



Missfresh Partners Leading Seasoning Brand Totole to Promote its Trending Prepacked Blends

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Prepacked seasoning blends are increasingly popular with younger Chinese shoppers, representing the bulk of Missfresh's high-value user base and a key demographic for major F&B and FMCG brands.

BEIJING, Jan. 19, 2022 /PRNewswire/ -- [Missfresh Limited](#) ("Missfresh" or the "Company") (NASDAQ: MF), an innovator in China's neighborhood retail industry, today announced it has formed a strategic partnership with Totole, a leading seasoning brand in China. Missfresh will facilitate Totole's go-to-market plan for its prepacked seasoning blends through a series of joint promotions for 2022.

In 2021, Missfresh saw its sales volume of prepacked seasoning blends grow by more than 30%. Bestselling and highly sought-after items by young consumers include a variety of unique and innovative flavors. Totole entered a direct supply partnership with Missfresh in July 2021 and recognized Missfresh's value proposition as well-suited to its target customers, especially younger shoppers. The emerging subcategory of products has been growing in popularity among younger shoppers as they help to ease 'cooking anxiety' by reducing the mental load, hassle, and time required for concocting tasty seasoning sauces from scratch.

According to Missfresh's data analytics, as of March 31, 2021, the 26 to 35-year-old age group made up more than 50% of all Missfresh users followed by the 36 to 45-year-old age group who made up about 30%. Aggregating to more than 80% of its user base, this demographic positions Missfresh as a mainstream channel for F&B and FMCG brands to reach high-value younger shoppers, roll out new products, boost product sales, and enhance partner brands' reputations.

Currently, the Missfresh and Totole joint promotion centers on Totole's prepacked seasoning blends such as mapo tofu sauce, abalone and oyster sauce, and fresh liquid chicken bouillon. The mapo tofu sauce has been particularly popular among Missfresh's users, quickly becoming one of the top three bestselling condiment products in just one month after its launch on the online retail platform. Later in 2022, Missfresh and Totole plan to launch promotions for products such as sweet and sour spareribs sauce, beef in golden soup, and yuxiang shredded pork sauce, as well as explore opportunities for brand partnerships, such as the sharing of customized recipes on Missfresh's platform.

Additionally, a growing proportion of FMCGs' offerings on Missfresh's platform demonstrates the Company's capabilities in implementing its high-quality growth strategy. Furthermore, an in-depth report on the Distributed Mini Warehouse industry released by China Merchants Securities International Company Limited noted that the gross profit margin on FMCGs usually exceeds that of fresh produce by 5-10%. This implies the relatively high proportion of FMCGs in Missfresh's product mix will effectively improve the Company's profitability.

Mr. Zheng Xu, Founder, Chairman and Chief Executive Officer of the Company, commented, "Smaller family units, the massive singles population, as well as increasingly fast-paced lifestyles, have driven up demand for prepacked seasoning blends among young consumers. Our efforts geared toward a high-value user base, especially in first- and second-tier cities, are well aligned with this consumer trend."

"The expanded partnership with Totole is also an acknowledgment of our end-to-end supply chain strengths and direct-sourcing capabilities, enabling us to offer good quality and featured products and services to our high-value customers. Apart from Totole, Missfresh has also directly partnered with renowned brands such as Mondelez International, PepsiCo, The Coca-Cola Company, mobile fitness app Keep, Mengniu Dairy, Genki Forest, and more to release new products. Looking ahead, we plan to continuously build on our brand empowerment efforts through our cutting-edge technology and operational expertise to further improve the on-demand shopping experience across all Missfresh touchpoints," Mr. Xu continued.

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 businesses digitally.

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

Safe Harbor Statement

This announcement contains statements that may constitute "forward-looking" statements which are made pursuant to the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by terminology such as "will," "expects," "anticipates," "aims," "future," "intends," "plans," "believes," "estimates," "likely to," and similar statements. Statements that are not historical facts, including statements about the Company's beliefs, plans, and expectations, are forward-looking statements. The Company has based these forward-looking statements largely on its current expectations and projections about future events and financial trends, which involve known or unknown risks, uncertainties and other factors, all of which are difficult to predict and many of which are beyond the Company's control. Forward-looking statements involve inherent risks and uncertainties. Further information regarding these and other risks is included in the Company's filings with the SEC. All information provided in this press release is as of the date of this press release, and the Company does not undertake any obligation to update any forward-looking statement, except as required under applicable law.

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