

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

**REPORT OF FOREIGN ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 OF
THE SECURITIES EXCHANGE ACT OF 1934**

For the month of June 2025

Commission file number: 001-38639

111, Inc.

3-4/F, No.295 ZuChongZhi Road,
Pudong New Area
Shanghai, 201203
The People's Republic of China
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F. Form 20-F ☒ Form 40-F ☐

EXHIBIT INDEX

Exhibit No.	Description
99.1	111, Inc. Announces First Quarter 2025 Unaudited Financial Results

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

111, INC.

Date: June 20, 2025

By: /s/ Junling Liu
Name: Junling Liu
Title: Chief Executive Officer

111, Inc. Announces First Quarter 2025 Unaudited Financial Results

- **Maintained Quarterly Operational Profitability**
- **Operating Expenses as a Percentage of Revenues Decreased 30 Basis Points YoY**
- **Maintained Quarterly Positive Operating Cash Flow**

SHANGHAI, June 19, 2025 /PRNewswire/ – 111, Inc. (“111” or the “Company”) (NASDAQ: YI), a leading tech-enabled healthcare platform company committed to reshaping the value chain of healthcare industry by digitally empowering the upstream and downstream in China, today announced its unaudited financial results for the first quarter ended March 31, 2025.

First Quarter 2025 Highlights

- **Net revenues** were RMB3.5 billion (US\$486.3 million), remaining relatively flat compared to the same quarter last year.
- **Total operating expenses** were RMB195.0 million (US\$26.9 million), an improvement of 4.8% compared to RMB204.8 million in the same quarter of last year. As a percentage of net revenues, total operating expenses decreased by 30 basis points to 5.5% from 5.8% in the same quarter of last year, demonstrating continuous improvement in the Company’s operational efficiency.
- **Income from operations** was RMB0.1 million (US\$0.02 million), compared to RMB3.7 million in the same quarter of last year. As a percentage of net revenues, income from operations accounted for 0.004% this quarter as compared to 0.1% in the same quarter of last year.
- **Non-GAAP income from operations** ⁽¹⁾ was RMB4.3 million (US\$0.6 million), compared to RMB8.9 million in the same quarter of last year. As a percentage of net revenues, Non-GAAP income from operations accounted for 0.1% this quarter as compared to 0.3% in the same quarter of last year.
- **Net cash from operating activities** was RMB112.6 million (US\$15.5 million), achieved another quarter of positive operating cash flow.

(1) Non-GAAP income from operations represents income from operations excluding share-based compensation expenses.

Mr. Junling Liu, Co-Founder, Chairman, and Chief Executive Officer of 111, commented, “In the first quarter of 2025, we successfully navigated a persistently challenging macroeconomic environment to deliver another quarter of operational profitability and positive operating cash flow. Our net revenues remained stable at RMB 3.5 billion, demonstrating the resilience of our business model amidst market headwinds. Our ability to sustain profitability is a direct result of the operational discipline and strategic focus we have cultivated across the organization.”

“Our relentless focus on efficiency continues to bear fruit. We achieved a notable 4.8% year-over-year reduction in total operating expenses. More importantly, as a percentage of net revenues, our operating expenses improved to 5.5%, a decrease of 30 basis points from the same period last year, highlighting our capacity for continued operational improvement. This was driven by significant double-digit reductions in both our selling and marketing expenses and technology expenses, reflecting our commitment to prudent cost management.”

“Looking ahead, our strategy remains centered on leveraging technology to empower the healthcare value chain. We will continue to invest strategically in AI and digital solutions to enhance our supply chain, deepen customer engagement, and pioneer a seamless, one-stop shopping experience for our partners. With our fortified financial base and a clear focus on execution, we are well-positioned to capture the immense long-term opportunities in this exciting market and build a truly defensible, next-generation platform.”



First Quarter 2025 Financial Results

Net revenues were RMB3,529 million (US\$486.3 million), representing an increase of 0.02% from RMB3,528 million in the same quarter of last year .

Gross segment profit ⁽²⁾ was RMB195.1 million (US\$26.9 million). Due to an unfavorable macroeconomic environment, gross segment profit had a 6.4% decrease year-over-year.

(In thousands RMB)

	For the three months ended March 31,		
	2024	2025	YoY
B2B Net Revenue			
Product	3,431,172	3,457,267	0.8%
Service	20,837	16,971	-18.6%
Sub-Total	3,452,009	3,474,238	0.6%
Cost of Products Sold ⁽³⁾	3,261,103	3,288,747	0.8%
Segment Profit	190,906	185,491	-2.8%
Segment Profit %	5.5%	5.3%	

(In thousands RMB)

	For the three months ended March 31,		
	2024	2025	YoY
B2C Net Revenue			
Product	72,206	52,312	-27.6%
Service	4,214	2,729	-35.2%
Sub-Total	76,420	55,041	-28.0%
Cost of Products Sold	58,793	45,437	-22.7%
Segment Profit	17,627	9,604	-45.5%
Segment Profit %	23.1%	17.4%	

(2) Gross segment profit represents net revenues less cost of goods sold.

(3) For segment reporting purposes, purchase rebates are allocated to the B2B segment and B2C segments primarily based on the amount of cost of products sold for each segment. Cost of products sold does not include other direct costs related to cost of product sales such as shipping and handling expense, payroll and benefits of logistic staff, logistic centers rental expenses and depreciation expenses, which are recorded in the fulfillment expenses. Cost of service revenue is recorded in the operating expense.

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Operating costs and expenses were RMB3.53 billion (US\$486.3 million), representing an increase of 0.1% from RMB3.52 billion in the same quarter of last year.

- **Cost of products sold** was RMB3.33 billion (US\$459.5 million), representing an increase of 0.4% from RMB3.32 billion in the same quarter of last year.
- **Fulfillment expenses** were RMB93.6 million (US\$12.9 million), representing an increase of 5.7% from RMB88.5 million in the same quarter of last year. Fulfillment expenses accounted for 2.7% of net revenues this quarter as compared to 2.5% in the same quarter of last year.
- **Selling and marketing expenses** were RMB67.9 million (US\$9.4 million), representing a decrease of 15.5% from RMB80.4 million in the same quarter of last year. Excluding the share-based compensation expenses of RMB1.6 million for the quarter and RMB1.9 million for the same quarter last year, respectively, selling and marketing expenses as a percentage of net revenues accounted for 1.9% in the quarter as compared to 2.2% in the same quarter of last year.
- **General and administrative expenses** were RMB18.3 million (US\$2.5 million), representing a decrease of 3.8% from RMB19.1 million in the same quarter of last year. Excluding the share-based compensation expenses of RMB1.9 million for the quarter and RMB2.1 million for the same quarter last year, respectively, general and administrative expenses as a percentage of net revenues accounted for 0.5% this quarter, maintaining the same as last year.
- **Technology expenses** were RMB15.5 million (US\$2.1 million), representing a decrease of 15.6% from RMB18.3 million in the same quarter of last year. Excluding the share-based compensation expenses of RMB0.6 million for the quarter and RMB1.2 million for the same quarter last year, respectively, technology expenses as a percentage of net revenues accounted for 0.4% in the quarter as compared to 0.5% in the same quarter of last year.

Income from operations was RMB0.1 million (US\$0.02 million), compared to RMB3.7 million in the same quarter of last year. As a percentage of net revenues, income from operations accounted for 0.004% this quarter as compared to 0.1% in the same quarter of last year.

Non-GAAP income from operations was RMB4.3 million (US\$0.6 million), compared to RMB8.9 million in the same quarter of last year. As a percentage of net revenues, Non-GAAP income from operations accounted for 0.1% this quarter as compared to 0.3% in the same quarter of last year.

Net loss was RMB7.3 million (US\$1.0 million), compared to RMB2.7 million in the same quarter of last year. As a percentage of net revenues, net loss accounted for 0.2% this quarter as compared to 0.1% in the same quarter of last year.

Non-GAAP net loss ⁽⁴⁾ was RMB3.2 million (US\$0.4 million), compared to Non-GAAP net income of RMB2.5 million in the same quarter of last year.

Net loss attributable to ordinary shareholders was RMB17.6 million (US\$2.4 million), compared to RMB13.8 million in the same quarter of last year. As a percentage of net revenues, net loss attributable to ordinary shareholders accounted for 0.5% this quarter as compared to 0.4% in the same quarter of last year.

Non-GAAP net loss attributable to ordinary shareholders ⁽⁵⁾ was RMB13.5 million (US\$1.9 million), compared to RMB8.6 million in the same quarter of last year. As a percentage of net revenues, non-GAAP net loss attributable to ordinary shareholders accounted for 0.4% this quarter as compared to 0.2% in the same quarter of last year.

(4) Non-GAAP net loss represents net loss excluding share-based compensation expenses, net of tax. Considering the impact of accretion of redeemable non-controlling interest for the first quarter 2025, non-GAAP net loss is used as a meaningful measurement of the operation performance of the Company.

(5) Non-GAAP net loss attributable to ordinary shareholders represents net loss attributable to ordinary shareholders excluding share-based compensation expenses, net of tax.

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As of March 31, 2025, the Company held cash and cash equivalents, restricted cash and short-term investments totaling RMB556.8 million (US\$76.7 million), compared to RMB518.3 million as of December 31, 2024. To date, amount of RMB1.09 billion has been included in the balances of redeemable non-controlling interests and accrued expenses and other current liabilities. This amount is owed to a group of investors of 1 Pharmacy Technology pursuant to equity investments made in 2020, as previously disclosed. 111 has received redemption requests from certain of such investors in accordance with the terms of their initial investments in 1 Pharmacy Technology. Following communication and negotiation to date, the Company has reached agreements with or received commitment letters from investors representing approximately 96.79% of the total amount to reschedule the repayments, allowing for phased repayments at extended periods, if the holders exercise their redemption rights. A portion of the redemption has already been paid upon signing of these agreements. For further details on the terms of 111's arrangements with these investors, please see "Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources" in the Company's annual report for the fiscal year ended December 31, 2024.

Use of Non-GAAP Financial Measures

In evaluating the business, the Company considers and uses non-GAAP income from operations, non-GAAP net income (loss), non-GAAP net loss attributable to ordinary shareholders, and non-GAAP loss per ADS, as supplemental measures to review and assess its operating performance. The Company defines non-GAAP income from operations as income from operations excluding share-based compensation expenses. The Company defines non-GAAP net income (loss) as net loss excluding share-based compensation expenses, net of tax. The Company defines non-GAAP net loss attributable to ordinary shareholders as net loss attributable to ordinary shareholders excluding share-based compensation expenses, net of tax. The Company defines non-GAAP loss per ADS as net loss attributable to ordinary shareholders per ADS excluding share-based compensation expenses, net of tax per ADS. The presentation of these non-GAAP financial measures is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with U.S. GAAP.

The Company believes that non-GAAP income from operations, non-GAAP net income (loss), non-GAAP net loss attributable to ordinary shareholders, and non-GAAP loss per ADS help identify underlying trends in its business that could otherwise be distorted by the effect of certain expenses that it includes in income from operations and net loss. Share-based compensation expenses is a non-cash expense that varies from period to period. As a result, management excludes the items from its internal operating forecasts and models. Management believes that the adjustments for share-based compensation expenses provide investors with a reasonable basis to measure the company's core operating performance, in a more meaningful comparison with the performance of other companies. The Company believes that non-GAAP income from operations, non-GAAP net income (loss), non-GAAP net loss attributable to ordinary shareholders, and non-GAAP loss per ADS provide useful information about its operating results, enhances the overall understanding of its past performance and future prospects and allow for greater visibility with respect to key metrics used by the management in their financial and operational decision-making.

The non-GAAP financial measures are not defined under U.S. GAAP and are not presented in accordance with U.S. GAAP. The non-GAAP financial measures have limitations as analytical tools. One of the key limitations of using non-GAAP income from operations, non-GAAP net income (loss), non-GAAP net loss attributable to ordinary shareholders, or non-GAAP loss per ADS is that it does not reflect all items of income and expense that affect the Company's operations. Further, the non-GAAP financial measures may differ from the non-GAAP information used by other companies, including peer companies, and therefore their comparability may be limited.

The Company compensates for these limitations by reconciling the non-GAAP financial measures to the most comparable U.S. GAAP measures, all of which should be considered when evaluating the Company's performance. The Company encourages you to review its financial information in its entirety and not rely on a single financial measure.

Reconciliation of the non-GAAP financial measures to the most comparable U.S. GAAP measures is included at the end of this press release.

Exchange Rate Information Statement

This announcement contains translations of certain RMB amounts into U.S. dollars at specified rates solely for the convenience of the reader. Unless otherwise noted, all translations from RMB to U.S. dollars are made at a rate of RMB7.2567 to US\$1.00, the exchange rate set forth in the H.10 statistical release of the Board of Governors of the Federal Reserve System as of March 31, 2025.



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 to 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.

About 111, Inc.

111, Inc. (NASDAQ: YI) ("111" or the "Company") is a leading tech-enabled healthcare platform company committed to reshaping the value chain of

healthcare industry by digitally empowering the upstream and downstream 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/>.

For more information, please contact:

111, Inc.
Investor Relations
Email: ir@111.com.cn

111, Inc.
Media Relations
Email: press@111.com.cn
Phone: +86-021-2053 6666 (China)



111, Inc.

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands, except for share and per share data)

	As of December 31, 2024	As of March 31, 2025	
	RMB	RMB	US\$
ASSETS			
Current assets:			
Cash and cash equivalents	462,289	485,736	66,936
Restricted cash	56,043	71,096	9,797
Short-term investments	-	-	-
Accounts receivable, net	413,101	266,582	36,736
Notes receivable	78,827	94,765	13,059
Inventories	1,387,403	1,342,798	185,043
Prepayments and other current assets	251,994	224,218	30,898
Total current assets	2,649,657	2,485,195	342,469
Property and equipment, net	32,903	30,882	4,256
Intangible assets, net	1,437	1,259	173
Long-term investments	-	-	-
Other non-current assets	14,682	14,143	1,949
Operating lease right-of-use asset	89,071	76,410	10,530
Total assets	2,787,750	2,607,889	359,377
LIABILITIES, MEZZANINE EQUITY AND SHAREHOLDERS' DEFICIT			
Current liabilities:			
Short-term borrowings	160,981	148,500	20,464
Accounts payable	1,721,425	1,680,164	231,531
Accrued expense and other current liabilities	460,173	346,018	47,684
Total current liabilities	2,342,579	2,174,682	299,679
Long-term operating lease liabilities	55,448	46,702	6,436
Other non-current liabilities	8,961	8,632	1,190
Total liabilities	2,406,988	2,230,016	307,305
MEZZANINE EQUITY			
Redeemable non-controlling interests	1,038,914	1,051,913	144,957
SHAREHOLDERS' DEFICIT			
Ordinary shares Class A	33	33	5
Ordinary shares Class B	25	25	3
Treasury shares	(5,887)	(5,887)	(811)
Additional paid-in capital	3,172,820	3,176,937	437,794
Accumulated deficit	(3,883,992)	(3,901,641)	(537,661)
Accumulated other comprehensive income	74,357	74,277	10,236
Total shareholders' deficit	(642,644)	(656,256)	(90,434)
Non-controlling interest	(15,508)	(17,784)	(2,451)
Total deficit	(658,152)	(674,040)	(92,885)
Total liabilities, mezzanine equity and deficit	2,787,750	2,607,889	359,377



111, Inc.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

(In thousands, except for share and per share data)

	For the three months ended March 31,		
	2024	2025	
	RMB	RMB	US\$
Net revenues	3,528,429	3,529,279	486,348
Operating costs and expenses:			
Cost of products sold	(3,319,896)	(3,334,184)	(459,463)
Fulfillment expenses	(88,523)	(93,566)	(12,894)
Selling and marketing expenses	(80,360)	(67,908)	(9,358)
General and administrative expenses	(19,074)	(18,341)	(2,527)
Technology expenses	(18,309)	(15,459)	(2,130)
Other operating income, net	1,457	324	45
Total operating costs and expenses	(3,524,705)	(3,529,134)	(486,327)
Income from operations	3,724	145	21
Interest income	1,966	1,254	173
Interest expense	(7,982)	(8,732)	(1,203)
Foreign exchange (loss) gain	(219)	42	6
Other loss, net	(123)	-	-
Loss before income taxes	(2,634)	(7,291)	(1,003)
Income tax expense	(51)	(16)	(2)
Net loss	(2,685)	(7,307)	(1,005)
Net loss attributable to non-controlling interest	(173)	1,745	240
Net loss attributable to redeemable non-controlling interest	289	445	61
Adjustment attributable to redeemable non-controlling interest	(11,206)	(12,532)	(1,727)
Net loss attributable to ordinary shareholders	(13,775)	(17,649)	(2,431)
Other comprehensive loss			
Unrealized gains of available-for-sale securities,	(34)	-	-
Realized gains of available-for-sale debt securities	177	-	-
Foreign currency translation adjustments	620	(80)	(11)
Comprehensive loss	(13,012)	(17,729)	(2,442)
Loss per ADS:			
Basic and diluted	(1.60)	(2.00)	(0.20)
Weighted average number of shares used in computation of loss per share			
Basic and diluted	171,220,973	173,119,578	173,119,578

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111, Inc.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)

	For the three months ended March 31,		
	2024	2025	
	RMB	RMB	US\$
Net cash provided by operating activities	108,438	112,599	15,516
Net cash provided by (used in) investing activities	29,742	(1,088)	(150)
Net cash used in financing activities	(155,471)	(72,981)	(10,057)
Effect of exchange rate changes on cash and cash equivalents, and restricted cash	1,072	(30)	(4)
Net (decrease) increase in cash and cash equivalents, and restricted cash	(16,219)	38,500	5,305
Cash and cash equivalents, and restricted cash at the beginning of the period	623,548	518,332	71,428
Cash and cash equivalents, and restricted cash at the end of the period	607,329	556,832	76,733

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111, Inc.

Unaudited Reconciliation of GAAP and Non-GAAP Results

(In thousands, except for share and per share data)

	For the three months ended March 31,		
	2024	2025	
	RMB	RMB	US\$
Income from operations	3,724	145	21
Add: Share-based compensation expenses	5,171	4,115	567
Non-GAAP income from operations	8,895	4,260	588
Net loss	(2,685)	(7,307)	(1,005)
Add: Share-based compensation expenses, net of tax	5,171	4,115	567
Non-GAAP net income (loss)	2,486	(3,192)	(438)
Net loss attributable to ordinary shareholders	(13,775)	(17,649)	(2,431)
Add: Share-based compensation expenses, net of tax	5,171	4,115	567
Non-GAAP net loss attributable to ordinary shareholders	(8,604)	(13,534)	(1,864)
Loss per ADS ⁽⁶⁾ : Basic and diluted	(1.60)	(2.00)	(0.20)
Add: Share-based compensation expenses per ADS ⁽⁶⁾ , net of tax	0.60	0.40	0.00
Non-GAAP loss per ADS⁽⁶⁾	(1.00)	(1.60)	(0.20)

(6) Every one ADS represents twenty Class A ordinary shares.