

NET1 BOARD STATEMENT ON RECENT MEDIA REPORTS

Johannesburg, March 16, 2017 – Net 1 UEPS Technologies, Inc. (“Net1” or the “Company”) (NasdaqGS: UEPS; JSE: NT1)

The board of directors of Net1 is deeply concerned with certain comments made by senior South African government officials, Members of Parliament, shareholders and reporters concerning the alleged “unacceptable and arrogant” attitude displayed by Cash Paymaster Services (Pty) Ltd (“CPS”), the Net1 subsidiary that distributes welfare grants in South Africa on behalf of SASSA.

The board is also aware of the media coverage, including interviews given by CPS relating to the grant payment crisis and, in particular, the comments made after the Constitutional Court proceedings yesterday.

The board reiterates its commitment to assist SASSA to insource the grant payment function during the anticipated interim grant payment period.

The board regrets any arrogance, perceived or real, by CPS relating to the grant crisis, directed at SASSA, other government bodies or potential solution providers.

The board is of the view that any of the comments made were meant most sincerely and only with the intention of providing transparency regarding the solution currently provided by CPS and to assist in ensuring uninterrupted service delivery to the 10.5 million grant recipients.

The board, including its Chairman, apologizes unreservedly to the South African government, SASSA and all grant beneficiaries to the extent that comments made by CPS were perceived as offensive, or in any way criticizing the vital process currently underway.

Notwithstanding the above, the board respectfully reminds all participants in this process that CPS engaged with SASSA over the last twelve months with the intent of demonstrating the urgency, complexity and time frame required for SASSA or a new service provider to take over from CPS. Net1 and CPS remain fully committed to assist the Government and SASSA to ensure that no grant beneficiaries are prejudiced during the transitional period. Notwithstanding the uncertainty regarding its arrangements with SASSA, CPS has not in any way reduced or downgraded its operational capabilities to deliver grants in the world class, efficient and secure manner it has maintained over the past five years.

The board wishes to advise that no further statements or interviews by any Net1 or CPS officials are authorised while the SASSA process and negotiations are being finalised and pending the decision of the Constitutional Court. The board intends to appoint a media relations agency to manage all of the group’s communications in future.

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.

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