With funding from the European Union, we helped Pharaoh-Tech, an electrical system company from Egypt, develop a feasibility study and be ready for investment to further expand their business.
We helped Pharaoh Tech, a company in Egypt that designs, installs and maintains air-conditioning, security and fire-safety systems, develop a feasibility study for their planned expansion – an essential step in order to attract investors’ interest.

Established in 2007, Pharaoh-Tech had 42 employees when we started working with them. Demand for the services they provide is growing, not only in Egypt but also across North Africa and the Gulf.

The business has two production lines for assembling components for their systems that are made in other factories. Now, as part of their ambitious expansion plans, the firm is looking to build its own plant so it can make specialised products for the electro-mechanical sector itself, with 60% of this production intended for the export market.

We connected the business with a local consultancy firm to develop a feasibility study for the new plant. The consultant:

- Analysed the financial records, marketing strategy, HR policies and corporate governance of the company
- Assessed the market demand for Pharaoh-Tech products, and the potential financial returns of the expansion
- Calculated the financial, human and operational resources required for the plan
- Identified the investment amount needed
- Reviewed available sources of finance and their relative costs
- Developed a detailed report confirming the viability of the planned expansion, including key financial ratios for Pharaoh-Tech to show to potential investors.

Recent political upheaval in Egypt has led to a slow-down in investment in the Egyptian economy and small and medium-sized enterprises have been particularly badly hit. Making a strong argument for the feasibility of an investment, with supporting data and analysis, is therefore even more necessary. Pharaoh-Tech is now in a position to start approaching investors.

With a firm plan in place, Pharaoh Tech has increased production and exports.

www.ebrd.com/knowhow

Advice for Small Businesses

Electrical engineering systems, Egypt

<table>
<thead>
<tr>
<th>Turnover</th>
<th>+12%</th>
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<tbody>
<tr>
<td>Production</td>
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<tr>
<td>Exports</td>
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<tr>
<td>Total project value</td>
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This project is funded by the European Union.