

Quhuo Announces Unaudited Financial Results for the First Half of 2024: Precise Strategy Spurs Strong Growth in Mobility Service and Homestay

- Revenues from mobility service solutions were RMB100.5 million (US\$13.8 million), representing an increase of 71.7% year-over-year.
- Quhuo International shipped 815 vehicles under its vehicle export solutions.
- The Company has expanded services to 132 cities nationwide, representing a 21.4% year-over-year increase.

BEIJING, Aug. 28, 2024 /PRNewswire/ -- Quhuo Limited (NASDAQ: QH) ("Quhuo," the "Company," "we" or "our"), a leading gig economy platform focusing on local life services in China, today reported its unaudited financial results for the six months ended June 30, 2024.

Amid a complex global economy and widespread market uncertainties, Quhuo has maintained steady growth through precise strategic control and lean operations management.

For the first half of 2024, Quhuo's total revenue reached RMB1.62 billion. While profit of the first quarter was impacted by seasonal factors, the second quarter saw a strong rebound. This underscores Quhuo's resilience and growing profitability amid market fluctuations. Furthermore, general and administrative expenses decreased by 13.2% year-over-year, as we enhanced our operational efficiency and cost control.

From a business standpoint, Quhuo excels in its mobility service solutions, as well as in housekeeping and accommodation services. Mobility service solutions saw a robust 71.7% year-over-year revenue increase, with shared-bike maintenance growing by 16.2% and ride-hailing services by 47.5%. Additionally, Quhuo's vehicle export solutions, conducted through the Company's subsidiary, Quhuo International, achieved an impressive 389.3% year-over-year revenue increase. Since its inception in 2023, Quhuo International has become a new growth area for the Company. In the first half of 2024, Quhuo International shipped 815 new energy vehicles abroad, significantly expanding its global footprint and enhancing its international competitiveness.

Meanwhile, Quhuo's housekeeping and accommodation solutions businesses have rapidly expanded, making its overall service footprint expand to 132 cities, representing a 21.4% year-over-year increase and reflecting strong market demand, which has further strengthened the Company's competitive edge.

In 2024, Quhuo navigated complex international relations and domestic market shifts by focusing on long-term trends and stable market demands, ensuring sustained value. Prioritizing the gig economy, the company also concentrated on vehicle export solutions and housekeeping and accommodation solutions. Through strategic planning, Quhuo consistently delivers commercial and social value to the market.

In the gig economy sector, driven by the digital and sharing economies, new forms of employment have rapidly developed in China. Policy attention and support have intensified, enhancing protections and rights for gig workers. As an industry leader, Quhuo has utilized its gig economy platform to provide substantial job opportunities. As of June 30, 2024, Quhuo's platform had registered over 770,000 workers in sectors such as on-demand delivery, mobility service solutions, and housekeeping and accommodation solutions. Quhuo offers stable and flexible job positions, enabling workers to secure steady incomes and essential benefits such as housing, transportation, and commercial insurance, even in fluctuating markets. This effort not only delivers significant social value but also strengthens Quhuo's dominant position in the sector.

In the housekeeping and accommodation solutions sector, Quhuo is advancing its Chengtu Home operations, focusing on delivering high-quality services through its self-operated model to build its brand and scale operations. Additionally, the company is developing a comprehensive service model that enhances the entire customer journey—from booking to post-service—through its mini program and multiple sales platforms. Quhuo also partners with leading rental platforms to explore a hybrid model of long and short-term rentals, revitalizing underutilized properties. This initiative generates income for property owners while offering superior residential services to consumers, significantly boosting Quhuo's commercial value and paving the way for future growth.

In the vehicle export solutions sector, the company has built a strong network for vehicle sourcing and sales through partnerships with car brands and 58 global dealers. As global demand for new energy vehicles grows, Quhuo is poised to increase its market share and expand operations, creating new growth opportunities. Quhuo is also advancing global technology projects by leveraging its expertise in on-demand delivery and ride-hailing. The company has formed key partnerships with international collaborators, piloting tailored services in select international cities and integrating them with the new energy vehicle export supply chain, thus reinforcing its competitive edge.

Leslie Yu, Founder, Chairman, and CEO of Quhuo, said: "Despite the challenges in early 2024, Quhuo continued to grow and innovate through proactive strategy and precise management. Moving forward, we will enhance our operations and resources, seize market opportunities, ensure sustainable returns for our shareholders, and deliver greater societal value."

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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