

Market Overview and Outlook

International Comparison

The Dubai tolling system is unique, driven by the government’s Road Transport Authority strategy, concession agreement with Salik, and the extent to which digital technology has been applied.

Tolling systems in other countries tend to be less advanced technologically because they were established some time ago; they incorporate barriers and cash or card payments.

Comparative road tolling systems	Salik in Dubai	Other countries (eg France, Spain, Italy, USA) Typical features
Types of roads 	Urban and suburban. Multi-lane free-flow (MLFF).	Between towns and cities.
Technology 	RFID and ANPR.	Various.
Zero charge use 	People of determination, charities, emergency vehicles and public and school buses.	In some cases, certain groups are exempted.
Charging 	Variable pricing. Lower fees than many benchmarks globally.	Typically higher charges.
Ownership 	Public listed company.	Governments or corporates.
Business model 	Asset-light, assets owned by RTA. Very long, 49-year concession agreement with government	Assets usually owned by operators. Concession periods, if applicable, are relatively short.
Ancillary services 	Parking payment solutions. Data monetisation. Advertising and other services.	Variety of services.
Gate power source 	New toll gates are predominantly solar powered. Conventional for eight gates, with one gate partially solar powered.	Usually conventionally-powered.
EBITDA margin 	69.2% (2025).	Lower margins due to asset ownership.

Dubai

Dubai is well established as a dynamic, fast growing city with visionary leadership, an ambitious development programme, the 2040 Urban Master Plan, and a growing, increasingly affluent population. Dubai therefore provides Salik with significant opportunities for continued, sustainable growth. In this context, Salik anticipates increases in registered accounts, active vehicles, and activated tags, as well as in ancillary services, notably insurance renewals and parking.

- Dubai’s economy is forecast to grow by 5.0% in 2026, maintaining the same robust pace of expansion seen in 2025, and outpacing global averages;
- Growth will be supported by strong momentum, rising tourism, easing regional tensions, and robust private and public sector activity;
- Population and visitor numbers are increasing, driving demand for real estate and infrastructure;
- Inflation is forecast to remain moderate, with government investment focused on infrastructure and city livability improvements.

Visitor Numbers Will Continue to Rise

Another external factor that is projected to support growth in Dubai next year is the easing of regional tensions and its potential benefit to the tourism sector. With a tentative peace in place in Gaza, and rhetoric between the US and Iran cooling, there is scope for another strong year for Dubai’s tourism trade in 2026 after projected growth of around 5.0% in 2025. In 2025, there were 19.6 million international visitors in Dubai, up 5% year-on-year.

Hotel and Conference Expansion

There is already a constant stream of new hospitality launches across restaurants and hotels, and this will be supported by the newly launched Dubai Hotel Incentive Scheme which will reimburse municipality fees on rooms for the first two years of operation. It was also announced in December that hotels in Dubai would begin to offer contactless biometric check-in services. The expansion of existing conferences and expositions, and the launch of new events, will also encourage tourism growth, while medical tourism is also playing a greater role. This is encouraged by an MOU

signed in late 2024 between the Dubai Health Authority and the Dubai Department of Economy and Tourism which aims to develop the sector and has likely already contributed to the 20% year-on-year growth in human health & social work activities seen in H1 2025. In 2025, the hotel occupancy rate in Dubai was 81%, up 3% year-on-year.

Growth Across Sectors

Strong growth in visitor numbers feeds through to a range of other sectors in Dubai, including hospitality, construction, and travel. While the pace of growth at Dubai International Airport has slowed from the breakneck speed seen following the pandemic, it continues to hit new records and the massive investment going into developing the Al Maktoum International Airport will underpin activity over the next decades, through both its construction and after its eventual launch. 95.2 million passengers passed through Dubai airport (DBX) in 2025, the busiest year on record and 3.1% up year-on-year.

Population Growth Inducing Infrastructure Investment

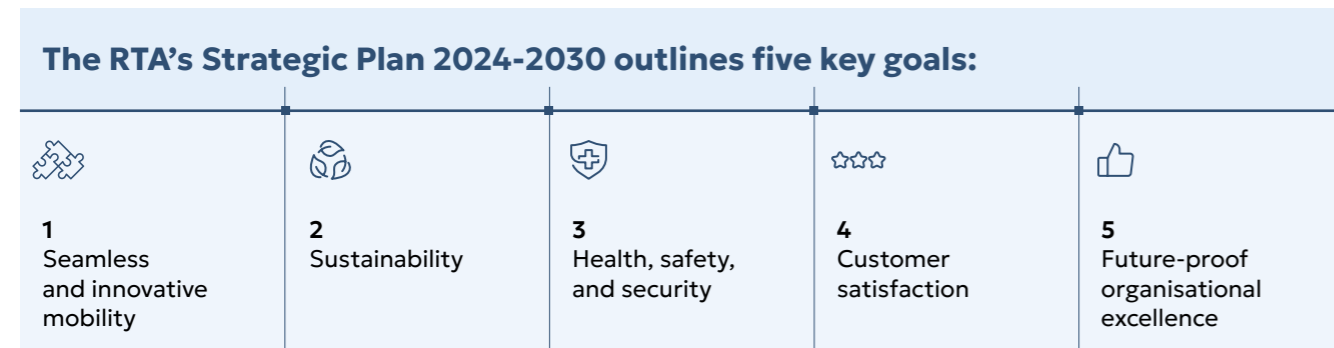
Many of the factors around entertainment and hospitality offerings that are encouraging the strong inflow of tourists are also encouraging rapid growth in the domestic population, alongside national factors such as the low tax regime (especially while taxes are rising in many source countries), high levels of safety and security, and the introduction of the extended stay Golden Visa in the past several years. The population growth has shown no signs of abating in 2025 and rose above four million during the year. The official estimate put the population at 4.04 million as of mid-November, up 5.4% year-on-year and up 18.7% since November 2020, and this chimes with a range of proxy indicators such as mobile phone and utilities subscriptions which all indicate a commensurate increase in customers. We expect that the factors supporting population growth will remain in play in 2026, not least given the stated government target of hitting 5.8 million inhabitants by 2040. This will drive demand for real estate, boosting construction activity, and for a range of other services including education, telecoms, and healthcare.

Real Estate Demand

The rapid rise in the population has boosted demand for property, especially for villas. This has prompted a rise in prices for housing since the pandemic, which has outpaced the other components of the CPI (Consumer Price Index) basket, with headline inflation

remaining moderate. Housing inflation has also started to slow in recent months, however, falling to a two-and-a-half year low of 5.5% year-on-year in October. Headline CPI inflation is forecast to be 2.5% in 2026, modestly slower than in 2025 (over January to October, price growth averaged 2.8%).

Transport Strategy



The plan promotes access by walking and cycling, combined with local/feeder bus services and Dubai Metro.

This aligns with the broader agenda of enhancing accessibility, fostering multi-modal transport integration, and driving smart mobility solutions.

Dubai's Three-year Budget

In October 2024, His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai, approved the Government of Dubai's budget for the fiscal years 2025-2027. The budget, the largest in the Emirate's history, encompasses a total expenditure of $\text{AED } 272$ billion and projected revenues of $\text{AED } 302$ billion. For the fiscal year 2025, expenditures are estimated at $\text{AED } 86.26$ billion, with revenues projected at $\text{AED } 97.66$ billion. The budget also includes a general reserve of $\text{AED } 5$ billion, underscoring

the Emirate's commitment to supporting development projects, stimulating the overall economy, and achieving the ambitious goals of the Dubai Plan 2030, the Dubai Economic Agenda D33, and the Quality-of-Life Strategy 2033.

The 2025 budget places a strong emphasis on enhancing social services and improving the quality of life in key sectors such as health, education, culture, and infrastructure.

Outlook for Salik



Salik is well-positioned to capitalise on Dubai's robust economic trajectory, with anticipated growth in trips and revenue across its toll network. The Emirate's economic and population expansion is likely to drive sustained increases in Salik's registered accounts and active vehicles, bolstering its long-term prospects.

Salik expects full year 26 total revenue growth to be in the range of 4-6% year-on-year. EBITDA margin is expected in the range of 68-69%.

Strategy

Salik aspires to become a global leader in providing sustainable and smart mobility solutions. Over the next three years, Salik will continue to focus on four key strategic pillars.

01 Thrive in the Core Tolling Business

<h3>Maintain Consistently Strong Core Business Performance</h3> <ul style="list-style-type: none"> optimise fee collection. maintain operational excellence and healthy financial performance. <p>Progress in 2025</p> <ul style="list-style-type: none"> total trips up by 33.6% to 852.7 million in 2025. 639.1 million chargeable trips in 2025. total revenue up by 35% to 3.10 billion in 2025. stock return up 18.0% in 2025 and up 217.5% since the IPO in 2022. market cap up $\text{AED } 7.13$ billion at the end of 2025 and up $\text{AED } 32.63$ billion since the IPO. first full year operation of two new toll gates. first year of variable pricing. <p>2026</p> <p> on track for further growth in 2026, given predicted growth in the Dubai economy.</p>	<h3>Apply Technology to Enhance Customer Experience</h3> <ul style="list-style-type: none"> complete testing and launch chatbot services across the Salik app and WhatsApp. integrate UAE Pass for seamless access. upgrade the Interactive Voice Response (IVR) system. introduce new communication channels for better connectivity. <p>Progress in 2025</p> <ul style="list-style-type: none"> rebrand and revamp of the Salik app to provide much better user experience, including a breakdown of historical toll and ancillary service charges. launch of Whatsapp service in addition to SMS to suit user behaviour and expectations. UAE Pass integration for a simple login. <p>2026</p> <p> Salik app development to include roadmap.</p>
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