

RESOLUTIONS AT PRECISE BIOMETRICS' ANNUAL GENERAL MEETING 2014

At the Annual General Meeting of Precise Biometrics, which was held today on Tuesday April 29, Torgny Hellström was elected new Chairman of the Board of Directors as successor to resigning Lisa Thorsted. The General Meeting further resolved *inter alia* on guidelines for remuneration to senior management, to authorize the Board to increase the Company's share capital by way of new issue of shares and/or convertibles, to implement an incentive program for the Company's employees and to amend the articles of association.

ELECTION OF BOARD MEMBERS, CHAIRMAN OF THE BOARD AND AUDITOR

Torbjörn Clementz, Anders Harrysson, Torgny Hellström, Matts Lilja and Eva Maria Matell were re-elected to the Board of Directors. Mats Lindoff was elected new member of the Board. Lisa Thorsted had declined re-election. Torgny Hellström was elected new Chairman of the Board. Öhrlings PricewaterhouseCoopers AB was re-elected as the Company's auditor, with authorized accountant Eva Carlsvi as auditor in charge.

The General Meeting also resolved that remuneration to the Board members shall be increase so that the Chairman of the Board receives SEK 300,000 and the other five board members receive SEK 150,000 each. As last year, an additional remuneration of SEK 25,000 for committee work shall be paid per member and committee. The auditor's fees shall be paid as per approved invoice.

DIVIDENDS

It was resolved that no dividends should be paid for the financial year of 2013.

GUIDELINES FOR REMUNERATION TO SENIOR MANAGEMENT

In accordance with the proposal of the Board, the General Meeting resolved to adopt guidelines for remuneration to senior management principally entailing that remuneration and terms of employment shall be competitive and in accordance with market conditions. In addition to fixed salary, management may also receive variable salary, which shall be based on the group's result and individual goals. The variable part of the salary may amount to a maximum of 75% of the fixed salary for the managing director and 50% of the fixed salary for the other members of senior

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The technology adds value to ID, enterprise and bank cards as well as access to mobile solutions, computers and networks. Precise Biometrics serves business and government organizations throughout the world and its technology is licensed to close to 160 million users.

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management. Remuneration may also be paid by way of warrants and other share-related incentive programs. At termination of employment, a mutual notice period of 6 months shall apply for the managing director and of 3-6 months shall apply for the other members of senior management. Redundancy payment to the managing director may be paid by a maximum of 12 monthly salaries if the employment is terminated by the Company. Other members of senior management shall not be entitled to redundancy payment. The retirement age for all members of senior management shall be 65 years and the pension premium shall be calculated based on age and salary and may amount to a maximum of 25% of the fixed salary. The resolution entails a level of remuneration principally in accordance with that of the previous year.

AUTHORIZATION FOR THE BOARD TO RESOLVE UPON NEW ISSUES OF SHARES AND/OR CONVERTIBLES

In accordance with the proposal of the Board, the General Meeting resolved to authorize the Board to decide on new issues of shares and/or convertibles. Such issue may entail a deviation from the shareholders' preferential right for payment in cash, in kind and/or through set-off. The issue may result in an aggregate increase in the share capital corresponding to the issue of a maximum of 34,530,609 shares and/or convertibles to be converted into a maximum of 34,530,609 shares. Full exercise of the authorization, and where applicable full conversion, is equivalent to a dilution of approximately 10% of the current share capital and votes. The purpose of the authorization and the reason for the deviation from the shareholders' preferential right is to enable the Company to effect payment of company acquisitions by the Company's own shares and/or convertibles or through set-off, and to obtain capital contributions from new owners that are considered strategically important in an operational, financial, structural or other perspective.

RESOLUTION REGARDING INCENTIVE PROGRAM FOR THE COMPANY'S EMPLOYEES

In accordance with the proposal of the Board, the General Meeting resolved to adopt an incentive program for the Company's employees by way of issue of a maximum of 8 million subscription warrants, entitling to subscription for the equivalent number of shares during the period from 1 July 2017 to 31 December 2017. The subscription price at subscription for shares shall be equivalent to 220% of the average share price during the period 5-16 May 2014. The subscription warrants shall be directed to a wholly-owned subsidiary of the Company, which in turn shall transfer the subscription warrants to the Company's employees in accordance with specific conditions for allotment. The reason for the deviation from the shareholders' preferential right is that the Board of Directors is of the opinion that an incentive program which offers the Company's employees the

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opportunity to take part in an increase in the value of the Company will enhance commitment and motivation of the employees to work for a favorable financial development of the Company. An incentive program is further expected to contribute to the ability to recruit and retain competent employees. Assuming that all 8 million subscription warrants are exercised to subscribe for new shares, the Company's share capital will increase with a maximum of SEK 2,240,000, which would result in a dilution of approximately 2.3% in relation to the Company's current share capital.

RESOLUTION ON AMENDMENT OF THE ARTICLES OF ASSOCIATION

The General Meeting resolved, in accordance with the proposal of the Board, to amend the central securities depository clause in the articles of association to a simplified wording, and to delete § 7 of the articles of association stating that the Chairman of the Board of Directors shall be appointed by the General Meeting.

This press release contains information that Precise Biometrics is required to disclose pursuant to the Securities Markets Act. The information was submitted for publication at 18.30 on April 29, 2014.

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