



111 Signs Strategic Partnership with HEC Group to Strengthen Cooperation with Innovative Pharmaceutical Manufacturer

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SHANGHAI, Nov. 14, 2019 /PRNewswire/ -- 111, Inc. (NASDAQ: YI) ("111" or the "Company"), a leading integrated online and offline healthcare platform, announced today that it will establish an integrated online and offline healthcare retail channel with HEC Group ("HEC"). The channel will be used to expand the offering of HEC's products and resources to more patients, both online and offline.

The signing ceremony was conducted by Yushuai Zhang, Chairman of Guangdong HEC Technology Holding Co., Ltd. (SH: 600673), Yangui Chen, Executive Director of Yichang HEC, Dr. Gang Yu, Co-Founder and Executive Chairman of 111, Haihui Wang, Chief Operating Officer of 111, and Yang Chen, Chief Financial Officer of 111. HEC is the parent company of Yichang HEC Changjiang Pharmaceutical Co., Ltd. ("Yichang HEC") (01558.HK).

Under the partnership, in addition to focusing on cardio cerebrovascular and endocrine diseases, 111 will support HEC in designing solutions for direct sourcing, distribution management, and e-commerce, and both parties will also collaborate on brand visibility and patient education.

Haihui Wang, Chief Operating Officer of 111, commented: "As the healthcare needs of China continue to grow, 111 is empowering pharmaceutical companies to bring innovative products to market. We are constantly enriching the product verticals on our platforms to serve the needs of patients. We have been very impressed by HEC's manufacturing quality management system, the range of its products offerings, and innovative products."

Yangui Chen, Executive Director of Yichang HEC, commented: "Yichang HEC is an advocate of diagnosis and treatment based on advanced scientific method. "KeWei" Oseltamivir Phosphate Granules is a top influenza drug internationally and domestically, and the HEC Group has global exclusive rights to produce it. With the development of clinical and consumer awareness about influenza, an increasing number of people have heard of Oseltamivir, have used this drug, and are gradually learning about HEC. We are planning to use a range of market distribution channels for our innovative products in the future. The Internet makes it possible to provide precise information to patients, and the new distribution channel outside hospitals that we will develop with 111 will be an important strategic departure for us."

China's healthcare reforms are bringing unprecedented changes to the traditional pharmaceutical distribution market. Pharmaceutical manufacturers are under pressure to switch their focus to new drug development. At the same time, China has allowed conditional online prescription drug sales, and the *Internet Drug Sale Supervision Measures* are under review. 111 is ideally positioned in the market as the Chinese government is liberalizing drug distribution beyond hospitals.

About HEC Group

HEC Group was founded in 1997. It has 20,000 employees. The Company operates in biomedicine, electronic materials and healthcare industries. It has six production centers in Dongguan and Shaoguan in Guangzhou province, Yichang in Hubei province, Linzhi in Tibet, Zunyi in Guizhou province, and Wulanchabu in Inner Mongolia. It has two listing companies including Guangdong HEC Technology Holding Co., Ltd. (SH: 600673) and Yichang HEC Changjiang Pharmaceutical Co., Ltd. ("Yichang HEC") (01558.HK).

For more information on HEC Group, please visit <http://www.hec.cn/index.aspx>.

About 111, Inc.

111, Inc. (NASDAQ: YI) ("111" or the "Company") is a leading integrated online and offline healthcare platform in China. The Company provides hundreds of millions of consumers with better access to pharmaceutical products and healthcare services directly through its online retail pharmacy and indirectly through its offline pharmacy network. 111 also offers online healthcare services through its internet hospital, 1 Clinic, which provides consumers with cost-effective and convenient online consultation and electronic prescription services. In addition to providing direct services to consumers through its online retail pharmacy, 111 also enables offline pharmacies to better serve their customers. 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. The Company's new retail platform, by integrating the front and back ends of the pharmaceutical supply chain, has formed a smart supply chain, which transforms the flow of pharmaceutical products to pharmacies and modernizes how they serve their customers.

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

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