



CrossBoundary Advisory advises Komaza on \$28m Series B capital raise

Serving as transaction advisors under **USAID's [Kenya Investment Mechanism](#)** Program, we supported, **[Komaza](#)** on its recent US\$28M Series B equity raise, which saw the participation of **[AXA Investment Managers](#)**, **[FMO](#)**, **[Mirova](#)**, and **[Novastar Ventures](#)**. This will see Komaza scale its tech-enabled, sustainable, forestry business model across East Africa.

During the transaction, we worked closely with Komaza's senior management team including, Tomonobu Kumahira (Corporate Finance Director), Tiffany Card (CTO), and Esther Mutuma (Managing Director). As the transaction advisors, our role was to assess Komaza's business model, including its similarities and differences to traditional forestry models, to provide a nuanced perspective on growth potential and valuation.

Our geographical coverage and on the ground experience across Sub-Saharan Africa, means we are intimately familiar with investor considerations across these markets. This enabled us to provide a clear perspective regarding this new and exciting asset class.

Tomonobu Kumahira, Corporate Finance Director at Komaza said, "The transaction support we received was catalytic in our ability to raise this Series B and provided important insights to our investors."

Komaza, which is incorporated as an American company with a subsidiary in Kenya, partners with smallholder farmers to plant, grow, and harvest trees. Once harvested, the trees are processed to serve as high-quality building materials for use in infrastructure and construction across the region. The company's micro-forestry business model is a pioneer in two ways:

1. It is the first forestry company to successfully partner with smallholder farmers to grow trees at this scale. Trees — unlike many field crops — are a drought-resilient, marketable commodity. The tree inputs and training provided by Komaza give farmers opportunities to intercrop trees and benefit from improved soil quality. The company provides income to farmers throughout the harvest lifecycle, as well as meaningful lump-sum payments when trees are mature.
2. Komaza's business model is predicated on greenfield forestry expansion. For every tree harvested, three additional trees are planted. This provides a sustainable solution to deforestation challenges and to drive long term net reductions in greenhouse gas emissions.

With 25,000 existing smallholder farmers already enrolled, the equity investment will help Komaza drive further enrolments and engagement on its farmer app and expand agroforestry best practices. Capital will also be deployed to upgrade wood processing facilities and tree planting – in line with its goal of planting one billion trees by 2030.