Liven

SUMMARY

Introduction and warnings

This Summary (the **Summary**) is a brief overview of the information disclosed in the base prospectus (the **Prospectus**), dated 6 May 2024, prepared in connection with the public offering, listing and admission to trading (the **Offering**) of up to 30,000 unsecured bonds with the nominal value of EUR 1,000 each (the **Bonds**) of Liven AS (the **Company**) during the period of up to 36 months in separate series (the **Programme**), listed on the Baltic Bond List of the Nasdaq Tallinn Stock Exchange (**Nasdaq Tallinn**). The Summary has been appended to the final terms applicable to the Bonds issued in the first series (the **Final Terms**) and is, therefore, specific to the Bonds in the first series. Information given in this Summary has been presented by the Company as at the registration of the Prospectus, unless otherwise stipulated.

This Summary should be read as an introduction to the Prospectus and any decision to invest in the Bonds should be based on consideration of the Prospectus as a whole by the investor. Civil liability in relation to this Summary, incl. translations thereof, attaches individually to persons who have drawn up the Summary only where the Summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the Bonds. Investment into the Bonds involves risks and the investor may lose all or part of the investment. The investor must consider that in the event the investor wants to bring a claim to the court in relation to the information contained in the Prospectus, they may be required to bear the costs of translating the Prospectus.

Name and international securities identification number (ISIN) of the securities. The name of the securities in Estonian is EUR 10,5% Liven rohevõlakiri 24-2028, ISIN-code EE3300004332.

The name and contact details of the issuer, including its legal entity identifier (LEI). The business name of the Company is Liven AS. The Company is registered in the Estonian Commercial Register under the register code 12619609 and its LEI code is 894500FK54S8LWFWC546. The contact details of the Company are the following: address: Telliskivi tn 60/5, 10412, Tallinn, Estonia; telephone: +372 5336 5551; e-mail: info@liven.ee.

The identity and contact details of the competent authority approving the prospectus, date of approval of the prospectus: This Prospectus has been approved by the Estonian Financial Supervision Authority (the EFSA) under registration number 4.3-4.9/573. The contact details of the EFSA are the following: address: Sakala 4, 15030, Tallinn, Estonia, telephone: +372 668 0500; e-mail: info@fi.ee.

Key Information on the Issuer

"Who is the issuer of the securities?"

The issuer is Liven AS (the **Company**) whose LEI code is 894500FK54S8LWFWC546. The Company was established under the laws of the Republic of Estonia in the form of a private limited company (in Estonian: osaühing or OÜ) and is established for an indefinite term. As of 28 August 2019, the Company is operating in the form of a public limited company (in Estonian: aktsiaselts or AS). According to the latest available financial report of the Company, i.e. the annual report for the financial year ended on 31 December 2023, the main area of activity of the Company was "Development of building projects" (ETAK code 41101).

The Company's group includes the following consolidated subsidiaries (the **Group**): Liven Kodu OÜ, Liven Kodu 5 OÜ, Liven Kodu 6 OÜ, Liven Kodu 10 OÜ, Liven Kodu 12 OÜ, Liven Kodu 14 OÜ, Liven Kodu 15 OÜ, Liven Kodu 16 OÜ, Liven Kodu 17 OÜ, Liven Kodu 18 OÜ, Liven Kodu 19 OÜ, Liven Kodu 20 OÜ, Liven Kodu 21 OÜ, Liven Kodu 22 OÜ, Liven Kodu 23 OÜ, Liven Kodu 24 OÜ, Liven Wohnungsbau GmbH and Liven HW11 GmbH.

As at the date of this Prospectus, the Shareholders holding directly over 5% of all shares in the Company (the **Shares**) are the following:

Shareholder	**Number of Shares**	**Proportion**
VERDALE OÜ	2,820,000	23.79%
OÜ LAUR & PARTNERS	2,600,000	21.93%
BKK Holding OÜ	2,600,000	21.93%

PROBUS OÜ	1,392,751	11.75%
IVARD OÜ	1,199,813	10.12%

As at the date of this Prospectus, the management board is not aware of any person with direct or indirect control over the Company or any arrangements or circumstances, which may at a subsequent date result in a change in control over the Company.

The managing bodies of the Company are the Management Board and Supervisory Board and the highest governing body is the General Meeting of Shareholders. The Management Board is responsible for the day-to-day management of the Company's activities and represents the Company in concluding transactions and performing acts in accordance with the law and the Articles of Association. The Supervisory Board is responsible for the strategic planning of the business activities of the Company and for supervising the activities of the management board. The General Meeting of Shareholders provides a decision-making forum for the shareholders to exercise their principal rights as shareholders.

As at the date of this Prospectus, the management board of the Company has three members: Andero Laur (Chairman of the Management Board, as of 4 May 2015, authorised until 1 September 2024), Alina Kester (as of 15 May 2020, authorised until 1 September 2024) and Mihkel Simson (as of 5 July 2016, authorised until 1 September 2024).

On 12 April 2023, the General Meeting of Shareholders appointed KPMG Baltics OÜ (registry code 10096082; registered address at Narva mnt 5, 10117 Tallinn, Estonia) to act as the statutory auditor of the Group for the financial years 2023–2024. KPMG Baltics OÜ is a member of the Estonian Auditors' Association (in Estonian: *Audiitorkogu*).

"What is the key financial information regarding the issuer?"

The Group's consolidated audited financial statements for the financial years ended on 31 December 2023 and 31 December 2022 (**Audited Financial Statements**) has been enclosed to the Prospectus. The Audited Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. Below information has been presented in accordance with Annex III of European Commission Delegated Regulation (EU) 2019/979 as deemed most appropriate in relation to the Bonds by the Company.

Table 1. Income statement (in euros)

	2023 (audited)	**2022 (audited)**
Operating profit	867,428	3,324,440

Table 2. Statement of financial position

	31.12.2023 (unaudited)	**31.12.2022 (unaudited)**
Net debt	34,712,915	29,906,567
Current ratio	2.36	3.87
Adjusted equity ratio (%)	32.0	32.6
Adjusted leverage ratio	1.46	1.45

Net debt = current loan liabilities + long-term loan liabilities – cash and cash equivalents
Current ratio = current assets / current liabilities
Adjusted equity ratio (%) = total equity owned by shareholders of the parent company / (assets – construction loans)
Adjusted leverage ratio = (total loan liabilities – construction loans) / total equity owned by shareholders of the parent company

Table 3. Consolidated statement of cash flows (in EUR)

	2023 (audited)	**2022 (audited)**
Cash flow from operating activities	-1,114,698	-929,685
Cash flows from investment activities	-396,544	-354,065
Cash flows from financing activities	1,571,799	1,365,038

"What are the key risks that are specific to the issuer?"

- The Group's operations and financial performance depends on contractors and cooperation partners and their ability to comply with the agreed terms. The Group is engaged in real estate development and is not a construction company. In planning the development projects and construction activity, the Group relies on third party service providers. Therefore, the Group is exposed to counterparty risk which may have a material adverse effect on the Group's ability to perform contracts concluded by the Group companies and thus on the profitability of the real estate projects of the Group companies and their economic results.

- The Group’s operations depend on the Group’s ability to raise capital on favourable terms for the Group. Real estate development is a capital-intensive area that requires consistent large investments. Before making profit from the sale or lease of real estate projects, the company needs to finance the acquisition of plots, project planning and development, conduct of construction work and all other necessary stages of a development project. Various factors can affect the company’s ability to find the necessary funding, for example, general economic and market conditions, factors related to financial service providers, independent of the Group, bank policy etc. This means there is a risk that the Group companies are unable to find sufficient funds to finance their real estate projects at terms favourable for the respective Group company or any at all.
- The Group’s operations are exposed to geographic risk – the Group operates primarily in Tallinn and in the vicinity of Tallinn and in Berlin, Germany. Real estate development as an area of activity is limited by the geographic market where the real estate developer operates. The Group’s market is geographically limited – the Group operates primarily in Estonia, more specifically in Tallinn and the vicinity of Tallinn. So, the Group is exposed to market concentration risks. Market disruption, changes in local government policies or proceedings, significant decrease of demand in this geographic market can have a material adverse effect on the volumes of the Group’s real estate projects or the length of development periods, which in turn can result in a reduction in the Group’s volume of operations and profit. In order to mitigate geographic risk, extend the geographic market and increase business volumes, in 2023 the Group purchased its first development property on the German market in Berlin. However, this is a new geographic market for the Group which encompasses additional risks, the actual content and extent of which the Group might not have evaluated. There is no experience on this new market. Investing into a new geographic market is thus associated with risks that the Group has not adequately evaluated, and which may have an adverse effect on the Group’s economic results.
- The Group’s operating results may be affected by the inability of the Group companies to find suitable plots and real estate projects. The Group has a significant number of new projects in the pipeline. The Group is consistently working on finding new potential projects and business opportunities but there is no certainty that the Group companies are able to find suitable and sufficiently profitable real estate projects in the future. The inability to maintain a stable flow of new real estate development projects could have a material adverse effect on the Group’s economic results.
- Deterioration of the macroeconomic environment could have an adverse effect on the Group’s financial position and operating results. On the date of the Prospectus, the world economy is characterised by uncertainty and volatility and the European economic environment has been in a cooldown phase while the US economy is starting to grow again. Estonian economy is still in recession, but the pace of recession is slowing down. All of the Group’s operating segments are affected by general economic and geopolitical conditions. War and conflicts in Ukraine and Israel, possible political instability in Russia, potential additional sanctions against Russia and Belarus, potential problems with supply chains and inflation that continuously exceeds the target, which the central banks have to control by taking measures (including raise interest rates), could have an adverse effect on global and Estonian economy and increase the probability of a continued economic recession.
- The cyclical nature of real estate development can have a material adverse effect on its operating results. The real estate market is cyclical by nature. Therefore, the level of profitability of real estate development companies tends to fluctuate a lot with changes in the economy. If economic growth slows down, the real estate developer could experience a negative effect on its proceeds from project development, for example, because the real estate being developed must be sold for a price lower than expected or the developer cannot service the loan taken to perform the construction work.

  Even if market fluctuation does not have a material effect on the Group companies’ ability to complete the construction work on their real estate development projects, the changes in real estate prices, which are affected by general macroeconomic conditions, interest rates, inflation expectations etc., still play a significant role in the Group income because the Group’s essentially only proceeds come from the sale of residential real estate. If the real estate prices have fallen significantly by the time the construction work is completed, the Group could be forced to sell the developed real estate for a lower price than anticipated which has an adverse effect on the Group’s financial position and economic results. A significant rise in real estate prices caused by, for example, economic fluctuations or increased demand for land could also have an adverse effect on the Group’s projects because it could create difficulties in purchasing real estate that is suitable for development at prices acceptable for the Group companies. Inability to find suitable land for development could have an adverse effect on the Group’s operating volumes and if land has to be purchased for a significantly higher price and the costs cannot be passed on to the final consumer, it could have an adverse effect on the Group’s financial position and economic results.
- The commercial operations of real estate development are exposed to regulatory risks and political risks.

Before the commencement of construction work, the Group companies need to apply for approval of a detailed spatial plan or design specifications as well as a building permit. It is possible that as a result of the proceedings, these applications are not granted and the Group companies cannot commence construction work or need to incur additional expenses for the project to obtain the respective permits and commence the construction work. All this could have an adverse effect on the Group's financial position and economic results.

The tax regime of the geographic markets where the Group operates may change. These changes are often political in nature and thus unpredictable. Any changes in the tax regime of the markets where the Group operates may have a significant adverse effect on the Group's operating results. In addition to an effect on the Group's operating results, changes in the tax environment (primarily the taxation of investment revenue) may have a material effect on the profitability of investing in the Bonds for investors.

Real estate development is also subject to environmental protection laws and regulations. Such laws and regulations can change and considering the importance of the matter, it can be expected that the requirements and restrictions will be more stringent. Any significant changes in environmental protection regulations that occur during the development period could require the Group to make bigger investments than foreseen in the business plan in order to ensure compliance with the regulatory requirements and thus reduce the profitability of the Group's projects.

In addition to the regulations harmonised or to be harmonised by the European Union, under Estonian legal acts, if an immovable is contaminated, it is the owner of the immovable who is responsible for its cleanup. Although the Group carries out a comprehensive analysis before the acquisition of any new real estate or immovable, no assurance can be provided that the Group as an owner does not have to bear responsibility for unforeseeable cleanup of the immovable or remedying environmental damage which could result in higher expenses and postpone the Group's planned real estate development. It may in turn have a material adverse effect on the Group's operating results and financial position.

- <u>The Group's commercial operations depend on the general availability of bank financing required for the purchase of real estate, consumer behaviour trends, unemployment rate and other circumstances that are beyond the Group's control.</u> The Group makes profit from the sale of residential real estate mainly to natural persons. Therefore, the Group is exposed to risks that are related to the general availability of bank financing required for financing the purchase of residential property, consumer behaviour trends, unemployment rate and other circumstances that affect consumer behaviour in the Group's target markets – Estonia and Germany. In the event of economic recession or increase of credit damage, commercial banks can change their internal credit granting policies or principles which could reduce the availability of bank financing and thus have an adverse effect on the demand for real estate developed by the Group.
- <u>The Group's operations are affected by risks related to demographic changes.</u> Recent trends indicate that the population in Tallinn and in the vicinity of Tallinn is slowly increasing. However, if this trend changes, it could result in a decreased demand for residential real estate. This in turn could result in decreased real estate prices for which the Group companies sell apartments and extend the sale periods. This in turn could have an adverse effect on the Group's operating results.

Key information on the securities

"What are the main features of the securities?"

The Bonds are unsecured bonds with the nominal value of EUR 1,000. The Bonds represent an unsecured debt obligation of the Company before the bondholder. The Bonds are in dematerialised book-entry form and are not numbered. Bonds are registered in Nasdaq CSD under ISIN code EE3300004332.

The rights attached to the Bonds have been established by the Terms of the Bonds (**Terms of the Bonds**). The main rights of bondholders arising from the Bonds and the Terms of the Bonds are the right to the redemption of the Bonds and the right to receive payment of interest. Bondholders can exercise their rights in accordance with the Terms of the Bonds and applicable law.

<u>Interest and yield</u>. Bonds carry an annual coupon interest at the rate of 10.5% calculated from the date of issue of the Bonds until the date of redemption. The frequency of the interest payments is quarterly. The interest on the Bonds is calculated based on the 30-day calendar month and 360-day calendar year (30/360).

<u>Maturity of Bonds</u>. The maturity of the Bonds is 23 May 2028. According to the Terms of the Bonds, the Company is entitled to redeem the Bonds starting one year before the maturity in full or in part prematurely by notifying the bondholders at least 30 calendar days in advance.

Ranking and subordination. The Bonds represent an unsecured debt obligation of the Company before the bondholder. The obligations arising from the Bonds have at least the same ranking as all other unsubordinated and unsecured debt obligations of the Company.

Transferability. The Bonds are freely transferable. The public offer of the Bonds is subject to statutory requirements, including the requirement to prepare and publish a prospectus in certain cases. Any bondholder wishing to transfer the Bonds shall be liable for compliance with the statutory requirements.

"Where will the securities be traded?"

The Company intends to apply for the listing and admission to trading of the Bonds on the Baltic Bond List of the Nasdaq Tallinn Stock Exchange. The expected date of listing and the admission to trading of the Bonds is on or about 24 May 2024. Although every effort will be made by the Company to ensure that the Bonds are listed and admitted to trading, no assurance can be provided.

"What are the key risks that are specific to the securities?"

- The price of the Bonds can fluctuate and there is no assurance that there will be an active secondary market for the Bonds.
  Although every effort will be made by the Company to ensure the listing of the Bonds as part of the Offering, no assurance can be provided that the Bonds will be listed and admitted to trading. The price of the Bonds may fluctuate on the Stock Exchange due to events and the materialisation of risks related to the Group, but also because of events beyond the Group's control, such as economic or political events, general financial economic environment, changes in interest rate levels or currency exchange rates, policy of central banks as well as changes in the demand or supply of the Bonds or securities of the same type. The relatively small market capitalisation and low liquidity of the Nasdaq Tallinn Stock Exchange may adversely affect the ability of the investors of the Bonds to sell the Bonds on Nasdaq Tallinn Stock Exchange or increase the volatility of the price of the Bonds; whereas an individual transaction may have a material impact on the market situation.
- The Company may cancel the Offering and there is no assurance that all the Bonds will be subscribed for by the investors.
  Although every effort will be made by the Company to ensure that the Offering is successful, no assurance can be provided by the Company that the Offering is successful or that the investors will receive the Offering Bonds they have subscribed for.
- Changes in tax regulations may have an adverse effect on the profit made on the Bonds by the investors.
  Significant changes in tax regulations that apply to Bond transactions or principal or interest payments under the Bonds could result in a greater tax burden for the investors.
- Green Bonds might not correspond to the investor's investment criteria, expectations or requirements.
  The Company cannot guarantee that the use of the net proceeds from the Green Bonds corresponds to the investor's investment criteria. The Company cannot ensure or assure that the Group's green development projects which pursuant to the Green Financing Framework are (partially) financed or refinanced from the net proceeds of the Green Bonds offering correspond to the investor's expectations or requirements in relation to qualifying as "green,", "sustainable", "environmentally sound" or based on some other similar definition.
- The Green Financing Framework may change.
  The Green Financing Framework as well as the market practice of green bonds may change after the initial issue date of the Green Bonds, effecting thereby the requirements that the Company is subject to in the issue of future Bonds. The Green Financing Framework is not incorporated by reference in the Prospectus and is not a part of the Prospectus. Any amendments to the Green Financing Framework that occur after the issue date of the Green Bonds do not have a retrospective effect on the terms applicable to the already issued Green Bonds.
- The use of the net proceeds from the Green Bonds may not correspond to the criteria provided in the Green Financing Framework.
  Although every effort will be made by the Company for the development projects financed from the proceeds of the Green Bonds to comply with the terms and/or principles provided in the Green Financing Framework, the Company cannot assure that all the required criteria and/or terms are fulfilled upon the completion of the development projects. The Company's inability to act in compliance with the Green Financing Framework does not constitute a violation under the Terms of the Bonds and does not grant the bondholder the right to request the premature redemption of the Green Bonds or any other compensation with regard to the Company not complying with the Green Financing Framework. However, the Company's inability to act in accordance with the Green

Financing Framework may affect the attractiveness of the Green Bonds or suitability for investors and therefore have a significant adverse effect on the market price of the Green Bonds.

Key information on the public offer of securities and the admission to trading on a regulated market

“Under which conditions and timetable can I invest in this security?”

In the course of the Offering, the Company offers up to 4,000 Bonds. The Company has the right to increase the Offering by up to 3,000 Bonds. The Offering may also be decreased by the amount unsubscribed.

Right to participate in the Offering. The Bonds are publicly offered to all retail and institutional investors in Estonia. The Company may offer the Bonds also non-publicly to qualified investors within the meaning Article 2(e) of the Prospectus Regulation in Estonia and in certain selected member states of the European Economic Area and to other selected investors in reliance on certain exemptions available under the laws of the respective member states. A public offering will be carried out only in Estonia and there will not be any public offering in any other jurisdiction.

Offer Price. The Bonds are offered for the price of EUR 1,000 per one Bond (the **Offer Price**).

Offering Period. The Offering Period is the period during which the persons who have the right to participate in the Offering may submit Subscription Undertakings for the Bonds. The Offering Period commences on 7 May 2024 at 10:00 (Estonian time) and terminates on 16 May 2024 at 16:00. (the **Offering Period**) (Estonian time), unless the Offering is cancelled.

Participation in the Offering. In order to participate in the Offering, an investor must submit an undertaking to subscribe for the Bonds (the **Subscription Undertaking**) during the Offering Period.

Submission of Subscription Undertakings. An investor participating the Offering may subscribe for the Bonds for the Offer Price only. Multiple Subscription Undertakings by one investor, if submitted, shall be merged for the purposes of allocation. All investors participating in the Offering can submit subscription undertakings denominated only in euros. An investor shall bear all costs and fees charged by the respective custodian accepting the subscription undertaking in connection with the submission, cancellation, or amendment of a subscription undertaking.

In order to subscribe for the Bonds, an Estonian investor must have a securities account with a Nasdaq CSD account operator.

An Estonian investor wishing to subscribe for the Bonds should contact a custodian that operates such investor’s Nasdaq CSD securities account and submit a Subscription Undertaking in a form set out below, accepted by the custodian and in accordance with the terms and conditions of the Prospectus. The Subscription Undertaking must be submitted to the custodian by the end of the Offer Period. The investor may use any method that such investor’s custodian offers to submit the Subscription Undertaking (e.g., physically at the client service venue of the custodian, over the internet or by other means).

Owner of the securities account:	Name of the investor
Securities account:	number of the investor’s securities account
Custodian:	name of the investor’s custodian
Security:	EUR 10,5% Liven rohevõlakiri 24-2028
ISIN code:	EE3300004332
Amount of securities:	the nominal value of Bonds for which the investor wishes to subscribe (the number of Bonds multiplied by the Offer Price)
Price (per one offer Bond):	EUR 1,000
Transaction amount:	the number of Bonds for which the investor wishes to subscribe multiplied by the Offer Price
Counterparty:	Liven AS
Securities account of counterparty:	99112753984
Custodian of the counterparty:	AS LHV Pank
Value date of the transaction:	23 May, 2024
Type of transaction:	"subscription" or “purchase”

A Subscription Undertaking is deemed submitted from the moment Nasdaq CSD receives a duly completed transaction instruction from the custodian of the respective Estonian investor.

An investor may submit a Subscription Undertaking through a nominee account only if such an investor authorises the owner of the nominee account to disclose the investor’s identity, personal identification code or registration number, and address to the Company and Nasdaq CSD. Subscription Undertakings submitted through nominee accounts without the disclosure of the above information will be disregarded.

An investor must ensure that all information contained in the Subscription Undertaking is correct, complete and legible. The Company reserves the right to reject any Subscription Undertakings, which are incomplete, incorrect, unclear or illegible, or which have not been completed and submitted during the Offering Period in accordance with all requirements set out in these terms and conditions.

Payment. By submitting a Subscription Undertaking, an investor authorises the account operator of Nasdaq CSD managing the investor's current account connected to their securities account to immediately block the whole transaction amount on the investor's current account until the settlement is completed or funds are released in accordance with the terms and conditions of the Prospectus. The amount to be blocked will be equal to the Offer Price multiplied by the number of Offer Bonds which the investor wishes to acquire. An investor may submit a Subscription Undertaking only when there are sufficient funds on the securities account opened with Nasdaq CSD to cover the whole transaction amount for that particular Subscription Undertaking.

Distribution and Allocation. The Company will decide on the allocation of the Bonds after the expiry of the Offer Period. The Offer Bonds will be allocated to the investors participating in the Offering in accordance with the following principles: (i) under the same circumstances, all investors shall be treated equally, whereas dependent on the number of investors and interest towards the Offering, the Company may set minimum and maximum number of the Bonds allocated to one investor; (ii) the Company shall be entitled to use different allocation principles between the groups of retail investors and institutional investors; (iii) an investor who has subscribed for more than 100 Bonds can be classified at the Company's discretion as an institutional investor; (iv) the allocation shall be aimed to create a solid and reliable investor base for the Company; (v) the Company shall be entitled to prefer Estonian investors to foreign investors; (vi) the Company shall be entitled to give preference to the shareholders of the Group; (vii) the Company shall be entitled to give preference to persons who have issued loans to the Group (incl. companies under their control); (viii) the Company shall be entitled to give preference to individuals who have purchased a home and commercial premises from the Group; (x) the Company shall be entitled to give preference to investors who to the Company's knowledge have expressed prior interest in investing in the Company.

The results of the allocation process of the Offering will be announced through the information system of the Nasdaq Tallinn Stock Exchange and through the Company's website https://www.liven.ee/investor. The Company intends to announce the results of allocation on or about 20 May 2024 but in any case, before the Bonds are transferred to the investors' securities accounts. The Bonds allocated to investors are expected to be transferred to their securities accounts on or about 23 May 2024 through the "delivery versus payment" method simultaneously with the transfer of payment for such Bonds.

Return of funds. If the Offering is cancelled in full or in part in accordance with the terms and conditions provided in the Prospectus, if the investor's subscription undertaking is rejected or if the allocation is different from the amount of the Bonds subscribed for by the investor, the funds blocked on the investor's current account, or the excess part thereof, will be released by the respective custodian (in the amount that exceeds the payment made by the investor for the acquired Bonds). Notwithstanding the reason for the return of funds, the Company shall not be liable for the release of the respective amount and for the payment of interest on the released amount for the time it was blocked.

Cancellation of Offering. The Company has the right to cancel the Offering in full or in part at any time until the end of the Offering Period. First and foremost, the Company may decide to cancel the Offering in the unsubscribed part. Any cancellation of the Offering will be announced through the information system of the Stock Exchange and on the Company's website (https://www.liven.ee/investor). All rights and obligations of the parties in relation to the cancelled part of the Offering will be considered terminated as of the moment when such announcement is made public.

"Why is this Prospectus being produced?"

Use of Proceeds. Provided that all the Bonds issued in the course of the Offering are subscribed for and issued by the Company, the expected amount of gross proceeds is up to EUR 4 million (up to EUR 7 million in case of increase of the Offering amount). Expenses related to the Offering are estimated to be up to EUR 0.15 million. The net proceeds from the Offering, after deducting estimated costs and expenses, would therefore be approximately EUR 3.85 million (up to EUR 6.85 million in case of increase of the Offering amount).

The proceeds from the Offering of the Bonds are used in accordance with the Company's Green Financing Framework (**Green Bonds**).

Underwriting arrangements. The Offering is not subject to any underwriting on a firm commitment basis.

Material conflicts of interests. The members of the Management of the Company own shareholdings in the Company and/or have been issued share options and therefore such members of the Management who hold Shares and/or share options are interested in the future wellbeing and success of the Company, incl. the success of the Offering. According to the knowledge of the Bank's Management Board, the persons connected with the Offering have no other material personal interests from the viewpoint of the Offering, which could have an effect on the Offering. To the knowledge of the management board of the Company, there are no conflicting interests which are material to the Offering.