

CANEX WKND 2022



CANEX DEAL ROOM INFORMATION





GENERAL INFORMATION

Given the relevance and opportunities provided by the creative economy as a key driver for development and job creation, Afreximbank has deployed the Creative Africa Nexus Programme to facilitate the development and growth of the creative and cultural industries in Africa and the diaspora. The programme provides a range of financing and non-financing interventions to support Africa's production, trade and investment in creative assets and development of the broader ecosystem. At the initial phase, the Canex Programme is focusing on Fashion, Film, Music, Arts/Crafts and Sports.

In light of this, as part of the CANEX WKND, Afreximbank will be hosting a 'CANEX Deal Room', where entrepreneurs will be given the opportunity to present bankable projects/opportunities in the Creative and Cultural Industries to financiers and investors. Afreximbank and sister financial institutions in attendance will consider both Debt and Equity for transactions that fall under the following segments:

- Film and Television
- Music
- Fashion
- Infrastructure for the creative industry

ELIGIBILITY

GENERAL ELIGIBILITY

- **Geography:** Africa based enterprises (public or private) registered/ or with significant presence on the African continent and bound by company laws of one of Afreximbank's participating states.
- **Ownership and control:** Entities either fully or partly owned by Africans or Africans in the diaspora (minimum African ownership of at least 25% equity), provided proof of link to an African in Diaspora is established;
- **Operating history:** Companies must have been in operations for at least 3 years with a demonstrated history of performance in their respective sectors. Please note that infrastructure projects are exempted from this, as those transactions can be done under green-field or brown field project finance basis.
- **Team:** Company must employ at least 50% African talent based and working in Africa.
- **Product:** Products must promote African talent and creativity for local and international audience.

ELIGIBILITY REQUIREMENTS BY SECTOR

i. FILM AND TELEVISION

- An established track record (minimum of 3 commercially successful titles and US\$1m in revenues at the time of application) of commercially successful films which has been distributed across intra and (or) extra African territories;
- Be either the lead producer on the project or have signed a co-production (or service) agreement with an international production company;
- Signed distribution agreements with distribution networks, streaming platforms etc.
- For funded transactions, provide or demonstrate a minimum equity contribution of 20 per cent of the expected cost outlay/budget;

ii. INFRASTRUCTURE

- Applicants should be either an existing cinema owner or retailer for cinema investments; studio developers, new or established film/TV/animation schools, new or existing animation studios and TV stations OR They must be music professionals with a demonstrated history in the music industry with a successful history of delivering such projects.
- Applicants can also be governments or private sector companies engaged in the development of sports related facilities and arenas such as Stadiums.
- Applicants must have obtained all the necessary regulatory approvals/planning permits needed to commence construction.
- Applicants must have a signed turnkey agreement with a reputable EPC contractor, where the EPC contractor bears the risks for any unforeseen contingencies relating to the construction;
- On a build to own basis, applicants must demonstrate capacity to operate and maintain the asset once completed or have signed an operation and maintenance (O&M) contract with a reputable company.
- Applicants must have a signed put or pay contract with suppliers.
- Applicants must demonstrate a proven track record of successfully completing and monetizing similar film infrastructure projects in the past.
- Applicants must have a completion guarantor, preferably a financial institution. Personal guarantors are not acceptable.

iii. MUSIC

- Africa-based entities, public or private, whose principal activities are in one or all of music production, music distribution, music promotion and music publishing.
- Corporate entities whose principal activities are in one or all of music production, music distribution, music promotion and music publishing.
- Have an established track record (minimum of three titles and US\$1.5m in revenues from streaming/royalties at the time of application) of commercially successful albums and singles;
- Have an established track record of commercially successful events such as festivals and concerts (minimum US\$0.5m in annual ticket sales for three years at the time of application) that promote African music and can potentially generate tourism;
- Be either the Executive Producer on the project or have signed a co-production (or service) agreement with a credible production company;
- For funded transactions, provide or demonstrate a minimum equity contribution of 30 per cent of the expected cost outlay/budget;

iv. FASHION

- Africa-based entities, public or private, whose principal activities are in one or all of fashion/textiles production, design and distribution.
- Eligible corporates must have an established track record (minimum of three years and US\$1.5m in revenues at the time of application) with a distribution history across intra-and/or extra-African territories;
- Total purchase orders at a minimum of US\$500,000 at time of application.

MEETING AND REVIEW PROCESS

The points below detail the expectations and proceedings of each meeting:

- i. Meetings to take place on the **25th and 26th of November, 2022.**
- ii. Proposals to declare sort of financing sought - debt, equity or both, ahead of time;
- iii. Each meeting shall have up to 3 finance officers/investors from various financial institutions who will consider financing or co-financing credible opportunities that meet the minimum requirements stipulated;
- iv. Each meeting will hold for no more than 30 minutes;
- v. Applicants will be given 5-10 minutes to present their projects with Questions and Answers to follow from the financiers/investors;
- vi. Sponsors may be asked to provide further information after the session to support presentation;
- vii. Shortlisted opportunities shall be issued a Heads of Terms within five business days from receiving all information required.

NB: *Deadline for Presentation decks to be submitted is CoB 22 November.*

MINIMUM SUBMISSION REQUIREMENTS

Client/Project Name and Domiciliation	
Ownership structure of the client to assess the African ownership	
Key financial highlights about the client <i>(if available)</i>	
Project Description	
Country	
Sector	
Project Sponsor(s)	
Transaction Advisor <i>(if available)</i>	
Mandated Lead Arranger <i>(if available)</i>	
Project Investment Cost	
Existing investment secured: (Current Lenders/Equity investors and Amount)	Investor Name: Type of Investment: Amount:
Financing Structure	Equity: Debt: Gap:
Financing Gap	Equity: Debt: Trade Finance:
Client Needs <ul style="list-style-type: none"> • Advisory Services/Twinning • Financing: Equity or Debt • Credit Enhancement: guarantees etc 	



SUBMISSION

Please send your proposals/decks to be reviewed by Close of Business,
18th, November 2022 to:

Creative Africa Nexus
Email: info@creativeafricanexus.com

Copied to:
Name: Temwa Gondwe
Email: tgondwe@afreximbank.com

Name: Frederick Seidu
Email: fseidu@afreximbank.com

Name: Victor Mukete
Email: vmukete@afreximbank.com

Proposals must be received not later than the deadline. Any clarification requests should be submitted to the above-mentioned email address. Late submissions will be disqualified.

