
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): January 31, 2019

NET 1 UEPS TECHNOLOGIES, INC.

(Exact name of registrant as specified in its charter)

Florida
(State or other jurisdiction
of incorporation)

000-31203
(Commission
File Number)

98-0171860
(IRS Employer
Identification No.)

President Place, 4th Floor, Cnr. Jan Smuts Avenue and Bolton Road
Rosebank, Johannesburg, South Africa
(Address of principal executive offices) (ZIP Code)

Registrant's telephone number, including area code: **011-27-11-343-2000**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a -12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d -2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e -4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b -2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition.

The following information is furnished pursuant to Item 2.02, "Results of Operations and Financial Condition".

On January 31, 2019, the Company issued a press release regarding the final judgment handed down by the High Court of the Republic of South Africa (Gauteng Division, Pretoria) related to the Company's application to direct SASSA to pay social grants into the EPE accounts of recipients who had previously made biometric elections to receive their grants into their EPE accounts, but had not submitted a SASSA-prescribed form called an "Annexure C form". The Company also announced that it expects a loss for the second quarter of fiscal 2019. A copy of the press release is attached as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit

No. Description

[99.1](#) [Press Release, dated January 31, 2019, issued by Net 1 UEPS Technologies, Inc.](#)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NET 1 UEPS TECHNOLOGIES, INC.

Date: January 31, 2019

By: /s/ Herman G. Kotzé
Name: Herman G. Kotzé
Title: Chief Executive Officer

Net1 provides update on EPE accounts court process; expects Q2 2019 loss

Johannesburg, January 31, 2019 – Net 1 UEPS Technologies, Inc. (“Net1” or the “Company”) today announced that on January 29, 2019, the High Court of the Republic of South Africa (Gauteng Division, Pretoria) handed down its final judgment in the Company’s application to direct SASSA to pay social grants into the EPE accounts of recipients who had previously made biometric elections to receive their grants into their EPE accounts, but had not submitted a SASSA-prescribed form called an “Annexure C form”. The High Court reversed a portion of its November 28, 2018 interim order that directed SASSA to pay grants into the EPE accounts of recipients who made those biometric elections without submitting the Annexure C form. The effect of the final judgment is that, while SASSA is required to promptly pay social grants into EPE accounts of those recipients who have submitted the Annexure C form electing to have their grants paid that way, SASSA is not required to pay grants into the EPE accounts of those recipients who have not submitted the Annexure C form, despite having provided their previous biometric consent and may continue to auto-migrate those grants to SAPO accounts. The High Court did not award costs.

The Company is currently evaluating the options available to it, including an appeal against the judgment.

“SASSA failed to implement the High Court’s interim order and pay the social grants for the December, January or February payment cycles into the EPE accounts for those customers who have previously been auto-migrated without consent. Unfortunately, this has had a material adverse impact on our financial results, and we expect to report a significant loss for the second quarter of fiscal 2019. This loss arose primarily from the deployment of our full infrastructure to service current and new customers during that time, and a substantial increase in our allowance for doubtful finance loans receivable on loans extended to our EPE account holder base,” said Herman Kotzé, CEO of Net1. “Our near-term focus is to ensure that we right-size our South African operations and get them to a break-even level by Q4 2019. We remain in a net-cash position, and our non-EPE-related businesses remain meaningful positive contributors to the Group.”

About Net1 (www.net1.com)

Net1 is a leading provider of transaction processing services, financial inclusion products and services and secure payment technology. Net1 operates market-leading payment processors in South Africa and the Republic of Korea. Net1 offers debit, credit and prepaid processing and issuing services for all major payment networks. In South Africa, Net1 provides innovative low-cost financial inclusion products, including banking, lending and insurance, and is a leading distributor of mobile subscriber starter packs for Cell C, a South African mobile network operator. Net1 leverages its strategic equity investments in Finbond and Bank Frick (both regulated banks), and Cell C to introduce products to new customers and geographies. Net1 has a primary listing on NASDAQ (NasdaqGS: UEPS) and a secondary listing on the Johannesburg Stock Exchange (JSE: NT1). Visit www.net1.com for additional information about Net1.

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: obtaining right to appeal the judgment and the result of such appeal, if right to appeal is granted; finalization of its second quarter of fiscal 2019 results, as well as 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, 2018, 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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