

111, Inc. Reaches Strategic Partnership on Direct Supply with Beilin Pharmaceutical to Blaze New Trails in Digital Development of Chinese Patent Medicine

SHANGHAI, March 4, 2022 /PRNewswire/ -- On February 23, 2022, 111, Inc. ("111" or the "Company") (NASDAQ: YI), a leading tech-enabled healthcare platform company in China, signed a strategic cooperation agreement on direct supply with Xi'an Beilin Pharmaceutical Co., Ltd. ("Beilin Pharmaceutical"). The cooperation agreement will allow the two sides to fully leverage their respective advantages, explore the digital marketing of Chinese patent medicines, and tap into the resources and broad potential of the market. 111 and Beilin Pharmaceutical will work together to capitalize on the digital, intelligent and efficient capabilities of the Internet to expand the market coverage of high-quality Chinese patent medicines and enhance their accessibility to benefit more users.

The cooperation will see 111 proactively integrate its resources and combine them with Beilin Pharmaceutical's strengths to assist in quickly bringing its high-quality products to the broader market beyond hospitals. The two sides will also engage in mutually beneficial and win-win cooperation in the digital marketing of Chinese patent medicines, big data application and brand co-building to usher in a new era of digitalization for Chinese patent medicines and benefit society at large.

XIA Zhidong, Chairman and General Manager of Beilin Pharmaceutical, remarked, "It is precisely the emerging industrial change that has driven us to further build up our core competency through digital empowerment. The cooperation with 111 will provide broader growth space for Beilin Pharmaceutical and mark an important step in our drive to enhance the value of our new strategic channels. The cooperation is a signature event of far-reaching significance and a natural outcome of the strategic fit, coordinated development, win-win collaboration, value creation and other considerations between our two companies. Beilin Pharmaceutical will energetically work with 111 to build a strategic development platform of "complementary advantages, information sharing, mutual benefit and win-win" and embrace more new opportunities and meet high expectations of the market."

Speaking about the cooperation, Dr. YU Gang, Co-founder & Executive Chairman of 111, stated, "As a leading industry enabler, 111 has long been exploring innovative ways to reshape the industrial value chain for healthcare and better connect demand with supply. Teaming up with partners to meet tough challenges, blaze new trails and create greater social value has been the goal for 111. We are willing to work with Beilin Pharmaceutical to open up the digital development path for Chinese patent medicines to accomplish even greater achievements in the future."

About Xi'an Beilin Pharmaceutical Co., Ltd

Founded in 1969, Beilin Pharmaceutical is an outstanding enterprise with a history of 50 years in the research, development, production and sales of Chinese patent medicines. The company is mainly engaged in the research, development, production and sales of Chinese patent medicines related to facial features and the extraction of Chinese herbal medicines. Its core products are markets leaders of Chinese patent medicine in the ophthalmological and laryngological fields.

About 111, Inc.

111, Inc. (NASDAQ: YI) ("111" or the "Company") is a leading tech-enabled 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 platform, 1 Medicine, 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.

SOURCE 111, Inc.

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