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Zacks Small-Cap Research

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Uni-Fuels Holdings Ltd (NASDAQ: UFG)

UFG: Uni-Fuels continues to expand its business through strategic capital raises and the opening of new offices. We increase our price target to $7.00 from $5.00.

Utilizing a Discounted Cash Flow process containing conservative estimates combined with other valuation methodologies, we believe UFG could be worth **$7.00** per share.

Current Price (9/9/25)	$8.92
Valuation	**$7.00**

OUTLOOK

Uni-Fuels (NASDAQ: UFG) is a fast-growing global provider of marine fuels solutions, helping shipping companies optimize fuel procurement across various international markets and time zones. The company currently operates in Singapore, Dubai and Seoul and plans to expand globally including new offices in Asia, Europe and the Americas. The company went public in January 2025 raising $9.7 million in gross proceeds including February overallotment. We believe the company is well capitalized with sufficient financing to support its growth plans. The outlook is positive, and we believe the stock to be significantly undervalued.

SUMMARY DATA

52-Week High	**$11.00**
52-Week Low	**$1.15**
One-Year Return (%)	**110.2**
Beta	**N/A**
Average Daily Volume (sh)	**1,246,627**
Shares Outstanding (mil)	**32.4**
Market Capitalization ($mil)	**$312.8**
Short Interest Ratio (days)	**N/A**
Institutional Ownership (%)	**N/A**
Insider Ownership (%)	**95.0**
Annual Cash Dividend	**$0.00**
Dividend Yield (%)	**0.00**
5-Yr. Historical Growth Rates	
Sales (%)	**N/A**
Earnings Per Share (%)	**N/A**
Dividend (%)	**N/A**
P/E using TTM EPS	**N/A**
P/E using 2025 Estimate	**N/A**
P/E using 2026 Estimate	**N/A**

Risk Level	**Average**
Type of Stock	**Growth**
Industry	**Marine Fuels**

ZACKS ESTIMATES

Revenue
(in millions of $)

	Q1 (Mar)	H1 (Jun)	Q3 (Sep)	H2 (Dec)	Year (Dec)
2023					$71 A
2024		$74 A		$81 A	$155 A
2025		$96 E		$105 E	$201 E
2026					$252 E

EPS / Loss Per Share

	Q1 (Mar)	H1 (Jun)	Q3 (Sep)	H2 (Dec)	Year (Dec)
2023					
2024		$0.00 A		$0.00 A	$0.01 A
2025		$0.01 E		$0.01 E	$0.02 E
2026					$0.05 E

Quarterly revenues may not equal annual revenues due to rounding. Quarterly EPS may not equal annual EPS due to rounding, dilution or intangibles. Estimates may be non-GAAP.

WHAT'S NEW

Commercial Paper Issuance

On July 21, 2025, the company announced that it had successfully completed its first-ever commercial paper issuance, raising $3.0 million through ADDX, a private market platform regulated by the Monetary Authority of Singapore. The offering was oversubscribed, which reflected strong demand from accredited investors.

The commercial paper was structured as U.S. dollar denominated, short-term unsecured debt and issued through ADDX's digital investment platform. The transaction enables Uni-Fuels to diversify its funding sources and enhance capital efficiency across its operational entities. Proceeds will be used for general working capital and to support the company's expanding operations across global trading hubs.

Koh Kuan Hua, CEO of Uni-Fuels, stated, *"This oversubscribed debut issuance is a strong signal of investor confidence in our business strategy and growth outlook. We're pleased to partner with ADDX as we modernize our capital structure and engage new investor channels. Our investors' strong support allows us to pursue strategic growth initiatives and positions us to deliver stronger shareholder returns over time."*

This issuance marks a strategic milestone in Uni-Fuels' capital markets roadmap as it continues to leverage innovative financing to support liquidity, working capital, and operational flexibility.

New Shanghai Office

On June 30, 2025, the company announced the opening of a new office in Shanghai. As part of their global expansion strategy, Uni-Fuels has also recently established an office in Dubai, located near Fujairah, in April 2025.

The new office will be located in Lujiazui, which is a prominent financial center and modern urban area located in the Pudong New Area of Shanghai. It is located on a peninsula formed by a bend in the Huangpu River. This new location positions the company to meet the growing demand for reliable, sustainable marine fuel solutions across Asia. Shanghai is home to the world's busiest container port and serves as a vital maritime hub and gateway for global shipping.

Alan Tan, Senior Vice President, Commercial of Uni-Fuels, stated, *"Calibrated efforts to expand our geographical footprint reflect the Company's dedication to being where our customers and suppliers operate. With this new office, we walk the talk of putting our customers first by leveraging expertise, enhanced operational reach and greater service responsiveness to better serve them. Our local team possesses a deep understanding of the Asian market, enabling us to respond nimbly to customers' needs and the evolving dynamics in our operating landscape."*

These new regional offices enable more frequent face-to-face interactions with suppliers, which results in better problem-solving and support regional sourcing strategies that bolster supply chain resilience. Uni-Fuels continues to actively build robust regional partnerships and deepen access in key marine fuel hubs.

Valuation

We believe Uni-Fuels has the potential to deliver strong revenue growth and positive earnings over the next 10 years as it continues to expand into additional markets and executes on its sales and marketing efforts. We believe the company can generate strong double-digit annual revenue growth over the next 10 years. In the near term, we expect revenue growth in the 20%-30% range. The company should be able to maintain industry gross margins of approximately 2.0%. As the company expands into higher margin ancillary services, we believe gross margins could exceed 2.0% depending on market conditions and industry dynamics.

Our primary valuation tool utilizes a Discounted Cash Flow process. We are lowering our discount rate due to lower prevailing interest rates expected on a going forward basis. Under the scenario described above, we increase our DCF based valuation target to approximately **$7.00** per share.

Our 2025 full year revenue estimate is $201.7 million, and our 2025 EPS estimate is $0.02. For 2026, our revenue estimate is $252.2 million, and our EPS estimate is $0.05.

KEY INVESTMENT POINTS

Source: uni-fuels.com

- Uni-Fuels (NASDAQ: UFG) is a fast-growing global provider of marine fuels solutions, helping marine vessels optimize fuel procurement across various international markets and time zones.
- The company trades and brokers marine fuels products such as Very Low Sulphur Fuel Oil (VLSFO), High Sulphur Fuel Oil (HSFO), Marine Gas Oil (MGO) as well as Bio Marine Fuels (BMF).
- The company is experiencing rapid revenue growth as it is expanding its international sales and direct marketing efforts.
- Uni-Fuels operates through two business models: direct fuel sales and brokerage services.
- The company is headquartered in Singapore which is a global major marine fuels hub and a major Asia Pacific shipping region. The company also has operations in Dubai located near Fujairah, a major marine fuels hub in the Middle East; and Seoul located near Yosu and Busan, key marine fuels hubs in North East Asia.
- Uni-Fuels is executing a comprehensive growth strategy anchored in customer-centric solutions, geographic expansion, supply chain optimization, and sustainable innovation.
- On January 15, 2025, the company closed on its initial public offering of 2,100,000 Class A Ordinary Shares at a public offering price of $4.00 per share. Gross proceeds were $9.7 million when subsequent overallotments are included.
- In 2024, the company generated revenues of $155.2 million, a substantial increase from $70.8 million in 2023. Cash balances as of 12/31/24 were $4.3 million, however this was before the company’s IPO in January 2025. The current market capitalization is approximately $312.8 million.
- The company is poised for strong revenue growth in 2025 and beyond and we believe UFG stock to be worth **$7.00** based on a discounted cash flow calculation which incorporates conservative estimates and a high discount rate.

OVERVIEW

Source: uni-fuels.com

Uni-Fuels (NASDAQ: UFG) is a Singapore headquartered provider of marine fuel services and solutions. The company trades and brokers various marine fuel products, including Very Low Sulphur Fuel Oil (VLSFO), High Sulphur Fuel Oil (HSFO), Marine Gas Oil (MGO) and Bio Marine Fuel (BMF). These products are supplied to a variety of marine vessels globally, both in-port and offshore.

In addition to fuel-related services, Uni-Fuels occasionally offers ancillary shipping services such as the arrangement of ship agents, ship provisions, and marine fuel surveyors. The company leverages its advanced, integrated capabilities and extensive global supply network to deliver comprehensive and competitive solutions.

Uni-Fuels operates through two business models: **direct fuel sales** and **brokerage services**.

- Under the sales model, Uni-Fuels manages the entire customer relationship and transaction process. It provides value-added services such as trade credit, financing, risk management, market intelligence, and operational expertise. The company guarantees fuel delivery to the customer while sourcing the fuel from third-party suppliers.

- In the brokerage model, Uni-Fuels acts as an intermediary between fuel suppliers and customers, earning a commission for its services. However, this line of business is currently being deemphasized as the company focuses more on its core sales operations.

For the two years ending in 2024, the company facilitated marine fuel supplies at 117 ports worldwide. Of these, 73.5% were in Southeast Asia, 15.8% in Northeast Asia, 2.1% in South Asia, 0.8% in North America, 3.4% in Europe, 1.8% in South America, 2.3% in the Middle East, and 0.3% in Africa.

By comparison, for the two years ending 2023, supplies were arranged at 103 ports. The regional distribution was more diverse: 35.9% in Southeast Asia, 27.2% in Northeast Asia, 8.7% in South Asia, 8.7% in North America, 7.8% in Europe, 3.9% in South America, 3.9% in the Middle East, 2.9% in Africa, and 1.0% in Central America.

Uni-Fuels is executing a comprehensive growth strategy anchored in customer-centric solutions, geographic expansion, supply chain optimization, and sustainable innovation. With a disciplined financial approach, a growing international presence, and a focus on talent and operational excellence, the company is well-positioned to deliver sustainable, long-term value to investors in the global marine fuels market.

On January 15, 2025, the company closed on its initial public offering of 2,100,000 Class A Ordinary Shares at a public offering price of $4.00 per share. Gross proceeds were $9.7 million when including the subsequent overallotment in February 2025. The Class A shares began trading on the Nasdaq under the ticker symbol “UFG.”

In 2024, the company generated revenues of $155.2 million, a substantial increase from $70.8 million in 2023. Cash balances as of 12/31/24 were $4.3 million, however this was before the company’s IPO in January 2025. The current market capitalization is approximately $_____ million.

We believe Uni-Fuels has the potential to deliver strong revenue growth and positive earnings over the next 10 years as it continues to expand into additional markets and executes on its sales and marketing efforts. Our primary valuation tool utilizes a Discounted Cash Flow process which creates a target price of approximately **$7.00** per share.

Source: uni-fuels.com

SERVICE DESCRIPTION

<u>Marine Fuels Sales</u>

The marine fuels products that are offered to Uni-Fuel customers consist of the following:

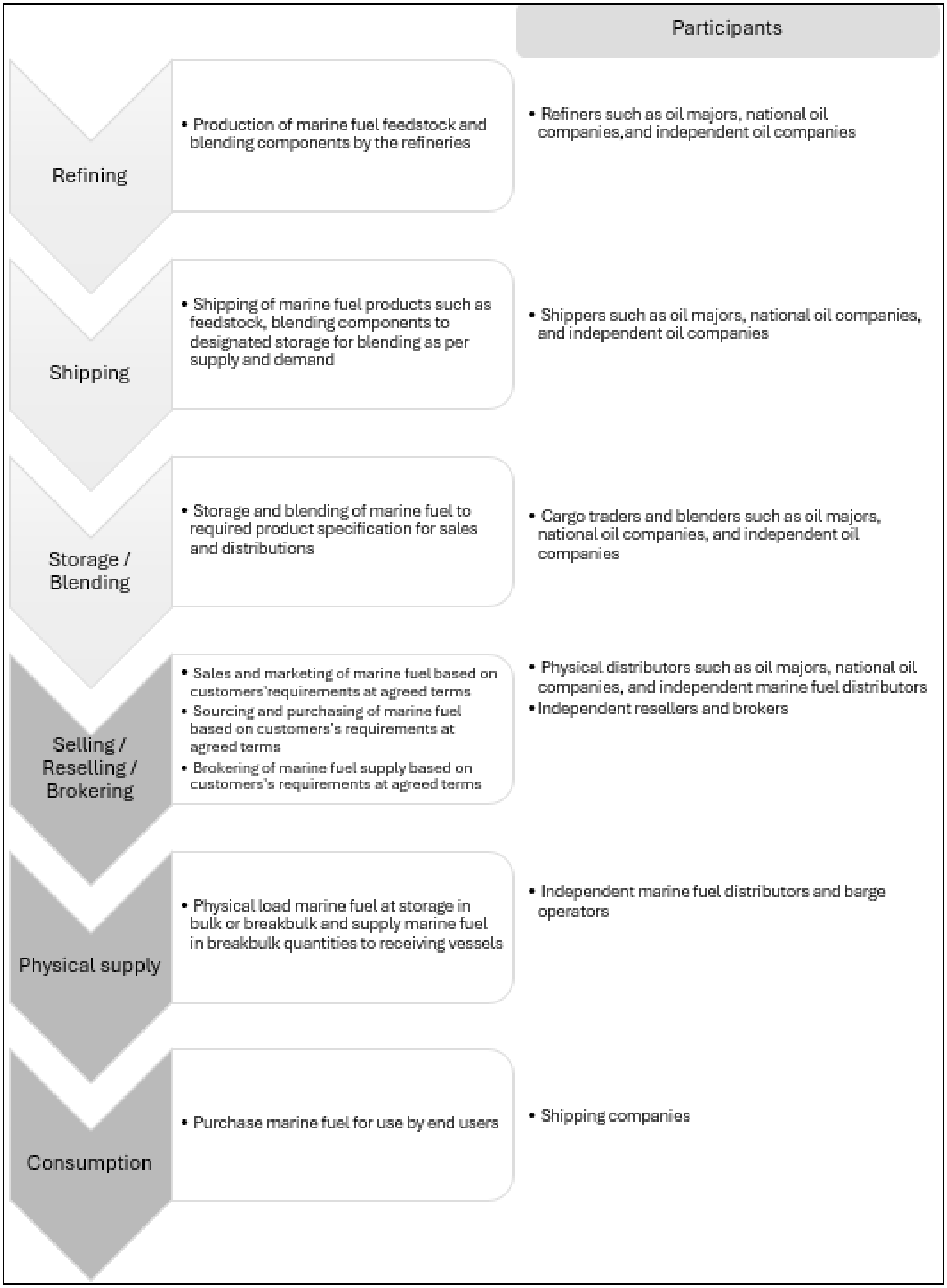
- <u>Very Low Sulfur Fuel Oil (VLSFO)</u> - VLSFO is a type of fuel oil with a sulfur content of **0.5% or less** by weight. The development of VLSFO was primarily driven by the International Maritime Organization's (IMO) regulation, known as IMO 2020, which mandated a reduction in the sulfur content of ship fuels from 3.5% to 0.5% starting January 1, 2020. This regulation aims to decrease the amount of sulfur oxide that is emitted from ships, which can cause air pollution and other human health issues.

- <u>High Sulfur Fuel Oil (HSFO)</u> – HSFO is a type of residual fuel oil used primarily in large marine engines, such as cargo ships and tankers. It contains a sulfur content typically **greater than 0.5% by weight**, and before 2020, it was the most used marine fuel globally. Due to its high sulfur content, burning HSFO releases significant amounts of sulfur oxides (SOx), which contribute to air pollution, acid rain, and human health issues.

- <u>Marine Gas Oil (MGO)</u> – MGO is a type of distillate marine fuel used in ships and marine engines. It is a clear, refined fuel with low viscosity and low sulfur content, typically containing **less than 0.1%**

to 0.5% sulfur, depending on regulatory requirements. MGO is suitable for smaller vessels, auxiliary engines, and for emission-controlled areas where strict environmental standards apply.

- Bio Marine Fuels (BMF) - Uni-Fuels has not publicly specified the exact types of biofuels it supplies, but the ISCC certifications indicate that the company is authorized to trade biofuels that are sustainably sourced and fully traceable from feedstock to the final product. These often include advanced or second-generation biofuels made from non-food biomass such as agricultural residues, waste oils, and other renewable sources.



Source: UFG prospectus dated 1/15/25

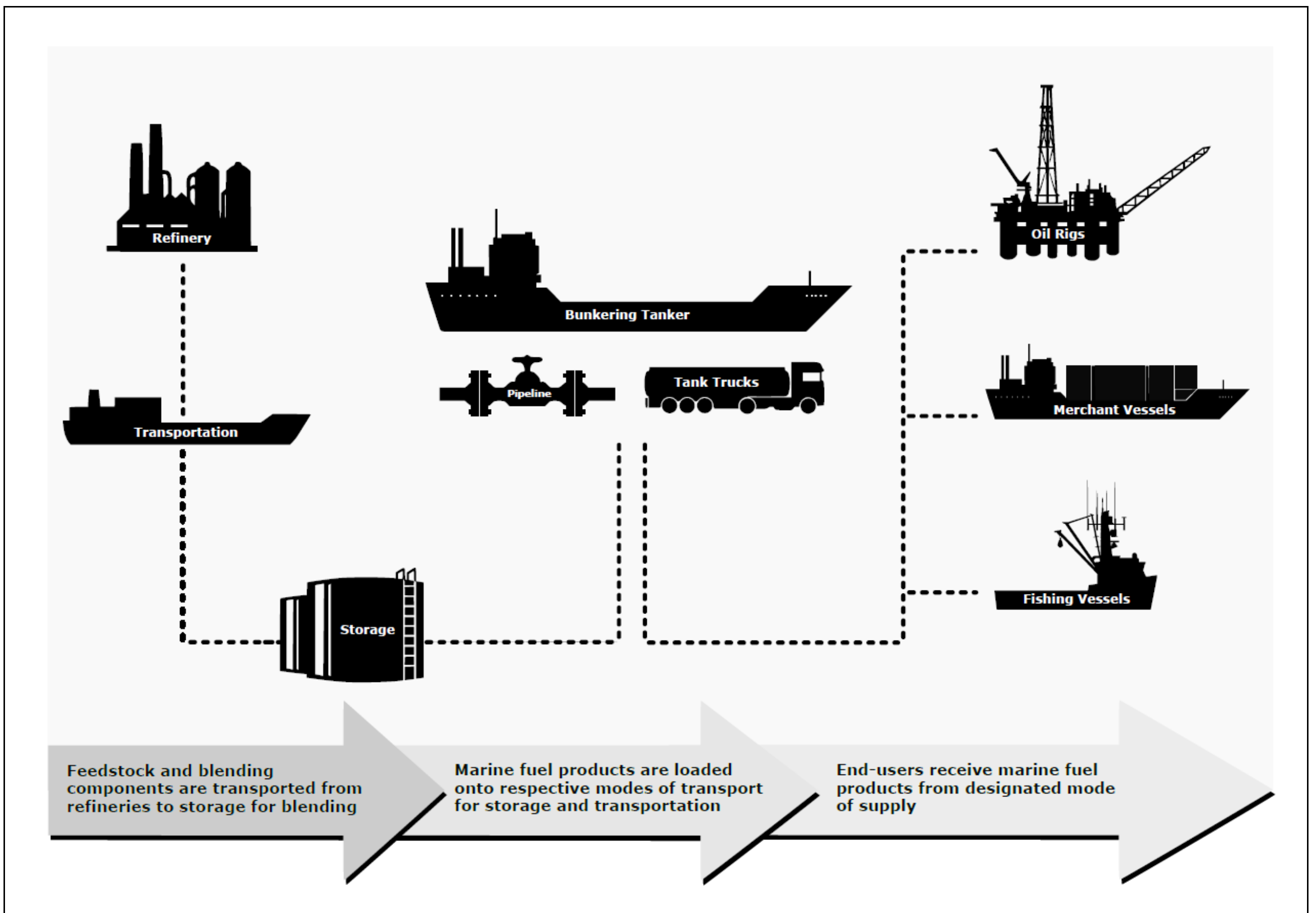
The company buys and resells marine fuels as a counterparty to customers. The sales terms are typically governed by standard terms and conditions or to a lesser extent other mutually agreed upon terms, such as those published by The Baltic and International Maritime Council.

The process typically starts with customers informing the company of their request for a quote based on their fuel needs. The company then sources the marine fuels products based on those needs and requirements from various marine fuels suppliers. Revenues are generated from reselling the marine fuels products from suppliers to these customers and generate profit by adding a sales margin on top of the cost of purchase.

For each sales transaction, the company will assume the trade credit risk on each credit rated customer. The company is also responsible for the financing of each sales transaction including managing the financial mismatch in its accounts receivables and accounts payables. In this process, the company will collect its accounts receivables directly from customers and pay the suppliers directly for accounts payables. As a reseller of marine fuels products, Uni-Fuels is not exposed to oil or marine fuels price volatility. The volatility of marine fuels prices is passed on to the customers.

The company provides extensive global coverage for its customers' marine fuels needs through an extensive supply network. This broad network ensures convenient and reliable access to marine fuels across ports worldwide, spanning many different time zones. Depending on a customer's requirements, such as the port of call, product type, delivery time, and quantity, the company sources marine fuels products from different marine fuels suppliers located in different regions.

These marine fuels products are typically sourced, stored and blended into the desired specifications by cargo sellers such as major oil companies, national oil companies, and independent oil companies at their designated blending facilities.



Source: UFG prospectus dated 1/15/25

The physical distributor will source and purchase the marine fuels products from cargo sellers and load the marine fuels product onto the specific marine fuel barges of the physical distributors or barge operator at the cargo seller's designated storage facilities who will then perform the actual delivery to the customer's receiving vessel. There may be instances where the delivery is made by road tankers, in this case the road tanker will load the marine fuels at the designated shore storage facility designated by the cargo seller. In situations where only direct supply from pipelines at shore is available, a customer's vessel will berth alongside a jetty to receive marine fuels directly from the shore tank by pipeline delivery.

As part of the company's comprehensive service offering to its customers, marine fuels are provided at the designated time and location through the following marine fuels solutions:

<u>Agile and Flexible Pricing</u>: Depending on the preference of the customer, Uni-Fuels can offer:

1) fixed pricing on the spot market for single or multiple physical deliveries up to three months ahead,

2) an index related floating price on the spot market for single physical delivery or on term contract with multiple physical deliveries, or

3) a hybrid of both such as an index related floating price with trigger pricing options to convert an index related floating price to a fixed price. The agility and flexibility to manage various pricing options enables customers to better control and manage their marine fuels exposures and achieve protection against volatile fuel price fluctuations.

<u>Fuel Management</u>: Depending on the business type and aggregate committed volume of customers, the company may offer select customers an open book marine fuels procurement solution. This means transparent procurement in the company's account and selling to the customers at the purchase price that is purchased from suppliers. The company would then charge the customer a pre-agreed fee which will be added to the purchase price. This type of transaction is backed by in-house capabilities where the company acts as a procurement desk at a pre-agreed fee that is fixed for the period of the framework agreement.

<u>Trade credit and financing</u>: The company may offer trade credit to select customers after conducting due diligence on these customers to assess their creditworthiness. Trade credit is an essential factor that a customer will consider when selecting a marine fuels supplier due to the significant amount of capital required to finance their marine fuels purchases. As part of the company's offerings to its customers, they will also on occasion purchase from marine fuels suppliers at varying payment terms including shorter payment terms such as 7 days from the date of delivery and resell to its customers based on an agreed payment term such as on 30 days from the date of delivery.

<u>Market intelligence</u>: Unlike physical distributors or resellers who only supply marine fuels at a single location or locations within a particular country, Uni-Fuels is positioned to provide market intelligence in different marine fuels hubs around the world because they have access to different suppliers that cover different market regions. To enable customers to make informed decisions, the information provided may include information related to the product availability at different supply locations, specifications of various marine fuels products, price indications of different supply locations, and the latest regulatory or compliance guidelines.

<u>Operational expertise</u>: The ability to provide efficient and responsive solutions due to operational changes or unforeseen circumstances are critical factors that customers take into consideration when working with the company. Depending on common challenges such as arrival delays, quantity shortages, route changes, or reduction of quantity this is faced by customers, the

company can provide real time support and leverage its deep knowledge of the different supply locations and relationships with suppliers to resolve operational issues.

For the calendar years ending December 31, 2024, 2023 and 2022, revenue derived from the sales of marine fuels was $155,180,863, $70,151,780 and $29,562,746, respectively.

Marine Fuels Brokerage

The company also acts as a broker between marine fuels suppliers and shipping companies where they introduce potential business opportunities from prospective buyers to prospective sellers. The credit risk is undertaken by the sellers who deal with the customers directly. For the brokerage transactions, the company receives commissions from the sellers for the transactions. The amount of the commissions is arranged between the sellers and Uni-Fuels on a transactional basis. The company does not finance the purchase of the products. The buyers will pay directly to the sellers. The seller is considered the customer.

For the fiscal years ending December 31, 2024, 2023 and 2022, revenue derived from marine fuels brokerage was $12,150, $633,748 and $1,255,725, respectively.

Source: uni-fuels.com

COMPETITIVE ADVANTAGES

Singapore is a global major marine fuels hub and major shipping region in Asia Pacific

Uni-Fuels operations are strategically positioned within the largest global marine fuels hub which is a pivotal location within the Asia Pacific's major shipping routes. According to IMO's fuel consumption data for vessels above 5,000 metric tons in gross tonnage and standard industry assumption of 30 million metric tons consumption by smaller vessels, the global marine fuels market reached an estimated size of 255 million metric tons in 2021. Singapore commands a significant market share, accounting for over 20.0% of the estimated global volume. The company can leverage its presence and operational model in Singapore and is well positioned to capitalize on the growing demand for marine fuels within this regional market.

Scalable operating model to facilitate growth

The company has established an efficient operating model with scalable advantages that position them for growth in their markets. The operating model allows them to grow the business with limited capital investments and has low profitability breakeven thresholds in new geographical locations. The company is able to efficiently scale operations to generate additional income to drive profitability.

Experienced management team with in-depth knowledge and expertise

The management team, consisting of Mr. Koh Kuan Hua, Chairman of Board of Directors, Chief Executive Officer and Director, Ms. Stefanie Tay, Chief Operating Officer and Director, Ms. Lee Ling Li, Chief Financial Officer, Mr. Alan Tan, Senior Vice President, Commercial, and Mr. Tan Guan Kai, Vice President, Operations, have extensive experience in the marine fuels industry, averaging over 17 years. The team has in depth knowledge of the industry as well as the expertise to effectively manage and operate the business and capture market opportunities.

Integrated global supply network

Unlike local marine fuels suppliers who only supply marine fuels at a single location or locations within a particular country, the company provides extensive global coverage to customers' marine fuels requirements. Through a broad supply network, they offer customers convenience and reliable access to marine fuels supply covering ports worldwide, across different time zones.

Examples of suppliers to the company include:

- Equatorial Marine Fuel Management Services: Among the top 10 bunker suppliers in Singapore licensed by Maritime Port Authority of Singapore.
- Golden Island: Renamed since August 2024, licensed bunker supplier in Singapore port.
- Sirius Marine: Licensed physical supplier in Singapore.
- Minerva Bunkering: The company is a leading international provider of marine fuel supply and related service solutions to ships in port and at sea.

Effective financial management

The company optimizes its financial resources to ensure liquidity, minimize financial risks, and maximize returns on investment. These processes ensure efficiency in the day-to-day business operations, ensure adequate liquidity to make timely payments to suppliers, avoid unnecessary losses in foreign exchange fluctuations, and position themselves to maximize potential business opportunities.

Efficient and responsive communication with customers

The company excels in an efficient and responsive approach to customer communication. The company provides real-time support and 24/7 availability so that customers receive the information they need promptly to support their operational decisions.

Agile and flexible business operations

The core business model as a reseller and broker of marine fuels products enables the company to stay agile and flexible during market disruptions, fluctuations in market demands, and changes in market conditions. This active and flexible approach also enables the company to allocate working capital and credit resources opportunistically and swiftly to business opportunities with better returns, especially in a higher priced marine fuels environment.

We believe Uni-Fuels has a diverse end customer base including container ships, cruise ships, defense & military ships, dry bulk ships, tanker shippers and personal marine craft such as yachts.

INDUSTRY OUTLOOK

The global marine vessel market was valued at $173.4 billion in 2023 and is projected to expand from $175.8 billion in 2024 to $196.5 billion by 2032, reflecting a modest but steady CAGR of 1.4% over the forecast period. Growth in this sector is closely tied to global economic health and trade activity.

Approximately 80% of global trade by volume is conducted via sea routes, according to the United Nations Conference on Trade and Development (UNCTAD). As a result, marine transportation remains a crucial component of international commerce and a key barometer for economic growth. During periods of economic expansion, demand for ships rises and during downturns, it contracts. Nonetheless, long-term fundamentals support continued growth in global shipping capacity and infrastructure investment.

Large marine vessels have traditionally been high fuel consumers and consequently, contributors to global emissions. With fuel as the largest operational cost for shipping companies, the industry has shifted its focus toward energy efficiency and alternative propulsion systems.

A major innovative trend is the transition to hybrid propulsion systems, which offer both environmental benefits and cost efficiency. This shift is reshaping investment priorities across the maritime value chain from shipbuilders and engine manufacturers to fuel suppliers and logistics firms.

In the post-pandemic period, the market saw a sharp rebound. The release of pent-up demand caused significant port congestion, prompting terminal operators to expand capacity and hire aggressively. Container shipping has shown robust performance, supported by its ability to transport a diverse array of products. Tankers have also seen renewed demand, particularly as supply chains rebalance.

Asia continues to lead as the largest hub for marine and container terminal operations. With its strong manufacturing base and growing consumer demand, the region remains a focal point for industry expansion. Due to geographic and regulatory constraints, ports typically face low internal competition. Their fixed locations provide incumbents with a natural competitive moat.

The cruise ship market is projected to grow significantly, with an estimated market size of $79.5 billion in 2024, expanding to $159.5 billion by 2034 at a CAGR of 7.21% (2025–2034), according to MRFR analysis. This is driven by rising disposable incomes and growing demand for leisure and experiential travel, especially among affluent and retired populations. Themed cruises (e.g., music, adventure, wellness) and expedition-style voyages are increasingly popular, providing differentiation and premium value opportunities.

Source: uni-fuels.com

STRATEGIC GROWTH INITIATIVES and MARKET EXPANSION PLAN

Strengthening Market Share in Core Regions

Uni-Fuels is committed to deepening its presence in existing markets by maintaining close engagement with its customer base. Through proactive communication and solution-oriented collaboration, the company ensures that its marine fuel offerings continue to meet evolving client needs. Uni-Fuels will continue to deliver comprehensive pricing solutions, including spot pricing, forward fixed pricing, and floating formulas.

Value-added services such as trade credit, operational expertise, and market intelligence remain central to the company's customer retention strategy, reinforcing its role as a trusted partner in the global marine fuel supply chain.

Geographic Expansion to Capture New Markets

To capitalize on emerging demand and expand its global footprint, Uni-Fuels is actively pursuing entry into high-potential shipping hubs. The immediate strategic focus is to broaden operations in Asia, leveraging the region's growth momentum and demand density. In March 2024, the company opened a branch office in South Korea, marking a significant step toward regional diversification. In April 2025, the company announced the opening of their Dubai office, to serve the growing needs of the maritime industry in the Middle East and beyond.

Future geographic targets may include Houston (U.S.) and London (U.K.). These expansions may involve the establishment of subsidiaries, representative offices, or joint ventures, contingent upon resource availability, market viability, and talent acquisition.

Supplier Diversification and Competitive Sourcing

A robust and diverse supplier network is integral to Uni-Fuels' sourcing strategy. By working with a broad array of fuel suppliers, the company can mitigate operational risks, ensure continuity in volatile markets, and enhance pricing competitiveness. This approach provides sourcing flexibility, including the ability to benchmark fuel prices, select suppliers based on performance criteria, and ensure high service standards.

Talent Development and Human Capital Investment

Uni-Fuels recognizes that its long-term success is fundamentally linked to its ability to attract, retain, and develop top-tier talent. The company is focused on expanding its commercial and sales teams while fostering a performance-driven culture through competitive compensation, career development pathways, employee well-being programs, and recognition-based incentives.

Enhancing Financial Resources for Growth

The company's working capital position directly influences its revenue generation capabilities. Historically, Uni-Fuels has funded its operations through a combination of internal cash flow, shareholder support, and bank facilities. Previously, trade financing facilities from Bangkok Bank were drawn down to $1.5 million. In October 2024, the company secured a new trade financing facility of $4.0 million from United Overseas Bank Limited, replacing the earlier Bangkok Bank facility. In addition, a major portion of the January 2025 IPO proceeds was allocated to bolster working capital, positioning the company to negotiate improved credit terms and meet growing customer demand.

Credit terms with customers typically range from 30 to 60 days, with flexibility based on creditworthiness and risk profile. Where necessary, the company enforces stricter terms, including cash-on-delivery or advance payment, to safeguard liquidity.

Expanding Alternative Fuel Offerings

With the shipping industry transitioning toward decarbonization in response to global regulations, Uni-Fuels is actively preparing to meet growing demand for alternative marine fuels such as Liquid Natural Gas (LNG) and biofuels. As of January 2025, the company has been awarded the ISCC EU and ISCC PLUS certifications which are globally recognized sustainability standards under the Renewable Energy Directive (RED II).

These certifications will allow the company to supply biofuels with validated Proof of Sustainability (PoS) and greenhouse gas (GHG) tracking, covering fuels such as FAME (Fatty Acid Methyl Ester), HVO (Hydrotreated Vegetable Oil), and LBM (Liquefied Biomethane).

Formation of New Income Streams

To diversify beyond its core business of marine fuel resale and brokerage, Uni-Fuels is exploring upstream and adjacent opportunities in the supply chain, including storage, blending, and transportation of marine fuels.

COMPANY HISTORY

Uni-Fuels' corporate history began in October 2021, when Goh Wee Huan, a former director and CEO, founded Uni-Fuels Pte. Ltd. in Singapore. The company started by supplying marine fuel as both a reseller and broker to various types of vessels, including bulk carriers, tankers, container ships, tugs and barges, cruise liners, yachts, and more.

In December 2023, Koh Kuan Hua acquired 100% ownership of Uni-Fuels Pte. Ltd. from Goh Wee Huan. To prepare for a public offering, the company underwent a corporate restructuring in early 2024. A new parent company, Uni-Fuels Holdings Limited, was incorporated in the Cayman Islands on March 8, 2024. It owns Uni-Fuels Group Inc., an intermediate holding company, which in turn holds 100% of Uni-Fuels Pte. Ltd. in Singapore, the company's main operating entity.

On January 13, 2025, Uni-Fuels entered into an underwriting agreement with R.F. Lafferty & Co. to launch its initial public offering (IPO) of 2,100,000 Class A shares at $4.00 per share. The company’s Class A Ordinary Shares began trading on Nasdaq under the ticker symbol UFG on January 14, 2025.

COMPETITION

The marine fuels supply chain is highly fragmented, encompassing a diverse range of participants across the value chain. The company operates in a competitive environment, facing rivals across the various geographic markets in which it is active. These competitors include national oil companies, major integrated oil firms, independent oil producers, commodity trading houses, oil traders, storage terminal operators, international bunker traders, online procurement platforms, brokers, regional bunker suppliers, bunkering consortia serving shipping fleets, and bunker purchasing alliances.

These entities engage at various stages of the supply chain - from production, transportation, and storage to procurement, sales and marketing, and final delivery to end users. The company's primary competition comes from marine fuel suppliers that engage directly with end customers. Uni-Fuels competes on several key fronts, including pricing, access to trade credit and working capital, strength and reach of its supply network, market intelligence, operational capabilities, and the ability to cultivate and maintain strong stakeholder relationships.

Major and/or direct competitors that have similar business models to Uni-Fuels includes:

- Bunker Holding A/S: Headquartered in Denmark, Bunker Holding is among the world's largest marine fuel suppliers. It operates through subsidiaries such as Dan-Bunkering, KPI Ocean Connect, and Glander International, providing both physical supply and brokerage services across more than 30 countries.

- World Kinect: Headquartered in Miami, Florida, this Fortune 500 company supplies fuel and energy services to the aviation, marine, and land transportation industries in over 50 countries.

- Alpha Trading SpA: Based in Italy, Alpha Trading is a significant marine fuel supplier in the Mediterranean, with an international bunker trading operation.

- Cockett Marine Oil: A global bunker trader with offices in 14 countries, Cockett Marine Oil is jointly owned by Vitol and Grindrod. Cockett is in the process of winding down its operations, which could lead to opportunities for UFG to gain market share.

- Sing Fuels: An energy trading company headquartered in Singapore, Sing Fuels offers bunker, cargo, and base oil trading services.

Other large competitors include:

- Peninsula: A leading physical bunker and lubricant supplier headquartered in Gibraltar.

- Monjasa: A large conglomerate whose core business includes trading and physical supply of marine fuels, oil terminal operations, and ship-owning activities and is headquartered in Denmark.

- Integr8 Fuels: The company has rapidly established itself as a top 5 bunker trading company, supplying 5,000+ vessels annually via 450+ vetted suppliers.

- Fratelli Consulich: A diverse and large conglomerate headquartered in Italy involved in the marine supply industry.

- Oilmar: The company provides marine fuel services in more than 60 countries across the globe and is headquartered in Dubai.

- ElbOil: The company trades, brokers and hedges a wide variety of marine fuels and is headquartered in Germany.

FINANCIAL REVIEW

On April 22, 2025, the company reported 2024 full year financial and operating results. Total revenues increased 119% from $70.8 million in 2023 to $155.2 million for the full year 2024. This substantial increase was primarily driven by a large increase in the sales of marine fuels. This growth was partially offset by a decrease in brokerage commissions, which was a planned strategic shift to deemphasize that business.

Sales of marine fuels increased 121% from $70.2 million in 2023 to $155.2 million in 2024. This increase was primarily driven by strategic initiatives aimed at strengthening core business activities within the sales sector. The expansion of the company's sales and marketing department through additional hiring enabled the company to conduct its own marine fuels sales. As a result, the company substantially broadened its customer base and increased the number of ports served during 2024. The number of customers for marine fuel sales nearly doubled from 83 customers in 2023 to approximately 156 customers in 2024. The number of ports served rose from 51 to 87 over the same period.

Brokerage commission revenues decreased to $12,150 in 2024 from approximately $0.6 million in 2023. This decline was primarily due to a strategic shift towards enhancing direct marine sales activities. By allocating more resources to recruiting sales and marketing specialists and other personnel, the company decided to leverage its resources for direct sales instead of referring deals to other parties for brokerage commissions.

	For the Years Ended December 31,		
	2024	2023	2022
Geographic locations			
Sales of marine fuels			
China	$ 13,339,546	$ 3,958,669	$ 355,646
Hong Kong	4,001,824	3,886,888	-
Malaysia	44,073,880	8,577,514	1,314,947
Singapore	58,370,083	38,692,637	18,145,791
South Korea	6,105,287	1,533,270	2,866,080
United Arab Emirates	3,756,984	548,177	1,786,931
Vietnam	340,174	1,549,407	2,845,212
Thailand	4,693,086	1,998,602	190,165
Indonesia	4,348,622	180,898	352,435
Timor-Leste	2,553,700	-	-
Others	13,597,677	9,225,718	1,705,539
Subtotal	**$ 155,180,863**	**$ 70,151,780**	**$ 29,562,746**
Brokerage commissions			
China	$ -	$ 211,930	$ 84,801
Singapore	-	209,221	538,107
South Korea	-	39,895	244,810
Others	12,150	172,702	388,007
Subtotal	**$ 12,150**	**$ 633,748**	**$ 1,255,725**
Total	**$ 155,193,013**	**$ 70,785,528**	**$ 30,818,471**

Source: Uni-Fuels SEC filings

Cost of revenues increased from $68.5 million in 2023 to $152.0 million in 2024. The increase was mainly driven by the growth in sales of marine fuels with increasing costs to acquire marine fuels from the company's suppliers.

Consolidated gross profit increased from $2.3 million in 2023 to $3.2 million in 2024. Consolidated gross margin for 2024 was approximately 2.1%, compared to 3.2% for 2023.

Gross margin for sales of marine fuels decreased to 2.1% in 2024 compared to 2.3% in 2023. This decline was driven by a strategic focus on expanding market presence and capturing additional market share for the reselling business. As part of the company's stated growth strategy, resources were dedicated to acquiring new customers by offering competitive prices in line with market conditions to increase market share. We believe future gross margins for the company will be in the 1.5%-2.5% range going forward.

Despite decreases in gross profit and gross margins, these decisions were part of a long-term strategy to drive sales, expand market share, and adapt to prevailing market dynamics. By offering more competitive pricing and strategically allocating resources, the company is able to strengthen its market position and enhance profitability over the long term.

Selling and marketing expenses increased to $0.7 million in 2024, from $0.2 million in 2023. Personnel were added in the sales and marketing department to strengthen customer relationships. Additionally, efforts in building and developing relationships with customers and business partners increased, along with business travel and marketing activities.

General and administrative expenses increased to $2.3 million in 2024 compared to $0.7 million in 2023. This was primarily driven by the expansion of the workforce through the recruitment of administrative staff and key management personnel to enhance operational efficiency. Also contributing to the increase was professional fees related to auditing consolidated financial statements, consulting services regarding leasing new office premises, and negotiating banking facilities.

Net income decreased from $1.2 million in 2023 to $0.17 million in 2024. Earnings per share decreased from $0.04 in 2023 to $0.01 in 2024.

Cash balances as of 12/31/24 were $4.3 million, however this was before the company's IPO in January 2025 in which gross proceeds of $9.7 million were raised when considering the February overallotment. Net working capital was $3.6 million. Total debt was $1.5 million which was comprised of short-term trade financing to support revenue generating operations.

RECENT NEWS

- On April 2, 2025, the company announced the establishment of a wholly owned subsidiary in the United Arab Emirates and the opening of a new office in Dubai. The subsidiary, Uni-Fuels Middle East FZCO, also known as Uni-Fuels Dubai, is intended to expand the company's ability to provide tailored marine fuel solutions, customer support and serve the growing needs of the maritime industry in the Middle East.

- On February 12, 2025, the company announced that a wholly owned subsidiary, Uni-Fuels Pte Ltd has received both ISCC EU and ISCC PLUS certifications from the International Sustainability and Carbon Certification (ISCC). This is a globally recognized independent multi-stakeholder initiative and leading certification system supporting sustainable, fully traceable, deforestation-free and climate-friendly supply chains. These certifications highlight the company's commitment to sustainability and compliance with European Union (EU) regulations aimed at reducing greenhouse gas (GHG) emissions in the maritime industry.

MANAGEMENT

Koh Kuan Hua
<u>Chairman, Chief Executive Officer and Director</u>

Mr. Koh Kuan Hua joined the company in November 2023 as Chief Executive Officer and assumed the Director role of Uni-Fuels Holdings Ltd in March 2024. Mr. Koh has over 15 years of experience in the marine fuels industry. Prior to joining Uni-Fuels, he was a shareholder and Director of Sea Oil Petroleum Pte Ltd, from October 2015 to October 2023. Mr. Koh's experience in the marine fuel industry includes bunker trading roles in Singapore and Shanghai as a Senior Bunker Trader at Dan-Bunkering (Singapore) Pte Ltd and Bunker Trader at A/S Dan-Bunkering Ltd Shanghai Representative Office between October 2010 to December 2014. He started his career as a Bunker Trader at Praxis Energy

Agents Pte Ltd in February 2010. Mr. Koh holds a Diploma in Film, Sound & Video from Ngee Ann Polytechnic in Singapore.

Stefanie Tay
Chief Operating Officer and Director

Ms. Stefanie Tay joined the company in November 2023 as Chief Operating Officer and assumed the Director role of Uni-Fuels Holdings Ltd in March 2024. She is responsible for the day-to-day operations of our Group. Ms. Tay has over 18 years of experience in the marine fuels industry. Prior to joining our Group, she worked at Sea Oil Petroleum Pte Ltd as Commercial Director, from October 2015 to September 2023. Ms. Tay's extensive experience includes leadership and bunker trading roles at Dan-Bunkering (Singapore) Pte Ltd as a Trading Manager and Team Leader between August 2010 to December 2014. She initiated her career as a Bunker Trader at United Bunkering & Trading (Asia) Pte Ltd before being promoted to the role of Senior Bunker Trader and Team Leader, between October 2006 to August 2010. Ms. Tay holds a bachelor's degree in management from University College Dublin in Ireland.

Lee Ling Li
Chief Financial Officer

Ms. Lee Ling Li, joined the company in January 2024 as Chief Financial Officer. She is responsible for the overall finance and accounting functions, trade finance, treasury, payroll, tax and corporate secretarial matters for our Group. Ms. Lee has over 27 years of experience in finance and accounting working for various organizations in the marine fuels industry. Prior to joining our Group, she was the Head of Finance and Accounting at Sea Oil Petroleum Pte Ltd between February 2022 to December 2023. Ms. Lee's vast experience includes key roles at AFCO Energy Pte Ltd as Group Chief Accountant between September 2015 to September 2021, Chief Accountant at Opet Trade (Singapore) Pte Ltd, from September 2010 to July 2015, and Group Chief Accountant at United Bunkering & Trading, from September 2005 to June 2010. Ms. Lee holds a Master of Business in Professional Accounting and Graduate Certificate from Accounting at Victora University of Technology in Australia.

Alan Tan
Senior Vice President, Commercial

Mr. Alan Tan joined the company in October 2023 as Senior Vice President, Commercial. He is responsible for managing the day-to-day commercial activities of the Group. With over 19 years of experience in the marine fuels industry, Mr. Tan has held key positions across various organizations. Prior to joining our Group, he was the Global Commercial Manager at Sea Oil Petroleum Pte Ltd, from October 2020 to September 2023. He also served as General Manager and later Associate Director at Inter-Pacific Petroleum Pte Ltd, from October 2013 to January 2018. He began his career in the marine fuels industry as a Bunker Trader at A/S Dan-Bunkering Ltd Shanghai Representative Office in China, where he was promoted to Senior Bunker Trader from December 2005 to March 2012. Mr. Tan holds a Diploma in Mechanical Engineering from Ngee Ann Polytechnic in Singapore.

Tan Guan Kai
Vice President, Operations
Interim Head of Credit & Compliance

Mr. Tan Guan Kai joined the company in July 2023 as Vice President, Operations and Interim Head of Credit & Compliance. He is responsible for managing day-to-day supply, credit, risk and compliance activities of the company. Mr. Tan has over 8 years of experience in the marine fuels industry. He previously worked at Sea Oil Petroleum Pte Ltd from September 2016 to June 2023. He started as a Bunker Trader and was later promoted to Credit and Compliance Manager. Mr. Tan holds a bachelor's degree in business with a major in Logistics and Supply Chain Management from the Royal Melbourne Institute of Technology in Australia.

INSIDER TRADING AND OWNERSHIP

The following table describes information regarding the beneficial ownership of commons shares as of April 26, 2025.

Name of Beneficial Owners[1]	Class A Ordinary Shares Beneficially Owned[2]		Class B Ordinary Shares Beneficially Owned[2]		Approximate percentage of Voting rights
	Number	%	Number	%	%
Directors and Executive Officers:					
Koh Kuan Hua[3]	—	—	22,650,000	100.0%	95.87%
Zheng Wenling Stefanie Tay	—	—	—	—	—
Lee Ling Li	—	—	—	—	—
Chan Yong Xian	—	—	—	—	—
Gn Jong Yuh Gwendolyn	—	—	—	—	—
Shirley Tan Sey Liy	—	—	—	—	—
All directors and executive officers as a group	—	—	22,650,000	100.0%	95.87%
5% shareholders:					
Garden City Private Capital Limited[3]	—	—	22,650,000	100.0%	95.87%
Thong Mei Sze	1,470,000	15.05%	—	—	0.62%
Wong Chee How	1,470,000	15.05%	—	—	0.62%
iCapital Holdings (SG) Pte. Ltd.[4]	1,470,000	15.05%	—	—	0.62%

Source: uni-fuels.com

RISKS

- The company's future growth will depend on its ability to successfully implement growth strategies and there can be no assurance that they will be able to grow the business as currently anticipated. Future growth depends on a number of factors, including the ability to identify and capitalize on potential business opportunities. Failure to execute strategies successfully could adversely affect the business, financial condition and results of operations.

- Any significant increase in marine fuels price may adversely affect working capital requirements and financial conditions. These factors include global economic conditions, changes in global crude oil prices, expected and actual supply of and demand for marine fuel, political conditions, changes in laws and regulations related to environmental matters, changes in pricing or production controls by OPEC, technological advances affecting energy consumption and supply, energy conservation efforts, and the price and availability of alternative fuels.

- The company's financial position and profitability are dependent to a large extent on the creditworthiness of its customers and their ability to settle the outstanding amount owed. The customer payment terms customers typically range from 30 to 60 days. The payment terms to fuel suppliers range from cash on delivery to 30 days. Should the company experience any delays or difficulties in collecting payments from customers; while remaining obligated to satisfy payment obligations to suppliers, the company may be required to consider alternative sources of financing.

- The company sources marine fuels from various suppliers. Although measures are taken to ensure the quality of the marine fuels that are supplied, if the marine fuels that have been arranged for supplying customers' vessels fail to meet agreed upon specifications with the customers, the company could incur significant liabilities should a customer initiate a claim or a lawsuit.

- As of December 31, 2024, there was one customer whose receivables accounted for 10% or more of company accounts receivable and it accounted for approximately 12% of the total balances of receivables from customers. As of December 31, 2023, there was one customer whose receivables accounted for 10% or more of our total balances of accounts receivable and it accounted for approximately 15% of the total balances of receivables from customers.

SUMMARY

We believe Uni-Fuels has the potential to generate substantial levels of free cash flow over a long-term time frame as market share gains and international expansion continue to drive high levels of revenue growth.

Uni-Fuels is executing on a comprehensive growth strategy anchored in customer-centric solutions, geographic expansion, supply chain optimization, and sustainable innovation. With a disciplined financial approach, a growing international presence, and a focus on talent and operational excellence, the company is well-positioned to deliver sustainable, long-term value to investors in the global marine fuels market.

Source: uni-fuels.com

The global marine fuels industry is very large and estimated to reach $140.6 billion in 2025 so even small market share gains should create substantial revenue gains for the company. The company’s management team has a high level of experience in trading and brokering marine fuels.

The company’s current stock price does not likely reflect that potential level of profitable growth going forward when market share gains continue to accelerate in future years, and we believe the stock to be significantly undervalued at this time.

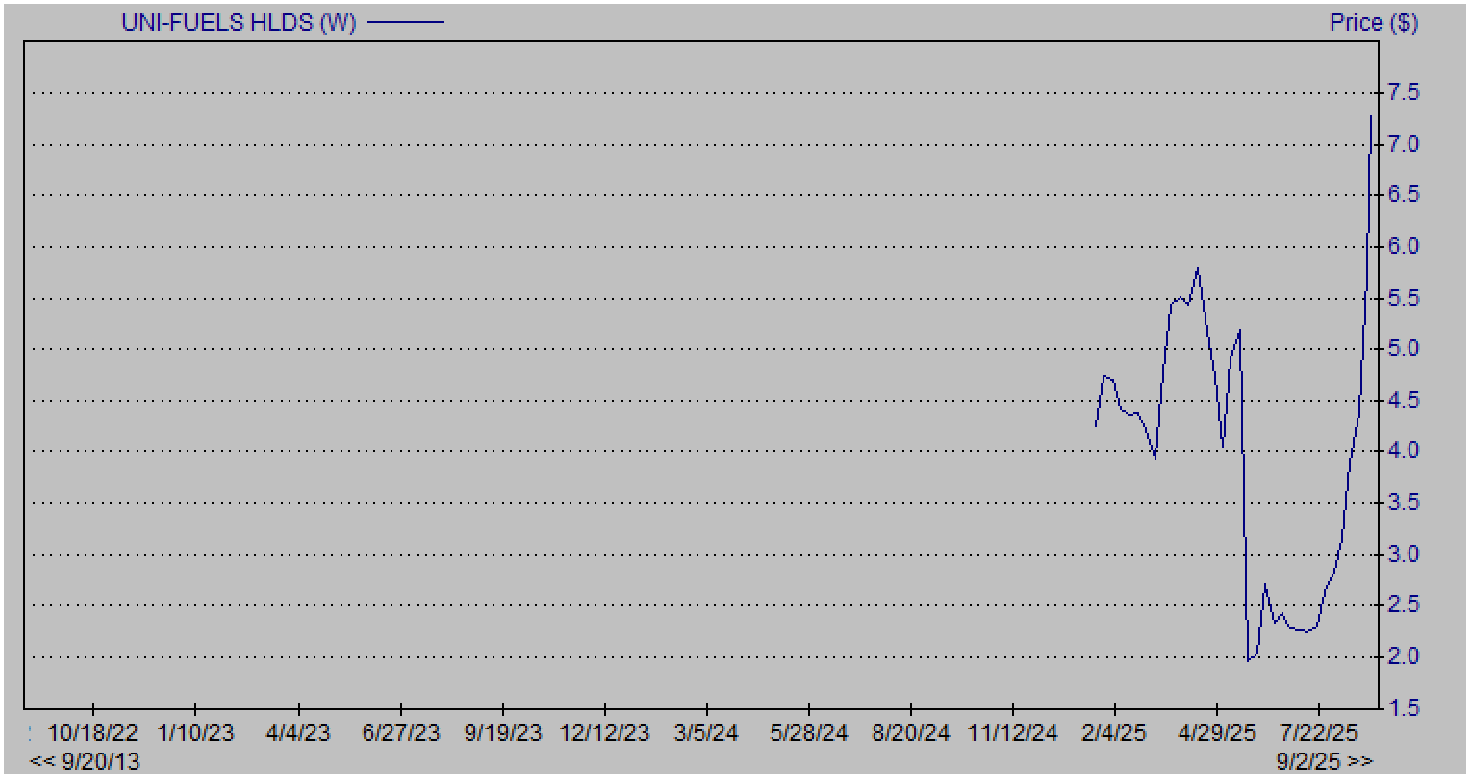
We believe our multiple valuation methods support our DCF valuation which provides a target price of **$7.00** per share.

PROJECTED INCOME STATEMENT

Income Statement	Dec-22	Dec-23	Dec-24	Dec-25	Dec-26
Revenues	**30,818**	**70,786**	**155,193**	**201,748**	**252,182**
Growth	*#DIV/0!*	*129.7%*	*119.2%*	*30.0%*	*25.0%*
Cost of Goods Sold	**28,414**	**68,473**	**151,935**	**197,733**	**246,927**
%	*92.2%*	*96.7%*	*97.9%*	*98.0%*	*97.9%*
Depreciation & Amort	**0**	**32**	**75**	**78**	**82**
Gross Profit	**2,404**	**2,280**	**3,184**	**3,937**	**5,174**
Margin	*7.8%*	*3.2%*	*2.1%*	*2.0%*	*2.1%*
SG&A Expenses	**46**	**883**	**2,969**	**3,118**	**3,274**
% of sales	*0.1%*	*1.2%*	*1.9%*	*1.5%*	*1.3%*
R&D	**0**	**0**	**0**	**0**	**0**
% of sales	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
Impairments	**0**	**0**	**0**	**0**	**0**
% of sales	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
Amortization	**0**	**0**	**0**	**0**	**0**
% of sales	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
Operating Income	**2,359**	**1,397**	**215**	**820**	**1,900**
Margin	*7.7%*	*2.0%*	*0.1%*	*0.4%*	*0.8%*
EBITDA	**2,359**	**1,429**	**289**	**898**	**1,982**
Margin	*7.7%*	*2.0%*	*0.2%*	*0.4%*	*0.8%*
Other Expenses/(Income)	**(5)**	**(11)**	**(59)**	**0**	**(157)**
%	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*-0.1%*
EBIT	**2,363**	**1,408**	**274**	**820**	**2,057**
%	*7.7%*	*2.0%*	*0.2%*	*0.4%*	*0.8%*
Total Interest Exp (net)	**0**	**2**	**5**	**0**	**0**
%	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
Net Profit Before Tax	**2,363**	**1,406**	**269**	**820**	**2,057**
%	*7.7%*	*2.0%*	*0.2%*	*0.4%*	*0.8%*
Income Tax	**386**	**194**	**98**	**123**	**308**
% Effective Rate	*16.3%*	*13.8%*	*36.5%*	*15.0%*	*15.0%*
% Cash Tax Rate	*16.3%*	*13.8%*	*36.5%*	*15.0%*	*15.0%*
Minority Interests or Preferred Stock	**0**	**0**	**0**	**0**	**0**
Net Profit	**1,977**	**1,212**	**171**	**697**	**1,748**
%	*6.4%*	*1.7%*	*0.1%*	*0.3%*	*0.7%*
Non-recurring income (expense)					
Average Diluted Shares Outstanding	30,000	30,000	30,000	32,415	32,415
Reported FD EPS					
Zacks EPS	**0.07**	**0.04**	**0.01**	**0.02**	**0.05**

Source: Zacks analyst

HISTORICAL STOCK PRICE



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