



## Davis Commodities Unveils Transformative AI-Driven Refinery Strategy to Accelerate Growth and Enhance Valuation

July 1, 2025

SINGAPORE, July 01, 2025 (GLOBE NEWSWIRE) -- Davis Commodities Limited (NASDAQ: DTCK), a leading Singapore-based agricultural commodities firm, announced a strategic initiative to leverage advanced AI technologies and establish a high-margin sugar processing facility. This move marks its transformation from a traditional trader to a tech-enabled processor, aligning with its vision to redefine agricultural commodities trading and drive significant financial growth.

### Ambitious Financial Targets to Unlock Shareholder Value

Davis Commodities has set ambitious financial goals to guide its growth trajectory:

- 1. Achieve a Return on Equity (ROE) of 30% within two years and exceed 35% within five years.**
- 2. Total revenue is projected to exceed USD 300 million in FY2026.**
- 3. Increase net profit margin to high single digits by 2026, and elevate it to low double digits within five years.**

These targets underscore Davis Commodities' commitment to creating long-term value for its shareholders. To accomplish these goals, the company will implement a series of operational optimizations and strategic expansions, including the previously announced Blockchain-Powered Agricultural Tokenization Platform and Digital Treasury Allocation into Bitcoin Reserves. Additionally, Davis Commodities will continue strengthening its presence across key regions, including Africa, Asia, and the Middle East.

### Transformative AI-Driven Refinery and Operational Strategies

As one of the core components of its growth strategy, Davis Commodities is developing proprietary AI systems and planning the construction of a high-margin sugar processing facility. The following strategic pillars will support the company's transformation:

#### 1. AI-Driven Commodity Arbitrage

Davis Commodities will deploy advanced AI systems to capitalize on price differentials across targeted markets. This initiative is projected to generate up to USD 18 million annually through optimized arbitrage opportunities.

#### 2. AI-Enhanced Operational Efficiency

Through the integration of AI technologies such as computer vision and IoT, Davis Commodities aims to optimize refining processes. The company expects to achieve a sugar yield of 88%, significantly exceeding the industry standard of 82%. This improvement will translate into cost savings of approximately USD 42/ton.

#### 3. Real-World Asset (RWA) Tokenization

The company's blockchain-based tokenization platform will enable the monetization of real-world assets. By offering fractional ownership and premium digital trading options, Davis Commodities expects to unlock liquidity and significantly enhance revenue potential.

### Strategic Management Commentary

Ms. Li Peng Leck, Executive Chairwoman and Executive Director of Davis Commodities, commented:

"Our current valuation does not fully reflect the company's intrinsic value and substantial growth potential. By implementing a series of innovative strategies, including AI-driven commodity arbitrage, high-margin refining, and blockchain-powered tokenization, we aim to position Davis Commodities at the forefront of the USD 4 trillion global commodity market. Tech-integrated processing companies consistently achieve significantly higher valuations than traditional traders, and by leveraging cutting-edge AI and blockchain technologies, we are confident in unlocking substantial shareholder value and driving market-leading returns."

### Projected Milestones

Davis Commodities has outlined a clear roadmap to ensure the timely execution of its strategic initiatives:

- **Q4 2025:** Launch of the AI-driven arbitrage platform.
- **March 2026:** Commissioning of the AI-powered sugar processing facility.
- **June 2026:** Launch of the RWA token exchange listings.

These milestones reflect Davis Commodities' commitment to innovation, operational excellence, and sustainable growth.

Davis Commodities' strategic initiatives are designed to align with its broader vision of integrating technology into commodity trading and refining. By combining AI-driven efficiency, blockchain-based tokenization, and high-value sugar processing facility, the company is well-positioned to capture opportunities in emerging markets while delivering on its financial targets.

For more information, please visit the Company's website: [ir.daviscl.com](http://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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