

LUND DECEMBER 13, 2016

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Precise Biometrics intends to undertake a private placement of shares

Precise Biometrics AB (publ) ("**Precise Biometrics**" or the "**Company**") (Nasdaq Stockholm ticker: PREC) announces its intention to undertake a private placement of shares.

For the purpose of financing Precise Biometrics' ongoing acquisition of NexID Biometrics while maintaining the Company's current financial position, the board of directors intends to resolve, based on the authorization by the 2016 annual general meeting, on a private placement of shares in order to raise gross proceeds of up to SEK 50 million (the "**Private Placement**").

The Private Placement is directed to Swedish and international qualified investors. The subscription price for the shares in the Private Placement will be determined in a book-building process that will begin no earlier than 17:31 (CET) on 13 December 2016, and end before the commencement of trading on Nasdaq Stockholm on 14 December 2016. The minimum order has been set at the number of shares corresponding to EUR 100,000. The order period for the Private Placement may close earlier or be extended at the discretion of the Company.

The Board of Directors can choose to cancel the book-building in its sole discretion for any reasons and can refrain from continuing with the Private Placement.

Pareto Securities AB ("**Pareto Securities**") has been appointed as sole manager and bookrunner in connection with the Private Placement.

FOR FURTHER INFORMATION, PLEASE CONTACT

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ABOUT PRECISE BIOMETRICS

Precise Biometrics is a market leading supplier of solutions for convenient and secure authentication of people's identity. We develop and sell fingerprint software and mobile smart card readers that provide the market's best user experience and security. Our solutions are used hundreds of millions of times every day by people all over the world and are marketed together with strong business partners. For more information, please visit;

<http://precisebiometrics.com>

IMPORTANT INFORMATION

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offered or sold in the United States absent registration or an exemption from registration as provided in the U.S. Securities Act of 1933, as amended. Precise Biometrics does not intend to register any portion of the offering of the securities in the United States or to conduct a public offering of the securities in the United States. Copies of this announcement are not being distributed or sent and may not be distributed or sent to the United States, Australia, New Zealand, Hong Kong, Japan, Canada, Singapore or South Africa.

Precise Biometrics has not resolved to offer to the public shares or rights in any Member State of the European Economic Area and no prospectus or other offer documentation has been prepared or will be prepared in connection with the Private Placement. Within such Member States of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), no action has been undertaken as of this date to make an offer to the public of shares or rights requiring a publication of a prospectus in any Relevant Member State. As a result hereof, the shares or rights may only be offered in Relevant Member States: (a) to a qualified investor (as defined in the Prospectus Directive or under applicable law. For the purposes hereof, the expression an "offer to the public of shares or rights" in any Relevant Member State means the communication, in any form, of sufficient information on the terms of the offer and the shares or rights to be offered so as to enable an investor to decide to purchase any securities, as the same may be varied in a Relevant Member State due to the implementation of the Prospectus Directive in that Member State and the expression "Prospectus Directive" means Directive 2003/71/EC including any relevant implementing measure in each Relevant Member State.

Pareto Securities is acting for Precise Biometrics and no one else in connection with the Private Placement and will not be responsible to anyone other than Precise Biometrics for providing the protections afforded to its clients or for providing advice in relation to the Private Placement and/or any other matter referred to in this announcement.

Pareto Securities AB accepts no responsibility whatsoever and makes no representation or warranty, express or implied, for the contents of this announcement, including its accuracy, completeness or verification or for any other statement made or purported to be made by Pareto Securities AB, or on its behalf, in connection with Precise Biometrics and the New Shares or the Private Placement, and nothing in this announcement is, or shall be relied upon as, a promise or representation in this respect, whether as to the past or future. Pareto Securities AB accordingly disclaims to the fullest extent permitted by law all responsibility and liability whether relating to damages, contract or otherwise which it might otherwise have in respect of this announcement or any such statement.

Any investors in the Private Placement will further be deemed to acknowledge (i) the information in this press release, (ii) that the investors are not relying (for purposes of making any investment decision or otherwise) upon any advice, counsel or representations (whether written or oral) of Precise Biometrics, Pareto Securities or any of their respective affiliates, and (iii) that they have consulted with their own legal, regulatory, tax, business, investment, financial, and accounting advisers to the extent they have deemed necessary, and they have made their own investment decisions based upon their own judgment and upon any advice from such advisers as they have deemed necessary. The company has not given, and the investors have not received from the company, any non-public information in connection with the Private Placement.

PRESS RELEASE