

The Guideline for Preparing a Feasibility Study

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1. Assets Information (Land and Buildings):

- Land/Facility Area applied for: _____ m²
- Hall/Production Hall(s) /Truss Production: ☐ concrete ☐ Area _____ m²
- Service Areas and Support Workshops for the Assembly Hall and Maintenance Workshops, with a total area of _____ m²
- Component / Supplies Warehouses – Finished Product – Quantity, Equipment, and Molds as Applicable
Truss ☐ concrete ☐ Area _____ m²
- Administrative Buildings, consisting of one floor ☐ two floors ☐ more ☐ , with a total height of ____ m and an area of _____ m²

2. Products to be manufactured and their annual production capacities:

First Year of Production	No.	Product Name	Quantity/ per Year	Unit of Production	Unit Value	Total Production Value (in Thousand EGP)
	1					
	2					
	3					
	Total					

3- Expected Requirements of Components and Raw Materials for the Project

The table shall be completed with all items of components and raw materials, including packaging materials, “if applicable”

No.	Raw Material Name	Quantity	Unit	Consumption Value (in thousand EGP)	Local / Imported	Total Value
1						
2						
3						
4						
5						
6						
	Hazardous Chemicals					
1						
2						
3						
4						
	Total					

4- Expected Requirements of the Project for Machinery and Equipment (Production Lines):

- The number of working days has been calculated based on ____ days per financial year.
- The factory operates a single shift of _____ hours on average for the various machines or equipment depending on the activity, each machine/equipment operates for hours per day on average

Item	Quantity	Equipment / Machine / Production Line Description	Source		Value (Thousand EGP)
			Local	Imported	
1					
2					
3					
4					
5					
6					
7					
8					

Total Driving Power:

5- Manufacturing Process Sequence – For Each Product:

Production Stages (A separate page may be provided for additional details if space is insufficient)

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.....
.....
.....
.....
.....

It is NECESSARY to mention the inspection, testing, and quality assurance procedures at the various stages of production.

6- Expected Requirements of the Project for Energy and Utilities:

Description	Unit	Consumption Rate per Unit of Production	Total project Consumption			
			Hourly	Daily	Monthly	Yearly
Electricity	kWh					
Natural Gas	m ³					
Diesel Fuel	ton					
Fuel Oil	ton					
Water	m ³					
Solar Energy						
Industrial Wastewater	m ³					
Sanitary Wastewater	m ³					

7-Project Workforce Requirements

Position	Number of Employees	Monthly Salary	Annual Salary
Total Salaries			

8-Simplified Layout Plan Illustrating Space Utilization (to be attached to the study)

Part Two: Financial Aspects of the Project

The financial and economic study of the project covers a period of five years. The basis for estimating revenues, expenses, and the expected financial results during this period is as follows:

Annual Increase in Production Capacity:

specify for each year the growth rate and its reasons for example the utilization of additional shifts or the increase in production lines or the number of production equipment depending on the industrial activity some operations require calculation based on three shifts from the start of operation and growth rates should be based on expansions carried out in the production lines these should be mentioned according to the specific case.

1- Inflation Rate:

An annual inflation rate of % has been calculated starting from the second year of operation onwards noting that the inflation rate is subject to increase or decrease annually

2- The annual increase in sale prices and the annual escalation of all items in the production cost statement

First: Activity Cost- Investment Costs

The investment cost is divided into four groups, each group containing:

Category One – Fixed Assets:

Production line(s), auxiliary equipment and machinery, and means of transportation including VAT, plus furniture, excluding computers, plus pre-operating expenses.

Description	Quantity	Amount (EGP)
Total Fixed Assets		

Category Two – Land Allocation:

Total Land Cost (EGP)..... **(In case of ownership)**

In the case of lease or financial lease, the value of the land is included in the production cost statement.

Category Three – Buildings and Infrastructure:

All civil works, including site excavation, backfilling, and ground compaction and preparation; construction of foundations and footings for production lines and machinery; civil structures including trusses, reinforced concrete roofs, and ventilation works; installation of drainage channels and various tanks; water, air, and gas piping networks; all electrical works related to transformers, power distribution networks, substations, and circuit breakers; and finishing works.

Description	Amount (EGP)
Excavation, backfilling, soil compaction, and site preparation	
Foundations and substructures for machinery and production lines	
Civil works, steel frameworks, reinforced concrete roofing, and ventilation systems	
Drainage pipelines and various storage tanks	
Water, air, and gas distribution networks	
Electrical networks, transformers, and associated electrical works	
Finishing works	
Total Infrastructure	

Category Four – Working Capital (Operating Cycle):

This category includes raw materials and production supplies, spare parts and consumables for machinery, in addition to general operating expenses.

Description	Amount (EGP)
Raw Materials	
Wages	
Cash (Energy and Driving Forces – Administrative & Marketing Expenses – Maintenance Expenses)	
Operating Expenses of the Activity, including Salaries and Incentives	
Total Working Capital	

Final Form of the Investment Cost List

Description	Amount (EGP)
Category One	
Category Two	
Category Three	
Category Four	
Total of All Categories	
Cash Reserve	
Total of All Categories	

Second: Proposed Financing:

Proposed Financing Structure for the Activity: attach the “I-SCORE” statement from the Egyptian Credit Bureau.

Summary of the Financing Structure:

As previously indicated, the capital investment costs will be financed through two sources.

Investment	Total Amount (EGP)	Percentage of Total Investment
Total Investment		100%
Equity Financing		- %
Bank Financing		- %

Note:

The summary must be accompanied by a loan repayment schedule showing:

- The expected interest rate
- The loan term in years
- Whether a grace period is applicable

Interest Rate	 %
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No. of Loan Years	
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Loan Repayment Schedule (In Case of Borrowing):

Year	Opening Balance (Balance at the Beginning of the Year)	Loan Interest	Annual Installment	Total Payment (Principal + Interest)	Closing Principal Balance (Year-End)
Year of Establishment					
Second Year					
Third Year					
Fourth Year					
Fifth Year					
Sixth Year					
Seventh Year					
Eighth Year					
Ninth Year					
Tenth Year					

Third: Depreciation Table

Schedule of Annual Depreciation Analysis for Fixed Assets Applying the Method							
Type of Fixed Asset	Annual Depreciation Rate	Asset Value	Second Year Installment	Third Year	Fourth Year	Fifth Year	Sixth Year
	%						
	%						
	%						
	%						
	%						
Total							

Fourth: Statement of Production Costs:

Description	Year 1 (After Construction)	Year 2	Year 3	Year 4	Year 5
Production Capacity Percentage					
Raw Materials					
Wages					
Electricity					
Water					
Maintenance Expenses					
Spare Parts					
Total Industrial Costs					
Administrative Expenses					
Marketing Expenses					
Selling expenses					
Total Operating Costs					
Annual Depreciation					
Bank Interest (If any)					
Total Annual Production Costs					

Fifth: The expected income statement for at least five years from the start of the project.

The relative progression of production					
Description	Year	Year	Year	Year	Year
1. Net Sales Revenue					
2. Deduct operating costs					
3. Deduct Depreciation					
4. Total Expenses (2 + 3)					
5. Gross Profit (1 – 4)					
6. Bank Interest					
7. Net Profit Before Tax (5 – 6)					
8. Corporate Income Tax					
9. Net Profit Available for Distribution (7 – 8)					

Sixth: The expected cash flow statement for at least five years from the beginning of the project's life.

Description	Construction Year	Second Year	Third Year	Fourth Year	Fifth Year	Sixth Year
Inflows						
<u>Net Sales Revenue</u>						
<u>Salvage Value of Assets</u>						
Total Cash Inflows						
Cash Outflows						
Investment Costs Excluding Interest During the Construction Period						
Operating Costs Excluding Depreciation						
Interest Payments (If any)						
Loan Repayments (if any)						
Corporate Income Tax						
<u>Total Cash Outflows</u>						
Annual Net Cash Flow						
Cumulative Net Cash Flow						
Present Value of the Pound at the Discount Factor						
Net Discounted Cash Flow						

Seventh: “Performance Indicators” According to the previous study shown below, performance criteria are specified based on the expected business results

- 1- Return on Assets (ROA) = Net Distributable Profit / Total Assets = _____
- 2- Return on Investment (ROI)= Net Distributable Profit / Net Equity = _____
- 3- Internal Rate of Return (IRR)
- 4- Payback Period