

ALTRON

FINTECH

OUR TECHNOLOGY IMPACTS
LIVES WITH OUR PEOPLE
BEHIND IT

ALTRON FINTECH NEWSLETTER

MAY 2023 ISSUE



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#SimplifyingFinTechComplexity

A LOOK INTO ALTRON FINTECH

The exchange of knowledge is what keeps our conversation going. At Altron FinTech we want to create interesting content with our customers in mind and make sure that our readers are aware of all the latest trends in the market, products and innovation, and business related news.

Enjoy the carefully curated content we have assembled for you to peruse as you scroll through our newsletter!

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OUR PURPOSE

We strive to create technology that impacts lives and to deliver innovation that matters, and that's why we created our hashtag **#SimplifyingFinTechComplexity**. We want to build a brand that offers simplified FinTech solutions, allowing our customers and merchants to focus on growing their businesses as well as increasing their cashflow and managing their finances. We assist our merchants in understanding the solutions available in the market and how they can improve their overall business performance by providing them with simplified solutions using the latest FinTech technology.

We aim to be an innovator in simplifying FinTech complexities by providing exceptional customer service, customizable and integrated solutions. We research, design, and innovate our solutions with our customers and merchants in mind; regardless of industry, Altron FinTech has a solution that can help you enter and excel in your industry.

The goal of **#SimplifyingFinTechComplexity** is to develop simplified and innovative solutions that help to future proof our merchants' businesses while allowing them to navigate the FinTech landscape. This ever-changing and expanding landscape does not have to be difficult to understand or navigate, and that is what we at Altron FinTech strive for. Simplified solutions for any business within the FinTech space.



Message from Johan Gellatly

Hello once again!

I am delighted to share the most recent issue of our Altron FinTech newsletter with you. There has been a lot going on in the FinTech sector and within Altron FinTech recently. We've had a busy few months, starting with our User Conference, where we got to see our customers for the first time in two years and exchange information to help us work better together.

In this issue, we look at some of our Silent Warriors, a phrase that means a lot to us at Altron. We talk about the importance of credit checks and why they are so essential in the microfinance industry. And, as the landscape and trends in the FinTech industry change, we also share with you some ideas on how you can protect yourself and your company from fraud. March was Women's Month, and we couldn't pass up the chance to highlight Altron FinTech's innovative women in FinTech.

I hope you enjoy this month's carefully curated content & as always, chat soon in the near future!

Stay innovative!

Johan Gellatly



#SimplifyingFinTechComplexity

SILENT WARRIORS

ALTRON FINTECH



A company cannot function without its employees, the people who work tirelessly around the clock to ensure that everything runs smoothly, customers are satisfied, and products are innovative. At Altron FinTech, we believe that the heart of our business are our employees and without them we wouldn't be able to deliver innovation that matters. We are always grateful to all the hard working individuals that take the utmost care and effort to ensure they are delivering innovative and great customer service no matter what.

The Oxford dictionary defines a warrior as a person who has shown great vigour or courage on the battlefield. At Altron FinTech we have our own kind of warriors – the Silent Warriors. A silent warrior at Altron FinTech is considered an individual who no matter what goes above and beyond for everyone including their colleagues and customers. serve both our internal and external customers.

These are the people within our various teams who never draw attention to themselves, but work tirelessly to serve both our internal and external customers. Their commitment to their team, to you, our customers and the organisation as a whole is evident in the service that they provide and the innovations, big and small that they bring to the table that improve the way we do business.

A silent warrior is not someone who is constantly praised or who is always in the spotlight; instead, they perform their duties with vigour and diligence without the accolades, and devote themselves to every task they are assigned.

Today, we wanted to recognise those Silent Warriors who have given their time and efforts to Altron FinTech, we want to recognise their efforts and let them know we see them, we know how hard they work and they deserve all the praise they receive!

Check out the Silent Warriors at Altron FinTech to show your appreciation!



THE IMPORTANCE OF CREDIT CHECKS

Reckless lending risk spikes as lenders neglect credit checks

Soaring costs and a proliferation of credit providers are driving more South African consumers to seek credit to cover both daily expenses and big-ticket items. However, analysis by Altron FinTech has found that as many as 30% of small loans may be being granted without proper credit checks, putting lenders and consumers at risk.

Pierre Bezuidenhout, General Manager of Delter, a division of Altron FinTech, says analysis of anonymised data from micro lenders indicates that best practice is not being adhered to in terms of credit risk management.

Bezuidenhout explains “The National Credit Regulator (NCR) states that credit providers must take all possible steps to ensure they are not over-indebting the customer. This means conducting an affordability assessment by validating income and expenses, as well as running a credit check through a credit bureau. Because consumers may stretch the truth around their income and expenses, a credit bureau enquiry is crucial because it gives more accurate insights into customer expenses and existing credit agreements.

It will also reflect other recent activities at credit bureaus, which will give an indication of whether the customer is shopping around for credit and if the consumer is at risk of overextending themselves. It is also crucial as evidence that the lender applied the necessary due diligence, should the NCR carry out desktop compliance and seek documentation.”

“We have identified a growing trend in this space, whereby the number of credit checks being performed does not align with the number of new credit agreements being signed.”



If a credit provider granted 100 new agreements per month, the expectation is they carried out over 100 credit checks, including the applications that were rejected. But there isn't a 1-1 ratio at all credit providers – some have made only 70 – 75 enquiries per 100 agreements.”

This trend is emerging in the small unsecured credit market, where micro-financiers offer one to six month terms and up to R8000 in credit. “These are small loans, but it's a big numbers game – involving totals of billions of rands in credit,” Bezuidenhout says.

Bezuidenhout adds that the lenders Delter engages with are aware of the need to carry out credit checks, however, their staff may be neglecting to carry them out in some cases.

“Our systems give us anonymised big data, allowing us to identify trends and look at solutions to curb the trends. Neglecting to carry out credit checks is a growing tendency, and we are working with micro-finance businesses to develop systems that ensure staff follow certain protocols around credit checks, for example – blocking the application process until the credit check has been completed. We are providing the tools, and guiding business owners to help them mitigate the risk of reckless lending.”

“We focus on the education of credit providers; providing solutions to manage the business, do good business, tick all the boxes, and ensure they provide credit that is collectable,” Bezuidenhout says.



FRAUD AWARENESS IN THE FINTECH INDUSTRY

Fraud is an unfortunate part of the FinTech industry; there are an increasing number of ways for scammers in this industry to obtain and process your information without your knowledge.



This is why risk and compliance teams must be aware of fraud tactics, and why being a compliant business in the industry is critical. If not handled properly and with the proper prevention methods in place, fraud losses and data risks can cost a business hundreds of thousands of rands.

To avoid these losses and risks, risk and compliance teams should have the proper fraud detection solutions in place.

In these types of attacks, the perpetrator assumes the victim's identity, poses as another person, installs malicious software/bots on their account, or convinces them of a negative event on their account to steal money from them. Unknowingly victims of fraud could share their private information or merchants could be hacked with a virus.

There are a few steps to prevent these risks and attacks from happening to both merchants and customers alike.

Keep up to speed on fraud trends

It is in your best interest to keep up with the most recent fraud trends affecting other companies globally so that you can put the necessary security measures in place to safeguard your company from them.

Monitor transactions carefully

During a transaction, be sure to keep an eye on and double-check all crucial details like the shipping address, IP address, sum, and date. This makes it easier to keep track of transactions and less likely that any crucial information will be changed without your knowledge.

Ensure compliance with the correct regulatory body like PCI DSSI

In the FinTech industry it is cumbersome to follow the correct regulations and not default in any way as a data breach could cost their business a lot as well as its reputation.

Restrict access to confidential information

Only give employees who need access for their job duties and people you trust access to confidential information.

Do not share login details

Make sure that you encrypt your passwords and login information in a safe and secure manner.

It's crucial to keep up with the latest fraud trends in the market and make sure you're taking the proper security measures to protect your customers. Make sure you or your payment processor complies with PCI



WOMEN IN FINTECH

The technology sector has long been perceived as a male-dominated industry, with fewer women represented and more roles assigned to men. However, the FinTech industry has grown in recent years, with more and more roles becoming available to women. The massive growth in FinTech over the last decade has created a plethora of new roles and opportunities for both men and women.

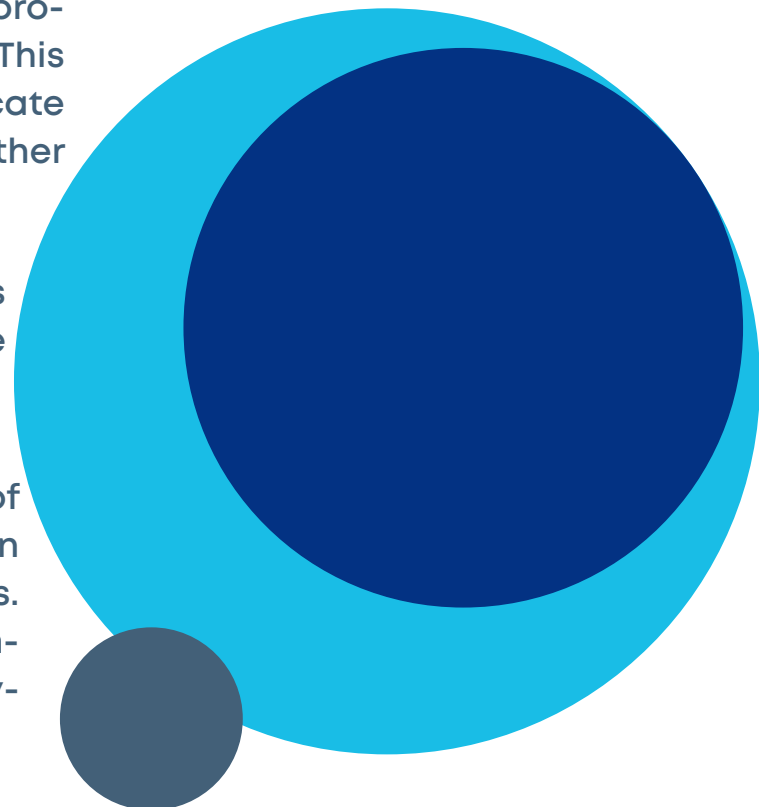
Diversity is one of Altron FinTech's core values; we take pride in creating a work environment in which everyone feels they have an equal opportunity to grow and advance in their careers, or even to begin their careers. We are an equal opportunity employer and empowering women in FinTech is something we are passionate about.

Altron FinTech is working hard to create a space where women in FinTech, irrespective of the field they work in, feel like they have the same or equal opportunity to advance their careers. We already have a number of successful and creative female employees working on our teams.

All of Altron FinTech's employees are encouraged through a personal development program to further their skills and studies. This gives them the chance to pursue a certificate or degree in their area of interest and further their skills in that field.

Altron FinTech is fully funding this, and as a perk for employees, they have free access to UDEMY courses.

This is a benefit that is available to all of our employees and is a part of our passion project to upskill our female employees. Employers should support their staff members in pursuing education and employment opportunities.





“We want to create a culture where success and innovation are everyone's top priorities, whether their journey is starting or ending at Altron FinTech.”

At Altron FinTech, we're fostering an environment where female employees can begin their FinTech journeys or step up and develop the following cutting-edge FinTech that could completely transform the market.

Altron FinTech is committed to breaking down barriers and providing equal opportunities for women in the industry. We believe that every journey to success begins with someone believing in you and providing you with the opportunity or steppingstones to that success, which is why we are committed to empowering women in the FinTech space.

We have some phenomenal women working in our FinTech space and we took the opportunity to discuss their journey into FinTech and their future hopes for women within the FinTech space.

Check out the interviews with our Altronian Women in FinTech here!

DELTER SUPPORT **FAQ'S**

WHAT ARE THE PROCESSES FOR WEBFIN & DELFIN SOFTWARE UPDATES?

Webfin - The client will make contact with our Technical support desk and we will check which version they are on and arrange an update that does not fall in historically busy playdates. This is a manual process. We are in the process to develop an Automated update process that will do the update for all our Webfin clients across the board.

Delfin - The client will make contact with our Technical support desk and they will make a copy of the local database and do the relevant Delfin update on the client's pc.

IS THERE ANY WAY THAT YOU CAN AUTOMATICALLY ALLOCATE PAYMENTS FROM DEBICHECK INTO WEBFIN?

We have a batch pay system function at the moment that will connect to NuPay and pull all the successful debits, the client will then post the relevant payments. We are busy with an automated process where no human intervention will be needed for the payments to be posted.

ALTRON FINTECH USER CONFERENCE

The Altron FinTech User Conference took place over a few weeks in February. We went to Durban, Cape Town, Port Elizabeth, Bloemfontein, and Johannesburg to bring the FinTech conversation to you, our customers. Our Altron FinTech experts on a variety of topics and products all things Altron FinTech across our Op Co's took the time to discuss your thoughts, questions, and concerns about the industry.

It was a day of intense education and understanding for both of us and all of you who joined us in person on the day. Altron FinTech is all about engaging with our customers on a personal level, so we jumped at the chance to meet with them in person and talk current issues, upcoming products, and how we can better serve your businesses.

We are so grateful to all our customers who took the time to come through & engage in a FinTech discussion with us!

[Click here watch the Altron FinTech User Conference 2023 recap.](#)



INNOVATION

New INNOVATIONS

Kwik Kadima

Kwik Kadima is an Android APP that is an extension of Delter's cloud Credit Management solution called Webfin. Credit providers that use Webfin in their business now have the option to install the Kwik Kadima App on an Android tablet. Kwik Kadima has a simplified process to allow the user to quickly and seamlessly manage customers and issue new loans without having the Webfin solution.



FINTECH ISSUANCE AND PERSONALISATION PRODUCT STRATEGY

Virtual Card & Token Issuing (IIDaas/Antelop)

Digital cards will complement physical card issuance and provide real time control. Move from high complexity to a unified and simplified integration of digital cards. We are moving to a world where we can digitise cards into a smartphone with all of the associated benefits. Through the introduction of tried and tested software solutions developed by Entrust in very close conjunction with the Associations.



WHAT IS HAPPENING OUR SOCIAL MEDIA?

Check out our social media channels to stay up to date with all the happenings at Altron FinTech, from product launches to information on events, useful tips and compliance related content or subscribe to our FinTechcomms email address and receive the latest news directly from us!



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