

December 26, 2024



Crown CEO Issues Update Letter to Shareholders

Special Meeting of Stockholders To Approve Reverse Stock Split To Be Held on January 14th at 10:00 a.m. ET

LOS ANGELES, Dec. 26, 2024 (GLOBE NEWSWIRE) -- [Crown Electrokinetics Corp. \(NASDAQ: CRKN\)](#) ("Crown" or the "Company"), a leading provider of innovative technology infrastructure solutions that benefit communities and the environment, today provided a letter to shareholders from its CEO and Chairman, Doug Croxall.

Dear Fellow Shareholders,

As 2024 comes to a close, I want to reflect on Crown's accomplishments this year and share our vision for the year ahead. It has been a transformative year for Crown, as we have evolved into a rapidly growing public conglomerate with three diversified divisions: Smart Windows, Fiber Optics, and Water Solutions.

This year, we made significant operational progress, achieving key milestones that position Crown for continued growth and success. We expanded our presence across eight U.S. states and two countries, building a robust platform to address critical infrastructure and technology challenges. We are on track to deliver \$20 million in revenue for 2024, which is all the more impressive given it was primarily generated in the final three quarters. This achievement reflects our progress and the strong demand for our innovative technology infrastructure solutions.

Financially, we are well-positioned to achieve profitability in the first half of 2025, even as we continue to invest strategically in our growth plans. Crown has actively raised capital recently to execute those expansion plans and will close the year with record levels of cash in hand and minimal debt. This achievement reflects our disciplined approach to building a healthy balance sheet and implementing the structure required to support both near-term objectives and long-term expansion.

We share in your frustration that our market value, trading at approximately our current cash value, does not yet reflect either Crown's recent achievements or its immense future potential. However, we remain confident that this disparity will correct itself as we build a company that delivers meaningful impact, sustainable growth, and shareholder value.

To ensure we maintain our listing status, we have filed our appeal with NASDAQ and expect to go before the hearing committee likely in early February. We will provide timely updates as they become available to Crown. In preparation, we have filed a Proxy Statement ahead of the Special Meeting on January 14th and are requesting approval to execute a reverse stock split to maintain bid-price compliance. We strongly urge our shareholders to favorably vote their approximately 64 million voting shares, and to provide Crown with the flexibility

and financial strength needed to continue delivering against our growth plans.

2024 Division Highlights

Smart Windows

- Achieved a critical manufacturing technology breakthrough, opening the way for product launch in 2025.
- Strengthened our leadership team by appointing Sheldon Davis as President of Smart Windows, bringing customer-focused expertise and a proven track record in commercializing innovative products. Additionally, Rob Vandal joined as the division's Chief Technology Officer, bolstering our R&D team with his extensive experience in product development and industrial manufacturing.
- Announced a three-phase product rollout strategy for our first-generation Smart Window Inserts, expected to commence in the first quarter of 2025. This three-phase launch will further align our product and offerings with customer needs.

Fiber Optics

- Hired Corey Boaz as President, Construction, an expert in construction of underground utility infrastructure with a focus on trenchless technologies.
- Secured design and construction customer agreements for fiber optics networks across multiple states, including Idaho, Nevada, Oregon, Washington, and Florida.
- Successfully laid over 2 million feet of fiber optics this year deploying high-tech equipment and subcontractor expertise.

Water Solutions

Slant Wells

- Developed the first-of-its-kind slant well for a more economical and efficient intake of water, led by Corey Boaz, President of Construction, using his trenchless technology expertise.
- Secured first contract for two slant wells in Cabo San Lucas, Mexico. During construction, we expanded the project extending the length of the slant wells for increased access to water. This December, we completed construction of the first slant well with the second soon to be completed in 2025.
- Engaged with new customers for survey work in the Los Cabos area to prepare for additional slant well installations over the next year.
- Announced key plans to build and co-own reverse osmosis plant to provide a complete water purification solution for customers to combat water scarcity.

Lead Pipes: Element 82 & PE Pipelines

- Appointed David Kinsella as President, Element 82 and PE Pipelines, bringing over 20 years of expertise in strategic operational management including large-scale construction projects.
- Partnered with Electro Scan Inc. to provide a non-destructive and non-invasive solution to accurately identify lead with the Swordfish device.

- Conducted lead testing on over 2,500 homes across Florida, Maryland, and New York, securing more than \$45 million in lead inspection and remediation projects.

2025 Outlook

As we look ahead to 2025, Crown is stronger, more focused, and better positioned than ever to capitalize on new opportunities. With momentum across our three divisions, we are committed to achieving profitability in the first half of 2025, expanding our footprint to meet increasing demand, and delivering innovative infrastructure solutions that address critical challenges.

Our team of industry experts, with a desire to change the status quo through innovation, is growing rapidly. As we scale, we are actively refining our business processes to align with our growing operations while maintaining agility and focus. Looking ahead, we provided full year 2025 revenue guidance between \$30 million and \$35 million, underscoring the expected strength of our business to come.

To our shareholders, thank you for your trust and confidence as we continue to execute our vision. While our stock price does not yet reflect the intrinsic value of Crown, we remain focused on building a company that delivers meaningful impact, sustainable growth, and shareholder value.

Approving the proposed reverse stock split is a critical step in strengthening our position to meet listing requirements, attract new investors, and enhance financial flexibility. Your support is vital to driving Crown's long-term success and unlocking its full potential.

We're excited for 2025 and look forward to updating you on our progress regularly.

Sincerely,

Doug Croxall
CEO and Chairman, Crown

Special Meeting of Stockholders

The Company will host a Special Meeting of Stockholders on Tuesday, January 14, 2025, at 10:00 a.m. Eastern Time. Holders of record of Crown's Common Stock as of the close of business on December 16, 2024, will be entitled to notice of and to vote at the Special Meeting.

Additional information regarding the Special Meeting, including how to vote, are available via proxy materials filed with the Securities and Exchange Commission (the "SEC"), and can be found at <https://ir.crownec.com/sec-filings>.

About Crown

Crown (Nasdaq: CRKN) is an innovative infrastructure solutions provider dedicated to benefiting communities and the environment. Comprised of three business divisions, Smart Windows, Fiber Optics, and Water Solutions, Crown is developing and delivering cutting edge solutions that are challenging the status quo and redefining industry standards. For more information, please visit www.crownec.com.

Forward Looking Statements

Certain statements in this news release may be "forward-looking statements" (within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995) regarding future events or Crown's future financial performance that involve certain contingencies and uncertainties, including those discussed in Crown's Annual Report on Form 10-K for the year ended December 31, 2023, and subsequent reports Crown files with the U.S. Securities and Exchange Commission from time to time, in the sections entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations". Forward-looking statements include, but are not limited to, statements that express our intentions, beliefs, expectations, strategies, predictions, or any other statements relating to our future activities or other future events or conditions. These statements are based on current expectations, estimates and projections about our business based, in part, on assumptions made by management. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may, and are likely to, differ materially from what is expressed or forecasted in forward-looking statements due to numerous factors. Any forward-looking statements speak only as of the date of this news release and Crown Electrokinetic Corporation undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date of this news release.

This press release does not constitute a public offer of any securities for sale. Any securities offered privately will not be or have not been registered under the Act and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

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