

Empower Clinics Inc.

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Empower Clinics spotlights diversified business model, acquisition of a network of US clinics

Empower Clinics Inc (CSE:CBDT) posted its financial results Tuesday which highlighted its new, diversified business model, including the acquisition of a network of southwestern US clinics.

The Vancouver-based cannabis operator recently acquired Sun Valley Certification Clinics Holdings LLC, which operates a network of professional medical cannabis and pain management practices. Sun Valley has a network of five clinics in Arizona, one clinic in Las Vegas and a tele-medicine platform serving California.

READ: Empower closes second round of financing with an eye on strategic acquisitions

The multistate operator is diversifying its business model to become a vertically integrated operator in the global cannabis sector with a focus on patient care, CBD product distribution, research and development and CBD product extraction, the company said in a statement accompanying the results.

"With our improved stable foundation, the closing of our two recent financings and the closing of the Sun Valley Clinics acquisition, we are positioned to take advantage of the many growth initiatives ahead of us, as we continue on our path to becoming a growth-oriented global health & wellness brand," said Empower Clinics CEO Steven McAuley in a statement.

During fiscal 2018, the company reported total revenue of nearly US\$1.1 million from 7,600 patient visits, compared to US\$1.6 million in fiscal 2017.

"The company has worked extremely hard over the past few months to vastly improve its overall efficiency by significantly reducing operating costs with aggressive headcount cuts and facility changes, resulting in a much leaner organization that is positioned for new growth," McAuley said.

"We dramatically improved financial accounting and reporting controls to ensure we have the best possible corporate governance systems in place to protect our shareholder interests."

Diversified business model

McAuley, a former GE Capital managing director, joined Empower in January 2019 as a seasoned entrepreneur and was soon joined by CFO Mat Lee, appointed in March.

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As part of its new strategy, the company announced that it is planning to open a fully functioning hemp-based CBD extraction facility in Portland, with the first extraction system expected to have the capacity to produce 6,000 kilograms

Price: 0.09

Market Cap: \$17.66 m

1 Year Share Price Graph



Share Information

Code: CBDT

Listing: CSE

52 week High Low
0.13 0.025

Sector: Cannabis

Website: www.empowerclinics.com

Company Synopsis:

Empower Clinics Inc. (CSE: CBDT) (OTC: EPWCF) (Frankfurt 8EC) 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.

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of extracted product per year.

Empower reported a net loss of US\$3.8 million or \$0.06 per share for the 2018 fiscal year period compared to \$3,109,921 or \$0.06 per share for fiscal 2017.

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