



Israel Vehicle Importers Association – Monthly Review December 2023

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 \$53,236. The growth rate in Q.3 of 2023 was 2.8%, while the current forecast for Q.4 is 2.7%.

Israel maintains a 4.2% deficit of the GDP from January 2023 to December 2023.



The debt-to-GDP ratio increased to 62.1% in 2023, and the unemployment rate in December 2023 was 3.1%. As of December 2023, the annual inflation growth rate is 3.0%. In December 2023, the short-term interest rate was 4.5%, while the long-term interest rate stood at 4.3%.

Statistical Profile: Israel December 2023

Society

Population (December 2023): 9.827 million

Economy

GDP per capita (December 2023): \$53,236 (₪195,961)

Inflation (December 2023) (Annual Growth Rate): 3.0%

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

Trade in Goods and Services (2023): \$149.6 billion (₪550.67 Billion)

Finance

US Dollar Exchange rate (December 2023, Avg.): ₪3.681

Euro Exchange rate (December 2023, Avg.): ₪4.003

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

Short-term interest rates (December 2023): 4.5% Per Annum



Government

Debt to GDP ratio (2023): 62.1%

Deficit to GDP (January 2023 - December 2023): 4.2%

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 (December 2023): 62.7% of Working Age Population

Official Unemployment Rate (December 2023): 3.1% of the Labour Force

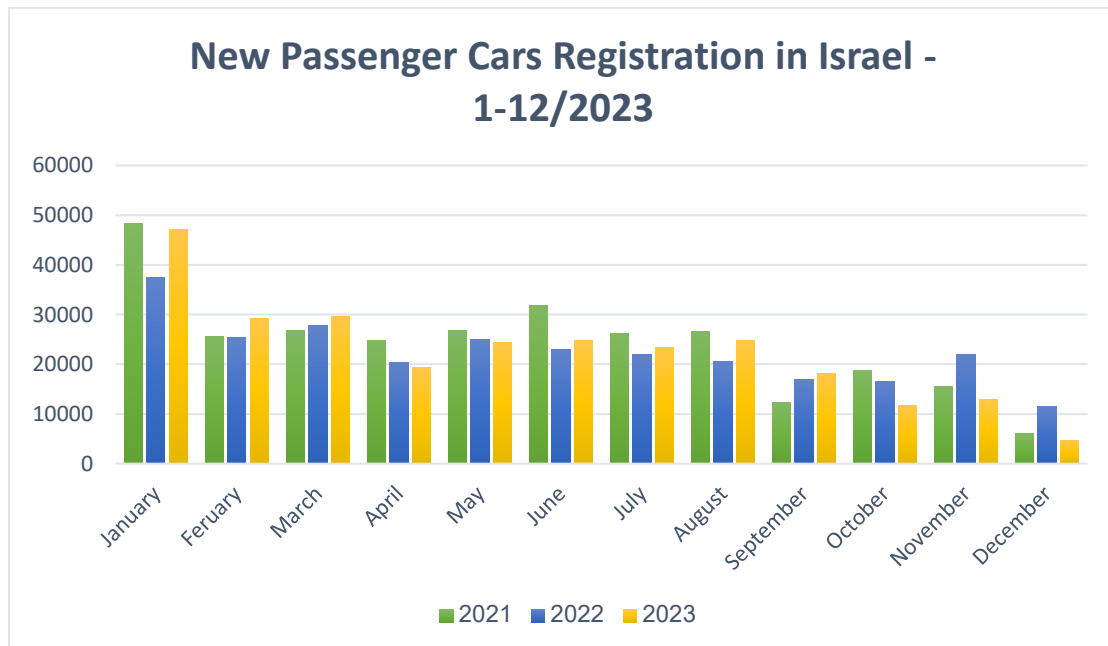


New Cars and CV Registrations

Israel New Passenger Car Registration January-December 2023

Passenger car registration: Decrease of 58.6% compared with December 2022.

In December 2023, the Israeli passenger car market registered the lowest quantity in a long time of only 4,738 new cars – a decrease of 58.6% compared with December 2022. Since the beginning of the year, 270,023 new cars were registered, a slight increase compared with Jan-Dec 2022 (268,145 units). Since January, 48,219 BEVs and 15,157 PHEVs have been registered, a total of 63,376 cars with chargeable electric drive representing 23.5% of all registrations. The market share of pure EVs in 2023 was 17.9%.





New Passenger Cars Registration in Israel 1-12/2023 According to Top 20 Brands

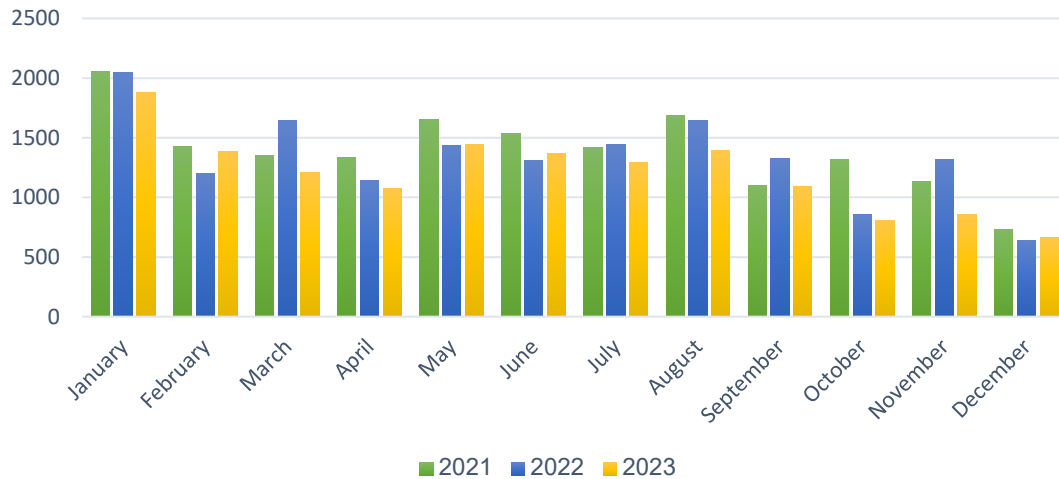
No.	Brand	December					Jan-Dec				
		Share%		Units		Change%	Share%		Units		Change%
		2023	2022	2023	2022		2023	2022	2023	2022	
1	Hyundai	3.7	1.9	173	213	-18.8	15.5	15.9	41790	42540	-1.7
2	Kia	7.4	13.3	350	1527	-77.1	12.2	14.3	32873	38224	-14.0
3	Toyota	27.6	13.8	1307	1583	-17.4	11.8	13.8	31865	36881	-13.6
4	BYD	4.2	8.0	197	911	-78.4	5.6	1.4	15145	3710	308.2
5	Skoda	2.6	4.6	122	528	-76.9	5.4	5.1	14543	13559	7.3
6	Mazda	3.8	2.0	180	232	-22.4	5.1	7.0	13780	18770	-26.6
7	Chery	3.4	7.9	159	906	-82.5	4.1	0.3	11162	906	1132.0
8	Mitsubishi	1.3	0.3	63	33	-91.0	3.8	4.4	10299	11689	-11.9
9	Suzuki	4.4	8.7	207	993	-79.2	3.3	3.2	8851	8683	1.9
10	Geely	5.2	6.8	245	774	-68.3	2.6	2.5	7129	6816	4.6
11	Peugeot	1.4	0.6	67	73	-8.2	2.5	2.1	6844	5642	21.3
12	Tesla	9.1	9.8	433	1118	-61.3	2.5	2.3	6767	6047	11.9
13	Citroen	1.8	3.0	84	342	-75.4	2.4	3.1	6609	8246	-19.9
14	Seat	0.2	1.2	9	137	-93.4	2.1	2.1	5647	5555	1.7
15	MG	4.6	0.8	220	86	155.8	2.0	1.9	5421	5081	6.7
16	Renault	1.4	2.0	67	232	-71.1	1.7	1.4	4581	3758	21.9
17	Subaru	1.9	0.9	88	103	-14.6	1.7	1.6	4482	4367	2.6
18	VW	2.6	1.4	121	155	-21.9	1.6	1.4	4248	3650	16.4
19	Mercedes	0.2	0.3	9	32	-71.9	1.5	1.8	4014	4743	-15.4
20	Chevrolet	0.6	0.3	30	40	-25.0	1.2	1.8	3203	4721	-32.2

New CV above 3.5 tons and Bus Registration in Israel January-December 2023

Commercial Vehicles above 3.5-ton registration: +3.1% compared with December 2022.

In December 2023, the Israeli market for CVs above 3.5 tons registered an increase of 3.1% in deliveries with 661 new registrations, compared with 641 units in December 2022. Since January, 14,453 units have been registered, a decrease of 9.2% compared with Jan-Dec 2022.

New CV above hand Bus Registration in Israel- 1-12/2023



New CV above 3.5-ton Registration in Israel 1-12/2023 According to Brands

No	Brand	December					Jan-Dec				
		Share%		Units		Change%	Share%		Units		Change%
		2023	2022	2023	2022	23/22	2023	2022	2023	2022	23/22
1	Mercedes	10.7	13.4	36	57	-30.4	15.7	14.2	1701	1825	-6.8
2	Volvo	12.1	9.2	41	39	5.1	12.3	13.0	1334	1671	-20.2
3	DAF	23.7	23.5	80	100	-20.0	10.3	8.7	1113	1110	0.3
4	Isuzu	13.3	22.3	45	95	-52.6	10.0	7.8	1085	1002	8.3
5	Scania	3.0	3.3	10	14	-28.6	9.7	5.7	1055	724	45.7
6	Chevrolet	16.6	10.6	56	45	24.4	7.9	9.4	856	1202	-28.8
7	Dodge-Ra	3.6	4.5	12	19	-36.8	7.6	3.9	828	494	67.6
8	MAN	4.1	10.8	14	46	-69.6	5.5	7.4	599	953	-37.1
9	Renault	8.3	4.5	28	19	47.4	4.9	5.2	527	669	-21.2
10	FIAT	3.8	6.8	13	29	-55.2	4.2	4.8	455	620	-26.6
11	Iveco	8.9	12.9	30	55	-45.5	4.1	4.7	444	601	-26.1
12	Ford	2.1	11.3	7	48	-85.4	3.8	4.9	417	634	-34.2
13	VW	3.6	0.0	12	0	100	1.6	3.9	177	505	-65.0
14	Peugeot	0.9	0.9	3	4	-25.0	1.2	3.5	132	449	-70.6
15	HINO	1.5	4.7	5	20	-75.0	0.6	2.2	68	279	-75.6
16	Maxus	0.0	0.0	0	0	0.0	0.2	0.3	27	38	-28.9
17	Fuso	0.0	0.2	0	1	-100.0	0.1	0.1	10	19	-47.4
18	JAC	0.0	0.0	0	0	0.0	0.1	0.1	6	11	-45.5
19	Liebherr	0.6	0.0	2	0	100.0	0.1	0.0	6	5	20.0
20	Hyundai	0.0	0.0	0	0	0.0	0.0	0.0	3	0	100.0
21	Internation	0.0	0.0	0	0	Entered 2023	0.0	0.0	3	0	Entered 2023
22	Tatra	0.0	0.0	0	0	0.0	0.0	0.0	2	1	100.0
23	BYD	0.0	0.0	0	0	Entered 2023	0.0	0.0	1	0	Entered 2023



New Bus Registration in Israel 1-12/2023 According to Brands

No.	Brand	December					Jan-Dec				
		Share%		Units		Change%	Share%		Units		Change%
		2023	2022	2023	2022		2023	2022	2023	2022	
1	Mercedes	2.5	4.2	8	9	-11.1	27.7	33.2	1000	1032	-3.1
2	Higer	40.6	27.4	131	59	122.0	18.8	12.5	676	388	74.2
3	Volvo	6.2	29.3	20	63	-68.3	15.0	12.0	539	372	44.9
4	Golden Dragon	31.0	14.9	100	32	212.5	14.1	14.8	509	459	10.9
5	Otokar	10.5	4.7	34	10	240.0	5.8	2.2	208	67	210.4
6	BYD	5.3	1.9	17	4	325.0	3.9	2.2	142	67	111.9
7	Isuzu	3.7	0.0	12	0	100.0	2.7	1.1	97	34	185.3
8	MAN	0.0	1.4	0	3	-100.0	2.6	3.9	94	120	-21.7
9	Scania	0.0	0.0	0	0	0.0	2.6	3.7	93	114	-18.4
10	Temsa	0.0	4.2	0	9	-100.0	1.7	0.8	63	24	162.5
11	Zhong Tong	0.0	7.9	0	17	-100.0	1.5	1.5	54	48	12.5
12	Renault	0.0	0.0	0	0	0.0	1.2	0.7	43	21	104.8
13	IRIZAR	0.0	0.0	0	0	0.0	1.1	0.9	41	27	51.9
14	VW	0.3	0.0	1	0	100.0	0.6	4.0	23	124	-81.5
15	Maxus	0.0	0.0	0	0	0.0	0.2	0.0	7	0	100
16	Sunwin	0.0	0.0	0	0	0.0	0.1	0.0	5	0	100
17	DAF	0.0	0.0	0	0	0.0	0.1	0.0	3	0	100.0
18	Ankai	0.0	0.0	0	0	0.0	0.1	0.2	2	5	-60.0
19	Chevrolet	0.0	0.0	0	0	0.0	0.1	0.0	2	0	100.0
20	Wisdom	0.0	0.0	0	0	0.0	0.0	5.0	1	154	-99.4
21	Ford	0.0	0.0	0	0	0.0	0.0	0.0	1	0	100
22	Foton	0.0	Entered 2023	0	0	Entered 2023	0.0	0.0	1	0	100

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

Trucknet Provides a Land-Bridge Solution to the Houthi Threat

The Houthi threat on ships sailing in the Red Sea has affected maritime transport to Israel. Now, Trucknet, a leading logistics firm listed on the Tel Aviv Stock Exchange, announces the signing of a preliminary cooperation agreement with Puretrans FZCO, based in the United Arab Emirates, and DP WORLD, a Dubai-based port enterprise. This innovative project aims to establish a Land Bridge connecting the ports of Dubai and Haifa, revolutionizing overland cargo transport and enhancing trade routes between the Middle East and Israel. Under this agreement, the collaborating entities will



jointly focus on land-based cargo transport along the Land Bridge corridor. This pathway connects the United Arab Emirates, traversing through Saudi Arabia and Jordan, to the Israel Port of Haifa. The aim is to facilitate the use of the Trucknet platform by cargo shippers and transportation service providers, thereby streamlining and improving the efficiency of transportation across this designated route. Within the framework of this collaboration, Trucknet will offer an array of services to users operating on the Land Bridge route. These services encompass the automation of cargo transportation, real-time tracking of trucks and shipment statuses, and precise emissions calculations for each shipment, among other features. Endorsed by the Israeli Ministry of Defense and the Government of Israel, this land-based route is anticipated to reduce transit time by 80% compared to maritime routes. It presents a quicker alternative to the Suez Canal passage and aims to resolve security concerns associated with sea transportation. In the middle of December, the first ten trucks that used the land bridge arrived in Israel.

GenCell Presents at COP28 Climate Change Conference in Dubai

GenCell Energy (TASE: GNCL), provider of hydrogen and ammonia to power solutions, presented at the Amazon Web Services (AWS) Clean Energy Accelerator (CEA) Innovation Showcase its' innovative zero-emission, green-independent EV charging solutions and bold vision to enable GreenFSG circular energy economies. The company presented its strategy for evolving and developing its Hydrogen2Power™, Ammonia2Power™, and Water2Power™ technologies and solutions on the event's main stage. Focused on solving immediate real-world energy problems, GenCell brings solutions for zero-emission DC fast EV charging to the market. The GenCell EVOX™ combines multiple power resources to charge EVs and other power loads sustainably, economically, and continuously.



CorrActions Raises \$7.25 Million to Prevent Vehicle Accidents Through AI-Based Brain Activity Monitoring

CorrActions, the Israeli AI-based driver safety startup, has raised \$7.25 million in its Series A round. The funding round was led by Volvo Cars Tech Fund, joined by BlackBerry, alongside prominent venture capital firms Next Gear Ventures, Mobilitech Capital, Regah Ventures, OurCrowd, NextLeap Ventures, and Stone Ventures. CorrActions has developed AI-based software that detects abnormalities in the cognitive state of drivers and passengers. The software analyses micro muscle movements that reflect brain activity, using existing human-motion sensors in vehicles such as the steering wheel, in-cabin radars, seats, and other devices. These movements indicate various cognitive states, including driver intoxication, fatigue, and distraction. CorrActions was founded in 2019 by Dr. Eldad Hochman, a neuropsychologist and scientist, and Zvi Ginosar, an experienced business executive. The company received an investment from the Volvo Cars Tech fund early in 2023.

SaverOne Enters into Term Sheet to Acquire Assets and Operations of Micronet Ltd. Will Expand SaverOne's Product Line

SaverOne (Nasdaq: SVRE, TASE: SVRE), specializing in transportation safety solutions, announced that it has signed a term sheet for the strategic acquisition of certain operations, products, and IP of Micronet Ltd. (TASE: MCRNT), a developer of advanced telematics systems cameras and Driver Monitoring Systems (DMS). This acquisition will broaden SaverOne's product portfolio and customer base and is expected to accelerate SaverOne's go-to-market strategy in the US market. The final deal terms are expected to be closed after a due diligence process. The deal is expected to be signed and close in early 2024.



Israeli startup PNY Presents Electric Cargo Bikes

Israeli startup PNY presented its' solution for urban cargo transportation. Designed primarily for cargo and delivery applications, the PNY Ponie boasts a remarkable cargo capacity, accommodating up to 120 kg (265 lb) of goods. It features 400 liters (14 cubic feet) of onboard storage space, exceeding the storage volume in many city cars' trunks. PNY's 'Ponie P2' electric cargo motorbike has a 4kW rear hub motor and a 6.7kWh battery pack. This results in a top speed of 60 mph and a range that varies according to riding conditions but exceeds 100 miles in all scenarios. The company is also working on the Ponie P3, a three-wheeled version that supports 200kg in excess of the rider. The PNY Ponie 2 has been homologated for use in Europe as an L3e class motorcycle for A1 license holders and is now slated for production, with deliveries likely to begin in Q2 2024. The Ponie 3 is still undergoing testing.

Dr. Hanan Golan

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

Hezi Shayb – Ph.D.
CEO – I-Via

A handwritten signature in black ink, appearing to be "Hezi Shayb", written on a light blue circular background.