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 Company hereby announces that during the meeting of its Board of Directors held today, the Company's interim condensed unaudited financial statements for the six-month period dated 1st January 2026 – 30th June 2026, attached herewith, were approved.

Copies of the aforementioned interim condensed unaudited financial statements are also available for viewing and/or download on the following link of the Company's website: https://www.wsc.com.mt/wp-content/uploads/2026/08/ClearFlowPlus-p.l.c_Interim-Condensed-FS2026.pdf

UNQUOTE

By order of the Board

Dr Amanda Vella
Company Secretary

31st August 2026

CLEARFLOWPLUS P.L.C.

Interim Condensed Financial Statements
For the period 1 January 2026 to 30 June 2026

Company Registration Number: C 38895

Contents

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 2026.

Basis of Preparation

The published figures have been extracted from the unaudited financial statements of the six months from 1 January 2026 to 30 June 2026, 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 2025. 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 from operations 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. The Company also acts as issuer of the Bonds with a view to finance mainly certain operations of the Water Services Corporation, which is its parent entity, and to meet any Bond-related payment obligations.

Review of business and future developments

During the six-month period ended 30 June 2026, the Company registered a profit before taxation of €363K as compared to a profit before taxation of €447K generated in the six-month period ended 30 June 2025, signifying a 19% decrease in the Company's profitability.

In the first six months, the Company's revenue increased to €1.78 million in FY26 (FY25: €1.75 million), reflecting the continued contribution of its established portfolio of services and 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 31% of the Company's revenue in the first half of 2026 (FY25: 31%).

Whilst revenue increased by 2%, cost of sales increased by 22% to €668K (FY25: €547K), 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 €201K (FY25: €206K).

State of affairs and outlook

The Company's state of affairs remains stable, reflecting its continued strategic role in supporting green investments within the water and wastewater sector through its financing function, together with its sector-related operational activities. Going forward, the Company will continue to support the implementation of Eligible Green Projects undertaken by its parent company, while its principal revenue-generating activities, including supplies and services related to reverse osmosis operations, water dispensers, waste management, laboratory analysis, information technology services and related support services, are expected to remain resilient. The Company will also maintain a prudent approach to the management of its resources, ensuring that it remains well positioned to meet its contractual and financial 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 2026, 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 2026. 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
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 31 August 2026 and signed on its behalf by,

Karl Cilia
Chairman

Angela Azzopardi
Director

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

31 August 2026

Interim condensed statement of financial position

	Notes	30 June 2026 (unaudited) €	31 December 2025 (audited) €
ASSETS			
Non-current assets			
Property, plant and equipment	3	**113,479**	128,692
Finance lease receivables	4	**627,600**	668,690
Loans receivable from related companies	5	**17,930,583**	15,115,219
Total non-current assets		**18,671,662**	15,912,601
Current assets			
Inventories		**478,546**	526,640
Finance lease receivables	4	**78,020**	70,630
Loans receivable from related companies	5	**66,572**	56,572
Trade and other receivables		**1,187,949**	932,204
Current tax asset		**-**	48,588
Cash and cash equivalents		**10,368,891**	12,155,305
Total current assets		**12,179,978**	13,789,939
Total assets		**30,851,640**	29,702,540

Interim condensed statement of financial position – continued

	Notes	**30 June 2026 (unaudited) €**	31 December 2025 (audited) €
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital		**250,002**	250,002
Retained earnings		**4,325,080**	4,082,816
Total equity		**4,575,082**	4,332,818
Non-current liabilities			
Trade and other payables		**190,861**	197,319
Borrowings	6	**24,651,336**	24,626,955
Total non-current liabilities		**24,842,197**	24,824,274
Current liabilities			
Trade and other payables		**513,796**	169,934
Borrowings	6	**902,397**	375,514
Current tax liabilities		**18,168**	-
Total current liabilities		**1,434,361**	**545,448**
Total liabilities		**26,276,558**	25,369,722
Total equity and liabilities		**30,851,640**	29,702,540

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 31 August 2026 and were signed on its behalf by:

Karl Cilia
Chairman

Angela Azzopardi
Director

Interim condensed statement of comprehensive income

	Notes	**30 June 2026 6 months (unaudited) €**	30 June 2025 6 months (unaudited) €
Revenue	7	**1,782,778**	1,751,151
Cost of sales		**(668,212)**	(546,883)
Administrative expenses	9	**(200,578)**	(205,901)
Finance costs		**(551,265)**	(551,265)
Profit before tax		**362,723**	447,102
Tax expense		**(120,459)**	(139,507)
Profit for the period		**242,264**	307,595
Other comprehensive income		**-**	-
Total comprehensive income		**242,264**	307,595

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 2025	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**
Comprehensive income			
Profit for the period	-	417,234	417,234
Balance at 31 December 2025	**250,002**	**4,082,816**	**4,332,818**
Comprehensive income			
Profit for the period	-	242,264	242,264
Balance at 30 June 2026	**250,002**	**4,325,080**	**4,575,082**

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

Interim condensed statement of cash flows

	30 June 2026 6 months €	30 June 2025 6 months €
Cash flows from operating activities		
Cash generated from operations	**1,087,785**	923,659
Income tax paid	**(48,835)**	(61,254)
Net cash flows generated from operating activities	**1,038,950**	862,405
Cash flows used in investing activities		
Purchase of property, plant and equipment	**-**	(80,553)
Net cash flows used in investing activities	**-**	(80,553)
Cash flows used in financing activities		
Loan advanced to parent company	**(2,848,936)**	(1,956,102)
Repayment of loans advanced to related companies	**23,572**	23,287
Net cash flows used in financing activities	**(2,825,364)**	(1,932,815)
Net movement in cash and cash equivalents	**(1,786,414)**	(1,150,963)
Cash and cash equivalents at beginning of period	**12,155,305**	18,588,356
Cash and cash equivalents at end of period	**10,368,891**	17,437,393

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 2025, 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 2025.

3. Property, plant and equipment

During the six months ended 30 June 2026, the Company did not incur any capital expenditure whilst depreciation for the period amounted to €15,213.

4. Finance lease receivables

	30 June 2026	31 December 2025
	€	€
Opening balance	**739,320**	797,654
Finance income on the net investment in finance leases	**95,092**	199,252
Repayments from finance lease receivables	**(128,792)**	(257,586)
Closing balance	**705,620**	739,320
Non-current	**627,600**	668,690
Current	**78,020**	70,630
	705,620	739,320

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.

5. Loans receivable from related companies

	30 June 2026	31 December 2025
	€	€
Opening balance	**15,171,791**	7,733,600
Loan advanced to related companies	**2,848,936**	7,484,764
Repayment of loans advanced to related companies	**(23,572)**	(46,573)
Closing balance	**17,997,155**	15,171,791
Non-current	**17,930,583**	15,115,219
Current	**66,572**	56,572
	17,997,155	15,171,791

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 €193,566 (2025: €240,423) (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 2026, the Company advanced an additional loan to its parent company of €2,848,936, implying that the total loan to the parent company as at 30 June 2026 amounts to €17,803,590 (2025: €9,425,992) (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

	30 June 2026	31 December 2025
	€	€
Non-current		
250,000 4.25% Bonds 2033	**24,651,336**	24,626,955
Carrying amount at 1 January	**24,626,955**	24,578,191
Amortisation of bond issue cost	**24,381**	48,764
Carrying amount at 31 December	**24,651,336**	24,626,955
Current		
Bond accrued interest payable	**902,397**	375,514

6. **Borrowings** - continued

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 as at 30 June 2026 for the bonds was €98.99 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:

	30 June 2026 €	31 December 2025 €
Original face value of bonds issued	**25,000,000**	25,000,000
Gross amount of bond issue costs	**(487,642)**	(487,642)
Accumulated amortisation	**138,978**	114,597
Unamortised bond issue costs	**(348,664)**	(373,045)
Amortised cost and closing carrying amount of the bonds	**24,651,336**	24,626,955

7. **Revenue**

	30 June 2026 €	30 June 2025 €
By category:		
Waste management services	**548,359**	539,099
After sales services	**309,052**	308,962
Sale of parts	**50,674**	29,819
Lab services	**41,887**	21,652
IT services	**25,984**	28,563
Sale of reverse osmosis	**-**	40,814
Other sales	**98,374**	14,771
Revenue from operations	**1,074,330**	983,680
Other revenues (Note 8)	**708,448**	767,471
	1,782,778	1,751,151

8. Other revenues

	30 June 2026 €	30 June 2025 €
Finance income on the net investment in finance leases	**95,093**	100,979
Interest income from loans receivable from related companies	**3,512**	4,214
Interest income from loans receivable from parent entity	**375,150**	195,778
Financing services fee income	**202,234**	381,606
Interest income from term deposit	**32,459**	84,894
	708,448	767,471

9. Administrative expenses

	30 June 2026 €	30 June 2025 €
Depreciation expense	**15,213**	7,103
Directors' emoluments	**15,000**	17,500
Auditors' remuneration	**5,200**	4,325
Management fees	**127,392**	127,392
Professional fees	**30,283**	42,046
Bank charges	**312**	433
Other administrative expenses	**7,178**	7,102
Total administrative expenses	**200,578**	205,901

During the period under review, the Company did not employ any employees (six-month period ended 30 June 2025: Nil).

10. 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.

10. **Related party transactions** – continued

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 2026 6 months €	30 June 2025 6 months €
Statement of comprehensive income		
Sales of goods held for resale and provision of services		
- Parent entity	**35,222**	8,352
- Related entities	**1,011,771**	935,329
Rental income on financial lease receivables		
- Related entities	**95,092**	100,979
Financing Services fee income		
- Parent entity	**202,234**	381,606
Interest income earned on loans advanced to related entities		
- Parent entity	**375,150**	195,778
- Related entities	**3,512**	4,214
Purchases of goods and services		
- Parent entity	**609,942**	543,944
- Related entities	**18,500**	44,243
Management fees incurred		
- Parent entity	**127,392**	127,392
Directors' emoluments	**15,000**	17,500

10. Related party transactions - continued

	30 June 2026 €	31 December 2025 €
Statement of financial position		
Amounts payable to		
- Parent entity	**338,161**	-
- Related entities	**5,466**	8,152
Amounts receivable from		
- Parent entity	**423,532**	11,165
- Related entities	**429,003**	450,672
Financing services fee and interest income receivable		
- Parent entity	**389,176**	194,588
Loans receivable from		
- Parent entity	**17,803,590**	14,954,653
- Related entities	**193,566**	240,423

The transactions disclosed above were carried out on commercial terms.

11. 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 2026, 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

Angela Azzopardi
Director