



StoreNext
Looking Forward



September 2022 Summary

Main Trends In The Israeli FMCG Market

Data Base

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

comprised of statewide chains, pharm 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

🏠 September shows a growth of 8.3% in FMCG sales compared to September last year, and excluding sale days there is an increase in sales of 8.7%. The growth continues in YTD and stands at 1.8% compared to last year. This period records an increase of 4.5 points in StoreNext price index



🏠 The increase in StoreNext's price index is affected by a consistent increase in the index in recent months

🏠 StoreNext's price index shows an increase in all fields, which stands out mainly in Home Care and Beverages fields. This increase came from the reforms in recent months in both fields, which are expected to contribute to the high level of the index over the year



🏠 There are two major fields in which the value growth is affected by reforms (sharp price increase for Non-Alcoholic Beverages and Hosting Accessories)

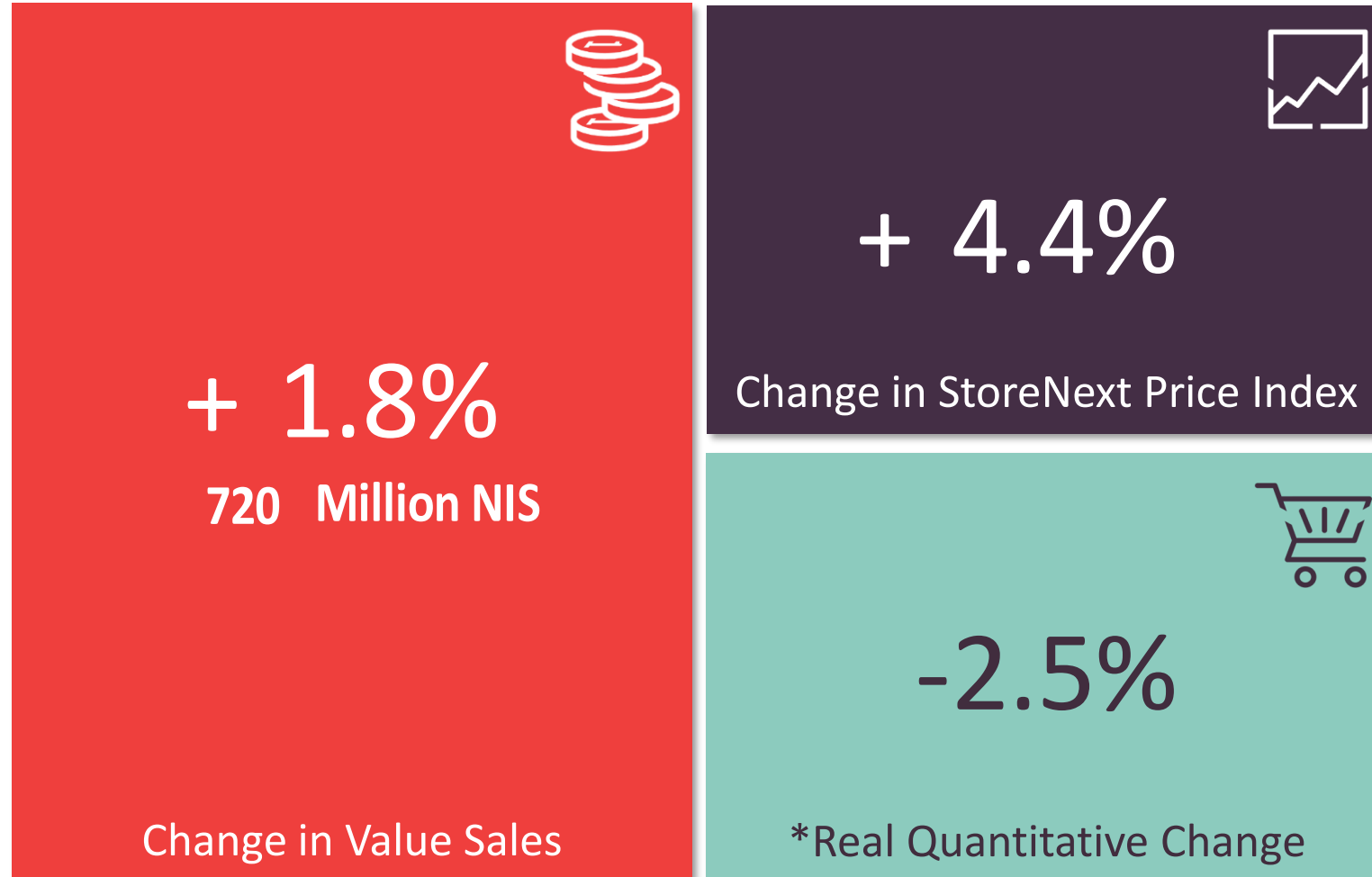
🏠 Other than that, Canned Foods, Sweet & Savory Pastries, Salted Snacks, Laundry Detergents, Baby Products & Accessories and Paper Products are the most growing key fields in current YTD period



Change in Sales and Price Indices



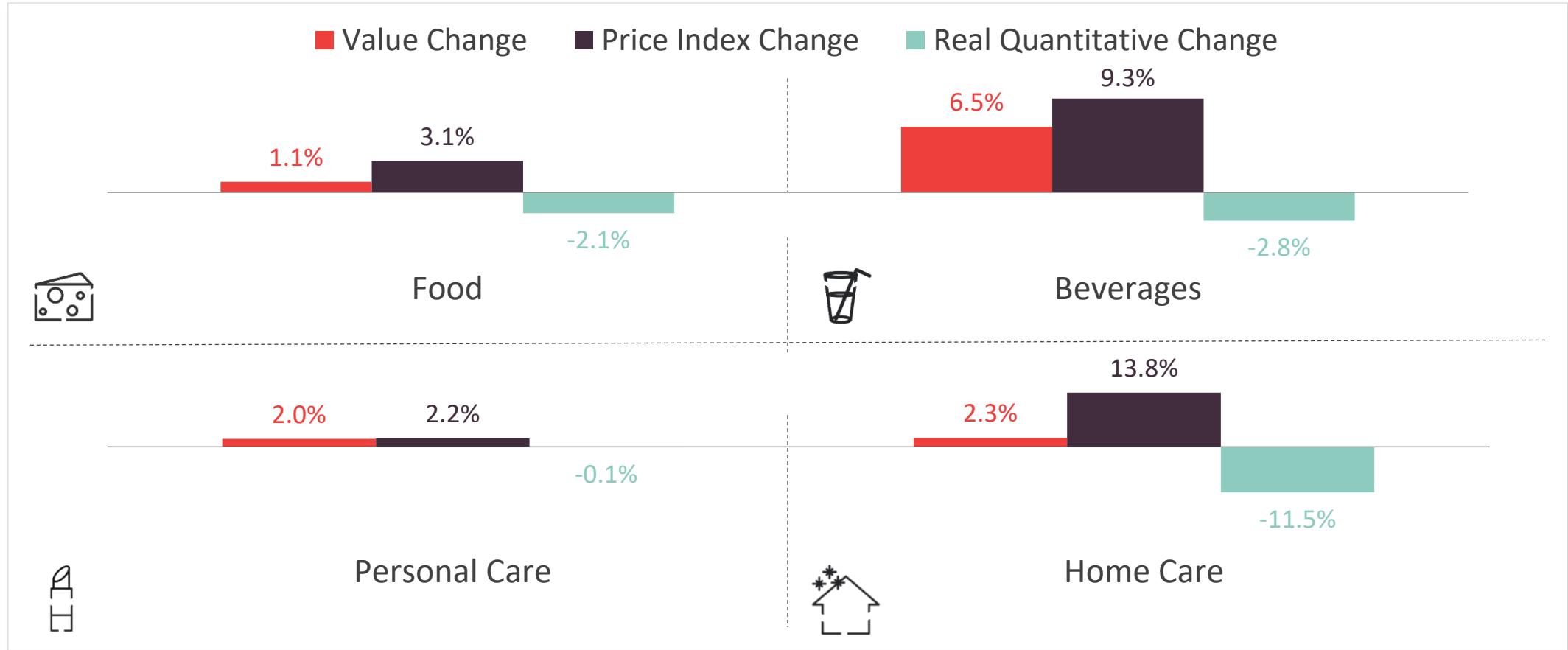
FMCG, YTD 2022 compared to YTD 2021



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

FMCG YTD Change Rate By Fields (2022 VS 2021)

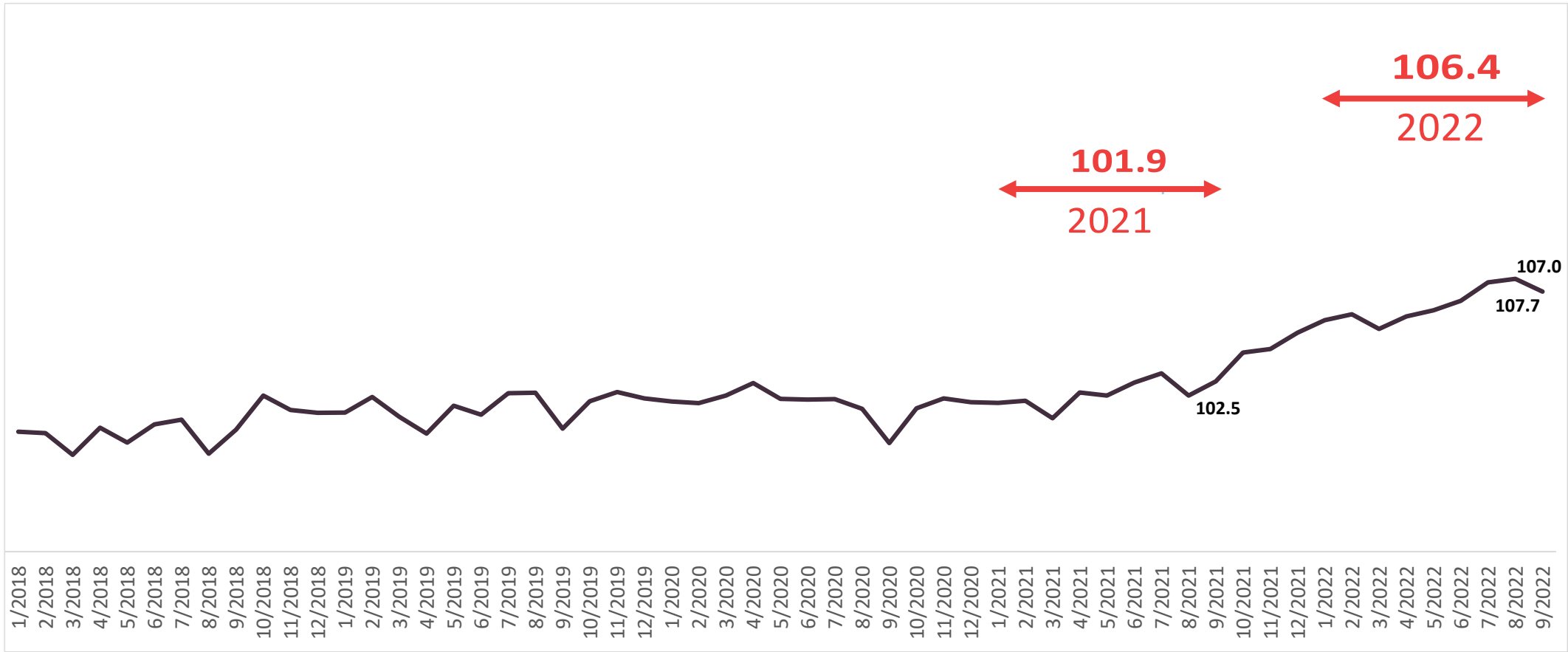
- 🏠 All fields are showing a real decline and the most significant decline is in Home Care field
- 🏠 StoreNext's price index shows an increase in all fields, while Home Care and Beverages fields show a significant increase affected by reforms



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

The StoreNext Price Index

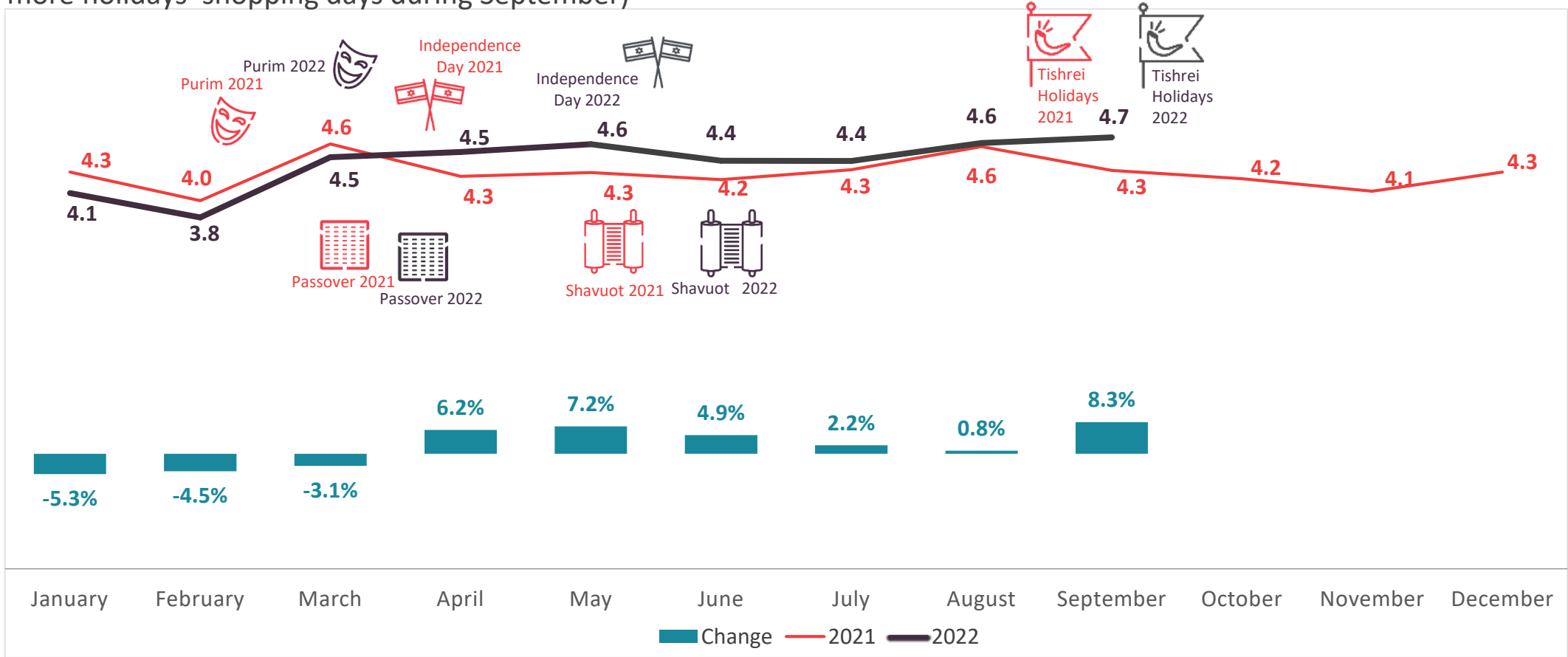
- StoreNext's price index presents an increase of 4.5 points in current YTD compared to previous YTD. Compared to August, September 2022 shows a decrease of 0.7 points, and compared to September last year an increase of 4.5 points



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

Monthly Sales Trend

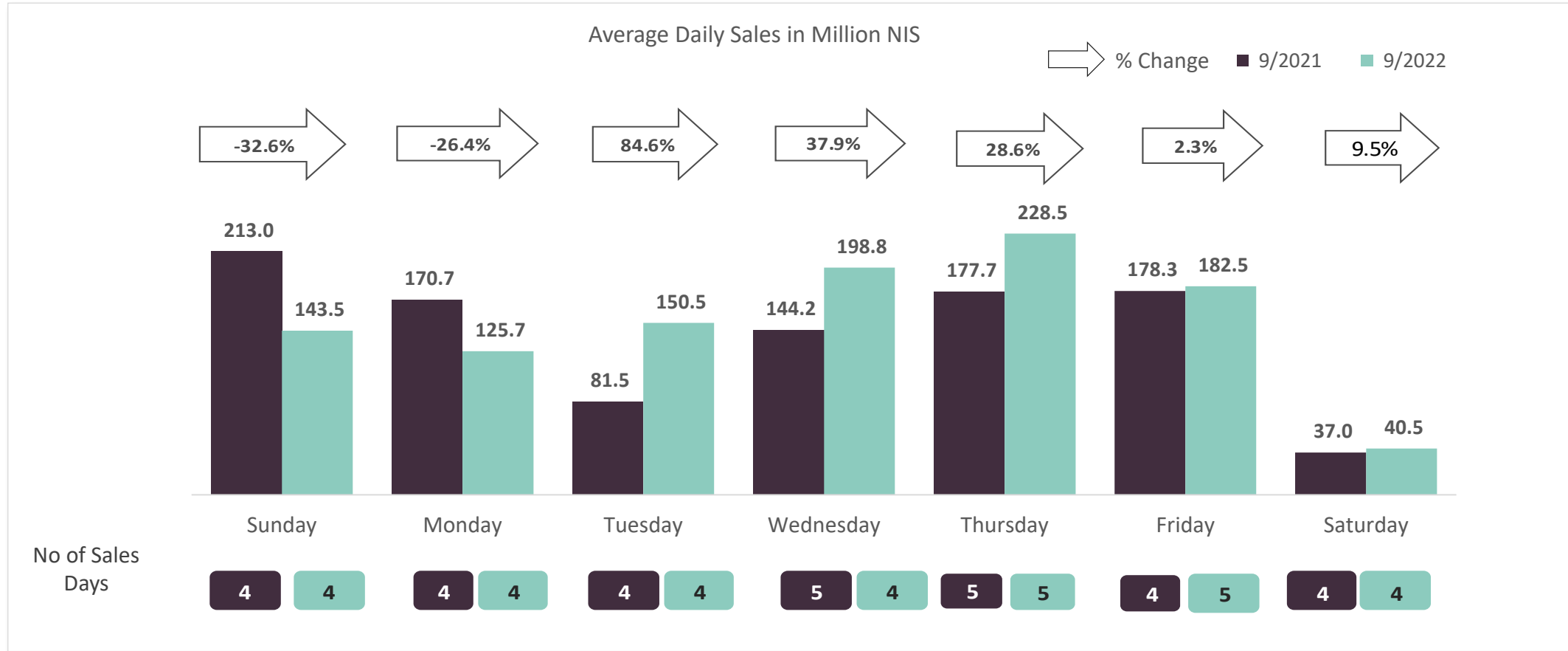
- FMCG sales increased by 8.3% in September compared to September last year and stands at 4.7 billion NIS, an increase of 359.1 million NIS
- This increase is affected by price increases and a change in the timing of the holidays (addition of three sales days due to a change and more holidays' shopping days during September)



* FMCG Value Sales, Billion NIS

Sales By Days

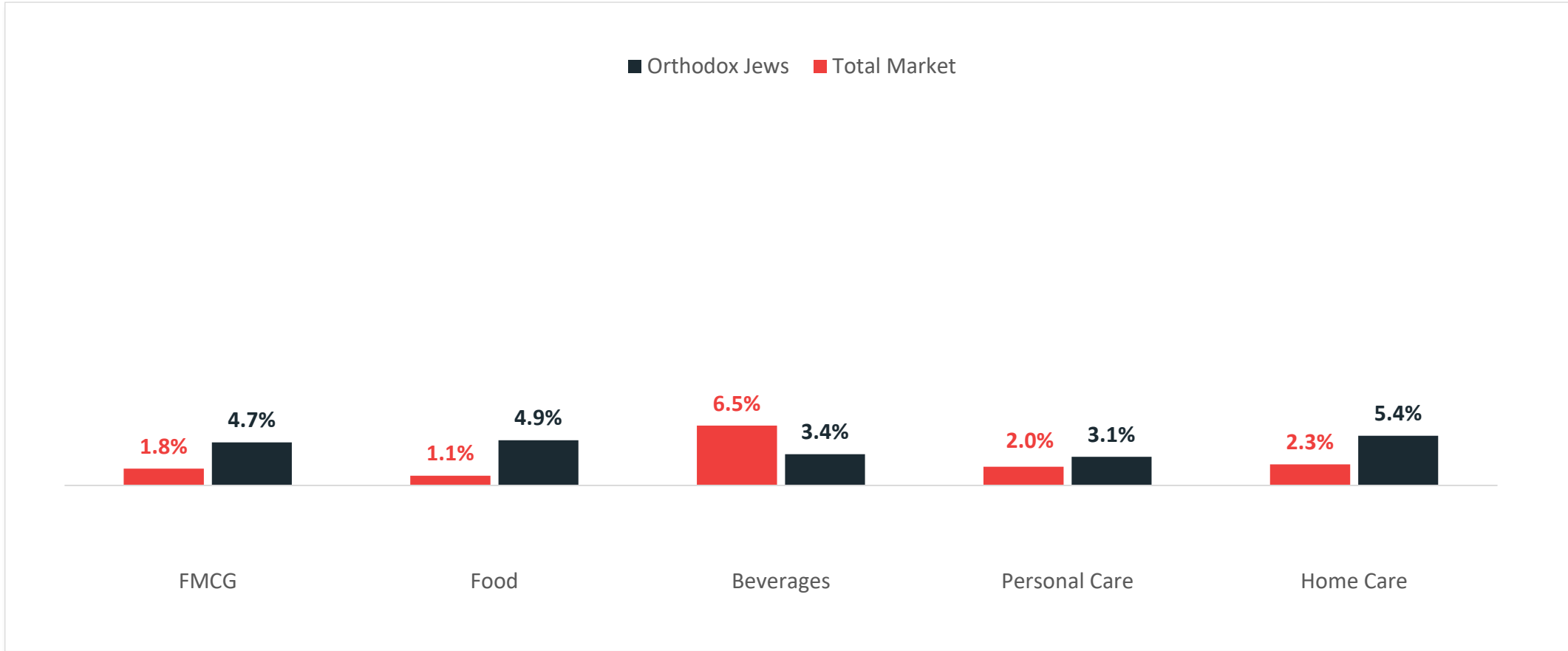
- Monthly rate increase is affected by the change in sales days and stands at 8.3%
- Neutralizing change in sales days, September 2022 shows an increase of 8.7% compared to September 2021



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

Orthodox Jews Sector Value Change Rate

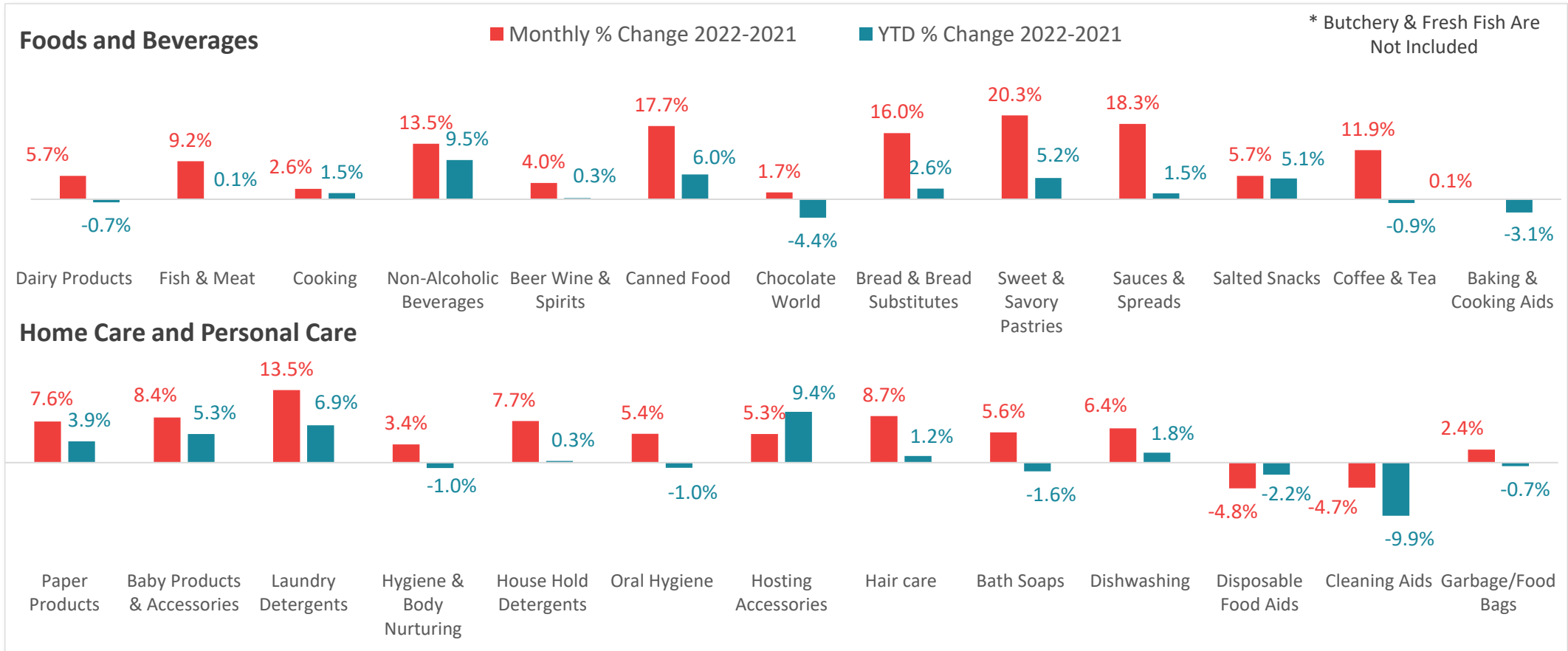
- ❏ The Orthodox Jews sector shows a significant growth compared to total market - an increase of 4.7% compared to an increase of 1.8% in FMCG's value sales in current YTD
- ❏ Excluding Beverages, in all fields the growth rate is higher in Orthodox Jews sector in comparison to total market growth in current YTD



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

Value Sales Change in Key Fields

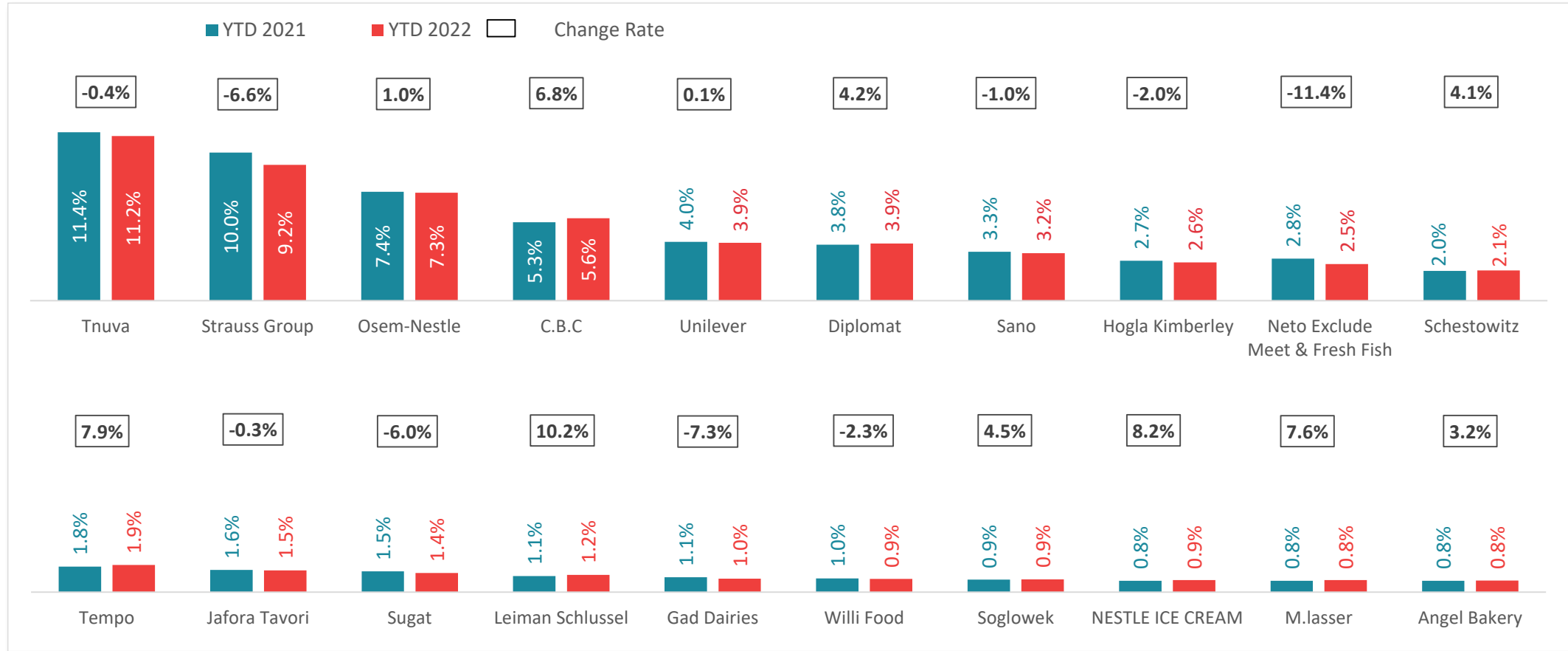
- September shows increases in most of the key fields excluding Disposable Food Aids and Cleaning Aids which show a significant decreases
- In current YTD, a high number of key fields show increases as well, but they are moderate compared to the ones shown in September. Cleaning Aids, Disposable Food Aids, Chocolate World and Baking & cooking Aids shows significant decreases in current YTD



Market Share and Suppliers' Growth



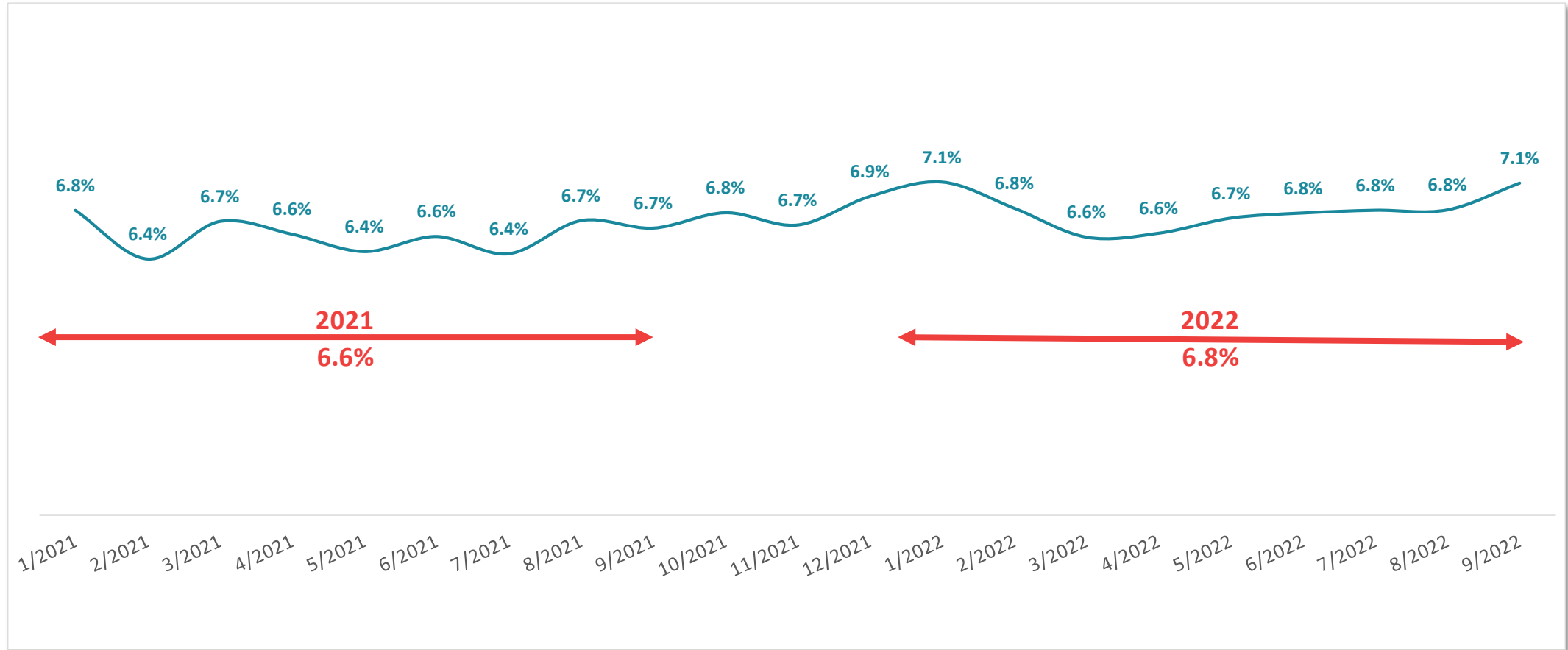
- Top 20's SOM reaching 62.8% in current YTD, records a decrease of 1.3 points compared to YTD 2021
- Top 10's SOM stands at 51.4% in current YTD and presents a decrease of 1.4 compared to previous period



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

Private Label Market Share - FMCG Market

📌 The Private Label market share records an increase of 0.2 market share in the current YTD compared to the same period last year, while September 2022 shows a sharper increase of 0.4 points compared to September 2021



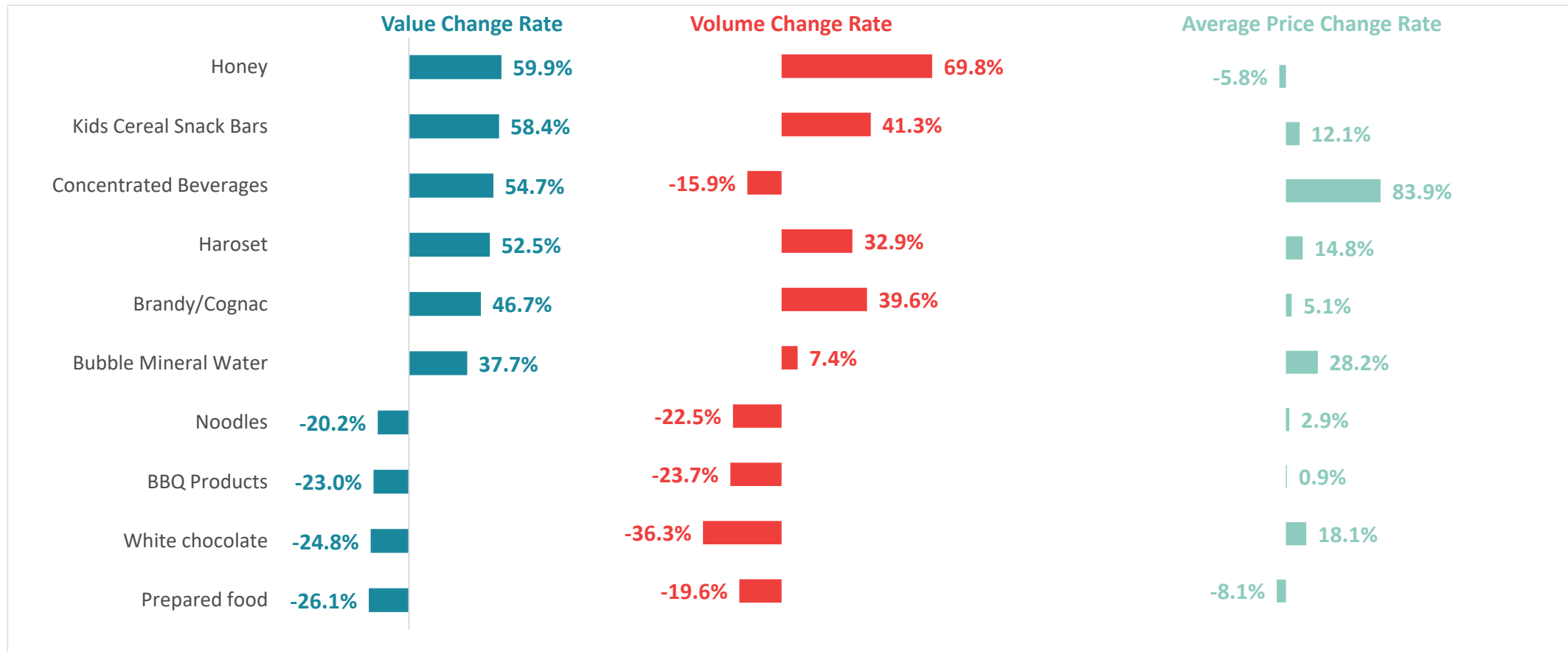
* Value Share (FMCG Market- Excluding Butchers, Bakery, Fruits and Vegetables and Cigarette data)

Rising / Descending Categories – Current Month CY vs LY

🔗 In September 2022, Honey and Haroset increase probably due to Tishrei Holidays timing. In addition, compared to September 2021, Kids Cereal Snacks Bars, Concentrated Beverages, Brandy/cognac and Bubble Mineral Water increased as well



🔗 Among the declining categories – Noodles, BBQ Products, White chocolate and Prepared food



Thank You!



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