FOR IMMEDIATE RELEASE

BAXTER REPORTS FOURTH-QUARTER AND FULL-YEAR 2023 RESULTS

- *Fourth-quarter sales from continuing operations of $3.89 billion increased 4% on a reported basis and 3% on a constant currency basis*[1]
- *Fourth-quarter U.S. GAAP diluted earnings per share (EPS) from continuing operations of $0.14 and adjusted diluted EPS from continuing operations of $0.88*
- *Full-year sales from continuing operations of $14.81 billion increased 2% on a reported basis and 3% on a constant currency basis*
- *Full-year U.S. GAAP diluted EPS (loss) from continuing operations of ($0.15) and adjusted diluted EPS from continuing operations of $2.60*

DEERFIELD, Ill., FEB. 8, 2024 – Baxter International Inc. (NYSE:BAX), a global medtech leader, today reported results for the fourth quarter and full year ended Dec. 31, 2023, and provided its financial guidance for full-year and first-quarter 2024.

"Baxter's performance in 2023 reflects our building momentum as we executed upon several strategic initiatives designed to enhance our future performance, including the implementation of a new operating model, the sale of our BioPharma Solutions business and steady progress on the proposed separation of our Kidney Care segment," said José (Joe) E. Almeida, chair, president and chief executive officer. "Results for the fourth quarter and full year reflect solid demand for a range of our medically essential products, as well as continued improvement in the macroeconomic and supply chain environment. We plan to build on this momentum in 2024 as our dedicated employees work to advance Baxter's ongoing business transformation and prepare for the proposed separation of our Kidney Care segment."

Fourth-Quarter Financial Results

Worldwide sales from continuing operations in the fourth quarter totaled approximately $3.89 billion, an increase of 4% on a reported basis and 3% on a constant currency basis.

---

[1] Sales growth at constant currency rates and adjusted diluted EPS are non-GAAP financial measures. See the "Non-GAAP Financial Measures" section below for information about the non-GAAP financial measures included in this release and see the accompanying tables to this press release for reconciliations of those non-GAAP measures to the corresponding U.S. GAAP measures.

Continuing operations exclude Baxter's BioPharma Solutions (BPS) business, which was acquired by Advent International and Warburg Pincus at the close of the third quarter of 2023.

U.S. sales from continuing operations in the fourth quarter totaled approximately $1.82 billion, increasing 2% on a reported basis. International sales from continuing operations in the fourth quarter totaled approximately $2.07 billion, an increase of 6% on a reported basis and 4% at constant currency rates.

Fourth-quarter sales performance exceeded Baxter's previously announced guidance, driven by better-than-expected sales in the company's Medical Products and Therapies, Kidney Care and Pharmaceuticals segments. Sales growth in the quarter was driven by strong performance in the Healthcare Systems and Technologies segment, reflecting strength in Care and Connectivity Solutions, as well as increased demand for Medical Products and Therapies and Pharmaceuticals products. Growth in the quarter was partially offset by a decline in Kidney Care sales, reflecting a difficult comparison to the prior year period due in part to certain discrete items that benefited the prior year as well as the impact of lower sales in select markets outside of the U.S.

Please see the attached schedules accompanying this press release for additional details on sales performance in the quarter, including breakouts by Baxter's segments.

For the fourth quarter, total net income attributable to Baxter on a U.S. GAAP (Generally Accepted Accounting Principles) basis was $245 million, or $0.48 per diluted share. Total U.S. GAAP diluted EPS includes $0.14 from continuing operations and $0.34 from discontinued operations. These results include special items totaling $189 million, primarily related to the impact of intangible amortization, tax matters, separation-related costs and investment impairments, among other factors. On an adjusted basis, income from continuing operations was $0.88 per diluted share.

Full-Year Financial Results

Baxter's 2023 worldwide sales from continuing operations totaled $14.81 billion, an increase of 2% on a reported basis and 3% on a constant currency basis. Sales from continuing operations in the U.S. totaled $7.00 billion, growing 1% on a reported basis. International sales from continuing operations of $7.81 billion grew 3% on a reported basis and 4% at constant currency rates. The accompanying schedules include additional details on sales performance, including breakouts by Baxter's segments.

For full-year 2023, net income attributable to Baxter on a U.S. GAAP basis totaled $2.66 billion, or $5.25 per diluted share. Total U.S. GAAP diluted EPS (loss) includes ($0.15) from continuing operations and $5.40 from discontinued operations. These results include special items totaling $1.18 billion after-tax, which primarily reflected the gain on the divestiture of Baxter's BPS business offset by intangible amortization and business optimization costs, among other items. On an adjusted basis, 2023 income from continuing operations totaled $2.60 per diluted share. Total adjusted net income attributable to Baxter totaled $1.48 billion or $2.92 per diluted share, which included earnings of $0.32 from discontinued operations.

For the full year, Baxter generated $1.70 billion in operating cash flow from continuing operations and $1.01 billion in free cash flow (operating cash flow from continuing operations less capital expenditures of $692 million).

"Consistent with our focus on advancing Baxter's transformation journey and creating value for our stakeholders, we made significant progress in 2023 in line with our capital allocation priorities," said Joel Grade, executive vice president and chief financial officer. "Most notably, net after-tax proceeds from the sale of our BioPharma Solutions business were allocated towards debt repayment. During 2024, we will remain focused on deleveraging while also significantly enhancing our focus on cash flow generation."

Kidney Care Separation Update

Baxter's preparations are progressing for the proposed separation of its Kidney Care segment into a standalone company to be named Vantive. As a standalone entity, Vantive is expected to benefit from a heightened strategic focus and the ability to pursue its unique investment priorities, to emerge better positioned to accelerate growth and innovation, and to create incremental value for its patients, clinicians, investors, and other stakeholder communities.

Chris Toth, executive vice president and group president, Kidney Care, and designated chief executive officer of Vantive, continues to build out his senior management team. Recently, he named

Matt Harbaugh as vice president, Finance, Kidney Care and designated chief financial officer of Vantive. Mr. Harbaugh was previously chief financial officer at NuVasive Inc.

Recent Highlights[2]

Baxter continues to advance key strategic priorities in pursuit of its Mission to Save and Sustain Lives.

At the end of the third quarter of 2023, the company completed the divestiture of its BPS business, further streamlining its strategic focus in line with the transformational initiatives outlined at the start of 2023.

Among other 2023 highlights across Baxter's business segments:

Healthcare Systems and Technologies

- Announced the launch of digital image capture capability for eye exams using Baxter's current **Welch Allyn PanOptic Plus** Ophthalmoscope. The **iExaminer Pro** System adds the ability for a clinician to connect a smart device to capture eye images for further examination. When used with the **iExaminer Pro** app, clinicians can save and share images for tracking and trending, and initiate more informed consultations with specialists.
- Launched its next-generation **Hillrom Progressa+** ICU bed in the U.S. **Progressa+** offers new technology and features to help address complex critical care needs, including in-bed pulmonary therapies designed to aid in the reduction of pulmonary complications, improved protection of the patient's skin to help prevent pressure injuries, and support for early mobility protocols. Baxter plans to continue launching **Progressa+** in additional global markets in 2024.
- Commercially launched the new Baxter Patient Warming System, which minimizes risks associated with forced air warming, reduces noise and waste in the operating room, and lessens the burden on clinician workflows. The updated system eliminates the need for

[2] See links to original press releases for additional product information.

disposables, as the warming technology is built into the table pad and employs reusable conductive warming blankets that can reach temperatures of 43 degrees Celsius.

- Launched **SpotConnect**, an electronic medical records (EMR) application for the **Welch Allyn Spot Vision Screener** device. **Spot Vision Screener** allows healthcare providers to detect and treat six vision risk factors in children. **SpotConnect** helps streamline clinical workflows through secure EMR connectivity and allows access to screening results across the care team.
- Introduced the **ReadyConnect System** for Baxter's **Centrella Smart+ Bed**. This innovative system delivers reliable, cable-free connectivity between the hospital bed and most nurse call systems on the market, and requires no wireless network, incremental server software licenses, or other IT resources from the customer.

Medical Products and Therapies

- Announced the FDA Premarket Approval and subsequent U.S. launch of **PERCLOT Absorbable Hemostatic Powder**. **PERCLOT** is a passive, absorbable hemostatic powder that is ready to use and designed for patients with intact coagulation to address mild bleeding. This represents Baxter's first passive hemostat in the U.S. market, broadening Baxter's portfolio to include a full range of active and passive solutions.
- Launched **Floseal + Recothrom**, the first and only active flowable hemostat with a recombinant thrombin, resulting in 1.5 times faster preparation. **Floseal + Recothrom** has a thrombin component manufactured using recombinant DNA technology, and therefore contains no human blood components, eliminating reliance on human blood donations.
- Advanced its intravenous (IV) bag recycling program pilot in the U.S. in conjunction with Chicago's Northwestern Memorial Hospital, successfully demonstrating proof of concept with more than six tons of plastic IV bag waste diverted from landfill. Baxter is now expanding the pilot program to support scalability.

Pharmaceuticals

- Launched **ZOSYN** (piperacillin and tazobactam) in the U.S. **Zosyn** premix is indicated for the treatment of multiple infections caused by susceptible bacteria and is available in Baxter's proprietary single-dose Galaxy containers, which enable premixed medications to have a

longer shelf life. Its frozen premix formulation helps support patient safety, simplify medication preparation and improve operational efficiencies.

- Launched a range of additional injectable pharmaceutical molecules, including the anti-infective daptomycin premix, antiviral foscarnet premix, oncolytic bendamustine and anti-hypertensive norepinephrine in the U.S., and the anti-infective vancomycin in Australia. Collectively, these injectables reinforce Baxter's focus on differentiated molecules and expand the Pharmaceuticals segment portfolio in critical therapeutic areas.

Kidney Care

- Announced new data at Kidney Week indicating Baxter's **Sharesource** remote patient management digital platform, when used with an automated peritoneal dialysis (PD) system, is associated with a 77% reduction in the risk of PD technique failure.
- Announced a collaborative research agreement with life sciences company Miromatrix to help support additional treatment options for patients with acute liver failure.

Corporate Responsibility

Baxter furthers its aspirations as a healthcare leader through responsible corporate citizenship and the dedication of its employees to doing business the right way. In 2023, Baxter continued to advance its 2030 Corporate Responsibility Commitment, featuring 10 goals that support an overarching pledge to "Empower our Patients," "Protect our Planet" and "Champion our People and Communities." The company's corporate responsibility goals align with certain of the United Nations Sustainable Development Goals (UN SDGs) and 2030 Agenda with a global blueprint for achieving a more sustainable future.

In line with Baxter's commitment to providing transparent information on the environmental, social and governance topics most important to its stakeholders, the company published its first report against the Task Force on Climate-related Financial Disclosures (TCFD) framework, which was recently incorporated into the International Sustainability Standards Board Standards. The TCFD framework is designed to help improve climate-related disclosure that is relevant to Baxter's investors and other key stakeholders in the areas of governance, strategy, risk management, and metrics and targets. Moving forward, Baxter expects to report against the TCFD framework in the company's annual Corporate Responsibility Report.

Baxter continues to be recognized for its leadership in corporate responsibility and workplace excellence. In 2023, the company was named to the Dow Jones Sustainability Index (DJSI) North America, which has included Baxter each year since it launched in 2005. Additionally, Baxter was included in 2023 on the FTSE Russell's FTSE4Good Index Series and JUST Capital's America's Most JUST Companies list, among numerous other regional and country-specific recognitions across the globe. Learn more about Baxter's corporate responsibility initiatives here.

2024 Financial Outlook

For full-year 2024: Baxter expects sales growth of approximately 2% on both a reported and constant currency basis. The company expects adjusted earnings, before special items, of $2.85 to $2.95 per diluted share.

For first-quarter 2024: The company expects sales growth of approximately 1% on a reported basis and 1% to 2% on a constant currency basis. The company expects adjusted earnings, before special items, of $0.59 to $0.62 per diluted share.

A webcast of Baxter's fourth-quarter 2023 conference call for investors can be accessed live from a link in the Investor Relations section of the company's website at www.baxter.com beginning at 7:30 a.m. CST on Feb. 8, 2024. Please see www.baxter.com for more information regarding this and future investor events and webcasts.

About Baxter

Every day, millions of patients, caregivers and healthcare providers rely on Baxter's leading portfolio of diagnostic, critical care, kidney care, nutrition, hospital and surgical products used across patient homes, hospitals, physician offices and other sites of care. For more than 90 years, we've been operating at the critical intersection where innovations that save and sustain lives meet the healthcare providers who make it happen. With products, digital health solutions and therapies available in more than 100 countries, Baxter's employees worldwide are now building upon the company's rich heritage of medical breakthroughs to advance the next generation of transformative healthcare innovations. To learn more, visit www.baxter.com and follow us on X/Twitter, LinkedIn and Facebook.

Non-GAAP Financial Measures

Non-GAAP financial measures may enhance an understanding of the company's operations and may facilitate an analysis of those operations, particularly in evaluating performance from one period to another. Management believes that non-GAAP financial measures, when used in conjunction with the results presented in accordance with U.S. GAAP and the company's reconciliations to corresponding U.S. GAAP financial measures (which are included in the tables

accompanying this release), may enhance an investor's overall understanding of the company's past financial performance and prospects for the future. Management uses these non-GAAP measures internally in financial planning, to monitor business unit performance, and, in some cases, for purposes of determining incentive compensation. This information should be considered in addition to, and not as substitutes for, information prepared in accordance with U.S. GAAP.

Net sales growth on a constant currency basis is a non-GAAP financial measure that provides information on the percentage change in net sales growth as if foreign currency exchange rates had remained constant between the prior and current periods.

Other non-GAAP financial measures included in this release and the accompanying tables (including within the tables that provide the company's detailed reconciliations to the corresponding U.S. GAAP financial measures) are: adjusted gross margin, adjusted selling, general, and administrative expenses, adjusted research and development expenses, adjusted other operating expense (income), net, adjusted operating income (loss), adjusted other income (expense), net, adjusted income (loss) from continuing operations before income taxes, adjusted income tax expense (benefit), adjusted income (loss) from continuing operations, adjusted income (loss) from discontinued operations, adjusted net income (loss), adjusted net income (loss) attributable to Baxter stockholders, adjusted diluted earnings per share from continuing operations, adjusted diluted earnings per share from discontinued operations and adjusted diluted earnings per share. Those non-GAAP financial measures exclude the impact of special items. For the quarter and full year ended December 31, 2023 and 2022, special items for one or more periods included intangible asset amortization, business optimization charges, acquisition and integration costs, separation-related costs, expenses related to European medical devices regulation, certain legal matters, goodwill and long-lived asset impairments, non-marketable investment impairments, a pension curtailment gain, product-related items, a loss on a product divestiture arrangement, a loss on a subsidiary liquidation, the reclassification of a cumulative translation loss to earnings upon the substantial liquidation of a subsidiary, the gain on the sale of the BPS business and certain tax matters. These items are excluded because they are highly variable or unusual and of a size that may substantially impact the company's reported operations for a period. Additionally, intangible asset amortization is excluded as a special item to facilitate an evaluation of current and past operating performance and is consistent with how management and the company's Board of Directors assess performance.

This release and the accompanying tables also include free cash flow, a non-GAAP financial measure that Baxter defines as operating cash flow less capital expenditures. Free cash flow is used by management and the company's Board of Directors to evaluate the cash generated from Baxter's operating activities each period after deducting its capital spending.

This release also includes forecasts of certain of the aforementioned non-GAAP measures on a forward-looking basis as part of the company's financial outlook for upcoming periods. Baxter calculates forward-looking non-GAAP financial measures based on forecasts that omit certain amounts that would be included in GAAP financial measures. For instance, forward-looking adjusted diluted EPS guidance excludes potential charges or gains that would be reflected as non-GAAP adjustments to earnings. Baxter provides forward-looking adjusted diluted EPS guidance because it believes that this measure provides useful information for the reasons noted above. Baxter has not provided reconciliations of forward-looking adjusted EPS guidance to forward-looking GAAP EPS guidance because the company is unable to predict with reasonable certainty the impact of legal

proceedings, future business optimization actions, separation-related costs, integration-related costs, asset impairments and unusual gains and losses, and the related amounts are unavailable without unreasonable efforts (as specified in the exception provided by Item 10(e)(1)(i)(B) of Regulation S-K). In addition, Baxter believes that such reconciliations would imply a degree of precision and certainty that could be confusing to investors. Such items could have a substantial impact on GAAP measures of financial performance.

Forward-Looking Statements

This release includes forward-looking statements concerning the company's financial results (including the outlook for first-quarter and full-year 2024) and business development and regulatory activities. These forward-looking statements are based on assumptions about many important factors, including the following, which could cause actual results to differ materially from those in the forward-looking statements: the company's ability to execute and complete strategic initiatives, asset dispositions and other transactions and development activities, including the proposed separation of the company's Kidney Care business, the company's plans to simplify its manufacturing footprint and the timing for such transactions, the ability to satisfy any applicable conditions and the expected proceeds, consideration and benefits; failure to accurately forecast or achieve the company's short- and long-term financial performance and goals (including with respect to the company's strategic initiatives and other actions) and related impacts on our liquidity; the company's ability to execute on its capital allocation plans, including the company's debt repayment plans, the timing and amount of any dividends, share repurchases and divestiture proceeds and the capital structure of the company to be formed as a result of the proposed spinoff of our Kidney Care business (and the resulting capital structure for the remaining company); the company's ability to successfully integrate acquisitions; the impact of global economic conditions (including, among other things, inflation levels, interest rates, financial market volatility, banking crises, the potential for a recession, the war in Ukraine, the conflict in the Middle East (including recent attacks on merchant ships in the Red Sea), tensions between China and Taiwan, and the potential for escalation of these conflicts, the related economic sanctions being imposed globally in response to the conflicts and potential trade wars and global public health crises, pandemics and epidemics, such as the COVID-19 pandemic, or the anticipation of any of the foregoing, on the company's operations and on the company's employees, customers, suppliers, and foreign governments in countries in which the company operates; downgrades to the company's credit ratings or ratings outlooks, and the impact on the company's funding costs and liquidity; product development risks, including satisfactory clinical performance and obtaining and maintaining required regulatory approvals (including as a result of evolving regulatory requirements or the withdrawal or resubmission of any pending applications), the ability to manufacture at appropriate scale and the general unpredictability associated with the product development cycle; product quality or patient safety issues leading to product recalls, withdrawals, launch delays, warning letters, import bans, sanctions, seizures, litigation or declining sales, including the focus on evaluating product portfolios for the potential presence or formation of nitrosamines; future actions of, or failures to act or delays in acting by, FDA, the European Medicines Agency or any other regulatory body or government authority (including the SEC, Department of Justice or the Attorney General of any State) that could delay, limit or suspend product development, manufacturing or sale or result in seizures, recalls, injunctions, monetary sanctions or criminal or civil liabilities; demand and market acceptance risks for, and competitive pressures related to, new and existing products, challenges with the company's ability to accurately predict changing consumer preferences and future expenditures and inventory levels, and challenges with the company's ability to monetize new and existing products and

services, the impact of those products on quality and patient safety concerns and the need for ongoing training and support for our products; breaches, including by cyber-attack, data leakage, unauthorized access or theft, or failures of or vulnerabilities in, the company's information technology systems or products; the continuity, availability and pricing of acceptable raw materials and component parts, the company's ability to pass some or all of these costs to the company's customers through recent price increases or otherwise, and the related continuity of the company's manufacturing and distribution and those of the company's suppliers; inability to create additional production capacity in a timely manner or the occurrence of other manufacturing, sterilization or supply difficulties, including as a result of natural disaster, war, terrorism, global public health crises and epidemics/pandemics, regulatory actions or otherwise; the company's ability to finance and develop new products or enhancements on commercially acceptable terms or at all; loss of key employees, the occurrence of labor disruptions (including as a result of labor disagreements under bargaining agreements or national trade union agreements or disputes with works councils) or the inability to attract, develop, retain and engage employees; failures with respect to the company's quality, compliance or ethics programs; future actions of third parties, including third-party payers and the company's customers and distributors (including GPOs and IDNs); changes to legislation and regulation and other governmental pressures in United States and globally, including the cost of compliance and potential penalties for purported noncompliance thereof, including new or amended laws, rules and regulations as well as the impact of healthcare reform and its implementation, suspension, repeal, replacement, amendment, modification and other similar actions undertaken by the United States or foreign governments, including with respect to pricing, reimbursement, taxation and rebate policies; the outcome of pending or future litigation; the impact of competitive products and pricing, including generic competition, drug reimportation and disruptive technologies; global regulatory, trade and tax policies, including with respect to climate change and other sustainability matters; the ability to protect or enforce the company's patents or other proprietary rights (including trademarks, copyrights, trade secrets and know-how) or where the patents of third parties prevent or restrict the company's manufacture, sale or use of affected products or technology; the impact of any goodwill, intangible asset or other long-lived asset impairments on the company's operating results; fluctuations in foreign exchange and interest rates; any changes in law concerning the taxation of income (whether with respect to current or future tax reform); actions by tax authorities in connection with ongoing tax audits; and other risks identified in Baxter's most recent filings on Form 10-K and Form 10-Q and other SEC filings, all of which are available on Baxter's website. Baxter does not undertake to update its forward-looking statements unless otherwise required by the federal securities laws.

Media Contact
Andrea Johnson, (224) 948-5353
media@baxter.com

Investor Contact
Clare Trachtman, (224) 948-3020

###