

The Board of Directors' proposal to approve the board of directors' resolution on new issue of ordinary shares with pre-emption rights for existing shareholders

The Board of Directors of Precise Biometrics AB, corp. reg. no. 556545-6596, (the "**Company**") hereby proposes that the general meeting resolves to approve the board of directors' resolution on new issue of ordinary shares with pre-emption rights for existing shareholders, as set out below.

On 3 April 2023, the board of directors of the Company resolved, subject to approval by the general meeting, to increase the Company's share capital with not more than SEK 9,285,519 by an issue of not more than 30,951,730 new ordinary shares on the terms and conditions set out below:

1. The right to subscribe for new ordinary shares shall belong to those persons who on the record date for the new issue of shares are recorded as shareholders of the Company, whereby one (1) existing share entitle to one (1) subscription right, and three (3) subscription rights entitle to subscription for two (2) new ordinary shares. Treasury shares of series C held by the Company do not entitle to subscription.
2. In the event that all new shares are not subscribed for with pre-emption rights the board of directors shall, within the limit of the maximum number of shares to be issued, resolve on allocation of shares that are not subscribed for with pre-emption rights. Such allocation shall firstly be made to subscribers who have subscribed for shares with the support of subscription rights and who have registered an interest in subscribing for shares without the support of subscription rights, pro rata the number of subscription rights that each of those who have registered interest to subscribe for shares without support of subscription rights used for subscription of shares, and secondly to others who have registered an interest in subscribing for shares without subscription rights, pro rata their registered interest; and thirdly to those who have provided guarantee undertakings, pro rata such guarantee undertaking. To the extent that allotment in any stage according to the above cannot take place pro rata, allotment shall be made by drawing lots.
3. The record date for participation in the new issue of shares shall be 12 May 2023.
4. The new shares are issued at a subscription price of SEK 1.60 per share.
5. The share premium shall be transferred to the unrestricted premium reserve.
6. Subscription with pre-emption rights shall be made by cash payment during the period from 15 May 2023 to 29 May 2023. Subscription without pre-emption rights shall be made on a subscription list during the same period. Payment for shares subscribed for without pre-emption rights shall be made by cash payment not later than three banking days after information regarding allotment of shares was sent. The board of directors shall have the right to extend the subscription and payment period.
7. The new shares entitle to dividends for the first time on the first record date for dividend that take place after the issue of new shares has been registered with the Swedish Companies Registration Office and been recorded in the share register kept by Euroclear Sweden AB.

8. The resolution on new issue of shares requires that the Company's articles of association are amended.
 9. The managing director, or any other person appointed by the board of directors, shall have the right to take those smaller measures that may be required in order to register the resolution with the Swedish Companies Registration Office and Euroclear Sweden AB.
-