



Davis Commodities Limited Releases 2024 Chairwoman Letter to Shareholders

January 29, 2024

SINGAPORE, Jan. 29, 2024 (GLOBE NEWSWIRE) -- Davis Commodities Limited (Nasdaq: DTCK) (the "Company" or "Davis Commodities"), an agricultural commodity trading company that specializes in trading sugar, rice, and oil and fat products, today released the following letter to shareholders from Ms. Li Peng Leck, Executive Chairwoman and Executive Director of the Company.

Dear Shareholders,

Celebrating our 25th anniversary in 2024, Davis Commodities Limited has grown and prospered since its inception in 1999. This past year has marked a milestone in our global expansion, highlighted by our successful Nasdaq listing, a culmination of our dedicated efforts and remarkable achievements. Throughout the years, we have been greatly supported by our shareholders, and we are sincerely grateful for your enduring trust and attention.

We are proud of what we have achieved in 2023. Our financial performance has demonstrated strong resilience against headwinds, such as high market volatility and economic uncertainty. The restructuring of our business at the beginning of 2024 also heralds a year of gathering momentum for future growth. In 2024, we intend to continue to upgrade our business model to deliver greater value and remain committed to offering quality products to our customers.

We're pleased to share with you our achievements over the past year and our outlook for 2024.

Our Achievements in 2023

Nasdaq Listing Marks a New Chapter in our Journey of Global Expansion

On September 21, 2023, we completed our initial public offering (the "Offering") of 1,250,625 ordinary shares at a public offering price of \$4.00 per ordinary share, including 163,125 ordinary shares issued pursuant to the full exercise of the underwriters' over-allotment option. The gross proceeds of the Offering, including the proceeds from the sale of the over-allotment shares were approximately \$5 million, before deducting underwriting discounts and other related expenses. The ordinary shares began trading on the Nasdaq Capital Market on September 19, 2023, under the symbol "DTCK."

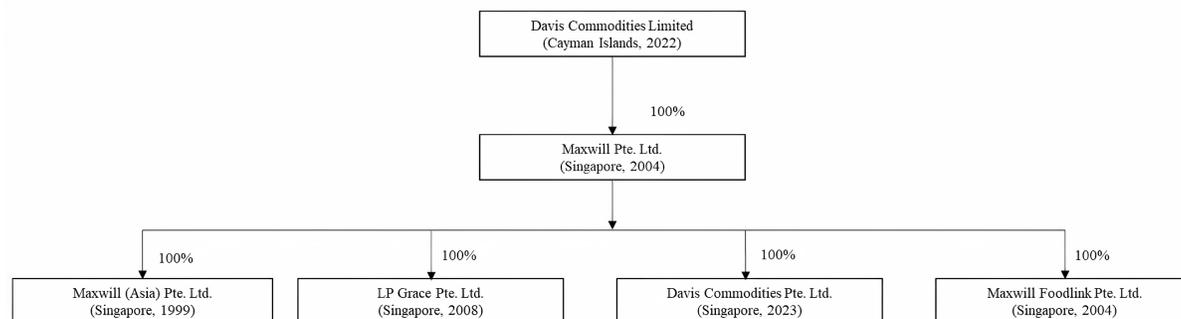
We believe the successful listing ushers in a new era of our global development, amplifying our growth potential in a global landscape. We expect to leverage the opportunity to pursue strategic partnerships and optimize our business in building up our competitiveness in the shifting international market.

Our Key Strategies and Initiatives in 2024

Strategic Consolidation to Streamline Operation and Bolster Growth

On September 15, 2023, Davis Commodities Pte. Ltd. was established as a wholly-owned subsidiary of Maxwill Pte. Ltd. We are in the process of shifting the current business operations of Maxwill (Asia) Pte. Ltd., LP Grace Pte. Ltd., and Maxwill Foodlink Pte. Ltd. to Davis Commodities Pte. Ltd. This strategic approach was conducted to enhance the operational efficiency, improve resource utilization, leverage synergies for growth, and increase market competitiveness. As of the date of this letter, our corporate structure is as follows:

Figure 1. The Corporate Structure of Davis Commodities Pte. Ltd.

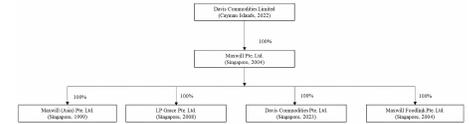


After the consolidation, the business operations of Maxwill (Asia) Pte. Ltd., LP Grace Pte. Ltd., and Maxwill Foodlink Pte. Ltd. will be brought into one operating company, Davis Commodities Pte. Ltd.

The move is initiated to tap into our fully-integrated network and resources, and we expect to gear up for an accelerating growth pattern. The move also aims to streamline operational procedures to respond promptly to market changes and expedite the delivery of our products. The combined resources and anticipated agility are expected to elevate our service quality and boost our competitiveness.

Market Opportunities for Potential Growth

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According to the industry report prepared by Frost & Sullivan Limited, the market size of sugar in our target markets is expected to grow steadily, driven by the expansion of food processing activities in Indonesia and Malaysia. The sugar market in Asia is projected to rise to \$17.6 billion in 2024, with the market size of sugar in Indonesia, Singapore and Vietnam estimated to increase to \$2,819.5 million, \$130.1 million, and \$528.8 million, respectively by 2024. Markets of oil and rice in Asia are also expected to reach \$51.7 billion and \$237.1 billion in 2024, respectively. Going forward, the anticipated expanding demands for sugar, oil and rice are expected to present great opportunities for sales expansion.

We believe that the coming year promises great growth opportunities, which we hope to seize upon through dedicated focus on our products and continued upgrades and expansion of our business. We are actively exploring growth opportunities that align closely with our strategic objectives. As part of our expansion initiatives, we plan to enhance the capabilities of our trading team, prioritizing market and product development.

Thank you again for your support for Davis Commodities Limited.

Ms. Li Peng Leck
Executive Chairwoman and Executive Director
Davis Commodities Limited

About Davis Commodities Limited

Based in Singapore, Davis Commodities Limited is an agricultural commodity trading company that specializes in trading sugar, rice, and oil and fat products in various markets, including Asia, Africa and the Middle East. The Company sources, markets, and distributes commodities under two main brands: *Maxwill* and *Taffy* in Singapore. The Company also provides customers of its commodity offerings with complementary and ancillary services, such as warehouse handling and storage and logistics services. The Company utilizes an established global network of third-party commodity suppliers and logistics service providers to distribute sugar, rice, and oil and fat products to customers in over 20 countries, as of the fiscal year ended December 31, 2022. For more information, please visit the Company's website: ir.daviscl.com.

Forward-Looking Statements

Certain statements in this announcement are forward-looking statements. These forward-looking statements involve known and unknown risks and uncertainties and are based on the Company's current expectations and projections about future events that the Company believes may affect its financial condition, results of operations, business strategy and financial needs. Investors can find many (but not all) of these statements by the use of words such as "approximates," "believes," "hopes," "expects," "anticipates," "estimates," "projects," "intends," "plans," "will," "would," "should," "could," "may," or other similar expressions. The Company undertakes no obligation to update or revise publicly any forward-looking statements to reflect subsequent occurring events or circumstances, or changes in its expectations, except as may be required by law. Although the Company believes that the expectations expressed in these forward-looking statements are reasonable, it cannot assure you that such expectations will turn out to be correct, and the Company cautions investors that actual results may differ materially from the anticipated results and encourages investors to review other factors that may affect its future results in the Company's registration statement and other filings with the SEC.

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A photo accompanying this announcement is available at <https://www.globenewswire.com/NewsRoom/AttachmentNg/3d3796bb-bb73-41f6-956a-436c4647ed92>