

Quhuo's Homestay Sector Exceeded RMB12 Million in Sales During the Labor Day Holiday, Achieving Impressive Growth with Expert Strategies

BEIJING, May 26, 2023 /PRNewswire/ -- [Quhuo Limited](#) (NASDAQ: [QH](#)) ("Quhuo" or the "Company"), a leading gig economy platform focusing on local life services in China, witnessed outstanding results in its homestay sector. During the Labor Day holiday, its homestay sector operated by Chengtu Home ("Chengtu") recorded an impressive average daily occupancy rate of 95%, achieving a significant year-on-year growth of 265%.

As a leading bed and breakfast ("B&B") brand in the country, Chengtu exceeded RMB12 million in sales revenue during the Labor Day Holiday. Cities covered by Chengtu, ranging from tier-one to tier-four, experienced full bookings, and popular tourist destinations in these cities achieved an impressive 100% occupancy rate.

In April, Chengtu introduced a specialized housing operation management plan in anticipation of the surge in housing reservations during the upcoming holiday season. Among other things, Chengtu provided a timely reminder to both agents and landlords to adjust housing prices one month prior to the holiday, ensuring they align with market conditions and reduce risks associated with industry competition. In doing so, Chengtu aimed to boost housing revenues while safeguarding consumer rights.

Drawing on its extensive experience in homestay management and deep understanding of user travel patterns, Chengtu capitalized on its expertise to effectively adjust homestay prices during the holiday season, aiming to reduce the number of vacant properties. Chengtu recognized the potential risk of unsold accommodations on the day before and the last day of the holiday and took proactive measures to inform homestay agents about the need to lower their prices.

By implementing this proactive approach, Chengtu generated a greater number of pre-sales opportunities, leading to increased business volume while protecting the interests of homestay landlords. Through strategic price adjustments, Chengtu ensured optimal occupancy rates, enabling homestay operators to maximize their revenue potential during the holiday season.

Chengtu implemented a series of initiatives aimed at enhancing guest satisfaction, including requiring landlords to complete check-in procedures for the next day's bookings during the reception period to ensure a seamless check-in process for guests. In addition, Chengtu allocated a flexible workforce pool from Quhuo to coordinate the homestay cleaning team, and conducted special meetings to emphasize the importance of quality and timely cleaning services. These measures have effectively improved cleaning efficiency. For example, in Nanning City, Guangxi Province, Chengtu received over 2,000 bookings during the holiday and achieved an almost 100% positive feedback rating.

Furthermore, prior to the holiday, Chengtu made a commitment on various prominent agency platforms, assuring that its homestays would refrain from unjustified price hikes or violating agreements during the holiday. This commitment was aimed at protecting consumers' rights. Meituan has recognized and acknowledged this commitment, which has contributed to enhancing the credibility and reputation of Quhuo. This initiative by Chengtu signifies a notable advancement in user experience and serves as a competitive market differentiation strategy.

Tong Ji, the General Manager of Chengtu, said that Chengtu has a highly skilled team proficient in managing all aspects of hospitality and operations. Chengtu diligently refines and optimizes each stage, from customer reservations to the lodging experience and post-departure services. Through precise market research and data analysis, Chengtu is able to offer consumers the most suitable accommodation options at competitive rates, ensuring personalized and highly satisfactory service.

Leslie Yu, Chairman and Chief Executive Officer of Quhuo, said, "The impressive achievements of Chengtu's vacation rentals during the holiday serve as a testament to the value of our strategic planning and operational management in localized life services. The resurgence of the tourism industry reaffirms our steadfast belief in vacation rentals as a crucial strategic segment within Quhuo. Moving forward, Chengtu will further increase investments in lean operational management, continually innovating and optimizing its business models to adapt to the rapidly changing landscape of the tourism sector and the diverse demands of clientele."

About Quhuo Limited

Quhuo Limited (NASDAQ: [QH](#)) ("Quhuo" or the "Company") is a leading gig economy platform focusing on local life services in China. Leveraging Quhuo+, its proprietary technology infrastructure, Quhuo is dedicated to empowering and linking workers and local life service providers and providing end-to-end operation solutions for the life service market. The Company currently provides multiple industry-tailored operational solutions,

primarily including on-demand delivery solutions, mobility service solutions, housekeeping and accommodation solutions, and other services, meeting the living needs of hundreds of millions of families in the communities.

With the vision of promoting employment, stabilizing income and empowering entrepreneurship, Quhuo explores multiple scenarios to promote employment of workers, provides, among others, safety and security and vocational training to protect workers, and helps workers plan their career development paths to realize their self-worth.

Safe Harbor Statements

This press release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical or current fact included in this press release are forward-looking statements, including but not limited to statements regarding Quhuo's business development, financial outlook, beliefs and expectations. Forward-looking statements include statements containing words such as "expect," "anticipate," "believe," "project," "will" and similar expressions intended to identify forward-looking statements. These forward-looking statements are based on Quhuo's current expectations and involve risks and uncertainties. Quhuo's actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of these risks and uncertainties, which include, without limitation, risks and uncertainties related to Quhuo's abilities to (1) manage its growth and expand its operations, (2) address any or all of the risks and challenges in the future in light of its limited operating history and evolving business portfolios, (3) remain in its competitive position in the on-demand food delivery market or further diversify its solution offerings and customer portfolio, (4) maintain relationships with major customers and to find replacement customers on commercially desirable terms or in a timely manner or at all, (5) maintain relationships with existing industry customers or attract new customers, (6) attract, retain and manage workers on its platform, and (7) maintain its market shares in relation to competitors in existing markets and its success in expansion into new markets, as well as the length and severity of the recent COVID-19 outbreak and its impact on Quhuo's business and industry. Other risks and uncertainties are included under the caption "Risk Factors" and elsewhere in the Company's filings with the Securities and Exchange Commission, including, without limitation, the final prospectus related to the IPO filed with the SEC on July 10, 2020 and the Company's latest annual report on Form 20-F. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. All forward-looking statements are qualified in their entirety by this cautionary statement, and Quhuo undertakes no obligation to revise or update any forward-looking statements to reflect events or circumstances after the date hereof.

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