



Trends analysis in the Israeli Automotive Market

Q1/2022

PREFACE



Israel Vehicle Importers Association (I-via) publishes this quarterly overview in order to provide a broad picture of the Israeli market of new vehicles through analysis of relevant trends over the years.

It should be noted that the data included in this document relates to passenger cars and light commercial vehicles up to 3.5 ton (i.e. N1+M1 categories under the EU classification), imported by direct importers only.

Hezi Shayb, CEO
Israel Vehicle Importers Association (I-via)

A handwritten signature in black ink, appearing to read 'Hezi Shayb'.

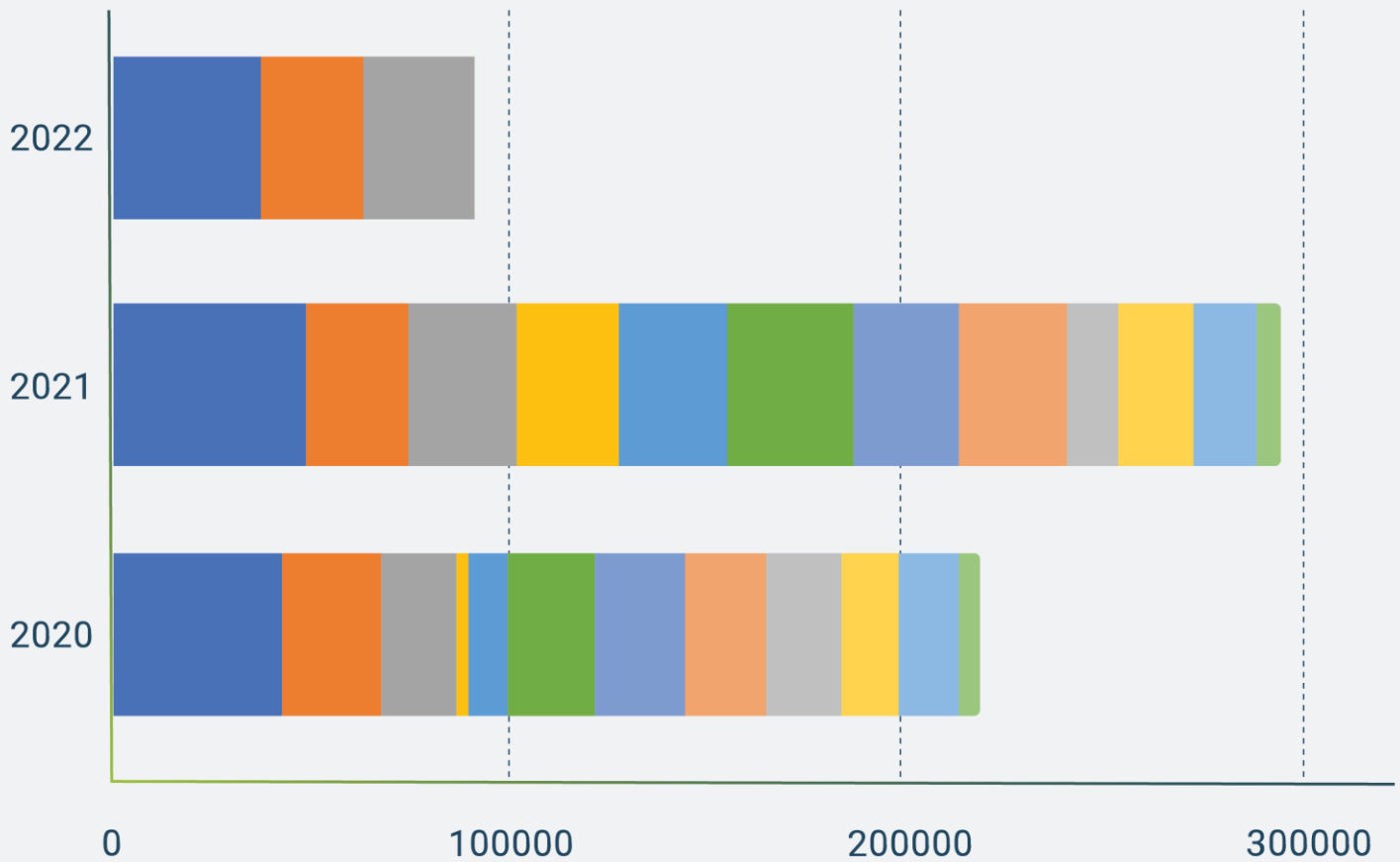
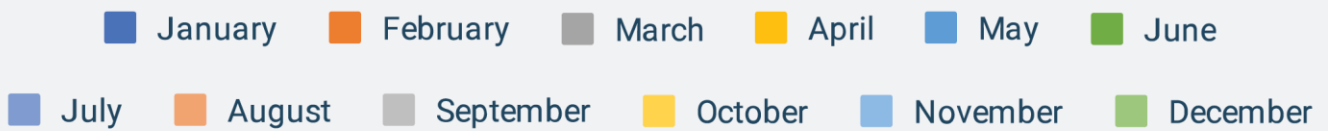
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The data analysis was performed in collaboration with Carzone Technologies Ltd.

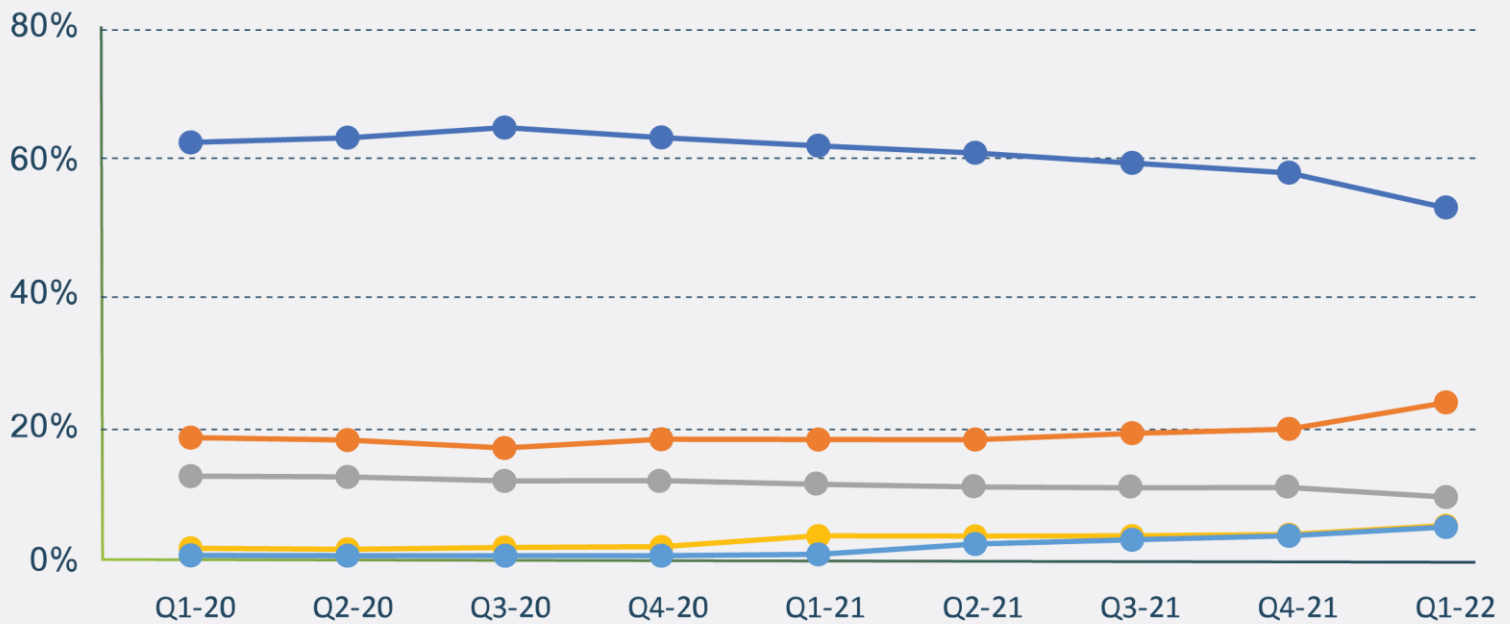
REGISTRATION DATA



REGISTRATION BY ENGINE TYPE



● Petrol ● hybrid ● Diesel ● phev ● Electric

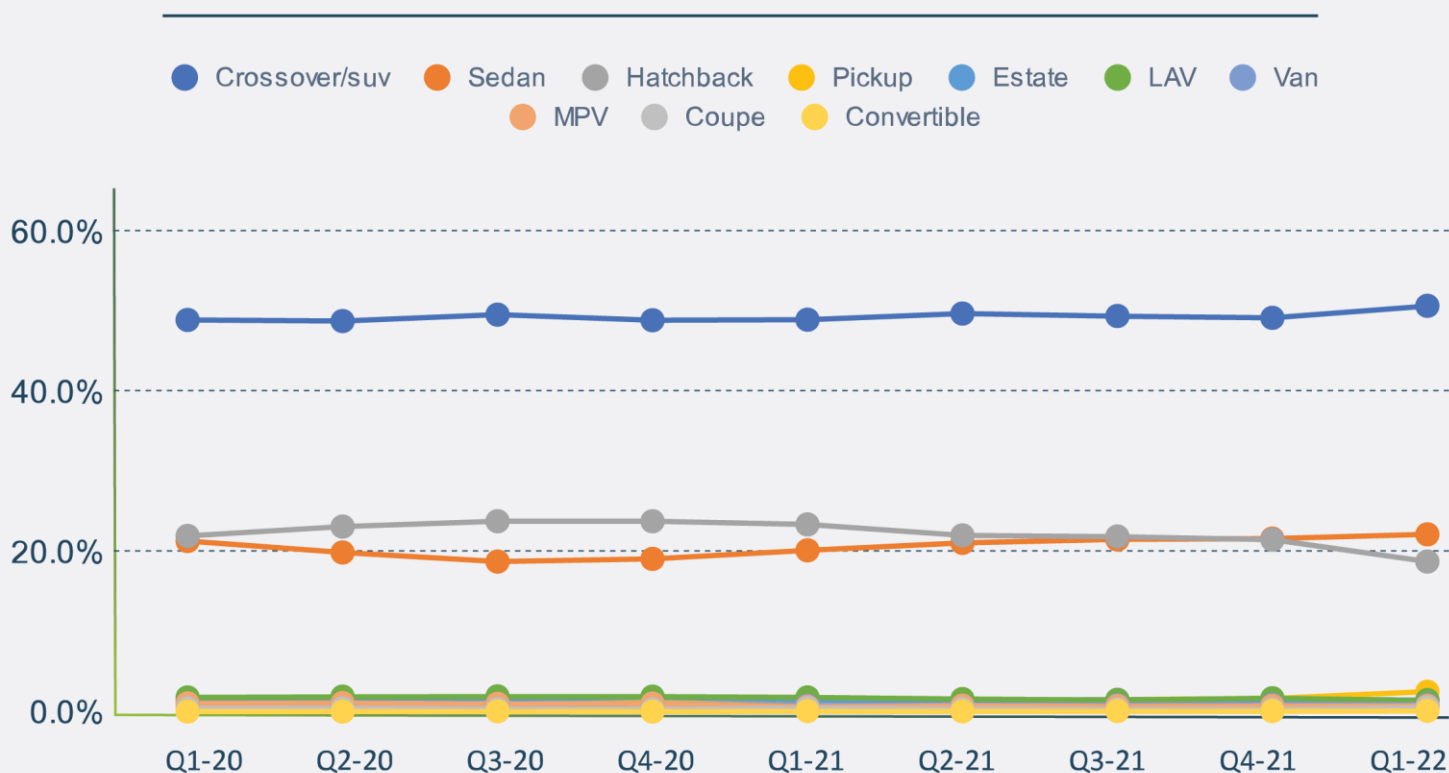


The Demand for petrol cars continued its downward trend starting in 2021. From January to March 2022 petrol vehicles make up 55% of all new vehicles, a decrease of 10% compared to Jan-March 2021 and Jan-March 2020. In the Q1 2022, petrol's share of the Israeli car market shrank by 5% compared to Q4 2021, which is the most significant decrease in the last two years.

The demand for Alternatively Powered Vehicles (APV) continued its upward trend, when Hybrid Electric Vehicles is the largest volume category of APV's in Israel. From January to March 2022 Hybrid vehicles reached 25% of all new vehicles, an increase of 6% compared to Jan-March 2021 and Jan-March 2020. In the Q1 2022, hybrid's share of the Israeli car market rose by 5% compared to Q4 2021, which is the most significant increase during the past two years. Registrations of electric vehicles in Israel increased by 4% compared to Jan-March 2021.

It should be noted that the data presented in the graph in relation to each quarter in given year, are cumulative data from the beginning of that year.

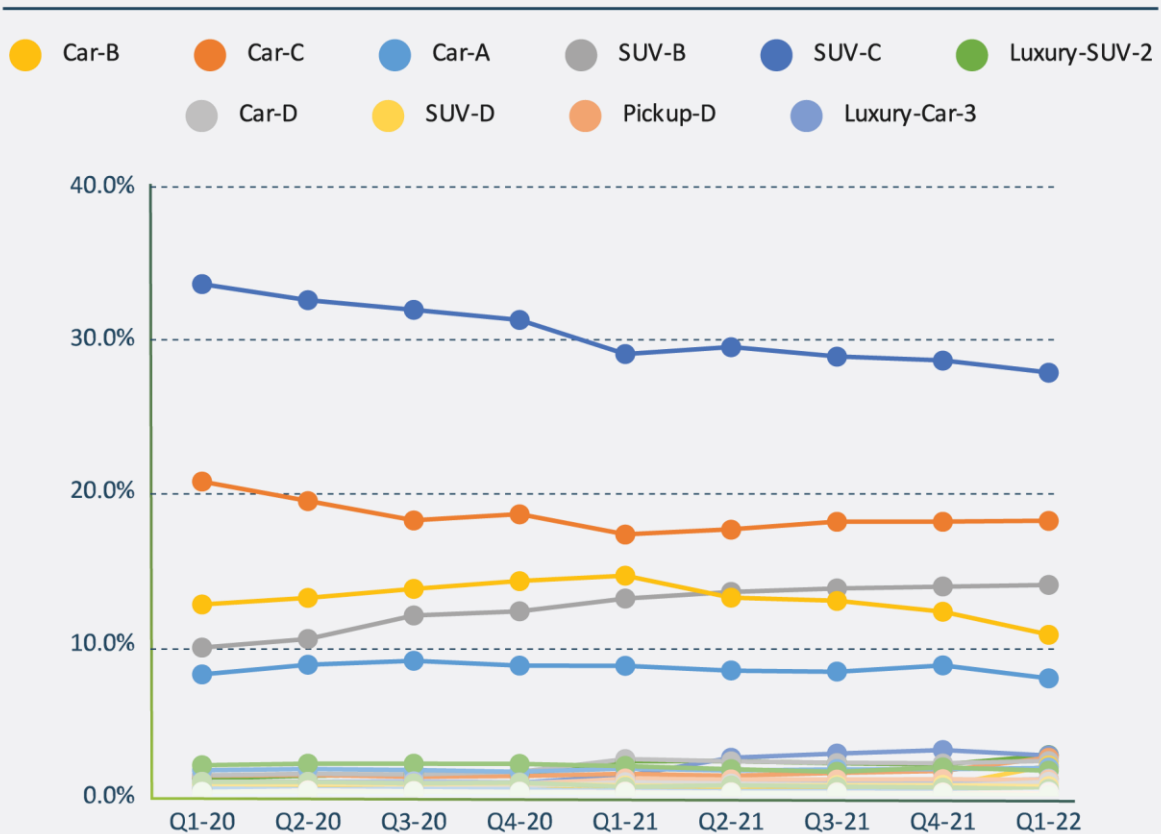
REGISTRATION BY SEGMENT TYPE



The demand for Crossover/SUV has remained stable over the past years and continues to lead the market, when in the Q1 2022 Crossover/SUV hold 50.8% of all new vehicles. Sedan and Hatchback both are the second volume category of new vehicles in Israel in the past years. In this regard, while the demand for Hatchback vehicles has exceeded the demand for Sedan vehicles in the last two years, it can be seen that from the end of 2021 a reverse trend began and in the Q1 2022 Sedan make up 22.2% of all new vehicles, compared to Hatchback with 18.8%.

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REGISTRATION BY CATEGORY



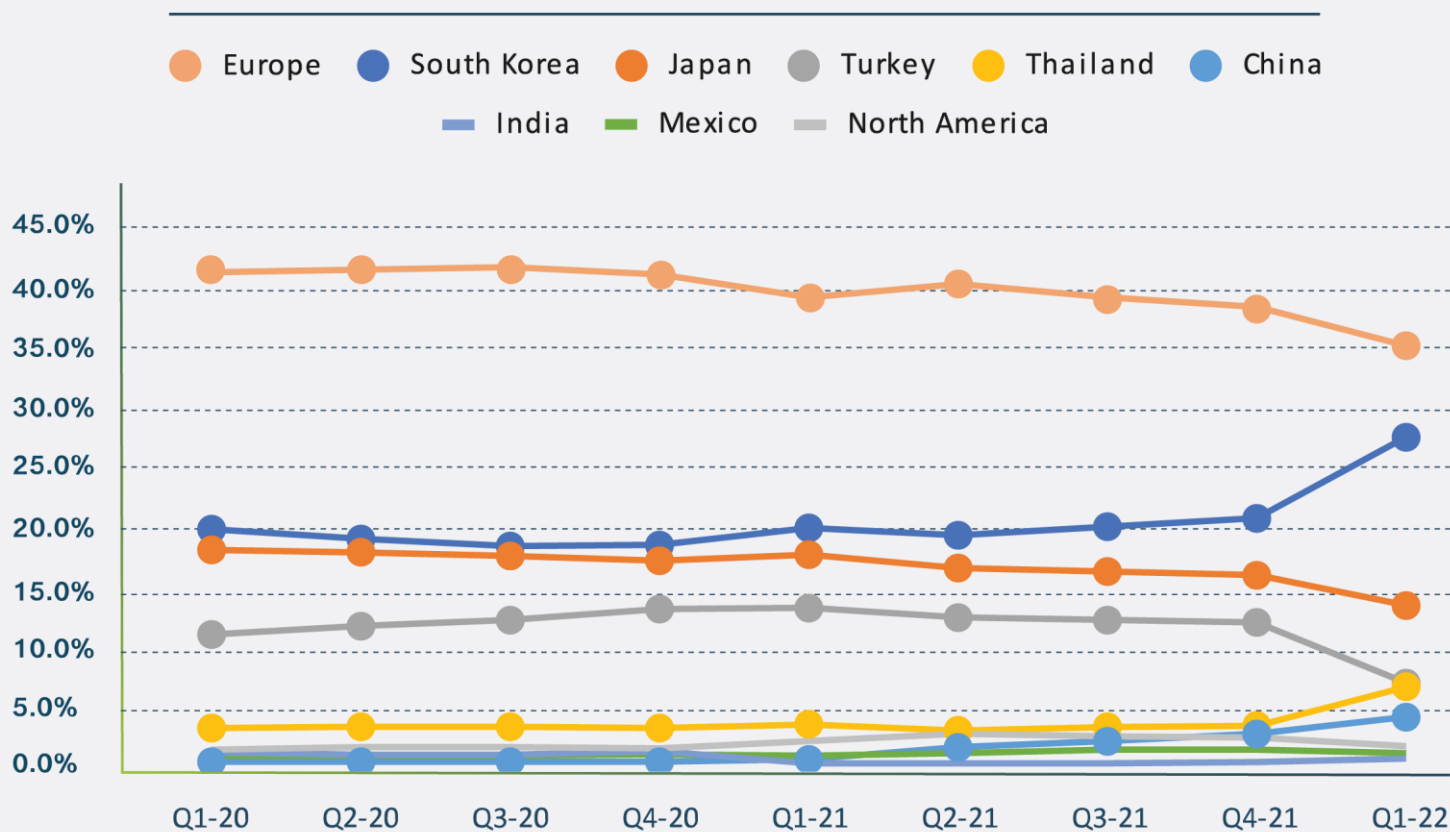
Although the SUV-C category leads the market of new vehicles, the demand for this category is declining, when from January to March 2022, SUV-C category reduced to 27.8%, compared to 33.6% in the corresponding period in 2020 and to 29% in the corresponding period in 2021. Car-C category the second volume category of new vehicles in Israel make up in the Q1 2022 18.1% of all new vehicles compared to 20.6% in Q1 2020 and 17.2% in Q1 2021.

The demand for Suv-B continued its upward trend also in Q1 2022 with 13.9%, an increase of 4.1% compared to Jan-March 2020 and 0.9% compared to Jan-March 2021. In contrast, the demand for Car-B category, is on a downward trend (after an increase in demand was observed during 2021) with 10.6%, a decrease of 2% compared to Jan-March 2020 and 3.9% compared to Jan-March 2021.

The demand for Car-A category has remained relatively stable, when in the Q1 2022 it holds 7.8% of all new vehicles.

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REGISTRATION BY COUNTRY OF ORIGIN



As of the Q1 2022, 35.1% of new vehicles are manufactured in Europe, a decrease of 6.1% compared to Jan-March 2020 and of 4% compared to Jan-March 2021. From January to March 2022 vehicles manufactured in South Korea make up 27.6%, an increase of 7.6% compared to Jan-March 2020 and of 7.5% to Jan-March 2021. In the Q1 2022, such vehicles market grown by 6.7% compared to Q4 2021, which is the most significant increase among all countries of origin in the last two years. In contrast, the demand for vehicles manufactured in Japan and Turkey decreased in Q1 2022, compared to Q4 2021. From January to March 2022 vehicles manufactured in Japan make up 13.7%, a decrease of 4.4% compared to Jan-March 2020 and of 4.2% to Jan-March 2021. In the Q1 2022, such vehicles market shrank by 2.5% compared to Q4 2021. Vehicles manufactured in Turkey make up 7.3%, a decrease of 4% compared to Jan-March 2020 and of 6.2% to Jan-March 2021. In the Q1 2022, such vehicles market shrank by 5% compared to Q4 2021.

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