FORM 10-Q

Cure Pharmaceutical Holding Corp. - CURR

Filed: November 14, 2017 (period: September 30, 2017)

Quarterly report with a continuing view of a company's financial position

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, 2017**

☐ Transition Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from _____ to _____

Commission file number **333-204857**

CURE PHARMACEUTICAL HOLDINGS CORP.

(Exact name of small business issuer as specified in its charter)

Nevada	**2673**	**37-1765151**
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Number)	(IRS Employer Identification Number)

1620 Beacon Place, Oxnard, California 93033
(Address of principal executive offices)

(805) 824-0410
(Issuer's telephone number)

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, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☒
		Emerging growth company	☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☒

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

On November 13, 2017, we had 23,901,252 shares of common stock, par value $0.001 per share (the "Common Stock") issued and outstanding.

CURE PHARMACEUTICAL HOLDING CORP.
QUARTERLY REPORT ON FORM 10-Q

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS.

CURE PHARMACEUTICAL HOLDING CORP.
Condensed Consolidated Balance Sheets

	September 30, 2017 (Unaudited)	December 31, 2016
Assets		
Current assets:		
Cash	$ 127,816	$ 1,106,142
Accounts receivable	21,200	7,049
Inventory	89,193	81,285
Prepaid expenses and other assets	1,510,694	223,879
Total current assets	1,748,903	1,418,355
Property and equipment, net	315,890	370,648
Intellectual property and patents, net	905,512	894,510
Other assets	117,454	151,579
Total assets	$ 3,087,759	$ 2,835,092

Liabilities and Stockholders' (Deficit) Equity

Current liabilities:		
Accounts payable	$ 464,595	$ 265,386
Accrued expenses	74,486	26,305
Loan payable	-	33,277
Notes payable, net of unamortized discount	800,000	50,000
Capital lease payable	-	9,453
Convertible promissory notes, net of unamortized discount	649,366	-
Derivative liability	482,837	-
Deferred revenue	241,706	173,618
Total current liabilities	2,712,990	558,039
License Fees	560,000	560,000
Total liabilities	3,272,990	1,118,039
Stockholders' (deficit) equity:		
Common stock: $0.001 par value; authorized 75,000,000 shares; 23,851,252 and 23,336,673 shares issued and outstanding as of September 30, 2017 and December 31, 2016, respectively	23,852	23,337
Additional paid-in capital	17,479,695	12,412,430
Accumulated deficit	(17,688,778)	(10,718,714)
Total stockholders' (deficit) equity	(185,231)	1,717,053
Total liabilities and stockholders' (deficit) equity	$ 3,087,759	$ 2,835,092

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

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CURE PHARMACEUTICAL HOLDING CORP.
Condensed Consolidated Statements of Operations (Unaudited)
For the Three and Nine Months Ended September 30, 2017 and 2016

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Revenue				
Net product sales	$ 59,345	$ 30,685	$ 118,915	$ 73,346
Consulting research & development income	-	532	4,448	532
Shipping and other sales	15,010	4,364	21,822	7,462

Total revenues	74,355	35,581	145,185	81,340
Cost of goods sold	59,427	25,066	134,575	62,810
Gross profit	14,928	10,515	10,610	18,530
Research and development expenses	239,663	214,478	664,931	513,276
Selling, general and administrative expenses	1,290,565	670,488	5,888,062	1,267,092
Total costs and expenses	1,530,228	884,966	6,552,993	1,780,368
Net loss from operations	(1,515,300)	(874,451)	(6,542,383)	(1,761,838)
Other income (expense):				
Interest income	1	22	6	433
Other income	8,699	8,970	25,841	26,112
Loss on disposal of PP&E	-	-	(12,351)	(3,323)
Change in derivative liability	218,138	-	175,593	-
Other expense	(8,673)	(43,333)	(16,061)	(143,967)
Interest expense	(511,503)	(40,735)	(600,709)	(140,056)
Other expense	(293,338)	(75,076)	(427,681)	(260,801)
Net loss before income taxes	(1,808,638)	(949,527)	(6,970,064)	(2,022,639)
Provision for income taxes	-	-	-	-
Net loss	$ (1,808,638)	(949,527)	$ (6,970,064)	$ (2,022,639)
Net loss per share, basic and diluted	$ (0.08)	(0.14)	$ (0.30)	$ (0.31)
Weighted average shares outstanding, basic and diluted	23,794,730	6,629,260	23,567,317	6,629,260

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

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CURE PHARMACEUTICAL HOLDING CORP.
Condensed Consolidated Statements of Cash Flows (Unaudited)
For the Nine Months Ended September 30, 2017 and 2016

	For the Nine Months Ended September 30, 2017	For the Nine Months Ended September 30, 2016
Cash flows from operating activities		
Net loss	$ (6,970,064)	$ (2,022,639)
Adjustment to reconcile net loss to net cash used in operating activities:		
Bad debt expense	-	36,238
Depreciation and amortization	130,943	124,044
Loss from joint venture	14,956	-
Loss on disposal of PP&E	12,351	3,323
Amortization of prepaid stock –based compensation	1,261,693	-
Amortization of loan discounts	564,969	-
Change in derivative liabilities	(175,593)	-
Warrants issued for services	2,560,607	-
Change in other assets and liabilities:		

Restricted cash	-	(50,000)
Accounts receivable	(14,151)	1,176
Inventory	(7,908)	27,420
Prepaid expenses and other assets	(588,508)	(667,120)
Other assets	24,169	16,915
Accounts payable	199,209	(298,479)
Accrued expenses	48,181	36,816
Deferred revenue	68,088	(37,504)
Net cash used in operating activities	(2,871,058)	(2,829,810)
Cash flows from investing activities		
Advanced on note receivable	-	(18,290)
Purchase in intangible assets	(43,621)	(34,626)
Payment to joint venture investment	(5,000)	-
Acquisition of property and equipment, net	(55,917)	(77,598)
Net cash used in investing activities	(104,538)	(130,514)
Cash flows from financing activities		
Proceeds from loan	2,105,000	5,821,463
Loan repayments	(98,277)	(1,013,761)
Capital lease payments	(9,453)	(8,391)
Net cash provided by financing activities	1,997,270	4,799,311
Net (decrease) increase in cash and cash equivalents	(978,326)	1,838,987
Cash and cash equivalents, beginning of period	1,106,142	13,352
Cash and cash equivalents, end of period	$ 127,816	$ 1852,339
Supplemental cash flow information		
Cash paid for interest and income taxes:		
Interest	$ 11,800	$ 92,611
Income taxes	$ -	$ -
Non-cash financing activities:		
Common stock to be issued for prepaid expense	$ 1,960,000	$ -
Loan discount relating to note payable	$ 10,000	$ -
Loan discount relating to convertible promissory notes	$ 1,205,603	$ -

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

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CURE PHARMACEUTICAL HOLDING CORP.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2017
(UNAUDITED)

NOTE 1 – ORGANIZATION AND DESCRIPTION OF BUSINESS

Cure Pharmaceutical Holding Corp (the "Company"), formerly known as Makkanotti Group Corp, was incorporated in the State of Nevada on May 15, 2014. The Company was formed to engage in the business of manufacturing food paper bags in Nicosia, Cyprus. On November 7, 2016, the Company changed its name to Cure Pharmaceutical Holding Corp.

On November 7, 2016, the Company, in a reverse take-over transaction, acquired Cure Pharmaceutical Corporation ("Cure Pharmaceutical"), a specialty pharmaceutical and bioscience company based in California that specializes in drug delivery technologies, by executing a Share Exchange Agreement and Conversion Agreement ("Exchange Agreement") by and among the Company and a holder of a majority of the issued and outstanding capital stock of the registrant prior to the closing (the "Majority Stockholder"), on the one hand, and Cure Pharmaceutical, a California corporation, all of the shareholders of Cure Pharmaceutical's issued and outstanding share capital (the "Cure Pharm Shareholders") and the holders of certain convertible promissory notes of Cure Pharmaceutical ("Cure Pharm Noteholders"), on the other hand. Hereinafter, this share exchange transaction is described as the "Share Exchange." As a result of the Share Exchange, Cure Pharmaceutical became a wholly owned subsidiary of the Company, and the Cure Pharm Shareholders and Cure Pharm Noteholders became the controlling shareholders of the Company.

For accounting purposes, Cure Pharmaceutical shall be the surviving entity. The transaction is accounted for using the reverse acquisition method of accounting. As a result of the recapitalization and change in control, Cure Pharmaceutical is the acquiring entity in accordance with ASC 805, Business Combinations.

Cure Pharmaceutical Corporation is a specialty pharmaceutical and bioscience company with a focus in drug delivery technologies. Cure leverages novel drug delivery technologies to develop and commercialize new applications of proven therapeutics through Oral Thin Film ("OTF") via our proprietary patented CureFilm™ Technology as well as through transdermal applications. Our micro encapsulation of drug actives in our CureFilm™ Technology allows for a higher volume of an active and if required, multiple actives to be produced on a single oral thin film strip.

The Company is focused on partnering with pharmaceutical and biotech companies seeking to deliver drug actives utilizing and benefitting from our proprietary OTF and transdermal applications and when preferable to take our own products from clinical process to commercialization. We are focused on both the human and veterinary prescription, OTC and nutraceutical markets. Cure represents the complete solution for OTF drug delivery therapeutics from inception to finished product utilizing our CGMP/FDA

registered manufacturing facility and processes.

In July 2017, the Company, Therapix Biosciences Ltd. ("Therapix"), a specialty clinical-stage pharmaceutical company dedicated to the development of cannabinoid-based drugs headquartered in Israel, and Assuta Medical Centers, Ltd., a medical services center located in Israel, entered into a nonbinding memorandum of understanding to collaborate to advance, research, develop and commercialize potential therapeutic products in the fields of personalized medicine and cannabinoids. On October 27, 2017, the Company entered into a development agreement with Therapix where the Company will formulate and develop pharmaceutical products using Therapix's proprietary compounds while utilizing the Company's proprietary OTF technology.

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NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation and Basis of Presentation

The condensed consolidated financial statements include the accounts of Cure Pharmaceutical Holding Corp ("CPHC") and its wholly-owned subsidiary, Cure Pharmaceutical Corporation ("Cure"), collectively referred to as ("Cure", "we", "us", "our" or the "Company" All significant inter-company balances and transactions have been eliminated in consolidation. The Company's film strip product represents the principal operations of the Company.

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial statements and with the instructions to Form 10-Q and Article 8 of Regulation S-X of the United States Securities and Exchange Commission ("SEC"). Accordingly, they do not contain all information and footnotes required by accounting principles generally accepted in the United States of America for annual financial statements. In the opinion of the Company's management, the accompanying unaudited condensed consolidated financial statements contain all the adjustments necessary (consisting only of normal recurring accruals) to present the financial position of the Company as of September 30, 2017, and the results of operations and cash flows for the periods presented. The results of operations for the three and nine months ended September 30, 2017 and 2016, are not necessarily indicative of the operating results for the full fiscal year or any future period. These unaudited condensed consolidated financial statements should be read in conjunction with the financial statements and related notes thereto included in Form 10-K for the fiscal period ended December 31, 2016 filed with the Securities and Exchange Commission (the "SEC") on April 17, 2017.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that

affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. These estimates and assumptions also affect the reported amounts of revenues, costs and expenses during the reporting period. Management evaluates these estimates and assumptions on a regular basis. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all cash on hand and in banks, including accounts in book overdraft positions, certificates of deposit and other highly-liquid investments with maturities of three months or less, when purchased, to be cash and cash equivalents. As of September 30, 2017 and December 31, 2016, the Company had no cash equivalents. At September 30, 2017 and December 31, 2016, the Company maintains its cash and cash equivalents in banks insured by the Federal Deposit Insurance Corporation ("FDIC") in accounts that at times may be in excess of the federally insured limit of $250,000 per bank. The Company minimizes this risk by placing its cash deposits with major financial institutions.

Investment in Associates

An associate is an entity over which the Company has significant influence through a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

The results of assets and liabilities of associates are incorporated in the condensed consolidated financial statements using the equity method of accounting. Under the equity method, investments in associates are carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Company's share of the net assets of the associate, less any impairment in the value of the investment. Losses of an associate in excess of the Company's interest in that associate are not recognized. Additional losses are provided for, and a liability is recognized, only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate.

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Any excess of the cost of acquisition over the Company's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognized at the date of acquisition is recognized as goodwill. The goodwill is included within the carrying amount of the investment.

On January 8, 2016, the Company received 50% ownership in Cure Innovations, Inc ("CI"). CI was created in 2015 by IncuBrands Studio, Inc ("IncuBrands"). The Company and IncuBrands each own 50% of the common stock of CI. The Company and IncuBrands entered into a Joint Venture agreement in 2013 to distribute several OTF products utilizing IncuBrands marketing and contacts in various industries as well as utilize the Company's technology and capabilities of manufacturing OTF's.

On December 6, 2016, the Company entered into a Joint Venture Agreement ("Joint Venture") with Pace Wellness, Inc. ("Pace") to jointly develop three Active Pharmaceutical Ingredients ("API") within the nonprescription and/or Over-the-Counter (OTC) medicines specifically utilizing the Company's patented and proprietary CureFilm™ Technology. The three API's to be jointly

developed are Diphenhydramine HCL, Omeprazole and a third API to be determined at a later date ("Products"). Pace shall be the exclusive global distributor of the Products under the Solves Strips® branding or other private or branded labels. All benefits, advantages, and liabilities derived from, or incurred in respect of the Joint Venture shall be borne by the parties in proportion of their respective participating interests of 50/50 equal interest.

Property and Equipment

The Company capitalizes expenditures related to property and equipment, subject to a minimum rule, that have a useful life greater than one year for: (1) assets purchased; (2) existing assets that are replaced, improved or the useful lives have been extended; or (3) all land, regardless of cost. Acquisitions of new assets, additions, replacements and improvements (other than land) costing less than the minimum rule in addition to maintenance and repair costs, including any planned major maintenance activities, are expensed as incurred. Depreciation has been provided using the straight-line method on the following estimated useful lives:

Manufacturing equipment	5-7 Years
Computer and other equipment	3-7 Years
Leasehold Improvements	Lesser of useful life or the term of the lease

Accounts Receivable

Accounts receivable are generally unsecured. The Company establishes an allowance for doubtful accounts receivable based on the age of outstanding invoices and management's evaluation of collectability. Accounts are written off after all reasonable collection efforts have been exhausted and management concludes that likelihood of collection is remote. Any future recoveries are applied against the allowance for doubtful accounts.

Impairment of Long-Lived Assets

Long-lived assets include equipment and intangible assets other than those with indefinite lives. We assess the carrying value of our long-lived asset groups when indicators of impairment exist and recognize an impairment loss when the carrying amount of a long-lived asset is not recoverable when compared to undiscounted cash flows expected to result from the use and eventual disposition of the asset.

Indicators of impairment include significant underperformance relative to historical or projected future operating results, significant changes in our use of the assets or in our business strategy, loss of or changes in customer relationships and significant negative industry or economic trends. When indications of impairment arise for a particular asset or group of assets, we assess the future recoverability of the carrying value of the asset (or asset group) based on an undiscounted cash flow analysis. If carrying value exceeds projected, net, undiscounted cash flows, an additional analysis is performed to determine the fair value of the asset (or asset group), typically a discounted cash flow analysis, and an impairment charge is recorded for the excess of carrying value over fair value. There were no impairments on our long-lived assets during the three and nine month periods ended September 30, 2017 and 2016.

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Revenue Recognition

The Company recognizes revenue in accordance with the FASB ASC 605, Revenue Recognition. ASC 605 requires that four basic criteria must be met before revenue can be recognized: (1) persuasive evidence of an arrangement exists; (2) delivery has occurred and/or service has been performed; (3) the selling price is fixed and determinable; and (4) collectability is reasonably assured. The Company believes that these criteria are satisfied upon shipment from our facility. Freight billed to customers is presented as revenues, and the related freight costs are presented as cost of goods sold. Deferred revenue is recognized when earned and all significant obligations have been satisfied.

Advertising Expense

The Company expenses marketing, promotions and advertising costs as incurred. Such costs are included in general and administrative expense in the accompanying statements of operations. The Company recorded advertising costs of $8,567 and $13,062, for the three and nine month periods ended September 30, 2017, respectively, and $10,000 for the three and nine month periods ended September 30, 2016.

Research and Development

Costs incurred in connection with the development of new products and processes are charged to research and development expenses as incurred. The Company recorded research and development expenses of $239,663 and $664,931 for the three and nine month periods ended September 30, 2017, respectively, and $214,478 and $513,276 for the three and nine month periods ended September 30, 2016, respectively.

Income Taxes

The Company utilizes FASB ASC 740, “Income Taxes,” which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax assets and liabilities are determined based on the difference between the tax basis of assets and liabilities and their financial reporting amounts based on enacted tax laws and statutory tax rates applicable to the periods in which the differences are expected to affect taxable income. A valuation allowance is recorded when it is “more likely-than-not” that a deferred tax asset will not be realized.

The Company generated a deferred tax asset through net operating loss carry-forward. However, a valuation allowance of 100% has been established due to the uncertainty of the Company’s realization of the net operating loss carry forward prior to its expiration.

Stock-Based Compensation

Stock-based compensation is accounted for based on the requirements of the Share-Based Payment Topic of ASC 718 which requires recognition in the consolidated financial statements of the cost of employee and director services received in exchange for an award of equity instruments over the period the employee or director is required to perform the services in exchange for the award (presumptively, the vesting period). The ASC also requires measurement of the cost of employee and director services received in exchange for an award based on the grant-date fair value of the award.

Pursuant to ASC Topic 505-50, for share-based payments to consultants and other third-parties, compensation expense is determined at the "measurement date." The expense is recognized over the vesting period of the award. Until the measurement date is reached, the total amount of compensation expense remains uncertain. The Company initially records compensation expense based on the fair value of the award at the reporting date.

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Fair Value Measurements

The Company adopted the provisions of ASC Topic 820, "Fair Value Measurements and Disclosures", which defines fair value as used in numerous accounting pronouncements, establishes a framework for measuring fair value and expands disclosure of fair value measurements.

The estimated fair value of certain financial instruments, including cash and cash equivalents are carried at historical cost basis, which approximates their fair values because of the short-term nature of these instruments.

ASC 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC 820 also establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC 820 describes three levels of inputs that may be used to measure fair value:

Level 1 — quoted prices in active markets for identical assets or liabilities
Level 2 — quoted prices for similar assets and liabilities in active markets or inputs that are observable
Level 3 — inputs that are unobservable (for example cash flow modeling inputs based on assumptions)

The Company has assets or liabilities valued at fair value on a recurring basis for the nine months ended September 30, 2017. The Company did not have assets or liabilities valued at fair value on a recurring basis for the year ended December 31, 2016.

Basic and diluted loss per share

Basic loss per share is computed by dividing the net loss to common stockholders for the period by the weighted average number of common shares outstanding during the period. Diluted loss per share is computed by dividing the net loss for the period by the weighted average number of common and dilutive common equivalent shares outstanding during the period. Common equivalent shares, which consist of stock options, warrants, and convertible notes payable, have been excluded from the diluted loss per share calculation because their effect is anti-dilutive.

Going Concern

The Company's financial statements are prepared using U.S. GAAP applicable to a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business. The Company had an accumulated deficit at September 30, 2017 of $17,688,778. The Company had a working capital deficit of $964,087 as of September 30, 2017. These factors raise substantial doubt about the Company's ability to continue as a going concern for one year from the issuance of the financial statements. The ability of the Company to continue as a going concern is dependent on the Company obtaining adequate capital to fund operating losses until it establishes a revenue stream and becomes profitable. The Company is continually analyzing its current costs and is attempting to make additional cost reductions where possible. We expect that we will continue to generate losses from operations throughout 2017.

Historically, the Company has had operating losses and negative cash flows from operations which cast significant doubt upon the Company's ability to continue as a going concern. The Company will need to raise capital in order to fund its operations. This need may be adversely impacted by uncertain market conditions and changes in the regulatory environment. To address its financing requirements, the Company intends to seek financing through debt and equity issuances to existing stockholders.

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Specifically, management has identified that a minimum of $4,000,000 of capital is needed over the next 12 months in order sustain operations. These capital needs to take into account, among other things, management's plans to advance intellectual property, maintenance of patents, upgrades for manufacturing and to hire personnel for business development. Management has outlined a plan to raise $10,000,000 in capital over the next 12 months through the issuance of shares of the Company's common stock to accredited investors. Management believes that the capital raised through these methods will be sufficient to sustain operations for the next 12 months. However, the outcome of these matters cannot be predicted with certainty at this time.

The ability of the Company to continue as a going concern is dependent upon its ability to successfully accomplish the plans described in the preceding paragraph and eventually secure other sources of financing and attain profitable operations. The accompanying consolidated financial statements do not include any adjustments relating to the recoverability and classification of

assets and liabilities that might be necessary if the Company is unable to continue as a going concern.

Recently Issued Standards

In January 2016, the FASB issued ASU 2016-01, Recognition and Measurement of Financial Assets and Financial Liabilities. The purpose is to enhance the reporting model for financial instruments to provide users of financial statements with more decision-useful information. This ASU is effective for the Company in the first quarter of 2018. Early adoption is not permitted except for limited provisions. The Company does not expect the adoption of this amendment to have a material effect on its financial condition and results of operations.

In February 2016, the FASB issued ASU 2016-02—Leases (Topic 842), requiring lessees to recognize a right-of-use asset and a lease liability on the balance sheet for all leases with the exception of short-term leases. For lessees, leases will continue to be classified as either operating or finance leases in the income statement. The effective date of the new standard for public companies is for fiscal years beginning after December 15, 2018 and interim periods within those fiscal years. Early adoption is permitted. The new standard must be adopted using a modified retrospective transition and requires application of the new guidance at the beginning of the earliest comparative period presented. The Company is evaluating the effect that the updated standard will have on its financial statements and related disclosures.

In March 2016, the FASB issued ASU No. 2016-09, Compensation-Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting. The new standard requires recognition of the income tax effects of vested or settled awards in the income statement and involves several other aspects of the accounting for share-based payment transactions, including the income tax consequences, classification of awards as either equity or liabilities and classification on the statement of cash flows. This new standard became effective for the Company on January 1, 2017. The adoption of this standard did not have a material impact on its financial position, results of operations or statements of cash flows upon adoption.

In May 2016, the FASB issued ASU No. 2016-12, "*Revenue from Contracts with Customers (Topic 606): Narrow-Scope Improvements and Practical Expedients*", to clarify certain core recognition principles including collectability, sales tax presentation, noncash consideration, contract modifications and completed contracts at transition and disclosures no longer required if the full retrospective transition method is adopted. The effective date and transition requirements for these amendments are annual reporting periods beginning after December 15, 2017, including interim reporting periods therein, and that would also permit public entities to elect to adopt the amendments as of the original effective date as applicable to reporting periods beginning after December 15, 2016. The new guidance allows for the amendment to be applied either retrospectively to each prior reporting period presented or retrospectively as a cumulative-effect adjustment as of the date of adoption. The Company expects to adopt the standard and is currently evaluating the impact of this amendment on its financial statements.

In August, 2016, the FASB issued Accounting Standards Update No. 2016-15, Classification of Certain Cash Receipts and Cash Payments (a consensus of the Emerging Issues Task Force) ("ASU 2016-15"). The amendments in ASU 2016-15 address eight specific cash flow issues and apply to all entities that are required to present a statement of cash flows under ASC Topic 230, Statement of Cash Flows. The amendments in ASU 2016-15 are effective for public business entities for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. Early adoption is permitted, including adoption during an interim period. The Company has not yet completed the analysis of how adopting this guidance will affect its consolidated financial statements.

In January 2017, the FASB issued ASU No. 2017-01, Business Combinations (Topic 805): Clarifying the Definition of a Business. This new standard clarifies the definition of a business and provides a screen to determine when an integrated set of assets and activities is not a business. The screen requires that when substantially all of the fair value of the gross assets acquired (or disposed of) is concentrated in a single identifiable asset or a group of similar identifiable assets, the set is not a business. This new standard will be effective for the Company on January 1, 2018; however, early adoption is permitted with prospective application to any business development transaction.

In May 2017, the FASB issued ASU No. 2017-09, *Compensation-Stock Compensation: Scope of Modification Accounting,* which provides clarification on when modification accounting should be used for changes to the terms or conditions of a share-based payment award. This ASU does not change the accounting for modifications but clarifies that modification accounting guidance should only be applied if there is a change to the value, vesting conditions or award classification and would not be required if the changes are considered non-substantive. The amendments of this ASU are effective for the Company in the first quarter of 2018, with early adoption permitted. The adoption of ASU 2017-09 is not expected to have an impact on the Company's consolidated financial statements.

There are various other updates recently issued, however, they are not expected to a have a material impact on the Company's consolidated financial position, results of operations or cash flows.

NOTE 3 - INVENTORY

Inventory consists of raw materials, packaging components, work-in-process and finished goods. The Company's inventory is stated at net realized value applied on a FIFO basis. The carrying value of inventory consisted of the following at September 30, 2017 and December 31, 2016:

	September 30, 2017	December 31, 2016
Raw materials	$ 70,058	$ 68,047
Packaging components	87,626	84,927
Work-in-process	28,245	17,406
	185,929	170,380
Reserve for obsolescence	(96,736)	(89,095)
Total inventory	**$ 89,193**	**$ 81,285**

NOTE 4 - PREPAID EXPENSES AND OTHER ASSETS

As of September 30, 2017 and December 31, 2016, prepaid expenses and other assets consisted of the following:

	September 30, 2017	December 31, 2016
Prepaid consulting services	$ 822,973	$ 150,168
Prepaid clinical study	642,500	-
Prepaid insurance	8,931	42,785
Other Receivables	10,233	10,948
Prepaid inventory	20,157	13,178
Prepaid expenses	5,900	6,800
Property and Equipment, net	**$ 1,510,694**	**$ 223,879**

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NOTE 5 - PROPERTY AND EQUIPMENT AND INTANGIBLE ASSETS

As of September 30, 2017 and December 31, 2016, property and equipment and intangible assets consisted of the following:

	September 30, 2017	December 31, 2016
Manufacturing equipment	$ 779,196	$ 769,074
Computer and other equipment	150,191	116,747
Leasehold improvements	36,066	36,066
Less accumulated depreciation	(649,563)	(551,239)
Property and Equipment, net	**$ 315,890**	**$ 370,648**

Depreciation expense for the three and nine months ended September 30, 2017 was $21,882 and $98,325, respectively. Depreciation expense for the three and nine months ended September 30, 2016 was $37,984 and $92,046, respectively.

	September 30, 2017	December 31, 2016
Intellectual Property	$ 814,582	$ 814,582
Patents	213,402	175,047
Less accumulated amortization	(122,472)	(95,119)
Intangible assets, net	**$ 905,512**	**$ 894,510**

The Company incurred $43,621 and $45,930 of legal patent costs that were capitalized during the nine months ended September 30, 2017 and the year ended December 31, 2016, respectively. The Company did not write off any intangibles during the nine months ended September 30, 2017 and wrote off $58,522 of intangibles during the year ended December 31, 2016. Amortization expense for the three and nine months ended September 30, 2017 was $10,899 and $30,619, respectively. Amortization expense for the three and nine months ended September 30, 2016 was $10,667 and $31,997, respectively.

The estimated aggregate amortization expense over each of the next five years is as follows:

2017	$ 10,899
2018	43,518
2019	43,518
2020	43,518
2021	43,518
Thereafter	557,303
Total Amortization	**$ 742,273**

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NOTE 6 – LOAN PAYABLE

Loan payable consists of the following at September 30, 2017 and December 31, 2016:

	September 30, 2017	December 31, 2016
Note to a company due September 29, 2017 including interest at 13.25% per annum; unsecured; interest due monthly	$ -	$ 33,277
Current portion of loan payable	-	33,277
Loan payable, less current portion	$ -	$ -

Interest expense for the three and nine months ended September 30, 2017 was $281 and $1,946, respectively. Interest expense for the three and nine months ended September 30, 2016 was $113 and $833, respectively.

NOTE 7 – NOTES PAYABLE

Notes payable consist of the following at September 30, 2017 and December 31, 2016:

	September 30, 2017	December 31, 2016
Note to a company amended on August 27, 2017 and due on or before one month from the amended date and the maturity date shall be extended for one month periods as long as the Company is not in default, interest shall accrue at 10% per annum, secured by the Company's intellectual property	$ 650,000	$ -
Notes to a company of $65,000 and $100,000 due September 30, 2017 and October 30, 2017, respectively, including interest of $3,500 and $5,000, respectively, unsecured, principal and interest due at maturity, principal and interest repaid on September 30, 2017 and October 31, 2017, respectively	100,000	-
Note to an individual, non-interest bearing, unsecured and has no fixed terms of repayment	50,000	50,000
	800,000	50,000
Current portion of loan payable	800,000	50,000
Loan payable, less current portion	$ -	$ -

During the three and nine months ended September 30, 2017, the Company incurred $4,750 and $10,000, respectively, amortization of discount. During the three and nine months ended September 30, 2016, the Company incurred $0 amortization of discount. Interest expense for the three and nine months ended September 30, 2017 was $8,842. Interest expense for the three and nine months ended September 30, 2016 was $0.

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NOTE 8 – CONVERTIBLE PROMISSORY NOTES

Convertible promissory notes consist of the following at September 30, 2017 and December 31, 2016:

	September 30, 2017	December 31, 2016
Convertible promissory notes totaling $1,300,000 due between November 11, 2017 and March 5, 2018, interest payable at 8% per annum; unsecured; principal and accrued interest convertible into common stock at the lower of $7.00 per share or the price per share of the latest closing of a debt or equity offering by the Company greater than $3,000,000; accrued interest due between November 11, 2017 and March 5, 2018	$ 1,300,000	$ -
	1,300,000	-
Unamortized discount	(650,634)	-
Current portion of convertible promissory notes	649,366	-
Convertible promissory notes, less current portion	$ -	$ -

During the three and nine months ended September 30, 2017, the Company incurred $477,285 and $554,968, respectively, amortization of discount. During the three and nine months ended September 30, 2016, the Company incurred $0 amortization of discount. Interest expense for the three and nine months ended September 30, 2017 was $23,617 and $26,922, respectively. Interest expense for the three and nine months ended September 30, 2016 was $0.

NOTE 9 – DERIVATIVE LIABILITY

The following table summarizes fair value measurements by level at September 30, 2017 for assets and liabilities measured at fair value on a recurring basis:

	Level I	Level II	Level III	Total
Cash	$ 127,816	$ —	$ —	$ 127,816
Derivative liability	—	—	$ (482,837)	$ (482,837)

No financial assets or liabilities were measured on a recurring basis as of December 31, 2016.

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The Company has issued convertible promissory notes during 2017. The convertible notes require us to record the value of the conversion feature as a liability, at fair value, pursuant to ASC 815, including provisions in the notes that protect the holders from declines in the Company's stock price, which is considered outside the control of the Company. The derivative liabilities are marked-to-market each reporting period and changes in fair value are recorded as a non-operating gain or loss in our statement of operations, until they are completely settled. The fair value of the conversion feature is determined each reporting period using the Black-Scholes option pricing model, and is affected by changes in inputs to that model including our stock price, expected stock price volatility, interest rates and expected term. The assumptions used in valuing the derivative liability during 2017 were as follows:

	September 30, 2017
Significant assumptions (weighted-average):	
Risk-free interest rate at grant date	1.92%
Expected stock price volatility	84.43%
Expected dividend payout	-
Expected option life (in years)	1
Expected forfeiture rate	0%

The following is a reconciliation of the derivative liability for 2017:

	September 30, 2017
Value at December 31, 2016	$ -

Initial value at the debt issuance	658,430
Decrease in value	(175,593)
Value at September 30, 2017	$ 482,837

NOTE 10 – WARRANT AGREEMENTS

On January 3, 2017, the Company issued 1,300,000 warrants in connection with commissions earned in relation to the Company's Private Label Exclusive Distribution and License agreement with Red Barn Pet Products, LLC.

From May 11, 2017 to September 30, 2017, the Company issued 260,000 warrants in connection with the issuance of $1,300,000 convertible promissory notes.

Warrants that vest at the end of a one-year period are amortized over the vesting period using the straight-line method.

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The Company's warrant activity was as follows:

	Warrants	Weighted Average Exercise Price	Weighted Average Contractual Remaining Life
Outstanding, December 31, 2016	4,392,107	1.97	6.17
Granted	1,560,000	2.83	0.67
Exercised	-	-	-
Forfeited/Expired	-	-	-
Outstanding, September 30, 2017	5,952,107	2.19	4.18
Exercisable at September 30, 2017	3,750,665	2.34	2.70

The change in warrant value for the three and nine months ended September 30, 2017 was ($157,013) and $2,560,607, respectively. The change in warrant expense for the three and nine months ended September 30, 2016 was $0.

Range of Exercise Price	Number of Warrants	Weighted Average Remaining Contractual Life (years)	Weighted Average Exercise Price	Number of Warrants Exercisable	Weighted Average Exercise Price
$1.00 - $7.00	5,952,107	4.18	$ 2.19	3,750,665	$ 2.34
	5,952,107	4.18	$ 2.19	3,750,665	$ 2.34

The weighted-average fair value of warrants granted to during the three months ended September 30, 2017 and year ended December 31, 2016, and the weighted-average significant assumptions used to determine those fair values, using a Black-Scholes-Merton ("Black-Scholes") option pricing model are as follows:

	September 30, 2017	December 31, 2016
Significant assumptions (weighted-average):		
Risk-free interest rate at grant date	1.92%	1.83%
Expected stock price volatility	84.43%	84.42%
Expected dividend payout	-	-
Expected option life (in years)	3	3
Expected forfeiture rate	0%	0%

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NOTE 11 – STOCKHOLDERS' EQUITY

Authorized Stock

The Company has authorized to issue is 75,000,000 common shares with a par value of $0.001 per share.

As of September 30, 2017 and December 31, 2016, there were 23,851,252 and 23,336,673, shares of the Company's common stock issued and outstanding, respectively.

Common Share Issuances

On April 7, 2017, the Company issued 14,579 common stock shares at $6.86 per share for consulting services to be performed over a one year period. The total value of this issuance was $100,000 and as of September 30, 2017, $51,781 is included in prepaid expenses and other assets.

On April 24, 2017, the Company issued 100,000 common stock shares at $7.00 per share for consulting services to be performed over a six month period. The total value of this issuance was $700,000 and as of September 30, 2017, $91,803 is included in prepaid expenses and other assets.

On May 18, 2017, the Company issued 300,000 common stock shares at $2.10 per share for consulting services to be performed over a one year period. The total value of this issuance was $630,000 and as of September 30, 2017, $198,493 is included in prepaid expenses and other assets.

On August 21, 2017, the Company issued 100,000 common stock shares at $5.30 per share for consulting services to be performed over a four month period. The total value of this issuance was $530,000 and as of September 30, 2017, $356,230 is included in prepaid expenses and other assets.

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NOTE 12 - COMMITMENTS AND CONTINGENCIES

Litigation:

From time to time the Company may become a party to litigation in the normal course of business. Management believes that there are no current legal matters that would have a material effect on the Company's financial position or results of operations.

Operating leases

The Company maintains its corporate offices and manufacturing facility at 1620 Beacon Place, Oxnard, CA 93033, which contains approximately 25,000 square feet. The Company is currently on a month-to-month lease.

The Company also leases additional office and warehouse space at 1610 and 1612 Fiske Place, Oxnard, CA 93033, which contains approximately 6,547 square feet. The Company is currently on a month-to-month lease.

Total rent expense for the three and nine month periods ended September 30, 2017 was $73,415 and $219,230, respectively. Total rent expense for the three and nine month periods ended September 30, 2016 was $71,235 and $213,804, respectively.

NOTE 13 – LEGAL PROCEEDINGS

From time to time, we may become involved in various lawsuits and legal proceedings that arise in the ordinary course of business. However, litigation is subject to inherent uncertainties, and an adverse result in these or other matters may arise from time to time that may harm our business. The only significant matter of which the Company is aware of is discussed below.

On May 22, 2017, Sandy Sierra Garate ("Applicant"), an employee of the Company, filed an application for benefits due to serious and willful misconduct of the employer pursuant to labor code section 4553 with the State of California Workers' Compensation Appeals Board (WCAB Case No: ADJ 10686812) resulting in injury arising out of and in the course of the Applicant's employment on August 5, 2016. The Applicant is requesting relief in this matter for a one half increase in all compensation recoverable in connection with the injury of August 5, 2016, for the allowance of costs and expenses in an amount to be determined and for such further relief as in deemed appropriate. The Company is currently unable to determine what the additional expenses will be incurred in order to defend this matter. As such, the Company cannot determine whether there is a reasonable possibility that a loss will be incurred nor can it estimate the range of any such potential loss. Accordingly, the Company has not accrued an amount for any potential loss associated with this action.

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NOTE 14 – SUBSEQUENT EVENTS

On October 25, 2017, the Company received $250,000 by issuing a convertible promissory note ("Convertible Note") to an individual that is due April 25, 2018 ("Maturity Date"). The Convertible Note shall accrue interest at 8% per annum and is unsecured. The conversion price of the Common Stock into which the Principal Amount, or the then outstanding interest due thereon, shall be the lower of $7.00 or the price per share of the latest closing of a debt or equity offering by the Company greater than $3,000,000. Pursuant to issuing this Convertible Note, the Company issued to the holder of this Convertible Note a warrant to purchase 50,000 shares of Common Stock at an exercise price at the lower of $7.00 per share or the price per share of the latest closing of a debt or equity offering by the Company greater than $3,000,000.

On October 15, 2017, the Company entered into an advisory board member consulting agreement with Brent McMahon ("Consultant"). The term of this consulting agreement is for one year. As consideration for entering into this consulting agreement, the Company shall grant 100,000 shares of the Company's Common Stock shares ("Performance Shares") based on the following timeline: (a) the first 50,000 Performance Shares will be granted to the Consultant upon execution of the consulting agreement and (b) the second 50,000 Performance Shares will be granted to the Consultant within ninety (90) days from the execution of the consulting agreement. On October 30, 2017, the Company issued 50,000 common stock shares at $3.50 per share for consulting services to be performed over a one-year period. The total value of this issuance was $175,000

On November 8, 2017, the Company received $250,000 by issuing a convertible promissory note ("Convertible Note") to an individual that is due May 8, 2018 ("Maturity Date"). The Convertible Note shall accrue interest at 8% per annum and is unsecured. The conversion price of the Common Stock into which the Principal Amount, or the then outstanding interest due thereon, shall be the lower of $7.00 or the price per share of the latest closing of a debt or equity offering by the Company greater than $3,000,000. Pursuant to issuing this Convertible Note, the Company issued to the holder of this Convertible Note a warrant to purchase 50,000 shares of Common Stock at an exercise price at the lower of $7.00 per share or the price per share of the latest closing of a debt or equity offering by the Company greater than $3,000,000.

On October 27, 2017 the Company entered into a development agreement with Therapix Biosciences Ltd. ("Therapix"), a specialty clinical-stage pharmaceutical company dedicated to the development of cannabinoid-based drugs headquartered in Israel. The Company will formulate and develop pharmaceutical products using Therapix's proprietary compounds while utilizing the Company's proprietary OTF technology. Total cost of the project is $140,000.

On November 10, 2017, the Company entered into an Assignment Agreement ("Assignment") with CK Sciences, LLC ("CKS") where CKS entered into a Sponsored Research Agreement ("SRA") with The Technion Research & Development Foundation Ltd. ("TRDF"), effective February 2, 2017. The Company previously advanced TRDF $642,500 to commence the Research Project ("Payment"). As consideration for the Payment CKS agrees to assign the rights to CURE granted to CKS under section 6 of the SRA ("Intellectual Property Rights") to make, use and sell products that are regulated by FDA and a foreign equivalent body using oral thin film technology or transdermal technology ("CURE Field"). The Company shall negotiate any license directly with TRDF and CKS will retain all rights under Section 6 of the SRA to make use and sell products in any field other than the CURE Field. The term of the Assignment is from March 2, 2017 to March 2, 2018.

On November 10, 2017, The Company received 269,000 shares of a private company, Oak Therapeutics, Inc. ("Oak"), for partial consideration for the grant rights by the Company to Oak under a license agreement between the Company and Oak. As a result of the Company receiving shares of Oak, the Company will own approximately 60% of Oak and therefore the Company will consolidate Oak's financial statements during the fourth quarter 2017.

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

Statements made in this Form 10-Q that are not historical or current facts are "forward-looking statements" made pursuant to the safe harbor provisions of Section 27A of the Securities Act of 1933 (the "Act") and Section 21E of the Securities Exchange Act of 1934. These statements often can be identified by the use of terms such as "may," "will," "expect," "believe," "anticipate," "estimate," "approximate" or "continue," or the negative thereof. We intend that such forward-looking statements be subject to the safe harbors for such statements. We wish to caution readers not to place undue reliance on any such forward-looking statements, which speak only as of the date made. Any forward-looking statements represent management's best judgment as to what may occur in the future. However, forward-looking statements are subject to risks, uncertainties and important factors beyond our control that could cause actual results and events to differ materially from historical results of operations and events and those presently anticipated or projected. We disclaim any obligation subsequently to revise any forward-looking statements to reflect events or circumstances after the date of such statement or to reflect the occurrence of anticipated or unanticipated events.

BUSINESS

CURE Pharmaceutical Holding Corp. (the "Company") was incorporated in the State of Nevada on May 15, 2014. The Company was formerly named Makkanotti Group Corp. and was formed to engage in the business of manufacturing food paper bags in Nicosia, Cyprus.

On November 7, 2016, the board of directors and the majority stockholder of the then outstanding shares of the registrant's common stock executed a written consent to change the registrant's name to CURE Pharmaceutical Holdings Corp. from Makkanotti Group Corp. The Certificate of Amendment to Articles of Incorporation was filed with the State of Nevada on November 30, 2016.

CURE Pharmaceutical Corporation

Our wholly owned subsidiary and operating business, Cure Pharmaceutical, located in Oxnard, California was originally incorporated in July 2011 as a developer of advanced oral thin film ("OTF") for the delivery of nutraceutical, Over-The-Counter ("OTC") and prescription products for human and veterinary markets. We utilize drug delivery technologies to develop and commercialize new applications of proven therapeutics through our CureFilm™ technology, as well as through sublingual and transdermal applications. Our exclusive micro encapsulation of drug actives allows for a higher volume of an active and if required, multiple actives to be produced on a single OTF strip. We expect this technology will allow us to produce a broad spectrum of pharmaceutical, OTC and nutraceutical products.

Our Product

CureFilm™ Technology and Value Proposition

Typical forms of drug delivery that consumers have been familiar with over the years, include tablets, capsules, chewables, gummies, and more recent developments, such as melts and sublingual drops and sprays. We believe that we are one of the companies at the forefront of OTF drug delivery technology. Our OTF product is about the size of a postage stamp using a matrix that maximizes the amount of "active" drug that can be delivered via OTF.

Our CureFilm™ Technology consists of patented, patent pending and trade secrets in two areas: OTF – Core Technology, Sublingual Technology and Transdermal (skin) Technology.

Our proprietary multi-layer CureFilm™ allows dosages of many pharmaceutical, OTC and nutraceutical products to be put onto a small strip applied to the cheek (buccal), or under the tongue (sublingual). We believe that what sets us apart from the competition is our proprietary patented CureFilm™ Technology, multi-layer systems and formulation technologies that:

- Consists of two components - a liquid-based film layer that contains and stabilizes the active ingredients, and a powder matrix layer.
- Provides improved stability as well as delivery of active ingredients.
- Contains functional qualities to include extra flavoring ingredients, pliability enhancers, and mucosal permeation enhancers.

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In a two-layer strip, the layers are designed to work together, in combination with the powder composition. The powder composition can be varied, as can the muco-adhesion properties of the strips, to alter the dissolution and absorption rates of the medicament. A complete multilayer system allows for increased stability, higher loading of active ingredients, and increased taste and palatability.

Another recent advancement in our CureFilm™ Technology utilizes micro-encapsulation of selected active ingredients. In the micro-encapsulation process, microscopic particles or droplets envelop the active ingredients to protect and shield them. The technique used in the micro-encapsulation process depends on various factors including the physical and chemical properties of the active ingredients. This micro-encapsulation technology has allowed the delivery of higher dosing with better flavor masking.

We have various types of CureFilm™ dietary supplement products that are being commercialized and developed. These include:

Commercialized:

- MacuStrip Vitamin complex (eye health product)
- ID Life Sleep melatonin
- Electrolyte (Adult and Pediatric)
- E6 Berry Caffeine
- Hang-Over Relief

In Development:

- Aspirin
- Loratadine
- Tadalifil
- Sildenafil
- Loperamide
- Vitamin B12
- Vitamin D3
- Folic Acid

Clinical Development

We partner with pharmaceutical companies looking for new methods to deliver drug actives. Under Section (505)(b)(2) of the Food, Drug, and Cosmetic Act, ("(505)(b)(2)") the FDA may grant market exclusivity for a term of up to three years of exclusivity following approval of a listed drug that contains previously approved active ingredients but is approved in a new dosage, dosage form, route of administration or combination. The 505(b)(2) pathway is also the regulatory approach to be followed if an applicant intends to file an application for a product containing a drug that is already approved by the FDA for a certain indication and for which the applicant is seeking approval for a new indication or for a new use, the approval of which is required to be supported by new clinical trials, other than bioavailability studies. We have implemented a strategy under which we actively look for such so-called "repurposing opportunities" and determine whether our proprietary CureFilm™ Technology adds value to the product.

We currently have five such drug repurposing projects in our development pipeline, although there can be no assurance that such projects will be fully developed. The companies we partner with are typically responsible for managing the regulatory approval process of the product with the FDA and/or other regulatory bodies, as well as for the marketing and distribution of the products. On a case-by-case basis, we may be responsible for providing all or part of the documentation required for the regulatory submission.

In addition to pursuing partnering arrangements that provide for the full funding of a drug development project, we may undertake development of selected product opportunities until the marketing and distribution stage. We would first assess the potential and associated costs for successful development of a product, and then determine at which stage it would be most prudent to seek a partner, balancing costs against the potential for higher returns later in the development process. We currently have five of such potential drug candidates in our product pipeline, all of which are in the formulation development and pre-clinical phase of development. However, there can be no assurance that we will be able to fully develop, market and distribute OTF products for these drug candidates.

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Research and Development

On July 19, 2017, the Company entered into a Development Agreement ("Agreement") with Aveneon Technology, Ltd ("Aveneon") for the development and formulation of certain active ingredients utilizing our proprietary CureFilm™ technology. In consideration of the development activities specified hereunder, Aveneon paid the Company a non-refundable and non-creditable fee of $35,692 (the "Initial Fee") within one (1) day of the Effective Date. Aveneon shall pay the Company the following non-refundable and non-creditable milestone payment of $35,692 (the "Milestone Payment") within fifteen (15) days after initiation of Phase IV – Product Conformance.

On October 27, 2017 the Company entered into a development agreement with Therapix Biosciences Ltd. ("Therapix"), a specialty clinical-stage pharmaceutical company dedicated to the development of cannabinoid-based drugs headquartered in Israel. The Company will formulate and develop pharmaceutical products using Therapix's proprietary compounds while utilizing the Company's proprietary OTF technology. Total cost of the project is $140,000.

On November 10, 2017, the Company entered into an Assignment Agreement ("Assignment") with CK Sciences, LLC ("CKS") where CKS entered into a Sponsored Research Agreement ("SRA") with The Technion Research & Development Foundation Ltd. ("TRDF"), effective February 2, 2017. The Company previously advanced TRDF $642,500 to commence the Research Project

("Payment"). As consideration for the Payment CKS agrees to assign the rights to CURE granted to CKS under section 6 of the SRA ("Intellectual Property Rights") to make, use and sell products that are regulated by FDA and a foreign equivalent body using oral thin film technology or transdermal technology ("CURE Field"). The Company shall negotiate any license directly with TRDF and CKS will retain all rights under Section 6 of the SRA to make use and sell products in any field other than the CURE Field. The term of the Assignment is from March 2, 2017 to March 2, 2018.

Oak Therapeutics

On November 10, 2017, The Company received 269,000 shares of a private company, Oak Therapeutics, Inc. ("Oak"), for partial consideration for the grant rights by the Company to Oak under a license agreement between the Company and Oak. As a result of the Company receiving shares of Oak, the Company will own approximately 60% of Oak and therefore the Company will consolidate Oak's financial statements during the fourth quarter 2017.

Oak has completed a critical milestone of its Phase I Small Business Innovative Research Contract (SBIR) from the National Institutes of Health/National Institute of Allergy and Infectious Diseases (NIH/ NIAID) to develop a formulation for 300mg of Isoniazid in a rapidly dissolving Oral Dissolvable Strip (ODS) as an anti-tuberculosis treatment option. Oak is currently in the application process for Phase II of the SBIR program, to continue its research and development and focus on manufacturing scale up, clinical trials and commercialization.

Competition

We face competition from other companies, academic institutions, governmental agencies and other public and private research organizations for collaborative arrangements with pharmaceutical and biotechnology companies, in recruiting and retaining highly qualified scientific and management personnel and for licenses to additional technologies. Many of our competitors, including Monosol, BioDelivery Sciences International, IntelGenx and LTS Lohmann, will have substantially greater financial, technical and human resources than we have. Our success will be based in part on our ability to build, obtain regulatory approval for and market acceptance of, and actively manage a portfolio of drugs that addresses unmet medical needs and creates value in patient therapy.

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The OTF manufacturing industry is relatively new, having only emerged over the last ten years. Although currently there are just a handful of current players within this industry, we expect that we will be subject to competition from numerous other companies that currently operate or are planning to enter the markets in which we compete. To date, among manufacturers of OTF, some medications that either are or have been available by OTF manufacturers in the marketplace include:

- Zuplenz (the first oral soluble film approved by the FDA as a prescription medication)
- Benadryl (diphenhydramine product and anti-histamine used for allergies and mild sedative)
- Gas-X (simethicone product for bloating, gas, and gastrointestinal complaint)
- Melatonin PM (hormonal product sold as a "dietary supplement" marketed for insomnia)
- Orajel Kids (benzocaine product for dental pain)
- Suboxone (buprenorphine and naloxone fixed dosage combination product for opioid addiction)
- Subutex (buprenorphine product for opioid addiction)
- Sudafed (phenylephrine or pseudoephedrine product for nasal congestion)
- TheraFlu (combination product of pain reliever, anti-pyretic and decongestant)
- Triaminic (children's anti-tussive product)

The barriers to enter this market are the "know how's" of developing and formulating consumer desired products which taste great. Also, the high cost of entry by companies who have no expertise in the market makes entry by competitors risky since the technology to develop product is expensive and proprietary. The key factors affecting the development and commercialization of our drug delivery products are likely to include, among other factors:

- The safety and efficacy of our products;
- The relative speed with which we can develop products;
- Generic competition for any product that we develop;
- Our ability to defend our existing intellectual property and to broaden our intellectual property and technology base;
- Our ability to differentiate our products;
- Our ability to develop products that can be manufactured on a cost effective basis;
- Our ability to manufacture our products in compliance with cGMP and any other regulatory requirements; and
- Our ability to obtain financing.

In order to establish ourselves as a viable industry partner, we plan to continue to invest in our research and development activities and in our manufacturing technology expertise, in order to further strengthen our technology base and to develop the ability to manufacture our CureFilm™ products ourselves, at competitive costs. Our failure to compete effectively could have a material adverse effect on our business.

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Office

Our office is located at 1620 Beacon Place, Oxnard, California 93033. Our phone number is (805) 824-0410.

RESULTS OF OPERATIONS

Revenues for the Three and Nine Months Ended September 30, 2017 and 2016.

Revenues for the three and nine months ended September 30, 2017 has increased by $38,774 and $63,845, respectively, as compared to the three and nine months ended September 30, 2016. The increase in both periods was principally due to the increase in sales to one customer for our Sleep OTF product. In addition, the increase in the nine months ended September 30, 2017 compared to the same period in 2016 is due to the Company completing a couple of R&D phases with two customers. The Company did not generate this type of revenue in the nine months ended September 30, 2016.

Cost of Goods Sold

Cost of goods sold was $59,427 and $134,575 in the three and nine months ended September 30, 2017, respectively, compared to $25,066 and $62,810 in the three and nine months ended September 30, 2016, respectively. Cost of goods sold increased in both periods due to the Company utilizing a new third party converter for one of our customers as well as incurring higher direct labor costs to package our Sleep OTF product as well as writing off expired raw materials. In addition, the Company incurred higher sales in both the three and nine months ended September 30, 2017 compared to the same periods in 2016 resulting in higher cost of goods sold in the three and nine months ended September 30, 2017 compared to the same periods in 2016.

Selling, General and Administrative Expenses

Selling, general and administrative expenses for the three and nine months ended September 30, 2017 amounted to $1,290,565 and $5,888,062, respectively, and for three and nine months ended September 30, 2016 amounted to $670,488 and $1,267,092, respectively. For the three and nine months ended September 30, 2017 and 2016, selling, general and administrative expenses were mainly comprised of amortization, commission, insurance, payroll, consulting, marketing, legal, accounting, public market and rent expenses. The increase in the three and nine months ended September 30, 2017 compared to the three and nine months ended September 30, 2016 was due to the increase in payroll, insurances and public market expenses as well as noncash transactions relating to common stock issued for consulting services and recording the fair value of warrants issued for services totaling $552,670 and $3,822,300 for the three and nine months ended September 30, 2017, respectively. In addition, the Company has started to focus on rebranding the Company as well as strategizing which pharmaceutical markets, industries and particular indications the company will focus our efforts in.

Research and Development Expenses

For the three and nine months ended September 30, 2017, research and development expenses increased to $239,663 and $664,931, respectively, compared to the three and nine months ended September 30, 2016 of $214,478 and $513,276, respectively. As the Company was able to raise funds during 2016 and 2017 by issuing convertible promissory notes, we were able to continue to focus on spending to improve our intellectual property. At the same time the Company focused on developing potential partnerships with pharmaceutical and bioscience companies and new OTC and prescription products.

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LIQUIDITY AND CAPITAL RESOURCES

As of September 30, 2017

As of September 30, 2017, our total assets were $3,087,759 comprised of cash of $127,816, accounts receivable of $21,200, inventory of $89,193, prepaid expenses and other assets of $1,510,694, net property and equipment of $315,890, net intangibles of $905,512, and other assets of $117,454. Our total liabilities were $3,272,990 comprised of accounts payable of $464,595, accrued expenses of $74,486, current portion of loan and note payables of $800,000, current portion of convertible promissory notes, net of $649,366, derivative liability of $482,837, deferred revenue of $241,706 and license fees of $560,000.

As of December 31, 2016, our total assets were $2,835,092 comprised of cash of $1,106,142, accounts receivable of $7,049, inventory of $81,285, prepaid expenses and other assets of $223,879, net property equipment of $370,648, net intangibles of $894,510, and other assets of $151,579. Our total liabilities were $1,118,039 comprised of accounts payable of $265,386, accrued expenses of $26,305, current portion of loan and note payables of $83,277, current portion of capital lease payable of $9,453, deferred revenue of $173,618, and license fees of $560,000.

Cash flows used in operating activities

For the nine months ended September 30, 2017, operating activities consumed $2,871,058 of cash. This was primarily the result of a net loss of $6,970,064, offset by depreciation and amortization of $130,943, amortization of prepaid stock-based compensation of $1,261,693, amortization of loan discounts of $564,969, warrants issued for services of $2,560,607 as well as the changes in prepaid expenses of $588,508, other assets of $24,169, accounts payable of $199,209, accrued expenses of $48,181 and deferred revenue of $68,088.

For the nine months ended September 30, 2016, operating activities consumed $2,829,810 of cash. This was primarily the result of a net loss of $2,022,639, offset by bad debt expense of $36,238, depreciation and amortization of $124,044, loss on disposal of $3,323 as well as the changes in restricted cash of $50,000, prepaid expenses of $667,120, other assets of $16,915, accounts payable of $298,479, accrued expenses of $36,816 and deferred revenue of $37,504.

Cash flows used in investing activities

Investment activities used an additional $104,538 of cash during the nine months ended September 30, 2017, primarily as a result of payments for patents and costs associated in the development and improvement of our intellectual property of $43,621, payment to joint venture investment of $5,000 and acquisition of property and equipment of $55,917.

Investment activities used an additional $130,514 of cash during the nine months ended September 30, 2016, primarily as a result of payments for patents and costs associated in the development and improvement of our intellectual property of $34,626 and acquisition of property and equipment of $77,598.

Cash flows provided by financing activities

Financing activities provided $1,997,270 of cash for the nine months ended September 30, 2017, primarily as the result of proceeds from loans of $2,105,000 and repayments of loan and capital lease payables of $ 107,730.

Financing activities provided $4,799,311 of cash for the nine months ended September 30, 2016, primarily as the result of proceeds from loans of $5,821,463 and repayments of loan and capital lease payables of $1,022,152.

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CRITICAL ACCOUNTING POLICIES

The preparation of financial statements in conformity with generally accepted accounting principles of the United States ("U.S. GAAP") requires estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses, and related disclosures of contingent assets and liabilities in the financial statements and accompanying notes. The SEC has defined a company's critical accounting policies as the ones that are most important to the portrayal of the company's financial condition and results of operations, and which require the company to make its most difficult and subjective judgments, often as a result of the need to make estimates of matters that are inherently uncertain. Based on this definition, we have identified the critical accounting policies and judgments addressed below. We also have other key accounting policies, which involve the use of estimates, judgments, and assumptions that are significant to understanding our results. For additional information, see Note 2 – "Summary of Significant Accounting Policies". Although we believe that our estimates, assumptions, and judgments are reasonable, they are based upon information presently available. Actual results may differ significantly from these estimates under different assumptions, judgments, or condition

Impairment of Long-Lived Assets

Long-lived assets include equipment and intangible assets other than those with indefinite lives. We assess the carrying value of our long-lived asset groups when indicators of impairment exist and recognize an impairment loss when the carrying amount of a long-lived asset is not recoverable when compared to undiscounted cash flows expected to result from the use and eventual disposition of the asset.

Indicators of impairment include significant underperformance relative to historical or projected future operating results, significant changes in our use of the assets or in our business strategy, loss of or changes in customer relationships and significant negative industry or economic trends. When indications of impairment arise for a particular asset or group of assets, we assess the future recoverability of the carrying value of the asset (or asset group) based on an undiscounted cash flow analysis. If carrying value exceeds projected, net, undiscounted cash flows, an additional analysis is performed to determine the fair value of the asset (or asset group), typically a discounted cash flow analysis, and an impairment charge is recorded for the excess of carrying value over fair value. There was no impairment on our long-lived assets during the three months ended September 30, 2017. For the year ended December 31, 2016, the Company wrote off $58,522 of patents.

Going Concern

The Company has an accumulated deficit balance as of September 30, 2017. The ability of the Company to continue as a going concern is dependent on the Company obtaining adequate capital to fund operating losses until it establishes a revenue stream and becomes profitable. The Company is continually analyzing its current costs and is attempting to make additional cost reductions where possible. We expect that we will continue to generate losses from operations throughout the remainder of 2017.

Historically, the Company has had operating losses and negative cash flows from operations which cast significant doubt upon the Company's ability to continue as a going concern. The Company will need to raise capital in order to fund its operations. This need may be adversely impacted by uncertain market conditions and changes in the regulatory environment. To address its financing requirements, the Company intends to seek financing through debt and equity issuances to existing stockholders.

Specifically, management has identified that a minimum of $4,000,000 of capital is needed over the next 12 months in order sustain operations. These capital needs take into account, among other things, management's plans to advance intellectual property, maintenance of patents, upgrades for manufacturing and to hire personnel for business development. Management has outlined a plan to raise $10,000,000 in capital over the next 12 months through the issuance of shares of the Company's common stock to accredited investors. Management believes that the capital raised through these methods will be sufficient to sustain operations for the next 12 months. However, the outcome of these matters cannot be predicted with certainty at this time.

The ability of the Company to continue as a going concern is dependent upon its ability to successfully accomplish the plans described in the preceding paragraph and eventually secure other sources of financing and attain profitable operations. The accompanying financial statements do not include any adjustments relating to the recoverability and classification of assets and liabilities that might be necessary if the Company is unable to continue as a going concern.

OFF-BALANCE SHEET ARRANGEMENTS

As of the date of this Quarterly Report, we do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors.

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ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

Not Applicable.

ITEM 4. CONTROLS AND PROCEDURES

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(t) under the Exchange Act. Our internal control over financial reporting is designed 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. Our internal control over financial reporting includes those policies and procedures that:

1. Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of our assets;

2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with U.S. GAAP, and that our receipts and expenditures are being made only in accordance with the authorization of our management and directors; and

3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also,

projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of our internal control over financial reporting as of September 30, 2017. Based on this assessment, management concluded that the Company did not maintain effective internal controls over financial reporting as a result of the identified material weakness in our internal control over financial reporting described below. In making this assessment, management used the framework set forth in the report entitled Internal Control--Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission, or COSO. The COSO framework summarizes each of the components of a company's internal control system, including (i) the control environment, (ii) risk assessment, (iii) control activities, (iv) information and communication and (v) monitoring.

Identified Material Weakness

A material weakness in our internal control over financial reporting is a control deficiency, or combination of control deficiencies, that results in more than a remote likelihood that a material misstatement or the financial statements will not be prevented or detected. Management identified the segregation of duties as a material weakness during its assessment of internal controls over financial reporting as of September 30, 2017. As of September 30, 2017, we had one full-time employee with the requisite expertise in the key functional areas of finance and accounting. As a result, there is a lack of proper segregation of duties necessary to ensure that all transactions are accounted for accurately and in a timely manner. As our resources allow, we will add financial personnel to our management team.

Management, with the participation of the Company's Principal Executive Officer and Principal Financial Officer, carried out an evaluation of the effectiveness of our disclosure controls and procedures(as defined in Exchange Act Rules 13a15(e) and 15d15(e)) as of September 30, 2017, the end of the period covered by this Quarterly Report on Form 10Q (the "Evaluation Date"). Based upon that evaluation, the Company's Principal Executive Officer and Principal Financial Officer have concluded that as of the Evaluation Date, the Company's disclosure controls are not effective as a result of the identified material weakness described herein.

Changes In Internal Control Over Financial Reporting

There were no changes in our internal controls over financial reporting during the fiscal quarter ended September 30, 2017 that materially affected, or is reasonably likely to have a material affect, on our internal control over financial reporting.

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PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The information set forth under Note 13 of Notes to Unaudited Condensed Consolidated Financial Statements, included in Part I, Item 1 of this report, is incorporated herein by reference.

ITEM 1A. RISK FACTORS

Not Applicable.

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

On April 7, 2017, the Company issued 14,579 common stock shares at $6.86 per share for consulting services to be performed over a one year period.

On April 24, 2017, the Company issued 100,000 common stock shares at $7.00 per share for consulting services to be performed over a six month period.

On May 18, 2017, the Company issued 300,000 common stock shares at $2.10 per share for consulting services to be performed over a one year period.

On August 21, 2017, the Company issued 100,000 common stock shares at $5.30 per share for consulting services to be performed over a four month period.

The shares of common stock described above were issued without registration under the Securities Act of 1933 (the "Securities Act") in reliance on the exemptions provided by Section 4(a)(2) of the Securities Act promulgated thereunder and in reliance on similar exemptions under applicable state laws.

From May 11, 2017 to September 30, 2017, the Company issued 260,000 warrants in connection with the issuance of $1,300,000 convertible promissory notes. The warrants have an exercise price of the lower of $7.00 per share or the price per share in the Company's latest debt or equity financing greater than $3,000,000 and a term of 3 years.

From May 11, 2017 to September 30, 2017, the Company issued up to $1,300,000 convertible promissory notes due between November 11, 2017 and March 5, 2018. The notes bear interest at 8% per year and are convertible into common stock at the lower of $7.00 per share or the price per share in the Company's latest debt or equity financing greater than $3,000,000.

The warrants and notes described above were issued and sold without registration under the Securities Act in reliance on the exemptions provided by Section 4(a)(2) of the Securities Act and/or Regulation D promulgated thereunder and in reliance on similar exemptions under applicable state laws.

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ITEM 3. DEFAULTS UPON SENIOR SECURITES

None.

ITEM 4. MINE SAFETY DISCLOSURE

None.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

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

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SIGNATURES

In accordance with the requirements of the Exchange Act, the Registrant caused this Report to be signed on its behalf by the

undersigned, thereunto duly authorized.

CURE PHARMACEUTICAL HOLDING CORP.

Dated: November 14, 2017

By: */s/ Robert Davidson*
Robert Davidson
Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated:

/s/ Robert Davidson
Robert Davidson
Chief Executive Officer
November 14, 2017

/s/ Mark Udell
Mark Udell
Chief Financial Officer
November 14, 2017

EXHIBIT 31.1

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES OXLEY ACT OF 2002 AND RULE 13A-14 OF THE EXCHANGE ACT OF 1934

CERTIFICATION

I, Robert Davidson, certify that:

1. I have reviewed this quarterly report on Form 10-Q of CURE Pharmaceutical Holding Corp.;

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

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

4. I am 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 my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to me 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 my 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 my 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 year (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. I have disclosed, based on my 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: November 14, 2017

By: */s/ Robert Davidson*
Robert Davidson
Chief Executive Officer and
Principal Executive Officer

EXHIBIT 31.2

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES OXLEY ACT OF 2002 AND RULE 13A-14 OF THE EXCHANGE ACT OF 1934

CERTIFICATION

I, Mark Udell, certify that:

1. I have reviewed this quarterly report on Form 10-Q of CURE Pharmaceutical Holding Corp.;

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

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

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 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 the annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

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

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

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

Date: November 14, 2017

By: */s/ Mark Udell*
Mark Udell
Chief Financial Officer

EXHIBIT 32.1

CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER
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 CURE Pharmaceutical Holding Corp., (the "Company") on Form 10-Q for the three months ended September 30, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Robert Davidson, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) The Report fully complies with the requirements of Section 13 (a) or 15 (d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 14, 2017

By: */s/ Robert Davidson*
Robert Davidson
Chief Executive Officer and
Principal Executive Officer

EXHIBIT 32.2

CERTIFICATION OF THE PRINCIPAL FINANCIAL OFFICER
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 CURE Pharmaceutical Holding Corp., (the "Company") on Form 10-Q for the three months ended September 30, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Mark Udell, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) The Report fully complies with the requirements of Section 13 (a) or 15 (d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 14, 2017

By: */s/ Mark Udell*
Mark Udell
Chief Financial Officer