GSK Provides Update on Manufacturing Operations in Singapore

SINGAPORE, December 8, 2021 – GSK announced today that it will cease manufacturing and outsource all production of amoxicillin that is currently produced at its Quality Road site in Singapore. Amoxicillin is an active pharmaceutical ingredient (API) in GSK’s Augmentin product. This will result in the closure of the site, with manufacturing at the site expected to cease by the end of 2024. This announcement will not affect the availability of GSK products in Singapore or elsewhere, or impact GSK’s other operations in Singapore.

The Quality Road site was established in 1972 and has been operating for close to 50 years. The cost of GSK producing the API at Quality Road is now significantly higher than outsourcing production to another company. Following a careful review, it was concluded that outsourcing the API is the best option for Augmentin to remain competitive and continue to be a growing brand in our General Medicines portfolio. This portfolio is an important part of GSK’s global strategy, alongside the discovery, development, and manufacturing of innovative medicines. This is how we will continue to make the greatest difference for patients in Singapore and around the world.

In 2024, we anticipate that 120 roles will be impacted. However, GSK will seek to mitigate this impact by working on alternative employment opportunities within GSK Singapore and regionally that utilise the skill base the employees have in Quality Road, taking into consideration the timing of site closure activities, vacancies and incremental investment activities. We will also work closely with our partners in government, the union and local industry to maximise external opportunities for redeployment.

GSK continues to view Singapore as a strategic location for our business operations and remains committed to our long-standing presence in the country. For over 60 years, GSK has been an important contributor to the healthcare system and the biopharma manufacturing sector in Singapore. We are one of the biggest contributors to Singapore’s biomedical sciences industry with investments in excess of S$1.5 billion.

Singapore remains one of GSK’s key manufacturing and supply locations for our global pharmaceutical and vaccines business, and GSK continues to invest in high-value and advanced manufacturing in Singapore. In 2019 we announced a S$130M investment in Jurong to open new state-of-the-art manufacturing facilities, and we are continually exploring new investments for this site in the near-term.

We continue to deploy innovative manufacturing technologies at Jurong, where we’re introducing new chemical entities for global markets for our innovation-focused portfolio. In addition, we are creating a new strategic hub in Jurong that will oversee external development and external manufacturing at the site, which will help enhance GSK’s next generation biopharma manufacturing capabilities.

###End of press release###
Additional notes for media:

About GSK in Singapore

- GSK was the first global healthcare company to establish a presence in Singapore in 1959.
- GSK is one of the biggest contributors to Singapore’s biomedical sciences industry with investments in excess of S$1.5 billion, and we currently employ over 1500 employees across global and regional commercial business units at Asia House and our manufacturing sites.
- GSK Asia House is the headquarters for our Global General Medicines (GM) and Emerging Markets (EM) businesses. It is also the regional headquarters for our Greater China and Intercontinental (GCI) region.
- Manufacturing presence:
  - GSK has three manufacturing sites in Singapore at Quality Road, Jurong, and Tuas. The anticipated closure of Quality Road will not impact our operations at Jurong and Tuas.
  - Latest investments highlights: GSK opened new state-of-the-art manufacturing facilities at the Jurong Site following a S$130m investment in July 2019. This demonstrates GSK’s commitment to Singapore as a key manufacturing and supply location for GSK’s global pharmaceutical business and a testbed for advanced manufacturing technology.

About GSK
GSK is a science-led global healthcare company with a special purpose: to help people do more, feel better, live longer. For further information please visit www.gsk.com/about-us.

Cautionary statement regarding forward-looking statements
GSK cautions investors that any forward-looking statements or projections made by GSK, including those made in this announcement, are subject to risks and uncertainties that may cause actual results to differ materially from those projected. Such factors include, but are not limited to, those described in the Company's Annual Report on Form 20-F for 2020 and any impacts of the COVID-19 pandemic.

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