



Israel Vehicle Importers Association – Monthly Review September 2024

Preface – Economic Climate

The Israeli economy continues to face significant challenges due to the complex security situation and global market conditions. Economic indicators reflect mixed trends: on the one hand, low unemployment and relatively moderate inflation indicate economic resilience; on the other, the high deficit and rising debt-to-GDP ratio underscore the need for cautious fiscal management. The forecast for moderate growth in 2024 emphasizes the importance of growth-supporting policy measures.

The Israeli economy is an advanced economy that participates in the OECD organization. Israel's current GDP per capita is \$53,148. Israel's growth rate in 2023 was 2%, while the current forecast for 2024 is 1.5% and 4.2% for 2025.

Israel maintains an 8.5% deficit of the GDP from October 2023 to September 2024.

The debt-to-GDP ratio increased to 62.1% in 2023, and the unemployment rate in August 2024 decreased to 2.5%. As of September 2024, the annual inflation growth rate is 3.5%.



Statistical Profile: Israel September 2024

Society

Population (September 2024): 9.99 million

Economy

GDP per capita (September 2024): \$53,148 (₪198,188)

Inflation (September 2024) (Annual Growth Rate): 3.5%

Current Account Balance (April 2024): 5.6% of GDP

Trade in Goods and Services (September 2024): \$13.05 billion
(₪48.7 Billion)

Finance

US Dollar Exchange rate (September 2024, Avg.): ₪3.729

Euro Exchange rate (September 2024, Avg.): ₪4.144

Long-term interest rates (July 2024): 2.22% Per Annum

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

Government

Debt to GDP ratio (2023): 62.1%

Deficit to GDP (October 2023 - September 2024): 8.5%

Motorization

Level of Motorization (2023): 417 Vehicles/1,000 Residence



Innovation and Technology

Gross Domestic Spending on R&D (2022): 6.02% of GDP

Environment

CO2 Emissions (2022): 6.2 Tonnes Per Capita

Jobs

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

Official Unemployment Rate (August 2024): 2.6% of the Labour Force

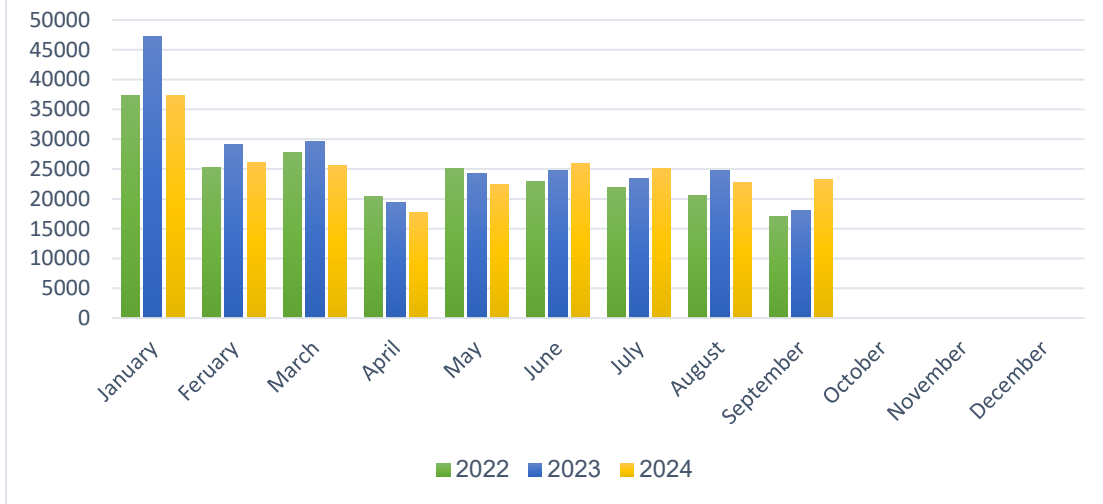
New Cars and CV Registrations

Israel New Passenger Car Registration January-September 2024

Passenger car registration: Decrease of 6% compared with Jan-Sep 2023.

In September 2024, the Israeli passenger car market registered 23,317 new cars – an increase of 28.7% compared with September 2023. Since the beginning of the year, 226,339 new cars were registered, a decrease of 6% compared with last year. Since January, 55,523 BEVs were registered and 5,727 PHEVs, a total of 61,250 cars with chargeable electric drive representing 27% of all registrations. The market share of pure EVs in 2024 is currently 24.5%.

New Passenger Cars Registration in Israel - 1-9/2024



New Passenger Cars Registration in Israel 1-9/2024 According to Top 20 Brands

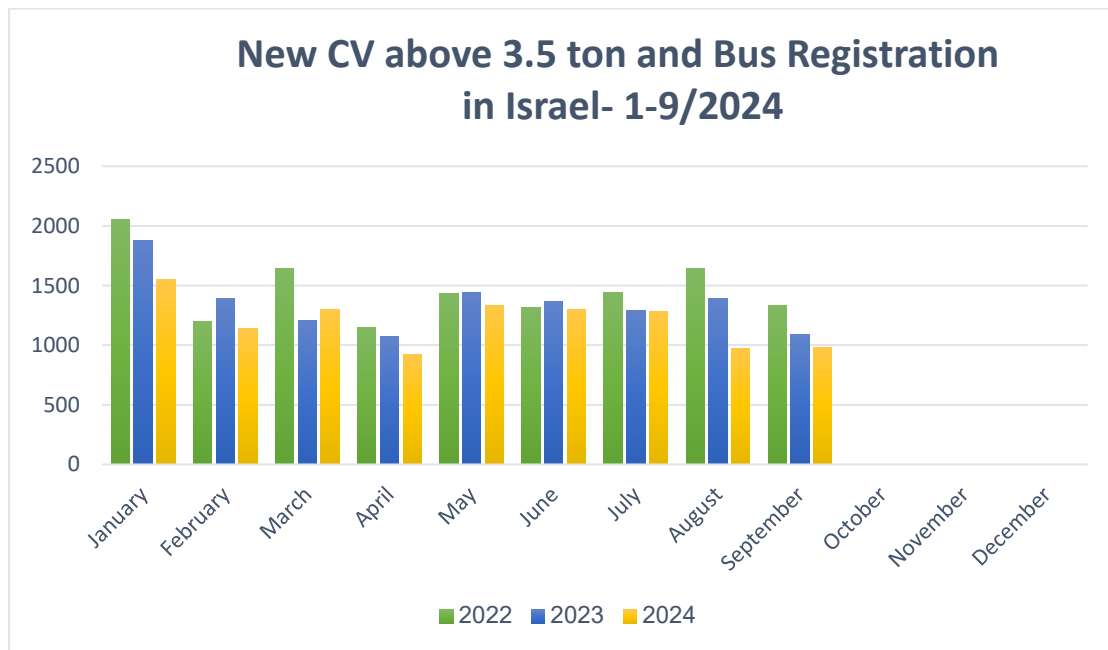
No.	Brand	September					Jan-Sep				
		Share%		Units		Change% 24/23	Share%		Units		Change% 24/23
		2024	2023	2024	2023		2024	2023	2024	2023	
1	Toyota	13.1	15.3	3043	2764	10.0	12.2	10.9	27576	26247	5.0
2	Hyundai	9.3	10.1	2164	1828	18.4	10.5	15.9	23815	38287	-37.8
3	Kia	4.5	12.3	1059	2228	-52.5	9.6	12.3	21755	29627	-26.6
4	Skoda	7.2	5.5	1675	1005	66.7	7.0	5.3	15883	12736	24.7
5	BYD	9.8	7.2	2274	1312	73.3	6.7	5.6	15164	13481	12.5
6	Mazda	5.7	2.8	1326	501	164.7	5.6	5.3	12573	12659	0.0
7	Chery	6.0	2.7	1408	494	185.0	4.4	4.3	10072	10314	-2.3
8	Mitsubishi	3.6	4.3	831	774	7.4	4.1	3.8	9299	9249	0.0
9	Seat	3.8	3.0	882	536	64.6	3.5	2.2	7868	5258	49.6
10	Suzuki	3.9	3.5	921	641	43.7	3.2	3.2	7340	7681	-4.4
11	MG	0.8	3.4	189	608	-68.9	2.7	1.8	6142	4434	38.5
12	Tesla	3.0	2.8	699	515	35.7	2.3	2.3	5248	5463	-3.9
13	Citroen	1.5	2.4	344	428	-19.6	2.1	2.6	4699	6218	-24.4
14	VW	2.7	2.0	635	356	78.4	1.8	1.5	4172	3577	16.6
15	Renault	0.1	1.3	17	235	-92.8	1.7	1.7	3878	4158	-6.7
16	Geely	1.4	3.3	321	599	-46.4	1.6	2.6	3613	6180	-41.5
17	Subaru	1.9	1.3	440	235	87.2	1.5	1.7	3503	4013	-12.7
18	Peugeot	0.8	2.5	195	451	-56.8	1.5	2.7	3304	6516	-49.3
19	Mercedes	0.5	1.2	128	216	-40.7	1.4	1.6	3151	3897	-19.1
20	Nissan	1.0	1.1	240	199	20.6	1.3	1.0	2965	2448	21.1



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

Commercial Vehicles above 3.5-ton registration: -9.9% compared with September 2023.

In September 2024, the Israeli market for CVs above 3.5 tons registered a decrease of 9.9% in deliveries with 984 new registrations, compared with 1,092 units in September 2023. Since the beginning of the year, 10,783 units were delivered, a decrease of 11% compared with last year.





New CV above 3.5-ton Registration in Israel 1-9/2024 According to Brands

No	Brand	September					Jan-Sep				
		Share%		Units		Change%	Share%		Units		Change%
		2024	2023	2024	2023		2024	2023	2024	2023	
1	Mercedes	17.0	17.3	126	137	-8.0	14.6	16.2	1196	1515	-21.0
2	DAF	14.8	9.2	110	73	46.7	10.4	9.8	856	920	-7.0
3	Chevrolet	7.1	4.4	53	35	51.4	10.2	7.0	838	651	28.7
4	Volvo	8.1	10.7	60	85	-29.4	10.1	12.4	832	1160	-28.3
5	Isuzu	10.1	9.6	75	76	-1.3	8.1	10.0	661	937	-29.5
6	Scania	7.8	8.3	58	66	-12.1	8.0	10.3	653	962	-32.1
7	MAN	7.7	7.8	57	62	-8.1	6.2	5.5	512	515	0.0
8	FIAT	3.6	3.8	27	30	-10.0	5.9	4.4	480	411	16.8
9	Renault	2.8	8.0	21	63	-66.7	5.8	4.4	477	412	15.8
10	Dodge-Ra	8.8	7.5	65	59	10.2	5.8	7.9	477	738	-35.4
11	Ford	5.8	2.4	43	19	126.3	5.0	4.2	408	395	3.3
12	VW	2.8	4.4	21	35	-40.0	4.2	1.2	345	113	205.3
13	Iveco	3.2	4.4	24	35	-31.4	3.4	4.0	280	373	-24.9
14	Peugeot	0.0	0.9	0	7	-100.0	1.9	1.3	157	119	31.9
15	Fuso	0.0	0.0	0	0	0.0	0.2	0.1	13	9	44.4
16	JAC	0.3	0.1	2	1	100.0	0.2	0.1	13	6	116.7
17	Tatra	0.0	0.0	0	0	-100.0	0.1	0.0	5	2	150.0
18	HINO	0.0	0.6	0	5	-100.0	0.0	0.7	1	66	-98.4
19	Liebherr	0.0	0.3	0	2	-100	0.0	0.1	1	6	-83.3

New Bus Registration in Israel 1-9/2024 According to Brands

No.	Brand	September					Jan-Sept				
		Share%		Units		Change%	Share%		Units		Change%
		2024	2023	2024	2023		2024	2023	2024	2023	
1	Mercedes	39.7	25.9	96	78	29.1	39.2	33.5	1010	933	6.9
2	Higer	28.1	17.6	68	53	16.4	14.4	13.5	371	376	-6.2
3	Volvo	21.9	15.6	53	47	-19.4	13.5	16.3	348	455	-27.7
4	Golden Dragon	0.4	10.0	1	30	-61.9	11.7	10.8	301	300	11.1
5	Scania	2.5	4.3	6	13	-85.7	4.6	3.1	119	85	56.9
6	Zhong Tong	2.1	2.7	5	8	233.3	3.1	1.8	79	51	72.1
7	VW	2.9	3.0	7	9	-100.0	3.1	0.3	79	9	100.0
8	Otokar	0.0	4.3	0	13	-100.0	2.3	5.6	59	157	-59.0
9	MAN	1.2	4.3	3	13	100.0	2.2	3.1	58	85	-23.6
10	BYD	0.0	5.6	0	17	-100.0	1.6	3.8	40	105	-54.5
11	Isuzu	0.4	0.3	1	1	-87.5	1.2	2.2	31	62	-50.8
12	Renault	0.0	0.0	0	0	0.0	1.1	1.5	28	43	-34.9
13	Temsa	0.0	4.7	0	14	0.0	0.9	2.3	23	63	-53.0
14	IRIZAR	0.4	1.3	1	4	-100.0	0.3	1.4	9	40	-77.8
15	Wisdom	0.4	0.0	1	0	100	0.3	0.0	8	1	600
16	Sunwin	0.0	0.0	0	0	-100.0	0.2	0.2	6	5	20.0
17	Ankai	0.0	0.0	0	0	0.0	0.2	0.1	5	2	150.0
18	Chevrolet	0.0	0.0	0	0	100.0	0.1	0.1	3	2	50.0
19	Ford	0.0	0.0	0	0	0.0	0.0	0.0	1	1	0.0



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

City Transformer Launches the Series Production CT-2

City Transformer unveiled the series production version of its CT-2 in Turin, Italy. The new version of the folding urban electric vehicle has an updated design and powertrain, better ergonomics, and improved safety. The two-sitter CT-2 is only 1 meter wide and can be extended to 1.3 meters to allow a top speed of 90 Km/h when driving out of town. It has two electric motors with 15-22 kWh (depending on the version) and a range of 180 Km. The model's series production is expected in 2026, and the vehicle will be manufactured in Italy in collaboration with CeComp.

REE Enters into Agreement with Motherson Group, Raises \$45.35 Million

REE Automotive (NASDAQ: REE), an automotive technology company and provider of full by-wire electric trucks and platforms, and Motherson Group (IN: MOTHERSON), an engineering and manufacturing specialist and a major supplier to the automotive industry with long-standing relationships with global OEMs (such as Mercedes Benz, Audi, Volkswagen, Suzuki, BMW, Porsche, GM, Ford, Stellantis, Daimler Trucks, Paccar and John Deere) today announced a strategic agreement. According to the agreement, Motherson will manage the sourcing and supply chain of all production parts and support the assembly of the REEcorner® and REE P7 electric trucks. Motherson will also nominate a director to join REE's board of directors. In addition, REE has entered into definitive agreements with certain investors, including M&G Investments, Motherson, and Varana Capital, for the purchase and sale of 11,001,941 shares of its Class A ordinary shares (or pre-funded warrants in lieu thereof) at a purchase price of \$4.122 per share in a registered direct offering, for gross proceeds of \$45.35 million before deducting applicable fees and expenses. M&G Investments, REE's long-term supportive shareholder, led the investment with \$20 million followed by Motherson participating with



a \$15 million investment. Following the closing of the offering, M&G will hold approximately 16.00% of REE's issued and outstanding Ordinary Shares; Motherson will hold approximately 19% on a non-diluted basis; and, similarly, Varana Capital 8.00%.

Valens Semiconductor Announces Three Automotive Design Wins from Leading European OEMs for its VA7000 MIPI A-PHY Chipsets

Valens Semiconductor (NYSE: VLN), a leader in high-performance connectivity, announced that it has achieved three automotive design wins from leading European OEMs for its VA7000 MIPI A-PHY chipsets. The OEMs, which belong to a group of automotive brands, each plan to embed Valens' MIPI A-PHY chipsets in certain vehicle models with the Start of Production (SoP) in 2026, with an estimated production volume totaling approximately five hundred thousand vehicles per year. Valens estimates that upon commercialization ramp-up, the design wins will generate over ten million dollars in annual revenue for 5-7 years. The selection of Valens chipsets follows intensive testing of various connectivity solutions on the market, which found Valens' A-PHY solution superior across various parameters. Valens, a key contributor to the MIPI A-PHY standard, offers the automotive industry a future-proof solution for sensor connectivity, supporting industry-leading bandwidth and link distance with exceptional immunity to electromagnetic noise. Valens achieved these design wins in collaboration with leading Automotive Tier-1s on the camera side and the System on Chip (SoC) side, both of which now offer native A-PHY support in their platforms. These partnerships could lead to additional opportunities for Valens' A-PHY chipsets, as the companies will continue to work together in broad OEM outreach.

SaverOne Launched Pilot Projects in Mexico

SaverOne 2014 Ltd. (Nasdaq: SVRE, TASE: SVRE), a technology company engaged in disruptive transportation safety solutions, announced the launch of four new pilot projects with customers of



Volvo Buses Mexico. This follows the OEM agreement signed with Volvo Group in March 2024, which allows for the SaverOne Safety Solution to be pre-installed following integration into Volvo's assembly line as well as an aftermarket retrofit installation. The pilots cover 20 buses, which will be retrofitted with SaverOne's innovative technology, which is designed to actively prevent bus drivers from being distracted by their mobile phones. The pilots will be conducted in two regions: Mexico City, focusing on intercity buses, and Monterrey, focusing on city buses. Volvo Buses, a subsidiary of the major Swedish vehicle maker Volvo Group, is one of the world's largest bus manufacturers, offering a complete range of heavy buses for passenger transportation.

Forvia Shutting Down its Israeli R&D Center, Reports Calcalist Financial Newspaper

Calcalist reports that Forvia (formerly Faurecia), a global supplier to the automotive sector, is shutting down its R&D center in Israel. The center was inaugurated in 2019 and was meant to serve as an innovation center and develop Cyber technology for the company. Forvia has recently cut its annual sales and profit forecasts for 2024 and is experiencing difficulties in the European and North American markets. The Israeli CEO of the center, Uri Pachter, commented on the issue and said that the company's board decided to conclude the business activity "For various reasons".

Dr. Hanan Golan

A handwritten signature in blue ink, appearing to be "H. Golan".

Hezi Shayb – Ph.D.
CEO – I-Via

A handwritten signature in blue ink, appearing to be "H. Shayb".