LANKA ASHOK LEYLAND PLC

INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED

31st DECEMBER 2025

LANKA ASHOK LEYLAND PLC
INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2025
STATEMENT OF FINANCIAL POSITION

31-Mar-25 Rs. Audited	*As at*	31-Dec-25 Rs.	31-Dec-24 Rs.
	ASSETS		
	Non Current Assets		
1,012,952,181	Property, Plant & Equipment	**1,436,124,514**	1,043,314,388
138,759,214	Right-of-Use Asset	**110,984,124**	68,980,581
368,294	Intangible Assets	**10,782,969**	436,356
124,196,937	Financial Assets	**134,390,960**	202,194
112,025,979	Rental Receivable from Trade Debtors	**86,445,410**	46,404,574
169,924,751	Deferred Tax Asset	**148,999,523**	163,140,349
1,558,227,356	**Total Non Current Assets**	**1,927,727,500**	1,322,478,442
	Current Assets		
6,752,880,959	Inventories	**7,328,547,567**	4,750,778,894
1,244,910,157	Trade and Other Receivables	**1,211,926,785**	1,241,257,579
149,734,795	Rental Receivable from Trade Debtors	**239,885,617**	86,116,212
101,117,946	Deposits and Prepayments	**127,526,870**	332,814,625
617,322,158	Cash & Cash Equivalents	**3,520,671,413**	1,440,534,030
8,865,966,015	**Total Current Assets**	**12,428,558,252**	7,851,501,340
10,424,193,371	**Total Assets**	**14,356,285,752**	9,173,979,782
	EQUITY & LIABILITIES		
	Equity		
49,375,150	Stated Capital	**49,375,150**	49,375,150
887,347,500	General Reserve	**887,347,500**	887,347,500
5,101,787,401	Retained Earnings	**6,913,396,630**	4,511,140,690
6,038,510,051	**Equity Attributable to Owners of the Company**	**7,850,119,280**	5,447,863,340
	Non Current Liabilities		
57,361,781	Defined Benefit Obligation (Net)	**11,549,010**	30,231,346
48,780,661	Lease Liability	**23,919,266**	48,574,113
106,142,442	**Total Non Current Liabilities**	**35,468,276**	78,805,459
	Current Liabilities		
3,249,813,969	Trade & Other Payables	**3,568,827,662**	2,182,629,509
408,780,680	Amounts due to Related Party	**2,055,070,615**	925,535,574
557,409,414	Current Tax Liabilities	**644,048,877**	303,624,606
17,053,305	Provision for Warranty	**11,263,862**	10,002,321
30,776,000	Lease Liability	**32,347,800**	30,476,000
15,707,510	Bank Overdraft	**159,139,380**	195,042,973
4,279,540,878	**Total Current Liabilities**	**6,470,698,196**	3,647,310,983
4,385,683,320	**Total Liabilities**	**6,506,166,472**	3,726,116,443
10,424,193,371	**Total Equity & Liabilities**	**14,356,285,752**	9,173,979,782
1,667.71	**Net Assets per Share**	**2,168.04**	1,504.58

The above figures are provisional and subject to audit.

The same Accounting Policies and methods of computation are followed in this Interim Financial Statements as compared with the most recent audited Financial Statements.

Tharindu Ranaweera
Manager - Finance

U Gautam
Chief Executive Officer

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.
Approved and signed for and on behalf of the Board of Directors of Lanka Ashok Leyland PLC;

A A Milton Amarasinghe
Chairman

D S Weerakkody
Director

Colombo
13th February 2026

LANKA ASHOK LEYLAND PLC
INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2025
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Year Ended 31-Mar-25 Rs. Audited	*For the Period Ended 31st December*	2025/26 Interim Period 09 Months Rs.	2024/25 Interim Period 09 Months Rs.		2025/26 Quarter 03 Rs.	2024/25 Quarter 03 Rs.	
	Revenue						
7,194,099,472	New Vehicle Sales	**10,752,972,186**	3,796,087,342	183%	**3,964,436,537**	1,787,049,716	122%
17,739,492	Diesel Generator Set Sales	**38,594,915**	12,474,237	209%	**16,420,000**	5,754,237	100%
325,347,267	Vehicle Repair Income	**246,866,762**	237,751,587	4%	**74,372,381**	77,568,564	-4%
626,319,530	Spare Parts Sales	**337,262,059**	561,901,572	-40%	**110,304,229**	63,885,656	73%
837,345,789	Vehicle Hiring Income	**841,784,226**	593,709,416	42%	**304,845,022**	203,492,880	50%
2,790,178	Local Agency Commission	**-**	2,790,178	-100%	**-**	-	0%
9,003,641,728	**Total Revenue**	**12,217,480,148**	5,204,714,332	135%	**4,470,378,169**	2,137,751,053	109%
(6,128,158,611)	Cost of Sales	**(8,757,621,566)**	(3,474,675,009)	152%	**(3,159,777,680)**	(1,401,098,192)	126%
2,875,483,117	**Gross Profit**	**3,459,858,582**	1,730,039,323	100%	**1,310,600,489**	736,652,861	78%
112,440,441	Other Income	**112,332,402**	74,050,769	52%	**48,708,027**	10,297,163	373%
2,987,923,558		**3,572,190,984**	1,804,090,092		**1,359,308,516**	746,950,024	
	Less :						
50,709,478	Selling and Distribution Expenses	**104,855,978**	38,346,340	173%	**43,601,463**	15,221,179	186%
745,437,120	Administrative Expenses	**613,479,157**	539,210,341	14%	**284,954,975**	185,769,044	53%
(112,767,891)	Impairment (Reversal) / Charge on Trade Receivables	**113,685,179**	(133,486,422)	185%	**11,601,354**	(160,443,184)	107%
186,945,931	Other Operating Expenses	**166,156,885**	127,130,903	31%	**69,964,851**	48,246,258	45%
2,117,598,920	**Profit before Interest and Tax**	**2,574,013,785**	1,232,888,930	109%	**949,185,873**	658,156,727	44%
107,915,625	Finance Income	**143,881,872**	98,236,991	46%	**75,527,387**	38,924,833	94%
(8,910,002)	Finance Cost	**(5,705,087)**	(8,549,395)	-33%	**(1,694,483)**	(3,442,026)	-51%
99,005,623	**Net Finance Income**	**138,176,785**	89,687,596	54%	**73,832,904**	35,482,807	108%
2,216,604,543	**Profit before Tax**	**2,712,190,570**	1,322,576,526	105%	**1,023,018,777**	693,639,534	47%
(685,577,515)	Tax Expense	**(827,394,481)**	(409,167,420)	102%	**(309,030,944)**	(207,445,679)	49%
1,531,027,028	**Profit for the Period**	**1,884,796,089**	913,409,106	106%	**713,987,833**	486,193,855	47%
	Other Comprehensive Income						
	Items that will Not be Reclassified to Profit and Loss						
(40,972,320)	Remeasurement of Employee Benefits - Actuarial Loss	**(1,100,000)**	(900,000)	-22%	**(500,000)**	(300,000)	-67%
12,291,696	Deferred Tax Gain on Defined Benefit Plan	**330,000**	270,000	-22%	**150,000**	90,000	-67%
(28,680,624)		**(770,000)**	(630,000)		**(350,000)**	(210,000)	
(28,680,624)	**Total Other Comprehensive Income, net of Tax**	**(770,000)**	(630,000)	-22%	**(350,000)**	(210,000)	-67%
1,502,346,404	**Total Comprehensive Income for the period**	**1,884,026,089**	912,779,106	106%	**713,637,833**	485,983,855	47%
422.84	**Basic and Diluted Earnings per Share**	**520.54**	252.26		**197.19**	134.28	

Figures in brackets indicate deductions.
The above figures are provisional and subject to audit

LANKA ASHOK LEYLAND PLC
INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2025
STATEMENT OF CHANGES IN EQUITY

	Stated Capital Rs.	General Reserve Rs.	Retained Earnings Rs.	Total Equity Rs.
Balance as at 01st April 2024	49,375,150	887,347,500	3,652,674,229	4,589,396,879
Total Comprehencive Income				
Profit for the Period	-	-	913,409,106	913,409,106
Other Comprehensive Income, net of Tax	-	-	(630,000)	(630,000)
Total Comprehencive Income	-	-	912,779,106	912,779,106
Transactions with owners of the Company				
Contribution / Distribution				
Unclaimed Dividend Reversed	-	-	-	-
Dividends	-	-	(54,312,645)	(54,312,645)
Total Transactions with Owners of the Company	-	-	(54,312,645)	(54,312,645)
Balance as at 31st December 2024	**49,375,150**	**887,347,500**	**4,511,140,690**	**5,447,863,340**
Balance as at 01st April 2025	**49,375,150**	**887,347,500**	**5,101,787,401**	**6,038,510,051**
Total Comprehencive Income				
Profit for the Period	**-**	**-**	**1,884,796,089**	**1,884,796,089**
Other Comprehensive Income, net of Tax	**-**	**-**	**(770,000)**	**(770,000)**
Total Comprehencive Income	**-**	**-**	**1,884,026,089**	**1,884,026,089**
Transactions with Owners of the Company				
Contribution / Distribution				
Unclaimed Dividend Reversed	**-**	**-**	**-**	**-**
Dividends	**-**	**-**	**(72,416,860)**	**(72,416,860)**
Total Transactions with Owners of the Company	**-**	**-**	**(72,416,860)**	**(72,416,860)**
Balance as at 31st December 2025	**49,375,150**	**887,347,500**	**6,913,396,630**	**7,850,119,280**

Figures in brackets indicate deductions.

LANKA ASHOK LEYLAND PLC
INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2025
STATEMENT OF CASH FLOWS

For the Year Ended 31-Mar-25 Rs. Audited	*For the Period Ended 31st December*	2025 Rs.	2024 Rs.
	Cash flows from Operating Activities		
2,216,604,543	Profit before Tax	**2,712,190,570**	1,322,576,526
	Adjustment For :		
187,967,840	Depreciation of Property, Plant and Equipment	**154,114,385**	142,339,740
276,031	Amortization of Intangible Assets	**437,935**	207,969
23,047,468	Depreciation of Right-of-Use Assets	**27,775,090**	12,862,042
34,567,421	Provision for Employee Benefits	**26,500,000**	40,000,000
(112,767,891)	Impairment Provision / (Reversal) of Trade Receivables	**113,685,179**	(133,486,422)
(86,022,809)	Reversal of Provision for Inventory	**(532,029,325)**	(76,205,637)
8,910,002	Finance Costs	**5,705,087**	6,755,880
(106,092,562)	Interest Income	**(153,737,754)**	(98,166,701)
(38,545,063)	Lease Interest Income	**(14,076,245)**	(32,387,636)
(20,728,650)	Gain on Sale of Property, Plant and Equipment	**(47,033,926)**	(15,793,711)
9,408,028	Charge of Provision for Free Service	**564,479**	3,775,594
7,280,183	Charge / (Reversal) of Warranty Provision	**(5,789,443)**	229,199
(104,729)	Fair Value (Gain) / Loss on Equity Investments	**(281,543)**	(70,290)
1,842,125	Unrealized Foreign Exchange Loss / (Gain)	**171,876**	264,756
(90,962,606)		**(423,994,205)**	(149,675,217)
2,125,641,937	**Operating Profit before Working Capital Changes**	**2,288,196,365**	1,172,901,309
	Working Capital Changes in		
(2,922,925,006)	Inventories	**(570,835,647)**	(930,640,113)
(1,068,247,616)	Trade and Other Receivables	**9,752,709**	(948,202,066)
662,338,503	Amounts due from Related Party	**(181,605,569)**	465,980,373
2,247,313,342	Trade and Other Payables	**308,220,189**	1,185,671,906
(1,246,744,866)	Amounts due to Related Party	**1,646,289,935**	(730,185,605)
(2,328,265,643)		**1,211,821,617**	(957,375,505)
(202,623,706)	**Cash Generated from / (Used in) Operations**	**3,500,017,982**	215,525,804
(8,910,002)	Interest Paid	**(5,705,087)**	(757,406)
(55,089,826)	Investment in Plan Asset	**(56,590,390)**	(72,653,400)
(251,656,825)	Payments / Set off of Income Taxes	**(719,499,799)**	(234,268,834)
(315,656,653)		**(781,795,276)**	(307,679,640)
(518,280,359)	**Net Cash Generated from / (Used in) Operating Activities**	**2,718,222,706**	(92,153,836)
	Cash flows from Investing Activities		
119,901,588	Interest Received	**141,079,138**	134,815,539
29,050,000	Proceeds from Sale of Property, Plant and Equipment	**67,057,000**	22,560,000
(144,668,178)	Acquisition of Property, Plant & Equipment	**(59,882,394)**	(128,837,220)
-	Acquisition of Intangible Assets	**(10,852,610)**	-
4,283,410	**Net Cash Flows Generated from / (Used in) Investing Activities**	**137,401,134**	28,538,319
	Cash Flows from Financing Activities		
(200,000,000)	Refundable Deposit for Dehiwala Land	**-**	-
(20,150,357)	Payment of Operating Lease Liability	**(23,289,595)**	(26,655,380)
(54,312,645)	Dividend Paid	**(72,416,860)**	(54,312,645)
(274,463,002)	**Net Cash Flows Used in Financing Activities**	**(95,706,455)**	(80,968,025)
(788,459,951)	**Net Increase / (Decrease) in Cash & Cash Equivalents**	**2,759,917,385**	(144,583,542)
1,390,074,599	Net Cash & Cash Equivalents at the Beginning of the period	**601,614,648**	1,390,074,599
601,614,648	Net Cash & Cash Equivalents at the End of the period	**3,361,532,033**	1,245,491,057
	Analysis of Cash & Cash Equivalents at the end of the period		
617,322,158	Cash & Cash Equivalents	**3,520,671,413**	1,440,534,030
(15,707,510)	Bank Overdraft	**(159,139,380)**	(195,042,973)
601,614,648		**3,361,532,033**	1,245,491,057

Figures in brackets indicate deductions.

LANKA ASHOK LEYLAND PLC
INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2025
NOTES TO THE INTERIM FINANCIAL STATEMENTS

1. Corporate Information

Lanka Ashok Leyland PLC ("the Company") is a Public Limited Liability Company incorporated in Sri Lanka under the provision of Companies Act, No. 17 of 1982 and re-registered under the New Companies Act, No.07 of 2007. The registered office of the Company is located at Panagoda, Homagama.

2. Basis of Preperation

The interim condensed Financial Statements have been prepared in accordance with Sri Lanka Accounting Standard - LKAS 34 "Interim Financial Reporting" and provide the information as required in terms of Rule 7.4 of the Colombo Stock Exchange.

3. Accounting Policies

There are no significant changes in the accounting policies and methods of computation since the publication of Financial Statements in the Annual Report for the year 2024/25.

4. Contingent Liabilities

There were no material Contingent Liabilities, which require adjustments or disclosures to the Financial Statements as at 31st December 2025.

5. Events After Reporting Date

No circumstances have arisen since the reporting date, which would require adjustments or disclosure in the interim Financial Statements.

6. Comparative Information

Comparative figures have been re-stated / re-classified where necessary, to conform the current period presentation.

7. Investor Information

Market Value of Shares

The market value of an ordinary share of Lanka Ashok Leyland PLC has been as follows;

	Quarter Ended 31.12.2025		Quarter Ended 31.12.2024		Year Ended 31.03.2025		Year Ended 31.03.2024	
	Market Price	Trade Date	Market Price	Trade Date	Market Price	Trade Date	Market Price	Trade Date
Highest	4,390.00	16-Oct-25	974.75	23-Dec-24	1,199.00	18-Feb-25	820.00	7-Mar-24
Lowest	3,260.00	1-Oct-25	711.25	10-Oct-24	675.00	30-Jul-24	576.00	22-May-23
Last Traded	3,800.00	31-Dec-25	915.00	31-Dec-24	1,000.00	28-Mar-25	690.00	28-Mar-24

Market Capitalization	As at 31st December	
	2025	**2024**
Market Capitalization (Rs.)	**13,762,824,243**	3,294,061,919
Public Shareholding		
No. of Share Holders	**1,371**	958
Shareholding	**30.38%**	30.38%
Float Adjusted Market Capitalization (Rs.)	**4,181,146,005**	1,000,736,011

Lanka Ashok Leyland PLC complies with the minimum public holding requiremnent under the Option 04 of Listing Rule 7.13.1.

8. Ratios

Net Assets value per Share (Rs.)	**2,168.04**	1,504.58
Earnings per Share (Rs.)	**520.54**	252.26

Net Assets value per Share and Earnings per share are based on 3,620,843 shares in issue as at 31st December 2025, which represent the Stated Capital of the Company.

9. Dividend

The Company paid the first and final dividend of Rs. 20/- per share amounting to Rs. 72,416,860/- for the financial year 2024/25 by 29th August 2025.

10. Directors' and Chief Executive Officer's Shareholding

None of the Directors or Chief Executive Officer held shares of the Company during the periods concerned.

As at 31st December	2025 Rs.	2024 Rs.
11. Receivables and Related Party Transactions		
Rental Receivable from Trade Debtors		
Rental Receivables - Related Parties	**9,401,573**	9,401,573
Rental Receivables - Others	**369,991,078**	158,969,704
Less - Deferred Interest Income	**(21,521,336)**	(12,822,301)
Unearned Rental Income	**357,871,315**	155,548,976
Less - Provision for Impairment Loss	**(31,540,288)**	(23,028,190)
Balance as at the end of the period	**326,331,027**	132,520,786
Rental Receivable - Non Current	**86,445,410**	46,404,574
Rental Receivable - Current	**239,885,617**	86,116,212
	326,331,027	132,520,786
Trade and Other Receivables		
Trade Receivables - Related Parties	**436,375,393**	441,530,888
Trade Receivables - Others	**633,272,113**	355,677,774
Other Receivables	**415,258,284**	591,136,309
	1,484,905,790	1,388,344,971
Less - Provision for Impairment Loss	**(272,979,005)**	(147,087,392)
	1,211,926,785	1,241,257,579
11.1 Total Related Party Receivables		
Rental Receivables - Related Parties	**9,401,573**	9,401,573
Trade Receivables - Related Parties	**436,375,393**	441,530,888
	445,776,966	450,932,461

11.1.1 ***Outstanding balances with Government of Sri Lanka & its related entities and Ashok Leyland Limited - India***

Sri Lanka Transport Board	**183,997,055**	171,982,826
Other Government Related Entities	**177,909,226**	72,606,984
Government Financial Institutions	**54,375,799**	-
Ashok Leyland Limited - India	**29,494,886**	206,342,651
	445,776,966	450,932,461

Above gross receivable amounts are recorded under Trade Receivables and Rental Receivable from Trade Debtors.

11.2 Transactions with Related Entities of Government of Sri Lanka

For the Period Ended 31st December		2025 Rs.	2024 Rs.
Name of Related Party	**Nature of Transaction**		
Government Related Entities	Sale of Vehicles, Spares Parts and Gen Sets and Services Rendered	**1,250,030,325**	1,447,652,729
Government Financial Institutions	Finance Provided to Lanka Ashok Leyland PLC's Customers	**825,869,410**	107,312,200
Sri Lanka Customs	Import Duty and Taxes	**1,438,891,096**	632,686,927

11.3 Transactions and Outstanding Balance with Ashok Leyland - India

Nature of Transaction		
Purchase of Goods and Other Transactions	**6,158,188,613**	2,668,960,496
Amounts Payable to Ashok Leyland Limited - India	**2,055,070,615**	925,535,574
Amounts Receivable from Ashok Leyland Limited - India	**29,494,886**	206,342,651

11.4 Non Recurrent Related Party Transactions

There were no non-recurrent related party transactions for the period ended 31st December 2025 which requires immediate market disclosure.

12. Shareholders Information

There were 1,373 registered shareholders as at 31st December 2025 distributed as follows;

CATEGORY	NO. OF SHAREHOLDERS		NO. OF SHARES		SHARE HOLDING %	
	31st Dec 2025	31st Dec 2024	31st Dec 2025	31st Dec 2024	31st Dec 2025	31st Dec 2024
1 - 1,000	1,304	897	96,202	80,703	2.66	2.22
1,001 - 5,000	57	51	126,846	113,594	3.50	3.14
5,001 - 10,000	6	5	37,053	43,103	1.02	1.19
10,001 - 50,000	2	3	45,950	65,950	1.27	1.82
50,001 - 100,000	-	-	-	-	-	-
100,001 - 500,000	1	1	228,356	228,356	6.31	6.31
500,001 - 1,000,000	1	1	565,604	568,305	15.62	15.70
Over 1,000,000	2	2	2,520,832	2,520,832	69.62	69.62
TOTAL	**1,373**	**960**	**3,620,843**	**3,620,843**	**100.00**	**100.00**

13. List of 20 Major Shareholders

MAJOR SHAREHOLDERS	NO. OF SHARES HELD		SHARE HOLDING %	
	31st Dec 2025	31st Dec 2024	31st Dec 2025	31st Dec 2024
Lanka Leyland (Pvt) Limited	1,512,500	1,512,500	41.77	41.77
Ashok Leyland Limited	1,008,332	1,008,332	27.85	27.85
N Tirimanne	565,604	568,305	15.62	15.70
Perpetual Equities (Pvt) Limited	228,356	228,356	6.31	6.31
Sri Lanka Central Transport Board	31,250	31,250	0.86	0.86
L C D Peiris	14,700	-	0.41	-
HNB Investment Bank (Pvt) Ltd / Don Janaka Nishan Hettiarachchi	9,000	-	0.25	-
Seylan Bank PLC / Gladstone Capital (Pvt) Ltd	6,000	-	0.17	-
Verite Research (Private) Limited	6,000	-	0.17	-
M A N Mohamed Abdul Nasser	5,706	-	0.16	-
D B D D Danthanarayana	5,300	5,000	0.15	0.14
U I Suriyabandara	5,047	4,950	0.14	0.14
Peoples leasing PLC / C D K Wickramage	4,810	-	0.13	-
Peoples leasing PLC / M E Amarasinghe	4,751	-	0.13	-
Seylan Bank PLC/ Ammaiappan Kulasegaran	4,600	4,600	0.13	0.13
S Sivadharshan	4,500	10,000	0.12	0.28
Peoples leasing PLC / H D D Madugalla	4,150	-	0.11	-
V S P Wickramesooriya	4,044	-	0.11	-
B P M Mendis	4,000	-	0.11	-
Peoples leasing PLC / Verite Research (Private) Limited	4,000	-	0.11	-