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**Merck Animal Health Announces \$100 Million Investment in its DeSoto, Kansas, Manufacturing Operations**

**Facility Expansion and Enhancement Efforts Build Strength for the Future to Better Meet Customer Demand**

DESOTO, Kan., June 29, 2020 – Merck Animal Health, a division of Merck & Co., Inc., Kenilworth, N.J., USA, today announced an investment of \$100 million in facility expansion and enhancement efforts in its U.S. manufacturing site in DeSoto, Kansas. Investments to the site include a technological expansion of the vaccine production facility, which will come on line this year, plus an additional investment of \$66 million that will provide for added enhancement capabilities to be realized over the coming years.

The DeSoto site develops and manufactures a broad portfolio of vaccines for Swine, Cattle and Equine with key technologies in research and development, manufacturing and quality operations. Particularly, the site houses large-scale fermentation and cell culture, blending and filling operations and packaging, along with monoclonal antibody manufacturing for Companion Animals.

“Merck Animal Health continues to be a strong source of innovation and growth in Kansas and are a leading force in vaccine production and research in the Animal Health Corridor,” said Governor Laura Kelly. “The upgrades to these facilities will lead to more advancements in animal health and reinforce the importance of supporting biotechnology companies in the state.”

“We are excited about the opportunity to bring capital improvements, expansion in our manufacturing capacity and capabilities and advanced technology to our DeSoto facility, thereby, strengthening our footprint in the state and increasing our ability to fulfill customer demand for our portfolio of products,” said Pamela Stoops, Executive Director, DeSoto

Operations, Merck Animal Health. “Our Merck Animal Health business is making great strides in building our business for the future. That means we need to ensure our place as a leader in animal health with a substantial and sustainable U.S. facility footprint, which includes investment and expansion in our key facilities. As a leader in delivering innovative pharmaceuticals and vaccines to advance animal health and meet customer needs, this investment reflects our commitment in producing a range of animal health vaccines and pharmaceuticals for animal health diseases.”

Because of the company’s strong growth, broad product portfolio, and enhanced manufacturing capacity and capabilities, Merck Animal Health continues to explore ways in the U.S. and globally to improve existing facilities with upgraded equipment or technology, further expand its facilities with advanced technology platforms and increase capacity and capabilities in manufacturing to meet the rapidly growing demand and flexibility for its vaccine and biologic products.

“We continually seek new ways to improve and enhance our production and manufacturing capacity at our facilities to meet the growing needs of our animal health customers,” said Scott Bormann, Senior Vice President, North America Commercial Operations, Merck Animal Health. “Our investment in DeSoto positions us for strong long-term growth and enables us to remain a valued partner to our loyal customers through reliability and responsiveness to their needs.”

Vaccines play an important role in protecting animal and public health. Timely and effective vaccination reduces the incidence and severity of disease, enabling efficient production of food animals. Vaccines also have had a significant impact on the health of pets, preventing serious illnesses and helping them live longer and healthier lives. The company continues to invest in expanding its manufacturing and distribution facilities in Millsboro, Delaware; Ames, Iowa; Worthington, Minnesota; and Elkhorn and Omaha, Nebraska.

The health and well-being of animals is the first and foremost priority of Merck Animal Health. The company strongly supports the responsible use of enhanced vaccine and pharmaceutical production platforms to improve and maintain the health of animals, as well as discovery of new tools to prevent, treat, and in some cases, even eradicate diseases.

### **About Merck Animal Health**

For more than a century, Merck, a leading global biopharmaceutical company, has been inventing for life, bringing forward medicines and vaccines for many of the world’s most challenging diseases. Merck Animal Health, a division of Merck & Co., Inc., Kenilworth, N.J.,

USA, is the global animal health business unit of Merck. Through its commitment to *The Science of Healthier Animals*®, Merck Animal Health offers veterinarians, farmers, pet owners and governments one of the widest ranges of veterinary pharmaceuticals, vaccines and health management solutions and services as well as an extensive suite of digitally connected identification, traceability and monitoring products. Merck Animal Health is dedicated to preserving and improving the health, well-being and performance of animals and the people who care for them. It invests extensively in dynamic and comprehensive R&D resources and a modern, global supply chain. Merck Animal Health is present in more than 50 countries, while its products are available in some 150 markets. For more information, visit [www.merck-animal-health.com](http://www.merck-animal-health.com) or connect with us on [LinkedIn](#), [Facebook](#), and Twitter at [@MerckAH](#).

### **Forward-Looking Statement of Merck & Co., Inc., Kenilworth, N.J., USA**

This news release of Merck & Co., Inc., Kenilworth, N.J., USA (the “company”) includes “forward-looking statements” within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. These statements are based upon the current beliefs and expectations of the company’s management and are subject to significant risks and uncertainties. There can be no guarantees with respect to pipeline products that the products will receive the necessary regulatory approvals or that they will prove to be commercially successful. If underlying assumptions prove inaccurate or risks or uncertainties materialize, actual results may differ materially from those set forth in the forward-looking statements.

Risks and uncertainties include but are not limited to, general industry conditions and competition; general economic factors, including interest rate and currency exchange rate fluctuations; the impact of the recent global outbreak of novel coronavirus disease (COVID-19); the impact of pharmaceutical industry regulation and health care legislation in the United States and internationally; global trends toward health care cost containment; technological advances, new products and patents attained by competitors; challenges inherent in new product development, including obtaining regulatory approval; the company’s ability to accurately predict future market conditions; manufacturing difficulties or delays; financial instability of international economies and sovereign risk; dependence on the effectiveness of the company’s patents and other protections for innovative products; and the exposure to litigation, including patent litigation, and/or regulatory actions.

The company undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise. Additional factors that could cause results to differ materially from those described in the forward-looking

statements can be found in the company's 2019 Annual Report on Form 10-K and the company's other filings with the Securities and Exchange Commission (SEC) available at the SEC's Internet site ([www.sec.gov](http://www.sec.gov)).

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