

111, Inc. and Shanghai Uniondrug Information Technology Join Hands to Advance Innovation in Commercial Insurance Payment

Building a Closed-Loop Healthcare Ecosystem Empowered by Technologies

SHANGHAI, Oct. 15, 2020 /PRNewswire/ -- On September 24, 111, Inc. (NASDAQ: YI) ("111") and Shanghai Uniondrug Information Technology Co., Ltd ("Shanghai Uniondrug") officially signed a strategic partnership agreement (the "Agreement"). The two companies will share resources and leverage each company's expertise to build a multiple-layer partnership covering various fields. They will jointly promote commercial insurance innovation and explorations in oncology drug retail and diversified healthcare services, and provide integrated solutions for pharmaceutical companies, including innovative payments solutions, patient management, doctor and patient education, and offering efficient and convenient access to medication and other healthcare products.

Under the Agreement, the two companies will leverage their advantages to promote the development of an integrated ecosystem connecting pharmaceutical companies and insurers to lower the cost of medications while improving the market environment of pharmaceutical companies and pharmacies. More importantly, this Agreement will help reduce the cost burden of medication for patients while also providing patients with the ability to obtain high-quality medicine and healthcare products from a trusted source, in a manner that is convenient for them.

Dr. YU Gang, Co-founder and Executive Chairman of 111, commented that with the government implementing a series of reform policies, including "limiting the proportion of medicine in total hospital expenses", "zero mark-up for drugs", and "volume-based procurement", there has been continuous outflow of prescriptions and medication products from public hospitals to online and offline pharmacies. These policy changes have ushered in a new era for the online healthcare industry and brought forth enormous market opportunities. In the future, the company will continue its patient-centric focus and build China's largest digitally-enabled, online and offline integrated healthcare platform. In addition, 111 will continue to partner with leading industry players like Shanghai Uniondrug to empower participants in the healthcare ecosystem, including doctors, pharmacies, hospitals, pharmaceutical companies, drug distributors, and insurance companies through technology that will maximize value and fulfill the mission of digitally connecting patients with medicine and healthcare services.

Mr. ZHENG Xiaozhen, Founder and Chairman of Shanghai Uniondrug Information Technology, said that as a professional commercial insurance operator in the healthcare sector in China, Shanghai Uniondrug has been exploring and promoting commercial insurance innovation in the pharmaceutical and health management sectors. In the future, Shanghai Uniondrug intends to partner with more companies such as 111 to continue to promote and foster innovations to the pharmaceutical retail industry chain and the healthcare industry.

About Shanghai Uniondrug Information Technology

Shanghai Uniondrug Information Technology is a leading technology platform connecting commercial insurance to healthcare and other healthcare scenarios in China, striving to promote the launch of service-style claim settlement at retail pharmacies and in the healthcare field. Shanghai Uniondrug Information Technology has launched cooperation with over 100 institutions of domestic major insurance companies including PICC, China Life, CPIC, China Insurance, China Taiping and Huaxia Insurance. In 2019, the commercial insurance settlement scale on the platform of Shanghai Uniondrug Information Technology reached nearly RMB 2 billion. The platform has had 850 chain drugstores connected, covering approximately 100,000 pharmacies in 29 provinces across the country.

111, Inc. previously entered into in-depth cooperation with insurers like TK.CN, MSH China and Manulife-Sinochem on patients purchase of medicines and customized insurance.

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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