



Market release  
21 March 2018

### **AFT Divests Non-Core Products to Focus on Key Products**

AFT Pharmaceuticals [AFT] and Baxter Healthcare [Baxter] have reached agreement for AFT to divest to Baxter a range of their non-core hospital products currently sold in New Zealand. A similar agreement for Australia is expected to be concluded in the next few weeks.

The agreement between AFT and Claris New Zealand and Australia expires in March 2020 and following Baxter's acquisition of Claris in 2017, there was no certainty of renewal.

Hartley Atkinson, CEO of AFT, says that the agreement when completed for both countries fits in with AFT's strategy of focusing on higher margin over-the-counter products.

AFT says it will continue to pursue new opportunities in the Hospital market for selected products.

These products for divestment across Australia and New Zealand contribute around 7.5% of AFT's operating revenue.

Dr Atkinson has noted that this revenue will be more than replaced within the next financial year, FY2019, by the growing existing over-the-counter and new targeted hospital products.

The divestments once completed are expected to generate around \$5m of cash which will be ultimately applied to AFT's international expansion plans.

Completion of the New Zealand divestment is expected to occur on 29 March 2018 with Australia to follow in May or June 2018. The divestments will make a positive contribution of several million dollars to EBITDA, primarily in FY2019.

## **End of release**

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## **About Baxter**

*Baxter* provides a broad portfolio of essential healthcare products across its portfolio, including acute and chronic dialysis therapies; sterile IV solutions; infusion systems and devices; parenteral nutrition therapies; inhaled anesthetics; generic injectable pharmaceuticals; and surgical hemostat and sealant products. The company's global footprint and the critical nature of its products and services play a key role in expanding access to healthcare in emerging and developed countries. Baxter's employees worldwide are building upon the company's rich heritage of medical breakthroughs to advance the next generation of healthcare innovations that enable patient care.