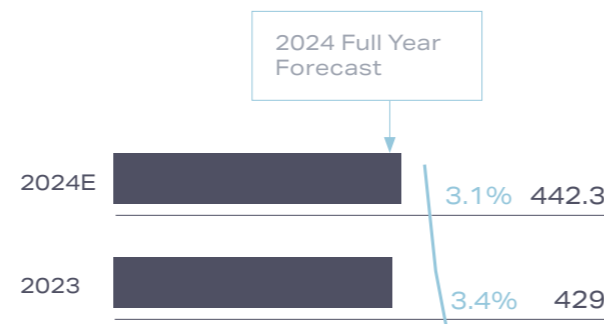


Market Overview and Outlook

Recognised for its well-managed and fast economic growth, Dubai's ambitious economic plan and visionary leadership provide Salik with a powerful platform for sustainable growth and revenue diversification.

Dubai GDP

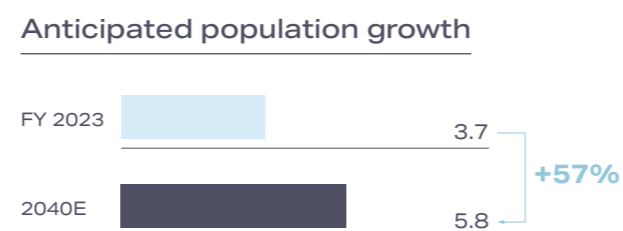
Amidst global economic and geopolitical uncertainties, Dubai continues to demonstrate resilience and its appeal as a premier global trading hub and tourist destination. The Emirate recorded a 3.1% year-on-year real GDP growth during the first nine months of 2024, reaching AED 339.4 billion, with its transportation and storage sector contributing significantly, growing by 5.3% year-on-year and accounting for 20.8% of the overall growth. This robust performance aligns with Dubai's Economic Agenda D33 and Dubai Social Agenda 2033, which aims to position Dubai as a global investment hub and leader in sustainable development. Furthermore, in 2024, Dubai confirmed its standing as a leading venue for international conferences, congresses, corporate meetings and incentives, with the city hosting a record 437 events from a range of sectors and professions. Forecasts predict stable annual growth rates of 2.8% to 4.2% through 2026, reflecting strong macroeconomic fundamentals.



Population

Salik operates one of the world's most advanced urban roadway networks, catering to the dynamic needs of Dubai's growing population. The city's population, 3.8 million in 2024, is projected to increase to 5.8 million by 2040, supported by innovative government initiatives such as:

- the launch of 'Golden Visas'
- residency schemes tailored for retirees and remote workers
- the comprehensive 2040 Urban Master Plan.



Dubai's recognition as the 'second-best city in the world for expats' (as per Expat City Ranking) further underscores its global appeal and liability.

Inward investment, events and conferences

Dubai reaffirmed its position as a global investment magnet in 2024, attracting significant greenfield projects. These investments reflect confidence in Dubai's growth prospects, driven by its ability to host high-profile events. In the first half of 2024, the city secured the bids to host 437 events marking a significant 20% year on year increase in the number of successful bids for conferences,

congresses, and incentive events—a testament to Dubai's growing reputation as a premier MICE (Meetings, Incentives, Conferences, and Exhibitions) hub. Dubai also, according to the Financial Times Ltd's 'fDi Markets' data, attracted 508 Greenfield FDI projects from January to June 2024, representing a 6.2 percent global share, compared to 5.7 per cent in the same period last year.

Real estate

Dubai's real estate sector achieved a record-breaking AED 761 billion in transaction value across 226,000 transactions in 2024, reflecting a 36% year-on-year growth in volume and a 20% rise in value. Additionally, the Emirate recorded 217,000 investments worth AED 526 billion, attracting 110,000 new investors, a 55% increase. The total number of real estate-related procedures reached 2.78 million, the highest in Dubai's history, representing a 17% increase

from 2023. This underscores Dubai's position as a premier global investment hub, driven by progressive policies, advanced infrastructure, and a transparent, innovation-led ecosystem. Aligned with the Dubai Economic Agenda D33 and Real Estate Strategy 2033, the sector is pivotal to achieving Dubai's goal of doubling GDP by 2033 and solidifying its reputation as a global lifestyle and investment destination.

Tourism

Tourism remains a cornerstone of Dubai's economy, propelling Salik's revenue-generating trips. During FY 2024, Dubai welcomed 18.7 million international overnight visitors, marking a 9.2% increase year-on-year. Dubai International Airport handled 92.3 million passengers in 2024, the highest annual traffic ever recorded, confirming its status as a global aviation hub. Over the last decade, the airport has handled over 700 million passengers on 3.3 million flights. For the third consecutive year, Dubai earned the distinction of being the world's Number One destination in the Tripadvisor Travelers' Choice Best of the Best Awards—an unprecedented achievement.

High hotel occupancy rates, %



Vehicles and trips

Salik anticipates maintaining growth momentum across its ten toll gates. Dubai's economic and demographic expansion is poised to sustain increases in registered accounts, active vehicles, and activated tags. This positions Salik strategically to diversify revenue streams and leverage Dubai's developmental trajectory.

Transport strategy

The RTA's Strategic Plan 2024-2030 outlines five key goals:

<p>1. Seamless and innovative mobility</p>	<p>2. Sustainability</p>	<p>3. Health, safety, and security</p>	<p>4. Customer satisfaction</p>	<p>5. Future-proof organisational excellence</p>
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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.

Future economic trends

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. This three-year budget cycle, the largest in the emirate's history, encompasses a total expenditure of AED 272 billion and projected revenues of AED 302 billion. For the fiscal year 2025, expenditures are estimated at AED 86.26 billion, with revenues projected at AED 97.66 billion. The budget also includes a general reserve of 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.

Source: Government of Dubai.

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 FY25 total revenue growth to be in the range of 28-29% year-on-year, including the impact of the two new gates introduced on 24 November 2024 and impact of variable pricing. EBITDA margin is expected in the range of 68-69%. On a normalised basis, excluding the contribution from the two new gates and impact of variable pricing, total revenue is expected to increase 4-5% year-on-year in 2025.

Strategy

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

01 Thrive in the core tolling business

Maintain consistently strong core business performance

- optimise fee collection.
- achieve operational excellence and healthy financial performance.

Progress in 2024

- total revenue generating trips up by **8%** to **498.1 million** in 2024
- total revenue up by **8.7%** to **2.3 billion** in 2024
- stock return up **73.6%** in 2024 and up **170%** since IPO in 2022
- market cap up AED **17.2 billion** in 2024 and up AED **25.5 billion** since IPO
- opened **two new** toll gates

Outlook

- on track for further growth in 2025, given increased traffic, the two new toll gates, and variable pricing from the end of January 2025.

Apply technology to enhance customer experience

- expand chatbot services across the Salik app and WhatsApp.
- rebrand and revamp the Salik app.
- integrate UAE Pass for seamless access.
- upgrade the Interactive Voice Response (IVR) system.
- introduce new communication channels for better connectivity.

Progress in 2024

- new Salik tag personalisation (design and message) rolled out.
- positive feedback from customers.

Outlook

- chatbot services, new Smart Salik app, UAE Pass and IVR system to be rolled out.
- role of AI to be developed to improve customer service and operational efficiency further.