



CLEARFLOWPLUS P.L.C.

Water Services Corporation, Triq Hal-Qormi, Luqa LQA 9043, Malta
Co. Reg. C38895

COMPANY ANNOUNCEMENT

The following is a Company Announcement issued by ClearFlowPlus p.l.c. (the "Company") pursuant to the Capital Market Rules as issued by the Malta Financial Services Authority in accordance with the provisions of the Financial Markets Act (Chapter 345 of the Laws of Malta).

QUOTE

The Board of Directors of ClearFlowPlus p.l.c. (the Company) has approved the Company's interim unaudited financial statements for the period 1st January 2025 – 30th June 2025, attached herewith, during the board meeting held today.

UNQUOTE

By order of the Board

A handwritten signature in black ink, appearing to read "A. Vella", is written over a light blue horizontal line.

Dr Amanda Vella
Company Secretary

28th August 2025

CLEARFLOWPLUS P.L.C.

Interim Condensed Financial Statements
For the period 1 January 2025 to 30 June 2025

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Directors' report

The Directors present their report and the unaudited interim financial statements of ClearFlowPlus p.l.c. (the "Company") for the six-month period ended 30 June 2025.

Basis of Preparation

The published figures have been extracted from the unaudited financial statements of the six months from 1 January 2025 to 30 June 2025, prepared in accordance with International Financial Reporting Standards for use in the EU for interim financial statements (International Accounting Standard 34, 'Interim Financial Reporting'). The comparative statement of financial position has been extracted from the audited financial statements for the year ended 31 December 2024. This report is being published in terms of Capital Markets Rule 5.74 issued by the Malta Financial Services Authority and the prevention of Financial Markets Abuse Act, 2005. In terms of Capital Market Rule 5.75.5, the Directors are stating that this Half-Yearly Report has not been audited or reviewed by the auditors of the Company.

Principal activities

The Company's revenue is derived from consultancy services and supplies, laboratory analysis and information technology services in connection with water production, filtration and/or treatment and/or sewage treatment products or facilities. In addition, the Company also functions as a financial vehicle to raise capital on behalf of its parent, enabling the funding of environmentally sustainable projects and supporting the group's overall strategic objectives.

Review of business and future developments

During the six-month period ended 30 June 2025, the Company registered a profit before taxation of €447K as compared to a profit before taxation of €692K generated in the six-month period ended 30 June 2024.

In the first six months, the Company's revenue amounted to €984k in FY25 (FY24: €1.03m), consolidating efforts made to streamline its portfolio of products. Revenue was primarily derived from supplies in connection with reverse osmosis plants, related after-sales services, desalination, sewage treatment facilities, laboratory analysis, information technology, sale of parts and consultancy services. The biggest revenue contributor comes from waste management services representing 55% of the Company's revenue in the first half of 2025 (FY24: 40%).

Whilst revenue decreased, cost of sales increased, mostly due to an increase in negotiated rates in existing contracted services. On the other hand, administrative expenses for the first six months of the year decreased to €206K (FY24: €219K).

State of affairs and outlook

Revenues arising from key operations, including reverse-osmosis manufacturing, water dispensers and waste management, are expected to continue improving. Challenges related to internal labour shortages are being mitigated with sub-contracting of works which will ensure that the company honours on-going contractual obligations.

Directors' report - continued

The Directors, as required by Capital Markets Rule 5.62, have considered the Company's operating performance, the statement of financial position as at 30 June 2025, as well as the business plan for the rest of the year, and they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. In addition, the Group has sufficient liquidity and financial resources to meet payment obligations including the Company's bond interest payments as they arise through the course of 2025. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Directors

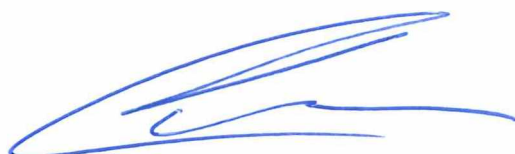
The following have served as directors of the company during the period under review:

Mr. Karl Cilia (Chairman)
Mr. Matthew Costa
Ing. David Sacco
Ms. Angela Azzopardi
Mr. Luke Cann
Ing. Abigail Cutajar
Ms. Katrina Cuschieri

In accordance with the Company's Articles of Association, the present directors remain in office.

The directors do not recommend the payment of interim dividend.

As approved by the Board of Directors in the 20 August 2025 and signed on its behalf by,



Karl Cilia
Chairman



Matthew Costa
Director

Registered office of the Company:
Water Services Corporation
Triq Hal-Qormi
Luqa LQA 9043
Malta

20 August 2025

Interim condensed statement of financial position

		30 June 2025 (unaudited) €	31 December 2024 (audited) €
	Notes		
ASSETS			
Non-current assets			
Property, plant and equipment	3	142,823	69,373
Finance lease receivables	4	706,738	739,319
Loans receivable from related companies	5	9,614,843	7,687,028
Total non-current assets		10,464,404	8,495,720
Current assets			
Inventories		544,624	526,301
Finance lease receivables	4	63,102	58,335
Loans receivable from related companies	5	51,572	46,572
Trade and other receivables		1,437,671	1,356,622
Cash and cash equivalents		17,437,393	18,588,356
Current tax assets		-	30,002
Total current assets		19,534,362	20,606,188
Total assets		29,998,766	29,101,908

Interim condensed statement of financial position – continued

		30 June 2025 (unaudited) €	31 December 2024 (audited) €
	Notes		
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital		250,002	250,002
Retained earnings		3,665,582	3,357,987
Total equity		3,915,584	3,607,989
Non-current liabilities			
Trade and other payables		190,861	209,017
Borrowings	6	24,602,573	24,578,191
Total non-current liabilities		24,793,434	24,787,208
Current liabilities			
Trade and other payables		1,254,234	706,711
Current tax liabilities		35,514	-
Total current liabilities		1,289,748	706,711
Total liabilities		26,083,182	25,493,919
Total equity and liabilities		29,998,766	29,101,908

The accompanying notes are an integral part of these interim condensed financial statements.

The interim condensed financial statements were approved and authorised for issue by the Board of Directors on 20 August 2025 and were signed on its behalf by:

Karl Cilia
Chairman


Matthew Costa
Director

Interim condensed statement of comprehensive income

		30 June 2025 6 months (unaudited) €	30 June 2024 6 months (unaudited) €
	Notes		
Revenue		983,680	1,027,092
Cost of sales		(546,883)	(470,528)
Gross profit		436,797	556,564
Administrative expenses	7	(205,901)	(219,155)
Operating profit		230,896	337,409
Finance costs		(551,265)	(551,536)
Finance income	8	767,471	905,751
Profit before tax		447,102	691,624
Tax expense		(139,507)	(158,871)
Profit for the period		307,595	532,753

The accompanying notes are an integral part of these interim condensed financial statements.

Interim condensed statement of changes in equity

	Called up issued share capital €	Retained earnings €	Total €
Balance at 1 January 2024	250,002	2,349,861	2,599,863
Comprehensive income			
Profit for the period	-	532,753	532,753
Balance at 30 June 2024	250,002	2,882,614	3,312,616
Comprehensive income			
Profit for the period	-	475,373	475,373
Balance at 31 December 2024	250,002	3,357,987	3,607,989
Comprehensive income			
Profit for the period	-	307,595	307,595
Balance at 30 June 2025	250,002	3,665,582	3,915,584

The accompanying notes are an integral part of these interim condensed financial statements.

Interim condensed statement of cash flows

		30 June 2025 6 months €	30 June 2024 6 months €
	Notes		
Cash flows from operating activities			
Cash generated from operations		895,845	715,910
Income tax paid		(61,254)	(81,398)
Net cash flows generated from operating activities		834,591	634,512
Cash flows (used in)/ from investing activities			
Purchase of property, plant and equipment	3	(80,553)	-
Additions to finance lease receivable		-	(4,328)
Repayments from finance lease receivable		27,814	23,273
Net cash flows generated (used in)/ from investing activities		(52,739)	18,945
Cash flows (used in) financing activities			
Loans advanced to parent company	5	(1,956,102)	(1,569,284)
Repayment of loans advanced to related companies		23,287	17,322
Net cash flows generated (used in) financing activities		(1,932,815)	(1,551,962)
Net movement in cash and cash equivalents		(1,150,963)	(898,505)
Cash and cash equivalents at beginning of period		18,588,356	24,105,581
Cash and cash equivalents at end of period		17,437,393	23,207,076

The accompanying notes are an integral part of these interim condensed financial statements.

Notes to the interim condensed financial statements

1. Basis of preparation

The interim condensed financial statements have been prepared in accordance with International Financial Reporting Standards for use in the EU for interim financial statements (International Accounting Standard 34, 'Interim Financial Reporting'). The presentation currency is Euro, which is also the Company's functional currency.

The interim condensed financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2024, which have been prepared in accordance with International Financial Reporting Standards as adopted by the EU.

2. Summary of significant accounting policies

The interim condensed financial statements have been prepared in accordance with the accounting policies adopted in the Company's most recent annual financial statements for the year ended 31 December 2024.

3. Property, plant and equipment

During the six months ended 30 June 2025, the Company incurred capital expenditure amounting to €80,553 whilst depreciation for the period amounted to €7,103.

4. Finance lease receivables

	30 June 2025	31 December 2024
	€	€
Net investment in the lease	769,840	797,654
Non-current		
Finance lease receivable	706,738	739,319
Current		
Finance lease receivable	63,102	58,335

The Company acts as a lessor in finance lease arrangements, leasing out water dispensers. The average term of finance leases entered into is 10 years. The lease agreements will be automatically renewed for other periods of 1 year each until either party decides to terminate the agreement by giving prior notice.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for finance lease receivables.

Notes to the interim condensed financial statements - continued

5. Loans receivable from related companies

	30 June 2025 €	31 December 2024 €
Non-current		
Loans receivable from related companies	9,614,843	7,687,028
Current		
Loans receivable from related companies	51,572	46,572
	9,666,415	7,733,600

The loan receivable balance is represented by two (2) loans, one advanced to one (1) of the Company's sister companies and the other to its parent company. Information on how the loans receivable balance above is split is provided below.

The loans receivable balance is partially represented by €240,423 (2024: €263,710) (exclusive of accrued interest income receivable) which was advanced to a related entity by way of a loan during the year ended 31 December 2021. The loan is unsecured, bears interest of 4.5% per annum and is to be paid in full, including the agreed interest, by the year 2028.

During the 6-month period ended 30 June 2025, the Company advanced an additional loan to its parent company of €1,956,102, implying that the total loan to the parent company as at 30 June 2025 amounts to €9,425,992 (2024: €7,469,890) (exclusive of accrued interest receivable). This loan represents the advancement of bond proceeds to finance Eligible Green Projects undertaken by Water Services Corporation. The loan is unsecured, bears interest at 4.75% per annum and is to be paid in full, including the agreed interest by the year 2033.

6. Borrowings

Bonds

By virtue of a Prospectus dated 20 July 2023, ClearFlowPlus p.l.c. (the Issuer) issued 250,000 bonds with a face value of €100 each. The bonds have a coupon interest of 4.25% which is payable annually on 25 August. The bonds are guaranteed through the joint and several guarantee of the Guarantor (being the parent company, Water Services Corporation) in terms of the guarantee dated 20 July 2023. The bonds were admitted on the Green List of the Malta Stock Exchange on 21 August 2023. The quoted market price for the bonds was €100 at 30 June 2025, which in the opinion of the Directors fairly represents the fair value of these financial liabilities.

In accordance with the provisions of the Prospectus, the proceeds from the bond issue are to be used by the Company to provide a loan facility to the Guarantor (as stated in Note 5) in order to carry out a number of Eligible Green Projects, as described in detail within the Prospectus.

The bonds are measured at the amount of the net proceeds adjusted for the amortisation of the difference between the net proceeds and the redemption value of such bonds, using the effective yield method as follows:

Notes to the interim condensed financial statements - continued

6. Borrowings - continued

	30 June 2025 €	31 December 2024 €
Original face value of bonds issued	25,000,000	25,000,000
Gross amount of bond issue costs	(487,642)	(487,642)
Accumulated amortisation	90,215	65,833
Unamortised bond issue costs	(397,427)	(421,809)
Amortised cost and closing carrying amount of the bonds	24,602,573	24,578,191

7. Administrative expenses

	30 June 2025 6 months €	30 June 2024 6 months €
Depreciation expense	7,103	5,232
Directors' emoluments	17,500	25,424
Auditors' remuneration	4,325	4,250
Management fees	127,392	127,169
Professional fees	42,046	46,022
Bank charges	433	837
Other administrative expenses	7,102	10,221
Total administrative expenses	205,901	219,155

During the period under review, the Company did not employ any employees (six-month period ended 30 June 2024: Nil).

8. Finance income

	30 June 2025 6 months €	30 June 2024 6 months €
Rental income	100,979	105,422
Interest income from loans receivable from parent entity	577,384	577,680
Interest income from loans receivable from related entities	4,214	3,511
Interest income from term deposit	84,894	219,138
	767,471	905,751

Notes to the interim condensed financial statements - continued

9. Related party transactions

Water Services Corporation is the Company's immediate parent whereas its ultimate controlling party is the Government of Malta. The Company makes supplies in the ordinary course of business to its parent company, the Government of Malta, its departments and agencies, public sector corporations, local councils and other entities owned and/or controlled by Government.

Trading transactions between these companies would typically include management fees and other such items which are normally encountered in a Group context.

In the ordinary course of its operations, the Company sells goods and services to the parent company for trading purposes and also purchases goods and services from the parent company.

In the opinion of the Directors, disclosure of related party transactions, which are generally carried out on commercial terms and conditions, is only necessary when the transactions effected have a material impact on the operating results and financial position of the Company. The aggregate invoiced amounts in respect of a considerable number of transaction types carried out with related parties are not considered material and accordingly they do not have a significant effect on these financial statements.

Except for transactions disclosed or referred to previously, the following significant operating transactions, which were carried out principally with related parties forming part of the Group have a material effect on the operating results and financial position of the Company.

The Directors consider that the following significant transactions with related parties should be disclosed.

	30 June 2025 6 months €	30 June 2024 6 months €
Statement of comprehensive income		
Sales of goods held for resale and provision of services		
- Parent entity	8,352	8,211
- Related entities	935,329	917,739
Rental income on financial lease receivables		
- Related entities	100,979	105,422
Interest income earned on loans advanced to related entities		
- Parent entity	577,384	577,680
- Related entities	4,214	3,511
Purchases of goods and services		
- Parent entity	543,944	385,597
- Related entities	44,243	171,671
Management fees incurred		
- Parent entity	127,392	127,169
Directors' emoluments	17,500	20,000

Notes to the interim condensed financial statements - continued

9. Related party transactions - continued

	30 June 2025 €	31 December 2024 €
Statement of financial position		
Amounts payable to		
- Parent entity	96,138	3,943
- Related entities	6,450	9,354
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Amounts receivable from		
- Parent entity	7,000	-
- Related entities	958,314	668,885
Accrued interest income receivable		
- Parent entity	290,287	293,477
Loans receivable from		
- Parent entity	9,425,992	7,469,890
- Related entities	240,424	263,710
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The transactions disclosed above were carried out on commercial terms.

10. Events after the end of the reporting period

There have been no significant post-interim balance sheet events.

Statement pursuant to Capital Markets Rule 5.75.3

We confirm that to the best of our knowledge:

- the interim financial statements give a true and fair view of the financial position of ClearFlowPlus p.l.c. as at 30 June 2025, and of its financial performance and its cash flows for the six-month period then ended in accordance with International Financial Reporting Standards as adopted by the EU applicable to interim financial reporting (International Accounting Standard 34 – Interim Financial Reporting), and
- the interim Directors' Report includes a fair review of the information required in terms of Capital Market Rules 5.81 to 5.85.



Karl Cilia
Chairman



Matthew Costa
Director