

July 4, 2017

Safe-T Group Ltd.

(hereafter – “the Company”)

Voting Ballot in accordance with the Companies Regulations (Voting Ballot and Position Papers), 2005
(hereafter – “**the regulations**”)

Part One

The immediate report to which this voting ballot is appended shall be called hereafter “**the immediate report**”.

1. **Company’s name:** Safe-T Group Ltd.
2. Annual and special general meeting of the shareholders of the Company to be held on August 8, 2017 at 16:00 o’clock at the Company’s offices at 8 Abba Even St., Herzliya, Entrance A, Floor 1.
3. **Subjects on the agenda, in respect of which one can vote through a voting ballot and summary of suggested resolutions:**
 - 3.1 **Reappointment of the Company’s independent auditor and authorization of the Company’s Board of Directors to determine the auditor’s fees** – it is suggested to reappoint Kesselman & Kesselman CPAs as the Company’s independent auditor until the end of the next annual meeting of the Company and to authorize the Company’s Board of Directors to determine the auditor’s fees.
 - 3.2 **The re-appointment of directors currently serving in the Company who are not external directors** – it is suggested to reappoint all Company directors, who are not external directors, as follows: Mr. Amir Mizhar (Chairman of the Board of Directors), Mr. Shahar Daniel (Director and CEO), Mr. Yuval Illuz, Mr. Lior Vider (Independent Director) and Mr. Eylon Jeda, to an additional term of service. Reappointment of each of those directors shall be voted on separately. A copy of the Directors’ declarations pursuant to Section 224b(a) to the Companies Law is attached as **Appendix A** to the immediate report.
 - 3.3 For details about the abovementioned directors (except for Mr. Lior Vider), see regulation 26 to Chapter D of the Board of Directors’ report on the state on the Company’s affairs for the year ended December 31, 2016, as published on March 30, 2017 (reference number:2017-01-028717) on the distribution website of the Israel Securities Authority at: www.magna.isa.gov.il and on the website of the Tel-Aviv Stock Exchange Ltd. at maya.tase.co.il (hereafter – “**the immediate report**”). For the details listed in Regulation 26 to the Reports Regulations regarding Mr. Lior Vider, see **Appendix B** to the immediate report.
- 3.3 **Approval of the remuneration to Mr. Shahar Daniel, the Company’s CEO -** It is suggested that the remuneration payable to Mr. Shahar Daniel – the Company’s CEO – shall be amended such that he will be entitled to a personal leased car as from the date of approval of the resolution by the general meeting of the Company’s shareholders, which is convened pursuant to the immediate report. It is also suggested that Mr. Daniel is awarded 100,000 non-tradable Company options, all as described below.
 - 3.3.1 Leased car to Mr. Daniel - It is suggested that the terms of remuneration of Mr. Shahar Daniel – Company’s CEO and Director – shall be updated, such that in addition to all other terms of remuneration, Mr. Daniel shall be entitled to a personal leased car at a total cost of up to 3,500 ILS + VAT and other vehicle expenses; it is suggested that the taxable value of the leased car will be grossed up. For details regarding the approval of this update in terms of remuneration by

the Company's Remuneration Committee and Company's Board of Directors in respect of the period from March 29, 2017 through the date of the said update by the general meeting, which is convened pursuant to the immediate report, see immediate report published by the Company on March 29, 2017 (reference number: 2017-01-027352).

- 3.3.2 Award of non-tradable options: Further to the approval by the Company's Remuneration Committee on March 23, 2017 and the approval by the Company's Board of Directors (subject to the approval of the general meeting of the Company's shareholders) of March 29, 2017 and April 24, 2017, it is suggested to approve the award to Mr. Shahar Daniel, the Company's CEO, of 100,000 non-tradable options of the Company (registered in name) without consideration, that are exercisable – assuming all options will be exercised - into 100,000 Company shares of no par value.

The allocation will be made pursuant to an outline plan of options to employees, which was issued by the Company on September 18, 2016, as amended on November 17, 2016 (reference no.: 2016-01-079611) and the provisions of Section 15b(1)(a) to the Securities Regulations (Details of Outline of Securities Offering to Employees), 2000.

For details about the suggested allocation of options to Mr. Daniel, including the details relating to such an allocation in accordance with the Private Offering Regulations, for details pursuant to the Sixth Addendum to the Reports Regulations and for information about the Remuneration Committee and Board of Directors' explanations as to this allocation, see the Company's immediate report of May 4, 2017 (reference number: 2017-01-035932), which is incorporated in this report by way of reference.

- 3.4 **Approval of policy relating to service and employment terms of the Company's office holders** - on May 8, 2016, the general meeting of the Company's shareholders approved the adoption of a policy relating to service and employment terms of the Company's office holders (hereafter – “**the original remuneration policy**”), pursuant to the provisions of Section 267a to the Companies Law. Further to the recommendation of the Remuneration Committee as to the adoption of the remuneration policy of July 3 2017, which is put forward to the approval of the general meeting, which is convened pursuant to the immediate report, and further to the approval of the said remuneration policy by the Company's Board of Directors on July 3, 2017, it is hereby suggested that the general meeting approves an updated remuneration policy, whose wording is attached as **Appendix C** to the immediate report (hereafter – “**the updated remuneration policy**”). Subject to the approval of the general meeting, which is convened pursuant to the immediate report, the updated remuneration policy will become effective for a period of up to three years from the date of approval thereof by the general meeting, which is convened pursuant to the immediate report.

Note that if the general meeting, which is convened pursuant to the immediate report, does not approve the updated remuneration policy, then the Company's existing remuneration policy will continue to apply until three years have elapsed since the date of approval thereof.

Listed below are the main changes made to the original remuneration policy:

- a. **Discretionary bonuses** – the remuneration policy was updated in accordance with the amendments, which were recently made to the Companies Law, as follows: (a) Under the updated remuneration policy, an immaterial portion of the annual bonus that may be awarded to the CEO and to active directors in the Company shall be a discretionary bonus. For that purpose, it was determined in the updated remuneration policy that an “immaterial portion” of the annual bonus means the higher of (1) total of 3 monthly (gross) salaries, or (2) 25% of the variable components of the actual remuneration (bonus and share-based payments); this

replaces the provision included in the original remuneration policy whereby the discretionary bonus may constitute up to 20% of the total annual bonus payable to all office holders in the Company); (b) the Remuneration Committee and Board of Directors were authorized to approve the award of an annual discretionary bonus to the office holders who report to the Company's CEO, up to the amount of the annual bonus ceiling set in the remuneration policy. The Remuneration Committee and Board of Directors were also authorized to approve the award of a discretionary bonus to the Company's CEO and to an active director at an amount equal to up to 3 salaries, if the discretionary bonus paid to the CEO or the active director (as applicable) equals the total amount of annual bonus paid in that year.

- b. Annual bonus based on measurable targets** – (a) pursuant to a legal position that was recently published by the Securities Authority, the remuneration policy includes provisions, whereby the Remuneration Committee and Board of Directors alone are allowed to determine the criteria for payment of annual bonus based on measurable targets to active directors and to office holders, who are the controlling shareholder of the company or a relative thereof; (b) the updated remuneration policy includes a provisions whereby when calculating the entitlement to annual bonus based on measurable targets on the basis of financial statements data (should such targets are set), the Board of Directors or the Remuneration Committee will be authorized to neutralize the effect of “one-off events”, or alternatively to decide that such events should not be neutralized in a certain year.
- c. Annual bonus ceiling** – the amounts of the annual bonus ceiling were updated in the remuneration policy with regard to annual bonuses payable to Company's office holders – the CEO and the Active Chairman of the Board of Directors.
- d. Basic salary** – the ceilings of the basis salaries of Company's office holders were updated as part of the updated remuneration policy.
- e. Retirement grants** – the updated remuneration policy added the option to award retirement grants to Company's office holders.
- f. Equity-based remuneration** - the updated remuneration policy added the option to award a share-based payment to the Active Chairman of the Board of Directors of the Company.
- g. Immaterial change to the service and employment terms of office holders who report to the CEO** – pursuant to changes made to the laws applicable to those matters, the updated remuneration policy allows: (a) to the Company's CEO to approve alone immaterial changes in the service and employment terms of office holders, who report to him, provided that the service and employment terms of those office holders comply with the provisions of the Company's remuneration policy; (b) to the Company's Remuneration Committee alone to approve immaterial changes in the service terms of the Company's CEO, provided that the change is immaterial and that it complies with the provisions of the Company's remuneration policy. In that respect, pursuant to the remuneration policy, an “immaterial change” is a change that does not exceed 10% of the total overall annual cost of remuneration of the office holder (on an aggregate basis).
- h. Liability insurance of directors and office holders** – the original remuneration policy allowed the Company to purchase, from time to time, an insurance policy covering liabilities of directors and office holders, subject to the approval of the Remuneration Committee alone (and the Board of Directors – as required by law), provided that the insurance policy complies with the conditions set in the remuneration policy. The updated remuneration policy extended the maximal amount of coverage and increased the maximal premium that are set in the remuneration policy.

4. Time and place for reading the full text of the suggested resolutions

One may read the full text of the suggested resolutions on the agenda and in the immediate report, which was published by the Company regarding the convening of the general meeting at the Company's offices at 8 Abba Even St., Herzliya, following prior arrangement with Mr. Shai Avnit, the Company's CFO or with Ms. Hagit Gal, the Company's Legal Advisor, at: 09-8666110 prior to the convening of the general meeting. The full text of the suggested resolutions is also available on the website of the Israel Securities Authority at: www.magna.isa.gov.il (hereafter – "**the distribution website of the Securities Authority**") and on the website of the Tel-Aviv Stock Exchange Ltd. at maya.tase.co.il (hereafter – "**the website of the stock exchange**").

5. Requisite majority for resolutions at the general meeting

5.1 The requisite majority for the resolutions listed in sections 3.1. and 3.2 above is a simple majority of all votes cast by shareholders present and participating in the general meeting, excluding abstentions.

5.2 The requisite majority for the resolutions listed in sections 1.4 and 1.5 above is as specified in Section 267A(b) to the Companies Law, i.e. ordinary majority of the shareholders present and voting in the general meeting in person or by proxy, provided that one of the following applies: (a) the general meeting majority count will include all the votes of shareholders who are not controlling shareholders of the Company or parties with a personal interest in approving the remuneration policy, participating in the vote; the total count of votes will not include abstentions; those who have a personal interest in the resolution shall be subject to the provisions of Section 276 to the Companies Law, with the required changes; (b) The total votes against the resolution from among the shareholders referred to in sub-section (a) above do not exceed two percent (2%) of all the voting rights in the Company.

5.3 Note that under the provisions of Section 267A(c) to the Companies Law, even if the general meeting, which is convened pursuant to the immediate report, objects to the approval of the remuneration policy and/or to the updating of the remuneration terms of the Company's CEO, the Company's Board of Directors will be allowed to approve the remuneration policy and/or to the updating of the remuneration terms of the Company's CEO, if the Remuneration Committee and subsequently the Board of Directors decide – on the basis of detailed arguments and after discussing again the remuneration policy and/or to the updating of the remuneration terms of the Company's CEO – that the approval thereof despite the objection of the general meeting is in the best interest of the Company.

6. Disclosing the affinity of shareholders

With regard to the resolutions listed in sections 3.3 and 3.4 above, it should be specified whether the shareholder, who votes by using the voting ballot, is a senior officer or an institutional investor and a controlling shareholder or a party with a personal interest in passing the resolution; in the second part of the voting ballot there is a designated place where one should disclose an affinity or any other characteristic and describe the nature of the said affinity. The vote of a shareholder, who will not disclose the existence of an affinity, or who will disclose it but will not describe the nature thereof, will not be counted.

7. The validity of the voting ballot

7.1 The voting ballot shall only be valid with respect to a shareholder, in whose favor the shares are registered with a Member of the Stock Exchange and those shares are registered in the Company's shareholders register in the name of the nominee company (hereafter – "**unregistered shareholder**"), only if a confirmation of ownership is attached thereto, or if the Company was sent a confirmation of ownership through the electronic voting system (as defined in Companies Regulations

(Voting Ballot and Position Papers), 2005 (hereafter – “**the electronic voting system**”).

- 7.2 A voting ballot will be valid with respect to a shareholder, who is registered as the owner of a share in the Company’s shareholders register (hereafter – “**registered shareholder**”), only if a photocopy of an identity card, passport or certificate of incorporation is attached thereto.
- 7.3 A shareholder, who wishes to vote using this voting ballot should deliver the voting ballot and the relevant documents as described above to the Company’s offices at the addressed listed above, no later than four (4) hours before the time of the convening of the general meeting (if he is an unregistered shareholder) and no later than six (6) hours before the time of the convening of the general meeting (if he is a registered shareholder). For that purpose, the “time of delivery” is the time on which the voting ballot and the attached documents arrived to the Company’s offices.
- 7.4 A voting ballot that will not be delivered in accordance with the above requirement shall not be valid.

8. Voting by means the electronic voting system

An unregistered shareholder may vote by means of the electronic voting system up until six (6) hours prior to the convening of the meeting i.e., until August 8, 2017 at 10:00 o’clock (hereafter – “**time when the system is locked**”); the vote can be changed or cancelled until the time when the system is locked.

9. Address for delivery of voting ballots and position papers

Voting ballots and position papers should be delivered to Mr. Shai Avnit, the Company’s CEO, at the Company’s offices at 8 Abba Even St., Herzliya.

10. The final date for Company shareholders to provide the Company with a position paper and the last date for the Company’s Board of Directors to issue a reply to the position papers

The final date for Company shareholders to provide the Company with a position paper is ten (10) days prior to the date of the general meeting, i.e. July 30, 2017. The Company’s Board of Directors may issue its reply to the position papers no later than five (5) days before the date of convening of the general meeting, i.e., no later than August 3, 2017.

11. The address of distribution website of the Israel Securities Authority and the website of the Tel-Aviv Stock Exchange Ltd. where the voting ballots and position papers will be available

The addresses of the website of the Israel Securities Authority and the website of the Tel-Aviv Stock Exchange Ltd., where the full text of the voting ballots and position papers are available, are listed in section 4 above.

12. Receipt of ownership confirmations, voting ballots and position papers

- 12.1 An unregistered shareholder is entitled to receive the ownership confirmation from the member of the Stock Exchange through whom he holds his shares, at a branch of the member of the Stock Exchange or delivered by post at his request, as long as the request in this case is submitted in advance to a specific securities account.
- 12.2 An unregistered shareholder may instruct that his ownership confirmation is delivered to the Company through the electronic voting system.
- 12.3 An unregistered shareholder is entitled to receive by electronic mail and free of charge, a link to the text of the voting ballot and the position papers at the distribution

website of the Securities Authority's website from the member of the stock exchange through whom he holds his shares, unless he has informed that member of the stock exchange that he does not wish to receive such a link, or if he has notified that he wishes to receive the voting ballots by post (for postage fees). Such notice regarding the voting ballots shall also apply to receipt of position papers.

- 12.4 One or more shareholders holding shares constituting five (5%) percent or more of the total voting rights in the Company as of the record date (as defined in the second part of the voting ballot), and anyone holding such a percentage of total voting rights not held by the Company's controlling shareholder as defined in Section 268 of the Companies Law, is entitled in person or through a proxy on his behalf, following the convening of the meeting, to view at the Company's registered offices during normal business hours the voting ballots and the voting records through the electronic voting system that reached the Company. The number of shares constituting five (5%) percent of the total voting rights in the Company is 1,003,601 ordinary shares of the Company. The number of shares constituting five (5%) percent of the total voting rights in the Company that are not held by the controlling shareholders as this term is defined in Section 268 to the Companies Law is 751,555 ordinary shares of the Company.

13. Changes in the agenda and publication of position papers

After the voting ballot has been issued there may be changes to the agenda, including the addition of an item to the agenda, and position papers may be issued. The up-to-date agenda and position papers issued, may be viewed among the Company's reports on the distribution website of the Israel Securities Authority.

14. Last date on which the Company shall issue an amended voting ballot

Should a request be made to add an item to the agenda, the last the on which the Company shall issue an amended voting ballot shall be August 22, 2017.

15. Cancellation of a voting ballot

A shareholder may withdraw his voting ballot and his ownership confirmation up until 24 hours before the time of convening of the general meeting, by approaching the registered office of the Company and after proving his/her identity to the Company's secretary or another Company employee appointed for that purpose.

A shareholder shall indicate in the second part of the voting ballot his vote on each item on the agenda that can be voted on by means of this voting ballot

Safe-T Group Ltd.

(hereafter – “the Company”)

Voting Ballot in accordance with the Companies Regulations (Voting Ballot and Position Papers), 2005

Part Two

Name of the Company: Safe-T Group Ltd.

Company’s address (for delivery and sending of voting ballots): Deliver to Mr. Shai Avnit, the Company’s CFO, at 8 Abba Even St., Herzliya.

Company’s number: 51-141847-7

Date of general meeting: Tuesday, August 8, 2017, at 16:00 o’clock.

Type of meeting: general meeting

The record date: Monday, July 10, 2017.

Details of the shareholder

Name of shareholder: _____

I.D Number: _____

If the shareholder does not hold an Israeli identity card -

Passport number: _____

Country of issue: _____

Valid through: _____

If the shareholder is a corporation -

Corporation number: _____

Country of incorporation: _____

Manner of voting

Number of topic on the agenda	Manner of voting*			With regard to approving the resolutions listed in Sections 3.3 and 3.4 on the agenda - do you have a personal interest in the resolution? Are you a senior office holder or an institutional investor? **	
	For	Against	Abstain	Yes**	No
Resolution no. 3.1 above: to approve the reappointment of the independent auditor and giving the Company’s Board of Directors the authority to determine its fees					
Resolution no. 3.2 above: reappointment of directors, who are not external directors for another term in office:					
Mr. Amir Mizhar					
Mr. Shahar Daniel					
Mr. Yuval Illuz					
Mr. Lior Vider					

Mr. Eylon Jeda					
Resolution no. 3.3 above: approval of updating of the remuneration terms of Mr. Shahar Daniel, the Company's CEO.					
Resolution no. 3.4 above: approval of policy regarding terms of service and employment of Company office holders.					

- * Failure to mark your vote on the voting ballot will be regarded as an abstention on that item.
- ** The vote of a shareholder who will not mark this column, or who will mark "yes", but will not provide details, shall not be counted. There is no need to provide details regarding personal interest in the approval of the appointment if that personal interest does not stem from a connection with the controlling shareholder.

Set forth below are details in connection with my having personal interest in approval of the resolution of the agenda:

Date

Signature

For shareholders who hold shares through a Stock Exchange member pursuant to Section 177(1) to the Companies La –this voting ballot is valid only with the attachment of confirmation of ownership, except in cases where voting is by means of the electronic voting system.

For shareholders who are registered in the shareholders register of the Company – the voting ballot is valid only with the attachment of a photocopy of the shareholders' identity card/passport/certificate of incorporation.