

# Empower Clinics Inc.

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## Empower Clinics plans to acquire Kai Medical Laboratory to advance coronavirus national testing programs

Empower Clinics Inc (CSE:CBDT) (OTCMKTS:EPWCF) revealed on Tuesday that it has signed a non-binding term sheet to acquire Dallas, Texas-based Kai Medical Laboratory LLC's business through a share or asset acquisition, subject to due diligence and customary closing conditions.

Empower, which is one of the largest operators of medical health and wellness centers in the US, said Kai would help the company advance coronavirus (COVID-19) testing.

Kai has taken an active role in COVID-19 testing, battling the pandemic through RT-PCR testing and serology testing. While the RT-PCR test identifies if a patient has an active virus, the serology or antibody test detects if a patient has previously been exposed to the virus. Both of these test results are vital to managing outbreaks and the potential spread of coronavirus.

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Kai has developed two key programs in Texas and Arizona. The first program is a direct-to-consumer program that leverages the ability of various healthcare providers to order and administer both the RT-PCR test and the antibody test. This increases the ability of the general population to be tested, in certain circumstances. The second is an Employer COVID-19 Compliance Program (ECCP) for business owners and employer groups to enable them to test and monitor their employees.

Currently, Kai has the capacity to complete in excess of 2,000 RT-PCR tests in one eight-hour shift by utilizing its Thermo Fisher QuantStudio 12k Flex testing machine. The lab also utilizes a Roche Cobas 6000 for COVID-19 antibody testing.

The proposed acquisition includes an 8,000-square-foot medical lab including covered drive-up testing center, with lab equipment, cash and current assets worth more than \$1,750,000 and a corporate office in the heart of the medical district in Dallas.

Under the proposed terms, Empower will assume a \$1,200,000 Small Business Administration (SBA) equipment loan, a \$150,000.00 SBA Economic Injury Disaster Loan and short-term liabilities of up to \$250,000 at closing. In addition, Empower will issue 1,000,000 company stock options to the vendors.

"Adding Kai Medical Laboratory to the Empower Clinics family enables us to dramatically expand COVID-19 testing capability and deliver phase four of our national rollout plan," Empower Clinics CEO Steven McAuley said in a statement.

**Price:** 0.065

**Market Cap:** \$11.46 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](http://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.*

[action@proactiveinvestors.com](mailto:action@proactiveinvestors.com)

"Kai Medical has a newly built high-complexity lab offering a wide array of testing services, that together we will leverage to serve the massive demand for national COVID testing in the US. Further, as flu season arrives and a potential second-wave of COVID takes hold, the technical infrastructure of Kai Medical allows Empower to capture testing demand and the additional growth revenues associated with it," he added.

Kai also offers a wide array of testing services ranging from hematology to hormone testing, endocrinology, toxicology, and immunology through its CLIA and COLA accredited lab to hospitals, medical clinics, and pharmacies.

"Kai Medical Laboratory is inspired by science and built on integrity. Our mission is to change healthcare through science and innovative quality care by providing value-added services, accuracy, and consistency," said Kai Medical Laboratory CEO and owner Yoshi Tyler.

Tyler has been the driving force behind Kai Medical Laboratory's remarkable growth and success. She has pursued a career in the healthcare industry for more than two decades and has enjoyed leadership positions at a Fortune 500 pharma company for over thirteen years. She has built Kai into a powerhouse by investing in talented molecular scientists, quality assurance and lab staff.

Empower is a vertically integrated health and wellness company with a network of corporate and franchised wellness clinics in the United States.

Contact the author Uttara Choudhury at [uttara@proactiveinvestors.com](mailto:uttara@proactiveinvestors.com)

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