

ABOUT ARETE CAPITAL ASIA

Arete Capital Asia is a boutique financial advisory firm based in Hong Kong. Our three Responsible Officers each have over 25+ years experience in international financial markets.

We are truly independent advisers – this means we offer advice based on the best solutions available and we are able to source a few niche opportunities. The Arete Team digs deep and push boundaries to uncover and offer compelling risk / reward opportunities for our clients.

ABOUT DINGDONG MAICAI

Dingdong Maicai is a fresh vegetable e-commerce platform, adopting a big data-driven approach, predicting future orders through self-developed data models and multi-dimensional predictions based on historical sales data to reduce the slow-loss loss rate; the varieties are mainly concentrated in vegetables and fresh water. Fish, shrimp, fruit and some organic products.

COMPETITIVE ADVANTAGE

- Unique position with a focus on vegetables and fruits
- Front warehouse to guarantee delivery 29 minutes
- 52% repurchase rate and 30% gross margin, highest in the industry.

DINGDONG GROWTH DURING THE PANDEMIC

City coverage

550 Front store warehouses in Shanghai, Suzhou, Hangzhou, Shenzhen, Ningbo and Wuxi

Distribution during the pandemic

Delivery with **2.5 hours** after placing the order

Fresh foods supply changes during pandemic

400 tons daily supply of vegetables for Shanghai residents

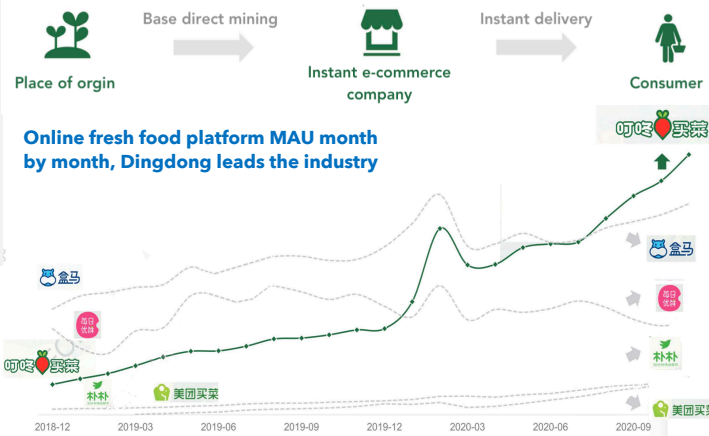
Sales during the pandemic

The overall order volume during the Spring Festival increased by 80% and the average order size increased by 70% to about 100 RMB.

INSTANT E-COMMERCE VS. SUPERMARKETS

	QUALITY	TIME	CATEGORY
Instant e-commerce	Direct from origin with good quality.	Delivered in 29 minutes	All fresh products
Supermarkets	Poor quality and unstable	Poor consumer experience	Limited categories available

INSTANT E-COMMERCE PATH



INVESTMENT PARTICULARS

Issuer	Dingdong Maicai
Type of Purchase	Pre IPO Round
Type of Security	Equity exposure
Purchase Valuation	c. USD 3.8 bn pre money
Existing Shareholders	General Atlantic, Sequoia, etc
Potential Exit Strategy	IPO possibly US Market Summer 2021.
Deal Timing	ASAP end February.

EXECUTIVES

CHANGLIN LIANG Co-founder & CEO

Co-founder and CEO of Dingdong Maicai. He is a serial entrepreneur. He initially sold his video editing software firm for USD 800k in 2002 and reinvested the money into a new business. In a report, credibility is important to Mr. Liang. In 2014, when Dingdong Maicai was reported going thru financial difficulties, he sold another company operating at a profit in order to return all the money to his investors.

Changlin Ling graduated from the Electronic Warfare Institute of the National Defense Material University and has 12 years of military experience.



BUSINESS OPERATIONS



Shanghai

- Entry in May 2017
- Single month exceed RMB 100m

Kangzhou

- Entry January 2019
- Single month RMB 100m

Suzhou

- Entry March 2019
- Exceeds monthly revenue

Shenzhen

- Entry at the end of 2019
- Exceeds monthly revenue

Beijing

- Entry April 2020
- Exceeds monthly revenue

KNOWN INVESTORS

