

FORMULA SYSTEMS (1985) LTD.

**PROXY FOR SPECIAL GENERAL MEETING OF SHAREHOLDERS
TO BE HELD ON JANUARY 4, 2019
THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS**

The undersigned hereby constitutes and appoints Guy Bernstein and Asaf Berenstin and each of them, the true and lawful attorneys, agents and proxies of the undersigned, with full power of substitution to each of them, to represent and to vote, on behalf of the undersigned, all of the Ordinary Shares of Formula Systems (1985) Ltd. (the “**Company**”), held of record in the name of the undersigned at the close of business on December 4, 2018, at a Special General Meeting of Shareholders of the Company (the “**Meeting**”) to be held at the offices of the Company, 5 HaPlada Street, Or Yehuda 6021805, Israel, on Friday, January 4, 2019 at 2:00 p.m. (local time), and at any and all adjournments or postponements thereof, on the matters listed on the reverse side, which are more fully described in the Notice of Special General Meeting of Shareholders (the “**Notice**”) and Proxy Statement (the “**Proxy Statement**”) relating to the Meeting.

The undersigned acknowledges the availability to him, her or it of the Notice and Proxy Statement relating to the Meeting.

THIS PROXY, WHEN PROPERLY EXECUTED, WILL BE VOTED IN THE MANNER DIRECTED HEREIN BY THE UNDERSIGNED. IF NO DIRECTIONS ARE INDICATED WITH RESPECT TO PROPOSAL 1, THE SHARES REPRESENTED BY THE PROXY WILL BE VOTED BY THE ABOVE-DESIGNATED PROXIES “FOR” THAT PROPOSAL, AS RECOMMENDED BY THE COMPANY’S BOARD OF DIRECTORS. THIS PROXY WILL FURTHERMORE BE VOTED AS THE ABOVE-DESIGNATED PROXIES SHALL DEEM ADVISABLE ON SUCH OTHER BUSINESS AS MAY COME BEFORE THE MEETING. HOWEVER, IF NO DIRECTION IS MADE, THIS PROXY WILL NOT BE VOTED ON PROPOSALS 2 OR 3 (UNLESS THE UNDERSIGNED CONFIRMS IN ITEMS 2A AND/OR 3A WHETHER HE/SHE/IT HAS A CONFLICT OF INTEREST CONCERNING PROPOSALS 2 AND 3, RESPECTIVELY).

Any and all proxies heretofore given by the undersigned are hereby revoked.

(Continued and to be signed on the reverse side)

**SPECIAL GENERAL MEETING OF SHAREHOLDERS OF
FORMULA SYSTEMS (1985) LTD.**

JANUARY 4, 2019

**Please date, sign and mail
your proxy card in the
envelope provided as soon
as possible.**

☐ Please detach along perforated line before mailing. ☐

**THE BOARD OF DIRECTORS RECOMMENDS A VOTE “FOR” EACH
OF THE PROPOSALS BELOW. PLEASE SEE THE INSTRUCTIONS IN THE LEFT COLUMN BELOW
REGARDING ITEMS 2A AND 3A RELATING TO PROPOSALS 2 AND 3, RESPECTIVELY.**

**PLEASE SIGN, DATE AND RETURN PROMPTLY IN THE ENCLOSED ENVELOPE. PLEASE MARK YOUR VOTE IN
BLUE OR BLACK INK AS SHOWN HERE ☐**

**Important Instructions for Items 2A and 3A relating to
Proposals 2 and 3, respectively:**

**PLEASE BE CERTAIN TO FILL IN THE BOXES
“FOR” ITEMS 2A AND 3A OPPOSITE TO CONFIRM
THAT YOU ARE NOT A CONTROLLING
SHAREHOLDER AND DO NOT HAVE A CONFLICT
OF INTEREST IN THE APPROVAL OF PROPOSALS
2 AND 3, RESPECTIVELY.**

If you believe that you are a controlling shareholder or have such a conflict of interest and you wish to participate in the vote on Proposal 2 or 3 (as applicable), you should check the box “AGAINST” Item 2A or Item 3A (as appropriate).

PROPOSAL	FOR	AGAINST	ABSTAIN
1. To elect Mr. Ohad Melnik to our Company’s Board of Directors (the “Board”), to hold office until our next annual general meeting of shareholders and until his successor is duly elected, in replacement of Ms. Dafna Cohen.	☐	☐	☐
2. To re-elect Ms. Iris Yahal to the Board as an external director, for a term of three years from the date of the Meeting.	☐	☐	☐
2A By checking the box marked “FOR”, the undersigned hereby confirms that he, she or it is not a “controlling shareholder” and does not have a conflict of interest (referred to as a “personal interest” under the Companies Law, as described in the Proxy Statement), in the approval of Proposal 2. If the undersigned or a related party is a controlling shareholder or has such a conflict of interest, check the box “AGAINST”. [THIS ITEM MUST BE COMPLETED]	☐	☐	
3. To re-elect Mr. Eli Zamir to the Board as an external director, for a term of three years from the date of the Meeting	☐	☐	☐
3A By checking the box marked “FOR”, the undersigned hereby confirms that he, she or it is not a “controlling shareholder” (under the Companies Law, as described in the Proxy Statement) and does not have a conflict of interest (referred to as a “personal interest” under the Companies Law, as described in the Proxy Statement) in the approval of Proposal 3. If the undersigned or a related party is a controlling shareholder or has such a conflict of interest, check the box “AGAINST”. [THIS ITEM MUST BE COMPLETED]	☐	☐	

Signature of Shareholder		Date		Signature of Shareholder		Date	
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Note: Please sign exactly as your name or names appear on this Proxy. When shares are held jointly, each owner should sign. When signing as executor, administrator, attorney, trustee or guardian, please give full title as such. If the signer is a corporation, please sign full corporate name by a duly authorized officer, giving full title as such. If the signer is a

partnership, please sign in partnership name by authorized person.