

Lendahand

Optimising financial operations through strategic currency management



The company

Worldwide, 736 million people live on less than €1.60 a day. Creating new jobs helps people escape poverty. That insight prompted former equity analyst Peter Heijen to found Lendahand. The crowdfunding platform connects Dutch investors seeking social as well as financial returns, with small businesses that are driving the economy in developing countries.

For Finance Director Daniël van Maanen, Lendahand aims to bridge the gap between “Dutch investors that want to invest socially and the entrepreneurs in developing countries that need funding. With already nearly 3,000 projects, we’ve been able to help a lot of entrepreneurs get a loan for working capital or to purchase equipment such as solar panels, for example. Since we started in 2013, we’ve already helped provide more than €100 million in loans.”

Once projects reach their funding goals, investors begin receiving regular principal repayments along with interest on their initial investment. Upon receiving repayments, investors have the option to reinvest in other projects or withdraw their funds, with no additional charges, back into their bank accounts.

The challenge

Investors invest in euros, but entrepreneurs prefer to borrow in dollars

To bring lenders and entrepreneurs in emerging countries together, Lendahand often has to bridge currency markets. Investors deposit the money in euros, but loans for projects in emerging countries are generally in dollars or local currencies. “We were looking for a way to convert the euros that investors were looking to lend into

dollars. Upon repayment, the amount would then need to be converted back to euros. For us, these conversions were quite complex, as all our systems are set up for euros. We didn’t know how to handle these money transfers from one currency to another without being disadvantaged by the fluctuating exchange rates.”

lendahand 

impact investing /
crowdfunding



Founded: **2013**



25+ employees



**Netherlands,
developing countries**

Usages

Manage transaction risk when lending and receiving credit in dollars

Currencies

EUR, USD

💡 The solution

Close cooperation and a tailor-made system

iBanFirst set up a currency strategy specifically tailored to Lendahand's needs. For example, transactions can sometimes take days to settle, but by setting up flexible forwards they were able to lock in an exchange rate, often getting a slightly better rate in the

process. "We needed a partner experienced in currencies who would collaborate closely with us. iBanFirst came recommended and proved to be a great fit," says Van Maanen.



iBanFirst has a very customer-driven approach, which makes it enjoyable to work with them. We sometimes had quite a few specific requests for which there was no ready-made solution but they saw this as a challenge. In fact, I never actually heard them say something was impossible.

Daniël van Maanen
CFO of Lendahand

✓ The result

Rapid growth thanks to many more dollar transactions

In early 2021, Lendahand made it possible for its Dutch investors to invest directly in dollars. Things have moved very fast since then. "Now that we can fund loans in dollars, many more projects have become available to investors on our platform. In the first year, 15% of our loans were granted in dollar. This year, it's already reached 50% and it's such a great success that we've even had to slow things down a little."

Over the past year and a half, the dollar has risen against the euro. And as a result,

investors have made additional returns. But if the dollar falls it could pose a significant problem for Lendahand and its investors, which is why locking in rates is crucial. "We were looking for a way to manage the risk of currency fluctuations affecting returns, and iBanFirst had the solution. Now, we're better able to serve our customers and we hope to process a total of €1 billion worth of loans by 2026," concludes the CFO of Lendahand.



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