LANKA ASHOK LEYLAND PLC

INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED

31st MARCH 2026

LANKA ASHOK LEYLAND PLC
INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2026
STATEMENT OF FINANCIAL POSITION

As at	31-Mar-26 Rs. Audited	31-Mar-25 Rs. Audited
ASSETS		
Non Current Assets		
Property, Plant & Equipment	**1,900,971,060**	1,012,952,181
Right-of-Use Asset	**123,352,139**	138,759,214
Intangible Assets	**10,045,909**	368,294
Financial Assets	**187,897,898**	124,196,937
Rental Receivable from Trade Debtors	**270,301,174**	112,025,979
Deferred Tax Asset	**92,791,581**	169,924,751
Total Non Current Assets	**2,585,359,761**	1,558,227,356
Current Assets		
Inventories	**7,497,028,049**	6,752,880,959
Trade and Other Receivables	**1,841,610,445**	1,244,910,157
Rental Receivable from Trade Debtors	**383,255,578**	149,734,795
Deposits and Prepayments	**190,130,476**	101,117,946
Cash & Cash Equivalents	**4,183,254,479**	617,322,158
Total Current Assets	**14,095,279,027**	8,865,966,015
Total Assets	**16,680,638,788**	10,424,193,371
EQUITY & LIABILITIES		
Equity		
Stated Capital	**49,375,150**	49,375,150
General Reserve	**887,347,500**	887,347,500
Retained Earnings	**8,040,203,694**	5,101,787,401
Equity Attributable to Owners of the Company	**8,976,926,344**	6,038,510,051
Non Current Liabilities		
Defined Benefit Obligation (Net)	**91,888,014**	57,361,781
Lease Liability	**36,432,325**	48,780,661
Total Non Current Liabilities	**128,320,339**	106,142,442
Current Liabilities		
Trade & Other Payables	**3,869,762,091**	3,249,813,969
Amounts due to Related Party	**2,606,524,202**	408,780,680
Current Tax Liabilities	**999,018,069**	557,409,414
Provision for Warranty	**14,393,089**	17,053,305
Lease Liability	**37,387,800**	30,776,000
Bank Overdraft	**48,306,854**	15,707,510
Total Current Liabilities	**7,575,392,105**	4,279,540,878
Total Liabilities	**7,703,712,444**	4,385,683,320
Total Equity & Liabilities	**16,680,638,788**	10,424,193,371
Net Assets per Share	**2,479.24**	1,667.71

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

H M U K Samararatne
Director

Colombo
25th May 2026

LANKA ASHOK LEYLAND PLC
INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2026
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Year / Period Ended 31st March	2025/26 Audited Rs.	2024/25 Audited Rs.		2025/26 Quarter 04 Rs.	2024/25 Quarter 04 Rs.	
Revenue						
New Vehicle Sales	**16,885,410,741**	7,194,099,472	135%	**6,132,438,556**	3,398,012,130	80%
Diesel Generator Set Sales	**48,667,797**	17,739,492	174%	**10,072,881**	5,265,254	100%
Vehicle Repair Income	**327,408,288**	325,347,267	1%	**80,541,526**	87,595,679	-8%
Spare Parts Sales	**910,811,654**	626,319,530	45%	**573,549,594**	64,417,957	790%
Vehicle Hiring Income	**1,158,109,635**	837,345,789	38%	**316,325,408**	243,636,374	30%
Local Agency Commission	**-**	2,790,178	-100%	**-**	-	0%
Total Revenue	**19,330,408,115**	9,003,641,728	115%	**7,112,927,965**	3,798,927,394	87%
Cost of Sales	**(14,106,592,495)**	(6,128,158,611)	130%	**(5,218,514,189)**	(2,653,901,672)	97%
Gross Profit	**5,223,815,620**	2,875,483,117	82%	**1,894,413,776**	1,145,025,722	65%
Other Income	**171,399,512**	112,440,441	52%	**59,067,110**	38,389,673	54%
	5,395,215,132	2,987,923,558		**1,953,480,886**	1,183,415,395	
Less :						
Selling and Distribution Expenses	**147,364,447**	50,709,478	191%	**42,508,468**	12,363,137	244%
Administrative Expenses	**772,454,833**	745,437,120	4%	**289,432,416**	219,529,152	32%
Impairment (Reversal) / Charge on Trade Receivables	**(20,041,119)**	(112,767,891)	82%	**(133,726,301)**	20,718,532	745%
Other Operating Expenses	**298,723,474**	186,945,931	60%	**132,566,589**	59,396,957	123%
Profit before Interest and Tax	**4,196,713,497**	2,117,598,920	98%	**1,622,699,714**	871,407,617	86%
Finance Income	**219,322,766**	107,915,625	103%	**75,440,893**	24,774,523	205%
Finance Cost	**(8,126,330)**	(8,910,002)	-9%	**(2,421,243)**	(2,154,122)	12%
Net Finance Income	**211,196,436**	99,005,623	113%	**73,019,650**	22,620,401	223%
Profit before Tax	**4,407,909,933**	2,216,604,543	99%	**1,695,719,364**	894,028,018	90%
Tax Expense	**(1,345,476,095)**	(685,577,515)	96%	**(518,081,603)**	(276,410,102)	87%
Profit for the Period	**3,062,433,838**	1,531,027,028	100%	**1,177,637,761**	617,617,916	91%
Other Comprehensive Income						
Items that will Not be Reclassified to Profit and Loss						
Remeasurement of Defined Benefit Obligation / Asset	**(74,178,227)**	(40,972,320)	-81%	**(73,078,227)**	(40,072,320)	-82%
Deferred Tax on Defined Benefit Obligation / Asset	**22,253,468**	12,291,696	-81%	**21,923,468**	12,021,696	-82%
	(51,924,759)	(28,680,624)		**(51,154,759)**	(28,050,624)	
Total Other Comprehensive Income, net of Tax	**(51,924,759)**	(28,680,624)	-81%	**(51,154,759)**	(28,050,624)	-82%
Total Comprehensive Income for the period	**3,010,509,079**	1,502,346,404	100%	**1,126,483,002**	589,567,292	91%
Basic and Diluted Earnings per Share	**845.78**	422.84		**325.24**	170.57	

Figures in brackets indicate deductions.
The above annual figures are audited.

LANKA ASHOK LEYLAND PLC
INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2026
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	-	-	1,531,027,028	1,531,027,028
Other Comprehensive Income, net of Tax	-	-	(28,680,624)	(28,680,624)
Total Comprehencive Income	-	-	1,502,346,404	1,502,346,404
Transactions with owners of the Company				
Contribution / Distribution				
Unclaimed Dividend Reversed	-	-	1,079,413	1,079,413
Dividends	-	-	(54,312,645)	(54,312,645)
Total Transactions with Owners of the Company	-	-	(53,233,232)	(53,233,232)
Balance as at 31st March 2025	**49,375,150**	**887,347,500**	**5,101,787,401**	**6,038,510,051**
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	**-**	**-**	**3,062,433,838**	**3,062,433,838**
Other Comprehensive Income, net of Tax	**-**	**-**	**(51,924,759)**	**(51,924,759)**
Total Comprehencive Income	**-**	**-**	**3,010,509,079**	**3,010,509,079**
Transactions with Owners of the Company				
Contribution / Distribution				
Unclaimed Dividend Reversed	**-**	**-**	**324,074**	**324,074**
Dividends	**-**	**-**	**(72,416,860)**	**(72,416,860)**
Total Transactions with Owners of the Company	**-**	**-**	**(72,092,786)**	**(72,092,786)**
Balance as at 31st March 2026	**49,375,150**	**887,347,500**	**8,040,203,694**	**8,976,926,344**

Figures in brackets indicate deductions.

LANKA ASHOK LEYLAND PLC
INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2026
STATEMENT OF CASH FLOWS

For the Year / Period Ended 31st March	**2026**	2025
	Rs.	Rs.
Cash flows from Operating Activities		
Profit before Tax	**4,407,909,933**	2,216,604,543
Adjustment For :		
Depreciation of Property, Plant and Equipment	**232,698,412**	187,967,840
Amortization of Intangible Assets	**1,174,994**	276,031
Depreciation of Right-of-Use Assets	**37,977,569**	23,047,468
Provision for Employee Benefits	**44,568,551**	34,567,421
Impairment Provision / (Reversal) of Trade Receivables	**(20,041,119)**	(112,767,891)
Reversal of Provision for Inventory	**40,417,006**	(86,022,809)
Finance Costs	**8,126,330**	8,910,002
Finance Income	**(213,889,997)**	(85,280,883)
Return on Plan Asset	**(27,630,155)**	(20,811,679)
Lease Interest Income	**(21,575,971)**	(38,545,063)
Gain on Sale of Property, Plant and Equipment	**(70,893,305)**	(20,728,650)
Charge of Provision for Free Service	**8,562,075**	9,408,028
Charge / (Reversal) of Warranty Provision	**(2,660,216)**	7,280,183
Fair Value (Gain) / Loss on Equity Investments	**(123,745)**	(104,729)
Unrealized Foreign Exchange Loss / (Gain)	**(43,835,530)**	1,842,125
	(27,125,101)	(90,962,606)
Operating Profit before Working Capital Changes	**4,380,784,832**	2,125,641,937
Working Capital Changes in		
Inventories	**(1,806,192,732)**	(2,922,925,006)
Trade and Other Receivables	**(579,089,327)**	(1,068,247,616)
Amounts due from Related Party	**(478,126,867)**	662,338,503
Trade and Other Payables	**594,637,152**	2,247,313,342
Amounts due to Related Party	**2,241,579,052**	(1,246,744,866)
	(27,192,722)	(2,328,265,643)
Cash Generated from / (Used in) Operations	**4,353,592,110**	(202,623,706)
Interest Paid	**(8,126,330)**	(8,910,002)
Investment in Plan Asset	**(56,590,390)**	(55,089,826)
Payments / Set off of Income Taxes	**(804,480,802)**	(251,656,825)
	(869,197,522)	(315,656,653)
Net Cash Generated from / (Used in) Operating Activities	**3,484,394,588**	(518,280,359)
Cash flows from Investing Activities		
Interest Received	**221,637,269**	119,901,588
Investment in Debentures	**(50,000,000)**	-
Proceeds from Sale of Property, Plant and Equipment	**111,922,800**	29,050,000
Acquisition of Property, Plant & Equipment	**(123,045,181)**	(144,668,178)
Acquisition of Intangible Assets	**(10,852,609)**	-
Net Cash Flows Generated from Investing Activities	**149,662,279**	4,283,410
Cash Flows from Financing Activities		
Refundable Deposit for Dehiwala Land	**-**	(200,000,000)
Payment of Operating Lease Liability	**(28,307,030)**	(20,150,357)
Dividend Paid	**(72,416,860)**	(54,312,645)
Net Cash Flows Used in Financing Activities	**(100,723,890)**	(274,463,002)
Net Increase / (Decrease) in Cash & Cash Equivalents	**3,533,332,977**	(788,459,951)
Net Cash & Cash Equivalents at the Beginning of the period	**601,614,648**	1,390,074,599
Net Cash & Cash Equivalents at the End of the period	**4,134,947,625**	601,614,648
Analysis of Cash & Cash Equivalents at the end of the period		
Cash & Cash Equivalents	**4,183,254,479**	617,322,158
Bank Overdraft	**(48,306,854)**	(15,707,510)
	4,134,947,625	601,614,648

Figures in brackets indicate deductions.

LANKA ASHOK LEYLAND PLC
INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2026
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 2025/26.

4. Contingent Liabilities

There were no material Contingent Liabilities, which require adjustments or disclosures to the Financial Statements as at 31st March 2026.

5. Events After Reporting Date

After satisfying the Solvency Test in accordance with Section 57 of the Companies Act No. 07 of 2007, the Directors recommend the payment of first and final dividend of Rs. 30/- per share (300%) amounting to Rs. 108,625,290/- for the year ended 31st March 2026 (2024/25- Rs. 20/- per share (200%) amounting to Rs. 72,416,860/-), which will be declared at the Annual General Meeting to be held on 14th August 2026.

In accordance with Sri Lanka Accounting Standard 10 (LKAS 10) "Events after the reporting period" this proposed first and final dividend has not been recognized as a liability as at 31st March 2026. Subsequent to the reporting period, no circumstance has arisen which would require adjustments to or disclosure in the Financial Statements, other than the above.

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 31.03.2026		Quarter Ended 31.03.2025		Year Ended 31.03.2026		Year Ended 31.03.2025	
	Market Price	Trade Date	Market Price	Trade Date	Market Price	Trade Date	Market Price	Trade Date
Highest	4,200.00	8-Jan-26	1,199.00	18-Feb-25	4,390.00	16-Oct-25	1,199.00	18-Feb-25
Lowest	2,400.00	23-Mar-26	893.00	7-Jan-25	2,400.00	23-Mar-26	675.00	30-Jul-24
Last Traded	2,740.00	31-Mar-26	1,000.00	28-Mar-25	2,740.00	31-Mar-26	1,000.00	28-Mar-25

Market Capitalization	As at 31st March	
	2026	**2025**
Market Capitalization (Rs.)	**9,620,579,851**	3,439,800,850
Public Shareholding		
No. of Share Holders	**1,538**	962
Shareholding	**30.38%**	30.38%
Float Adjusted Market Capitalization (Rs.)	**2,922,732,159**	1,045,011,498

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.)	**2,479.24**	1,667.71
Earnings per Share (Rs.)	**845.78**	422.84

Net Assets value per Share and Earnings per share are based on 3,620,843 shares in issue as at 31st March 2026, which represent the Stated Capital of the Company.

9. 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 March	2026 Rs.	2025 Rs.
10. Receivables and Related Party Transactions		
Rental Receivable from Trade Debtors		
Rental Receivables - Related Parties	**9,401,572**	9,401,573
Rental Receivables - Others	**728,940,924**	301,436,902
Less - Deferred Interest Income	**(57,048,453)**	(21,276,360)
Unearned Rental Income	**681,294,043**	289,562,115
Less - Provision for Impairment Loss	**(27,737,291)**	(27,801,341)
Balance as at the end of the period	**653,556,752**	261,760,774
Rental Receivable - Non Current	**270,301,174**	112,025,979
Rental Receivable - Current	**383,255,578**	149,734,795
	653,556,752	261,760,774
Trade and Other Receivables		
Trade Receivables - Related Parties	**733,068,567**	254,941,699
Trade Receivables - Others	**875,671,870**	373,233,544
Other Receivables	**375,925,689**	779,767,684
	1,984,666,126	1,407,942,927
Less - Provision for Impairment Loss	**(143,055,681)**	(163,032,770)
	1,841,610,445	1,244,910,157
10.1 Total Related Party Receivables		
Rental Receivables - Related Parties	**9,401,572**	9,401,573
Trade Receivables - Related Parties	**733,068,567**	254,941,699
	742,470,139	264,343,272

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

Sri Lanka Transport Board	**390,559,413**	182,339,637
Other Government Related Entities	**298,613,249**	36,903,735
Government Financial Institutions	**23,298,313**	17,018,800
Ashok Leyland Limited - India	**29,999,164**	28,081,100
	742,470,139	264,343,272

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

10.2 Transactions with Related Entities of Government of Sri Lanka

For the Period Ended 31st March		2026 Rs.	2025 Rs.
Name of Related Party	**Nature of Transaction**		
Government Related Entities	Sale of Vehicles, Spares Parts and Gen Sets and Services Rendered	**2,813,840,362**	1,833,527,415
Government Financial Institutions	Finance Provided to Lanka Ashok Leyland PLC's Customers	**1,338,459,224**	399,294,000
Sri Lanka Customs	Import Duty and Taxes	**3,556,002,098**	1,637,839,838

10.3 Transactions and Outstanding Balance with Ashok Leyland - India

Nature of Transaction		
Purchase of Goods and Other Transactions	**10,757,405,246**	5,630,004,245
Amounts Payable to Ashok Leyland Limited - India	**2,606,524,202**	408,780,680
Amounts Receivable from Ashok Leyland Limited - India	**29,999,164**	28,081,100

10.4 Non Recurrent Related Party Transactions

There were no non-recurrent related party transactions for the period ended 31st March 2026 which requires immediate market disclosure.

11. Shareholders Information

There were 1,540 registered shareholders as at 31st March 2026 distributed as follows;

CATEGORY	NO. OF SHAREHOLDERS		NO. OF SHARES		SHARE HOLDING %	
	31st Mar 2026	31st Mar 2025	31st Mar 2026	31st Mar 2025	31st Mar 2026	31st Mar 2025
1 - 1,000	1,482	902	111,596	70,115	3.08	1.93
1,001 - 5,000	45	50	100,821	120,996	2.78	3.34
5,001 - 10,000	7	5	45,483	57,256	1.26	1.58
10,001 - 50,000	2	3	47,250	54,983	1.30	1.52
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	566,505	568,305	15.65	15.70
Over 1,000,000	2	2	2,520,832	2,520,832	69.62	69.62
TOTAL	**1,540**	**964**	**3,620,843**	**3,620,843**	**100.02**	**100.00**

12. List of 20 Major Shareholders

MAJOR SHAREHOLDERS	NO. OF SHARES HELD		SHARE HOLDING %	
	31st Mar 2026	31st Mar 2025	31st Mar 2026	31st Mar 2025
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	564,017	568,305	15.58	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	16,000	-	0.44	-
Peoples leasing and Finance PLC / Verite Research (Pvt) Ltd	9,408	-	0.26	-
Peoples leasing and Finance PLC / P. Tillakaratne	7,936	10,000	0.22	0.28
D R Costa	7,048	2,822	0.19	0.08
Peoples leasing and Finance PLC / H D D Madugalla	5,461	500	0.15	0.01
D B D D Danthanarayana	5,300	5,000	0.15	0.14
U I Suriyabandara	5,300	4,950	0.15	0.14
Peoples leasing & Finance PLC / C D K Wickramage	4,810	-	0.13	-
Seylan Bank PLC/ Ammaiappan Kulasegaran	4,600	4,600	0.13	0.13
B P M Mendis	4,000	3,000	0.11	0.08
Seylan Bank PLC/ S R Fernando	3,950	3,932	0.11	0.11
L N J Perera	3,600	2,600	0.10	0.07
H M Usgalhewa	3,575	-	0.10	-
HNB Investment Bank (Pvt) Ltd / Don Janaka Nishan	3,500	10,000	0.10	0.28
S. Sivadarshan	3,500	7,500	0.10	0.21