

Buenos Aires, January 21, 2017

Daily Mirror  
One Canada Square,  
Canary Wharf,  
London, E14 5AP

**Attn. Mr. Martin Bagot**

Ref.: Syntex S.A.

We have received your e-mail dated January 20, 2017, containing the details of your intended story. We anticipate that any attempt to link Syntex S.A. to such story will be factually incorrect and highly misleading.

With reference to the contents of your e-mail, we want to make the following comments:

- Syntex S.A. is an Argentine company registered with all the competent authorities in Argentina, including the National Service of Agri-Food Health and Quality (SENASA), the National Administration of Drugs, Foods and Medical Devices (ANMAT), and the National Institute of Drugs (INAME), all of which supervise the activities and practices of Syntex S.A.
- Syntex S.A. produces chemical and pharmaceutical products for use in Human and Veterinary Medicine, including active pharmaceutical ingredients (APIs) and finished dosage forms. These products are marketed in Argentina and in more than 35 countries.
- Syntex S.A. complies with international standards related to Good Manufacturing Practices, and its products conform to the most demanding pharmacopoeias, such as the European Pharmacopoeia and the American Pharmacopoeia.



- With reference to the use of animals in production processes, Syntex S.A. complies with the standards contained in its Animal Welfare Manual, which conforms to international standards of Animal Welfare. This Manual, prepared by Syntex S.A.'s Animal Welfare Internal Committee, has been reviewed and validated by the Ministry of Agriculture and Livestock and Fisheries through its local competent body, SENASA. Syntex S.A. also has an Ethics Committee, which assesses the company's activities on a semi-annual basis.
- Syntex S.A. has received (and regularly and permanently receives) numerous animal welfare audits from various public authorities and private organizations, and no issues have been identified so far that affect the welfare of animals.
- In 2015, certain Non-Governmental Organizations (NGO's) made accusations regarding the alleged mistreatment of mares by Syntex S.A. to obtain PMSG. This led the Swiss and German authorities to initiate a complaint against Syntex S.A. with the Argentine government. In light of those accusations and the complaint, Syntex S.A. has produced conclusive evidence before the competent authorities in Argentina showing that in no way Syntex S.A. is or was involved in any such practices or behavior, and differentiating itself from the companies and farms mentioned in the NGO's allegations.
- In this regard, on October 2015, as well as on March 2016 and on April 2016, SENASA conducted a thorough and exhaustive audit of Syntex S.A.'s farm in Ayacucho, Province of Buenos Aires, in which it monitored and controlled all practices that involve animals, concluding that the practices followed by Syntex S.A. have no correlation with the above mentioned allegations. The auditing procedure included the review of Syntex S.A.'s Animal Welfare Manual and carrying out onsite inspections to monitor Syntex S.A.'s practices involving animals throughout the entire production process. Since then, SENASA continued and will continue to monitor Syntex S.A.'s practices.
- As a result of its audit, SENASA issued an official report, a copy of which is enclosed hereto, concluding that Syntex S.A. complies with current regulations on Animal Welfare, and containing certain



recommendations for the future, all of which were satisfactorily implemented by Syntex S.A. Such report was sent to different national and international organizations, including the Swiss and German authorities.

- Compliance with Good Practices in Animal Welfare is mandatory at Syntex S.A., who dedicates all the necessary resources to ensure that animals at Syntex S.A.' farms are in a high welfare degree (i.e., healthy, comfortable, well-fed, safe, showing a normal behavior and not suffering from stress sensations). Also, all Syntex S.A.'s personnel involved in the handling of animals receives specific training in Animal Welfare and knows the standards included in our Manual. Lack of compliance with the Manual is considered sufficient cause of dismissal.

Considering all the above, it is clear that the allegations referred to in your e-mail have nothing to do with Syntex S.A. In fact, the mentioned practices are strongly and severely condemned by Syntex S.A. and all its personnel. Syntex S.A. cannot be portrayed as having any involvement with the abuse of animals. Any suggestion in that way will be false and misleading.

Animal Welfare is Syntex S.A.'s responsibility. All Syntex S.A.'s personnel, in combination with its Animal Welfare Committee, are responsible to achieve, maintain, and improved Animal Welfare practices. The responsible animal handling in Syntex S.A.'s farms represent not only a legal obligation, but also an ethical and moral commitment.

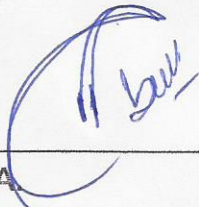
We consider that it is necessary to differentiate Syntex S.A. from those companies mentioned in the accusations made by the NGO's back in 2015. In that sense, we trust you will reconsider your story based on the above, and that you will act responsibly identifying with greater clarity which are those companies that could be carrying out practices that undermine animal welfare, and not to make a denunciation in such a diffuse and generalized way which erroneously and misleadingly could involve companies like Syntex S.A., that contrary to the allegations included in your e-mail, do comply with the legislation in force in Animal Welfare and which therefore will be seriously and unjustly affected by this misrepresentation of the relevant facts.



For this reason Syntex reserves the right to take legal action against persons or companies that link Syntex S.A., or any company associated with Syntex S.A., to practices or activities that are contrary to Syntex S.A. practices, and that may affect our interests and the interests of our associated companies.

Syntex S.A. guarantees that the products commercialized to Ceva Santé Animale as well as to all of its other clients are manufactured according to high international standards, and that it complies with all applicable regulations and practices, including Animal Welfare, Good Manufacturing Practices, and Environmental Health & Safety, among others.

Sincerely,



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Syntex S.A.  
Alejandro Abentin  
President