

# HESAI

## Hesai Responds to False Allegations Raised by Members of Congress

November 29, 2023

PALO ALTO, Calif., Nov. 29, 2023 (GLOBE NEWSWIRE) -- Hesai Technology, the global leader in lidar sensor technology for both automotive and industrial applications, responded to numerous false allegations made about the company and its technology in a letter from the House of Representatives Select Committee on the Chinese Communist Party released on November 28, 2023.

### Hesai Lidars Do Not Store or Wirelessly Transmit Data

Hesai lidars have no mechanism to store even one second of the image they see. Hesai lidars also have no wireless transmission capabilities. They contain no cellular, wi-fi, or Bluetooth, so data cannot wirelessly leak from Hesai lidars and there is no way for anyone to wirelessly extract data.

TÜV Rheinland and Dekra, two of the world's top engineering testing and standards organizations, recently disassembled and tested a Hesai Pandar128 robotaxi lidar and a Hesai AT128 lidar, which is used in advance driver assistance systems (ADAS). Both organizations [confirmed](#) that these units, both of which are sold in the U.S., cannot store images or wirelessly transmit data.

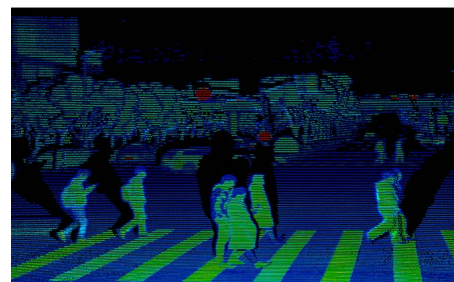
Earlier this year, Hesai [became](#) the first lidar company to obtain the ISO/SAE 21434 automotive cybersecurity management certification from TÜV Rheinland.

Hesai [passed](#) the highest assessment level of TISAX, the Trusted Information Security Assessment Exchange, achieving the highest standard in the European automotive industry. In the process, TÜV SÜD, a world-renowned TISAX assessment provider, audited Hesai's lidars to determine if they ensure data security and examined Hesai's corporate operations, from top to bottom, including information processing, work equipment, IT systems and contractors.

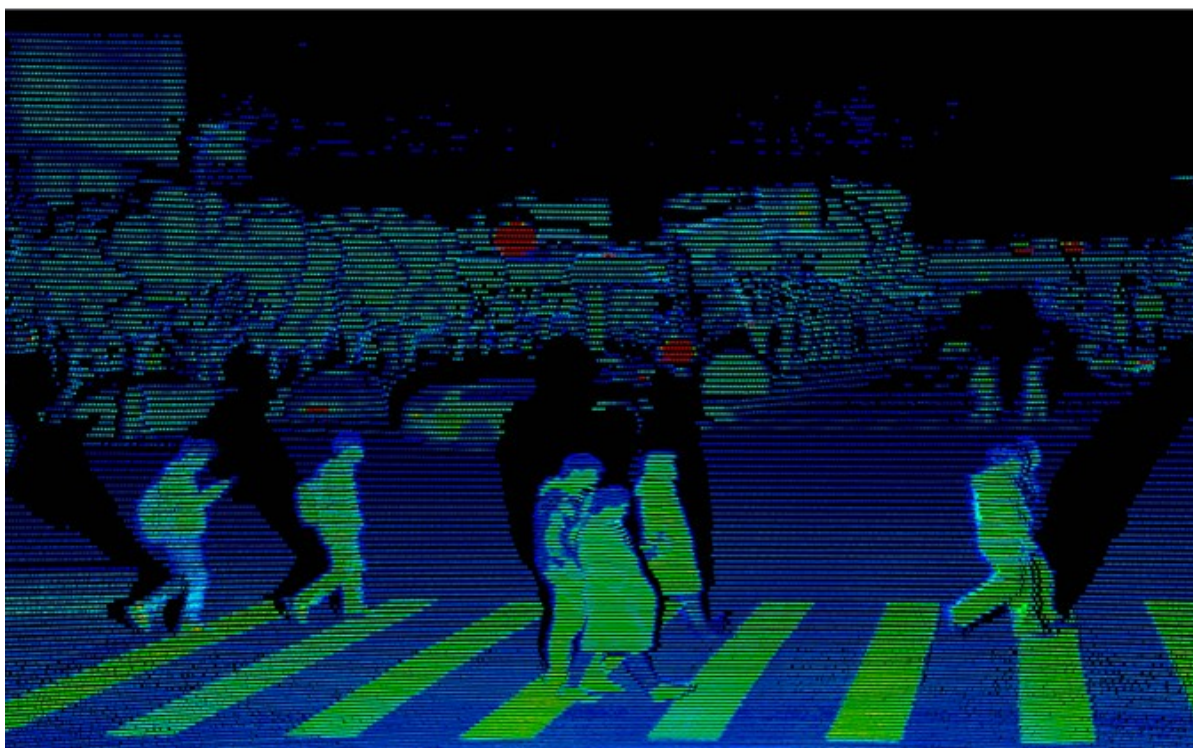
### Hesai Lidars Cannot Be Used for Surveillance Because They Do Not Capture Facial Features

Hesai lidars cannot capture human facial features or any other identifying biometric data. They cannot be used for facial recognition or personal information identification. Lidars, which use lasers, provide much greater privacy protection than cameras for surveillance purposes. Below is an actual point-cloud image taken by a Hesai lidar, showing its inability to capture biometric features.

Point-cloud Image Taken by Hesai Lidar



Point-cloud Image Taken by Hesai Lidar



Point-cloud Image Taken by Hesai Lidar

The photos referenced in the letter from the Select Committee are of autonomous food delivery vehicles, not surveillance vehicles.

**Hesai Lidars Are U.S.-Certified for Civilian Use and Are Not Suitable for Military Use**

Hesai's lidars have never been designed, evaluated for, or validated to military specifications. In other words, they are unsuitable for use in any military defense systems. Hesai's products are classified by the U.S. Department of Commerce's Bureau of Industry and Security as EAR99, which means they are not suitable for military applications.

Hesai has a customer screening process to ensure that the company does not sell any products to entities on U.S. government restricted party lists or otherwise defined as a military end user under the Commerce Department's EAR designation.

### **Hesai Does Not Infringe Upon Intellectual Property, Prevailed in IP Litigation Against Ouster**

Hesai does not steal or infringe on any parties' intellectual property (IP).

On April 11, 2023, Ouster, a lidar competitor of Hesai, filed a complaint with the U.S. International Trade Commission (ITC) alleging Hesai infringed on Ouster's (NYSE: OUST) lidar IP, seeking to enjoin the import of Hesai lidars into the U.S. On June 22, 2023, Hesai filed a motion to terminate the ITC actions.

On Aug. 24, 2023, the presiding ITC Administrative Law Judge granted Hesai's motion to terminate the ITC Action. On Oct. 10, 2023, the ITC Commissioners [affirmed](#) the administrative law judge's decision terminating the ITC action.

### **Hesai Has Received No Government Equity Investment nor Has It Experienced Government Intervention**

Hesai is a publicly traded, privately controlled company (Nasdaq: HSAI) that makes its own business decisions in the best interest of its employees and shareholders. Hesai has never taken sovereign or state money from any government, nor do they sell or provide their lidar technology to any military. Hesai has not received any investment from a state-owned enterprise.

The Chinese government and the Chinese Communist Party have had no intervention in Hesai's business operations or management.

### **Hesai Lidars Have a Higher Average Sales Price Than Competitors' Lidars**

Hesai has not received any autonomous vehicle or lidar-specific government subsidies. Hesai pays a 25 percent tariff on the lidars it exports to the U.S. Hesai lidars sold in the U.S. are more expensive than those sold by Hesai's American competitors. Customers in the U.S. and around the world have chosen Hesai lidars because of their superior performance, higher quality and reliability of delivery, not because they are undercutting the market price.

"It is disappointing that the Select Committee has made these false allegations about our company," said Hesai CEO and co-founder David Li. "We will continue to work to ensure that all interested parties know the truth about Hesai, its products, and its broader mission. Hesai's goal is to improve road safety in America and around the world."

### **About Hesai**

Hesai is the global leader in three-dimensional light detection and ranging (lidar) solutions. The Company's lidar products enable a broad spectrum of applications across passenger and commercial vehicles with advanced driver assistance systems (ADAS) and autonomous vehicle fleets (autonomous mobility). Hesai's technology also empowers robotics applications such as last-mile delivery robots and logistics robots in restricted areas. The Company's commercially validated solutions are backed by superior research and development capabilities across optics, mechanics, electronics, and software. Hesai integrates lidar designs with an in-house manufacturing process, facilitating rapid product development while ensuring high performance, consistent quality and affordability. Hesai has established strong relationships with leading automotive OEMs, autonomous vehicle, and robotics companies worldwide, covering over 90 cities in 40 countries as of December 31, 2022.

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A photo accompanying this announcement is available at <https://www.globenewswire.com/NewsRoom/AttachmentNg/98c33b13-4f82-4aae-888b-a21edd4300e1>