

Spark+ provides inventory financing to East African last-mile distributor

- **Spark+ Africa Fund** is a pioneering impact fund investing in innovative companies which enable access to clean and modern cooking energy solutions in frontier markets across Africa.
- **Bidhaa Sasa** is a high-impact last-mile distributor offering life-improving technologies such as clean cooking solutions, on credit, to low-income consumers in rural Kenya and Uganda.



LUXEMBOURG, January 31, 2023 – Spark+ Africa Fund (“Spark+” or the “Fund”) has provided a 2.5-year, USD 500,000 loan to Kenya-based Bidhaa Sasa (the “Company”). Bidhaa Sasa is the third investment since the Fund launched in March 2022.

Bidhaa Sasa is one of a small number of highly-impactful last-mile distribution companies that have built a platform to bring new innovations and technologies to rural and unbanked customers in selected markets in Africa. The Company’s model involves the use of a woman-to-woman distribution model and a group guarantee-based lending approach, thereby eliminating the need for the integration of pay-as-you-go technology or high-cost credit customer underwriting processes.

The Company offers a diverse mix of products priced below \$100 which save customers time and/or money, including improved high-efficiency charcoal cookstoves, LPG cylinders, water tanks, tarpaulin canvas to dry grains, bags to transport agricultural products, grain silos, and solar lighting systems.

Bidhaa Sasa works with Biolite, a leading cookstove design and manufacturing company based in the United States with emerging markets operations based in Kenya, to produce a co-branded version of its robust, user-friendly, and high-efficiency JikoMalkia charcoal stove.

Bidhaa Sasa will utilize the Spark+ funding to finance the purchase of inventory from Biolite to offer clean cooking solutions to an estimated 68,000 households over the next 2.5 years. Users of a co-branded JikoMalkia stove save time and up to USD 200 per year on fuel costs, in addition to improved health due to reduced indoor air pollution, reduced GHG emissions, and reduced contribution to forest degradation resulting from charcoal production.

Gerald Njugi, Investment Officer at EQ: “We are pleased to support the growth of the long-standing partnership between Bidhaa Sasa and Biolite. Bidhaa Sasa is a notable early addition to the Spark+ portfolio as it demonstrates a commitment to the rural and unbanked customers often left behind by commercial providers of household energy products in Africa. We look forward to enabling Bidhaa Sasa to scale-up its business and impact in East Africa during the years to come.”

Rocio Perez-Ochoa, Co-Founder and Chief Executive Officer of Bidhaa Sasa: “We are pleased to announce this partnership with Spark+ to strengthen and support our distribution of Biolite cookstoves. The loan will secure inventory consisting of thousands of stoves and allow us to make them more affordable with payment plans for women in the rural heartlands of western Kenya. This deal is a good example of how the international community’s public and private sector actors can work together to improve access to modern energy for those most in need.”

About clean cooking solutions: 900 million people in sub-Saharan Africa lack clean and modern energy for cooking. Without the electric stoves and piped natural gas prevalent in developed countries, they are forced to spend an estimated \$35 billion annually on unhealthy and polluting open fires, charcoal, and kerosene. According to a 2020 World Bank report, this generates annual social, environmental, and

economic costs of more than \$330 billion in Africa, while the investment required by the private sector to deliver access to modern alternatives would be only \$2.6 billion. Solutions that rely on LPG, ethanol, electricity, biogas, and processed biomass fuels, as well as more efficient biomass stoves, are being commercialized with technology-integrated business models and are enabling underserved consumers to adopt modern energy.

About Spark+ Africa Fund: Spark+ is the first impact investment fund launched by Spark+ General Partner (“GP”), a joint venture between Switzerland-based investment advisor EQ, and Netherlands-based foundation SMC. Switzerland-based Woodman Asset Management acts as the Fund’s Alternative Investment Fund Manager (AIFM). The Fund’s investors include leading development finance institutions, pension funds, family offices, and foundations. The Fund has a target size of \$70 million. The US-based Clean Cooking Alliance (“CCA”), an initiative hosted by the United Nations Foundation, supported the development of Spark+. www.sparkafricafund.com

About Enabling Capital: EQ is an investment advisory company with strong ties in the impact investment sector and deep expertise in finance, with its founding partners unique skillsets and 100+ year proven track record. EQ is the exclusive advisor to the Enabling Microfinance Fund and has a global footprint of investment professionals across Europe, Africa, Asia, and Latin America who originate, execute, and monitor investments. EQ is the exclusive investment advisor to Spark+ and a shareholder in the GP. www.enabling.ch

About Stichting Modern Cooking: SMC is a Netherlands-based foundation governed by a management board which consists of clean cooking sector experts and impact investment professionals. SMC is a shareholder in the GP and the Fund’s TA partner. www.moderncooking.org

About Bidhaa Sasa: Bidhaa Sasa distributes and finances household technologies in rural Kenya and Uganda. Since it began operations in 2015, the Company has delivered 110,000 products averaging \$50 per product to approximately 86,000 customers, 75% of whom are female. Bidhaa Sasa has been able to achieve good repayment behavior from its low-income customer base, with an average repayment rate of 98% and high customer satisfaction as demonstrated by a 80%+ net promoter score. The Company employs 135 full-time staff across its 12 retail hubs. bidhaa.co.ke/

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