



## Missfresh Expands Intelligent Fresh Markets to 20 Cities in China

December 13, 2021

BEIJING, Dec. 13, 2021 /PRNewswire/ -- [Missfresh Limited](#) ("Missfresh" or the "Company") (NASDAQ: MF), an innovator in China's neighborhood retail industry, has partnered with Nanchang's Wangjia Market Management in Jiangxi Province to expand its Intelligent Fresh Market business to 20 cities across China. This partnership will enable Missfresh's Intelligent Fresh Market business to continue to rapidly grow into a mature business unit and further diversify its position in China's US\$1.9 trillion neighborhood retail market.

The two companies will operate Intelligent Fresh Markets together in Yingtan and Shangrao, two cities in China's Jiangxi province, transforming and digitalizing what were previously traditional local fresh markets, thereby improving access to quality fresh food, increasing local consumers' well-being and boosting economic activity for local merchants.

Missfresh's Intelligent Fresh Market business was launched in the latter half of 2020 and has already been quickly implemented in cities across the country including Qingdao, Changshu, Huangshan, Hefei and Yunfu. Missfresh has continued to expand its Intelligent Fresh Market business thanks to the company's expertise in Distributed Mini Warehouses and experience in running dozens of Intelligent Fresh Markets. Missfresh reconstructs and optimizes the layout of traditional fresh markets to improve the business mix and expand the service scope, as well as providing merchants with SaaS tools that help them with online payment, marketing, CRM, and omni-channel support. These value-added tools enable merchants to convert and manage offline private traffic to online platforms and increase monetization.

Traditional markets are China's largest fresh food retail channel and one of the most important entry points for community retailers in cities across the country. However, they lag behind in terms of food safety oversight, emergency safeguards, hygiene, hardware facilities and digitized management, placing them out of step with the demands of the contemporary retail industry.

To meet the growing demands of consumers and to continue to keep up with technological advancements, digitalization has already become a trend in traditional fresh markets across China. According to iResearch, the overall penetration rate of Intelligent Fresh Markets in China will rapidly grow from 0.4% in 2020 to 14.6% by 2025, while the scale of these markets will skyrocket from US\$2.166 billion (RMB13.8 billion) to US\$94.2 billion (RMB600.4 billion) over the same period. Given these trends, Missfresh is poised to become a leading market entrant with its extensive experience.

Missfresh Founder, President and CEO Xu Zheng said during Missfresh's Q3 2021 Earnings Conference Call that the Intelligent Fresh Market business is another of the company's major business strategies. Xu added that this will become a mainstream consumption channel among consumers in China's third and fourth tier or small- and medium-sized cities. Intelligent Fresh Markets will provide a better consumption and shopping experience to consumers and increase revenue and profit for merchants through upgrades to operations, digital empowerment and private domain operations.

Recognizing this trend, the Intelligent Fresh Market business has also received official support from China's government. In May this year, the *Notice on Further Strengthening the Construction of Agricultural Product Supply Chains* released by the Ministry of Finance and Ministry of Commerce mentioned developing intelligent farmers' markets and supporting markets in the installation of equipment and facilities such as electronic scales and information management systems. In July, 11 ministries including the General Office of the Ministry of Commerce distributed the *Guidelines on Building Convenient 15 Minutes Urban Living Circles*, which noted that fresh markets and distributed mini warehousing are basic support businesses that deserve priority.

Based on this foundation, traditional markets will usher in a wave of digital remodeling in China, and Missfresh's Intelligent Fresh Market business is set to become an important growth engine, bringing new direction to the development of the entire industry.

### About Missfresh Limited

Missfresh Limited is an innovator and leader in China's neighborhood retail industry. The Company invented the Distributed Mini Warehouse (DMW) model to operate an integrated online-and-offline on-demand retail business focusing on offering fresh produce and fast-moving consumer goods (FMCGs). Through the "Missfresh" mobile application and Mini Program embedded in third-party social platforms, consumers can easily purchase quality groceries at their fingertips and have the finest products delivered to their doorstep in 36 minutes, on average.

Leveraging its core capabilities, Missfresh launched an intelligent fresh market business in the second half of 2020. This innovative business model is dedicated to standardizing and transforming fresh markets into smart fresh malls. Missfresh has also built up a full stack of proprietary technologies that empower a wide range of participants in the neighborhood retail business, such as supermarkets, fresh markets and local retailers, to jumpstart and efficiently operate their business digitally.

For more information, please visit: <http://ir.missfresh.cn>.

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