

Net1 Acquires Controlling Stake in Masterpayment and Signs Strategic Co-operation Agreement with Bank Frick

Johannesburg, April 4, 2016 – Net 1 UEPS Technologies, Inc. (“Net1” or the “Company”) (NasdaqGS: UEPS; JSE: NT1) today announced that it has acquired a 60% interest in Masterpayment AG (“Masterpayment”), a specialist payment services processor based in Munich, Germany.

Masterpayment provides payment and acquiring services for all major European debit and credit cards; and invoicing for online retail, digital goods and content. Masterpayment currently has a client portfolio of approximately 5,000 registered merchants.

In collaboration with Bank Frick & Co. AG (“Bank Frick”), a Liechtenstein-based bank, Masterpayment provides its e-commerce merchants with working capital optimization by providing a flexible form of financing, which employs a trading transaction instead of traditional bank credit. Masterpayment’s “Finetrading” product enables the seamless financing of a merchant’s inventory orders, resulting in accelerated payment settlement and the elimination of the requirement for a merchant to maintain rolling reserves or cash advances.

As part of the transaction, Net1 and Masterpayment have entered into a long term co-operation agreement with Bank Frick, in terms of which Bank Frick will become Net1’s strategic banking partner and will provide the Company with the support and banking services required to deploy Net1’s products and services, including VCPay, Finetrading and money remittances in Europe.

The management team of Masterpayment and a Bank Frick-affiliate will retain the remaining 40% interest in Masterpayment. Net1 has negotiated an option to purchase the remaining 40% shareholding upon the achievement of certain milestones.

“The acquisition of a majority stake in Masterpayment and the strategic co-operation agreement with Bank Frick provides Net1 with the critical tools required to expand our product suite and geographic reach into Europe,” said Serge Belamant, Chairman and CEO of Net1. “The Masterpayment management team has developed a very interesting and unique business model that will provide us with specialist processing, business development and marketing resources in Europe and we look forward to their contributions as part of the Net1 group. We are delighted to have Bank Frick as our strategic banking partner and we are completely aligned with bank’s progressive vision of enabling innovative payment products and financial technology across Europe,” he concluded.

“We are delighted to become a part of the Net1 family,” said Stefan Tittel, CEO and co-founder of Masterpayment. “We are eager to combine our unique business model with Net1’s broader technology offering and to become an integral part of Net1’s business development strategy in Europe” he concluded. Edi Woegerer, CEO of Bank Frick added, “The collaboration with Net1 is an important part of our international payment strategy. Net1 has proved it can successfully roll out its superior payment solutions globally. As Net1’s strategic banking partner, we are very excited to develop our services together in the European markets.”

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.

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 Masterpayment (www.masterpayment.com)

Masterpayment was founded in Germany in 2010 and has subsidiaries in Germany, the UK and Liechtenstein. Masterpayment combines the technical abilities of a payment service provider with the commercial leeway of a credit card acquirer and the financing possibilities of a regulated fully licensed bank through its banking partner, Bank Frick.

About Bank Frick (www.bankfrick.com)

Bank Frick & Co. AG is a private bank in Liechtenstein with headquarters in Balzers. The Bank was founded in 1998 and is controlled by BFC Group Holding Est. Bank Frick’s strategic pillars are formed by private banking, payment services, real estate and opportunities.

In conjunction with companies of the BFC Group, Bank Frick offers comprehensive and tailored solutions for private and institutional clients in the areas of funds, investment consultancy, asset management and asset structuring.

The Bank Frick & Co. UK branch is a branch of the Bank based in London. Bank Frick & Co. AG employs around 60 members of staff.

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 Masterpayment business will not be integrated successfully; the possibility that the expected synergies from the acquisition will not be realized, or will not be realized within the expected time period; disruption from the acquisition 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, 2015, 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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