

## 1. MESSAGE FROM THE MANAGEMENT

In 2015, NBC Medical has overcome a number of important challenges and end up reaching its growth objectives and strengthening its organizational structures.

On the one hand Europe, our headquarters 'mother land, continued stable and consistent, on the other hand, the African continent, particularly in the crude oil exporting countries, began to show signs of economic and financial instability.

The sudden crisis experienced in Angola, became structural and lasting, bringing along great challenges to organizations that targeted this market. NBC Medical was no exception! The ongoing devaluation of the kwanza caused a continuing erosion of the value of products and customers 'debt, requiring quick actions over asset revaluation, over debt collections and over stock rotation, among other measures.

In Portugal, the difficulties in the financing of export shipments to Angola, combined with the problematic economic and financial situation of the Portuguese banking sector, came to force us, as a business group, to manage working capital needs to its limit. The search for new financial solutions which might fuel our growth strategy, as well the hunt for new financial institutions which would impulse NBC Medical as a growing multinational medium size enterprise, were two aspects that accompanied us throughout this year.

Within this constraining financial scenario, we witnessed our export teams striving for anticipated receipts of the many long-standing customers who were true business partners; we witnessed our purchases team struggling for improved payment terms as well as exploring opportunities for the establishment of medium-term agreements that would allow us to maintain a regular volume of activity; we witnessed our financial teams confronting unavoidable failures and ensuring the preservation of long term, loyal and trustful relationships; we refined the composition of our portfolio of goods, as well as deepened our collections policies. Finally, we felt the entire organization assuming a new era of austerity and of rationalization of the cost structure, without losing the broad vision of the global market in which we continued to believe.

Indeed, in reaction to this threatening context, our teams progressed with effort and thus became more resilient, more flexible, more combative and more prepared to face the barriers that appeared in our target markets.

Also the strategic vision of the business was reinforced. On the one hand, we strengthened our commitment to the global market, with a balanced geographic diversification. On the other hand, we counterbalanced our global positioning with the focused investment in an Angolan structure, where we defended a "premium" sustained positioning. As a consequence, we grasped several opportunities that arose within the crisis, and reinforced our investment choices and the launch of new business units. Indeed, the shortage of products in the market triggered an increase in the demand of medicines, as well as a decrease in the sensitivity to price; currency hedging was offered along with other financial solutions; and finally, the exit of many organizations from that market opened new employing opportunities for/from good professionals who continued to believe in the country.

Once over, looking at this particularly difficult year, I feel that we succeeded to face it and live it as an opportunity: an opportunity for improvement, a time for self-evaluation, a space for refining our structures and a chance for repositioning our internal and external approaches.



Moreover, within the difficulties, we found new perspectives and planned new organizational projects.

Under this state of renovating spirit, we organized the “COMMITMENT NBC”, a large gathering of our team, where we had the opportunity to share sectorial projects, assess the current situation of each department ‘performance and align ourselves by outlining the guidelines for future action.

For all this, I see 2015 as another winning year, during which we strengthened our positioning to face the challenges that the markets in which we operate will bring us in 2016.

Thank you to all of you who went along with us and, who made me believe every day in our project. We have an excellent team, we have a business with a great growth potential, we have a good corporate presence and we have a strong market position.

In truth, we are proud to see our work done, with potential in sight and many dreams still unfulfilled.

***Nuno Belmar da Costa***  
***Managing Director***  
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