



Davis Commodities Eyes USD 100M Revenue Surge in Sugar Trading Amid Global Market Expansion

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SINGAPORE, June 23, 2025 (GLOBE NEWSWIRE) -- Davis Commodities Limited (Nasdaq: DTCK), a premier Singapore-based trader of agricultural commodities, has announced an ambitious expansion across Africa, Asia, and the Middle East, driven by surging global demand for sugar and rice. Supported by its recently secured USD 30 million capital raise, the company is set to accelerate growth by combining traditional commodity trading expertise with innovative digital finance strategies.

Global Sugar Demand Fuels Strategic Regional Opportunities

With sugar consumption outpacing production in key markets, Davis Commodities is uniquely positioned to capitalize on emerging supply-demand imbalances through direct export opportunities:

- **India:** Sugar production is expected to decline 19% to 25.8 million metric tons in 2024/25, while domestic consumption climbs to 29 million metric tons, leaving a supply deficit of 3.2 million metric tons. This shortage, as reported by the All India Sugar Trade Association and TradelmeX, represents a significant export opportunity for Davis Commodities.
- **Pakistan:** Domestic sugar prices have surged beyond Rs168/kg amid strong export demand from Bangladesh and Central Asia, according to the Pakistan Sugar Mills Association.
- **China:** Sugar demand remains robust at 15.6 million metric tons despite a decline in local production, as highlighted in the latest report from the United States Department of Agriculture.

These regional imbalances present Davis Commodities with a clear pathway to increase trade volumes, expand market share, and drive margin growth.

Maximizing Growth with a USD 30M Dual Capital Deployment Strategy

Davis Commodities' recent USD 30 million fundraising will power two synergistic growth engines:

1. Core Commodity Trading Expansion

- Scaling procurement volumes across sugar, rice, and edible oils.
- Geographic expansion into high-demand regions.
- Enhanced trade financing to support growing market opportunities.

2. Digital Finance Innovation

- Deployment of Bitcoin reserves to improve treasury diversification.
- Integration of Real-World Asset (RWA) tokenization to optimize asset liquidity and streamline working capital cycles.

This dual approach enhances Davis Commodities' financial resilience, strengthens its balance sheet, and lays the foundation for sustainable, scalable growth.

Financial Projections: A Transformative Year Ahead (FY2026)

Davis Commodities is forecasting a significant financial uplift as a result of its strategic initiatives:

- **Sugar Revenue Growth:** Trading volumes are projected to soar by 50%, contributing an additional USD 100 million in annual sugar-related revenue.
- **Profitability Gains:** EBITDA from sugar operations is expected to grow by double digits, driving improved profit margins across the company.
- **Company-Wide Revenue:** Total revenue is projected to exceed USD 300 million in FY2026, fueled by expanded commodity volumes, optimized logistics, and deeper penetration into emerging markets.

Leadership Commentary

"Our expansion into high-demand regions is a direct response to the growing global need for sugar and rice," said the management of Davis Commodities. "This strategic move positions us to surpass USD 300 million in annual revenue while delivering sustained growth in shareholder value. By leveraging our dual-engine model—traditional commodity trading combined with digital finance innovation—we are building a resilient, future-ready enterprise that can thrive in both established and emerging markets."

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, 2024.

For more information, please visit the Company's website: ir.daviscl.com.

Forward-Looking Statements

This press release contains certain forward-looking statements, within the meaning of the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995, relating to the fundraising plans of Davis Commodities Limited. These forward-looking statements generally can be identified by terms such as "believe," "project," "predict," "budget," "forecast," "continue," "expect," "anticipate," "estimate," "intend," "strategy," "future," "opportunity," "plan," "may," "could," "should," "will," "would," and similar expressions or negative versions of those expressions.

Forward-looking statements are predictions, projections, and other statements about future events that are based on current expectations and assumptions and, therefore, subject to risks and uncertainties. Many factors could cause actual future events to differ materially from the forward-looking statements contained in this press release. The Company's filings with the SEC identify and discuss other important risks and uncertainties that could cause events and results to differ materially from those indicated in these forward-looking statements.

Forward-looking statements speak only as of the date on which they are made. Readers are cautioned not to place undue reliance upon forward-looking statements. Davis Commodities Limited assumes no obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

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