Early Warning System

# IFC-40384

## Globaltronics

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### Quick Facts

| | |
|---|---|
| **Countries** | Egypt |
| **Specific Location** | Cairo and KSA |
| **Financial Institutions** | International Finance Corporation (IFC) |
| **Status** | Approved |
| **Bank Risk Rating** | B |
| **Voting Date** | 2019-12-18 |
| **Borrower** | GLOBAL TRONICS FOR ELECTRONICS S.A.E |
| **Sectors** | Industry and Trade |
| **Investment Type(s)** | Equity |
| **Investment Amount (USD)** | $ 10.00 million |
| **Project Cost (USD)** | $ 15.00 million |

## Project Description

According to bank documents, IFC is considering a USD10m preferred equity investment in Globaltronics. The proposed investment will be used to

i. finance increased working capital for the greater expected sales and inventory of the Government of Egypt's mechanical meter replacement cycle;
ii. finance Globaltronics' overseas expansion plans, including in the Kingdom of Saudi Arabia (“KSA”) and Eastern Europe; and
iii. finance additional R&D and enhance the tendering department to be able to effectively compete in several African and Middle Eastern countries and meet their technical requirements, in addition to developing new products (the “Project”).

## Investment Description

- International Finance Corporation (IFC)

The total project cost is estimated at USD15m, of which IFC will provide USD10m in the form of preferred shares. The remainder will be financed through internal cash generation.

## Private Actors Description

The company was founded by Dr. Hany Assal, a veteran investor with more than 35 years' of experience establishing and managing successful information and communications technology and manufacturing ventures in Egypt and the Middle East. Dr. Assal and his family fully own the Company.

Founded in 1998, Globaltronics for Electronics SAE ('Gtronics' or the 'Company' - http://www.gtronics.com/), a leading fully integrated Egyptian manufacturer of electricity management solutions, specializes in the development and manufacture of power meters including smart digital meters, prepaid meters and provides smart grid solutions in addition to Meter Management Systems (MMS).

| Private Actor 1 | Private Actor 1 Role | Private Actor 1 Sector | Relation | Private Actor 2 | Private Actor 2 Role | Private Actor 2 Sector |
|---|---|---|---|---|---|---|
| - | - | - | - | Globaltronics for Electronics SAE | Client | - |

## Contact Information

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### ACCOUNTABILITY MECHANISM OF IFC

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org. You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org/

## Bank Documents

- Environmental & Social Review Summary