

Empower Clinics Subsidiary KAI Medical Laboratory Awarded COVID-19 Testing & Healthcare Management Program For Five Million Square Foot Dallas Market Center, The Most Complete Wholesale Trade Resource In The World With \$8 Billion USD In Annual Transactions

Kai Medical Laboratory, a state-of-the-art diagnostics laboratory in Dallas TX, was acquired by Empower Clinics on October 6, 2020 to further advance the Company's COVID-19 testing programs for enterprise clients, film productions, businesses, the travel industry, commercial customers, and provides solutions for travellers affected by recent executive orders.

VANCOUVER BC: February 1, 2021 – EMPOWER CLINICS INC. (CBDT:CSE) (EPWCF:OTCQB) (8EC:Frankfurt) (“Empower” or the “Company”) an integrated healthcare company serving patients through clinics, a telemedicine platform, and a leading medical diagnostics laboratory processing thousands of COVID-19 specimens each month, developing novel COVID-19 testing protocols for CE, FDA EUA and Health Canada approval, is pleased to announce that KAI Medical Laboratory has been awarded a long-term COVID-19 testing and healthcare management program for the Dallas Market Center (“DMC”), the leading wholesale marketplace in North America and the most complete wholesale trade resource in the world.

KAI TO PROVIDE DAILY ONSITE COVID TESTING TO KEEP FIVE MILLION SQUARE FOOT TRADE CENTER OPEN TO BUYERS AND SELLERS FROM AROUND THE WORLD

DMC is a five million square foot, global business-to-business trade center and the leading wholesale marketplace in North America connecting retailers and interior designers with top manufacturers in home décor, furniture, gifts, lighting and fashion. DMC markets events throughout the year attracting buyers and sellers from all 50 states and more than 80 countries, resulting in significant economic impact:

- \$8 Billion in annual wholesale transactions
- \$1.1 Billion in indirect local economic impact
- \$380 million in direct local economic impact

“We cannot recover from crises like the COVID-19 pandemic without a resilient retail sector and the market centers have a critical role in participating in that recovery,” said Harlan Crow, chairman of the company that owns DMC in a January 3, 2021 [Forbes Article](#).

In order to protect and maintain the economic impact of DMC in 2021, an onsite COVID-19 testing facility became a high priority to protect staff, vendors, purchasers and visitors. Empower's KAI Medical Laboratory is located less than three miles from DMC and provides onsite concierge medical COVID-19 testing processed by the Kai Medical Laboratory certified laboratory.

“Kai Medical laboratory continues to receive numerous requests to provide large scale testing services across the U.S., including commercial businesses, local clinics, drive-up testing facilities, and major convention and trade centers, to name a few.” said Steven McAuley Chairman & CEO. “Our investment in R&D is paying off, propelling Kai Medical to a national stage, providing support to a talented team, expanding reach as we leverage the resources of our integrated healthcare company.”

KAI MEDICAL LABORATORY EXPANDING TO AT LEAST DOUBLE CURRENT SIZE IN ANTICIPATION OF GROWTH

For the purposes of handling the anticipated test volumes, Empower is securing space next door to KAI in order to separate the lab & science from logistics, admin and customer support. Materials handling staff are being added to process the potential intake of thousands of packages per day.

Current run rate projections now indicate as follows:

- January 2021 is expected to exceed 8,000 tests, surpassing all of Q4 2020
- Further Q1 2021 and Q2 2021 could see daily rates exceed 1,000 tests per day

The development of the new DMC agreement, our recent [25,000 unit order for KAI Saliva test kits](#) and ongoing commercial conversations position the company for a strong first quarter.

This press release is available on the Empower Clinics Verified Forum on AGORACOM for shareholder discussion, questions and engagement with management <https://agoracom.com/ir/EmpowerClinics>

ABOUT DALLAS MARKET CENTER

Dallas Market Center is a global business-to-business trade center and the leading wholesale marketplace in North America connecting retailers and interior designers with top manufacturers in gourmet and housewares, home décor, holiday/floral, gifts, lighting and apparel. Inside its dynamic, five million square foot campus, nearly 200,000 customers from all 50 states and 85 countries seek industry trends, business education and new products from exhibitors throughout the year via dominant trade events for gift, home décor, holiday and floral; the nation’s most comprehensive apparel and accessories markets featuring the latest styles from East Coast and West Coast designers; the largest residential lighting trade event in North America; and the largest and most successful open-daily design center. The marketplace is located in the strongest economic zone in the country. In addition, more than 80% of Dallas Market Center buyers report that they do not shop other market centers.

ABOUT EMPOWER:

Empower is an integrated healthcare company that provides body and mind wellness for patients through its clinics, with digital and telemedicine care, and world-class medical diagnostics laboratories. Supported by an experienced leadership team, Empower is aggressively growing its clinical and digital presence across North America. Our Health & Wellness and Diagnostics & Technology business units are positioned to positively impact the integrated health of our patients, while providing long term value for our shareholders.

ON BEHALF OF THE BOARD OF DIRECTORS:

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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 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; the expectation that a long term contract will be executed and completed with DMC; that any COVID-19 testing will be completed or that specimens will be processed by Kai Medical Laboratory or any reference, referral or partner medical laboratory; and that the Company will be positioned to be a market-leading service provider for complex patient requirements in 2020, 2021 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 effect 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.