Davis Commodities Explores Tokenized Agricultural Trade as U.S. Stablecoin Framework Advances

July 11, 2025

SINGAPORE, July 11, 2025 (GLOBE NEWSWIRE) -- Davis Commodities Limited (Nasdaq: DTCK), a leading Singapore-based agricultural commodities trading firm, today disclosed plans to explore the integration of blockchain-enabled agri-tokenization solutions in light of significant U.S. legislative progress on stablecoin regulation. While the Senate passed the bipartisan GENIUS Act in mid-June 2025, broader enactment requires House approval—now expected during a July "Crypto Week" session. Davis Commodities is proactively preparing for compliant, traceable, and ESG-aligned commodity settlement once the federal framework is finalized.

Unlocking the Next Generation of Commodity Settlement

The GENIUS Act—passed by the U.S. Senate on June 17, 2025—establishes a federal licensing, reserve, and disclosure structure for payment stablecoins, legitimizing dollar-pegged tokens and setting the stage for regulated issuers. Final legislation is pending a House vote expected in mid-July as part of Congressional "Crypto Week".

In anticipation, Davis Commodities is designing a pilot platform for blockchain-based settlement of ESG-certified agricultural commodities—beginning with Bonsucro-certified sugar and ISCC-certified rice. Institutional buyers may eventually be able to settle via approved USD-pegged stablecoins, offering:

- Same-day (T+0) settlement finality
- Reduced FX conversion friction
- Integrated ESG verification via blockchain traceability
- Real-time auditability for regulators and supply chain partners

Enhancing Strategic Positioning in a $500 Billion ESG-Driven Market

This initiative builds on Davis Commodities' recent ESG product expansion. By combining tokenized settlement with sustainability-linked commodities, the company is exploring solutions that support sustainability-focused multinationals, carbon-credit-aligned traders, and DeFi platforms.

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

"With Congressional progress on stablecoin regulation, now is the moment to explore blockchain solutions that enhance transparency and speed in global commodity flows. Our pilot initiative is designed to align with future regulations and deepen ESG impact across our supply chain."

Technical Roadmap (Preliminary)

- Expected Phase 1 (Q4 2025): Pilot targeting U.S. institutional buyers with ESG-certified sugar
- Planned Phase 2 (2026): Expand to Southeast Asia and Europe via Davis's proprietary agri -token platform
- Technology Partners: Assessing collaboration with U.S.-regulated stablecoin issuers, including Paxos, Circle, and other compliant infrastructure providers

Investor Outlook

Davis Commodities estimates the integration of ESG trade flows with regulated stablecoin settlement could unlock an additional $80–$100 million in addressable deal flow within 18 months—reflecting potential improvements in working capital efficiency, risk mitigation, and margin enhancement.

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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