

Net1 invests in MobiKwik, a leading digital payment platform in India

Johannesburg, August 26, 2016 – Net 1 UEPS Technologies, Inc. (“Net1” or the “Company”) (NasdaqGS: UEPS; JSE: NT1) today announced that it has signed a subscription agreement with One MobiKwik Systems Private Limited (“MobiKwik”) in India. MobiKwik is India's largest independent mobile payments network, with over 32 million users and 100,000 retailers. MobiKwik’s current shareholders include Sequoia Capital, Tree Line Asia, American Express, Cisco Investments, GMO Payment Gateway and MediaTek, as well as Bipin Preet Singh and Upasana Taku, the founders and executive officers.

As part of the strategic partnership, Net1 will invest up to \$40 million in MobiKwik over the next 24 months. In addition, through our technology agreement, Net1’s Virtual Card technology will be integrated across all MobiKwik wallets in order to provide ubiquity across all merchants in India.

“Our strategic investment in MobiKwik provides us with meaningful participation in one of the largest and fastest growing digital payment markets globally,” said Serge Belamant, Chairman and CEO of Net1. “We are excited to partner with one of India’s most utilized and recognized digital platforms, through which we can introduce our products and services. We believe that this investment will accelerate our ability to build scale in India. Over the next three years, MobiKwik has targeted having 150 million users and 500,000 merchants, and the introduction of our various technologies is expected to enhance their value proposition and differentiation to users, online and offline merchants, increase acceptance, and accelerate growth. With Net1’s expertise and track record in facilitating financial inclusion across Africa, our strategic relationship with MobiKwik marks an important milestone from which we can leverage India’s substantial efforts to drive financial inclusion, down to the grassroots in rural and deep rural areas. Many of our solutions, most notably UEPS/EMV, are tailor-made to provide multiple financial and other services, increase accessibility, eliminate fraud and reduce cash,” he concluded.

According to a July 2016 Google-BCG study, the size of India’s digital payments industry will reach \$500 billion by 2020, representing a ten-fold increase from current levels. The report predicts that more than 50% of India’s internet users are expected to use digital payments by 2020, and the top 100 million users are expected to drive 70% of digital payments by value. The report also predicts that the value of remittances and money transfers that will pass through alternative digital payment instruments will double to 30% by 2020.

There are many similarities between South Africa and India including highly regulated markets, limited infrastructure and large unbanked populations. There have always been close ties and there is growing cooperation between the two countries, culminating with Indian Prime Minister Narendra Modi’s visit to South Africa last month. This transaction lends further support to their efforts to drive improving bilateral relations in trade and investment.

Upasana Taku, the co-founder of MobiKwik said, “We are excited about our partnership with Net1 and look forward to learning from their best practices in serving the un-banked and under-banked users, while taking progressive steps towards

making India a cashless economy. Our pioneering innovations in the fintech industry have helped us maintain this lead position and with support from strategic partners such as Net1, we look forward to further strengthening our product offering and realize our vision to let users save, borrow, pay and invest using MobiKwik.”

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 MobiKwik (www.mobikwik.com)

MobiKwik, is India's largest independent mobile payments network, connecting 32 million users with 100,000 retailers. Founded in 2009 by Bipin Preet Singh and Upasana Taku, the company has raised three rounds of funding from Sequoia Capital, American Express, Tree Line Asia, MediaTek, GMO Payment Gateway and Cisco Investments. MobiKwik aspires to be the largest source of digital transactions in India.

One of the leading digital payments platforms for online and offline merchants, MobiKwik is powering payments for IRCTC, Uber, Meru Cabs, Big Bazaar, OYO Rooms, Zomato, PVR, Archies, WHSmith India, BookMyShow, Grofers, Big Basket, Domino's, Burger King, Pizza Hut, eBay, ShopClues, Myntra, Jabong, Pepperfry, Barista, Food Panda, nearbuy, Van Heusen, Allen Solly, Louis Phillips, GoDaddy, MakeMyTrip, Cleartrip, and Yatra.

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 risk that the Company's business and the MobiKwik business will not be integrated successfully; 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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