IMPORTANT ANNOUNCEMENT REGARDING THE FINAL OFFER PRICE FOR THE OFFER SHARES IN SALIK COMPANY P.J.S.C. AND LISTING OF ITS SHARES ON THE DUBAI FINANCIAL MARKET

Following its announcement on **05 September 2022** of its intention to float on the Dubai Financial Market (**"DFM"**) through a public subscription of 1,500,000,000 (one billion, five hundred million) ordinary shares with a nominal value of AED 0.01 (one fils) each, representing 20% (twenty percent) of the issued share capital of the Company (the **"Offer Shares"**) in a public subscription (the "Offering") in the United Arab Emirates (the **"UAE"**), **Salik Company P.J.S.C.** (the "Company" or "Salik") hereby announces the final offer price for the sale of the Offer Shares (the **"Final Offer Price"**).

The prospectus that was published by the Company on **05 September 2022** refers to an announcement of the Offer Price Range on 13th September 2022 and an announcement of the Final Offer Price after the closing of the subscription period. Subsequently, it has been decided by the Company to announce the Final Offer Price at the opening of the subscription period, on the following basis:

- A share price of AED2 per Offer Share has been agreed by the Company (such share price implying an equity value of AED15 billion) according to the opinion of the Selling Shareholder after considering the valuation report prepared by an independent expert house accredited in the UAE.

- For the purposes of determining the Final Offer Price of the Offer Shares set at AED2 per Offer Share, the Company's board of directors considered the valuation report, the legal due diligence in addition to the information provided by the Roads and Transport Authority, which included, among other things, a summary of the Financial Statements and a Summary of Key Notes and Key Financial Indicators as of and for the Three Years Ended 31 December 2021, 2020 and 2019 and for the period between 1 January to 1 July 2022 and 1 January to 1 July 2021, which have been prepared in accordance with IFRS, the Company's business plans and other relevant information, the Final Offer Price was determined by the Selling Shareholder following investor engagement that saw significant strong initial demand indications from both local and international investors, ahead of the start of the subscription period, which opens today.

The number of ordinary shares, with a nominal value of AED 0.01(one fils) per share, offered for sale by the selling shareholder, the Government of Dubai represented by the Department of Finance (the **"Selling Shareholder"**), will be 1,500,000,000 (one billion, five hundred million) shares, including the offer to the Emirates Investment Authority (**"EIA"**) of up to 5% (five percent) of the Offer Shares, and the offer to the **Pensions and Social Security Fund of Local Military Personnel,** of up to 5% (five percent) of the Offer Shares.

If all of the Offer Shares are subscribed for and allocated, the Offer Shares will represent 20% (twenty percent) of the total issued ordinary shares in the capital of the Company (the **"Shares"**). The Selling Shareholder reserves the right to amend the size of the Offering and the tranche sizes at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws and the approval of the Securities and Commodities Authority (the **"SCA"**). Prior to this Offering, the Shares have not been listed on any financial market and there has been no public market for the Shares. Following the closing of the Offer Period in respect of the First Tranche, the Second Tranche, and the Third Tranche, the Company will apply to list its Shares on the DFM.

Listing is expected to take place on the DFM on or around Thursday 29 September 2022 (**"Listing"**).

The Company is a public joint stock company incorporated in the UAE. Upon the completion of the Offering, the Company's paid-up share capital shall be AED 75,000,000 (seventy five million UAE dirhams), divided into 7,500,000,000 (seven billion and five hundred million) Shares with a nominal value of AED 0.01 (one fils) per Share.

All the terms defined in the UAE prospectus in relation to the Offering published on 5 September 2022 (the **"Prospectus"**) and used in this announcement shall have the same meaning as set out in the Prospectus, unless otherwise indicated. This announcement should be read in conjunction with the Prospectus.

Cornerstone Investors

On 12 September 2022, the Company entered into cornerstone investment agreements with the UAE Strategic Investment Fund (through Emirates NBD AM SPC), Dubai Holding, Shamal Holding and The Abu Dhabi Pension Fund (ADPF) (together, the **"Cornerstone Investors"**), pursuant to which each of the Cornerstone Investors severally (and neither jointly nor jointly and severally) has committed to purchase shares in the Qualified Investor Offering at the Final Offer Price. In aggregate, the Cornerstone Investors have committed up to c. AED 606mn (c. US$ 165mn) to the Offering with their shares subject to a 180-day lock-up arrangement, following Listing.

Approval of the competent authorities

The SCA has approved the publication of this announcement. The SCA's approval on the publication does not constitute an endorsement of the feasibility of investment nor a recommendation to subscribe to the Offer Shares; this announcement shall be read in conjunction with the Prospectus. The SCA is not considered responsible for the accuracy, completeness, or adequacy of the information contained in the Prospectus and the SCA does not bear any responsibility for any damages or losses incurred by any person as a result of relying on the Prospectus or any part of it. The members of the Company's board of directors, jointly and severally, bear full responsibility regarding the validity of the information and data contained in the Prospectus, and they confirm, to the extent of their knowledge and belief, and subject to due diligence and after conducting reasonable studies, that there are no other facts or material information, which were not included in the Prospectus that renders any statement contained therein misleading to the subscribers or influencing their decision to invest.

Investment Risks

Investment in the Offer Shares involves a high degree of risk. Prospective Subscribers for Offer Shares should carefully read the "Investment Risks" and "Important Notice" sections of the Prospectus to inform themselves about factors that should be considered before investing in the Offer Shares.

The following are included in this announcement: Summary of the Financial Statements, Pro-Forma Financial Information and a Summary of Key Notes and Key Financial Indicators as of and for the Three Years Ended 31 December 2021, 2020 and 2019 and for the period between 1 January to 1 July 2022 and 1 January to 1 July 2021.

Summary of the Directors' Report

1. **Snapshot on the Establishment of the Company**

   Name of the Company: SALIK COMPANY P.J.S.C.

   Primary objects of the Company:

   - To operate, manage and develop the traffic toll system exclusively within the Emirate of Dubai and apply the legislation governing the tariffs, including the Executive Council Resolution No. 19 of 2010, in accordance with the concession agreement entered into with the Roads & Transport Authority.

   - To manage, develop and operate the traffic systems, in accordance with the agreements entered into with the authorities concerned with the traffic systems in and outside the Emirate of Dubai.

   - To provide consultancy services in the field of traffic and toll systems.

   - To prepare studies related to the plans and locations of toll gates in the Emirate of Dubai in coordination with the RTA.

   - To invest in the field of traffic and toll systems.

Head office: First Floor, Block C, RTA Headquarters, Dubai, United Arab Emirates.

Details of trade register and date of engaging in the activity: License No. 1073626, registered on 17 June 2022.

Term of the Company: 99 years.

Financial year: 1 January to 31 December.

Independent auditors: PricewaterhouseCoopers (Dubai Branch) Building 5, Emaar Square P.O. Box 11987 Dubai UAE.

Major Banks dealing with the Company

Major banks dealing with the Company	Nature of Relationship
Emirates NBD Bank P.J.S.C.	Murabaha financing Arrangement/ Finance facility
Emirates NBD Bank P.J.S.C.	Company's bank account

2. **Strategy of the Company**

   New Toll Gates: strategically expand the network of toll gates to cover high traffic routes while optimising the traffic flow

   With (8) eight gates built in a span of eleven years, the Directors believe that the Salik Tolling Business has demonstrated its ability to meet the government's traffic management goals whilst offering Dubai motorists a seamless mobility experience. Additionally, the creation of (5) five interconnected urban centres in Dubai (as per the 2040 Urban Master Plan) to meet the needs of Dubai's fast-growing population will create traffic on new roads, and historically, new gates were added in line with population growth.

   Pursuant to the Concession Agreement, the Company will be the sole and exclusive toll operator of the current toll gates, with the obligation to pay the RTA a concession fee. The Company will also be the exclusive toll operator for all future toll gates installed by the RTA for the full length of the Concession Agreement, which expires in 2071. The Company will focus on capitalising on data generated as part of its operations to continually provide the RTA with up-to-date insights on traffic flow within Dubai. This will ensure any decision-making process is well-informed, especially in relation to new gate additions designed to optimize traffic flow within Dubai's main traffic arteries.

   The Company will also continually invest in its operation in order to seamlessly integrate new gates into its existing portfolio, allowing the Company to immediately bring them online once construction is complete. A new gate typically takes approximately nine to ten months from conception to become operational, and new gates are typically announced three to six months prior to operation. The Company expects the cost for a new gate to be between AED 20 million (UAE Dirhams twenty million) to AED 30 million (UAE Dirhams thirty million) depending on the number of lanes at the selected location. Because this amount is paid over the course of ten to twelve months, as the Company incurred the cost, it will invoice the RTA and collect a cost plus 10% (ten percent) from the RTA (as per the Concession Agreement). Once a new gate is operational, the Company would anticipate traffic usage to ramp up over the course of three to four years.

   The Company intends to work closely with the RTA during the construction of all future gates to ensure specifications and design reflects: (i) latest technology leveraging its continual investment in innovation and (ii) operational learnings gathered as part of its experience in operating existing gates. Following the implementation of any new gates, the RTA will continue to monitor travel time reduction on the concerned road section or corridor and travel time index on the same location.

   ESG Focus: implement green practices; provide socially beneficial incentives and ensure strong corporate governance

   The Company acknowledges its role and responsibility to incorporate sustainable practices in its operations, in alignment with the Dubai's committed sustainability goals.

   The Company is committed to enhancing green energy solutions, with plans to install solar power capabilities in all existing toll gates over the next few years. In addition to that, the Company has been focused on its digital transformation by transitioning into a paperless organisation, which helps it save 4.9 (four point nine) tons of CO_2 annually. All Salik services are available online, and 99% (ninety nine percent) of Salik customers have adopted digital self-services (via the Salik app or online) over going to a customer service centre to buy or recharge their Salik Tags.

   The Company also plans, and has a budget approved, to install solar power capabilities in all existing toll gates over the next few years and is committed to reducing its carbon footprint (in line with Dubai's goal of achieving net zero emissions by 2050). To support this goal, the Company aims to continue to promote Salik smart channels (its app, website and chatbot) over its service centres, as each transaction made through a Salik smart channel instead of the service centre saves 12 (twelve) kg of CO_2 emissions.

   The Company is also committed in promoting and incentivising a transition to more sustainable modes of vehicle transportation. For example, the Company provides electric vehicles activated Salik Tags at no cost. Electric vehicle owners are still required to top up their tags and pay tolls for trips. Further, the Company has implemented a strict ESG screening for all potential vendors.

   The Company enjoys a 92% (ninety two percent) customer satisfaction rate, which is a result of the Company's strategy to ensure it continuously focuses on enhancing its brand image by providing top-notch customer service and a seamless experience across each customer's journey. Furthermore, the Company's free-flow gates help reduce traffic congestions at toll gates and save fuel.

   The Company believes developing its human capital is the foundation for sustainable growth and prosperity and is focused in promoting equality and inclusivity through training and development programs. The Company also plans to incorporate specific hiring practices to help promote equality and inclusivity. As at the date of the Prospectus, eight nationalities are represented among total Salik employees. The Salik Tolling business has enjoyed a high employee retention rate, with over a decade of tenor among the Salik toll operations team.

   Effective governance is key to the development of the Company and achievement of its strategy. The Company aims to implement a robust corporate governance framework, with transparent reporting and adequate measures in place to ensure all related party arrangements are done at an arm's length basis. The Company will also have two independent directors and the CEO serving in its board, as well as independent audit and remuneration committees.

   The Company is committed to transparency and intends to disclose summaries of the key agreements that govern its operations, such as the Concession Agreement.

   Revenue Diversification: Addition of other potential revenue streams including advertisements, data monetization, and consulting services

   In addition to a favourable regulatory framework that allows the Company to continue to grow within Dubai, in part by ensuring that all future Dubai toll gates will be within its perimeter, the Company is also focused on diversifying its revenue base and re-investing its cash into accretive opportunities for shareholders. The Company aims to leverage its technology and operational expertise to expand within Dubai to areas that complement its existing service offering and pursue other revenue streams which are not in competition with the RTA to the Company. Some complementary avenues the Company could explore, subject to technical and commercial feasibility, as part of its revenue diversification efforts are (i) in-app advertisements and advertising on its gate which are located in strategic junctures within Dubai, (ii) monetizing the data it collects as part of its operations which can provide invaluable insights on traffic flow within Dubai and (iii) consulting services leveraging its expertise and experience in free flow tolling system in Dubai which can be implemented in other major cities in the region and internationally and (iv) would benefit from a dynamic pricing implemented by the RTA which could potentially increase tolling revenue.

   The Company's management will continue to focus on adding value to shareholders by ensuring the strong cash generated from its operations is (i) paid to shareholders to ensure a sustainable and stable stream of income and (ii) re-invested in accretive opportunities where it could add value and generate future growth and capital appreciation.

   Technological Innovation: Develop and adopt the latest technological innovations in tolling operations

   The Company's current technology is considered best-in-class, integrated and 'custom-built' to be fit-for-purpose to ensure superior operating performance. The Company will continue to prioritise investing in technology to ensure it is a pioneer of tech-enabled innovation in the sector. Investing in technology materially helps improve the reliability of the Company's operations and also enables potential future revenue streams.

   The Company is focusing on leveraging its position as sole and exclusive operator of toll gates in Dubai to invest in its data analytics infrastructure to be able to further profit from its data to serve a wider group of clients.

3. **List of the Company's subsidiaries**

   The Company does not have any subsidiaries.

4. **Securities previously issued by the Company**

   The Company has not issued any securities prior to listing its shares on the Dubai Financial Market **("DFM").**

   The share capital of the Company as at the date of the Listing has been set at AED 75,000,000 (UAE Dirhams seventy-five million) divided into 7,500,000,000 (seven billion, five hundred million) Shares paid-in-full, with the value of each Share being AED 0.01 (one fils).

5. **Members of board directors**

   As at Listing and pursuant to the TEC's Executive Council Resolution No. 34 of 2022, forming Salik Company P.J.S.C.'s Board of Directors, the Board consists of seven (7) Directors of which there is one (1) Executive Director and six (6) Non-Executive Independent Directors. Each of the Directors has been appointed for a term of three (3) years.

Name	Year of Birth	Nationality	Capacity
His Excellency Mattar Al Tayer	1958	Emirati	Chairman, Non-executive
Abdul Muhsen Ibrahim Kalbat	1967	Emirati	Vice-chairman, Non-executive
Maitha Bin Adai	1970	Emirati	Director, Non-executive
Mohammed Al-Mudharreb	1982	Emirati	Director, Non-executive
Ibrahim Al Haddad	1977	Emirati	Chief Executive Officer, Executive
Mohammed Abdulla Lengawi	1971	Emirati	Director, Non-executive
Mohammad Alhawi	1983	Emirati	Director, Non-executive

6. **Members of senior management**

   In addition to the members of the Board of Directors, the day to day management of the operations is conducted by the Company's senior management team, as follows:

Name	Year of Birth	Position	Year of appointment
Ibrahim Al Haddad	1977	Chief Executive Officer	2022
Maged Ibrahim	1968	Chief Financial Officer	2022

Tariq Ismail Mohammad	1983	Chief Technology Officer	2022
Stephen Hibbert	1954	Chief Legal Counsel	2022
Tariq Al Mutawa	1989	Support Services Director	2022
Gopalakrishnan Hariharan	1982	Director, Strategy and Growth	2022
Mohamed Hisham Aly Zeinelabedin	1984	Head of Investor Relations	2022
Mohamad Muyees	1975	Project Manager	2022
Mohammad Shanna	1985	Corporate IT – Manager	2022

7. **The ownership percentage of the members of the Board of Directors, Senior Management, and their first degree relatives in the Company and its Subsidiaries:**

   None of the members of the Board or the Senior Management and their first-degree relatives own any shares in the Company at the time of the Offering.

8. **Statement of the memberships of the board of directors and the executive management on the board of other public joint stock companies in the UAE:**

   None of the Board members hold any memberships in the boards of directors of any public joint stock companies in the UAE

9. **List of the owners of the Company's shares and the number of shares owned**

As at the date of the **Prospectus:**

Shareholder	Number of Shares	Percentage
Government of Dubai	7,500,000,000	100%

Selling Shareholder's stake after the Offering:

Shareholder	Number of Shares	Percentage
Government of Dubai	6,000,000,000	80%

*Based on the nominal value

Assuming all of the Offer Shares are allocated and the Selling Shareholder sells all of the Shares being offered and the Offering size is not increased, the Selling Shareholder will hold 80% (eighty percent) of the Shares. The Company has presented its plan to the SCA for the Selling Shareholder to offer 20% (twenty percent) of the total share capital. The Selling Shareholder reserves the right to amend the size of the Offering at any time prior to the end of the subscription period at its sole discretion, subject to applicable laws and the SCA's approval.

10. **Board of Directors' evaluation of the Company's performance and achievements in comparison with the objective plan**

    Salik', meaning "open" or "clear" in Arabic, is Dubai's exclusive toll operator and currently consists of eight automatic toll gates utilising RFID technology throughout the heart of the Emirate of Dubai. The Company has rights to advanced technology, which it uses to optimise the free flow of traffic, as opposed to physical toll collectors or toll booths which would otherwise obstruct free traffic flow at highway speeds. Salik is maintained completely above the road from walkways inside the cladded gantries and requires no road closures for maintenance purposes. Salik also features the world's widest Open Road Tolling Zone at 40.3 (forty point three) mts spanning seven open road tolls in a single direction.

    Salik does not require the use of cash—the toll amount is automatically deducted from a prepaid Salik toll account via a Salik Tag attached to a vehicle's windshield which users buy once they register their car with Salik. Salik's scanning technology automatically identifies each vehicle as it drives through a toll gate. Salik Tags may be purchased and re-charged at petroleum stations, as well as at various locations of over 15 leading banks. Users may also re-charge their accounts using selected websites and apps. Fines may be paid at various locations in Dubai and online.

    As of 30 April 2022, Salik had 3.6 million (three million and six hundred thousand) registered vehicles, out of which 1.8 million (one million and eight hundred thousand) were Dubai vehicles.

    Operation and management of the affiliated Toll Roads and Bridges is undertaken by the RTA. Salik has, under the Concession Agreement, been granted the sole and exclusive concession rights to the eight toll gates and any future toll gates across the Emirate of Dubai. It is responsible for all aspects of the toll gates, including operations, maintenance and corporate services. However, the RTA has full and exclusive rights to use and manage Dubai's roads, including the Toll Roads and Bridges, as required for the operation and maintenance of the Company's own assets. It is also the RTA's responsibility to finance the construction and all reasonable costs incurred by the Company in relation to any new toll gates. The relationship between the Company and the RTA is governed under a series of agreements, including the Concession Agreement, which sets out, for example, the RTA's obligations to the Company with regards to operating and maintaining the Toll Roads and Bridges.

    On 17 June 2022, the Salik Company P.J.S.C. was issued with its Trade Licence and commenced business. On 30 June 2022, the RTA transferred certain of the assets, rights and obligations relating to the Salik Tolling Business from the RTA to the Company pursuant to the Concession Agreement (the "Carve-out"). Prior to the Carve-out, the Salik Tolling Business operated as part of the RTA.

    The Company's principal asset is the Concession Agreement with the RTA, which gives the Company the exclusive rights to operate current and future toll gates established across the Emirate of Dubai. The Concession Agreement is long-dated and includes a toll price uplift that can be used to offset inflation (and in case tariffs increases are not approved by TEC, there is a further mechanism to offset inflation by way of a reduction in the concession fee payable to the RTA by the Company, the concession fee, however, is capped at 25% (twenty five percent) of toll revenues and cannot be reduced below the floor of 15% (fifteen percent) of toll revenues for any given year) and a pre-agreed valuation and earn-out mechanism for new gates. The Concession Agreement's maturity date is 2071.

    The following table sets out certain key financial and operating metrics of the Company for the periods indicated: For a reconciliation of certain of the Non-IFRS Measures to the nearest corresponding IFRS financial measure, please refer to the "Third Section – Financial Disclosures" of the Prospectus.

	For the year ended 31 December		For the period 1 January to 1 July		
	2019	2020	2021	2021	2022
	(AED `000, unless stated otherwise)				
Non-IFRS Financial Measures					
EBITDA[1]	1,653,237	1,111,116	1,386,575	637,410	800,065
EBITDA Margin[2]	83.7%	80.0%	81.9%	80.4%	84.7%
Cash Flow Conversion[3]	99.9%	100.2%	99.9%	99.9%	99.6%
Working Capital[4]	(165,321)	(235,229)	(78,095)	n/a[7]	(106,412)
Capital Expenditure[5]	1,343	2,853	1,209	400	3,161
Free Cash Flow[6]	1,721,017	1,179,196	1,232,739	614,339	824,975
Other operating measures					
Total Trips[8]	571 million	400 million	481 million	227 million	267 million
Revenue Generating Trips[9]	435 million	301 million	367 million	172 million	205 million
Discounted Trips[10]	130 million	95 million	111 million	53 million	58 million
Net Toll Traffic	441 million	305 million	370 million	174 million	209 million

Notes:

(1) EBITDA is Profit for the Year/period, excluding the impact of interest, tax and depreciation expense.

(2) EBITDA Margin is EBITDA as a percentage of revenue.

(3) Cash Flow Conversion is profit for the year plus loss on property and equipment disposal and depreciation expense, minus purchase of property and equipment divided by EBITDA.

(4) Working Capital is inventories plus trade and other receivables and advance to suppliers, minus trade and other payables and current portion of contract liabilities.

(5) Capital Expenditure is purchases of property and equipment.

(6) Free Cash Flow is net cash flows from operating activities less purchases of property and equipment and plus proceeds from the sale of property and equipment.

(7) Financial position as at July 2021 is not presented in the Prospectus.

(8) Total posted trips for period.

(9) Proportion of posted trips motorists get charged for ("Revenue Generating Trips"). The difference between total traffic minus discounted trips ("Net Toll Traffic") and Revenue Generating Trips is due to violations (which account for most of the difference) and unreconciled transaction trips, which are not include in the Revenue Generating Trips figure.

(10) Proportion of total trips to which a discounted rate is applied.

For more information on the Non-IFRS measures listed in the table above, see "Third Section: Financial Disclosures — Certain Non-IFRS Measures" of the Prospectus.

11. **Dividend policy:**

    The Company's ability to pay dividends is dependent on a number of factors, including the availability of distributable reserves and its capital expenditure plans and other cash requirements in future periods, and there is no assurance that the Company will pay dividends or, if a dividend is paid, what the amount of such dividend will be. See *"Investment Risks — Risks Relating to the Offering and to the Shares — The Company's ability to pay dividends in the future depends, among other things, on the Company's financial performance and capital requirements"* of the Prospectus. Any level or payment of dividends will depend on, among other things, future profits and the business plan of the Company, at the discretion of the Board of Directors and the General Assembly.

    Subject to the foregoing, the Company intends to pay dividends twice each fiscal year after the Offering in April and October of each year. The Company expects to pay a first dividend for the second half of 2022 by April 2023, and it expects to pay 100% (one hundred percent) of the net profit, after keeping aside the statutory reserve required by law (expected to be AED 37.5 million (UAE Dirhams thirty-seven million, five hundred thousand) for the first dividend). From 2023 onwards, the Company expects to pay 100% (one hundred percent) of the net profit available for distribution as dividend.

    This dividend policy is subject to consideration of the Board of Directors of the cash management requirements of the Company's business for operating expenses, financing expense and anticipated capital expenditures and investments. In addition, the Company expects that the Board of Directors will also consider market conditions, the then current operating environment in the Company's markets, and the Board of Directors' outlook for the Company's business and growth opportunities.

    The dividend policy is aligned with the Company's Articles.

12. **Summary of the Financial Statements, Pro Forma Financial Information and a Summary of Key Notes and Key Financial Indicators as of and for the Three Years Ended 31 December 2019, 2020 and 2021 and for the period between 1 January to 1 July 2022 and 1 January to 1 July 2021.**

    The financial information set forth in this section should be read in conjunction with the Carve-out Financial Statements, the Interim Financial Statements and the Unaudited Pro Forma Financial Statements, included in the Prospectus. Investors should also read certain risks associated with the purchase of Shares in the section entitled *"Investment Risks"*.

    The selected financial information set forth below shows the Company's selected "Carve-out Statement of profit and comprehensive income", "Carve-out Statement of financial position data", "Carve-out Statement of cash flows data" and "Carve-out Statement of changes in equity" has been derived from, and should be read in conjunction with, the Carve-out Financial Statements and the Interim Financial Statements included elsewhere in the Prospectus.

    This section also includes certain Non-IFRS measures including EBITDA, EBITDA Margin, Cash Flow Conversion, Working Capital, Capital Expenditures and Free Cash Flow which were calculated by the Company based on data derived from the Annual Carve-out Financial Statements, the Interim Carve-out Financial Statements and management information. These measures are not indicative of the Company's historical operating results, nor are they meant to be predictive of future results, and are not measurements of performance or liquidity under IFRS or any other generally accepted accounting principles. These measures are used by the Company's management to monitor the underlying performance of the business and the operations. Since all companies do not calculate these measures in an identical manner, the Company's presentation may not be consistent with similar measures used by other companies.

    The selected financial information and Non-IFRS measures presented below should be read in conjunction with *"Presentation of Financial and Other Information" and "Annex 4 Financial Statements"* in the Prospectus.

Carve-out statement of profit and comprehensive income

	For the Year ended 31 December		For the period 1 January to 1 July		
	(AED'000)			(AED'000)	
	2019	2020	2021	2021	2022
Revenue	1,975,260	1,388,684	1,693,207	792,968	944,905
Cost of tags and recharge cards	(16,399)	(14,916)	(21,766)	(9,067)	(10,931)
Toll operation and maintenance expense	(85,253)	(81,661)	(85,859)	(42,193)	(47,593)
Employee benefits expense	(11,666)	(12,173)	(9,551)	(5,225)	(4,888)
Depreciation	(6,629)	(6,304)	(6,000)	(3,000)	(3,317)
Other expenses	(42,339)	(33,567)	(40,129)	(17,724)	(20,045)
Corporate costs allocation	(102,439)	(92,873)	(113,076)	(45,273)	(40,521)
Loss on property and equipment disposal	-	(4,747)	-	-	-
Software enhancement expense	(14,014)	(12,461)	(9,972)	(7,025)	(8,334)
Impairment loss on receivables, net of reversals	(49,913)	(25,170)	(26,279)	(29,051)	(12,528)
Profit for the year	1,646,608	1,104,812	1,380,575	634,410	796,748
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	1,646,608	1,104,812	1,380,575	634,410	796,748

Annual Carve-out statement of financial position data

	As at 31 December		
	(AED'000)		
	2019	2020	2021
ASSETS			
Non-current assets			
Property and equipment	120,536	112,128	107,337
	120,536	112,128	107,337
Current assets			
Inventories	8,632	19,528	16,044
Trade and other receivables	153,626	94,113	158,520
Advance to supplier	25,144	14,857	33,416
	187,402	128,498	207,980
Total assets	307,938	240,626	315,317
LIABILITIES			
Non-current liabilities			
Employees' end of service benefits	1,832	2,114	2,377
Contract liabilities	36,764	32,461	36,723
	38,596	34,575	39,100
Current liabilities			
Trade and other payables	66,810	106,989	9,452
Employee benefits	151	240	222
Contract liabilities	285,913	256,738	276,623
	352,874	363,967	286,297
TOTAL LIABILITIES	391,470	398,542	325,397
Net parent investment			
Accumulated net contributions from parent	(83,532)	(157,916)	(10,080)
	(83,532)	(157,916)	(10,080)
TOTAL LIABILITIES AND NET PARENT INVESTMENT	307,938	240,626	315,317

Interim Carve-out statement of financial position data

	As at 31 December	As at 1 july
	(AED'000)	
	2021	2022
ASSETS		
Non-current assets		
Intangibles	-	4,000,000
Property and equipment	107,337	3
Other asset	-	640
	107,337	4,000,643
Current assets		
Inventories	16,044	5,233
Trade and other receivables	158,520	167,381
Advance to supplier	33,416	27,638
VAT receivable	-	202,723
Other asset	-	160
Cash and cash equivalent	-	4,205,000
	207,980	4,608,135
Total assets	315,317	8,608,778
LIABILITIES		
Non-current liabilities		
Long-term borrowings	-	3,983,970
Employees' end of service benefits	2,377	1,779
Contract liabilities	36,723	40,079
	39,100	4,025,828
Current liabilities		
Short-term borrowings	-	17,766
Due to RTA	-	4,200,000
Trade and other payables	9,674[1]	30,011[2]
Contract liabilities	276,623	276,653

	286,297	4,524,430
TOTAL LIABILITIES	325,397	8,550,258
Share capital	-	75,000
Reorganisation reserve	-	(16,480)
Accumulated net contributions from parent	(10,080)	-
	(10,080)	58,520
TOTAL LIABILITIES AND EQUITY	315,317	8,608,778

Carve-out statement of cash flows data

	For the Year ended 31 December			For the period 1 January to 1 July	
	(AED'000)			(AED'000)	
	2019	2020	2021	2021	2022
Profit for the year	1,646,608	1,104,812	1,380,575	634,410	796,748
Adjustments for:					
Depreciation of property and equipment	6,629	6,304	6,000	3,000	3,317
Loss on fixed asset disposal	-	4,782	-	-	-
Provision for employees' end-of-service benefits, net	259	372	245	126	143
Provision for impairment losses on trade receivables	49,913	25,170	26,279	29,051	12,528
Operating cash flows before movements in working capital:					
(Increase)/ decrease in trade and other receivables	(46,299)	34,343	(90,686)	(55,016)[1]	(21,389)[1]
Decrease/ (increase) in inventories	8,432	(10,896)	3,484	7,277	10,811
(Increase)/ decrease in advance to supplier	9,272	10,287	(18,559)	8,903	5,778
(Increase)/ decrease in VAT receivable	-	-	-	-	(2,723)
(Increase)/ decrease in other assets	-	-	-	-	(800)
(Decrease)/ increase in trade and other payables	46,255	40,179	(97,537)	(26,583)	20,337
Increase/ (decrease) in contract liabilities	1,291	(33,478)	24,147	13,571	3,386
Net cash flows from operating activities	1,722,360	1,181,875	1,233,948	614,739	828,136
Purchases of property and equipment	(1,343)	(2,853)	(1,209)	(400)	(3,161)
Proceeds from the sale of property and equipment	-	174	-	-	-
Net cash flows used in investing activities	(1,343)	(2,679)	(1,209)	(400)	(3,161)
Net distributions to parent	(1,721,017)	(1,179,196)	(1,232,739)	(614,339)	(826,711)
Proceeds from borrowings obtained during the period	-	-	-	-	4,001,736
Proceeds from issuance of share capital	-	-	-	-	75,000
Capital contribution received	-	-	-	-	130,000
Net cash generated from / (used in) financing activities	(1,721,017)	(1,179,196)	(1,232,739)	(614,339)	3,380,025
Cash, end of period	-	-	-	-	4,205,000

Notes:

(1) "Trade and other payables" and "Employee Benefits" as at 31 December 2021, 2020 and 2019 were presented as separate line items in the Carve-out Statement of Financial Position in the Annual Carve out Financial Statements. However, in the Interim Carve-out Statement of Financial Position in the Interim Carve-out Financial Statements "Trade and other payables" and "Employee benefits" have been presented as one line item "Trade and other payables" as at 31 December 2021 and as at 1 July 2022. Please refer to Annex 4 of the Prospectus.

(2) Excludes impact of impairment losses.

Carve-out statement of changes in equity

	Share capital	Reorganisation reserve	Net Parent Investment	Total equity
Balance as at 1 January 2019	-	-	(9,123)	-
Net profit	-	-	1,646,608	-
Net distributions to Parent	-	-	(1,721,017)	-
Balance at 31 December 2019	-	-	(83,532)	-
Net profit	-	-	1,104,812	-
Net distributions to Parent	-	-	(1,179,196)	-
Balance at 31 December 2020	-	-	(157,916)	-
Net Profit	-	-	1,380,575	-
Net distribution to Parent	-	-	(1,232,739)	-
Balance at 31 December 2021	-	-	(10,080)	-
Balance at 1 January 2021	-	-	(157,916)	(157,916)
Total comprehensive income during the period	-	-	634,410	634,410
Net distribution to parent	-	-	(614,339)	(614,339)
Balance at 1 July 2021	-	-	(137,845)	(137,845)
Balance at 1 January 2022	-	-	(10,080)	(10,080)
Issuance of share capital	75,000	-	-	75,000
Capital contribution	-	130,000	-	130,000
Total comprehensive income during the period	-	-	796,748	796,748
Net distribution to parent	-	-	(826,711)	(826,711)
Property and equipment not transferred to the Company	-	-	(107,178)	(107,178)
End of service benefit liability of employees not transferred to the Company	-	-	741	741
Transfer during the period	-	(146,480)	146,480	-
Balance at 1 July 2022	75,000	(16,480)	-	58,520

Certain Non-IFRS Measures

Set out below are certain measures that are not defined or recognised under IFRS, or any other generally acceptable accounting principles, including EBITDA, EBITDA Margin, Cash Flow Conversion, Working Capital and Free Cash Flow (i.e. the Non-IFRS measures)). The Company believes that these Non-IFRS measures provide valuable information as these measures are used by the Company's management to evaluate the efficiency of a company's operations and its ability to employ its earnings toward repayment of debt, capital expenditures and working capital requirements. There are no generally accepted principles governing the calculation of these measures and the criteria upon which these measures are based can vary from company to company. As these measures, by themselves, do not provide a sufficient basis to compare the Company's performance with that of other companies and should not be considered in isolation or as a substitute for operating profit or any other measure as an indicator of operating performance, or as an alternative to cash generated from operating activities as a measure of liquidity. The Company has presented these Non-IFRS measures because it believes these are helpful to investors and financial analysts in highlighting trends in the overall business of the Company. Definitions of these Non-IFRS measures, along with an explanation of their relevance and a discussion of their limitations appear in "Third Section: Financial Disclosures".

	For Year ended 31 December			For the period 1 January to 1 July	
	(AED'000)			(AED'000)	
	2019	2020	2021	2021	2022
EBITDA[1]	1,653,237	1,111,116	1,386,575	637,410	800,065
EBITDA Margin[2]	83.7%	80.0%	81.9%	80.4%	84.7%
Cash Flow Conversion[3]	99.9%	100.2%(7)%	99.9%	99.9%	99.6%
Working Capital[4]	(165,321)	(235,229)	(78,095)	n/a[7]	(106,412)
Capital Expenditure[5]	1,343	2,853	1,209	400	3,161
Free Cash Flow[6]	1,721,017	1,179,196	1,232,739	614,339	824,975

Notes:

(1) EBITDA is Profit for the Year period, excluding the impact of interest, tax and depreciation expense.

(2) EBITDA Margin is EBITDA as a percentage of revenue.

(3) Cash Flow Conversion is profit for the year plus loss on property and equipment disposal and depreciation expense, minus purchase of property, equipment divided by EBITDA.

(4) Working Capital is inventories plus trade and other receivables and advance to suppliers, minus trade and other payables and current portion of contract liabilities.

(5) Capital Expenditure is the purchases of property and equipment.

(6) Free Cash Flow is net cash flows from operating activities less purchases of property and equipment and plus proceeds from the sale of property and equipment.

(7) Financial position as at 1 July 2021 is not presented in the Prospectus.

EBITDA and EBITDA Margin

The following table provides a reconciliation from profit for the year to EBITDA for the periods indicated.

EBITDA	For the Year ended 31 December			For the period 1 January to 1 July	
	(AED'000)				
	2019	2020	2021	2021	2022
Revenue	1,975,260	1,388,684	1,693,207	792,968	944,905
Profit for the year/period	1,646,608	1,104,812	1,380,575	634,410	796,748
Depreciation Expense	6,629	6,304	6,000	3,000	3,317
EBITDA	1,653,237	1,111,116	1,386,575	637,410	800,065
EBITDA Margin	83.7%	80.0%	81.9%	80.4%	84.7%

Cash Flow Conversion

The following table provides a reconciliation from profit for the year to Cash Flow Conversion for the periods indicated.

EBITDA Cash Flow Conversion	For the Year ended 31 December			For the period 1 January to 1 July	
	(AED'000)				
	2019	2020	2021	2021	2022
Profit for the year	1,646,608	1,104,812	1,380,575	634,410	796,748
Loss on property and equipment disposal	-	4,747	-	-	-
Depreciation expense	6,629.0	6,304.0	6,000	3,000	3,317
Purchase of property and equipment	(1,343)	(2,853)	(1,209)	(400)	(3,161)
	1,651,894	1,113,010	1,385,366	637,010	796,904
(divided by) EBITDA	1,653,237	1,111,116	1,386,575	637,410	800,065
Cash Flow Conversion	99.9%	100.2%	99.9%	99.9%	99.6%

Working Capital

The Company defines "Working Capital" as the sum of inventories, trade and other receivables and advances to suppliers, minus trade and other payables and current portion of contract liabilities. Customers recharge their Salik accounts in advance and revenue is only recognised once the vehicle passes through a toll gate, resulting in negative working capital profile.

Free Cash Flow

The Company defines "Free Cash Flow" as net cash flows from operating activities minus purchases of property and equipment and plus proceeds from the sale of property and equipment. The following table provides a reconciliation from net cash flows from operating activities to Free Cash Flow for the periods indicated.

Free Cash Flow	For the Year ended 31 December			For the period 1 January to 1 July	
	(AED'000)				
	2019	2020	2021	2021	2022
Net Cash Flows From Operating Activities	1,722,360	1,181,875	1,233,948	614,739	828,136
Purchases of property and equipment	(1,343)	(2,853)	(1,209)	(400)	(3,161)
Proceeds from the sale of property and equipment	-	174	-	-	-
Free Cash Flow	1,721,017	1,179,196	1,232,739	614,339	824,975

The Company estimates that Free Cash Flow adjusted for the Concession fee for the year ended 31 December 2021 would have been AED 866 million (eight hundred and sixty-six million).

Selected Unaudited Pro Forma Financial Information

The selected unaudited pro-forma financial information set forth below as at and for the year ended 31 December 2021, and as at and for the period 1 January 2022 to 1 July 2022, has been derived from the Annual Pro-forma Financial Information and the Interim Pro-Forma Financial Information included elsewhere in the Prospectus and gives effect to the Pre-Offering Transactions and Contractual Arrangements, as described under "Material Agreements", as if they had occurred as at 1 January 2021 (in the case of the Unaudited Pro-Forma Statement of Profit and Comprehensive Income information for the year ended 31 December 2021 and for the period 1 January to1 July 2022) and as at 31 December 2021 (in the case of the Unaudited Pro-Forma Statement of Financial Position as at 31 December 2021). The selected unaudited pro-forma financial information is not intended to show what the actual results of operations would have been had such transactions actually occurred on such dates, nor is it intended to forecast the Company's results of operations for any future period. The selected unaudited pro-forma financial information should be read in conjunction with the rest of "Section Three- Financial Disclosures" and "Annex 4 Financial Statements", included elsewhere in the Prospectus.

The selected unaudited pro-forma financial information is presented for illustrative purposes only and is not intended to represent or to be indicative of the results of operations or financial position that would have been reported by the Company had the Pre-Offering Transactions and Contractual Arrangements occurred as of the dates indicated or what the financial position or results of operations would be for any future period. The pro-forma adjustments and related assumptions are described in the accompanying Notes to the Pro-Forma Financial Information.

Unaudited Annual Pro-forma statement of comprehensive income

for the year ended 31 December 2021

	Annual Carve-outOut Financial Statements (AED'000)	Pro-forma adjustments (AED'000)	Unaudited Pro- forma (AED'000)
Revenue	1,693,207	-	1,693,207
Total revenues	**1,693,207**	**-**	**1,693,207**
Cost of tags and recharge cards	(21,766)	-	(21,766)
Toll operation and maintenance expense	(85,859)	-	(85,859)
Concession fee expense	-	(366,655)	(366,655)
Employee benefit expense	(9,551)	(2,773)	(12,324)
Depreciation expense	(6,000)	5,998	(2)
Amortisation expense	-	(81,633)	(81,633)
Corporate allocation expense	(113,076)	113,076	-
Software enhancement expense	(9,972)	-	(9,972)
Impairment loss on receivables	(26,279)	-	(26,279)
Finance costs	-	(51,509)	(51,509)

Transitional service agreement costs	-	(4,785)	(4,785)
Rent expense	-	(1,535)	(1,535)
Other expenses	(40,129)	7,136	(32,993)
Profit for the year	**1,380,575**	**(382,680)**	**997,895**
Other comprehensive income	-	-	-
Total comprehensive income for the year	**1,380,575**	**(382,680)**	**997,895**

Unaudited Annual Pro-forma statement of comprehensive income

for the period 1 January to 1 July 2022

	Condensed interim Carve-out financial statements AED'000	Pro- forma adjustments AED'000	Unaudited Pro -forma AED'000
Revenue	944,905	-	944,905
Total revenues	**944,905**	**-**	**944,905**
Cost of tags and recharge cards	(10,931)	-	(10,931)
Toll operation and maintenance expense	(47,593)	-	(47,593)
Concession fee expense	-	(205,335)	(205,335)
Employee benefit expense	(4,888)	(2,000)	(6,888)
Depreciation expense	(3,317)	3,316	(1)
Amortisation expense	-	(40,816)	(40,816)
Corporate allocation expense	(40,521)	40,521	-
Software enhancement expense	(8,334)	-	(8,334)
Impairment loss on receivables	(12,528)	-	(12,528)
Finance costs	-	(31,241)	(31,241)
Transitional service agreement costs	-	(2,392)	(2,392)
Rent expense	-	(767)	(767)
Other expenses	(20,045)	4,171	(15,874)
Profit for the period	**796,748**	**(234,543)**	**562,205**
Other comprehensive income	-	-	-
Total comprehensive income for the period	**796,748**	**(234,543)**	**562,205**

Unaudited Annual Pro-forma statement of financial position

as at 31 December 2021

	Annual Carve-Out Financial Statements *(AED'000)*	Pro-forma adjustments *(AED'000)*	Unaudited Pro- forma *(AED'000)*
Non-current assets			
Property and equipment	107,337	(107,333)	4
Intangibles	-	4,000,000	4,000,000
Other assets	-	640	640
Total non-current assets	107,337	3,893,307	4,000,644
Current assets			
Inventories	16,044	-	16,044
Trade and other receivables	158,520	-	158,520
Advance to supplier	33,416	-	33,416
VAT receivable	-	200,845	200,845
Other assets	-	160	160
Cash and cash equivalent	-	4,205,000	4,205,000
Total current assets	207,980	4,406,005	4,613,985
Total assets	315,317	8,299,312	8,614,629
Non-current liabilities			
Employee's end of service benefits	2,377	(615)	1,762
Contract liabilities	36,723	-	36,723
Long-term financing	-	3,983,970	3,983,970
Total non-current liabilities	39,100	3,983,355	4,022,455
Current liabilities			
Trade and other payables	9,452	-	9,452
RTA payable	-	4,200,000	4,200,000
Employee benefits	222	415	637
Short-term financing	-	17,766	17,766
Contract liabilities	276,623	-	276,623
Total current liabilities	286,297	4,218,181	4,504,478
Total liabilities	325,397	8,201,536	8,526,933
Equity			
Accumulated net contributions from Parent	(10,080)	22,776	12,696
Paid-in capital	-	75,000	75,000
Total equity	(10,080)	97,776	87,696
Total liabilities and equity	315,317	8,299,312	8,614,629

Pro-Forma EBITDA and EBITDA margin

	For the Year ended 31 December 2021	*For the period 1 January to 1 July 2022*
	(AED'000 000)	
Pro-forma EBITDA(1)	1,131.1	634.3
Pro-forma EBITDA Margin(2)	67%	67%

Notes:

(1) (Pro-forma EBITDA is Pro-forma profit for the year /period, excluding the impact of interest, tax and depreciation expense.

(2) Pro-forma EBITDA Margin is Pro-forma EBITDA as a percentage of revenue.

The following table provides a reconciliation from pro-forma profit for the year/period to pro-forma EBITDA for the periods indicated.

	For the Year ended 31 December 2021	*For the period 1 January to 1 July 2022*
Pro- forma EBITDA	*(AED'000)*	
Revenue	1,693,207	944,905
Profit for the year/ period	997,895	562,205
Depreciation Expense	2	1
Amortisation Expense	81,633	40,816
Finance Costs	51,509	31,241
Pro- forma EBITDA	**1,131,037**	**634,263**
Pro- forma EBITDA Margin	66.8%	67.1%

13. Independent Auditors

The carve-out financial statements for the years ended 31 December 2021, 2020 and 2019 of Salik Tolling Business included in the Prospectus have been audited by PwC (the "Independent Auditors") in accordance with the International Standards on Auditing ("ISAs") as stated in their independent auditor's report appearing herein (which contains an emphasis of matter paragraph drawing attention to the fact that, as described in Note 1 to the Annual Carve-out Financial Statements, Salik Tolling Business has not operated as a separate entity and hence the Annual Carve-out Financial Statements are not necessarily indicative of results that would have occurred if Salik Tolling Business had been a separate stand-alone entity during the years presented or of its future results).

The unaudited condensed interim carve-out financial statements for the period 1 January to 1 July 2022 of the Company (which includes comparative financial information not audited or reviewed for the period 1 January to 1 July 2021) included in the Prospectus have been reviewed by PwC in accordance with International Standard on Review Engagements 2410, which describes the basis of accounting and the fact that Salik Company P.J.S.C. has not operated as a separate entity for the period 1 January to 30 June 2022, the date of transfer of the Salik Tolling Business into the Company.

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Independent auditor's report to the directors of Roads and Transport Authority - Salik Tolling Business

Report on the audit of the carve-out financial statements

Our opinion

In our opinion, the carve-out financial statements present fairly, in all material respects, the financial position of Roads and Transport Authority (RTA) - Salik Tolling Business ("Salik") as at 31 December 2021, 2020, 2019 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

What we have audited

The Salik's carve-out financial statements comprise:

- the carve-out statement of financial position as at 31 December 2021, 2020, 2019;
- the carve-out statement of profit and comprehensive income for the years then ended;
- the carve-out statement of changes in equity for the years then ended;
- the carve-out statement of cash flows for the years then ended; and
- the notes to the carve-out financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the carve-out financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of Salik in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and the ethical requirements that are relevant to our audit of the carve-out financial statements in the United Arab Emirates. We have fulfilled our ethical responsibilities in accordance with these requirements and the IESBA Code.

Emphasis of matter – basis of accounting

We draw attention to the fact that, as described in Note 1 to the carve-out financial statements, Salik has not operated as a separate entity. These carve-out financial statements are, therefore, not necessarily indicative of results that would have occurred if Salik had been a separate stand alone entity during the years presented or of future results of Salik.

The carve-out financial statements are prepared by the management of Roads and Transport Authority in connection with the listing of Salik on the Dubai Financial Market in the United Arab Emirates. As a result, the carve-out financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

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Independent auditor's report to the directors of Roads and Transport Authority - Salik Tolling Business (continued)

Responsibilities of management and those charged with governance for the carve-out financial statements

Management is responsible for the preparation and fair presentation of the carve-out financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of carve-out financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the carve-out financial statements, management is responsible for assessing Salik's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate Salik or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Salik's financial reporting process.

Auditor's responsibilities for the audit of the carve-out financial statements

Our objectives are to obtain reasonable assurance about whether the carve-out financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these carve-out financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also

- Identify and assess the risks of material misstatement of the carve-out financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Salik's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Salik's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the carve-out financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Salik to cease to continue as a going concern.

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Independent auditor's report to the directors of Roads and Transport Authority - Salik Tolling Business (continued)

Auditor's responsibilities for the audit of the carve-out financial statements (continued)

- Evaluate the overall presentation, structure and content of the carve-out financial statements, including the disclosures, and whether the carve-out financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers
24 June 2022

Murad Alnsour
Registered Auditor Number 1301
Dubai, United Arab Emirates

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Report on review of condensed interim carve-out financial statements to the Board of Directors of Roads and Transport Authority

Introduction

We have reviewed the accompanying condensed interim carve-out statement of financial position of Salik Company P.J.S.C. (the 'Company' or 'Salik') as at 1 July 2022 and the related condensed interim carve-out statements of profit or loss and comprehensive income, changes in equity and cash flows for the period 1 January 2022 to 1 July 2022 (the 'period') and notes, comprising a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of these condensed interim carve-out financial statements in accordance with International Accounting Standard 34 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this condensed interim carve-out financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of interim financial statements performed by the independent auditor of the entity'. A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim carve-out financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

Emphases of matter

We draw attention to Note 2 to the condensed interim carve-out financial statements, which describes the basis of accounting. In addition, we draw attention to the fact that, Salik Company P.J.S.C. has not operated as a separate entity for the period from 1 January 2022 to 30 June 2022, the date of transfer of the Salik Tolling Business into the Company. These condensed interim carve-out financial statements are, therefore, not necessarily indicative of results that would have occurred if Salik had been a separate stand alone entity during the period presented or of future results of Salik Company P.J.S.C.

The condensed interim carve-out financial statements are prepared by the management of Salik Company P.J.S.C. in connection with the listing of Salik on the Dubai Financial Market in the United Arab Emirates. As a result, the condensed interim carve-out financial statements may not be suitable for another purpose.

Our conclusion is not modified in respect of these matters.

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Jacques Fakhoury, Douglas O'Mahony, Murad Alnsour and Rami Sarhan are registered as practising auditors with the UAE Ministry of Economy

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Report on review of condensed interim carve-out financial statements to the Board of Directors of Roads and Transport Authority (continued)

Other matter

The comparative information for the condensed interim carve-out statements of profit or loss and comprehensive income, changes in equity and cash flows, and related explanatory notes, for the period 1 January 2021 to 1 July 2021 has not been audited or reviewed. The comparative information for the condensed interim carve-out statement of financial position is based on the audited carve-out financial statements as at 31 December 2021.

PricewaterhouseCoopers Dubai
22 August 2022

Murad Alnsour
Registered Auditor Number 1301
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