

Salik Reports AED 751.6 million in Revenue for Q1 2025, Up 33.7% YoY

EBITDA reached AED 519.6 million in the first quarter, up 37.9%
Total chargeable trips reached 158.0 million as the company implements
Variable Pricing
Net Profit for the period increased 33.7% YoY to AED 370.6 million

13 May 2025: Salik Company PJSC (“Salik” or the “Company”), Dubai’s exclusive toll gate operator, today announced its financial results for the three-month period ended March 31, 2025 (“Q1 2025”). Total revenue for the first quarter of 2025 grew by 33.7% YoY to reach AED 751.6 million. EBITDA for the first quarter increased 37.9% YoY to AED 519.6 million. In Salik’s core tolling business, total chargeable trips reached 158.0 million following the introduction of variable pricing at the end of January 2025 and the launch of the two new toll gates in November 2024.

Q1 2025 Operational Highlights

Total Chargeable trips

158.0 million

supported by the introduction of variable pricing and the launch of two new gates

Total number of trips

▲ **+35.1% YoY to 210.8 million**

Active registered accounts

▲ **+7.3% YoY to 2.64 million**

Q1 2025 Financial Highlights

Total revenue

▲ **+33.7% to AED 751.6 million**

with toll usage fees increasing 35.5% YoY

EBITDA

▲ **+37.9% YoY to AED 519.6 million**

with margins of 69.1%, up 210 bps YoY

Net profit before tax

▲ **+33.6% YoY to AED 407.2 million**

supported by strong revenue growth and continued cost efficiencies

Net Profit for the period

▲ **+33.7% to AED 370.6 million**

with margins of 49.3%, stable YoY

Ancillary Revenue Streams

AED 3.2 million

FY25 Guidance Unchanged

Revenue growth of 28-29%

with EBITDA margins of 68-69%

His Excellency Mattar Al Tayer, Chairman of the Board of Directors of Salik, said:

“Our exceptional Q1 performance reflects a continued focus on delivering long-term value to shareholders and our ambition to become a global leader in providing smart and sustainable mobility solutions. Dubai’s robust economic growth – driven by the visionary leadership of the emirate, has played a key role in fueling our positive momentum and creating a strong foundation for long-term sustainable growth. We are pleased to build on the growth momentum we achieved in 2024, with robust top and bottom-line performance across both the core tolling business and our growing ancillary revenue streams, which continue to gain traction. We expect total revenue to grow 28-29% by the end of 2024 driven by the launch of operations in geographies outside of Dubai and the exploration of new partnerships to further enhance user experience and support both short and long-term earnings growth.”

Ibrahim Sultan Al Haddad, Chief Executive Officer of Salik, commented:

“We’ve entered 2025 with strong momentum, with our core tolling business continuing to thrive, bolstered by the opening of two new toll gates in late 2024. We have also maintained progress in our ancillary revenue streams, with both the Dubai Mall and Parkonic parking partnerships seeing good traction with users in the first quarter. Total chargeable trips, accounting for the new variable pricing, reached 158 million, with total revenue growth exceeding 30%. Profitability is also robust, with EBITDA growth of more than 35%, delivering an industry leading EBITDA margin of 69.1%. A healthy first quarter positions us well for the year ahead and we are pleased to reiterate our full year guidance, with total revenue expected to grow 28-29%, and an EBITDA margin of 68-69% as we continue to strengthen our non-core offering while tapping new opportunities.”

Financial Highlights

AED million ⁽¹⁾	Q1 2025	Q1 2024	% Δ YoY	Q4 2024	% Δ QoQ	FY 2024	FY 2023	% Δ YoY
Revenue	751.6	562.1	33.7%	651.0	15.5%	2,291.9	2,108.6	8.7%
EBITDA ⁽¹⁾	519.6	376.9	37.9%	464.1	12.0%	1,579.1	1,390.1	13.6%
Profit before tax	407.2	304.7	33.6%	376.4	8.2%	1,279.7	1,098.0	16.6%
Net Profit for the period	370.6	277.3	33.7%	342.5	8.2%	1,164.5	1,098.0	6.1%
Earnings per share (AED)	0.049	0.037	33.7%	0.046	8.2%	0.155	0.146	6.1%
Dividends declared	-	-	-	619.8	-	1,164.5	1,098.0	6.1%

(1) EBITDA is profit for the period, excluding the impact of tax, finance cost, finance income, and depreciation and amortization expenses.

Performance Review

Core Tolling Business

Million	Q1 2025	Q1 2024	% Δ YoY	Q4 2024	% Δ QoQ	FY 2024	FY 2023	% Δ YoY
Total trips	210.8	156.0	35.1%	183.8	14.7%	638.2	593.1	7.6%
Total chargeable trips	158.0	-	-	-	-	-	-	-
Peak trips (AED 6)*	39.3	-	-	-	-	-	-	-
Off-peak trips (AED 4)*	107.5	-	-	-	-	-	-	-
Past Midnight trips (AED 0)*	11.2	-	-	-	-	-	-	-

Note: The implementation of variable pricing began on January 31, 2025. Therefore, all revenue-generating trips conducted between January 1 and January 30, 2025, are categorized in the above table as off-peak trips, as the fare during that period remained fixed at AED 4 per trip.

Continued strong performance drives revenue to AED 751.6 million in Q1 2025, up 33.7% year-on-year

The total number of trips, including discounted trips, made through Salik's toll gates grew 35.1% YoY in Q1 2025, driven mainly by the introduction of two new toll gates which became operational in November 2024. The strong growth was further supported by Dubai's continued attraction of tourists and residents, growth in commercial activities, the implementation of structural reforms and strategic, targeted investment to drive economic diversification.

- **Total chargeable trips** reached 158.0 million in Q1 2025, supported by the introduction of variable pricing at the end of January 2025 and the launch of the two new gates in November 2024. Within this, chargeable trips during the peak period (AED 6) totaled 39.3 million, with trips in the off-peak period (AED 4) reaching 107.5 million. The growth in Total trips during the period is due to the use of Salik roads during the past midnight period (AED 0) which totaled 11.2 million in Q1 2025.
- **Toll usage fees:** revenue performance was strong during the first quarter, increasing 35.5% YoY to AED 665.6 million. This was primarily due to the introduction of variable pricing at the end of January 2025, the introduction of the two new gates and Dubai's high levels of tourism in the first three months of the year.
- **Fines:** revenue from fines increased 16.2% YoY to AED 68.4 million in the first quarter. The number of net violations (accepted minus dismissed violations) grew 15.0% YoY in Q1 2025, reaching c.786,000, representing 0.4% of net toll traffic, with revenue from fines contributing 9.1% to total revenue in Q1 2025.
- **Tag activation fees:** grew strongly in the first quarter, with revenue increasing 17.4% YoY to AED 11.5 million. Tag activation fees contributed 1.5% of total revenue in Q1 2025.

Ancillary Revenue Streams

- **Total revenue from Salik's parking partnerships with Emaar Malls and Parkonic reached AED 2.8 million in Q1 2025.** The strong performance was mainly driven by a continued high number of transactions at Dubai Mall in the Q1 period. The barrier-free parking payment solution at Dubai Mall processed 100% seamless transactions, in line with Salik's ambitions to deliver a seamless paid parking solution to enhance guest experience, improve parking availability and streamline the payment process. Salik has also seen good traction in its partnership with Parkonic since the launch of the partnership in mid-February, with a gradual roll-out plan in place, where Salik expects to expand across all Parkonic locations during Q2 2025.
- **Salik's partnership with Liva Group to provide a streamlined vehicle insurance renewal process has gained good traction with consumers,** delivering AED 0.5 million of revenue in Q1 2025.
- **Salik reaffirms its confidence in expanding its ancillary revenue streams over the medium-long-term.** This follows the good progress made in 2024, including the successful collaboration with Emaar Malls, its partnership with Parkonic to integrate Salik's e-wallet system across 107 locations in the UAE and its collaboration with Liva Group to streamline the vehicle insurance renewal process. These partnerships reflect Salik's commitment to delivering innovative solutions that enhance user experience and enable Salik to grow and diversify its revenue streams, contributing to the long-term sustainability of the business.

Financial Performance

Strong profitability in Q1 2025, with EBITDA increasing 37.9% year-on-year, and a robust balance sheet position

Salik generated EBITDA of AED 519.6 million in Q1 2025, up 37.9% YoY from AED 376.9 million in Q1 2024, its strongest quarterly EBITDA performance since the Company's inception.

EBITDA margin reached 69.1% in Q1 2025, compared to 67.1% in Q1 2024, representing a 210 bps expansion YoY, supported by strong revenue growth in the period. The EBITDA margin also improved in comparison to 68.9% in FY24.

Salik's net profit before taxes totaled AED 407.2 million in Q1 2025, marking a strong 33.6% YoY increase, despite higher finance costs in the period. Net profit before tax increased 8.2% compared to Q4 2024.

Salik generated net profit after taxes of AED 370.6 million in Q1 2025, a 33.7% YoY increase. Net profit after taxes increased 8.2% compared to Q4 2024.

AED million ⁽¹⁾	Q1 2025	Q1 2024	% Δ YoY	Q4 2024	% Δ QoQ	FY 2024	FY 2023	% YoY
Revenue	751.6	562.1	33.7%	651.0	15.5%	2,291.9	2,108.6	8.7%
Toll usage fees	665.6	491.1	35.5%	570.2	16.7%	1,992.5	1,845.5	8.0%
Fines	68.4	58.9	16.2%	62.1	10.2%	236.9	216.8	9.3%
Tag activation fees	11.5	9.8	17.4%	10.8	6.4%	40.9	38.2	7.0%
Other revenue	6.0	2.3	167.0%	7.9	-23.4%	21.7	8.1	166.2%
EBITDA⁽¹⁾	519.6	376.9	37.9%	464.1	12.0%	1,579.1	1,390.1	13.6%
EBITDA margin	69.1%	67.1%	2.1%	71.3%	-2.1%	68.9%	65.9%	3.0%
Finance costs, net	(76.2)	(51.2)	49.0%	(60.2)	26.7%	(208.3)	(209.1)	-0.4%
Profit before tax	407.2	304.7	33.6%	376.4	8.2%	1,279.7	1,098.0	16.6%
Income ax	(36.6)	(27.4)	33.5%	(33.9)	8.1%	(115.1)	-	-
Net Profit for the period	370.6	277.3	33.7%	342.5	8.2%	1,164.5	1,098.0	6.1%
Earnings per share	0.049	0.037	33.7%	0.046	8.2%	0.155	0.146	6.1%
Dividends declared	-	-	-	619.8	-	1,164.5	1,098.0	6.1%

(1) EBITDA is profit for the period, excluding the impact of tax, finance cost, finance income, and depreciation and amortization expenses.

Summary of balance sheet: net debt of AED 4,648.8 million, with leverage of 2.7x Net Debt to EBITDA

Salik recorded a net working capital balance of AED -681.2 million as of March 31, 2025, equating to -22.7% as a percentage of annualized revenues, in line with FY 2024 performance. The growth in net working capital compared to prior quarters is mainly due to the RTA concession fees associated with the toll rights fee for the new toll gates, in addition to higher provisions for the corporate tax introduced in January 2024. As at March 31, 2025, net debt stood at AED 4,648.8 million, a 10.6% decrease from AED 5,198.6 million at the end of 2024, which was slightly higher due to a payable relating to the concessionary rights due to RTA for the two new toll gates. This translates to a trailing twelve-month net debt/EBITDA ratio of 2.7x in Q1 2025, significantly below the Company's debt covenant of 5.0x.

AED million	31-Mar-25	31-Dec-24	% Δ YTD
Total assets, including:	8,494.4	7,985.9	6.4%
Cash and cash equivalents	1,041.3	963.7	8.1%
Short term deposit with bank ⁽¹⁾	500.5	-	-
Total liabilities, including:	7,035.8	6,897.9	2.0%
Long term borrowings and related party payable liabilities ⁽²⁾	6,182.9	6,154.3	0.5%
Contract liabilities ⁽³⁾	403.5	382.3	5.6%
Total equity	1,458.6	1,088.0	34.1%
Net debt	4,648.8	5,198.6	-10.6%
Net working capital balance ⁽⁴⁾	(681.2)	(536.8)	26.9%

(1) Represent Fixed deposit with original maturity of 3 to 12 months. Previously the term deposits had maturity of less than 3 months and thus were classified as Cash

(2) Related party payable liability includes liability in relation to the toll operation rights for two new gates

(3) Contract liabilities are the sum of current and non-current balances paid in advance by customers relating to recharges and top-ups and tag activation fees.

(4) Net working capital is the balance of inventories plus trade and other receivables plus dues from related parties plus contract assets minus trade and other payables, minus the current portion of due to a related party minus current portion of contract liabilities minus current portion of lease liabilities and provision for taxation.

Summary of cash flow: free cash flow of AED 626.7 million, with a margin of 83.4% - a significant YoY improvement

Salik generated free cash flow of AED 626.7 million in Q1 2025, up 77.8% YoY, with a free cash flow margin of 83.4%, a significant improvement from 62.7% in Q1 2024. Compared to Q4 2024, free cash flow improved 55.7%, with the free cash flow margin improving from 61.8% in Q4 2024.

AED million	Q1 2025	Q1 2024	% Δ YoY	Q4 2024	% Δ QoQ	FY 2024	FY 2023	% Δ YoY
Operating cash flow before changes in working capital	532.4	387.1	37.5%	449.6	18.4%	1,594.0	1,424.5	11.9%
Changes in working capital	94.3	(33.4)	-382.0%	(46.9)	-300.9%	(130.8)	29.7	-539.7%
Net cash flow from operating activities	626.7	353.6	77.2%	402.6	55.7%	1,463.1	1,454.2	0.6%
Net cash (used in) / generated from investing activities	(497.5)	170.4	-392.0%	8.0	-	801.3	(735.3)	-209.0%
Net cash (used in) / generated from financing activities	(51.6)	(65.4)	-21.1%	(283.4)	-81.8%	(1,566.9)	(1,275.5)	22.9%
Free cash flow ⁽¹⁾	626.7	352.5	77.8%	402.6	55.7%	1,457.2	1,449.6	0.5%
Free cash flow margin ⁽²⁾	83.4%	62.7%	20.7%	61.8%	21.5%	63.6%	68.7%	-5.2%

(1) Free cash flow is net cash flows from operating activities less purchases of property and equipment and intangibles plus proceeds from the sale of property and equipment

(2) Free cash flow margin is free cash flow divided by revenue

Becoming a global leader in smart and sustainable mobility solutions

Core Tolling Business

Implementation of variable pricing: As instructed by the RTA, based on the traffic studies and analysis, Salik introduced variable pricing on January 31, 2025. The variable pricing aims to enhance traffic flow across Dubai's road networks and improve transportation efficiency across the city.

Valuation of two new gates: Salik continues to make progress on its updated strategy, having introduced two new toll gates in Dubai. The Business Bay and Al Safa South gates have been in operation since November 24, 2024. This follows the combined valuation of the two new toll gates at a total of AED 2.734 billion, with the Business Bay Gate valued at AED 2.265 billion and the Al Safa South Gate valued at AED 469 million to be paid in equal instalments, every six months over a six-year period.

Ancillary Revenue Streams – recap on key partnerships and initiatives

- **Salik commenced seamless parking operations at Dubai Mall:** this milestone marked Salik's first barrier-free parking payment solution, in partnership with Emaar Malls, across the Fashion, Grand and Cinema parking zones of Dubai Mall, where operations commenced on July 1, 2024.
- **Salik collaborated with Parkonic, one of the largest private parking operators in the UAE:** the collaboration aims to enhance parking payment experiences across the UAE by integrating Salik's advanced e-Wallet system. The partnership is based on a five-year contract, during which Parkonic will integrate Salik's e-Wallet into the 107+ locations it operates and any future locations it may operate in the UAE. The agreement also marks the first time Salik has expanded its service offering outside of the Emirate of Dubai.
- **New LIVA motor insurance partnership:** Salik partnered with LIVA (formerly RSA), a leading multi-line insurer in the GCC, to offer its customers access to market-leading insurance solutions. The partnership offers one-of-a-kind bespoke insurance solutions to drivers in the UAE, streamlining the renewal process for greater convenience and efficiency. Salik leverages its comprehensive database to provide value-added services to customers by sending timely renewal reminders to mitigate insurance coverage lapses. These notifications include a link directing customers to a LIVA landing page, where the motor insurance policy can be renewed in a few simple steps at a competitive price.
- **Customized Salik tags initiative:** Salik is in the process of launching an innovative Customized Tags initiative, allowing corporate customers to personalize Salik tags with unique designs and messages. This initiative reflects Salik's commitment to enhancing customer experience and embracing innovation.

Other Achievements

- **Signed Memorandum of Understanding (MoU) with ENOC to introduce smart payment solutions that enhance the customer experience at ENOC petrol stations:** Under the agreement, Salik and ENOC customers will enjoy a seamless experience when paying for fuel and other services including Autopro, Tasjeel and Zoom, with the option for deducting the transaction value from the customer's balance in their Salik e-wallet. This is enabled through use of cameras with technology for Automatic Number Plate Recognition (ANPR), and is the same proven technology now employed at parking locations including Dubai Mall and those operated by Parkonic.
- **Continued investment in human resources:** in Q1 2025 Salik expanded its full-time workforce by 29% YoY to 54 personnel, representing 13% growth as compared to year-end of 2024, with the number of nationalities represented at 12. Salik continues to progress on Emiratization, attaining a level of 29.6% in Q1 2025, with the female-to-workforce ratio at 20.4% at the end of the first quarter.

Business Outlook

FY25 total revenue guidance remains unchanged, expected to grow 28-29% YoY, including the contribution of two new toll gates

- **Revenue growth:** total revenue growth in FY25 is expected to be in the range of 28-29% year-on-year, including the impact of the two new gates introduced in November 2024 and the implementation of variable pricing on 31 January 2025. On a normalized basis, excluding the contribution from the two new gates, Salik expects total revenue to increase 4-5% YoY in FY25.
- **EBITDA margin:** is expected to be in the range of 68-69%.

About Salik Company PJSC

The Company was established in its current form, as a public joint stock company in June 2022 pursuant to Law No. (12) of 2022. "Salik", which means "seamless mobility" in Arabic, is Dubai's exclusive toll gate operator and manages the Emirate of Dubai's automatic toll gates utilizing Radio-Frequency-Identification (RFID) and Automatic-Number-Plate-Recognition (ANPR) technologies. The Company currently operates exclusively all the toll gates located at strategic junctures, especially on Sheikh Zayed Road, which is considered the main road in Dubai. Salik listed on the Dubai Financial Market (DFM) on 29th September 2022. Under a 49-year concession agreement (ending in 2071), with the Roads and Transport Authority (RTA), Salik has the exclusive right to operate existing and any future toll gates in Dubai.

Investor Relations

Wassim El Hayek

Head of Investor Relations

Wassim.Elhayek@salik.ae

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