

## **National Prosecuting Authority declines to prosecute criminal charges against Net1**

Johannesburg, August 11, 2016 – Net 1 UEPS Technologies, Inc. (“Net1” or the “Company”) (NasdaqGS: UEPS; JSE: NT1) today announced that it has been notified that the National Prosecuting Authority has taken a “no prosecution decision” on the criminal charges brought by SASSA against the Company and Grindrod Bank Limited.

On June 15, 2016, SASSA brought criminal charges against the Company and Grindrod Bank for failing to comply with the recently amended Regulations to the Social Assistance Act (the “Regulations”), which SASSA interprets to prohibit the processing of deductions from bank accounts held by SASSA beneficiaries. SASSA’s decision to file the criminal charges followed the Company’s announcement on June 3, 2016, that it had filed for a declaratory order with the South African High Court to provide certainty on the interpretation of the Regulations. SASSA is opposing the Company’s application, which is scheduled to be heard on October 17, 2016.

### **About Net1 ([www.net1.com](http://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.

### **Forward-Looking Statements**

This announcement contains forward-looking statements that involve known and unknown risks and uncertainties, including statements relating to the timing of the

Company's High Court application. A discussion of various factors that cause our actual results, levels of activity, performance or achievements to differ materially from those expressed in such forward-looking statements are included in our filings with the Securities and Exchange Commission. We undertake no obligation to revise any of these statements to reflect future events.

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