



June 2023 Summary

Main Trends In The Israeli FMCG Market

Data Base

The data is based on **2,800 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

🏠 June shows a growth of 3.0% in FMCG sales compared to June last year, and excluding difference in sale days there is an increase of 3.3%

🏠 Value rise continues in current YTD and stands at 5.5% compared to previous YTD. Moreover, This month records an increase of 5.1 points in StoreNext's price index



🏠 The increase in StoreNext's price index is affected by a consistent increase in the index in recent months. Apart from Beverages, StoreNext's price index shows an increase in all fields, which stands out mainly in Food and Personal Care



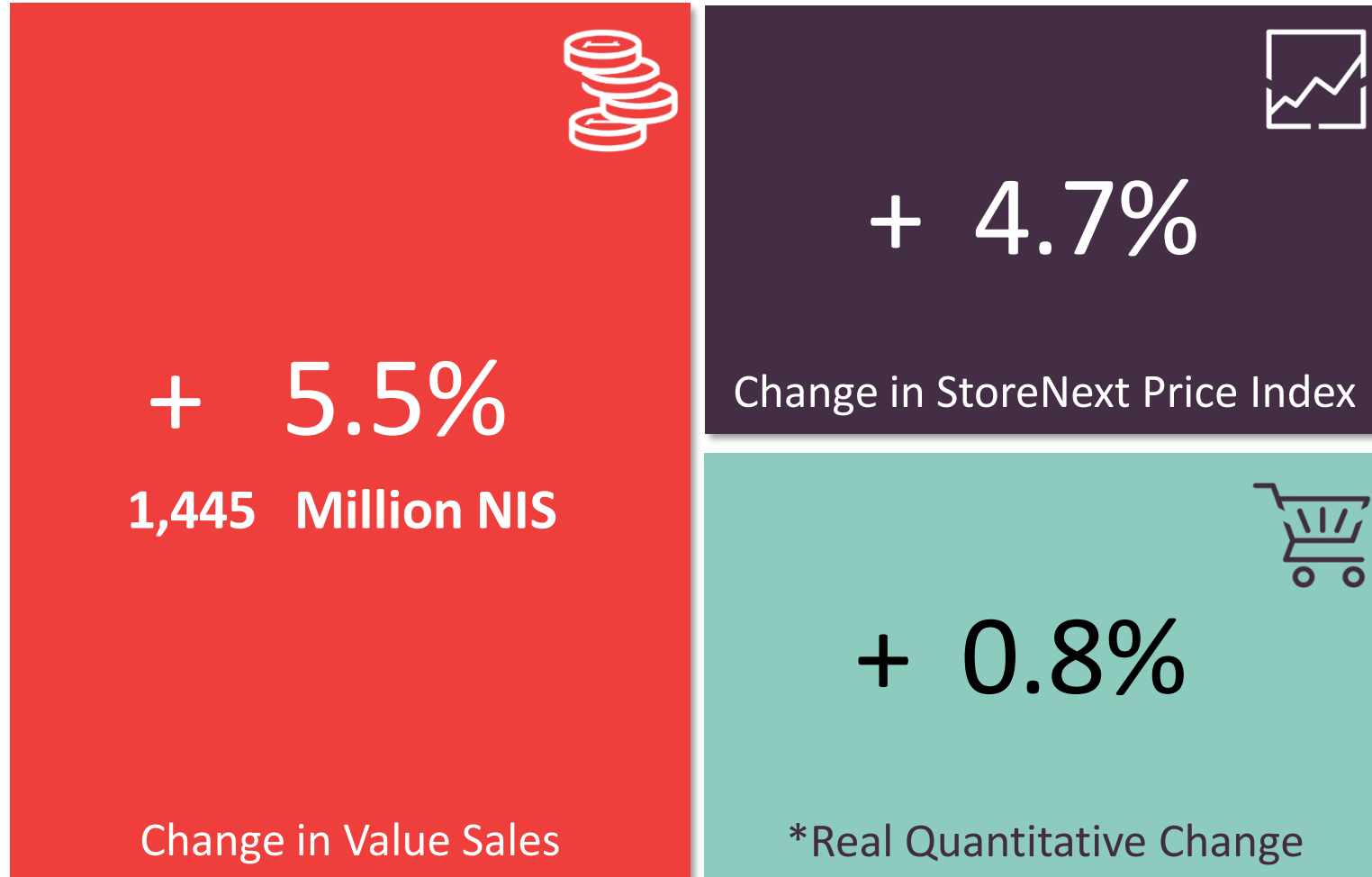
🏠 June shows an increase in Chocolate World, Dishwashing, Bread & Bread Substitutes and Hygiene & Body Nurturing

🏠 There is also an increase this YTD in Paper Products and Sweet & Savory Pastries



Change in Sales and Price Indices

FMCG, YTD 2023 compared to YTD 2022

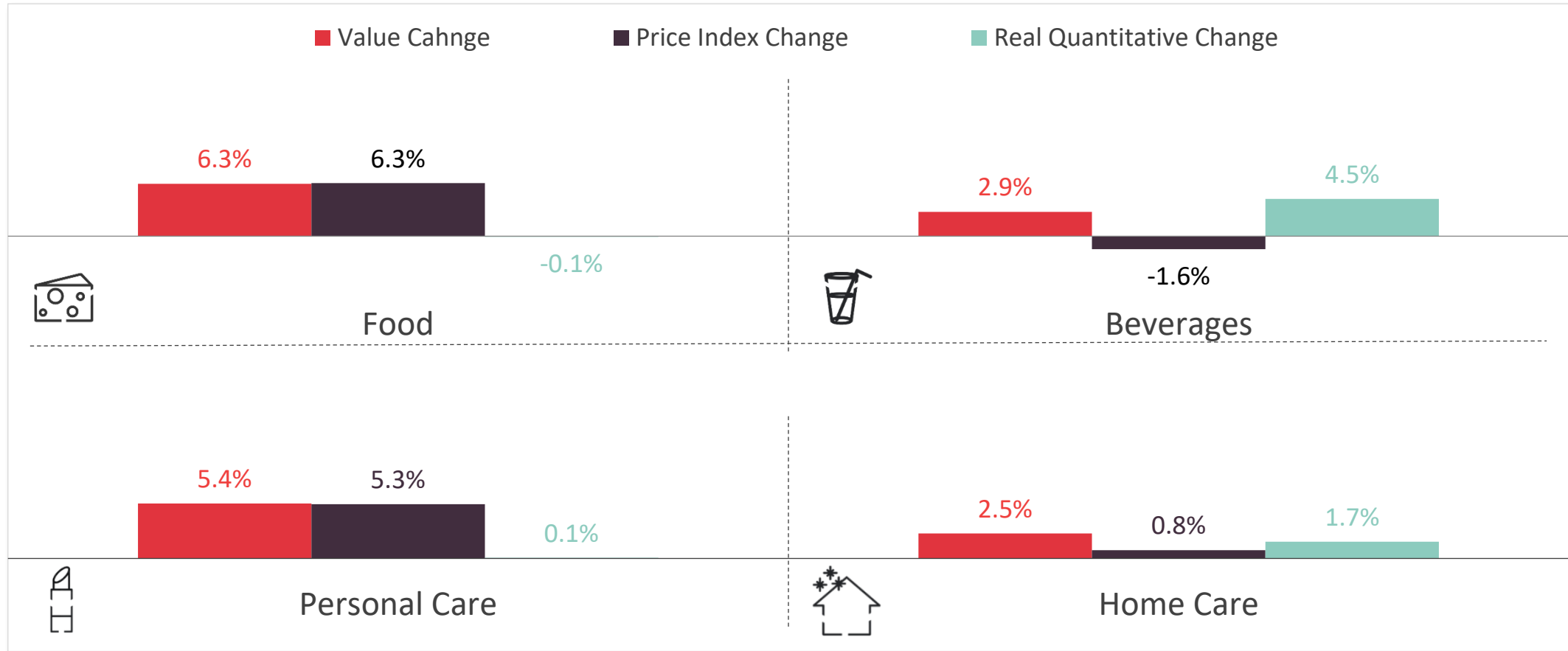


* Real Quantitative Change – Value sales growth deducting StoreNext Price Index changes (neutralized of mix effects)

FMCG YTD Change Rate By Fields (2023 VS 2022)



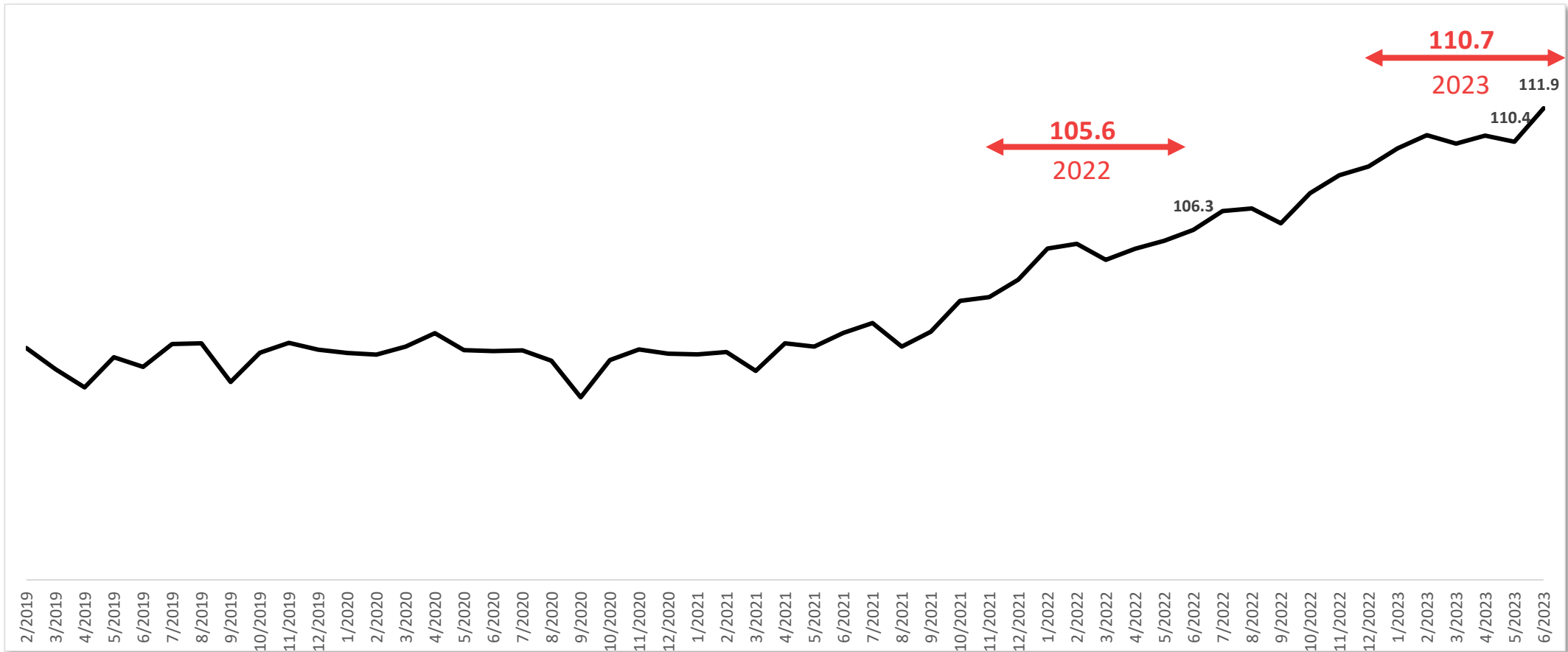
- 🏠 All fields are showing a real quantitative rise, the highest rise is in Beverages
- 🏠 Apart from Beverages due to the cancellation of the reform, StoreNext's price index shows an increase in all fields, most significantly in Food and Personal Care



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

The StoreNext Price Index

- StoreNext's price index presents an increase of 5.1 points in current YTD compared to previous YTD. Compared to May 2023, June 2023 shows a price index increase of 1.6 points, and Compared to June 2022 there is a 5.7 points rise



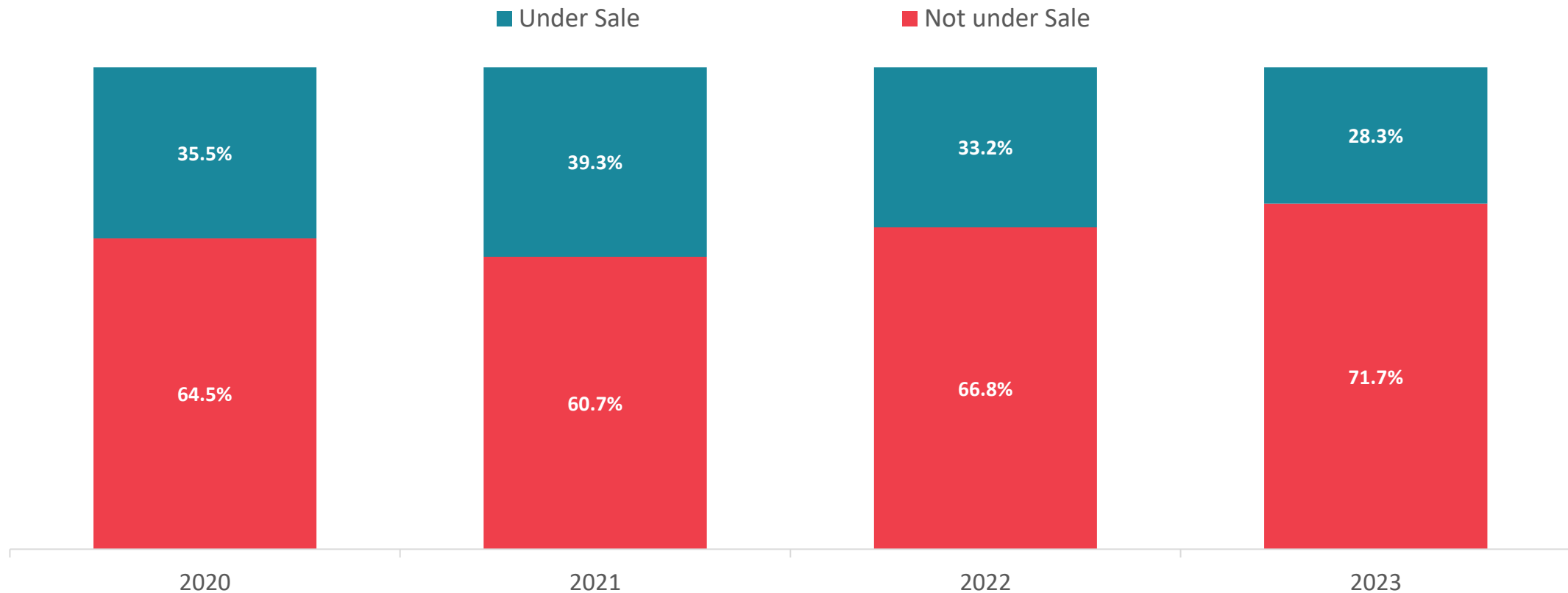
* StoreNext Price Index measures the change in product prices, neutralizing sales mix changes

YTD Value Share of Sales on Sale- Perennial Trend



The rise of the price index during the current YTD comes among others from a significant drop of Value sale trend on sale, that stands at 28.3% of FMCG sales while in 2022 it stood at 33.2% of sales

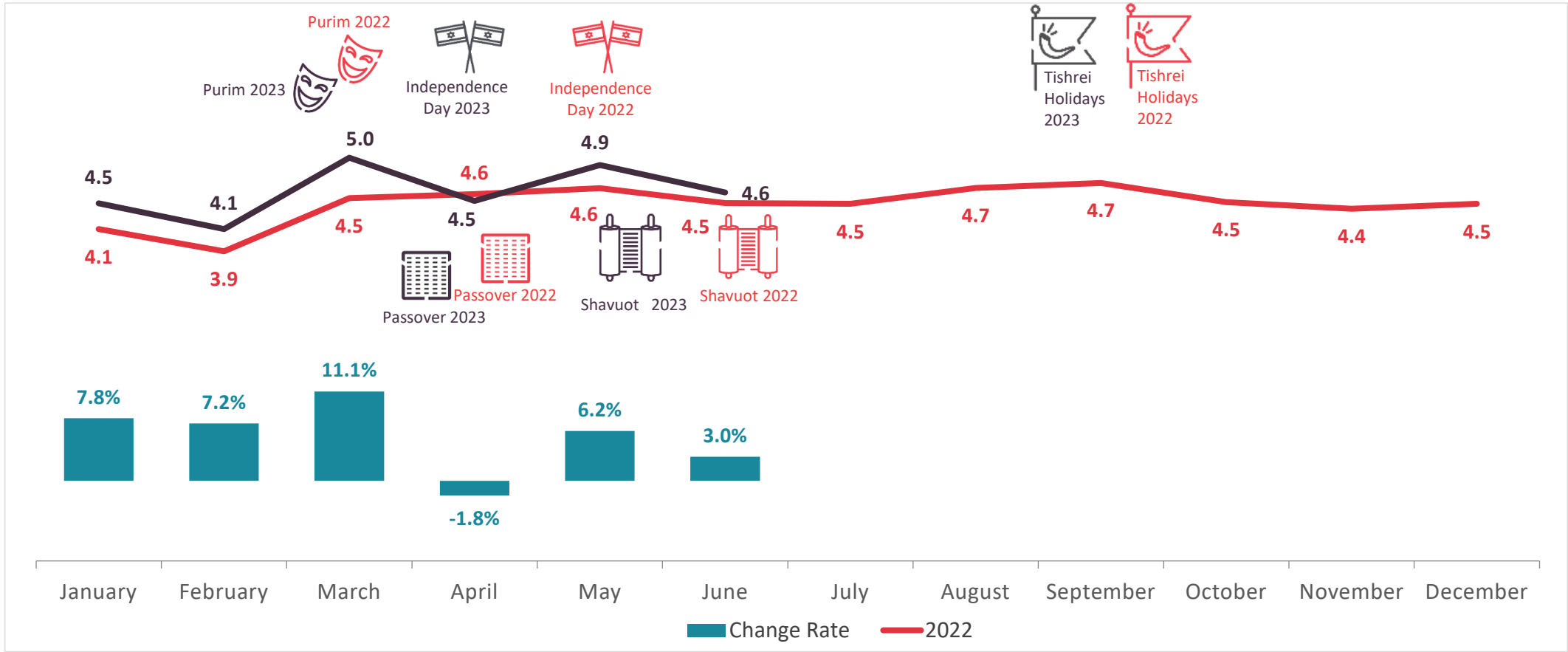
On Sale Value Segmentation



*Storenext's Sales data are based on weekly calculation of average prices on an item and store level. After determining the starting price, we track the price change compared to a series of prices over several past weeks. from this data one draw conclusions about the share of on sale items, sale prices, depth of sales etc., according to the clients' requests- **For more information ask your client manager**

Monthly Sales Trend

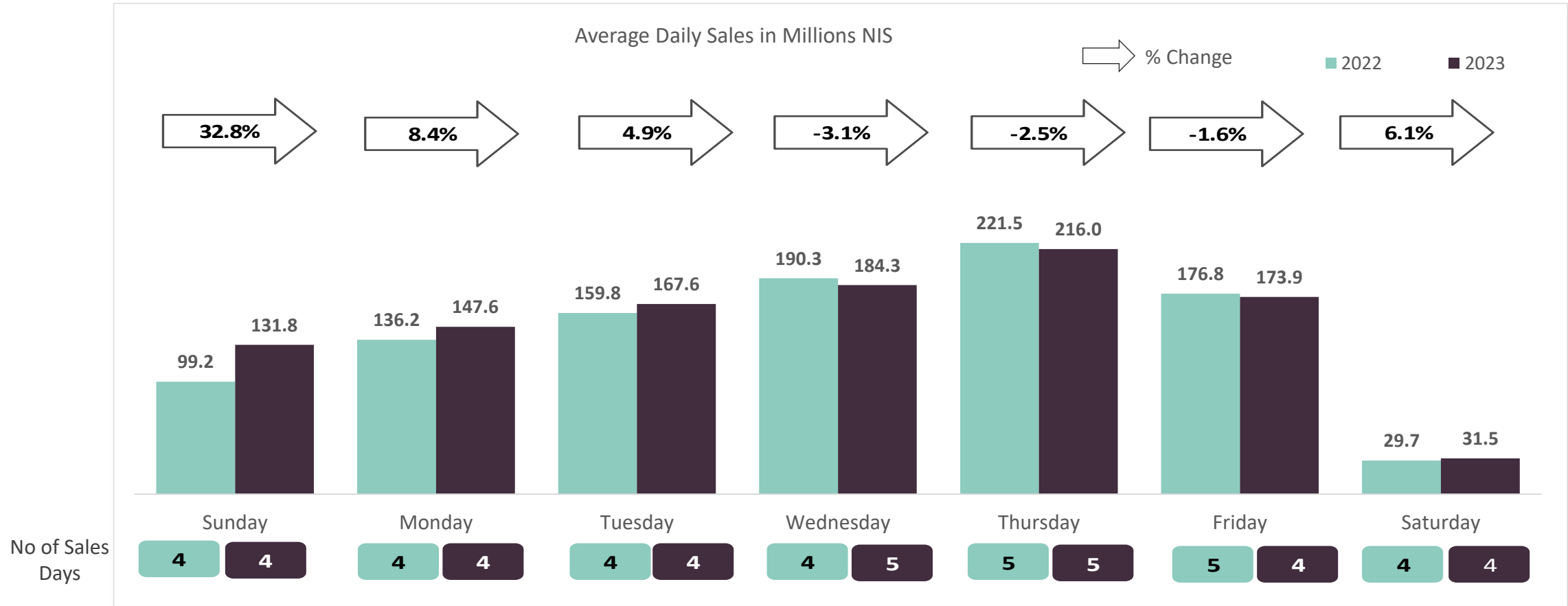
FMCG sales increased by 3.0% this June compared to June last year and stands at 4.6 billion NIS, an increase of 136 million NIS



* FMCG Value Sales, Billion NIS

Sale By Days

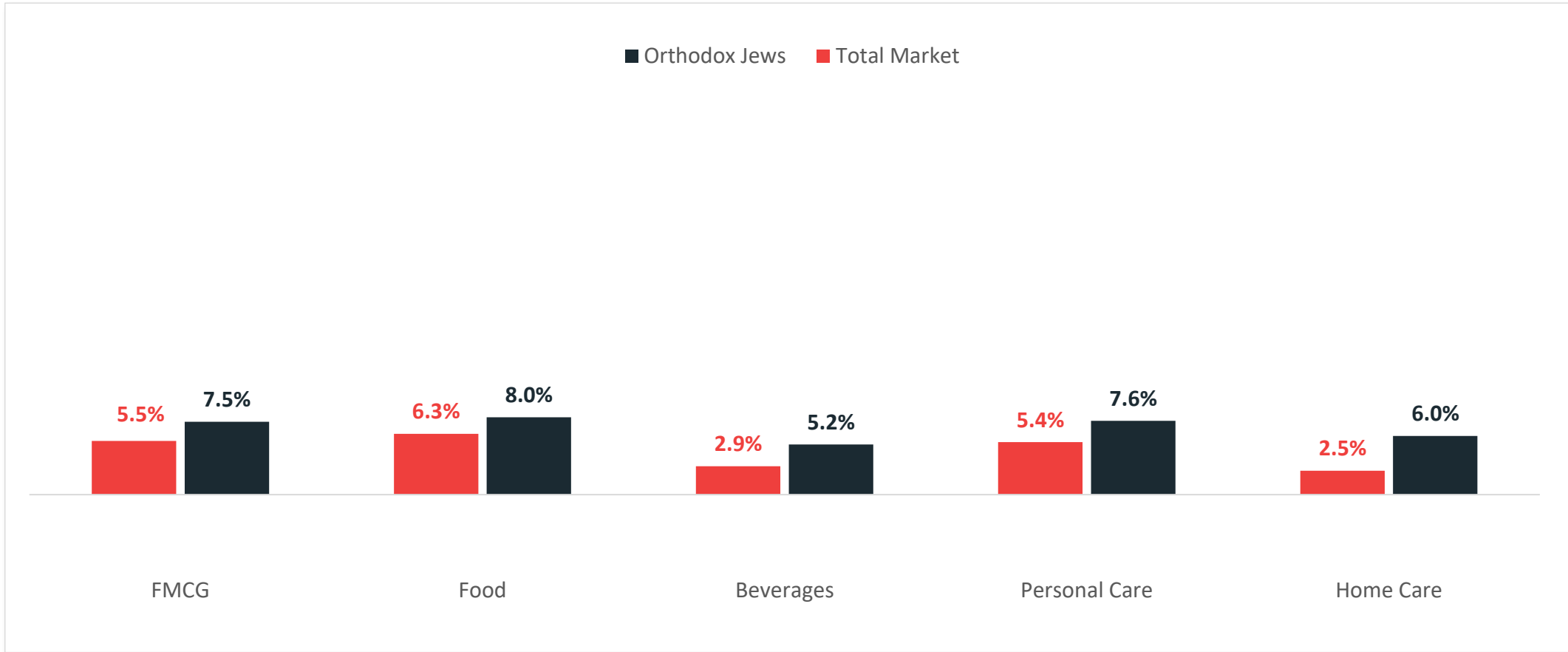
🔄 Monthly rate shows an increase and stands at 3.0%, and excluding difference in sale days there is an increase of 3.3%



* 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

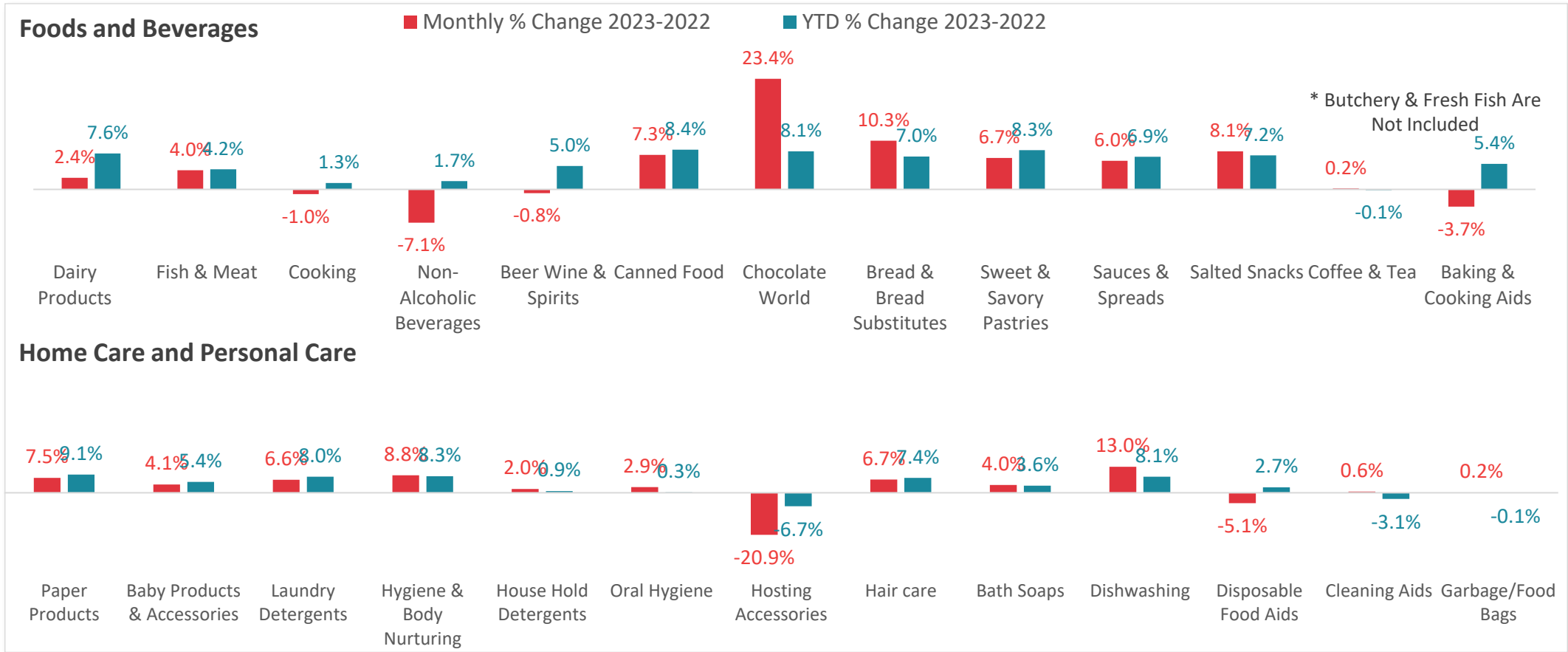
- ❏ The Orthodox Jews sector shows a significant growth compared to total market - an increase of 7.5% compared to an increase of 5.5% in FMCG's value sales this YTD
- ❏ All fields show a higher growth rate in Orthodox Jews sector compared to total market growth, most significantly in Food and Personal Care



*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

- June shows increases in Chocolate World, Dishwashing, Bread & Bread Substitutes and Hygiene & Body Nurturing
- Paper Products and Sweet & Savory Pastries show an increase in sales this YTD

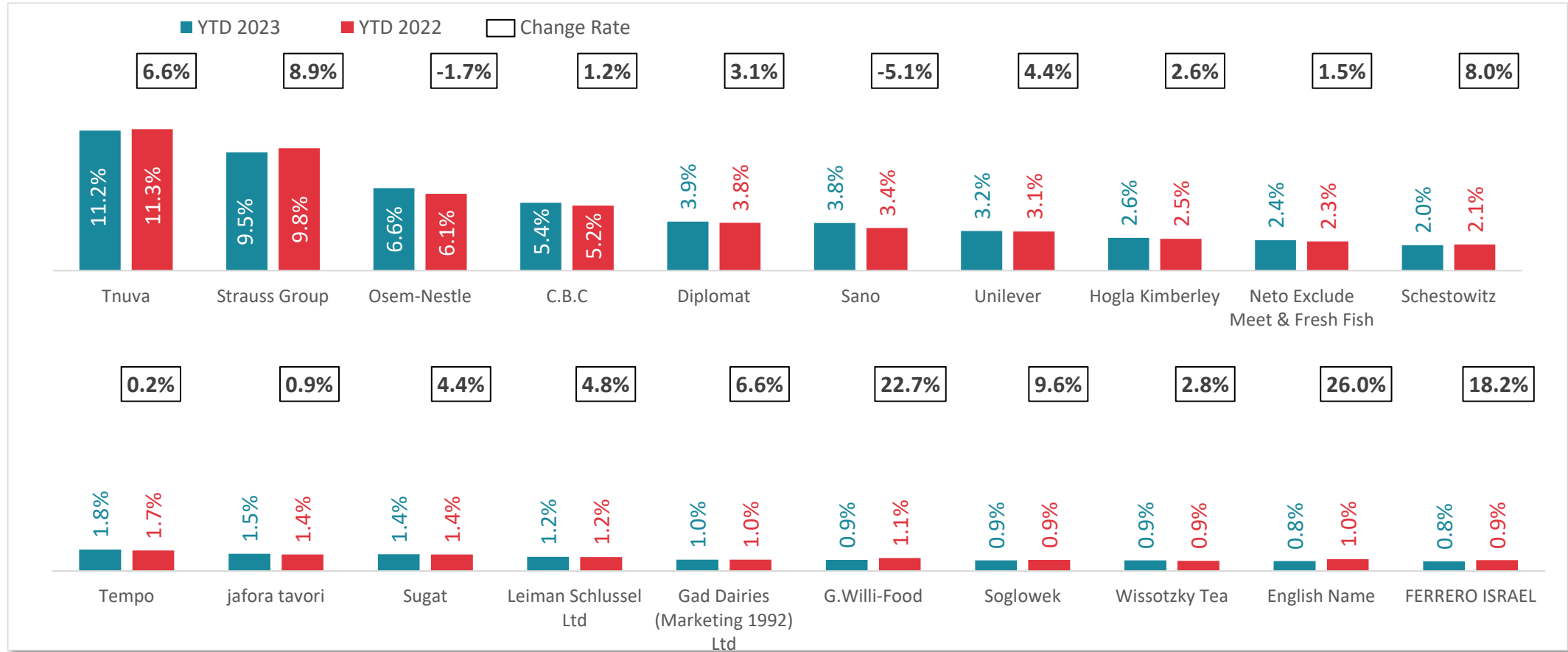


Market Share and Suppliers' Growth



🏠 Top 20's SOM reaching 61.2% this YTD, a decrease of 0.6 compared to previous YTD

🏠 Top 10's SOM stands at 49.7% this YTD and presents a decrease of 0.8 compared to previous YTD

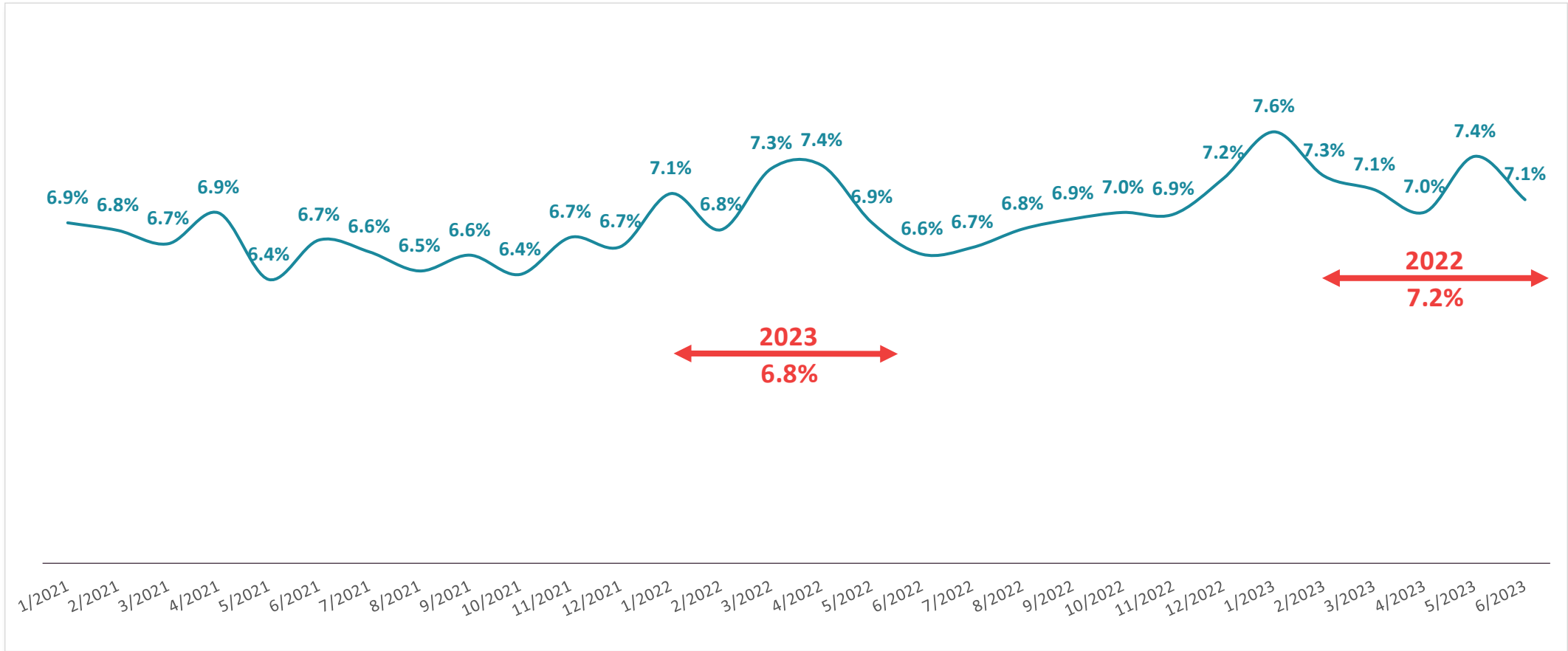


* Value Shares (FMCG Market- Excluding Butchers, Bakery, Fruits and Vegetables and Cigarette data)

Private Label Market Share - FMCG Market



Private Label share records an increase of 0.4 market share points This YTD compared to parallel period in 2022. However, Compared to June 2022, June 2023 shows an increase of 0.5 market share points and compared to May 2023 PL market share drops by 0.4 points



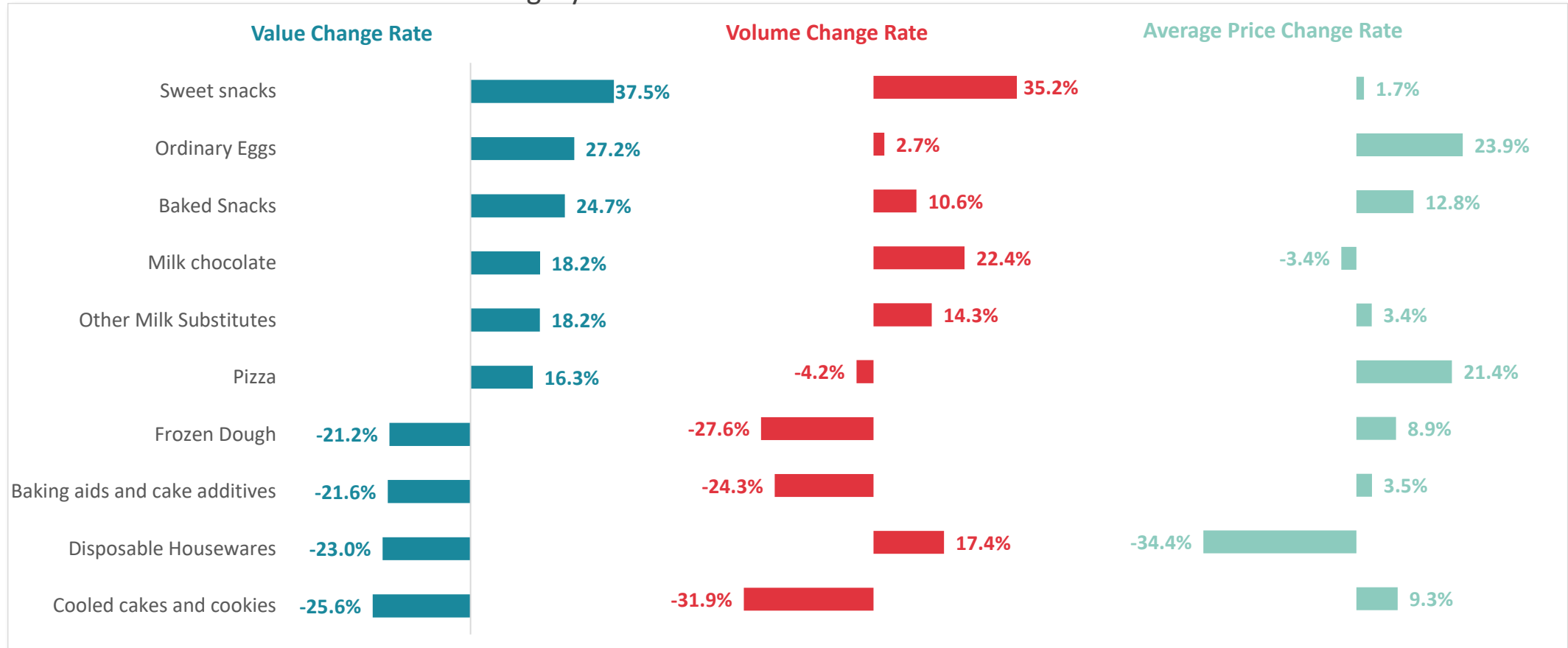
* Value Share (FMCG Market- Excluding Butchers, Bakery, Fruits and Vegetables and Cigarette data)

Rising / Descending Categories – Current Month TY vs LY

↻ Among the growing categories – Ordinary Eggs and Other Milk Substitutes. The increase in sweet Snacks, Baked Snacks and Milk Chocolate are related to the return of Strauss Group from the recall that influenced last year's Data



↻ Among the declining categories – Frozen Dough, Baking aids and cake additives, and Cooled cakes and cookies are related to the timing of Shavuot holiday, this year in May while last year it took place in June, the drop in Disposable Housewares is due to cancellation of the taxation reform over the category



Thank You!



StoreNext

Looking Forward