

## **Liven, Q4 2025 unaudited financial results presentation, 29 January 2026**

Creative Director, Alina Kester; Chief Financial Officer, Joonas Joost

*An unofficial automatic translation of the original Estonian transcription.*

Good afternoon and welcome to Liven's presentation of the unaudited financial results for 2025 and the fourth quarter. I hope the sound is audible and the picture is visible. Today, unfortunately, Andero Laur is unable to present the results. However, Liven's Creative Director and Member of the Management Board Alina Kester is here with us. And I am Joonas Joost, Chief Financial Officer.

As usual, it is possible to ask questions during the webinar by selecting the icon in the bottom right corner, then "Questions & Answers," and writing your question there.

### **About Liven:**

Liven is a residential real estate developer operating in Tallinn and Berlin. To date, we have handed over more than 900 homes to new homeowners in a total of 15 different projects. Alina might introduce this more precisely later, but according to the Kantar Emor survey, Liven continues to be one of the two most reputable developers in Estonia, and we continue to implement the projects in our development portfolio.

### **Key indicators for Q4:**

Summarizing the fourth quarter results and key indicators. During the quarter, we signed 60 sales contracts under the law of obligation, which is significantly more than a year ago. This is in a similar magnitude to the result of the third quarter of 2025. The main difference compared to the previous quarter is the significantly higher number of apartments handed over based on real right contracts – 83. Last year, this was 34. The Regati project was completed during the quarter, which had the greatest impact on handovers based on real right contracts, but we also handed over apartments in other projects. The total sales revenue for the quarter was nearly €35 million, and the net profit for the quarter was €5 million.

### **Year summary and trends:**

Looking at the year as a whole, in the context of new sales (top left), a total of 176 new contracts were signed during the year, which is Liven's highest result in history to date. This number also includes the first four sales contracts in Germany. However, it is clearly visible that there has been a significant rise in the overall market in Tallinn over the last couple of years.

Bottom left, the 12-month customer feedback score reflects (we look at this month-by-month alongside contracts under the law of obligation and profit levels) that customers continue to rate us highly, which we are pleased about, and this is also related to new sales.

The number of real right contracts, i.e., home handovers, totaled 139 for the year. This is not as high a result as in previous years, but the handed-over homes are larger than average and more expensive than average. If we compare with 2022, the sales revenue per handed-over home was higher this year. Consequently, due to the significantly higher volume of sales revenue, we have finally reached the expected profit growth. The total result for the year is €5.4 million.

Regarding the return on equity target, which is 20% for us, the result with the year-end figures was 28.1%. It is true that the marketing expenses for the homes handed over this quarter were already reflected in previous quarters, and these have now realized as sales revenue and profit. Meaning, the results of previous periods were partly affected by expenses without revenue. In terms of content, it might be more reasonable to look at the 28% return even over five quarters, which is somewhat smaller but close to the expected return level. The equity ratio as a share of assets without construction loans rose to 29%.

However, looking at the view of more general tendencies and trends to reduce such quarterly volatility, the rolling 12-month indicators give a better overview. It is clearly visible from the graph of contracts under the law of obligation that the low point was in 2023, which remained the low point in terms of market situation and demand, and from there on the trend has been positive and moved upwards in the right direction in our view.

If we look at the handovers graph on the bottom left, handovers generally lag by an average of four to five quarters compared to contracts under the law of obligation. So, if we look at these graphs together, in comparison of real right contracts to contracts under the law of obligation, we are somewhere comparable to the second half of 2024.

The sales revenue dynamics mirror the real right contracts graph quite similarly. In this view, we are also four to five quarters behind the sales results, and at the very bottom are the net profit results and return on equity, which in a rolling 12-month view must essentially keep in step, and it is rather visible that we have now emerged from the difficult low point of recent years.

#### **Important events:**

The completion of homes in the Regati project clearly had the greatest impact on sales revenue. During the quarter, construction works also began in both the Virmalise project and the Iseära project, and we also made preparations for the construction of the next homes in the Luuslangi project. We started sales of these same homes during the fourth quarter, and actually, getting ahead of ourselves, in early January 2026 we signed the general construction contract for the construction of the Luuslangi new phase homes (which were added to pre-sales during the quarter). Additional sales were also added in the Iseära project during the quarter.

Regarding property purchases, this was actually discussed last time. This quarter, we agreed on long-term financing for both the Linnamäe and Järveotsa projects, and for the Juhkentali project, where the detailed spatial plan was enacted in September. We also got this financed with a secured bank loan. Looking ahead, the building permit for the second phase of the Regati project was issued, and also in this project, we refinanced earlier loans with the financier in January of the current year, secured by completed homes.

#### **Regarding events of the whole year:**

A total of 184 homes were completed during the year in the Regati and Iseära projects. Nearly 300 homes in total went into construction across seven projects during the year, including the first project in Germany. Also, 340 new units in various projects were added during the year. We are pleased that the last homes in the Uus-Meremaa and Magdaleena projects were sold during the year. Looking back at last year's results, we issued the second series of bonds in the volume of €6.2 million, and since planning proceedings have dragged on, we are also pleased that the detailed spatial plan for Juhkentali 48 was enacted during the quarter.

#### **Environment and demand:**

Regarding the environment, we perceived that consumer confidence improved in the second half of the year and also influenced the fourth-quarter result. Euribor, which has significantly affected results in previous years, remained stable during the quarter and had a neutral impact. This is also our forecast regarding Euribor for the next year.

Looking ahead, we expect that in 2026, following the tax reform, the financial state of households will improve, and this will have a positive impact on demand. We also expect the continuation of real wage growth and a general improvement in the economic environment. It is difficult to take a position on how continued uncertainty affects the environment. Uncertainty has been present for some time, and despite this, we have seen that demand for our homes exists.

This last point is also reflected by the weekly sales ratio. I will add a comment that this was slightly below the long-term average during the quarter, but this result is clearly influenced by the very high number of homes we have on offer. Taking this circumstance into account, the result is actually very good and reflects that we have offered homes to the market in a reasonable quantity.

### **Reputation survey results:**

Kantar Emor organizes a real estate awareness and reputation survey every year, from which, in addition to important input regarding people's preferences, we also get feedback on how we have fared compared to competitors. Growth in awareness is clearly visible; we are third after Merko and Endover. Over the last several years, we have invested more strongly in marketing than before, and in fact, this is clearly reflected there. We have passed YIT and Bonava over the years.

What is even more important to us than awareness is the reputation index, where we get feedback on how people actually perceive Liven. This year, we are sharing the first place with Merko. This is certainly pleasing news for us. Merko is certainly a competitor with whom it is an honor to share the first place. For the third year in a row, we are at the first-second place position.

The slide on the right shows the answers of all people who purchased a home or plan to purchase a home who participated in that survey. There were nearly 400 of them. Liven is valued most in terms of modern design and architecture. We certainly see that our developments are also valued in terms of location. Of course, we stand out as a trendsetter and style leader, which is a good sign that we have found and maintained a niche. We have contributed to it, and we see that it is reflected here as well.

Where we wish to contribute looking forward, and have already contributed—though perhaps we will talk about it more in communication next year—is good floor plans. So that people would know how to read and understand floor plans better, [and understand] how much time and energy we have put into them.

### **New development market:**

Regarding the new development market. Looking at the market supply side, according to Citify portal data, there has clearly been more supply added in both 2024 and 2025 than has been managed to be sold. Therefore, the total number of market offers has increased during this period. It is also clear that the number of sales has significantly increased in 2025 compared to the previous year. In terms of magnitude, this growth is from somewhere around 1,780 to 2,300, estimated at 30%. One can argue how accurate the initial data is, but in terms of magnitude, it is not very far off.

Looking at the dynamics in Tallinn, growth exists but is slightly smaller than in the vicinity of Tallinn, where more growth has been seen. Our Iseära project also classifies there. Immediately on the other side of the Tallinn city border, in Harku municipality. So, sales of our Iseära project are also reflected in this growth.

Looking aside, it is clearly visible that the volume of completed supply has been growing consistently in recent years. Last year, nearly 250 units changed in total. The stock under construction has also grown, and the stock that is planned or on offer where construction activity has not yet begun has decreased slightly. So, the supply today holds prices at a steady level. People's readiness to buy exists, but there is quite a bit of supply on the market, so clients have the opportunity to choose. The good news is that they have chosen Liven a lot. Among developers, we have achieved the highest volume of contracts under the law of obligation in Greater Tallinn (in terms of the highest number in 2025).

Now looking at the distribution of offers, it is clearly visible that our offers are distributed quite widely across different districts of Tallinn. As mentioned, Iseära is in the vicinity of Tallinn. We have projects in Haabersti, City Center, North Tallinn, Pirita, and Nõmme. As can be seen, there is generally not much supply in Pirita and Nõmme, so our projects, both Regati and Olemuse, form quite a large part of what is offered in the region. In preparation, Lasnamäe and Mustamäe have remained unmentioned, where we have projects coming up. In Lasnamäe, changing the planning of the Linnamäe tee property will take a bit more time as it is in the initial phase. But in Mustamäe, the Kadakadabra project will probably reach the market sooner.

### **Overview of projects:**

Talking about our projects, Iseära is a project where we have row houses and apartments. It has been very well received, a project with very many phases, where we continuously put subsequent phases on sale, and we have the opportunity to put exactly such volume on sale that we believe the clients will accept at the moment. At the end of the year, we started the construction of both the next phase of row houses and apartment buildings. Pre-sales there have also been quite good. In the big picture, we are halfway through the Iseära project; out of the total 400 units, we have yet to build and sell 200 units in the future. As in Iseära, also in other projects, last year we started a new thing where people can visit model homes independently, where we issue them a smart lock code. This has increased the number of people coming to visit and look.

In the Regati project, there was a major time of handovers at the end of the year. It continues a little bit even now. Now there are also completed homes there that can be purchased and received immediately. As of the end of the year, 67% of the homes were handed over. The complexity of some apartments was high, and the handover was left for the beginning of the new year. Generally, feedback from clients there is quite high. In addition to apartments, an underground illuminated yoga room, a stretching room, and a small workshop where one can maintain sports equipment or do other hobbies have been completed in this building.

Luuslangi is certainly a project that, in terms of its location, is a quite good product since it involves small buildings, which people like according to the Kantar Emor survey. However, in terms of the region, it is one of those highly appreciated among people, but compared to other projects, it is indeed a bit fancier. We have engaged some of Estonia's best architects there, and in addition, there is excellent landscaping. Furthermore, underground parking, which, for example, is not present in our Iseära project. Clients can choose between these two. We started the beginning of the year with two new phases. Initially, Jalami 6 went into construction, and since we see that sales are at a good pace, the construction of Jalami 4 has also started, and construction preparatory activities can be seen here.

The German project is an interesting project for us, where we certainly have a lot to learn. We started construction in the summer. Sales have also been going full steam ahead last year. Currently, 39% is sold and reserved, and as mentioned, it is a smaller building with 24 apartments. Based on this, we can see the German market and clients' customs and actions. Currently, it appears that in terms of dynamics, the German client buys more confidently in the future when the end of the building construction is nearer. The feeling itself at the moment is that upon approaching the completion of construction, the number of sales contracts will start to grow. In terms of a large market, the number of inquiries in Germany is significantly higher than in Estonia, but in that sense, the percentage of those that realize into sales is smaller.

The Olemuse project is in Nõmme, where it is good to operate because there are not as many projects compared to, for example, Haabersti. Well received by clients. Again, small buildings, family homes, three to five-room apartments. Construction started in September, and 40% is sold there. If we continue at the same pace, then by the end of this year, 80-90% should be sold.

Our city center project, Virmalise. The location is clearly visible here, which is both good and bad. In the sense that it is very good for a person to live there. But currently, it is a bit difficult that the project's visibility from the main road is practically non-existent. However, we have managed to show ourselves elsewhere, and 29% of homes are sold. It is a special project in terms of the city center because it is among trees, meaning truly its own courtyard, and those trees there create an effect that the client wants to come there. Today, the client might not immediately know where such a quiet street is located.

Peakorter is the first Liven joint project, where we have started the first phase with Oma Grupp before our 100% owned project development in the future. So far, cooperation is pleasant, and we have done cooperation with Oma Grupp before in terms of construction. It is a special project because, as you can see, there is a tower that needs a different approach and care. One building is actually behind the tower, which cannot be seen so well here. We have started construction there as well. 29% is sold as well, and we have a year and a bit more for sales for this project before it is completed at the beginning of next year. To date, people have already made their decisions on floor plans and interior finishing choices.

Juhkentali project, where an architectural competition is currently underway. The first works have been received by us, and we will decide the winner in the coming weeks. Then we will proceed with refining the concept. Logistically a very good project, and certainly, if we look at our other projects, this is perhaps in the most rapidly developing area.

Kadakadabra, which has already been mentioned, is located in Mustamäe, where an architectural competition has similarly been held, and you can see its result now. We are currently awaiting the enactment of the detailed spatial plan, and in the first half of 2026, we will start pre-registration and pre-sales.

Peakorter Phase II. Here, you can actually see a bit of the construction of the first phase. The second phase is Liven's own project, where Kadarik Tüür Architects have won the architectural competition. We will start with this as soon as we are far enough along with the first phase. Currently, we are awaiting the enactment of the plan.

New purchases. As already mentioned, Linnamäe tee 21a is in Lasnamäe, which I am personally very happy about because we haven't had anything in Lasnamäe for a long time. It is a large area where there are certainly people who would also like to design a home according to their wishes, and we can offer that to them. It will take time to get there as it is in a quite early stage. Secondly, Järveotsa tee 16c, which is located in Haabersti. If you ask why

Haabersti, then actually we have looked far ahead. This project also takes time, but we believe that by the time we start sales with this project, our other Haabersti projects or Luuslangi will have already ended.

The forecasted construction period timeline is better seen from this view here. I won't go through the details, but the idea continues to be that the portfolio contains different projects that are distributed over different time periods, over different city districts, and there is sufficient sellable volume both now and looking ahead. It is also seen here that we have started sales of four projects this year, including one in Germany. And also in the current year that has started, we are starting with two projects. It cannot go unmentioned that new phases of ongoing projects are also coming, so this will certainly be a similarly action-packed year as the previous one.

### **Overview of financial results:**

Big numbers have already been briefly discussed. The quarterly volatility of results and dependence precisely on the completion of constructions and handover of homes based on real right contracts comes out here. Compared to the previous quarter, 68 more homes were handed over, and sales revenue was nearly €30 million higher. Marketing expenses are somewhat higher than in the previous quarter, but this is actually a rather customary level in the big picture compared to previous quarters, where the rise in marketing expenses primarily reflects the lower result of the previous quarter. Regarding general administrative expenses, there is also a rather similar dynamic, a small increase compared to the previous quarter, but rather a customary level. Operating profit was €5 million and net profit likewise €5 million. Income tax expense is €5 thousand, which is related to the German subsidiary and is not related to dividend payments.

The year view result also reflects the growth in the number of real right contracts and higher sales revenue per unit. If we look at the marketing expenses for the year and their growth, the addition of more projects is largely reflected. Both marketing expenses and general administrative expenses reflect the payment of somewhat larger performance bonuses related to performance bonus events accumulated over several years. Under other operating income, the sales contract under the law of obligation for the commercial space part of the Kadakadabra project made in the first half of the year is reflected. This is how the total net profit of €5.4 million came about.

In the context of financial position, the volume of inventories decreased significantly due to handovers. As can be seen from the bottom left, a large amount of inventory was reclassified from construction to completed status. Similarly, in the context of loan obligations, due to handovers, we repaid bank loans related to construction financing, and as a result, total loan obligations decreased significantly during the quarter. Equity increased due to profit, and the equity ratio without construction loans is 29.2%.

To illustrate how the pre-sales portfolio logic works, the accompanying picture clearly shows that during the fourth quarter, following the completion of constructions, we handed over a very large part of the previously accumulated pre-sales portfolio. We sold during the quarter, meaning we also made new sales, part of which was realized as sales revenue during the quarter and part remained waiting for the completion of constructions in subsequent periods. At the end of the year, our pre-sales portfolio is €33.7 million. Here I will point out that we do not consolidate the Peakorter project in the results, so the sales revenue of Peakorter Phase I is not reflected in our results. This means that the Peakorter project is also not reflected in the pre-sales.

**Outlook:**

Looking ahead, we expect growth in the environment due to the previously mentioned circumstances. We expect real wage growth and the positive impact of tax changes. We have a quite broad portfolio of projects being sold and built compared to last year. While previously there were rather two projects carrying the result, this year there are more. Next phases and new projects are also coming to sales. In the started year 2026, it is maximally possible to earn €86 million in sales revenue. This is a theoretical maximum; similarly to the previous year, when it was possible to earn a theoretical maximum of €75 million, we earned two-thirds of it. We expect and see the same for this year. Meaning, we forecast 20% growth for sales revenue. Along with sales revenue growth, we also expect net profit growth and exceeding the targeted 20% level of return on equity.

**Loan dynamics and outlook:**

Briefly also on the dynamics of loan obligations. As expected, loan obligations fell at the end of the fourth quarter following the completion of construction, and since different projects are now in work, looking ahead, we can expect an increase in loan balances supported by the growth of construction loans in the middle of the year, and a decrease in loan balances again in the second half following the completion of homes.

**Questions and Answers:**

*What is Liven AS's monthly payroll fund including taxes, and how many employees are there in Liven AS?*

The total payroll cost for 2025 including taxes was 3,268,000, and this was divided on average between 37 full-time employees. At the end of the year, in the last quarter, there were 36 employees, 2 of whom are in Germany. For clarification, the payroll fund also includes the quarterly performance bonus based on customer feedback and the project event-based performance bonus, which does not distribute evenly over time, as mentioned, events accumulated over a long time previously arrived during the current year. If we take the 2025 result and divide it over 12 months, that real number alone is not correct in the context of a monthly payroll fund. Estimated, the monthly payroll fund could remain 30% lower than that. Thinking the other way around, when forecasting the future, clearly performance bonus events will arrive in the future as well. Especially in such active years of operation. The number of employees is as it is. It is possible to approach this both ways, whether there are more employees or fewer. Currently, we solve many things in-house, and several services are outsourced. It is certainly possible to manage with a smaller number of employees, but in order for us to maintain quality and customer feedback, we are glad that we have people in the house who have received relevant training over several years. Maintaining quality is certainly more complex when ordering from outside. To keep these people in the house, it is necessary to maintain sales levels, and this is also reflected by the fact that we have several different projects coming up.

*Is the high profitability Regati project behind the 2025 profit?*

If we leave out certain individual projects that ended within the year, either with a loss or lower profitability, then generally all projects in our portfolio have similar profitability. Regarding Regati, in the context of our entire portfolio, it is rather average compared to other projects, somewhat even lower than average. However, the Regati project is very large in volume in terms of the number of units, square meters, and price per square meter. And the first phase was very large, 111 apartments. While it is possible and logical to do other projects construction-wise with smaller phases, in Regati we have actually divided it into two, and

therefore this number is so large. Meaning, the volume in the Regati project was very large, which influenced both the fourth quarter result and the entire year. In terms of profitability, it is rather an average project like others. In general terms, as seen from previous quarters, to earn profit we primarily need a critical mass of sales revenue, which simply was not possible for us to achieve in previous periods. Looking forward, the dynamics will probably remain similar in 2026. The Regati project itself will contribute less in terms of volume. We have a large number of different projects that contribute to the result more broadly, but similarly to this year, the completion of new constructions is in the second half of the year, either at the end of the third quarter or in the fourth quarter. Meaning, looking ahead, we will again earn the vast majority of the next year's result and profit in the second half of the year.

Since no more questions have come in today and we have run quite long on time, I thank all participants and listeners. Our webinar recording, transcript, and presentation will be available soon on our website ([liven.ee/investor](https://liven.ee/investor)). And we will meet at the next webinar in three months.

If you wish to ask questions, you can always write them to the email [investor@liven.ee](mailto:investor@liven.ee).