March 2021 Summary

Main Trends In The Israeli FMCG Market

Data Base

The data is based on **2,600 stores**

comprised of statewide chains, private market and convenience stores

which transmit their POS scan data on a daily basis to StoreNext

and which represent more than **85% of the total sales in the Israeli barcoded FMCG market**.

Based on this data, StoreNext uses an advanced statistic model to perform an extrapolation for 100% of the barcoded FMCG Market in Israel,

excluding Kiosks and the Arab sector

Long Story Short

- FMCG market records a decrease of 4.3% value sales in current YTD compared to previous YTD
- In March 2021, FMCG value sales drop by 6.7% and in neutralizing change in sales days, change stands at -19.3%

- StoreNext's Price Index presents a decrease of 0.3 points in current YTD compared previous YTD
- Beverages and Personal Care fields show a Price Index decline, Food field marks a moderate growth, while Home Care presents a stagnation

- Following COVID-19 declining trend, Cooking, Canned Food and Baking & Cooking Aids worlds record a decline in current YTD compared to previous YTD
- The decrease of cleaning worlds, Personal Care categories and Laundry Detergents continues

Change in Sales and Price Indices

FMCG, YTD 2021 compared to YTD 2020

-4.3%

-562 Million NIS

Change in Value Sales

-0.3%

Change in StoreNext Price Index

-3.9%

*Real Quantitative Change

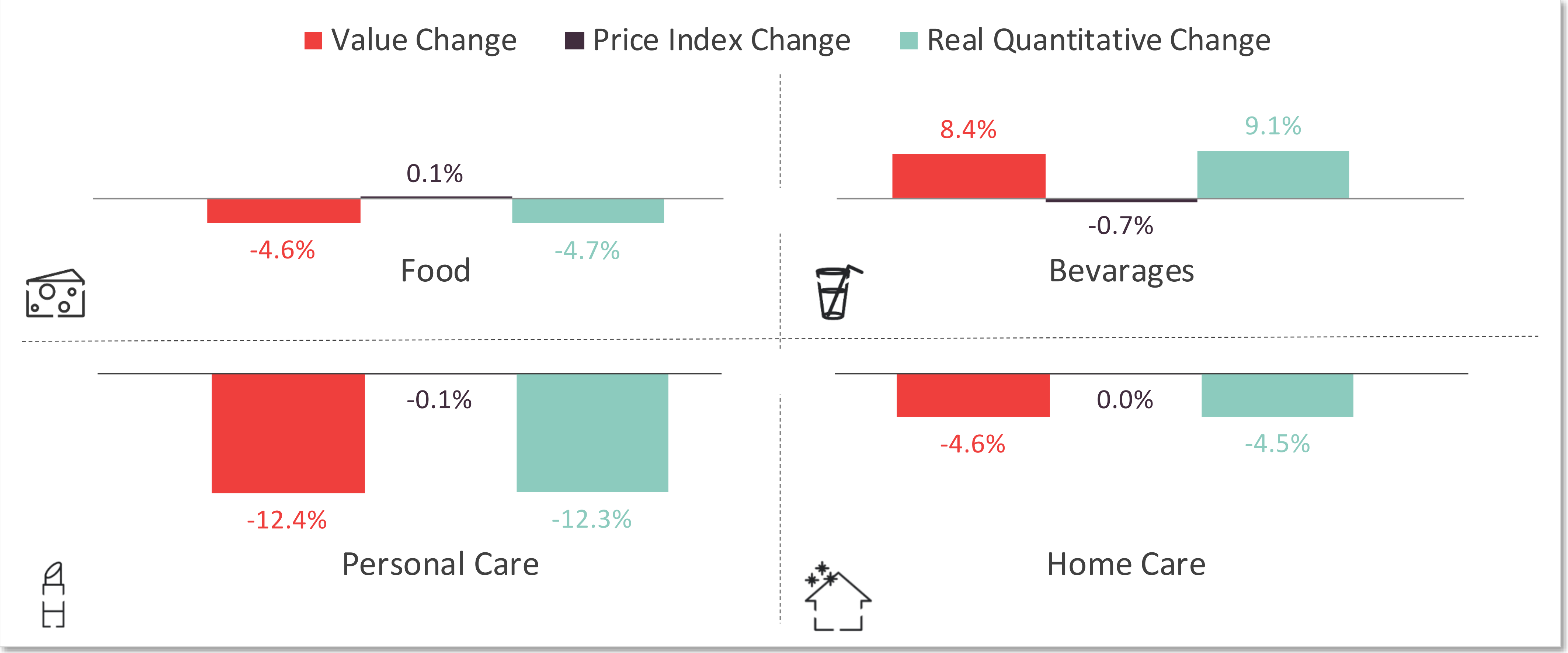
*** Real Quantitative Change – Value sales growth deducting StoreNext Price Index changes (neutralized of mix effects)**

StoreNext
Looking Forward

FMCG YTD Change Rate By Fields (2020 VS 2021)

- Except of Beverages, all fields record real decline while Personal Care shows the most significant one
- Price index shows a mixed trend with a stagnation in Home Care, a slight increase in Food and a decline in both Beverages and Personal Care

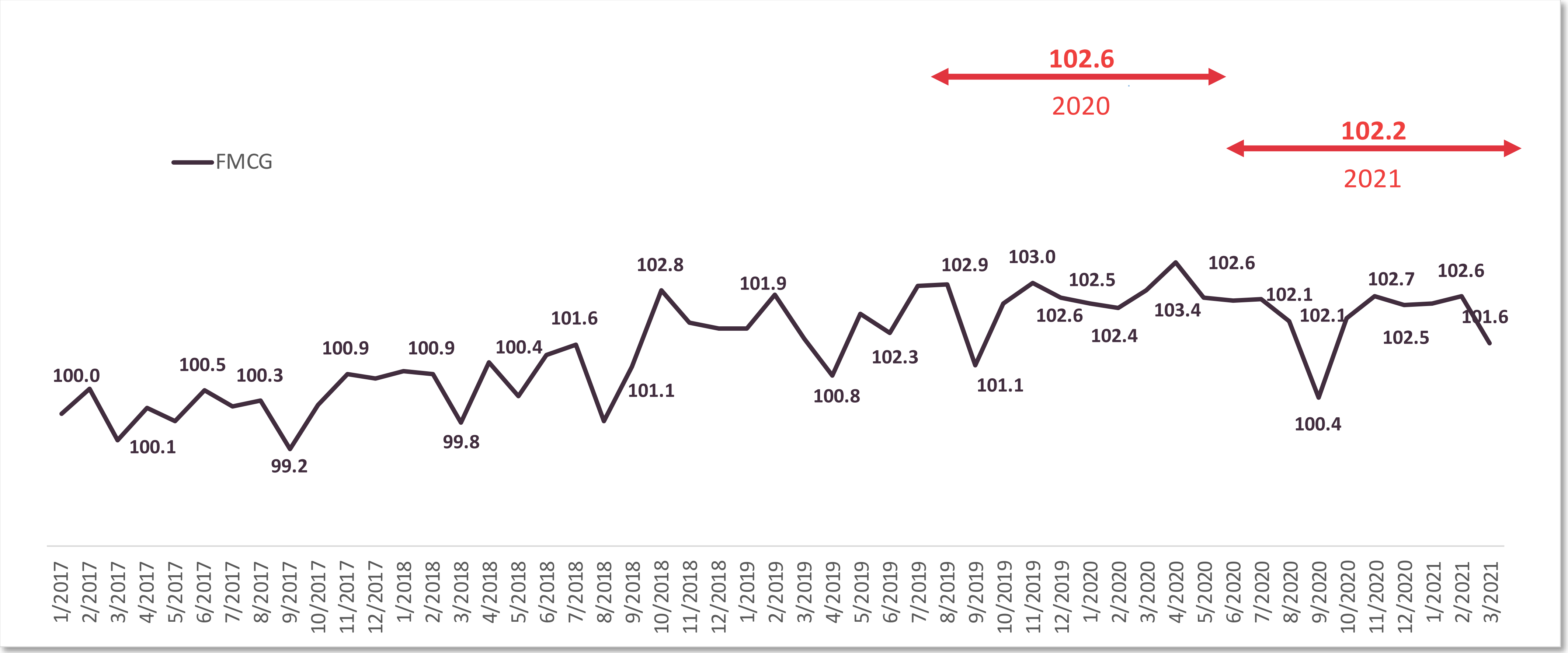
*** Real Quantitative Change – Value sales growth deducting StoreNext Price Index changes (neutralized of mix effects)**



The StoreNext Price Index

- StoreNext's Price Index presents a decrease of 0.3 points in current YTD compared to previous YTD

* StoreNext Price Index measures the change in product prices, neutralizing sales mix changes



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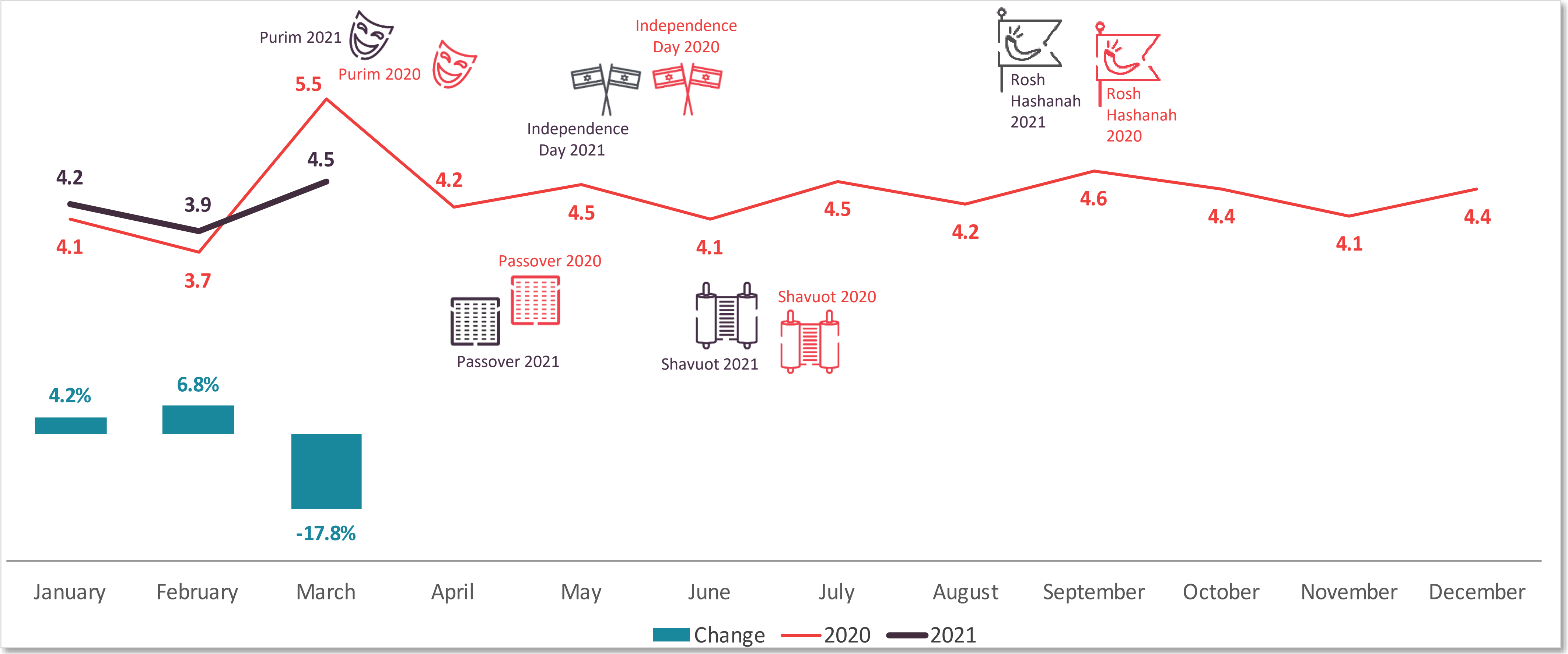
Monthly Sales Trend

- March 2021 sales records a decrease of 17.8% compared to March 2020, and amounted to 4.5 Billion NIS, reduce of 980 Million NIS
- The decreases are due to the significant increases in March 2020, which where affected by increased consumption in COVID-19 outbreak

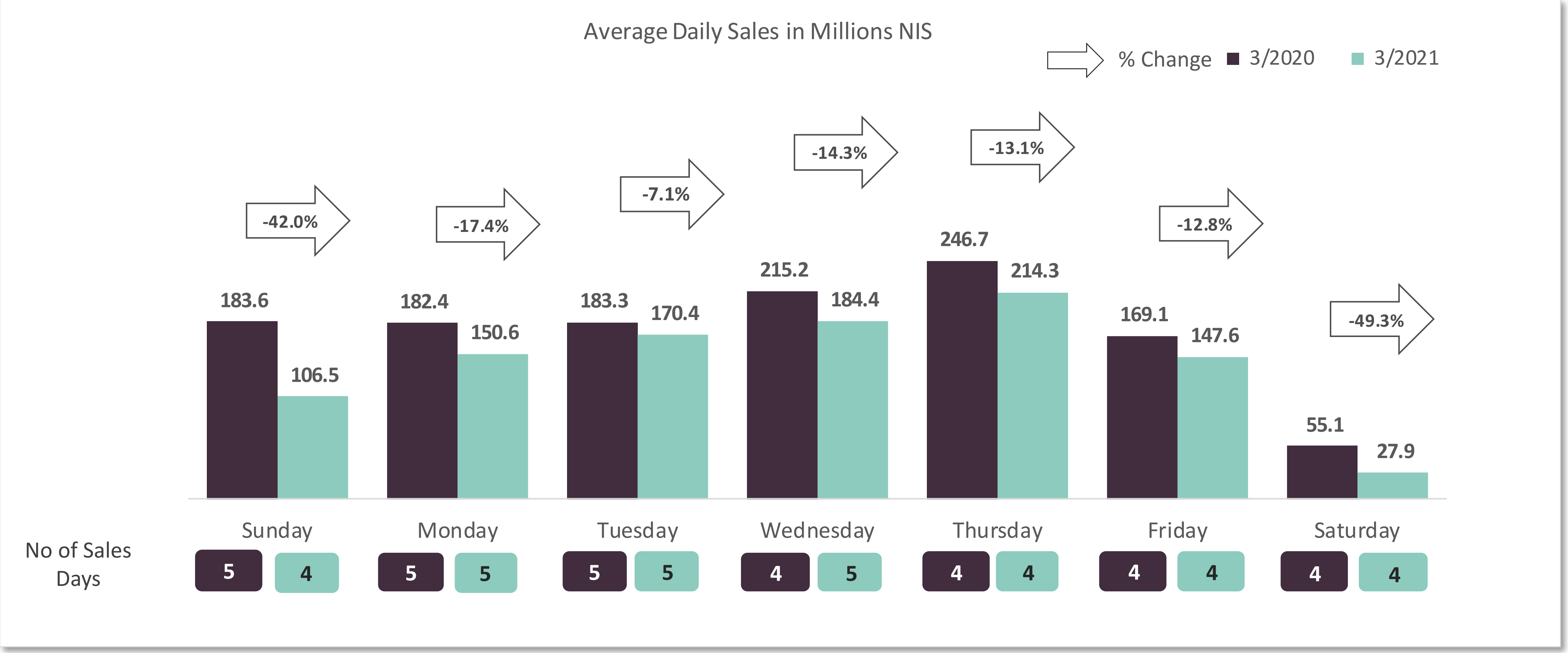
*** FMCG Value Sales, Billion NIS**



Sale By Days

- Monthly rate decline is halted due to change in sales days and stands at -17.8%
- Neutralizing change in sales days, March 2021 value change stands at -19.3% - contrary trend compared to recent months' trend

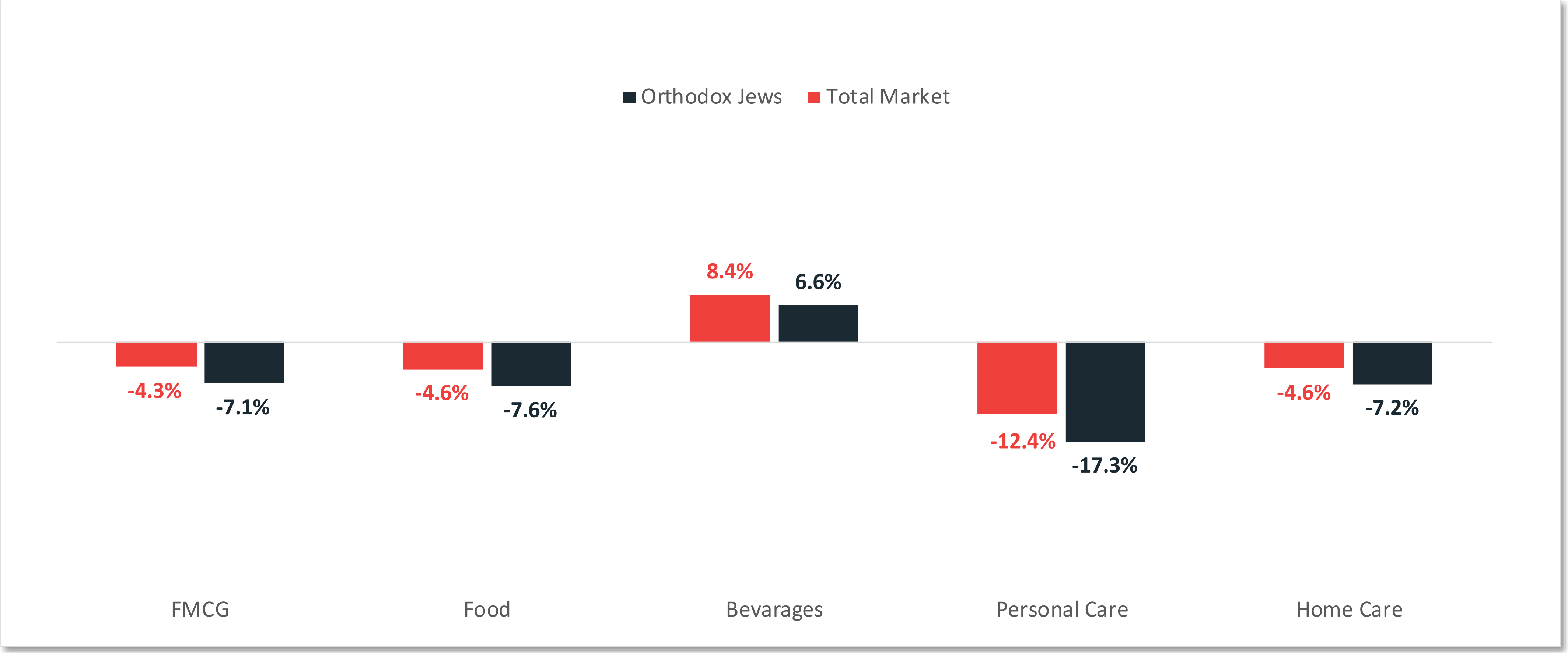
*** Sales (NIS Million) by days and percentage of change in sales, current month compared to the same period last year**



Orthodox Jews Sector Value Change Rate

- Orthodox Jews sector records a radical change compared to total market in current YTD – in both total FMCG and its fields

***Orthodox Jews– only stores with orthodox attributes, that are reflected in location, chain and basket composition, excluding Orthodox Jews population sales in General sector**



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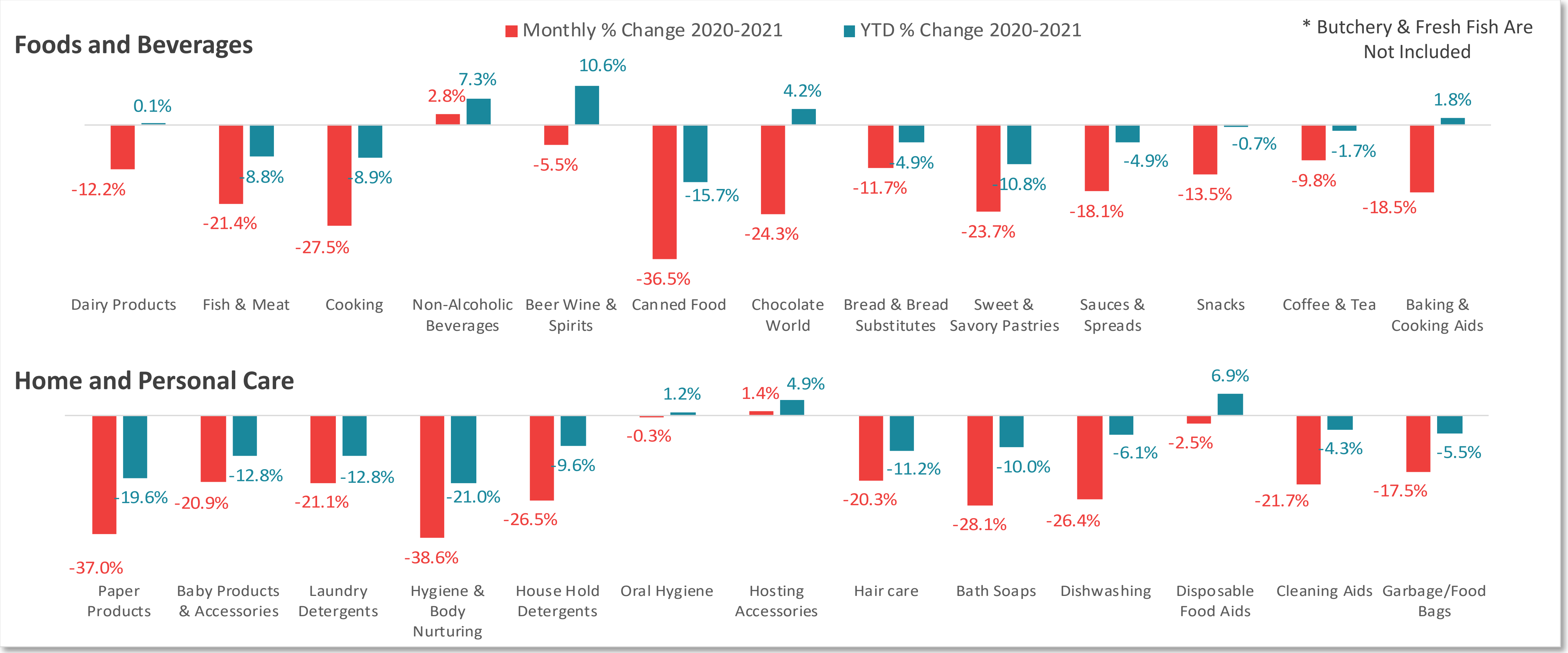
Value Sales Change in Key Fields

- Following COVID-19 declining trend, Cooking, Canned Food and Baking & Cooking Aids worlds record a decline in current YTD compared to previous YTD
- The decrease of cleaning worlds, Personal Care categories and Laundry Detergents continues

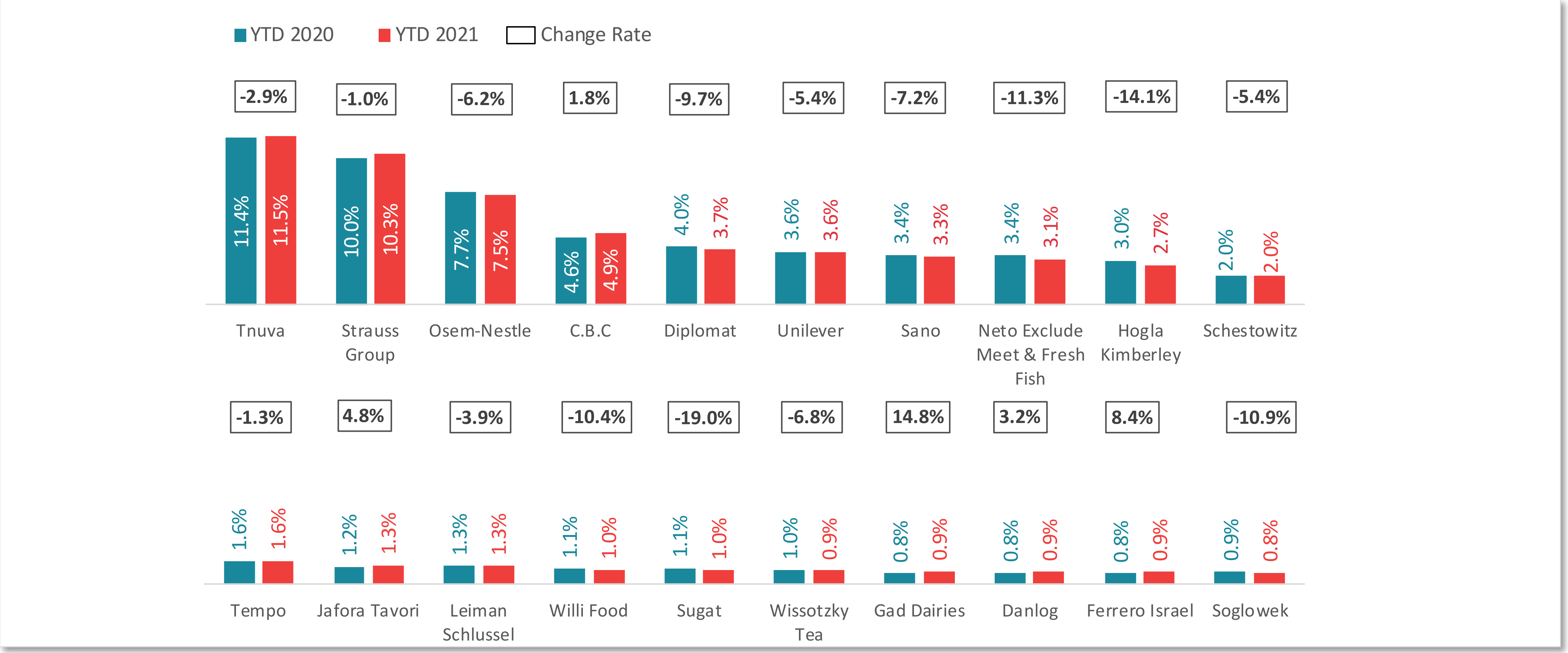


Market Share and Suppliers' Growth

- Top 20's SOM reaching 63.2% in current YTD, records a decline of 0.2 points compared to YTD 2020
- Top 10's SOM stands at 52.6% in current YTD and presents a decreasing of 0.3 compared to previous period

TOP 20

*** Value Shares (FMCG Market- Excluding Butchers, Bakery, Fruits and Vegetables and Cigarette data)**



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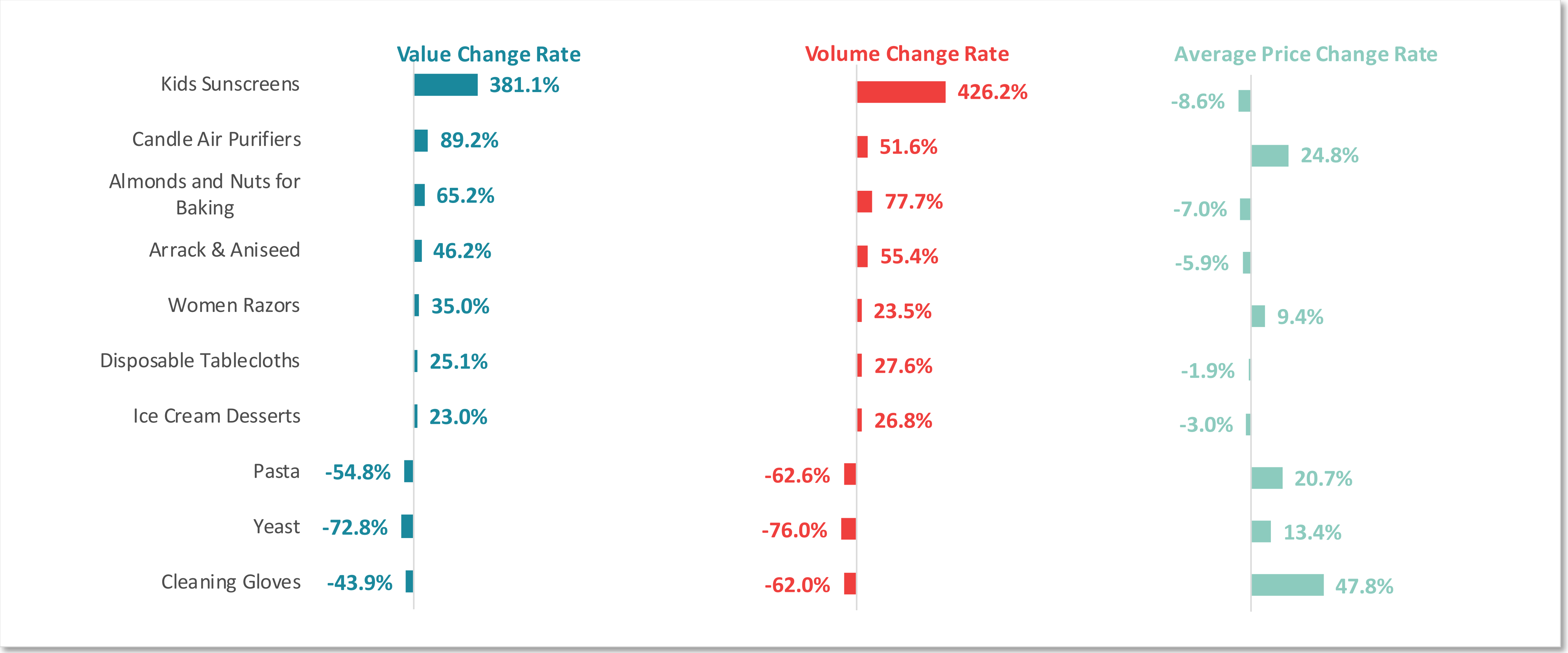
Rising / Descending Categories – Current Month TY vs LY

- Among rising categories- Kids Sunscreens, Candle Air Purifiers, Almonds and Nuts for Baking, Disposable Tablecloths– following COVID-19 declining trend along with Passover timing changes
- Among descending categories- Pasta, Yeast and Cleaning Gloves- which consistent with both COVID-19 trends and Passover timing

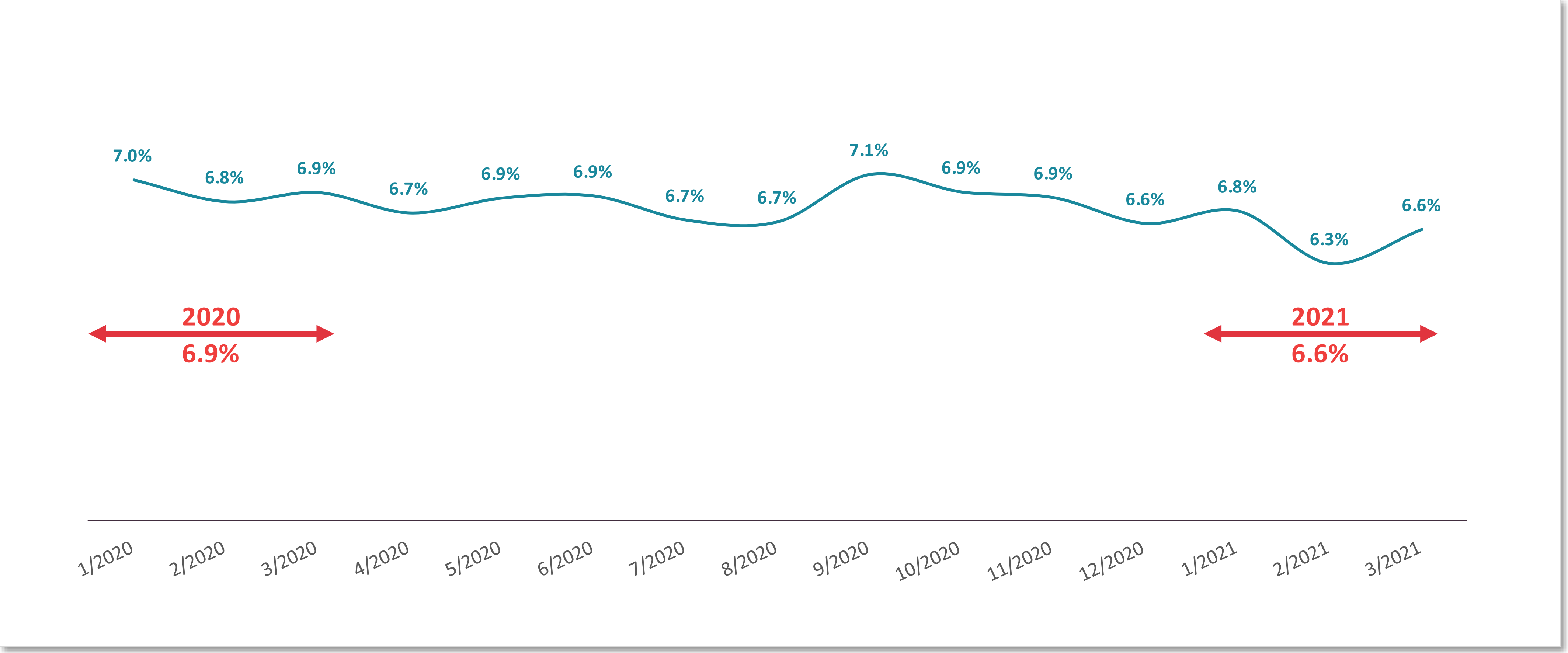


Private Label Market Share - FMCG Market

- Private label share records a drop of 0.3 points in current YTD in comparison previous YTD

PL

*** Value Share (FMCG Market- Excluding Butchers, Bakery, Fruits and Vegetables and Cigarette data)**



Passover 2021

Passover 2021 - Period of Analysis

Passover Season (5 weeks)

Pre-Holiday Period (2 weeks) | Holiday Shopping Period (2 weeks) | Passover Week

Passover 2021	Sunday 28.2.21	Saturday 13.3.21	Sunday 14.3.21	Saturday 27.3.21 Holiday Eve	Sunday 28.3.21 Holiday	Saturday 3.4.21
Passover 2020	Thursday 12.3.20	Wednesday 25.3.20	Thursday 26.3.20	Wednesday 8.4.20 Holiday Eve	Thursday 9.4.20 Holiday	Wednesday 15.4.20
Passover 2019	Saturday 23.3.19	Friday 5.4.19	Saturday 6.4.19	Friday 19.4.19 Holiday Eve	Saturday 20.4.19 Holiday	Friday 26.4.19

Passover - Long Story Short

- All weeks, besides week before holiday, present a decline in value sales in comparison to parallel weeks in 2020
- Contrary trend is recorded in comparison between same weeks in 2019 and 2020

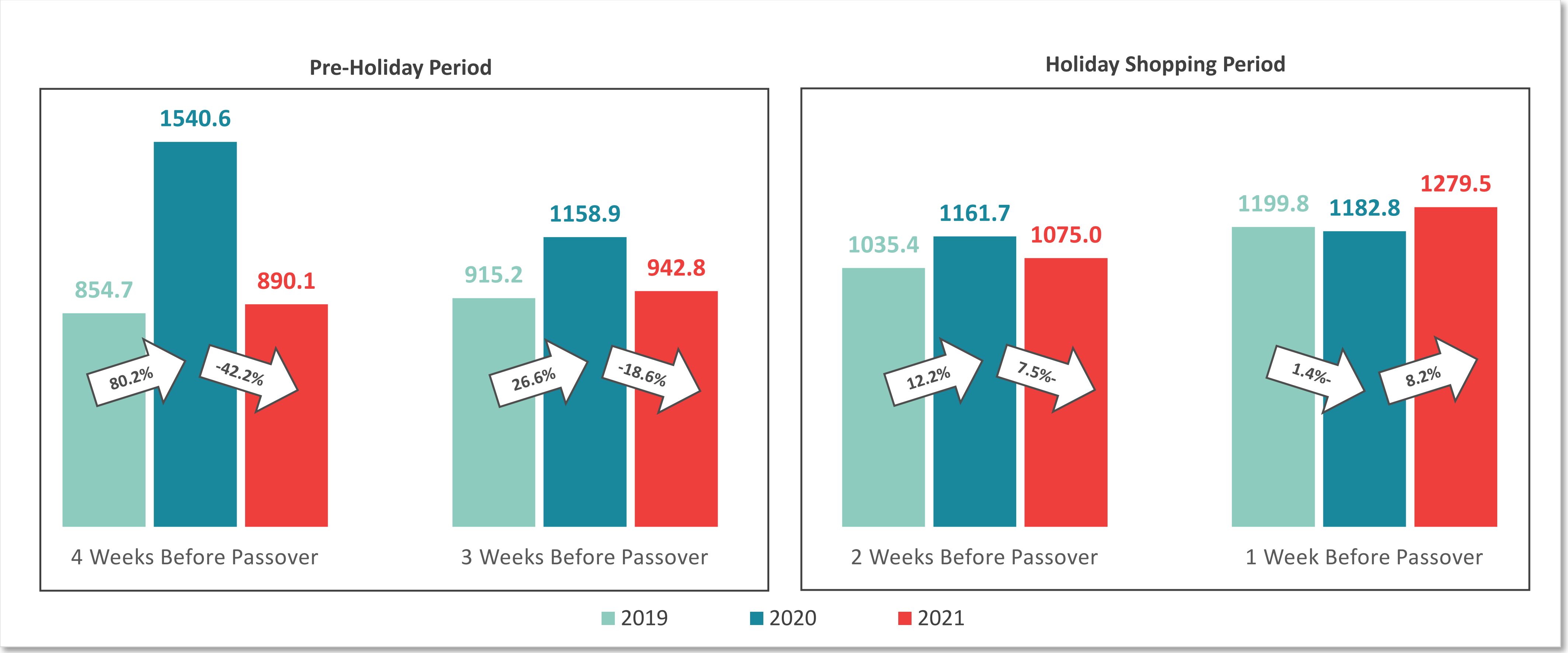
- Excluding Beverages, all fields decreased in the 4 weeks before Passover, compared 2021 and 2020
- In Holiday Shopping Period all fields, besides Food, show a growth. It is probably due to opposite trends of COVID-19 decline in 2021 and increased consumption in epidemic outbreak period

- Holiday categories decline in Shopping Period between 2020 and 2019 and rise between 2021 and 2020
- In Passover Week Sanitizing, Cleaning, Cooking & Baking categories rise between 2020 and 2019, while categories that relate to staying outdoors decline. Opposite trend is recorded between 2021 and 2020

Passover Sales – Multi Year Comparison

- Besides week before holiday, all weeks present a decline in value sales in comparison to parallel weeks in 2020
- The trend is changed a week before Passover – value sales are increase in comparison between 2021 and 2020

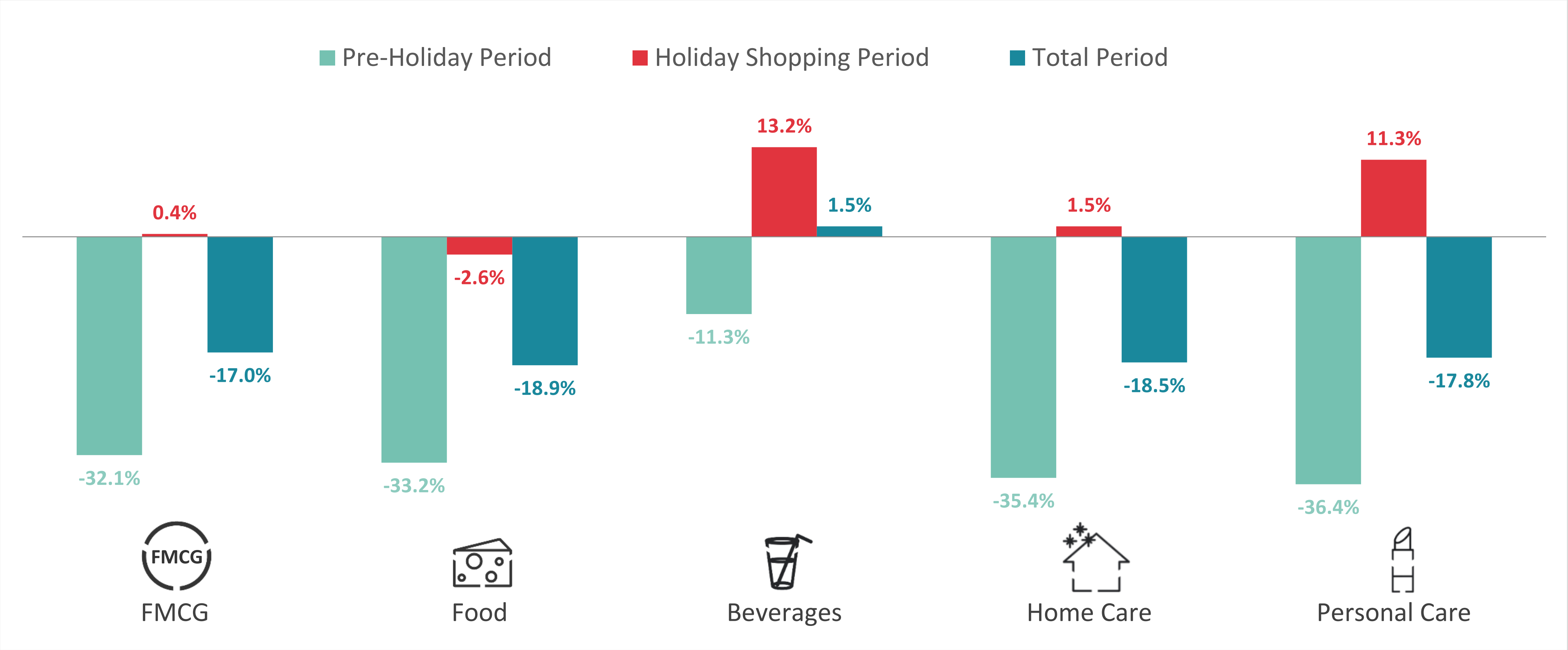
*** FMCG Value Sales, Million NIS, By Weeks**



Value sales Change Passover By Fields – 2021 vs 2020

- Excluding Beverages, all fields decreased in the 4 weeks before Passover, compared 2021 and 2020
- Holiday Shopping period shows a mixed trend, which probably affected both COVID-19 decline in 2021 and celebrate Passover in “in a standard format”

*** Passover 2021 Compared to Passover 2020**



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Passover 2020 - COVID-19 Outbreak Effect

Passover 2020 value sales where affected significantly by “shopping panic” which characteristic the epidemic outbreak and was in Pre-Holiday period, and included hoarding behavior, while the week before Passover showed a value sales decrease in 2020

Passover Season (5 weeks)

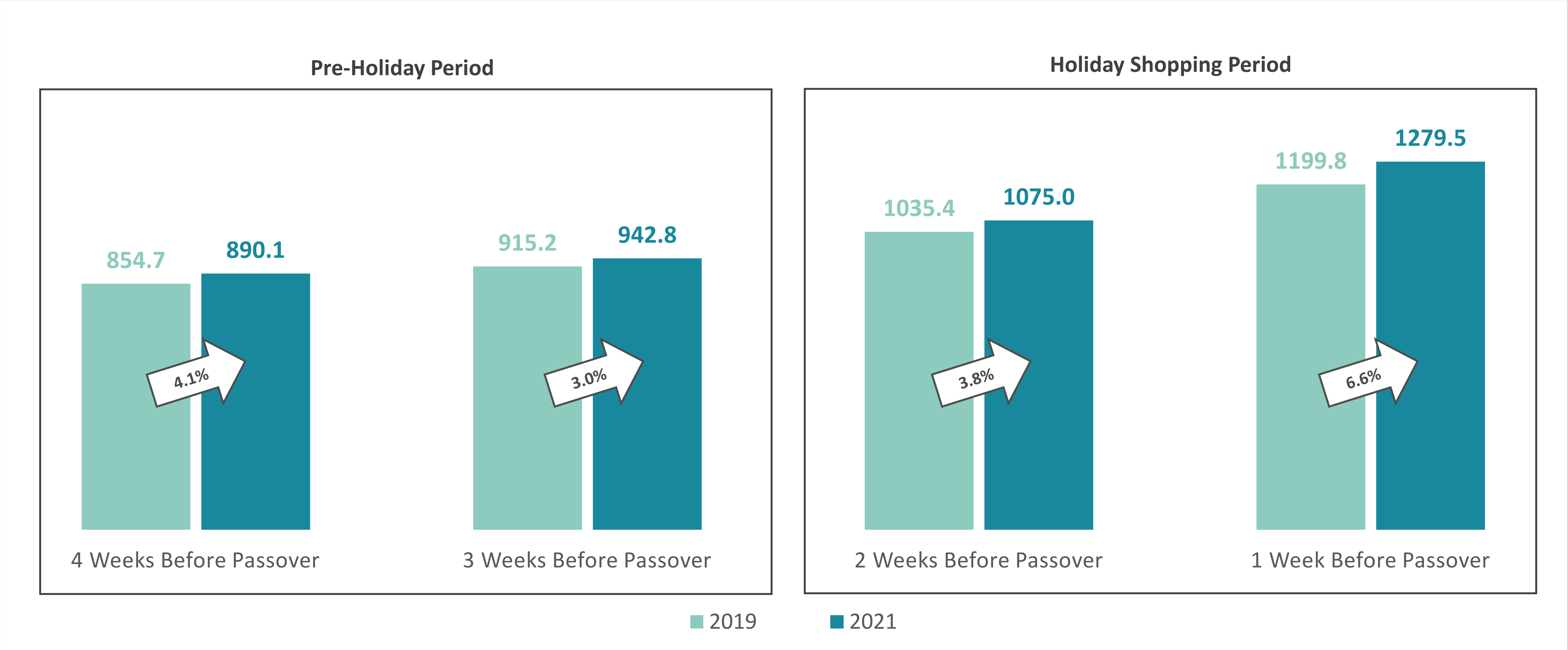
Pre-Holiday Period (2 weeks)	Holiday Shopping Period (2 weeks)	Passover Week
Thursday 12.3.20 – Wednesday 25.3.20	Thursday 26.3.20 – Wednesday 8.4.20 Holiday Eve	Thursday 9.4.20 Holiday – Wednesday 15.4.20
Included most of COVID-19 outbreak period, which is attributed with Increased hoarding of products with a long expiry date, and a few days of start of movement limitations that included Increased sales of all the holiday categories (besides hosting)	Included the start of movement limitations period and Passover Lockdown – in this period sales reached lower than weekly average	Included Passover Lockdown – period which recorded low sales

Passover 2020

Passover Sales – 2021 vs 2020

In comparison 2021 and 2019, a value sales growth stands at 4.6%. The increasing may relates to both population natural increase and staying of more Israelis at home, due to reducing flights numbers

*** FMCG Value Sales, Million NIS, By Weeks**



Holiday Categories

Passover Products

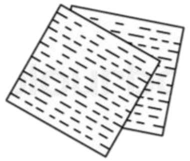
Haroset

Matzah

Passover Cookies

Beverages – Family Pack

Gefilte Fish



Hosting

Bonbons & Gift Boxes

Wines & Tirosh

Disposable Housewares

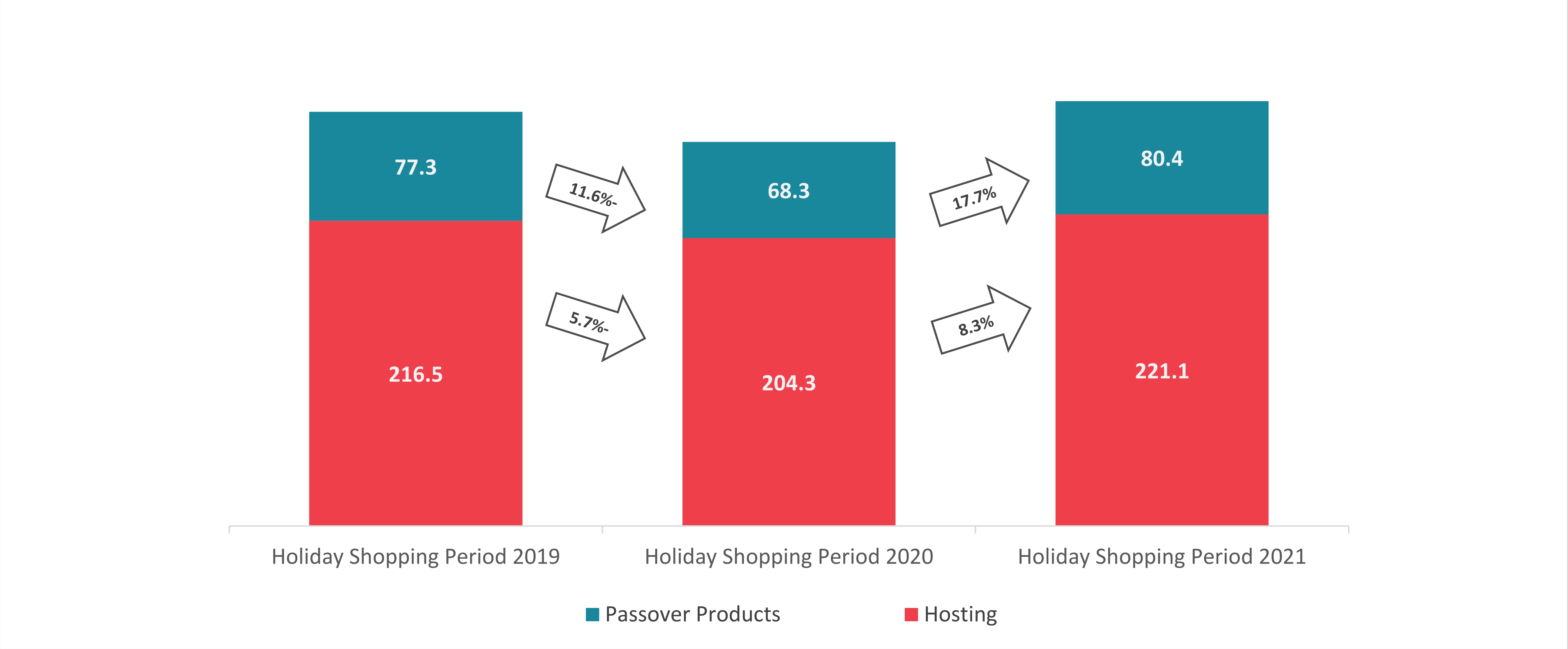
Beverages – Family Pack

Nuts

Holiday Categories’ Change In Shopping Period by Years

Hosting world and Passover Products record decline between 2019-2020 and growth between 2021-2020 in Holiday Shopping Periods

*** Value Sales, Million NIS and Value Change**



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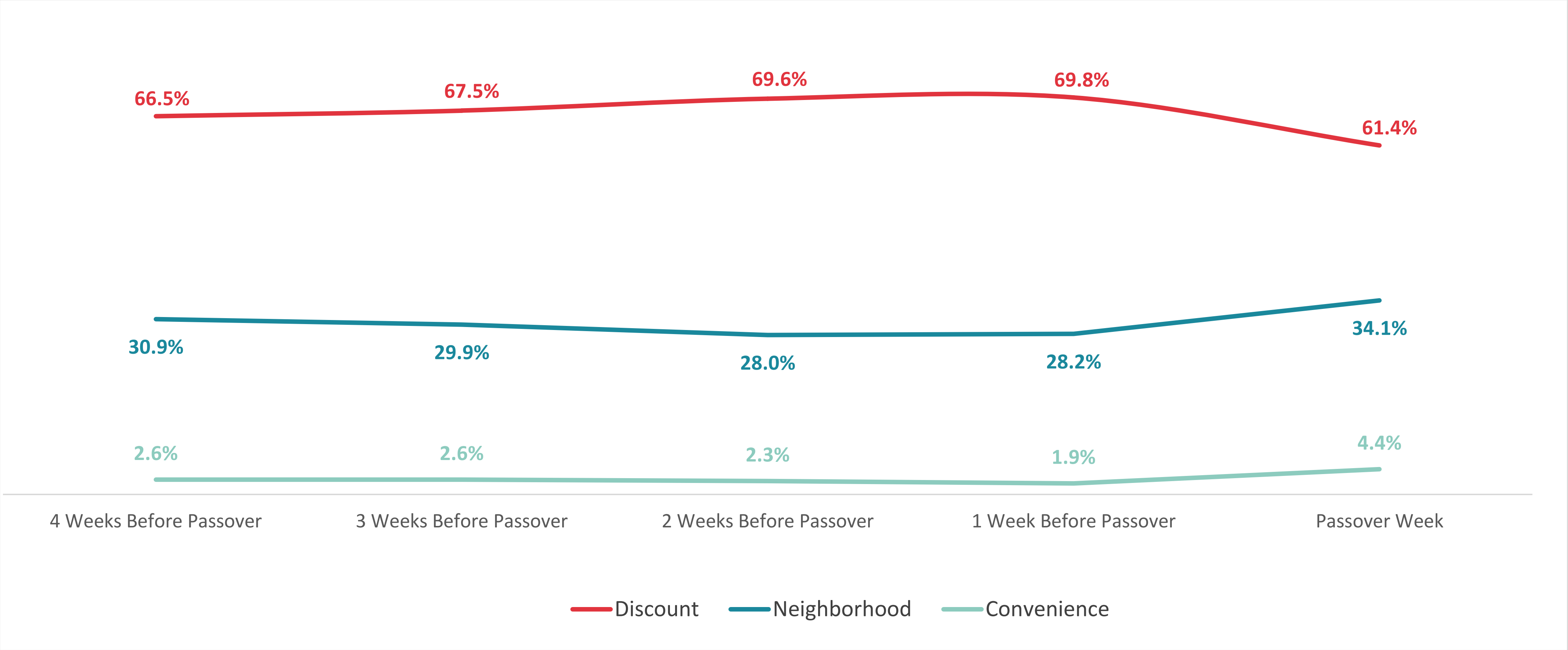
Formats Market Shares – Holiday Periods

In Holiday Shopping Period Convenience stores' share reduces and grows in Passover Week, probably due to increasing in staying outdoors and decreasing in sales days in discount channel

*** Formats Value Shares**



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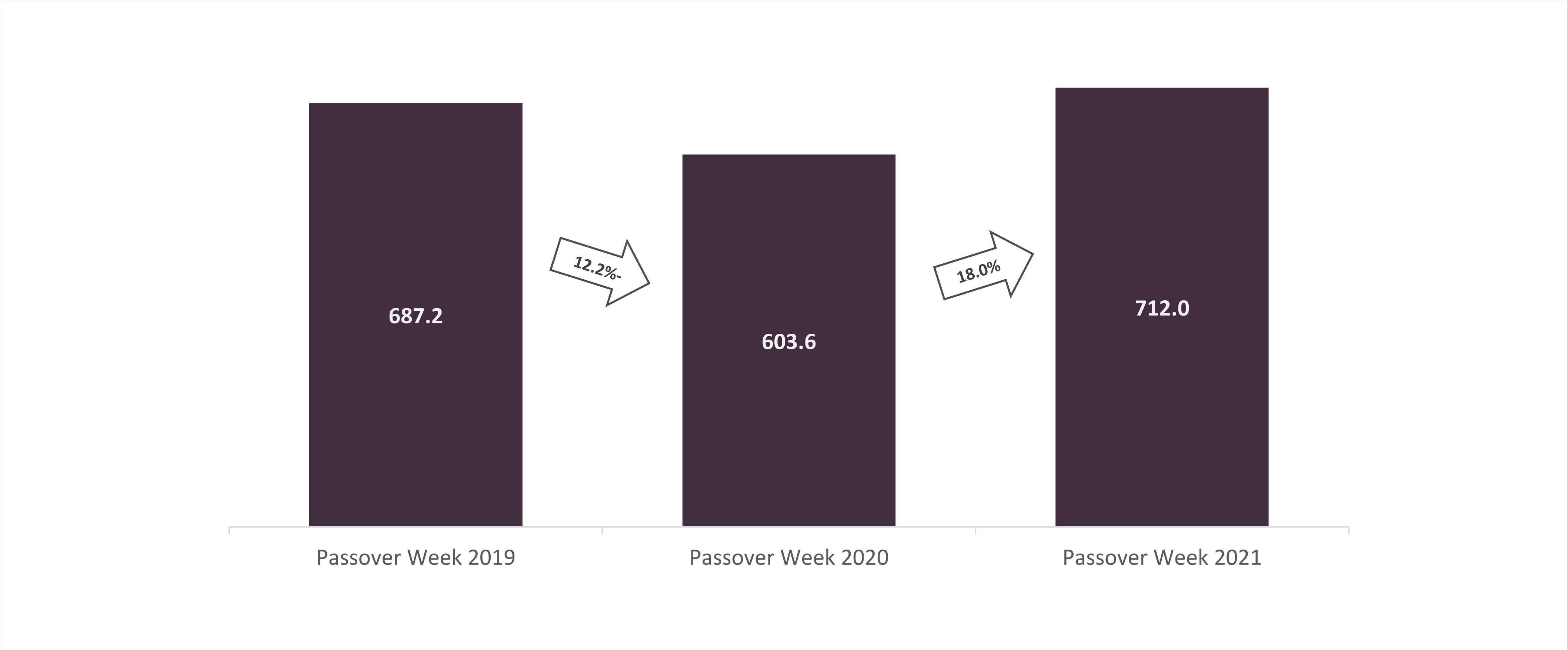
FMCG Value Change - Passover Week

- Following yearly value sales, Passover week records a growth between 2021-2020 and a decline between 2020-2019

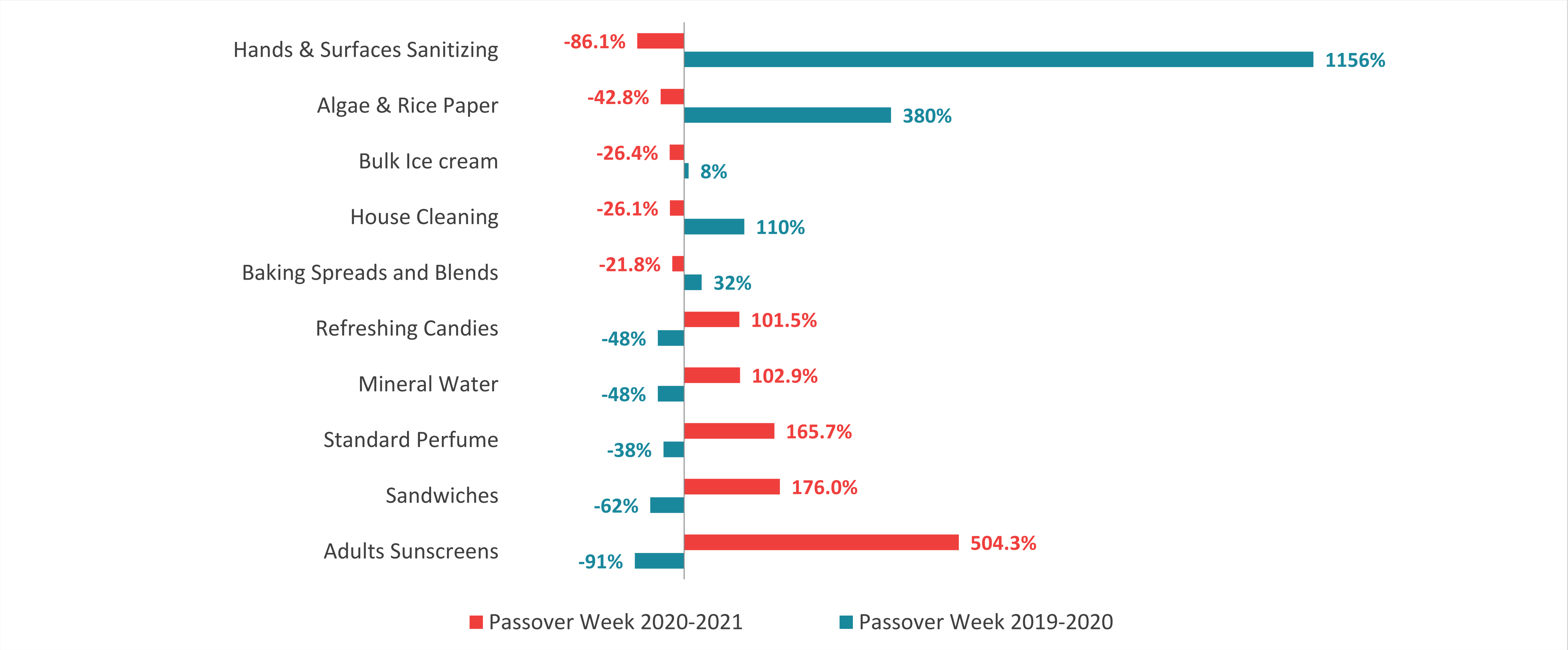
*** Value Sales, Million NIS and Value Change**



Categories Changes - Passover Week

Sanitizing, Cleaning, Cooking & Baking categories rise between 2020 and 2019, while categories that relate to staying outdoors decline. Opposite trend is recorded between 2021 and 2020

*** Value Change Between Periods**



!Thank You

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