

111 to be the Omni-channel Drug Commercialization Partner of Xiangxue Pharmaceutical for Traditional Chinese Medicine

SHANGHAI, Oct. 15, 2020 /PRNewswire/ -- On September 24, 111, Inc. (the "Company" or "111") and Guangzhou Xiangxue Pharmaceutical Co., Ltd. ("Xiangxue Pharmaceutical") officially signed a strategic partnership agreement (the "Agreement") to deepen collaboration to further develop the "Internet + Medicine" model for China's traditional Chinese medicine industry.

Per the Agreement, 111 will become an omni-channel commercialization partner of Xiangxue Pharmaceutical. Through the integration of Smart Supply Chain, digital marketing, data capabilities, and cloud services, Xiangxue Pharmaceutical will be able to promote its abundant traditional Chinese medicine products into new markets through online and offline platforms, as well as expanding into existing markets.

As the pioneer in "Internet + Medicine" platform, 111 has built China's largest digital healthcare platform that combines both online and offline channels covering 280,000 pharmacies nationwide. In the often underserved tier 3-6 cities, 111 covers over 63% of retail pharmacies. The Agreement aims to combine the strength of 111's omni-channel drug commercialization platform and Xiangxue Pharmaceutical's expansive portfolio of products to drive the growth of traditional Chinese medicine. Both companies are excited to embark on this symbiotic partnership that aims further strengthen 111's capabilities of connecting pharmaceutical companies with patients in need of their medicine.

Mr. ZHU Pengcheng, Co-COO of 111, commented that he has full confidence in this mutually beneficial partnership that leverages the expertise of both companies to service and promote the traditional Chinese medicine industry by combining 111's leading digital healthcare platform and Xiangxue Pharmaceutical's innovative product line. The two parties will collaborate in big data application, digital marketing of traditional Chinese medicine, brand building, and patient health management to optimize operations and better serve patients' needs.

Mr. TAN Guanghua, General Manager of the Marketing Center of Xiangxue Pharmaceutical, commented that 111, as China's leading digital healthcare platform, has tremendous competitive advantages in its technology-enabled Smart Supply Chain, omni-channel drug commercialization capabilities, and smart technology and integrated online-offline infrastructure that leverages the latest in AI, cloud-based solutions, and big data. The Agreement combines the expertise of both companies and he has full confidence that the strategic partnership will be a success in achieving significant annual sales growth for Xiangxue Pharmaceutical.

About Xiangxue Pharmaceutical

Xiangxue Pharmaceutical is specialized in the health industry, covering fields such as traditional Chinese medicine decoction pieces, Chinese patent medicine, functional healthcare products, biomedical engineering, and life science research. It has built large GAP medicinal materials planting bases and GMP production bases, building an integrated industrial chain that includes traditional Chinese medicine resources development, new drug R&D and production, advanced manufacturing of traditional Chinese medicine, and modern logistics and distribution. The company has become a leading traditional Chinese medicine modernization company with proprietary intellectual property rights, its brands and self-dependent innovation ability.

About 111, Inc.

111, Inc. (NASDAQ: YI) ("111" or the "Company") is a leading digital healthcare platform committed to digitally connecting patients with healthcare products and services in China. The Company provides consumers with better access to pharmaceutical products and healthcare services directly through its online retail pharmacy, 1 Drugstore, and indirectly through its offline virtual pharmacy network. The Company also offers online healthcare services through its internet hospital, 1 Clinic, which provides consumers with cost-effective and convenient online consultation, electronic prescription service, and patient management service. In addition, the Company's online wholesale pharmacy, 1 Drug Mall, serves as a one-stop shop for pharmacies to source a vast selection of pharmaceutical products. With the largest virtual pharmacy network in China, 111 enables offline pharmacies to better serve their customers with cloud-based services. 111 also provides an omni-channel drug commercialization platform to its strategic partners, which includes services such as digital marketing, patient education, data analytics, and pricing monitoring.

For more information on 111, please visit: <http://ir.111.com.cn/>.

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