THREE ACRE FARMS PLC



INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2026

QUARTERLY REVIEW *for the third quarter ended 30 September 2026*

The amalgamated Company's revenue for the third quarter of 2026 was Rs. 1,989.7Mn compared to Rs. 1,731.7Mn reported by the Group during the same quarter of 2025, representing an increase of Rs. 258.0Mn or 15%. The amalgamated Company's revenue for the first nine months of 2026 was Rs. 5,510.2Mn compared to Rs. 4,435.0Mn reported by the Group during the first nine months of 2025, representing an increase of Rs. 1,075.2Mn or 24%.

The amalgamated Company reported a profit after tax of Rs. 595.1Mn for the third quarter of 2026 compared to Rs. 473.6Mn reported by the Group during the same quarter of 2025, representing an increase Rs. 121.5Mn or 26%. The amalgamated Company reported a profit after tax of Rs. 1,520.3Mn for the first nine months of 2026 compared to Rs. 932.3Mn reported by the Group during the first nine months of 2025, representing an increase Rs. 588.0Mn or 63%.

The Group recorded revenue growth during the quarter under review, primarily driven by strong demand for Broiler Day Old Chicks (DOCs), supported by improved demand for end product chicken meat. However, revenue from Layer DOCs remained subdued during the quarter compared to the same period last year, due to intensified volatility in table egg prices, arising from market oversupply. The Group achieved improved profitability during the quarter, mainly attributable to favorable average selling prices of Broiler DOCs, despite elevated production costs arising from higher feed prices, packing material costs, and utility expenses.

The Company have complied with the Sri Lanka Financial Reporting Standards in the preparation of the Interim Financial Statements for the period ended 30 September 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 30 September	2026	2025	Change
Revenue	1,989,650	1,731,679	15%
Cost of sales	(1,328,102)	(1,185,098)	12%
Gross profit	**661,548**	**546,581**	**21%**
Other operating (expenses) / income	(4,250)	2,975	NM
Selling and distribution expenses	(1,599)	(3,882)	(59%)
Administrative expenses	(11,693)	(12,146)	(4%)
Operating profit	**644,006**	**533,528**	**21%**
Interest income	227,918	150,624	51%
Net finance (cost) / income	(13,372)	1,270	NM
Profit before tax	**858,552**	**685,422**	**25%**
Taxation	(263,400)	(211,865)	24%
Profit after tax	**595,152**	**473,557**	**26%**
Other comprehensive income for the period, net of tax	-	-	
Total comprehensive income for the period	**595,152**	**473,557**	**26%**
Profit attributable to :			
Equity holders of the parent	595,152	473,557	
	595,152	**473,557**	
Total comprehensive income attributable to :			
Equity holders of the parent	595,152	473,557	
	595,152	**473,557**	
Basic earnings per share (Rs.)	**25.28**	**20.11**	

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

All amounts in Sri Lankan Rupees thousands

For the nine months ended 30 September	2026	2025	Change
Revenue	5,510,218	4,435,023	24%
Cost of sales	(3,855,723)	(3,504,473)	10%
Gross profit	**1,654,495**	**930,550**	**78%**
Other operating income	2,687	7,942	(66%)
Selling and distribution expenses	(4,666)	(13,745)	(66%)
Administrative expenses	(35,412)	(38,557)	(8%)
Operating profit	**1,617,104**	**886,190**	**82%**
Interest income	603,497	452,840	33%
Net finance cost	(17,631)	(2,940)	500%
Profit before tax	**2,202,970**	**1,336,090**	**65%**
Taxation	(682,681)	(403,765)	69%
Profit after tax	**1,520,289**	**932,325**	**63%**
Other comprehensive income for the period, net of tax	-	-	
Total comprehensive income for the period	**1,520,289**	**932,325**	**63%**
Profit attributable to :			
Equity holders of the parent	1,520,289	932,325	
	1,520,289	**932,325**	
Total comprehensive income attributable to :			
Equity holders of the parent	1,520,289	932,325	
	1,520,289	**932,325**	
Basic earnings per share (Rs.)	**64.57**	**39.60**	

STATEMENT OF FINANCIAL POSITION

All amounts in Sri Lankan Rupees thousands

As at	30.09.2026	31.12.2025
Assets		
Non-current assets		
Property, plant and equipment	1,474,116	1,375,742
Biological assets	1,353,216	1,261,172
Total non-current assets	**2,827,332**	**2,636,914**
Current assets		
Biological assets	55,284	97,484
Inventories	684,040	402,145
Trade and other receivables	195,720	249,465
Amount due from related companies	333,598	1,666
Cash and cash equivalents	7,957,518	8,422,155
Total current assets	**9,226,160**	**9,172,915**
Total assets	**12,053,492**	**11,809,829**
Equity		
Stated capital	623,604	623,604
Retained earnings	9,537,045	8,958,556
Total equity	**10,160,649**	**9,582,160**
Liabilities		
Non-current liabilities		
Deferred tax liabilities	435,116	435,116
Employee benefits	89,477	79,417
Total non-current liabilities	**524,593**	**514,533**
Current liabilities		
Trade and other payables	1,367,463	1,458,176
Amount due to related companies	787	254,960
Total current liabilities	**1,368,250**	**1,713,136**
Total liabilities	**1,892,843**	**2,227,669**
Total equity and liabilities	**12,053,492**	**11,809,829**
Net asset per share (Rs.)	**431.54**	**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	-	932,325	932,325
Other comprehensive income for the period, net of tax	-	-	-
Dividend paid	-	(706,350)	(706,350)
Balance as at 30 September 2025	623,604	8,354,130	8,977,734
Balance as at 1 January 2026	623,604	8,958,556	9,582,160
Profit for the period	-	1,520,289	1,520,289
Other comprehensive income for the period, net of tax	-	-	-
Dividend paid	-	(941,800)	(941,800)
Balance as at 30 September 2026	623,604	9,537,045	10,160,649

STATEMENT OF CASH FLOWS

All amounts in Sri Lankan Rupees thousands

For the nine month ended 30 September	2026	2025
Operating activities		
Profit before tax	2,202,970	1,336,090
Adjustments:		
Depreciation	157,313	78,833
Usage of biological assets	846,194	653,624
Loss on disposal of property, plant and equipment	-	20
Exchange loss / (gain)	859	(3,990)
Interest income	(603,497)	(452,840)
Interest expenses	16,772	6,929
Changes in working capital		
-Trade and other receivables	(48,866)	(350,329)
-Inventories	(281,895)	12,126
-Trade and other payables	(150,220)	105,609
-Amount due from related companies	(331,932)	(144,252)
-Amount due to related companies	(254,173)	(102,543)
Employee benefits	13,500	6,300
Cash generated from operations	**1,567,025**	**1,145,577**
Exchange (loss) / gain	(859)	3,990
Interest received	706,108	510,610
Interest paid	(16,772)	(6,929)
Employee benefits paid	(3,440)	(2,344)
Tax paid	(623,174)	(355,385)
Net cash generated from operating activities	**1,628,888**	**1,295,519**
Investing activities		
Purchase of property, plant and equipment	(255,687)	(258,007)
Purchase of biological assets	(896,038)	(507,570)
Net cash used in investing activities	**(1,151,725)**	**(765,577)**
Financing activities		
Dividend paid	(941,800)	(706,350)
Short-term investment	-	4,903,445
Net cash (used in) / generated from financing activities	**(941,800)**	**4,197,095**
(Decrease) / increase in cash and cash equivalents	**(464,637)**	**4,727,037**
Movement in cash and cash equivalents		
At the beginning of the year	8,422,155	64,459
(Decrease) / increase for the period	(464,637)	4,727,037
Balance at the end of the period	**7,957,518**	**4,791,496**

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 nine months ended 30 September 2026 are unaudited and authorised for issue by the Board of Directors on 10 November 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 2025.

6. EVENTS AFTER THE REPORTING PERIOD

Subsequent to 30 September 2026, there are no events which require adjustments to or disclosure in the financial statements.

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 30.09.2026	As at 30.09.2025
Highest Market Price (Rs.)	667.50	680.00
Lowest Market Price (Rs.)	556.75	455.00
Last Traded Price (Rs.)	625.50	602.00

(02) Public Shareholding	As at 30.09.2026	As at 30.09.2025
The percentage of shares held by the public	27.78%	27.78%
The number of shareholders representing the public holding	3,742	3,018

Float Adjusted Market Capitalisation

The float adjusted market capitalisation as at 30 September 2026 was Rs. 4,091.2 Mn under Option 4 of Section 7.13.1 (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 30 September 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	Deutsche Bank AG-National Equity Fund	259,000	1.10
6	Supra Limited, Hong Kong	258,989	1.10
7	People's Leasing & Finance PLC / Mr. I. D. R. Perera	216,745	0.92
8	Mr. G. B. D. Thilakaratne	207,626	0.88
9	Mr. O. Senanayake / Mr. D. R. Peiris and Mr. S. P. Perera	179,449	0.76
10	Mr. M. N. S. Laxana	152,152	0.65
11	Mrs. P. Wijaya, Mr. P. Ramesh and Mrs. D. Ramesh	144,463	0.61
12	Citizens Development Business Finance PLC / J. K. D. Jayatillake and A. Jayatillake	140,981	0.61
13	Employees Trust Fund Board	120,863	0.51
14	Commercial Bank of Ceylon PLC / H. G. Balasuriya	120,500	0.51
15	Mrs. S. Vasudevan / Mr. S. Vasudevan	100,000	0.43
16	Mr. A. S. Ratnayake	83,139	0.35
17	People's Leasing & Finance PLC / O. Senanayake, D. R. Pieris and S. P. Perera	75,584	0.32
18	People's Leasing & Finance PLC / S. P. Perera	63,760	0.27
19	Mr. H. V. M. S. De Silva	61,295	0.26
20	Mr. R. H. Fernando	57,903	0.25
	Total	**20,175,678**	**85.69**

CORPORATE INFORMATION

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