GSK invests a further S$77mil to enhance antibiotic manufacturing facility in Singapore

SINGAPORE, June 25, 2015 -- GSK today announced it will invest an additional £38M (S$77M) in its world-class antibiotic manufacturing plant at Quality Road in Singapore, building on its initial investment of S$60M committed in 2012.

The Quality Road plant is GSK’s sole production site for amoxicillin; the active compound used in the manufacture of antibiotics that are widely prescribed for the treatment of bacterial infections.

The new investment will be used to construct an additional downstream isolation facility for GSK’s state-of-the-art enzymatic manufacturing facility at Quality Road.

This will increase production by 50% and help the company meet the growing demand for antibiotics in emerging markets.

The investment marks an important milestone in GSK’s enduring partnership with Singapore’s Economic Development Board (EDB) and is a key element of the GSK-EDB 10-year Singapore Manufacturing Roadmap announced in 2012.

The use of enzymatic technology over chemical processes in the production of amoxicillin will also reduce our carbon footprint by up to 25%.

The improved process involves fewer steps under milder conditions and utilises less organic solvents, resulting in the elimination of almost 80% of the organic waste associated with the older chemical process, while maintaining our industry leading product quality standards.

This sustainable approach to the manufacture of amoxicillin is consistent with GSK’s commitment with the EDB to improve the efficiency of pharmaceutical and fine chemical manufacture in Singapore.

Roger Connor, President of Global Manufacturing and Supply, GSK, said:

GSK and Singapore have enjoyed a highly-productive partnership for over 50 years. This latest investment in sustainable manufacturing and our recent investment announced in October 2014 for a £19M (S$38.5M) continuous manufacturing facility in Jurong, which produces one of GSK’s key active pharmaceutical ingredients, demonstrates our commitment to ensuring that patients around the world receive the medicines they need and also underscores our shared vision with the EDB to improve the technical capabilities of Singapore’s biomedical science sector.

Yeoh Keat Chuan, Managing Director of the Singapore Economic Development Board (EDB) said:

Singapore is a leading global location for best-in-class biopharmaceutical manufacturing. This project, which is part of the GSK-EDB 10 year manufacturing roadmap, is aligned with Singapore’s vision to become a key site for research, development and industrialisation of cutting edge pharmaceutical manufacturing technologies. This will further enhance the efficiency and competitiveness of Singapore. We are proud to be a partner to GSK in creating the future of pharmaceutical manufacturing.
Notes to editors

GSK – One of the world’s leading research-based pharmaceutical and healthcare companies – is committed to improving the quality of human life by enabling people to do more, feel better and live longer. For further information please visit www.gsk.com.

About GSK Singapore
Singapore is home to GSK’s Regional Headquarters (Emerging Markets & Asia Pacific), two global primary manufacturing and supply sites (Jurong & Quality Road) and a state-of-the-art vaccines plant (Tuas).

About the Quality Road Site
The Quality Road site was built in 1972 and officially opened on 3rd May 1973 by then Finance Minister, Mr Hon Sui Sen. Built at a cost of over S$32 million, the plant sits on a five-hectare site. The site was originally built to produce a range of newly discovered semi-synthetic penicillins and had both primary and secondary production facilities to make the final dose forms. Over time, the site developed as the single source of amoxicillin and monosodium ticarcillin within GSK, which are active compounds for the manufacture of two of GSK’s antibiotics.

GSK-EDB 10 year manufacturing roadmap
In 2012, GSK and Singapore’s Economic Development Board (EDB) jointly explored strategic investment options for GSK in Singapore that would be beneficial for both parties as part of their long-standing collaborative relationship. This led to the formation of a GSK-EDB 10 year Singapore Manufacturing Roadmap that aims to guide the investment decisions and developmental work to ensure manufacturing remains a competitive edge for both GSK and Singapore. This announcement is one of the collaborative areas in this 10-year roadmap.

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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 discussed under ‘Risk factors’ in the company’s 2014 Annual Report on pages 232-241.
Backgrounder: Enzymatic Manufacturing of Amoxicillin

GSK has, for many years, been committed to the discovery, development and marketing of innovative new antibiotics. These products have not only helped to widen the range of important bacterial infections which can be successfully treated, they have also helped to combat emerging new bacterial resistances.

Amoxicillin is produced primarily using chemical processes, but there are significant disadvantages to this approach, with the reactions typically requiring low temperatures and large volumes of organic solvents.

Newer, improved methods of production involve the enzymatic production of amoxicillin as an alternative to chemical synthesis. This aqueous process involves fewer steps under milder conditions, typically ambient temperatures and utilises significantly reduced quantities of organic solvents, resulting in the elimination of much of the organic waste associated with the chemical process.

On 1st November 2012, GSK announced plans to invest S$40-60 million in enzymatic amoxicillin manufacturing capabilities at our Quality Road manufacturing site in Singapore. The improved process uses enzymatic technology to replace existing chemical processes in the production of amoxicillin. Moving to the new manufacturing method should result in a significant reduction in our carbon footprint at the Quality Road site (by as much as 25%), and a reduction in organic waste by approximately 80%, whilst maintaining our high standards of product quality.

This sustainable approach to the manufacture of amoxicillin is consistent with GSK’s commitment with the Singapore Economic Development Board (EDB) to improve the efficiency of pharmaceutical and fine chemical manufacture in Singapore.