

January 11, 2024



# Crown Electrokinetics Issues Letter to Shareholders

## *Electrokinetic Film Team Reaches Major Milestone on Mastering*

**LOS ANGELES, CA / ACCESSWIRE / January 11, 2024** [/Crown Electrokinetics Corp.](#) (**NASDAQ:CRKN**) ("Crown" or the "Company"), a leading smart glass technology company and an expert in constructing fiber optic networks, today released the following letter to its shareholders.

Dear Fellow Shareholders,

This letter is an update to our shareholders regarding Crown's operational updates in both the Electrokinetic Film and Fiber Construction Divisions.

Within the Electrokinetic Film division, we have reached a major milestone. In conjunction with our tooling vendor, we have created the largest and highest quality master in the company's history. The "mastering" process is a critical step that creates the embossed microfluidic design within our film to hold our nano-particle based ink. The creation of the master for our production line is the last major hurdle for Crown to finalize prior to production of our generation 1.0 smart window insert.

Each week, we have seen improvements in design and process that has allowed Crown and our vendor to produce an embossing master that measures seven inches by nine inches in size. Crown can produce negative pattern stamps from the master. Utilizing Crown's proprietary and patent-pending stitching process, Crown is able to tile the master pattern to create the necessary tooling that we believe will allow us to produce 12-inch wide electrokinetic film sufficient for first product launch.

With this significant step forward in our mastering capability, our current plan and schedule projects first-generation smart window insert will be availability in the mid-second quarter time frame. We appreciate the patience that our shareholders have had in this challenging, market changing process and are happy to report that with each passing week, we are closer to finally reaching the goal of production-quality electrokinetic film. We will have more to report on our mastering process in the coming weeks, as well as refining our schedule for product launch.

Crown's Fiber Optics division has been focused on growing its customer base in the Arizona market and specifically, the Phoenix region, including both Mesa and Chandler. Over the last few months, since entering the Arizona market, Crown has executed multiple MSA's and been onboarded with four different customers and is expecting to be a prime contractor with our fifth customer in the coming days. This marks the first time that Crown has been selected as a prime contractor. Of our existing four customers, we have already started construction with three of them and expect to commence with our fourth customer and eventually our fifth customer within the next 30 days.

While signing up customers has been an obvious goal of Crown Fiber, we have also been focusing on refining our approach to fiber construction with a goal of achieving profitability as quickly as possible by successful mixing our horizontal directional drills with our micro trenchers for our existing customers and revenue-generating projects. We remain highly focused on aligning our equipment and personnel with a process that ensures profitability on each project that we onboard at Crown Fiber. This optimization of our process is ongoing and these configuration changes are expected to impact both our revenue and margin levels.

While we aim to provide as much visibility to our shareholders as possible, often times our customers prohibit us from disclosing their name and the value of the purchase orders, as was the case with the recent Chandler project we just announced. When permitted by our customers, we will disclose as much information as allowed about the amount of work, the value of the work, and the name of the customer.

We have also previously posted videos of our crews working in the field and will continue to post videos to our various social media channels and to our website.

Within the next month or so, Crown will have an investor call, in which we will provide another shareholder update and also hope to be in a position to provide revenue guidance for the fiber business. We will provide details for the call in a press release approximately a week before the investor call is to occur.

Sincerely,

*Doug Croxall*  
Chairman and CEO

### **About Crown Electrokinetics**

Crown is a smart glass technology company and the creator of our Smart Window Insert and an expert in both designing and installing distributed antenna systems (DAS) and constructing fiber optic networks.

### **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 Electrokinetics 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

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