

Shagrir Group Vehicle Services Ltd.

Company No.515158665

Voting Ballot

-Part One-

**In accordance with the Companies Regulations (Ballot Voting and Position Statements)
5766 – 2005**

1. **Meeting type:** Annual Meeting of the Company's Shareholders;
2. **Meeting date:** Thursday, August 18, 2016, at 2:00 PM;
3. **Meeting location:** Offices of the Company, at 8 Hanefach Street, Holon (hereinafter: the "Company's Offices");
4. **Items on the agenda that may be voted on by ballot:**

No.	Detail of Main Items on the Agenda
1.	Re-appointment of director Mr. Yossi Ben Shalom
2.	Re-appointment of director Mr. Nir Cohen
3.	Re-appointment of director Ms. Kineret Yaari
4.	Appointment of Mr. Shai Cohen as independent director
5.	Appointment of Mr. Haim Dvir as director
6.	Re-appointment of the Auditor, Kost Forer Gabbay & Kasierer (EY) - Accountants
7.	Appointment of Ms. Lian Goldstein as outside director for a period of three years as of the convening of the meeting (August 18, 2016)
8.	Appointment of Mr. Yaron Dor as outside director for a period of three years as of the convening of the meeting (August 18, 2016)

5. Information about the candidates for service as directors in accordance with Article 7(a)(5)(b) of the Regulations regarding candidates as directors:

	Lian Goldstein	Yaron Dor	Shai Cohen	Haim Dvir
Identity Number:	032254039	56515794	059832989	058610239
Date of Birth:	28.1.1975	28.8.1960	10.9.1967	10.12.1963
Address for service of legal process:	8 Hanefach Street, Holon 5881804			
Citizenship:	Israeli			
Membership in Board of Directors committees:	Will be appointed (subject to approval of meeting to the appointment) as a member of the Audit, Remuneration, and Balance Sheet Committees			No
Independent/outside director	Outside director	Outside director	Independent director	No
Does he have accounting and financial expertise or professional qualifications?	Accounting-financial expertise	Accounting-financial expertise	No	Accounting-financial expertise
Is he an employee of the Company, a subsidiary, related company, or have an interest therein?	No	No	No	Yes, manager of the Gandyr Group (Gandyr Holdings Ltd., which is an interested party in

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	Lian Goldstein	Yaron Dor	Shai Cohen	Haim Dvir
				a company belonging to this Group).
Education:	B.A. in Business Administration (majoring in Accounting) and MBA (specializing in Finance and Accounting) from the College of Management (Rishon Lezion)	Graduate in Economics and Accounting from Haifa University, an MBA from the University of HATIOT WATT, completed a directors course at Tel Aviv University	Graduate in Business Administration and Computer Science and MBA, specializing in finance and entrepreneurship from the Hebrew University	Graduate in Economics and Accounting and MBA from Bar Ilan University
Business experience in the last five years:	Currently provides consulting and financial management services on an outsourced basis, outside director of User Trend Ltd., formerly - CFO of a variety of companies - WorldMate, Magen Security Systems, Lee Cooper, Johnson & Johnson.	Currently - CEO of Cycling Union and director of Regba Furniture, formerly VP of Business Development of SuperPharm, CEO of New-Pharm, CEO of Best Buy, VP of Shufersal.	Currently - independent consultant for startup and hi-tech companies, formerly developer, co-founder, and manager of MY4t and VP of Cloud Products, head of Cloud Division and SaaS at Attunity Ltd.	Licensed CPA, financial and tax consultant to various companies, director of the public company Shemen Industries Ltd. and Pituach Moshe Ltd., Israel Vasco Electrical Energy Services Ltd., Dvir Life Consultants Ltd, K.b. Recycling Industries Ltd.
Familial relationship to interested party:	No	No	No	No

The incumbent director, Yossi Ben Shalom, was appointed as director on November 25, 2014 and the incumbent directors Nir Cohen and Kineret Yaari were appointed as directors on March 29, 2016. These directors are not members of the board of director committees. For further details, see Section 7.1 of the Company's prospectus, which was published on May 27, 2016 (reference no.: 2016-01-35664).

6. Review of the Full Text of Items on the Agenda

Any document related to the matters on the agenda may be reviewed at the Company's Offices by appointment on Sunday-Thursday on business days between 10:00 AM and 4:00 PM, by appointment with Ms. Revital Avrahami (tel.: 03-5578877).

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7. **Majority required to pass the resolutions listed in Section 4 above:**

7.1 The majority required to pass the resolutions listed in Sections 1 through 6 (inclusive) above is a majority of the shareholders participating in the vote.

7.2 The majority required to approve the resolutions in Section 7 above is as stated in Section 239(b) of the Companies Law, whereby a majority of votes of the shareholders present and participating in the vote is required, provided that one of the following is met:

7.2.1 A majority of votes cast at the General Meeting by those participating in the vote includes a majority of the votes of shareholders who are not the controlling shareholders in the Company or have a personal interest in the approval of the appointment other than a personal interest which is not a result of their relationship with the controlling shareholder; in counting all votes of shareholders abstentions shall not be taken into account; parties with a personal interest shall be subject to the provisions of Section 8 below.

7.2.2 The total of opposing votes among the shareholders described in Section 7.2.1 above will not exceed a rate of 2% of all of the voting rights in the Company.

The rate of holdings of DBSI Investments Ltd., the controlling shareholder of the Company, does not grant it the majority required to approve the resolutions on the meeting agenda.

8. It is noted that in Part B of this Voting Ballot - "Voting" - a special place is designated for indicating whether you have a personal interest in approval of the resolutions on the agenda of the meeting and nature of the personal interest and/or being included in the Company's controlling shareholders. **A shareholder who does not indicate whether he has a personal interest in approval of the resolution as stated and does not indicate the nature of the personal interest, or whether he is a controlling shareholder, as applicable, will not have his votes counted.**

9. An unregistered shareholder may vote through the electronic voting system.

10. The ballot will be valid regarding unregistered shareholders only if Confirmation of Ownership is attached or if the Company is sent Confirmation of Ownership through the electronic voting system.

11. A ballot will be valid for a registered shareholder under Section 177(2) of the Companies Law, only if a copy of an Israeli identity document, passport or certificate of incorporation is attached.

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12. The voting ballot must be delivered, together with the documents listed in Sections 10 and 11, as appropriate and as applicable, to the Company's Offices by four hours before the convening of the meeting, at 10:00 AM on the day of the meeting.
13. The electronic voting system will be closed six hours before the convening of the meeting, at 8:00 AM on the day of the meeting.
14. Company Address for the Delivery of Ballots and Position Statements: 8 Hanefach St., Holon.
15. Delivery of Position Statements
The deadline for the delivery of position statements to the Company is August 8, 2016;
Deadline for delivery of the board of director's response to the position statements is August 13, 2016.
16. Address of the Distribution Site and Website of the Stock Exchange
The following are the addresses of the Distribution Site and the Website of the Tel Aviv Stock Exchange Ltd. (the "**Stock Exchange**"), on which the voting ballots are located: the website of the Stock Exchange is www.tase.co.il. The address of the distribution site is <http://www.magna.isa.gov.il>.
17. An unregistered shareholder may receive, via email, at no cost, a link to the text of the voting ballot and the position statements on the Distribution Site, from the Stock Exchange member through which he holds shares, unless he has notified the Stock Exchange member that he does not wish to receive such a link or would like to receive the voting ballot via mail in consideration for payment. Notice regarding the voting ballot will also apply regarding receipt of the position statements.
18. An unregistered shareholder may receive confirmation of ownership at the branch of the Stock Exchange Member or by mail, if he so requests. Requests in this regards shall be made in advance in regards for a specific securities account. An unregistered shareholder may show that the Confirmation of Ownership was transferred to the Company through the electronic voting system.
19. One or more shareholder holding shares representing five percent or more of the total voting rights in the Company, as well as anyone holding such rate as stated of the total voting rights that are not held by a controlling shareholder of the Company as defined in Section 268 of the Companies Act, is entitled on his own or through an agent on his behalf, after the meeting convenes, to review the voting ballots and voting records at the Company's registered offices during customary working hours, through the electronic

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voting system reaching the Company.

Holdings of 400,195 ordinary shares of the Company, constituting holdings of 5% of the total voting rights of the Company. The number of shares constituting 5% of the total voting rights in the Company that are not held by the Company's controlling shareholder is approximately 270,737 ordinary shares of the Company.

20. After publication of the voting ballot, it is possible that there will be changes to the agenda, including the addition of an item on the agenda, position statements may be published, and the update agenda and position statements published in the Company's reports on the Distribution Site may be reviewed.
21. The deadline by which the Company will publish an amended voting ballot, if a matter is requested to be added to the agenda as set forth in Section 12 of the report convening the meeting, will be July 27, 2016.

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Voting Ballot

-Part Two-

Company's Address (for delivering and mailing voting ballots): 8 Hanefach Street, Holon

Meeting date: Thursday, August 18, 2016, at 2:00 PM.

Meeting type: Annual Meeting of the Company's Shareholders.

Effective date: July 20, 2016.

Shareholder Details

1. Name of shareholder: _____

2. Identity number: _____

If the shareholder does not have an Israeli I.D. document –

Passport No.: _____ Issuing country: _____ Expires: _____.

If the shareholder is a corporation –

Corporation no.: _____ Country of incorporation: _____

Notice of identity of the voter (please mark ✓ in the appropriate place on the table)

<u>INSTITUTIONAL INVESTOR</u>	<u>INTERESTED PARTY</u>	<u>SENIOR OFFICER</u>	<u>I AM NOT ONE OF THESE ENTITIES</u>

Voting:

No.	On the agenda:	Voting ¹			Do you have a personal interest in the resolution or are you a controlling shareholder of the Company? ²	
		For	Against	Abstention	Yes	No
1.	Re-appointment of director Mr. Yossi Ben Shalom					
2.	Re-appointment of director Mr. Nir Cohen					
3.	Re-appointment of director Ms. Kineret Yaari					
4.	Appointment of Mr. Shai Cohen as independent director					
5.	Appointment of Mr. Haim Dvir as director.					
6.	Re-appointment of the Auditor, Kost Forer Gabbay & Kasierer (EY) - Accountants					
7.	Appointment of Ms. Lian Goldstein as outside director for a period of three years as of the convening of the meeting (August 18, 2016)					
8.	Appointment of Mr. Yaron Dor as outside director for a period of three years as of the convening of the meeting (August 18, 2016)					

¹**Failure to indicate shall be considered an abstention from voting.**

²**A shareholder who does not fill in this column or marks "Yes" and does not describe will not have his vote counted. There is no need to elaborate on a personal interest in approval of the appointment that does not arise from a relationship with the controlling shareholder.**

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Shareholders holding shares by means of a member of the Stock Exchange (as per Section 177(1) of the Companies Act) – this ballot is valid only when accompanied by confirmation of ownership, excluding in cases in which the vote is through the electronic system.

Shareholders listed in the company shareholder registry – this ballot is valid only when accompanied by a photocopy of I.D. booklet/passport/certificate of incorporation.

If you have a personal interest in approval of the resolution on the agenda as described above, please specify the nature of this interest below:

Date

Signature