



March 28, 2016

Yiguo completes largest fundraising round in China's fresh food e-commerce sector

Alibaba and KKR co-invest in Series C financing

SHANGHAI – March 28, 2016 – Yiguo, a leading fresh food e-commerce platform in China, today announced that it has completed a Series C financing from investors including global investment firm KKR and the company's existing shareholder and strategic partner Alibaba. Specific details of the transaction are not being disclosed, but the financing is recognized as China's largest fresh-food e-commerce fundraise, according to sources such as CVSource and Zero2IPO.

The fundraising round will better enable Yiguo to expand its market-leading business model and strategies while facilitating further growth across China. Founded in 2005, Yiguo is the first and leading fresh food e-commerce platform in China that provides full-category fresh food to consumers. It is a one-stop fresh-food service provider that manages each step of the food procurement process, cold-chain quality control, order processing and food distribution.

KKR's investment in Yiguo extends its focus and track record in providing quality food products to consumers in China at a time when consumer demand for safe and healthy food is rising. The firm brings to the partnership its deep investment experience, its extensive global network and its local expertise to assist Yiguo's further growth.

David Liu, Member of KKR, Co-Head of KKR Asia Private Equity & CEO of KKR China said, "Our partnership with Yiguo aligns with KKR's long-term investment thesis of promoting and enhancing the availability of safe and healthy food in China. Yiguo is a leader in its field with years of experience and expertise in the fresh food industry, having developed an efficient cold-delivery chain system and deep knowledge of customers. We have been impressed by Yiguo's unique strategy, vision and operational practices. We look forward to working with Yiguo to promote the development of this industry and provide consumers with easier, safer and more secure access to fresh produce."

With the aim of encouraging greater quality standardization, industrialization and regional differentiation across the fresh food e-commerce in China, Jin Guanglei, Co-Founder and Co-Chairman of Yiguo said, "The Series C round of financing will support Yiguo's expansion and enable us to reach to more urban families who have an increasing demand for quality food. We aim to deliver more value to customers by improving our quality controls, systematic operations and provider greater differentiation to regional markets. Yiguo will continue to expand its customer base and develop products and services by working with the leading companies in each market segment in 2016. Online fresh food shopping is an irresistible trend. To accelerate the process, the industry players must work hard to enhance quality control, efficiency and regional operation. Yiguo will embrace the trend and pursue a steady and healthy development. "

With the new funding, Yiguo will also increase its investment in its subsidiary, ExFresh, China's largest cold-chain company established to serve the fresh food via e-commerce. The company will also optimize Yiguo's supply and delivery systems, which it has managed for over 10 years in parallel with the expansion of Alibaba's Tmall Supermarket.