



Under the premise 'From Oman to the World'

OCTAL CREATES A GLOBAL HUB FOR PET OUT OF OMAN

Muscat, December 2019 – Under the premise 'From Oman to the World' and with an investment of \$600 million more than a decade ago, OCTAL has proved itself as a giant in the Omani market, redefining manufacturing and creating a name not only for itself, but positioning the Sultanate as a hub for the global PET industry. Since 2006, the company has driven technical innovation within the PET industry by deploying ground breaking new applications as a result of its dedicated investment in advanced material science. In 2018, the company's revenues reached \$770 million, selling 98% of its high-quality, fully recyclable PET resin and sheet product overseas. With a total annual capacity of almost one million metric tonnes, OCTAL is the largest global manufacturer of PET Sheet and Resin on a single site, and the only company in the world with a fully integrated food packaging system from raw material to finished product.

"The need of the hour is to attract high quality FDI into Oman; to choose investors to benefit the economy and deeply integrate into the local as well as the global value chain," said Nicholas Barakat, Chief Executive Officer of OCTAL. "From inception, OCTAL has maintained an unwavering focus on investment in capacity, proprietary technology and innovation, spurring growth not only internally but also catapulting Oman and specifically Salalah into the global manufacturing arena. OCTAL has accomplished sales growth year-after-year and has become the recognized world leader in PET sheet and the industry reference point for superior product performance and environmental standards."

OCTAL's main product is its patented DPET sheet, which it developed and introduced to the market in 2008 as a cutting-edge alternative to the traditional PET sheet. The company is tapping into a global market size that currently stands at 59.3 million tons, offering a product that is fully recyclable, clear and transparent, and the first and only direct-to-sheet polyester sheet in the world. OCTAL also manufactures PET resin, the advantages of which are ease of processing, clarity and recyclability. The company's resin business has witnessed an increase of 18% of production and sales in the first half of this year when compared to the same period last year.



In order to provide CAPEX expansion to its locations in Oman, USA and KSA and improve its operational cash flow as its revenues continue to grow, OCTAL recently secured \$625 million of banking facilities. The global demand for plastic recycling is forecast to report strong growth driven by consumption in major emerging markets. More growth opportunities will emerge between 2019 and 2025 as compared to the past five years, suggesting a rapid pace of change. PET is taking over the plastics sphere as styrene and PVC are being phased out and polypropylene will likely be next. There is demand and OCTAL wants to meet it. The company currently has a number of important new packaging solutions centered on recycled PET under development in its state-of-the-art research facility in Salalah. OCTAL's strategy as the leading manufacturer of PET materials is to further expand its patented PET Sheet business specifically in recycling technology, process technology, specialized industry segments such as poultry, dairy and food service packaging, with further geographical expansion into Latin America and Asia. The company is looking into diversifying its presence globally and is currently seeing the demand for its products exceed goals and expectations.

Barakat added, "Oman's non-oil sectors are expected to continue moving forward, gaining momentum in their ability to compete on a global scale. We are seeing a number of key initiatives being implemented like greater access to finance, the continued support and eventual completion of major infrastructural projects, as well as the rise of new logistical hubs and free zones that should have a significant and positive impact on businesses' growth and attracting FDI."

OCTAL is not only a success story for attracting FDI to Oman, but is also providing investment for research and development (R&D) which will support the Sultanate to accelerate its transformation from a hydrocarbons-based economy to a diversified one. The successful model and growth of OCTAL over the years serves as a reference point showing that value chains can be created and nurtured, feeding into the growth of the manufacturing industry in Oman and from Oman to the world.

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About OCTAL

Oman-based OCTAL has emerged as the largest PET sheet producer and integrated packaging company in the world. Operating from the Salalah Free Zone, the company has successfully harnessed its strategic location with access to East-West shipping lanes and favorable trading regulations coupled with its unique-to-the-world manufacturing capabilities to meet the breadth and depth of customer demand.



Manufacturing PET resin and the first and only direct-to-sheet polyester sheet in the world, DPET™, the company's state-of-the-art plant was purposely designed and built to yield superior quality products with waste and cost reduction benefits, increased productivity for thermoformers and unmatched environmental advantages.

Today, OCTAL is the world's largest PET resin and sheet producer on a single site.

For more information, please visit: www.octal.com

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