

LEDO  
 joint-stock company  
 for production and sale of  
 ice cream and frozen foods  
 Zagreb, Čavićeva 1 a  
 ISIN: HRLEDORA0003  
 Security LEDO-R-A



dioničko društvo  
 za proizvodnju i  
 promet sladoleda  
 i smrznute hrane



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**CROATIAN NEWS AGENCY**  
 Marulićev trg 16, 10 000 Zagreb  
**CROATIAN FINANCIAL SERVICES SUPERVISORY AGENCY**  
 Miramarska cesta 24b, 10 000 Zagreb  
**ZAGREB STOCK EXCHANGE d.d.**  
 Ivana Lučića 2a, 10 000 Zagreb  
 Zagreb, 10 August 2017

Zagreb, 11.09.2017.

**SUBJECT: General overview of the business results for first seven months of Y2017**

Ledo joint-stock company for the production and marketing of ice cream and frozen foods, Zagreb, Čavićeva 1a, MBS: 080002964, OIB: 87955947581, responsible person: Dario Vrabec, (hereinafter: Issuer), pursuant to Article 464 of the Capital Market Act and Article 19 (1) of Regulation (EU) No. 596/2014 on market abuse and Article 2 of the Commission's Implementing Regulation (EU) 2016/523, informs of the following:

Pursuant to Article 12 paragraph 9 of the Act on Extraordinary Administration Procedure in Companies of Systemic Importance for the Republic of Croatia, the Extraordinary Commissioner is obliged to submit a monthly report on the economic and financial condition of the companies which are a part of the procedure of extraordinary administration, including the Issuer.

Therefore, the Issuer hereby simultaneously notifies the public about the business results and financial information from the aforementioned Extraordinary Commissioner's report relating to the Issuer for the first seven months of the year 2017.

**1.1.1.1. Financial results from the beginning of the year and key financial performance indicators**

In this respect, the Issuer informs the public as follows:

Financijski rezultati*	I-VII 2017 (mil. HRK )
REVENUE	657
EBITDA	157
EBITDA %	24%
Key financial performance indicators	I-VII 2017
Gross margin %	46%
Days of collection of receivables	90 days
Inventory days	90 days

\*Note: estimated results

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#### 1.1.1.2. Comments on the current business activities

- In the first months of 2017, Ledo recorded a decrease in sales due to reduced quantities of commodities and raw materials, as well as the cessation of cooperation with certain HoReC customers. All of this has led Ledo to change its sales assortment and focus on products with higher margins, primarily ice cream, which increased EBITDA margin to 24% in the first seven months.
- Stabilization of business processes and relationships with customers and suppliers, especially in the HoReCa segment, enabled Led to return to pre-existing commercial terms of payment with some customers.
- Ledo has started restructuring and improving operational efficiency, which has already yielded concrete results in boosting profitability.

The Issuer acknowledges that it will continue to notify of any further actions or decisions made in the restructuring process, which are deemed to be proprietary information in accordance with the applicable regulations.

Sincerely,

Ledo d.d. Zagreb

A handwritten signature in black ink, appearing to be a stylized 'D' followed by a long horizontal stroke.