

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



INDEX

	<u>Page</u>
Consolidated Balance Sheets as of September 30, 2015	2
Consolidated Statement of Income for the Period from January 1 to September 30, 2015	3
Consolidated Statement of Cash Flow for the Period from January 1 to September 30, 2015	4

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(Expressed in thousands of United States Dollars)

	<u>As of September 30,</u> <u>2015</u>	<u>As of December 31,</u> <u>2014</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	13,801	5,941
Trade receivable	4,313	3,566
Inventories	796	1,317
Insurance and other claims	678	829
Other receivables	884	623
Due from related parties	35	-
Prepaid expenses	1,064	365
Letter of guarantee	49	54
Total current assets	21,621	12,695
NON-CURRENT ASSETS		
Fixed assets, net	67,528	87,015
Vessels under construction	20,631	4,770
Deferred charges, net	4,083	1,867
Seller credit guarantee	3,800	-
Total non-current assets	96,042	93,652
Total assets	117,663	106,347
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	2,598	1,383
Accrued liabilities	770	162
Current portion of long-term debt	6,530	5,249
Unearned revenue	-	597
Due to related parties	1,360	1,961
Loans due to shareholders	-	14,653
Other current liabilities	-	47
Total current liabilities	11,258	24,052
NON-CURRENT LIABILITIES		
Ballast tank upgrade cost	1,800	-
Long term debt, net of current portion	31,433	20,436
Total non-current liabilities	33,233	20,436
Total liabilities	44,491	44,488
SHAREHOLDERS' EQUITY		
Additional paid-in capital	66,000	61,500
Retained earnings	7,172	359
Total stockholders' equity	73,172	61,859
Total liabilities and stockholders' equity	117,663	106,347

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	Period from January 1 to September 30, 2015	Period from January 1 to September 30, 2014
Operating revenue	29,383	17,222
Voyage expenses	(908)	(4,336)
Vessel operating expenses	(11,750)	(6,541)
Charter hire expenses	(1,470)	-
Depreciation	(3,771)	(2,479)
Amortization of deferred dry-docking and special survey costs	(644)	(57)
Commissions	(420)	(606)
Management fees	(975)	(662)
General and administration expenses	(174)	(246)
Extraordinary Items	(148)	-
Net operating expenses	(20,260)	(14,937)
Income From Operations	9,123	2,285
Gain on vessel's disposal	4,387	-
Provision for ballast tanks upgrade	(1,800)	-
OTHER INCOME (EXPENSE):		
Interest income	1	70
Interest expense	(1,191)	(399)
Other finance expenses	(570)	(206)
Other expenses, net	(167)	(47)
Total Other Expense, net	(1,927)	(582)
Net Income	9,783	1,703

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	Period from January 1 to September 30, 2015	Period from January 1 to September 30, 2014
Cash Flows from Operating Activities:		
Net income	9,783	1,703
Adjustments to reconcile net profit to net cash generated from operating activities		
Depreciation	3,771	2,479
Amortization of deferred dry-docking and special survey costs	644	57
Amortization of deferred finance costs	249	49
Provision for ballast upgrade cost	1,800	-
Gain on sale of vessel	(4,387)	-
Increase/(Decrease) in:		
Accounts receivable	(747)	(614)
Insurance and other claims	151	-
Other receivables	(261)	-
Prepaid expenses	(699)	(351)
Inventories	521	545
Amounts due from related parties	354	499
Letter of guarantee	5	-
Seller's credit guarantee	(3,800)	-
Increase in:		
Accounts payable	1,091	594
Payments for dry-docking/special survey	(4,483)	-
Accrued liabilities	608	(288)
Unearned revenue	(597)	-
Dividends payable	(990)	-
Ballast tank upgrade costs	1,800	-
Other current liabilities	(47)	188
Net Cash generated from Operating Activities	4,766	3,729
Cash Flows from Investing Activities:		
Acquisition of vessels	-	(18,922)
Proceeds from sale of vessels	19,998	-
Advances for vessels under construction	(15,861)	-
Net Cash used in Investing Activities	4,137	(18,922)
Cash Flows from Financing Activities:		
Proceeds from bank borrowings	22,000	17,750
Payments on bank borrowings	(9,722)	(532)
Deferred finance costs	(198)	(501)
Capital contribution	4,500	11,000
Dividends paid	(2,970)	-
Payments of loan due to shareholders	(14,653)	-
Net Cash generated from Financing Activities	(1,043)	27,717
Net Increase in Cash and Cash Equivalents	7,860	12,524
Cash and Cash Equivalents, Beginning of Period	5,941	6,453
Cash and Cash Equivalents, End of Period	13,801	18,977
Supplementary Cash Flow information		
Cash paid for interest	1,021	339