



Dioničko društvo
za proizvodnju i
promet sladoleda
i smrznute hrane
M. Čavića 1a, Zagreb



ISIN: HRLEDORA0003
Security LEDO-R-A

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, 10.08.2017.

**SUBJECT: Amendment to the notice issued on 28 July 2017 and a general overview
of the business results for 1H2017**

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:

On 28 July 2017, the Issuer announced that due to the complexity and sizable amount of work of the Issuer and of the authorized auditor, the Issuer will not be able to publish the financial report for the year 2016 and for the first quarter of the year 2017 until 31 August 2017.

The issuer further informs the public that due to the same circumstances it has delayed publishing of the financial report for the second quarter of the year 2017 i.e. for the entire first half of the year 2017.

Furthermore, 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 period I-VI month of the year 2017.

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

Financial results*	I-VI 2017. (mil. HRK)
Revenue	488
EBITDA	106
EBITDA %	22%
Key financial performance indicators	June 2017.
Gross margin %	46%
Days of collection of receivables	93 dana
Inventory days	106 dana

*Note: estimated results



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Comments on the current business activities

Liquidity problems at the beginning of the year had a negative effect on the inventory levels of finished products, and consequently on the sales results achieved in the first six months, especially in the category of frozen products.

In order to achieve the best financial results, the company focused on the key category - ice cream, with an achieved growth already during the first part of the season.

The process of strong restructuring and operational efficiency was initiated, resulting in a significant increase in profitability and EBITDA growth.

Normalization of business processes and relationships with customers and suppliers are the prerequisites for the continuous expansion of the range of products necessary to achieve positive trends during the season.

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,

