

111, Inc. Hosts Online Pharmaceuticals and Healthcare Summit to Look at the Future of Healthcare in China in the Internet Age

SHANGHAI, China, Dec. 10, 2018 (GLOBE NEWSWIRE) -- 111, Inc. (NASDAQ: YI) ("111" or the "Company"), a leading integrated online and offline healthcare platform, hosted the 2018 China Online Pharmaceuticals and Healthcare Summit (the "Summit") and the General Suppliers Meeting in Shanghai on December 7, 2018.

Organized by 111, Inc., the world's largest virtual pharmacy network, the summit underlined the extraordinary potential of healthcare delivery in the internet era. Giants of the biotech and healthcare industry met to share industry developments that are changing clinical experience and pharmaceutical access for hundreds of millions of people in China and around the world.

The summit was held in the wake of a new policy directive—"4+7 Centralized Urban Pharmaceutical Procurement" program—promulgated by the newly formed State Medical Insurance Administration aimed at keeping pharmaceutical prices low in China's aging society. The pilot program, which gives winning bidders 60% to 70% market share on drugs purchased by China's public hospital system, is being rolled out in Shanghai, followed by 11 Chinese cities in December.

This was just one of many changes rocking China's pharmaceuticals industry that are making it one of the most competitive and innovative environments in global healthcare. A keynote speech by Xudong Yin, a senior executive with Novartis, one of the world's largest pharmaceutical manufacturers based in Basel, Switzerland, described the transformative role of Artificial Intelligence (AI) and data analytics in pharmaceuticals research, where precision or individualized medicine is quickly becoming the clinical norm. Zhe Wei, a founding partner and chairman of Vision Knight Capital, said that e-commerce was driving new growth in pharmaceuticals retail with greater potential than fashion and beauty products. According to consultancy Frost & Sullivan, drugs sold online in China are expected to grow from RMB 29.1 billion in 2017 to RMB 323.5 billion in 2022, a tenfold increase.

111, Inc. chairman, Dr. Gang Yu and CEO Junling Liu, who co-founded the Company in 2015 to make medications more accessible, said in a joint presentation that the Company, which is building a cloud-based platform for pharmaceutical sales, will launch smart warehouses and use data analytics to offer customized service as part of a new "online pharmaceutical healthcare ecosystem powered by technology."

"We are creating a roadmap for the future," Yu told the summit.

Yu and Liu say they are developing a new healthcare ecosystem in 111. The Company's unique T2B2C business model links consumers with offline pharmacies, private hospitals, primary care specialists and pharmaceutical companies, allowing them to open up new retail channels outside of traditional public hospitals.

Through its 1 Drugstore platform for consumers, 111 is already China's largest direct online sales pharmacy in terms of gross merchandise volume, with net revenue of RMB 730.9 million in the first half of 2018, including its wholesale platform, 1 Drug Mall, and its online prescription business, 1 Clinic, which has 80 in-house doctors and over 1,000 part-time doctors available for consultations.

111, Inc. listed its ADS shares on Nasdaq on September 12, 2018, under stock ticker YI, just three years after Yu and Liu, both Amazon and Dell alumni, sold their Yihaodian online supermarket business to Walmart to set up the Company.

The summit, titled "New Era, New Opportunities" saw more than 400 participants at the C-suite level from major multinationals including Novartis, Pfizer Pharmaceuticals Co., Ltd., A. Menarini China Holding Co., Ltd., Bayer Health Care Co., Ltd., Bayer Health Consumer Products China, AstraZeneca Investment (China) Co., Ltd., and Roche Diagnostics (Shanghai) Co., Ltd., among others. Domestic participants included Shandong Dong'e Ejiao Co., Ltd., Beijing Tongrentang Technology Development Co., Ltd., Beijing Silian Pharmaceutical Co., Ltd., and Vision Knight Capital.

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 medical services directly through its online retail pharmacy and indirectly through its offline pharmacy network. 111 also offers online medical 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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