

WILLING

MISSING

2019

ANNUAL
REPORT

April 2020



COME BACK TO TRADITIONAL BUSINESS

INTRODUCTION

The obligation to prepare the annual report for 2019 follows from section 20 of Act No. 431/ 2002 Coll. on Accounting, as amended. Special provisions do not oblige the company to state other data in its Annual Report.

GENERAL DATA

Business name:	WILLING a. s.
Registered office:	Nám. SNP 8401/ 41A, 960 01 Zvolen, Slovakia
Founded on:	14 September 1998
Equity:	630 705 EUR
ID number:	36 032 409
Telephone:	+421 (45) 555 05 50
E.-mail:	willing@willing.sk
Web:	willing.sk

CONTENTS

I.	Main Activities of the Company	05 - 06
II.	Company Bodies	07
III.	History and Profile of the Company	08 - 09
IV.	Organizational Structure of the Company	10
V.	References	11
VI.	Financial Statements	12
VII.	Auditor's Report	13
VIII.	Economic Results	14 - 17
IX.	Special Data / Other Information Required by the Law	18 - 19
X.	Conclusion	20
XI.	Annexes	

MAIN ACTIVITIES OF THE COMPANY



PURCHASE AND SALE

Purchase of goods in order to resell them to other business entities (wholesale) within the scope of free trade, purchase and sale of weapons, purchase and sale of ammunition

TRADING

Military equipment trade within the scope of the permission issued in accordance with Act No. 392/2011 Coll. by National Council of the Slovak Republic

CONSULTANCY ACTIVITIES

Entrepreneurial consultancy services except for the scope of licensed and registered business

SALE OF SPECIAL TECHNOLOGY

Purchase and sale of aviation units, aircrafts, helicopters and devices connected with operation thereof, except for the military material trade, military equipment purchase and trade, purchase and sale of spare parts needed for repairs of aircrafts and aircraft engines, except for the deals in military materials

ACCOUNTING

Bookkeeping

INTERMEDIATION

Intermediary activities within the scope of free trade

ORGANIZING

Activities of organizational and economic consultants

Exact text of the Extract from the Commercial Register of the SR

- ≡ purchase to resell goods to end users (retail) except for the scope of licensed and registered business,
- ≡ purchase to resell (wholesale) of goods to business entities except for the scope of licensed and registered business,
- ≡ mediation activities except for the scope of licensed and registered business,
- ≡ factoring activities - recovery of debts,
- ≡ provision of software - sale of ready to use programs based on copyright contracts,
- ≡ activities of organizational and economic consultants,
- ≡ bookkeeping,
- ≡ entrepreneurial consultancy services except for the scope of licensed and registered business,
- ≡ purchase and sale of weapons,
- ≡ purchase and sale of ammunition,
- ≡ purchase and sale of aviation facilities, aircrafts, helicopters and devices connected with operation thereof, except for the military equipment trade,
- ≡ purchase and sale of spare parts needed for repairs of aircrafts and aviation engines except for the military equipment trade,
- ≡ consultancy, development, production, execution of modifications, testing and assembly of information technology devices,
- ≡ entrepreneurial consultancy - consultancy services in the field of trade and management and related services except for the scope of licensed and registered business,
- ≡ market research,
- ≡ consultancy services in the field of company management,
- ≡ consultancy services in the field of marketing,
- ≡ consultancy services in the field of public relations,
- ≡ preparation of entrepreneurial intention and business plan,
- ≡ courier services,
- ≡ military equipment trade within the scope of the permission issued in accordance with the Act No. 392/2011 Coll. by National Council of the Slovak Republic

COMPANY BODIES



Miroslav ČERVENKA
BOARD OF DIRECTORS

Ing. Ivan ŠUBRT
Martin DOSKOČIL
PROCURATION

Ing. Sylvia ZDÚTOVÁ - ŠŤASTNÁ
Ing. Jana KOSTÚROVÁ
Zuzana ĎUBEKOVÁ
SUPERVISORY BOARD

Ing. Sylvia ZDÚTOVÁ - ŠŤASTNÁ
Miroslav ČERVENKA
Ing. Ivan ŠUBRT
Martin DOSKOČIL
EXECUTIVE MANAGEMENT

WILLING

ANNUAL REPORT 2019

COMPANY HISTORY AND PROFILE



WILLING is a renowned business trademark. We import and export engineering products – components for construction machinery manufacture. We trade defence-related products.

The joint-stock company WILLING was established on 14 September 1998. However, the WILLING trademark had been represented by the company WILLING, s.r.o. since 28 February 1994.

Now or then, the business activities of the company have always been focusing on the provision of services.

- ≡ We are a traditional business partner operating in the field of defence-related products and the partner of engineering manufacturers.
- ≡ We consult with representatives of foreign companies on their entering the Slovak market in the area of defence industry product supply.
- ≡ We provide standardized quality of products and services in the field of defence. We hold SOŠ AQAP 2130:2010 certificate.
- ≡ We supply spare parts for aviation equipment, repairs, maintenance and modernization of fighter aircrafts and helicopters.
- ≡ We have partners, contacts and trades in 50 countries worldwide.
- ≡ We provide above-standard and high-quality services. Thanks to the quality management system in compliance with ISO 9001:2015.
- ≡ WILLING holds the industrial security certificate by NBÚ (National Security Office).

WILLING

ANNUAL REPORT 2019

In order to be a reliable and trustworthy partner, WILLING needs various certificates and permits, which have been obtained gradually as follows:

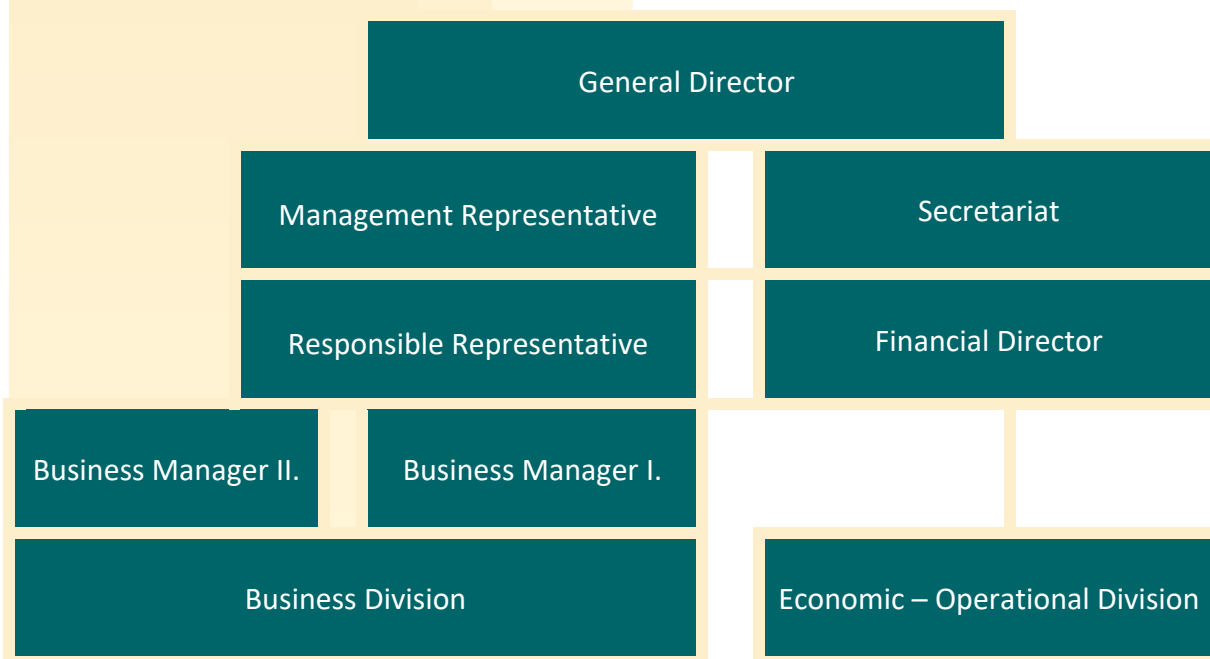
- 2019 Recertification DNV audit. Certificate No. 207848-2016-AQ-CZS-RvA. Supervisory audit by ÚOŠKŠOK (he Defence Standardization, Codification, Government Quality Assurance Authority)
- 2018 Recertification of SOŠ AQAP 2110:2017 quality management system.
- 2017 Industrial security certificate by NBÚ (National Security Office).
- 2016 Recertification of the quality management system under ISO 9001:2015.
- 2016 Certificate of conformity No. 06/2016 under SOŠ AQAP 2130:2010.
- 2013 Recertification of the quality management system under SOŠ AQAP 2120:2009 and the quality management system under ISO 9001:2008.
- 2011 Permit to trade in defence-related products No. P004/ 2012 – 060 – MH.
- 2010 Recertification of the quality management system under ISO 9001:2008.
- 2009 Recertification of the quality management system under SOŠ AQAP2120:2003.
- 2008 Industrial security certificate of a businessman No. BP-533-6/2008-C issued by the NBÚ (National Security Office).
- 2007 Recertification of the quality management system under ISO 9001:2008.
- 2006 Certificate of the quality management system under SOŠ AQAP 2120:2003
- 2005 Industrial security certificate of a businessman No. BP-179-5/2005-C issued by the NBÚ (National Security Office).
- 2004 Completion of the quality management system under ISO 9001:2000.

ORGANIZATIONAL STRUCTURE

IV.

WILLING is a firm that gives a real meaning to the work of its people, it gives them the freedom and the means to carry out their own ideas. WILLING is not only the place where people work. It is the place where all employees know they are important and their work brings benefits. Thus, all employees bear their share of responsibility for the WILLING trademark.

Infographics | Organizational structure WILLING a. s.



WILLING

ANNUAL REPORT 2019

REFERENCES

V.

References are our credits for our merits, for the approach and also for achieving success together. The strategy of WILLING a.s. is to build the trademark on high-quality of personal relations and reliability, and not on image. Individual approach tailored to our customers is a must. In business it is rather a necessity, not a luxury. You never know, if your client won't talk about you in front of its partners.

SPECIAL

MINISTRY OF DEFENCE OF THE SLOVAK
REPUBLIC
Slovakia

ALUTECH SLOWAKEI s.r.o.
Slovakia

RSK MIG OAO
Russia

LEONARDO S.P.A.
Italy

GAET
Vietnam

DESTINI PRIMA SDN BHD
Malaysia

RHEINMETALL LANDSYSTEME GMBH
Germany

GENERAL DYNAMICS
Germany

CIVIL

TATRAVAGÓNKA a.s.
Slovakia

HEMPEL
Czech Republic

WEILBURGER COATINGS CHEMISCHE INDUSTRIE
Germany

WERKLUST HOLLAND B.V.
The Netherlands

WILLING

ANNUAL REPORT 2019

VI.

The accounting period shown in the Financial Statements is the calendar year ending on 31 December 2019 is. The Financial Statements were prepared in accordance with the Act on Accounting No. 431/2002 Coll., as amended.

Through its annual Financial Statements, the company WILLING a.s. presents the information about its assets, liabilities, equity, business results, and financial situation, while preserving the assumption of continuous activity of the company

The Annual Financial Statements consist of the following parts:

- 1) Balance Sheet *
- 2) Income and Loss Statement *
- 3) Notes to the Financial Statements *
- 4) Auditor's Report *

** Note – the Financial Statements and the Auditor's Report as a part of the Annual Report are attached after the text of this Report, as ANNEXES.*

VII.

Audit of the attached Financial Statements of the company WILLING a.s., consisting of the Balance Sheet as of 31 December 2019, Profit and Loss Statements as of the same date and Notes that provide an overview of important accounting principles and accounting methods and other explanations, was carried out by the audit company, (SKAU licence No. 313), represented by Ing. Jana Magátová (SKAU licence No. 908), the auditor.

The statutory body assumes responsibility for preparation of the Financial Statements that provide a true and an accurate view in accordance with the Act on Accounting No. 431/2002 Coll., as amended (hereinafter referred to as the "Act on Accounting"), and for internal inspections, which the Statutory Body considers necessary in connection with preparation of the Financial Statements, which do not contain any material misstatements, whether due to fraud or error.

The auditor's opinion clearly states that the Financial Statements of the company WILLING a.s. provide a true and accurate view of the financial situation of the company as of 31 December 2019 in all the relevant contexts and of the operation results for the year ending as of the, above mentioned, date in accordance with the Act on Accounting in force in the Slovak Republic. Such opinion was given based on the audit performed in accordance with the international standards on auditing.

ECONOMIC RESULTS

VIII.

The annual report of the company WILLING a.s. includes the company's comprehensive financial statements for 2019, which clearly describes the current economic situation of the company.

We can say that the economic situation is satisfying, as supported by the presented economic numbers. The drop in sales, turnover and profit compared to the previous years was caused by a drop in orders by the Ministry of Defence of the Slovak Republic in the field of trade in defence industry products, namely the orders for repairs and supplies of components for military aircrafts and helicopters.

Due to the reduced volume of business orders in 2019, reflected in a 30 % decrease of sales compared to 2018, the company adopted some cost-saving measures in the field of overhead expenses, which was reflected in a 20% decrease of the company's economic result compared to 2018.

At the same time, it is important to say that the company has a 100% financial and payment discipline and it operates with own resources only, without any loans.

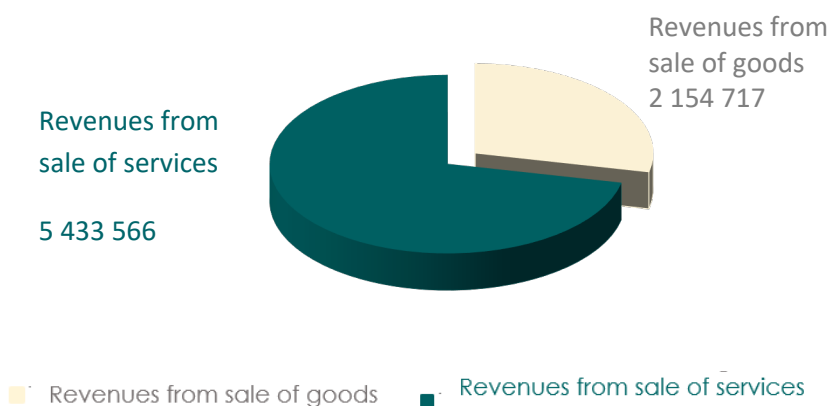
Profit and Loss Statement for years 2016-2019 | the numbers are in €

	2016	2017	2018	2019
Revenues from sale of goods	2 683 843	1 577 301	1 455 756	2 154 717
Revenues from sale of services	10 498 279	13 512 870	9 484 366	5 433 556
Net turnover	13 182 123	15 090 171	10 940 122	7 588 274
Costs of economic activities	7 656 803	11 630 149	8 522 392	5 736 192
Profit/loss from economic activities	5 554 048	3 630 731	2 431 766	1 960 947
Financial revenues	18 422	189	10 475	4 447
Financial costs	14 594	56 485	10 382	7 012
Profit/loss from financial activities	3 828	-56 296	93	-2 565
Profit/loss after taxes for the accounting period	4 322 195	2 810 283	1 907 905	1 538 938

WILLING

ANNUAL REPORT 2019

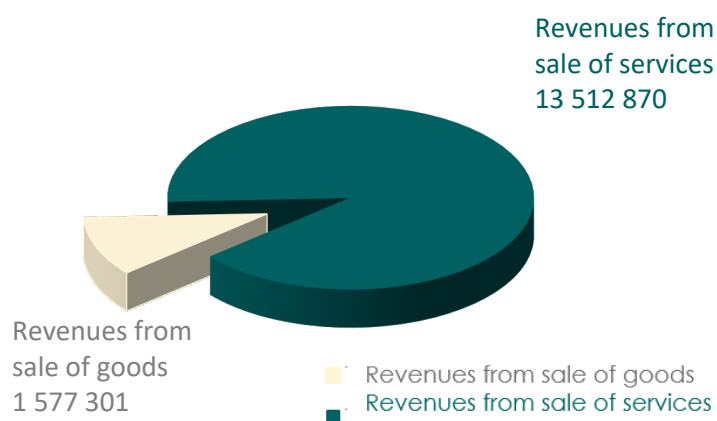
Total turnover of WILLING a.s. in 2019 | the numbers are in €



Total turnover of WILLING a.s. in 2018 | the numbers are in €



Total turnover of WILLING a.s. in 2017 | the numbers are in €



Assets 2016-2019 | the numbers are in €

	2016	2017	2018	2019
Total assets	9 629 731	10 518 769	8 037 954	8 206 096
Fixed assets	133 524	120 330	79 048	198 265
Current assets	8 934 357	9 132 205	6 974 457	7 648 375
Of which inventory	1 335 591	6 596	6 196	5 075
Of which receivables	5 447 284	5 358 103	1 966 371	2 810 889
Of which financial assets	2 136 234	3 751 347	4 985 678	4 816 010
Accruals	561 850	1 266 234	984 449	359 456

Liabilities 2016-2019 | the numbers are in €

	2016	2017	2018	2019
Equity and payables	9 629 731	10 518 769	8 037 954	8 206 096
Equity	7 382 250	5 800 683	6 288 338	6 972 277
Of which registered capital	630 705	630 705	630 705	630 705
Of which capital funds	16 910	16 909	16 910	16 910
Of which funds created from profit	225 543	225 543	225 543	225 543
Of which profit/ loss of the accounting period	4 322 195	2 810 283	1 907 905	1 538 938
Payables	2 247 481	4 718 086	1 749 616	1 233 819
Of which reserves	35 126	25 859	38 084	46 318
Of which long-term payables	2 192	2 511	2 862	3 319
Of which bank loans and aids	0	0	0	0
Of which short-term payables	2 210 163	4 689 716	1 708 670	1 184 182
Accruals	x	0	0	0

Equity in 2017 – 2019 | the numbers are in €



Profit/ loss in 2016 - 2019 | the numbers are in €



IX.

We can be satisfied when looking back to the 2019 through the prism of obligatory data that complement the comprehensive picture of our current situation. We know that the facts are worth it. And that it's us standing behind the facts.

- ≡ WILLING is a traditional trading company that operates also in the field of defence-related trade.
- ≡ In spite of having a strong position as a supplier in the field of defence industry products, in particular the aviation technology; WILLING diversifies its activities in the civil sector, as well. WILLING establishes itself in the civil engineering sector, namely the industrial coating systems for railway cars.
- ≡ WILLING does not directly engage in research and development, and thus does not have direct costs in the field of research and development.
- ≡ WILLING holds the SOŠ AQAP 2130:2010, quality management certificate that is an essential prerequisite within the NATO supply systems.
- ≡ WILLING is definitely a viable company, as proved by the long-term trend of achieving positive business results. With regard to its economic power, good reputation of the company, signed long-term contracts, and with regard to its strong position, we can say that the anticipated future development of the company will not only copy the past success, it will surpass it as well.
- ≡ WILLING keeps doing its best to maintain optimal and effective procedures and compliance with international standards. The firm holds the quality management system certificate in compliance with ISO 9001:2015 issued by DET NORSKE VERITAS. In 2019 the firm passed a periodical recertification audit successfully.
- ≡ WILLING did not acquire any own shares, interim shares, or business interests in 2019.
- ≡ WILLING is a local firm operating globally. As an accounting unit, WILLING has no organisational units abroad.
- ≡ WILLING can be defined as a small enterprise having up to 20 employees with long-term employment contracts and low fluctuation. WILLING was employing 16 employees as of 31 December 2019.

It will be proposed to the General Meeting to add the disposable profit amounting to EUR 1 538 938, 77 to the retained earnings from previous years.

After the end of the accounting period of 2019, events of special significance occurred, namely the situation caused by the COVID - 19 virus. As the situation keeps evolving, the company management does not think it is possible to provide qualitative estimates of the potential impact of this situation yet, especially the impact of individual suppliers and customers in the commercial field of industrial coatings. Based on the current development, the company management does not anticipate a negative impact on the current employment situation and will continue to monitor the potential impact and take all the steps to mitigate any negative effects on the company and its employees.

CONCLUSION

X.

Being aware of our obligations we declare that this Annual Report of the company WILLING a.s. for 2019 was prepared in accordance with the Act on Accounting No. 431/2002 Coll. and other relevant legal standards.

This Annual Report fulfils all the requested attributes, presents a true and accurate image of the firm and of the individual fields providing the prescribed spectre and structure of mandatory information with a eference to the wording of the applicable Act.

The Board of Directors of the Company represented by Miroslav Červenka and the Supervisory Board presided by Ing. Sylvia Zdútová-Šťastná will submit this Annual Report to be verified by the General Meeting, which will be held in Zvolen.

Miroslav Červenka
Chairman of the Board of Directors

ANNEXES

XI.

1. Auditor's report
2. Financial statements for 2019