Davis Commodities Explores Carbon Credit Trading Unit to Integrate ESG with Certified Commodity Trade

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SINGAPORE, July 15, 2025 (GLOBE NEWSWIRE) -- Davis Commodities Limited (Nasdaq: DTCK), a Singapore-based global agricultural commodities trading firm, announced plans to establish a dedicated Carbon Credit Trading Unit as part of its ESG and digital integration strategy. This initiative aims to combine certified carbon offsets with premium commodity exports, enhancing sustainability compliance, traceability, and differentiation for global institutional buyers.

Advancing a Carbon-Integrated Commodity Model

In response to increasing demand for ESG-aligned trade and voluntary carbon market participation, Davis Commodities is preparing to introduce carbon-offset-linked transactions across select product lines. The initial rollout is expected to feature Bonsucro-certified sugar and ISCC-certified rice, with each shipment planned to include a verified volume of carbon credits to support buyer “net-zero” objectives.

The company intends to source these credits from Gold Standard and Verra-certified reforestation and regenerative agriculture projects and is also evaluating blockchain-based carbon registries to enhance traceability and reporting. In parallel, Davis Commodities is in the early stages of developing a proprietary digital dashboard that will allow clients to monitor, audit, and eventually retire their carbon credits in real time.

Capturing Opportunity in a Growing Market

Based on internal research and industry projections, Davis Commodities estimates a potential $2 billion addressable opportunity in carbon-integrated agricultural trading over the next three years. Demand from multinational food manufacturers, CPG firms, and carbon-conscious commodity buyers across Asia, Europe, and the Americas is driving the evolution of premium ESG-linked trade practices.

The company’s initial focus will be on ESG-certified sugar exports to the EU and Japan. Future phases under consideration include the expansion into rice and palm oil trades across Southeast Asia and West Africa by 2026. Davis Commodities also plans to explore opening its carbon trading platform to third-party agricultural producers and logistics stakeholders by 2027.

Executive Commentary

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

"Carbon credits are emerging as a key value driver in commodity trading. By integrating verified offsets into our ESG-certified supply chains, we aim to provide institutional buyers with both environmental accountability and competitive advantages. This initiative is a logical step in our ongoing commitment to sustainability-driven capital allocation."

Financial and Strategic Considerations

Carbon-offset-enabled trades may command price premiums over traditional contracts. Based on initial modeling and comparable market data, Davis Commodities anticipates potential incremental high-margin revenue of $10–$15 million by the end of 2026, subject to execution timelines, client uptake, and market conditions.

This initiative complements Davis Commodities' broader commitment to sustainable trade infrastructure and builds on recent developments in blockchain traceability, tokenized trade models, and the company's exploration of a Solana-based digital reserve strategy.

Visibility & Digital Discovery

This initiative enhances Davis’s presence in capital markets and ESG finance channels by aligning with key themes, including “carbon credit trading,” “ESG-certified commodities,” “carbon offset agriculture,” “net-zero supply chain,” and “voluntary carbon market.”

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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