

Net1 Acquires Strategic Stake in Bank Frick

Johannesburg, January 24, 2017 – Net 1 UEPS Technologies, Inc. (“Net1” or the “Company”) (NasdaqGS: UEPS; JSE: NT1) today announced that it has entered into an agreement to acquire a 30% interest in Bank Frick & Co AG (“Bank Frick”), a fully licensed bank based in Balzers, Liechtenstein. The completion of the investment is subject to approval from the Liechtenstein Financial Market Authority. Following the successful completion of this investment, the Company will have a two-year option to acquire a further 35% in Bank Frick.

Bank Frick provides a complete suite of banking services, with one of its key strategic pillars being the provision of payment services and funding of financial technology opportunities. Bank Frick holds acquiring licenses from both Visa and MasterCard and operates a branch in London.

“We entered into a long term co-operation agreement with Bank Frick last year to become our strategic banking partner for the provision of the support and banking services required to deploy Net1’s products and services, including VCPay, Finetrading and money remittances in Europe,” said Serge Belamant, Chairman and Chief Executive Officer of Net1. “We have received invaluable support from Bank Frick and we have jointly identified many exciting joint opportunities that would require funding, whether for our working capital finance, card issuing and acquiring or transaction processing activities. We decided to become a strategic investor in Bank Frick to cement a critical component of Net1’s international activities as we are completely reliant on having a stable, long term and strategic relationship with a fully licensed bank – being a significant stakeholder is the best way to ensure alignment and longevity. We have agreed with Bank Frick that approximately USD 30 million of its free equity will be utilized as seed capital for a fund dedicated to our future activities.”

“Net1 possesses enormous digital know-how. With the expansion of Net1’s involvement, we will be able to strengthen our current business areas, drive forward our fintech strategy, develop new digital business models and enter new markets,” said Mario Frick, Chairman of the Board of Directors of Bank Frick. “Thanks to the scale effects this will bring, we can face the increasingly complex regulatory environment more effectively.”

About Net1 (www.net1.com)

Net1 is a leading provider of alternative payment systems that leverage its Universal Electronic Payment System (“UEPS”) or utilize its proprietary mobile technologies. The Company operates market-leading payment processors in South Africa and the Republic of Korea. Through Transact24, Net1 offers debit, credit and prepaid processing and issuing services for Visa, MasterCard and ChinaUnionPay in China and other territories across Asia-Pacific, Europe and Africa, and the United States. Through Masterpayment, Net1 provides payment processing and enables working capital financing in Europe.

UEPS permits the Company to facilitate biometrically secure, real-time electronic transaction processing to unbanked and under-banked populations of developing

economies around the world in an online or offline environment. Net1's UEPS/EMV solution is interoperable with global EMV standards that seamlessly enable access to all the UEPS functionality in a traditional EMV environment. In addition to payments, UEPS can be used for banking, healthcare management, payroll, remittances, voting and identification.

Net1's mobile technologies include its proprietary mobile payments solution - MVC, which offers secure mobile-based payments, as well as mobile banking and prepaid value-added services in developed and emerging countries. The Company intends to deploy its varied mobile solutions through its ZAZOO business unit, which is an aggregation of innovative technology companies and is based in the United Kingdom.

Net1 has a primary listing on the NASDAQ and a secondary listing on the Johannesburg Stock Exchange.

About Bank Frick (www.bankfrick.li)

Bank Frick is a family-run Liechtenstein bank with headquarters in Balzers. It was founded in 1998 by Kuno Frick Sr. It is fully owned by the Kuno Frick Family Foundation.

Bank Frick's strategic pillars are formed by private banking, payment services, real estate and opportunities. Bank Frick is the only bank in Liechtenstein with acquiring licences from Visa and MasterCard. Bank Frick develops tailor-made funds for qualified market players and acts as a custodian bank. The bank employs around 70 members of staff.

Bank Frick operates a branch in London.

Forward-Looking Statements

This press release contains forward-looking statements that involve substantial risks and uncertainties. All statements, other than statements of historical fact, included in this press release regarding strategy, future operations, future financial position, future revenues, projected costs, prospects, plans and objectives of management are forward-looking statements. The Company may not actually achieve the plans, intentions or expectations disclosed in its forward-looking statements. Actual results or events could differ materially from the plans, intentions and expectations disclosed in the forward-looking statements that the Company makes. Factors that might cause such differences include, but are not limited to: the possibility that the expected synergies from the investment will not be realized, or will not be realized within the expected time period; disruption from the investment making it more difficult to maintain business and operational relationships; and other factors, many of which are beyond the Company's control; and other important factors included in the Company's reports filed with the Securities and Exchange Commission, particularly in the "Risk Factors" section of the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2016, as such Risk Factors may be updated from time to time in subsequent reports. The Company does not assume any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

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