

2 July 2024

Dear Wholesale Partners.

Please be advised Baxter continues to experience unprecedented demand for sterile fluid products across Australia. Our Australian manufacturing plant in Sydney is operating at maximum capacity and continues to produce greater volumes of fluid than at any other time in its history.

Capacity expansion efforts are well under way and the capacity of the facility has been increased by 17% since 2023, with a further 18% being commissioned in October 2024. Additionally, Baxter ANZ has been sourcing fluid products from its global network. With these efforts combined, Baxter forecasts a 135% increase in units supplied to market in 2024 Vs. 2022.

Despite these increases in supply, demand continues to outstrip current capacity and various fluid products are being managed on allocation, which is expected to continue for the remainder of 2024.

Baxter is working closely with the TGA (Therapeutic Goods Administration) and all healthcare authorities to prioritise the supply of sterile fluids. Please be advised, as per guidance by the TGA, Baxter is obliged to ensure supply for the public and private hospital sector of Australia, followed by wholesalers.

Most impacted fluids below:

- AHB2324 1000ml Compound Sodium Lactate [Hartmann's]
- AHB2323 500ml Compound Sodium Lactate [Hartmann's]
- AHB1324 1000ml 0.9% Sodium Chloride
- AHB1323 500ml 0.9% Sodium Chloride
- AHB1307 100ml 0.9% Sodium Chloride

Supply of these fluids to wholesalers will be irregular for the remainder of 2024 and should not be relied upon. Please work closely with your account manager on demand and supply.

We understand that this will cause challenges and concerns for your customers, and we sincerely apologise for the challenges faced by your business and your customers during this time.

Yours Sincerely

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Clara Marsden

Network Sales, Accounts Manager