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USA Technologies Submits Letter to Nasdaq Requesting Additional Extension to Regain Compliance

September 4, 2019

MALVERN, Pa.--(BUSINESS WIRE)--Sep. 4, 2019-- USA Technologies, Inc. (NASDAQ: USAT) (the "Company"), a cashless payments and software services company that provides end-to-end technology solutions for the self-service retail market, today announced it has submitted a letter to the Nasdaq Hearings Panel (the "Panel") requesting the Panel to grant to the Company the maximum possible exception period permitted under applicable Nasdaq rules and interpretations, or until September 23, 2019, and informing the Panel that it was unlikely that it will regain compliance with its periodic filing requirements by September 9, 2019. The maximum possible exception period is 360 days from the due date of the Company's initial late filing as extended by a Form 12b-25 filing, if applicable. Additional information regarding today's announcement can be found in the Current Report on Form 8-K the Company filed today with the Securities and Exchange Commission.

As previously reported, the Company is not in compliance with Nasdaq Listing Rule 5250(c)(1), which requires listed companies to timely file all required periodic financial reports with the Securities and Exchange Commission. These delinquencies resulted from an internal investigation conducted by the Company's Audit Committee, the commencement and results of which were disclosed in Current Reports on Form 8-K filed on September 11, 2018 and January 14, 2019, respectively. In this regard, and as previously disclosed, the Company received letters from the Listing Qualifications Department of The Nasdaq Stock Market LLC ("Nasdaq") notifying the Company that since it had not filed its Annual Report on Form 10-K for the fiscal year ended June 30, 2018, and the Quarterly Reports on Form 10-Q for each of the fiscal quarters ended September 30, 2018, December 31, 2018, and March 31, 2019, the Company's securities were subject to delisting. Pursuant to applicable Nasdaq rules, the Company requested a hearing with the Panel, and following the hearing, the Panel determined to continue the Company's listing pursuant to an exception through September 9, 2019. The Panel's decision required the Company to, among other things, become current with its periodic filing requirements by such date and to provide written updates to the Panel on May 30, 2019, June 28, 2019, July 31, 2019, and August 15, 2019. These updates were filed with the Panel as required.

The Company continues to work diligently to regain compliance with its periodic reporting obligations, and anticipates doing so by no later than September 23, 2019. There can be no assurance that the Panel will grant the Company's request for the maximum possible exception period through September 23, 2019. In such event, the Panel will issue a final delisting determination and the Company's securities will be suspended from trading on Nasdaq.

About USA Technologies, Inc.

USA Technologies, Inc. is a cashless payments and software services company that provides end-to-end technology solutions for the self-service retail market. With nearly one million connections worldwide, USAT is transforming the unattended retail community by offering one solution for payments processing, logistics, and back-office management solutions. The company's enterprise-wide platform is designed to increase consumer engagement and sales revenue through digital payments, digital advertising and customer loyalty programs, while providing retailers with control and visibility over their operations and their inventory. As a result, customers ranging from vending machine companies, to operators of micro-markets, gas and car charging stations, laundromats, metered parking terminals, kiosks, amusements and more, can run their businesses more proactively, predictably, and competitively.

Forward-looking Statements:

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: All statements other than statements of historical fact included in this release are forward-looking statements. When used in this release, words such as "anticipate," "believe," "estimate," "expect," "intend," and similar expressions, as they relate to the Company or its management, identify forward-looking statements. Such forward-looking statements are based on the beliefs of the Company's management, as well as assumptions made by and information currently available to the Company's management. Actual results could differ materially from those contemplated by the forward-looking statements as a result of certain factors, including but not limited to, the ability to complete the financial statements required to be included in its unfiled periodic reports or restatement of the affected financial statements; the risk that non-investigatory adjustments which have been identified during the course of the audit will result in the restatement of additional previously issued financial statements of the Company; the ability of the Company to regain compliance with its periodic reporting obligations on a timely basis; risks relating to the substantial costs and diversion of personnel's attention and resources deployed to address the restatement of the affected financial statements, the unfiled periodic reports, and internal control matters; the risk associated with the currently pending litigation or possible regulatory action arising from the internal investigation and its findings, from the failure to timely file its periodic reports with the Securities and Exchange Commission, from the restatement of the affected financial statements, from allegations related to the registration statement for the follow-on public offering, or from potential litigation or other claims arising from the shareholder demands for derivative actions; any subsequent discovery of additional adjustments to the Company's previously issued or prior fiscal years' financial statements which would further delay the preparation and filing thereof; the ability of the Company to regain and maintain compliance with Nasdaq's continued listing requirements; the timing of the review by, and the conclusions of, the Company's independent auditor with respect to the previously issued or prior years' financial statements; and the risk that the filing of the unfiled periodic reports or the restatement of the affected financial statements will take longer than anticipated, resulting in delisting of the Company's securities. Readers are cautioned not to place undue reliance on these forward-looking statements. Any forward-looking statement made by us speaks only as of the date of this release. Unless required by law, the Company does not undertake to release publicly any revisions to these forward-looking statements to reflect future events or circumstances or to reflect the occurrence of unanticipated events.

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Source: USA Technologies, Inc.

Media:

Joele Frank, Wilkinson Brimmer Katcher
Tim Lynch / Meaghan Repko
212-355-4449

or

Investors:

Blueshirt Group

Monica Gould, +1 212-871-3927

monica@blueshirtgroup.com