

Quhuo's Homestay Business Branch Embarks on New Collaborative Ventures, Establishing 'Chengtu Rural Residence' Brand to Deepen Presence in Homestay Industry

BEIJING, March 4, 2024 /PRNewswire/ -- [Quhuo Limited](#) (NASDAQ: QH) ("Quhuo" or the "Company"), a leading gig economy platform focusing on local life services in China, has recently made significant strides in the homestay industry with its Chengtu Home ("Chengtu") division. Chengtu announced the launch of a new rural homestay collaboration project, expanding its presence in the sector. This initiative involves the establishment of an independent brand dedicated to rural homestays, aptly named "Chengtu Rural Residence." The project will begin in Wuqing District of Tianjin City and Beidaihe Village in Qinhuangdao, encompassing nearly 40 homes.

"Chengtu Rural Residence" is Quhuo's response to the growing issue of rural-urban migration and the increasing number of vacant rural homes due to rapid urbanization. Through this venture, Chengtu plans to utilize its extensive operational expertise to revamp and market these unoccupied homes for both long-term and short-term rentals, ultimately boosting the income of local villagers. This effort aligns with the broader goal of fostering integrated urban-rural development and revitalizing rural communities. With the introduction of this brand, Chengtu is now present in four major domestic tourist cities, managing nearly 120 rural homestay properties.

In Tianjin's Wuqing District, Chengtu has formed partnerships with three villages in Hexi Township. The company is seeking co-builders to renovate 20 to 30 rural homes into charming homestays, offering these co-builders a 20-year operational lease. This model guarantees a stable rental income for the villagers and presents a long-term investment opportunity for the co-builders.

The Beidaihe Village project in Qinhuangdao marks Chengtu's inaugural venture into house design. The plan is to transform 14 rural homes into publicly operated homestays. Located near the sea, these properties are part of a cultural industry park that blends culture, agriculture, and tourism, making them highly valuable for both cultural and tourist purposes. The design phase in this cooperation was completed at the end of January this year and co-builders were invited to visit the model house. These rural residences will also be promoted on Chengtu's online homestay rental platform.

Chengtu's rural homestay selection process is rigorous, focusing on locations that reflect local customs and geographical convenience. The homes chosen must have clear property rights, sturdy foundations, and accompanying farmland and courtyards to offer an authentic pastoral experience. Chengtu also sets high standards for its homestays, establishing a uniform system for rural accommodations and providing comprehensive training to staff. The company ensures that everything from the bedding to daily utensils adheres to star-rated hotel quality.

Ji Tong, the General Manager of Chengtu, remarked on the company's strategy: "Chengtu's strategic expansion and the launch of 'Chengtu Rural Residence' underscore the potential and market prospects of rural homestays in China. Our latest projects are not just significant for Chengtu's deeper involvement in this sector but also align with the national policy of rural revitalization."

Leslie Yu, Chairman and Chief Executive Officer of Quhuo, expressed his outlook on the rural homestay market: "With the increasing demand for high-quality pastoral lifestyles, the rural tourism market is poised for growth. Quhuo intends to continue its strategic expansion in this area, using our operational expertise and technological edge to foster the ongoing development of rural homestays. This initiative will inject new energy into rural economic growth and cultural tourism."

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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