

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 2, 2023

Crown Electrokinetics Corp.

(Exact name of registrant as specified in its charter)

Delaware

(State or other Jurisdiction
of Incorporation)

001-39924

(Commission File No.)

47-5423944

(IRS Employer
Identification No.)

**1110 NE Circle Blvd.
Corvallis, Oregon 97330**

(Address of principal executive offices and zip code)

(800) 674-3612

(Registrant's telephone number, including area code)

N/A

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.0001 par value	CRKN	NASDAQ Capital Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry into a Material Definitive Agreement

As previously disclosed, on January 3, 2023, Crown Electrokinetics Corp. (the "Company") entered into a Securities Purchase Agreement (the "January Purchase Agreement") with certain accredited investors as purchasers (the "January Investors"). Pursuant to the January Purchase Agreement, the Company sold, and the January Investors purchased, \$1.2 million in principal amount of senior secured notes (the "January Notes") and 2,500,000 warrants ("January Warrants"). As previously disclosed, certain of the January Investors entered into Exchange Agreements with the Company for the exchange of January Notes in the aggregate principal amount of \$205,276 for 206 shares of the Company's Series F Convertible Preferred Stock, in the aggregate.

As previously disclosed, on July 11, 2023 and July 14, 2023, two of the three remaining January Investors exchanged their January Notes for shares of the Company's common stock, par value \$0.0001 per share ("Common Stock"), as payment in full of their January Notes.

On August 2, 2023, the Company entered into an exchange agreement (the "Exchange Agreement") with the remaining January Investor to exchange their January Note, with a balance of approximately \$52,000, for 742,414 shares of Common Stock as payment in full of their January Note. Following the Exchange Agreement, there are no January Notes outstanding.

The foregoing description of the Exchange Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Exchange Agreement, a copy of which is filed as Exhibit 10.1 to this Current Report on Form 8-K, and is incorporated by reference herein.

Item 3.02 Unregistered Sales of Equity Securities

The information set forth in "Item 1.01 Entry into a Material Definitive Agreement" relating to the issuance of Common Stock is incorporated by reference herein in its entirety. The Company issued the Common Stock in reliance upon the exemption from registration provided by Section 4(a)(2) of the Securities Act and/or Rule 506(b) of Regulation D promulgated thereunder. This Current Report on Form 8-K shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall such securities be offered or sold in

the United States absent registration or an applicable exemption from the registration requirements and certificates evidencing such shares contain a legend stating the same.

Item 9.01. Financial Statements and Exhibits

Exhibit No.	Description
10.1	Exchange Agreement by and between the Company and a January Investor, dated August 2, 2023
104	Cover Page Interactive Data File (embedded within Inline XBRL document).

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

August 7, 2023

CROWN ELECTROKINETICS CORP.

By: /s/ Doug Croxall
Name: Doug Croxall
Title: Chief Executive Officer

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EXCHANGE AGREEMENT

THIS EXCHANGE AGREEMENT (the “Agreement”), dated as of August 2, 2023, is entered into by and between **CROWN ELECTROKINETICS CORP.**, a Delaware corporation (the “Company”) and **Pinz Capital Special Opportunity Fund LP** (the “Holder”). As used herein, the term “Parties” shall be used to refer to the Company and Holder jointly.

WHEREAS:

A. The Company warrants and represents that the Holder is in possession of an Original Issue Discount Senior Note (the “Note”) in the amount of \$47,244.00 dated January 3, 2023, with a current balance of \$51,969.00.

The Note listed above is referred to as the “Original Note”.

B. The Parties desire to exchange the amounts due under the Original Note, totaling \$51,969.00 for 742,414 shares of Common Stock at a price per share equal to \$0.069 per share (the “Exchange Shares”).

C. The Holder warrants and represents that it is sophisticated and experienced in acquiring the securities of small public companies that has allowed it to evaluate the risks and uncertainties involved in acquiring said securities and thereby make an informed investment decision.

NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:

1.00 Exchange of Original Note. The Parties agree that solely in consideration of the surrender of the Original Note, that:

1.01 Issuance of Exchange Shares. Upon the following terms and conditions:

- (A) **Common Stock.** The Company shall issue to the Holder, and the Holder shall acquire from the Company, those certain Exchange Shares issued as August 2, 2023. The Parties further agree that the “Closing” and the “Closing Date” shall be deemed to occur upon the issuance of the Exchange Shares as provided by Section 1.01 (A) of this Agreement.
- (B) **Delivery of Documents.** The Company shall, on the Closing Date, deliver to the Holder the Exchange Shares.

2.00 Representations of the Company. The Company hereby makes to the Holder the following representations and warranties as of the date of this Agreement and on each and every closing date hereafter:

2.01 Authorization; Enforcement. The Company has the requisite corporate power and authority to enter into and to consummate the transactions contemplated by this Agreement and otherwise to carry out its obligations hereunder and thereunder. The execution and delivery of this Agreement by the Company and the consummation by it of the transactions contemplated hereby have been duly authorized by all necessary action on the part of the Company and no further action is required by the Company, its board of directors or its stockholders in connection therewith. This Agreement has been duly executed by the Company and, when delivered in accordance with the terms hereof will constitute the valid and binding obligation of the Company enforceable against the Company in accordance with its terms.

2.02 No Conflicts. The execution, delivery and performance of this Agreement and the Exchange Shares by the Company and the consummation by the Company of the transactions contemplated hereby do not and will not: (i) conflict with or violate any provision of the Company’s or any of its subsidiary’s certificate or articles of incorporation, bylaws or other organizational or charter documents, or (ii) conflict with, or constitute a default (or an event that with notice or lapse of time or both would become a default) under, result in the creation of any lien or encumbrance upon any of the properties or assets of the Company or any subsidiary, or give to others any rights of termination, amendment, acceleration or cancellation (with or without notice, lapse of time or both) of, any material agreement, credit facility, debt or other material instrument (evidencing a Company or subsidiary debt or otherwise) or other material understanding to which the Company or any subsidiary is a party or by which any property or asset of the Company or any subsidiary thereof is bound or affected, or (iii) conflict with or result in a violation of any law, rule, regulation, order, judgment, injunction, decree or other restriction of any court or governmental authority to which the Company or a subsidiary is subject (including federal and state securities laws and regulations), or by which any property or asset of the Company or a subsidiary is bound or affected; except in the case of each of clauses (ii) and (iii), such as could not have or reasonably be expected to result in a material adverse effect on the Company or its business of financial condition.

2.03 Filings, Consents and Approvals. The Company is not required to obtain any approval, consent, waiver, authorization or order of, give any notice to, or make any filing, qualification or registration with, any court or other federal, state, local, foreign or other governmental authority or other person or entity in connection with the execution, delivery and performance by the Company of this Agreement, the Exchange Shares and both of them. No further approval is required for the issuance or sale of the Exchange Shares or any shares of Common Stock issuable upon the conversion or exchange of, in payment of interest on, or otherwise pursuant to the Exchange Shares (the “Underlying Shares”).

2.04 Private Placement. No registration under the Securities Act of 1933, as amended (the “1933 Act”), is required for the issuance of the Exchange Shares or any Underlying Shares in accordance with the terms hereof and thereof.

2.05 No Inside Information. Neither the Company nor any Person acting on its behalf has provided the Holder or its counsel with any information that constitutes or might constitute material, non-public information concerning the Company.

2.06 Equal Consideration. Except as otherwise set forth herein, no consideration has been offered or paid to any person to amend or consent to a waiver, modification, forbearance, exchange or any other action with respect to any provision of the Agreement Portion.

2.07 Survival & Delivery of Documents to the Holder. All of the Company’s warranties and representations contained in this Agreement shall survive the execution, delivery and acceptance of this Agreement by the Parties hereto and continue for a period of 5 years after the date of this Agreement.

2.08 Holding Period for Exchange Shares. Pursuant to Rule 144 promulgated under the 1933 Act: the holding period of the Exchange Shares (and the underlying shares of Common Stock issuable upon conversion thereof or in payment of interest thereon) shall begin on the Original Note issuance date. The Company agrees not to take a

position contrary to this paragraph.

2.09 Legal Opinion. The Company hereby agrees to allow the Holder's legal counsel to issue a legal opinion to the Holder and the Company's Transfer Agent regarding this Agreement and the transactions contemplated hereby, in form and substance reasonably acceptable to said agent and counsel to the Company, including an opinion that all shares issuable upon conversion of the Exchange Shares or in payment of interest thereunder) may be sold pursuant to Rule 144. The Company acknowledges that certificates representing any such shares may be issued without a restrictive legend as required pursuant to Section 2.04.

2.10 Public Information. So long as the Holder owns the Exchange Shares and/or Underlying Shares, the Company shall timely file (or timely obtain extensions in respect thereof and file within the applicable grace period) all reports and definitive proxy or information statements required to be filed by the Company under the Securities Exchange Act of 1934, as amended ("Exchange Act"), and shall not terminate its status as an issuer required to file reports under the Exchange Act (even if the Exchange Act or the rules and regulations promulgated thereunder would otherwise permit such termination).

3.00 Miscellaneous.

3.01 Counterparts. This Agreement may be executed in two or more counterparts and by facsimile signature, delivery of PDF images of executed signature pages by email or otherwise, and each of such counterparts shall be deemed an original and all of such counterparts together shall constitute one and the same agreement.

3.02 Effect of Invalidity. If any provision of this Agreement is prohibited by law or otherwise determined to be invalid or unenforceable by a court of competent jurisdiction, the provision that would otherwise be prohibited, invalid or unenforceable shall be deemed amended to apply to the broadest extent that it would be valid and enforceable, and the invalidity or unenforceability of such provision shall not affect the validity of the remaining provisions of this Agreement so long as this Agreement as so modified continues to express, without material change, the original intentions of the Parties as to the subject matter hereof and the prohibited nature, invalidity or unenforceability of the provision(s) in question does not substantially impair the respective expectations or reciprocal obligations of the Parties or the practical realization of the benefits that would otherwise be conferred upon the Parties. The Parties will endeavor in good faith negotiations to replace the prohibited, invalid or unenforceable provision(s) with a valid provision(s), the effect of which comes as close as possible to that of the prohibited, invalid or unenforceable provision(s).

3.03 Matter of Further Assurances & Cooperation. The Holder and the Company hereby agree and the Company further agrees that it shall provide further assurances that it will, in the future, execute and deliver any and all further agreements, certificates, instruments and documents and do and perform or cause to be done and performed, all acts and things as may be necessary or appropriate to carry out the intent and accomplish the purposes of this Agreement without unreasonable delay and in no event later than one (1) business after it receives any reasonable written request from the Holder.

3.04 Successors. The provisions of this Agreement shall be deemed to obligate, extend to and inure to the benefit of the successors, assigns, transferees, grantees, and indemnitees of each of the Parties to this Agreement.

3.05 Integration. This Agreement, after full execution, acknowledgment and delivery, memorializes and constitutes the entire agreement and understanding between the parties and supersedes and replaces all prior negotiations and agreements of the Parties, whether written or unwritten with the exception of the Company's profit-sharing plan and any agreements related thereto.

3.06 Severance. If any provision of this Agreement is held to be illegal or invalid by a court of competent jurisdiction, such provision shall be deemed to be severed and deleted; and neither such provision, nor its severance and deletion, shall affect the validity of the remaining provisions.

3.07 Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of _____, without giving effect to any of the conflicts of law principles which would result in the application of the substantive law of another jurisdiction. This Agreement shall not be interpreted or construed with any presumption against the party causing this Agreement to be drafted.

3.08 Consent to Jurisdiction. Each of the Company and the Holder (i) hereby irrevocably submits to the exclusive jurisdiction of the State of _____ for the purposes of any suit, action or proceeding arising out of or relating to this Agreement and (ii) hereby waives, and agrees not to assert in any such suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of such court, that the suit, action or proceeding is brought in an inconvenient forum or that the venue of the suit, action or proceeding is improper. Each of the Company and the Holder consents to process being served in any such suit, action or proceeding by mailing a copy thereof to such party at the address in effect for notices to it under the Purchase Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing in this Section 4.9 shall affect or limit any right to serve process in any other manner permitted by law. Each of the Company and the Holder hereby agree that the prevailing party in any suit, action or proceeding arising out of or relating to this Agreement shall be entitled to reimbursement for reasonable legal fees from the non-prevailing party.

IN WITNESS WHEREOF, this Agreement is executed as of the date first set forth above.

FOR THE COMPANY:

CROWN ELECTROKINETICS CORP.

By: _____
Name: _____
Title: _____

FOR THE HOLDER:

PINZ CAPITAL SPECIAL OPPORTUNITY FUND LP

By: _____
Title: _____

