Liven, Q3 and 9 months 2026 unaudited financial results presentation

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Chairman of the Board, Andero Laur; Chief Financial Officer, Joonas Joost

An unofficial automatic translation of the original Estonian transcription.

Good afternoon and welcome to Liven's webinar presenting the results for the third quarter and the first nine months of 2026. As usual, the results are presented by Chairman of the Board Andero Laur and Chief Financial Officer Joonas Joost. It is possible to ask questions during the presentation by selecting the Questions & Answers button via the icon at the bottom right. We will answer the questions at the end of the webinar. But I will now pass the floor to Andero.

Thank you, and welcome from me as well. I would like to add that if we have any English-speaking listeners, the webinar is held in Estonian, but an English transcript will later be available on our website.

About Liven

Briefly for all new listeners who are watching us for the first time. Liven is a residential real estate developer operating in Estonia and Berlin. We have handed over more than 900 homes in fifteen projects, and close to 1,700 homes are in various stages of development, whether under construction, in progress or in planning. Our main home market is Tallinn, and we now have three projects underway in Berlin. What distinguishes us from our competitors is that we give clients considerably more opportunities to have a say in creating their home. This means the choice of both the home's design and its layout, the merging and splitting of homes, and much more. Our interior architects help our clients with this.

Summary of Q3 and the First Nine Months of 2026

In the third quarter we signed slightly fewer sales contracts than in previous quarters, 44 in total. The main reason was that the start of signing sales contracts under the law of obligation in Kadakadabra and the second phase of Regati was delayed and moved into the fourth quarter. We did collect a good number of reservations there. Sales activity was therefore going well, but slightly fewer contracts were signed. On that basis we expect more of them again in the fourth quarter than in previous quarters.

We were able to hand over seven homes and sales revenue was €3.7 million. All of these homes were in the Regati project. At the moment we have very few completed homes in our portfolio that could be handed over, and most of them are the last homes of the first phase of Regati. The net loss corresponds to this level of revenue. It is a fairly usual level for us in a situation where revenue is low. Above all we expect revenue growth in the fourth quarter, where handovers have already picked up pace.

Important Events in Q3 and October

We acquired the properties of the Cosmo project at Pärnu maantee 35, 37 and 41. There is a valid building permit in place, but we are applying for a new one with a modified solution. The architectural competition has been completed and the design of the project is in full swing.

In the Iseära project, construction of the next seven row houses started. Pre-sales and preparations took place for the second phase of Regati, both for the start of construction and

for signing sales contracts under the law of obligation. We did the same in Kadakadabra and also prepared to start the next phase of Iseära.

The largest financing transactions were the financing of the Cosmo project, partly with a bank loan and partly with equity. We have repaid the loan on the Kadakadabra property in stages, and its remaining balance was already quite small. We used the opportunity to refinance it and to free up some equity for other investments. We also repaid a loan with a higher interest rate that had been raised from investors for the German project.

In October we started signing sales contracts under the law of obligation in both Regati and Kadakadabra. We signed the construction contracts for the second phase of Regati and the Iseära apartment buildings. Both contractors have already worked with us on these same projects. The pre-sale of the next phase of Luuslangi also started.

Rolling 12-Month Indicators

The rolling twelve-month indicators characterize the third quarter. Slightly fewer sales contracts under the law of obligation were signed in the quarter than at the same time last year, when there were 60. In the fourth quarter we expect an increase there again. For handovers, a similar positive jump can be expected with the fourth quarter, when handovers are in full swing.

Sales and Pre-Sales in Q3 and the First Nine Months

Although slightly fewer units were sold in the third quarter, the volume of new sales in euros was very similar to the previous two quarters. The homes sold were simply a little more expensive. Of the quarter's €13.1 million of new sales, €2.4 million was recognized immediately as sales revenue and €10.7 million went into pre-sales. By the end of the nine months the pre-sales balance has risen to €58.1 million, of which €41 million will be completed this year. We will certainly be able to hand over the vast majority of that as well.

Environmental Factors Affecting Demand

The weekly sales ratio is undoubtedly also affected by the rise in Euribor. I dare say that in Berlin it may have an even greater effect, because the interest rate there is fixed and clients react more directly to the movement of Euribor. In Estonia people are used to the interest rate being floating anyway and going up and down, which is why a momentary change does not have that much effect.

Prices have risen mainly because of fuel and energy. This is also reflected on our cost side, and we see construction prices rising. Fortunately, sales prices have also been rising gradually, which has generally offset the growth in costs. Wage growth has been outpacing inflation for some time already. Together with the tax changes, this has kept demand for home loans strong, and we have continued to have clients.

The decline in the weekly sales ratio comes mainly from the fact that the number of our offers increased significantly in the middle of 2026. In the third quarter we had close to 360 homes available on average.

Supply and Sales in Greater Tallinn New Developments

In the market as a whole, supply remains very high. In the third quarter the record of a couple of quarters ago was exceeded, and there were close to 4,300 homes on offer in total in the Greater Tallinn area. It is positive that the number of completed homes has continued to

decrease. There are around a thousand of them, and the decrease has been small, so it has rather remained stable.

Completed homes are distributed quite evenly across the city. On the right, the ticks show the districts where Liven is active and where we have supply. Nominally one could say that we also have supply in Mustamäe in the form of Kadakadabra. It is perceived as Mustamäe, but the district border runs so that we are on the other side of the street in Haabersti. In terms of competition, with Kadakadabra we rather compete with other Mustamäe developments, which gives us a wider spread. Although there are already projects in the neighbourhood, clients have received Kadakadabra well and there is a good amount of demand. Our market share has remained around 8 percent for several quarters, and we expect it to stay there going forward.

Development Portfolio and Project Timeline

This year's sales revenue target is €59 million and the pre-sales needed for it are in place. The challenge is to hand over all these homes by the end of the year. Some constructions are being completed in stages in December, and on our part we are making every effort to hand them all over properly. We see a risk there of up to €5 million which, based on experience, may not be possible to hand over this year due to client-related or construction-related circumstances. The target, however, remains there, and the sales result is sufficient to achieve it.

On the right you can see all the projects with their expected construction periods and current stage. Shown in darker colour are those where construction contracts have already been signed and construction has started. In green are those where construction is either starting very soon or is planned for the future. In the lighter colour are those where the detailed spatial plan proceedings are still ongoing, and construction will start after the plan has been enacted and the permits have been obtained.

It is also worth repeating the earlier messages from the chart. This year's sales volumes are in place, and for next year construction has started. The chart also shows that 2028 and 2029 are covered. For the next four to five years we have construction volume and work ahead of us in the portfolio.

Completions and Development Portfolio

This year a total of 205 homes will be completed, and all of them will be completed in the fourth quarter. Of these, 72 percent are sold or reserved, and pre-sales stand at €41 million as of today. These are the Iseära, Luuslangi, Olemuse and Virmalise projects.

Next year Peakorter, Wohngarten in Germany, Luuslangi and Iseära will be completed. The slide also shows their current pre-sales. In the first half of the year Peakorter, Wohngarten and Luuslangi will be completed, and Iseära slightly later. Although the number of homes being completed is the same, there is still potential on the sales revenue side. We are going into next year with a larger volume of completed apartments, which are also better spread across Tallinn than in previous years. This allows us to earn more in the ongoing quarters, because there is supply to sell.

Overview of Projects

On the status of the projects. Regati has already been mentioned. In the first phase there are still 18 homes left, meaning that 82 percent of the total volume is sold. In the second phase we started construction this month. In the first building of the second phase that went into construction, 27 percent of the homes are sold or covered with paid reservations, and contracts are being signed. The construction contract covers the entire phase, but

construction is started in stages. The largest building comes first, and the two smaller buildings will be completed slightly later, with their construction also starting later.

In the Kadakadabra project, construction preparations and sales activity are in full swing. The building permit applications and the whole usual process are also underway. The volume there is large, and there is work for us there for quite a few years.

Juhkentali 48 is our first rental project, which carries the new name Peatus. Its construction will also start at the end of this year. The construction procurement is underway and the building permit is not far off either.

The Cosmo project acquired this year is located on Pärnu maantee. The architectural competition has been completed and Apex Arhitektuuribüroo was chosen as the winner. The expected sales revenue volume is over €50 million. The three buildings will be completed in stages, but rather with smaller intervals. Construction there will take time. We are collecting interested parties, and together with that the pre-sale has also indirectly started.

The second phase of Peakorter is Liven's own project. The first phase of Peakorter is a joint project with Oma Grupp, in which Liven holds a 50 percent stake. In the second phase of Peakorter we expect the detailed spatial plan to be enacted rather at the beginning of next year. The technical sides are in order, but the decisions take time. The expected sales revenue volume is €36.1 million, and we expect to start sales and construction next year.

On the detailed spatial plans. In the background you can see a picture of Järveotsa tee 16c by DOKK Architects, the winner of the architectural competition. The detailed spatial plan proceedings are ongoing there, and we expect to reach construction in 2029. Below is the information on the development in Lasnamäe, where the start of construction is expected in 2030.

We have acquired two new properties in Germany. We already mentioned them in the previous quarter's report, and now the first 3D renderings are also ready. The solutions are still being refined. The building permit applications have either already been submitted by today or will be submitted in the coming weeks, after which the building permit proceedings will begin. At the end of this year or the beginning of next year we are also preparing to start sales.

Overview of Financial Results

Some messages have already been covered, but it is worth repeating them and looking at the overall picture once more. In this quarter there were only seven handovers, which directly generate sales revenue, and sales revenue was slightly under €3.7 million. The low number of handovers resulted in relatively low sales revenue and also affected gross profitability, because the portion exceeding fixed costs remained smaller.

Marketing expenses have remained at a usual level. Considering how many new homes we currently have on offer, the marketing expense side can be regarded as rather quite efficient this quarter compared with previous periods. General administrative expenses have also remained at a usual level. The operating loss of €334,000 arises above all from the low number of handovers and the resulting low sales revenue.

In the second quarter there was an income tax expense related to dividends, which we did not have this time. As a result, the net loss is technically smaller than in the previous quarter.

Financial Position and Loan Obligation Dynamics

As construction has progressed and following the acquisition of the Cosmo properties, the volume of assets has risen above €116 million by the end of the quarter. Equity remains at a similar level to before. Because we financed the Cosmo purchase partly with borrowed capital, and construction as well, loan obligations increased by a total of €13.7 million during the quarter. At the same time, in the Regati project we repaid earlier borrowing from the proceeds of the seven handovers. The equity ratio remains slightly below 30 percent. The return on equity measured on the basis of the last twelve months' profit has this time slipped slightly below 20 percent.

The inventory chart at the bottom left shows a picture that is typical of our business model. Immediately before handovers, the volume of inventories under construction is at its highest, and the volume of construction loans is likewise at its highest. The fourth quarter of last year shows the dynamics that we also expect now. As a result of handovers and completions, the volume of inventories under construction and construction loans decreases very significantly, and the total balance sheet volume will also be lower at the end of the year than it is now. I would also point out that in the fourth quarter of 2025 the volume of completed apartments in inventories was quite high, around €20 million. By today it has decreased considerably and is in the order of €10 million.

I will repeat the point once more that, in line with our business model, the volume of construction loans is at its highest immediately before construction is completed. This dynamic repeats as a pattern from year to year. We expect a decrease in the volume of construction loans in the fourth quarter, followed by a renewed increase quarter by quarter in the new year. On the chart, next to the green bonds, we have also marked the point from which the redemption window of the first series of green bonds begins. As a reminder, the maturity of the bonds is four years, but a year before that a window opens during which they can also be redeemed early.

Future Outlook

As Andero mentioned earlier, this year's target is €59 million, of which €15.1 million has been achieved in nine months. At the end of September the volume of pre-sales in projects completed this year was €41 million, and together with the homes sold during October that volume is now complete. In delivering the full result, the main focus now moves to the completion of construction and handovers.

Depending on handovers, there may be a shift of around €5 million, but the target remains €59 million. In the following years the next projects will be completed, and we will announce the numerical targets for 2027 in three months. We have spoken about the sales revenue target in numerical terms, but the growth in sales revenue compared with last year means that we also expect growth in net profit and continue to expect to exceed the 20 percent level of return on equity.

With that, the formal presentation part is over and we move on to questions and answers.

Questions and Answers

The upgraded presentation format is very good and informative. Thanks! How much of next year's revenue is secured by current pre-sales (as of the previous quarter, it was nearly €9m), leaving aside the potential spillover of ~€5m into Q1 2027?

Joonas Joost: The total pre-sales volume at the end of September was €58.1 million, of which €41 million was in projects being completed this year. In projects being completed in the following years, pre-sales at the end of September amounted to €17.2 million. This does not include the possible shift into next year. We will continue making new pre-sales during the current quarter, so by the end of the year we expect the pre-sales volume to be at a higher level again than it is now.

How confident are you in achieving the group's return on equity (ROE) target with the newly added projects, considering increased financing costs, construction costs, continued market oversupply, and slowing demand?

Andero Laur: We are optimistic that we will achieve these targets. We buy projects with the aim and understanding that they will allow us to achieve our return on equity targets. Today we do not have internal signs that we would not be able to do so.

Joonas Joost: It is clear that if the market were to slow down, it would also affect us and our sales figures. It is difficult to say anything with certainty about the future. Looking at history, however, according to Citify data we have been the developer with the most sales in the Greater Tallinn market in 2024 and 2025, and so far in 2026 as well. On the positive side, even in difficult market situations many clients have decided that Liven's homes are worth buying. We hope that this dynamic will continue in the future regardless of the market situation. As Andero said, according to the projects' business plans all the preconditions are in place to keep achieving the return on equity target.

Where do you see the biggest risks to internal expectations next year?

Andero Laur: I think next year will in some ways be even easier than this year. As I mentioned, 25–30 percent of the homes being completed will most likely remain unsold at the end of the year. We have supply across Tallinn that can be turned into sales revenue immediately, and that makes it easier to achieve results in the ongoing quarters. In addition, next year we will not have as many projects piling up at the end of the year at the same time. Different projects will be completed at different times, although some at the end of the year as well. This year is much more complicated in that respect, because practically all the projects are completed together at the end of the year.

Andero Laur: Of course the general macro risks are still there, and today we do not know how external events will have an effect. At the same time it must be said that the macro outlook has not been particularly easy over the last couple of years, but despite that we have managed. If nothing gets very much worse, we expect to be able to withstand a small macro fluctuation. We have the skill and capability to be flexible. A certain differentiation also gives us the ability to offer a product or to reach a client that our competitors may not reach.

I would like to ask about Peakorter, which is a joint venture for you. Is everything on schedule there, and could one also expect a net margin of around ten percent from it? How do you see this project yourselves?

Andero Laur: We do not comment on the profitability of each project separately. We see that it is a good project for us, and the profitability is on an equal level with our other projects.

So in other words, a similar margin can be expected from it as well?

Andero Laur: Yes. Let us put it this way, all our projects are currently above our own base level, including this project.

This year's €59 million target has been commented on several times, but I would ask it the other way round. Is all construction on schedule, and is the question rather whether you will manage to get all the buyers to the notary by the end of the year?

Andero Laur: That is not quite the case, some constructions have been postponed. Some were supposed to be completed earlier, and we expected to be able to start some of the handovers already at the end of the third quarter. If we go into detail, a batch from one of our largest parquet suppliers, which was used in several projects, turned out to be defective. Unfortunately, it was only possible to detect this once the installation of the parquet began. The activities related to replacing the parquet took us a few weeks. The delay is not large, but it was enough that we could not start handovers in the third quarter.

Andero Laur: This also creates a situation where some buildings will be completed uncomfortably at the last moment. For this reason we do not dare to say with one hundred percent certainty that we will get all the clients to the notary and all the handovers done properly. Certain handovers will shift into the next year anyway, and we have taken that into account. Because construction is being completed at the last moment this time, there may simply be slightly more of them.

Does the delay in construction also mean additional costs for you, or can you somehow recover them from the contractors? Does it make the project less profitable or squeeze the margin?

Andero Laur: No, in this case three weeks has no practical effect. Its effect is not noticeable anywhere, and it remains within our usual internal reserves. We resolved the situation with a delay of about three weeks. That is quite a good result of the cooperation with the contractor in finding solutions and getting new parquet or replacements delivered as quickly as possible.

Joonas Joost: Questions can also always be sent to the address investor@liven.ee. After the webinar we will publish the presentation, the recording and the transcript on our website at liven.ee/investor. The next interim report, for the fourth quarter and twelve months of 2026, is planned to be published on 28 January 2027. Let us wrap up here. Thank you for participating and listening, and we will meet again in three months. Have a good day!

Andero Laur: Thank you!