

LUND, APRIL 27th, 2015

## Resolutions at Precise Biometrics' annual general meeting 2015

At the Annual General Meeting (the "AGM") of Precise Biometrics, which was held today on Monday April 27, all directors of the Board were re-elected and it was resolved to, inter alia, adopt guidelines for remuneration to senior management and to authorize the Board of Directors to resolve on new issue of shares and/or convertible bonds. Further, it was decided to reduce the share capital for allocation to unrestricted shareholders' equity and to amend the limits for share capital in the company's articles of association.

### **ELECTION OF BOARD MEMBERS, CHAIRMAN OF THE BOARD AND AUDITOR**

It was resolved that, according to the Nomination Committee's proposal, the Board of Directors of the company shall consist of six members, with no deputy members, and that all members shall be re-elected, i.e. Torgny Hellström, Torbjörn Clementz, Eva Maria Matell, Anders Harrysson, Matts Lilja and Mats Lindoff. Torgny Hellström was re-elected as Chairman of the Board.

The accounting firm EY was elected as new auditor of the company for a mandate period of one year, with the authorized public accountant Johan Thuresson as auditor in charge.

According to the Nomination Committee's proposal, The AGM resolved that the fees to the Chairman of the Board shall be SEK 500,000 and each of the other members of the Board shall receive SEK 175,000 and that remuneration for committee work shall amount to SEK 25,000 for each committee assignment a Board member holds. Further, it was resolved that the new fees shall be made retroactively from January 1, 2015.

### **DIVIDENDS**

It was resolved that no dividends should be paid for the financial year of 2014.

### **PRINCIPLES FOR APPOINTING THE MEMBERS OF THE NOMINATION COMMITTEE**

In accordance with the proposal from the Nomination Committee, it was resolved to adopt amended principles for appointment of members of the Nomination Committee, entailing the following.

The Chairman of the Board shall convene a Nomination Committee which, in addition to the Chairman, shall consist of representatives from two or three of the company's largest shareholders in accordance with Euroclear Sweden AB's list of registered shareholders as of August 30. If any of these shareholders should wish to abstain from the possibility to appoint a representative, the right shall be transferred to the shareholder who after such shareholders has the largest holding in the company.

### **GUIDELINES FOR REMUNERATION TO SENIOR MANAGEMENT**

In accordance with the proposal of the Board, the AGM resolved to adopt guidelines for remuneration to senior management principally entailing that remuneration and terms of

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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 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 highest of 6 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 AGM 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, by way of issues of new shares/convertible bonds for payment in cash, in kind or through set-off, to effect company acquisitions, other strategic investments or to obtain capital contributions from new owners that are considered strategically important from an operational, financial, structural or other perspective.

#### **RESOLUTION AMENDMENT OF THE ARTICLES OF ASSOCIATION AND REDUCTION OF THE SHARE CAPITAL**

In accordance with the proposal of the Board, the AGM resolved to reduce the share capital of the company for allocation to unrestricted shareholders' equity. The reduction shall be effected without retirement of shares and without repayment to the shareholders. The purpose of the reduction is to better adjust the size of the company's share capital to its business. The reduction represents a decrease in share capital of SEK 86,326,523.56, from SEK 96,685,706.38 to SEK 10,359,182.82, allocated between a total number of 345,306,094 shares. The reduction entails a reduction of the quota value of the shares with SEK 0.25, from SEK 0.28 to SEK 0.03.

In connection with the decision on reduction of share capital, the AGM resolved to amend the limits for share capital in the company's articles of association, so that the share capital shall be no less than SEK 5,000,000 and no more than SEK 20,000,000.

*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 27, 2015.*

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**ABOUT PRECISE BIOMETRICS**

Precise Biometrics is a market-leading provider of solutions that prove people's identities through smart cards and fingerprint recognition. The company's products can be used for 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 products are licensed to close to 160 million users. For more information, please visit [www.precisebiometrics.com](http://www.precisebiometrics.com)