

AlphaCode awards R2m to fintech startups

South Africa's best up and coming fintech startups sweated it out at a virtual demo day when they had just five minutes each to convince a panel of judges that they should be part of the second phase of the AlphaCode Incubate programme.



Ben Karpinski and Mike Sharman of MatchKit.co

The ten startups, which have just completed a three-month programme, competed for one of four places in an extended 6-month programme valued at almost R1,5m each. Their success, which was validated by their ability to get traction in a short time, unlocks further funding of R500,000 each and tailored business support.

Says Andile Maseko, head of ecosystem development at AlphaCode, “Despite a tumultuous year, a number of entrepreneurs saw how they could fill a gap in the market for financial services and related industries. Those selected in the top four earned the opportunity for further funding and mentorship. The first part of the intensive programme focused on entrepreneurship and refining business models. The second phase will focus on revenue generation.”

In addition, these startups will be able to apply for seed capital from AlphaCode’s fund that invests in early-stage startups.

The four promising businesses selected

Founded by Zamokuhle Thwala, AgriCool is an e-marketplace that links smallholding farmers and buyers to a fair and reliable market. It offers farmers access to finance, reliable information on improving their production, and it works with both formal and informal markets. Street vendors, retailers, the hospitality industry can get fresh produce delivered, saving them transportation costs.

Bento is an out-of-the-box employee perks and benefits platform founded by Claudia Snyman, Dennis Williams, Bryn Divey and Ross Horak. It gives employers a simple and cost-effective solution to offer employee benefits without the cost and administrative burden. Employees are empowered to self-manage their benefits and perks which gives them freedom of choice over their remuneration structure and take-home pay.

Imfuyo Technologies, founded by Allasandro Da Gama, is developing a smart farming solution that will give livestock farmers better oversight of their operations at viable cost points. The initial offering will consist of a smart tracker that will collect critical data about cattle location and behaviour. The data is analysed to enable farmers to optimise farming activities. The platform will also serve as a de facto cattle deeds office, providing better traceability across the beef production value chain. Through Imfuyo Technologies, livestock farmers also have better access to financial markets.

MatchKit.co helps athletes better commercialise their careers. The platform helps athletes make money, regardless of the status of sporting events. It integrates into existing social media channels and stats to showcase the value of an athlete's digital audience to potential sponsors. It also offers a plug-and-play e-commerce store where fans can purchase everything from bespoke, branded merchandise to personalised video and audio shout-outs. Founded by Mike Sharman, Shaka Sisulu, Bryan Habana and Ben Karpinski, MatchKit.co plans to add insurtech and transactional / virtual card capabilities to their offering.

Dominique Collett, head of AlphaCode and a Rand Merchant Investments Holdings (RMI) executive commented, "We have been very impressed with the level of drive of these ten startups who applied what they have learned on the AlphaCode Incubate programme as they focused on increased traction. The standard of these ideas gets better every year. It's been a very intense time for the participants and we look forward to growing the four businesses."

Almost 200 fintech businesses initially applied for AlphaCode's Incubate programme which aims to grow innovative financial services entrepreneurs and find the next OUTsurance or Discovery. Only ten were then selected to complete in the initial three-month programme that provided funding, guidance from performance coaches and a panel of advisory experts, access to AlphaCode's co-working space, and opportunities to apply for further early-stage investment.

The panel of judges included Willem Roos, former CEO of Rain and former founder of OUTsurance; Raymond Ndlovu, CEO of Community Investment Ventures with a stake in Vumatel; Dominique Collett, a fintech specialist and senior

investment executive at RMI; Danie Matthee, the CEO of OUTsurance; and Mcebo Ntombela, investment manager at Royal Bafokeng Holdings.

“The panel had a good mix of entrepreneurs and corporate execs who understand the digital landscape,” explained Maseko.

One of the judges, Raymond Ndlovu, added, “The mix of businesses presenting this year was fascinating - a bit of everything from crypto to sports to stokvels and car repairs. The presentations were of a high standard taking into account the fact that we were all online. Look forward to the growth of all these promising businesses - whether they were selected for further incubation or not.”

The AlphaCode Incubate programme has disbursed R32 million in funding to 31 black-owned financial services businesses over the past five years and is viewed as South Africa’s most prestigious fintech startup initiative.

AlphaCode Incubate awards entrepreneurial packages to South Africa’s most promising financial services startups through AlphaCode with the support of Rand Merchant Investments and Royal Bafokeng Holdings.

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