

February 9, 2021

### **Statement on Recent Media Reports**

1. Zhejiang Dahua Technology Co., Ltd. (“Dahua” or “Company”) only provides generic video technology products in the regional markets reported by the media, and does not provide products and services for ethnicity detection in such regional markets.
2. In recent years, Dahua has been increasing its investment in the commercial market. The proportion of such commercial market in the Company’s total sales profile has also been increasing. Dahua’s total sales in the relevant regional markets reported by certain media in the past 5 years are far lower than the amount alleged in such media reports and have been declining rapidly on a yearly basis.
3. Based on the Company’s internal review, the relevant documents reported by certain media are historical internal software design documents. Dahua will not provide the features or applications in the software products in the future. Dahua will conduct a rigorous internal review and strengthen the design review process and management of the Company’s Research and Development functions.