

EXECUTIVE SUMMARY

Abaco is a Central American fintech addressing a structural working-capital gap for underserved MSMEs, particularly suppliers in corporate value chains that wait 60-180 days for payment on invoices, yet lack access to timely bank credit. Traditional lenders require collateral, credit history, and lengthy approvals that most small firms cannot meet, despite MSMEs representing the vast majority of businesses and a large share of formal employment in the region.

Abaco's digital factoring model converts verified invoices into near-term liquidity, leveraging growing electronic invoicing adoption in El Salvador and Guatemala to scale a modern financing platform in a market that remains fragmented and largely untouched by digital players.

The company operates two products: CashX, a direct digital factoring solution that represents the large majority of the portfolio today, and ProntoPago, a reverse factoring product anchored on corporate buyers. Revenue is generated through discount rates on financed invoices plus a digital advisory fee, producing attractive unit economics and a blended net interest margin that supports further scaling. The focus on women-led and underserved businesses reinforces IDB Lab's additionality thesis.

Abaco is raising a US\$2 million seed round via post-money SAFEs at a US\$18 million valuation cap. IDB Lab is proposing a US\$500,000 investment alongside Nazca (lead), Innogen Capital, Montree, and others. Proceeds will strengthen the balance sheet and unlock a recently secured up-to-US\$50 million debt facility (US\$8M committed, US\$42M subject to tranche conditions) from Accial Capital to finance portfolio growth. IDB Lab's participation is structured as a SAFE with a 20% discount and potential follow-on of up to US\$1 million at Series A, subject to performance. Valuation analysis points to meaningful upside based on projected revenue growth and comparable fintech exit multiples, with strategic acquisition as the most likely exit path at scale.

This is IDB Lab's first seed stage equity investment under the Seed Program in 2026, which targets C&D and S&I countries where venture ecosystems are nascent and market-building interventions are needed. IDB Lab is applying a streamlined analysis that leverages the lead investor's due diligence while remaining compliant with current policies and procedures.