



Israel Vehicle Importers Association – Monthly Review February 2024

Preface – Economic Climate

On the morning of October 7th, the State of Israel fell victim to a reprehensible and traumatic terror act that claimed innocent civilians' lives. Israel is now compelled to engage in warfare as it responds to these unprovoked and barbaric onslaughts. This conflict will indubitably impact Israel's near-term and long-term trajectory across many areas, including financial stability. Many indices are apt to shift dramatically in forthcoming assessments, as is inherent to the nature of wartime (e.g., inflation, foreign exchange rates, employment).

Therefore, updated data will be presented with minimal additions where possible.

The Israeli economy is an advanced economy that participates in the OECD organization. Israel's GDP per capita is \$53,381. Israel's growth rate in 2023 was 2%, while the current forecast for 2024 ranges from 1.5-3.0%.

Israel maintains a 5.6% deficit of the GDP from March 2023 to February 2024.

The debt-to-GDP ratio increased to 62.1% in 2023, and the unemployment rate was 3.3% in February 2024. As of February



2024, the annual inflation growth rate was 2.5%. In February 2024, the short-term interest rate was 4.5%, while the long-term interest rate stood at 4.3% (as of November 2023).

Statistical Profile: Israel February 2024

Society

Population (January 2024): 9.855 million

Economy

GDP per capita (February 2024): \$53,381 (₪193,874)

Inflation (February 2024) (Annual Growth Rate): 2.5%

Current Account Balance (September 2023): 3.6% of GDP

Trade in Goods and Services (February 2024): \$12.7 billion
(₪46.1 Billion)

Finance

US Dollar Exchange rate (February 2024, Avg.): ₪3.63

Euro Exchange rate (February 2024, Avg.): ₪3.932

Long-term interest rates (November 2023): 4.3% Per Annum

Short-term interest rates (February 2024): 4.5% Per Annum

Government

Debt to GDP ratio (2023): 62.1%

Deficit to GDP (March 2023 - February 2024): 5.6%



Motorization

Level of Motorization (2022): 411 Vehicles/1,000 Residence

Innovation and Technology

Gross Domestic Spending on R&D (2021): 5.557% of GDP

Environment

CO2 Emissions (2022): 8.38 Tonnes Per Capita (BDO Model Estimation)

CO2 Emissions (2021): 6.74 Tonnes Per Capita

Jobs

Employment Rate (February 2024): 62.5% of Working Age Population

Official Unemployment Rate (February 2024): 3.3% of the Labour Force

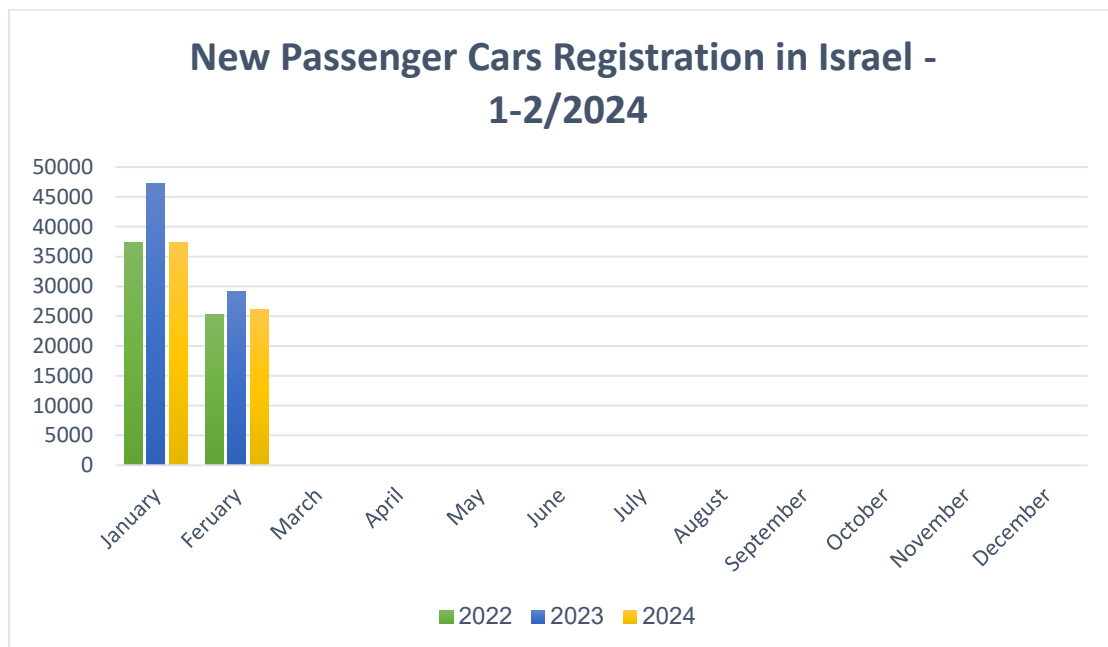


New Cars and CV Registrations

Israel New Passenger Car Registration January-February 2024

Passenger car registration: Decrease of 16.8% compared with Jan-Feb 2023.

In February 2024, the Israeli passenger car market registered 26,143 new cars, a decrease of 10.2% compared with February 2023. From the beginning of the year, 63,490 new cars were registered, a decrease of 16.8% compared with last year. Since January, 15,289 BEVs and 2,955 PHEVs have been registered, totaling 18,244 cars with chargeable electric drives, representing 28.8% of all registrations. The market share of pure EVs in 2024 is currently 24.1%.





New Passenger Cars Registration in Israel 1-2/2024 According to Top 20 Brands

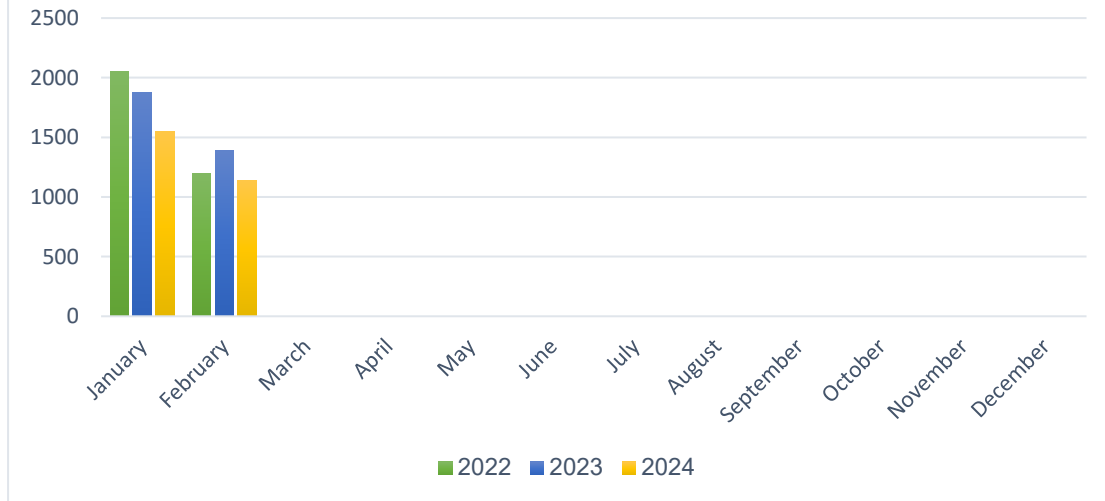
No.	Brand	February						Jan-Feb					
		Share%		Units		Change%	Share%		Units		Change%		
		2024	2023	2024	2023		2024	2023	2024	2023			
1	Hyundai	27.9	15.5	7306	4519	61.7	14.4	16.9	9148	12935	-29.3		
2	Kia	10.4	11.5	2716	3352	-19.0	11.8	10.8	7467	8264	-9.6		
3	Toyota	9.6	10.0	2521	2906	-13.2	8.8	7.8	5589	5942	-5.9		
4	BYD	7.5	5.5	1959	1590	23.2	8.3	6.0	5290	4589	15.3		
5	Mazda	4.2	5.7	1103	1669	-33.9	6.0	8.2	3779	6284	-39.9		
6	Skoda	8.0	5.6	2084	1630	27.9	5.8	4.4	3712	3380	9.8		
7	Mitsubishi	4.1	3.4	1084	987	9.8	4.6	4.2	2952	3221	-8.4		
8	Suzuki	2.5	3.1	651	891	-26.9	3.2	3.0	2011	2259	-11.0		
9	Chery	3.6	5.0	940	1444	-35.0	2.6	4.0	1654	3044	-45.7		
10	Geely	2.3	3.4	613	1000	-38.7	2.6	2.9	1626	2200	-26.1		
11	MG	2.6	0.9	673	254	165.0	2.4	2.0	1542	1535	0.5		
12	Citroen	2.3	4.2	606	1215	-50.0	1.9	3.1	1186	2334	-49.2		
13	Renault	2.2	3.0	567	870	-34.8	1.8	2.2	1142	1644	-30.5		
14	Seat	2.1	2.0	552	585	-5.6	1.8	2.7	1137	2095	-45.7		
15	Subaru	1.6	1.8	424	520	-18.5	1.8	2.6	1120	1967	-43.0		
16	VW	1.9	1.0	507	286	77.3	1.5	1.0	984	756	30.2		
17	Peugeot	2.1	3.0	545	865	-37.0	1.5	2.6	944	1947	-51.5		
18	Mercedes	1.4	1.1	366	335	9.2	1.3	2.4	855	1802	-52.6		
19	Chevrolet	1.3	1.0	340	301	13.0	1.3	1.4	841	1098	-23.4		
20	Nissan	1.2	0.9	321	271	18.5	1.1	0.7	722	541	33.5		

New CV above 3.5 tons and Bus Registration in Israel January-February 2024

Commercial Vehicles above 3.5-ton registration: -17.8% compared with February 2023.

In February 2024, the Israeli market for CVs above 3.5 tons registered a 17.8% decrease in deliveries, with 1,141 new registrations, compared with 1,388 units in February 2023. Since the beginning of the year, 2,692 units were delivered, a decrease of 17.8% compared with last year.

New CV above 3.5 ton and Bus Registration in Israel- 1-2/2024



New CV above 3.5-ton Registration in Israel 1-2/2024 - According to Brands

No	Brand	February					Jan-Feb				
		Share%		Units		Change% 24/23	Share%		Units		Change% 24/23
		2024	2023	2024	2023		2024	2023	2024	2023	
1	Mercedes	14.9	13.5	139	154	-9.7	15.0	14.2	319	369	-13.6
2	Volvo	10.7	12.8	100	146	-31.5	12.8	13.7	272	355	-23.4
3	Chevrolet	12.5	6.4	117	73	60.3	11.5	6.5	244	168	45.2
4	Isuzu	7.4	8.8	69	100	-31.0	9.1	10.2	193	265	-27.2
5	Scania	7.9	10.6	74	120	-38.3	7.7	7.1	163	185	-11.9
6	Dodge-Ra	7.8	16.3	73	185	-60.5	6.9	13.2	146	342	-57.3
7	FIAT	5.7	0.4	53	5	960.0	5.1	1.6	108	42	157.1
8	DAF	10.5	9.6	98	109	-10.0	4.9	9.8	103	254	-59.4
9	MAN	3.8	4.3	36	49	-26.5	4.8	5.0	102	129	-20.9
10	Ford	4.9	9.6	46	109	-57.8	4.8	5.9	101	154	-34.4
11	Renault	5.1	2.1	48	24	100.0	4.5	2.4	95	63	50.8
12	VW	3.4	0.0	32	0	100.0	3.3	0.0	70	0	100.0
13	Iveco	3.5	3.6	33	41	-19.5	3.0	3.5	64	91	-29.7
14	Peugeot	1.9	1.0	18	11	63.6	1.5	1.4	31	37	-16.2
15	JAC	0.0	0.1	0	1	100.0	0.4	0.0	8	1	700.0
16	Tatra	0.0	0.0	0	0	0.0	0.1	0.0	2	0	100.0
17	HINO	0.0	0.7	0	8	-100.0	0.0	1.2	1	31	-96.8
18	Fuso	0.0	0.1	0	1	-100.0	0.0	0.2	1	5	25.0



New Bus Registration in Israel 1-2/2024 According to Brands

No.	Brand	February					Jan-Feb				
		Share%		Units		Change%	Share%		Units		Change%
		2024	2023	2024	2023		24/23	2024	2023	2024	
1	Mercedes	16.6	46.9	34	91	-62.6	36.4	50.8	207	242	-14.5
2	Golden Dragon	33.7	9.8	69	19	263.2	20.7	18.1	118	86	37.2
3	Volvo	7.8	26.8	16	52	-69.2	12.1	20.8	69	99	-30.3
4	Higer	18.5	18.0	38	35	8.6	6.9	14.9	39	71	-45.1
5	VW	1.0	0.0	2	0	100	5.8	0.0	33	0	100
6	Scania	3.4	1.0	7	2	250.0	5.3	2.9	30	14	114.3
7	Zhong Tong	7.3	4.1	15	8	87.5	5.1	2.3	29	11	163.6
8	MAN	2.0	5.7	4	11	-63.6	1.9	7.1	11	34	-67.6
9	Isuzu	4.4	0	9	0	100	1.9	0.0	11	0	100
10	Temsa	1.0	1.5	2	3	-33.3	1.2	4.0	7	19	-63.2
11	Ankai	0.0	1.0	0	2	-100.0	0.9	0.4	5	2	150.0
12	IRIZAR	2.0	3.1	4	6	-33.3	0.7	2.3	4	11	-63.6
13	BYD	1.5	0	3	0	100	0.5	6.5	3	31	-90.3
14	Otokar	0.5	10.8	1	21	-95.2	0.4	10.3	2	49	-96.0
15	Ford	0.5	0.0	1	0	100	0.2	0.2	1	1	0

Monthly review – Israel's Auto and Auto-Tech industry

OPENLANE launches AI-driven damage detection technology by Israeli Click-Ins

Israeli Click-Ins, which developed an automated system to simplify vehicle inspection and damage detection, introduced an AI-driven automated technology to help car and insurance companies transform manual procedures into fast and efficient fact-based processes. Called Visual Boost AI, the AI-powered technology supplements vehicle inspection data by prominently highlighting detected exterior damage directly on photos within the condition report (CR), making it faster and easier for buyers to accurately locate and assess potential defects before deciding on a purchase. OPENLANE, Inc. (NYSE: KAR), a leading operator of digital marketplaces for wholesale used vehicles, announced the launch of Visual Boost AI™, new damage detection overlays for every dealer-consigned vehicle in OPENLANE's US marketplace. The AI-powered technology supplements vehicle inspection data by prominently highlighting detected exterior damage directly on



photos within the condition report (CR), making it faster and easier for interested buyers to accurately locate and assess potential defects before purchasing.

City Transformer Unveils CT-2 Production-Ready Model

Israeli City Transformer is gearing up for production of its “Foldable” urban car at the Cecom plant in Torino, Italy, with sales starting in July. The company has secured 1,000 orders in Israel for medical emergency services “Ichud Hazala” in addition to 1,000 orders globally. The CT-2 production-ready improved model can be pre-ordered for 16,000 Euros at the company’s website. It has a range of 120-180 Km and a top speed of 90 Km/h, and it includes A/C, an audio system, blind spot monitoring, and an FCW system. The CT-2 includes new exterior and interior design. The width of the micro-car can be changed from 1.4 meters to 1 meter at the touch of a button (also while driving), thus enabling 75% less parking space – 4 transformers can park in the same space as one conventional car.

SAP Israel Switches to EVs

Following the announcement from November 2021, according to which the global software company intends to change its entire fleet to ZE vehicles by 2025, the Israeli branch of SAP will switch its’ 900-car fleet to EVs. The company offers incentives for its workers to do so, such as free charging at SAP’s charging stations in the workplace and an 8,000 NIS grant for the installation of home charging points.

Hailo Chips Chosen by Chinese Automaker

Hailo, an Israeli company making artificial intelligence processors, has been selected by automotive company iMotion, a leading Chinese provider of autonomous driving solutions, to place two of its chips in its systems. The Hailo-8 AI accelerator and the Renesas R-Car V4H SoC will power iMotion’s advanced driver-assistance systems (ADAS) and automated driving (AD), making applications



such as autopilot navigation and automated parking more viable and affordable for mass-market vehicles. A Chinese automaker is expected to begin mass production using the iMotion systems in H2 of 2024.

Innoviz to Lay Off 13% of its Workforce to Reduce Cash Outlays

LiDAR technology developer Innoviz announced it intends to lay off 13% of its workforce - 61 out of 468 employees. Most of the lay-offs will be in Innoviz's headquarters in Rosh Ha'ayin, Israel, as well as in Europe and the U.S. The company said that "realignment actions" will be implemented during the first quarter of 2024 and are expected to reduce cash outlays by \$22-24 million annually. Savings are expected to be derived primarily from the transition of the InnovizOne program to series production and the concentration of future investments on the InnovizTwo sensor and perception software suite.

Dr. Hanan Golan

A handwritten signature in blue ink, appearing to be "H. Golan", written on a light blue background.

Hezi Shayb – Ph.D.
CEO – I-Via

A handwritten signature in black ink, appearing to be "H. Shayb", written on a white background.