THREE ACRE FARMS PLC

INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2026

QUARTERLY REVIEW *for the first quarter ended 31 March 2026*

The amalgamated Company's revenue for the first quarter of 2026 was Rs. 1,658.4 Mn, compared to Rs. 1,471.8 Mn reported by the Group during the same quarter of 2025, representing an increase of Rs 186.6 Mn or 13%.

The amalgamated Company reported a profit of Rs. 414.1 Mn for the first quarter of 2026, compared to Rs. 350.2 Mn reported by the Group during the same period of 2025, representing an increase of Rs. 63.9 Mn or 18%.

The Company reported notable growth in revenue during the quarter under review, primarily driven by improved demand for Broiler Day Old Chicks (DOCs), backed by increased demand for the end product, chicken meat. This was further underpinned by increased inputs from small and medium-scale farmers, reflecting expectations of a demand rebounce and attractive pricing during the festive season. Furthermore, the introduction of vaccinated DOCs contributed positively to revenue growth during the period. However, revenue contribution from Layer DOCs declined during the quarter compared to the same period last year due to intensified volatility in table egg prices, arising from market oversupply. Despite these challenges, the Company achived improved profitability during the quarter, mainly attributable to favorable pricing for Broiler DOCs, alongside effective farm management practices.

The Company and the Group have adhered to the Sri Lanka Financial Reporting Standards in the preparation of the interim financial statements for the period ended 31 March 2026.

There have been no other events subsequent to the interim period which require disclosure in the interim financial statements.

(Sgd.) Cheng Chih Kwong
Executive Director and Chief Executive Officer

(Sgd.) S S P Corporate Services (Private) Limited
Secretaries

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

All amounts in Sri Lankan Rupees thousands

For the three months ended 31 March	2026	2025	Change
Revenue	1,658,459	1,471,846	13%
Cost of sales	(1,221,794)	(1,117,036)	9%
Gross profit	**436,665**	**354,810**	**23%**
Other operating income	3,422	2,258	52%
Selling and distribution expenses	(1,522)	(3,513)	(57%)
Administrative expenses	(12,634)	(12,896)	(2%)
Operating profit	**425,931**	**340,659**	**25%**
Interest income	168,515	159,508	6%
Net finance cost	(4,308)	(3,458)	25%
Profit before tax	**590,138**	**496,709**	**19%**
Taxation	(176,000)	(146,550)	20%
Profit for the period	**414,138**	**350,159**	**18%**
Other comprehensive income for the period, net of tax	-	-	
Total comprehensive income for the period	**414,138**	**350,159**	**18%**
Profit attributable to :			
Equity holders of the parent	414,138	350,159	
	414,138	**350,159**	
Total comprehensive income attributable to :			
Equity holders of the parent	414,138	350,159	
	414,138	**350,159**	
Basic earnings per share (Rs.)	**17.59**	**14.87**	

STATEMENT OF FINANCIAL POSITION

All amounts in Sri Lankan Rupees thousands

As at	31.03.2026	31.12.2025
Assets		
Non-current assets		
Property, plant and equipment	1,426,527	1,375,742
Biological assets	1,216,688	1,261,172
Total non-current assets	**2,643,215**	**2,636,914**
Current assets		
Biological assets	62,071	97,484
Inventories	606,593	402,145
Trade and other receivables	283,522	249,465
Amount due from related companies	1,694	1,666
Cash and cash equivalents	8,243,026	8,422,155
Total current assets	**9,196,906**	**9,172,915**
Total assets	**11,840,121**	**11,809,829**
Equity		
Stated capital	623,604	623,604
Retained earnings	8,430,894	8,958,556
Total equity	**9,054,498**	**9,582,160**
Liabilities		
Non-current liabilities		
Deferred tax liabilities	491,797	435,116
Employee benefits	83,588	79,417
Total non-current liabilities	**575,385**	**514,533**
Current liabilities		
Trade and other payables	1,399,881	1,458,176
Amount due to related companies	810,357	254,960
Total current liabilities	**2,210,238**	**1,713,136**
Total liabilities	**2,785,623**	**2,227,669**
Total equity and liabilities	**11,840,121**	**11,809,829**
Net asset per share (Rs.)	**384.56**	**406.97**

***(Sgd.)* K. A. R. S. Perera**
General Manager

***(Sgd.)* Wickrema Senaka Weerasooria**
Non-Executive Chairman

***(Sgd.)* Cheng Chih Kwong**
Executive Director and Chief Executive Officer

STATEMENT OF CHANGES IN EQUITY

All amounts in Sri Lankan Rupees thousands

	Stated capital	Retained earnings	Total equity
Balance as at 1 January 2025	623,604	8,128,155	8,751,759
Profit for the period	-	350,159	350,159
Other comprehensive income for the period, net of tax	-	-	-
Dividend paid	-	(706,350)	(706,350)
Balance as at 31 March 2025	623,604	7,771,964	8,395,568
Balance as at 1 January 2026	623,604	8,958,556	9,582,160
Profit for the period	-	414,138	414,138
Other comprehensive income for the period, net of tax	-	-	-
Dividend paid	-	(941,800)	(941,800)
Balance as at 31 March 2026	623,604	8,430,894	9,054,498

STATEMENT OF CASH FLOWS

All amounts in Sri Lankan Rupees thousands

For the three month ended 31 March	2026	2025
Operating activities		
Profit before tax	590,138	496,709
Adjustments:		
Depreciation	31,452	25,444
Usage of biological assets	280,572	192,807
Exchange gain	(49)	(1,358)
Interest income	(168,515)	(159,508)
Interest expenses	4,357	4,816
Changes in working capital		
-Trade and other receivables	(109,962)	(216,853)
-Inventories	(204,448)	20,696
-Trade and other payables	(76,070)	(91,669)
-Amount due from related companies	(28)	(20)
-Amount due to related companies	555,397	(5,819)
Employee benefits	4,500	2,100
Cash generated from operations	**907,344**	**267,345**
Exchange gain	49	1,358
Interest received	244,420	257,034
Interest paid	(4,357)	(4,816)
Employee benefits paid	(329)	(198)
Tax paid	(101,544)	(124,336)
Net cash generated from operating activities	**1,045,583**	**396,387**
Investing activities		
Purchase of property, plant and equipment	(82,237)	(136,293)
Purchase of biological assets	(200,675)	(222,338)
Net cash used in investing activities	**(282,912)**	**(358,631)**
Financing activities		
Dividend paid	(941,800)	(706,350)
Short-term investment	-	1,987,941
Net cash (used in) / generated from financing activities	**(941,800)**	**1,281,591**
(Decrease) / increase in cash and cash equivalents	**(179,129)**	**1,319,347**
Movement in cash and cash equivalents		
At the beginning of the year	8,422,155	64,459
(Decrease) / increase for the period	(179,129)	1,319,347
Balance at the end of the period	**8,243,026**	**1,383,806**

NOTES TO THE INTERIM FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Three Acre Farms PLC (the "Company") is a "Quoted Public Company" with limited liability, incorporated and domiciled in Sri Lanka. The address of the Company's registered office is No. 15, Rock House Lane, Colombo 15, Sri Lanka.

The principal businesses of the Company is selective breeding, hatching, sale of Commercial Day Old Chicks (DOCs), both Broiler (for chicken meat) and Layer (for the production of table eggs), grandparent farm operation and commercial broiler farming.

The Company was listed in the Colombo Stock Exchange under the Food and Beverage Sector. The parent company, Ceylon Grain Elevators PLC holds 57.21% of the issued share capital of the Company.

2. APPROVAL OF FINANCIAL STATEMENTS

The interim financial statements of the Company for the three months ended 31 March 2026 are unaudited and authorised for issue by the Board of Directors on 30 April 2026.

3. BASIS OF PREPARATION

The interim financial statements of the Company has been prepared in compliance with Sri Lanka Accounting Standard (LKAS) 34 - Interim Financial Reporting.

The interim financial statements have been prepared on a historical cost basis except for defined benefit obligation and biological assets.

4. ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial year.

5. CONTINGENT LIABILITIES

There has not been any significant change in the nature of the contingent liabilities, which were disclosed in the Annual Report for the year ended 31 December 2024.

6. EVENTS AFTER THE REPORTING PERIOD

Subsequent to 31 March 2026, there are no events which require adjustments to or disclosure in the financial statements, except for the followings;

7. COMPARATIVE INFORMATION

The presentation and classification of the financial statements of the previous period have been adjusted, where relevant, to improve comparability with the current period.

As approved by the Board of Directors at the meeting held on 12 November 2025, Millennium Multibreeder Farms (Pvt) Limited and Ceylon Pioneer Poultry Breeders Limited were amalgamated with the Company (Three Acre Farms PLC) with effect from 1 January 2026, and the Company continues as the amalgamated entity. Accordingly, the current year reflects the results of the amalgamated Company, while the comparative period presents the Group results for better comparability.

INVESTOR INFORMATION

(01) Market Price per Share	As at 31.03.2026	As at 31.03.2025
Highest Market Price (Rs.)	780.00	343.75
Lowest Market Price (Rs.)	518.00	290.00
Last Traded Price (Rs.)	576.00	299.75

(02) Public Shareholding	As at 31.03.2026	As at 31.03.2025
The percentage of shares held by the public	27.78%	27.78%
The number of shareholders representing the public holding	3,574	3,180

Float Adjusted Market Capitalisation

The float adjusted market capitalisation as at 31 March 2026 was Rs. 3,767.5 Mn under Option 5 of Section 7.14.1 (a) of the Listing Rules of the Colombo Stock Exchange and the Company has complied with the minimum public holding requirement applicable under the said option.

(03) List of 20 major shareholders based on their shareholding as at 31 March 2026.

No.	Name	No. of Shares	Percentage
1	Ceylon Grain Elevators PLC	13,469,980	57.21
2	Prima Limited, Singapore	3,532,627	15.00
3	UBS Switzerland AG -Kershaw Property Holding Inc.	617,360	2.62
4	Eka Limited	313,262	1.33
5	Supra Limited,Hong Kong	258,989	1.10
6	Deutsche Bank AG-National Equity Fund	244,000	1.04
7	Mr. G. B. D. Thilakaratne	207,626	0.88
8	Mrs. P. Wijaya, Mr. P. Ramesh and Mrs. D. Ramesh	205,000	0.87
9	People's Leasing & Finance PLC / Mr. I. D. R. Perera	185,393	0.79
10	Mr. O. Senanayake, Mr. D. R. Peiris and Mr. S. P. Perera	179,449	0.76
11	Mr. M. N. Singa Laxana	152,089	0.65
12	Dialog Finance PLC / J. K. D. Jayatillake and A. Jayatillake	140,981	0.60
13	Employees Trust Fund Board	130,295	0.55
14	Ranavav Holdings (pvt) Ltd	101,567	0.43
15	Commercial Bank of Ceylon PLC / H. G. Balasuriya	100,000	0.42
15	Mrs. S. Vasudevan and Mr. S. Vasudevan	100,000	0.42
17	People's Leasing & Finance PLC / S. P. Perera	90,707	0.39
18	Mr. A. S. Ratnayake	83,139	0.36
19	People's Leasing & Finance PLC / O. Senanayake, D. R. Pieris and S. P. Perera	75,584	0.32
20	HNB Investment Bank (pvt) Ltd / Mr. D. J. N. Hettiarachchi	73,000	0.31
	Total	**20,261,048**	**86,05**

CORPORATEINFORMATION

Company Name

Three Acre Farms PLC

Company Registration No.

PQ 195

Registered Office

No.15, Rock House Lane, Colombo 15, Sri Lanka.
Tel : +94 (11) 2522556 or 8 / 2523580 / 2526378 to 2526383
Fax : +94 (11) 2524163
E-mail : info.cge@prima.com.lk

Stated Capital

Rs. 623,604,000

Number of Shares

23,545,000 Ordinary Shares

Lawyers

Varners Lanka Law Office
D.L. & F. De Saram

Auditors

KPMG, Sri Lanka

Company Secretary

S S P Corporate Services (Private) Limited
No. 101, Inner Flower Road, Colombo 3

Bankers

Hatton National Bank PLC
Nations Trust Bank PLC
National Development Bank PLC
Bank of Ceylon
Seylan Bank PLC
Union Bank of Colombo PLC

Name of Directors

Mr. Wickrema Senaka Weerasooria	- Non-Executive Chairman
Mr. Cheng Chih Kwong	- Executive Director and Chief Executive Officer
Mr. Bernard Cheng Koh Chuen	- Non-Executive Director
Mr. Sunil Leeniyagoda	- Non-Executive Director
Mr. I. A. Wickramasinghe	- Non-Executive Independent Director
Mr. T. A. B. Speldewinde	- Non-Executive Independent Director

Directors Shareholding

Mr. Wickrema Senaka Weerasooria	- 2,000 Shares
Mr. Cheng Chih Kwong	- 19 Shares
Mr. Bernard Cheng Koh Chuen	- Nil
Mr. Sunil Leeniyagoda	- Nil
Mr. I. A. Wickramasinghe	- Nil
Mr. T. A. B. Speldewinde	- Nil