

## EMPOWER REPORTS Q3 2020 RESULTS WITH 67% REVENUE INCREASE FOR THE NINE MONTHS ENDED SEPTEMBER 30 2020

**VANCOUVER B.C.: November 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](http://www.SEDAR.com). All financial information in this press release is reported in United States dollars, unless otherwise indicated.

“Our Q3 2020 performance overall exceeded our expectations given the challenging operating environment in our key markets, yet the team managed to serve large quantities of patients while maintaining strict COVID-19 protocols for health and safety.” Said Steven McAuley, Chairman and CEO. “We also continue to implement numerous business development opportunities setting the stage for an exciting Q4 and 2021.”

### Q3 2020 Highlights

- 5,044 patient visits generating total revenue of \$629,854, compared to 5,807 patient visits generating \$663,003 for Q3 2019.
- Net loss of \$460,035 or \$0.00 per share, compared to a loss of \$504,532 or \$0.00 per share for Q3 2019, driven by increases in direct clinic costs as a percentage of revenue. This issue was addressed subsequent to the quarter by changing the compensation structure of the clinic’s physicians along with the implementation of further cost cutting measures in Arizona clinics.
- Cash used in operating activities was \$534,141, compared to \$487,720 for Q3 2019.
- Cash at September 30, 2020 of \$112,539, compared to cash of \$179,153 at December 31, 2019.

### YTD 2020 Highlights

- 17,457 patient visits generating total revenue of \$2,306,111, compared to 11,304 patient visits generating \$1,409,143 for nine months ended September 30, 2019.
- Net loss of \$1,380,316 or \$0.01 per share, compared to a loss of \$2,359,579 or \$0.02 per share for nine months ended September 30, 2019, driven by year to date increased profitability related to the Sun Valley Health acquisition and robust reductions in salaries and benefits, legal and professional fees and non-cash share-based payments expense.
- Cash used in operating activities was \$531,494, compared to cash used in operating activities of \$1,819,670 for nine months end September 30, 2019.

### Financial Summary

\$, except where noted	Three months ended September 30,		Nine months ended September 30,	
	2020	2019	2020	2019
Patient visits (#)	5,044	5,807	17,457	11,304
Clinic Revenues	629,854	663,003	2,306,111	1,409,143
Direct Clinic Expenses	246,317	55,397	758,622	177,560
Loss from operations	(844,357)	(843,897)	(1,402,803)	(2,545,005)
Net loss	(460,035)	(504,532)	(1,380,316)	(2,359,579)
Net loss per share	(0.00)	(0.00)	(0.01)	(0.02)

## **Financial Performance for the nine months ended September 30, 2020**

Increase in Clinic revenues - The increase is attributed to the acquisition of Sun Valley in 2019 and the addition of 5 clinics for the full reporting period.

Increase in Direct clinic expenses – This increase above prior year is attributable to the increase in number of patient visits and the related physician costs.

Decrease in Loss from operations - This decrease in net loss from operations 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.

Loss from operations for the quarter – The loss for the quarter is comparable to the loss for the same quarter in 2019. While able to reduce legal and professional fees for the quarter, there was an increase in direct clinic costs. This issue was addressed subsequent to the quarter by changing the compensation structure of the clinic's physicians.

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

### **About Empower**

Empower is creating a network of physicians and practitioners who integrate to serve patient needs, in-clinic, through telemedicine, and with decentralized mobile delivery. A simplified, streamlined care model bringing key attributes of the healthcare supply chain together, always focused on patient experience. The Company provides COVID-19 testing services to consumers and businesses as part of a four-phased nationwide testing initiative in the United States. Empower recently acquired Kai Medical Laboratory, LLC as a wholly owned subsidiary with large-scale testing capability.

### **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 expected benefits to the Company and its shareholders as a result of the acquisition of Kai Medical Laboratory; the fact that Kai Medical Laboratory will complete the development of ABC RT-PCR test; the development of new accounts using the new test; the transaction terms; the expected number of clinics and patients following the closing; the future potential success of Kai Medical Laboratory, Sun Valley's franchise model; the anticipated date of closing of the acquisition and the occurrence thereof; and that the Company will be positioned to be a market-leading service provider for complex patient requirements in 2020 and beyond. 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 Kai Medical Laboratory acquisition may not be completed on the terms expected or at all; that the Company's products may not work as expected; that the Company may not be able to expand COVID-19 testing; that legislative changes may have an adverse affect on the Company's business and product development; that the Company may not be able to obtain adequate financing to pursue its business plan; general business, economic, competitive, political and social uncertainties; failure to obtain any necessary approvals in connection with the proposed transaction; 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.*