# Trends analysis in the Israeli Automotive Market

## Q2/2022

I-via

Israel Vehicle Importers Association

# 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)

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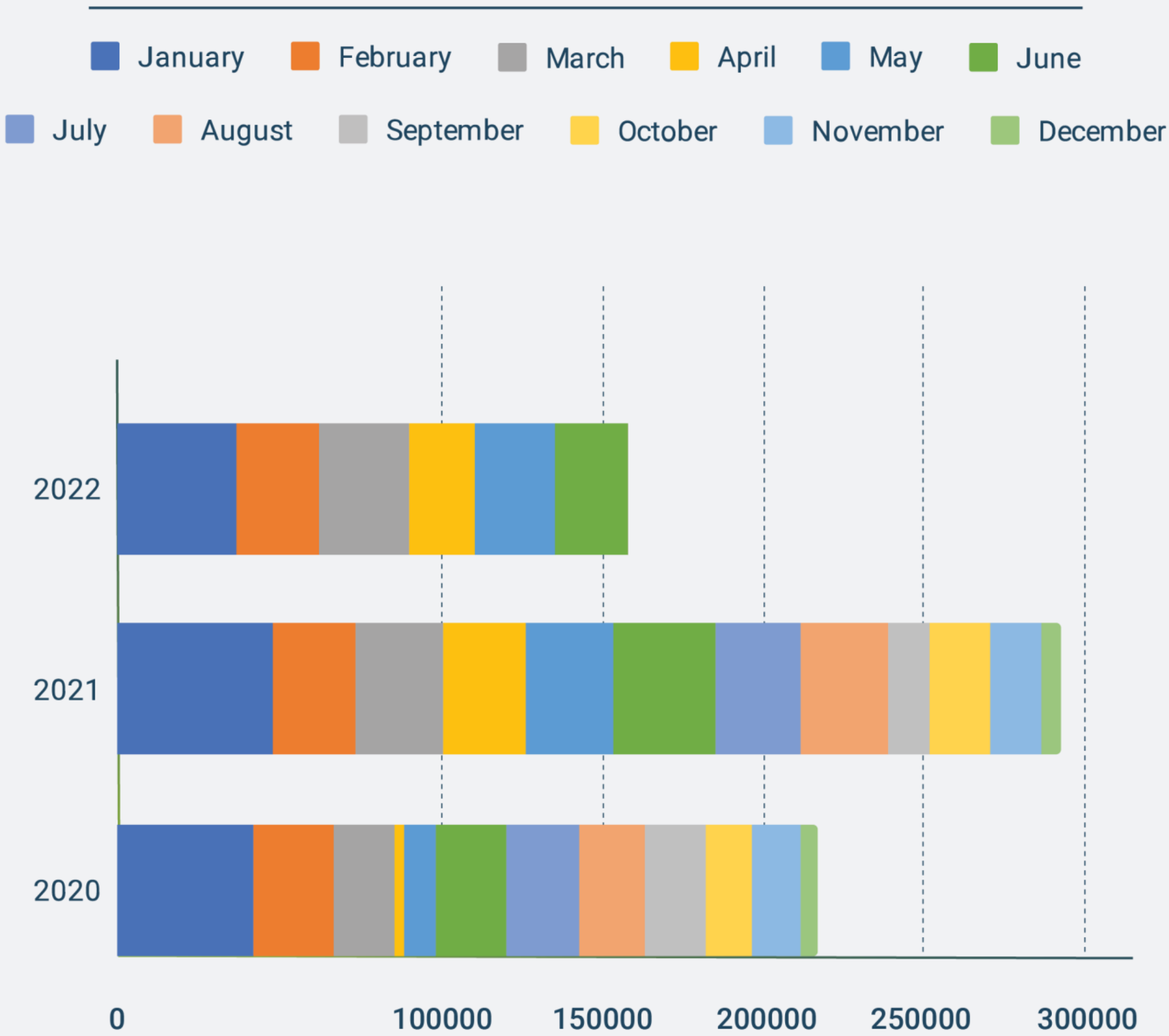
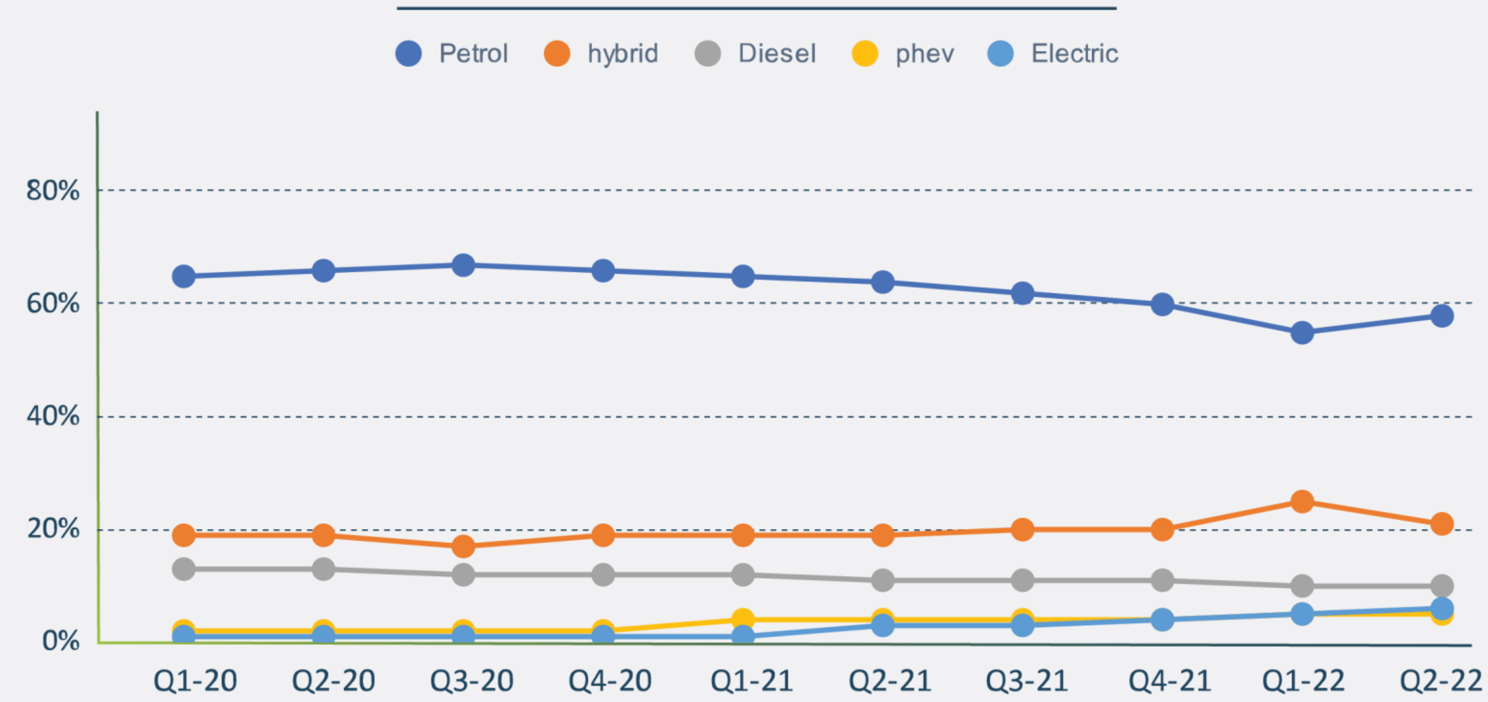
The data analysis was performed in collaboration with Carzone Technologies Ltd.

# REGISTRATION DATA



# REGISTRATION BY ENGINE TYPE



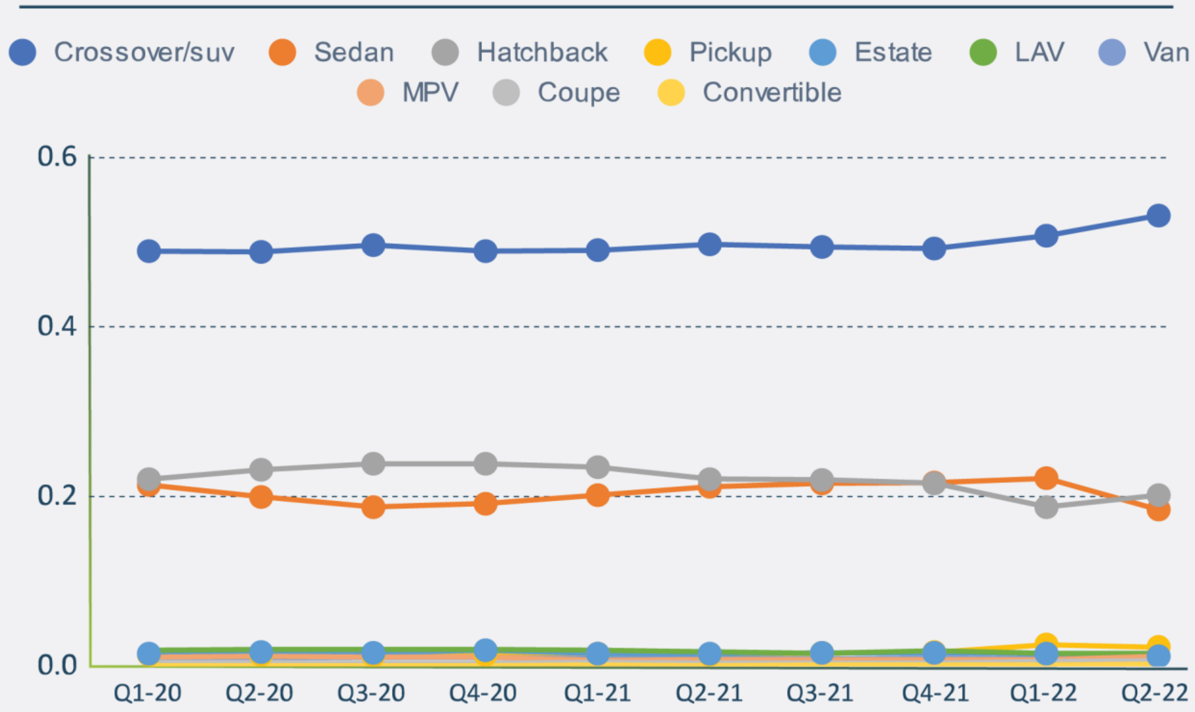

*It should be noted that the data presented in the graph in relation to each quarter in given year, are cumulative data from the beginning of that year.*

After a decline in demand commencing 2021, it can be seen that Q2 2022 is characterized by an upward trend in demand for petrol cars. In Q2 2022, petrol's share of the Israeli car market has grown by 3% compared to Q1 2022. From March to June, 2022 petrol vehicles make up 58% of all new vehicles, which is still a decrease of 6% compared to March-Jun 2021 and 8% compared to March-Jun 2020.

Despite the upward trend in demand over the recent quarters, demand for Hybrid Electric Vehicles has declined in Q2 2022 and makes up 21% of all new vehicles a decrease of 4% compared to Q1 2022, however it is still a decrease of 3% compared to March-Jun 2021 and March-Jun 2020. Hybrid Electric Vehicles are still the most significant volume category of Alternatively Powered Vehicles in Israel.

The demand for electric vehicles in Israel continues its upward trend and increased by 1% compared to Q1 2022 and by 3% compared to Q2 2021 and by 5% compared to Q2 2020.

# REGISTRATION BY SEGMENT TYPE

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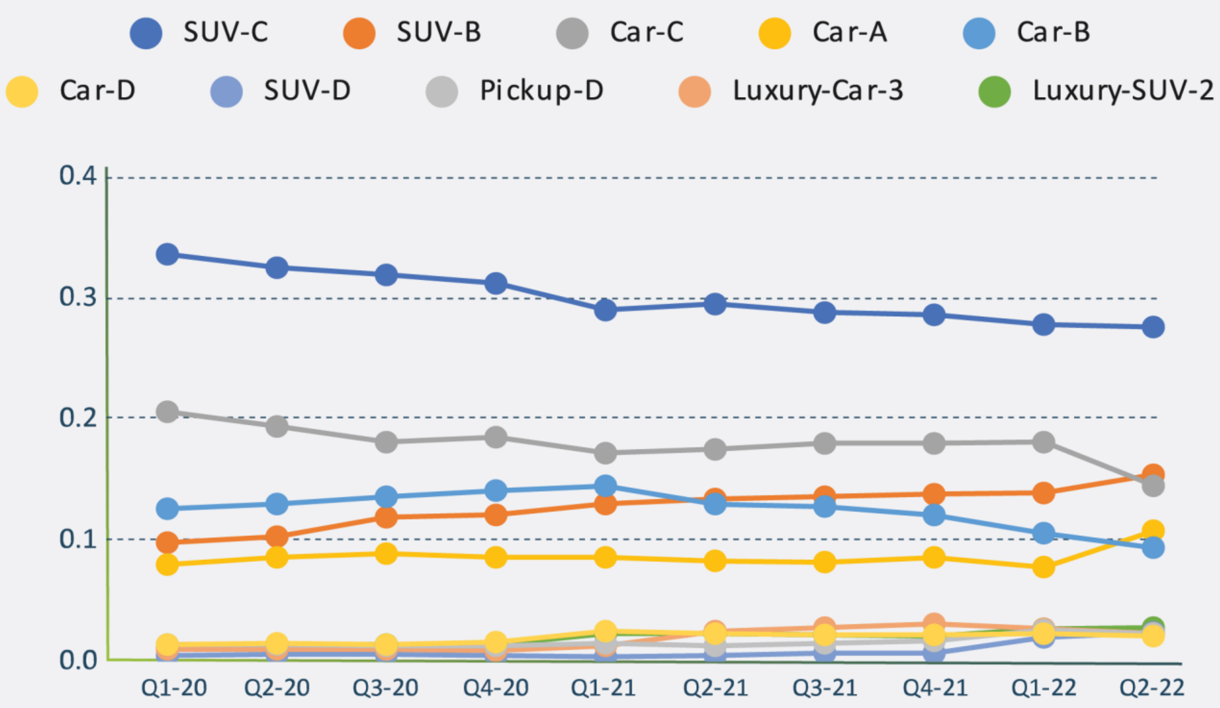
The demand for Crossover/SUV has remained stable over the past years and continues to lead the market, when in Q2 2022 Crossover/SUV hold 53.2% of all new vehicles, an increase of 2.4% compared to Q1 2022 and of 3.4% compared to Q1 2021 and of 3.5% compared to Q1 2020.

Sedan and Hatchback both are the second volume category of new vehicles in Israel in the past years. In Q2 2022 a slight increase of 1.4% in demand for Hatchback vehicles can be seen, compared to Q1 2022, when in Q2 2022 Hatchback vehicles hold 20.2% of all new vehicles. In contrast, the demand for Sedan vehicles decreased by 3.7% compared to Q1 2022 and makes up 18.5% of all new vehicles.

# REGISTRATION BY CATEGORY

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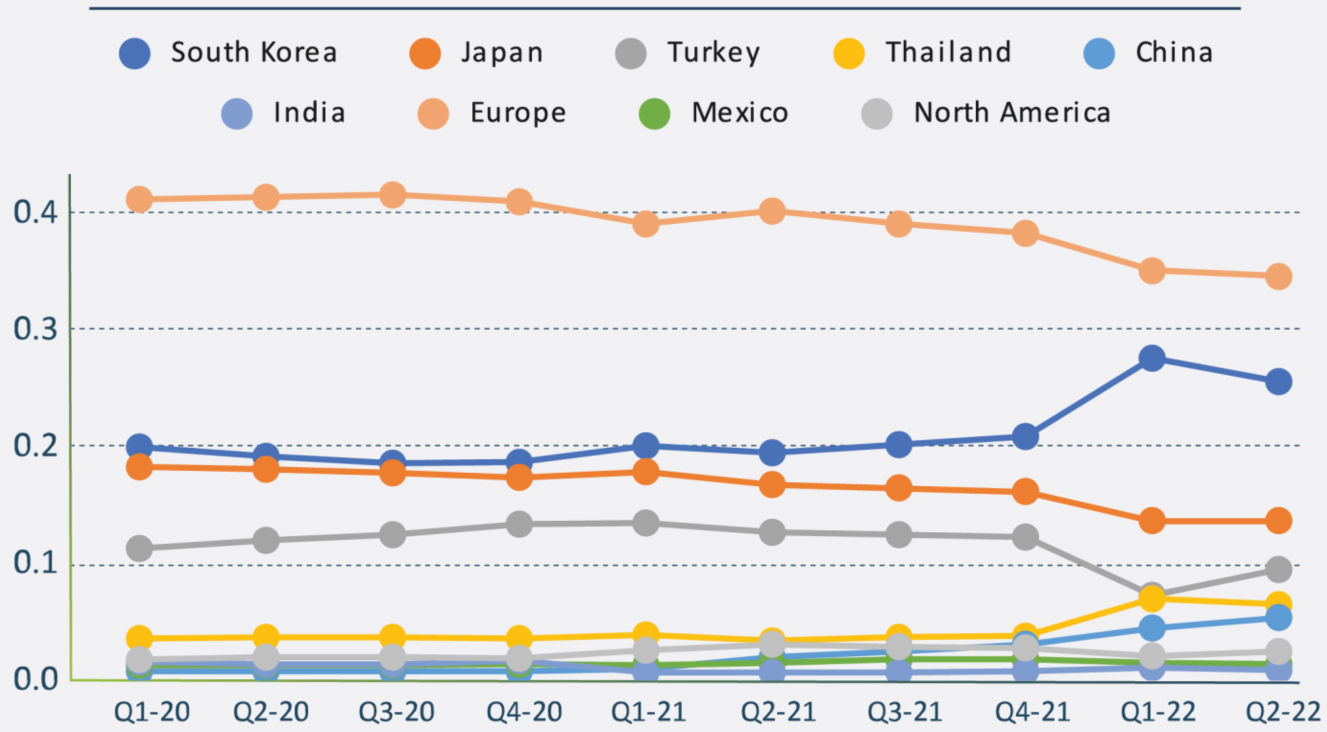
Although the SUV-C category leads the market of new vehicles, the demand for this category is declining, when from April to June 2022, such a category reduced to 27.6%, compared to 29.5% in the corresponding period in 2021 and to 32.5% in the corresponding period in 2020.
The demand for the Car-C category in the Q2 2022 declined by 3.6% compared to Q1 2022 and make up 14.5% of all new vehicles, compared to 17.5% in the corresponding period in 2021 and to 19.4% in the corresponding period in 2020
The demand for Suv-B continued its upward trend also in Q2 2022 with 15.4%, an increase of 1.5% compared to the Q1 2022, which makes it the second volume category of new vehicles in Israel. The demand for such category rose by 2% compared to April-Jun 2021 and 5.1% compared to April-Jun 2020. The demand for Car-B category, is on a downward trend (after an increase in demand was observed during 2021) with 9.4%, a decrease of 3.6% compared to April-Jun 2021 and April-Jun 2020.
The demand for Car-A category registered a 3% increase in Q2 2022 compared to Q1 2022, and make up 10.8% of all new vehicles.

# REGISTRATION BY COUNTRY OF ORIGIN

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As of the Q2 2022, 34.6% of new vehicles are manufactured in Europe, a decrease of 5.6% compared to April-June 2021 and of 6.8% compared to April-June 2020.

After an increase in demand for vehicles manufactured in South Korea in Q1 2022, in the Q2 2022 a decrease of 2% was observed and such vehicles make up 25.6% of all new vehicles. However, it's still an increase of 6.1% compared to April-June 2021 and of 6.4% to April-June 2020. The demand for vehicles manufactured in Japan in Q2 2022 remained unchanged and make up 13.7% of all new vehicles.

Vehicles manufactured in Turkey make up 9.5%, a decrease of 3% compared to April-June 2021 and of 2.5% to April-June 2020. In Q2 2022, such vehicles market rose by 2.2% compared to Q1 2022.