



Shiff Hazenfratz & Co. C.P.A (Isr)

FIRM PROFILE

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING



ABOUT RSM
SHIFF HAZENFRATZ & CO. CPAs

In the ever-changing Israeli and international business environment, which is fraught with reforms and crises in the global economic landscape, the modern organization must deal with multiple interfaces and maneuver between them successfully. The dynamic business climate, the aspiration for quality management and economic growth, require both an in-depth understanding of all the factors affecting the organization and expertise and professionalism.

RSM is one of the world's top six global networks for auditing, tax and advisory services.

The firm operates in about 120 countries and employs more than 65,000 employees.

In Israel, the firm has about 170 multidisciplinary experts, who live the local business arena and are familiar with global trends, with the aim of making the firm's knowledge and experience from around the world accessible to the complex and unique needs of its clients. The firm in Israel provides professional services to a wide range of clients in the private, public and government sectors. The high quality of the firm's human capital, the structure of its clusters, the resources at its disposal, the professionals employed by it, and its innovative approach in every field, enable it to meet any task, while providing professional, high-quality and fast service.

The fact that RSM Shiff Hazenfratz & Co. is part of a large international network, constitutes an extensive and fruitful ground for cooperation and the creation of high-quality business-international relations, which contribute greatly to the promotion and development of the business of its clients all over the world.

THE FIRM'S SERVICE POLICY

We at RSM Shiff Hazenfratz & Co. CPAs (Isr.) believe in and invest in creating a stable and long-term relationship with our clients while maintaining personal attention. For us, each client is unique and special, regardless of the scope of their activity or their cycles. The work processes are structured and customized specifically for them, so that we can provide the highest service and added value.

This unique and personal approach enables us to achieve high involvement and a deep understanding of the client's needs, and helps them and us to face professional challenges and successfully navigate the business reality that they face on a daily basis.

The day-to-day work is conducted through dedicated, professional and committed contacts (a partner in the firm and a team leader), enabling us to provide the client with high-quality answers and a high level of availability. The assignment team is assisted by the relevant professional elements in the firm, in order to carry out the work in the best and most professional manner.

OUR VALUES – PROFESSIONALISM AND RESPONSIBILITY THROUGHOUT!



Excellence

Striving for excellence is a major and important pillar of our work.



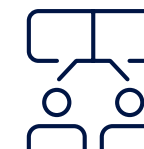
Professionalism

We take great care to ensure the professional level of each and every one of our employees and suppliers.



Responsibility

Our relationship with clients is based on mutual trust and transparency.



Accessibility

We advocate a "flat hierarchy" to ensure that every client can consult with partners directly.



Team Work

Our work is performed by a team so that we can provide the client with quality advice that takes into account all the variables that will lead it to achieve its goals and success.



RSM IN NUMBERS

6

RSM is the 6th largest
firm in the world

120

countries in which the firm
operates around the world

18

partners in RSM
Shiff Hazenfratz & Co. CPA (Isr.)

3

branches – Tel Aviv, Haifa
and Modiin Illit

170

employees in
Israel

65,000

Employees
Worldwide



Head Office

52 Menachem Begin Road
Tel Aviv
03-7919111



Haifa

2 Hapalim Blvd.
Haifa
04-8671926



Modiin Illit

46 Avnei Nezer Street
Modiin Illit
073-3797387

THE FIRM'S SERVICES

FINANCIAL STATEMENT AUDITING

The audit department of RSM Shiff Hazenfratz & Co. CPAs (Isr.) is the firm's "core business". The department is comprised of experienced experts and work teams specializing in specific business sectors.

Whether it is auditing of financial statements, formulating accounting opinions, various aspects of regulation and reporting, or accompanying financial moves – we provide our clients with a comprehensive and innovative basket of services with in-depth familiarity and understanding of the business environment and the changing economic and regulatory conditions.

As accountants, we delve into matters and do not miss a single detail, while at the same time, we know how to identify the "big picture" reflected in the financial statements, manage risk wisely, and identify the next business opportunity for the client.

The audit department of RSM Shiff Hazenfratz & Co. CPAs (Isr.) accompanies many companies and business entities.

Our client list includes large companies in the Israeli economy, as well as a wide range of small and medium-sized companies from various industries and sectors:



The public sector



Government companies



Local authorities



Non-profit organizations



Capital markets



Industry



Finance



High-tech



Real estate



Diamonds



Health



Public companies



Media and advertising



CONSULTING, CONTROL AND RISK MANAGEMENT

Information and content occupy an important place in the modern business world. In order to make informed decisions, today's managers need high-quality tools that will help them receive relevant, reliable, up-to-date, and real-time information. The rapid development of technology and the global economic crises have led to the recognition that internal audit and risk management is an essential management process, designed to maintain the organization's stability and profitability over time.

Market dynamics, regulatory changes, local and global variables, require the development of methods for economic and financial assessment of risks and ways to reduce them, all with the aim of advancing the organization and providing management with the necessary tools to lead the organization to business and economic success.

RSM Shiff Hazenfratz & Co.'s internal audit and risk management department is one Israel's largest departments in these areas and employs internal auditors and other employees from a variety of professions and specializations. Our services include advising boards of directors and managements in the field of implementing risk management methods, consulting in the field of sustainability, consulting on the implementation of corporate governance policies, accompanying organizations and assistance in compliance with regulations such as SOX.

We handle a wide range of companies, some of the largest in the Israeli economy, including private companies and international companies from many industries: capital markets, transportation, industry and commerce, energy, real estate and construction initiation, associations and government companies.

The following is a list of the services rendered by the department:

- Risk Management
- Internal Audit
- Investigative Audit
- Assessments to Detect Errors, Embezzlement and Fraud
- Information Systems
- SOX



TAXES

Strategic management of your organization's tax policy can lead to significant savings for the organization.

The tax department of RSM Shiff Hazenfratz & Co. CPAs (Isr.) provides the firm's clients with innovative and ambitious tax planning, which provides a solution to the complex and unique needs of each and every one of our clients. RSM's tax department includes some of the best accountants and lawyers in the field of Israeli and international taxation. We advise entities, companies, and individuals in formulating tax strategy, tax planning, and compliance with relevant tax laws, while also taking into account broad financial, business and regulatory aspects related to the market, industry or area in which the organization operates.

The department has extensive expertise and experience in accompanying a wide range of leading companies, organizations and public institutions in the economy. We provide a 360-degree service package that includes advice in the field of Israeli taxation, international taxation, transfer pricing, indirect taxes, real estate taxation and social security, all in accordance with the quality standards of the RSM worldwide network. In addition, the department provides advisory and accompaniment services in specific transactions and issues to investors, in cooperation with the tax experts of the RSM network located in 830 offices around the world.

Our uniqueness is expressed in the working relationships we have built over the years with the tax authorities, which lead to better agreements for our clients.

The Tax Department provides comprehensive services in a variety of topics and fields:

Israeli Taxation

- Income Tax – Corporate Taxation, Encouragement Laws, Tax Relief and Incentives
- Structural Changes
- Employee Compensation Taxation
- Indirect Taxation – VAT Advice and Representation. Handling complex taxation decisions on various VAT issues
- Individual taxation – advising and accompanying the individual and preparing personal tax returns, capital declarations, voluntary disclosure, etc.
- Intergenerational transfer, division and designation of family property, inheritance and estate taxes
- Trust taxation– Planning, establishing, consulting and assisting in filing returns to the tax authorities and employee options
- National Insurance
- Withholding tax

International taxation

- International tax planning • Transfer pricing • Accompaniment in relocation processes • Accompanying investments abroad • Accompanying transactions
- Mergers, acquisitions and due diligence proceedings

The Economic Department of RSM Shiff Hazenfratz & Co. CPAS (Isr.) specializes in economic, financial and business consulting for companies and organizations. The department's team of experts performs a wide range of economic and financial work and assists and advises in the fields of business thinking and guidance.

The firm maintains relationships with senior professionals from the fields of economics, finance and accounting. The department's vision is to serve as trusted consultants for the companies and organizations they advise and to identify the best business opportunity for them.

RSM's economic and business consulting department works in cooperation with expert consultants of the RSM network in 120 countries around the world and in some 830 offices.

Department Services:

Expert Opinion – The heads of the firm's economic department have extensive expertise and experience in providing expert opinions as part of legal proceedings in courts, arbitrations and mediations.

Investigative Auditing – The firm's economic department specializes in conducting investigative audits such as:

- Investigative auditing as part of a legal proceeding
- Investigative auditing to examine embezzlement and financial fraud in companies
- Investigative audit in order to locate economic and accounting loopholes and provide recommendations for preventing them

Business and economic accompaniment and consulting – The Economics Department provides business accompaniment and consulting services to the government and private sectors. The services include, inter alia:

- Accompanying government ministries in large and complex economic projects.
- Accompaniment for businesses in an intergenerational transition process
- Economic, financial and accounting support for businesses in the process of growth
- Compiling costing, budget and cash flows for businesses
- Implementation of financial information systems in the business, including management reports tailored to the business

THE ECONOMIC DEPARTMENT

Controllership and Financial Management

The firm's economic department provides controllership and financial management services to various businesses.

Accompaniment and supervision of purchasing groups

The firm's economic department provides financial and accounting accompaniment and supervision services for real estate projects, with an emphasis on purchasing groups.

The services include, inter alia:

- Managing full bookkeeping of the project
- Opening a bank account for the project
- Examining payment requests and providing payment approvals to suppliers
- Raising sources of funding for the project
- Periodic reports on demand
- Accompanying the project until its completion and producing detailed reports for each buyer.

Company Valuations

The Economic Department performs valuations for various and varied needs:

The acquisition of a business, the addition of a potential investor, disputes between shareholders, accounting reporting, legal and taxation needs, etc.

Economic Due Diligence (DD)

The economic department conducts financial due diligence for various purposes such as acquiring a business, mergers, etc.

Writing business plans

Accompanying merger and acquisition transactions

- Understanding the company's business activity
- Identifying the client's needs (investor/sales/raising capital, etc.)
- Preparing the company from an accounting and financial perspective for sales needs, including a business plan and valuation
- Assisting the company in identifying investors in accordance with the client's needs
- Accompanying the negotiation process until a deal is closed



THE TECHNICAL DEPARTMENT

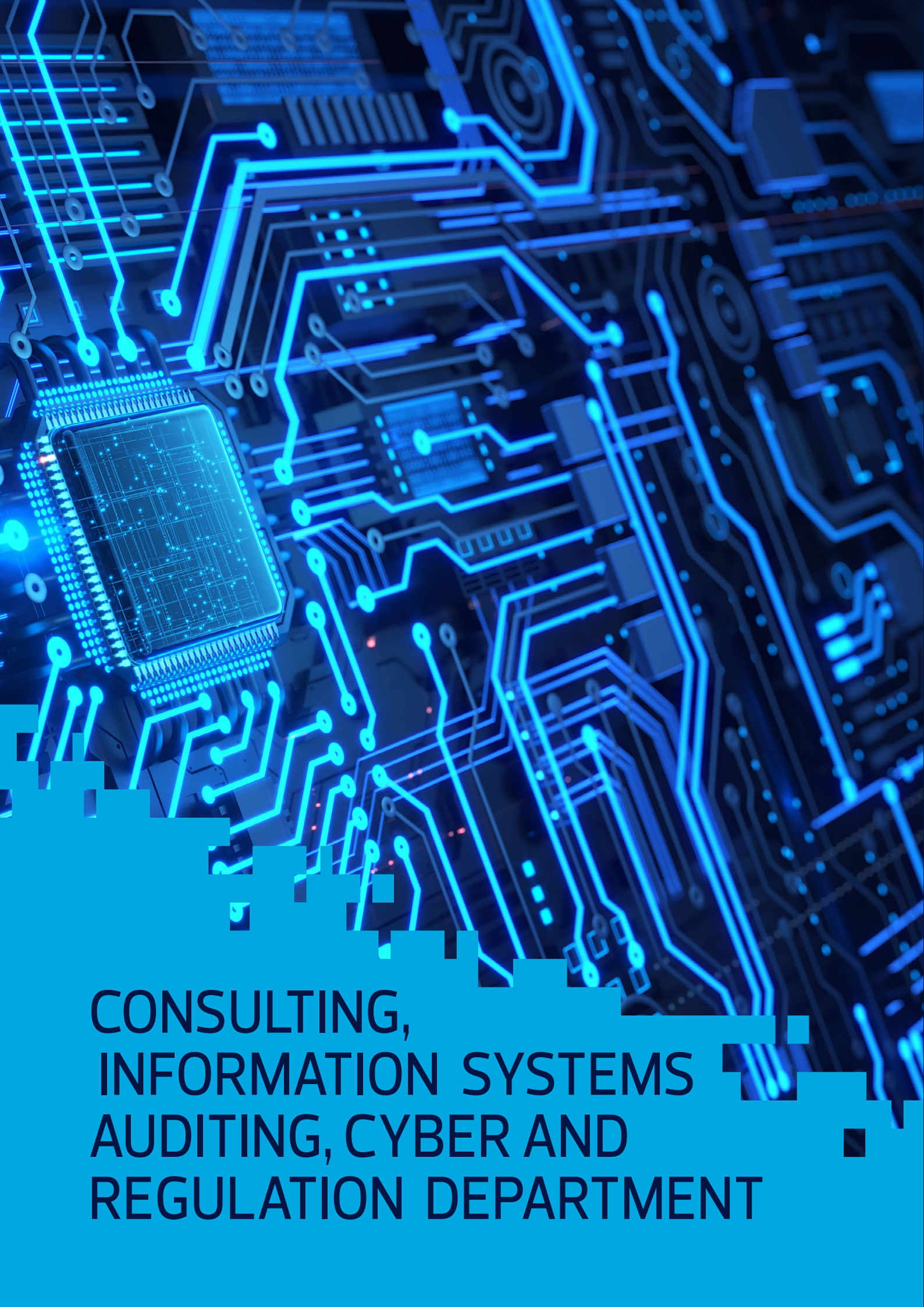
The International Financial Reporting Standards (IFRS), which have been adopted as a binding standard by public companies in Israel, is based on principles whose implementation requires the exercise of discretion in choosing the required accounting treatment. In addition, sometimes, there are several alternatives to accounting treatment, which require guidance and professional accounting advice.

RSM's technical department provides accounting consulting services in accordance with generally accepted accounting principles in Israel (Israeli GAAP), International Financial Reporting Standards (IFRS) and the Securities Regulations. Our firm has extensive experience in handling complex accounting issues, as part of many projects we have carried out for leading organizations in Israel and abroad.

In addition, the technical department is responsible for maintaining the high professional level of the firm's audit teams by publishing circulars and professional articles on accounting issues, conducting ongoing training, and providing an immediate response to accounting issues that arise in the audit teams.

The services we provide:

- Accounting opinions
- Expert opinions for use in economic disputes, which come to the court's doorstep
- Accounting advice to the managements and boards of directors of public, government and private companies
- Accounting due diligence submitted to underwriters in a prospectus
- Dedicated training on accounting issues
- Accompaniment and assistance in preparing an application to obtain a preruling from the ISA
- Accompaniment, assistance and advice on accounting issues in deliberations with the ISA, the Government Companies Authority and the Tax Authority
- Accounting accompaniment for IPOs and capital raising processes



CONSULTING, INFORMATION SYSTEMS AUDITING, CYBER AND REGULATION DEPARTMENT

RSM's Information Systems Consulting and Audit Department

RSM's Information Systems Consulting and Auditing Department provides comprehensive services and solutions in the fields of information system management, cybersecurity and compliance with regulatory requirements, in accordance with the unique needs of each organization. The department's professional team combines business understanding and technological knowledge using the work methodologies of the international network. The following are some of the department's services:

Information systems consulting and auditing services

- Assisting management in the compilation of information systems strategy
- Accompaniment in the implementation of BI and ERP systems, consolidation of financial statements, preparation of financial statements, etc.
- Consulting and data optimization
- Consulting and performing examinations to ensure integrity and accuracy when converting data
- Consulting and testing general controls in the IT environment (ITGC)
- BIG DATA analysis and investigation using computerized tools

Information and cyber security

- Information and cyber security assessments
- Penetration tests for networks, information systems and OT systems
- Consultation and execution regarding hardening for endpoints, servers and information security systems
- Consulting and checking access permissions, including separation of duties, conflicts, etc.
- Workshops and raising awareness for employees, employee training, phishing exercises, etc.
- Consulting for technological solutions in the field of information and cyber security
- Outsourced information security (CISO) services

Regulation and Standards

- Rendering SOC2, SOC1 Opinions
- Providing Opinions for Microsoft SSPA Suppliers – Supplier Security and Privacy Assurance
- Submitting Applications for leniencies in Information Systems Bookkeeping Provisions
- Preparation for ISO27001, ISO 27799 Certifications
- Preparation for PCI DSS Certification
- Consulting on Compliance with Privacy Protection Laws and Regulations: GDPR, CCPA, the Protection of Privacy Law and its regulations



FAMILY OFFICE SERVICES

The wealth management of individual families is unique, and invites new opportunities and challenges on a daily basis. Therefore, it is important to have at your disposal the best consultants and professionals who will help you realize your family vision.

RSM's Family Office has a variety of consulting services and business solutions to assist you.

You can rest assured that you will get the best advice and your family's future is in good hands with us.

We specialize in financial planning and accompaniment and in building a strategy of marketable investments and alternative investments, for financially wealthy families, entities and companies in Israel with a wide range of products: managed investment portfolio management, financial policies, study funds, provident funds, IRAs, 190 amendment, managers' insurance, pension funds, hedge funds, real estate funds, etc. We manage the family's financial wealth in the best possible way, while assessing the risk and adapting it to the client's needs, and accompany them step by step throughout the entire process. The services include supervision, advice and ongoing reporting on the family or business investment portfolio on a monthly and quarterly basis.

Our wealth management method examines the entirety of the client's assets in a comprehensive and professional manner. We outline the investment strategy for the client's needs individually, maintain and examine the activity of the asset portfolio on an ongoing basis and with full transparency, with the ability to evaluate performance at any time. Risk management and product review are carried out in a meticulous manner as we believe that the best basis for asset management is the preservation and protection of capital.

The M&A department of RSM provides advice and support in the field of mergers and acquisitions to private clients, institutions, public companies, entrepreneurs, investment funds and private investment entities.

The services are led by Gur Ben Zeev, who has over 20 years of experience in the field of investment banking, and has served in senior management positions in this field in leading companies and firms in the Israeli economy.

The department specializes in transactions in the fields of industry, trade, services and assists in capital raising, combining local experience and acquaintance with international markets thanks to the global RSM network.

The main services provided by the department are:

- Identifying and examining investment or sales opportunities.
- Identifying potential buyers with characteristics that are suitable to the requirements of the selling entity.
- Compiling and formulating the desired transaction outline.
- Preparation of the relevant materials, including a presentation to the buyer.
- Managing and accompanying commercial negotiations.
- Preparation, accompaniment and assistance in due diligence.
- Support at the closing stage of the transaction until it is signed.

THE MERGERS & ACQUISITIONS DEPARTMENT

The Retirement Consulting and Planning Department at RSM offers unique consulting services for individuals, veterans of the security forces and senior officials in the Israeli economy at the time of their retirement, as well as tax planning prior to retirement.

The extensive experience and unique expertise of RSM in this field give the firm a relative advantage in examining the range of options available to leadership and business leaders in Israel, who are about to embark on the planning of both their steps towards retirement and their new business activities.

The Retirement Consulting and Planning Department assists, inter alia, in choosing the channel for investing retirement funds that is tailored to his needs, while taking full advantage of the tax benefits to which he is entitled both by virtue of the Income Tax Ordinance and by virtue of the National Insurance Law.

RETIREMENT PLANNING & CONSULTING FOR SENIOR EXECUTIVES AND SECURITY FORCES RETIREES

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www.rsm.global/israel/he

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