PARADISE GAS CARRIERS

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Introduction

- Management views its companies as **investment vehicles** specializing in the shipping sector, focusing on generating above average medium and long term shareholder returns by **seeking real *alpha***, in an industry with a very volatile *beta* (behind which, it is very tempting and rather easy to hide).

- Unlike most of our peers, we do **not get distracted** by corporate policy targets such as growth for the sake of *growth* (and more fees), or constraints such as "pure play" to attract investors money. We **only invest in what the shipping markets will need**, (when it is *needed,* not when money is available to us). We do not invest in what shipyards want to sell nor in what institutional investors want to own.

Early 21st century Beta Closet

- We recognize that, in a highly emotional environment such as in shipping, our own human **behavioral biases** are present and if left unchecked shall lead us to **wrong investment decisions**. Furthermore, we seek to find **opportunities** in the market to take advantage of such (unchecked) biases **in our competitors**. We strive to be contrarians against our nature.

- We emphasize a **disciplined, top-down investment methodology** seeking suitable entry and exit points into the shipping cycles of the 3 major segments we watch (Bulkers, Tankers, small LPG).

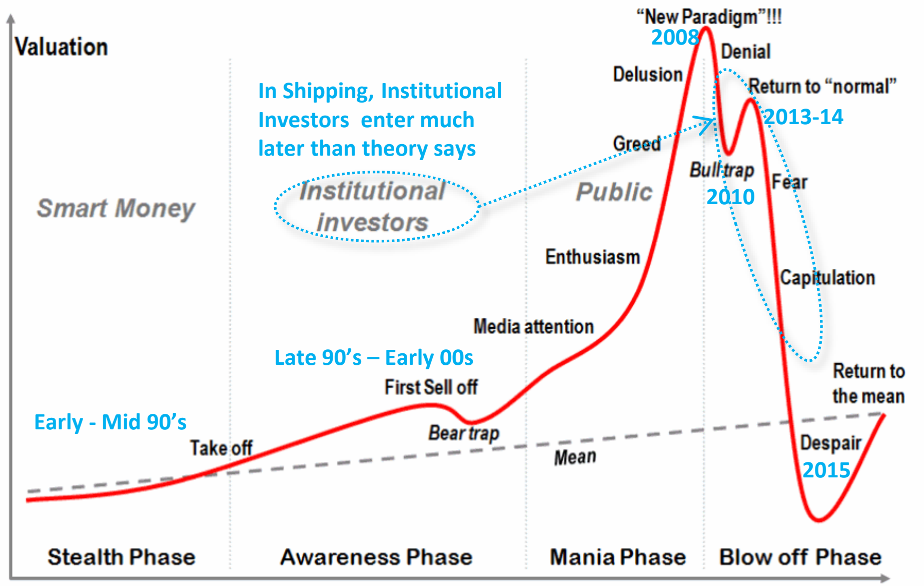
- The resulting asset portfolio endeavors to combine both relative stability in cash flows and upside potential, to create **attractive risk/reward profile**.

- The Management Team has vested significant portions of their net worth and their shareholders returns have been their only net source of income to date. **We are professional shareholders/investors, not service providers/fee generators.**

- We have an **excellent track record** in the acquisition, operation and disposal of vessels, as well as the ability to source distressed sales, identify and enter into strategic partnerships in already established or new markets. But most important of all, we have a consistent record or solid **returns on our investments.**

Investments in Shipping from Jan'15 to May'15
extracted from Tradewinds article 5Jun15 by N. Roumpis

Investor Origin	Tankers (booming)	Bulkers (Crashing)
Greece	$801m, 44% of total	$929m, 51% of total
USA	$1690m, 86% of total	data not provided

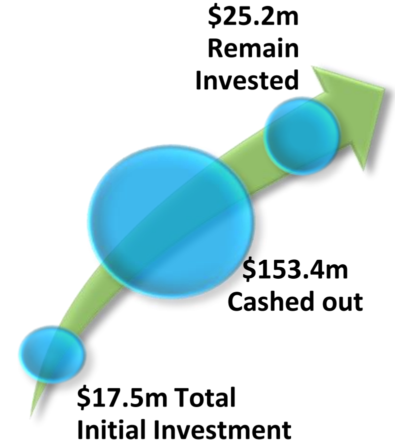


Main Graph by J.P. Rodrigue, Hofstra University, "Phases of the Bubble"
Shipping Annotations (mostly with Bulkers in mind), by Paradise Navigation

Historical Returns on Investment

PARADISE GAS CARRIERS

- **Original Paradise shareholders, PGH, are tracked here**. They were initially invested in vessels SPVs which later merged into Paradise Tankers Corp (PTC). In 2008 they kept $20m in retained earnings aside, which they invested in 2013 in PGC. In 2015 PTC was liquidated and their remaining equity there was also put in PGC where they now own 31.2%.
- Between 2000 and 2015, Paradise shareholders (Paradise Group Holdings or PGH)'s net investment in PTC (and later in PGC) totaled $17.5mn.
- An **original shareholder** that **invested $100k** between 2000&2003 had taken his money back by 2005 and by 2008, **he has taken back $878k in cash.** His money didn't buy any ship from 2004 till mid 2013. He **still has $144k invested** in the company, gets **yearly dividends of $7k** and sees his **investment still growing** (another 7k after divies, in q2/15).
- This cumulative return has an **IRR of 50.5%**



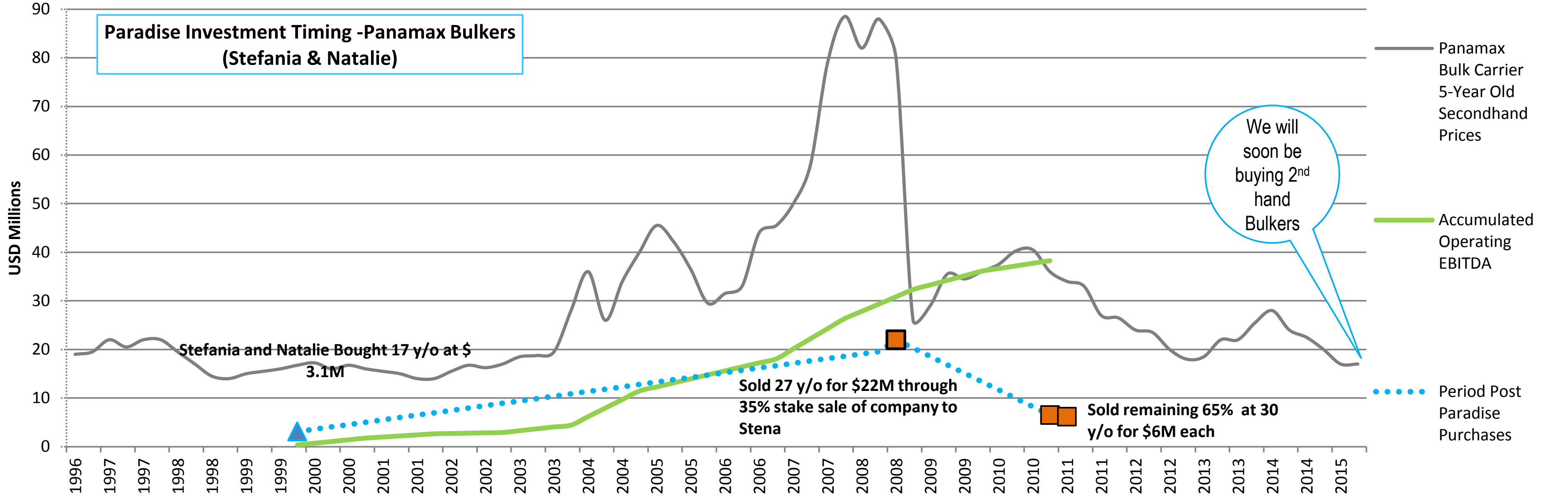
Paradise Group Holdings (PGH). Returns From Paradise Tankers Corp. (PTC) & Paradise Gas Carriers Corp (PGC) *U.S. dollars in thousands*

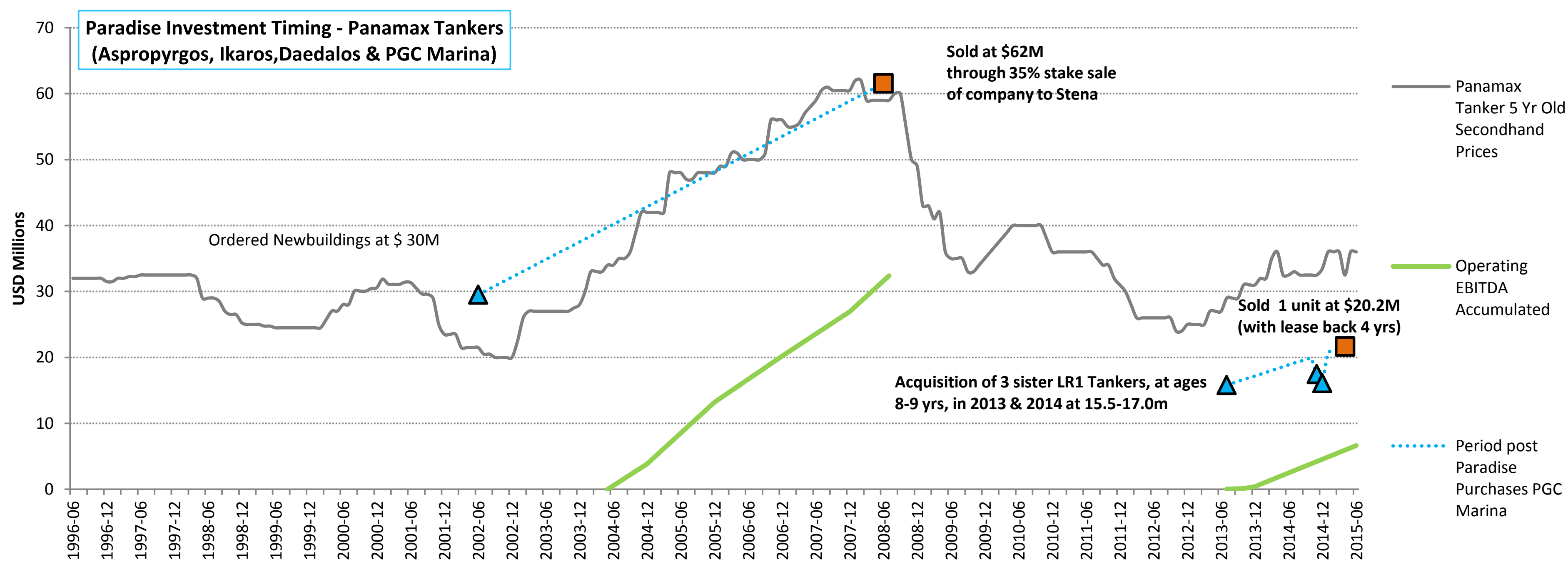
	1999 - 2000	2001	2002	2003	2004	2005	2006(a)	2007(a)	2008(a)	2009	2010	2011	2012	2013	2014	2015
Equity Investment	-8700		-9000	-9000					-685							
Dividends Received	640	2,020	1,265	5,300	9,520	14,500	20,405	24,550	37,012(b)							1,237(d)
Capital Decrease					3,150	5,460	1,695	1,500	3,000							
Sale of Minority Interest									52,077							
Retained Earnings									-20,000(c)							
Mark-to-market NAV																25,169(e)
Yearly Cash Flows	**-8,060**	**2,020**	**-7,735**	**-3,700**	**12,670**	**19,960**	**22,100**	**26,050**	**71,404**	**0**	**0**	**0**	**0**	**0**	**0**	**26,406(f)**
Cumulative Cash Flows	-8,060	-6,040	-13,775	-17,475	-4,805	15,155	37,255	63,305	134,709	134,709	134,709	134,709	134,709	134,709	134,709	161,115

a. *"Past performance is not necessarily indicative of future returns" – We actually mean this cliché disclaimer. We are out of the beta closet and well aware that our past success was more luck than skill (β>α), as we will never in our lifetime see again anything resembling the 06-08 markets. However, our past performance and the fact that we held from buying any ships from 2004 to mid 2013 (and still haven't bought any Bulkers), could indicate we have a decent chance to generate above average returns in the future.*
b. *Includes cash proceeds from increased leverage that took advantage of high asset values prior to Stena sale.*
c. *$20mn from Stena proceeds were invested in passive, non-shipping assets (actually generated losses of abt. 2mn), waiting for the right timing to re-invest in shipping (in 2013).*
d. *2/4 are actually paid, 2/4 are projected.*
e. *Valuation based on mark-to-market using real market values and not book values, for 31.23% of PGC that is today owned by PGH (the original shareholder we are tracking here).*
f. *The yearly cash flow in 2015 is theoretical (in a liquidation scenario) and for purposes to calculate IRR.*

Moore Stephens audited combined financial statements from 2000-2006.
PWC audited consolidated financial statements from 2007-2014.

Transaction Examples





Historical Background

First Generation

1968-1996

1947 John Tsakiris (nee John Tsakiroglou), the founder of Tsakiris family shipping interests, joins Karapanagioti & Co Ltd.; the exporters of Sudanese produce in London.

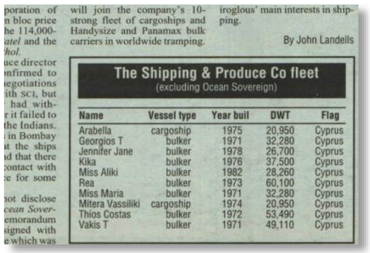
1951 John Tsakiris becomes Director of Tsakiroglou & Co (Port Sudan) and Sudan Oil Mills Ltd, in charge of production, exporting and chartering ground of nut oil and its derivatives; Through his family connection with the Frangistas family, he starts investing into ship-owning by taking minority interests in the Frangistas vessels (now days "Franco Naviera").

1962 After an amicable separation with Frangistas, John Tsakiris together with his cousin, set-up **Shipping & Produce** in London.

1968 **Navipower** Compania Naviera was setup in Piraeus to handle crewing for Shipping & Produce London.

1992 Shipping & Produce reaches a fleet size of 12 bulker vessels, all cash-financed.

1996 After gradually **selling all vessels**, John Tsakiris separates business interests from his brother and nephew, passing management duties to Constantinos Tsakiris. renaming the Company to **Paradise Navigation**.



will join the company's 10-strong fleet of cargoships and Handysize and Panamax bulk carriers in worldwide tramping.

iroglous' main interests in shipping.

By John Landells

The Shipping & Produce Co fleet
(excluding Ocean Sovereign)

Name	Vessel type	Year buil	DWT	Flag
Arabella	cargoship	1975	20,950	Cyprus
Georgios T	bulker	1971	32,280	Cyprus
Jennifer Jane	bulker	1978	26,700	Cyprus
Kika	bulker	1976	37,500	Cyprus
Miss Aliki	bulker	1982	28,260	Cyprus
Rea	bulker	1973	60,100	Cyprus
Miss Maria	bulker	1971	32,280	Cyprus
Mitera Vassiliki	cargoship	1974	20,950	Cyprus
Thios Costas	bulker	1972	53,490	Cyprus
Vakis T	bulker	1971	49,110	Cyprus

January 24 1997 TradeWinds

End of the road Shipping & Pro

Second Generation - Phase 1

1997-2008

1997-99 Acquisition of "M/V Achilleas Frangistas" (1980 built 35,000mt Bulker) for $5m, "M/V Stefania" & "M/V Natalie" (1982 built,65000mt Panamax Bulkers), for abt $3.2m each.

2000 Acquisition of the family's **first tanker** "Redina" (1988 built, 61000mts coated tanker), for abt $12m

2002 Order Placed to Chinese Shipyard Hudong for 1 + 1 coated 72000 Panamax Tankers for delivery September 2004. Formation of JV with Heidmar to own 25% equity in 1st ship (Aspropyrgos) and participation in the design of the Hudong series ships. Contract price was shade under $30m.

2003 Declaration of 2nd option and ordering of further 2 ships, bringing total to 4 vessels. Formation of 50-50 JV with the Sargeant Group of FL for last the 3 ships in series. "Achilleas F." sold for 2.5m. John Tsakiris succumbs to cancer, at age 79.

2004-06 Amicable partial split with the Sargeants retaining 4th and last ship of series 100%, Paradise Tankers retaining the 3rd ship 100% and the 2nd ship remaining 50-50%. Paradise Navigation gets ISO certification and becomes a member of the Heidmar run panamax tanker STAR pool. Delivery of M/T Aspropyrgos and M/T Ikaros (72,000 dwt) from shipyard trading into the "Star" pool. MT Redina has been sold for $12.5m on June 2006.

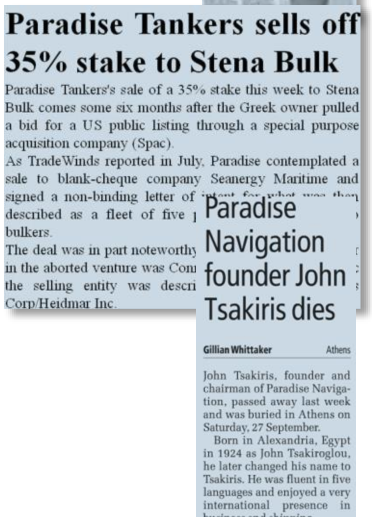
2008 Acquired the remaining 50% in MT Ikaros. Concluded strategic deal with **Stena Bulk, who acquired 35% of the Holding company Paradise Tankers Corp. Since then Paradise** has remained in the market only as operator of tankers/bulkers, **awaiting for the right timing to re-invest** in shipping assets. Ship valuations for this deal were $62m for each of the 3 tankers and $23m each, for Stefania and Natalie.

2009-13 Paradise Navigation SA continued managing and operating all Paradise Tankers vessels (3 tankers and 2 bulkers) without making any new investments in shipping during that period. In 2011, the company sold its two bulk carriers, MV Natalie and MV Stefania for $6.2m and $6.5 accordingly and remained only with panamax tankers.

Paradise snares bargain bulkers

Fresh start for Tsakiris

Paradise partners up with Heidmar



Paradise Tankers sells off 35% stake to Stena Bulk

Paradise Tankers's sale of a 35% stake this week to Stena Bulk comes some six months after the Greek owner pulled a bid for a US public listing through a special purpose acquisition company (Spac).

As TradeWinds reported in July, Paradise contemplated a sale to blank-cheque company Seanergy Maritime and signed a non-binding letter of ...

Paradise Navigation founder John Tsakiris dies

Gillian Whittaker Athens

John Tsakiris, founder and chairman of Paradise Navigation, passed away last week and was buried in Athens on Saturday, 27 September.

Born in Alexandria, Egypt in 1924 as John Tsakiroglou, he later changed his name to Tsakiris. He was fluent in five languages and enjoyed a very international presence in ...

Second Generation – **Phase 2**

2013 – Present

2013 **JV with Mystic Ventures (Vasilopoulos Family)** forming a new investment vehicle Paradise Gas Carriers Corp (PGC), focusing mainly on gas carriers and product tankers. The two partners have agreed to commit $60 million of equity in this venture.

Acquisition of M/T Polar, sister vessel of “S. Callas”, “S. Chronos” and “S. Chiron”. Delivery on 18 July 2013 when the vessel was renamed M/T “PGC Marina”;

Acquisition of “Syn Alcor” the Group’s first LPG then renamed M/V “PGC Aratos”, delivered on 24th of October 2013. PNSA becomes a **member of the Gaschem-Gasmare Pool**.

2014 Two more LPG vessels were acquired from Petredec in March 2014: “PGC Strident Force”, 6500 cbm S/R Gas Carrier, built in 1999 in Japan and “PGC Darko King”, 6500 cbm F/P Gas Carrier, built in 1997 also in Japan. Both vessels have been employed by Petredec itself on a 3 and 1-year time charters respectively.

Order Placed to Japanese Shipyard Kyokuyo for 2 LPGs FP 7500 cbm, to be delivered in Q2 and Q3/2017.

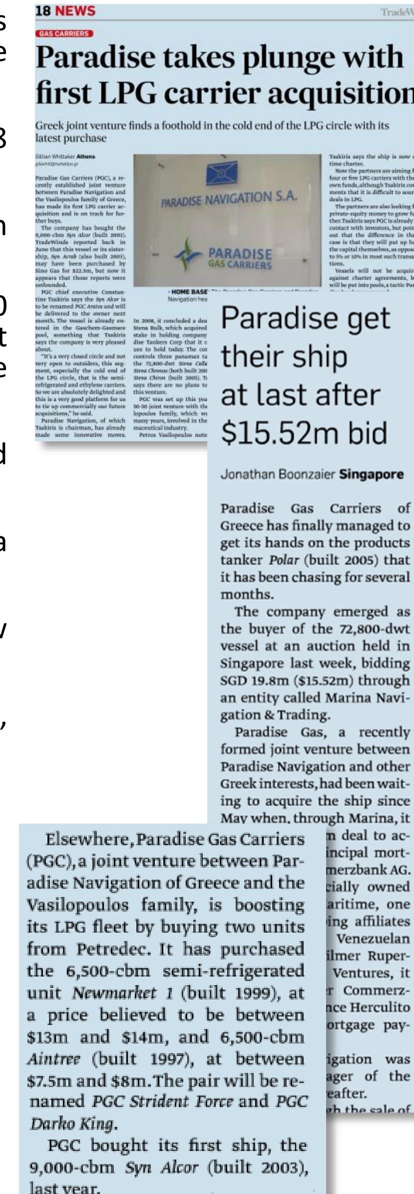
On December of 2014 PGC acquired also two more LR1s, the ex. Stena Callas and the ex. Stena Chronos, currently named Aspropyrgos and PGC Ikaros accordingly.

Paradise Navigation becomes **member of Penfield Pool**. All 3 LR1/Panamax tankers are now employed with Penfield.

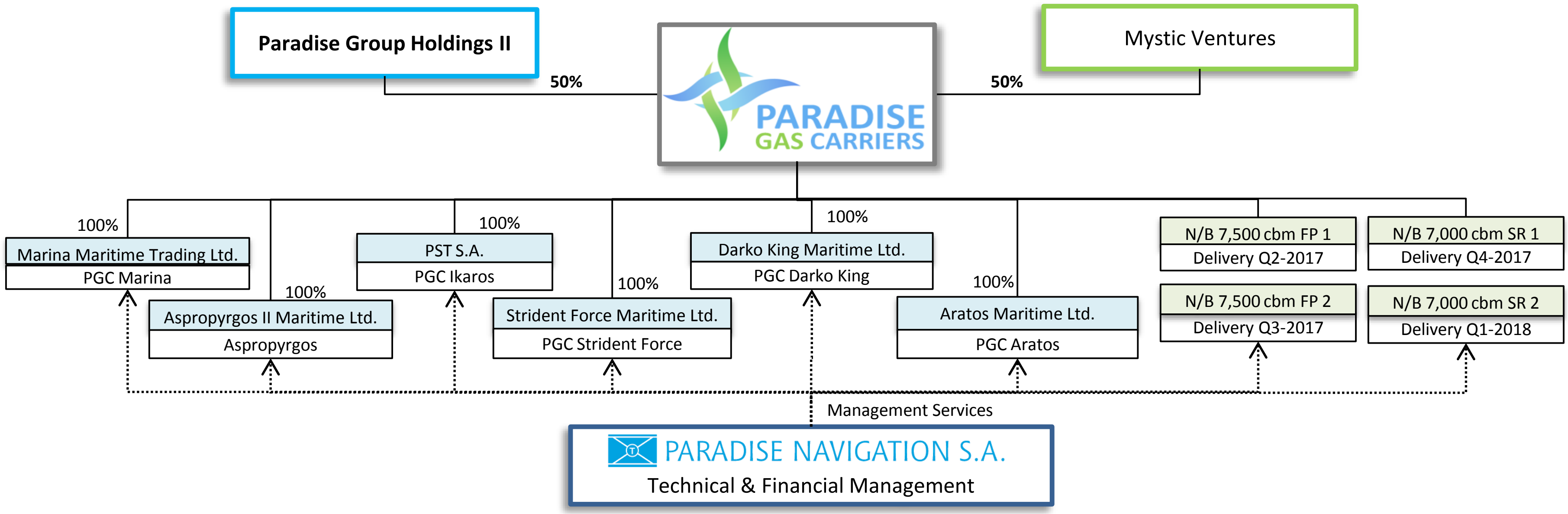
Amicable split with Stena, who retained one vessel, Stena Chiron (currently Stena Companion), Paradise Navigation SA continued managing the vessel.

2015 Sold PGC Ikaros to Norwegian fixed income investors and leased back on a bareboat charter for 4 years. Capital increase to $66m.

Order placed to Kyokuyo Shipyard in Japan for 2 more high custom spec 7000 cbm Semi-Ref units to be delivered in 2017-2018.



Ownership Structure



Paradise Group Holdings II – Holding Company /Investment Partner

- A newly-established investment company with a 50% interest in Paradise Gas Carriers. All original PGH shareholders merged into PGHII and now own about 62% of PGH2 (and thus 31% of PGC).
- Companies within Paradise Group Holdings II share common ownership through Mr. Konstantinos Tsakiris, Chairman.

Paradise Gas Carriers – Investment Vehicle

- Holding company established in 2013 to create a portfolio of ships, each incorporated as an individual SPV, including liquid petroleum gas and product tankers.
- Established with $66mn of capital as a 50/50 joint venture between Paradise Group Holdings and Mystic Ventures.
- Acquired six vessels since 2013, plus four more on order in Japan.
- Fully audited financial statements by USGAAP; PWC audit procedures almost compliant to PCAOB standards.

Mystic Ventures– Holding Company /Investment Partner

- A newly-established investment company with a 50% interest in Paradise Gas Carriers.
- Represents the shipping interests of the Vasilopoulos family, previous owners of Specifar Pharmaceuticals.

Paradise Navigation SA – Management Company

- A Greek ship management/operations company registered in Panama, founded in 1968 by the Tsakiris family.
- Strong focus on quality; certifications include ISM, ISO, ISPS, and TMSA. Approvals from all major oil companies, with very high success rate on vettings.
- Good reputation in market for integrity, ethics and quality; 15 year record of almost zero Hull and Machinery claims to date.

Current Investment Portfolio

- **Paradise Gas Carriers (PGC)** is an established joint venture since 2013 with a diversified shipping portfolio consisting of a core fleet of small-sized liquid petroleum gas (LPG) carriers, as well as Long Range (LR1) Panamax Tankers.
- PGC's shareholders have already paid-in **$66 million of equity** to the company.
- **PGCs fleet** currently consists of 6 vessels, **3 Gas Carriers** and **3 LR1/Panamax Tankers,** plus **4 Gas Carriers on order.**

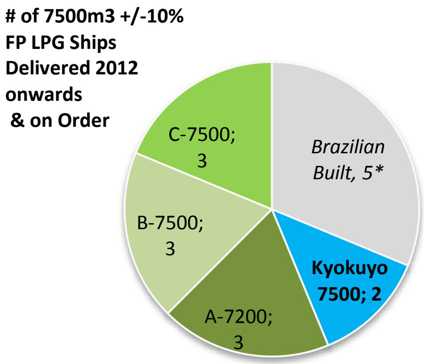
#	Vessel Name (Current)	Built	Type	DWT/cbm (a)	Acquired
1	PGC Marina	2005	Panamax Tanker	72,000	Jul-2013
2	PGC Aratos	2003	LPG (Ethylene) carrier	9,000	Oct-2013
3	PGC Strident Force	1999	LPG (Semi-Refrigerated) carrier	6,500	Mar-2014
4	PGC Darko King	1997	LPG (Fully-Pressurized) carrier	6,500	Mar-2014
5	Aspropyrgos	2004	Panamax Tanker	72,000	Dec-2014
6	PGC Ikaros (b)	2004	Panamax Tanker	72,000	Dec-2014
7	NB1	2017	LPG (Fully-Pressurized) carrier	7,500	Q2-2017
8	NB2	2017	LPG (Fully-Pressurized) carrier	7,500	Q3-2017
9	NB3	2017	LPG (Semi-Refrigerated) carrier	7,000	Q4-2017
10	NB4	2018	LPG (Semi-Refrigerated) carrier	7,000	Q1-2018

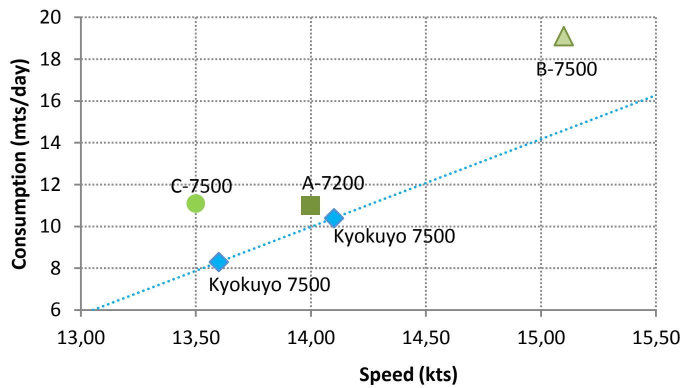
Source: Company reports. Notes (a) Cubic meters for LPGs, all others in dead weight tons; (b) Vessel was sold in May 2015 to Norwegian buyers and leased back (bareboat in) to PGC for a 4-year period at 7500 $/day base rate + profit share above 18500 $/day TCE; (c) NB3 & NB4 have been ordered on July 2015.

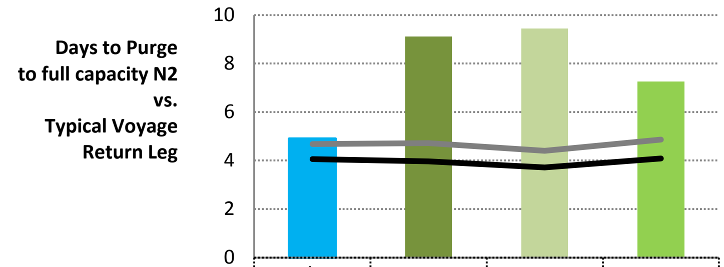
Types of Small LPG Carriers		
Fully-Pressurized (FP)	***Semi-Refrigerated (SR)***	***Ethylene Carriers (LEG)***
Utilize high pressures to compress gas cargos into a storable liquid. Some FP ships can load cargo at temperatures as low as -10°C, but are unable to control temperature to the extent SR or LEG ships do. Maximum pressures typically of18 bar, with capacity of up to approximately 11k cbm.	*Carry cargo with a combination of pressure and refrigeration. Capacity is as large as 30,000 cbm. Typically maintain cargo at zero to -48°C, under pressures of 4-6 bar maximum.*	*Similar to semi-refrigerated ships, but are able to cool the gas as low as -104°C in order to carry ethylene as a liquid. Maximum capacity of LEG ships is approximately 22k cbm.*

2 x 7500m^3 FP LPG Units on Order

All shipowners when trying to "sell" their n/b investments say the new "eco" ships consume X% less than ships currently in the water, (i.e. previous generation). They fail to mention that there are countless more yards able to build the same technology and hence on the new generation level, their ship will be at par, without advantage. Here instead, we compare our Kyokuyo 7500 cbm design currently on order with all* other n/b designs, on an apples to apples basis.

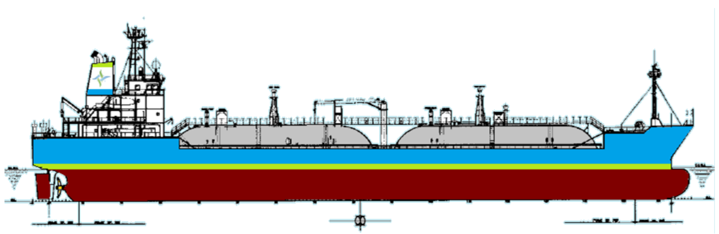






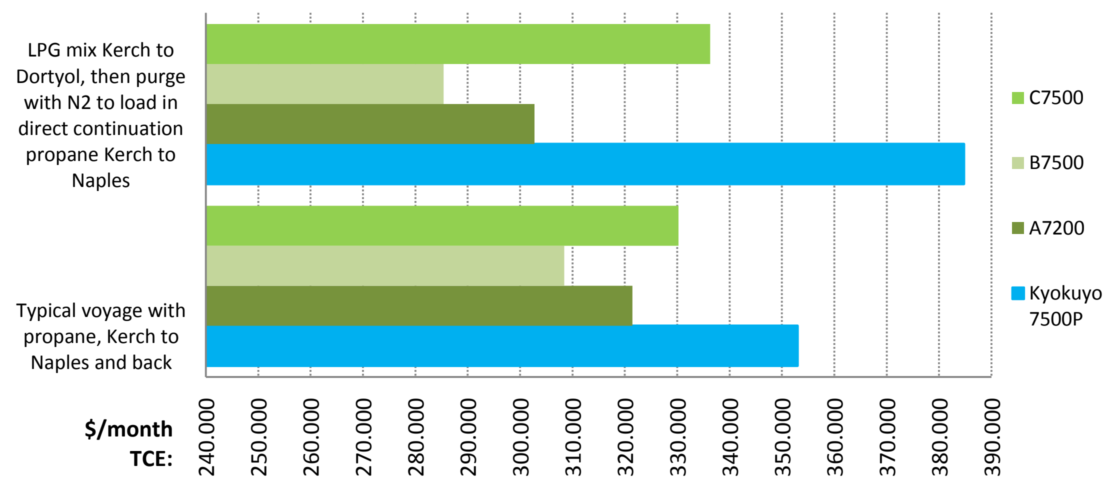
	Kyokuyo 7500	A-7200	B-7500	C-7500
Days to Purge	4,9	9,1	9,4	7,3
Kerch - Alexanria	4,06	3,96	3,71	4,09
Kerch-Naples	4,68	4,71	4,40	4,87

Above you can see two elements used in our comparison: performance (speeds v consumptions) and time to purge tanks. We also wish to consider and compare the draft/intake element, were we feel confident our Kyok7500 design will also outperform peers, however such comprehensive data will not be available till after delivery of all ships. In the meantime, the resulting TCE Earnings in USD/month based on the first two elements, clearly indicate that our design outperforms peers. In the case of purging and direct continuation scenario, our design generates 13% to 21% more earnings. In a normal "bread & butter" trip, our design earns **6% to 13% more earnings than other Japanese built new buildings** on order or recently delivered. 2 Firm units ordered, with delivery Q2 & Q3 2017



The legend should say here that this is an *artist's impression* of the delivered vessels. But calling the author of this illustration an *artist* would severely compromise the credibility of everything else in this presentation.

**Brazilian built ships are excluded cause they cost nearly twice as much and are built for long term Petrobrass charters under government high leverage finance schemes, etc and anyway technologically inferior to all the other types we compare with that are all Japan built.*



Source: Paradise Navigation SA, Clarksons, Gasmare

NB contracts signed for 2 x 7000m^3 SR LPG Units

PARADISE GAS CARRIERS

We have always wanted to invest in the neglected subsector of 5-10k cbm SR ships, for very obvious reasons:

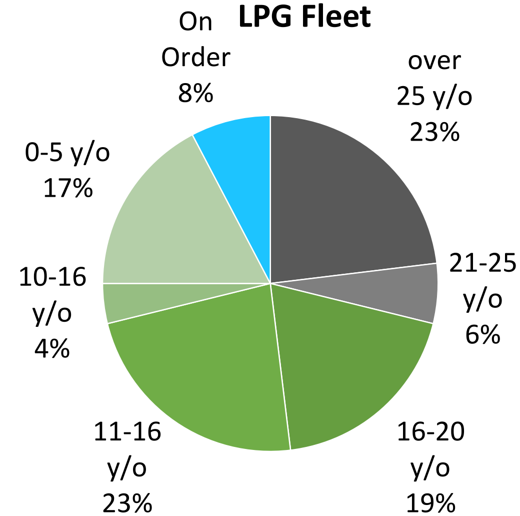
- The fleet is seriously old, nearly **1 out of 3 ships are over 25 yrs** of age!
- The **Orderbook is benign**.
- **Probability for new orders is small**, due to unfavorable shipyard economics to build such ships.

The reason that we have not been able to invest until now is that we could not find a decent spec in the ships in the water, nor for new buildings. The latter though, has recently changed. Shipyards are soft from lack of enquiry and willing to **customize the spec.** Starting with our above peers 7500Kyok design, we have converted the gas system to SR (albeit loosing 1000cbm capacity to 6500, which we finally agreed to be increased at 7000cbm), **we have added all the features that are not available on most ships trading** or (the very few) on order, that **we know the market wants.** These features have been discussed at length and compiled with the help of our commercial managers/partners Gaschem of Hamburg and Gasmare of Milano:

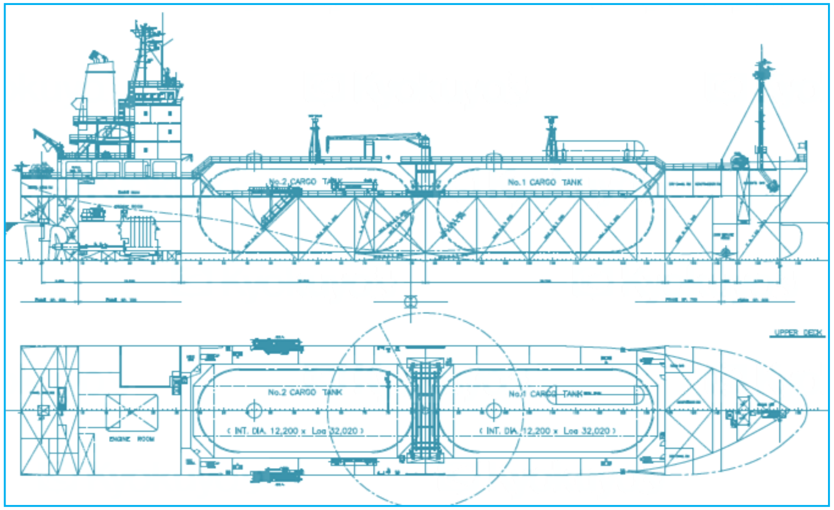
- High pressure (8.5 bar vs typically 6.0) that allows much faster loading of cargoes in summer or contaminated cargoes any time of the year.
- 80cbm Deck Tank (facilitates cargo grades swapping and saves time)
- Propane with max 8% ethane content (mostly US Shale origin)
- Bethioua compliant (North African export port for bigger vessels, so we raised manifolds to be able to operate there)
- Indirect heating capability (more and more ports mostly in Europe do not allow direct heating for environmental & safety concerns)

<u>In July 2015, we have signed with Kyokuyo Shipyard in Japan two Ship Building Contracts for 2 S/R units to be delivered in 2017/18</u>.

5,000-10,000cbm Semi-Ref LPG Fleet



over 25 y/o	21-25 y/o	16-20 y/o	11-16 y/o	10-16 y/o	0-5 y/o	On Order
12	3	10	12	2	9	4



No *art* on this one; merely the shipyards pocket plan (but we couldn't resist adding the teal tint)

PGC Recent Financial Results

PARADISE GAS CARRIERS

PGC INCOME STATEMENT *Pro forma consol P&L statements FY2014 and Q1/2015.*	FY-2014 (audited) *(USD thus.)*	H1-2015 (unaudited) *(USD thus.)*
Operating Revenue	**22,745**	**17,857**
Minus: Voyage Expenses	-5,469	-822
Minus: Commissions & Chartering Fees	-845	-273
TCE Earnings (net)	**16,431**	**16,762**
Opex (excl. man fees)	-9,247	-7,692
Management Fees (related parties)	-743	-647
Charter Hire Expenses	-	-342
G+A Expenses	-375	-99
Other Income/Expense	-278	-189
EBITDA	**5,788**	**7,793**
Interest & Finance Expenses	-674	-1,268
Depreciation	-3,491	--2,618
Amortization	-118	-391
Gain on Vessel's disposal	-	2,715
Net Income	**1,505**	**6,231**

- During first half of fiscal 2015, our profitability has considerably increased compared to FY 2014, attributed mainly to the remarkable performance of our LR1 tankers, as well as to the sale and lease back of PGC Ikaros to Norwegian buyers, which resulted to a capital gain of $ 2.7 million.

- During first half of fiscal 2015 we have also carried out 3 special surveys, with 6 total ships in the water, this explains the quite low "Available Days" efficiency of 93%.

- In general, we believe that our 2014 performance was not an indication of future earnings. Rather, we do anticipate our H1/2015 performance (excl. capital gain effect) to propagate over the next 2 years and beyond, as tanker earnings may drop, but our efficiencies and fleet size will increase.

STATISTICS	FY-2014	Q2-2015
Average # of Ships Owned during Period	3.7	6,0
Average Age of Fleet at end of Period	12.4	12,9
ShipYears Left **1*	63.5	60,6
Fleet Valuation *($mill)* - end period	111.0	92,3
Leverage	36.3%	31,0%
Market NAV *($mill) *2*	74.9	81,2
Paid-in capital *($mill)*	61.5	66,0
Enterprise Value (EV) **3*	104.0	97,59
Book NAV per 100 usd invested ($)	100.65	106,99
Market NAV per 100 usd invested ($)	123.27	123,02
RoE *(annualized)*	**2.4%**	**27,9%**
RoA *(annualized)*	**1.4%**	**16,8%**
EV/EBIT *(ttm)*	**50.62**	**11,40**
P/E *(ttm)*	**50.40**	**11,67**
Dividend Yield *(ttm)*	**0.0%**	**2,44%**
Average TCE per Ship	13,788	17.189
Average Opex per Ship ($/pd), incl. man fees	7,452	7.451
Average charter hire expense per Ship ($/pd)	-	627
Average GA & other costs per Ship ($/pd)	487	350
Average debt-service per ship ($/pd)	1,297	3.805
Cashflow TCE Breakeven per Ship	9,236	12.232
Cashflow Margin	49.3%	40,5%
Income Statement TCE Breakeven per Ship	11,133	12.477
Ownership Days (average)	365	91,00
Available Days efficiency **4*	88.9%	93,7%
Operating Days efficiency**5*	83.0%	93,2%

**1 Assumed 26 yrs for LPG's and 20 for Tankers*

**2 Market values are calculated as follows: In the event that the online VesselsValue platform (VV) shows higher values than our books (BV) we account 75% of that premium, otherwise we account for the full difference if VV is lower than BV. Fleet valuation includes also advances for NB orders.*

**3 Where EV = Enterprise Value, or market NAV plus debt (incl. shareholders loans) less cash*

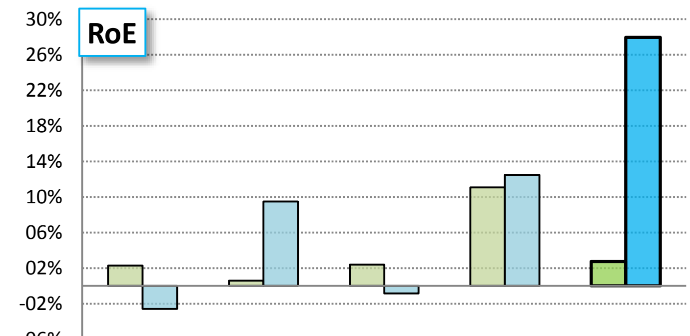
**4 Available Days Efficiency is the ratio of the days that the fleet was technically available for revenue generation; divided to the Ownership days*

**5 Operating Days Efficiency is the ratio of the days the ships were actually employed (TC or Spot) and generating revenues (after deducting the off-hire days); divided to the Ownership days*

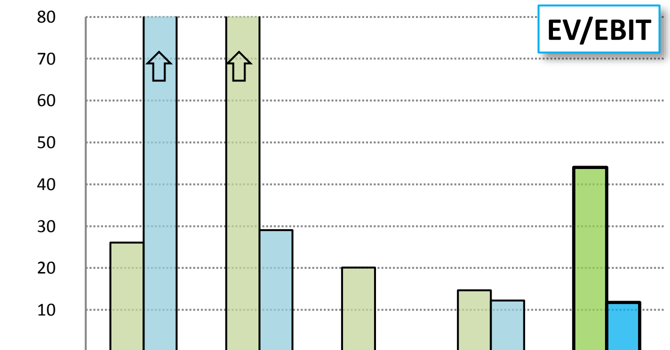
Comparison with Peers

We elected to track and compare PGC with peers on **4 metrics:**

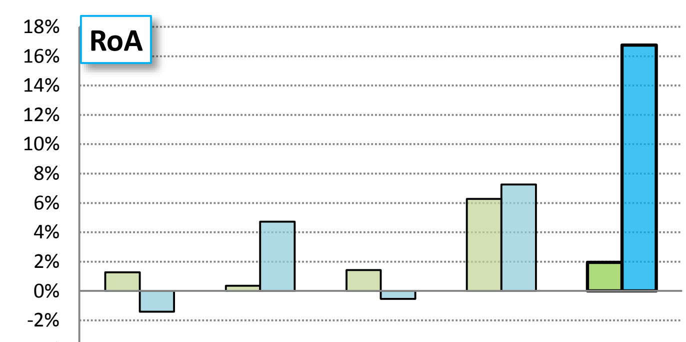
RoE	*Return on Equity.* We see shipping companies as investment vehicles, hence obviously this is a headline metric for us to watch. Then, there is also that old chap in Omaha, who tends to use this metric often in his company's annual reports when assessing performance of the diversified businesses he owns.
RoA	*Return on Assets.* Perhaps even more reflecting the managements investments skills than RoE, RoA does not take leverage into account. Hence it indicates the potential for RoE to increase or not.
EV/EBIT*	We use EBIT instead of EBITDA as we wish to capture the depreciation, which is a measure of how expensive ships the company has bought (a.k.a. *the original sin* in our industry, where some are more *guilty* than others). EV/EBIT in a way measures how fast the company can pay back its investment and has been given attention mostly through the works of Joel Greenblatt.
P/E*	We find this metric to be somewhat misleading in some cases and inferior to our other 3, but it is an unavoidable cliché by now and we decided to include it on our watch & compare list.



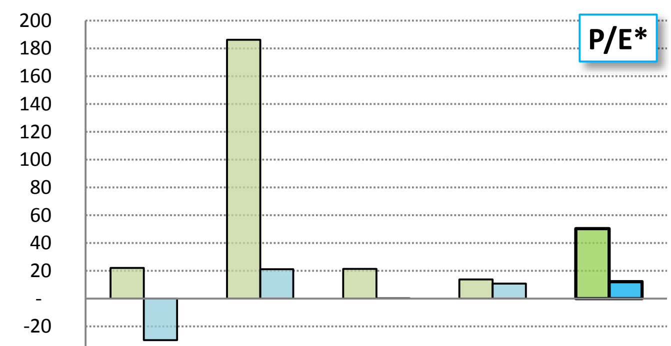
	SB	ASC	GASS	NAVG	PGC
FY14	02%	01%	02%	11%	03%
2Q15	-03%	09%	-01%	13%	28%



	SB	ASC	GASS	NAVG	PGC
FY14	26	90	20	15	44
2Q15	210	29	0	12	12



	SB	ASC	GASS	NAVG	PGC
FY14	1,3%	0,4%	1,4%	6,3%	1,9%
2Q15	-1,4%	4,7%	-0,5%	7,3%	16,8%



	SB	ASC	GASS	NAVG	PGC
FY14	22	186	21	14	50
2Q15	-30	21	0	11	12

We chose **4 companies** from 3 sectors, roughly reflecting our current and intended investments allocation. We also aimed for $200m market caps, close to our valuation should all our planned investments materialize

Bulk	Tank	LPG
DSX	ASC	GASS, NAVG

NAVG is much bigger but a rare example of a good LPG company, so we included them for the challenge.

Commentary on Graphs:

- For PGC, 2014 has been a transition year, with only 3.7 ships available for service and also with the Surveys mentioned in the previous slide.
- FY 2015 already shows how our investments are performing, yet we still have and will continue to have considerable capital tied up for new buildings which is mitigating our rankings in all metrics.
- In the two metrics that are independent of share price valuation by the public (RoE & RoA), we were first on the ranking in 2015-Q1 and we continue to do so on 2015-Q2.
- In the two metrics that are affected by stock price (EV/EBIT & P/E), we are competing well established companies such as NAVG and trending to end up better than most peers.

** We used our NAV based on market valuations of our ships, instead or Market Cap, to calculate EV and P/E for PGC, who is not listed*

3 Year P&L and Cash Flow Projection

PARADISE GAS CARRIERS

P&L and Cash Flow Till 1-July-18							Operating Assumptions						Scrap Data		
Ship/Asset	**EBITDA**	**Interest**	**Depr**	**P&L**	**Debt Rpmt**	**Cash Flow**	**Months**	**TCE**	**Opex**	**Interest**	**Loan Rpmt**	**Depr.**	**Built**	**Age**	**$m**
Marina	10.90	1.05	1.93	7.92	2.70	7.15	36	19,500	9,000	3.10%	0.90	0.64	2005	20	4.50
Aspropyrgos	10.90	1.02	2.58	7.29	2.70	7.18	36	19,500	9,000	3.10%	0.90	0.86	2004	20	4.50
Ikaros	2.16	-	-	2.16	-	2.16	36	19,000	16,500	0.00%	-	-	2004	20	4.50
Aratos	8.85	0.93	4.42	3.50	6.39	1.53	36	14,800	6,300	3.55%	2.13	1.47	2003	25	2.50
Strident	6.84	0.51	3.17	3.16	5.00	1.33	36	12,700	6,100	4.75%	1.67	1.06	1999	30	1.00
Darko	4.20	0.28	1.85	2.08	2.70	1.23	36	9,300	5,200	4.75%	0.90	0.62	1997	27	1.00
NB1 (FP7.5k)	2.37	0.46	0.86	1.06	0.92	1.00	12	11,510	5,000	2.75%	0.92	0.86	2017	27	1.00
NB2 (FP7.5k)	1.78	0.35	0.64	0.79	0.69	0.74	9	11,510	5,000	2.75%	0.92	0.86	2017	27	1.00
NB3 (SR6.5k)	1.40	0.28	0.46	0.66	0.54	0.58	6	13,160	5,500	2.75%	1.09	0.91	2017	30	1.00
NB4 (SR6.5k)	0.70	0.14	0.23	0.33	0.27	0.29	3	13,160	5,500	2.75%	1.09	0.91	2018	30	1.00
3 Year Totals:	**50.10**	**5.01**	**16.13**	**28.96**	**21.92**	**23.17**									

Mixed Earnings Strategy (Tankers spot, LPG hedged) but with full utilization:

- PGC Marina & Aspropygos: Penfield Pool approx. 15% hedged. Pool is currently earning $25k/day, projecting $23k/day average for 2015. Our assumptions for strategic planning and used throughout this slide are $23k/day for 2015, $20k/day for 2016 and $18k/day for 2017 and thereafter.

- PGC Ikaros: Trading also Penfield Pool - Profit Sharing with owners over $18.5k pd TCE actually earned. We us the same market assumptions as per the Marina & Aspropygos.

- PGC Aratos: GasChem/Gasmare pool, approximately 60% hedged over 2 year period (currently earning $460k/month YTD). We assume 450k throughout.

- PGC Strident Force: 3 year TC to Petredec at $390k/month (+/-20 days + 3 months + 3 months in Chart. Option) – exp. 12/3/2017

- PGC Darko King: Close to 1-year renewal of our TC to Petredec Limited at approx. $310k/month.

With the fall of Brent to near historical lows, this brought a rise in Tanker rates and a drop in LPG rates. Fortunately our LPG earnings we more hedged compared to our Tanker earnings which were essentially spot. Hence, this has had a net positive effect on PGC.

Cash Flow Check 01Jul15-01Jul18 (in $m)	
Operations	**23.17**
Cash 1-Jul-15	12.16
Refinancings	11.00
NB1 (FP7.5k)	-4.59
NB2 (FP7.5k)	-4.36
NB3 (SR6.5k)	-9.94
NB4 (SR6.5k)	-9.94
Dividends	-11.88
Net ROB	**5.63**

New Building Program should be fully funded, especially with $11.9m intended for dividends acting also as a safety buffer.

PGC Valuation Now and in 3 Years

PARADISE GAS CARRIERS

Starting with $66m cash in mid 2013, we should end up **4.5 years later** with **10 ships** in the water (average age 10 years) **earning 21%** on our initial investment. This, after having paid **12m in dividends** and without having seen anything remotely close to the crazy 06-08 markets.

Valuation 1-July-15 ($mn)			
Ship/Asset	**VV**	**Debt**	**Equity**
Marina	23.17		23.17
Aspropyrgos	20.94	10.78	10.17
Ikaros		Bareboat-In	
Aratos	20.33	10.12	10.21
Strident	10.62	5.00	5.62
Darko	7.72	2.70	5.02
NB1 (FP7.5k)	4.77		4.77
NB2 (FP7.5k)	4.77		4.77
NB3 (SR6.5k)			
NB4 (SR6.5k)			
Totals	**92.32**	**28.60**	**63.73**
Leverage		*31%*	*69%*
Cash			12.16
Working Capital			2.70
Non-current receivables			2.00
NAV			**80.59**

VV Source: www.VesselsValue.com

3 Year Simulation

Valuation 1-July-18 ($mn) *				July 2018
Ship/Asset	**VV**	**Debt**	**Equity**	**Annual P&L**
Marina	21.24	8.30	12.94	2.64
Aspropyrgos	18.36	8.08	10.28	2.43
Ikaros		Bareboat-In		0.72
Aratos	15.91	3.73	12.18	1.17
Strident	7.45		7.45	1.05
Darko	5.87		5.87	0.69
NB1 (FP7.5k)	23.24	14.74	8.50	1.06
NB2 (FP7.5k)	23.46	14.97	8.48	1.06
NB3 (SR6.5k)	27.94	17.09	10.03	1.33
NB4 (SR6.5k)	28.17	18.19	9.98	1.32
Totals	**171.65**	**85.93**	**85.72**	**13.46**
Leverage		*50%*	*50%*	
Cash			5.63	
Working Capital*			-	
Non-current receivables			2.00	
NAV			**93.35**	

P&L Once NB Program Completed

- *We are using a rough approach to interim, or snap valuations, given we may not have a balance sheet available at any given time. Therefore, to project our 2018 NAV we have assumed current assets and current liabilities to be about equal. We then only consider fixed assets and non-current receivables, as well as total mortgage debt and cash.
- The same assumptions as per previous slide are used on earnings.
- We are assuming frozen operating expenses for the period till July 2018, as the inflation should cancel out the benefit of the weaker EUR/USD, as the initial opex budgets were set in 2013-2014, depending on vessel, and the forex rate at those times.
- All financial expenses such as interest etc. are calculated basis on the actual loan agreements and indications on newbuilding projects based on indicative discussions.

Management Remuneration

PARADISE GAS CARRIERS

PARADISE NAVIGATION S.A.

Management fees

- Technical Management fees for LPGs and Oil Tankers currently stand at approx. 600 $/pd
- Commercial management fees are 1.25% of all gross Time Charter Equivalent Earnings. Note that this is very unusual, as everyone charges at the freight level, with nearly double the TCE impact.
- S&P fees: We charge zero fees on buying ships, because we believe this would be a conflict of interest (this compares to a standard 1.00% fee in the industry).
- Admin fees: We don't charge any G&A fees either or any other hidden fees.
- In the event of Pvt Equity partnership or public listing, fees are subject to increase. However, they will always remain below average and offer full disclosure of PNSA's profitability – if any.

COMPANY	SECTOR	MANAGEMENT FEES	Brokerage/ Chartering	S&P
DRY SHIPS	Dry Bulk	EUR 1,545 pd/pv + extra/visit	1,25% on the freight	1.00%
EUROSEAS	Dry Bulk / Containers	EUR 685 pd/pv	-	-
STEALTHGAS	LPG/Product Carriers	USD 440 pd/pv	1,25% on the freight	1.00%
SAFE BULKERS	Dry Bulk	USD 700 pd/pv	1,25% on the freight	1.00%
PARAGON SHIPPING	Dry Bulk	USD 652 pd/pv + extra/visit	1,25% on the freight	1.00%
BOX SHIPS		USD 635 pd/pv	1,25% on the freight	1.00%
STAR BULK CARRIERS CORP	Dry Bulk	USD 750 p.d.	-	-
TOP SHIPS Inc.	Tankers	EUR 690 pd/pv + extra/visit	0.75% on existing, 1,25% on new	1.00%
DIANA SHIPPING	Dry Bulk	USD 15,000 pm/pv	2% on the freight	1.00%
TSAKOS ENERGY	Tankers	USD27,500 p.m	1,25% on the freight	1.00%
FREESEAS	Dry Bulk	USD18,975 p.m. + USD 136,275 p.m. for financial reporting	1,25% on the freight	1.00%
HELLENIC CARRIERS Ltd	Dry Bulk	USD 34.100 pm/pv	-	-
DANAOS CORP	Containers	USD 675 pd for comm/chart/admin + USD 675 pv/pd technical	1% on the freight	0.50%
NAVIOS ACQUISITION	Tankers	USD 7,000 p.d/p.v/owned LR1 (incl. daily running costs)	-	-
COSTAMARE	Containers	USD 884 pd/pv	0,75% on the freight	-
MINIMUM		**440 pd/pv**	**-**	**-**
MAXIMUM (excl. navios)		**2185 pd/pv**	**2% on freight**	**1.00%**
AVERAGE (excl. Navios)		**955 pd/pv**	**1.20%**	**0.95%**
Paradise Navigation S.A. Current Fee Structure	**LPG/ Tankers**	**Approx 600 US$/pd/pv**	**1,25% on TCE (net freight)**	**0.00%**

Future Project Thoughts

PARADISE GAS CARRIERS

Idea/Concept	#	Assets (USDm)	Equity (USDm)
BULK: Bulker prices are near historic lows, especially if one considers also any measure of inflation. However, unlike real-estate, ships are aggressively depreciating assets. The correct investment timing is not merely catching the bottom of the price cycle, but it is perhaps more important to catch the tail end of the down-cycle. We had predicted in our previous quarter BFI rising to 1100 from 600, hwoever now we feel this will not hold as the fleet has not been reduced and demand has weak prospects due to China.	1-3	15-35	15-25
CONT: While we spent some time in 2015 watching the bulker market, go down, then bounce up on both earnings and values (we feel the bounce to be no more than a blip), container values had had also a bounce on earnings but not followed on values. This creates a possibly interesting disparity in comparison. We are hence watching small containers now also (1000-1800 TEU). It is also good that the investment required in this space is about half of the blkers (Supramax & Panamax) of same age.	1-3	8-20	8-15
DPT: Our accumulated 15 years of experience in the panamax tanker subsector, working closely with the best commercial operators, has proven that we generate the best earnings in the dirty products trades. However, the vast majority of ships competing in the DP space are built also for the clean products trade. This creates many inefficiencies, such as deadweight capacity being 72-75k dwt, when the typical cargoes we lift are 50-55k and very rarely do we go to 60k or 65k. Aas we have proven with out 6500SR highly customized order, we now face the opportunity to optimize newbuilding designs to suit our trades and thus build what we know the market needs and not what the shipyard wants to sell. We are still at the conceptual design stage (talking with a ship designer), but believe we can achieve our 10/10 goal: build a ship 10% cheaper that will earn 10% more than its peers. Based on our current portfolio of ships, we would like to order 3 such units, should the design be finalized.	3	135-145	40-50
7LEG: Starting from our existing 6500SR design at Kyokuyo, we would look to add Ethylene capability and order 2 more units, which could trade in our Gaschem-Gasmare Pool. This should also diversify nicely our N/B LPG program into FP, SR & LEG.	2	55-65	25-30
TRADE: Our business is notorious for its volatile earnings. Yet, the sum of our earnings and those of our counterparty against who we negotiate them is very stable, since that sum is essentially the total trading arb and this must always remain open, otherwise goods would not move by sea – and they always did and always will (to the tune of 75% or total movement of goods). For this reason, we have always been attracted to the idea of investing in an existing trading company, or perhaps start our own internally. We think the LPG space is best suited to this due to lack of sophistication of players, when compared to Tankers or bulkers, were entry would be much harder. We have spent more than half our central overheads on seeking such opportunities and we could finally be close to make an investment in 2015.	1-2	3	3
SPLIT: Splitting the company into two companies. One owning ships, leased out to the other which would be operating them. A mother company participating in both the two new ones could be exist/be retained also. The Owning co will have minimum returns and an upside, high capital and should be valued on a balance sheet and yield basis (as PGC is now). The Operating one (which could also merge with PNSA) will have high leverage, low capital and could be valued in multiples of earnings, or other metrics used to value services companies, thus creating new value to PGC shareholders, where it did not exist before.	2-3	n/a	nil
LIST: We intend to have the company listed in NY or Oslo. We think an IPO is unlikely for us, as we do not usually conform with what investors want at any given time of trend. However, we are examining the possibility of reverse merger with either operating companies, or simply shells. We see the listing as a stand-alone project, not necessarily related on raising equity from the public.	n/a	n/a	2
Recap: Our own shareholders could provide around \$5m to \$10m. We need to raise any amounts beyond around \$40m in later stages, as the nature of most investments listed are not accretive until later (Bulkers and New Buildings) and we desire to limit dilution, in order to preserve important metrics such as dividend yield, RoE and RoA.		**217-271**	**92-125**