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Glaxo gets a Shingrix boost



[Madeleine Armstrong](#)



But pressure is on the shingles vaccine as the consumer spin-off approaches.

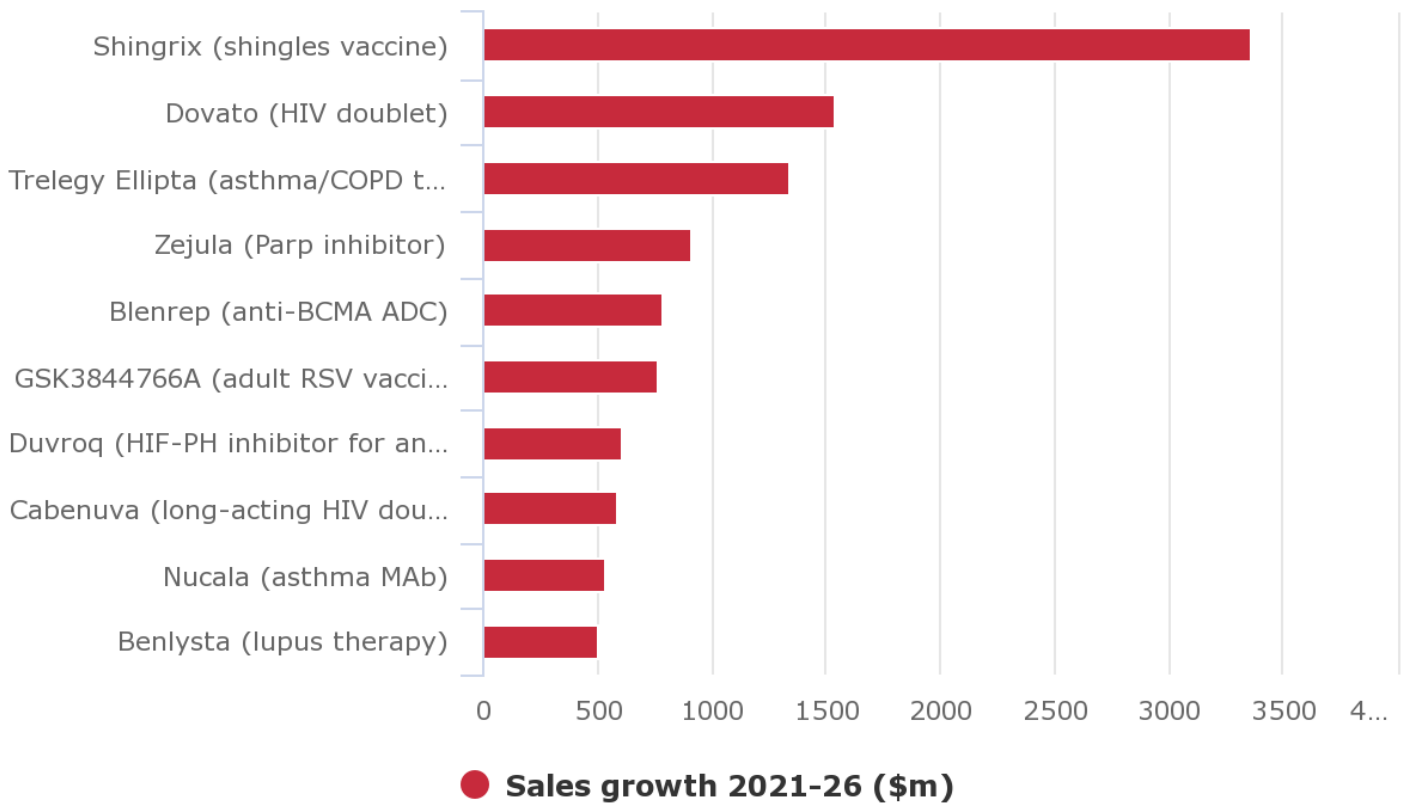
As Covid fades and Glaxosmithkline prepares to become a pure-play biopharma group, it needs its core franchises to deliver. Fortunately, the company's biggest product, the shingles vaccine Shingrix, looks to have turned a corner in terms of sales.

However, it might not be time for wild celebrations just yet: first-quarter sales of the jab, which more than doubled year-on-year, were flattered by inventory building. And a look at Glaxo's biggest growth drivers – easily headed up by Shingrix – shows just what little else the group has to shout about.

The group was also cushioned last quarter by a £1.3bn (\$1.6bn) contribution from its Vir-partnered Covid antibody Xevudy. However, this boost will not last; earlier this month the [FDA withdrew authorisation](#) after the product failed to show activity against the Omicron subvariant BA.2.

The spin-off of the Haleon consumer business, due in July, will give Glaxo more firepower to do business development, its chief executive, Emma Walmsley, noted during a media call this morning. Perhaps Glaxo needs to make a more drastic move than its most recent purchase, [that of Sierra Oncology for \\$1.9bn](#).

Glaxo's top 10 growth drivers



Highcharts.com

At least Shingrix now appears to be recovering from the battering it took during the pandemic. Glaxo predicts double-digit sales growth this year for the shot, but there could still be some twists and turns ahead, Ms Walmsley admitted. "You will see some bumpy quarters as the comparators are unusual through last year." She insisted, adding that underlying demand is returning.

The next few quarters should show whether Shingrix is truly back on track. Sellside consensus compiled by *Evaluate Pharma* forecasts revenues of \$3bn in 2022, rising to \$5.7bn in 2026.

The once-daily HIV doublet Dovato will also be an important contributor to "new GSK". However, with one of that drug's active ingredients, dolutegravir, coming off patent in 2028/29, [Glaxo needs to shift patients to long-acting regimens such as Cabenuva](#).

At present, analysts do not seem convinced about Cabenuva's prospects. Jefferies recently noted that an inflection in sales this year would be needed to improve confidence in this product; Cabenuva brought in £38m (\$48m) in the first quarter.

As for Glaxo's other big drivers, it is telling that Zejula, a Parp inhibitor that has struggled against Lynparza's entrenched position, and Blenrep, an antibody-drug conjugate known for its toxicity, feature prominently on the list.

The only pipeline projects with similarly high expectations are the adult respiratory syncytial virus vaccine GSK3844766A, which is [facing a make-or-break pivotal readout this quarter](#), and the anaemia pill Duvroq (daprodustat), which is due an FDA approval decision by February 2023.

If either of these assets stumble, Glaxo will come under even more pressure to bring in fresh blood.

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