

CFO's Review



Maged Ibrahim
Chief Financial Officer

“ Our two new toll gates and the introduction of variable pricing boosted our revenues in 2025 and we recorded a highly successful performance, with EBITDA of **₹ 2.144 billion**, net profit after tax of **₹ 1.553 billion**, and free cash flow of **₹ 2.080 billion**.

Total Revenue, ₹, billion

+35.1%



EBITDA, ₹, billion

+35.8%



Free Cash Flow, ₹, billion

+42.7%



Net Profit After Tax, ₹, billion

+33.4%



Net debt/EBITDA

-31.9%



In 2025, Salik continued the disciplined execution of our growth strategy, which focuses on our expanded core tolling business, alongside the growth in the revenue generated from our ancillary services, such as seamless parking payment solutions and insurance renewals. Our outstanding financial performance is attributable to this approach, underpinned by Dubai's ongoing economic and social transformation, thanks to the leadership of His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai, and our long term concession agreement with Dubai's Road and Transport Authority (RTA). Furthermore, our technologically-advanced systems provide drivers with seamless journeys, maximise our operational efficiency and minimise central costs.

Our capex-light model, operational efficiency and advanced digital technologies, we continue to deliver a high EBITDA margin of 69.2%. In 2025, we recorded EBITDA of 2.144 billion, and net profit after tax of ₹ 1.553 billion, representing a margin of 50.2%. Maintaining these strong margins is impressive, when taking account the gate expansion and the first toll tariff increase since 2007.

Tag activation fees grew on a year-on-year basis as revenue from tag activation fees rose by 14.8% year-on-year, to ₹ 46.9 million, and contributing 1.5% of total revenues, a slightly lower percentage than 2024. Revenue from fines reached ₹ 280.6 million, up from ₹ 236.9 million in 2024. This represents a percentage of overall revenues at 9.1%, compared to 10.3% year-on-year.

Financial Performance

Our increase in total revenue to ₹ 3.097 billion in 2025, up by 35% year-on-year, was largely due to a remarkable growth, resulting from the introduction of variable pricing in January, combined with the first full year operation of our two new toll gates, at Business Bay Crossing on Al Khail Road and Al Safa South on Sheikh Zayed Road, which opened in November 2024.

From 31 January 2025, and in accordance with the RTA, we introduced variable pricing across our toll gates in order to further improve transportation efficiency across the city by redistributing travel between peak and off peak hours.

Other, non-core revenues for 2025 reached ₹ 33.3 million, up significantly from ₹ 21.7 million in 2024, driven by the growth in ancillary revenues with large contribution from the revenue generated from the parking payment solution. We expect to grow our portfolio of the ancillary revenues, in 2026 and beyond.

The total number of trips, including discounted journeys, made through Salik's ten toll gate locations in 2025, grew by 33.6% year-on-year.

Increased Free Cash Flow and a Strong Balance Sheet

Owing to our stellar performance throughout 2025, the Company has been able to strengthen its balance sheet and recorded a favourable net working capital balance of ₹ 672.8 million as of 31 December 2025, an impressive increase of 25.4% compared to the ₹ 536.8 million recorded in 2024, and equating to 21.7% as a percentage of revenues.

Salik ended the year with a net debt balance of nearly ₹ 4.80 billion. The Company's net debt to EBITDA was a healthy 2.24x, which is under half the debt covenant of 5.00X.

Salik generated a free cash flow of ₹ 2.080 billion with a free cash flow margin of 67.1%, supported by continued strong traffic performance, capex light structure, strong operating margins and effective working capital management.

Credit Ratings

International institutions continue to show confidence in Salik's business model, with the strength of our financial position being at the forefront. In November 2025, Fitch Rating upgraded Salik from A- to A, in recognition of our profitability, stability in long term cash flow generation, low leverage, and robust business model that is strongly linked with Dubai's economic

growth. In December Moody's Ratings reaffirmed its A3 with stable outlook rating, reflecting our low business risk profile, limited competition from alternative transport modes and long-term concession agreement with the RTA.

Dividends

₹ 619.8 million in dividends was distributed in April 2025, representing 100% of Salik's distributable net profit for the second half of 2024, and ₹ 770.9 million was distributed in September 2025, representing 100% of Salik's distributable net profit for the first half of 2025.

Salik plans to distribute ₹ 890.3 million during the second quarter of 2026, representing 100% of Salik's distributable net profit for the second half of 2025, as well as a proposed special dividend of ₹ 107.8 million, subject to shareholder approval at the Annual General Meeting (AGM) in April. This amounts to a total cash dividend for the year ended 2025 of ₹ 1.66 billion.

Guidance for 2026

Our guidance for 2026 assumes an organic increase in traffic driven by the growth in GDP, population and tourism as well as the growing contribution from ancillary revenue streams. Salik expects total revenue growth to be in the range of 4-6% year-on-year, with EBITDA margin in the range of 68-69%, and net profit margin in the range of 50-51%.

