



Consolidated unaudited interim report for the III quarter of 2024

Business name:	Liven AS
Core business:	Development of building projects (EMTAK 41101)
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Supervisory board:	Andres Aavik, Peeter Mänd, Krista Tamme
Management board:	Andero Laur, Mihkel Simson, Alina Kester
Auditor:	KPMG Baltics OÜ



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About Liven

Liven AS (together with its subsidiaries the group or Liven) is a residential real estate developer established in 2014 and operating mainly in Tallinn. Liven has created almost 800 homes and has over 1 400 homes in various stages of development.

Liven's focus is on creating homes, and the company's strength and differentiation lies in the homes it designs with homeowners, its thoughtful concept and planning, and the furnishing alternatives it offers.

Liven's development portfolio includes 11 projects, with land for over 1,400 new homes. Homes are currently for sale in five developments – Magdaleena, Uus-Meremaa, Luuslangi, Iseära, and Regati. In 2023, Liven expanded into the German market by acquiring land in Berlin for the development of the Wohngarden project. In addition, four further development projects are planned in Tallinn.

The group includes the parent company, a German holding company and companies set up to carry out projects. All companies in the group are 100% owned, directly or through indirect shareholdings, by Liven AS.

Since 24 May 2024, the green bonds of Liven AS (the parent company; ISIN: EE3300004332) are being publicly traded on the Baltic Bond List of Nasdaq Tallinn Stock Exchange.

The key indicators for assessing the performance of Liven's activities are the number of contracts under the law of obligation signed before the buildings are completed (also the number of paid reservations before contracts are signed), the number of real right contracts signed after the buildings are completed, the sales revenue and the net profit. During the customer journey, Liven measures customer feedback. The estimated size of the development portfolio in terms of forecast sales volume (m²) and revenue reflects future potential. Equity ratio and equity ratio adjusted with construction loans. The target return on equity and internal rate of return on equity is 20%.

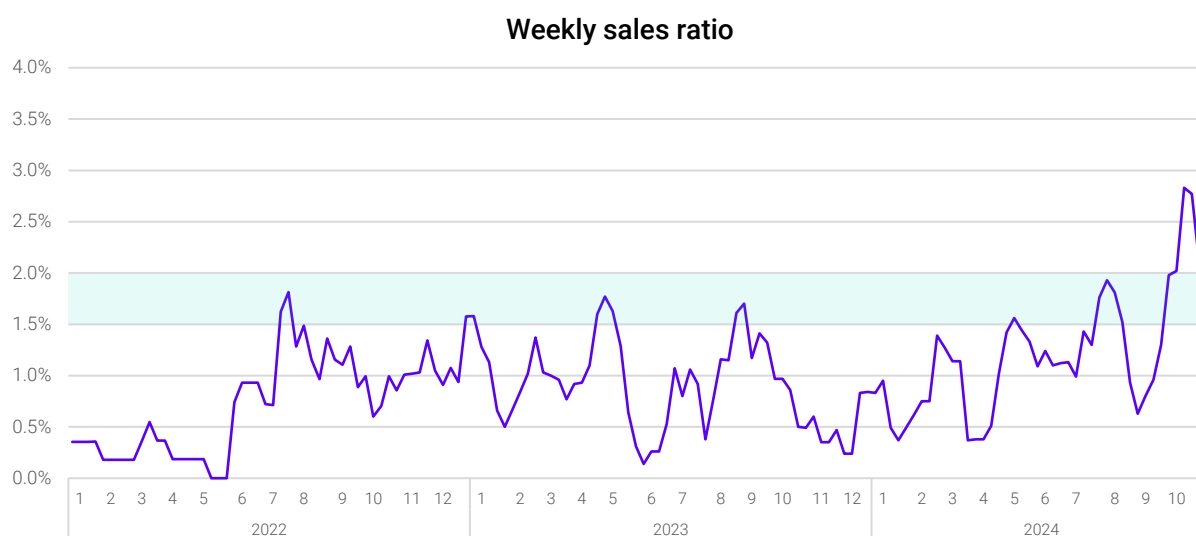
Supervisory board: Andres Aavik (chairman), Peeter Mänd, Krista Tamme

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Overview of the III quarter of 2024

Although there were no huge positive development leaps in the operating environment, there were still signs of renewed optimism in the residential property market. During the third quarter, we signed 32 contracts under the law of obligation (sales contract; 2024 Q2: 47; 2023 Q3: 21) and during the first 9 months of the year, we signed a total of 95 sales contracts (2023: 40). Most of the new sales during the quarter came from the Regati development which is under construction and also the sales of previously completed apartments of Luuslangi development. Liven's market share of new sales in Tallinn and the surrounding area is estimated to have been around 10% in the first 9 months of 2024, up from the 6-7% estimate of the previous two years.

The weekly sales ratio, which represents the number of homes going out of supply under sales contract or paid reservations, improved compared to the previous quarters, averaging 1.5% over the period and above 2.0% in October. The long-term average is considered to be 1.5-2.0%.



Contracts under the law of obligations or paid reservations signed per week / homes for sale (4-week rolling average)

The customer satisfaction feedback rating for the last 12 months, collected at different stages of the customer journey, increased to 8.4 out of 10 by the end of third quarter (Q2 2024: 8.0; Q3 2023: 8.9). The improvement in the feedback rating reflects the focus on increasing the number of customer feedback ratings and improving performance in 2024.

During the third quarter, we handed over a total of 27 new homes in developments completed under the real right contract (2024 Q2: 29; 2023 Q3: 15). Of these, 11 in the phase II of the Iseära development, 10 were in phase I of the Luuslangi development, 3 in phase II of the Uus-Meremaa development, and 3 from the Magdaleena development. In the same order, the projects also had an impact on the financial results of the third quarter. Revenue for the quarter was EUR 7,057 thousand (2024 Q2: EUR 8,546 thousand; 2023 Q3: EUR 4,499 thousand) and net profit for the period was EUR 342 thousand (2024 Q2: EUR 443 thousand; 2023 Q3: EUR -578 thousand).

In the first nine months of the year, we have delivered a total of 68 new homes (2023: 74), generated sales revenue of EUR 19,101 thousand (2023: EUR 19,052 thousand) and a net profit of EUR 635 thousand (2023: EUR -1,470 thousand).

Assets increased by EUR 303 thousand during the quarter to EUR 73,104 thousand at the end of the period. During the quarter, we received new bank loans of EUR 5,245 thousand to finance the construction of projects, but together with home deliveries, we repaid EUR 4,515 thousand of earlier construction loans. Total

borrowings with other loans increased by EUR 643 thousand to EUR 44,380 thousand during the quarter. In connection with loan repayments, short-term loan commitments decreased by EUR 315 thousand to EUR 9,738 thousand during the quarter.

The balance of cash and cash equivalents decreased by EUR 3,723 during the quarter to EUR 4,807 at the end of the quarter mainly related to the acquisition of a new property.

Key events in development projects

At the beginning of the quarter, we started the construction of the last five terraced houses of Phase II of the **Iseära** project. At the end of the quarter, we started the pre-sales of the Jalami 6 apartment building in **Luuslang** Phase II. On 30 October, planning permission was issued for a 30-apartment apartment building at **Virmalise 3**.

Acquisition of Kalda 5 property

During the quarter, we acquired a property at Kalda 5 / Käokõrva 1-12 in Nõmme, Tallinn. The total value of the transaction was EUR 2.5 million, and we used the funds raised by the green bonds in spring 2024 to acquire the property.

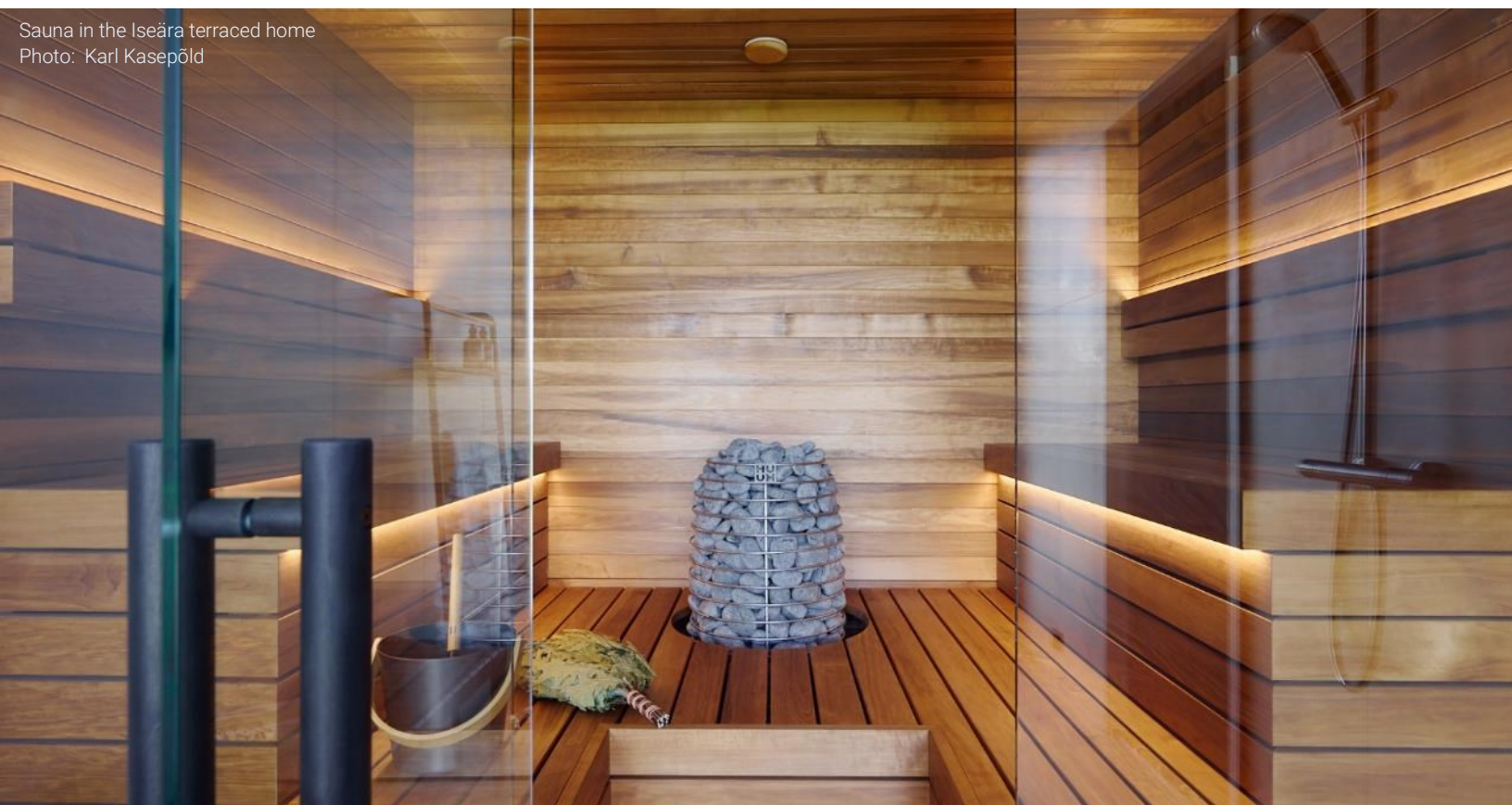
According to the existing detailed plan and the issued building permit, it is possible to build 12 three-storey residential buildings with a total of 72 apartments and a saleable area of approximately 6,000 m² on the property. We plan to sell and build the development in several phases and start the sale in 2025.

Increase of share capital in connection with employee share option schemes

During the quarter, the Board of Directors of Liven AS decided to increase the share capital by EUR 14,575.80 from EUR 1,185,424.20 to EUR 1,200,000.00 by issuing 145,758 new ordinary shares with a nominal value of EUR 0.1 each, in accordance with the previous decision of the General Meeting of Shareholders. The shares were issued without a premium and were fully paid for by cash contributions.

The share capital increase and the issuance of new shares were carried out in order to comply with the terms and conditions of the stock option plan LEOP ("LEOP") and the stock option plan LEOP 2024-2027 ("LEOP 2024-2027"). Of the new shares, 47,495 shares were issued directly to the beneficiaries of the LEOP options. 57,057 shares are intended to be used to fulfil the terms of the LEOP and 41,206 shares to create a LEOP 2024-2027 option fund.

Sauna in the Iseära terraced home
Photo: Karl Kasepõld



Key figures

(in thousands of euros)	Q3, July - September			9 months, January - September		
	2024	2023	2022	2024	2023	2022
Contracts under the law of obligations (number)	32	21	26	95	40	81
Real right contracts (number)	27	15	30	68	74	93
Customer feedback score 12M (10-point scale)	8,4	8,9	8,9			
Revenue	7,057	4,499	5,198	19,101	19,052	14,612
Earnings before interest, tax, depreciation and amortisation (EBITDA)	2,314	741	373	5,635	892	3,120
EBITDA margin, %	32.8%	16.5%	7.2%	29.5%	4.7%	21.4%
Operating profit/loss	403	-574	-95	1,195	-1,354	1,816
Operating profit/loss margin, %	5.7%	-12.8%	-1.8%	6.3%	-7.1%	12.4%
Net profit/loss	342	-578	-95	635	-1,470	1,815
Net margin, % ^e	4.8%	-12.8%	-1.8%	3.3%	-7.7%	12.4%
Weighted average number of shares (in thousands)	11,908	11,811	11,515	11,865	11,727	11,515
Earnings per share (in euros) ^e	0.029	-0.049	-0.008	0.054	-0.125	0.158
Return on equity (ROE), %*	16.3%	0.0%	20.0%			
Return on capital employed (ROCE), %*	18.0%	6.5%	14.0%			
Return on assets (ROA), %*	5.2%	0.2%	5.1%			
	30.09.2024	30.09.2023	30.09.2022			
Equity ratio, %	25.0%	23.2%	23.5%			
Adjusted equity ratio (without construction loans), %	28.2%	32.1%	30.6%			
Assets at the end of period	73,104	68,177	63,103			
Equity at the end of period	18,272	15,823	14,860			
Current ratio	3.70	3.05	1.97			
Quick ratio	0.29	0.18	0.17			
Average number of employees	33	29	27	29	27	24

^e share of business owners; * last 12 months

Calculation formulas for alternative performance measures

Earnings before interest, tax, depreciation and amortisation (EBITDA) = operating profit + interest paid + interest expense capitalised in inventories + depreciation, amortisation and impairment losses

EBITDA margin: EBITDA / revenue

Operating margin: operating profit / revenue

Net margin: net profit / revenue

Return on assets (ROA): operating profit / average total assets (average for the period)

Return on equity (ROE): net profit / average equity (average for the period)

Return on capital employed (ROCE): (EBITDA – depreciation, amortisation and impairment losses) / (total assets – current liabilities (average for the period))

Equity ratio: equity / total assets

Adjusted equity ratio: total equity / (total assets less construction loans)

Current ratio: current assets / current liabilities

Quick ratio: (current assets – inventories) / current liabilities

Significant developments in the economic environment in the period under review

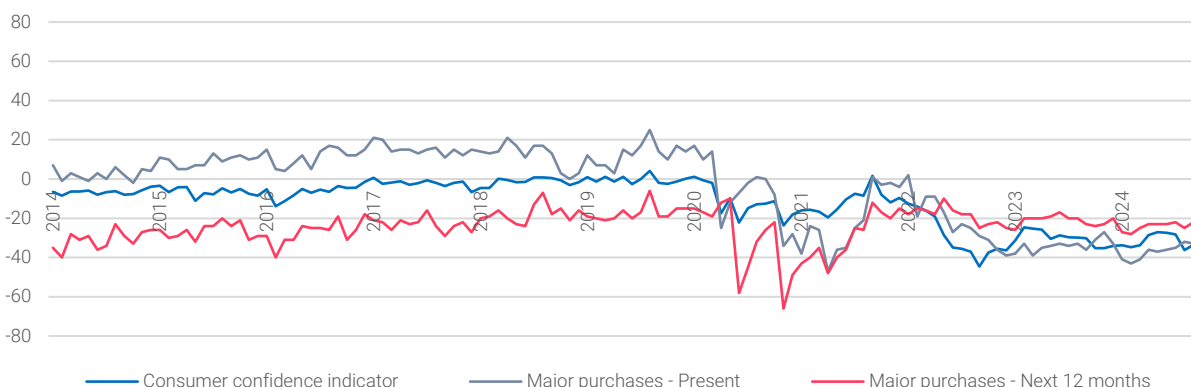
The 6-month Euribor (Euribor), which peaked a year ago at 4.143%, has been falling throughout 2024. Compared to the second quarter of 2024, the Euribor fell significantly in the third quarter, reaching 3.11% at the end of the period (30.06.2024: 3.68%) and 2.89% after the reporting date.

At the Governing Council of the European Central Bank in October 2024, it was decided to cut the base rate by 25 basis points, as the assumption that annual inflation in the euro area would fall below 2% was met. This decision was in line with an earlier forecast by economic analysts.

The main presumption for lowering Euribor is declining inflation. In Estonia, annual consumer price inflation rate was 3.0% in the third quarter of 2024 (2024 Q2: 2.5%). According to Eesti Pank's forecasts, the consumer basket as a whole will increase by 3.5% in 2024.

According to the latest data from Statistics Estonia, the estimated annual increase in average gross wages in the second quarter (8.1%) exceeded the increase in prices. Despite this, consumer confidence, which had remained low for a long time, remained weak in the latest quarter. Consumers are more likely to view the purchase of durable goods as a bargain in the next 12 months than they do now, leading to a general sentiment to continue to be on hold and to delay purchasing decisions. Based on the recent data from the Institute of Economic Research, the consumer confidence indicator has deteriorated further compared to the second quarter of 2024 and remains at a low level (October 2024: -37; average for the second quarter of 2024: -28). The October 2024 confidence indicator is comparable to two years ago, when consumer confidence reached its lowest level in recent history.

Consumer confidence indicator and major purchases



Source: *Estonian Institute of Economic Research*

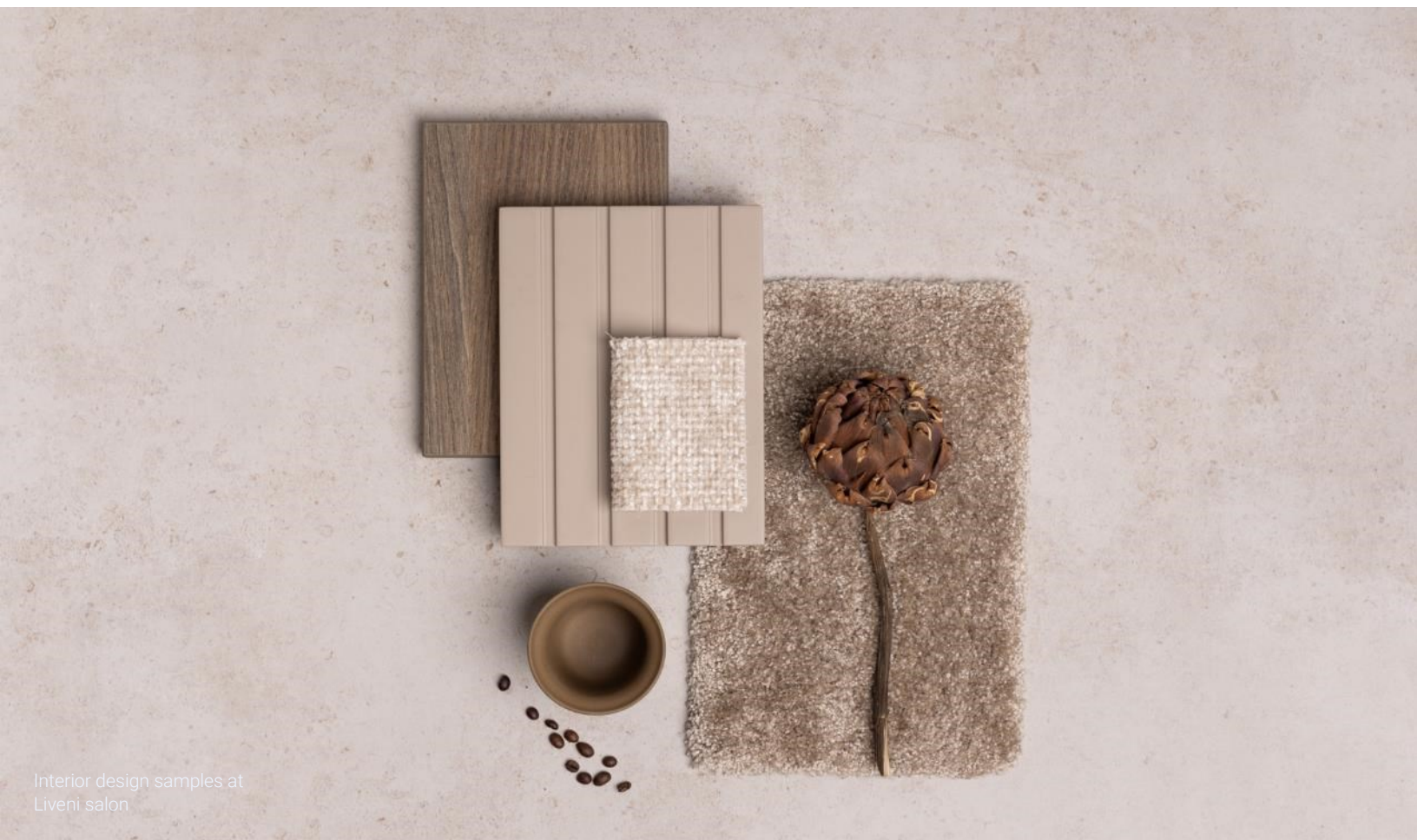
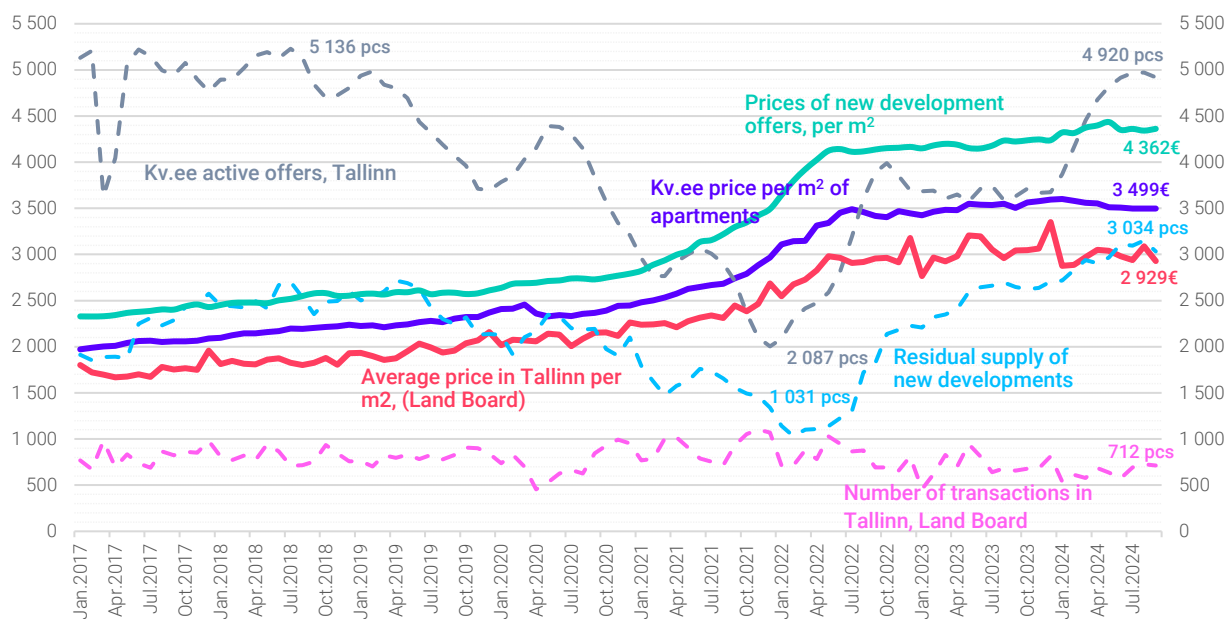
Despite the above, there were signs of activation of home buyers in the market. For example, according to the Land Statistical Office's transaction statistics, the number of transactions of apartments (residential) in Tallinn increased by 12.3% compared to the previous quarter (Q3 2024: 2,141 transactions; Q2 2024: 1,906 transactions). However, activity has increased mainly in the aftermarket buy/sell transactions and sales of new developments have remained rather subdued.

New developments market

Compared to the second quarter of 2024, the offer prices of new developments remained stable in the third quarter of 2024, showing an increase only of 0.3%. The number of transactions on the market decreased by 28% compared to the second quarter of 2024 (Q3 2024: 368 transactions; Q2 2024: 513 transactions), being also 8% below the sales performance in the third quarter of 2023 (404 transactions). Only 38 new offers were added, a similar level compared to the previous quarter.

Due to the completion of construction of several development projects in spring and summer 2024 and the modest sales volume, the stock of unsold ready-to-move-in apartments remained relatively high in the third quarter, reaching 931 apartments by the end of the quarter (Q2 2024: 933; Q3 2023: 640). Consequently, options for homebuyers and market competition remain high.

The average listing price per square metre of a new apartment in Tallinn was EUR 4,362 in Q3, showing an annual increase of 3.3%. On a quarterly comparison, listing prices have remained relatively unchanged, increased by only 0.3%.



Overview of the projects

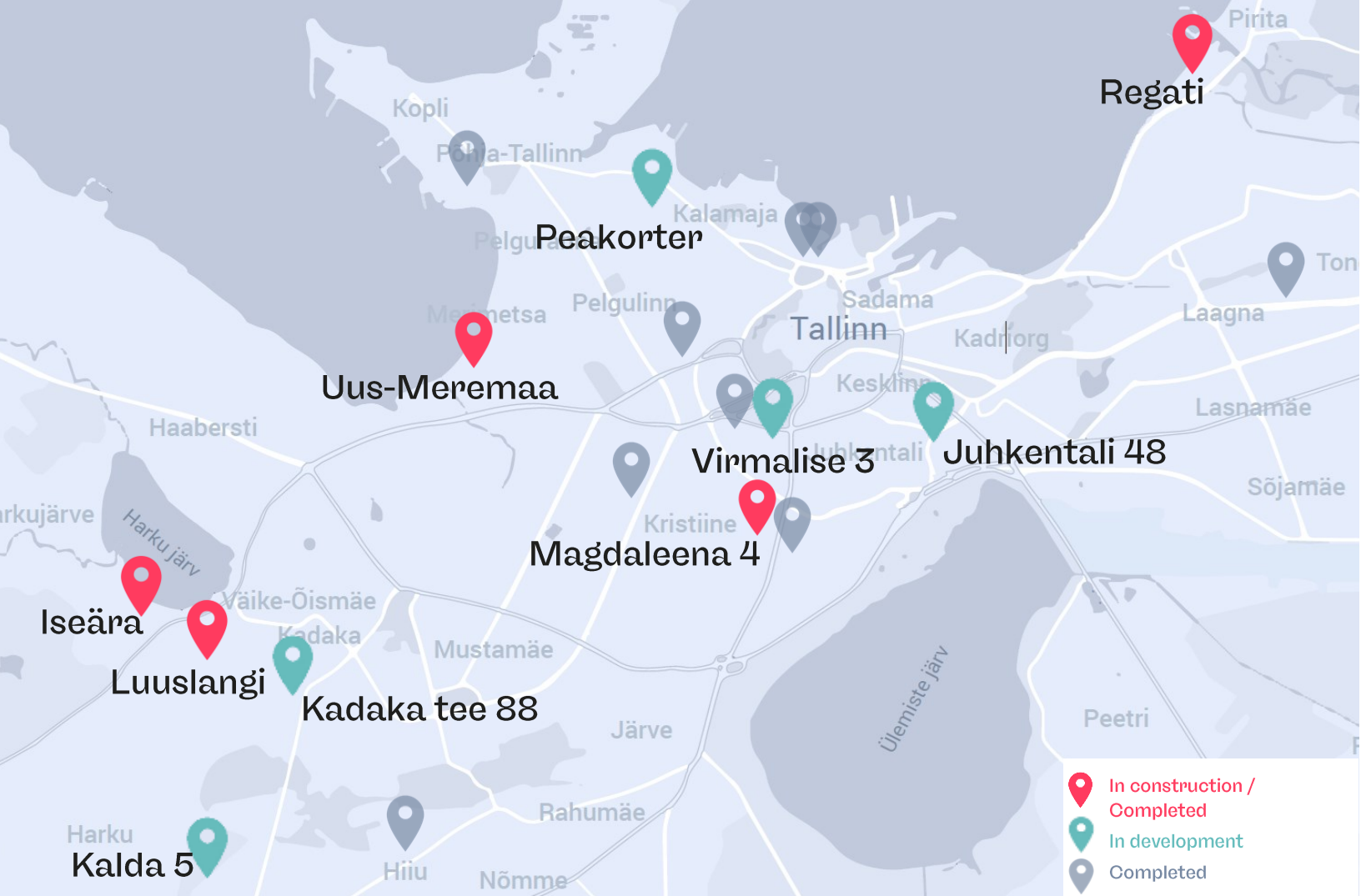
Projects: units still to be sold under the real right contract as at 30.09.2024

Project	Project status	Year of acquisition	Breakdown of sellable units			Estimated construction period (year, quarters)																Sales revenue estimate (m EUR)																
			Total sellable area (m ²)	Homes (number)	Commercial spaces (m ²)	2024				2025				2026				2027					2028				2029											
						1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4		1	2	3	4	1	2	3	4								
Väike-Tallinn	Completed	2019	493	0	493																																	1.3
Uus-Meremaa	Completed, under construction	2017	1,828	16	199																																	6.6
Magdaleena	Completed	2018	294	3	0																																	1.1
Iseära	Completed, under construction	2019	30,076	312	675																																	78.6
Luuslangi	Completed, under construction*	2018	10,145	159	200																																	30.4
Regati	Building design	2021	20,691	220	1,670																																	92.6
Wohngarten	Building design	2023	1,110	25	0																																	10.0
Kalda 5	Building design	2024	6,300	72	0																																	19.1
Virmalise 3	Design specifications	2022	2,043	28	0																																	9.1
Juhkentali 48	Detailed spatial plan	2020	7,986	63	4,033																																	23.8
Kadaka tee 88	Detailed spatial plan	2017	25,903	396	2,000																																	72.7
Peakorter	Detailed spatial plan	2020	8,872	137	444																																	32.3
Total			115,678	1,431	9,714																																	377.5

The total estimated saleable area, the breakdown of units sold, the construction period, and the sales revenue estimate shown in the table are based on Liven's best knowledge at the time and are subject to change, especially in projects or project phases where the planning procedure has not yet been completed or construction has not yet started.

* Construction of the buildings in phase I of the Luuslangi project has been completed, but construction has not yet started on phases II and III, here classified as 'Completed, under construction'.

The total space available for sale in the development portfolio at the end of the third quarter of 2024 amounted to 115,678 m² (30.06.2024: 111,816 m²), and the revenue from sales according to business plans amounted to EUR 377.5 million (30.06.2024: EUR 365.8 million). During the quarter, the portfolio volume increased due to the acquisition of the Kalda 5 development project, while it decreased due to the sale and transfer of homes completed in the Iseära project and earlier completed homes in the Uus-Meremaa, Luuslangi and Magdalena projects.



Väike-Tallinn

Throughout the quarter, routine warranty work proceeded in the project on Türi street, Tallinn, which was completed at the end of 2021 and the start of 2022. As of the report date, a 493 m² commercial premise on the ground floor remains unsold, and has been rented out to operator for [accommodation use](#) since June 2023.

Uus-Meremaa

Three residential buildings were completed in the Mustjõe area, near Stroomi Beach, by the end of 2022 (all the homes are sold) and two more building by the end of 2023. The general contractor for all five buildings was Oma Ehitaja AS, and the construction was financed by Coop Pank AS.

During the third quarter 3 new sales contracts were signed and 3 homes were handed over in the last two residential buildings or the development. After the end of the third quarter, 3 new sales contracts were signed and at the date of publishing of the report, a total of 12 apartments and 1 commercial unit remain to be sold in the buildings at Lahepea street 17 and Lahepea street 19.

At the Tallinn Entrepreneurship Day in October, the Uus-Meremaa project was nominated in the Best Development Project category, being the only residential property development among the three nominees.

Magdaleena

In the summer 2023, two new apartment buildings with 20 homes at Asula põik 4 were completed (all the homes are sold), and at the end of 2023, an apartment building with a reconstructed wooden façade and 10 homes was completed at Magdaleena 4 and during the second quarter, Nostra OÜ completed the construction of a reconstructed limestone private house financed by Bigbank AS.

Two new sales contract was signed during the third quarter of 2024, and as of the publishing date of the report a total of 2 more homes remain for sale in the development (including the [private house](#)).

Luuslangi

The Luuslangi project in the Haabersti district will feature a total of 13 apartment buildings with 224 homes, developed in three phases. The construction of the apartment buildings of phase I was completed by the end of 2023 (Mitt & Perlebach OÜ as general contractor, financed by Bigbank AS).

A total of 10 new sales contracts were signed during Q3, and a further 1 new sale contract have been signed since then. A total of 14 homes (82,5% sold) remain unsold in completed residential buildings as of this date.

At the end of the quarter, public pre-sales of the first houses of Phase II and registration of interest started. At the time of reporting, there were 4 paid reservations made of the 39 homes in the first two buildings. Construction of Phase II is scheduled to start in the second quarter of 2025.

Iseära

The Iseära development in Harkujärve village in Harku rural municipality will feature a total of 39 terraced houses and 13 apartment buildings, totalling more than 384 homes, 4 commercial spaces, and a day nursery. Phase I, 48 homes, was completed in 2023. Phase II is currently underway, with a total of 10 terraced houses with 59 homes and three small apartment buildings with 12 apartments.

The first 5 terraced houses of Phase II were completed last quarter and 9 homes were handed over in the third quarter (main contractor: Tesron Ehitus OÜ). Since the date of the report, one new sales contract was signed and at the date of publication of the report, 5 homes remain unsold.

In II quarter, the construction of three apartment buildings (a total of 36 homes) started in Iseära phase II (general contractor: Oma Ehitaja AS). By the end of the quarter, 18 sales contracts had been signed (30.06.2024: 17) with 1 more contract added in October. As of the reporting date, 16 homes and 1 commercial property are still to be sold. The completion date of the construction works and the handover of the homes are scheduled for the second quarter of 2025.

During the third quarter, we started the construction of the last 5 terraced houses and 29 homes of Phase II (main contractor: Tesron Ehitus OÜ). During the quarter, 4 new sales contracts were signed (Q2 2024: 8) and 2 more contracts were added in October. As of the reporting date, 15 homes remain to be sold. The construction completion date and handover of the homes is scheduled for Q3 2025.

The acquisition of the land and the Phase I and II construction has been financed by Bigbank AS.

Regati

In Piritä, near the Tallinn Olympic Sailing Center (Piritä TOP) at Regati puiestee 3, 220 homes will be constructed in two phases. The construction works on the buildings of phase I, which commenced in the preceding quarter, continued during the quarter, with Mitt & Perlebach OÜ as the contractor and LHV Pank AS as the financier. The completion of the construction of phase I is planned in Q3 2025. During the quarter, we signed 11 sales contracts, and in October, we have signed additional 1 contract. As of the date of publishing of the report, a total of 46 sales contracts have been signed, representing 45,9% of the planned m² of phase I.

Wohngarden

In the summer of 2023, we acquired a plot of land at Hüttenroder Weg 11 in Neukölln, Berlin, where we plan to build a 6-storey residential building with approximately 25 apartments to replace the existing building. During the quarter, a call for tenders for the construction of the building was launched and preparatory activities for the start of pre-sales took place. Pre-sales started in October and construction is scheduled to start early next year.

Virmalise 3

Virmalise 3 is located in the Uus Maailm district of Tallinn. The property is occupied by a commercial building that was leased until August 2024 and is planned to be demolished. On 30 October, planning permissions

were issued for the planning of a 30-apartment residential building. During the quarter, we continued to refine the concept and started preparing the application for a building permit.

Juhkentali 48

A mixed purpose building with 63 apartments and 4,033 m² of commercial space will be built at Juhkentali 48. The detailed plan has been adopted by the Tallinn City Council, and during the last quarter of the year the plan was put out to the public display, where suggestions were received for additions and amendments. During the public display held during the quarter, the proposals for amendments and additions to the plan remained valid and the plan was referred to the Ministry of Regional Affairs and Agriculture for further processing. In the following quarters, the detailed spatial plan will be amended, the project concept will be refined and the conditions and outline for the architectural competition will be drawn up.

Kadaka tee 88

A total of 17 buildings with 396 apartments, ranging from two to four floors, will be completed in phases.

The public display on the detailed plan for the development project lasted until the end of July and no amendments were received. During the quarter, work has started on the concept design and the preparation of the terms of the architectural competition.

Peakorter

The project includes the construction of six apartment buildings with 137 apartments at Erika street 12. In 2023, the detailed spatial plan was publicly displayed and discussed without any comments from neighbours or authorities, and the necessary approvals from all authorities except the Health Board are in place. In the current quarter, activities continued due to the lack of approval from the Health Board. The land and the building on it have been rented out.

Kalda 5

This quarter we acquired a property in Tallinn, Nõmme district, at Kalda 5 / Käokõrva 1-12. According to the existing detailed plan and the issued building permit, it is possible to build 12 three-storey residential buildings with a total of 72 apartments and a saleable area of approximately 6 000 m².

In the third quarter we launched an architectural competition for the project, the works of which were received after the date of the report. In the new quarter, we will identify the winner of the architectural competition and start the design procurement process.



Näidiskodu Iseära II etapis
Foto: Karl Kasepõld

Overview of business risks

The main risks associated with Liven's business activities include market, operational and financial risks, including capitalisation and financing. Risk management is a central part of the group's strategic management and aims to identify and minimise economic risks to achieve strategic and financial objectives.

The group's financial performance depends on the ability of contractors and partners to meet agreed terms and conditions. As a developer of residential real estate, the group is exposed to market concentration risk.

The group currently has a strong development portfolio and makes continuous efforts to find new potential projects, but there is no certainty about finding suitable and sufficiently profitable projects in the future.

As development activities are capital-intensive, the group's operations and financial performance depend on its ability to raise capital on appropriate terms and in appropriate amounts. Financial performance is also affected by the general economic and geopolitical environment, as well as the cyclical nature of the real estate market. Additional risks include high levels of competition and changes in regulations.

There is an increasing risk that regulations imposed by the central and local governments or authorities do not sufficiently consider the negative impact on construction and development costs, thereby reducing the affordability of real estate.

Outlook for the future

Despite some recovery in the market during both the second and third quarters, the external environment's impact on demand and sales will continue to be the main challenge in the last quarter of 2024 and in the years ahead. We expect a continuation of the gradual improvement in the external factors affecting the residential real estate sector, in particular the decline in interest rates and real wage growth. Provided that the demand holds up or increases we are ready to quickly bring new supply to the market.

This year and beyond will continue to be environmentally challenging and risky, including for all levels of the public sector. Despite positive developments, significant challenges remain in Tallinn's planning procedures. We continue to expect several long-drawn-out procedures to reach a conclusion in 2024 or the first half of 2025. Planned tax rate increases and additional taxes will increase the sales prices of new developments in the coming years, reducing incomes and the availability of real estate.

In real estate development, results are achieved with a significant time lag and an increase in marketing expenses in the periods preceding the sales growth. The results for 2024 will reflect the conditions and decisions of 2022 and 2023, when construction work started on only a few projects and the cost base was heavily affected by high inflation. To meet our 20% return on equity target we need an annual revenue in excess of EUR 40 million.

Although the necessary capacity is available in the portfolio for the coming years, we can deliver a maximum of 110 residential and commercial properties in total this year. In the first nine months of the year, we delivered 68 homes, 62% of the total available. By the end of October, 65% of the total potential. In the first nine months, we achieved sales revenue of EUR 19.1 million, and we estimate that the potential sales proceeds from the remaining space in the portfolio to be sold and transferred during 2024 is EUR 13.9 million. This is unlikely to be fully realised in the final months of the year, but the unrealised portion will continue to underpin the results in subsequent periods.

With the decisions and actions undertaken in 2024, we will build on our economic performance in 2025 and 2026. Achieving good results will require improvements in external factors as well as internal efforts to reduce construction costs. Largely as a result of the developments of the Regati and Iseära projects, as well as unrealised sales potential in 2024, we expect a significant improvement in financial results in 2025 and 2026. There is sufficient capacity in the development portfolio for the next 3-4 years, but we continue to actively negotiate and consider acquisition alternatives to increase the development portfolio.

Management Board's Confirmation

Members of the management board of Liven AS have prepared the group's consolidated unaudited interim financial statements which consists of the management report and the interim financial statements for the 6-month period ended 30 September 2024.

Management board confirms that:

1. the interim financial statement for the period ended 30 September 2024 has been prepared using accounting policies and presentation of information that comply with International Financial Reporting Standards as adopted in the European Union;
2. to the best of the knowledge of the Management Board, the management report gives a true and fair view of the financial position of the group, the results of its operations, the development of its business and its principal risks and the interim financial statements give a true and fair view of the financial position and the results of the operations of the Parent and the Group;
3. Liven AS and its subsidiaries are going concerns.

Andero Laur

Chairman of the board



Consolidated statement of financial position

(in thousands of euros)	Note	30.09.2024	31.12.2023	30.09.2023
Current assets				
Cash and cash equivalents		4,807	3,721	2,773
Trade and other receivables		81	1,326	90
Prepayments	1	715	321	1,127
Inventories	2	65,138	62,112	63,656
Total current assets		70,741	67,480	67,646
Non-current assets				
Prepayments	1	44	0	0
Investment property		1,064	0	0
Property, plant and equipment		432	388	234
Intangible assets		386	296	297
Right-of-use assets		437	395	0
Total non-current assets		2,363	1,079	531
TOTAL ASSETS		73,104	68,559	68,177
Current liabilities				
Borrowings	3	9,738	17,106	14,542
Trade and other payables	4	8,838	9,121	7,629
Provisions		528	2,384	0
Total current liabilities		19,104	28,611	22,171
Non-current liabilities				
Borrowings	3	34,642	21,328	30,099
Trade and other payables	4	1,032	469	80
Provisions		54	29	4
Total non-current liabilities		35,728	21,826	30,183
Total liabilities		54,832	50,437	52,354
Equity				
Share capital		1,190	1,183	1,183
Share premium		9,540	9,339	9,250
Share option reserve		321	363	404
Own (treasury) shares		0	-1	-1
Statutory capital reserve		118	115	115
Retained earnings (prior periods)		6,468	6,347	6,342
Profit for the year		635	775	-1,470
Total equity attributable to owners of the parent		18,272	18,122	15,823
Total equity		18,272	18,122	15,823
TOTAL LIABILITIES AND EQUITY		73,104	68,559	68,177

Consolidated statement of comprehensive income

(in thousands of euros)	Note	2024 Q3 (July-September)	2023 Q3 (July-September)	2024 9 months (January-September)	2023 9 months (January-September)
Revenue	5	7,057	4,499	19,101	19,052
Cost of sales	7	-5,987	-4,499	-15,951	-18,814
Gross profit		1,070	0	3,150	238
Distribution costs	8	-327	-283	-978	-689
Administrative expenses	9	-352	-316	-993	-934
Other operating income		21	30	33	40
Other operating expenses		-10	-5	-17	-9
Operating profit		403	-574	1,195	-1,354
Finance income		31	6	57	9
Finance costs		-92	-10	-448	-21
Total finance income and finance costs		-61	-4	-391	-12
Profit before tax		342	-578	804	-1,366
Income tax expense		0	0	-169	-104
Net profit for the year		342	-578	635	-1,470
Attributable to owners of the parent		342	-578	635	-1,470
Comprehensive income for the year		342	-578	635	-1,470
Attributable to owners of the parent		342	-578	635	-1,470
Basic profit/loss per share	11	0.029	-0.049	0.054	-0.125
Diluted profit/loss per share	11	0.028	-0.048	0.052	-0.122

Consolidated statement of cash flows

(in thousands of euros)

CASH FLOWS FROM OPERATING ACTIVITIES	Note	2024 Q3 (July-September)	2023 Q3 (July-September)	2024 9 months (January-September)	2023 9 months (January-September)
Operating profit		403	-574	1,195	-1,354
Adjustments for:					
<i>Depreciation, amortisation and impairment losses</i>		90	34	251	107
<i>Non-monetary transactions</i>		27	0	179	0
<i>Other adjustments</i>		867	579	1,476	1,688
Total adjustments		983	613	1,904	1,795
Change in receivables and prepayments	1	430	371	747	773
Change in inventories	2	-4,354	-6,177	-3,026	-9,117
Change in payables and deferred income	4	-9	-470	491	-2,107
NET CASH USED IN OPERATING ACTIVITIES		-2,547	-6,237	1,311	-10,010
CASH FLOWS FROM INVESTING ACTIVITIES					
Paid on acquisition of property, plant & equipment and intangible assets		-97	-123	-314	-215
Proceeds from sale of property, plant & equipment and intangible assets		0	0	0	3
Loans granted		0	0	0	6
Interest received		46	6	71	7
NET CASH USED IN INVESTING ACTIVITIES		-51	-117	-243	-199
CASH FLOWS FROM FINANCING ACTIVITIES					
Loans received	3	5,245	11,112	28,089	23,568
Repayments of loans received	3	-4,515	-2,620	-23,025	-12,628
Lease payments made		-39	-5	-119	-13
Interest paid	3	-1,821	-1,281	-4,189	-2,139
Government grants		0	0	59	0
Proceeds from issue of shares		5	2	7	1,054
Proceeds from sale of own shares		0	0	1	0
Dividends paid		0	0	-635	-416
Corporate income tax paid		0	0	-170	-104
NET CASH FROM FINANCING ACTIVITIES		-1,125	7,208	18	9,322
NET CASH FLOW		-3,723	854	1,086	-887
Cash and cash equivalents at beginning of period		8,530	1,919	3,721	3,660
Increase in cash and cash equivalents		-3,723	854	1,086	-887
Cash and cash equivalents at end of period		4,807	2,773	4,807	2,773

Consolidated statement of changes in equity

(in thousands of euros)	Equity attributable to owners of the parent						Total equity
	Share capital	Share premium	Share option reserve	Own (treasury) shares	Statutory capital reserve	Retained earnings	
As at 31 December 2022	1,152	8,228	274	-1	102	6,772	16,526
Profit for the year	0	0	0	0	0	775	775
Issue of share capital	32	1,022	0	0	0	0	1,054
Share options	0	89	94	0	0	0	183
Transfer to capital reserve	0	0	0	0	13	-13	0
Sale of own shares	0	0	0	0	0	0	0
Dividends paid	0	0	0	0	0	-416	-416
Other changes in equity	0	0	-5	0	0	5	0
As at 31 December 2023	1,183	9,339	363	-1	115	7,122	18,122
Profit for the year	0	0	0	0	0	635	635
Issue of share capital	7	0	0	0	0	0	7
Share options	0	200	-58	0	0	0	142
Transfer to capital reserve	0	0	0	0	3	-3	0
Sale of own shares	0	0	0	1	0	0	1
Dividends paid	0	0	0	0	0	-635	-635
Other changes in equity	0	0	16	0	0	-16	0
As at 30 September 2024	1,190	9,540	321	0	118	7,103	18,272

The sale of own shares that have taken place in 2023, do not appear in the report as a result of rounding to thousand euros.

Notes to the consolidated financial statements

Note 1. Prepayments

(in thousands of euros)	30.09.2024	31.12.2023	30.09.2023
Prepayments to suppliers	105	145	187
Prepayments to suppliers for inventories	0	30	23
Prepaid expenses	103	36	780
Prepaid taxes	508	109	127
Total current prepayments	715	321	1,127
Prepaid expenses	44	0	0
Total non-current prepayments	44	0	0

Note 2. Inventories

The inventories are grouped below according to the status of development projects and in chronological order. In the case of multi-stage projects, the inventories are presented in the group of the latest development stage status. Multi-stage projects with both completed construction in earlier stages and either under construction or not yet started in later stages are reported in the group 'Both completed and under construction. Exceptionally, the Luuslang project development inventories as at 30.09.2024 are presented under the status 'Construction completed', as the majority of the inventories relate to completed buildings and construction has not started on subsequent phases.

(in thousands of euros)	30.09.2024	31.12.2023	30.09.2023
Construction completed	12,058	10,443	1,078
Both completed and under construction	10,793	20,986	20,724
Under construction	23,058	0	12,912
Building design	3,374	18,194	17,463
Development plans and other inventories	15,854	12,489	11,479
Total	65,138	62,112	63,656

Starting from Q2 2024, the commercial property in Väike-Tallinn is recorded as investment property instead of inventory.

Note 3. Borrowings

In the preparatory stage of projects, the group uses mortgage loans from local commercial banks, bonds, as well as junior loans and mezzanine-type investor loans, which are unsecured and subordinated to bank loans. A characteristic feature of investor loans is that the terms of their principal and interest payments are designed to take into account the cash flows of a development project. Interest payments are usually made either at the end of a project stage or at the end of the loan term together with the repayment of the loan principal. The group uses bank loans to finance the construction.

30 September 2024				Repayable		
Loan type (in thousands of euros)	Interest rate	Balance at 30 Sept 2024	Incl. from related parties	Within 1 year	2–5 years	Over 5 years
Bank loans, construction	4,8-4,9% + 6M Euribor	7,194	0	0	7,194	0
Bank loans, construction	4,9%	1,173	0	1,173	0	0
Bank loans, development	3,9-7,95% + 6M Euribor	12,996	0	2,224	10,772	0
Bonds	8,5-10,5%	12,441	878	2,600	9,841	0
Investor loans	8,0-14,0%*	10,525	7,233	3,737	6,788	0
Total		44,330	8,111	9,734	34,596	0

* The interest on loans received by Liven Kodu 5 OÜ consists of a fixed interest rate of 8% p.a. and an additional fee which depends on the result of the project. The current repayment of the loan is conditional, as the timing of the repayment depends on the timing of the project's sales. In the event of insufficient sales over the next 12 months, Liven Kodu 5 OÜ also has the right to defer the loan repayment.

31 December 2023				Repayable		
Loan type (in thousands of euros)	Interest rate	Balance at 31 Dec 2023	Incl. from related parties	Within 1 year	2–5 years	Over 5 years
Bank loans, construction	4,8-4,9% + 6M Euribor	9,043	0	5,726	3,317	0
Bank loans, construction	4,9-6,99%	2,940	0	1,766	1,174	0
Bank loans, development	4,9-6,0% + 6M Euribor	4,506	0	0	4,506	0
Bank loans, development	6,0%	6,000	0	6,000	0	0
Bonds	8,5-10,5%	4,400	400	600	3,800	0
Investor loans	8,0-14,0%*	11,473	7,068	3,000	8,473	0
Total		38,362	7,468	17,093	21,269	0

* The interest on loans received by Liven Kodu 5 OÜ consists of a fixed interest rate of 8% p.a. and an additional fee which depends on the result of the project.

30 September 2023				Repayable		
Loan type (in thousands of euros)	Interest rate	Balance at 30 Sept 2023	Incl. from related parties	Within 1 year	2–5 years	Over 5 years
Bank loans, construction	4,8-4,9% + 6M Euribor	3,700	0	0	3,700	0
Bank loans, construction	4,9-6,99%	15,214	0	3,840	11,374	0
Bank loans, development	4,9-6,0% + 6M Euribor	3,900	0	0	3,900	0
Bank loans, development	6,0%	6,000	0	6,000	0	0
Bonds	8,5%-10,5%	4,400	400	0	4,400	0
Investor loans	8,0-13,5%*	11,352	8,275	4,700	6,652	0
Total		44,566	8,675	14,540	30,026	0

* The interest on loans received by Liven Kodu 5 OÜ consists of a fixed interest rate of 8% p.a. and an additional fee which depends on the result of the project.

In addition to the loans set out in the tables above, borrowings include lease liabilities, which amounted to EUR 50 thousand as of 30 September 2024 (31 June 2024: EUR 52 thousand). All loans as of 30 September 2024, 31 December 2023 and 30 September 2023 are denominated in euros. Investor loans include loans from related parties. The classification of loans as current or non-current is based on their contractual maturity dates.

Given that the project is expected to end within the next 12 months, management has estimated, based on the business plan, that the potential amount of the remaining liability for the additional fee linked to the success of the project is EUR 2,355 thousand. The actual outcome of the project is uncertain, and therefore the additional fee linked to the project's success may be higher or lower than estimated. During the quarter EUR 1 035 thousand of the interest was paid and as of 30.09.2024, EUR 470 thousand of additional interest based on this estimate is outstanding.

Liven AS has the following financial obligations in relation to the bonds listed on the Nasdaq Tallinn Exchange Baltic bond list (Liven 10.5% 4Y green bond; ISIN: EE3300004332) until the bonds are fully redeemed:

- The Group's adjusted equity ratio¹ is more than 20%. As of 30.09.2024: 28,2%.
- Group adjusted leverage ratio² of less than 3.0. As of 30.09.2024: 2.0.
- The Company shall ensure at all times the availability of free cash in the accounts for at least two consecutive interest payment dates for the amount of interest due, which is EUR 326 thousand. The unconsolidated cash balance of Liven AS at 30.09.2024: EUR 3,145 thousand.

¹ Adjusted equity ratio (%) = Total equity attributable to equity holders of the parent / (Total assets - construction loans)

² Adjusted leverage ratio = (total loan commitments - construction loans) / total equity attributable to equity holders of the parent company

Note 4. Trade and other payables

(in thousands of euros)	30.09.2024	31.12.2023	30.09.2023
Trade payables	2,958	1,526	1,242
Deferred income	4,826	2,739	3,619
Other payables			
Payables to employees	142	118	110
Taxes payable	392	1,963	236
Interest payable	216	1,013	888
Miscellaneous payables	304	1,763	1,534
Total other payables	1,054	4,857	2,768
Total current trade and other payables	8,838	9,121	7,629
Deferred income	0	28	42
Interest payable	627	97	38
Other payables	405	345	0
Total non-current trade and other payables	1,032	469	80

Deferred income as of 30 September 2024, 31 December 2023 and 30 September 2023 comprises deferred income received from customers in connection with housing development projects. Other payables consist mainly of accrued payables related to buildings completed at the end of the year for amounts not yet invoiced by general contractors and furniture dealers.

Note 5. Revenue

(in thousands of euros)	2024 Q3 (July-September)	2023 Q3 (July-September)	2024 9 months (January-September)	2023 9 months (January-September)
Sale of real estate	6,684	4,355	18,302	18,559
Sale of furniture and furnishings	293	101	557	374
Rental income	80	43	242	118
Total revenue	7,057	4,499	19,101	19,052

In 2024 and 2023, the only geographical area where revenue was generated was Estonia. Furniture and furnishings are sold together with the real estate, and both are treated as revenue from contracts with customers.

Note 6. Staff costs

(in thousands of euros)	2024 Q3 (July-September)	2023 Q3 (July-September)	2024 9 months (January-September)	2023 9 months (January-September)
Salary expenses	400	496	1,171	1,253
Social security and unemployment insurance charges	123	144	345	360
Total	523	640	1,516	1,613
Average number of employees converted to full-time equivalent	33	29	29	27
Incl. people working under employment contracts	30	26	26	24
Incl. people working under board member's service contracts	3	3	3	3

Note 7. Cost of sales

(in thousands of euros)	Note	2024 Q3 (July-September)	2023 Q3 (July-September)	2024 9 months (January-September)	2023 9 months (January-September)
Construction, fitout and furnishing expenses		4,754	3,497	12,245	14,814
Plot acquisition and preparation costs		218	278	600	1,050
Staff costs	6	307	430	901	1,067
Financing charges		629	101	1 921	1,077
Depreciation and amortisation		21	7	60	25
Other costs		58	186	224	781
Total		5,987	4,499	15,951	18,814

Note 8. Distribution costs

(in thousands of euros)	Note	2024 Q3 (July-September)	2023 Q3 (July-September)	2024 9 months (January-September)	2023 9 months (January-September)
Media costs		132	117	387	213
Staff costs	6	85	71	229	204
Depreciation and amortisation		27	21	78	61
Other costs		84	74	284	209
Total		327	283	978	689

Note 9. Administrative expenses

(in thousands of euros)	Note	2024 Q3 (July-September)	2023 Q3 (July-September)	2024 9 months (January-September)	2023 9 months (January-September)
Staff costs	6	132	139	386	342
Training and other staff-related expenses		32	49	53	155
Business travel and transport expenses		29	34	43	58
Office expenses		30	29	67	126
Accounting and audit expenses		61	46	216	182
Legal fees and consulting expenses		6	2	59	26
Depreciation and amortisation		43	6	114	21
Other expenses		19	11	54	24
Total		352	316	993	934

Note 10. Investments in subsidiaries

The parent company's ownership interests in subsidiaries as at the reporting date:

Name of subsidiary	Core business	Domicile	Interest, % 30.09.2024	Interest, % 31.12.2023	Interest, % 30.09.2023
Liven Kodu OÜ	Development of building projects	Estonia	100	100	100
Liven Kodu 5 OÜ	Development of building projects	Estonia	100	100	100
Liven Kodu 6 OÜ	Development of building projects	Estonia	100	100	100
Liven Kodu 10 OÜ	Development of building projects	Estonia	100	100	100
Liven Kodu 11 OÜ	Development of building projects	Estonia	-	100	100
Liven Kodu 12 OÜ	Development of building projects	Estonia	100	100	100
Liven Kodu 14 OÜ	Development of building projects	Estonia	100	100	100
Liven Kodu 15 OÜ	Development of building projects	Estonia	100	100	100
Liven Kodu 16 OÜ	Development of building projects	Estonia	100	100	100
Liven Kodu 17 OÜ	Development of building projects	Estonia	100	100	100
Liven Kodu 18 OÜ	Development of building projects	Estonia	100	100	100
Liven Kodu 19 OÜ	Development of building projects	Estonia	100	100	100
Liven Kodu 20 OÜ	Development of building projects	Estonia	100	100	100
Liven Kodu 21 OÜ	Development of building projects	Estonia	100	100	100
Liven Kodu 22 OÜ	Development of building projects	Estonia	100	100	100
Liven Kodu 23 OÜ	Development of building projects	Estonia	100	100	100
Liven Kodu 24 OÜ	Development of building projects	Estonia	100	100	100
Liven Wohnungsbau GmbH	Development of building projects	Germany	100	100	100
Liven HW11 GmbH	Development of building projects	Germany	100*	100*	100*

*100% ownership interest through Liven Wohnungsbau GmbH

Note 11. Basic and diluted earnings per share

To find the average earnings per share, the net profit attributable to owners of the parent company is divided by the weighted average number of shares. A similar calculation has been made to find the diluted earnings, but the number of ordinary shares potentially accreted from share options has been added to the weighted average number of shares.

(number of shares)	2024 Q3 (July-September)	2023 Q3 (July-September)	2024 9 months (January-September)	2023 9 months (January-September)
Weighted average number of ordinary shares	11,907,543	11,811,185	11,864,890	11,727,256
Share options at period-end	278,907	288,533	278,907	288,533
Weighted average number of ordinary shares including the number of dilutive potential ordinary shares	12,186,450	12,099,718	12,143,797	12,015,789

(in euros)	2024 Q3 (July-September)	2023 Q3 (July-September)	2024 9 months (January-September)	2023 9 months (January-September)
Profit/loss attributable to owners of the parent (in thousand euros)	342	-578	635	-1,470
Profit/loss per share	0.029	-0.049	0.054	-0.125
Diluted profit/loss per share	0.028	-0.048	0.052	-0.122

