EMERGING Growth Research

CBL International Ltd.
NASDAQ: BANL
Flash Report

September 11, 2025

Price (as of close Sept. 10, 2025)
$0.74

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52-Week Range	**$0.55 – $1.35**
Shares Outstanding	**27.5 mil**
Insider/Institutional	**9.1%/0.1%**
Public Float	**5.1 mil**
Market Cap	**$19.5 mil**
Total Debt	**$0.1 mil**
Debt/Equity	**0.4%**
ROE (LTM)	**NM**
Book Value/Share	**$0.87**
Daily Volume (90-day)	**402K**
Fwd. Div. & Yield	**--**

Company Description

CBL International is a leading provider of marine fuel logistics and bunkering solutions across Asia, Europe, and Africa. The Company supplies conventional and alternative fuels to commercial vessels at over 60 global ports. CBL has a dominant market share in Hong Kong and China and is at the forefront of the maritime industry's energy transition. The Company's expanding footprint, operational agility, and commitment to ESG principles position it as a strategic player in the decarbonization of global shipping.

Riding the Wave of Sustainable Marine Fuels.

CBL International remains well positioned to capitalize on the structural shift toward sustainable marine fuels, leveraging leading share in Hong Kong/China, a broadened global footprint (now spanning 65 ports), and an asset-light, cost-plus model that preserves working-capital agility. In H1:2025, despite softer bunker prices that tempered headline revenue, higher throughput from network expansion, new customer wins, and deeper penetration into non-container and biofuel segments lifted sales volume by 9.8%, while procurement gains and a richer biofuel mix supported gross margin, which widened by 5bps to 1.02% y/y. Disciplined cost control – evidenced by a 17% y/y reduction in operating expenses to $3.42 million – combined with steadier unit economics, narrowed the net loss by 38.8% to $0.99 million. At the same time, regulatory tailwinds under IMO CII and EU FuelEU Maritime accelerated adoption of B24 (rolled out across Hong Kong, China, and Malaysia, with a 2025 launch in Singapore), propelling biofuel sales up 155% on 190% volume growth. Customer concentration risk eased as non-container revenue reached 37% and the top-five share fell to 60%, while liquidity remained adequate with $5.43 million of cash and $50 million of committed banking facilities to fund working capital, support continued mix shift, and buffer macro- and route-driven volatility.

Investment Thesis

- **Strong Market Position & Network Scale** – Top-tier share in Hong Kong/China; global network expanded to 65 ports, enabling reroute capture (e.g., Cape of Good Hope flows) and deeper coverage across intra-Asia and Euro-Asia lanes.
- **Sustainability Tailwinds** – Rapid biofuel adoption (B24 in HK/China/Malaysia; 2025 launch in Singapore) and tightening regulation (IMO CII; EU FuelEU Maritime) underpin multi-year demand for low-carbon bunkering.
- **Asset-Light with Improving Unit Economics** – Cost-plus pricing, JIT inventory, and disciplined opex (down 17% y/y in H1) support margin normalization as scale and procurement leverage build.
- **Customer Diversification** – Non-container penetration to 37% of revenue and continued service to 9 of the top 12 global container lines reduce concentration risk and broaden opportunity.

Primary Risks

- **Margin Pressure & Competition** – The market remains price-sensitive. As such, premium compression and route disruptions can cap near-term gross margin recovery.

- **Execution Risk** – Geographic expansion, new fuel modalities (bio/LNG/methanol), and supplier diversification require tight operational control.
- **Macroeconomic/Geopolitical Uncertainty** – Oil price volatility, trade policy shifts, and Red Sea/Middle East disruptions may alter volumes and mix by period.

Valuation

Our forward P/E framework is anchored to management's strategic commentary on margin normalization, network scale, and biofuel or methanol adoption, as well as the Company's cost-plus, asset-light model. While H1:2025 remained loss-making**, improved mix, lower operating expenses, and accelerating biofuel traction support our view that CBL can deliver positive EPS in FY:25**.

We use a base-case EPS of $0.10 for FY:25, which implies a forward P/E of ~7.1x at the current trading level, compared with 11x–15x for marine fuel or logistics peers. **Applying a 12x peer multiple to FY:25E EPS yields a fair value of $1.20 per share, or roughly 69% upside from current levels.** In our view, a peer multiple re-rating is reasonable if H2 confirms the trajectory, namely margin resilience, a rising biofuel mix, and continued network scaling.

Price target breakdown

Multiple Applied	FY:25 EPS, $	Implied Share Price, $	Upside from Current ($0.71)
7.1x	0.10	0.71	-
12.0x	0.10	**1.20**	**69%**

Source: Emerging Growth Research

CBL trades at a discount to peers despite its leading market position and strong tailwinds in sustainable marine fuels. As the Company gains scale, improves margins, and capitalizes on regulatory-driven demand, we see 69% upside in the near to mid-term based on a conservative 12x P/E re-rating.

Relative valuation – CBL International versus peers

Name	Mkt Cap, US$m	Price, US$	Forward P/E
CBL International	**19.50**	**0.71**	**7.1x**
Precious Shipping	306.4	0.20	22.6x
Nanjing Shenghang Shipping	421.6	2.22	11.9x
Regional Container Line	692.3	0.84	9.3x
Fujian Guohang Ocean Shipp	786.6	1.42	33.8x
Fujian Highton Development	1004.2	1.22	10.3x
World Kinetic Corp	1467.0	26.42	10.8x
Uni-Fuels Holdings	205.0	6.35	292.4x

Source: Bloomberg, Emerging Growth Research

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Rating Definitions

Buy, 30% or greater price appreciation in the next 12 months.
Buy-Extended, near-term EPS and/or revenue horizon is challenging with strong long-term appreciation possibility.
Buy-Emerging, initial stages with low revenue and the potential for large returns with higher risk and volatility.
Hold, perform similar to market.
Sell, 30% or more decline in the next 12 months.

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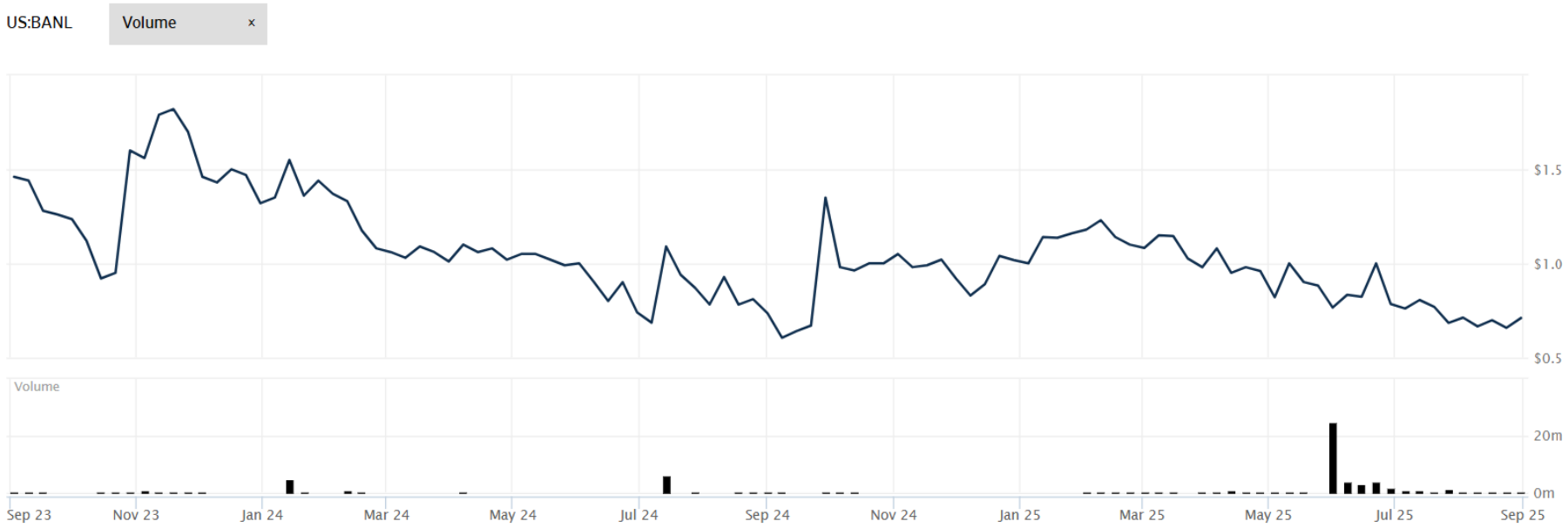
2-Year Chart


US:BANL
Volume
$1.5
$1.0
$0.5
Volume
20m
0m
Sep 23
Nov 23
Jan 24
Mar 24
May 24
Jul 24
Sep 24
Nov 24
Jan 25
Mar 25
May 25
Jul 25
Sep 25