

Operational Review

Macro-Economic Context

According to the Government of Dubai Media Office, Dubai's economy continues to demonstrate resilience and growth, with an estimated 4.7% year-on-year real GDP increase in 2025. The IMF forecast for the UAE's GDP growth in 2026 is 5.0%. Growth in 2023 and 2024 was 3.3% and 3.2% respectively. There is scope for another strong year for Dubai's tourism

trade in 2026 after projected growth of around 5.0% in 2025 (there were 19.6 million visitors over January to December, up 5.0% year-on-year).

Additionally, the RTA's Strategic Plan 2024-2030, featuring goals including the '20-minute city' concept, underpins Dubai's future-ready transport strategy.

Operational Results of 2025

Salik demonstrated strong operational performance in 2025, driven by consistent growth across key metrics. Revenue for the period reached $\text{AED } 3.097$ billion, a 35.1% year-on-year increase, enabled by a 33.6% rise in total trips, which totalled 852.7 million, with chargeable trips recorded at 639.1 million. This growth reflects the resilient demand for tolling services amid Dubai's economic expansion and strategic urban mobility initiatives. Salik's ability to maintain stable tariffs, combined with its asset-light business model, further supported this revenue momentum.

EBITDA for 2025 rose to $\text{AED } 2.144$ billion, reflecting a high EBITDA margin of 69.2%, compared to a margin of 68.9% in 2024. Net profit after tax also showed impressive growth, reaching $\text{AED } 2.144$ billion, up 35.8% year-on-year. This level of profitability was due to revenue growth driven by variable pricing implementation and the first full year of operation of two new gates. These results reflect Salik's robust governance framework, a valuable concession agreement and operational efficiency, amidst evolving market conditions.

Core Tolling Business

In 2025, Salik saw significant growth across its toll network usage, with total trips increasing by 33.6% to 852.6 million, up from 638.2 million in 2024, and chargeable trips totalling 639.1 million. This growth reflects the rising demand for efficient mobility solutions in Dubai's expanding urban landscape.

As the business grows, Salik continues to align with the UAE's Net Zero 2050 initiative. An independent analysis by the Roads and Transport Authority (RTA), published prior to the launch of the two new toll gates, reported that the existing toll gate network contributed to saving approximately 6 million hours of travel time annually, reducing traffic volumes on the major bridges by 26%, and improving journey times on important routes by 24%.



Two New Gates

On 24 November 2024, Salik launched two new gates, increasing the total to ten locations. Located at Business Bay Crossing on Al Khail Road and Al Safa South on Sheikh Zayed Road, these gates aim to ease congestion and improve traffic flow.

Each toll passage has a single charge for every vehicle passing across both Al Safa North and South Gates in the same direction within one hour. These gates complement the Al Khail Road Development Project, which added bridges and expanded lanes to increase capacity. Aligned with Dubai Urban Plan 2040, this initiative enhances infrastructure, reduce congestion, and encourage public transport, supporting sustainable urban development and balanced traffic distribution.

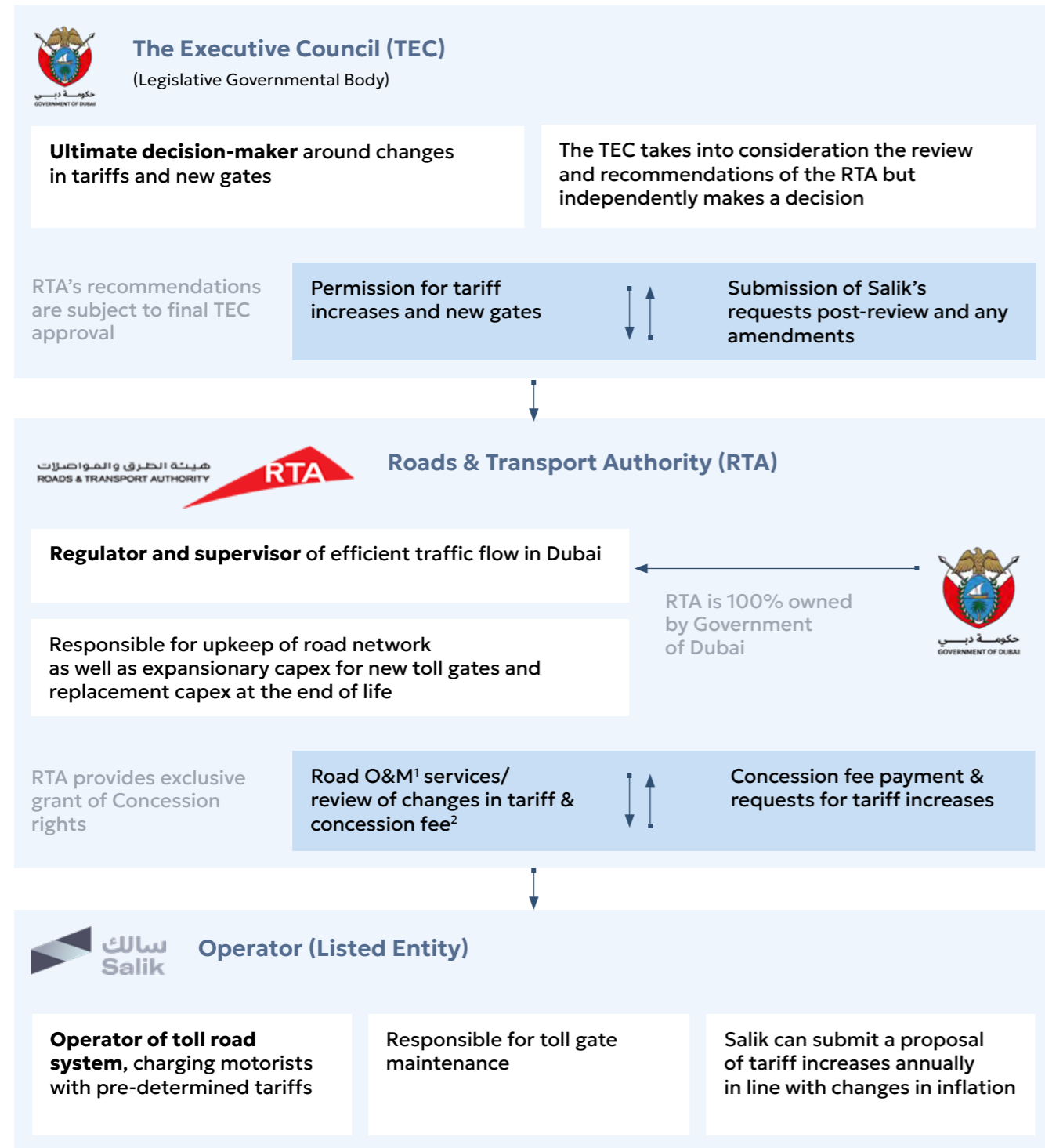
Concession Agreement

Salik's 49-year Concession Agreement with Dubai's Roads and Transport Authority (RTA), extending until 30 June 2071, provides a clear, shareholder-friendly framework that enables both parties to deliver a world-class, barrier-free toll network suited to Dubai's growing economy.

The Agreement structures Salik's business model, with RTA serving as the regulator and the Dubai Executive Council as the final authority on tariffs and major strategic decisions. Covering essential terms—including tariff setting, concession fees, and procedures for new gate additions—the Concession Agreement establishes a stable foundation for Salik's long term growth and contribution to Dubai's infrastructure needs.

Concession Agreement Overview

Relevant Authorities and Relationship with Salik



Key Concession Agreement Terms

- Term of the Concession**
 - Concession term of 49 years
 - Starting date: 1 July 2022
 - Ending date: 30 June 2071
 - Tariff**
 - Pre-determined increase mechanism
 - Compensation mechanisms providing significant downside protection versus inflation, amongst other things
 - Concession Fee**
 - ₹ 4bn upfront fee at start of concession
 - 22.5% of Annual Toll Revenue as of April 2024³
 - Adjustment mechanism to compensate for lack of tariff increase (minimum concession fee floor of 15% and ceiling of 25%)
 - New Gates Mechanism**
 - New toll gates to be added at the joint proposal of RTA and Salik if approved by TEC
 - Pre-agreed valuation mechanism
 - Salik will be the exclusive operator of new gates
- On 31 January 2025 Salik implemented variable toll pricing to optimise traffic flow and improve transportation efficiency. The new pricing structure, based on peak, off-peak and past midnight periods.

¹ O&M: Operations & Maintenance.
² As a compensation mechanism where the proposed tariff increase is not approved.

³ Previously 25% since the curve out and up until April 2024; adjustment based on inflation protection mechanism.



The approved system for variable pricing road tolls

	Peak Hours	Off Peak Hours	Past Midnight
	6:00 am to 10:00 am 4:00 pm to 8:00 pm	10:00 am to 4:00 pm 8:00 pm to 1:00 am	1:00 am to 6:00 am
Weekdays	₪ 6	₪ 4	₪ Zero
Sundays, with the exception for public holidays and Events	₪ 4	₪ 4	₪ Zero

Rights and Obligations

The Concession Agreement outlines the roles and responsibilities of both Salik and the RTA, establishing operational and financial standards to support effective toll management. To ensure accountability, it specifies key performance indicators (KPIs) for each party: Salik must maintain a 99% equipment availability ratio and submit quarterly compliance reports, while the RTA is responsible for infrastructure availability, a pavement condition index, timely emergency call responses, and HSE incident management, as well as fine and penalty collection.

The Agreement’s structure reinforces Salik’s asset-light model by placing full financial responsibility for road network maintenance and expansion on the RTA. Additionally, it provides Salik with defined compensation mechanisms, offering protection against inflation and unexpected costs.

Tariffs

The Concession Agreement grants Salik the right to recommend annual toll tariff adjustments based on a formula linked to inflation. Salik submits these recommendations to the RTA, which then reviews them and consults the TEC for a final decision. If TEC rejects Salik’s proposed increase, the RTA compensates Salik by adjusting its annual concession payment to account for inflation. Conversely, if a higher-than-standard increase is approved, Salik’s concession fee is adjusted accordingly, with limits ensuring that any fee adjustment does not exceed 25% or fall below 15% of toll revenue. The concession fee was adjusted from 25% to 22.5% as of April 2024.

Following the 2025 year end, Salik disclosed on 2 February 2026 the Update to the Concession Agreement, which involves the adoption of an updated

concession fee calculation methodology according to the inflation protection mechanism, reflecting the transition from fixed to variable toll pricing.

The Agreement also includes guidelines for network expansion. Upon TEC approval, Salik can acquire new tolling rights through an upfront payment plus an ongoing concession fee. Detailed mechanisms are outlined to determine the upfront payment and to address any potential disputes between Salik and the RTA.

Independent Oversight

The valuation of new toll gates, which informs Salik’s upfront payments, is typically performed collaboratively by financial and commercial advisors appointed by RTA, Salik, and an independent expert. If a discrepancy greater than 5% arises between Salik’s and RTA’s valuations, Salik’s payment will be based on the lowest net present value (NPV) plus a potential earn-out, alongside any additional payments as per the agreed mechanism.

To address potential EBITDA shortfalls during a “ramp-up period,” Salik may pay earn-out obligations, which are calculated based on annual cash flow differences between projected and actual traffic volumes, with adjustments for the time value of money. Payment requirements are determined over two intervals:

- First interval (years one to three): if traffic aligns with or is below the lowest NPV projection, no extra payment is required. However, if traffic exceeds this projection, Salik will make earn-out payments proportionate to the increase.
- Second interval (years four and five): the same terms apply.

After the five-year mark, no further earn-out obligations are owed, regardless of actual traffic levels.

Ancillary Revenues

PARKONIC

Parking

Since July 1, 2024, Salik’s advanced technology has provided seamless, barrier-free parking for Dubai Mall visitors. The system offers automatic, ticketless fee collection by recognising vehicle plates and deducting applicable charges directly from Salik user accounts across the Fashion, Grand, and Cinema parking zones.

In a strategic partnership with Parkonic, Salik has further extended its reach by integrating its eWallet system across parking locations in the UAE, with 110 locations live as of the end of 2025. This collaboration marks Salik’s first venture outside the Emirate of Dubai and underlines its commitment to enhancing smart city infrastructure. The five-year agreement gives Salik a share of parking revenues generated through its eWallet, bolstering ancillary income streams and reinforcing its position as a leader in mobility solutions.



liva

Insurance

Building on its ancillary revenue strategy, Salik has also partnered with Liva, a leading multi-line insurer in the GCC, to offer bespoke motor insurance solutions. This collaboration provides Salik customers with tailored insurance options, streamlined through a digital portal managed by Liva. Drivers will receive timely reminders to renew their policies, ensuring uninterrupted coverage and compliance with vehicle registration requirements. This initiative exemplifies Salik’s innovative use of its extensive database and technology to enhance customer convenience while further diversifying its service offerings.



Personalised, Branded Tags

Salik introduced a new service, offers the option to design customised tags.



Customer Service Awards

In recognition of outstanding customer service, Salik won Best Small Outsourced Helpdesk – Outsourced Call Centre of the Year at the INSIGHTS Middle East Call Centre 2025 Awards.



Outlook

The future growth of Salik’s core tolling business will be linked to the growth of Dubai’s GDP, population and tourism and ancillary revenues will continue to be a contributory factor.