



PotNetwork Holdings:

A Cannabis Holdings Company Positioned For Growth



Company Data

Date: **7/18/2017**

Shares Out: **485M**

Current Price: **\$0.077/share**

Market Cap: **N/AM**

52 Week Range: **\$0.0020 - \$0.099**

Avg Daily Volume: **4.74M**

Suitability: **High Risk**

Institutional Ownership: **N/A**

YTD Chart



PotNetwork Holdings Inc. operates in the Marijuana market. The Company operates through its wholly owned subsidiary First Capital Venture Co. and its wholly owned subsidiary Diamond CBD Inc. The Company, through Diamond CBD Inc., focuses on the research and development of premium hemp extracts. Through the formulation of hemp derived Cannabidiol (CBD) extracts that contain a broad profile of cannabinoids and other natural hemp derived molecules, it develops a selection of Industrial Hemp-derived Diamond CBD oils, which is considered as a natural CBD E-Liquids on the market.

Investors are rarely presented with the opportunity to get in on the ground on floor of an industry poised to see incremental revenue growth for decades to come. The last time investors had this opportunity was during the tech boom, which created countless millionaires.

We expect to see this happen again as the legal cannabis industry continues to be the fastest growing industry in the world and it is not even in the first inning of what will be a multi-decade growth cycle.

From the United States to Australia, from Germany to Canada, the legal cannabis industry continues to expand into new markets as countries around the world have recognized the medical benefits associated with this plant.

As new markets open, new opportunities continue to arise for companies levered to this burgeoning industry. We are excited by the recent developments and expect to see legalization measures continue to move forward throughout the globe.

Cannabis is becoming big business and the industry's rapid growth has led to the creation of new high-growth sub-industries. These sectors are comprised of ancillary businesses, which are levered to the growth of the cannabis industry. These entities sell products and services such as specialty soils, climate control systems, grow lights, vaporizers, security solutions, and more.

Although there are a lot of opportunities around the sale of legal cannabis, we believe those that are the most profitable are found on the ancillary side of the industry. During the gold rush, most people did not make their fortunes mining for gold. The real winners were people such as Samuel Brannan and Levi Strauss, who sold the ancillary products to the gold miners (i.e. picks, shovels, clothing, etc.).

Today, there is a similar trend in the legal cannabis industry and we have identified an ancillary business that has been and should continue to capitalize on the green rush.

Benefiting from a Burgeoning Global Cannabis Market

PotNetwork Holding, Inc. (POTN) has been a major beneficiary of the legal cannabis movement and is positioned to see growth accelerate from here.

In January, PotNetwork acquired First Capital Venture Co., and its wholly owned subsidiary, Diamond CBD Inc. Since then, the company has expanded sales, penetrated new markets, and developed new products.

Through Diamond CBD, PotNetwork focuses on research, development, and sale of premium hemp extracts that contain a broad range of cannabinoids and natural hemp derivatives. Hemp is a distinct variety of the cannabis plant but it is not the same substance as marijuana. Although hemp is commonly associated with marijuana, it should not be.

Industrial hemp and marijuana are two completely different plants. Hemp contains a very small amount (less than 1%) of tetrahydrocannabinol (THC), the primary psychoactive ingredient in marijuana (the chemical that gets a user high). CBD is non-psychoactive and has shown to possess a wide array of therapeutic benefits.

Diamond CBD is focused on the research, development, and multi-national marketing of premium hemp extracts that contain a broad range of cannabinoids and natural hemp derivatives. Diamond CBD's team consists of hemp industry pioneers and natural product experts, chemists, and scientists, dedicated to producing the finest CBD oil.

PotNetwork provides investors with leverage to a company capitalizing on the emerging legal cannabis and hemp market. The company is targeting hemp derived CBD, a part of the market that continues to see incremental growth and we do not expect this trend to slowdown anytime soon.

Momentum Continues to Ramp During the Summer

This week, PotNetwork Holding announced another record when Diamond CBD reported to have generated over \$1.1 million in revenue during June.

With the recent strengthened demand, management has been focused on increasing its manufacturing capacity. After a successful first quarter, the company continues to develop a strategy that will enable them to sustain this continued growth over long-term.

Diamond CBD, Regional Vice President of Sales of Maria Gomez said, "In consideration of how the first half of this year has evolved, our expectation only gets more exciting. The trajectory for this year continues in a positive direction as we look toward the next busy quarter."

Earlier this month, PotNetwork Holding announced significant growth and continued to build off the momentum from the spring. The company has seen very high demand for its products, especially for Diamond CBD's highly sought after consumable product line.

In April and May, Diamond CBD's product line saw exceptional demand as it continued to gain traction with a growing consumer base. During this time, total revenue was above \$2.1 million, which is significantly more than the company's entire first quarter. In April, PotNetwork reported over \$1 million in sales, 25x higher than in April 2016.

Diamond CBD recorded over \$1 million in revenue this past May, which was more than 1,300% higher than the same period last year. Diamond CBD has continued to build off its success and has created relationships over the past six months from trade shows, expos, and conventions.

The company reported significant benefits from its recent road show when it sold 80,000 Chill Gummies. The company is entirely sold out of its increasingly popular proprietary Chill Gummy line.




Revenue Growth Continues to Impress

PotNetwork Holding has benefited from a comprehensive market strategy and the company has disclosed significant top-line growth and record results so far this year. These impressive numbers can be attributed to Diamond CBD's aggressive sales strategy.


In June, PotNetwork announced that its wholly owned subsidiary, Diamond CBD, Inc., had once again that it has surpassed its revenue projections as the result of heightening demand for its products.

In the first quarter of 2017, PotNetwork said that Diamond CBD, Inc. had \$1,858,347.48 in revenue, which exceeded total revenue for all of calendar year 2016. The company has seen revenue growth stay strong and this has been a common trend for PotNetwork during the last few months which has showed no signs of slowing down.




First Capital

Focused on the advanced research and production of the industry's finest premium hemp extracts, primarily Cannabidiol (CBD) oil, and making them available to the global marketplace.




Diamond CBD

Diamond CBD provides the finest and purest CBD oil and products. Their products are currently sold in 10,000+ retailers nationwide. Diamond CBD products are legal across all fifty states, USA-made, and produced with...



CBD Double Shot

CBD Double Shots are specifically designed for one time use. Easily squeeze the package in your mouth and swallow, it's that simple. Take it anywhere you go. Relaxation is now conveniently in your pocket. Pure raw CBD...



CBD Re-Leaf

Disposable, long-lasting, and ready to Use CBD Re-leaf vaping pens available in a variety of flavors. Easily take CBD anywhere on the go.



Pet

Premium Hemp Liquid Pet

CBD For Pets is a new and refreshing product from *Diamond CBD* for all your cuddly *pets* out there. It is an organic product and also has unique flavors in it.




Relax Extreme CBD

Relax Extreme CBD Oil provides a high quality, high strength dose of CBD through oral drops. It is very easy to use and works instantly. Simply place a drop under the tongue. Available in various strengths.



Relax Gummies

Relax Gummies give a lighter effect of CBD with some natural flavors in comparison to it's counterpart Chill Gummies. Available in various chewy gummy varieties including infused sour faces, gummy bears, rainbow bites,...



Blue CBD

Blue CBD Crystal Isolate is a high-end vapor liquid and oral drops infused with premium CBD rich hemp oil. CBD liquids is Premium Gold quality and test at a 7X higher concentration.



CBD Liquid Gold

CBD Liquid Gold is derived from naturally grown industrial hemp plants, certified by USA labs and then carefully mixed with our patent pending (non-PG) all natural base formulation.

Chill Pill

CBD infused capsules available in various strengths. Relax, take a Chill Pill.

Chill Gummies

Chill gummies are more robust than its counterpart, the "Relax" gummy line. Chill Gummies are an excellent start to the exploration of hemp derived CBD infused treats. They are available in gummy bears...

Timing is Everything

One thing we have learned by analyzing the public cannabis stock market is that timing is everything. This saying holds true for PotNetwork's subsidiary which had perfectly timed the launch of Diamond CBD's consumables.

Since the beginning of the year, Diamond CBD has pursued an aggressive multi-faceted growth plan, which has included a broad representation at various key industry trade shows and conventions, and a strong consumer and industry communications strategy that has yielded a huge spike in consumer and industry brand recognition for its specialty products.

Diamond CBD recently reported another milestone after it distributed 1 million Chill Gummy edibles and had its CBD products distributed in approximately 10,000 retail locations across the country. These impressive results are expected to continue as the company continues to report ongoing heavy order flow. The company anticipates continued strong growth in its customer base, brand recognition and overall market preference for its products.

Focused on New Markets

The history of cannabis dates back thousands of years and the current legal cannabis movement is not just taking place in the United States. We are seeing cannabis reform taking place all around the world. During the last few years, Brazil, Mexico, Paraguay, Puerto Rico, Canada, Uruguay, Jamaica, Portugal, and the Netherlands have taken steps to legalize or decriminalize cannabis.

PotNetwork is focused on the international opportunity and recently signed an agreement with a consulting firm that specializes in identifying emerging market opportunities and provides comprehensive solutions and/or services relevant to conducting international business.

One of the first steps of this agreement is helping PotNetwork introduce its products in China. The company will be making its most popular products available in China including: Diamond's popular Chill and Relax Gummies, a tasty selection of more than 200 flavored CBD Hemp Oils, Blue CBD Crystals Isolate, Relax Extreme CBD collection, CBD Shots, quality Vape Additives, and more.

A Company to Watch

The market has been very bullish on PotNetwork as evidenced by its move higher and the strong volume. We expect sentiment to remain bullish as the firm continues to execute and work toward creating value for its shareholders.

We are excited by PotNetwork's recent announcements and look forward to seeing how its relationships continue to support the impressive numbers reported by the company. PotNetwork is positioned to capitalize on several growth trends facing the cannabis market and we will continue to monitor how the company benefits from these trends.

The legal cannabis industry continues to record impressive growth and we are excited by the opportunity this growth creates for companies like PotNetwork.