



Davis Commodities Reviews \$2.5 Billion Digital Commodity Treasury Model to Power Next-Generation ESG Trade Finance

October 2, 2025

SINGAPORE, Oct. 02, 2025 (GLOBE NEWSWIRE) -- Davis Commodities Limited (Nasdaq: DTCK) announced today that it is reviewing a proposed multi-layered "commodity treasury" framework connected to its Real Yield Token (RYT) initiative. This model is designed to explore how tokenized agricultural reserves, commodity futures, and programmable settlement rails could collectively scale into a multi-billion-dollar liquidity backbone for global agri-finance.

Modeling a \$2.5 Billion Digital Commodity Reserve

Preliminary internal scenarios, subject to regulatory and market validation, suggest the following potential outcomes:

- USD 2.5 billion in tokenized commodity reserves within a 36-month horizon.
- Commodity-backed reserves designed to stabilize settlement flows across 40+ trading corridors in Asia, Africa, and the Middle East.
- USD 500–700 million in simulated annual transaction throughput under ESG-certified commodities, including ISCC-certified rice, Bonsucro-verified sugar, and sustainable oils.
- Liquidity recycling mechanisms targeting up to 30% faster circulation velocity compared to conventional bank-settled trade finance.

What Is a "Commodity Treasury"?

A "commodity treasury" is a structured pool of tokenized reserves—such as warehoused sugar, rice, or sustainable oil inventories—linked to yield-bearing digital assets. This programmable liquidity buffer acts as a backstop for cross-border settlement, hedging, and ESG-linked financing, enhancing transparency and capital efficiency for both institutional and retail ecosystems.

Ecosystem & ESG Synergies

The proposed treasury model could embed recognized sustainability certifications (e.g., ISCC, Bonsucro) directly into tokenized reserves. By doing so, the system may enable impact funds, sustainability-linked institutional investors, and regional trade financiers to access verified, traceable, commodity-backed yield instruments at scale.

Tokenized treasuries are attracting global attention, as traditional financial institutions and fintech leaders increasingly evaluate on-chain reserve frameworks to improve transparency and efficiency. Davis Commodities' exploration aligns with these market developments, focusing on emerging-market trade corridors that are often underserved by conventional capital systems.

Executive Commentary

"We are studying how real commodities, digital yield architecture, and programmable settlement can converge into a capital-efficient treasury system," said Ms. Li Peng Leck, Executive Chairwoman of Davis Commodities. "Our intent is to model a scalable backbone that could support both institutional hedging and retail-driven ecosystems in emerging markets—linking verified supply chains with next-generation capital flows."

Next Steps

The treasury framework is currently under review in collaboration with ESG auditors, blockchain infrastructure providers, and cross-border liquidity specialists. No implementation commitments have been made at this stage. Any pilot or launch will remain subject to regulatory consultation, market readiness, and stakeholder feedback.

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: Maxwell 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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