

111 Signs Strategic Cooperation with Harbin Pharmaceutical Group

SHANGHAI, July 24, 2019 [/PRNewswire/](#) -- 111, Inc. (NASDAQ: YI) ("111" or the "Company"), a leading integrated online and offline healthcare platform, today announced the signing of a strategic cooperation agreement with Harbin Pharmaceutical Group Holding Co., Ltd. (HPGC, SHSE: 600664), which has selected 111 as its primary partner for online sales of Over the Counter (OTC) products. The agreement will enable both companies to serve customers by providing access to high-quality products and services.

Dr. Gang Yu, Co-Founder and Executive Chairman of 111, commented: "The alliance with 111 will help HPGC cover sales channels outside the public hospital system through our integrated online and offline healthcare platform. We will provide supply chain management, marketing and data services. HPGC will gain a customer-centric service model providing more reliable drugs and the convenience of online healthcare to its customers."

"HPGC's strong product line includes well-known brands such as 'SanJing', 'GaiZhongGai' and 'HuTong'. For 111, the strategic cooperation expands our direct sourcing capabilities and quality product offerings", said Dr. Yu.

Ms. Xu Haiying, HPGC's General Manager, added: "For the first time, we will be launching and promoting our OTC products online as a result of the alliance with 111. This is an inflection point for us as we expand our market, extend our product reach, and better serve our customers. We will be paying attention to offline customers as well as our new online customers as we create a fully integrated online and offline platform, with 111's help. Our partnership with 111 as an experienced internet technology player will take us into a new realm where we can make use of the expertise of both companies to provide popular products to online customers."

HPGC has been publicly listed on the Shanghai Stock Exchange since June 1993. The Company is a large, high-tech pharmaceutical company that manufactures, distributes, and conducts research and development for pharmaceutical products in China. HPGC is also one of the most valuable brands in China's pharmaceutical industry. The Company acquired a 40.1% equity stake in GNC, a global health and wellness brand, and purchased the registration, import approval and exclusive sales rights in China for six of GNC's products. HPGC optimizes its products structure through the import of new products and technology transfer.

About Harbin Pharmaceutical Group Co., Ltd.

Harbin Pharmaceutical Group Co., Ltd. (HPGC) is a state-controlled Sino-foreign equity joint venture. It is composed of domestically famous pharmaceutical companies like HPGC General Factory, HPGC Sanjing, HPGC Sixth Factory, HPGC Chinese Medicine, HPGC Bioengineering and HPGC Vaccine, and commercial circulation companies like HPGC Medicine, HPGC Sales and HPGC Marketing. HPGC has two listed companies, HPGC Holding (SHSE: 600664) and HPGC Sanjing. HPGC owns 45.06% equity stake in HPGC Holding, and HPGC Holding owns 74.82% equity stake in HPGC Sanjing. HPGC has more than 20,000 employees, and total assets of 18.5 billion RMB.

For more information on HPGC, please visit <http://en.hayao.com/>.

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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