

Quhuo's Homestay Sector Reports Solid Sales Performance During National Day with Significant Year-on-Year Revenue Growth

BEIJING, Oct. 26, 2023 /PRNewswire/ -- The National Day holiday in China stands as one of the peaks in the country's tourism market. [Quhuo Limited](#) (NASDAQ: QH) ("Quhuo" or the "Company"), a leading gig economy platform focusing on local life services in China, achieved remarkable results in its homestay sector during this holiday. Its homestay sector operated by Chengtu Home ("Chengtu") has achieved an impressive surge in homestay bookings, effectively prolonging the growth trajectory observed during the preceding Labor Day holiday.

Chengtu, as a leading bed and breakfast ("B&B") brand in the country, achieved sales of an impressive RMB13 million, marking a remarkable growth of 333% compared to the previous year's National Day holiday. Throughout this holiday period, Chengtu maintained full occupancy in over forty cities across the nation, firmly capturing a 50% share of the urban market in China.

To meet the peak of outbound travel, Chengtu commenced its homestay operations for the holiday a month in advance. Leveraging city view data provided by collaborating platforms, Chengtu judiciously adjusted homestay prices in cities with higher user search volumes and preemptively planned homestay booking quantities to ensure an ample supply of available rooms in popular cities. During this holiday period, popular tourist cities like Shenyang and Harbin reached full occupancy.

Chengtu actively participated the homestay free trial stay campaign, infusing a fresh vitality into tourism during this holiday. In collaboration with Meituan's complimentary hotel stay initiative, Chengtu conducted meticulous market analysis to identify dates with potentially lower occupancy rates and transformed them into trial stay days to attract a larger number of consumers seeking the experience. This initiative not only attracted new potential users but also provided holiday benefits to Chengtu's loyal customers. The primary objective of this campaign was to enhance the exposure of homestay, thereby assisting in increasing the volume of homestay bookings in the future. As one of the participating cities in this campaign, Nanning reported a high registration rate, effectively boosting the natural user traffic for homestay bookings in the city.

In an effort to enhance the consumer experience, Chengtu has implemented a series of logistical support measures, including augmenting cleaning capacity and reinforcing cleaning training. In the two weeks leading up to the holiday, Chengtu executed a concentrated inspection campaign, encompassing an evaluation of water and electricity facilities as well as the status of daily consumables. This campaign entailed a thorough cleaning of the properties to ensure they are in optimal condition for guest receptions. Furthermore, Chengtu stipulates that hosts should liaise with their booked guests at least one day in advance, allowing for check-in and check-out times to be adjusted accordingly based on consumer preferences and daily booking circumstances, ensuring that guest needs are met.

Chengtu is devoted to elevating housekeeping standards to ensure consumer relish a superlative check-in experience. To achieve this objective, Chengtu categorizes its cleaning tasks into three distinct types, tailored to accommodate various property conditions, all with the aim of creating a comfortable living environment for consumers. First and foremost, light cleaning is suitable for properties vacant for 1-2 weeks. Cleaning personnel meticulously cleanse furniture and flooring to eliminate accumulated dust and grime. Subsequently, standard cleaning typically occurs after guests have checked out. This type of cleaning encompasses comprehensive housekeeping tasks to ensure the property remains orderly and tidy. Finally, deep cleaning is reserved for tackling stubborn stains, a task demanding more time and higher labor input. Through this systematic cleaning process, Chengtu aspires to deliver a top-tier check-in experience, catering to the high-quality accommodation needs of its clientele.

Tong Ji, the General Manager of Chengtu, said, "The success achieved during this National Day holiday is the result of the collective efforts of all Chengtu staff and underscores our commitment to delivering a high-quality accommodation experience. Chengtu is dedicated to continuously raising service standards and improving the check-in experience for consumers. We will explore further opportunities in the future, expanding our city service capacity to offer consumers more splendid lodging choices."

Leslie Yu, Chairman and Chief Executive Officer of Quhuo, emphasized the achievements of Chengtu during this National Day holiday, "This year's sales performance during the National Day holiday once again showcases Chengtu's strength. Simultaneously, it reflects the growth potential of the entire vacation rental market. China's tourism industry is rapidly on the rise, and Chengtu, as an innovative enterprise, will continue to collaborate with partners to provide consumers with more outstanding accommodation options, driving the development of the homestay industry."

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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