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# Crown Electrokinetics Updates Shareholders on Manufacturing Capability, Product Availability and Management Changes

Los Angeles, California, May 05, 2022 (GLOBE NEWSWIRE) -- [Crown Electrokinetics Corp. \(NASDAQ: CRKN\)](#) ("Crown" or the "Company"), a leading smart glass technology company, today released a Shareholder Letter with an update on its new manufacturing facility and the availability of product for existing clients. Crown's proprietary window film allows commercial building owners to save on energy costs and reduce carbon emissions. The shareholder updates from CEO Doug Croxall are included in their entirety below.

Dear Shareholders:

One year ago, facing production delays due to reliance on contract manufacturers, we decided to vertically integrate all manufacturing into our own facilities located in Corvallis and Salem, Oregon. In addition to shortening our time to market, this operational decision would provide greater production control, improve our time to market, would likely result in enhanced margins, and would increase protection of Crown's intellectual property.

## **New Production Facilities Are on Track to Deliver First Generation Product Summer 2022**

Crown currently produces DynamicTint™ film on our prototype-production tool in our Corvallis facility. We can produce our film in this facility in limited quantities which has allowed us to test our production processes as well as to develop our Smart Windows Insert™. Our prototype production line will produce 6-inch and 12-inch strips of our DynamicTint™ film for application in our first-generation Smart Window Insert™.

Initially, our Smart Windows Insert™ will be produced in a limited run to fulfill orders from our three current customers, Metro Spaces, Hudson Pacific and recently announced Brandywine Realty Trust. Collectively these three customers have a total of 281 buildings.

With customer feedback on the performance, design, and usage of our first generation insert, we will develop our second-generation Smart Window Insert™ and we expect to transition to a new roll-to-roll production line capable of manufacturing film ranging from 12-inches up to 72-inches in width.

We estimate that these significantly expanded manufacturing facilities could generate annualized revenue of between \$110 - \$120 million dollars, with an estimated EBITDA of approximately \$20 million dollars.

Changing manufacturing strategy initially required the addition of staff to perform key product

and manufacturing design functions, supply chain logistics, assembly of our Smart Window Inserts™, and the design and operation of our electrokinetic film production lines. As we near our commencement of production and assembly of our Smart Window Inserts™, the needs of the Company shift from design and planning to manufacturing, assembly and delivery. As such, we are reorganizing our staffing to meet the needs of our production phase.

### **Executive Management Changes to Accompany Shift in Manufacturing Strategy**

As we transition from Research & Development to production, we have tapped Mr. Eddie Gordon to be Vice President of Operations. Eddie has been with the Company since July 2021 as the Senior Manufacturing Manager. His strong background in manufacturing and operations qualifies him to lead Crown's production of the generation 1.0 Smart Window Insert for delivery late summer 2022.

Last week, Mr. Kai Sato, Crown's Chief Marketing Officer announced his intention to pursue personal opportunities. In addition to building and leading the Marketing department from its inception, Kai was instrumental over the past two years in helping define, shape, and instill Crown's culture, encompassing both our employees and our Board of Directors. He assisted in establishing our best practices in talent acquisition, including our interviewing process and continual assessment of employee performance. Leveraging Kai's expertise in go-to-market strategy, Crown also embarked on a customer discovery process that has led to what we believe is the path to product-market-fit via Smart Window Inserts™ and their potential to help decarbonize existing office buildings. I know I can speak for all of Crown and all our stakeholders when I say how grateful I am for his myriad contributions to the growth of the Company. We wish him all the best in his future endeavors.

I look forward to providing more updates as we near delivery of product later this summer.

Sincerely,

***Doug Croxall***  
**CEO**

### **About Crown Electrokinetics**

Crown is a smart glass technology company and the creator of DynamicTint™. We Make Your Glass Smarter™. Originally invented by Hewlett-Packard (HP, Inc.), our technology allows any glass surface to transition between clear and dark in seconds. With applications to a wide array of windows, including commercial buildings, automotive sunroofs, and residential skylights, we partner with leading glass and film manufacturers for mass production and distribution. At the core of our technology is a thin film that is powered by electrically charged pigment which not only replaces common window tints but is also a more sustainable alternative to traditional window treatments. With its unique ability to be retrofitted to existing glass, DynamicTint™ offers myriad benefits related to reducing carbon emissions. The company is supported by a robust patent portfolio.

**Safe Harbor Statement:** Statements in this news release may be "forward-looking statements". 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.

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