

SECURITIES & EXCHANGE COMMISSION EDGAR FILING

LIFEAPPS BRANDS INC.

Form: 10-Q

Date Filed: 2018-12-31

Corporate Issuer CIK: 1510247

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

FORM 10-Q

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

For the quarterly period ended **September 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: **000-54867**

LIFEAPPS BRANDS INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

80-0671280

(I.R.S. Employer Identification No.)

2435 Dixie Highway, Wilton, FL 33305

(Address of principal executive offices, including zip code)

(Former name, former address and former fiscal year, if changed since last report)

Tel: (858)-577-1746

(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

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

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

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
		Emerging growth company	<input checked="" type="checkbox"/>

If an emerging growth company, indicate by check mark if this 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

As of December 31, 2018 there were issued and outstanding 107,679,152 shares of Common Stock, \$0.001 par value.

LIFEAPPS BRAND INC.

FORM 10-Q
FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 2018
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LIFEAPPS BRAND INC.

PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

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LifeApps Brands Inc.
Condensed Consolidated Balance Sheets
(Unaudited)

	September 30, 2018	December 31, 2017
Assets		
Current assets:		
Cash	\$ 949	\$ 1084
Other current assets	595	595
Total current assets	1,544	1,679
Intangible asset, net of amortization	—	150
Total Assets	\$ 1,544	\$ 1,829
Liabilities and Stockholders' (Deficit)		
Current liabilities:		
Accounts payable	\$ 199,579	\$ 124,620
Accrued salaries - officers	844,154	601,154
Accrued interest	10,375	—
Notes payable	28,000	20,000
Notes payable – related party	17,885	17,585
Advances due to related party	10,974	7,675
Convertible note payable net of discounts	35,005	—
Derivative liability	44,060	—
Total current liabilities	1,190,032	771,034
Stockholders' (Deficit)		
Preferred stock, \$.001 par value, 10,000,000 authorized, none issued or outstanding	—	—
Common stock, \$.001 par value, 500,000,000 shares authorized, 95,232,464 and 87,704,686 shares issued and outstanding, respectively	95,232	87,704
Additional paid in capital	2,643,163	2,579,489
Deferred officer compensation	(244,043)	(391,010)
Accumulated (deficit)	(3,682,841)	(3,045,388)
Total stockholders' (deficit)	(1,188,488)	(769,205)
Total Liabilities and Stockholders' (Deficit)	\$ 1,544	\$ 1,829

See the accompanying notes to the unaudited condensed consolidated financial statements

LifeApps Brands Inc.
Condensed Consolidated Statements of Operations
(Unaudited)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2018	2017	2018	2017
Revenue	\$ 525	787	2,119	3,093
Cost of revenue	—	—	—	49
Gross profit (loss)	<u>525</u>	<u>787</u>	<u>2,119</u>	<u>3,044</u>
Operating expenses:				
General and administrative	218,988	47,726	564,824	171,816
Depreciation and amortization	—	225	150	675
Total operating expenses	<u>218,988</u>	<u>47,951</u>	<u>564,974</u>	<u>172,491</u>
(Loss) from operations	(218,463)	(47,164)	(562,855)	(169,447)
Interest expense	(68,748)	—	(107,692)	—
Change in derivative liability	28,593	—	33,095	—
Net (loss) before income taxes	<u>(258,619)</u>	<u>47,164</u>	<u>(637,453)</u>	<u>(169,447)</u>
Provision for income taxes	—	—	—	—
Net (loss)	<u>\$ (258,619)</u>	<u>\$ (47,164)</u>	<u>\$ (637,453)</u>	<u>\$ (169,447)</u>
Per share information - basic and fully diluted:				
Weighted average shares outstanding	<u>92,561,268</u>	<u>25,311,186</u>	<u>91,208,732</u>	<u>25,311,186</u>
Net (loss) per share	<u>\$ (0.00)*</u>	<u>\$ (0.00)*</u>	<u>\$ (0.01)</u>	<u>\$ (0.01)</u>

* Denotes a loss of less than \$(0.01) per share.

See the accompanying notes to the unaudited condensed consolidated financial statements

LifeApps Brands Inc.
Condensed Consolidated Statements of Cash Flows
(Unaudited)

	For the Nine Months Ended September 30,	
	2018	2017
Net cash used in operations	\$ (53,734)	\$ (48,616)
Cash flow from financing activities	—	—
Cash flow from financing activities:		
Proceeds from convertible note payable	32,000	—
Proceeds from note payable	10,000	—
Proceeds from sale of common stock	10,000	—
Repayment of note payable	(2,000)	—
Shareholder advances	3,599	49,310
Repayment of shareholder advances	—	(800)
Net cash provided by financing activities	<u>53,599</u>	<u>48,510</u>
Net (decrease) in cash	(135)	(106)
Cash at beginning of period	1,084	1,388
Cash at end of period	<u>\$ 949</u>	<u>\$ 1,282</u>
Non-cash financing activities:		
Stock issued for services	\$ 44,100	\$ 7,312
Stock issued for debt conversion	\$ 10,375	\$ —
Officer salary accrual	\$ 243,000	\$ 112,500

See the accompanying notes to the unaudited condensed consolidated financial statements

LifeApps Brands Inc.
Notes to Condensed Consolidated Financial Statements
September 30, 2018 and 2017
(Unaudited)

Note 1. Nature of Business

Throughout this report, the terms “our,” “we,” “us,” and the “Company” refer to LifeApps Brands Inc., including its subsidiaries. The accompanying unaudited condensed consolidated financial statements of LifeApps Brands Inc. at September 30, 2018 and 2017 have been prepared in accordance with generally accepted accounting principles (“GAAP”) for interim financial statements, instructions to Form 10-Q, and Regulation S-X. Accordingly, certain information and footnote disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted. These condensed consolidated financial statements should be read in conjunction with the financial statements and notes thereto included in our annual report on Form 10-K for the year ended December 31, 2017. In management’s opinion, all adjustments (consisting only of normal recurring adjustments) considered necessary for a fair presentation to make our financial statements not misleading have been included. The results of operations for the periods ended September 30, 2018 and 2017 presented are not necessarily indicative of the results to be expected for the full year. The December 31, 2017 balance sheet has been derived from our audited financial statements included in our annual report on Form 10-K for the year ended December 31, 2017.

Through our wholly owned subsidiary LifeApps, Inc., we are a licensed developer and publisher of apps for the Apple Apps Store for iPhone, iPod touch, iPad and iPad mini. We are also a licensed developer on both Google Play and Amazon Appstore for Android. We have distributed apps on all three platforms.

Moving forward we are developing a digital media network specializing in targeting highly sought-after niche demographic audiences. The company will focus on two core businesses, an LGBT Ad Network and an LGBT Digital Network. Through our digital platform we will aggregate content from around the world. We will create original content along with sponsored content in a 24/7 digital network. The LGBT Ad Network will assist brands in global targeting of the LGBT demographic. The Ad Network will provide advertisers and brands with over 300 mainstream digital platforms and a “bullseye” on this loyal, affluent and ever-expanding audience. We will deliver to our audience with a relevant sponsored content marketing message across all spectrums of digitally connected devices. Our unique value proposition to our audience and sponsors is the ability deliver aggregated and original content, with emphasis on interactive content and captive video.

Note 2. Summary of Significant Accounting Policies

Going Concern

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles (“GAAP”), which contemplates our continuation as a going concern. We have incurred losses to date of \$3,682,841 and have negative working capital. To date we have funded our operations through advances from related parties, issuance of convertible debt, and the sale of our common stock. We intend to raise additional funding through third party equity or debt financing. There is no certainty that funding will be available as needed. These factors raise substantial doubt about our ability to continue operating as a going concern. Our ability to continue our operations as a going concern, realize the carrying value of our assets, and discharge our liabilities in the normal course of business is dependent upon our ability to raise capital sufficient to fund our commitments and ongoing losses, and ultimately generate profitable operations.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the Company and our wholly owned subsidiaries, LifeApps Inc. and Sports One Group Inc. All material inter-company transactions and balances have been eliminated in consolidation.

LifeApps Brands Inc.
Notes to Condensed Consolidated Financial Statements
September 30, 2018 and 2017
(Unaudited)

Use of Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities in the balance sheets and revenues and expenses during the years reported. Actual results may differ from these estimates.

Fair Value Measurements:

ASC Topic 820, Fair Value Measurements and Disclosures ("ASC 820"), provides a comprehensive framework for measuring fair value and expands disclosures which are required about fair value measurements. Specifically, ASC 820 sets forth a definition of fair value and establishes a hierarchy prioritizing the inputs to valuation techniques, giving the highest priority to quoted prices in active markets for identical assets and liabilities and the lowest priority to unobservable value inputs. ASC 820 defines the hierarchy as follows:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reported date. The types of assets and liabilities included in Level 1 are highly liquid and actively traded instruments with quoted prices, such as equities listed on the New York Stock Exchange.

Level 2 – Pricing inputs are other than quoted prices in active markets, but are either directly or indirectly observable as of the reported date. The types of assets and liabilities in Level 2 are typically either comparable to actively traded securities or contracts, or priced with models using highly observable inputs.

Level 3 – Significant inputs to pricing that are unobservable as of the reporting date. The types of assets and liabilities included in Level 3 are those with inputs requiring significant management judgment or estimation, such as complex and subjective models and forecasts used to determine the fair value of financial transmission rights.

Our financial instruments consist of cash, short-term trade receivables, prepaid expenses, payables, accruals and convertible notes payable. The carrying values of cash and cash equivalents, short-term trade receivables, prepaid expenses, payables, and accruals approximate fair value because of the short-term maturities of these instruments. The fair value of notes payable approximated to their carrying value as generally their interest rates reflected our effective annual borrowing rate.

Intangibles

Intangibles, which include websites and databases acquired, internet domain name costs, and customer lists, are being amortized over the expected useful lives which we estimate to be three to five years. In accordance with Financial Accounting Standards Board ("FASB"), Accounting Standards Codification ("ASC") Topic 350 *Intangibles – Goodwill and Other* ("ASC 350"), the costs to obtain and register internet domain names were capitalized.

LifeApps Brands Inc.
Notes to Condensed Consolidated Financial Statements
September 30, 2018 and 2017
(Unaudited)

Derivative Financial Instruments:

We do not use derivative instruments to hedge exposures to cash flow, market or foreign currency risks. We evaluate all of our financial instruments to determine if such instruments are derivatives or contain features that qualify as embedded derivatives. For derivative financial instruments that are accounted for as liabilities, the derivative instrument is initially recorded at its fair value and is then re-valued at each reporting date, with changes in the fair value reported in the statements of operations. For stock-based derivative financial instruments, we used a Black-Scholes valuation model to value the derivative instruments at inception and on subsequent valuation dates. The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is evaluated at the end of each reporting period. Derivative liabilities are classified in the balance sheet as current or non-current based on whether net-cash settlement or conversion of the instrument could be required within 12 months of the balance sheet date.

Revenue Recognition

ASC Topic 606, "Revenue from Contracts with Customers" establishes principles for reporting information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts to provide goods or services to customers.

Revenues are recognized when control of the promised goods or services are transferred to a customer, in an amount that reflects the consideration that the Company expects to receive in exchange for those goods or services. The Company applies the following five steps in order to determine the appropriate amount of revenue to be recognized as it fulfills its obligations under each of its agreements:

- identify the contract with a customer;
- identify the performance obligations in the contract;
- determine the transaction price;
- allocate the transaction price to performance obligations in the contract; and
- recognize revenue as the performance obligation is satisfied.

Revenue is currently derived primarily from the sale of sports and fitness apparel and equipment, and software applications designed for use on mobile devices such as smart phones and tablets.

We sell our software directly via Internet download through third party agents. We recognize revenue when payment is received from the agent. Payment is received net of commission paid to the agent, usually 70% to us and 30% to the agent. We record the net amount received as revenue.

We plan to publish and sell digital magazines through the internet. Magazines can be purchased as individual volumes or as a subscription. To date we have not had any subscription sales.

Cost of Revenue

Cost of revenue includes the cost of amounts paid for articles, photography, editorial and production cost of the magazine and ongoing web hosting costs. Cost of revenue related to product sales includes the direct cost of those products sold.

Rent Expense

We recognize rent expense on a straight-line basis over the reasonably assured lease term as defined in ASC Topic 840, Leases ("ASC 840"). Our lease is short term and will be renewed on a month to month basis. Rent expense was \$0 and \$363 for the three months ended September 30, 2018 and 2017, respectively and \$255 and \$3,975 for the nine months ended September 30, 2018 and 2017, respectively.

LifeApps Brands Inc.
Notes to Condensed Consolidated Financial Statements
September 30, 2018 and 2017
(Unaudited)

Stock-Based Compensation

Stock-based compensation is presented in accordance with the guidance of ASC Topic 718, *Compensation – Stock Compensation* (“ASC 718”). Under the provisions of ASC 718, companies are required to estimate the fair value of share-based payment awards on the date of grant using an option-pricing model. The value of the portion of the award that is ultimately expected to vest is recognized as expense over the requisite service periods in our consolidated statements of operations.

Earnings per share

We calculate earnings per share in accordance with ASC Topic 260 *Earnings Per Share*, which requires a dual presentation of basic and diluted earnings per share. Basic earnings per share are computed using the weighted average number of shares outstanding during the fiscal year. Diluted earnings per share represent basic earnings per share adjusted to include the potentially dilutive effect of outstanding stock options and warrants. The diluted earnings per share were not calculated because we recorded net losses for the periods ended September 30, 2018 and 2017, and the outstanding stock options and warrants are anti-dilutive. Weighted average shares outstanding would have increased by approximately 2,893,000 and 11,065,000 for the periods ended September 30, 2018 and 2017 on a fully diluted basis.

Recent Pronouncements

From time to time, new accounting pronouncements are issued that we adopt as of the specified effective date. We believe that the impact of recently issued standards that are not yet effective may have an impact on our results of operations and financial position.

In February 2016, the FASB issued ASU No. 2016-02, *Leases*, to improve financial reporting about leasing transactions. This ASU will require organizations that lease assets (“lessees”) to recognize a lease liability and a right-of-use asset on its balance sheet for all leases with terms of more than twelve months. A lease liability is a lessee’s obligation to make lease payments arising from a lease, measured on a discounted basis and a right-of-use asset represents the lessee’s right to use, or control use of, a specified asset for the lease term. The amendments in this ASU simplify the accounting for sale and leaseback transactions primarily because lessees must recognize lease assets and lease liabilities. This ASU leaves the accounting for the organizations that own the assets leased to the lessee (“lessor”) largely unchanged except for targeted improvements to align it with the lessee accounting model and Topic 606, Revenue from Contracts with Customers.

The amendments in ASU 2016-02 are effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. Lessees (for capital and operating leases) and lessors (for sales-type, direct financing, and operating leases) must apply a modified retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements. The modified retrospective approach would not require any transition accounting for leases that expired before the earliest comparative period presented. Lessees and lessors may not apply a full retrospective transition approach. The Company is evaluating the potential impact of ASU 2016-02 on its Consolidated Financial Statements.

LifeApps Brands Inc.
Notes to Condensed Consolidated Financial Statements
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(Unaudited)

Other accounting standards that have been issued or proposed by the FASB or other standards-setting bodies that do not require adoption until a future date are not expected to have a material impact on the Company's consolidated financial statements upon adoption.

Note 3. Related Party Transactions – Officer and Shareholder Advances

Parties, which can be a corporation or an individual, are considered to be related if we have the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Companies are also considered to be related if they are subject to common control or common significant influence.

Advances due to related parties represent cash advances, salary accruals, notes payable, and amounts paid on our behalf by an officer and shareholders of the Company. These advances are non-interest bearing, short term in nature and due on demand. The balance at September 30, 2018 and December 31, 2017 was \$10,974 and \$7,675, respectively. Notes payable to related parties at September 30, 2018 and December 31, 2017 totaled \$17,885 and \$17,585, respectively with a 2% annual interest rate. Currently the company has defaulted on all of their related party loan obligations. Forbearance has been granted by the related parties on all loans. Salary accruals for the three-month periods ended September 30, 2018 and 2017 amounted to \$81,000 and \$37,500 respectively. Salary accruals for the nine -month periods ended September 30, 2018 and 2017 amounted to \$243,000 and \$112,500, respectively. Net cash advances amounted to \$3,599 and \$48,510, respectively for the periods ended September 30, 2018 and 2017. Total unpaid accrued salary was \$844,154 and \$601,154 as of September 30, 2018 and December 31, 2017, respectively.

On December 19, 2017 we entered into an Employment Services Agreements with our Chief Executive Officer and our President and an Executive Management Consulting Agreement with our former Chief Executive Officer. The Agreements have a two-year term and are subject to automatic renewal for successive periods of one year unless either we or the counterparties give the other written notice of intention to not renew at least 30 days prior to the end of the existing term. The Agreement with our current and former Chief Executive Officers provide for base compensation of \$150,000 and a base annual salary of \$24,000 for our President. The compensation payments are payable in bi-weekly installments. In the event any of the payments are not made within 30 days of the due date, they will accrue interest at the rate of 10% per annum.

LifeApps Brands Inc.
Notes to Condensed Consolidated Financial Statements
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The Agreements contain customary termination provisions including terminations with or without cause, for good reason or voluntarily, non-competition and non-solicitation provisions, and an inventions and patents provision which provides that all the work produced by the counterparties, which is created, designed, conceived or developed by them in the course of their employment under the Agreements belong to us. Effective as of January 1, 2018, the agreements were modified to remove the conversion right provisions.

During the three and nine month periods ended September 30, 2018 we recorded interest accruals of \$5,736 and \$7,976 related to the agreements.

Note 4. Note Payable

Notes payable to two unrelated third parties amounted to \$28,000 at September 30, 2018 and \$20,000 to a single unrelated third party at December 31, 2017 with an interest rates of 2% and 7% per annum. One of the notes in the amount of \$18,000 at September 30, 2018 is past due and is, therefore, in default. The other note in the amount of \$10,000 provides for the issuance of 775,000 shares of common stock as additional interest due at maturity.

Note 5. Convertible Note Payable

On March 6, 2018, we executed a Promissory Note (the "2018 Note") to an unrelated entity and received an aggregate of \$32,000. The Note has an initial term of one year and provides for an original issue discount of \$3,000, which is being amortized over the initial term. The note carries face interest rates of 12% per annum. The Lender has the right, at any time and/or after 180 days at their election to convert all or part of the outstanding and unpaid principal and accrued interest into shares of our common stock. The conversion price is 58% of a two-day average of the lowest trading price in the 15 range of trading days prior the conversion. The Notes provide for additional penalties if we cannot deliver the underlying common stock on a timely basis.

We evaluated the terms of the conversion features of the convertible note in accordance with ASC Topic No. 815 - 40, Derivatives and Hedging - Contracts in Entity's Own Stock and determined it is indexed to the Company's common stock and that the conversion features meet the definition of a liability and therefore bifurcated the conversion feature and accounted for it as a separate derivative liability.

We valued the conversion feature at origination of the Note at \$55,118 using the Black Scholes valuation model with the following assumptions: dividend yield of zero, 1 year to maturity, risk free interest rate of 3.03% and annualized volatility of 298.79%. \$32,000 of the value assigned to the derivative liability was recognized as a debt discount on the convertible debenture. The debt discount was recorded as reduction (contra-liability) to the convertible Note and is being amortized over the initial term of the convertible Note. The balance of \$23,118 of the value assigned to the derivative liability was recognized as origination interest on the derivative liability and expensed on origination.

To determine the fair value of our embedded derivatives, management evaluates assumptions regarding the probability of certain future events. Other factors used to determine fair value include our period end stock price, historical stock volatility, risk free interest rate and derivative term. The fair value recorded for the derivative liability varies from period to period. This variability may result in the actual derivative liability for a period either above or below the estimates recorded on our consolidated financial statements, resulting in significant fluctuations in other income (expense) because of the corresponding non-cash gain or loss recorded.

During the quarter ended September 30, 2018, the company became subject to a penalty assessment of \$17,500 due to a loan covenant violation. Such amount has been expensed as additional interest. Additionally, the fair value of the derivative liability associated with the penalty amounted to \$29,265 and has been recorded as additional interest expense.

Also, during the quarter ended September, the lender exercised conversion rights pursuant to the loan agreement and converted \$8,000 of the loan principal into 1,777,778 shares of common stock. The company recognized an aggregate of \$10,375 of shareholder equity as a result of the conversion based of a fair value calculation at the conversion date and related adjustments to remaining loan discounts applicable to the converted loan amount.

LifeApps Brands Inc.
Notes to Condensed Consolidated Financial Statements
September 30, 2018 and 2017
(Unaudited)

We value the derivative liability at the end of each accounting period with the difference in value recognized as gain or loss. At September 30, 2018 we determined the valuation using the Black-Sholes valuation model with the following assumptions: dividend yield of zero, .44 years to maturity, risk free interest rate of 2.49% and annualized volatility of 143%. We recognized \$26,625 and \$34,127 of income for the change in value of the derivative for the three- and nine-month periods ended September 30, 2018. Interest expense for the nine - month period ended September 30, 2018 includes \$52,453 of origination interest, amortization of debt discounts of \$24,273 and interest accrual of \$2,400.

At September 30, 2018 the balance of the Note is comprised of the following:

Face amount of Note	\$	44,500
Original issue discount		(1,290)
Debt discount		(8,205)
	\$	35,005

Note 6. Stockholders' Equity

During the nine-month period ended September 30, 2018 we issued 3,000,000 shares of common stock in connection with consulting agreements with two unrelated entities. The shares were valued at the respective trading prices of our common stock on the dates the agreements were signed.

During the quarter ended September 30, 2018 an unrelated third party purchased 2,000,000 shares of common stock for \$10,000 in cash at \$.05 per share and made a loan to the company in the amount of \$10,000. The loan provided for a stock grant of 750,000 shares of common stock.

Also, as described in Note 5, the company issued 1,777,778 shares of common stock pursuant to a debt-to-equity conversion.

Additionally, we recorded \$146,966 of amortization of deferred officer compensation during the nine -month period ended September 30, 2018.

Note 7. Options

Stock based compensation expense for options for the periods ended September 30, 2018 and 2017 amounted to \$0 and \$7,312.

LifeApps Brands Inc.
Notes to Condensed Consolidated Financial Statements
September 30, 2018 and 2017
(Unaudited)

The following is a summary of stock options issued pursuant to the plan:

	Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value
Outstanding January 1, 2018	17,246,688	\$ 0.0056	3.4	—
Granted	—	\$ —	—	—
Exercised	—	\$ —	—	—
Cancelled	—	\$ —	—	—
Outstanding September 30, 2018	<u>17,246,688</u>	<u>\$ 0.0056</u>	<u>2.70</u>	<u>\$ —</u>
Exercisable September 30, 2018	<u>17,246,688</u>	<u>\$ 0.0056</u>	<u>2.70</u>	<u>\$ —</u>

Stock based compensation expense for options for the periods ended September 30, 2018 and 2017 amounted to \$0 and \$7,312. There will be no additional compensation expense recognized in future periods.

LifeApps Brands Inc.
Notes to Condensed Consolidated Financial Statements
September 30, 2018 and 2017
(Unaudited)

Note 8. Outstanding Warrants

There were no warrants issued during the periods ended September 30, 2018 and 2017. The 400,000 previously outstanding warrants expired on September 20, 2017.

Note 9. Income Taxes

On December 22, 2017, the United States enacted the Tax Cuts and Jobs Act (the "Act") resulting in significant modifications to existing law. The Company has completed a review of the accounting for the effects of the Act during the quarter ended December 31, 2017. The Company's financial statements for the period ended September 30, 2018 reflect certain effects of the Act which includes a reduction in the corporate tax rate from 34% to 21% as well as other changes.

Income tax provision (benefit) for the periods ended September 30, 2018 and 2017, is summarized below:

	2018	2017
Current:		
Federal	\$ —	\$ —
State	—	—
Total current	—	—
Deferred:		
Federal (21% tax rate in 2018)	(104,600)	(19,400)
State	(27,400)	(3,100)
Total deferred	(132,000)	(22,500)
Valuation allowance	132,000	22,500
Total provision	\$ —	\$ —

The provision for income taxes differs from the amount computed by applying the statutory federal income tax rate to income before provision for income taxes.

The sources and tax effects of the differences as of September 30, 2018 and 2017 are as follows:

	2018	2017
Income tax provision at the federal statutory rate	21.0%	34.0%
State income taxes, net of federal benefit	5.5%	5.5%
Increase in valuation allowance	(26.5%)	(39.5%)
	<u>0.0%</u>	<u>0.0%</u>

Components of the net deferred income tax assets at September 30, 2018 and December 31, 2017 were as follows:

	2018	2017
Net operating loss carryovers (adjusted for revised tax rate)	\$ 496,100	\$ 364,100
Valuation allowance	(496,100)	(364,100)
	<u>\$ —</u>	<u>\$ —</u>

In accordance with ASC 740, at September 30, 2018 and December 31, 2017 we determined that a valuation allowance should be recognized against deferred tax assets because, based on the weight of available evidence, it is more likely than not (i.e., greater than 50% probability) that some portion or all of the deferred tax asset will not be realized in the future. We recognized a reserve of 100% of the amounts of the deferred tax benefit in the amount of \$496,100 and \$364,100, respectively.

LifeApps Brands Inc.
Notes to Condensed Consolidated Financial Statements
September 30, 2018 and 2017
(Unaudited)

As of September 30, 2018, we had cumulative net operating loss carry forwards of \$2,236,900 which expire from 2032 through 2038.

There are open statutes of limitations for taxing authorities in federal and state jurisdictions to audit our tax returns from 2010 through the current period. Our policy is to account for income tax related interest and penalties in income tax expense in the consolidated statement of operations. There have been no income tax related interest or penalties assessed or recorded.

Note 11. Subsequent Events

On October 25, 2018 we issued 1,000,000 shares to Sterling Financial Consultants LLC for accounting, tax and advisory services.

On December 5, 2018 we issued an aggregate of 2,750,000 shares of our restricted common stock to one person pursuant to (i) an August 7, 2018 \$10,000 promissory note, as amended, due on February 15, 2019 (750,000 shares) and (ii) a \$10,000 Securities Purchase Agreement dated August 7, 2018 (2,000,000 shares). The shares were deemed to have been issued as of August 7, 2018.

On December 5, 2018 we issued 10,946,688 shares of our restricted common stock to Robert Gayman pursuant to the exercise of (i) 6,000,000 stock options at an exercise price of \$0.0026 per share or an aggregate of \$15,600, and (ii) 4,946,688 stock options at an exercise price of \$0.01 per share or an aggregate of \$49,467, the payment for which was made by making a corresponding deduction to amounts owed by us to Mr. Gayman.

On December 5, 2018 Robert Gayman forgave \$531,487.12 of the amount due to him by us for services rendered. On December 5, 2018 we issued 500,000 shares to our corporate counsel in consideration of its deferment, on a temporary basis, of legal fees due to it by us for services rendered.

On November 1, 2018 we entered into an Employment Services Agreement (the "Roan Agreement") with Lawrence Roan pursuant to which Mr. Roan is serving as our Executive Director. The Roan Agreement has a 63-month term and is subject to automatic renewal for successive periods of one year unless either we or Mr. Roan gives the other written notice of intention to not renew at least 30 days prior to the end of the existing term. The Roan Agreement provides for a base annual salary of \$100,000 and a two-year severance period in the event the Roan Agreement is terminated by us without cause or by Mr. Roan for good reason. Mr. Roan's base salary payments are payable in bi-weekly installments. The Roan Agreement contains customary termination provisions including terminations with or without cause, for good reason or voluntarily, non-competition and non-solicitation provisions, and an inventions and patents provision which provides that all of the work produced by Mr. Roan, which is created, designed, conceived or developed by Mr. Roan in the course of his employment under the Roan Agreement belongs to us.

On November 1, 2018 the Management contracts for Bobby Blair and Brian Neal and the Consultant contract for Robert Gayman were amended to remove the deferred payment salary conversion feature.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with the financial information included elsewhere in this Quarterly Report on Form 10-Q (this "Quarterly Report"), including our unaudited condensed consolidated financial statements as of September 30, 2018 and September 30, 2017 and for the three and nine months ended September 30, 2018 and 2017 and the related notes. References in this Management's Discussion and Analysis of Financial Condition and Results of Operations section to "us," "we," "our," and similar terms refer to LifeApps Brands Inc., a Delaware corporation. This discussion includes forward-looking statements, as that term is defined in the federal securities laws, based upon current expectations that involve risks and uncertainties, such as 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. Words such as "anticipate," "estimate," "plan," "continuing," "ongoing," "expect," "believe," "intend," "may," "will," "should," "could," and similar expressions are used to identify forward-looking statements.

We caution you that these statements are not guarantees of future performance or events and are subject to a number of uncertainties, risks and other influences, many of which are beyond our control, which may influence the accuracy of the statements and the projections upon which the statements are based. Factors that may affect our results include, but are not limited to, the risk factors in Item 2.01 in our Annual Report on Form 10-K for the year ended December 31, 2017 filed with the Securities and Exchange Commission (the "SEC") on April, 20, 2018. Any one or more of these uncertainties, risks and other influences could materially affect our results of operations and whether forward-looking statements made by us ultimately prove to be accurate. Our actual results, performance and achievements could differ materially from those expressed or implied in these forward-looking statements. We undertake no obligation to publicly update or revise any forward-looking statements, whether from new information, future events or otherwise.

Business Overview

LifeApps® is a licensed developer and publisher of apps for the Apple App Store for iPhone, iPod touch, iPad and iPad mini. LifeApps® is also a licensed developer on both Google Play and Amazon Appstore for Android. LifeApps® has distributed apps/publications on all three platforms. Moving forward LifeApps will focus on the development of niche demographic media networks. The management team has selected the LGBT marketplace as their first audience to target for the following reasons: The LGBT community has four times the buying power of Hispanics and African Americans, two times the buying power of Asian Americans and four times the buying power of millennials, and they are extremely loyal and consistent consumers. At current growth rates purchasing power of the LGBT community is expected to exceed 1 trillion dollars by 2020. (Accenture) Currently the LGBT audience is fragmented across multiple sites. We will target this audience directly with community specific content, blogs, stories and video. Currently there are 19.6 million people who identify themselves as LGBT in the US. They represent 890 billion dollars of buying power in the US and 3 trillion dollars globally. (Witeck/Selig Center) Same-sex households have 23% higher median income as compared to mainstream households. (Prudential) They are 1.23 times more likely to buy brands that reflect their style and they are 1.56 times more likely to consider themselves a spender rather than a saver. (comScore) Our focus will be to aggregate the LGBT audience through a powerful database marketing platform.

LifeApps® is also expanding its revenue generating potential through the creation of new gateway digital platforms that combine e-commerce with mobile-commerce solutions to act as conduits or meeting places for users to engage in the commerce. These gateway platforms can also be utilized and distributed across the broader base of the LifeApps® suite of products.

LifeApps® will continue to explore acquisitions of companies and new technologies. In addition, the company will also explore the acquisition of consumer related products as well. Such acquisitions will be considered where the purchase can help increase our revenues or enable the Company to attain assets that will allow us to gain technological advances that would be more costly to develop than to purchase.

LifeApps® will continue a flexible approach as opportunities arise from the emergence of these rapidly evolving mobile hardware and software markets. LifeApps® will focus resources where they will be the most effective at growing the business and driving revenues. LifeApps® ability for internal development and external purchase of new technologies and companies will depend upon its ability to raise future financing.

Our Products

LifeApps Media Network Platform

LifeApps will focus on two major revenue platform initiatives both currently in late stage product development. Our first priority will be to launch a global website platform that will aggregate original and outsourced content with an emphasis on interactive content and captive video.

Our second initiative will be to license technology and software in order to launch the LGBT Ad Network. The Network will provide advertising sponsors and brands with over 300 mainstream digital platforms to get their message out and hit the “bullseye” on this loyal, affluent and ever-expanding audience. We will utilize a powerful and relevant sponsored-content marketing message across all spectrums of digitally connected devices.

The combined platforms are expected to provide our audience and advertising sponsors with a highly targeted map to navigate the enormous and growing LGBT community. Our 360-degree approach includes data to pinpoint advertising and marketing campaigns designed to connect and create strategic partnerships. Our prior experience ensures educated decision-making and confidence in planning, approach, and execution of campaigns and partnerships that provide quantifiable results. The marketing content strategy campaigns are based on our expertise and insight of what drives LGBT consumer engagement disseminating relevant content to each of the vertical demographics.

Revenue

LifeApps® intends to monetize and drive revenue through development of niche media networks. We will target LGBT consumers on mainstream websites with native content through our direct access to over 300 global leading cross-over entertainment and LGBT specific websites. Additionally, we will utilize mobile apps and social media platforms to provide an immense world-wide LGBT audience reach. We intend to be a disruptive LGBT Ad Network and an industry leader by delivering digital content campaigns across display, mobile and video inventory. Our Ad network campaign rates will start at \$15,000 and range to \$50,000 per month, with a forecast average of \$50,000 a month per advertising sponsor in year one and growing to an average of \$75,000 a month per advertising sponsor in year two.

Our LGBT Media Content Agency is expected to bridge the gap and help companies to better understand how to authentically and directly engage with the LGBT consumer. We will do this through our proprietary application, which incorporates original and aggregated content integrated into an LGBT audience network. The Agency range rate will start at \$25,000 and increase to \$150,000. We are projecting an average of \$75,000 a month per advertising sponsor for the first year and accelerating to \$150,000 a month per advertising sponsor in year two.

Critical Accounting Policies and Estimates

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles (“GAAP”), which contemplates our continuation as a going concern. As of September 30, 2018, we have incurred losses of \$3,682,841. To date we have funded our operations through advances from related parties, issuances of convertible debt, and the sale of our common stock. We intend to raise additional funding through third party equity or debt financing. There is no certainty that funding will be available as needed. These factors raise substantial doubt about our ability to continue operating as a going concern. Our ability to continue our operations as a going concern, realize the carrying value of our assets, and discharge our liabilities in the normal course of business is dependent upon our ability to raise capital sufficient to fund our commitments and ongoing losses, and ultimately generate profitable operations.

Use of Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities in the balance sheets and revenues and expenses during the years reported. Actual results may differ from these estimates.

Fair Value Measurements:

ASC Topic 820, Fair Value Measurements and Disclosures (“ASC 820”), provides a comprehensive framework for measuring fair value and expands disclosures which are required about fair value measurements. Specifically, ASC 820 sets forth a definition of fair value and establishes a hierarchy prioritizing the inputs to valuation techniques, giving the highest priority to quoted prices in active markets for identical assets and liabilities and the lowest priority to unobservable value inputs. ASC 820 defines the hierarchy as follows:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reported date. The types of assets and liabilities included in Level 1 are highly liquid and actively traded instruments with quoted prices, such as equities listed on the New York Stock Exchange.

Level 2 – Pricing inputs are other than quoted prices in active markets but are either directly or indirectly observable as of the reported date. The types of assets and liabilities in Level 2 are typically either comparable to actively traded securities or contracts or priced with models using highly observable inputs.

Level 3 – Significant inputs to pricing that are unobservable as of the reporting date. The types of assets and liabilities included in Level 3 are those with inputs requiring significant management judgment or estimation, such as complex and subjective models and forecasts used to determine the fair value of financial transmission rights.

Our financial instruments consist of cash and cash equivalents, short-term trade receivables, prepaid expenses, payables, accruals and convertible notes payable. The carrying values of cash and cash equivalents, short-term trade receivables, prepaid expenses, payables, and accruals approximate fair value because of the short-term maturities of these instruments.

Intangibles

Intangibles, which include websites and databases acquired, internet domain name costs, and customer lists, are being amortized over the expected useful lives which we estimate to be three to five years. In accordance with Financial Accounting Standards Board (“FASB”), Accounting Standards Codification (“ASC”) Topic 350 *Intangibles – Goodwill and Other* (“ASC 350”), the costs to obtain and register internet domain names were capitalized.

Derivative Financial Instruments:

We do not use derivative instruments to hedge exposures to cash flow, market or foreign currency risks. We evaluate all of our financial instruments to determine if such instruments are derivatives or contain features that qualify as embedded derivatives. For derivative financial instruments that are accounted for as liabilities, the derivative instrument is initially recorded at its fair value and is then re-valued at each reporting date, with changes in the fair value reported in the statements of operations. For stock-based derivative financial instruments, we used a Black-Scholes valuation model to value the derivative instruments at inception and on subsequent valuation dates. The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is evaluated at the end of each reporting period. Derivative liabilities are classified in the balance sheet as current or non-current based on whether net-cash settlement or conversion of the instrument could be required within 12 months of the balance sheet date.

Revenue Recognition

Revenue is derived primarily from the sale of sports and fitness apparel and equipment, and software applications designed for use on mobile devices such as smart phones and tablets. Revenue is recognized only when persuasive evidence of an arrangement exists, the fee is fixed or determinable, the product or service has been delivered, and collectability is probable.

We sell our software directly via Internet download through third party agents. We recognize revenue when payment is received from the agent. Payment is received net of commission paid to the agent, usually 70% to us and 30% to the agent. We record the net amount received as revenue.

We also plan to publish and sell digital magazines through the internet. Magazines can be purchased as individual volumes or as a subscription. To date we have not had any subscription sales.

Cost of Revenue

Cost of revenue includes the cost of amounts paid for articles, photography, editorial and production cost of the magazine and ongoing web hosting costs. Cost of revenue related to product sales includes the direct cost of those products sold.

Equity Based Payments

Equity based payments are accounted for in accordance with ASC Topic 718, *Compensation – Stock Compensation*. The compensation cost is based upon fair value of the equity instrument at the date grant. The fair value has been estimated using the Black-Scholes option pricing model.

Results of Operations

Three and nine months ended September 30, 2018, compared with the three and nine months ended September 30, 2017

Revenues for the three and nine months ended September 30, 2018 and 2017 were \$525 and \$2,119 and \$787 and \$3,093, respectively. Revenues for both periods were derived primarily from the sale of sports apparel and health and fitness products.

Cost of revenue normally includes our cost of products sold and amounts paid for articles, photography, editorial and production cost of the magazine. In the future we will incur direct cost related to revenue such as webhosting and direct cost for our customer support. For the foreseeable future we anticipate outsourcing such costs.

Cost of revenue for the three and nine months ended September 30, 2018 and 2017 was \$- and \$- and \$- and \$49, respectively. This resulted in a gross profit for three and nine months ended September 30, 2018 and 2017 of \$525 and \$2,119 and \$787 and \$3,044, respectively. Costs were primarily the cost of products sold.

We had net losses of \$(258,619) and \$(47,164) and \$(637,453) and \$(169,447) for the three and nine months ended September 30, 2018 and 2017, respectively.

The following is a breakdown of our selling, general and administrative expenses for the three and nine months ended September 30, 2018 and 2017:

	Three months Ended September 30,			Nine months Ended September 30,		
	2018	2017	Difference	2018	2017	Difference
Personnel costs	\$ 85,412	\$ 37,500	\$ 47,912	\$ 297,238	\$ 112,500	\$ 184,738
Professional fees	79,797	6,500	73,297	105,030	38,500	66,530
Travel and entertainment	428	200	228	10,827	2,810	8,017
Marketing expense	—	—	—	—	3,495	(3,495)
Consulting expense	52,460	—	52,460	147,813	—	147,813
Stock related expenses	—	2,437	(2,437)	500	7,311	(6,811)
Rent	—	363	(363)	255	3,975	(3,720)
Other expenses	891	726	165	3,161	3,225	(64)
	<u>\$ 218,988</u>	<u>\$ 47,726</u>	<u>\$ 171,262</u>	<u>\$ 564,824</u>	<u>\$ 171,816</u>	<u>\$ 393,008</u>

Personnel costs during the three and nine months ended September 30, 2018 consisted principally of \$43,500 and \$130,500 of salaries accrued for our chief executive officer and president and \$41,912 and \$166,738 of amortization of deferred compensation. Personnel costs during the three and nine months ended September 30, 2017 consisted of the accrual of \$37,500 per quarter of executive compensation for our former president.

Professional fees increased from \$6,500 and \$38,500 for the three and nine months ended September 30, 2017 to \$79,797 and \$105,030 for the three and nine months ended September 30, 2018. The increase is a result of the timing of the services provided for auditing and legal services and additional legal services related to changes in the Company's planned operations.

Travel expenses increased by \$228 and \$8,017 for the three and nine months ended September 30, 2018 compared to the three and nine months ended September 30, 2017 as a result of the change in our proposed business operations.

Consulting expense during the three and nine months ended September 30, 2018 consisted principally of \$37,500 and \$112,500 of costs accrued for our former chief executive officer, \$7,326 and \$21,978 of amortization of deferred compensation. Additionally we had \$- and \$44,100 of costs associated with common stock issued in connection with consulting contracts with third parties.

Rent expense decreased by \$363 and \$3,720 from \$363 and \$3,975 for the three and nine months ended September 30, 2017 to \$- and \$255 for the three and nine months ended September 30, 2018. The decrease is a result of the change in our principal office location.

There was no marketing expense recorded during the three and nine months Ended September 30, 2018 due to the proposed change in our business operation.

All of our other operating costs were not significant in the aggregate.

We had operating losses of \$(218,463) and \$(562,855) for the three and nine months ended September 30, 2018 compared to \$(47,164) and \$(169,447) for the three and nine months ended September 30, 2017.

Interest and derivative expenses are primarily related to a convertible note payable to a third-party lender that was secured during the quarter ended March 31, 2018 and interest accrued pursuant to employment and consulting contracts..

Liquidity and Capital Resources

We were financed primarily by capital contributions from members of LifeApps LLC, the predecessor to LifeApps, from short term loans, and through sales of our securities. Our existing sources of liquidity may not be sufficient for us to implement our business plans. There are no assurances that we will be able to raise additional capital as and when needed.

As of September 30, 2018, we had a working capital deficit of \$1,188,488 as compared to a working capital deficit of \$769,205 at December 31, 2017.

During the nine months ended September 30, 2018 and 2017, operations used cash of \$53,734 and \$48,616, respectively.

No cash was expended for financing activities during the nine months ended September 30, 2018 and 2017.

During the nine months ended September 30, 2018 and 2017, net cash provided by financing activities was \$53,599 and \$48,510, respectively. We received \$32,000 as proceeds from a convertible note payable to a third-party lender during the nine months ended September 30, 2018. Also we received an aggregate of \$20,000 from the issuance of common stock and a note payable from an unrelated individual.

Additionally, we received net amounts of \$950 and \$15,510 of cash advances from our chief executive officer and net amounts of \$2,649 and \$33,000 of cash advances from (a director and shareholders) during the nine months ended September 30, 2018 and 2017, respectively.

We will continue to seek out additional capital in the form of debt or equity under the most favorable terms we can find.

Going Concern

Our financial statements have been prepared on a going concern basis which assumes that we will be able to realize our assets and discharge our liabilities in the normal course of business for the foreseeable future. We have incurred losses since inception resulting in an accumulated deficit of approximately \$3,682,841 as of September 30, 2018 and further losses are anticipated in the development of our business raising substantial doubt about our ability to continue as a going concern. Our ability to continue as a going concern is dependent upon our generating profitable operations in the future and/or obtaining the necessary financing to meet our obligations and repay our liabilities arising from normal business operations when they come due. Management intends to finance operating costs over the next twelve months with existing cash on hand and/or additional officer and shareholder advances. These financials do not include any adjustments relating to the recoverability and reclassification of recorded asset amounts, or amounts and classifications of liabilities that might result from this uncertainty.

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are a smaller reporting company as defined by Rule 12b-2 of the Securities and Exchange Act of 1934, as amended (the "Exchange Act") and are not required to provide the information required under this item.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Pursuant to Rule 13a-15(b) under the Securities Exchange Act of 1934 ("Exchange Act"), the Company carried out an evaluation, with the participation of the Company's management, including the Company's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") (the Company's principal financial and accounting officer), of the effectiveness of the Company's disclosure controls and procedures (as defined under Rule 13a-15(e) and Rule 15d-15(e) under the Exchange Act) as of the end of the period covered by this report. Based upon that evaluation, the Company's CEO and CFO concluded that the Company's disclosure controls and procedures are not effective, due to a lack of audit committee and segregation of duties caused by limited personnel, to ensure that information required to be disclosed by the Company in the reports that the Company files or submits under the Exchange Act, is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to the Company's management, including the Company's CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure.

Limitations on Effectiveness of Controls and Procedures

Our management, including our Chief Executive Officer (Principal Executive Officer) and Chief Financial Officer (Principal Financial Officer), does not expect that our disclosure controls and procedures will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include, but are not limited to, the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the control. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, controls may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

Management believes that the material weakness set forth above did not have an effect on our financial results.

Changes in Internal Control over Financial Reporting

There have been no changes in the Company's internal control over financial reporting during the three months ended June 30, 2018 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

There are no pending, nor to our knowledge threatened, legal proceedings against us.

ITEM 1A. RISK FACTORS

For information regarding risk factors, please refer to the Company's Annual Report on Form 10-K for the year ended December 31, 2017 filed with the SEC on April 20, 2018, which may be accessed via EDGAR through the Internet at www.sec.gov.

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

On December 5, 2018 we issued an aggregate of 2,750,000 shares of our restricted common stock to one person pursuant to (i) an August 7, 2018 \$10,000 promissory note, as amended, due on February 15, 2019 (750,000 shares) and (ii) a \$10,000 Securities Purchase Agreement dated August 7, 2018 (2,000,000 shares). The shares were deemed to have been issued as of August 7, 2018.

On October 11, 2018 we issued 1,777,778 shares of our restricted common stock pursuant to the conversion of \$8,000 is loan principal due on a March 6, 2018 promissory note. The shares were deemed to have been issued on September 20, 2018, the date on which we received a conversion notice.

The foregoing issuances of shares were made on reliance on Section 4(a)(2) of the Securities Act of 1933, as amended.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

We are in default under a \$20,000 May 20, 2017 promissory note due August 31, 2017 issued to an unrelated third party. We have been paying back the note in monthly installments of \$500 with the intention to pay it back in full when funds become available. At September 30, 2018 the principal balance due on the note was \$18,500.

ITEM 4. MINE SAFETY DISCLOSURE

Not Applicable.

ITEM 5. OTHER INFORMATION

On December 5, 2018 we issued an aggregate of 2,750,000 shares of our restricted common stock to one person pursuant to (i) an August 7, 2018 \$10,000 promissory note, as amended, due on February 15, 2019 (750,000 shares) and (ii) a \$10,000 Securities Purchase Agreement dated August 7, 2018 (2,000,000 shares). The shares were deemed to have been issued as of August 7, 2018.

On December 5, 2018 we issued 10,946,688 shares of our restricted common stock to Robert Gayman pursuant to the exercise of (i) 6,000,000 stock options at an exercise price of \$0.0026 per share or an aggregate of \$15,600, and (ii) 4,946,688 stock options at an exercise price of \$0.01 per share or an aggregate of \$49,467, the payment for which was made by making a corresponding deduction to amounts owed by us to Mr. Gayman.

On December 5, 2018 Robert Gayman forgave \$531,487.12 of the amount due to him by us for services rendered.

On December 5, 2018 we issued 500,000 shares to our corporate counsel in consideration of its deferment, on a temporary basis, of legal fees due to it by us for services rendered.

On November 1, 2018 we entered into an Employment Services Agreement (the "Roan Agreement") with Lawrence Roan pursuant to which Mr. Roan is serving as our Executive Director. The Roan Agreement has a 63-month term and is subject to automatic renewal for successive periods of one year unless either we or Mr. Roan gives the other written notice of intention to not renew at least 30 days prior to the end of the existing term. The Roan Agreement provides for a base annual salary of \$100,000 and a two-year severance period in the event the Roan Agreement is terminated by us without cause or by Mr. Roan for good reason. Mr. Roan's base salary payments are payable in bi-weekly installments. The Roan Agreement contains customary termination provisions including terminations with or without cause, for good reason or voluntarily, non-competition and non-solicitation provisions, and an inventions and patents provision which provides that all of the work produced by Mr. Roan, which is created, designed, conceived or developed by Mr. Roan in the course of his employment under the Roan Agreement belongs to us.

On November 1, 2018 we entered into Amendment No. 2 to Robert Gayman's Executive Management Consulting Agreement to extend the term thereof through January 31, 2023.

On November 1, 2018 we entered into Amendment No. 2 to Brian Neal's Employment Services Agreement to extend the term thereof through January 31, 2023.

On November 1, 2018 we entered into Amendment No. 2 to Robert Blair's Employment Services Agreement to extend the term thereof through January 31, 2023.

Effective October 25, 2018 we issued 1,000,000 shares of our restricted common stock to one person on consideration of \$24,785 in accounting, tax and advisory services reliance during May 2017.

ITEM 6. EXHIBITS

Exhibit Number	Description of Exhibit
<u>10.1</u>	<u>Employment Services Agreement with Lawrence P. Roan entered into as of November 1, 2018.</u>
<u>31.1</u>	<u>Certification of Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</u>
<u>31.2</u>	<u>Certification of Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</u>
<u>32.1*</u>	<u>Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>
<u>32.2*</u>	<u>Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB	XBRL Taxonomy Extension Labels Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document

* This certification is being furnished and shall not be deemed "filed" with the SEC for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section, and shall not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent that the registrant specifically incorporates it by reference.

SIGNATURES

In accordance with 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.

LIFEAPPS BRANDS INC.

December 31, 2018

By: /s/ Robert A. Blair

Robert A. Blair, Chief Executive Officer and Chief Financial Officer

EMPLOYMENT SERVICES AGREEMENT

This Employment Services Agreement (the "Agreement") is entered into as of the 1st day of November, 2018 (the "Effective Date"), by and between **LifeApps Brands Inc.**, a Delaware corporation, with a business address at 2435 N. Dixie Hwy., Wilton Manors, F1 33305 (the "Company"), and **Lawrence P. Roan**, with an address at 3202 Crestmoor Place, Des Moines, Ia 50310 (the "Executive").

INTRODUCTION

WHEREAS, the Company desires to employ the Executive under the title and capacity set forth on Schedule A hereto and the Executive desires to be employed by the Company in such capacity, subject to the terms of this Agreement;

AGREEMENT

NOW, THEREFORE, in consideration of the premises and mutual promises herein below set forth, the parties hereby agree as follows:

1 . Employment Period. The term of the Executive's employment by the Company pursuant to this Agreement (the "Employment Period") shall commence upon the date hereof (the "Effective Date") and shall continue for that period of calendar months from the Effective Date set forth on Schedule A hereto. Thereafter, the Employment Period shall automatically renew for successive periods of one (1) year each, unless either party shall have given to the other at least thirty (30) days' prior written notice of their intention not to renew the Executive's employment prior to the end of the Employment Period or the then applicable renewal term, as the case may be. In any event, the Employment Period may be terminated as provided herein.

2. Employment; Duties.

(a) General. Subject to the terms and conditions set forth herein, the Company shall employ the Executive to act for the Company during the Employment Period in the capacity set forth on Schedule A hereto, and the Executive hereby accepts such employment. The duties and responsibilities of the Executive shall include such duties and responsibilities appropriate to such office as the Company's Board of Directors (the "Board") may from time to time reasonably assign to the Executive, as initially specified on Schedule A attached hereto, with such authority and responsibilities, including Company-wide executive, administrative and finance functions as are normally associated with and appropriate for such position.

(b) Executive recognizes that during the period of Executive's employment hereunder, Executive owes an undivided duty of loyalty to the Company, and Executive will use Executive's good faith efforts to promote and develop the business of the Company and its subsidiaries (the Company's subsidiaries from time to time, together with any other affiliates of the Company, the "Affiliates"). Executive shall devote all of Executive's business time, attention and skills to the performance of Executive's services as an executive of the Company. Recognizing and acknowledging that it is essential for the protection and enhancement of the name and business of the Company and the goodwill pertaining thereto, Executive shall perform the Executive's duties under this Agreement professionally, in accordance with the applicable laws, rules and regulations and such standards, policies and procedures established by the Company and the industry from time to time.

(c) However, the parties agree that: (i) Executive may devote a reasonable amount of his time to civic, community, or charitable activities and may serve as a director of other corporations (provided that any such other corporation is not a competitor of the Company, as determined by the Board) and to other types of business or public activities not expressly mentioned in this paragraph and (ii) Executive may participate as an employee director and/or investor in other companies and projects as described by Executive to the Board, so long as Executive's responsibilities with respect thereto do not conflict or interfere with the faithful performance of his duties to the Company.

(d) Place of Employment. The Executive's services shall be performed at such location or locations as agreed to by the Company and the Executive. The parties acknowledge that the Executive may be required to travel in connection with the performance of his duties hereunder.

3. Base Salary. The Executive shall be entitled to receive a salary from the Company during the Employment Period at a rate per year indicated on Schedule A hereto (the "Base Salary"). Once the Board has established the Base Salary, such Base Salary may be increased on each anniversary of the Effective Date, at the Board's sole discretion. The parties expressly agree that what the Executive receives now or in the future, in addition to the regular Base Salary, whether this be in the form of benefits or regular or occasional aid/assistance, such as recreation, club memberships, meals, education for his family, vehicle, lodging or clothing, occasional bonuses or anything else he receives, during the Employment Period and any renewals thereof, in cash or in kind, shall not be deemed as salary. However, because the Company is a public company subject to the reporting requirements of, inter alia, the US Securities and Exchange Commission (the "SEC"), both parties acknowledge that the Executive's annual compensation (as determined by the rules of the SEC or any other regulatory body or exchange having jurisdiction), which may include some or all of the foregoing, will be required to be publicly disclosed.

4. Bonus. (a) The Company may pay the Executive an annual bonus (the "Annual Bonus"), at such time and in such amount as may be determined by the Board in its sole discretion. The Board may or may not determine that all or any portion of the Annual Bonus shall be earned upon the achievement of operational, financial or other milestones ("Milestones") established by the Board in consultation with the Executive and that all or any portion of any Annual Bonus shall be paid in cash, securities or other property.

(b) The Executive shall be eligible to participate in any other bonus or incentive program established by the Company for executives of the Company.

5. Other Benefits

(a) Insurance and Other Benefits. During the Employment Period, the Executive and the Executive's dependents shall be entitled to participate in the Company's insurance programs and any ERISA benefit plans, as the same may be adopted and/or amended from time to time (the "Benefits"). The Executive shall be entitled to paid personal days on a basis consistent with the Company's other senior executives, as determined by the Board. The Executive shall be bound by all of the policies and procedures established by the Company from time to time. However, in case any of those policies conflict with the terms of this Agreement, the terms of this Agreement shall control.

(b) Vacation. During the Employment Period, the Executive shall be entitled to an annual vacation of at least that number of working days set forth on Schedule A hereto.

(c) Expense Reimbursement. The Company shall reimburse the Executive for all reasonable business, promotional, travel and entertainment expenses incurred or paid by the Executive during the Employment Period in the performance of Executive's services under this Agreement, provided that the Executive furnishes to the Company appropriate documentation required by the Internal Revenue Code in a timely fashion in connection with such expenses and shall furnish such other documentation and accounting as the Company may from time to time reasonably request.

6 . Termination; Compensation Due. The Executive's employment hereunder may terminate, and the Executive's right to compensation for periods after the date the Executive's employment with the Company terminates shall be determined, in accordance with the provisions of paragraphs (a) through (e) below:

(a) Voluntary Resignation; Termination without Cause.

(i) Voluntary Resignation. The Executive may terminate his employment at any time upon thirty (30) days prior written notice to the Company. In the event of the Executive's voluntary termination of his employment other than for Good Reason (as defined below), the Company shall have no obligation to make payments to the Executive in accordance with the provisions of Sections 3 or 4 above, except as otherwise required by this Agreement or by applicable law, or to provide the benefits described in Section 5 above, for periods after the date on which the Executive's employment with the Company terminates due to the Executive's voluntary termination, except for the payment of the Base Salary accrued through the date of such resignation.

(ii) Termination without Cause. The Company may terminate the Executive's employment with the Company at any time with or without cause, by delivery to the Executive of a written notice of termination from the Chief Executive Officer of the Company.

(A) If the Executive's employment is terminated by the Company without Cause, the Company shall (x) continue to pay the Executive the Base Salary (at the rate in effect on the date the Executive's employment is terminated) until the end of the Severance Period (as defined in Section 5 below), (y) with respect to the Annual Bonus, to the extent the Milestones are achieved, pay the Executive a pro rata portion of the Annual Bonus for the year of the Employment Period on the date such Annual Bonus would have been payable to the Executive had the Executive remained employed by the Company, and (z) pay any other accrued compensation and Benefits. The Executive shall not have any further rights under this Agreement or otherwise to receive any other compensation or benefits after such termination of employment.

(B) If, following a termination of employment without Cause, the Executive breaches the provisions of Sections 7, 8 or 9 hereof, the Executive shall not be eligible, as of the date of such breach, for the payments and benefits described in Section 6 (a)(ii), and any and all obligations and agreements of the Company with respect to such payments shall thereupon cease.

(b) Discharge for Cause. Upon written notice to the Executive, the Company may terminate the Executive's employment for "Cause" if any of the following events shall occur:

(i) any act or omission that constitutes a material breach by the Executive of any of his obligations under this Agreement;

(ii) the willful and continued failure or refusal of the Executive to satisfactorily perform the duties reasonably required of him as an employee of the Company;

(iii) the Executive's conviction of, or plea of *nolo contendere* to, (i) any felony or (ii) a crime involving dishonesty or moral turpitude or which could reflect negatively upon the Company or otherwise impair or impede its operations;

(iv) the Executive's engaging in any misconduct, negligence, act of dishonesty (including, without limitation, theft or embezzlement), violence, threat of violence or any activity that could result in any violation of federal securities laws, in each case, that is injurious to the Company or any of its Affiliates;

(v) the Executive's material breach of a written policy of the Company or the rules of any governmental or regulatory body applicable to the Company;

(vi) the Executive's refusal to follow the directions of the Board;

(vii) any other willful misconduct by the Executive which is materially injurious to the financial condition or business reputation of the Company or any of its Affiliates, or

(viii) the Executive's breach of his obligations under Section 7, 8 or 9 of this Agreement.

In the event the Executive is terminated for Cause, the Company shall have no obligation to make payments to the Executive in accordance with the provisions of Sections 3 or 4 above, or, except as otherwise required by law, to provide the benefits described in Section 5 above, for periods after the Executive's employment with the Company is terminated on account of the Executive's discharge for Cause except for the then applicable Base Salary accrued through the date of such termination.

(c) Disability. The Company shall have the right, but shall not be obligated to terminate the Executive's employment hereunder in the event the Executive becomes disabled such that he is unable to discharge his duties to the Company for a period of ninety (90) consecutive days or one hundred twenty (120) days in any one hundred eighty (180) consecutive day period, provided longer periods are not required under applicable local labor regulations (a "Permanent Disability"). In the event of a termination of employment due to a Permanent Disability, the Company shall be obligated to continue to make payments to the Executive in an amount equal to the then applicable Base Salary for the Severance Period (as defined below) after the Executive's employment with the Company is terminated due to a Permanent Disability. A determination of a Permanent Disability shall be made by a physician satisfactory to both the Executive and the Company; provided, however, that if the Executive and the Company do not agree on a physician, the Executive and the Company shall each select a physician and those two physicians together shall select a third physician, whose determination as to a Permanent Disability shall be binding on all parties.

(d) Death. The Executive's employment hereunder shall terminate upon the death of the Executive. The Company shall have no obligation to make payments to the Executive in accordance with the provisions of Sections 3 or 4 above, or, except as otherwise required by law or the terms of any applicable benefit plan, to provide the benefits described in Section 5 above, for periods after the date of the Executive's death except for then applicable Base Salary earned and accrued through the date of death, payable to the Executive or his successor.

(e) Termination for Good Reason. The Executive may terminate this Agreement at any time for Good Reason. In the event of termination under this Section 6(e), the Company shall pay to the Executive severance in an amount equal to the then applicable Base Salary for a period equal to the number of months set forth on Schedule A hereto (the "Severance Period"), subject to the Executive's continued compliance with Sections 7, 8 and 9 of this Agreement for the applicable Severance Period following the Executive's termination, and subject to the Company's regular payroll practices and required withholdings. Such severance shall be reduced by any cash remuneration paid to the Executive because of the Executive's employment or self-employment during the Severance Period. The Executive shall continue to receive all Benefits during the Severance Period. The Executive shall not have any further rights under this Agreement or otherwise to receive any other compensation or benefits after such resignation. For the purposes of this Agreement, "Good Reason" shall mean any of the following (without Executive's express written consent):

(i) the assignment to the Executive of duties that are significantly different from, and that result in a substantial diminution of, the duties that he assumed on the Effective Date;

(ii) removal of the Executive from his position as indicated on Schedule A hereto, or the assignment to the Executive of duties that are significantly different from, and that result in a substantial diminution of, the duties that he assumed under this Agreement, within twelve (12) months after a Change of Control (as defined below);

(iii) a reduction by the Company in the then applicable Base Salary or other compensation, unless said reduction is pari passu with other senior executives of the Company;

(iv) the taking of any action by the Company that would, directly or indirectly, materially reduce the Executive's benefits, unless said reductions are pari passu with other senior executives of the Company; or

(v) a breach by the Company of any material term of this Agreement that is not cured by the Company within 30 days following receipt by the Company of written notice thereof.

For purposes of this Agreement, "Change of Control" shall mean the occurrence of any one or more of the following: (i) the accumulation, whether directly, indirectly, beneficially or of record, by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) of 50% or more of the shares of the outstanding equity securities of the Company, (ii) a merger or consolidation of the Company in which the Company does not survive as an independent company or upon the consummation of which the holders of the Company's outstanding equity securities prior to such merger or consolidation own less than 50% of the outstanding equity securities of the Company after such merger or consolidation, or (iii) a sale of all or substantially all of the assets of the Company; provided, however, that the following acquisitions shall not constitute a Change of Control for the purposes of this Agreement: (A) any acquisitions of common stock or securities convertible into common stock directly from the Company, or (B) any acquisition of common stock or securities convertible into common stock by any employee benefit plan (or related trust) sponsored by or maintained by the Company.

(f) Notice of Termination. Any termination of employment by the Company or the Executive shall be communicated by a written "Notice of Termination" to the other party hereto given in accordance with Section 15 of this Agreement. In the event of a termination by the Company for Cause, the Notice of Termination shall (i) indicate the specific termination provision in this Agreement relied upon, (ii) set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated and (iii) specify the date of termination, which date shall be the date of such notice. The failure by the Executive or the Company to set forth in the Notice of Termination any fact or circumstance which contributes to a showing of Cause shall not waive any right of the Executive or the Company, respectively, hereunder or preclude the Executive or the Company, respectively, from asserting such fact or circumstance in enforcing the Executive's or the Company's rights hereunder.

(g) Resignation from Directorships and Officerships. The termination of the Executive's employment for any reason will constitute the Executive's resignation from (i) any director, officer or employee position the Executive has with the Company or any of its Affiliates, and (ii) all fiduciary positions (including as a trustee) the Executive holds with respect to any employee benefit plans or trusts established by the Company. The Executive agrees that this Agreement shall serve as written notice of resignation in this circumstance, unless otherwise required by any plan or applicable law.

7. Non-Competition: Non-Solicitation.

(a) For the duration of the Employment Period and, unless the Company terminates the Executive's employment without Cause, during the Severance Period (the "Non-compete Period"), the Executive shall not, directly or indirectly, except as specifically provided in the last sentence of Section 2(b), engage or invest in, own, manage, operate, finance, control or participate in the ownership, management, operation, financing, or control of, be employed by, associated with, or in any manner connected with, lend any credit to, or render services or advice to, any business, firm, corporation, partnership, association, joint venture or other entity that engages or conducts any business the same as or substantially similar to the Business or any other business engaged in or proposed to be engaged in or conducted by the Company and/or any of its Affiliates during the Employment Period, or then included in the future strategic plan of the Company and/or any of its Affiliates, anywhere within the states in which the Company or any of its Affiliates at that time is operating; provided, however, that the Executive may own less than 5% in the aggregate of the outstanding shares of any class of securities of any enterprise (but without otherwise participating in the activities of such enterprise) including those engaged in the mining business, other than any such enterprise with which the Company competes or is currently engaged in a joint venture, if such securities are listed on any national or regional securities exchange or have been registered under Section 12(b) or (g) of the Exchange Act. Notwithstanding the foregoing, if the Executive shall present to the Board any opportunity within the scope of the prohibited activities described above, and the Company shall not elect to pursue such opportunity within a reasonable time, then the Executive shall be permitted to pursue such opportunity, subject to the requirements of Section 2(b).

(b) During the Employment Period and for a period of twelve (12) months following termination of the Executive's employment with the Company, the Executive shall not:

(i) persuade, solicit or hire, or attempt to recruit, persuade, solicit or hire, any employee, or independent contractor of, or consultant to, the Company, or its Affiliates, to leave the employment (or independent contractor relationship) thereof, whether or not any such employee or independent contractor is party to an employment agreement; or

(ii) attempt in any manner to solicit or accept from any customer or client of the Company or any of its Affiliates, with whom the Company or any of its Affiliates had significant contact during the term of the Agreement, business of the kind or competitive with the business done by the Company or any of its Affiliates with such customer or to persuade or attempt to persuade any such customer to cease to do business or to reduce the amount of business which such customer has customarily done or is reasonably expected to do with the Company or any of its Affiliates or if any such customer elects to move its business to a person other than the Company or any of its Affiliates, provide any services (of the kind or competitive with the Business of the Company or any of its Affiliates) for such customer, or have any discussions regarding any such service with such customer, on behalf of such other person.

The Executive recognizes and agrees that because a violation by the Executive of his obligations under this Section 7 will cause irreparable harm to the Company that would be difficult to quantify and for which money damages would be inadequate, the Company shall have the right to injunctive relief to prevent or restrain any such violation, without the necessity of posting a bond. The Non-compete Period will be extended by the duration of any violation by the Executive of any of his obligations under this Section 7.

The Executive expressly agrees that the character, duration and scope of the covenant not to compete are reasonable in light of the circumstances as they exist at the date upon which this Agreement has been executed. However, should a determination nonetheless be made by a court of competent jurisdiction at a later date that the character, duration or geographical scope of the covenant not to compete is unreasonable in light of the circumstances as they then exist, then it is the intention of the Executive, on the one hand, and the Company, on the other, that the covenant not to compete shall be construed by the court in such a manner as to impose only those restrictions on the conduct of the Executive which are reasonable in light of the circumstances as they then exist and necessary to assure the Company of the intended benefit of the covenant not to compete.

8 . Inventions and Patents. The Executive acknowledges that all inventions, innovations, improvements, know-how, plans, development, methods, designs, analyses, specifications, software, drawings, reports and all similar or related information (whether or not patentable or reduced to practice) which related to any of the Company's actual or proposed business activities and which are created, designed or conceived, developed or made by the Executive during the Executive's past or future employment by the Company or any Affiliates, or any predecessor thereof ("Work Product"), belong to the Company, or its Affiliates, as applicable. Any copyrightable work falling within the definition of Work Product shall be deemed a "work made for hire" and ownership of all right title and interest shall rest in the Company. The Executive hereby irrevocably assigns, transfers and conveys, to the full extent permitted by law, all right, title and interest in the Work Product, on a worldwide basis, to the Company to the extent ownership of any such rights does not automatically vest in the Company under applicable law. The Executive will promptly disclose any such Work Product to the Company and perform all actions requested by the Company (whether during or after employment) to establish and confirm ownership of such Work Product by the Company (including without limitation, assignments, consents, powers of attorney and other instruments).

9. Confidentiality Covenants.

(a) The Executive understands that the Company and/or its Affiliates, from time to time, may impart to the Executive confidential information, whether such information is written, oral or graphic.

For purposes of this Agreement, "Confidential Information" means information, which is used in the business of the Company or its Affiliates and (i) is proprietary to, about or created by the Company or its Affiliates, (ii) gives the Company or its Affiliates some competitive business advantage or the opportunity of obtaining such advantage or the disclosure of which could be detrimental to the interests of the Company or its Affiliates, (iii) is designated as Confidential Information by the Company or its Affiliates, is known by the Executive to be considered confidential by the Company or its Affiliates, or from all the relevant circumstances should reasonably be assumed by the Executive to be confidential and proprietary to the Company or its Affiliates, or (iv) is not generally known by non-Company personnel. Such Confidential Information includes, without limitation, the following types of information and other information of a similar nature (whether or not reduced to writing or designated as confidential):

(i) Internal personnel and financial information of the Company or its Affiliates, vendor information (including vendor characteristics, services, prices, lists and agreements), purchasing and internal cost information, internal service and operational manuals, and the manner and methods of conducting the business of the Company or its Affiliates;

(ii) Marketing and development plans, price and cost data, price and fee amounts, pricing and billing policies, bidding, quoting procedures, marketing techniques, forecasts and forecast assumptions and volumes, and future plans and potential strategies (including, without limitation, all information relating to any acquisition prospect and the identity of any key contact within the organization of any acquisition prospect) of the Company or its Affiliates which have been or are being discussed;

(iii) Names of customers and their representatives, contracts (including their contents and parties), customer services, and the type, quantity, specifications and content of products and services purchased, leased, licensed or received by customers of the Company or its Affiliates; and

(iv) Confidential and proprietary information provided to the Company or its Affiliates by any actual or potential customer, government agency or other third party (including businesses, consultants and other entities and individuals).

The Executive hereby acknowledges the Company's exclusive ownership of such Confidential Information.

(b) The Executive agrees as follows: (1) only to use the Confidential Information to provide services to the Company and its Affiliates; (2) only to communicate the Confidential Information to fellow employees, agents and representatives on a need-to-know basis; and (3) not to otherwise disclose or use any Confidential Information, except as may be required by law or otherwise authorized by the Board. Upon demand by the Company or upon termination of the Executive's employment, the Executive will deliver to the Company all manuals, photographs, recordings and any other instrument or device by which, through which or on which Confidential Information has been recorded and/or preserved, which are in the Executive's possession, custody or control.

10. Representation. The Executive hereby represents that the Executive's entry into this Employment Agreement and performance of the services hereunder will not violate the terms or conditions of any other agreement to which the Executive is a party.

11. Arbitration. In the event of any breach arising from the performance of this Agreement, either party may request arbitration. In such event, the parties will submit to arbitration by a qualified arbitrator with the definition and laws of the State of New York. Such arbitration shall be final and binding on both parties.

12. Governing Law/Jurisdiction. This Agreement and any disputes or controversies arising hereunder shall be construed and enforced in accordance with and governed by the internal laws of the State of New York without regard to the conflicts of laws principles thereof.

13. Public Company Obligations. Executive acknowledges that the Company is a public company whose Common Stock has been registered under the US Securities Act of 1933, as amended (the "Securities Act"), and registered under the Exchange Act, and that this Agreement may be subject to the public filing requirements of the Exchange Act. Executive acknowledges and agrees that the applicable insider trading rules, transaction reporting rules, limitations on disclosure of non-public information and other requirements set forth in the Securities Act, the Exchange Act and rules and regulations promulgated by the SEC may apply to this Agreement and Executive's employment with the Company. Executive (on behalf of himself, as well as the Executive's executors, heirs, administrators and assigns), absolutely and unconditionally agrees to indemnify and hold harmless the Company and all of its past, present and future affiliates, executors, heirs, administrators, shareholders, employees, officers, directors, attorneys, accountants, agents, representatives, predecessors, successors and assigns from any and all claims, debts, demands, accounts, judgments, causes of action, equitable relief, damages, costs, charges, complaints, obligations, controversies, actions, suits, proceedings, expenses, responsibilities and liabilities of every kind and character whatsoever (including, but not limited to, reasonable attorneys' fees and costs) in the event of Executive's breach of any obligation of Executive under the Securities Act, the Exchange Act, any rules promulgated by the SEC and any other applicable federal, state or foreign laws, rules, regulations or orders.

14. Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and thereof and supersedes and cancels any and all previous agreements, written and oral, regarding the subject matter hereof between the parties hereto. This Agreement shall not be changed, altered, modified or amended, except by a written agreement signed by both parties hereto.

15. Notices. All notices, requests, demands and other communications called for or contemplated hereunder shall be in writing and shall be deemed to have been given when delivered to the party to whom addressed or when sent by telecopy (if promptly confirmed by registered or certified mail, return receipt requested, prepaid and addressed) to the parties, their successors in interest, or their assignees at the following addresses, or at such other addresses as the parties may designate by written notice in the manner aforesaid:

(a) to the Company at:

2435 N. Dixie Hwy.
Wilton Manors, FL 33305
Attn: Robert A. Blair
E-Mail: bobby.blair@me.com

with a copy to:

CKR Law LLP
1330 Avenue of the Americas
New York, NY 10019
Attn: Scott Rapfogel
E-mail: srapfogel@ckrlaw.com

(b) to the Executive at:

Address listed on Schedule A attached hereto.

All such notices, requests and other communications will (i) if delivered personally to the address as provided in this Section, be deemed given upon delivery, (ii) if delivered by e-mail, be deemed given upon e-mail confirmation of receipt, (iii) if delivered by mail in the manner described above to the address as provided for in this Section, be deemed given on the earlier of the third business day following mailing or upon receipt and (iv) if delivered by overnight courier to the address as provided in this Section, be deemed given on the earlier of the first business day following the date sent by such overnight courier or upon receipt (in each case regardless of whether such notice, request or other communication is received by any other person to whom a copy of such notice is to be delivered pursuant to this Section). Either party may, by notice given to the other party in accordance with this Section, designate another address or person for receipt of notices hereunder.

16. Severability. If any term or provision of this Agreement, or the application thereof to any person or under any circumstance, shall to any extent be invalid or unenforceable, the remainder of this Agreement, or the application of such terms to the persons or under circumstances other than those as to which it is invalid or unenforceable, shall be considered severable and shall not be affected thereby, and each term of this Agreement shall be valid and enforceable to the fullest extent permitted by law. The invalid or unenforceable provisions shall, to the extent permitted by law, be deemed amended and given such interpretation as to achieve the economic intent of this Agreement.

17. Waiver. The failure of any party to insist in any one instance or more upon strict performance of any of the terms and conditions hereof, or to exercise any right or privilege herein conferred, shall not be construed as a waiver of such terms, conditions, rights or privileges, but same shall continue to remain in full force and effect. Any waiver by any party of any violation of, breach of or default under any provision of this Agreement by the other party shall not be construed as, or constitute, a continuing waiver of such provision, or waiver of any other violation of, breach of or default under any other provision of this Agreement.

18. Successors and Assigns. This Agreement shall be binding upon the Company and any successors and assigns of the Company. Neither this Agreement nor any right or obligation hereunder may be assigned by the Executive. The Company may assign this Agreement and its right and obligations hereunder, in whole or in part.

19. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

20. Headings. Headings in this Agreement are for reference purposes only and shall not be deemed to have any substantive effect.

21. Opportunity to Seek Advice. The Executive acknowledges and confirms that he has had the opportunity to seek such legal, financial and other advice and representation as he has deemed appropriate in connection with this Agreement, that the Executive is fully aware of its legal effect, and that Executive has entered into it freely based on the Executive's judgment and not on any representations or promises other than those contained in this Agreement.

22. Withholding and Payroll Practices. All salary, severance payments, bonuses or benefits payments made by the Company under this Agreement shall be net of any tax or other amounts required to be withheld by the Company under applicable law and shall be paid in the ordinary course pursuant to the Company's then existing payroll practices.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

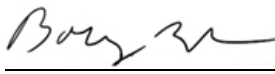
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EXECUTIVE:




Lawrence P. Roan

LIFEAPPS BRANDS INC.

By: 

Name: Robert A. Blair
Title: CEO

LIFEAPPS BRANDS INC.

By: 

Name: Brian Neal
Title: President

Schedule A

1. Employment Period: 63 calendar months – January 31, 2023.

2. Employment

a. Title: Executive Director

b. Executive Duties:

Executive's duties and responsibilities shall generally include all rights, duties and responsibilities customarily associated with the executive position of Executive Director. During the term of this Agreement, Executive shall report directly to the Board of Directors of the Company. Any change of Executive's position, rights, responsibilities, duties, reporting obligations, compensation, benefits or job description or any change in the control or ownership of the Company, without the express written consent of Executive, shall constitute a material breach of this Agreement and, at the discretion of Executive, may be treated as a constructive termination of the employment relationship without just cause subject to all the rights and obligation associated with the termination provisions provided in this Agreement. Executive shall have the following specific duties and obligations:

- a. Assist the CEO with oversight of all aspects of the management, operations, and finances of the Company and of its subsidiaries;
- b. Receive regular and direct reports from all executive officers of the Company and of its subsidiaries;
- c. Direct, as a primary resource, all communications regarding the affairs of the Company to the media, community and industry resources and all other outside concerns;
- d. Assist the CEO to develop and advance meaningful vision, strategies and objectives that drive and direct all aspects and affairs of the Company; and

3. Base Salary: \$100,000 per year payable in bi-weekly installments.

4. Vacation: Three (3) weeks.

5. Severance Period: Twenty-four months

6. Executive Contact Information: 3202 Crestmoor Place, Des Moines, Ia 50310

**Certification of Principal Executive Officer Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002**

I, Robert A. Blair, certify that:

1. I have reviewed this quarterly report on Form 10-Q of LifeApps Brands Inc.;
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 13a-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 quarterly 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: December 31, 2018

By: /s/ Robert A. Blair
Robert A. Blair
Chief Executive Officer
(Principal Executive Officer)

**Certification of Principal Financial Officer Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002**

I, Robert A. Blair, certify that:

1. I have reviewed this quarterly report on Form 10-Q of LifeApps Brands Inc.;
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 13a-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 quarterly 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: December 31, 2018

By: /s/ Robert A. Blair
Robert A. Blair
Chief Financial Officer
(Principal Financial Officer)

**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 the Quarterly Report of LifeApps Brands Inc. (the "Company") on Form 10-Q, for the fiscal quarter ended September 30, 2018, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Robert A. Blair, Chief Executive Officer of LifeApps Brands Inc., certify, pursuant to 18 U.S.C. ss.1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: December 31, 2018

By: /s/ Robert A. Blair
Robert A. Blair
Chief Executive Officer
(Principal Executive Officer)

**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 the Quarterly Report of LifeApps Brands Inc. (the "Company") on Form 10-Q, for the fiscal quarter ended September 30, 2018, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Robert A. Blair, Chief Financial Officer of LifeApps Brands Inc., certify, pursuant to 18 U.S.C. ss.1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: December 31, 2018

By: /s/ Robert A. Blair
Robert A. Blair
Chief Financial Officer
(Principal Financial Officer)
