

111, Inc. Achieves Full Distribution Coverage Across Mainland China with the Opening of Two Key Fulfillment Centers

SHANGHAI, March 16, 2021 /PRNewswire/ -- 111, Inc. ("111" or the "Company") (Nasdaq: YI), a leading tech-enabled healthcare platform company committed to digitally connecting patients with medicine and healthcare services in China, announced today it has opened two new state-of-the-art, technology-driven fulfillment centers in the Northern cities of Xi'an and Shenyang.

Xi'an and Shenyang were strategically chosen to improve logistical efficiency. Xi'an is the capital of Shaanxi province and the largest city by population in Northwest China, and Shenyang is the capital of Liaoning province, located in the Northeast region. 111's Xi'an operations will provide added support for five provinces and autonomous regions, including Shaanxi, Gansu, Qinghai, Ningxia, and Xinjiang, while the Shenyang fulfillment center will focus on the Northeast provinces such as Liaoning, Heilongjiang and Jilin.

The additions bring the total number of fulfillment centers to eight:

- Guangzhou (South China)
- Chongqing (Southwest China)
- Fuzhou (Southeast China)
- Wuhan (Central China)
- Kunshan (East China)
- Tianjin (North China)
- Xi'an (Northwest China)
- Shenyang (Northeast China)

Together, the fulfillment centers currently serve more than 300,000 pharmacies that comprise 111's online and offline integrated virtual pharmacy network, empowering the Company's ability to offer 24-hour delivery in most major cities and 72-hour delivery nationwide.

Dr. Yu Gang, Co-founder and Executive Chairman of 111, Inc., commented, "The strategic layout of our integrated fulfillment centers further strengthens our supply chain platform capabilities. As we expand our fulfillment capabilities and deepen our customer coverage, we are able to better leverage our advanced technology to transform the healthcare industry."

"The combination of our industry-leading digital infrastructure and growing supply chain network enables us to equip businesses and doctors with the tools and technology to better serve patients like never before," continued Dr. Gang. "In the traditional model, healthcare participants must navigate a complex and disconnected system, leading to higher costs and inefficiencies throughout the supply chain. Now, through our next-generation S2B2C model ("Supply chain platform" to enable "Businesses" to better serve "Consumers") all parties are interconnected through our omni-channel platform, offering more efficient and effective product commercialization for pharmaceutical companies, increased patient access for doctors, and better healthcare management for patients."

About 111, Inc.

111, Inc. (NASDAQ: YI) ("111" or the "Company") is a leading tech-enabled digital healthcare platform company committed to digitally connecting patients with medicine and healthcare services in China. The Company provides consumers with better access to pharmaceutical products and healthcare services directly through its online retail pharmacy, 1 Pharmacy, 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 Medicine Marketplace, 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/>.

Forward-Looking Statements

This press release contains forward-looking statements. These statements constitute "forward-looking" statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and as defined in the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by terminology such as "will," "expects," "anticipates," "future," "intends," "plans," "believes," "estimates," "target," "confident" and similar statements. Among other things, the Business Outlook and quotations from management in this announcement, as well as 111's strategic and operational plans, contain forward-looking statements. 111 may also make written or oral forward-looking statements in its periodic reports to the U.S. Securities and Exchange Commission, in its annual report to shareholders, in press releases and other written materials and in oral statements made by its officers, directors or employees to third parties. Such statements are based upon management's current expectations and current market and operating conditions and relate to events that involve known or unknown risks, uncertainties and other factors, all of which are difficult to predict and many of which are beyond the Company's control. Forward-looking statements involve inherent risks, uncertainties and other factors that could cause actual results to differ materially from those contained in any such statements. Potential risks and uncertainties include, but are not limited to, uncertainties as to the Company's ability comply with extensive and evolving regulatory requirements, its ability to compete effectively in the evolving PRC general health and wellness market, its ability to manage the growth of its business and expansion plans, its ability to achieve or maintain profitability in the future, its ability to control the risks associated with its pharmaceutical retail and wholesale businesses, and the Company's ability to meet the standards necessary to maintain listing of its ADSs on the Nasdaq Global Market, including its ability to cure any non-compliance with Nasdaq's continued listing criteria. Further information regarding these and other risks, uncertainties or factors is included in the Company's filings with the U.S. Securities and Exchange Commission. All information provided in this press release is as of the date of this press release, and 111 does not undertake any obligation to update any forward-looking statement as a result of new information, future events or otherwise, except as required under applicable law.

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