REPUBLIC OF SERBIA

RATEL

REGULATORY AUTHORITY FOR ELECTRONIC COMMUNICATIONS AND POSTAL SERVICES

AN OVERVIEW OF THE ELECTRONIC COMMUNICATIONS MARKET

IN THE REPUBLIC OF SERBIA

The Second Quarter of 2025

The Overview presents the data for the second quarter of 2025 along with comparative data for the three previous quarters.

The presented data reflect the overall market status for each given quarter, including the actual quarterly data for leading business entities that perform electronic communication activities in the Republic of Serbia, whereas the data for the rest of the market were estimated based on the data for 2024 collected in the annual questionnaires. Therefore, the total quarterly report may show discrepancies with respect to the data collected in the regular annual questionnaires. The Regulator shall not be held responsible for the correctness of the data submitted by the business entities in the quarterly and annual questionnaires.

Quarterly electronic communications market indicators referring to fixed telephony include data on business entities that make up over 99% of the market, in terms of the number of subscribers. The market situation data include CDMA subscribers and generated traffic.

Quarterly electronic communications market indicators referring to mobile telephony include data on three business entities providing public mobile electronic communications services.

Quarterly electronic communications market indicators referring to Internet services include data for the leading business entities that make up approximately 97% of the market, in terms of the number of subscribers, whereas data for the remaining 3% of the market were estimated based on the data for 2024, collected in the annual questionnaires.

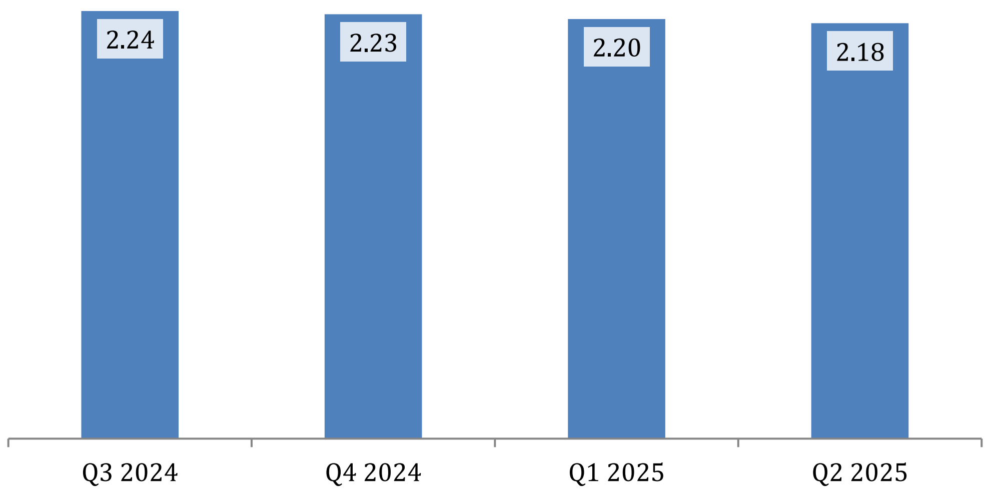
Quarterly electronic communications market indicators referring to media content distribution include data for the leading electronic communications network operators of media content distribution that make up approximately 99% of the market, in terms of the number of subscribers, whereas data for the remaining 1% of the market were estimated based on the data for 2024, collected in the annual questionnaires.

Quarterly electronic communications market indicators referring to bundled services include data for the leading business entities that make up approximately 99% of the market, whereas data for the remaining 1% of the market were estimated based on the data for 2024, collected in the annual questionnaires.

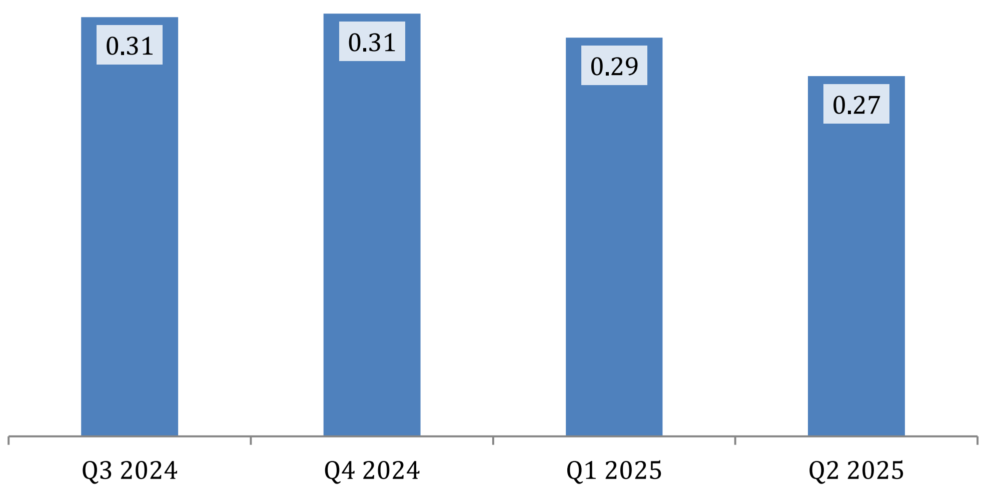
Public Fixed Telecommunications Networks and Services

Both the number of fixed telephony subscribers and the generated traffic traffic in the second quarter of 2025 were lower compared to the previous quarter. About 2.18 million fixed telephony subscribers generated around 270 million minutes of traffic in the last observed quarter, which means that a fixed telephony subscriber spent on average 1.4 minutes a day on calls.

Number of fixed line subscribers (in million)

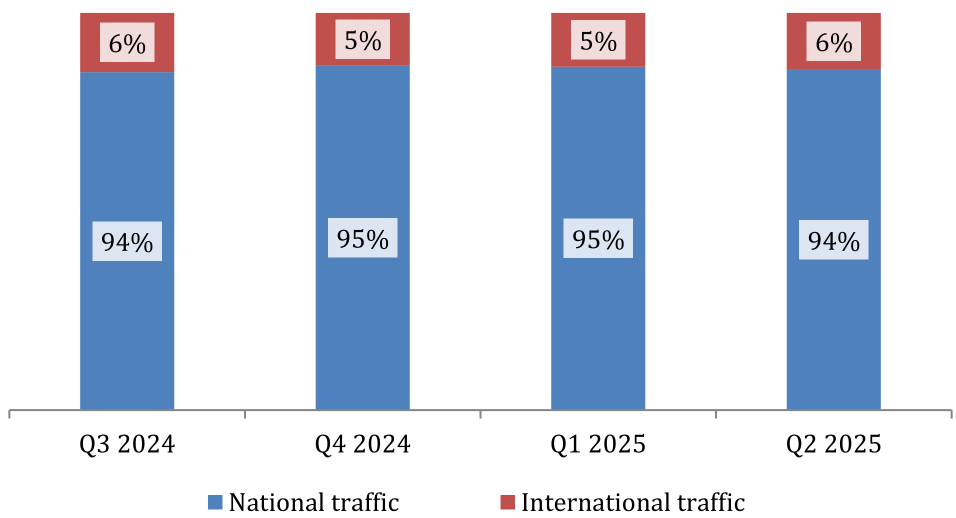


Total fixed telephony traffic (in billion minutes)



The subscriber structure has not significantly changed over the observed quarters: 86% of the fixed telephony subscribers in the second quarter of 2025 are natural persons, i.e. private users. In all observed quarters, the largest share of the fixed telephony traffic is accounted for by the national traffic, with 94% in Q2 2025.

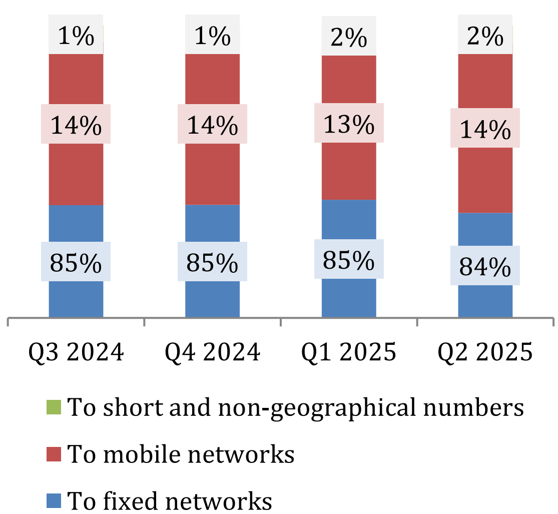
Fixed telephony traffic structure



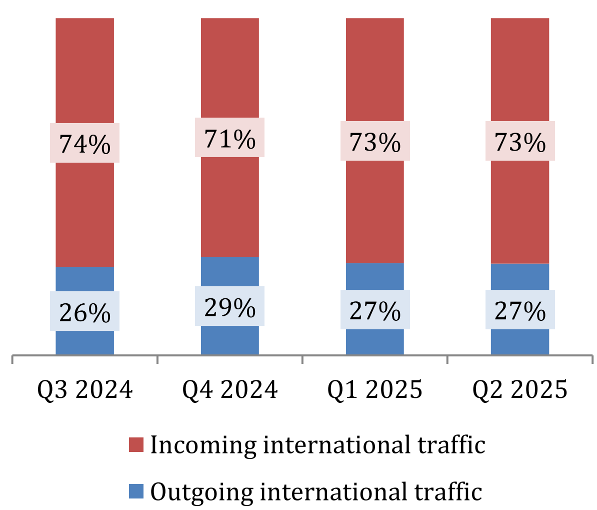
The outgoing calls from fixed network are mostly directed towards other fixed networks, while the international traffic is dominated by incoming calls.

Structure of national and international traffic in fixed telephony

Outgoing national traffic

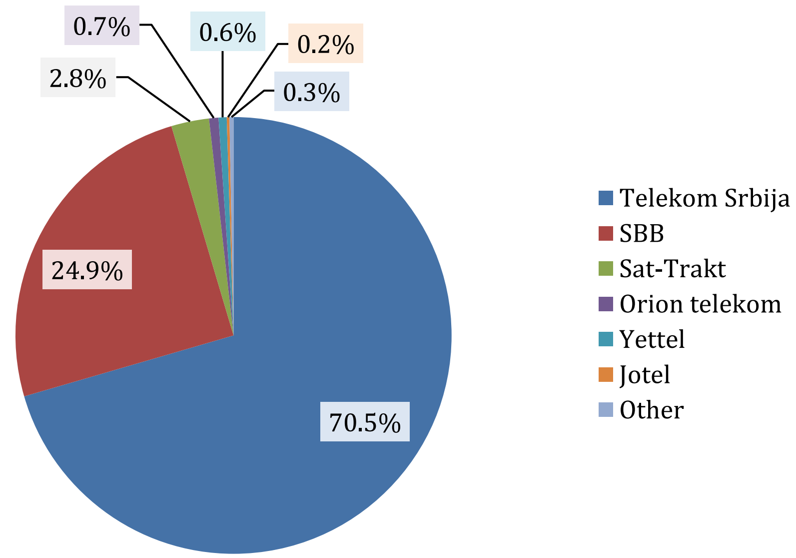


International traffic



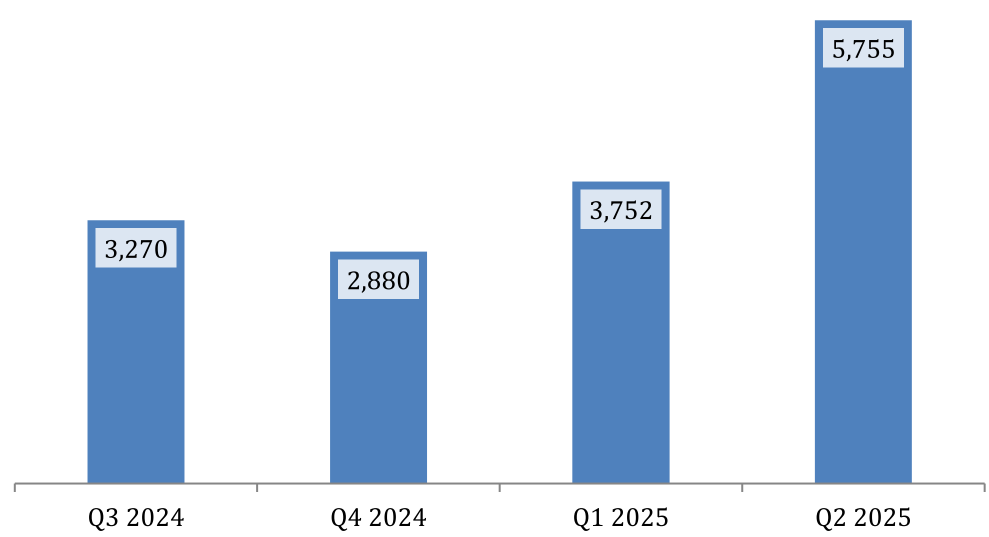
Below is shown the leading business entities' market share in terms of the number of subscribers in Q2 2025.

Business entities' market share by number of subscribers in Q2 2025



The number of portings in Q2 2025 was about 5.8 thousand (almost 1.9 thousand a month), marking an increase compared to the previous quarter.

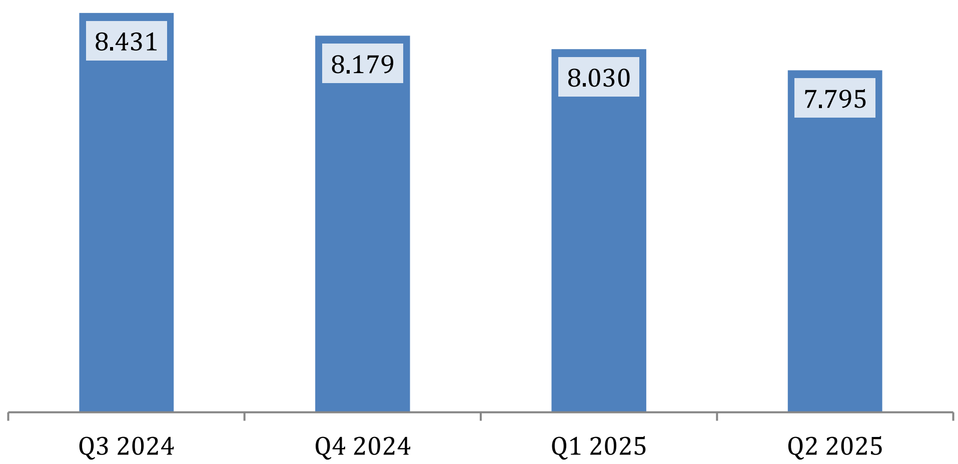
Fixed telephony number portings per quarter



Public Mobile Telecommunications Networks and Services

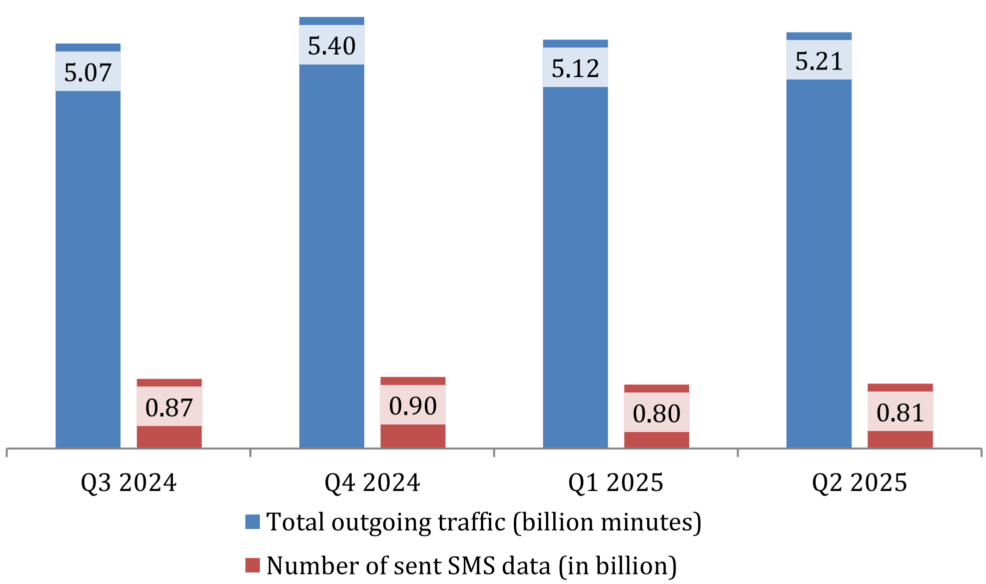
In the second quarter of 2025, some 7.795 million active mobile telephony subscribers generated about 5.21 billion minutes of national and international traffic and sent around 0.81 billion SMS messages. On average, in Q2 2025, a mobile user spent about 7.3 minutes a day on calls and sent 1.1 text messages. On the mobile networks market, a decrease in the number of active mobile telephony subscribers has been observed during Q2 2025.

Total number of active mobile telephony subscribers (in million)



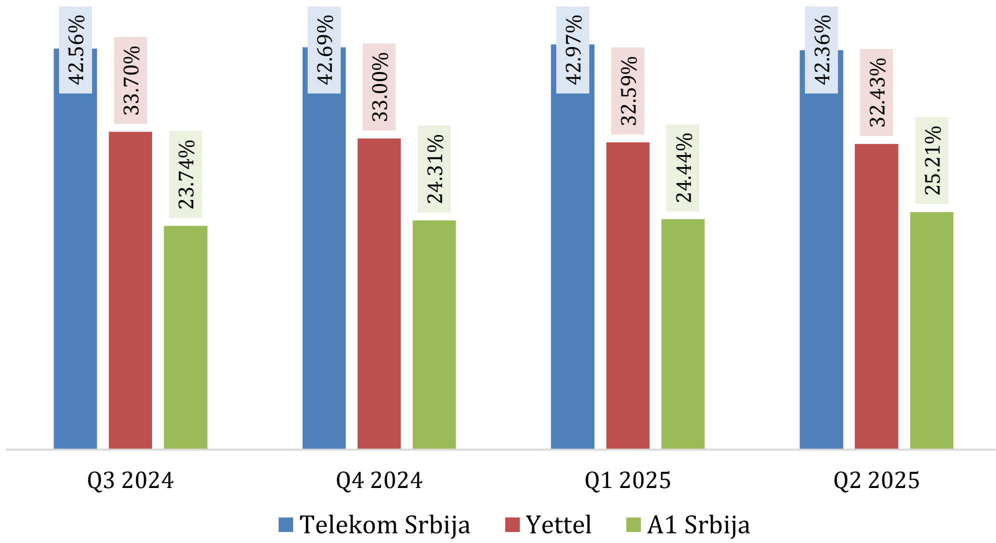
In the second quarter of 2025, both the generated voice traffic in mobile networks and SMS traffic have increased compared to Q1 2025.

Generated outgoing voice and SMS traffic in mobile network



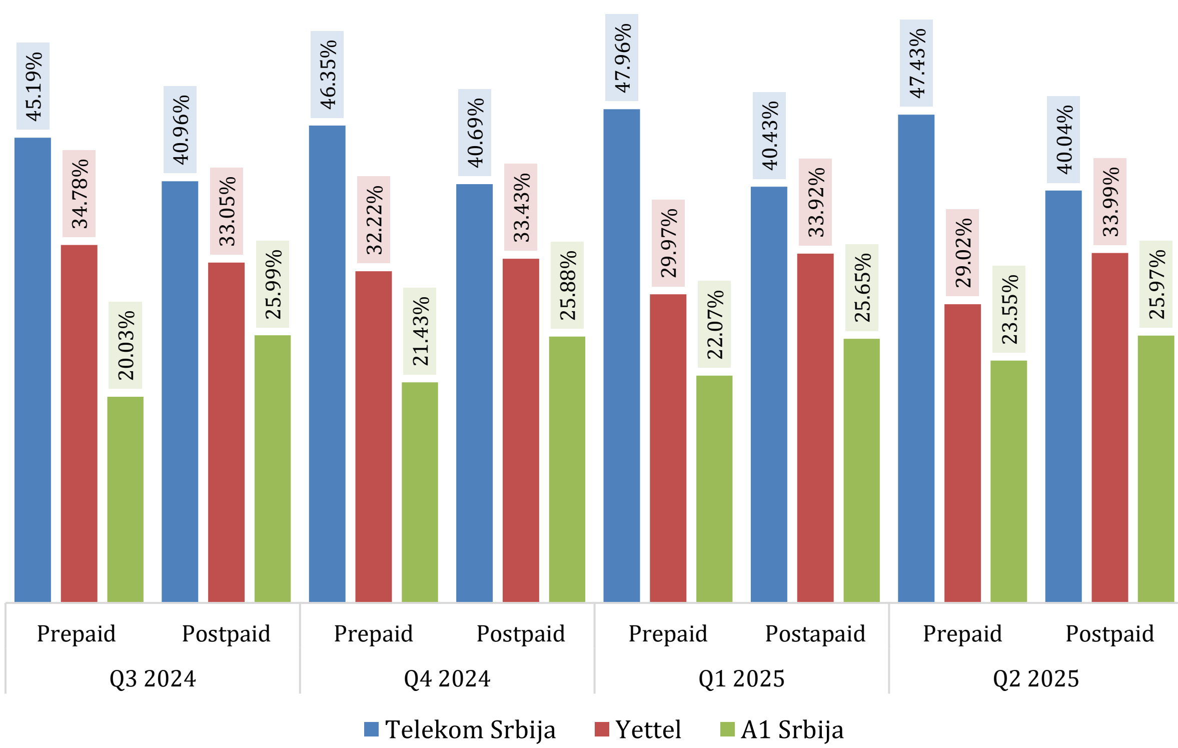
Below are the business entities' shares in the total number of active subscribers.

Business entities' market shares by number of active subscribers



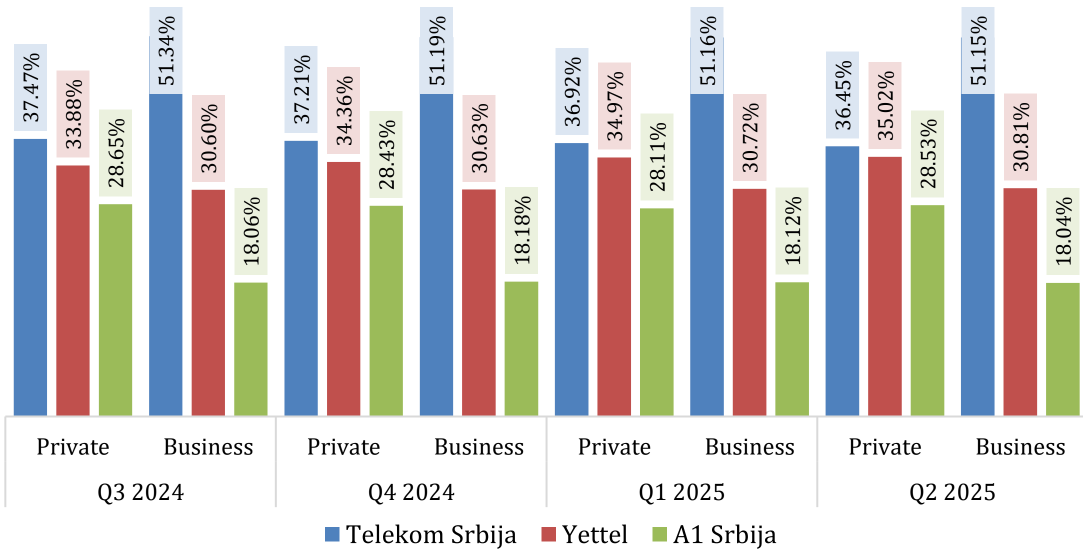
The number of postpaid subscribers, reaching 5.351 million in the second quarter of 2025, has marked a modest growth compared to the previous quarter, while the number of prepaid users, amounting to 2.444 million, has declined. Below are the business entities' shares in the volume of postpaid and prepaid subscribers.

Business entities' shares in total number of prepaid and postpaid users



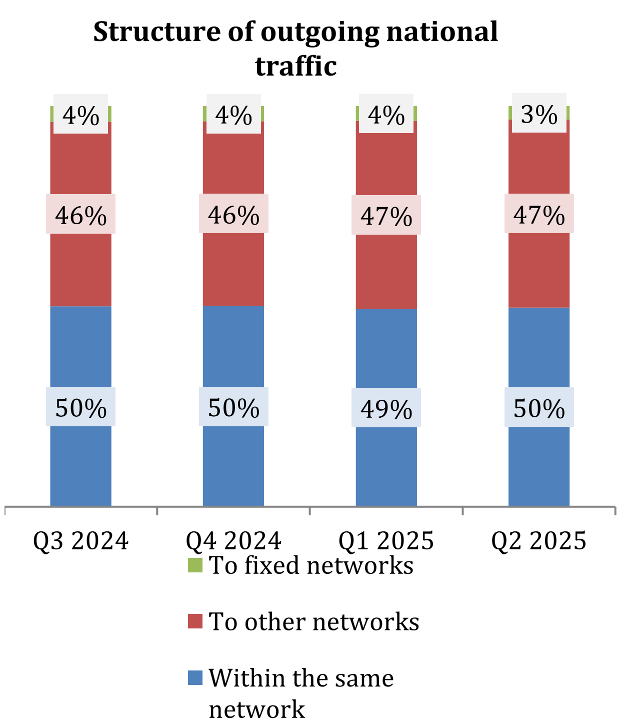
The postpaid users structure in Q2 2025 has not changed significantly compared to the previous quarters. The number of private postpaid users amounts to 4.045 million and the number of business postpaid subscribers to 1.306 million. Below are the business entities' shares in the total number of private and business subscribers.

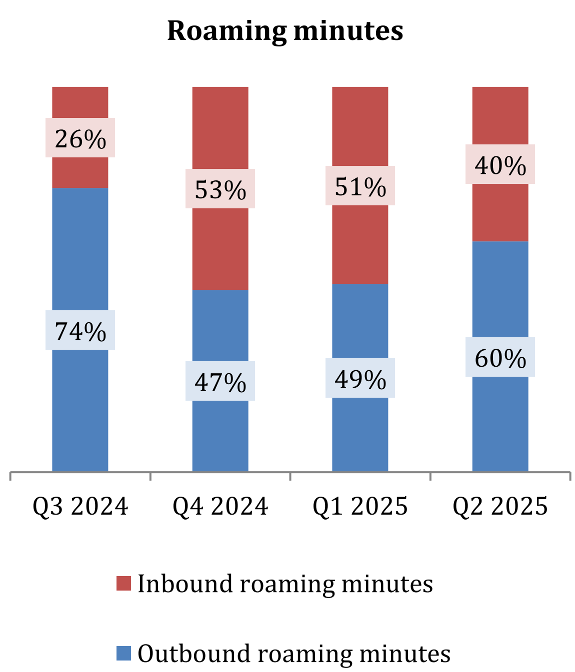
Business entities' shares in total number of private and business users



Most of the outgoing traffic in the second quarter of 2025 was generated within the business entity's own mobile network (50%). As for the roaming, more traffic was generated by the national mobile subscribers abroad than by the users from abroad.

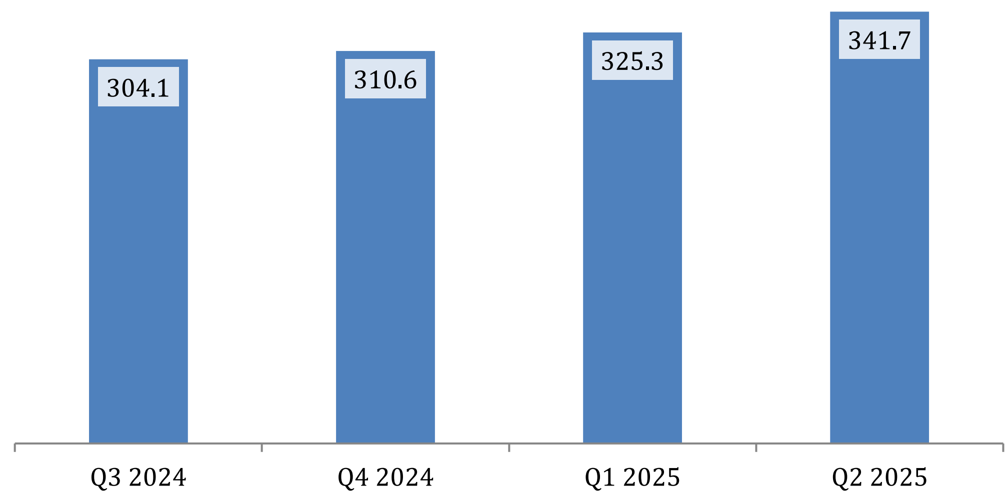
Structure of mobile network outgoing traffic





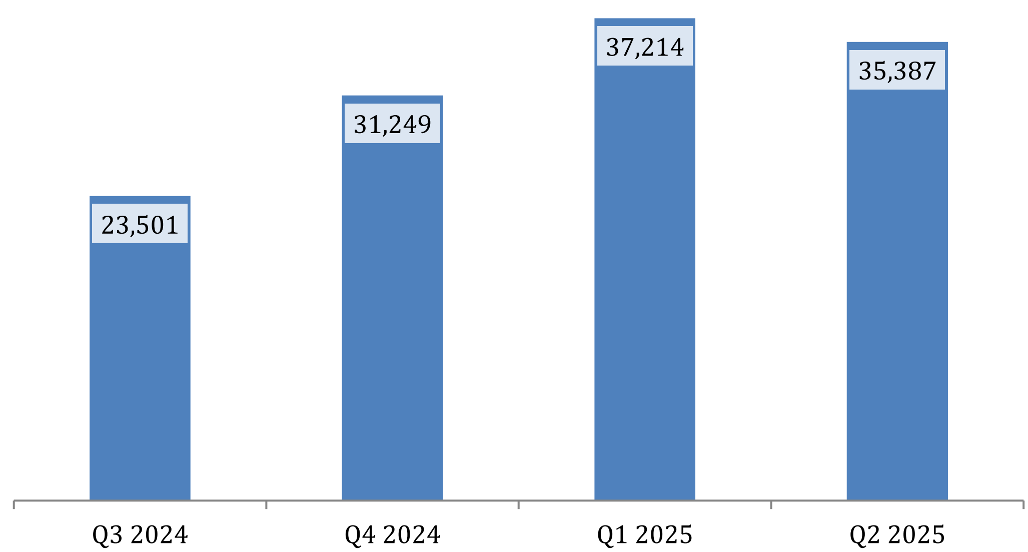
Data transmission over mobile network has increased in the analyzed period, reaching 341.7 million GB in the second quarter of 2025, which means that a mobile broadband subscriber used on average about 516 MB daily, or approximately 15.29 GB a month.

Mobile Internet traffic (in million GB)



The number of mobile telephony number portings was around 35.4 thousand in the second quarter of 2025, or approximately 11.8 thousand per month, representing a decrease compared to the previous quarter.

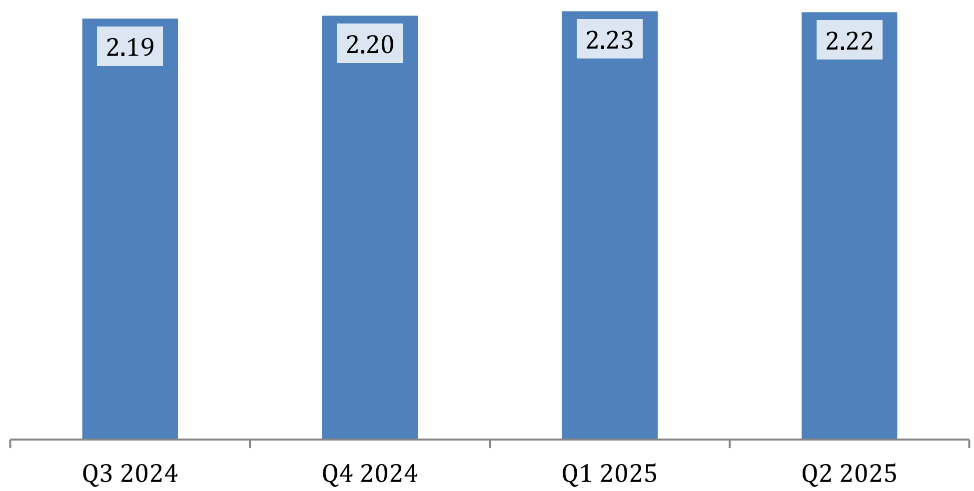
Mobile telephony number portings per quarter



Broadband Internet Access

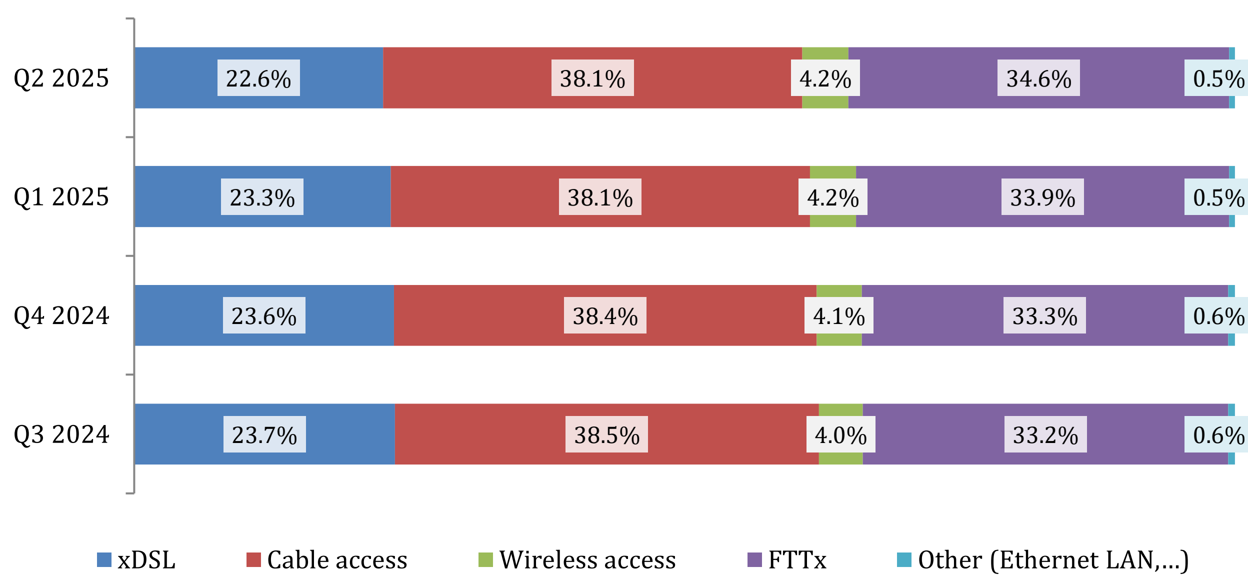
Compared to the previous quarter, the number of fixed broadband Internet access users in Q2 2025 has slightly decreased, reaching approximately 2.22 million subscribers.

Number of fixed broadband Internet subscribers (in million)



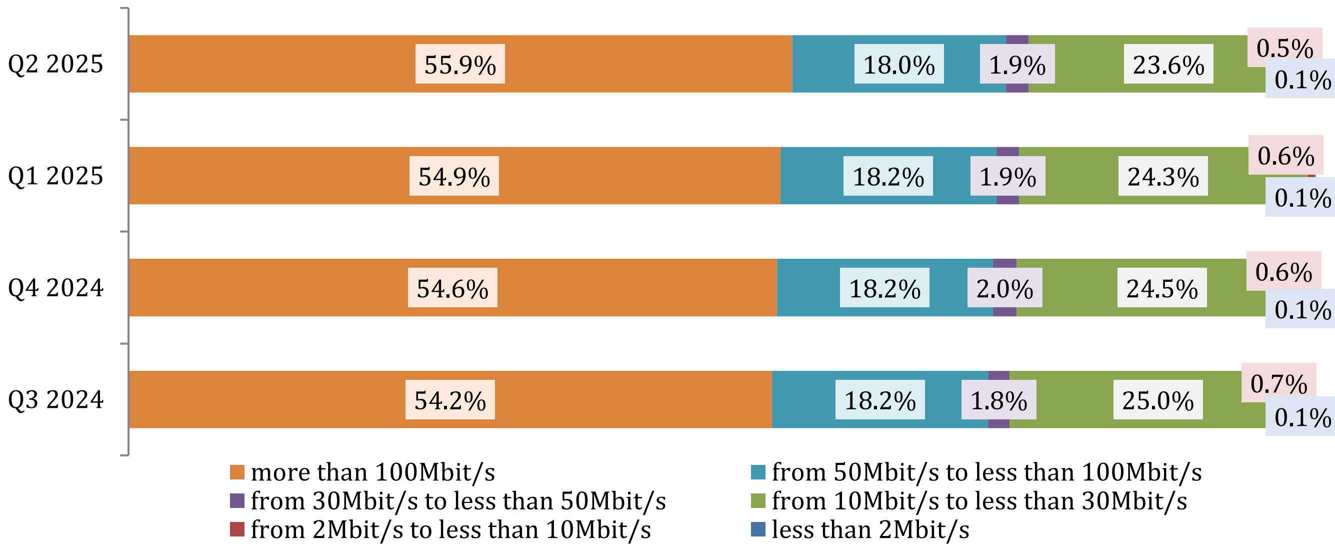
Cable access subscribers and FTTx subscribers are dominant in the fixed broadband Internet subscriber structure, with the share of xDSL subscribers modestly dropping and the share of cable access subscribers remaining on the same level compared to the previous quarter.

Number of subscribers by type of access



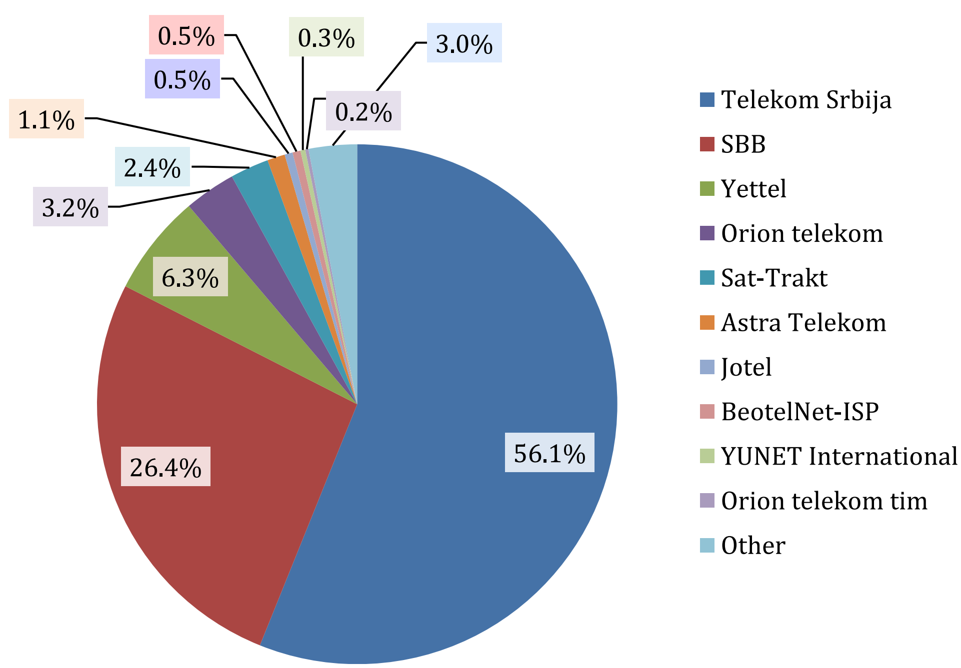
In Q2 2025, the majority of subscribers used Internet speed of more than 100 Mbit/s and from 10 Mbit/s to less than 30 Mbit/s.

Number of fixed broadband Internet subscribers by access rate



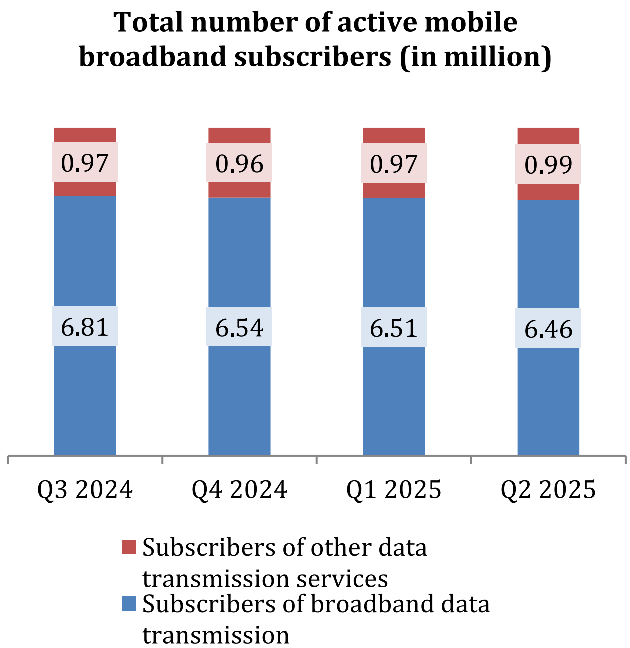
The following figure shows the leading business entities' market shares for Q2 2025, in terms of the number of subscribers.

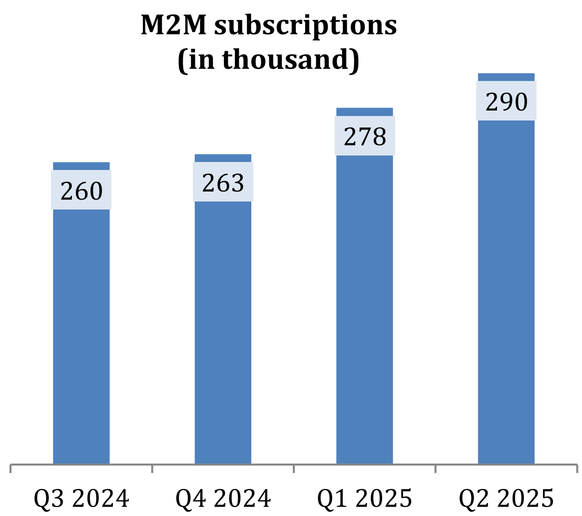
Market shares in terms of number of fixed broadband subscribers in Q2 2025



The number of active mobile broadband subscribers in the second quarter of 2025 has modestly decreased compared to the previous quarter, amounting to 7.45 million. The number of M2M subscriptions continues to grow, reaching 290 thousand in Q2 2025.

Number of active mobile broadband users and M2M subscribers



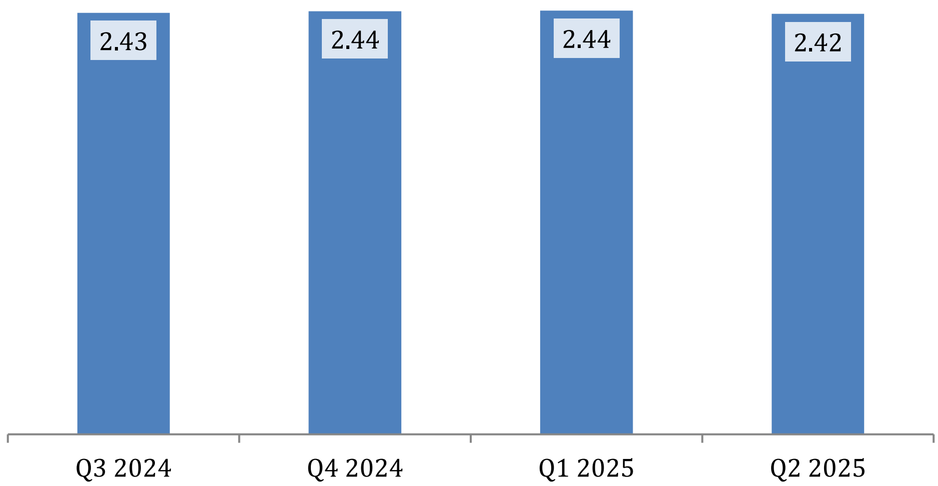


** Active mobile broadband users include subscribers of data transmission services contracted together with voice services, or as an additional package to the voice tariff plan, whereas subscribers of other data transmission services represent mobile broadband transfer users with single service agreement, separate from voice service (data card subscriptions, USB modem/dongle subscriptions, tablet subscriptions and similar).*

Media Content Distribution

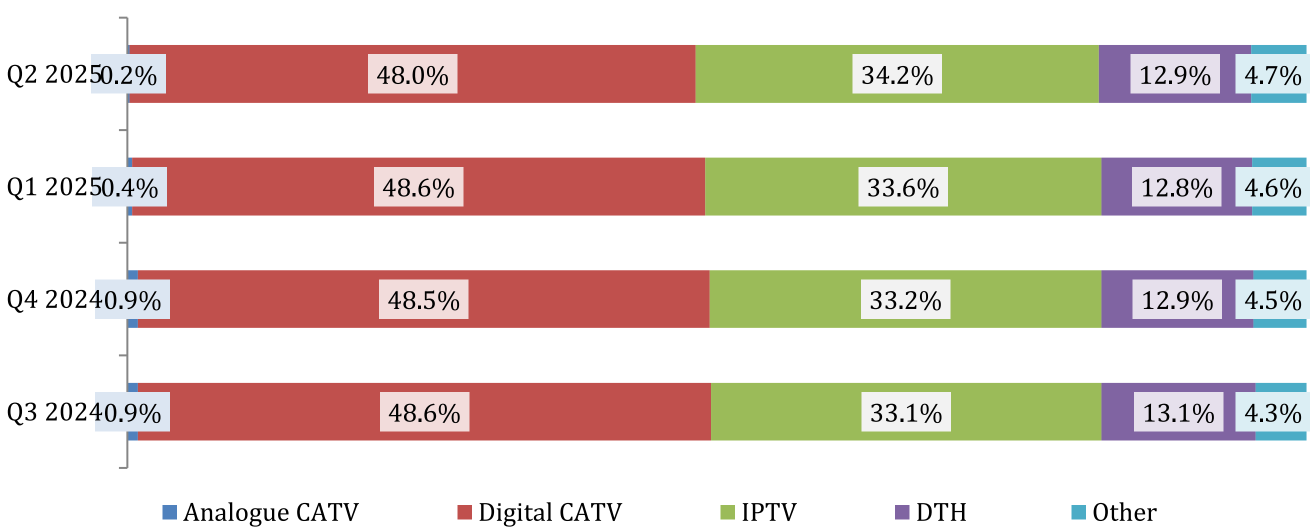
Compared to the previous quarter, the number of media content distribution service subscribers in Q2 2025 has modestly declined, reaching about 2.42 million.

Number of media content distribution service subscribers (in million)



In the second quarter of 2025, most subscribers used digital CATV distribution (about 48%). The shares of both IPTV and DTH subscribers are on a modest rise, compared to the previous quarter. The least number of subscribers is connected to analogue CATV (about 0.2%). The share of subscribers of media content distribution via Internet and via wireless network in Q2 2025 is around 4.7%.

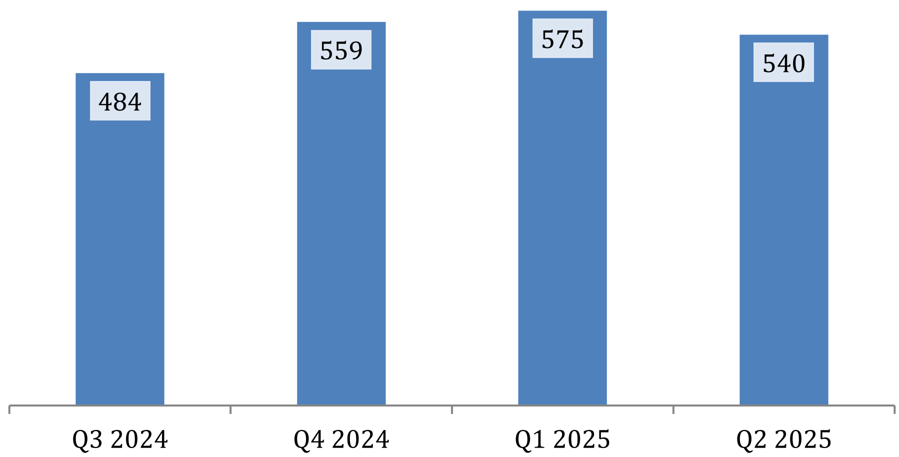
Media content distribution subscribers by type of distribution



The number of met requests for additional services, such as video on demand (VoD), content recording, TV on mobile devices, playback etc, has decreased in Q2 2025 in comparison to

Q1 2025, reaching approximately 540 million requests, or some 85 requests per user a month. The number of met VoD requests in Q2 2025 was about 10.1 million.

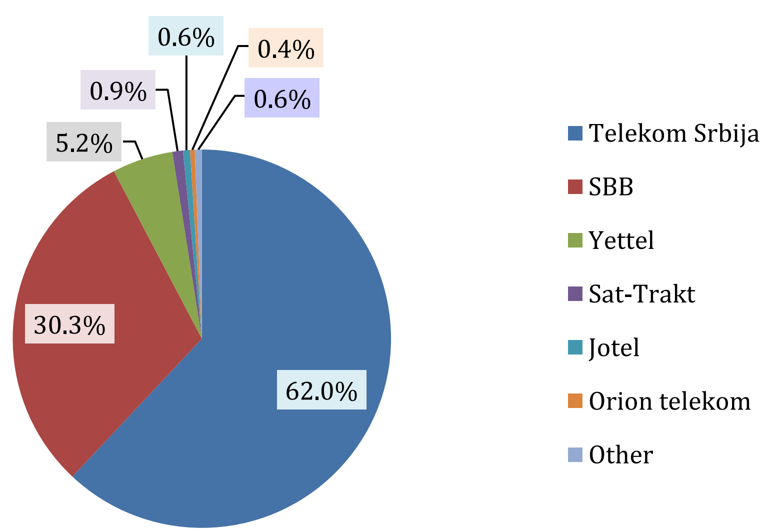
Number of met requests for additional services (in million)



In the second quarter of 2025, around 72% of the media content distribution subscribers with the possibility to have additional channels, subscribed to such programmes.

The following figure shows the Q2 2025 market shares of the electronic communications network operators for media content distribution, in terms of the number of subscribers.

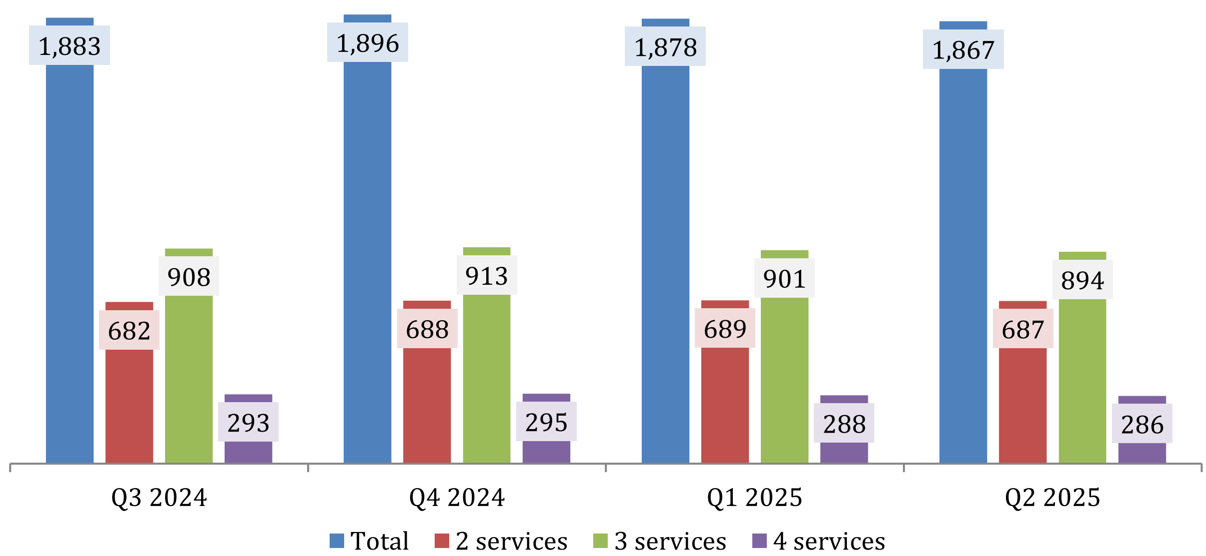
Market shares of electronic communications network operators for media content distribution by number of subscribers in Q2 2025



Bundled Services

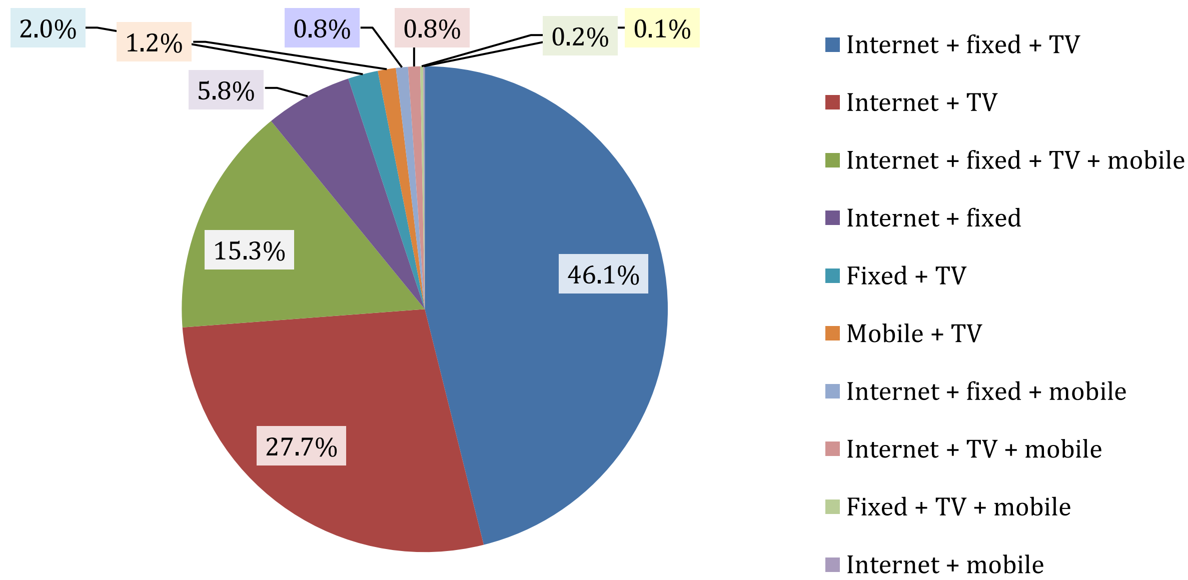
The number of bundled service subscribers in Q2 2025 has decreased compared with the previous quarter, reaching approximately 1.867 million. Packages offering three services were most used, whereas least used were packages with four services.

Number of bundled service users (in thousand)



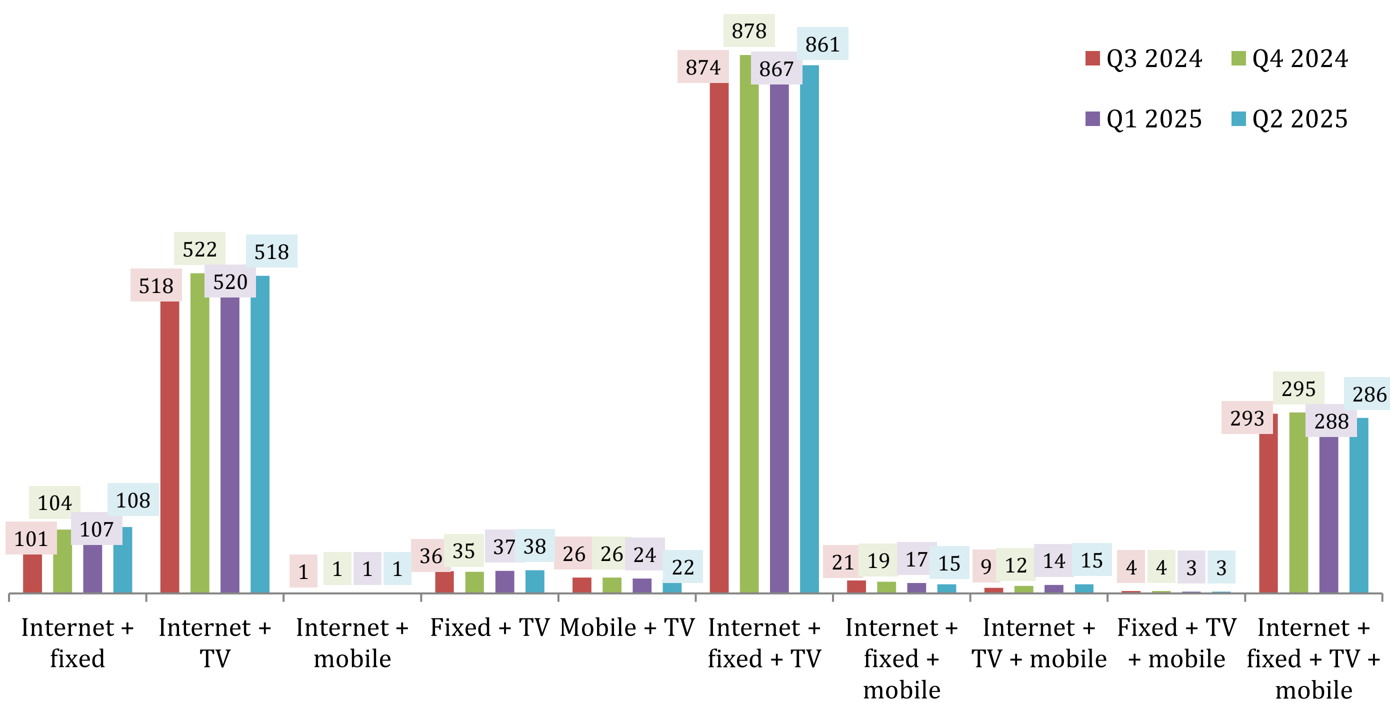
Of all bundled services offered by operators in Q2 2025, the most popular was the package with broadband Internet access, fixed telephony and TV, followed by a double-play offering broadband Internet access and TV, as well as the only available quad-play containing broadband Internet access, fixed telephony, TV and mobile telephony. The biggest growth in the second quarter of 2025 was achieved by a triple-play offering broadband Internet access, TV and mobile telephony. A triple-play with fixed and mobile telephony and TV, as well as a double-play offering Internet access and mobile telephony had the lowest number of subscribers. The shares of different bundled services in terms of the number of subscribers are given below.

Distribution of bundled services in Q2 2025



Changes in different packages' number of subscribers can be seen below.

Number of bundled service users by type of service (in thousand)



Broadband Internet access is mostly purchased as a bundled service, whereas mobile telephony is generally purchased as a stand-alone service.

Distribution of stand-alone and bundled services purchased in Q2 2025