

Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

PotNetwork Holdings, Inc.

A Colorado Corporation

3531 Griffin Road
Ft. Lauderdale, Florida 33312

(800) 433-0127
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investors@potnetworkholding.com
SIC Codes 5900 and 4899

Annual Report **For the Period Ending: December 31, 2018** **(the "Reporting Period")**

As of December 31, 2018, the number of shares outstanding of our Common Stock was:

569,364,712

As of December 31, 2017, the number of shares outstanding of our Common Stock was:

569,920,485

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 of the Exchange Act of 1934):

Yes: No:

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: No:

Indicate by check mark whether a Change in Control¹ of the company has occurred over this reporting period:

¹ "Change in Control" shall mean any events resulting in:

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;

(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;

(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or

(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

Yes:

No:

1) Name of the issuer and its predecessors (if any)

In answering this item, please also provide any names used by predecessor entities in the past five years and the dates of the name changes.

- From 3-2017 on: PotNetwork Holdings, Inc., a Colorado corporation
- SND Auto Group, Inc. until 3-2017
- PotNetwork Holdings, Inc. until 5-2016
- United Treatment Centers, Inc. until 7-2015
- Element Trading Holdings, Inc. until 3-2014
- United Treatment Centers, Inc. until 10-2013
- MyMedicalCD, Ltd. until 6-2008
- Interactive Solutions Corp. until 11-2004. State of Incorporation changed from Nevada to Wyoming
- Araldica Wineries Ltd. until 2-2000
- H P Capital Corp. until 9-1996

Date and state (or jurisdiction) of incorporation (also describe any changes to incorporation since inception, if applicable) Please also include the issuer's current standing in its state of incorporation (e.g. active, default, inactive):

The Company was originally incorporated as a Nevada corporation in September 1996, and re-domiciled in Wyoming in 2004. The Company then re-domiciled in Colorado in 2017, where it is "Active".

Has the issuer or any of its predecessors ever been in bankruptcy, receivership, or any similar proceeding in the past five years?

Yes:

No:

2) Security Information

Trading symbol:	<u>POTN</u>
Exact title and class of securities outstanding:	<u>Common</u>
CUSIP:	<u>737636209</u>
Par or stated value:	<u>\$.00001</u>
Total shares authorized:	<u>1,000,000,000</u> as of date: <u>12/31/18</u>
Total shares outstanding:	<u>569,364,712</u> as of date: <u>12/31/18</u>
Number of shares in the Public Float ² :	<u>346,818,675</u> as of date: <u>12/31/18</u>
Total number of shareholders of record:	<u>2,287</u> as of date <u>12/31/18</u> :

Additional class of securities (if any):

Trading symbol:	<u>None</u>
Exact title and class of securities outstanding:	<u>Series A Preferred</u>
CUSIP:	<u>None</u>
Par or stated value:	<u>\$.00001</u>
Total shares authorized:	<u>50,000</u> as of date: <u>12/31/18</u>
Total shares outstanding:	<u>39,839</u> as of date: <u>12/31/18</u>

² "Public Float" shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a "control person"), or any affiliates thereof, or any immediate family members of officers, directors and control persons.

Transfer Agent

Name: Action Stock Transfer LLC
Phone: (801) 274-1088
Email: jb@actionstocktransfer.com

Is the Transfer Agent registered under the Exchange Act?³ Yes: No:

Describe any trading suspension orders issued by the SEC concerning the issuer or its predecessors:

None

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None

3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any direct changes to the total shares outstanding of any class of the issuer's securities **in the past two completed fiscal years and any subsequent interim period.**

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares or any other securities or options to acquire such securities issued for services. Using the tabular format below, please describe these events.

A. Changes to the Number of Outstanding Shares

Check this box to indicate there were no changes to the number of outstanding shares within the past two completed fiscal years and any subsequent periods:

Number of Shares outstanding as of 1/1/2017	<u>Opening Balance:</u> Common: 139,597,871 Preferred: -0-		*Right-click the rows below and select "Insert" to add rows as needed.						
Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?

³ To be included in the Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

1/18/17	New Issuance	2,314,814	Common	\$27,310	Yes	William Tynan	Debt conversion	Unrestricted	Exemption
1/24/17	New Issuance	4,000,000	Common	60,000	Yes	Gregory Traina	Debt conversion	Unrestricted	Exemption
1/30/17	New Issuance	50,000,000	Series A Preferred	500 (at par value)	N/A	Shareholders of First Capital Ventures Co.	Acquisition	Restricted	N/A
2/2/17	New Issuance	2,800,000	Common	21,800	Yes	Kenneth Radcliff	Debt conversion	Unrestricted	Exemption
2/7/17	Cancellation	(4,500,000)	Common	(33,750)	N/A	private investor	Cancellation of Debt Conversion	N/A	N/A
2/14/17	New Issuance	1,707,800	Common	21,348	Yes	Gregory Traina	Debt conversion	Unrestricted	Exemption
3/13/17*	New Issuance	300,000,000	Common	14,790,773	N/A	Shareholders of First Capital Ventures Co.	Series A Preferred Conversions	Restricted	N/A
3/23/17	New Issuance	39,000,000	Common	1,852,500	Yes	Private Investment Firm	Debt conversion	Unrestricted	Exemption
6/8/17	New Issuance	3,000,000	Common	225,000	No	David and Jonathan Bernard	Per Terms of PMG SPA	Restricted	N/A
7/1/17	New Issuance	42,000,000	Common	3,150,000	Yes	Private Investment Firm	Debt conversion	Unrestricted	Exemption
9/27/17	New Issuance	40,000,000	Common	2,796,000	Yes	Private Investment Firm	Debt conversion	Unrestricted	Exemption
2/27/18	New Issuance	25,000,000	Common	14,625,000	Yes	Private Investment Firm	Debt conversion	Unrestricted	Exemption
3/12/18	New Issuance	1,000,000	Common	151,700	No	Exponential, Inc.	Consulting Agreements	Restricted	N/A
5/17/18	New Issuance	6,500,000	Common	2,262,650	No	6 Physicians, and Marketing Consultants	Consulting Agreements with Physicians, Scientific Advisors and Marketing Firms	Restricted	N/A

5/29/18	New Issuance	25,000,000	Common	8,812,500	Yes	Private Investment Firm	Debt conversion	Unrestricted	Exemption
6/4/18	New Issuance	12,500,769	Common	4,012,747	Yes	Private Investment Firm	Debt conversion	Unrestricted	Exemption
6/5/18	New Issuance	25,000,000	Common	8,025,000	Yes	Private Investment Firm	Debt conversion	Unrestricted	Exemption
6/21/18*	Cancellation	(216,000,000)	Common	(76,939,200)	N/A	Shareholders of First Capital Ventures Co.	Cancellation of Series A Preferred Conversion	Restricted	N/A
7/2/18	New Issuance	16,000,000	Common	4,980,800	No	Preferred Shareholder	Preferred conversion	Restricted	N/A
7/9/18	New Issuance	2,000,000	Common	634,000	No	Scientific Advisors	Consulting Agreements with Physicians and Scientific Advisors	Restricted	N/A
7/13/18	New Issuance	1,540,436	Common	479,537	Yes	Riptide Capital and Kurt Neubauer	Debt conversion	Unrestricted	Exemption
11/7/18	New Issuance	76,019,688	Common	14,154,866	No	Preferred Shareholders	Preferred conversion	Restricted	N/A
12/04/18	New Issuance	1,550,000	Common	219,325	Yes	Private Investment Firm	Debt conversion	Unrestricted	Exemption
12/07/18	New Issuance	5,000,000	Common	595,000	No	Probiotics, Inc.	Product Purchase	Restricted	N/A
12/14/18	New Issuance	6,000,000	Common	859,800	Yes	Private Investment Firm	Debt conversion	Unrestricted	Exemption
12/20/18	New Issuance	12,333,334	Common	1,282,667	Yes	Private Investment Firm	Debt conversion	Unrestricted	Exemption
Shares Outstanding on 12/31/18:	<u>Ending Balance:</u> Common: <u>569,364,712</u>								

Preferred:
39,839

Example: A company with a fiscal year end of December 31st, in addressing this item for its quarter ended September 30, 2018, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2016 through September 30, 2018 pursuant to the tabular format above.

Use the space below to provide any additional details, including footnotes to the table above:

*On 6/21/18, the Issuer cancelled 216,000,000 shares previously issued on 3/13/17 under the triangle merger.

B. Debt Securities, Including Promissory and Convertible Notes

Use the chart and additional space below to list and describe any issuance of promissory notes, convertible notes or convertible debentures **in the past two completed fiscal years and any subsequent interim period.**

Check this box if there are no outstanding promissory, convertible notes or debt arrangements:

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder	Reason for Issuance (e.g. Loan, Services, etc.)
10/25/18		\$1,500,000		10/25/20	Fixed price of \$.45 per share	Iliad Research and Trading, L.P.,	Loan
2/08/19		\$1,125,000		2/08/21	Fixed price of \$.45 per share	Iliad Research and Trading, L.P.,	Loan

Use the space below to provide any additional details, including footnotes to the table above: (None.)

4) Financial Statements

A. The following financial statements were prepared in accordance with:

- U.S. GAAP
 IFRS

B. The financial statements for this reporting period were prepared by (name of individual)⁴:

Name: Waleed Fahid
Title: Accountant
Relationship to Issuer: Consultant

Provide the financial statements described below for the most recent fiscal year or quarter. For the initial disclosure statement (qualifying for Pink Current Information for the first time) please provide reports for the two previous fiscal years and any subsequent interim periods.

- C. Balance sheet;
D. Statement of income;
E. Statement of cash flows;

⁴ The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS by persons with sufficient financial skills.

- F. Financial notes; and
- G. Audit letter, if audited

You may either (i) attach/append the financial statements to this disclosure statement or (ii) file the financial statements through OTCIQ as a separate report using the appropriate report name for the applicable period end. ("Annual Report," "Quarterly Report" or "Interim Report").

If you choose to publish the financial statements in a separate report as described above, you must state in the accompanying disclosure statement that such financial statements are incorporated by reference. You may reference the document(s) containing the required financial statements by indicating the document name, period end date, and the date that it was posted to OTCIQ in the field below.

The Company's unaudited financial statements are posted to the OTC Disclosure & News Service as a separate report described as an "Annual Report", "Financial Statements" for the 12 months ended December 31, 2018, and are incorporated herein by reference

Financial statement information is considered current until the due date for the subsequent report (as set forth in the qualifications section above). To remain qualified for Current Information, a company must post its Annual Report within 90 days from its fiscal year-end date and Quarterly Reports within 45 days of each fiscal quarter-end date.

5) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations. In answering this item, please include the following:

- A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

The issuer's business operations principally consist of the operations of its subsidiary Diamond CBD, Inc., which is a producer and marketer of numerous products containing hemp-derived CBD oil, sold both at wholesale and retail under several brands including Diamond CBD. The issuer also owns and operates the informational website, PotNetwork.com and publishes PotNetwork Magazine, through its subsidiary, PotNetwork Media Group, Inc.

- B. Describe any subsidiaries, parents, or affiliated companies, if applicable, and a description of their business contact information for the business, officers, directors, managers or control persons. Subsidiary information may be included by reference

- First Capital Venture Co., a Florida corporation which has as its wholly-owned subsidiary, Diamond CBD, Inc., a Delaware corporation and principal business unit of the Issuer.

- PotNetwork Media Group, Inc., a Nevada corporation, operator of the website, PotNetwork.com, and publisher of PotNetwork Magazine.

The operating subsidiaries, all of which are wholly-owned subsidiaries, have the same officers and directors as the Issuer, in the same functions. The results of operations of the subsidiaries are consolidated in the financial statements of the Issuer.

- C. Describe the issuers' principal products or services, and their markets

The issuer's principal business is the production and marketing of numerous products containing hemp-derived CBD oil both at wholesale and retail under the name Diamond CBD and other brands. The issuer also owns and operates the informational website, PotNetwork.com and publishes PotNetwork Magazine.

6) Issuer's Facilities

The goal of this section is to provide a potential investor with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

The address of the Issuer's principal executive offices is 3531 Griffin Road, Fort Lauderdale, FL 33312 in leased office space. The Issuer's subsidiary, Diamond CBD, Inc., leases and operates sales office, production and warehouse space in several locations in the State of Florida. The Issuer does not lease as of its assets.

7) Officers, Directors, and Control Persons

The goal of this section is to provide an investor with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial shareholders.

Using the tabular format below, please provide information regarding any person or entity owning 5% of more of the issuer, as well as any officer, and any director of the company, regardless of the number of shares they own. **If any listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information of an individual representing the corporation or entity in the note section.**

Name of Officer/Director and Control Person	Affiliation with Company (e.g. Officer/Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Note
Gary Blum, Esq. Miami, FL	Director	3278 Wilshire Blvd. Suite 603, Los Angeles, CA 90010	-0-	N/A	N/A	
Kevin Hagen, Esq. Ft. Lauderdale, FL	CEO, Owner of more than 5% of class of stock	3531 Griffin Rd., Ft. Lauderdale, FL 33312	20,742	Series A Preferred	52	
Elinor Taieb Miami, FL	Owner of more than 5% of class of stock	3531 Griffin Rd., Ft. Lauderdale, FL 33312	19,097	Series A Preferred	48	

8) Legal/Disciplinary History

A. Please identify whether any of the persons listed above have, in the past 10 years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

None

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

None

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

None

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

None

- B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

None

9) Third Party Providers

Please provide the name, address, telephone number and email address of each of the following outside providers:

Securities Counsel

Name: Jonathan Leinwand, Esq.
Address 1: 20900 NE 30th Ave., 8th Floor
Address 2: Aventura, Florida 33180
Phone: (954) 903-7856
Email: jonathan@jdlpa.com

Auditor

Firm: Yusufali and Associates, LLC
Address 1: 55 Addison Drive
Address 2: Short Hills, New Jersey
Phone: (973) 921-2892
Email: ymusaji@ya-cpa.com

Investor Relations Consultant

None

Other Service Providers

Provide the name of any other service provider(s), including, counsel, advisor(s) or consultant(s) **that assisted, advised, prepared or provided information with respect to this disclosure statement**, or provided assistance or services to the issuer during the reporting period.

None

10) Issuer Certification

Principal Executive Officer:

I, Kevin Hagen, certify that:

1. I have reviewed this annual disclosure statement of PotNetwork Holdings, Inc.;
2. Based on my knowledge, this disclosure statement 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 disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

April 15, 2019

/s/Kevin Hagen [CEO's Signature]

Principal Financial Officer:

I, Kevin Hagen, certify that:

1. I have reviewed this annual disclosure statement of PotNetwork Holdings, Inc.;
2. Based on my knowledge, this disclosure statement 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 disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

April 15, 2019

/s/Kevin Hagen [CFO's Signature]