spark+
Financing the Cooking Energy Transition

INVESTMENT CASE STUDY / BURN MANUFACTURING

BURN MANUFACTURING

How Early Quasi-Equity from Spark+ Enabled Manufacturing Scale-Up

THE INVESTMENT

Flexible capital to scale production, build institutional capacity and unlock follow-on finance.

USD 6m	Apr 2022	Kenya
Quasi-equity facility	First disbursement	Manufacturing base

SPARK+ AFRICA FUND / ENABLING QAPITAL

THE INVESTMENT AT A GLANCE

Backing industrial scale in clean cooking

A financing structure designed for a company with proven demand, rising production requirements and limited conventional capital options.

USD 6m	275k	9
Spark+ quasi-equity	**Monthly units achieved**	**Countries of operation**
Two tranches in 2022	By Q1 2026	Reported in case study

BURN Manufacturing

BURN Manufacturing is transforming how families cook across Africa. As the continent's largest clean cooking company, BURN designs, manufactures, and distributes fuel-efficient stoves to households that have long relied on charcoal and firewood — cutting emissions, reducing fuel costs, and improving health outcomes at scale. With operations spanning nine countries and approximately 7 million stoves sold, BURN combines world-class manufacturing with carbon finance to make clean cooking accessible to the families who need it most.

The transaction

In April 2022, Spark+ Africa Fund ("Spark+" or the "Fund"), managed by Enabling Qapital ("EQ"), provided a USD 6 million quasi-equity facility to BURN Manufacturing ("BURN" or the “Company”), making it the Fund's first investment and one of the first major quasi-equity transactions in Africa's clean cooking sector.

This investment supported the expansion of the Company’s manufacturing capacity, helping unlock a broader wave of commercial and climate finance into BURN. It provides a clear example of how Spark+ is financing the transition to clean, modern energy for cooking across sub-Saharan Africa.

CORE INVESTMENT RATIONALE

Spark+ provided long-term, flexible capital at a point when conventional lenders were constrained by perceived risk and limited collateral.

01 / INVESTMENT CONTEXT

The Situation Before Spark+

Production capacity - rather than demand - was emerging as a critical growth constraint.

BURN entered 2022 with strong demand but constrained production capacity, lacking access to adequate financing to support its development. It could not service rapidly rising orders in Nigeria, Tanzania, DRC, Ghana, and Malawi. Carbon projects were also expanding, but the Company needed long-term, flexible financing to move beyond Kenya and execute its growth strategy.

BURN had already proven that high-quality cookstove manufacturing could be done competitively in Kenya, but its production platform was reaching its limits. During Spark+ due diligence, installed manufacturing capacity was approximately 120,000 units per month, while projected 2022 demand was already expected to exceed that level. The existing Kenya factory was being expanded from 57,000 ft² to 72,000 ft², and BURN had just secured a further 68,000 ft² facility nearby.

120k	72k ft²	68k ft²
Monthly installed capacity	**Existing factory expansion**	**Additional nearby facility**
During Spark+ due diligence	From 57k ft²	Already secured

The Company required more than just additional space. BURN needed to expand the industrial backbone of its manufacturing system: material preparation through shearing and laser cutting, press capacity, tooling, paint lines, product-specific assembly lines, and the systems required to manage higher volumes across multiple products and markets. It was also aiming to invest in R&D capabilities to expand its product line and improve its core product design to offer it at a lower price point, maximizing affordability for its target customer base.

All of these goals were difficult to finance through conventional lenders due to perceived risk, limited collateral, and the early-stage nature of the carbon market.

The Spark+ Investment

Quasi-equity matched to the operating and growth cycle of the business.

We conducted a detailed assessment of BURN Manufacturing's financing needs, including an in-depth analysis of its cash flow profile, development trajectory, operational requirements, and repayment capacity. This enabled us to structure a highly tailored quasi-equity instrument aligned with the company's growth cycle and business model.

The financing solution was designed to match BURN's expansion needs while preserving operational flexibility and ensuring sustainable repayment terms. In parallel, the strengthened capital structure also facilitated the mobilization of additional financing dedicated to working capital requirements.

In early 2022, Spark+ approved a two-tranche USD 6 million quasi-equity investment. The first tranche was disbursed in April; the second followed later that year.

INVESTMENT-TO-SCALE PATHWAY

01	02	03	04
Flexible capital	**Manufacturing**	**Operations**	**Leverage**
Two-tranche quasi-equity financing	Equipment, materials and Kenya line expansion	Tooling, assembly, distribution and systems	Broader financing and board-level engagement

More specifically, the funding supported raw material procurement at scale and line expansion in Kenya, helping BURN to move to the significantly larger production platform it operates today, as demonstrated by the 275,000 units per month it achieved by Q1 2026.

BURN added significant tooling and production capability, including CNC and EDM wire-cutting capacity, expanded press capacity, production lasers, and dedicated tool shop infrastructure. This made the company increasingly self-sufficient in building and maintaining the tools required for high-volume stove production.

In BURN's growth plans, enhanced production capacity went hand in hand with the launch of its kit strategy, its development of stronger internal systems for carbon project roll-out, the launch of new product lines, and the expansion of distribution teams across eight countries.

The Spark+ quasi-equity financing filled a critical gap and enabled BURN to unlock additional capital, provided by various financiers both on- and off-balance sheet.

Since the time of its investment, Spark+ fund managers have also served as board observers, consulting with management in its strategic decision-making.

What Happened Next

Manufacturing scale-up, carbon finance and expansion into new products and markets.

Rapid Scale-Up

BURN more than doubled production between 2022 and 2023. By late 2023, the Company had delivered more than 3.6 million stoves; by early 2026, it reached 7 million. Assembly operations launched in Malawi, Nigeria, Ghana, and Tanzania. Nigeria progressed from simple assembly toward full manufacturing, while Malawi reached meaningful production volumes within months of launch.

3.6m+	~7m	4
Stoves delivered	**Stoves sold**	**Assembly locations launched**
By late 2023	By early 2026	Malawi, Nigeria, Ghana, Tanzania

Carbon Breakthrough and Market Evolution

At the time of investment, BURN had strong carbon-linked demand but needed the production capacity, working capital, and operational systems to deliver against that demand. Carbon finance became a central driver of affordability, distribution, and valuation. BURN later closed large carbon project finance transactions, secured Letters of Authorization across multiple jurisdictions, and diversified across CORSIA-eligible, bilateral (Article 6.2), and high-integrity voluntary markets. Spark+ did not simply finance growth; it helped create the operating platform and institutional credibility that allowed carbon-linked capital to scale.

Product and Market Diversification

Between 2022 and 2025, BURN expanded beyond its core biomass products to build a portfolio spanning LPG, ethanol, electric induction stoves, cookware, pressure cookers, and institutional cooking solutions – scaling electric cooking across Kenya, Uganda, Tanzania, Ghana, and Mozambique. This diversification reduced exposure to fluctuations in biomass demand and voluntary carbon markets.

As the Company has matured, its strategy has become more deliberate. The profitability of the electric cooking business is expected to improve as product costs decline and premium carbon revenues become accessible in select markets. Biomass and institutional solutions continue to provide stable volume and anchor carbon-linked distribution models. LPG has also emerged as a key growth segment, supported by large-scale, fuel-backed distribution programs especially in Nigeria. Together, this multi-fuel approach allows BURN to respond dynamically to regulatory shifts, carbon pricing developments, and evolving consumer demand.

Operational Efficiency

Spark+ funding also supported BURN's transition to a lower-cost kit model – with components shipped from Kenya to Ghana, Nigeria, and the DRC for local assembly or transformation. This reduced landed costs by USD 6-8 per stove, enabling BURN to compete more effectively in new markets while sustaining carbon-linked distribution at scale. By 2025, the Company had centralized its Nairobi-based operations, improving manufacturing efficiency, while shifting elements of electric stove assembly offshore to further reduce cost and complexity.

Why Spark+ Was Catalytic

The case for additionality extends beyond the original capital commitment.

First Mover

Spark+ was the first fund to deliver quasi-equity into a clean cooking company at this scale. That signal changed the perception of risk among commercial financiers and opened doors that may otherwise have remained closed.

Crowding in Capital

Following the Spark+ financing, BURN attracted a broader pool of institutional and catalytic capital. It secured a major forward commitment from a large carbon credit buyer, onboarded an investor combining equity and carbon finance, and received more than USD 20 million in grant funding between 2023 and 2025.

Spark+'s investment also helped validate the company for other debt providers: subsequent financing discussions included green-bond and carbon project finance structures, as well as corporate and working capital debt – including a USD 15 million senior loan from the European Investment Bank. Operational partnerships followed, including significant supply agreements with D.Light, M-KOPA, and several carbon project developers. Spark+ played a decisive role in this shift by helping move BURN from a founder-led growth company into a platform capable of mobilizing institutional capital across equity, debt, grants, and carbon finance.

USD 20m+
Grant funding received
2023–2025

USD 15m
EIB senior loan
Subsequent financing

USD 60m+
Expected carbon financing
Commitments as of 2026

Risk Appetite

Spark+ accepted exposure that others avoided: early-stage carbon project risk, new assembly sites in fragile markets, volatile macroeconomic conditions in Nigeria, Malawi, and the DRC, rapid expansion of field operations teams, and the launch of nascent technologies such as electric induction stoves. This willingness to absorb controlled but meaningful risk enabled BURN to reach the next stage of development.

Scaling Institutional Capital

Spark+ did not simply catalyze one-off transactions – it helped establish BURN as a platform capable of systematically mobilizing large-scale commercial and climate finance. As of 2026, BURN has more than USD 60 million in expected carbon project financing commitments and is actively negotiating an additional USD 50 million transaction. Spark+, together with one of its anchor limited partners, African Development Bank, is planning to disburse USD 9 million in additional carbon project financing in Q2 2026. In parallel, a broad group of development finance institutions and impact investors are engaged in ongoing equity discussions.

Position Today

A multi-fuel, pan-African platform combining manufacturing, distribution and carbon finance.

6.6m+ **Stoves distributed** By early 2026	**33m+** **People reached** By early 2026	**68m t** **CO_2 emissions avoided** Estimated cumulative
USD 2.5bn **Household savings** Estimated cumulative	**~3,500** **Employees** By early 2026	**USD 60m+** **2025 revenue** Positive EBITDA reported

By early 2026, BURN has reached a new level of scale and maturity. The Company has distributed more than 6.6 million stoves across Africa (5.5 million since the Spark+ investment), reaching over 33 million people (28 million since investment). Its products have avoided approximately 68 million tons of CO_2 emissions (37 million tons since investment) and delivered an estimated USD 2.5 billion in household savings (USD 1.6 billion since investment). With a workforce of nearly 3,500 and a manufacturing and distribution footprint spanning multiple countries, BURN is the clear market leader in clean cooking.

Financially, the business has transitioned into sustained performance. In 2025, BURN generated more than USD 60 million in revenue, with strong gross margins and positive EBITDA, and projects continued growth into 2026. Carbon finance is now a central pillar of the model, supported by a diversified portfolio spanning compliance-aligned, bilateral, and high-integrity voluntary markets.

Crucially, the Company is no longer reliant on catalytic capital alone. It operates with a growing base of institutional investors and carbon counterparties, supported by a substantial pipeline of contracted and prospective financing. Combined with its multi-fuel strategy and expanding geographic footprint, BURN is a scalable, commercially viable platform capable of delivering both financial returns and impact at scale.

INVESTMENT TAKEAWAY

Clean cooking at scale requires not only viable technology, but the right financing structures at the right point in a company's development.

Interested in partnering with us to scale clean cooking access across Africa?
Find out more and get in touch at www.sparkafricafund.com.