

Company: Komaza

Contact: Tiffany Card, Chief Technology Officer

Phone: +1-650-279-8711

Email: tiffany@komaza.com

For immediate release

Komaza Raises \$28M Series B to Capture Africa's \$30B Wood Deficit While Restoring Degraded Lands

With this latest funding, Komaza is well on their way towards their goal of planting one billion trees by 2030 benefiting more than 2 million farmers in Sub-Saharan Africa

[NAIROBI, KENYA, July 2020] — Komaza, a tech-enabled, sustainable forestry company that is revolutionizing the wood industry in Africa through its innovative smallholder platform, has secured a first close of \$28m of the company's planned \$33m Series B equity financing. With continued investment and support from their Series A lead Novastar Ventures, this financing round was co-led by Novastar LPs AXA Investment Managers (through the AXA Impact Fund: Climate & Biodiversity), and the Dutch development bank FMO, with further participation by Mirova's Land Degradation Neutrality Fund.

The [Kenya-based company](#) has planted over 6 million trees with 25,000 smallholder farmers to date, with annual plantings nearly doubling Kenya's rate of commercial tree planting. This rate places the company among Africa's top commercial tree planters. Komaza's "microforestry" model represents a paradigm shift in the industry from large, costly plantations to distributed partnerships with local farmers. This shift yields an 80% cost disruption vs traditional plantations for every acre planted, while unlocking dramatically more land for forestry activities, especially those held by farmers around major cities.

While distributed operations increase management complexity, Komaza has tackled these planning and coordination challenges using AI and satellite data to map existing tree growth and real-time mobile apps on the ground to track farmer progress.

With this latest funding closed, Komaza is well on their way towards their goal of planting one billion trees by 2030, benefiting over 2M farmers in Sub-Saharan Africa and doubling existing tree cover across all operating landscapes.

"For every acre of habitat lost on Kenya's coast, more species go extinct than anywhere on the planet" says Tevis Howard, Komaza's Founder and CEO. "Massive challenges need ambitious companies fighting to create value and align incentives around solutions that work for both people and planet. At Komaza, our vision is to become Africa's largest forestry company, by partnering with farmers to provide a sustainable and hyper-scalable domestic supply of wood. As a result, farmers get a climate-resilient, zero-risk, source of wealth creation for their families, and investors get commercial returns, all while relieving the intense pressure on remaining natural forests."

Komaza, who is supported by [Conservation International](#), represents a new, highly scalable approach to conservation - one that puts livelihood generation and economic growth at the center of environmental restoration and promotes the role of forestry as a natural solution to mitigate climate change.

According to Jonathan Dean, Head of Impact Investing at AXA Investment Managers, "Our partnership with Komaza provides a practical model for aligning the interests of local communities with global objectives to combat climate change, protect ecosystems and their inherent biodiversity. Partnerships with the farmers and a close relationship with the supply chain will empower communities to not only help preserve local biodiversity but also drive an additional source of income."

This innovation comes at a critical time for climate action and biodiversity loss. Despite having the highest potential at lowest cost, natural climate solutions receive less than 3% of global climate financing. With reforestation rising to become

a hot topic at Davos this year, commercial win-win models like Komaza are essential to unlocking the tremendous support potential of mainstream capital markets.

Annette Berendsen, Principal Investment Officer at FMO commented: "We are very proud to be a direct shareholder in Komaza. We decided to invest because of the conviction and perseverance of Komaza's management, the company's strong tree planting track record and its savvy proprietary operating systems. This funding round will enable Komaza to build on these strengths, to grow to scale and be a real game-changer in African forestry."

"Land restoration is a major challenge but also a real opportunity," adds Gautier Quéru, Director of Mirova's Land Degradation Neutrality Fund, "We need talented entrepreneurs such as Komaza to scale up innovative and attractive solutions able to deliver tangible positive impacts for nature and the people."

Komaza plans to leverage its Series B funding to expand from its first site on Kenya's coast to two additional sites across East Africa. The company will invest in additional wood manufacturing facilities to expand its line of high quality, sustainable building materials. Komaza plans to add a new direct-to-farmer app to drive enrollment and increase farmer access to best practices. They will also build off of their success with a recent remote sensing and AI pilot for automated monitoring of their farms.

"In the three years since we closed the Series A financing, Komaza has demonstrated the ability to execute and grow its distinctive, tech-enabled microforestry business model." says Steve Beck, founding partner at Novastar Ventures. "This landmark Series B financing provides the firepower now to replicate and scale the business across Africa."

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About Komaza

Komaza works to unlock the potential of small-scale farmers to solve Africa's wood supply crisis. Collectively, small farmers possess limitless land and labor resources to plant billions of trees. Komaza provides farmers with support across the forestry value chain, from seedlings to sawmills. With a dramatically lower-cost and more-scalable forestry model, our vision is to become Africa's largest forestry company, growing an environmentally-sustainable wood supply and generating truly life-changing income for millions of farmers. Komaza is proud to be a [StartX company](#).

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Media Contacts

Jamie Wynn-Williams

+44 20 7003 2680

Jamie.Wynn-Williams@axa-im.com