

The Caravel Group

A World of Excellence





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Caravel

['karəvəl]

(noun) – a small, highly maneuverable Spanish or Portuguese sailing ship of the 15th-17th centuries, that is synonymous with Renaissance-era explorers, pioneering new trade routes and early globalization.

The Age of Discovery facilitated by this revolutionary vessel played an important role in the development of global sea trade, bringing different civilizations closer and ushering in a new era of economic activity, prosperity and development around the world.

Today, as global trade patterns are again being transformed by the shift of economic power towards Asia and through increasing use of technology, The Caravel Group seeks to navigate the tides of change with the speed, nimbleness and flexibility of our namesake – focusing on the world's high-growth markets with the same adventurous spirit of discovery that drove the early explorers.

Our journey began

with a vision

Inspired by the great explorers who opened up the world to trade, we envisaged a new type of business that would navigate the economic complexities of today's world with the same agility and openness to opportunity. A business that would embrace separate streams of activity and draw strength from the synergy between them. A business that would understand our customers' needs and respond to them with timely and efficient value-added solutions, while adhering to the highest ethical standards.

Today that vision has taken shape as The Caravel Group – now among the world's market leaders in our primary lines of business, and still driven by the same passion, inquiring spirit, and the desire to make a difference.

Our Mission

To identify promising business opportunities, and build on them to create a profitable, globally integrated, and sustainable world-class business that drives globalization and brings positive economic impact, creating long-term value for all stakeholders of Caravel Group and the companies in which we invest, as well as the communities in which we operate.

To understand the needs of clients in our chosen business sectors and geographies, and to provide them with high quality, reliable, and timely value-added services and solutions, making us their partner of choice.

To recruit and develop hard-working, dedicated, and knowledgeable people who share the company's goals, values, and commitment to integrity.

To operate as a socially and environmentally responsible organization, striving to manage our businesses and direct our investments in ways that contribute to positive change in addition to meeting financial objectives.



Structured for success

Across all our activities we seek to emulate the agility and global impact of our namesake vessel, the caravel.

The Caravel Group Limited, headquartered in Hong Kong SAR, is a diversified global conglomerate. Through our multiple operating units, we provide value-added solutions in distinct – but complementary – areas, while focusing on identifying and capitalizing on selected opportunities within each. Like the caravel, we have the flexibility to adapt and respond quickly to the frequent changes in today's fast-moving markets – charting a fresh course whenever new opportunities present themselves.



Caravel Maritime

- Fleet Management Limited – third-party ship management
- Caravel Shipping – in-house and third-party dry bulk commercial and chartering services
- Maritime asset ownership
- Maritime investments



Caravel Resources

- Trading of industrial dry bulk commodities
- Focus on raw materials for steel making and power generation
- Main products traded are iron ore, coal and coke



Caravel Asset Management

- Direct investments in global liquid asset classes
- Alternative investments such as private equity and hedge funds
- Focus on risk management to sustain returns through market volatility



Making a difference for *our customers*

The Caravel Group has a number of distinct qualities that distinguish us from others in the industries in which we operate, differentiate us as leaders in the global market space, and make us the partner of choice for our clients.

Our integrated platform of businesses

Our business strategy is centered on working with our clients as long-term strategic partners globally. They benefit from the synergy between our various operations along the supply chain – origination, handling of logistics, and where appropriate offering tools to manage the financial needs and risks of these transactions. This enables us to offer complete and cost-effective one-stop, end-to-end solutions.

Our diversified business portfolio

Our financial performance is driven by a varied combination of revenue streams: service income and management fees, trading revenue, long-term investment gains, and income returns derived from our portfolio of hard assets. We believe this unusual diversity of our business portfolio helps insulate our operating performance from market volatility, macroeconomic factors and the cyclical nature of some of our end-markets.

Our expanding portfolio of unlevered fixed assets, ranging from our ships to equity holdings in carefully selected companies, gives us a firm financial foundation and further diversifies our business.

Our integrity and transparency

We pride ourselves on building and maintaining enduring partnerships with clients – founded on their confidence in our world-class service and trust in our integrity. We maintain their confidence by our dedication to providing the highest standards of service and by placing our long-term relationships with clients ahead of short-term gain.



600+

vessels technically managed,
operated or owned

150 million

MT of cargo transported annually

Making a difference through *our people*



Since its inception, The Caravel Group has been steered by a talented management team with an exceptional track record combined with a “can do” attitude.

Our team of entrepreneurial professionals is dedicated to delivering excellence to all our stakeholders, under the experienced leadership of our Management Committee. As a still relatively young company, Caravel has benefited from this team’s insight, their wide-ranging network of industry relationships, and the trust we have earned from business partners over the years. We leverage the collective experience, relationships and knowledge of our teams into a seamless and collaborative organization able to manage our activities and risks efficiently and drive the Group’s continued growth.

Behind our management team stands Caravel’s workforce – an integrated team of professionals united by their shared commitment to the Group’s

values of integrity, excellence and client focus. Together, they pursue Caravel’s vision of creating sustainable value for both shareholders and employees through a firm dedication to serving the needs of counterparties effectively – delivering streamlined services with speed and efficiency.

We provide our employees with a supportive working environment, rewarding benefits, and good opportunities for training and career development. To sustain our industry leadership, the Caravel Group offers diverse career openings to potential employees with a positive attitude, a global outlook, a dedication to our values, willingness to learn, integrity, and strong team spirit.



Caravel Maritime

We are uniquely positioned in the marketplace as one of the few fully integrated maritime companies providing technical and commercial management services, engaged in vessel ownership, and with access to our own cargo base of commodities.

Caravel Maritime encompasses all the maritime-related activities of The Caravel Group. In addition to our ship management arm, Fleet Management Limited, we provide commercial and chartering services, own a growing fleet of vessels, and make strategic maritime investments. By providing freight services for Caravel Resources, we can offer our customers fully integrated supply and delivery solutions.

We transport 1% of the world's containers, and 2% of the world's commodities.

Ship Management

Fleet Management Limited
A Caravel Group Company



Fleet Management Limited is one of the world's largest independent third-party ship management firms with a 25-year history, over 20,000 qualified seafarers and over 550 vessels under management.

Headquartered in the Hong Kong SAR, Fleet Management operates on a global scale with 25 offices in 12 countries. Our client base spans more than 90 world-class ship owners, including Fortune 500 companies from Japan, Norway, Greece, Turkey, the Netherlands, USA, China, Korea and India amongst many others.

Fleet Management is dedicated to maintaining and enhancing the asset value of our clients' vessels as economically as possible. We ensure they are kept in optimal condition in terms of mechanics, technology and crew management – and in a state of operational readiness and compliance.

230+

bulk carriers

225+

tankers

50+

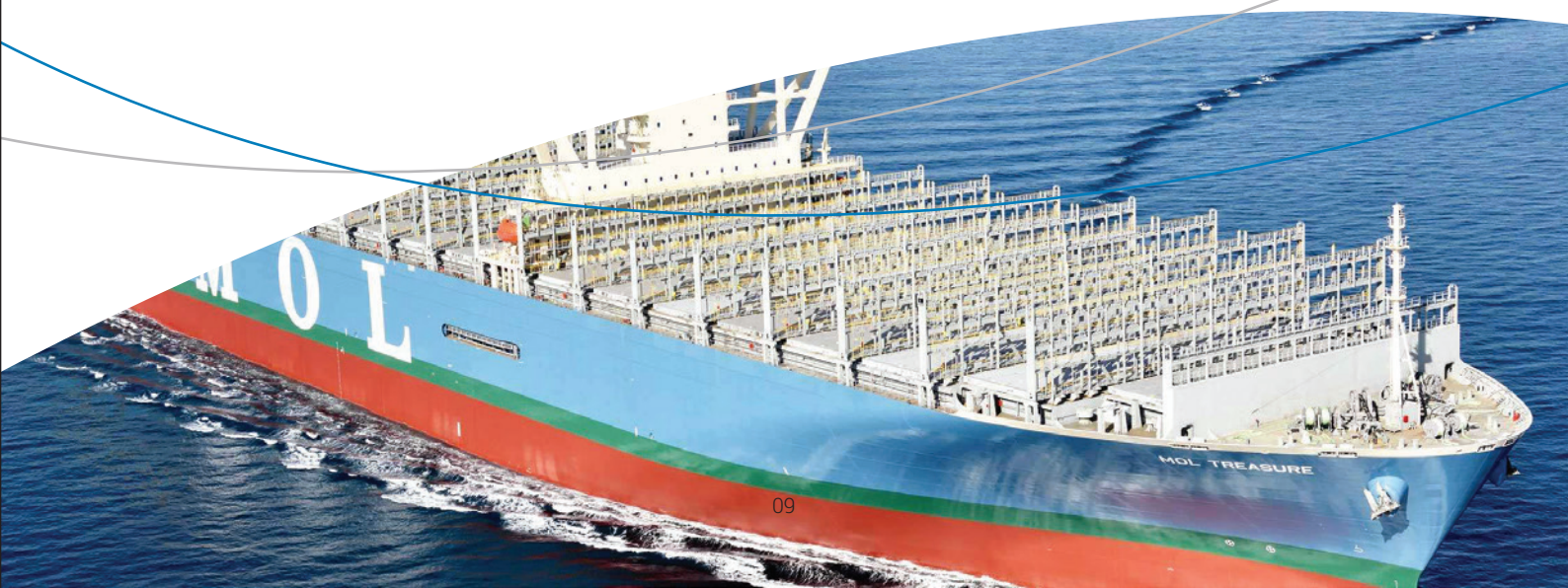
container vessels

Fleet Management offers a comprehensive range of ship management services tailored to each vessel owner's needs, including technical and engineering services, crew training and management, new building supervision, insurance, independent surveys, audits and commercial management. We are a leading provider of Technical Management, with all our vessels meeting the industry's highest standards, including ISO 9001, ISO 14001, ISO 50001, OHSAS 18001, and ISM code compliance certificates from DNV.

As the world's third largest independent third party-ship management company, we manage

a range of vessels including bulk carriers, container vessels, car carriers, oil tankers, gas carriers and chemical tankers. They range from 300 to 319,000 DWT, many of them young and energy-efficient, with an age profile below the industry average.

We manage the largest number of chemical tankers, medium-range tankers, geared bulk carriers, and ultra large container vessels (ULCVs) in the world. The size of our fleet speaks volumes about the confidence our customers have in our ability to operate complex vessels, handle difficult cargoes and carry them without incident.



Commercial and chartering services

Caravel Shipping specializes in providing in-house and third-party commercial and chartering services for the transport of dry bulk cargo. Our scale, experience and expertise place us among the world's leading dry bulk operators.

Our business is focused primarily on the Supramax through Kamsarmax vessel segments where we believe that through agility and pre-emptive timing we can offer our clients enhanced flexibility and add greater value. All kinds of dry bulk cargoes, whether in-house or from third parties, are matched and carried on vessels we operate through our diversified network across the globe. This enhances our flexibility, enabling us to align with shipment periods around the world and provide more competitive freight rates for clients, while maintaining our high

level of performance and reliability.

Caravel Shipping seamlessly manages all pre- and post-fixture operations, allowing clients to focus on their core areas while their logistics requirements are handled professionally. Our team includes an experienced network of Port Captains and agents who can provide workable economic solutions to support our clients' needs at every port, not only while our vessels are in port, but even well after they have sailed.

Maritime assets

In addition to the diverse fleet we manage and operate, The Caravel Group has started to build up our own fleet of owned vessels, compliant with the highest standards of design, technical efficiency, environmental performance, safety and efficient ship management.

In building our fleet we seek to strike a balance between serving our own cargo requirements and the needs of our diverse worldwide customer base. We focus on high quality, young, and eco-designed

vessels, enabling us to handle a variety of cargo types. We aim to generate returns through both free cash flow generation and improvements in asset values.

Maritime investments

In addition to our own extensive maritime operations, we apply our knowledge and expertise in the field to enter into selected investments or joint venture partnerships in other maritime players.



The Group is among the major investors in Mandarin Shipping Limited, a Hong Kong based shipping investment company with a highly experienced management team which provides a platform to invest directly in shipping assets, and also provides a wide range of other services to investors and

institutions with shipping interests.

In connection with this, The Caravel Group is a principal shareholder in Mandarin Containers Limited ("MCL"), the owner of a fleet of 5 eco-design, draft-efficient feeder container vessels with a capacity of 1,700 TEUs, all trading profitably on charters with major liner companies. MCL's growth strategy is focused on Asia's growing trade routes.



Making a difference to safety at sea

Life afloat can be challenging – but experience tells us that the biggest single cause of accidents at sea is not the absence of maritime safety policies and procedures, but the lack of safety awareness among seafarers. Fleet Management’s award-winning SafeR+ program – launched in 2010 – addresses

this concern by helping seafarers internalize the importance of Communication, Teamwork and Risk Assessment – encouraging every seafarer to take personal accountability for doing things more safely. The program has helped reduce crew injuries by 70% while increasing near miss reports by 550%.

Industry affiliations

In order to have a voice in decisions affecting our business, and to cooperate with other maritime operators in matters of mutual interest, The Caravel Group and/or its subsidiaries are affiliated with a number of local and international organizations within the maritime sector.



Global Maritime Forum



Hong Kong Shipowners Association



Baltic Exchange



BIMCO



Intercargo



Intertanko



Caravel Resources

Caravel Resources is a leading provider of solutions across the industrial dry bulk value chain. Our focus is on the trading of industrial dry bulk raw materials, principally those used in the steel and energy industries – iron ore, coal and coke.

Caravel Resources provides a seamless supply chain utilizing the synergies provided by The Caravel Group platform. This offers all counterparties efficient, transparent and cost-effective solutions for their needs, which can be further tailored to meet individual requirements.

We source from origins that offer geographical as well as cost benefits for our customers. Our origination expertise allows us to source a diverse range of products for each area of our business from mines around the globe. Whilst our clients are primarily in the broader steel

industry and power generation sectors, we also serve numerous other industries with requirements for energy generation.

Each transaction we undertake and manage is complex, requiring precise alignment throughout the supply chain and dedicated personal service. We add value by drawing from coordinated support across the Group, which allows us to offer our counterparties exceptional efficiency, logistical expertise and strong risk management. This gives them the freedom to focus on their core businesses and optimize their available resources.

Caravel Metallurgical

- iron ore

As the base material for steel, iron ore is vital to manufacturing and construction industries around the world.

With our outstanding sourcing expertise and deep-rooted customer base developed over twenty five years, our dedicated subsidiary Caravel Metallurgical is able to source and deliver a variety of grades efficiently to steel makers around the world, making us a market leader in the global iron ore supply chain.

50 million

As a Group, we transport
50 million metric tons per
annum of iron ore.

> 50%

are our own traded volumes
within Caravel Resources.





Caravel Carbons

- coal and coke

While coal is gradually giving way to other energy sources, it still meets close to a third of the world's energy needs, and remains particularly vital to electricity generation and steel making.

Our dedicated subsidiary Caravel Carbons supplies a variety of coal types, including thermal coal, petrochemical coke, anthracite, and coke. We have multiple sources around the globe, allowing us to meet specific customer requirements and to minimize transport distances.

25 million

As a Group, we transport
25 million metric tons of coal-related
cargo per annum

>25%

represents our own traded cargoes
within Caravel Resources.

Risk management

Exposure to risk – market, financial and operational – is inherent in commodities trading and transportation, making strong risk management essential to financial and operational stability. Caravel's professional risk management team actively monitors, measures, manages and optimizes operational, market and credit risks across our global business through a wide range of metrics and techniques including the latest technology. Where required we offer our services for

the long-term benefit of all parties in the supply chain. Risk measurement and management is integrated into all our operations and is part of our corporate culture. Owing to the multi-disciplinary nature of the Group, we have unique intelligence and insight which allows us to identify and execute transformative transaction opportunities. These support the Group, particularly in terms of managing financial risks and achieving synergy across the business as a whole.

Price risk management

Risk control is overseen at the highest level of the Group's management, and kept strictly separated from front office functions. Our robust risk control process spans the entire life cycle from inception to settlement, across all levels – corporate, portfolio and trading.

We use a variety of risk management tools and metrics to measure, manage and allocate risk across our business, with individual sub-limits being set and enforced by senior management. We also generate stress and worst-case scenario metrics.

Operational risk management

Since the commodities in which we trade are commonly transported in vessels under our own management, we are able to exercise strict management of the risks associated with transportation throughout all

our operational processes. Our shipping and cargo management activities are conducted with reference to the highest standards of quality, environmental impact, and health and safety, minimizing the risks involved.

Trade finance solutions

In addition to managing the Group's own trade finance requirements, we seek to assist our trading counterparties in mitigating their own exposure by acting as an intermediary to finance short-term commodity flows on a transactional and

non-speculative basis. We provide financing solutions – mainly 'short-term transactional financing' – to commodity producers, processors and trading houses.



Caravel Asset Management

Our long-term outlook, a focus on generating absolute returns, and a conservative risk management model are at the core of our investment strategy.

Caravel Asset Management is an institutional investment manager, with a primary focus on direct investments in global liquid markets including public equity and credit, across all industries. Caravel Asset Management also invests in alternative investments to diversify sources of return and migrate risk. Our investment strategy seeks to deliver sustained long-term returns while avoiding undue risk, through building and actively managing a well-balanced and globally-diversified portfolio.

The investment holdings of Caravel Asset Management are held with affiliates of The Caravel Group, giving strength to our balance sheet and underpinning the stability of the entire Group.

At Caravel Asset Management, we believe that a good understanding of companies and their management teams, in addition to the external portfolio managers whom we partner with, is key to our strategic asset allocation, selecting investments, and maximizing our return over our investment horizon. Investments are selected based on a static allocation over a diversified set of asset classes to achieve our investment targets over the long term, and through cycles. We aim to avoid over-dependence on macroeconomic factors when determining the appropriate risk premium.



Investment strategy

Fundamental investing

Global equities

We are focused on generating alpha, on a total return basis, through stock selection. We employ a rigorous fundamental framework, and believe in active equity investments, in the form of a concentrated, high-conviction equity portfolio in companies with long-term sustainable businesses. We invest in outstanding companies where we have a strong fundamental understanding of the business, while

developing a solid comprehension of the macroeconomic environment to manage investment risk. We strive to regularly engage with these companies and their management teams. Our equity portfolio is dynamically risk managed to ensure that we limit our direct market exposure, hedge any unintended risk factor bias, and optimize our portfolio to generate alpha and total returns.

Global credit

We seek to achieve a combination of current income generation, in addition to alpha capture across our credit portfolios. Utilizing a strong fundamental approach to credit selection, we also have the flexibility to invest across the capital structure of companies we evaluate thereby providing us with multiple sources to create alpha and income across the credit spectrum. We are industry agnostic and invest across all sectors globally.

We are focused on income-generation through a carefully constructed portfolio of short-dated investment grade and high yield credit instruments, through a hold-to-maturity style portfolio. We invest in securities with strong credit quality, minimal duration risk and/or interest rate sensitivity, and where we perceive predictable and predetermined returns through maturity.

Alternative investments

Third-party fund managers

We maintain a well-diversified portfolio of private equity, real estate and hedge fund managers, as part of our Alternative Investment portfolios. We seek to administer a portfolio of external managers to diversify our sources of return and

investment strategies. Our dedicated investment team is tasked with finding and conducting due diligence on these managers, and ongoing monitoring of these investments.



Direct private equity investments

In making direct investments, we seek out firms with strong growth potential and conduct in-depth due diligence to ensure that they meet our investment criteria.

They should be leaders in their market segment with a strong management team in place. We strive to be an active shareholder, good partner, and well-aligned to management teams and their vision.

Caravel Asset Management's direct investment portfolio includes:



Nykaa is a Mumbai-based multi-brand beauty retailer selling cosmetic and wellness products since 2012. The Caravel Group has been an investor since 2014.

Nykaa markets over 1,300+ brands, and over 130,000 SKUs – including leading global and domestic brands – to its core target audience with more than 1.3 million orders per month.

Nykaa opened its first physical retail store in 2015 and now has in excess of 55 offline stores under two brands, as well as offering 8 private label categories. Nykaa's founder Falguni Nayar is often cited as one of Asia's most powerful businesswomen. Since 2014 Nykaa has joined *Femina*, India's longest-established English-language women's magazine, in presenting the Femina Beauty Awards for beauty products.



Launched in 2013 in the Hong Kong SAR, Young Master Brewery was one of the earliest craft breweries in Hong Kong providing consumers with truly distinctive high-quality beers, including a changing roster of specialty products. Today it is the largest, most awarded and one of the most respected craft breweries in the region. Its world-class beers are now available in leading bars, restaurants, hotels, specialty stores and supermarkets across Hong Kong, Singapore, Shenzhen and Thailand, as well as other markets within Asia. The Caravel Group is proud to have been a partner in this inspiring success story since 2015.



The Caravel Group is an investor in Palantir Technologies. Palantir restricts the disclosure of company details. Information about Palantir may be obtained at the company's website.

Impact investing - Making a difference through transformative investments

Caravel Impact Investments seeks to address the question of whether it is possible both to do good and to do well, and to demonstrate that these two goals are not mutually exclusive.

We believe that capital markets are essential to driving solutions to the severe threats that face our planet. The goal of this new addition to The Caravel Group's portfolio is to make deliberate and coordinated investments in conjunction with our partners globally, to bring the transformative change that is required in the way we produce, consume and

conduct business to shape a better world for tomorrow. We endeavor to make informed decisions around the impact created by our investee companies, and then to manage this impact actively to contribute to positive social and environmental change, while not foregoing our financial responsibilities to our stakeholders.



Aera VC (Venture Capital) describes its purpose as "Investing today for a better world tomorrow". It invests in early stage ventures that are defined by both purpose and profit. We have partnered with Aera VC to begin to build a global network of like-minded investors, and a significant, sustainable pipeline of next-generation businesses that look to disrupt and transform the status quo of how we live, consume and produce.



Making a difference to *the environment*

We seek to minimize the group's environmental impact across all our operations

As a global business, we generate a wide-ranging impact on the environment. We are committed to pursuing policies and using appropriate technologies to minimize our environmental footprint and practice good environmental stewardship. We monitor and measure our environmental performance and use this information to make improvements.

In addition to benefiting the environment, this approach also benefits the Group by building goodwill and enhancing our reputation. Furthermore, many corporations seek out environmentally responsible business partners as part of their own sustainability efforts, placing us in an advantageous position to build new business relationships.

Caravel Maritime

As one of the world's leading maritime operators, we recognize our responsibility to contribute to a cleaner marine environment. We pursue dynamic environmental policies and strive to be a role model for sustainability within our field. We fully support environmental requirements laid down under relevant laws and conventions. Consequently we implement a zero-tolerance approach to non-compliance. We maintain and operate a mostly young and fuel-efficient fleet. We use state-of-the-art

technologies to monitor vessel performance, minimize fuel consumption and pollution, and we implement measures to eliminate or reduce atmospheric emissions such as greenhouse gases, as well as to eliminate or reduce discharges, both at sea and in port. In addition to practicing efficient use of resources and promoting reuse or recycling, we train and encourage our employees to identify and pursue opportunities to enhance sustainability.

Caravel Resources

At Caravel Resources we are passionate about and deeply committed to environmental sustainability. We truly believe that each one of us needs to be aware of and play a part in looking after the environment from which we personally, and as a business, draw sustenance.

Our goal is to serve as a role model within our sphere of influence, balancing our profitability and ambitions as a company whilst pursuing a dynamic environmental policy. We support numerous environmental initiatives, and are investing resources in carbon offsetting and creating sustainable resources.



Making a difference to *the community*

Since the inception of The Caravel Group, exemplary corporate citizenship has been a guiding principle across all our activities.

Our commitment to Corporate Social Responsibility (CSR) is integrated into our daily business practices: our corporate governance, our environmental performance, our commitment to the health and welfare of our employees, our compliance with applicable laws and regulations, and integrity in our dealings with our business partners. We are dedicated to providing reliable service to our customers, creating lasting value through our investments, and serving the wider community through our charitable organization, the Caravel Foundation.

The Caravel Foundation Limited is a private Hong Kong registered charity with a focus on education and healthcare for underprivileged children. Through it, we seek to provide care, education and opportunities to disadvantaged young people, equipping them to become the productive and successful citizens of tomorrow. In addition to providing funding to carefully selected charities, The Foundation encourages Caravel Group employees to become engaged in their activities as volunteers.

Charitable and educational ventures currently supported by the Foundation are:



Sharing the same strong belief in the transformational impact of education as the City University of Hong Kong (CityU), the Caravel Foundation has been a close partner with CityU in grooming the next generation for a brighter future, from nurturing leaders of tomorrow, advancing knowledge with research discoveries, to supporting the Indra & Harry Banga Gallery by fostering its long-term development in driving innovation, enhancing the integration of art and science, and preserving cultural heritage for the world.



The Caravel Foundation Scholarship Fund was established in 2016 in support of financial aid for deserving students at three of the most respected higher education institutions in the United States – Dartmouth College, Duke University and Princeton University.



The Foundation is a corporate partner of this Business-in-Community initiative, which works with participating schools in Hong Kong to provide disadvantaged students with opportunities and care to empower them for pursuing higher studies and future careers. Using an 'adopt a school' model, Project WeCan is an open platform where each school is coupled with a partner in a multi-year collaboration. The Caravel Foundation works with the participating schools sponsoring infrastructure projects, and providing funding for teacher and program support. The Caravel Foundation also hosts events for students such as Career Days at the Caravel Group offices, and ship visits for the School's students.



Future Hope provides a home, education and medical care for some of the most vulnerable children from the slums of Kolkata, India. From sleeping on the streets, where they are at risk of exploitation, Future Hope transforms the lives of these children by helping them to grow into independent, self-supporting members of society. Those wishing to pursue maritime careers are encouraged and assisted in this ambition.

For information on these and other Caravel Foundation programs, please contact us at foundation@caravel-group.com.



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