
Warburg Pincus Invests US\$100 Million in Chinese B2B e-Commerce Platform Yijiupi

Beijing, March 18, 2019 –Yijiupi, China’s leading mobile on-demand B2B platform in FMCG sector, has completed a Series D+ financing from an affiliate of Warburg Pincus, a leading global private equity firm focused on growth investing. The fund raised will be used on Yijiupi’s national network expansion, new retail initiatives and R&D.

Founded in 2014, Yijiupi is committed to digitizing and improving supply chain efficiency for China’s FMCG (Fast-moving consumer goods) market. Within five years, it has evolved into a leading B2B mobile digitized platform that covers all major FMCG product categories with national network across the industry value chain. In 2018, Yijiupi achieved a gross merchandise value of about US\$2.0 billion, and has self-operated supply chain and fulfillment capabilities in more than 130 cities in China, one of the largest distribution networks in China’s FMCG B2B market. The Company has developed a broad suite of digitized solutions, including a mobile-based e-commerce platform, supply chain and logistics platform, retail chain management platform, and supply chain financing solutions etc.

Mr. Chaocheng Wang, Founder, Chairman and CEO of Yijiupi said, “Yijiupi will make significant breakthroughs across industry value chain in 2019. While we continue to grow our self-operated gross merchandise value at triple digit, our financing, cloud warehousing, chain stores and C2M businesses will create new growth and profit opportunities, enabled by our strong technology and supply chain capabilities.”

Mr. Jericho Zhang, Managing Director of Warburg Pincus commented, “We are very optimistic about the development of Industrial Internet in China. Despite the distinct features of different industry verticals and market participants, digitization has significantly improved the efficiency of supply chain. Warburg Pincus will continue to identify and support leading Industrial Internet platforms to consolidate various large but fragmented sectors.”

“We are very impressed by the sober-minded and visionary core management team, who have built up strong competitive moats around the business with solid executions. Yijiupi is not just collecting and sharing information for any specific segment, but rather creating value across the industry value chain with digitalized tools and operating excellence. Yijiupi is not only a trading platform, but rather an empowerment platform for all business partners,” he added.

Yijiupi has built an infrastructure of mobile and digital solutions, and an extensive national distribution and fulfillment network. On top of these, leveraging the integration of supply chain and financing resources, it has successfully identified business models that create values for all market participants, from brands, distributors, retailers to consumers.

Jericho Zhang emphasized that there are great potentials in China’s FMCG industry for further consolidation, as the \$0.6 trillion market is still highly fragmented, dominated by traditional channels. “While we’ve already seen multiple B2B companies worth tens of billions of US dollars in the US where the FMCG market is highly modernized, we expect large-scale B2B leaders to emerge in China, where the channels are still dominated by more than 6 million small retailers,” he explained.

Warburg Pincus LLC is a leading global private equity firm focused on growth investing. The firm has more than \$43 billion in private equity assets under management. The firm's active portfolio of more than 180 companies is highly diversified by stage, sector and geography. Warburg Pincus is an experienced partner to management teams seeking to build durable companies with sustainable value. Founded in 1966, Warburg Pincus has raised 17 private equity funds, which have invested more than \$73 billion in over 855 companies in more than 40 countries.

Since entering the Chinese market in 1994, Warburg Pincus has invested over \$12 billion in over 100 companies in China. The firm has a strong record in investing and supporting the growth of many leading consumer, technology, retail and B2B companies such as China Kidswant, Gome, Intime, Leyou, New Carzone, Souche and Batulu. For more information on Warburg Pincus, please visit www.warburgpincus.com.