

Articles of Association

§1 Registered name

The company name of the Company is Fingerprint Cards AB. The Company is a public limited liability company (publ).

§ 2 Registered office of the Board of Directors

The registered office of the Board of Directors is in Gothenburg municipality, County of Västra Götaland, Sweden.

§ 3 Operations

The object of the Company's operations is to pursue the development of technology in the field of personal identification based on micro electronics, the sale of related components and license the rights pertaining to the technology developed as well as investment management and other similar business operations.

§ 4 Share capital

The share capital shall amount to not less than SEK 54,428,133.389266 and not more than SEK 217,712,533.557063. The number of shares shall not be fewer than 3,500,000 and not exceed 14,000,000.

§ 5 Classes of shares

The Company's shares may be issued in two classes, designated Class A carrying ten (10) votes per share and Class B carrying one (1) vote per share. Class A shares may be issued to a maximum number of 1,235,294 and Class B shares to a maximum number of 12,764,706.

When requested by holders of Class A shares, the Board shall arrange the conversion of the holders' Class A shares to Class B shares. The conversion request shall be submitted in writing to the Board of Directors. The request shall state the number of shares that the holder wishes to convert.

In January each year, the Board of Directors will address questions pertaining to the conversion to Class B shares for those Class A shares for which the holders have requested conversion during the immediately preceding calendar year. However, should the Board find grounds thereto, the Board is permitted to address conversion issues even at other times. Conversions shall be reported for registration without delay and conversion shall become effective as soon as registration has been completed.

§ 6 Pre-emption rights

If the Company decides to issue new Class A and Class B shares through a cash issue or an offset issue, holders of Class A and Class B shares have pre-emption rights to subscribe for new shares of the same class in relation to the number of shares already held (primary pre-emption right).

Shares that are not subscribed for by primary pre-emption rights are offered to all shareholders for subscription (subsidiary pre-emption rights). If the number of shares offered on this basis is insufficient or subscription based on subsidiary pre-emption rights, the shares are distributed in relation to the number of shares already held and, insofar as this is not possible, by lottery.

If the Company decides to issue warrants or convertible debentures through a cash issue or an offset issue, the shareholders have pre-emption rights to subscribe for warrants as if the issue applied to the shares that may be newly subscribed on the basis of the warrants or, respectively, the pre-emption rights to subscribe for convertibles as if the issue pertained to those shares for which the warrants or convertibles, respectively may be exchanged.

If the Company decides by means of a cash or offset issue to issue shares of only Class A or Class B, all shareholders, irrespective of whether their shares are of Class A or Class B, have pre-emption rights to subscribe for new shares in proportion to the number of shares owned prior to the issue.

The above stipulations do not constitute any infringement on the possibility to make a decision regarding a cash issue or an offset issue whereby the shareholders' pre-emption rights are disappplied.

Should the share capital be increased through a bonus issue, new shares of each class will be issued in relation to the number of shares of the same series already held. In such cases, existing shares of a specific class carry entitlement to new shares of the same class. The aforementioned does not restrict the possibility of issuing shares of a new class through a bonus issue following the necessary amendment to the Articles of Association.

§ 7 Board of Directors

The Board of Directors is to comprise three to ten members with a maximum of five alternates.

§ 8 Auditing

One or two auditors, with or without alternate auditors, or one or two registered firms of accountants shall be appointed by the Company.

§ 9 Notice of a general meeting

Notice of a General Meeting of Shareholders shall be made in the form of an announcement in Post och Inrikes Tidningar and on the Company's website. The announcement of this Notice shall be advertised in Svenska Dagbladet. To be entitled to participate in the business of the General Meeting, shareholders must notify the Company of their intention to attend the Meeting not later than on the date set forth in the notice of the Meeting. This day may not be a Saturday, Sunday, public holiday, Midsummer Eve, Christmas Eve or New Year's Eve, nor may it fall less than five business days prior to the General Meeting. Assistants may only accompany shareholders to a General Meeting if the shareholder provides notification of the number of assistants to the Company no later than the date specified in the Notice of the Meeting.

§ 10 General Meeting of Shareholders

General Meetings may, in addition to Gothenburg, be held in Stockholm.

The Annual General Meeting shall be held annually within six months of the end of the fiscal year. The following items of business shall be addressed at the Annual General Meeting:

1. Election of Chairman of the Meeting;
2. Preparation and approval of voting list;
3. Approval of the agenda;
4. Election of two minutes checkers;
5. Determination that the Meeting has been duly convened;
6. The President's presentation;
7. Presentation of the submitted Annual Report and the Auditor's Report, and where appropriate the Consolidated Financial Statements and the Auditor's Report on the Consolidated Financial Statements
8. Resolutions on:
 - a. adoption of the income statement and balance sheet and, where appropriate, the consolidated income statement and consolidated balance sheet;
 - b. appropriation of the Company's profit/loss according to the adopted Balance Sheet;
 - c. discharge from liability of the Board of Directors and the President;

9. Determination of the number of members and alternate members of the Board and, where applicable, the number of auditors and alternate auditors;
10. Determination of the remuneration of the Members of the Board;
11. Determination of remuneration of the auditors;
12. Election of Board members;
13. Wherever appropriate, election of auditors and alternate auditors;
14. Other business to be addressed by the Meeting in accordance with the Swedish Companies Act or the Articles of Association.

§ 11 Fiscal year

The Company's fiscal year is the calendar year.

§ 12 Record day provision

The Company's shares are to be registered in a Central Securities Depository Register (CSD) pursuant to the Swedish Central Securities Depositories and Financial Instruments Accounts Act (1998:1479).

§ 13 Amendment of the Articles of Association

Resolutions regarding amendments to the paragraphs of the Articles of Association pertaining to the Company's operations and Board of Directors (Articles 3 and 7) and this paragraph are valid only if supported by shareholders carrying more than three quarters of the number of votes and shares represented at the General Meeting. Should the Swedish Companies Act stipulate more far-reaching conditions, the provisions of this Act shall prevail.

§ 14 Collection of proxies and postal voting

The Board of Directors may collect power of attorneys in accordance with the procedure described in Chapter 7, Section 4, second paragraph of the Swedish Companies Act (2005:551).

The Board of Directors may before a General Meeting resolve that the shareholders shall be entitled to vote by post prior to the General Meeting.

§ 15 Presence of third parties at General Meetings

The Board of Directors may decide that a person who is not a shareholder in the Company shall, under the terms determined by the Board of Directors, have the right to be present or otherwise follow the proceedings at a General Meeting.