Securities Investors Association (Singapore)
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UEN No: S99SS0111B
GST Reg No: M90367530Y0Y

Issuer: AP Oil International Limited

Stock code: 5AU

Meeting details:
Date: 28 April 2026
Time: 2.00 p.m.
Venue: 18, Pioneer Sector 1, Singapore 628428

Q1. As noted in the CEO's message, the group is reliant on Asian refineries for its feedstock supply. Ongoing conflicts in the Middle East have led to price increases across Asian refineries, with some declaring *force majeure*. The group has indicated that it has secured sufficient supply from long-standing partners for the next few months.

(i) Can management elaborate on the group's pricing power in passing through higher input costs to customers? If full pass-through is not achievable, what level of margin compression should be expected? Conversely, could current supply disruptions lead to improved trading margins in certain segments?

(ii) Under what conditions would the group face the risk of suspending operations or declaring *force majeure*?

The CEO also highlighted that [leadership] succession is underway at the group's key operating subsidies, GB Chemicals and AIM Chemical Industries. In addition, AIM Chemical Industries will renew its JTC lease in due course.

(iii) Beyond the immediate succession plans at the subsidiaries, what talent development frameworks are in place across key operating units to ensure a robust talent pipeline for the next 50 years? What challenges does the group face in attracting and retaining talent, and how is management addressing these?

(iv) As artificial intelligence becomes increasingly embedded across virtually every sector of the economy, is the group actively exploring or deploying AI-driven solutions within its businesses? If so, in which specific areas, and what tangible outcomes have been achieved or are anticipated?

Q2. In August 2022, the group invested US$500,000 in Coval Technologies, a chemical manufacturer specialising in innovative coating technology. The investment is now carried at $321,000.

Separately, the group also invested US$350,000 in two tranches in September 2023 and January 2024 in convertible promissory notes (CPN) issued by a Singapore-based company involved in green hydrogen projects. The notes bear interest of 9%, are repayable in 2026, and include conversion options into equity. The current Level 3 fair value of the CPNs is $449,000.

(i) Can the board elaborate on the strategic rationale for such non-core investments, and outline the investment framework, approval thresholds and return criteria applied when evaluating these opportunities? Did the board consider returning excess capital to shareholders?

(ii) What specific contractual protections are embedded in these investments, including governance rights, information rights, downside protection and

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exit mechanisms? To what extent does management have ongoing visibility over the operational and financial performance of these investees?

(iii) Given that the convertible promissory notes are repayable in 2026, what is the board's current intention with respect to redemption versus conversion? In addition, can management clarify the basis for classifying these instruments (which are repayable in 2026) as non-current assets rather than current receivables?

Q3. The company will commemorate 25 years as a listed company in 2026. It was first listed on 7 June 2001 on SGX Sesdaq and upgraded to the Mainboard on 13 August 2004. Founded in 1975, the company also celebrated its 50 years Golden Jubilee in 2025.

According to SGX StockFacts, the company trades at a substantial discount of more than 60% to its book value and the enterprise value is just $0.6 million. The group has no external borrowings and cash and cash equivalents amounted to $27.0 million, as at 31 December 2025, compared to the market capitalisation of $23.0 million.

AP Oil (5AU)

Industry: Energy, Oil & Gas Refining & Marketing

0.140
0.000 (0.000%)

CD

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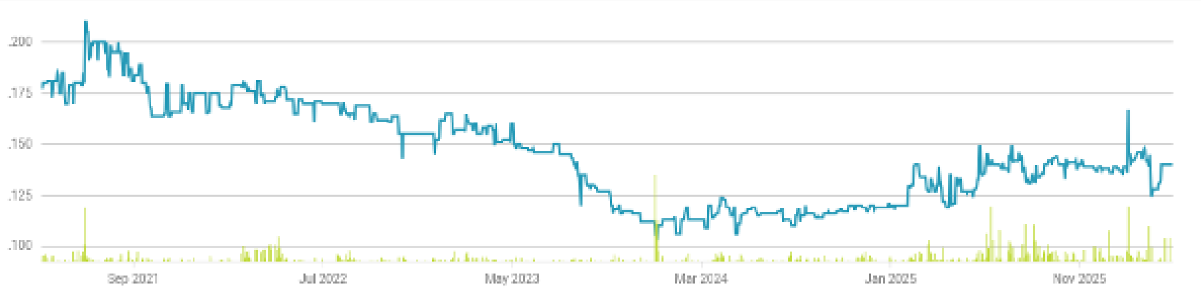

Price/Book Value	0.399	Enterprise Value	SGD 0.60M
Price/Sales	0.406	Price/CF	9.009
Dividend Yield (%)	3.570	P/E Ratio	14.58
Dividend Yield 5-yr avg (%)	4.180	Net Debt	SGD -
5 Years PE Ratio	27.81		-

(Source: https://investors.sgx.com/market/securities?code=5AU&type=stocks&lang=en)

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(i) **What has been the total shareholder return over the past 5, 10 and 15 years? What is the breakdown to show returns via dividends and via capital appreciation?**

(ii) **Given the persistent and significant discount to book value, has the board undertaken a formal review to understand the drivers of this valuation gap, and how does it intend to address them in line with MAS Review Group initiatives to improve capital efficiency and market valuation?**

(iii) **In light of the current valuation, how is the board assessing capital management options such as share buybacks, special dividends, asset monetisation or corporate restructuring to unlock shareholder value?**

Shareholders are welcome to use and/or adapt the questions prepared by SIAS and to forward them to the company.

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