

PRESS RELEASE

Salik To Build Two New Toll Gates in Dubai To Optimise Traffic Flow, Further Contributing to Growth

- *The addition of Business Bay Crossing and Al Safa South gates will increase the total number of Salik toll gates in Dubai from eight to ten, with the new gates expected to be operational by November 2024.*
- *The two new gates are expected to assist in reducing traffic congestion by up to 15% on Al Khail Road, to reduce traffic volume by up to 16% on Al Rabat Street and reduce right-turn traffic volume from Sheikh Zayed Road to Meydan Street by up to 15%.*

Dubai, UAE – 19 January 2024: Salik Company PJSC (“Salik” or the “Company”), Dubai’s exclusive toll gate operator, has announced that the Roads and Transport Authority (“RTA”), has formally assigned Salik to install two new toll gates to optimise traffic flow and reduce congestion on key routes within Dubai.

The two new gates will be located at Business Bay Crossing on Al Khail Road, and Al Safa South on Sheikh Zayed Road between Al Meydan Street and Umm Al Sheif Street. The two locations have been selected based on extensive traffic movement studies by the RTA. Their objective is to manage traffic distribution and reduce congestion by rerouting some traffic to alternative routes with greater capacity, facilitating smoother and more efficient travel for all motorists in Dubai. With expected commencement of operations by November 2024, the new gates will increase Salik’s total number of toll gates in Dubai from eight to ten. Similar to Al Mamzar North and South, Al Safa South will be linked with the existing Al Safa gate (“Al Safa North”), whereby commuters will be charged only once if they pass through the two gates within one hour in the same direction.

Ibrahim Sultan Al Haddad, Chief Executive Officer of Salik Company PJSC, commented: “The addition of new toll gates in two increasingly busy locations marks the latest milestone in the growth plan that we set out at the time of Salik’s initial public offering. Our partnership with RTA in launching these new gates is another important step in our journey to enhancing Dubai’s transport infrastructure with smart and sustainable mobility solutions. These two new gates aim to improve overall mobility throughout the city, facilitating smoother and more efficient travel for road users.”

As per the concession agreement with RTA, Salik will oversee the essential civil works required for constructing, operating, and maintaining the toll gates and will acquire the exclusive right to operate the gates until June 2071. The RTA expects the Business Bay Crossing gate to assist in improving traffic congestion by 12-15% on Al Khail Road, reducing traffic volume by 10-16% on Al Rabat Street, and redistributing traffic to Al Maktoum and Al Garhoud bridges and Ras Al Khor Street. Similarly, Al Safa South is expected to reduce right-turn traffic volume from Sheikh Zayed Road to Meydan Street by 15% and optimise traffic flow on Financial Centre, First Al Khail, and Al Asayel streets.

With the launch of the new gates, Salik expects to see an increase in annual revenue-generating trips. Further details concerning the required upfront valuation and funding mix for the introduction of the new gates, as well as guidance on the generated revenues, EBITDA and balance sheet impact will be communicated to the market after the completion of detailed traffic studies and agreement with the RTA.

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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 utilising Radio-Frequency-Identification (RFID) and Automatic-Number-Plate-Recognition (ANPR) technologies. The Company currently operates 8 toll gates located at strategic junctures, especially on Sheikh Zayed Road, which is considered the main road in Dubai. In 2022, 539 million journeys were recorded through Salik’s toll gates, whether for residents commuting within the Emirate for their daily activities or for tourists visiting Dubai’s attractions. 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.

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