

Quhuo's Homestay Sector Reports Impressive Performance During Labor Day Holiday with Sales Surge Year-on-Year

BEIJING, June 28, 2024 /PRNewswire/ -- Quhuo Limited (NASDAQ: QH) ("Quhuo" or the "Company"), a leading gig economy platform focusing on local life services in China, reported significant performance improvements in its homestay sector during the 2024 Labor Day holiday. Its homestay sector operated by Chengtu Home ("Chengtu"), achieved an average occupancy rate of 79%, with sales increasing by 45% year-over-year. On the busiest day, the occupancy rate peaked at 88%, and sales surged by 31% from the previous year.

In recent years, as the domestic tourism sector rebounds, homestays have become an increasingly popular lodging choice. Statistics from China's Ministry of Culture and Tourism show that domestic travel hit 295 million trips during the 2024 Labor Day holiday, up 7.6% year-on-year. Additionally, according to the Annual Report on Homestay in China (2023-2024), the first 10 months of 2023 saw a dramatic rise in new homestay businesses, with 76,000 new establishments representing a 149% growth over the prior year. This surge reflects the growing investor and consumer interest in the homestay sector.

In response to the booming homestay market, Chengtu is leading the way with its "professional, digital, and detailed" operational approach, striving to set the industry standard. To ensure a safe, clean, and comfortable stay, Chengtu has established and enforces stringent standards. By implementing smart locks and a self-service check-in system, the security and convenience of the accommodations have been enhanced. Each room is thoroughly cleaned and fresh linens are provided for every arrival, ensuring a pristine environment. Additionally, all bedding meets luxury hotel standards, elevating the overall customer experience.

Chengtu has established its own dedicated, professional housekeeping team to maintain high service standards. All housekeepers undergo specialized training and must pass thorough assessments before they begin their roles, adhering to strict guidelines for promotions and dismissals. Chengtu has standardized cleaning procedures for each stage of vacancy, occupancy and post-departure. After cleaning, a video is recorded to document the room condition, and regular inspections are conducted to ensure that properties remain clean until the end of the contract.

Chengtu also pays close attention to the finer details to ensure guests feel right at home. Before guests arrive, Chengtu customizes the room settings based on their preferences, from themed decorations to personalized elements. Guests expressed how touched they were to find welcoming details like a chalkboard with personalized greetings or even hand-drawn portraits based on their social media profiles. These thoughtful details exemplify Chengtu's warm and individualized approach to hospitality.

Chengtu now spans 130 cities across the country, offering diverse lodging options from apartments to villas. Chengtu provides rooms for families, long-term renters, and business travelers, along with private areas ideal for group events. Additionally, Chengtu actively promotes rural development, launching collaborative homestay projects in tourist cities such as Wuqing in Tianjin and Beidaihe in Qinhuangdao. These projects, known as 'Chengtu Rural Residence,' involve partnerships with nearly 120 local residences.

Tong Ji, the General Manager of Chengtu, said, "The impressive results over the Labor Day holiday highlight Chengtu's outstanding operational performance. By offering a diverse range of lodging choices and providing professional, detailed service, Chengtu consistently elevates the customer experience. Looking ahead, Chengtu remains committed to delivering safe, warm, and comfortable accommodations meeting consumer demands."

Leslie Yu, Founder, Chairman, and CEO of Quhuo, stated, "Chengtu's stellar performance confirms Quhuo's strategy focusing on local life services. With tourism rebounding and the homestay market expanding rapidly, Chengtu is committed to refining its services to provide customers with richer and superior travel experiences. In the future, Chengtu will continue to innovate and explore new methods to solidify its market presence and promote the sustainable growth of the homestay sector."

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 and 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 development of the COVID-19 pandemic 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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