

PARADISE GAS CARRIERS CORP.
CONSOLIDATED BALANCE SHEET, INCOME STATEMENT, CASH FLOW
(Expressed in thousands of United States Dollars)

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(Expressed in thousands of United States Dollars)

	<u>As of September 30,</u> <u>2014</u>	<u>As of December 31,</u> <u>2013</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	18,978	6,453
Accounts receivable, net	2,884	2,357
Inventories	759	1,304
Prepaid expenses	389	38
Due from related parties	295	794
Total current assets	23,305	10,946
NON-CURRENT ASSETS		
Fixed assets, net	54,473	38,030
Deferred charges, net	1,526	-
Total non-current assets	55,999	38,030
Total assets	79,304	48,976
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	1,137	629
Accrued liabilities	82	388
Current portion of long-term debt	2,476	-
Due to related parties	-	-
Other current liabilities	272	63
Total current liabilities	3,966	1,080
NON-CURRENT LIABILITIES		
Long term debt	14,742	-
Total non-current liabilities	14,742	-
Total liabilities	18,708	1,080
STOCKHOLDERS' EQUITY		
Paid-in capital	60,000	49,000
Retained Earnings	596	(1,104)
Total stockholders' equity	60,596	47,896
Total liabilities and stockholders' equity	79,304	48,976

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	<u>Period from January</u> <u>1 to September 30,</u> <u>2014</u>
Operating revenue	17,074
Voyage expenses	(4,327)
Vessel operating expenses	(6,452)
Depreciation	(2,479)
Amortisation	(57)
Commissions	(610)
Management fees	(662)
General and administration expenses	(256)
Net operating expenses	(14,843)
Income From Operations	2,231
OTHER INCOME (EXPENSE):	
Interest income	70
Interest expense	(399)
Other finance expenses	(206)
Other expenses, net	4
Total Other Expense, net	(531)
Net Income	1,700

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	Period from January 1 to September 30, 2014
Cash Flows from Operating Activities:	
Net income	1,700
Adjustments to reconcile net profit to net cash generated from operating activities	
Depreciation	2,479
Amortization of deferred drydocking	57
Amortization of deferred finance costs	49
Drydocks – Special Surveys	(1,132)
Increase/(Decrease) in:	
Accounts receivable	(528)
Prepaid expenses	(351)
Inventories	545
Amounts due from related parties	499
Increase in:	
Accounts payable	509
Accrued liabilities	(306)
Other current liabilities	209
Net Cash generated from Operating Activities	3,730
Cash Flows from Investing Activities:	
Acquisition of vessels	(18,922)
Net Cash used in Investing Activities	(18,922)
Cash Flows from Financing Activities:	
Proceeds from long-term debt	17,750
Payments of long-term debt	(532)
Deferred finance costs	(501)
Capital contribution	11,000
Net Cash generated from Financing Activities	27,717
Net Increase in Cash and Cash Equivalents	12,525
Cash and Cash Equivalents, Beginning of Period	6,453
Cash and Cash Equivalents, End of Period	18,978
Supplementary Cash Flow information	
Cash paid for interest	339