

Notice of Annual General Meeting in Precise Biometrics AB

Precise Biometrics AB, Reg. No. 556545-6596, with its registered office in Lund, Sweden, gives notice of the Annual General Meeting to be held on Wednesday 22 May 2024 at 2.00 p.m. at Ideon Gateway, Scheelevägen 27 in Lund, Sweden.

Right to participate in the Annual General Meeting and notice of participation

A shareholder who wishes to participate in the Annual General Meeting must (i) be recorded as a shareholder in the share register maintained by Euroclear Sweden AB relating to the circumstances on Tuesday 14 May 2024, and (ii) no later than Thursday 16 May 2024, give notice by post to Precise Biometrics AB, Attn: AGM 2024, Scheelevägen 27, SE-223 63 Lund, Sweden or via e-mail to bolagsstamma@precisebiometrics.com. When providing such notice, the shareholder shall state name, personal or corporate registration number, address, telephone number and the number of any accompanying assistant(s) (maximum two assistants) as well as information about any proxy.

If a shareholder is represented by proxy, a written, dated proxy for the representative must be issued. A proxy form is available on the company's website, www.precisebiometrics.com. If the proxy is issued by a legal entity, a certificate of registration or equivalent certificate of authority should be enclosed. To facilitate the registration at the Annual General Meeting, the proxy and the certificate of registration or equivalent certificate of authority should be sent to the company as set out above so that it is received no later than 21 May 2024.

Nominee-registered shares

To be entitled to participate in the Annual General Meeting, a shareholder whose shares are held in the name of a nominee must, in addition to providing notification of participation, register its shares in its own name so that the shareholder is recorded in the share register relating to the circumstances on 14 May 2024. Such registration may be temporary (so-called voting right registration) and is requested from the nominee in accordance with the nominee's procedures and in such time in advance as the nominee determines. Voting right registrations completed by the nominee not later than 16 May 2024 are taken into account when preparing the share register.

Proposed agenda

1. Opening of the Annual General Meeting
2. Election of Chairman of the Annual General 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 of whether the Annual General Meeting has been duly convened
7. Presentation by the CEO
8. Presentation of the annual report and the auditor's report as well as the consolidated financial statements and the auditor's report on the consolidated financial statements
9. Resolution regarding

- a) adoption of the income statement and the balance sheet as well as the consolidated income statement and the consolidated balance sheet
- b) allocation of the company's result pursuant to the adopted balance sheet
- c) discharge from liability of the board members and the CEO
10. Determination of the number of members of the Board of Directors and the number of auditors
11. Determination of remuneration for members of the Board of Directors and auditor
12. Election of members of the Board of Directors, Chairman of the Board of Directors and auditor
 - a) Re-election of Torgny Hellström as member of the Board
 - b) Re-election of Åsa Schwarz as member of the Board
 - c) Re-election of Maria Rydén as member of the Board
 - d) Re-election of Peter Gullander as member of the Board
 - e) New election of Howard Ro as member of the Board
 - f) Re-election of Torgny Hellström as Chairman of the Board
13. Election of auditor
14. Presentation of the Board of Directors' remuneration report for approval
15. Resolution regarding guidelines for remuneration to senior executives
16. Resolution regarding authorisation for the Board of Directors to resolve on issue of shares and/or convertible instruments
17. Closing of the Annual General Meeting

The Nomination Committee's proposals

Proposals regarding the Chairman of the Annual General Meeting, the number of members of the Board of Directors and the number of auditors, remuneration to the Board of Directors and the auditor, and election of members of the Board of Directors, Chairman of the Board of Directors and auditor (items 2 and 10–12)

The Nomination Committee, consisting of Julian Aleksov (the Chairman of the Nomination Committee, appointed by MV Capital AB and Egis Technology) and Torgny Hellström (Chairman of the Board), has submitted the following proposals:

- Attorney-at-law Christian Lindhé shall be appointed Chairman of the Annual General Meeting.
- The Board of Directors shall be composed of five ordinary Board members with no deputies.
- The company shall have one auditor with no deputies.
- The remuneration to the Board of Directors is proposed to be allocated unchanged as follows: SEK 545,000 to the Chairman of the Board of Directors and SEK 190,000 to each of the other Board members. Compensation for Committee work is proposed to be allocated unchanged as follows: 90,000 to the Chairman of the Audit Committee and SEK 45,000 to each of the other members of the Audit Committee and SEK 25,000 to the Chairman of the Remuneration Committee and SEK 25,000 to each of the other members of the Remuneration Committee.
- Remuneration to the auditor shall be paid in accordance with approved invoices within the auditor's quotation.
- Re-election of Torgny Hellström, Åsa Schwarz, Maria Rydén and Peter Gullander, and new election of Howard Ro as members of the Board of Directors. Mats Lindoff and Jimmy Hsu have declined re-election.
- Re-election of Torgny Hellström as Chairman of the Board.

- Re-election of the registered accounting firm Ernst & Young Aktiebolag as auditor of the company with Martin Henriksson as the principal auditor, in accordance with the audit committee's proposal.

Information about the persons proposed to be elected as Board members.

Howard Ro, born in 1985. Bachelor of Economics, University of California. Executive Vice President at Egis Technology Group since 2015. Prior to this Howard held managing positions in the finance sector in Taiwan, Hong Kong and Japan.

Information about the persons proposed by the Nomination Committee to be re-elected as Board members is set forth on the company's website www.precisebiometrics.com.

The Board of Directors' proposals

Resolution regarding allocation of the company's result pursuant to the adopted balance sheet (item 9 b)

The Board of Directors proposes that no dividend shall be paid, and that the company's result shall be carried forward.

Resolution regarding guidelines for remuneration to senior executives (item 15)

The Board of Directors proposes that the Annual General Meeting 2024 resolves on the following guidelines for executive remuneration. No material changes are proposed compared to the guidelines adopted by the Annual General Meeting 2020.

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 2024. 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 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. 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 markets 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, 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. Such remuneration to Board members, and other terms and conditions, shall be decided by the Board of Directors.

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 noncompete 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 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.

Resolution regarding authorisation for the Board of Directors to resolve on issue of shares and /or convertible instruments (item 16)

The Board of Directors proposes that the Annual General Meeting resolves to authorise the Board of Directors for the period up to the next Annual General Meeting to resolve, whether on one or several occasions, to issue ordinary shares and/or convertible instruments regarding such shares corresponding to an increase of the Company's share capital with not more than 20 percent of the share capital as per the date of the resolution on the new issue with the support of this authorisation. The Board of Directors shall be authorised to adopt decisions on an issue of ordinary shares and/or convertible instruments with or without deviation from the shareholders' pre-emption rights and/or an issue in kind or an issue by way of set-off or otherwise on such terms and conditions as referred to in Chapter 2, Section 5, second paragraph 1–3 and 5 of the Swedish Companies Act.

An issue in accordance with this authorization shall be on market conditions, subject to issue discounts in line with market practice. The reason to propose that the Board of Directors shall be authorised to resolve on an issue with deviation from the shareholders' pre-emption rights and that the board shall be authorised to decide on an issue in kind or an issue by way of set-off or otherwise on such terms and conditions as referred to above is that the Company shall be able to issue shares and/or convertible instruments in connection with acquisitions of companies or businesses and to carry-out directed new issues in order to raise capital to the Company.

It is proposed that the CEO is authorised to make such minor adjustments to this resolution that may be necessary in connection with the registration with the registration thereof.

A resolution in accordance with the proposal is valid only if supported by shareholders holding not less than two-thirds of both the votes cast and the shares represented at the Annual General Meeting.

Shareholders' right to obtain information

Shareholders are reminded of their right to, at the Annual General Meeting, obtain information from the Board of Directors and CEO in accordance with Chapter 7, Section 32 of the Swedish Companies Act. Shareholders who wish to submit questions in advance may do so by sending post to Precise Biometrics AB, Attn: AGM 2024, Scheelevägen 27, SE-223 63 Lund, Sweden or via e-mail to bolagsstamma@precisebiometrics.com.

Number of shares and votes

There are 78,464,327 shares outstanding in Precise Biometrics, corresponding to 77,487,827 votes, of which 1,085,000 are class C shares which entitle to 0.1 votes per share and 77,379,327 are ordinary shares which entitle to 1 vote per share. As of the date of this notice, the company holds all 1,085,000 class C shares.

Documentation

The annual report, the Board of Directors' remuneration report and all other documentation for resolutions are available at the company's office at Scheelevägen 27, SE-223 63 Lund, Sweden, and on the company's website www.precisebiometrics.com, no later than three weeks before the Annual General Meeting. Moreover, the Nomination Committee's motivated statement is available at the company's above address, as well as on www.precisebiometrics.com from the date of this notice. Copies of the documents will be sent to shareholders who so request and who inform the company of their postal address.

Processing of personal data

For information on how your personal data is processed, please refer to the integrity policy that is available on Euroclear's website: www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf.

This notice is a translation of a Swedish notice and in case of any deviations between the language versions, the Swedish version shall prevail.

Lund in April 2024

Precise Biometrics AB

The Board of Directors

For further information, please contact:

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About Us

Precise Biometrics AB (publ) ("Precise") is a global pioneer in biometric technology. The company offers products in various areas of application that enable users – using their own biometrics – to authenticate or identify themselves in a convenient and secure way. Precise has two business areas; Digital Identity and Biometric Technologies, and operates out of its offices in Lund (HQ) and Stockholm, Sweden, Potsdam NY, USA, Seoul, South Korea, Taipei, Taiwan, and Shanghai, China. The Precise share is listed at Nasdaq Stockholm (PREC). For more information, please visit www.precisebiometrics.com

Attachments

[Notice of Annual General Meeting in Precise Biometrics AB](#)