



Lund, Sweden, March 23, 2009

Press release

## Ahead of the Annual General Meeting in Precise Biometrics AB

**The Annual General Meeting will be held at 4 p.m. on Wednesday April 22, 2009, at Scandic Hotel Star, Glimmervägen 5, Lund, Sweden.**

An agenda containing the matters that are proposed to be brought before the Meeting is included in the official notice to attend the Meeting, which is appended this press release and which will be published on March 24, 2009 in the newspapers Post- och Inrikes Tidningar and Svenska Dagbladet.

As will be seen from the notice, inter alia the following proposals are submitted regarding matters at the Meeting:

- In order to enable the Company to make acquisitions of shares or assets in companies with payment (wholly or partly) in own shares and/or convertible bonds, the Board proposes that it should be authorized to resolve upon an increase of the share capital, with deviation from the shareholders' preferential rights, with a maximum of SEK 4 million by issuing a maximum of 10 million shares, which at full exercise is equivalent to a dilution of just below 9.9 %. The further terms and conditions are set forth in the notice.
- The Board proposes that the Meeting resolves on guidelines for remuneration to management in accordance with the Board's proposal, which main terms are set out in the notice.
- The Nomination Committee proposes, as regards the board, re-election of Marc Chatel, Eva Maria Matell, Lisa Thorsted and Lena Widin Klasén, with Lisa Thorsted as the Chairman. Jan T. Jørgensen has declined re-election. Torbjörn Clementz is proposed as a new member of the board.

As regards other proposals, please be referred to the appended notice.

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**For further information, please contact**

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Precise Biometrics AB is an innovative company offering solutions for fingerprint recognition to prove people's identities. With top-of-the-line expertise in fingerprint verification, Precise Biometrics offers fast, accurate and secure authentication of a person. Our core product Precise BioMatch™ integrates into ID and bank card programs and secure chips, as well as systems for access control to buildings, computers and networks. We act on a global market and our technology is licensed to more than 80 million users all over the world. The Precise Biometrics group has subsidiaries in Sweden (with group headquarters in Lund), Great Britain, Hong Kong and USA, and a joint venture agreement in China. Precise Biometrics is listed on the small cap list at the Nordic Exchange in Sweden (symbol:PREC). For more information, please visit <http://www.precisebiometrics.com/>



**ANNUAL GENERAL MEETING IN PRECISE BIOMETRICS AB (publ)**

Welcome to attend the Annual General Meeting to be held at 4 p.m. on Wednesday April 22, 2009, at the Scandic Star Hotel, Glimmervägen 5 (Gastelyckans industriområde) in Lund, Sweden. Registration for the Meeting will start at 3 p.m.

**A. PARTICIPATION**

Shareholders who wish to attend the Annual General Meeting must:

- i) be recorded in the share register maintained by Euroclear Sweden AB, (previously known as "VPC") as of Thursday April 16, 2009; and
- ii) notify the company of their intent to attend the Meeting at the address Precise Biometrics AB (publ), Box 798, SE-220 07 LUND, Sweden, by telephone +46 46 31 11 34, by telefax +46 46 31 11 01 or by e-mail: [investor@precisebiometrics.com](mailto:investor@precisebiometrics.com) preferably before 4 p.m., Thursday April 16, 2009. When giving notice of attendance, the shareholder shall state name, personal identity or corporate registration number, address and telephone number. A proxy form is available on the company website [www.precisebiometrics.com](http://www.precisebiometrics.com) and will be sent by mail to shareholders informing the company of their address. Proxy and representative of a legal entity shall submit papers of authorization prior to the Annual General Meeting.

In order to be able to vote at the Meeting, shareholders with nominee-registered shares must have the shares temporarily owner-registered with Euroclear Sweden AB. Such registration must be made as of Thursday April 16, 2009 at the latest and should be requested well ahead of time.

**B. 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. The Managing Director's report.
8. Presentation of
  - (a) the Annual Report and the Auditor's Report and the Consolidated Financial Statements and the Group Auditor's Report; and
  - (b) the statement by the Auditor on the compliance with the guidelines for remuneration to management applicable since the last Annual General Meeting
9. 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, 2008;
  - (b) the appropriation of the company's loss according to the adopted Balance Sheet; and
  - (c) the discharge from liability of the Board and the Managing Director.
10. Determination of the number of members of the Board.
11. Determination of fees to the members of the Board.
12. Election of members and Chairman of the Board.
13. Determination of guidelines for remuneration to management.



14. Resolution regarding the authorization of the Board to resolve upon new issue of shares and/or convertibles with a deviation from the shareholders' preferential rights.
15. Decision for a change in the articles of association.
16. Closing the Meeting.

### **Draft resolutions**

#### **Proposal for election of Chairman of the Meeting (item 2)**

At the Annual General Meeting 2008, it was resolved that a Nomination Committee shall be appointed in respect of every Annual General Meeting and consist of the Chairman of the Board and one representative for each of the three major shareholders in the company as per August 31 each year. If any of these shareholders would refrain from its right to appoint a representative, or if a member would leave the Nomination Committee before the work is completed, such right shall be transferred to the shareholder which, after these shareholders, has the largest shareholding.

The Nomination Committee before the Annual General Meeting 2009, consisting of Kerstin Stenberg (Swedbank Robur ), Dave Wu (Smart Unicorn Group), Öyvind Fjell (Storebrand fonder) and then chairman of the board Lisa Thorsted (convenor), has proposed Lisa Thorsted as chairman of the Annual Meeting.

#### **Proposal for appropriation of loss (item 9b)**

The Board proposes that the share premium fund be reduced by SEK 54 635 376 to cover the accumulated loss and that no dividend be declared for the financial year.

#### **Proposal regarding election of members and Chairman of the Board and fees (items 10-12)**

A majority of the Nomination Committee, appointed in accordance with the resolution adopted by the Annual General Meeting of 2009, has proposed the following.

The number of board members shall be five, with no deputy members. The Nomination Committee proposes re-election of the board members Marc Chatel, Eva Maria Matell, Lisa Thorsted and Lena Widin Klasén for the period up to and including the Annual General Meeting 2010. Lisa Thorsted is to be appointed Chairman of the Board. Jan T Jørgensen has declined re-election.

Torbjörn Clementz is proposed to be new member of the board. Torbjörn Clementz is 47 years old, has a Bachelor of Science in Business Administration and Economics and is CFO in the BE Group AB. Torbjörn Clementz has previously among others been responsible for business development for abroad activities at Peab AB and head of group financials at Perstorp AB.

Fees to the Board of Directors up to and including the Annual General Meeting 2010 shall amount to a total of SEK 630,000, to be distributed among the board members as follows: the Chairman of the Board shall, as before, receive SEK 210,000 and each of the other members who are not employed with the company shall, as before, receive SEK 105,000.

On the Annual General Meeting in 2008 the accounting firm Öhrlings Pricewaterhouse Coopers, Stockholm was elected auditor of the company for a period of four years. The chartered accountant Eva Carlsvi is auditor in charge. The Auditor's fees are paid as per invoice.



**Proposal regarding guidelines for remuneration to management (item 13)**

The proposal of the Board principally entails that the Annual General Meeting shall determine guidelines for remuneration to management implying that levels of remuneration and other employment terms shall be in accordance with the market. A fixed salary will be paid for sound work. In addition to this, members of management may also obtain a variable salary, which shall be based on the Group result and on individual goals. The variable part of the salary shall amount to a maximum of 50 % of the fixed salary for the Managing Director and 30 % of the fixed salary for the other members of management. Remuneration can also be paid by way of stock options or other share-based incentive programs.

At termination of employment, the mutual notice period shall amount to 6 months for the Managing Director, and 3-6 months for the other members of management. The Managing Director may be entitled to redundancy payment amounting to a maximum of 12 monthly salaries if the employment is terminated by the company. Other members of management shall not be entitled to redundancy payment.

The retirement age for all members of management shall be 65 years. The pension premium shall be calculated in accordance with predetermined steps based on age and salary and shall amount to a maximum of 25 % of the fixed salary.

The proposal entails a level of remuneration which principally corresponds to that of the previous year.

**Proposal for the authorisation of the Board of Directors to resolve on a new issue of shares (item 14)**

The Board of Directors proposes the Annual General Meeting to authorise the Board of Directors to decide, on one or several occasions, on an issue of shares and/or convertible bonds. Such an issue may entail a deviation from the shareholders' preferential rights 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 issue may result in an aggregate increase in the share capital – at full conversion by the application of the conversion rate applicable at the time of issue – by a maximum of SEK 4,000,000, by the issue of maximum 10,000,000 shares and/or convertible bonds to be converted into 10,000,000 shares. Full exercise of the authorisation and full conversion is equivalent to a dilution of approximately 9.9 % of the present share capital and votes. The Board shall be entitled to establish remaining conditions of the issue, including the issue price, which however shall be established based on prevailing conditions on the market, subject to an issue discount in accordance with the market. The purpose of the authorisation and the reason for the deviation from the shareholders' preferential rights is to enable the company to effect payment of company acquisitions by the company's own shares and/or convertible bonds and to obtain capital contributions from new owners that are strategically important.

**Proposal for a change in the articles of association (item 16)**

To enable the implementation as soon as possible for the more cost efficient rules for the notice to attend to the General Annual Meeting that is expected to take effect in connection with the General Annual Meeting 2010, the Board proposes that § 9 shall be changed as follows: The present wording "Notice to attend to the General Annual Meeting shall be made by advertising in Post- och Inrikes Tidningar and Svenska Dagbladet" is suggested to be changed into "Notice to attend to the General Annual Meeting shall be made by advertising in "Post- och Inrikes Tidningar and on the company's website. The fact that such notice has been made shall be advertised in Svenska Dagbladet." The Board proposes that the decision of the General Annual Meeting regarding change in the articles of association according to the last sentence, shall be made on the condition that a change in the way for notice to attend to General Annual Meeting in the Swedish Companies Act (SFS 2005:551) has taken effect which





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means that the above proposed wording of the articles of association complies with the Swedish Companies Act.

**C. AVAILABLE DOCUMENTS**

The Annual Report and the Auditor's Report, the statement by the Auditor on the compliance with the guidelines for remuneration to management applicable since the previous Annual General Meeting and the complete proposals of the Board of Directors according to items 14 will be available to the shareholders at the company and on its website [www.precisebiometrics.com](http://www.precisebiometrics.com) as from 8 April 2009. Copies of the documents will also be sent to shareholders who so request and state their address, and will be available at the Annual General Meeting.

As per 16 April 2009 the total number of shares and votes in the company amounts to 101,220,600.

Lund in March 2009  
*The Board of Directors*  
PRECISE BIOMETRICS AB (publ)

