

EMPOWER CLINICS REPORTS Q2 2020 RESULTS WITH 56% REVENUE INCREASE AND YTD 2020 WITH 130% REVENUE INCREASE

VANCOUVER B.C.: August 25, 2020 – EMPOWER CLINICS INC. (CSE: CBDT) (OTC: EPWCF) (Frankfurt 8EC) (“**Empower**” or the “**Company**”) has filed today its unaudited condensed interim financial statements and related management’s discussion and analysis, both of which are available at www.SEDAR.com. All financial information in this press release is reported in United States dollars, unless otherwise indicated.

“Execution, operational excellence and a passion for patient care highlights a transformative quarter, in the midst of a pandemic.” said Steven McAuley, Chairman and CEO. “Our team continues to outperform, delivering triple digit first-half 2020 growth, with continued diversification of services, setting in motion our ongoing path of growth.”

Q2 2020 Highlights

- 6,696 patient visits generating total revenue of \$923,876, compared to 4,299 patient visits generating \$591,023 for Q2 2019.
- Net loss of \$401,110 or \$0.00 per share, compared to \$1,456,506 or \$0.01 per share for Q2 2019, driven by significantly reducing operating costs through aggressive headcount cuts and facility changes and a reduction in legal and professional fees and non-cash share-based payments.
- Cash used in operating activities was \$11,187, compared to \$1,112,738 for Q2 2019.
- Cash at June 30, 2020 of \$305,935, compared to cash of \$179,152 at December 31, 2019.

YTD 2020 Highlights

- 12,413 patient visits generating total revenue of \$1,713,011, compared to 5,497 patient visits generating \$743,869 for six months ended June 30, 2019.
- Net loss of \$920,281 or \$0.01 per share, compared to \$1,855,047 or \$0.02 per share for six months ended June 30, 2019, driven by significantly reducing operating costs through aggressive headcount cuts and facility changes and a reduction in legal and professional fees and non-cash share-based payments.
- Cash provided by in operating activities was \$2,647, compared to cash used in operating activities of \$1,331,950 for six months end June 30, 2019.

Financial Summary

\$, except where noted	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Patient visits (#)	6,696	4,299	12,413	5,497
Clinic Revenues	923,876	591,023	1,713,011	743,869
Direct Clinic Expenses	243,905	82,750	512,305	122,163
Loss from operations	(240,614)	(1,424,071)	(558,446)	(1,703,379)
Net loss	(401,110)	(1,456,506)	(920,281)	(1,855,047)
Net loss per share	(0.00)	(0.01)	(0.01)	(0.02)

Financial Performance

Clinic revenues for Q2 2020 and Q2 2019 were \$923,876 and \$591,023, respectively. This increase above prior year is attributable to the acquisition of Sun Valley and the addition of 5 clinics which drove an increase in patient count from 4,299 in Q2 2019 to 6,696 in Q2 2020.

Direct clinic expenses for Q2 2020 and Q2 2019 were \$243,905 and \$82,750, respectively. This increase above prior year is attributable to the increase in number of patient visits.

Loss from operations for Q2 2020 and Q2 2019 were \$240,614 and \$1,424,071, respectively. This decrease in net loss from operations below prior year is primarily attributable to an increase in clinic profitability with the acquisition of Sun Valley and a decrease in salaries and benefits, legal and professional fees and non-cash share-based payments expense.

Net loss for Q2 2020 and Q2 2019 were \$401,110 and \$1,456,506, respectively. This decrease below prior year is primarily attributable to non-cash accretion expense related to the convertible debentures and the positive impact of the Sun Valley acquisition.

During the six months ended June 30, 2020, the Company generated \$2,647 in cash from operations after changes in non-cash working capital.

Please refer to the Company's unaudited condensed interim consolidated financial statements for the three and six months ended June 30, 2020 and 2019, and accompanying Management Discussion and Analysis for a full review of the operations.

About Empower

Empower is a vertically integrated health & wellness company with a network of corporate and franchised health & wellness clinics in the U.S. The Company is focused on helping patients improve and protect their health, through innovative physician recommended treatment options. The Company has launched Dosed Wellness Ltd. to connect its significant data, to the potential of the efficacy of alternative treatment options related to hemp-derived cannabidiol (CBD) therapies, psilocybin and other psychedelic plant-based treatment options.

ON BEHALF OF THE BOARD OF DIRECTORS:

Steven McAuley

Chief Executive Officer

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DISCLAIMER FOR FORWARD-LOOKING STATEMENTS

This news release contains certain “forward-looking statements” or “forward-looking information” (collectively “forward looking statements”) within the meaning of applicable Canadian securities laws. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Forward-looking statements can frequently be identified by words such as “plans”, “continues”, “expects”, “projects”, “intends”, “believes”, “anticipates”, “estimates”, “may”, “will”, “potential”, “proposed” and other similar words, or information that certain events or conditions “may” or “will” occur. Forward-looking statements in this news release include, but are not limited to, statements regarding the direction and growth prospects of the Company, the expansion of the company’s clinic and distribution network, the expected effect of the Vendors in their new roles with the Company, the effect on the lives of patients, the growth into a national brand, the effect of the Transaction, the diversification of the Company’s business model, the potential appeal to shareholders, the growth of the Company’s patient list and the effect thereof, the expected benefits for the company’s patient base and customers, the release of the cash consideration, the release of Shares being held in escrow in connection with the Transaction and statements regarding the Company’s proprietary product line “Sollievo”. Such statements are only projections, are based on assumptions known to management at this time, and are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the forward-looking statements, including that the Company may not be able to expand, that the Transaction may not have the expected results, and other factors beyond the Company’s control. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. Readers are cautioned not to place undue reliance on the forward-looking statements in this release, which are qualified in their entirety by these cautionary statements. The Company is under no obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements in this release, whether as a result of new information, future events or otherwise, except as expressly required by applicable laws.