



## 1. Message from the Management

The year 2016, was for NBC Medical the hardest test of work and organization ever. It was definitely, the most difficult year of the company and group, since its origin.

Moving back a little to 2015 and at the beginning of the strong economic crisis in Angola, we found that in this year also particularly difficult, we knew how to face it and live it as an opportunity. An opportunity for organization, a time for self-evaluation, a space for the improvement of our structures and an opening to reposition ourselves internally and externally. It was a year in which, besides that, we were able to take the advantages of the difficulties, to identify news perspectives of improvement and to grub news paths of activity development.

In the context of this renovating state of mind, we prepared a great board meeting to which we gave the name of NBC COMMITMENT, where we had the opportunity to share sectorial projects, evaluate the present situation performance of each department and outline masters lines of future actions.

Entering then in the year 2016, as time went by and the Angolan market was scarce in terms of solutions for the transfer of our captive currencies in that country, the damaging effects of the crisis took high proportions and obliging us to test our deepest or most demanding limits.

Among the many consequences that the economic crisis provoked, most of the damage caused, rested on two structural pillars. For one side, the kwanza devaluation, origin exchanges losses, that may not be recoverable in part. For the other side, the difficulty of payments abroad has limited the ability to "feed" the cycle of import and sale of medicines in Angola, making it impossible to maintain normal levels of purchases in Portugal and forcing a sharp decrease in exports to that market.

Facing the mentioned difficulties, it is my duty and will, to express in this message the most important results of all the way traveled, searching to look for the bright side of this bittersweet experience:

Financially, combined with the internal effort of managing our frequent cash breaks, we were able to take advantage of the loyal position, either from the banks we work with, either from the suppliers of the goods we acquire. The successive demonstration of understanding and protection of our project was a great proof of trust, loyalty, respect for our management model and consideration for our organizational capacity. This support made all the difference, allowing us to face the lack of foreign exchange only due to the inability of the Angolan economy, avoiding radical measures and solutions that would not give to maneuver to continue our mission.

At the economic level, we decided to make a strategic adjustment of the level of activity by reducing exports, so as to contain both Angola's debts to NBC Medical and NBC Medical's debts to the suppliers of goods. This adjustment of turnover was made without calling into question the guarantee of a positive result that did not degrade the wealth created by the company, so it came to test our "sales dead" and confirm that we are an organization with the capacity to shrink an expand according to extraordinary market contingencies.

At the organization level, even without lowering our arms, we knew how to redirect our focus, having to slow down the reorganization of processes, of procedures and information systems, due to increase in the weight of activities associated with financial contingencies, in the day-to-day management of all areas of the company. Even though we were not able to maintain the service levels we aspired to, we knew how to guarantee that the various business units of the group were able to work in a serious and committed way to make a difference.

At the team level, I note that we have become a more mature team, because it has been tested to its limit; in a more resilient team – by the self confidence conquered in the struggles of the many setbacks experienced; in a more aligned and serene team – by believing in their mission and by trusting in their power to add value, even when weakened; in a more competent and effective team – by the lessons learned how to be more determined, more cohesive and more prepared to respond to the market in any condition.

We want to continue this path of internal strengthening and relationship with all the interlocutors who have been with us in this difficult stage of our life. We want to relaunch the activity, in the recovery of the conditions that will allow us to return and show our high potential.

I believe, more than ever, that a successful team is the one that, not only knows how to do well what the market is looking for but also the one that stands up and resists the worst moments, for the distinction of its DNA, for the excellence of its project and for the quality of its organization.

Many thanks to all of those who accompanied us and who continue to work side by side with us, for their success, for our success and for the accomplishment of our mission, which we believe will make the difference.

*Nuno Belmar da Costa*  
*Managing Director*  
**NBC MEDICAL**

