Communications
Regulatory Authority
State of Qatar

هيئة تنظيم
الاتصالات
دولة قطر

TELECOMMUNICATIONS MARKET - QATAR

No. 2/2020

Regulatory Affairs & Competition - Market Data Study Section
Based on data as of Q1 2020

CONTENT

INTRODUCTION & DISCLAIMER

The Telecommunications Report Qatar is intended to provide a regular Monitoring System about the main Telecom Market indicators. The purpose of the document is to show trends, evolutions, as well as to provide guidance to interested stakeholders for further elaborations and analyses.

Data are collected and elaborated by CRA based on Service Providers' regulatory reporting. CRA has no responsibility regarding the accuracy of data. All data are gathered, elaborated and displayed according to ITU definitions; a relevant list of definitions may be found in the annex. In some cases, Service Providers may elaborate data in their financial statements according to different definitions. As a result, some figures reported in the charts may differ from Service Providers' financial statements. Totals may not add due to rounding.

This Report is not a binding legal document and also does not contain legal, commercial, financial, technical or other advise.

SECTOR SNAPSHOT AS OF Q1 2020

2.8 MILLION Qatar's population

9.7 BILLION Telecom sector revenue 2019 (QAR)

1.7 BILLION Retail telecom sector investments 2019 (QAR)

0.5 MILLION Fixed voice & broadband subscriptions

0.3 MILLION Fixed broadband subscriptions

92% Fixed broadband subscriptions with fiber connections

92% Fixed broadband subscriptions with advertised speeds $\geq$ 30 Mbps

3.9 MILLION Mobile telephone subscriptions

138% Mobile telephone penetration

3.4 MILLION Mobile broadband subscriptions

123% Mobile broadband penetration

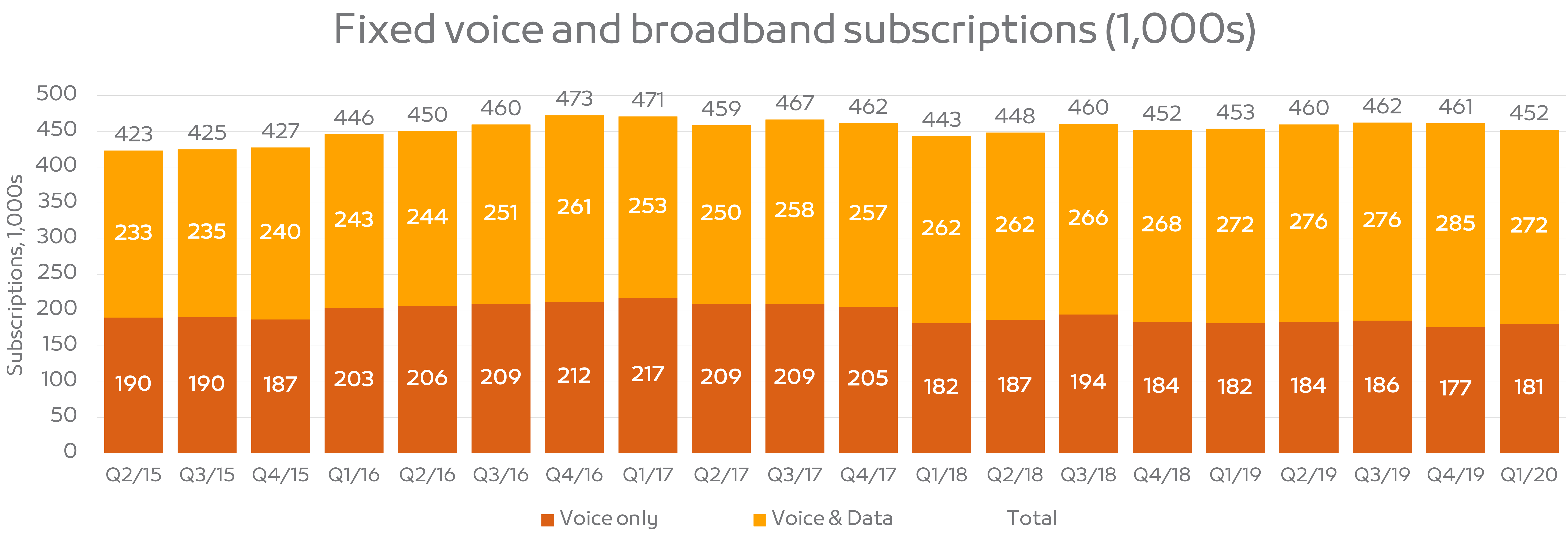
Source: Market Data Study elaborations on SP data; PSA

SECTOR STATISTICS

key indicators

FIXED VOICE & BROADBAND

The number of subscriptions to fixed voice and broadband presents a picture of solid usage of fixed voice & broadband in Qatar.

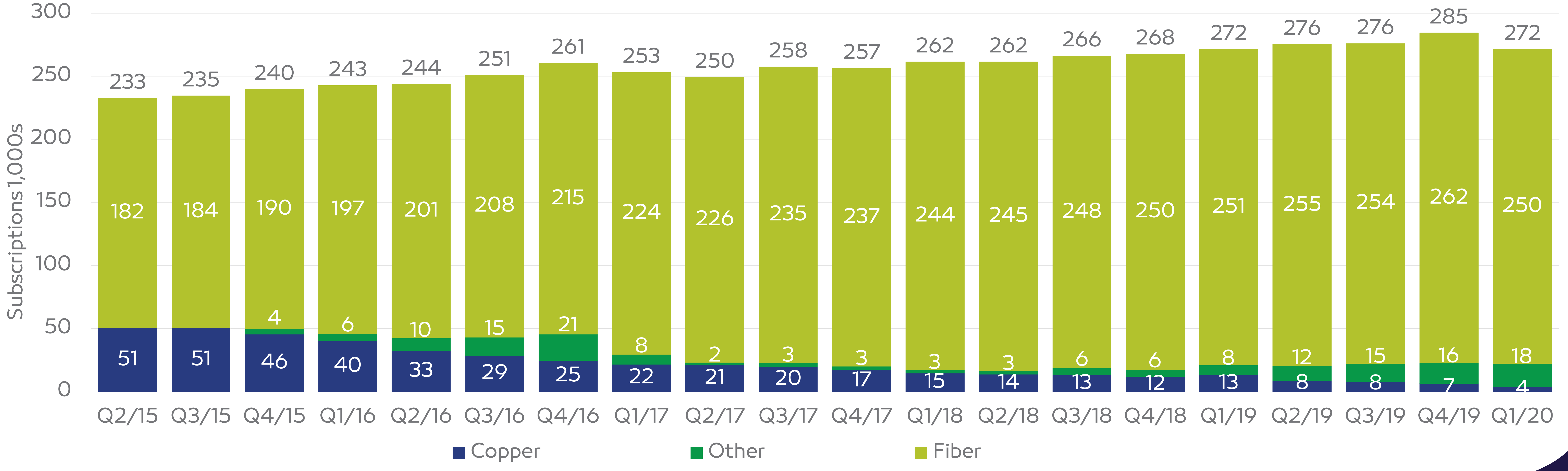


Source: Market Data Study elaborations on SP data

FIXED BROADBAND BY TECHNOLOGY

Fiber is by far the most prevalent technology for fixed broadband in Qatar.

Fixed broadband subscriptions by technology (1,000s)

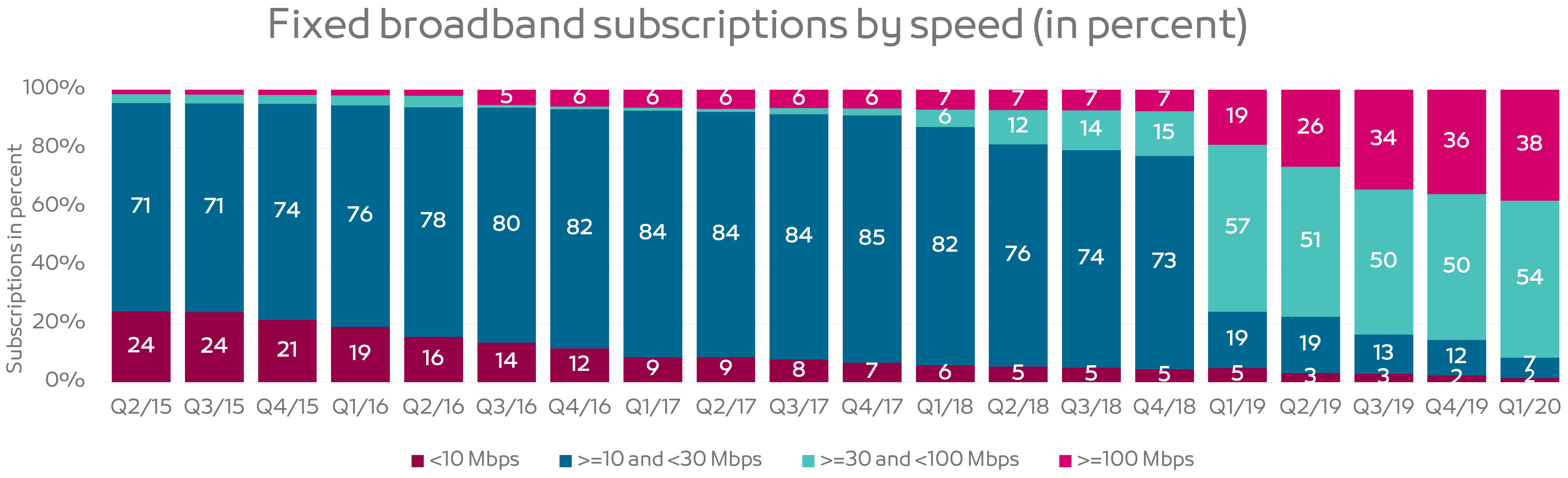


Source: Market Data Study elaborations on SP data

FIXED BROADBAND BY SPEED

Speeds have continuously been upgraded.

The high prevalence of fiber has supported the substantial speed upgrades.



Source: Market Data Study elaborations on SP data

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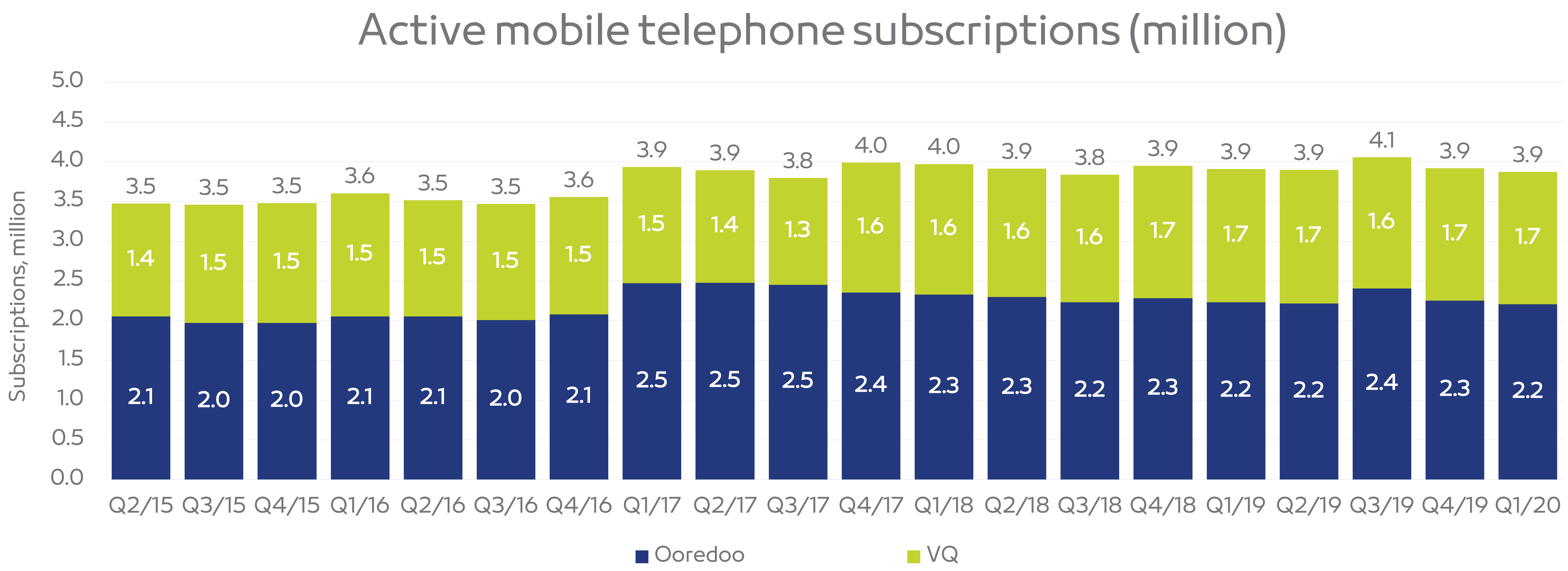
ACTIVE MOBILE TELEPHONE SUBSCRIPTIONS

The number of subscriptions has remained stable since Q1 2017, indicating a mature market.

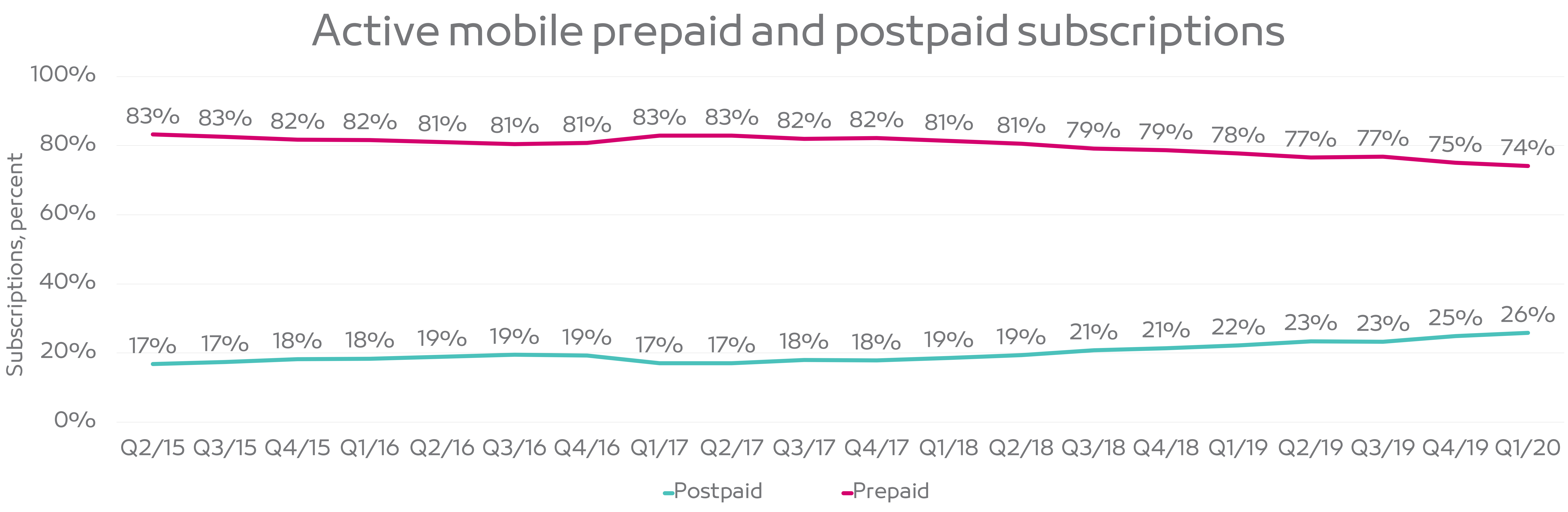


Source: Market Data Study elaborations on SP data;
Mobile telephone includes all mobile voice subscriptions

MOBILE TELEPHONE SUBSCRIPTIONS PER TYPE OF CONTRACT

Postpaid subscriptions have increased from 17% to 26%,

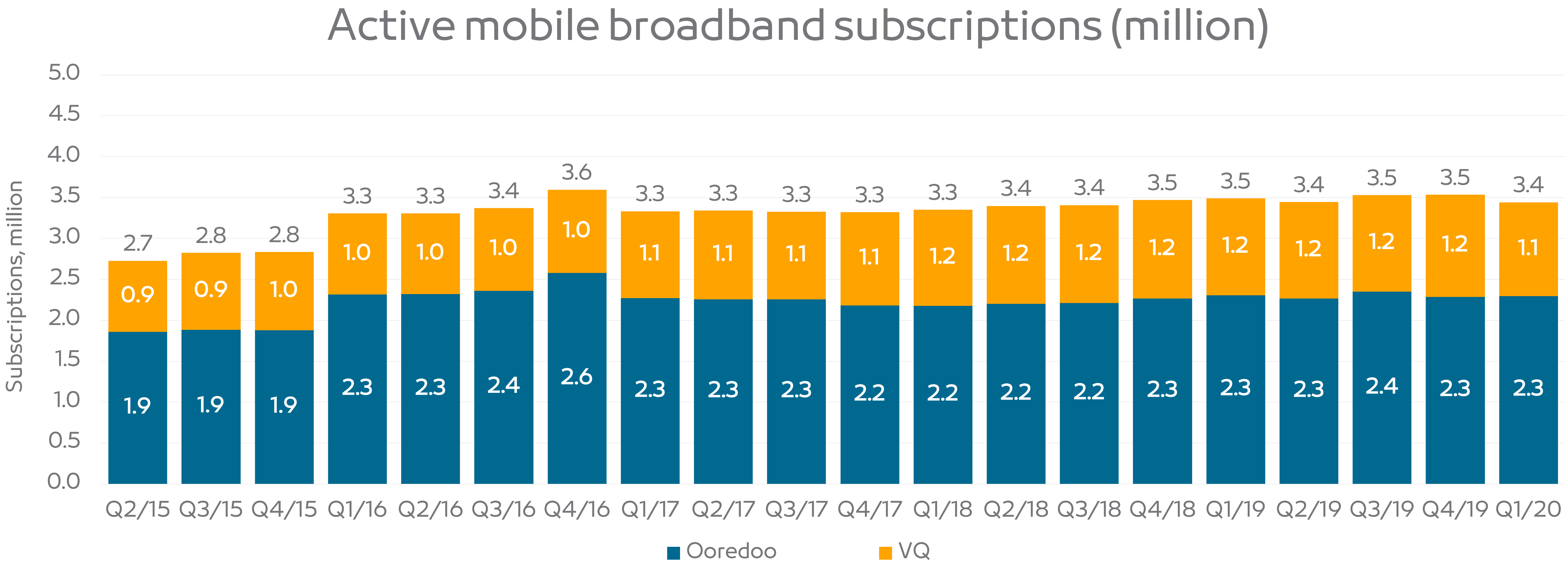
a sign of a maturing market.



Source: Market Data Study elaborations on SP data

ACTIVE MOBILE BROADBAND SUBSCRIPTIONS

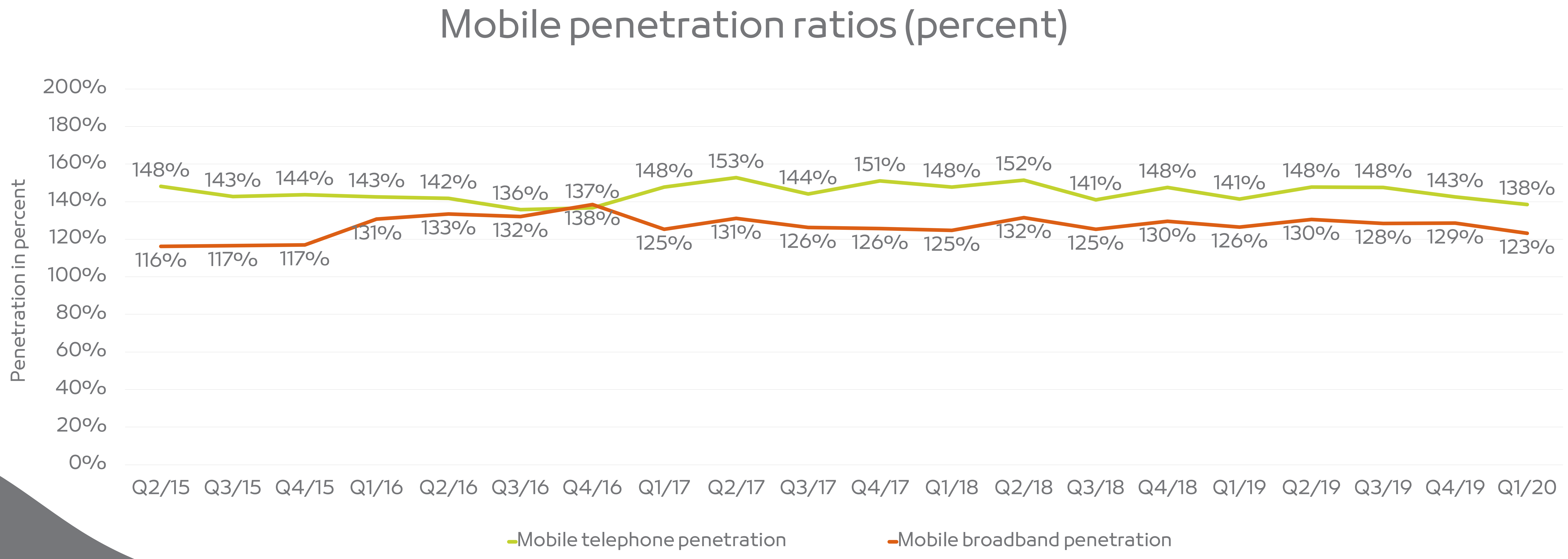
The market has been quite stable since Q1 2017, indicating a mature market.



Source: Market Data Study elaborations on SP data.
There was a change in definition of MBB in Q1 2017
Mobile broadband includes all data subscriptions, excluding M2M

MOBILE PENETRATION RATIOS

Penetration ratios show persistent levels since Q1 2017.

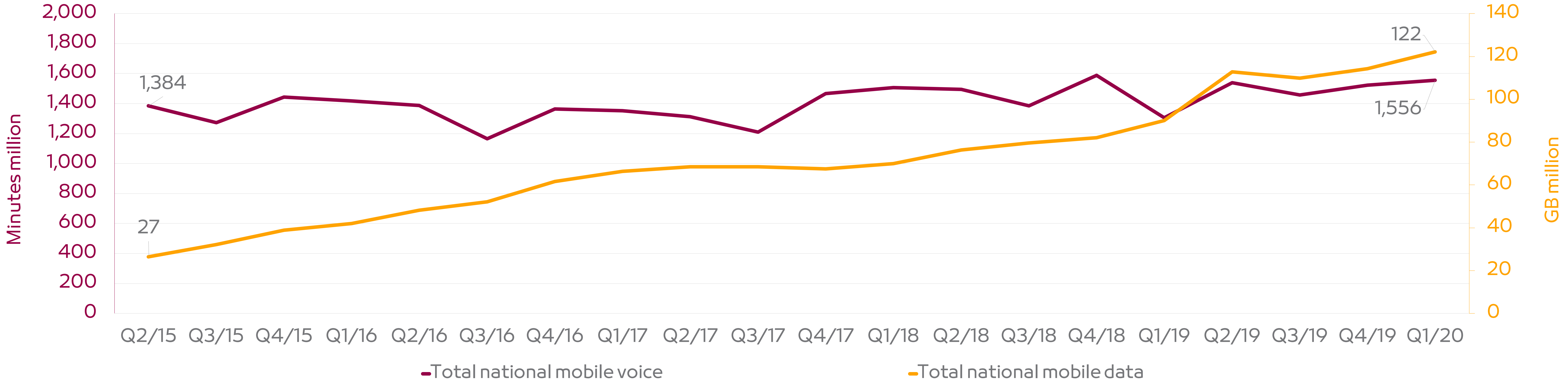


Source: Market Data Study elaborations on SP data; PSA;
Penetration ratio is calculated as subscriptions divided by population * 100
There was a change in definition of MBB in Q1 2017

NATIONAL MOBILE TRAFFIC

Total national mobile voice traffic displays stability while total national data traffic has grown more than four times since Q2 2015.

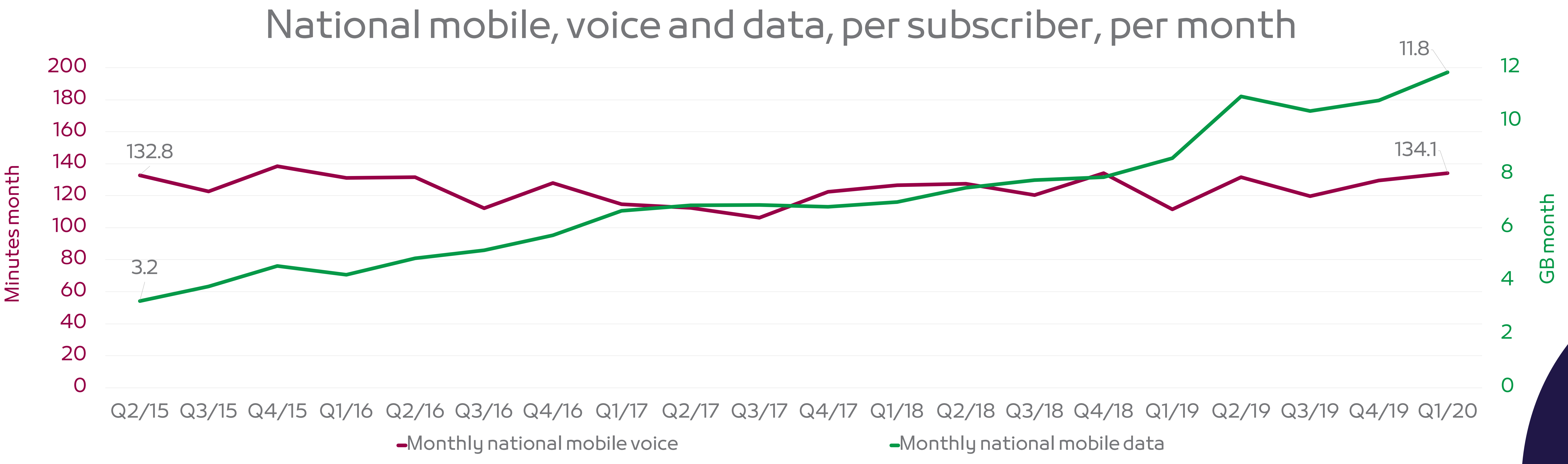
National mobile, total voice and data, per quarter



Source: Market Data Study elaborations on SP data

NATIONAL MOBILE TRAFFIC PER SUBSCRIPTION

Monthly national mobile voice traffic displays stability while national data traffic has grown almost four times.

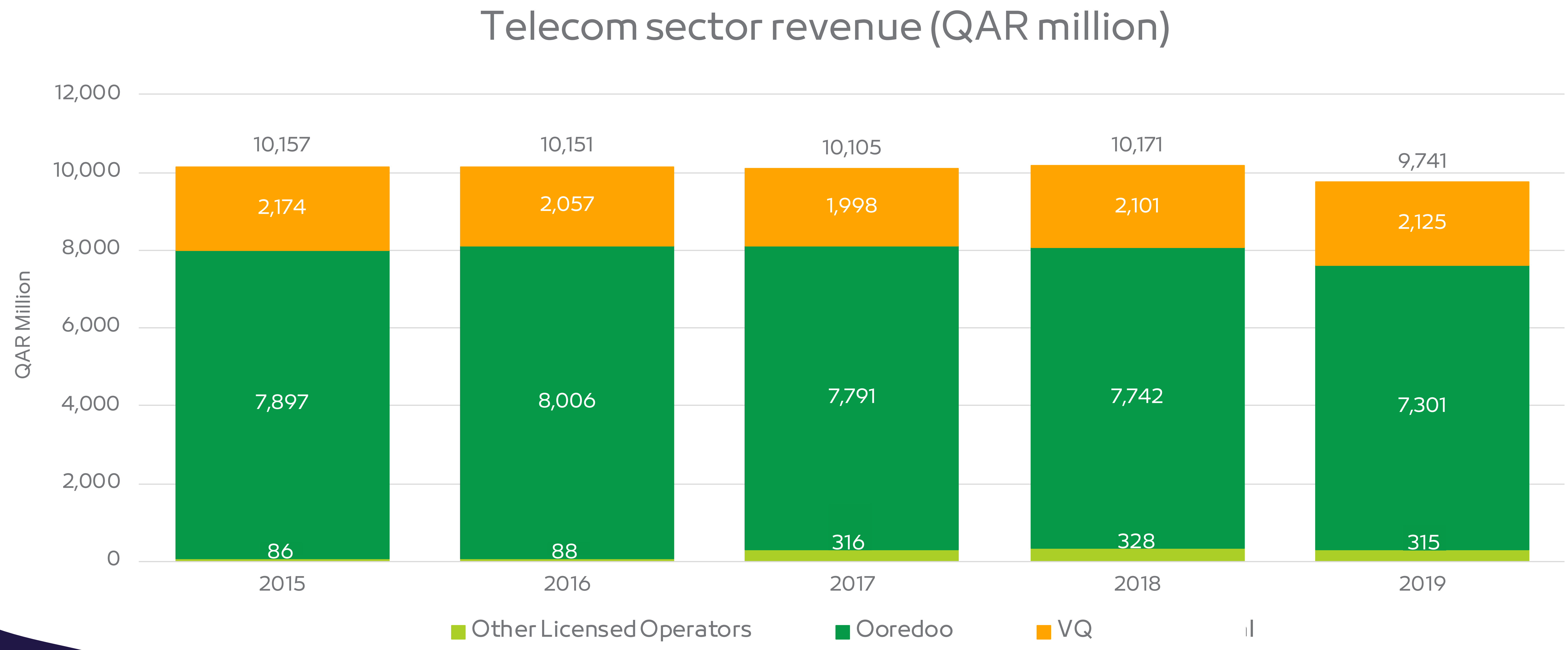


Source: Market Data Study elaborations on SP data

FINANCIAL INFORMATION

TELECOM SECTOR: REVENUE

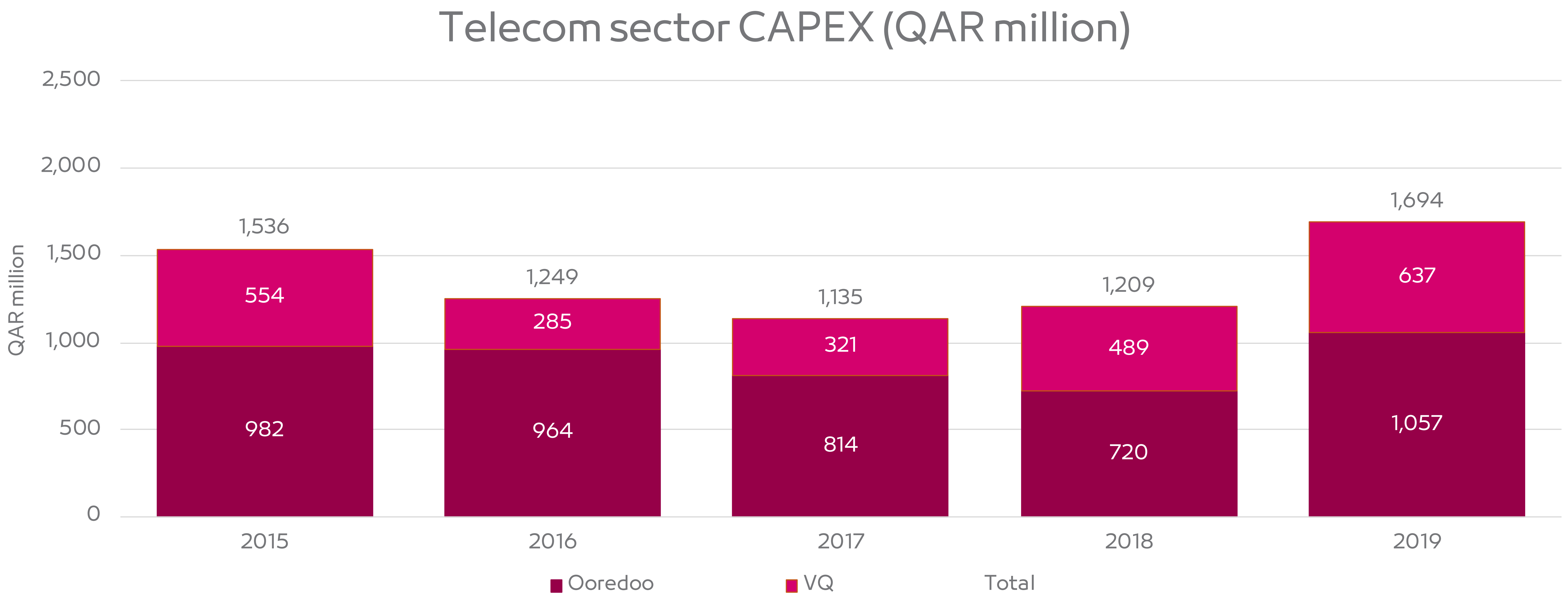
Telecom sector revenue has remained at about QAR 10 Billion per year.



Source: Market Data Study elaborations on SP financial statements
Note: Telecom revenue may include other activities than telecommunications

TELECOM RETAIL SECTOR: CAPEX

During the last 5 years, investments/capital expenditure (CAPEX) by the telecom sector have been higher than QAR 1 billion and increased considerably in 2019.

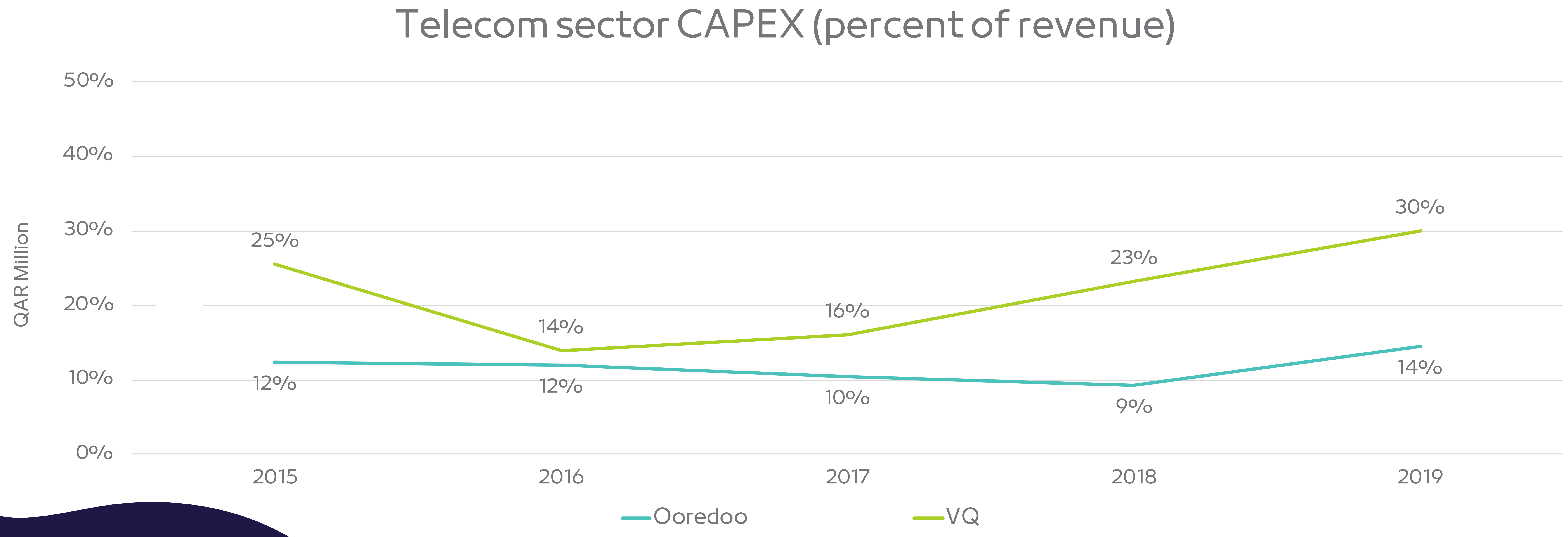


Source: Market Data Study elaborations on SP financial statements

Note: Telecom CAPEX may include other activities than telecommunications

TELECOM RETAIL SECTOR: CAPEX AS % OF REVENUE

Investments as a percentage of revenue account for a substantial amount for both Service Providers.



Source: Market Data Study elaborations on SP financial statements

ABBREVIATIONS

- **BB:** Broadband
- **CAPEX:** Capital Expenditure or investments
- **ITU:** The International Telecommunication Union, a United Nations specialized agency for Information & Communication Technologies (ICT)
- **MBB:** Mobile broadband
- **PSA:** Planning and Statistics Authority of Qatar
- **SP:** Service provider
- **VQ:** Vodafone Qatar

DEFINITIONS

MOBILE SUBSCRIPTIONS - ITU DEFINITIONS

i271 - Mobile-cellular telephone subscriptions

Mobile-cellular telephone subscriptions refers to the number of subscriptions to a public mobile-telephone service that provide access to the PSTN using cellular technology. The indicator includes (and is split into) the number of postpaid subscriptions, and the number of active prepaid accounts (i.e. that have been used during the last three months). The indicator applies to all mobile-cellular subscriptions that offer voice communications. It excludes subscriptions via data cards or USB modems, subscriptions to public mobile data services, private trunked mobile radio, telepoint, radio paging, M2M and telemetry services

i271mw - Active mobile-broadband subscriptions

=i271mb_active + i271md

Active mobile-broadband subscriptions refers to the sum of active handset-based and computer-based (USB/dongles) mobile-broadband subscriptions to the public Internet. It covers actual subscribers, not potential subscribers, even though the latter may have broadband-enabled handsets. Subscriptions must include a recurring subscription fee or pass a usage requirement – users must have accessed the Internet in the last three months. It includes subscriptions to mobile-broadband networks that provide download speeds of at least 256 kbit/s (e.g. WCDMA, HSPA, CDMA2000 1x EV-DO, WiMAX IEEE 802.16e and LTE), and excludes subscriptions that only have access to GPRS, EDGE and CDMA 1xRTT.

i271mb_active - Data and voice mobile-broadband subscriptions

Data and voice mobile-broadband subscriptions refers to subscriptions to mobile-broadband services that allow access to the open Internet via HTTP and in which data services are contracted together with voice services (mobile voice and data plans) or as an add-on package to a voice plan. These are typically smartphone-based subscriptions with voice and data services used in the same terminal. Data and voice mobile-broadband subscriptions with specific recurring subscription fees for Internet access are included regardless of actual use. Prepaid and pay-per-use data and voice mobile-broadband subscriptions should only be counted if they have been used to access the Internet in the last three months. M2M subscriptions should be excluded. The indicator includes subscriptions to mobile networks that provide download speeds of at least 256 kbit/s (e.g. WCDMA, HSPA, CDMA2000 1x EV-DO, WiMAX IEEE 802.16e and LTE), and excludes lower-speed technologies such as GPRS, EDGE and CDMA 1xRTT.

i271md - Data-only mobile-broadband subscriptions

Data-only mobile-broadband subscriptions refers to subscriptions to mobile broadband services that allow access to the open Internet via HTTP and that do not include voice services, i.e. subscriptions that offer mobile broadband as a standalone service, such as mobile-broadband subscriptions for datacards, USB modem/dongle and tablets. Data-only mobile-broadband subscriptions with recurring subscription fees are included regardless of actual use. Prepaid and pay-per-use data-only mobile-broadband subscriptions should only be counted if they have been used to access the Internet in the last three months. M2M subscriptions should be excluded. The indicator includes subscriptions to mobile networks that provide download speeds of at least 256 kbit/s (e.g. WCDMA, HSPA, CDMA2000 1x EV-DO, WiMAX IEEE 802.16e and LTE), and excludes lower-speed technologies such as GPRS, EDGE and CDMA 1xRTT. It excludes data subscriptions that are contracted together with mobile voice services.

source: ITU (https://www.itu.int/en/ITU-D/Statistics/Documents/datacollection/WTI-Long-Quest-2018-Indicators-6-languages.pdf)