

LUND APRIL 14, 2020

CONVENING NOTICE FOR 2020 ANNUAL GENERAL MEETING IN PRECISE BIOMETRICS AB (publ)

Welcome to attend the Annual General Meeting (the "AGM") of Precise Biometrics AB, Reg. No. 556545-6596, to be held at 2.00 p.m. on Friday May 15, 2020 at Mobile Heights, Mobilvägen 10 in Lund, Sweden. Registration for the meeting will start at 1.45 p.m.

A. PARTICIPATION

Shareholders who wish to attend the AGM must:

- i) be recorded in the share register maintained by Euroclear Sweden AB, on Saturday May 9, 2020; and
- ii) notify the company of their intention to attend the AGM at the address Precise Biometrics AB (publ), Mobilvägen 10, SE-223 62 Lund, Sweden or by email to arsstamma2020@precisebiometrics.com, no later than Monday May 11, 2020, preferably before 4.00 p.m. When giving notice of attendance, the shareholder shall state name, personal identity or corporate registration number, address and telephone number and the number of any representatives (no more than two). A proxy form is available on the company website www.precisebiometrics.com and will be sent by mail to shareholders informing the company of their address. Proxies and representatives of legal entities shall submit documents of authorization prior to the AGM.

In order to be able to vote at the AGM, shareholders with nominee-registered shares must have the shares temporarily owner-registered with Euroclear Sweden AB. Please note that since Saturday May 9, 2020 is not a banking day, shareholders who intend to participate in the AGM must be recorded in the share register as per Friday May 8, 2020. Shareholders that wish to owner-register its shares should therefore inform the nominee of this well in advance of May 8, 2020.

B. MEASURES DUE TO THE CORONAVIRUS (COVID-19)

As a precautionary measure to decrease any risk of spreading the coronavirus in connection with the AGM, Precise Biometrics has decided to take the following measures:

- the time for registration of attendance is postponed to 1.45 p.m.,
- no beverages and food will be offered,
- there will not occur any speeches by the chairman of the Board of Directors, the CEO, the auditor or the representative of the nomination committee. Instead, a speech by the CEO will be recorded and published on Precise Biometrics' website www.precisebiometrics.com after the meeting,
- the number of attending non-shareholders, board members, company officials and guests will be limited, and
- questions on the meeting will be concentrated to matters on the agenda and other information that the participants have a right to be provided with according to law. Any general question time will not be held on this AGM, and the meeting will, to the extent possible, be minimized in time without limiting the shareholders' rights.

LUND APRIL 14, 2020

Precise Biometrics is carefully monitoring the continued development and will if necessary update its website www.precisebiometrics.com with information on what measures are being taken in connection with the AGM.

C. AGENDA

Proposal for agenda

1. Opening of the meeting.
2. Election of chairman of the meeting.
3. Preparation and approval of the voting list.
4. Approval of the agenda.
5. Election of one or two persons to approve the minutes.
6. Determination whether the meeting has been duly convened.
7. Presentation of
 - (a) the Annual Report and the Auditor's Report and the Consolidated Financial Statements and the Group Auditor's Report,
 - (b) the statement by the auditor on the compliance with the guidelines for remuneration to senior management applicable since the last AGM, and
 - (c) the Board of Directors' proposals under items 13-15.
8. Resolutions regarding
 - (a) the adoption of the Statement of Income and the Balance Sheet and the Consolidated Statement of Income and the Consolidated Balance Sheet, as per December 31, 2019,
 - (b) the appropriation of the company's result according to the adopted Balance Sheet, and
 - (c) the discharge from liability of the Board members and the Managing Director.
9. Determination of the number of Board members.
10. Resolution regarding fees to the Board members and the auditor.
11. Election of members and chairman of the Board of Directors.
12. Election of auditor.
13. Resolution regarding the Board of Directors' proposal for guidelines for executive remuneration.
14. Resolution regarding the Board of Directors' proposal for authorization of the Board of Directors to resolve on new issue of shares and/or convertible bonds.
15. Resolution regarding the Board of Directors' proposal for amendment of the Articles of Association.
16. Closing of the meeting.

Proposed resolutions

Proposal for election of chairman of the meeting (item 2)

According to the principles for appointing the members of the Nomination Committee that were decided upon at the AGM 2016, the chairman of the Board of Directors shall convene a Nomination Committee consisting, in addition to the chairman of the Board, of representatives from two or three of the company's major shareholders as per August 31.

LUND APRIL 14, 2020

The Nomination Committee appointed for the AGM 2020, consisting of Torgils Knutsson Bonde (own holding) as chairman, Christer Jönsson (own holding), and the chairman of the Board Torgny Hellström, has proposed Torgny Hellström as chairman of the meeting.

Proposal for appropriation of result (item 8b)

The Board of Directors proposes that the parent company's funds for disposal of SEK 92,798,040, after the loss of the year of SEK 4,078,424, is carried forward. The Board of Directors proposes that no dividend is declared for the financial year.

Proposal regarding number of Board members, fees, election of members and chairman of the Board and election of auditor (items 9-12)

The Nomination Committee proposes that the number of Board members shall be five, with no deputy members, and that Board members Torbjörn Clementz, Torgny Hellström, Mats Lindoff, Åsa Schwarz and Synnöve Trygg shall be re-elected. Torgny Hellström shall be elected as chairman of the Board.

The Nomination Committee proposes that the fees to the Board, excluding committee fees, up to and including the AGM 2021 shall be unchanged SEK 1,305,000. The chairman of the Board shall receive SEK 545,000 and each of the other members of the Board, not employed by the company, shall receive SEK 190,000. Remuneration for committee work is proposed to amount to SEK 35,000 for members of the Audit Committee, SEK 70,000 for the chairman of the Audit Committee and SEK 25,000 for members and chairman of the Remuneration Committee.

Last, the Nomination Committee proposes, in accordance with the recommendation of the Audit Committee, that the accounting firm EY is elected as auditor of the company for a further mandate period of one year and that the auditor's fees are to be paid as per approved invoice. In the event that EY is elected, the accounting firm has informed that the authorized public accountant Johan Thuresson will be auditor in charge.

Proposal for guidelines for remuneration to management (item 13)

The Board of Directors of Precise Biometrics AB (publ) ("Precise Biometrics" or the "company") proposes that the annual general meeting 2020 resolves on the following guidelines for executive remuneration.

The individuals who are members of the group management of Precise Biometrics during the period of which these guidelines are in force, fall within the provisions of these guidelines. The guidelines are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the annual general meeting 2020. These guidelines do not apply to any remuneration decided or approved by the general meeting. If a Board member performs work for Precise Biometrics in addition to the assignment as Board member, these guidelines shall apply to any remuneration related to such work (e.g. consulting fees).

The guidelines promotion of Precise Biometrics business strategy, long-term interests and sustainability

Precise Biometrics simplifies everyday life for people by developing solutions for convenient

LUND APRIL 14, 2020

and secure identification and verification of people's identity. In addition to software for fingerprint recognition in mobile phones and payment cards, the company offers a product for quick and secure verification of digital identity. Precise Biometrics vision is enabling convenient and secure authentication of people's identity for everyone, everywhere. A prerequisite for the successful implementation of Precise Biometrics' business strategy and safeguarding of its long-term interests, including its sustainability, is that the company is able to recruit and retain qualified personnel. The objective of Precise Biometrics' guidelines for executive remuneration is therefore to offer competitive remuneration on market terms, so that competent and skillful personnel can be attracted, motivated and retained. These guidelines enable Precise Biometrics to offer senior executives a competitive total remuneration. Further information on the business strategy of Precise Biometrics is available at www.precisebiometrics.com.

Long-term share related incentive plans have been implemented in Precise Biometrics. Since the incentive plans have been resolved by the general meeting, they are excluded from these guidelines. The incentive plans comprise, among others, senior executives and other employees in the company, and aims to offer employees an opportunity to take part of the company's value growth by promoting increased commitment and motivation to strive for a long-term favorable financial development in the company. The share-related incentive plans further contribute to strengthening Precise Biometrics' ability to recruit and retain qualified personnel and enables Precise Biometrics to offer a competitive total remuneration. The incentive plans are conditional upon the participant's own investment and holding periods of several years. The outcome of the incentive plans is currently related to the development of the company's share price on Nasdaq Stockholm. For more information regarding these incentive plans, please see Precise Biometrics website, www.precisebiometrics.com.

Types of remuneration etc.

The remuneration to senior executives shall be on market terms and entail both short and long-term incentives. The remuneration shall consist of fixed cash salary, pension benefits and other benefits and may furthermore consist of variable cash remuneration. Additionally, the general meeting may – irrespective of these guidelines – resolve on, among other things, share-related or share price-related remunerations.

Fixed cash salary

Fixed cash salary shall be on market terms and shall reflect the individual executive's responsibility, authority, qualifications and experience. Senior executives hired on consultancy basis shall receive remuneration based on market terms taking into account, to the extent possible, the overall purpose of these guidelines.

Variable cash remuneration

Variable remuneration shall be based on predetermined, well-defined and measurable financial and non-financial criteria for the group. The variable remuneration for the CEO may amount to not more than 75 percent of the fixed cash salary and may amount to not more than 50 percent of the fixed cash salary for other senior executives. The criteria for the variable cash remuneration shall primarily relate to the result, growth, financial position and operations of the group. In addition, individual criteria may be established.

The criteria for variable cash remuneration shall be designed with the purpose of promoting Precise Biometrics' business strategy and long-term interests, including its sustainability, by,

LUND APRIL 14, 2020

for example, be linked to the company's strategic focus areas and financial development. For the purpose of promoting a common endeavor of achieving the company's business strategy, long-term interests and a sustainable development of the company, and in the long run increased shareholder value, all senior executives shall substantially have the same criteria for variable remuneration. The satisfaction of criteria for awarding variable cash remuneration shall be measured over a period of one year.

Pension benefits

For the CEO, pension benefits shall be premium defined. Variable cash remuneration shall not qualify for pension benefits. Pension premiums for premium defined pension shall amount to not more than 25 percent of the fixed annual cash salary.

For other senior executives, pension benefits shall be premium defined unless the executive is covered by defined benefit pension according to mandatory provisions of a collective agreement. Variable cash remuneration shall not qualify for pension benefits, unless stipulated in applicable pension policy or mandatory collective agreement provisions applicable to the executive. The pension premiums for premium defined pension shall be paid according to a premium plan that shall take the executives' age and pension qualifying income into account. The pension premiums according to such a premium plan shall amount to not more than 25 percent of the pension qualifying income unless other premium levels are stipulated in mandatory collective agreement provisions.

Other benefits

Other benefits may include, for example, life insurance, health and medical insurance, occupational health service and company car. Such benefits may amount to not more than 10 percent of the fixed annual cash salary.

Foreign employments and expatriated executives

To the extent senior executives are covered by employment contracts subject to other rules than Swedish, these may be duly adjusted to comply with mandatory rules or established local practice. Executives who are expatriates to or from Sweden may receive additional remuneration and other benefits to the extent reasonable in light of the special circumstances associated with the expat arrangement. Such benefits shall amount to not more than 30 percent of the fixed annual cash salary. Remuneration covered by the guidelines in this part shall be determined with the overall purpose of these guidelines, to the extent possible, taken into account.

Remuneration to Board members

If a Board member (including a Board member acting through a wholly owned company) perform work for Precise Biometrics in addition to the assignment as Board member, certain cash remuneration may be paid for such work (consultancy fee) provided that such services promote the implementation of the business strategy, long-term interests and sustainability of Precise Biometrics. The annual consultancy fee shall be in line with market terms and be related to the benefits for Precise Biometrics and for each Board member not exceed the annual Board member remuneration. Remuneration to Board members, and other terms and conditions, shall be decided by the Board of Directors.

LUND APRIL 14, 2020

The satisfaction of criteria for awarding variable cash remuneration, etc.

The Remuneration Committee shall prepare, monitor and evaluate matters regarding variable cash remuneration on behalf of the Board of Directors. After the measurement period for awarding variable cash remuneration has ended, it shall be determined to which extent the criteria have been satisfied. Evaluations regarding fulfilment of financial criteria shall be based on established financial information for the relevant period. Remuneration to the CEO shall be resolved by the Board of Directors based on the recommendation by the Remuneration Committee. Remuneration to other senior executives shall be resolved by the CEO after consultation with the Remuneration Committee and the Board of Directors.

Variable cash remuneration can be paid after the measurement period has ended or be subject to deferred payment. Programs and criteria of variable cash remuneration shall be designed so that the Board of Directors, if exceptional economic circumstances prevail, has the possibility of limiting or refraining from payment of variable cash remuneration if such a measure is considered reasonable and compatible with the company's responsibilities towards shareholders, employees and other stakeholders. The Board of Directors shall have the possibility under applicable law or contractual provisions, to in whole or in part, reclaim variable remuneration paid on incorrect grounds (claw-back).

Employment term and termination of employment

Senior executives shall be employed until further notice or, when applicable, be hired on consultancy basis. Between Precise Biometrics and the CEO, a mutual notice period of not more than six months shall apply. Fixed cash salary and severance pay for the CEO during the notice period shall in total not exceed an amount corresponding to twelve months of fixed cash salary. At termination by the CEO, there shall be no right to severance pay.

Between Precise Biometrics and other senior executives, a mutual notice period of not more than six months shall apply. Other senior executives shall not be entitled to severance pay.

Senior executives may be compensated for non-compete undertakings after the termination of the employment, however, only to the extent severance pay is not paid during the same period of time. The purpose of such remuneration shall be to compensate the senior executive for the difference between the fixed cash salary at the time of termination of the employment, and the (lower) income which is obtained, or could be obtained, by a new employment contract, assignment or own business. The remuneration may be paid during the period the non-compete undertaking is applicable, and no longer than during a period of twelve months after the termination of the employment.

Salary and employment conditions for employees

In the preparation of the Board of Directors' proposal for these remuneration guidelines, salary and employment conditions for employees of Precise Biometrics have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the Remuneration Committee's and Board of Directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

The decision-making process to determine, review and implement the guidelines

The Board of Directors have established a Remuneration Committee. The committee's tasks

LUND APRIL 14, 2020

include preparing the Board of Directors' decision to propose guidelines for senior executive remuneration. The Board of Directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the general meeting. The guidelines shall be in force until new guidelines are adopted by the general meeting. The Remuneration Committee shall also monitor and evaluate programs for variable remuneration for senior executives, the application of the guidelines for senior executive remuneration as well as the current remuneration structures and compensation levels in Precise Biometrics. The members of the Remuneration Committee are independent of the company and its executive management. The Board members, CEO, and executive management do not participate in the Remuneration Committee's or the Board of Directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

Deviation from the guidelines

The Board of Directors may temporarily resolve to derogate from the guidelines, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve the company's long-term interests, including its sustainability, or to ensure Precise Biometrics' financial viability. As set out above, the Remuneration Committee's tasks include preparing the Board of Directors' resolutions in remuneration-related matters. This includes any resolutions to derogate from the guidelines.

Proposal for authorization of the Board of Directors to resolve on new issue of shares and/or convertible bonds (item 14)

The Board of Directors proposes the AGM to authorize the Board to resolve, on one or several occasions before the next AGM, on an issue of shares and/or convertible bonds. Such issue may entail a deviation from the shareholders' preferential right to subscribe for new shares and/or convertible bonds and also entail that payment of the new shares and/or convertible bonds may be made in cash or by consideration in kind or by right of set-off. The number of shares and/or convertible bonds to be issued by virtue of the authorisation shall not exceed 10% of the registered share capital (as per the date of the resolution on the issue of new shares and/or convertible bonds). The Board shall be entitled to establish remaining conditions of the issue, including the issue price. The issue price shall be determined in accordance with market practice.

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 strengthen the company's capital base in connection with company acquisitions or strategic capital or other investments, and to obtain capital contributions from new owners that are considered strategically important from an operational, financial, structural or other perspective.

Voting majority

Under the Swedish Companies Act, the resolution of the general meeting on authorisation for the Board of Directors to resolve on new issue of shares and/or convertible bonds requires the support of shareholders representing at least two-thirds of both the number of votes cast and the shares represented at the meeting in order to be valid.

Proposal for amendment of the Articles of Association (item 15)

LUND APRIL 14, 2020

For the purpose of adapting the Articles of Association to implemented and expected amendments of the Swedish Companies Act and the Swedish Central Securities Depositories and Financial Instruments (Accounts) Act, the Board of Directors proposes that the Annual General Meeting resolves to amend § 1, § 8 and § 13 of the Articles of Association with the following.

	Current wording	Proposed wording
§ 1	The name of the company is Precise Biometrics AB. The company is a public company (publ).	The company's <i>business name</i> is Precise Biometrics AB. The company is a public company (publ).
§ 8	Notice to attend a general meeting shall be announced in the Swedish Official Gazette and on the company's website. It shall be advertised in Svenska Dagbladet that notice of a general meeting has been given. A shareholder who wishes to participate at a general meeting shall be recorded in a printout, or other presentation, of the entire share register regarding the circumstances five weekdays before the general meeting, and shall notify the company of his/her intention to attend the general meeting not later than on the day stated in the notice of the general meeting, before 4 pm. Such day shall not be a Sunday, or other public holiday, Saturday, Midsummer Eve, Christmas Eve or New Year's Eve and shall not occur earlier than on the fifth weekday before the general meeting. A shareholder may bring one or two assistants to the general meeting, but only if the shareholder has made a notification thereof in accordance with the provisions set forth in the paragraph above.	Notice to attend a general meeting shall be announced in the Swedish Official Gazette and on the company's website. It shall be advertised in Svenska Dagbladet that notice of a general meeting has been given. A shareholder who wishes to participate at a general meeting shall be recorded in a printout, or other presentation, of the entire share register <i>as per the record date of the general meeting, in accordance with the Swedish Companies Act</i> , and shall notify the company of his/her intention to attend the general meeting not later than on the day stated in the notice of the general meeting. Such day shall not be a Sunday, or other public holiday, Saturday, Midsummer Eve, Christmas Eve or New Year's Eve and shall not occur earlier than on the fifth weekday before the general meeting. A shareholder may bring one or two assistants to the general meeting, but only if the shareholder has made a notification thereof in accordance with the provisions set forth in the paragraph above.
§ 13	The shares of the company shall be registered in a central securities depository register in accordance with the Swedish Financial Instruments Act (1998:1479).	The shares of the company shall be registered in a central securities depository register in accordance with the <i>Swedish Central Securities Depositories and Financial Instruments (Accounts) Act (1998:1479)</i> .

Voting majority

Under the Swedish Companies Act, the resolution of the general meeting on amendment of the Articles of Association requires the support of shareholders representing at least two-thirds

LUND APRIL 14, 2020

of both the number of votes cast and the shares represented at the meeting in order to be valid.

D. AVAILABLE DOCUMENTS

The Nomination Committee's reasoned statement on its proposal for members of the Board of Directors is available on the company's website, www.precisebiometrics.com. The Annual Report and the Auditor's Report, the statement by the auditor on the compliance with the guidelines for remuneration to senior management applicable since the last AGM and the complete proposals of the Board of Directors according to item 13-15 will be available at the company and on its website no later than on April 24, 2020. Copies of the documents will also be sent to shareholders who so request and state their address, and will be available at the meeting.

E. NUMBER OF SHARES AND VOTES IN THE COMPANY

As per the date of this notice, the total number of shares and votes in the company amounts to 360,231,467. All shares are of the same class.

F. INFORMATION AT THE ANNUAL GENERAL MEETING

At the AGM, the Board of Directors and the Managing Director shall, if a shareholder so requests and the Board considers that this can be done without significant harm for the company, give information on circumstances that can affect the judgement of an item on the agenda, circumstances that can affect the assessment of the financial situation of the company or its subsidiaries and the company's relationship with another group company.

G. PROCESSING OF PERSONAL DATA

For information about the processing of your personal data, see <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>.

Lund in April 2020
The Board of Directors
PRECISE BIOMETRICS AB (publ)

PRESS RELEASE