The following tables summarize all options grants to employees for the six months ended June 30, 2018 and the related changes during the period presented below.

	Number of Options	Weighted Average Exercise Price
Stock Options		
Balance at December 31, 2017	1,000,000	$ 0.18
Granted	—	—
Exercised	—	—
Cancelled/Forfeited	(250,000)	0.20
Balance at June 30, 2018	750,000	$ 0.17

	Options Outstanding			Options Exercisable	
Price Range	**Number Outstanding at June 30, 2018**	**Weighted Average Remaining Contractual Life**	**Weighted Average Exercise Price**	**Number Exercisable at June 30, 2018**	**Weighted Average Exercise Price**
$.001 - $0.50	750,000	.81	$ 0.17	750,000	$ 0.17

During the six months ended June 30, 2018, the Company recorded total option expense of $8,620. As of June 30, 2018, the Company has no stock-based compensation related to stock options that is yet to be vested. The intrinsic value of the vested stock options at June 30, 2018 was $392,000, calculated based on the fair value of the Company's common stock at June 30, 2018.

During the three months ended June 30, 2018, the Company recorded total option expense of $3,448. During the three months ended June 30, 2017, the Company recorded total option expense of $69,485.

The following tables summarize all warrant grants during the six months ended June 30, 2018 and the related changes during the period are presented below.

	Number of Warrants	Weighted Average Exercise Price
Stock Warrants		
Balance at December 31, 2017	769,107	$ 0.42
Granted	—	—
Exercised	—	—
Expired	—	—
Balance at June 30, 2018	769,107	$ 0.42

NOTE 9 – RELATED PARTIES

On October 1, 2015, the Company entered into a property lease agreement with a Director of the Company and father of the President. The term of the lease is for one year with an annual rent of $30,000 per year. The Company at its option had the right to extend for 9 additional years. On July 1, 2016, the lease was cancelled and the Company entered into a new lease agreement (see below). As of June 30, 2018 and December 31, 2017, the Company accrued rent of $22,500 and $22,500, respectively under the lease agreement and is included in due to related party at June 30, 2018 and December 31, 2017. Rent expense under the lease for the six months ended June 30, 2018 and 2017 was $0.

On July 1, 2016, the Company entered into a property lease agreement with a Director of the Company and father of the President. The term of the lease is for one year with an annual rent of $30,000 per year. The Company at its option has the right to extend for 10 additional years. As of June 30, 2018 and December 31, 2017 the Company accrued rent of $60,000 and $45,000, respectively, under the lease agreement and is included in due to related party at June 30, 2018 and December 31, 2017. Rent expense under the lease for six months ended June 30, 2018 and 2017 was $15,000 and $15,000, respectively.

Prior to July 1, 2016, the Company leased office space on a month to month basis from the Company president. The monthly rental payment was $2,000 per month. No formal lease existed under the agreement. For the six months ended June 30, 2018 and 2017, the Company recorded rent expense of $0. As of June 30, 2018 and December 31, 2017, the Company accrued rent of $10,000 and $10,000, respectively due to the Company's president and is included in due to related party at June 30, 2018 and December 31, 2017.

As of June 30, 2018 and December 31, 2017, the Company owed its President accrued salary of $422,000 and $266,000, respectively.

On March 20, 2017, the Company entered into an agreement with a non-profit church (the "Church"), a non-profit entity founded and controlled by our CEO and two officers of the Company, to run their digital marketing, social media, and to manage exploitation rights of their 'Church of Cannabis' that launched in Q2 2017. The agreement is for two years, starting April 1, 2017, and the Company will be compensated $10,000 monthly along with compensation based on online views and impressions (the "performance based compensation") calculated at a cost per thousand ("CPM") of $10, to be calculated and paid by the Church on a monthly basis. The CPM rate can be modified by the Company, at its sole discretion, every ninety days to reflect prevailing market rates. During the six months ended June 30, 2018, the Company recorded revenue of $60,000 related to the agreement. These sales are included in advertising sales – related party in the condensed consolidated statements of operations. As of June 30, 2018 and December 31, 2017, the Company is reflecting an accounts receivable balance due from the Church of $48,281 and $88,281, respectively, and is shown separately on the condensed consolidated balance sheets.

NOTE 10 – SUBSEQUENT EVENTS

Subsequent to June 30, 2018, one of the company's consultants agreed to forfeit 19,000 shares of the Company's common stock due to non-performance of services.

On August 14, 2018, the Company entered into a promissory note for $100,000. The note carries an interest rate of 10% per annum and is due on August 14, 2019.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF OPERATIONS

The following discussion and analysis of the results of operations and financial condition of Bang Holdings Corp. (the "Company", "we", "us" or "our") should be read in conjunction with the financial statements of Bang Holdings Corp. and the notes to those financial statements that are included elsewhere in this Form 10-Q. This discussion includes forward-looking statements based upon current expectations that involve risks and uncertainties, such as our plans, objectives, expectations and intentions. Actual results and the timing of events could differ materially from those anticipated in these forward-looking statements as a result of a number of factors, including those set forth under the Risk Factors and Business sections in the financial statements and footnotes included in the Company's Form 10-K filed on March 30, 2018 for the year ended December 31, 2017 Words such as "anticipate," "estimate," "plan," "project," "continuing," "ongoing," "expect," "believe," "intend," "may," "will," "should," "could," and similar expressions are used to identify forward-looking statements.

Business Overview

Bang Holdings Corp was incorporated in the state of Colorado on May 13, 2014. It is a brand management and advertising technology company providing content and an influencer-based marketing network to the cannabis industry, along with producing informed access to the multiple markets shaping the greater cannabis community. We are a development-stage company and since our inception we have generated only minimal revenues from business operations.

Bang Holdings Corp wholly owns, Bang Digital Media, Inc., a cannabis focused digital media company. Further, Bang Holdings wholly owns, Bang Technologies Inc., a tech company focused on investing in the research and development of artificial intelligence (A.I.) — specifically with regards to its implementation within the cannabis industry.

Bang Digital Media is the hub for all 'cannabusiness' related advertising, content creation, technology and marketing. It consists of two divisions, the multi-platform 4TTnetwork, and a network of social media influencers that we call the Green Monkey Network. The 4TTnetwork is comprised primarily of specifically targeted audiences. These are 4TwentyToday, VaporBang, AmericanToker and HighOnStocks which cross the social media platforms of Facebook, Instagram, Twitter, SnapChat and YouTube.

4TwentyToday and AmericanToker are digital, multi-platform channels that enables us to target advertising for Bang Holdings products and services across social media platforms. We currently have more than 2.7M users of our network, with a steady growth rate of around three thousand subscribers per week. By continuing to create targeted, quality content for this community on a daily basis, 4TwentyToday has, for example, created one of the most actively engaged cannabis pages on Facebook. This has built high levels of trust and goodwill in the community, which will be convertible to revenues once we have reached a critical mass of users.

The 'Green Monkey Network' is a network of social media influencers who are open to working as ambassadors in the marijuana industry. These influencers expand the Bang network by more than 30 million users.

Ultimately, the KPI (Key Performance Indicator) of Bang Digital Media is in the direct and expanded growth of our networks. By continuing to grow 4TwentyToday and the 'Green Monkey Network' to 100 million users we will have the digital reach to propel marijuana-friendly brands into the spotlight.

Trademarks

On April 15, 2015, the Company applied for trademarks for "BANG," (Ser. No. 86598258 "BANG VAPOR," (Ser. No. 86598261) and "BANG VAPOR CLUB." (Ser. No. 86598264). Those trademarks were granted and became officially registered on March 29, 2016.

On April 30, 2016, the Company applied for trademarks for "4TWENTYTODAY" (Ser. No. 87020428). That trademark was granted September 12, 2017.

On April 30, 2016, the Company applied for additional trademarks for "BANG," (Ser. No. 87020441, Ser. No. 87020455, Ser. No. 87020452, Ser. No 87020456). These first two trademarks were granted and became officially registered on September 5, 2017 and the last 2 trademarks were granted and became officially registered on September 17, 2017.

On January 25, 2017, the Company applied for trademarks for "American Toker," (Ser. No. 87312970, Ser. No. 87312927, Ser. No. 87312838, Ser. No. 87312795). Those trademarks were granted and became officially registered on January 25, 2017.

Marketing and Sales

The Company's marketing strategy is a multi-pronged approach that includes viral marketing strategies, celebrity & social influencer endorsements, affiliate marketing, conventional online advertising and attending tradeshows. During 2017, we spent approximately $100,000 on the creation and growth of Bang Digital Media, the primary social media footprint of Bang Holdings Corp.

Viral Marketing: The marketing team aims to produce "hits" through the release of content developed by the Company on 4TwentyToday's "YouTube" and "Facebook" pages, other social media, and our website. A portion of our marketing budget will be allocated to developing viral videos produced by our CEO, Steve Berke. Mr. Berke has had significant successes popularizing YouTube videos in the past, including, "Pot Shop," which generated over 15 million views. In addition to Mr. Berke's YouTube successes, his two campaigns for mayor of Miami Beach received national coverage, including the cover of the New York Times, the cover of the Huffington Post and a 6-page spread in Maxim magazine. Mr. Berke was named one of the top eight comedians to ever run for office by ABC News. We intend to capitalize on his popularity, and reputation as a leading advocate for medical marijuana, through 4TwentyToday, a channel on YouTube and Facebook to promote the Company.

Celebrity and Social Influencer Endorsements: We plan to establish partnerships with influential social media personalities and celebrities in several key genres to serve as brand ambassadors. Each brand ambassador will have their own affiliate website to sell future Bang branded products. By giving a unique platform to social media influencers to monetize their followings, Bang Digital Media will be able to build brand awareness and employ an army of influencers to sell product in order to become a leading brand in the cannabis space.

We intend to develop our business in the following areas:

- Bang Digital Media entered into an agreement with Elevation Ministries (the "Church"), a non-profit entity founded and controlled by our CEO and two officers of the Company, to run their digital marketing, social media, and to manage exploitation rights of their 'Church of Cannabis' that launched in Q2 2017. The two-year contract signed and announced in Q1 2017, is expected to generate revenue of a minimum of $240K and potentially more than a $1 million with bonuses if we meet all the incentive targets.

- Bang Digital Media recently entered into a social media agreement with the Bhang Corporation and with Julian Marley (reggae musician and son of the legendary Bob) along with his JuJu Royal brand of ultra premium cannabis. Bang Digital Media will build on this success model, while continuing to pursue new clients to coordinate digital strategy, social media management, video production, web development, and other online marketing services.

- Bang Technologies will focus on investing in the research and development of artificial intelligence (A.I.) — specifically with regards to its implementation within the cannabis industry.

Plan of Operations

We intend to develop our business in the following areas:

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- Bang Digital Media recently entered into a social media agreement with the Bhang Corporation and with Julian Marley (reggae musician and son of the legendary Bob) along with his JuJu Royal brand of ultra premium cannabis. Bang Digital Media will build on this success model, while continuing to pursue new clients to coordinate digital strategy, social media management, video production, web development, and other online marketing services.

- Bang Technologies will focus on investing in the research and development of artificial intelligence (A.I.) — specifically with regards to its implementation within the cannabis industry.

The Company is currently developing a slate of longer form cannabis related video content and Television shows to sell upstream to Television Studios, Networks, and online content hubs like Netflix, Amazon, Apple etc. The Company is currently working with several LA based talent agencies and well-established production companies and producers to move these projects forward. The Company entered into an agreement with The Arcview Group to develop a 'Shark Tank/The Profit' style cannabis series on July 14, 2018. The Company believes serialized main stream entertainment with product placement, storytelling and education is a key way to bring in revenues for the company and develop worldwide brands for products in the cannabis industry.

Results of Operations

For the three months ended June 30, 2018 and 2017

Revenue:

We have generated advertising revenue of $66,000 for the three month period ending June 30, 2018 compared to revenue of $37,500 for the comparable three month period ended June 30, 2017. $30,000 of the aggregate advertising revenue generated during the three months ended June 30, 2018 was from the Church, a related party. (See Note 9 to the financial statements included elsewhere in this document.)

Operating Expenses:

We incurred operating expenses of $168,656 for the three months ended June 30, 2018, as compared to $286,720 during the three months ended June 30, 2017, a decrease of $118,064. The decrease in operating expenses is primarily attributable to a decrease of $12,102 in sales and marketing expenses, a decrease of $75,707 in general and administrative expenses, and a decrease of $30,255 in professional fees. The decrease in sales and marketing is primarily due to a decrease in advertising and promotional expense of $12,431 and a decrease in seminars and conferences of $743. The decrease in general and administrative expense is primarily due to a decrease in stock-based compensation related expenses of $56,444 and a decrease in stock option expense of $29,824. The increase in our professional fees was primarily due to a decrease in accounting fees of $21,831.

Interest Expense:

Interest expense for the three months ended June 30, 2018 was $16,281, primarily attributable to the Company's convertible notes. During the three months ended June 30, 2017, the Company recorded interest expense of $14,764 which included the amortization of loan discounts in interest expense.

Net Loss:

We had a net loss of $118,937 for the three months ended June 30, 2018 as compared to $263,984 for the three months ended June 30, 2017, a decrease of $145,047. The decrease in net loss is primarily due to an increase in revenue and a decrease in operating expenses.

For the six months ended June 30, 2018 and 2017

Revenue:

We have generated advertising revenue of $119,500 for the six month period ending June 30, 2018 compared to revenue of $37,500 for the comparable six month period ended June 30, 2017. $60,000 of the aggregate advertising revenue generated during the six months ended June 30, 2018 was from the Church, a related party. (See Note 9 to the financial statements included elsewhere in this document.)

Operating Expenses:

We incurred operating expenses of $341,985 for the six months ended June 30, 2018, as compared to $526,835 during the six months ended June 30, 2017, a decrease of $184,850. The decrease in operating expenses is primarily attributable to a decrease of $19,534 in sales and marketing expenses, a decrease of $156,925 in general and administrative expenses, and a decrease of $8,391 in professional fees. The decrease in sales and marketing is primarily due to a decrease in advertising and promotional expense of $15,416 and a decrease in seminars and conferences of $4,538. The decrease in general and administrative expense is primarily due to a decrease in stock-based compensation related expenses of $101,897 and a decrease in stock option expense of $60,864. The increase in our professional fees was primarily due to a decrease in accounting fees of $12,076 and a decrease in legal fees of $10,864.

Interest Expense:

Interest expense for the six months ended June 30, 2018 was $32,382, primarily attributable to the Company’s convertible notes. During the six months ended June 30 2017, the Company recorded interest expense of $29,445 which included the amortization of loan discounts in interest expense.

Net Loss:

We had a net loss of $254,867 for the six months ended June 30, 2018 as compared to $518,780 for the six months ended June 30, 2017, a decrease of $263,913. The decrease in net loss is primarily due to an increase in revenue and a decrease in operating expenses.

Liquidity and Capital Resources

Liquidity is the ability of a company to generate funds to support its current and future operations, satisfy its obligations, and otherwise operate on an ongoing basis. We have been funding our operations primarily through the sale of our common stock and loans.

Our primary uses of cash have been for payroll and operating expenses. The following trends are reasonably likely to result in a material decrease in our liquidity in the near term:

- Development of a company website
- Exploration of potential marketing and advertising opportunities, and
- The cost of being a public company

Our net revenues are not sufficient to fund our operating expenses. At June 30, 2018, we had a cash balance of $33,197. We currently have no material commitments for capital expenditures. We estimate that based on current plans and assumptions, our available cash will not be sufficient to satisfy our cash requirements under our present operating expectations without further financing. Other than working capital, we presently have no other alternative source of working capital. We may need to raise significant additional capital to fund our operating expenses, pay our obligations, and grow our Company. Therefore, our future operations may be dependent on our ability to secure additional financing. Financing transactions may include the issuance of equity or debt securities, obtaining credit facilities, or other financing mechanisms. However, the trading price of our common stock and a downturn in the U.S. equity and debt markets could make it more difficult to obtain financing through the issuance of equity or debt securities. Even if we are unable to raise the funds required, it is possible that we could incur unexpected costs and expenses, fail to collect amounts owed to us, or experience unexpected cash requirements that would force us to seek alternative financing. Furthermore, if we issue additional equity or debt securities, stockholders may experience additional dilution or the new equity securities may have rights, preferences or privileges senior to those of existing holders of our common stock. If we are unable to obtain additional financing, we will likely be required to curtail our marketing and development plans and possibly cease our operations.

We anticipate that depending on market conditions and our plan of operations, we may incur operating losses in the foreseeable future. Management has determined that additional capital will be required in the form of equity or debt securities. In addition, if we cannot raise additional short term capital we will be forced to continue to further accrue liabilities due to our limited cash reserves. There are no assurances that management will be able to raise capital on terms acceptable to the Company. If we are unable to obtain sufficient amounts of additional capital, we may be required to reduce the scope of our planned development, which could harm our business, financial condition and operating results. If we obtain additional funds by selling any of our equity securities or by issuing common stock to pay current or future obligations, the percentage ownership of our stockholders will be reduced, stockholders may experience additional dilution, or the equity securities may have rights preferences or privileges senior to the common stock. If adequate funds are not available to us when needed on satisfactory terms, we may be required to cease operating or otherwise modify our business strategy.

Our liquidity may be negatively impacted by the significant costs associated with our public company reporting requirements, costs associated with newly applicable corporate governance requirements, including requirements under the Sarbanes-Oxley Act of 2002 and other rules implemented by the Securities and Exchange Commission. We expect all of these applicable rules and regulations to significantly increase our legal and financial compliance costs and to make some activities more time consuming and costly.

Going Concern and Management's Liquidity Plans

The Company has generated minimal revenues since inception and continues to incur recurring losses from operations and has an accumulated deficit of 4,597,088 and a working capital deficit of $1,392,584. Accordingly, the accompanying condensed consolidated financial statements have been prepared assuming that the Company will continue as a going concern. The Company has incurred a net loss of approximately $255,000 and net cash used in operations of approximately $42,000 for the six months ended June 30, 2018. In addition, the Company has notes payable in default. (See Notes 5 & 6 to the accompanying condensed consolidated financial statements included elsewhere in this document.) These conditions indicate that there is substantial doubt about the Company's ability to continue as a going concern within one year from the issuance date of the condensed consolidated financial statements.

The Company's primary source of operating funds since inception has been cash proceeds from the sale of common stock and common stock warrants, convertible debentures, notes payable, exercise of common stock warrants and advertising revenue. The ability of the Company to continue as a going concern is dependent upon its ability to further implement its business plan and generate sufficient revenue and its ability to raise additional funds by way of a public or private offering.

The Company requires immediate capital to remain viable. The Company can give no assurance that such financing will be available on terms advantageous to the Company, or at all. Should the Company not be successful in obtaining the necessary financing to fund its operations, the Company would need to curtail certain or all of its operational activities. There can be no assurance that such a plan will be successful. The accompanying condensed consolidated financial statements do not include any adjustments that might be necessary should the Company be unable to continue as a going concern.

Accordingly, the accompanying condensed consolidated financial statements have been prepared in conformity with U.S. GAAP, which contemplates continuation of the Company as a going concern and the realization of assets and satisfaction of liabilities in the normal course of business. The carrying amounts of assets and liabilities presented in the condensed consolidated financial statements do not necessarily purport to represent realizable or settlement values. The condensed consolidated financial statements do not include any adjustment that might result from the outcome of this uncertainty.

Working Capital

The following table summarizes total current assets, liabilities and working capital at June 30, 2018, compared to December 31, 2017:

	June 30, 2018	December 31, 2017	Increase/(Decrease)
Current Assets	$ 82,978	$ 172,116	$ (89,138)
Current Liabilities	$ 1,475,562	$ 1,338,283	$ 137,279
Working Capital Deficit	$ (1,392,584)	$ (1,166,167)	$ (226,417)

At June 30, 2018, we had a working capital deficit of $1,392,584, as compared to working capital deficit of $1,166,167 at December 31, 2017, an increase of $226,417.

Net Cash Used In Operating Activities

Net cash used in operating activities of $42,138 during the six months ended June 30, 2018 consisted primarily of net loss of $254,867, stock based compensation of $27,060, an increase in accounts payable and accrued expenses of $122,279, and $40,000 decrease in accounts receivable from related parties. Net cash used in operating activities of $212,685 during the six months ended June 30, 2017, consisted primarily of net loss of $518,780, stock based compensation of $189,820 increase in accounts payable and accrued expenses of $132,064.

Net Cash Used In Investing Activities

There were no cash investing activities during the six months ended June 30, 2018. Net cash used in investing activities during the six months ended June 30, 2017 consisted of the purchase of fixed assets of $4,900.

Net Cash Provided By Financing Activities

We had no cash provided by financing activities during the six months ended June 30, 2018.

Off-Balance Sheet Arrangements

We had no off-balance sheet arrangements as of June 30, 2018.

Critical Accounting Policies and Estimates

Our financial statements and related public financial information are based on the application of accounting principles generally accepted in the United States ("U.S. GAAP"). U.S. GAAP requires the use of estimates; assumptions, judgments and subjective interpretations of accounting principles that have an impact on the assets, liabilities, revenues and expense amounts reported. These estimates can also affect supplemental information contained in our external disclosures including information regarding contingencies, risk and financial condition. We believe our use of estimates and underlying accounting assumptions adhere to U.S. GAAP and are consistently and conservatively applied. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances. Actual results may differ materially from these estimates under different assumptions or conditions. We continue to monitor significant estimates made during the preparation of our financial statements.

Our significant accounting policies (along with new accounting pronouncements) are summarized in Note 2 of our condensed consolidated financial statements. While all these significant accounting policies impact our financial condition and results of operations, we view certain of these policies as critical. Policies determined to be critical are those policies that have the most significant impact on our financial statements and require management to use a greater degree of judgment and estimates. Actual results may differ from those estimates. Our management believes that given current facts and circumstances, it is unlikely that applying any other reasonable judgments or estimate methodologies would cause effect on our condensed consolidated results of operations, financial position or liquidity for the periods presented in this report.

We believe the following critical accounting policies and procedures, among others, affect our more significant judgments and estimates used in the preparation of our condensed consolidated financial statements:

Use of Estimates in Financial Statements

The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America 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. Significant estimates during the period covered by these financial statements include the valuation of website costs, allowance for doubtful accounts, valuation of deferred tax asset, stock based compensation and any beneficial conversion features on convertible debt.

Fair value measurements and Fair value of Financial Instruments

The Company adopted FASB ASC Topic 820, *Fair Value Measurements* . ASC Topic 820 clarifies the definition of fair value, prescribes methods for measuring fair value, and establishes a fair value hierarchy to classify the inputs used in measuring fair value as follows:

Level 1-Inputs are unadjusted quoted prices in active markets for identical assets or liabilities available at the measurement date.

Level 2-Inputs are unadjusted quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, inputs other than quoted prices that are observable, and inputs derived from or corroborated by observable market data.

Level 3-Inputs are unobservable inputs which reflect the reporting entity's own assumptions on what assumptions the market participants would use in pricing the asset or liability based on the best available information.

The Company did not identify any assets or liabilities that are required to be presented on the balance sheets at fair value in accordance with ASC Topic 820.

Due to the short-term nature of all financial assets and liabilities, their carrying value approximates their fair value as of the balance sheet date.

Revenue Recognition

The Company adopted ASC 606 effective January 1, 2018 using the modified retrospective method which would require a cumulative effect adjustment for initially applying the new revenue standard as an adjustment to the opening balance of retained earnings and the comparative information would not require to be restated and continue to be reported under the accounting standards in effect for those periods.

Based on the Company's analysis the Company did not identify a cumulative effect adjustment for initially applying the new revenue standards. The Company principally generates revenue through providing advertising services on a monthly basis.

The adoption of ASC 606 represents a change in accounting principle that will more closely align revenue recognition with the delivery of the Company's services and will provide financial statement readers with enhanced disclosures. In accordance with ASC 606, revenue is recognized when a customer obtains control of promised services. The amount of revenue recognized reflects the consideration to which the Company expects to be entitled to receive in exchange for these services. To achieve this core principle, the Company applies the following five steps:

1) *Identify the contract with a customer*

A contract with a customer exists when (i) the Company enters into an enforceable contract with a customer that defines each party's rights regarding the services to be transferred and identifies the payment terms related to these services, (ii) the contract has commercial substance and, (iii) the Company determines that collection of substantially all consideration for services that are transferred is probable based on the customer's intent and ability to pay the promised consideration. The Company applies judgment in determining the customer's ability and intention to pay, which is based on a variety of factors including the customer's historical payment experience or, in the case of a new customer, published credit and financial information pertaining to the customer.

2) *Identify the performance obligations in the contract*

Performance obligations promised in a contract are identified based on the services that will be transferred to the customer that are both capable of being distinct, whereby the customer can benefit from the service either on its own or together with other resources that are readily available from third parties or from the Company, and are distinct in the context of the contract, whereby the transfer of the services is separately identifiable from other promises in the contract. To the extent a contract includes multiple promised services, the Company must apply judgment to determine whether promised services are capable of being distinct and distinct in the context of the contract. If these criteria are not met the promised services are accounted for as a combined performance obligation.

3) *Determine the transaction price*

The transaction price is determined based on the consideration to which the Company will be entitled in exchange for transferring services to the customer. To the extent the transaction price includes variable consideration, the Company estimates the amount of variable consideration that should be included in the transaction price utilizing either the expected value method or the most likely amount method depending on the nature of the variable consideration. Variable consideration is included in the transaction price if, in the Company's judgment, it is probable that a significant future reversal of cumulative revenue under the contract will not occur. None of the Company's contracts as of June 30, 2018 contained a significant financing component. Determining the transaction price requires significant judgment, which is discussed by revenue category in further detail below.

4) *Allocate the transaction price to performance obligations in the contract*

If the contract contains a single performance obligation, the entire transaction price is allocated to the single performance obligation. However, if a series of distinct services that are substantially the same qualifies as a single performance obligation in a contract with variable consideration, the Company must determine if the variable consideration is attributable to the entire contract or to a specific part of the contract. For example, a bonus or penalty may be associated with one or more, but not all, distinct services promised in a series of distinct services that forms part of a single performance obligation. Contracts that contain multiple performance obligations require an allocation of the transaction price to each performance obligation based on a relative standalone selling price basis unless the transaction price is variable and meets the criteria to be allocated entirely to a performance obligation or to a distinct service that forms part of a single performance obligation. The Company determines standalone selling price based on the price at which the performance obligation is sold separately. If the standalone selling price is not observable through past transactions, the Company estimates the standalone selling price taking into account available information such as market conditions and internally approved pricing guidelines related to the performance obligations.

5) *Recognize revenue when or as the Company satisfies a performance obligation*

The Company satisfies performance obligations either over time or at a point in time. Revenue is recognized at the time the related performance obligation is satisfied by transferring a promised service to a customer.

Stock-Based Compensation

The Company recognizes compensation costs to employees under FASB ASC Topic 718, *Compensation – Stock Compensation.* Under FASB ASC Topic. 718, companies are required to measure the compensation costs of share-based compensation arrangements based on the grant-date fair value and recognize the costs in the financial statements over the period during which employees are required to provide services. Share based compensation arrangements include stock options, restricted share plans, performance based awards, share appreciation rights and employee share purchase plans. As such, compensation cost is measured on the date of grant at their fair value. Such compensation amounts, if any, are amortized over the respective vesting periods of the option grant.

Equity instruments issued to other than employees are recorded on the basis of the fair value of the instruments, as required by FASB ASC Topic 505, *Equity Based Payments to Non-Employees* . In general, the measurement date is when either a (a) performance commitment, as defined, is reached or (b) the earlier of (i) the non-employee performance is complete or (ii) the instruments are vested. The measured value related to the instruments is recognized over a period based on the facts and circumstances of each particular grant as defined in the FASB Accounting Standards Codification.

Recent Accounting Pronouncements

In February 2016, FASB issued ASU 2016-02: "Leases (Topic 842)". The new guidance generally requires an entity to recognize on its balance sheet operating and financing lease liabilities and corresponding right-of-use assets. The standard will be effective for the first interim period within annual reporting periods beginning after December 15, 2018 and early adoption is permitted. The new standard requires a modified retrospective transition for existing leases to each prior reporting period presented. The Company is currently evaluating the impact of the adoption of ASU 2016-02 on its condensed consolidated financial position, results of operations and cash flows.

In January 2017, the FASB issued ASU 2017-01 "Business Combinations (Topic 805): Clarifying the Definition of a Business", which clarifies the definition of a business to assist entities with evaluating whether transactions should be accounted for as acquisitions or disposals of assets or businesses. The standard introduces a screen for determining when assets acquired are not a business and clarifies that a business must include, at a minimum, an input and a substantive process that contribute to an output to be considered a business. This standard is effective for fiscal years beginning after December 15, 2017, including interim periods within that reporting period. The Company adopted ASU 2017-01 on January 1, 2018 and expects that the adoption of this ASU could have a material impact on future condensed consolidated financial statements for acquisitions that are not considered to be businesses.

In January 2017, the FASB issued ASU 2017-04: "Intangibles — Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment," which removes Step 2 from the goodwill impairment test. It is effective for annual and interim periods beginning after December 15, 2019. Early adoption is permitted for interim or annual goodwill impairment test performed with a measurement date after January 1, 2017. The Company is currently evaluating the effect that ASU 2017-04 will have on the Company's condensed consolidated financial position, results of operations and cash flows.

Other recent accounting pronouncements issued by FASB (including the Emerging Issues Task Force), the AICPA and the SEC, did not or are not believed by the Company management, to have a material impact on the Company's present or future financial statements.

ITEM 3 QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We do not hold any derivative instruments and do not engage in any hedging activities.

ITEM 4 CONTROLS AND PROCEDURES

Management maintains "disclosure controls and procedures," as such term is defined in Rule 13a-15(e) under the Securities Exchange Act of 1934 (the "Exchange Act"), that are designed to ensure that information required to be disclosed in our Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission rules and forms, and that such information is accumulated and communicated to management, including our Chief Executive Officer/Chief Financial Officer, to allow timely decisions regarding required disclosure.

Evaluation of Disclosure Controls and Procedures

In connection with the preparation of this quarterly report on Form 10-Q, an evaluation was carried out by management, with the participation of our Chief Executive Officer/Chief Financial Officer, of the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of June 30, 2018.

Based on that evaluation, management concluded, as of the end of the period covered by this report, that our disclosure controls and procedures were not effective in recording, processing, summarizing, and reporting information required to be disclosed, within the time periods specified in the Securities and Exchange Commission's rules and forms due to the existence of certain material weaknesses identified in the "Risk Factors and Special Considerations" section in Form 10-K as filed by the Company with the SEC on March 30, 2018.

Changes in Internal Control over Financial Reporting

As of the end of the period covered by this report, there have been no changes in the internal controls over financial reporting during the quarter ended June 30, 2018, that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II: OTHER INFORMATION

ITEM 1 - LEGAL PROCEEDINGS

We are currently not involved in any litigation that we believe could have a material adverse effect on our financial condition or results of operations. There is no action, suit, proceeding, inquiry or investigation before or by any court, public board, government agency, self-regulatory organization or body pending or, to the knowledge of the executive officers of our company or any of our subsidiaries, threatened against or affecting our company, our common stock, any of our subsidiaries or of our companies or our subsidiaries' officers or directors in their capacities as such, in which an adverse decision could have a material adverse effect.

ITEM I A - RISK FACTORS

Not applicable because we are a smaller reporting company.

ITEM 2 - UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

On April 30, 2018, the Company issued 280 shares of common stock for professional services and recorded stock based compensation of $101.

On May 30, 2018, the Company issued 100 shares of common stock for professional services and recorded stock based compensation of $50.

On June 30, 2018, the Company issued 140 shares of common stock for professional services and recorded stock based compensation of $73.

On June 30, 2018, the Company issued 12,500 shares of common stock for professional services and recorded stock based compensation of $6,500.

The above shares were issued in reliance on the exemption under Section 4(2) of the Securities Act. These shares of our common stock qualified for exemption under Section 4(2) since the issuance shares by us did not involve a public offering. The offering was not a "public offering" as defined in Section 4(2) due to the insubstantial number of persons involved in the deal, manner of the issuance and number of shares issued. We did not undertake an offering in which we sold a high number of shares to a high number of investors. In addition, the investors had the necessary investment intent as required by Section 4(2) since they agreed to and received share certificates bearing a legend stating that such shares are restricted pursuant to Rule 144 of the Act. This restriction ensures that these shares would not be immediately redistributed into the market and therefore not be part of a "public offering." Based on an analysis of the above factors, we have met the requirements to qualify for exemption under Section 4(2) of the Securities Act for this transaction.

ITEM 3 - DEFAULTS UPON SENIOR SECURITIES

There were no defaults upon senior securities during the quarter ended June 30, 2018.

ITEM 4 - MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5 - OTHER INFORMATION

There is no other information required to be disclosed under this item which was not previously disclosed.

ITEM 6. EXHIBITS

Exhibits

31.1	Certification of Principal Executive Officer of the Registrant pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Principal Financial Officer of the Registrant pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Principal Executive Officer pursuant to 18U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Principal Financial Officer of the Registrant pursuant to 18U.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 Schema
101.CAL	XBRL Taxonomy Calculation Linkbase
101.DEF	XBRL Taxonomy Definition Linkbase
101.LAB	XBRL Taxonomy Label Linkbase
101.PRE	XBRL Taxonomy Presentation Linkbase

SIGNATURES

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

	BANG HOLDINGS CORP.
Date: August 20, 2018	By: */s/ Steve Berke*
	Steve Berke, Chief Executive Officer (Principal Executive Officer)
Date: August 20, 2018	By: */s/ Adam Mutchler*
	Adam Mutchler, Chief Financial Officer (Principal Financial Officer)

Exhibit 31.1

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002**

I, Steve Berke, certify that:

1. I have reviewed this Form 10-Q of Bang Holdings Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13-a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 20, 2018

By: */s/ Steve Berke*
Steve Berke
Principal Executive Officer
Bang Holdings Corp.

Exhibit 31.2

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002**

I, Adam Mutchler, certify that:

1. I have reviewed this Form 10-Q of Bang Holdings Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13-a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 20, 2018

By: /s/ *Adam Mutchler*
Adam Mutchler
Principal Financial Officer
Bang Holdings Corp.

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF
THE SARBANES-OXLEY ACT OF 2002

In connection with this Quarterly Report of Bang Holdings Corp. (the "Company"), on Form 10-Q for the period ended June 30, 2018, as filed with the U.S. Securities and Exchange Commission on the date hereof, I, Steve Burke, Principal Executive Officer of the Company, certify to the best of my knowledge, pursuant to 18 U.S.C. Sec. 1350, as adopted pursuant to Sec. 906 of the Sarbanes-Oxley Act of 2002, that:

(1) Such Quarterly Report on Form 10-Q for the period ended June 30, 2018, fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in such Quarterly Report on Form 10-Q for the period ended June 30, 2018, fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 20, 2018

By: */s/ Steve Burke*
Steve Burke
Principal Executive Officer
Bang Holdings Corp.

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF
THE SARBANES-OXLEY ACT OF 2002

In connection with this Quarterly Report of Bang Holdings Corp. (the "Company"), on Form 10-Q for the period ended June 30, 2018, as filed with the U.S. Securities and Exchange Commission on the date hereof, I, Adam Mutchler, Principal Financial Officer of the Company, certify to the best of my knowledge, pursuant to 18 U.S.C. Sec. 1350, as adopted pursuant to Sec. 906 of the Sarbanes-Oxley Act of 2002, that:

(1) Such Quarterly Report on Form 10-Q for the period ended June 30, 2018, fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in such Quarterly Report on Form 10-Q for the period ended June 30, 2018, fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 20, 2018

By: */s/ Adam Mutchler*
Adam Mutchler
Principal Financial Officer
Bang Holdings Corp.