UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13A-16 OR 15D-16 OF
THE SECURITIES EXCHANGE ACT OF 1934

For the month of November 2023

Commission File Number: 001-38802

CASTOR MARITIME INC.

(Translation of registrant's name into English)

223 Christodoulou Chatzipavlou Street, Hawaii Royal Gardens, 3036 Limassol, Cyprus
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F ☒ Form 40-F ☐

INFORMATION CONTAINED IN THIS FORM 6-K REPORT

Attached to this report on Form 6-K as Exhibits 99.1 and 99.2 are the unaudited consolidated interim financial statements and related management's discussion and analysis of financial condition and results of operations of Castor Maritime Inc. (the "Company") for the nine months ended September 30, 2023.

The information contained in this report on Form 6-K and Exhibits 99.1 and 99.2 attached hereto are hereby incorporated by reference into the Company's registration statements on Form F-3 (File Nos. 333-236331, 333-240262 and 333-254977).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CASTOR MARITIME INC.

Dated: November 8, 2023

By: /s/ Petros Panagiotidis

Petros Panagiotidis
Chairman, Chief Executive Officer and Chief Financial Officer

Exhibit 99.1

INDEX TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

CASTOR MARITIME INC.
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS
December 31, 2022 and September 30, 2023
(Expressed in U.S. Dollars – except for share data)

ASSETS	Note	December 31, 2022	September 30, 2023
CURRENT ASSETS:			
Cash and cash equivalents		$ 100,593,557	$ 85,810,135
Restricted cash	8	1,684,269	1,384,566
Accounts receivable trade, net		2,706,412	2,471,781
Due from related parties	4	2,437,354	5,348,216
Inventories		1,939,689	1,437,845
Prepaid expenses and other assets		2,065,539	3,429,829
Investment in equity securities	9	—	58,484,745
Assets held for sale	7(b)	—	12,785,218
Deferred charges, net		51,138	93,628
Current assets of discontinued operations	3	54,763,308	—
Total current assets		**166,241,266**	**171,245,963**
NON-CURRENT ASSETS:			
Vessels, net	7	343,408,466	293,380,517
Restricted cash	8	7,550,000	7,805,000
Due from related parties	4	3,514,098	5,934,351
Prepaid expenses and other assets		1,626,000	1,220,000
Deferred charges, net	5	5,357,816	4,180,593
Fair value of acquired time charters	6	2,507,506	671,770
Investment in related party	4	—	117,529,357
Non-current assets of discontinued operations	3	102,715,796	—
Total non-current assets		**466,679,682**	**430,721,588**
Total assets		**$ 632,920,948**	**$ 601,967,551**
LIABILITIES, MEZZANINE EQUITY AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES:			
Current portion of long-term debt, net	8	29,170,815	18,982,140
Liability associated with assets held for sale, net	7(b)	—	3,150,000
Accounts payable		7,593,981	4,106,248
Deferred revenue		2,583,879	1,871,625
Accrued liabilities		5,494,043	3,883,256
Due to related parties	4 (d)	—	381,944
Current liabilities of discontinued operations	3	6,519,051	—
Total current liabilities		**51,361,769**	**32,375,213**
NON-CURRENT LIABILITIES:			
Long-term debt, net	8	109,600,947	82,276,763
Non-current liabilities of discontinued operations	3	10,463,172	—
Total non-current liabilities		**120,064,119**	**82,276,763**
Commitments and contingencies	12		
MEZZANINE EQUITY:			
5.00% Series D fixed rate cumulative perpetual convertible preferred shares: 0 and 50,000 shares issued and outstanding as of December 31, 2022, and September 30, 2023, respectively, aggregate liquidation preference of $0 and $50,000,000 as of December 31, 2022 and September 30, 2023, respectively		—	49,426,216
Total mezzanine equity	10	**—**	**49,426,216**
SHAREHOLDERS' EQUITY:			
Common shares, $0.001 par value; 1,950,000,000 shares authorized; 94,610,088 and 96,623,876 issued and outstanding as of December 31, 2022, and September 30, 2023, respectively	10	94,610	96,624
Preferred shares, $0.001 par value: 50,000,000 shares authorized; Series B Preferred Shares – 12,000 shares issued and outstanding as of December 31, 2022, and September 30, 2023	10	12	12
Additional paid-in capital		303,658,153	266,876,641
Retained earnings		157,742,285	170,916,082
Total shareholders' equity		**461,495,060**	**437,889,359**
Total liabilities, mezzanine equity and shareholders' equity		**$ 632,920,948**	**$ 601,967,551**

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements.

CASTOR MARITIME INC.
UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the nine months ended September 30, 2022 and 2023
(Expressed in U.S. Dollars – except for share data)

	Note	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2023
REVENUES:			
Time charter revenues	6,14	$ 118,920,093	$ 71,151,984
Total vessel revenues		**118,920,093**	**71,151,984**
EXPENSES:			
Voyage expenses (including $1,535,676 and $933,597 to related party for the nine months ended September 30, 2022, and 2023, respectively)	4, 15	(2,147,721)	(3,970,433)
Vessel operating expenses	15	(30,950,947)	(31,818,005)
Management fees to related parties	4	(4,779,000)	(5,448,799)
Depreciation and amortization	5,7	(13,391,867)	(17,225,392)
General and administrative expenses (including $1,350,000 and $2,299,500 to related party for the nine months ended September 30, 2022, and 2023, respectively)	4, 16	(4,403,724)	(4,402,153)
Gain on sale of vessel	7	—	6,278,454
Total expenses		**(55,673,259)**	**(56,586,328)**
Operating income		**63,246,834**	**14,565,656**
OTHER INCOME/(EXPENSES):			
Interest and finance costs	8,17	(5,131,362)	(8,825,294)
Interest income		653,916	2,206,599
Foreign exchange gains / (losses)		136,837	(72,878)
Dividend income on equity securities	9	3,528	1,173,072
Dividend income from related party	4	—	808,889
Gain on sale of equity securities		—	2,636
Unrealized gains / (losses) on equity securities	9	39,756	(13,470,342)
Total other expenses, net		**(4,297,325)**	**(18,177,318)**
Net income / (loss) and comprehensive income / (loss), from continuing operations, before taxes		**$ 58,949,509**	**$ (3,611,662)**
Income taxes		(252,474)	(98,906)
Net income / (loss) and comprehensive income / (loss) from continuing operations, net of taxes		**$ 58,697,035**	**$ (3,710,568)**
Net income and comprehensive income from discontinued operations, net of taxes	3	**26,182,107**	**17,339,332**
Net income and comprehensive income		**84,879,142**	**13,628,764**
Dividend on Series D Preferred Shares		—	(381,944)
Deemed dividend on Series D Preferred Shares		—	(73,023)
Net income attributable to common shareholders		**84,879,142**	**13,173,797**
Earnings / (loss) per common share, basic and diluted, continuing operations	13	**0.62**	**(0.04)**
Earnings per common share, basic and diluted, discontinued operations	13	**0.28**	**0.18**
Earnings per common share, basic and diluted, Total	13	**0.90**	**0.14**
Weighted average number of common shares, basic and diluted	13	94,610,088	95,403,071

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements.

CASTOR MARITIME INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY AND MEZZANINE EQUITY
For the nine months ended September 30, 2022, and 2023
(Expressed in U.S. Dollars – except for share data)

	Number of Shares Issued						Mezzanine equity	
	Common shares	Series B Preferred shares	Par Value of Shares issued	Additional Paid-in capital	Retained earnings	Total Shareholders' Equity	# of Series D Preferred Shares	Mezzanine Equity
Balance, December 31, 2021	**94,610,088**	**12,000**	**94,622**	**303,658,153**	**39,181,595**	**342,934,370**	—	—
- Net income and comprehensive income	—	—	—	—	84,879,142	84,879,142	—	—
Balance, September 30, 2022	**94,610,088**	**12,000**	**94,622**	**303,658,153**	**124,060,737**	**427,813,512**	—	—
Balance, December 31, 2022	**94,610,088**	**12,000**	**94,622**	**303,658,153**	**157,742,285**	**461,495,060**	—	—
- Net income and comprehensive income	—	—	—	—	13,628,764	**13,628,764**	—	—
- Distribution of net assets of Toro Corp. to shareholders (Note 1)	—	—		(37,919,432)	—	**(37,919,432)**	—	—
- Issuance of common shares pursuant to the ATM Program (Note 10)	2,013,788	—	2,014	637,920	—	**639,934**	—	—
- Issuance of Series D Preferred Shares, net of costs (Note 10)	—	—	—	—	—	—	50,000	49,353,193
- Capital contribution from Toro, pursuant to the issuance of Series D Preferred Shares (Note 10)	—	—	—	500,000	—	**500,000**	—	—
- Dividend on Series D Preferred Shares	—	—	—	—	(381,944)	**(381,944)**	—	—
- Deemed dividend on Series D Preferred Shares (Note 10)	—	—	—	—	(73,023)	**(73,023)**	—	73,023
Balance, September 30, 2023	**96,623,876**	**12,000**	**96,636**	**266,876,641**	**170,916,082**	**437,889,359**	**50,000**	**49,426,216**

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements.

CASTOR MARITIME INC.
UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
For the nine months ended September 30, 2022, and 2023 (Expressed in U.S. Dollars)

	Note	Nine months Ended September 30, 2022	Nine months Ended September 30, 2023
Cash Flows provided by Operating Activities of Continuing Operations:			
Net income		84,879,142	13,628,764
Less: Net income from discontinued operations, net of taxes		26,182,107	17,339,332
Net income / (loss) from continuing operations, net of taxes		$ 58,697,035	$ (3,710,568)
Adjustments to reconcile net income / (loss) from Continuing operations to net cash provided by Operating Activities:			
Depreciation and amortization	5,7	13,391,867	17,225,392
Amortization of deferred finance charges	17	551,652	672,441
Amortization of fair value of acquired time charters	6	—	1,835,735
Gain on sale of vessel	7	—	(6,278,454)
Unrealized (gains) / losses on equity securities	9	(39,756)	13,470,342
Realized gain on sale of equity securities		—	(2,636)
Changes in operating assets and liabilities:			
Accounts receivable trade, net		2,889,646	234,631
Inventories		(2,315,432)	447,541
Due from/to related parties		(9,699,137)	(5,638,336)
Prepaid expenses and other assets		407,082	(958,289)
Other deferred charges		148,572	(42,490)
Accounts payable		1,200,507	(1,987,440)
Accrued liabilities		974,565	(1,603,572)
Deferred revenue		(1,325,603)	(712,255)
Dry-dock costs paid		(1,528,701)	(1,781,351)
Net Cash provided by Operating Activities from Continuing Operations		**63,352,297**	**11,170,691**
Cash flow used in Investing Activities of Continuing Operations:			
Vessel acquisitions and other vessel improvements	7	(22,895,661)	(204,763)
Purchase of equity securities		(60,750)	(72,211,450)
Proceeds from sale of equity securities		—	258,999
Advance received for sale of vessel			3,150,000
Net proceeds from sale of vessel		—	28,031,102
Net cash used in Investing Activities from Continuing Operations		**(22,956,411)**	**(40,976,112)**
Cash flows provided by Financing Activities of Continuing Operations:			
Gross proceeds from issuance of common shares		—	881,827
Common share issuance expenses		(65,797)	(241,893)
Proceeds from Series D Preferred Shares, net of costs		—	49,853,193
Proceeds from long-term debt	8	55,000,000	—
Repayment of long-term debt	8	(17,298,499)	(38,185,300)
Payment of deferred financing costs		(704,559)	(25,178)
Proceeds received from Toro Corp. related to Spin-Off	4	—	2,694,647
Net cash provided by Financing Activities from continuing operations		**36,931,145**	**14,977,296**
Cash flows of discontinued operations:			
Net Cash provided by Operating Activities from discontinued operations		13,917,491	20,409,041
Net cash provided by / (used in) Investing Activities from discontinued operations		11,857,255	(153,861)
Net cash used in Financing Activities from discontinued operations		(2,375,000)	(62,734,774)
Net cash provided by / (used in) discontinued operations		**23,399,746**	**(42,479,594)**
Net increase/(decrease) in cash, cash equivalents, and restricted cash		**100,726,777**	**(57,307,719)**
Cash, cash equivalents and restricted cash at the beginning of the period		**43,386,468**	**152,307,420**
Cash, cash equivalents and restricted cash at the end of the period		**$ 144,113,245**	**94,999,701**
RECONCILIATION OF CASH, CASH EQUIVALENTS AND RESTRICTED CASH			
Cash and cash equivalents		$ 133,894,707	$ 85,810,135
Restricted cash, current		2,173,538	1,384,566
Restricted cash, non-current		8,045,000	7,805,000
Cash, cash equivalents, and restricted cash		**$ 144,113,245**	**$ 94,999,701**

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements.

1. Basis of Presentation and General information:

Castor Maritime Inc. ("Castor") was incorporated in September 2017 under the laws of the Republic of the Marshall Islands. The accompanying unaudited interim condensed consolidated financial statements include the accounts of Castor and its wholly owned subsidiaries (collectively, the "Company"). The Company is engaged in the worldwide transportation of ocean-going cargoes through its vessel-owning subsidiaries. On December 21, 2018, Castor's common shares, par value $0.001 (the "common shares") began trading on the Euronext NOTC, under the symbol "CASTOR" and, on February 11, 2019, they began trading on the Nasdaq Capital Market, or Nasdaq, under the symbol "CTRM". As of September 30, 2023, Castor was controlled by Thalassa Investment Co. S.A. ("Thalassa") by virtue of its ownership of 100% of the Series B preferred shares of Castor and, as a result, Thalassa controlled the outcome of matters on which shareholders are entitled to vote. Thalassa is controlled by Petros Panagiotidis, the Company's Chairman, Chief Executive Officer and Chief Financial Officer.

On March 7, 2023 (the "Distribution Date"), the Company contributed the subsidiaries constituting the Company's Aframax/LR2 and Handysize tanker segments and Elektra (as defined below) to the Company's wholly owned subsidiary, Toro Corp. ("Toro"), in exchange for (i) the issuance by Toro to Castor of all 9,461,009 of Toro's issued and outstanding common shares, and 140,000 1.00% Series A fixed rate cumulative perpetual convertible preferred shares of Toro (the "Series A Preferred Shares"), having a stated amount of $1,000 and a par value of $0.001 per share and (ii) the issuance of 40,000 Series B preferred shares of Toro, par value $0.001 per share, to Pelagos Holdings Corp, a company controlled by the Company's Chairman, Chief Executive Officer and Chief Financial Officer. On the same day, the Company distributed all of Toro's common shares outstanding to its holders of common shares of record at the close of business on February 22, 2023 at a ratio of one Toro common share for every ten Company common shares (such transactions collectively, the "Spin-Off"). The Spin-Off was concluded on March 7, 2023. Results of operations and cash flows of the Aframax/LR2 and Handysize tanker segments and assets and liabilities that were part of the Spin - Off are reported as discontinued operations for all periods presented (Note 3). Toro's shares commenced trading on the same date on the Nasdaq Capital Market under the symbol "TORO". As part of the Spin-Off, Toro entered into various agreements effecting the separation of Toro's business from the Company, including a Contribution and Spin-Off Distribution Agreement, pursuant to which, among other things, (i) the Company agreed to indemnify Toro and its vessel-owning subsidiaries for any and all obligations and other liabilities arising from or relating to the operation, management or employment of vessels or subsidiaries the Company retained after the Distribution Date and Toro agreed to indemnify the Company for any and all obligations and other liabilities arising from or relating to the operation, management or employment of the vessels contributed to it or its vessel-owning subsidiaries, and (ii) Toro replaced the Company as guarantor under the $18.0 Million Term Loan Facility. The Contribution and Spin-Off Distribution Agreement also provided for the settlement or extinguishment of certain liabilities and other obligations between the Company and Toro and provides the Company with certain registration rights relating to Toro's common shares, if any, issued upon conversion of the Toro Series A Preferred Shares issued to the Company in connection with the Spin-Off.

(Expressed in U.S. Dollars – except for share data unless otherwise stated)

1. Basis of Presentation and General information (continued):

The assets and liabilities of Toro on March 7, 2023, were as follows:

		March 7, 2023
Cash and cash equivalents	$	61,359,774
Accounts receivable trade, net		6,767,408
Due from related parties, current		4,528,948
Inventories		890,523
Prepaid expenses and other assets, current		1,447,062
Vessels, net		91,492,003
Restricted cash		700,000
Due from related parties, non-current		1,708,474
Prepaid expenses and other assets, non-current		4,449,999
Deferred charges, net		2,685,922
Due to Related Parties		(3,001,865)
Accounts payable		(2,432,095)
Accrued liabilities		(3,041,530)
Long-term debt, net		(12,413,056)
Net assets of Toro		**155,141,567**
Less Investment in Preferred Shares of Toro issued as part of Spin-Off (refer Note 4(c))		**(117,222,135)**
Distribution of net assets of Toro to shareholders	**$**	**37,919,432**

With effect from July 1, 2022, Castor Ships S.A., a corporation incorporated under the laws of the Republic of the Marshall Islands ("Castor Ships"), a related party controlled by the Company's Chairman, Chief Executive Officer and Chief Financial Officer, Petros Panagiotidis, manages the Company's business overall. Prior to this date, Castor Ships provided only commercial ship management and administrative services to the Company (see also Note 4).

Pavimar S.A. ("Pavimar"), a related party controlled by Ismini Panagiotidis, the sister of the Company's Chairman, Chief Executive Officer, Chief Financial Officer and controlling shareholder, Petros Panagiotidis, provided technical, crew and operational management services to the Company through the first half of 2022. With effect from July 1, 2022, Pavimar co-manages with Castor Ships the technical management of the Company's dry bulk vessels.

(Expressed in U.S. Dollars – except for share data unless otherwise stated)

1. Basis of Presentation and General information (continued):

As of September 30, 2023, the Company owned a diversified fleet of 20 vessels, with a combined carrying capacity of 1.5 million dwt, consisting of one Capesize, six Kamsarmax and eleven Panamax dry bulk vessels, as well as two 2,700 TEU containerships. Details of the Company's wholly owned subsidiaries as of September 30, 2023, are listed below.

(a) Consolidated vessel owning subsidiaries:

	Company	Country of incorporation	Vessel Name	DWT	Year Built	Delivery date to Castor
1	Spetses Shipping Co. ("Spetses")	Marshall Islands	*M/V Magic P*	76,453	2004	February 2017
2	Bistro Maritime Co. ("Bistro")	Marshall Islands	*M/V Magic Sun*	75,311	2001	September 2019
3	Pikachu Shipping Co. ("Pikachu")	Marshall Islands	*M/V Magic Moon*	76,602	2005	October 2019
4	Pocahontas Shipping Co. ("Pocahontas")	Marshall Islands	*M/V Magic Horizon*	76,619	2010	October 2020
5	Jumaru Shipping Co. ("Jumaru")	Marshall Islands	*M/V Magic Nova*	78,833	2010	October 2020
6	Super Mario Shipping Co. ("Super Mario")	Marshall Islands	*M/V Magic Venus*	83,416	2010	March 2021
7	Pumba Shipping Co. ("Pumba")	Marshall Islands	*M/V Magic Orion*	180,200	2006	March 2021
8	Kabamaru Shipping Co. ("Kabamaru")	Marshall Islands	*M/V Magic Argo*	82,338	2009	March 2021
9	Liono Shipping Co. ("Liono")	Marshall Islands	*M/V Magic Thunder*	83,375	2011	April 2021
10	Stewie Shipping Co. ("Stewie")	Marshall Islands	*M/V Magic Vela*	75,003	2011	May 2021
11	Snoopy Shipping Co. ("Snoopy")	Marshall Islands	*M/V Magic Nebula*	80,281	2010	May 2021
12	Mulan Shipping Co. ("Mulan")	Marshall Islands	*M/V Magic Starlight*	81,048	2015	May 2021
13	Cinderella Shipping Co. ("Cinderella")	Marshall Islands	*M/V Magic Eclipse*	74,940	2011	June 2021
14	Mickey Shipping Co. ("Mickey")	Marshall Islands	*M/V Magic Callisto*	74,930	2012	January 2022
15	Songoku Shipping Co. ("Songoku")	Marshall Islands	*M/V Magic Pluto*	74,940	2013	August 2021
16	Asterix Shipping Co. ("Asterix")	Marshall Islands	*M/V Magic Perseus*	82,158	2013	August 2021
17	Johnny Bravo Shipping Co. ("Johnny Bravo")	Marshall Islands	*M/V Magic Mars*	76,822	2014	September 2021
18	Garfield Shipping Co. ("Garfield")	Marshall Islands	*M/V Magic Phoenix*	76,636	2008	October 2021
19	Jerry Shipping Co. ("Jerry S")	Marshall Islands	*M/V Ariana A*	38,117	2005	November 2022
20	Tom Shipping Co. ("Tom S")	Marshall Islands	*M/V Gabriela A*	38,121	2005	November 2022

(b) Consolidated subsidiaries formed to acquire vessels:

	Company	Country of incorporation
1	Tom Maritime Ltd. ("Tom M")	Malta
2	Jerry Maritime Ltd. ("Jerry M")	Malta
3	Containco Shipping Inc.	Marshall Islands

(Expressed in U.S. Dollars – except for share data unless otherwise stated)

1. Basis of Presentation and General information (continued):

(c) Consolidated non-vessel owning subsidiaries:

	Company	Country of incorporation
1	Castor Maritime SCR Corp. ("Castor SCR") (1)	Marshall Islands
2	Bagheera Shipping Co. ("Bagheera") (2)	Marshall Islands
3	Luffy Shipping Co. ("Luffy") (3)	Marshall Islands

(1) Incorporated under the laws of the Marshall Islands on September 16, 2021, this entity serves as the Company's subsidiaries' cash manager with effect from November 1, 2021.

(2) Bagheera Shipping Co. no longer owns any vessel following the sale of the *M/V Magic Rainbow* on March 13, 2023, and delivery of such vessel to an unaffiliated third-party on April 18, 2023 (see also Note 7).

(3) Luffy Shipping Co. no longer owns any vessel following the sale of the *M/V Magic Twilight* on June 2, 2023, and delivery of such vessel to an unaffiliated third-party on July 20, 2023 (see also Note 7).

(d) Entities comprising the discontinued operations as part of the Spin-Off:

	Company	Country of incorporation	Vessel Name	DWT	Year Built	Delivery date to Castor
1	Toro Corp. (3)	Marshall Islands	—	—	—	—
2	Toro RBX Corp. ("Toro RBX") (4)	Marshall Islands	—	—	—	—
3	Rocket Shipping Co. ("Rocket")	Marshall Islands	*M/T Wonder Polaris*	115,351	2005	March 2021
4	Gamora Shipping Co. ("Gamora")	Marshall Islands	*M/T Wonder Sirius*	115,341	2005	March 2021
5	Starlord Shipping Co. ("Starlord")	Marshall Islands	*M/T Wonder Vega*	106,062	2005	May 2021
6	Hawkeye Shipping Co. ("Hawkeye")	Marshall Islands	*M/T Wonder Avior*	106,162	2004	May 2021
7	Vision Shipping Co. ("Vision")	Marshall Islands	*M/T Wonder Mimosa*	36,718	2006	May 2021
8	Colossus Shipping Co. ("Colossus")	Marshall Islands	*M/T Wonder Musica*	106,290	2004	June 2021
9	Xavier Shipping Co. ("Xavier")	Marshall Islands	*M/T Wonder Formosa*	36,660	2006	June 2021
10	Drax Shipping Co. ("Drax")	Marshall Islands	*M/T Wonder Bellatrix*	115,341	2006	December 2021
11	Elektra Shipping Co. ("Elektra") (5)	Marshall Islands	—	—	—	—

(3) Incorporated on July 29, 2022. At the Distribution Date, Toro served as the holding company to which the equity interests of the Aframax/LR2 and Handysize tanker owning subsidiaries and Elektra were contributed.

(4) Incorporated under the laws of the Marshall Islands on October 3, 2022, to serve, with effect from the Distribution Date, as the cash manager of Toro and its subsidiaries.

(5) Elektra no longer owns any vessel following the sale of the *M/T Wonder Arcturus* on May 9, 2022, and delivery of such vessel to an unaffiliated third-party on July 15, 2022.

1. Basis of Presentation and General information (continued):

The accompanying unaudited interim condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP") and applicable rules and regulations of the U.S. Securities and Exchange Commission (the "SEC") for interim financial information. Accordingly, they do not include all the information and notes required by U.S. GAAP for complete financial statements. These statements and the accompanying notes should be read in conjunction with the Company's annual report on Form 20-F for the fiscal year ended December 31, 2022, filed with the SEC on March 8, 2023 (the "2022 Annual Report").

These unaudited interim condensed consolidated financial statements have been prepared on the same basis as the annual financial statements and, in the opinion of management, reflect all adjustments, which include only normal recurring adjustments considered necessary for a fair presentation of the Company's financial position, results of operations and cash flows for the periods presented. Operating results for the nine-month period ended September 30, 2023, are not necessarily indicative of the results that might be expected for the fiscal year ending December 31, 2023.

2. Significant Accounting Policies and Recent Accounting Pronouncements:

A discussion of the Company's significant accounting policies can be found in the consolidated financial statements for the year ended December 31, 2022, included in the Company's 2022 Annual Report. Apart from the below additional policies, there have been no material changes to these policies in the nine-month period ended September 30, 2023.

New significant accounting policies adopted during the nine months ended September 30, 2023

Investment in related party (Financial Instruments, Recognition and Measurement):

The Company has elected to measure equity securities without a readily determinable fair value, that do not qualify for the practical expedient in ASC 820 Fair Value Measurement to estimate fair value using the NAV per share (or its equivalent), at its cost minus impairment, if any. At each reporting period, the Company also evaluates indicators such as the investee's performance and its ability to continue as going concern and market conditions, to determine whether an investment is impaired in which case, the Company will estimate the fair value of the investment to determine the amount of the impairment loss.

Discontinued Operations

The Company classifies as discontinued operations, a component of an entity or group of components that has been disposed of by sale, disposed of other than by sale or is classified as held for sale and represents a strategic shift that has (or will have) a major effect on the company's operations and financial results (Note 3).

Recent Accounting Pronouncements:

There are no recent accounting pronouncements the adoption of which is expected to have a material effect on the Company's unaudited interim condensed consolidated financial statements in the current period.

(Expressed in U.S. Dollars – except for share data unless otherwise stated)

3. Discontinued operations:

The Company's discontinued operations relate to the operations of Toro, Elektra and the subsidiaries formerly comprising the Company's Aframax/LR2 and Handysize tanker segments following completion of the Spin-Off on March 7, 2023. The Company has no continuing involvement in the Aframax/LR2 and Handysize tanker business as of such date (Note 1).

The components of assets and liabilities of discontinued operations in the unaudited condensed consolidated balance sheet at December 31, 2022 consisted of the following:

CURRENT ASSETS:	**December 31, 2022**
Cash and cash equivalents	$ 41,779,594
Accounts receivable trade, net	10,616,573
Due from related parties	558,328
Inventories	893,568
Prepaid expenses and other assets	915,245
Total current assets of discontinued operations	**54,763,308**
NON-CURRENT ASSETS:	
Vessels, net	92,486,178
Restricted cash	700,000
Due from related parties	1,708,474
Prepaid expenses and other assets	5,199,999
Deferred charges, net	2,621,145
Total non-current assets of discontinued operations	**102,715,796**
CURRENT LIABILITIES:	
Current portion of long-term debt, net	2,606,302
Accounts payable	1,643,468
Accrued liabilities	2,269,281
Total current liabilities of discontinued operations	**6,519,051**
NON-CURRENT LIABILITIES:	
Long-term debt, net	10,463,172
Total non-current liabilities of discontinued operations	**10,463,172**

(Expressed in U.S. Dollars – except for share data unless otherwise stated)

3. Discontinued operations (continued):

The components of the income from discontinued operations for the nine months ended September 30, 2022 and for the period January 1, 2023 through March 7, 2023 in the unaudited interim condensed consolidated statements of comprehensive income consisted of the following:

	Nine months Ended September 30, 2022	January 1 through March 7, 2023
REVENUES:		
Time charter revenues	11,981,904	914,000
Voyage charter revenues	45,927,552	7,930
Pool revenues	15,951,024	22,447,344
Total vessel revenues	**73,860,480**	**23,369,274**
EXPENSES:		
Voyage expenses (including $941,346, and $294,831 to related party for the nine months ended September 30, 2022, and for the period January 1, 2023 through March 7, 2023)	(26,031,974)	(374,396)
Vessel operating expenses	(15,905,448)	(3,769,132)
Management fees to related parties	(2,115,900)	(507,000)
Depreciation and amortization	(5,440,750)	(1,493,759)
Recovery of provision for doubtful accounts	—	266,732
Gain on sale of vessel	3,222,631	—
Total expenses	**(46,271,441)**	**(5,877,555)**
Operating income	**27,589,039**	**17,491,719**
OTHER INCOME/(EXPENSES):		
Interest and finance costs	(629,019)	(220,061)
Interest income	26,545	253,165
Foreign exchange losses	(6,651)	(11,554)
Total other (expenses)/income, net	**(609,125)**	**21,550**
Net income and comprehensive income from discontinued operations, before taxes	**$ 26,979,914**	**$ 17,513,269**
Income taxes	(797,807)	(173,937)
Net income and comprehensive income from discontinued operations, net of taxes	**$ 26,182,107**	**$ 17,339,332**

(Expressed in U.S. Dollars – except for share data unless otherwise stated)

4. Transactions with Related Parties:

During the nine-month period ended September 30, 2022, and 2023, the Company incurred the following charges in connection with related party transactions, which are included in the accompanying unaudited interim condensed consolidated statements of comprehensive income:

	Nine months ended September 30, 2022	Nine months ended September 30, 2023
Management fees-related parties		
Management fees – Castor Ships (a)	$ 1,503,000	$ 1,987,999
Management fees – Pavimar (b)	3,276,000	3,460,800
Included in Voyage expenses		
Charter hire commissions – Castor Ships (a)	$ 1,535,676	$ 933,597
Included in General and administrative expenses		
Administration fees – Castor Ships (a)	$ 1,350,000	$ 2,299,500
Included in Gain on sale of vessel		
Sale & purchase commission – Castor Ships (a)	$ —	$ 301,000
Included in Vessels' cost		
Sale & purchase commission – Castor Ships (a)	$ 235,500	$ —

As of December 31, 2022, and September 30, 2023, balances with related parties consisted of the following:

	December 31, 2022	September 30, 2023
Assets:		
Due from Castor Ships (a) – current	$ —	$ 1,262,584
Due from Castor Ships (a) – non-current	3,514,098	5,934,351
Due from Pavimar (b) – current	2,664,976	4,085,632
Investment in Toro (c) – non-current	—	117,529,357
Liabilities:		
Due to Castor Ships (a) – current	$ 227,622	$ —
Due to Toro (d) – current	—	381,944

4. Transactions with Related Parties (continued):

(a) Castor Ships: During the period from September 1, 2020 (being the initial Castor Ships Management Agreements effective date), and up to June 30, 2022, pursuant to the terms and conditions stipulated in a master management agreement (the "Master Management Agreement") and separate commercial ship management agreements (the "Ship Management Agreements") with Castor Ships (together, the "Castor Ships Management Agreements"), Castor Ships managed the Company's business and provided commercial ship management, chartering and administrative services to the Company and its vessel owning subsidiaries. During the abovementioned period, the Company and its subsidiaries, in exchange for Castor Ship's services, paid Castor Ships: (i) a flat quarterly management fee in the amount of $0.3 million for the management and administration of the Company's business, (ii) a daily fee of $250 per vessel for the provision of the services under the Ship Management Agreements, (iii) a commission rate of 1.25% on all charter agreements arranged by Castor Ships and (iv) a commission of 1% on each vessel sale and purchase transaction.

Effective July 1, 2022, the Company and each of the Company's vessel owning subsidiaries entered, by mutual consent, into an amended and restated master management agreement with Castor Ships (the "Amended and Restated Master Management Agreement"), appointing Castor Ships as commercial and technical manager for the Company's vessels. The Amended and Restated Master Management Agreement along with new ship management agreements signed between each vessel owning subsidiary and Castor Ships (together, the "Amended Castor Ship Management Agreements") superseded in their entirety the Castor Ships Management Agreements. Pursuant to the Amended and Restated Master Management Agreement, Castor Ships manages the Company's overall business and provides the Company's vessel owning subsidiaries with a wide range of shipping services such as crew management, technical management, operational employment management, insurance management, provisioning, bunkering, accounting and audit support services, commercial, chartering and administrative services, including, but not limited to, securing employment for the Company's fleet, arranging and supervising the vessels' commercial operations, providing technical assistance where requested in connection with the sale of a vessel, negotiating loan and credit terms for new financing upon request and providing general corporate and administrative services, among other matters, which it may choose to subcontract to other parties at its discretion. Castor Ships is generally not liable to the Company for any loss, damage, delay or expense incurred during the provision of the foregoing services, except insofar as such events arise from Castor Ships or its employees' fraud, gross negligence or willful misconduct (for which the Company's recovery will be limited to two times the Flat Management Fee, as defined below). Notwithstanding the foregoing, Castor Ships will in no circumstances be responsible for the actions of the Company's crews. The Company has also agreed to indemnify Castor Ships in certain circumstances.

In exchange for the services provided by Castor Ships, the Company and its vessel owning subsidiaries, pay Castor Ships (i) a flat quarterly management fee in the amount of $0.75 million for the management and administration of their business (the "Flat Management Fee"), (ii) a commission of 1.25% on all gross income received from the operation of their vessels, and (iii) a commission of 1% on each consummated sale and purchase transaction. In addition, each of the Company's vessel owning subsidiaries pay Castor Ships a daily management fee of $925 per containership and dry bulk vessel, and, until March 7, 2023, paid a daily management fee of $975 per tanker vessel (collectively, the "Ship Management Fees") for the provision of the ship management services provided in the Amended and Restated Master Management Agreements. The Ship Management Fees and Flat Management Fee is adjusted annually for inflation on each anniversary of the Amended and Restated Master Management Agreement's effective date. As a result of the inflation adjustment and effective July 1, 2023, the Ship Management Fee increased from $925 per vessel to $986 per vessel and the Flat Management Fee increased from $0.75 million to $0.8 million. Pavimar is paid directly by the dry bulk vessel owning subsidiaries its previously agreed proportionate daily management fee of $600 per vessel and Castor Ships is paid the residual amount of $325 (before the inflation adjustment) or $386, effective July 1, 2023. The Company also reimburses Castor Ships for extraordinary fees and costs, such as the costs of extraordinary repairs, maintenance or structural changes to the Company's vessels.

4. Transactions with Related Parties (continued):

The Amended and Restated Master Management Agreement has a term of eight years from its effective date and this term automatically renews for a successive eight-year term on each anniversary of the effective date, starting from the first anniversary of the effective date, unless the agreements are terminated earlier in accordance with the provisions contained therein. In the event that the Amended and Restated Master Management Agreement is terminated by the Company or is terminated by Castor Ships due to a material breach of its provisions by the Company or a change of control in the Company (including certain business combinations, such as a merger or the disposal of all or substantially all of the Company's assets or changes in key personnel such as the Company's current directors or Chief Executive Officer), Castor Ships shall be entitled to a termination fee equal to seven times the total amount of the Flat Management Fee calculated on an annual basis. This termination fee is in addition to any termination fees provided for under each Ship Management Agreement.

In January 2023, Castor Ships transferred the technical sub-management of the Company's containerships from Pavimar to a third-party ship management company.

As of September 30, 2023, in accordance with the provisions of the Amended Castor Ship Management Agreements, Castor Ships (i) had subcontracted to a third-party ship management company the technical management of the Company's containerships and (ii) was co-managing with Pavimar the Company's dry bulk vessels. Castor Ships pays, at its own expense, the containership technical management company a fee for the services it has subcontracted to it, without any additional cost to the Company.

During the nine months ended September 30, 2023 and 2022, the Company incurred sale and purchase commissions amounting to $0 and $235,500, respectively, due to the acquisition of one Panamax vessel, included in 'Vessels, net' in the accompanying unaudited condensed consolidated balance sheets and sale and purchase commissions amounting to $301,000 and $0 respectively, due to the sale of one Panamax vessel and one Kamsarmax vessel, which are included in 'Gain on sale of vessels' in the accompanying unaudited interim condensed consolidated statements of comprehensive income.

The Amended Castor Ship Management Agreements also provide for an advance funding equal to two months of vessel daily operating costs to be placed with Castor Ships as a working capital guarantee, refundable in case a vessel is no longer under Castor Ship's management. As of December 31, 2022, such advances amounted to $3,514,098 and are presented in 'Due from related parties, non-current', in the accompanying unaudited condensed consolidated balance sheet, respectively. As of September 30, 2023, such advances amounted to $5,934,351 and $465,011, and are presented in 'Due from related parties, non-current' and 'Due from related parties, current', in the accompanying unaudited condensed consolidated balance sheet, respectively. The amount of $465,011 is in relation to the *M/V Magic Argo*, which has been classified as held for sale (Note 4(b)), and the *M/V Magic Twilight*, that was sold on July 20, 2023. In connection with the subcontracting services rendered by the third-party ship-management companies, the Company had, as of December 31, 2022, and September 30, 2023, aggregate working capital guarantee deposits due from Castor Ships of $0 and $558,252 respectively, which are presented in 'Due from related parties, current' in the accompanying unaudited condensed consolidated balance sheet.

As of December 31, 2022, net amounts of $214 were due to Castor Ships in relation to operating expenses payments made by them on behalf of the Company. As of September 30, 2023, net amounts of $334,446 were due from Castor Ships in relation to advances for operating expenses/drydock payments made by the Company to Castor Ships.

Further, as of December 31, 2022, and September 30, 2023, amounts of $227,408 and $95,125, respectively, were due to Castor Ships in connection with the services covered by the Amended Castor Ships Management Agreements. As a result, as of December 31, 2022, aggregate amounts of $227,622 were due to Castor Ships and are presented net in 'Due from related parties, current', in the accompanying unaudited condensed consolidated balance sheets and as of September 30, 2023, net amounts of $1,262,584 were due from Castor Ships which are presented in 'Due from related parties, current', in the accompanying unaudited condensed consolidated balance sheets.

4. Transactions with Related Parties (continued):

(b) **Pavimar:** From the Company's inception and until June 30, 2022, Pavimar, provided, on an exclusive basis, all of the Company's vessel owning subsidiaries with a wide range of shipping services, including crew management, technical management, operational management, insurance management, provisioning, bunkering, vessel accounting and audit support services, which it could choose to subcontract to other parties at its discretion. As from July 1, 2022, Pavimar has provided all of the Company's vessel owning subsidiaries with the range of technical, crewing, insurance and operational services stipulated in the previous agreements in exchange for a daily management fee of $600 per vessel.

Effective July 1, 2022, the technical management agreements entered into between Pavimar and the Company's tanker vessel owning subsidiaries were terminated by mutual consent. In connection with such termination, Pavimar and the tanker vessel owning subsidiaries agreed to mutually discharge and release each other from any past and future liabilities arising from the respective agreements. Further, with effect from July 1, 2022, pursuant to the terms of the Amended and Restated Master Management Agreement, Pavimar, continues to provide, as co-manager with Castor Ships, the dry-bulk vessel owning subsidiaries with the same range of technical management services it provided prior to the Company's entry into the Amended and Restated Management Agreement, in exchange for the previously agreed daily management fee of $600 per vessel. Pavimar also performed the technical management of containerships as sub-manager for Castor Ships from their date of acquisition.

Pavimar had subcontracted the technical management of four (comprising of three dry bulk and one containership) and three dry bulk of the Company's vessels to third-party ship-management companies as of December 31, 2022 and September 30, 2023, respectively. These third-party management companies provided technical management services to the respective vessels for a fixed annual fee which is paid by Pavimar at its own expense. In connection with the subcontracting services rendered by the third-party ship-management companies, the Company had, as of December 31, 2022, and September 30, 2023, aggregate working capital guarantee deposits due from Pavimar of $258,252 in both periods, which are presented in 'Due from related parties, current' in the accompanying unaudited condensed consolidated balance sheet. In addition, Pavimar and its subcontractor third-party managers make payments for operating expenses with funds paid from the Company to Pavimar. As of December 31, 2022, and September 30, 2023, net amounts of $2,665,824 and $3,916,630 were due from Pavimar, respectively, in relation to advance payments to Pavimar on behalf of the Company. Further, as of December 31, 2022, and September 30, 2023, amounts of $259,100 and $89,250 were due to Pavimar in connection with additional services covered by the technical management agreements. As a result, as of December 31, 2022, and September 30, 2023, net amounts of $2,664,976 and $4,085,632, respectively, due from Pavimar, which are presented in 'Due from related parties, current', respectively, in the accompanying unaudited condensed consolidated balance sheets.

(c) Investment in related party:

As discussed in Note 1, as part of the Spin-Off Castor received 140,000 Series A Preferred Shares, having a stated amount of $1,000 and a par value of $0.001 per share. The Company is the holder of all of the issued and outstanding Series A Preferred Shares (Note 1). The Series A Preferred Shares do not have voting rights. The Series A Preferred Shares are convertible into common shares at the Company's option commencing upon the third anniversary of the issue date until but excluding the seventh anniversary, at a conversion price equal to the lesser of (i) 150% of the VWAP of Toro common shares over the five consecutive trading day period commencing on the distribution date, and (ii) the VWAP of Toro common shares over the 10 consecutive trading day period expiring on the trading day immediately prior to the date of delivery of written notice of the conversion; provided, that, in no event shall the conversion price be less than $2.50.

(Expressed in U.S. Dollars – except for share data unless otherwise stated)

4. **Transactions with Related Parties (continued):**

As there was no observable market for the Series A Preferred Shares, these were recognized at $117,222,135 (Note 11), being the fair value of the shares determined through Level 2 inputs of the fair value hierarchy by taking into consideration a third-party valuation. The fair value on the initial recognition is deemed to be the cost. The valuation methodology applied comprised the bifurcation of the value of the Series A Preferred Shares in two components namely, the "straight" preferred stock component and the option component. The mean of the sum of the two components was used to estimate the value for the Series A Preferred Shares at $117,222,135. The valuation methodology and the significant other observable inputs used for each component are set out below:

	Valuation Technique	Significant other observable Input	Values	
"Straight" Preferred Stock Component	Discounted cash flow model	• Weighted average cost of capital		12.80%
Option Component	Black Scholes	• Volatility		69.00%
		• Risk-free rate		3.16%
		• Weighted average cost of capital		12.80%
		• Strike price	$	5.75
		• Share price (based on the first 5 trading days volume weighted average)	$	4.52

As of September 30, 2023, the aggregate value of investments in Toro amounted to $117,529,357, including $307,222 of accrued dividends and are separately presented as 'Investment in related party' in the accompanying unaudited condensed consolidated balance sheet. As of September 30, 2023, the Company did not identify any impairment or any observable prices for identical or similar investments of the same issuer.

Furthermore, Castor is entitled to receive cumulative cash dividends, at the annual rate of 1.00% on the stated amount of $1,000 per share, of the 140,000 Series A Preferred Shares, receivable quarterly in arrears on the 15th day of January, April, July and October in each year, subject to Toro's Board of Directors approval. However, for each quarterly dividend period commencing on or after the reset date (the seventh anniversary of the issue date of the Series A Preferred Shares), the dividend rate will be the dividend rate in effect for the prior quarterly dividend period multiplied by a factor of 1.3; provided that the dividend rate will not exceed 20% per annum in respect of any quarterly dividend period. During the nine-month period ended September 30, 2023 and 2022, dividend income derived from the Company's investment in Toro amounted to $808,889 and $0 respectively and is presented in 'Dividend income from related party' in the accompanying unaudited interim condensed consolidated statements of comprehensive income.

During the nine-month period ended September 30, 2023, the Company received dividend of $501,667 from its investment in Toro.

Following the successful completion of the Spin-Off, Toro reimbursed Castor $2,694,647 for expenses related to the Spin-Off that had been incurred by Castor.

(d) Issuance of Series D Preferred shares to Toro Corp:

On August 7, 2023, the Company issued 50,000 5.00% Series D fixed rate cumulative perpetual convertible preferred shares (the "Series D Preferred Shares") to Toro in exchange for $50,000,000 in cash, as referenced in Note 10. The amount of accrued dividend on the Series D Preferred Shares due to Toro as of September 30, 2023, was $381,944 and is presented net in 'Due to related parties, current' in the accompanying unaudited condensed consolidated balance sheets.

(Expressed in U.S. Dollars – except for share data unless otherwise stated)

5. Deferred Charges, net:

The movement in deferred dry-docking costs, net in the accompanying unaudited condensed consolidated balance sheets is as follows:

	Dry-docking costs
Balance December 31, 2022	**$ 5,357,816**
Additions	1,117,797
Amortization	(1,681,006)
Disposals	(614,014)
Balance September 30, 2023	**$ 4,180,593**

6. Fair Value of Acquired Time Charters:

In connection with the acquisitions in October 2022 of the *M/V Ariana A* and the *M/V Gabriela A* with time charters attached, the Company recognized intangible assets of $897,436 and $2,019,608, respectively, representing the fair values of the favorable time charters attached to the vessels. The *M/V Ariana A* and *M/V Gabriela A* attached charters commenced upon the vessels' deliveries, on November 23, 2022, and November 30, 2022, respectively. The *M/V Ariana A* attached charter was concluded within the first quarter of 2023 and the respective intangible liability was fully amortized during that period.

For the nine months ended September 30, 2022, and 2023, the amortization of the acquired time charters related to the above acquisitions amounted to $0 and $1,835,735, respectively, and is included in 'Time Charter Revenues' in the accompanying unaudited interim condensed consolidated statements of comprehensive income. The aggregate unamortized portion of the *M/V Gabriela A* intangible asset as of September 30, 2023, amounted to $671,770 and will be amortized to vessel revenues by $406,597 within 2023 and by $265,173 within 2024, in accordance with the anticipated expiration date of the respective charter contract.

7. Vessels, net/Assets held for sale:

(a) Vessels, net: The amounts in the accompanying unaudited condensed consolidated balance sheets are analyzed as follows:

	Vessel Cost	Accumulated depreciation	Net Book Value
Balance December 31, 2022	**372,382,480**	**(28,974,014)**	**343,408,466**
— Transfer to Assets held for sale (b)	(14,759,523)	2,028,608	(12,730,915)
— Vessel disposals	(24,161,514)	2,408,866	(21,752,648)
— Period depreciation	—	(15,544,386)	(15,544,386)
Balance September 30, 2023	**333,461,443**	**(40,080,926)**	**293,380,517**

7. Vessels, net/Assets held for sale (continued):

(b) Assets held for sale/ Disposal of vessels

On March 13, 2023, the Company entered into an agreement with an unaffiliated third party for the sale of the *M/V Magic Rainbow* for a gross sale price of $12.6 million. The *M/V Magic Rainbow* was delivered to its new owners on April 18, 2023. In connection with this sale, the Company recognized during the second quarter of 2023 a net gain of $3.13 million which is separately presented in 'Gain on sale of vessel' in the accompanying unaudited interim condensed consolidated statements of comprehensive income.

On June 2, 2023, the Company entered into an agreement with an unaffiliated third party for the sale of the *M/V Magic Twilight* for a gross sale price of $17.5 million. The *M/V Magic Twilight* was delivered to its new owners on July 20, 2023. In connection with this sale, the Company recognized during the third quarter of 2023 a net gain of $3.15 million which is separately presented in 'Gain on sale of vessel' in the accompanying unaudited interim condensed consolidated statements of comprehensive income.

The respective sales of the above vessels took place due to favorable offers on each case.

On March 23, 2023, the Company entered into an agreement with an unaffiliated third party for the sale of the *M/V Magic Moon* for a gross sale price of $13.95 million. On September 26, 2023, the Company announced that the previously announced sale of the *M/V Magic Moon* was terminated following the buyers' failure to take delivery of the vessel.

On September 22, 2023, the Company entered into an agreement with an unaffiliated third party for the sale of the *M/V Magic Argo* for a gross sale price of $15.75 million. The Company followed the provisions of ASC360 and, as all criteria required for its classification as such were met at the balance sheet date, as of September 30, 2023, classified the carrying value of the vessel amounting to $12,730,915 and such vessel's inventory onboard, amounting to $54,303, as "Assets held for sale" measured at the lower of carrying value and fair value (sale price) less costs to sell. No impairment charges have been recorded as of September 30, 2023, in connection with the anticipated sale of the vessel since its carrying amount as at the balance sheet date was lower than its fair value less cost to sell. The Company expects to recognize during the fourth quarter of 2023 a gain on the sale of the *M/V Magic Argo* of approximately $3.0 million, excluding any transaction related costs.

In connection with the sale of *M/V Magic Argo*, the Company has received a deposit of 20% of the purchase price amounting to $3.15 million, which is separately presented in 'Liability associated with asset held for sale' in the accompanying unaudited condensed consolidated balance sheets.

As a result, as of December 31, 2022, and September 30, 2023, net amounts of $0 and $12,785,218, respectively, are presented in 'Assets held for sale', in the accompanying unaudited condensed consolidated balance sheets.

As of September 30, 2023, 16 of the 20 vessels in the Company's fleet having an aggregate carrying value of $242.2 million were first priority mortgaged as collateral to their loan facilities (Note 8).

(Expressed in U.S. Dollars – except for share data unless otherwise stated)

8. Long-Term Debt:

The amount of long-term debt shown in the accompanying unaudited condensed consolidated balance sheet of September 30, 2023, is analyzed as follows:

		Year/Period Ended	
Loan facilities	**Borrowers**	**December 31, 2022**	**September 30, 2023**
$11.0 Million Term Loan Facility (a)	Spetses- Pikachu	$ 6,200,000	$ 5,000,000
$4.5 Million Term Loan Facility (b)	Bistro	2,850,000	2,400,000
$15.29 Million Term Loan Facility (c)	Pocahontas- Jumaru	11,993,000	10,580,000
$40.75 Million Term Loan Facility (d)	Liono-Snoopy-Cinderella-Luffy	34,980,000	23,910,000
$23.15 Million Term Loan Facility (e)	Bagheera-Garfield	17,800,500	8,778,200
$55.00 Million Term Loan Facility (f)	Mulan- Johnny Bravo-Songoku-Asterix-Stewie	44,395,000	33,790,000
$22.5 million Term Loan Facility (g)	Tom-Jerry	22,250,000	17,825,000
Total long-term debt		**$ 140,468,500**	**$ 102,283,200**
Less: Deferred financing costs		(1,696,738)	(1,024,297)
Total long-term debt, net of deferred finance costs		**$ 138,771,762**	**$ 101,258,903**
Presented:			
Current portion of long-term debt		**$ 29,848,400**	**$ 19,473,400**
Less: Current portion of deferred finance costs		(677,585)	(491,260)
Current portion of long-term debt, net of deferred finance costs		**$ 29,170,815**	**$ 18,982,140**
Non-Current portion of long-term debt		**110,620,100**	**82,809,800**
Less: Non-Current portion of deferred finance costs		(1,019,153)	(533,037)
Non-Current portion of long-term debt, net of deferred finance costs		**$ 109,600,947**	**$ 82,276,763**

8. Long-Term Debt (continued):

a. $11.0 Million Term Loan Facility

On March 31, 2023, a notice of LIBOR replacement by SOFR has been signed with Alpha Bank, S.A. ("Alpha Bank"), where the Margin (as defined in the loan agreement) will be increased by a percentage which is the equivalent of the positive difference (i.e. 0.045% with value date April 3, 2023) between USD LIBOR and SOFR for the first rollover period selected upon application of SOFR methodology. Such percentage will apply over the tenor of the loan going forward regardless of future rollover periods. Further details of the Company's $11.0 million senior secured credit facility with Alpha Bank (the "$11.0 Million Term Loan Facility") are discussed in Note 7 of the consolidated financial statements for the year ended December 31, 2022, included in the Company's 2022 Annual Report.

b. $4.5 Million Term Loan Facility

On June 21, 2023, the Company entered into an amendment agreement to its $4.5 million senior secured term loan facility with Chailease International Financial Services Co., Ltd. With effect from July 31, 2023, the current interest rate shall be replaced by a replacement interest rate, comprised of Term SOFR, a credit spread adjustment of 0.11448% and the Margin (as defined in the loan agreement). Details of the Company's $4.5 million senior secured credit facility with Chailease International Financial Services Co. Ltd. (the "$4.5 Million Term Loan Facility"), are discussed in Note 7 of the consolidated financial statements for the year ended December 31, 2022, included in the Company's 2022 Annual Report.

c. $15.29 Million Term Loan Facility

On July 3, 2023, the Company entered into an amendment agreement to its $15.29 million senior secured term loan facility with Hamburg Commercial Bank AG. With effect from July 3, 2023, the current interest rate shall be replaced by a replacement interest rate, i.e. Term SOFR, and the Margin (as defined in the loan agreement). Details of the Company's $15.29 million senior secured credit facility with Hamburg Commercial Bank AG, (the "$15.29 Million Term Loan Facility"), are discussed in Note 7 of the consolidated financial statements for the year ended December 31, 2022, included in the Company's 2022 Annual Report.

d. $40.75 Million Term Loan Facility

On July 3, 2023, the Company entered into an amendment agreement to its $40.75 million senior secured term loan facility with Hamburg Commercial Bank AG. With effect from July 3, 2023, the current interest rate shall be replaced by a replacement interest rate, i.e. Term SOFR, and the Margin (as defined in the loan agreement). Details of the Company's $40.75 million senior secured credit facility with Hamburg Commercial Bank AG, (the "$40.75 Million Term Loan Facility"), are discussed in Note 7 of the consolidated financial statements for the year ended December 31, 2022, included in the Company's 2022 Annual Report.

On July 20, 2023, the Company repaid $7.91 million under this facility from the proceeds of the sale of *M/V Magic Twilight*, being the part of the loan secured by *M/V Magic Twilight*, and the repayment schedule was adjusted accordingly.

(Expressed in U.S. Dollars – except for share data unless otherwise stated)

8. Long-Term Debt (continued):

e. $23.15 Million Term Loan Facility

On May 23, 2023, the Company entered into an amendment agreement to its $23.15 million senior secured term loan facility with Chailease International Financial Services Co., Ltd. With effect from April 24, 2023, the current interest rate shall be replaced by a replacement interest rate, comprised of Term SOFR 1M, a credit spread adjustment of 0.11448% and the Margin (as defined in the loan agreement). Details of the Company's $23.15 million senior secured credit facility with Chailease International Financial Services (Singapore) Pte. Ltd., (the "$23.15 Million Term Loan Facility"), are discussed in Note 7 of the consolidated financial statements for the year ended December 31, 2022, included in the Company's 2022 Annual Report. On April 18, 2023, the Company repaid $6.95 million under this facility from the proceeds of the sale of *M/V Magic Rainbow*, being the part of the loan secured by *M/V Magic Rainbow*, and the repayment schedule was adjusted accordingly.

f. $55.0 Million Term Loan Facility

Details of the Company's $55.0 million senior secured credit facility with Deutsche Bank AG, (the "$55.0 Million Term Loan Facility"), are discussed in Note 7 of the consolidated financial statements for the year ended December 31, 2022, included in the Company's 2022 Annual Report.

g. $22.5 Million Term Loan Facility

Details of the Company's $22.5 million senior secured credit facility with Chailease International Financial Services (Singapore) Pte. Ltd. (the "$22.5 Million Term Loan Facility"), are discussed in Note 7 of the consolidated financial statements for the year ended December 31, 2022, included in the Company's 2022 Annual Report.

As of December 31, 2022, and September 30, 2023, the Company was in compliance with all financial covenants prescribed in its debt agreements.

Restricted cash as of September 30, 2023, current and non-current, includes (i) $6.3 million of minimum liquidity deposits required pursuant to the $11.0 Million Term Loan Facility, the $15.29 Million Term Loan Facility, the $40.75 Million Term Loan Facility and the $55.0 Million Term Loan Facility discussed above, (ii) $1.5 million in the dry-dock reserve accounts required under the $15.29 Million Term Loan Facility, the $40.75 Million Term Loan Facility and the $55.0 Million Term Loan Facility discussed above, and (iii) $1.4 million of retention deposits required under the $15.29 Million Term Loan Facility and the $40.75 Million Term Loan Facility.

Restricted cash as of December 31, 2022, current and non-current, includes (i) $6.6 million of minimum liquidity deposits required pursuant to the $11.0 Million Term Loan Facility, the $15.29 Million Term Loan Facility, the $40.75 Million Term Loan Facility and the $55.0 Million Term Loan Facility discussed above, (ii) $0.9 million in the dry-dock reserve accounts required under the $15.29 Million Term Loan Facility, the $40.75 Million Term Loan Facility and the $55.0 Million Term Loan Facility discussed above, and (iii) $1.7 million of retention deposits required under the $15.29 Million Term Loan Facility and the $40.75 Million Term Loan Facility.

The annual principal payments for the Company's outstanding debt arrangements (including the debt related to assets held for sale) as of September 30, 2023, required to be made after the balance sheet date, are as follows:

Twelve-month period ending September 30,	**Amount**
2024	$ 19,473,400
2025	28,340,400
2026	27,274,400
2027	23,895,000
2028	3,300,000
Total long-term debt	**$ 102,283,200**

(Expressed in U.S. Dollars – except for share data unless otherwise stated)

8. Long-Term Debt (continued):

The weighted average interest rate on the Company's long-term debt for the nine month ended September 30, 2022, and 2023 was 4.5% and 8.4% respectively.
Total interest incurred on long-term debt for the nine month ended September 30, 2022, and 2023, amounted to $4.5 million and $7.7 million respectively, and is included in Interest and finance costs (Note 17) in the accompanying unaudited interim condensed consolidated statements of comprehensive income.

9. Investment in equity securities

A summary of the movement in listed equity securities for the nine-month period ended September 30, 2023 is presented in the table below:

		Equity securities
Balance December 31, 2022	**$**	—
Equity securities acquired		72,211,450
Proceeds from sale of equity securities		(258,999)
Gain on sale of equity securities		2,636
Unrealized loss on equity securities revalued at fair value at end of the period		(13,470,342)
Balance September 30, 2023	**$**	**58,484,745**

On June 30, 2023, the Company filed a Schedule 13G, reporting that it holds 1,391,500 shares of common stock of Eagle Bulk Shipping Inc. ("Eagle"), representing 14.99% of the issued and outstanding shares of common stock of Eagle as of June 23, 2023.

In the nine-month periods ended September 30, 2022, and 2023, the Company received dividends of $3,528 and $1,173,072, respectively, from its investments in listed equity securities.

10. Equity Capital Structure:

Under the Company's Articles of Incorporation, as amended, the Company's authorized capital stock consists of 2,000,000,000 shares, par value $0.001 per share, of which 1,950,000,000 shares are designated as common shares and 50,000,000 shares are designated as preferred shares. During the nine months ended September 30, 2023, there was no movement in the Company's outstanding warrants. For a further description of the terms and rights of the Company's capital stock and details of its equity transactions prior to January 1, 2023, please refer to Note 8 of the consolidated financial statements for the year ended December 31, 2022, included in the Company's 2022 Annual Report.

On April 20, 2023, the Company received written notification from the Nasdaq Stock Market ("Nasdaq") that it was not in compliance with the minimum $1.00 per share bid price requirement for continued listing on the Nasdaq Capital Market and was initially provided with 180 calendar days, or until October 17, 2023, to regain compliance with the subject requirement. The Company intends to monitor the closing bid price of its common shares during the compliance period and is considering its options to regain compliance with the Nasdaq Capital Market minimum bid price requirement. The Company can cure this deficiency if the closing bid price of its common shares is $1.00 per share or higher for at least ten consecutive business days during the cure period. On October 18, 2023, the Company received a notification letter from Nasdaq granting the Company an additional 180-day extension, until April 15, 2024, to regain compliance with Nasdaq's minimum bid price requirement.

10. Equity Capital Structure (continued):

The Company intends to cure the deficiency within the prescribed cure period. During this time, the Company's common shares will continue to be listed and trade on the Nasdaq Capital Market. The Company's business operations are not affected by the receipt of the notification. If the Company does not regain compliance within the additional 180-day compliance period, its common shares will be subject to delisting by Nasdaq.

At-the-market ("ATM") common shares offering program

On May 23, 2023, the Company, entered into an equity distribution agreement for an at-the-market offering, with Maxim Group LLC ("Maxim"), under which the Company may sell an aggregate offering price of up to $30.0 million of its common shares with Maxim acting as a sales agent over a minimum period of 12 months (the "ATM Program"). No warrants, derivatives, or other share classes were associated with this transaction. As of September 30, 2023, the Company had received gross proceeds of $0.9 million under the ATM Program by issuing 2,013,788 common shares. The net proceeds under the ATM Program, after deducting sales commissions and other transaction fees and expenses (advisory and legal fees), amounted to $0.6 million.

Mezzanine equity:

5.00% SERIES D CUMULATIVE PERPETUAL CONVERTIBLE PREFERRED SHARES

On August 7, 2023, the Company agreed to issue 50,000 Series D Preferred Shares, having a stated value of $1,000 and par value of $0.001 per share , to Toro for aggregate consideration of $50.0 million in cash. This transaction and its terms were approved by the independent members of the board of directors of each of Castor and Toro at the recommendation of their respective special committees comprised of independent and disinterested directors, which negotiated the transaction and its terms. The fair value of the shares has been determined through Level 2 inputs of the fair value hierarchy by taking into consideration a third-party valuation. The Series D Preferred Shares were measured at fair value, being $49.5 million, and a capital contribution from Toro of $0.5 million, being the difference between the fair value and the transaction price, was recognized. The Series D Preferred Shares have the following characteristics:

- ***Dividends.*** Holders of Series D Preferred Shares are entitled to receive, when, as and if declared by the Company's board of directors, cumulative dividends at 5.00% per annum of the stated amount, in cash or shares of this Series, payable quarterly in arrears on the 15^{th} day of each January, April, July and October, respectively, in each year, beginning on October 15, 2023. For each dividend period commencing on and from the seventh anniversary of August 7, 2023, the rate shall be the annual dividend rate in effect for the prior dividend period multiplied by a factor of 1.3; provided that such dividend rate cannot exceed 20% per annum.

- ***Redemption.*** The Company may, at its option, redeem the Series D Preferred Shares in whole or in part, at any time and from time to time after the fifth anniversary of August 7, 2023 (the Series D Preferred Shares issue date), at a cash redemption price equal to 105% of the stated amount, together with an amount equal to all accrued dividends.

- ***Conversion Rights.*** The Series D Preferred Shares are convertible, at their holder's option, to common shares after the first anniversary of August 7, 2023 and at any time thereafter. The conversion price for any conversion of the Series D Preferred Shares shall be the lower of (i) $0.70 and (ii) the 5 day value weighted average price immediately preceding the conversion. The conversion price is subject to certain adjustments, including due to a stock dividend, subdivision, split or combination. The minimum conversion price is $0.30 per Common Share. The Series D Preferred Shares otherwise are not convertible into or exchangeable for property or shares of any other series or class of our capital stock.

- ***Voting Rights.*** Except as indicated below or otherwise required by law, the holders of the Series D Preferred Shares do not have any voting rights, except for (a) the right to elect, together with parity stock, up to two preferred directors, in certain circumstances upon nonpayment of dividends and (b) together with any other series of preferred shares that would be adversely affected in substantially the same manner and entitled to vote as a single class in proportion to their respective stated amounts (to the exclusion of all other series of preferred shares), given in person or by proxy, either in writing without a meeting or by vote at any meeting called for the purpose, will be necessary for effecting or validating: (i) any amendment, alteration or repeal of any provision of our Articles of Incorporation or Bylaws that would alter or change the voting powers, preferences or special rights of the Series D Preferred Shares so as to affect them adversely; (ii) the issuance of Dividend Parity Stock if the Accrued Dividends on all outstanding Series D Preferred Shares through and including the most recently completed Dividend Period have not been paid or declared and a sum sufficient for the payment thereof has been set aside for payment; (iii) any amendment or alteration of the Articles of Incorporation to authorize or create, or increase the authorized amount of, any shares of any class or series or any securities convertible into shares of any class or series of our capital stock ranking prior to Series A in the payment of dividends or in the distribution of assets on any liquidation, dissolution or winding up of the Company; or (iv) any consummation of (x) a binding share exchange or reclassification involving the Series D Preferred Shares, (y) a merger or consolidation of the Company with another entity (whether or not a corporation), or (z) a conversion, transfer, domestication or continuance of the Company into another entity or an entity organized under the laws of another jurisdiction, unless in each case (A) the Series D Preferred Shares remain outstanding or, in the case of any such merger or consolidation with respect to which we are not the surviving or resulting entity, or any such conversion, transfer, domestication or continuance, the Series D Preferred Shares are converted into or exchanged for preference securities of the surviving or resulting entity or its ultimate parent, and (B) such shares remaining outstanding or such preference securities, as the case may be, have such rights, preferences, privileges and voting powers, and limitations and restrictions, and limitations and restrictions thereof, taken as a whole, as are not materially less favorable to the holders thereof than the rights, preferences, privileges and voting powers, and restrictions and limitations thereof, of the Series D Preferred Shares immediately prior to such consummation, taken as a whole. The foregoing voting rights do not apply in connection with the issuance of Series C Participating Preferred Shares of the Company.

- ***Liquidation Rights.*** In the event of any liquidation, dissolution or winding up of the affairs of the Company, whether voluntary or involuntary, before any distribution or payment out of the Company's assets may be made to or set aside for the holders of any Junior Stock, holders of Series D Preferred Shares will be entitled to receive out of our assets legally available for distribution to our shareholders an amount equal to the stated amount per share ($1,000), together with an amount equal to all accrued dividends to the date of payment whether or not earned or declared.

- ***No Preemptive Rights; No Sinking Fund.*** Holders of the Series D Preferred Shares do not have any preemptive rights. The Series D Preferred Shares will not be subject to any sinking fund or any other obligation of us for their repurchase or retirement.

The Series D Preferred Shares have been classified in Mezzanine equity as per ASC 480-10-S99 "Distinguishing liabilities from Equity – SEC Materials" as they are in essence redeemable at the option of the holder as Mr. Panagiotidis, the Chief Executive Officer and controlling shareholder of Castor and Toro, can effectively determine the timing of the redemption of the Series D Preferred Shares.

The Company uses an effective interest rate of 6.12% over the expected life of the Series D Preferred Shares being nine years, which is the expected earliest redemption date. This is consistent with the interest method, taking into account the discount between the issuance price and liquidation preference and the stated dividends, including "step-up" amounts. The amount accreted was $73,023 and is presented as 'Deemed dividend on Series D Preferred Shares' in the accompanying unaudited interim condensed consolidated statements of comprehensive income.

10. Equity Capital Structure (continued):

As of September 30, 2023, the net value of Mezzanine Equity amounted to $49,426,216, comprising (i) the fair value measurement of the Series D Preferred Shares on initial recognition based on a third party valuation of $49,500,000, less issuance costs of $146,807 and (ii) $73,023 of deemed dividend on the Series D Preferred Shares during the period August 7, 2023 through September 30, 2023, and is separately presented as 'Mezzanine Equity' in the accompanying unaudited condensed consolidated balance sheet. As of September 30, 2023, the accrued dividend for the period from August 7, 2023 to September 30, 2023 (included in the dividend period ended October 14, 2023) amounted to $381,944 (Note 4(d)).

11. Financial Instruments and Fair Value Disclosures:

The principal financial assets of the Company consist of cash at banks, restricted cash, trade accounts receivable, investments in listed equities, an investment in related party and amounts due from related party/(ies). The principal financial liabilities of the Company consist of trade accounts payable, accrued liabilities, amounts due to related party/(ies) and long-term debt.

The following methods and assumptions were used to estimate the fair value of each class of financial instruments:

Cash and cash equivalents, restricted cash, accounts receivable trade, net, amounts due from/to related party/(ies) and accounts payable: The carrying values reported in the accompanying unaudited condensed consolidated balance sheets for those financial instruments are reasonable estimates of their fair values due to their short-term maturity nature. Cash and cash equivalents and restricted cash, current are considered Level 1 items as they represent liquid assets with short term maturities. The carrying value approximates the fair market value for interest bearing cash classified as restricted cash, non-current and is considered Level 1 item of the fair value hierarchy.

Investment in listed equity securities: The carrying value reported in the accompanying unaudited condensed consolidated balance sheet for this financial instrument represents its fair value and is considered Level 1 item of the fair value hierarchy as it is determined though quoted prices in an active market.

Long-term debt: The secured credit facilities discussed in Note 8, have a recorded value which is a reasonable estimate of their fair value due to their variable interest rate and are thus considered Level 2 items in accordance with the fair value hierarchy as LIBOR and SOFR rates are observable at commonly quoted intervals for the full terms of the loans.

Investment in related party: Investments in related party is initially measured at fair value which is deemed to be the cost and subsequently assessed for the existence of any observable market for the Series A Preferred Shares and any observable price changes for identical or similar investments and the existence of any indications for impairment. As per the Company's assessment no such case was identified as at September 30, 2023.

(Expressed in U.S. Dollars – except for share data unless otherwise stated)

The following is a tabular presentation of the non-recurring fair value measurement of Investment in related party.

	September 30, 2023	Significant other observable inputs (Level 2)	Total gain / (loss)
Non-recurring fair value measurements			
Investment in related party (Note 4)	117,222,135	117,222,135	—
Total investment in related party	**$ 117,222,135**	**$ 117,222,135**	$ —

Concentration of credit risk: Financial instruments, which potentially subject the Company to significant concentrations of credit risk, consist principally of cash and cash equivalents and trade accounts receivable. The Company places its cash and cash equivalents, consisting mostly of deposits, with high credit qualified financial institutions. The Company performs periodic evaluations of the relative credit standing of the financial institutions in which it places its deposits. The Company limits its credit risk with accounts receivable by performing ongoing credit evaluations of its customers' financial condition.

12. Commitments and Contingencies:

Various claims, lawsuits, and complaints, including those involving government regulations and product liability, arise in the ordinary course of the shipping business. In addition, losses may arise from disputes with charterers, agents, insurance and other claims with suppliers relating to the operations of the Company's vessels. Currently, management is not aware of any such claims or contingent liabilities, which should be disclosed (except as disclosed under Note 12 (b)), or for which a provision should be established in the accompanying unaudited interim condensed consolidated financial statements.

The Company accrues for the cost of environmental liabilities when management becomes aware that a liability is probable and is able to reasonably estimate the probable exposure. Currently, management is not aware of any such claims or contingent liabilities, which should be disclosed, or for which a provision should be established in the accompanying unaudited interim condensed consolidated financial statements. The Company is covered for liabilities associated with the vessels' actions to the maximum limits as provided by Protection and Indemnity (P&I) Clubs, members of the International Group of P&I Clubs.

(a) Commitments under long-term lease contracts

The following table sets forth the future minimum contracted lease payments to the Company (gross of charterers' commissions), based on the Company's vessels' commitments to non-cancelable time charter contracts as of September 30, 2023. Non-cancelable time charter contracts include both fixed-rate time charters or charters linked to the Baltic Dry Index ("BDI"). For index linked contracts, contracted lease payments have been calculated using the BDI linked rate as measured at the commencement date.

In addition, certain of the variable-rate contracts have the option at the Company's option to convert to a fixed rate for a predetermined period, in such cases where lease payments have been converted to a fixed rate, the minimum contracted lease payments for this period are calculated using the agreed converted fixed rate. The calculation does not include any assumed off-hire days.

Twelve-month period ending September 30,	Amount
2024	$ 36,231,530
Total	**$ 36,231,530**

(b) Claims

Following the buyers' failure to take delivery of *M/V Magic Moon*, the Company terminated the sale of the vessel under the Memorandum of Agreement, dated March 23, 2023, between the Company and the buyers (the "MoA"). Notably, the MoA required that the buyers deposit 10% of the purchase price into an escrow account administered by the escrow agent as security for completion of the transaction according to the terms and conditions set forth in the MoA and the buyers deposited $1,395,000 into such account prior to their breach of the MoA. The Company accordingly initiated arbitration proceedings during September 2023 for the release of and remittance to the Company of the $1,395,000 deposit held in escrow based on the Company's position that the buyers' failure to take delivery of the *M/V Magic Moon* constituted a default under the MoA. While the Company is unable to provide any assurances as to the ultimate outcome of the case, it believes it will prevail at arbitration.

In light of the ongoing nature of the dispute, the Company has followed the provisions of ASC 450-30-25-1 and has not recorded the expected gain on the sale of the *M/V Magic Moon* in its financial statements for the nine-months ended September 30, 2023.

Separately, the *M/V Magic Moon* was arrested by the buyers to secure a claim before the Korean courts for the amount of $1,395,000, equal to the amount of the deposit and the Company paid a counter-security of $1,395,000 for the purpose of lifting the arrest of the vessel. The Company has applied to the Korean courts to decide the issue of the return of the counter-security to Sellers. While the Company is unable to provide any assurances as to the ultimate outcome of the case, it believes it will prevail in its request from the courts in Korea to award to the Company the return of the counter-security. The Company has included the $1,395,000 in 'Prepaid expenses and other assets' in the accompanying unaudited condensed consolidated balance sheets incurred in connection with the cash deposit made by the Company for the purpose of lifting the arrest of the *M/V Magic Moon*.

It is possible that from time to time in the ordinary course of business the Company may be involved in legal proceedings or investigations, which could have an adverse impact on its reputation, business and financial condition and divert the attention of management from the operation of the business. However, the Company believes that the current legal proceedings are not expected to have a material adverse effect on its business, financial position or results of operations.

13. Earnings Per Common Share:

The Company calculates earnings/(loss) per common share by dividing net income available to common shareholders in each period by the weighted-average number of common shares outstanding during that period, after adjusting for the effect of cumulative dividends on the Series D Preferred Shares, whether or not earned, and only at periods when dividends on the Series D Preferred Shares are contractually allowed to accumulate.

Diluted earnings/(loss) per common share, if applicable, reflects the potential dilution that could occur if potentially dilutive instruments were exercised, resulting in the issuance of additional shares that would then share in the Company's net income. For the nine months ended September 30, 2022, and 2023, the effect of the warrants outstanding during these periods and as of those dates, would be antidilutive, hence were excluded from the computation of diluted earnings per share. If there is a loss from continuing operations, diluted EPS would be computed in the same manner as basic EPS is computed, even if the entity has net income after adjusting for a discontinued operation. The inclusion of the potential common shares from the conversion of outstanding Series D Preferred Shares (Note 10) (calculated with the "if converted" method) in diluted EPS from continuing operations would have anti-dilutive effect, therefor basic EPS and diluted EPS are the same for continuing operations, discontinued operations and net income.

For more information on the terms and conditions of the warrants, please refer to Note 11 of the consolidated financial statements for the year ended December 31, 2022, included in the Company's 2022 Annual Report.

(Expressed in U.S. Dollars – except for share data unless otherwise stated)

13. Earnings Per Common Share (continued):

The components of the calculation of basic and diluted earnings per common share are as follows:

	Nine months ended September 30, 2022	Nine months ended September 30, 2023
Net income / (loss) and comprehensive income /(loss) from continuing operations, net of taxes	**$ 58,697,035**	**$ (3,710,568)**
Net income and comprehensive income from discontinued operations, net of taxes	**26,182,107**	**17,339,332**
Net income and comprehensive income	**84,879,142**	**13,628,764**
Dividend on Series D Preferred Shares	—	(381,944)
Deemed dividend on Series D Preferred Shares	—	(73,023)
Net income attributable to common Shareholders	**84,879,142**	**13,173,797**
Weighted average number of common shares outstanding, basic	94,610,088	95,403,071
Effect of dilutive shares	—	—
Weighted average number of common shares outstanding, diluted	—	95,403,071
Earnings / (loss) per common share, basic and diluted, continuing operations	**0.62**	**(0.04)**
Earnings per common share, basic and diluted, discontinued operations	**0.28**	**0.18**
Earnings per common share, basic and diluted, total	**0.90**	**0.14**

14. Total Vessel Revenues:

The following table includes the voyage revenues earned by the Company in each of the nine-month periods ended September 30, 2022, and 2023, as presented in the accompanying unaudited interim condensed consolidated statements of comprehensive income:

	Nine months ended September 30, 2022	Nine months ended September 30, 2023
Time charter revenues	118,920,093	71,151,984
Total Vessel revenues	**$ 118,920,093**	**$ 71,151,984**

During each of the nine-month periods ended September 30, 2022 and 2023, the Company generated its revenues from time charters.

The Company typically enters into fixed rate or index-linked rate charters with an option to convert to fixed rate time charters ranging from one month to twelve months and in isolated cases on longer terms depending on market conditions. The charterer has the full discretion over the ports visited, shipping routes and vessel speed, subject to the owner protective restrictions discussed below. Time charter agreements may have extension options ranging from months, to sometimes, years. The time charter party generally provides, among others, typical warranties regarding the speed and the performance of the vessel as well as owner protective restrictions such that the vessel is sent only to safe ports by the charterer, subject always to compliance with applicable sanction laws and war risks, and carries only lawful and non-hazardous cargo.

(Expressed in U.S. Dollars – except for share data unless otherwise stated)

15. Vessel Operating Expenses and Voyage Expenses:

The amounts in the accompanying unaudited interim condensed consolidated statements of comprehensive income are analyzed as follows:

Vessel Operating Expenses	Nine months ended September 30, 2022	Nine months ended September 30, 2023
Crew & crew related costs	15,723,596	16,727,397
Repairs & maintenance, spares, stores, classification, chemicals & gases, paints, victualling	8,819,836	6,931,979
Lubricants	1,794,793	2,072,698
Insurances	2,424,640	2,689,044
Tonnage taxes	591,924	672,140
Other	1,596,158	2,724,747
Total Vessel operating expenses	**$ 30,950,947**	**$ 31,818,005**

Voyage expenses	Nine months ended September 30, 2022	Nine months ended September 30, 2023
Brokerage commissions	1,426,530	1,272,273
Brokerage commissions- related party	1,535,676	933,597
Port & other expenses	606,077	565,643
Bunkers consumption	1,969,645	997,988
(Gain)/loss on bunkers	(3,390,207)	200,932
Total Voyage expenses	**$ 2,147,721**	**$ 3,970,433**

16. General and Administrative Expenses:

General and administrative expenses are analyzed as follows:

	Nine months ended September 30, 2022	Nine months ended September 30, 2023
Audit fees	$ 347,513	$ 219,207
Non-executive directors’ compensation	54,000	54,000
Professional fees and other expenses	2,652,211	1,829,446
Administration fees-related party (Note 4(a))	1,350,000	2,299,500
Total	**$ 4,403,724**	**$ 4,402,153**

(Expressed in U.S. Dollars – except for share data unless otherwise stated)

17. Interest and Finance Costs:

The amounts in the accompanying unaudited interim consolidated statements of comprehensive income are analyzed as follows:

	Nine months ended September 30, 2022	Nine months ended September 30, 2023
Interest on long-term debt	$ 4,474,585	$ 7,694,631
Amortization of deferred finance charges	551,652	672,441
Other finance charges	105,125	458,222
Total Interest and Finance Costs	**$ 5,131,362**	**$ 8,825,294**

18. Segment Information:

In late 2022, the Company acquired two containerships. As a result of the different characteristics of such containerships in relation to the Company's other operating segments, the Company determined that, with effect from the fourth quarter of 2022, it operated in two reportable segments: (i) dry bulk and (ii) containerships on a continued operations basis. The reportable segments reflect the internal organization of the Company and the way the chief operating decision maker reviews the operating results and allocates capital within the Company. In addition, the transport of dry cargo commodities, which are carried by dry bulk vessels, has different characteristics to the transport of containerized products (carried by containerships). In addition, the transportation of containerized goods, the nature of trade, as well as the trading routes, charterers and cargo handling, is different from the dry-bulk segment.

The table below presents information about the Company's reportable segments as of and for the nine months ended September 30, 2022, and 2023. The accounting policies followed in the preparation of the reportable segments are the same as those followed in the preparation of the Company's unaudited interim condensed consolidated financial statements. Segment results are evaluated based on income from operations**.**

	Nine months ended September 30, 2022		Nine months ended September 30, 2023		
	Dry bulk segment	**Total**	**Dry bulk segment**	**Container ship segment**	**Total**
Time charter revenues	$ 118,920,093	118,920,093	$ 60,508,493	10,643,491	71,151,984
Total vessel revenues	**$ 118,920,093**	**118,920,093**	$ **60,508,493**	**10,643,491**	**71,151,984**
Voyage expenses (including charges from related party)	(2,147,721)	(2,147,721)	(3,453,050)	(517,383)	(3,970,433)
Vessel operating expenses	(30,950,947)	(30,950,947)	(27,742,577)	(4,075,428)	(31,818,005)
Management fees to related parties	(4,779,000)	(4,779,000)	(4,932,525)	(516,274)	(5,448,799)
Depreciation and amortization	(13,391,867)	(13,391,867)	(13,244,126)	(3,981,266)	(17,225,392)
Gain on sale of vessel	—	—	6,278,454	—	6,278,454
Segments operating income	**$ 67,650,558**	**$ 67,650,558**	**$ 17,414,669**	**$ 1,553,140**	**$ 18,967,809**
Interest and finance costs		(5,096,439)			(8,485,041)
Interest income		31,589			1,605,982
Foreign exchange gains/(losses)		130,266			(67,237)
Unrealized gain / (loss) on equity securities		39,756			(13,470,342)
Unallocated corporate general and administrative expenses		(4,403,724)			(4,402,153)
Corporate Interest and finance costs		(34,923)			(340,253)
Corporate Interest income		622,327			600,617
Corporate exchange gains/(losses)		6,571			(5,641)
Dividend income on equity securities		3,528			1,173,072
Dividend income from related party		—			808,889
Gain on sale of equity securities		—			2,636
Net income / (loss) and comprehensive income/(loss) from continuing operations, before taxes		**$ 58,949,509**			**$ (3,611,662)**
Net income and Comprehensive income from discontinued operations, before taxes		**$ 26,979,914**			**$ 17,513,269**
Net income and Comprehensive income, before taxes		**$ 85,929,423**			**$ 13,901,607**

(Expressed in U.S. Dollars – except for share data unless otherwise stated)

18. Segment Information (continued):

A reconciliation of total segment assets to total assets presented in the accompanying unaudited condensed consolidated balance sheets of December 31, 2022, and September 30, 2023, is as follows:

	As of December 31, 2022	As of September 30, 2023
Dry bulk segment	$ 339,599,683	$ 297,003,774
Containership segment	52,850,927	47,848,171
Cash and cash equivalents (1)	82,336,438	80,394,719
Prepaid expenses and other assets (1)	654,796	176,720,887
Total assets from continuing operations	**$ 475,441,844**	**$ 601,967,551**
Total assets from discontinued operations	**$ 157,479,104**	$ —
Total consolidated assets	**$ 632,920,948**	**$ 601,967,551**

(1) Refers to assets of other, non-vessel owning, entities included in the unaudited interim condensed consolidated financial statements.

19. Subsequent Events:

(a) **Sale of the *M/V Magic Sun*:** On October 6, 2023, the Company entered into an agreement with an unaffiliated third party for the sale of the *M/V Magic Sun* for a gross sale price of $6.55 million. The vessel is expected to be delivered to its new owners during the fourth quarter of 2023. The Company expects to record during the fourth quarter of 2023 a net gain of approximately $1.0 million, excluding any transaction-related costs.

(b) **Sale of the *M/V Magic Phoenix*:** On October 16, 2023, the Company entered into an agreement with an unaffiliated third party for the sale of the *M/V Magic Phoenix* for a gross sale price of $14 million. The vessel is expected to be delivered to its new owners during the fourth quarter of 2023. The Company expects to record during the fourth quarter of 2023 a net loss of approximately $2.6 million, excluding any transaction-related costs.

(c) **Dividend on Series D Preferred Shares:** On October 16, 2023, the Company paid to Toro a dividend (declared on September 25, 2023) amounting to $479,167 on the Series D Preferred Shares for the dividend period from August 7, 2023, to October 14, 2023.

(d) **Warrant Repurchases:** On October 6, 2023, the Company repurchased, in privately negotiated transactions with unaffiliated third-party warrantholders, 8,900,000 warrants issued on April 7, 2021 (the "April 7 Warrants") and 67,864 warrants issued on July 15, 2020 (the "Private Placement Warrants") for $0.105 per repurchased warrant, or an aggregate purchase price of $0.9 million. The Company agreed that if it at any time prior to January 31, 2024, it repurchases additional April 7 Warrants at a higher price, it will pay the selling warrantholders the difference between the higher repurchase price and $0.105 with respect to the applicable repurchased warrants. Following the repurchase, (i) 10,330,770 April 7 Warrants with an exercise price of $5.53, (ii) no Private Placement Warrants and (iii) 62,344 Class A warrants issued on June 26, 2020 with an exercise price of $2.53, remain outstanding, each exercisable for one common share of Castor.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following is a discussion of the financial condition and results of operations of Castor Maritime Inc. ("Castor") for the nine-month periods ended September 30, 2022, and September 30, 2023. Unless otherwise specified herein, references to the "Company", "we", "our" and "us" or similar terms shall include Castor and its wholly owned subsidiaries. You should read the following discussion and analysis together with the unaudited interim condensed consolidated financial statements and related notes included elsewhere in this report. Amounts relating to percentage variations in period-on-period comparisons shown in this section are derived from those unaudited interim condensed consolidated financial statements. The following discussion contains forward-looking statements that reflect our future plans, estimates, beliefs and expected performance. These forward-looking statements are dependent upon events, risks and uncertainties that may be outside our control which could cause actual events or conditions to differ materially from those currently anticipated and expressed or implied by such forward-looking statements. For a more complete discussion of these risks and uncertainties, please read the sections entitled "*Cautionary Statement Regarding Forward-Looking Statements*" and "*Item 3. Key Information – D. Risk Factors*" in our Annual Report for the year ended December 31, 2022 (the "2022 Annual Report"), which was filed with the U.S. Securities and Exchange Commission (the "SEC") on March 8, 2023. For additional information relating to our management's discussion and analysis of financial conditions and results of operations, please see our 2022 Annual Report. Unless otherwise defined herein, capitalized terms and expressions used herein have the same meanings ascribed to them in the 2022 Annual Report.

Business Overview and Fleet Information

We are a growth-oriented global shipping company that was incorporated in the Republic of the Marshall Islands in September 2017 for the purpose of acquiring, owning, chartering and operating oceangoing cargo vessels. We are a provider of worldwide seaborne transportation services for dry bulk and container cargoes.

We currently operate a fleet consisting of 18 dry bulk carriers that engage in the worldwide transportation of commodities such as iron ore, coal, soybeans etc., with an aggregate cargo carrying capacity of 1.5 million dwt and an average age of 13.8 years and 2 containership vessels with an aggregate cargo carrying capacity of 0.1 million dwt and an average age of 18.1 years (together, our "Fleet"). The average age of our entire Fleet is 14.3 years. Our management reviews and analyzes operating results for our business over two reportable segments, (i) the Dry Bulk Segment, and (ii) the Containership Segment. On March 7, 2023, we completed the previously announced contribution of the subsidiaries constituting our Aframax/LR2 and Handysize tanker segments and Elektra Shipping Co. (the subsidiary formerly owning the *M/T Wonder Arcturus*, which was delivered to its new owners on July 15, 2022) to our then wholly owned subsidiary, Toro Corp. ("Toro"), in exchange for various issuances of stock by Toro and distribution of all common shares of Toro on a pro rata basis to our common shareholders (such transactions collectively, the "Spin-Off").

Our dry bulk and containership fleets currently operate in the time charter market. Our commercial strategy primarily focuses on deploying our Fleet under a mix of period time charters and trip time charters according to our assessment of market conditions. Our aim is to periodically adjust the mix of these chartering arrangements to take advantage of the relatively stable cash flows and high utilization rates associated with period time charters or to profit from attractive spot charter rates in the trip charter market.

Until June 30, 2022, our Fleet was technically managed by Pavimar S.A. ("Pavimar"), a related party controlled by Ismini Panagiotidis, the sister of our Chairman, Chief Executive Officer, Chief Financial Officer and controlling shareholder, Mr. Petros Panagiotidis, and commercially managed by Castor Ships S.A ("Castor Ships"), a company controlled by Mr. Panagiotidis. With effect from July 1, 2022, our vessels are technically and commercially managed by Castor Ships. Castor Ships has opted, with effect from the same date, to technically co-manage our dry-bulk fleet with Pavimar, whereas the technical management of our containerships are currently subcontracted to one third-party ship management company.

The following table summarizes key information about our Fleet as of the date of this report:

Fleet vessels:

Dry Bulk Carriers (1)

Vessel Name	*Vessel Type*	*DWT*	*Year Built*	*Country of Construction*	*Purchase Price (in million)*	*Delivery Date*
Magic P	Panamax	76,453	2004	Japan	$ 7.35	02/21/2017
Magic Sun(2)	Panamax	75,311	2001	Korea	$ 6.71	09/05/2019
Magic Moon(3)	Panamax	76,602	2005	Japan	$ 10.20	10/20/2019
Magic Horizon	Panamax	76,619	2010	Japan	$ 12.75	10/09/2020
Magic Nova	Panamax	78,833	2010	Japan	$ 13.86	10/15/2020
Magic Orion	Capesize	180,200	2006	Japan	$ 17.50	03/17/2021
Magic Venus	Kamsarmax	83,416	2010	Japan	$ 15.85	03/02/2021
Magic Argo(4)	Kamsarmax	82,338	2009	Japan	$ 14.50	03/18/2021
Magic Nebula	Kamsarmax	80,281	2010	Korea	$ 15.45	05/20/2021
Magic Thunder	Kamsarmax	83,375	2011	Japan	$ 16.85	04/13/2021
Magic Eclipse	Panamax	74,940	2011	Japan	$ 18.48	06/07/2021
Magic Starlight	Kamsarmax	81,048	2015	China	$ 23.50	05/23/2021
Magic Vela	Panamax	75,003	2011	China	$ 14.50	05/12/2021
Magic Perseus	Kamsarmax	82,158	2013	Japan	$ 21.00	08/09/2021
Magic Pluto	Panamax	74,940	2013	Japan	$ 19.06	08/06/2021
Magic Mars	Panamax	76,822	2014	Korea	$ 20.40	09/20/2021
Magic Phoenix(5)	Panamax	76,636	2008	Japan	$ 18.75	10/26/2021
Magic Callisto(6)	Panamax	74,930	2012	Japan	$ 23.55	01/04/2022
			Containerships(7)			
Ariana A	2,700 TEU capacity Containership	38,117	2005	Germany	$ 25.00	11/23/22
Gabriela A	2,700 TEU capacity Containership	38,121	2005	Germany	$ 25.75	11/30/22

(1) On March 13, 2023, the Company entered into an agreement with an unaffiliated third party for the sale of the *M/V Magic Rainbow* for a gross sale price of $12.6 million. The vessel was delivered to its new owners on April 18, 2023. On June 2, 2023, the Company entered into an agreement with an unaffiliated third party for the sale of the *M/V Magic Twilight* for a gross sale price of $17.5 million. The vessel was delivered to its new owners on July 20, 2023. For further information, please refer to Note 7(b) to our unaudited interim condensed consolidated financial statements, included elsewhere herein.

(2) On October 6, 2023, the Company entered into an agreement with an unaffiliated third party for the sale of the *M/V Magic Sun* for a gross sale price of $6.55 million. The vessel is expected to be delivered to its new owners during the fourth quarter of 2023. For further information, please refer to Note 19(a) to our unaudited interim condensed consolidated financial statements, included elsewhere herein.

(3) On March 23, 2023, the Company entered into an agreement with an unaffiliated third party for the sale of the *M/V Magic Moon* for a gross sale price of $13.95 million. On September 26, 2023, the Company announced that the previously announced sale of the *M/V Magic Moon* had been terminated following the buyer's failure to take delivery of the vessel. See also Note 7(b) and 12(b) to our unaudited interim condensed consolidated financial statements, included elsewhere herein.

(4) On September 22, 2023, the Company entered into an agreement with an unaffiliated third party for the sale of the *M/V Magic Argo* for a gross sale price of $15.75 million. The vessel is expected to be delivered to its new owners during the fourth quarter of 2023. For further information, please refer to Note 7(b) to our unaudited interim condensed consolidated financial statements, included elsewhere herein.

(5) On October 16, 2023, the Company entered into an agreement with an unaffiliated third party for the sale of the *M/V Magic Phoenix* for a gross sale price of $14 million. The vessel is expected to be delivered to its new owners during the fourth quarter of 2023. For further information, please refer to Note 19(a) to our unaudited interim condensed consolidated financial statements, included elsewhere herein.

(6) On January 4, 2022, our wholly owned subsidiary, Mickey Shipping Co., pursuant to a purchase agreement entered into on December 17, 2021, took delivery of the *M/V Magic Callisto*, a Japanese-built Panamax dry bulk carrier acquired from a third-party in which a family member of Petros Panagiotidis had a minority interest. The transaction was approved by a special committee of disinterested and independent directors of the Company.

(7) On October 26, 2022, our wholly owned subsidiaries, Tom Shipping Co. and Jerry Shipping Co., entered into two separate agreements to each acquire a 2005 German-built 2,700 TEU containership vessel each, from two separate entities beneficially owned by family members of the Company's Chairman, Chief Executive Officer and Chief Financial Officer. The terms of these transactions were negotiated and approved by a special committee of disinterested and independent directors of the Company.

We intend to continuously explore the market in order to identify further potential acquisition targets which will help us modernize our Fleet and develop our business. Our acquisition strategy has so far focused on secondhand dry bulk vessels and, recently, containerships, though we may acquire vessels in other sizes, age and/or sectors which we believe offer attractive investment opportunities, subject to the parameters set out in certain resolutions passed by our board of directors in connection with the Spin-Off. We may also opportunistically dispose of vessels and may engage in such acquisitions and disposals at any time and from time to time.

Recent Developments

Please refer to Note 19 to our unaudited interim condensed consolidated financial statements, included elsewhere herein, for developments that took place after September 30, 2023.

Operating results

Important measures and definitions for analyzing our results of operations

Our management uses the following metrics to evaluate our operating results, including the operating results of our segments, and to allocate capital accordingly:

Total vessel revenues. Total vessel revenues are generated mainly from time charters. Vessels operating on time charters for a certain period provide more predictable cash flows over that period. Total vessel revenues are affected by the number of vessels in our Fleet, hire rates and the number of days a vessel operates which, in turn, are affected by several factors, including the amount of time that we spend positioning our vessels, the amount of time that our vessels spend in dry dock undergoing repairs, maintenance and upgrade work, the age, condition and specifications of our vessels, and levels of supply and demand in the seaborne transportation market.

For further discussion of vessel revenues, please refer to Note 14 to our unaudited interim condensed consolidated financial statements included elsewhere in this report.

Voyage expenses. Our voyage expenses primarily consist of brokerage commissions paid in connection with the chartering of our vessels. Under a time charter, the charterer pays substantially all the vessel voyage related expenses. However, we may incur voyage related expenses when positioning or repositioning vessels before or after the period of a time charter, during periods of commercial waiting time or while off-hire during dry docking or due to other unforeseen circumstances. and occasionally of bunker expenses. Gain/loss on bunkers may also arise where the cost of the bunker fuel sold to the new charterer is greater or less than the cost of the bunker fuel acquired.

Operating expenses. We are responsible for vessel operating costs, which include crewing, expenses for repairs and maintenance, the cost of insurance, tonnage taxes, the cost of spares and consumable stores, lubricating oils costs, communication expenses, and other expenses, including ship management fees. Expenses for repairs and maintenance tend to fluctuate from period to period because most repairs and maintenance typically occur during periodic drydocking. Our ability to control our vessels' operating expenses also affects our financial results. Daily vessel operating expenses are calculated by dividing Fleet operating expenses by the Ownership Days for the relevant period.

Off-hire. The period a vessel in our Fleet is unable to perform the services for which it is required under a charter for reasons such as scheduled repairs, vessel upgrades, dry-dockings or special or intermediate surveys or other unforeseen events.

Dry-docking/Special Surveys. We periodically dry-dock and/or perform special surveys on vessels in our Fleet for inspection, repairs and maintenance and any modifications to comply with industry certification or governmental requirements. Our ability to control our dry-docking and special survey expenses and our ability to complete our scheduled dry-dockings and/or special surveys on time also affects our financial results. Dry-docking and special survey costs are accounted under the deferral method whereby the actual costs incurred are deferred and are amortized on a straight-line basis over the period through the date the next survey is scheduled to become due.

Ownership Days. Ownership Days are the total number of calendar days in a period during which we owned a vessel. Ownership Days are an indicator of the size of our Fleet over a period and determine both the level of revenues and expenses recorded during that specific period.

Available Days. Available Days are the Ownership Days in a period less the aggregate number of days our vessels are off-hire due to scheduled repairs, dry-dockings or special or intermediate surveys. The shipping industry uses Available Days to measure the aggregate number of days in a period during which vessels are available to generate revenues. Our calculation of Available Days may not be comparable to that reported by other companies.

Operating Days. Operating Days are the Available Days in a period after subtracting unscheduled off-hire days and idle days.

Fleet Utilization. Fleet Utilization is calculated by dividing the Operating Days during a period by the number of Available Days during that period. Fleet Utilization is used to measure a company's ability to efficiently find suitable employment for its vessels.

Principal factors impacting our business, results of operations and financial condition

Our results of operations are affected by numerous factors. The principal factors that have impacted the business during the fiscal periods presented in the following discussion and analysis and that are likely to continue to impact our business are the following:

- The levels of demand and supply of seaborne cargoes and vessel tonnage in the shipping industries in which we operate;

- The cyclical nature of the shipping industry in general and its impact on charter rates and vessel values;

- The successful implementation of the Company's business strategy, including our ability to obtain equity and debt financing at acceptable and attractive terms to fund future capital expenditures and/or to implement our business strategy;

- The global economic growth outlook and trends;

- Economic, regulatory, political and governmental conditions that affect shipping and the dry bulk and container industries, including international conflict or war (or threatened war), such as between Russia and Ukraine and in Israel and the surrounding region;

- The employment and operation of our Fleet including the utilization rates of our vessels;

- Our ability to successfully employ our vessels at economically attractive rates and our strategic decisions regarding the employment mix of our Fleet as our charters expire or are otherwise terminated;

- Management of the financial, general and administrative elements involved in the conduct of our business and ownership of our Fleet, including the effective and efficient technical management of our Fleet by our head and sub-managers, and their suppliers;

- The number of customers who use our services and the performance of their obligations under their agreements, including their ability to make timely payments to us;

- Our ability to maintain solid working relationships with our existing customers and our ability to increase the number of our charterers through the development of new working relationships;

- The reputation and safety record of our manager and/or sub-managers for the management of our vessels;

- Dry-docking and special survey costs and duration, both expected and unexpected;

- The level of any distribution on all classes of our shares;

- Our borrowing levels and the finance costs related to our outstanding debt as well as our compliance with our debt covenants;

- Management of our financial resources, including banking relationships and of the relationships with our various stakeholders;

- Major outbreaks of diseases (such as COVID-19) and governmental responses thereto.

- The Company currently has investments in listed equity securities. Investments in listed equity securities are subject to market risk and price volatility, and our results may be adversely affected by the realization of losses upon disposition of investments or the recognition of significant unrealized losses during the holding period of these investments.

Employment and operation of our Fleet

Another factor that impacts our profitability is the employment and operation of our Fleet. The profitable employment of our Fleet is highly dependent on the levels of demand and supply in the shipping industries in which we operate, our commercial strategy including the decisions regarding the employment mix of our Fleet, as well as our managers' ability to leverage our relationships with existing or potential customers. The effective operation of our Fleet mainly requires regular maintenance and repair, effective crew selection and training, ongoing supply of our Fleet with the spares and the stores that it requires, contingency response planning, auditing of our vessels' onboard safety procedures, arrangements for our vessels' insurance, chartering of the vessels, training of onboard and on shore personnel with respect to the vessels' security and security response plans (ISPS), obtaining of ISM certifications, compliance with environmental regulations and standards, and performing the necessary audit for the vessels within the six months of taking over a vessel and the ongoing performance monitoring of the vessels.

Financial, general and administrative management

The management of financial, general and administrative elements involved in the conduct of our business and ownership of our vessels requires us to manage our financial resources, which includes managing banking relationships, administrating our bank accounts, managing our accounting system, records and financial reporting, monitoring and ensuring compliance with the legal and regulatory requirements affecting our business and assets and managing our relationships with our service providers and customers.

See also "*Item 3. Key Information—D. Risk Factors*" in our 2022 Annual Report. Because many of these factors are beyond our control and certain of these factors have historically been volatile, past performance is not necessarily indicative of future performance and it is difficult to predict future performance with any degree of certainty.

Results of Operations

Following the completion of the Spin-Off, the historical results of operations and the financial position of Toro Corp. and Aframax/LR2 and Handysize segments for periods prior to the Spin-Off are presented as discontinued operations. For information on our discontinued operations, see Note 3 to the unaudited interim condensed consolidated financial statements.

Consolidated Results of Operations
Nine months ended September 30, 2023, as compared to the nine months ended September 30, 2022

(In U.S. Dollars, except for number of share data)		**Nine Months Ended September 30, 2022**		**Nine Months Ended September 30, 2023**		**Change-amount**
Total vessel revenues	$	118,920,093	$	71,151,984	$	47,768,109
Expenses:						
Voyage expenses (including commissions to related party)		(2,147,721)		(3,970,433)		1,822,712
Vessel operating expenses		(30,950,947)		(31,818,005)		867,058
Management fees to related parties		(4,779,000)		(5,448,799)		669,799
Depreciation and amortization		(13,391,867)		(17,225,392)		3,833,525
General and administrative expenses (including costs from related party)		(4,403,724)		(4,402,153)		1,571
Gain on sale of vessel		-		6,278,454		6,278,454
Operating income	**$**	**63,246,834**	**$**	**14,565,656**	**$**	**48,681,178**
Interest and finance costs, net		(4,477,446)		(6,618,695)		2,141,249
Other income/ (expenses) (1)		180,121		(11,558,623)		11,738,744
Income taxes		(252,474)		(98,906)		153,568
Net income / (loss) and comprehensive income / (loss) from continuing operations, net of taxes	**$**	**58,697,035**	**$**	**(3,710,568)**	**$**	**62,407,603**
Net income and comprehensive income from discontinued operations, net of taxes	**$**	**26,182,107**	**$**	**17,339,332**	**$**	**8,842,775**
Net income and comprehensive income	**$**	**84,879,142**	**$**	**13,628,764**	**$**	**71,250,378**
Dividend on Series D Preferred Shares		-		(381,944)		381,944
Deemed dividend on Series D Preferred Shares		-		(73,023)		73,023
Net income attributable to common shareholders	**$**	**84,879,142**		**13,173,797**		**71,705,345**
Earnings / (loss) per common share, basic and diluted, continuing operations	**$**	**0.62**	**$**	**(0.04)**		
Earnings per common share, basic and diluted, discontinued operations	**$**	**0.28**	**$**	**0.18**		
Earnings per common share, basic and diluted, Total	**$**	**0.90**	**$**	**0.14**		
Weighted average number of common shares, basic and diluted		94,610,088		95,403,071		

(1) Includes aggregated amounts for foreign exchange losses / (gains), unrealized losses / (gains) from equity securities and other income, as applicable in each period.

Total vessel revenues – Total vessel revenues decreased to $71.2 million in the nine months ended September 30, 2023, from $118.9 million in the same period of 2022. This decrease was largely driven by the drop in prevailing charter rates of our dry bulk vessels. During the nine-months ended September 30, 2023, our fleet earned on average a Daily TCE Rate of $11,698, compared to an average Daily TCE Rate of $21,823 earned during the same period in 2022. The decrease has been partly offset by the net increase in our Available Days from 5,351 days in the nine months ended September 30, 2022, to 5,743 days in the nine months ended September 30, 2023, following the acquisition of the two containerships that were delivered to the Company in November 2022. This increase was partially offset by the sales to unaffiliated third-parties of the (i) *M/V Magic Rainbow* on April 18, 2023 and (ii) *M/V Magic Twilight* on July 20, 2023. Daily TCE Rate is not a recognized measure under U.S. GAAP. Please refer to Appendix A for the definition and reconciliation of this measure to Total vessel revenues, the most directly comparable financial measure calculated and presented in accordance with U.S. GAAP.

Voyage expenses – Voyage expenses increased by $1.9 million, to $4.0 million in the nine months ended September 30, 2023, from $2.1 million in the corresponding period of 2022. This increase in voyage expenses is mainly associated with the decrease of gain on bunkers by $3.6 million partly offset by: (i) decreased bunkers consumption and (ii) decreased brokerage commission expenses, corresponding to the decrease in vessel revenues discussed above.

Vessel operating expenses – The increase in operating expenses by $0.8 million, to $31.8 million in the nine months ended September 30, 2023, from $31.0 million in the same period of 2022 mainly reflects the increase in the Ownership Days of our Fleet Days to 5,767 days in the nine-months ended September 30, 2023, from 5,456 days in the same period in 2022, partially offset by a decrease in repairs, spares and maintenance costs for certain of our dry bulk vessels. This variation is primarily attributable to the acquisition of the two containerships.

Management fees – On July 28, 2022, we entered into an amended and restated master management agreement with Castor Ships, with effect from July 1, 2022, (the "Amended and Restated Master Management Agreement"), which, among other things, increased management fees payable to Castor Ships. Our vessel owning subsidiaries each also entered into new ship management agreements with Castor Ships. See Note 4(a) to our unaudited interim condensed consolidated financial statements included elsewhere herein for further details on such amended agreements. Management fees in the nine months ended September 30, 2023, amounted to $5.5 million, whereas, in the same period of 2022, management fees totaled $4.8 million. This increase in management fees is due to (i) the acquisition of two containerships, resulting in an increase in the total number of Ownership Days for which our managers charged us a daily management fee, as well as (ii) the adjustment of management fees under the Amended and Restated Master Management Agreement for inflation effected on July 1, 2023.

Depreciation and amortization –Depreciation and amortization expenses are comprised of vessels' depreciation and the amortization of vessels' capitalized dry-dock costs. Depreciation expenses increased to $15.5 million in the nine months ended September 30, 2023, from $12 million in the same period of 2022 as a result of the increase in the Ownership Days of our Fleet following the acquisition of the two containerships, offset by a decrease of $0.3 million in depreciation expense of dry bulk vessels, relating to vessels sold. Dry-dock and special survey amortization charges amounted to $1.7 million for the nine months ended September 30, 2023, compared to a charge of $1.4 million in the respective period of 2022. This variation in dry-dock amortization charges primarily resulted from the increase in the number of dry docks that our dry bulk fleet underwent throughout the year ended December 31, 2022, which resulted in an increase in aggregate amortization days to 1,855 days in the nine months ended September 30, 2023, from 1,431 days in the nine months ended September 30, 2022.

General and administrative expenses – General and administrative expenses in the nine months ended September 30, 2023 and 2022, amounted to $4.4 million in both periods. During the nine month period ended September 30, 2023, there has been an increase in our administrative fees under the Amended and Restated Master Management Agreement by $0.9 million, offset by $0.9 million of corporate fees primarily related to the Spin-Off that occurred during the nine months period ended September 30, 2022.

Gain on sale of vessel - On April 18, 2023, we concluded the sale of the *M/V Magic Rainbow* which we sold, pursuant to an agreement dated March 13, 2023, for cash consideration of $12.6 million. The sale resulted in net proceeds to the Company of $11.4 million and the Company recording a net gain on the sale of $3.1 million. On July 20, 2023, we concluded the sale of the *M/V Magic Twilight*, sold pursuant to an agreement dated June 2, 2023 for cash consideration of $17.5 million. The sale resulted in net proceeds to the Company of $16.6 million and the Company recording a net gain on the sale of $3.15 million.

Interest and finance costs, net – The increase by $2.1 million to $6.6 million in net interest and finance costs in the nine months ended September 30, 2023, as compared with $4.5 million in the same period of 2022, is mainly due to the increase of the weighted average interest rate on our debt from 4.5% in the nine months ended September 30, 2022, to 8.4% in the nine months ended September 30, 2023, further affecting our interest and finance costs, partly offset by an increase in interest we earned from time deposits due to increased interest rates. Our weighted average indebtedness decreased from $131.5 million in the nine months ended September 30, 2022 to $123.6 million in the nine months ended September 30, 2023.

Other income/(expenses) – Other expenses in the nine months ended September 30, 2023 amounted to $11.6 million and mainly include unrealized loss of $13.5 million from revaluing our investments in listed equity securities at period end market rates. We did not hold any investment in equity securities during the nine months period ended September 30, 2022. Other expenses in the nine months ended September 30, 2023 are partially offset by dividend income on equity securities of $1.2 million and dividend income from our investment in 1.00% Series A Fixed Rate Cumulative Perpetual Convertible Preferred Shares of Toro of $0.8 million.

Net income from discontinued operations – Net income from discontinued operations decreased by $8.8 million to $17.4 million in the period from January 1 through March 7, 2023, as compared to $26.2 million in the nine months ended September 30, 2022.

Discontinued Operations

An analysis of the amounts recorded in respect of discontinued operations in the period from January 1 through March 7, 2023, and in the nine months ended September 30, 2022, respectively are presented as follows:

	Nine Months Ended September 30, 2022	January 1 through March 7, 2023
REVENUES:		
Time charter revenues	11,981,904	914,000
Voyage charter revenues	45,927,552	7,930
Pool revenues	15,951,024	22,447,344
Total vessel revenues	**73,860,480**	**23,369,274**
EXPENSES:		
Voyage expenses (including commissions to related party)	(26,031,974)	(374,396)
Vessel operating expenses	(15,905,448)	(3,769,132)
Management fees to related parties	(2,115,900)	(507,000)
Depreciation and amortization	(5,440,750)	(1,493,759)
Recovery of provision for doubtful accounts	—	266,732
Gain on sale of vessel	3,222,631	—
Total expenses	**(46,271,441)**	**(5,877,555)**
Operating income	**27,589,039**	**17,491,719**
OTHER INCOME/ (EXPENSES):		
Interest and finance costs	(629,019)	(220,061)
Interest income	26,545	253,165
Foreign exchange losses	(6,651)	(11,554)
Total other (expenses)/income, net	**(609,125)**	**21,550**
Net income and comprehensive income from discontinued operations, before taxes	**$ 26,979,914**	**$ 17,513,269**
Income taxes	(797,807)	(173,937)
Net income and comprehensive income from discontinued operations, net of taxes	**$ 26,182,107**	**$ 17,339,332**

Segment Results of Operations

Nine months ended September 30, 2023, as compared to the nine months ended September 30, 2022 —Dry Bulk Segment

(In U.S. Dollars)	Nine months ended September 30, 2022	Nine months ended September 30, 2023	Change-amount
Total vessel revenues	$ 118,920,093	$ 60,508,493	$ 58,411,600
Expenses:			
Voyage expenses (including commissions to related party)	(2,147,721)	(3,453,050)	1,305,329
Vessel operating expenses	(30,950,947)	(27,742,577)	3,208,370
Management fees to related parties	(4,779,000)	(4,932,525)	153,525
Depreciation and amortization	(13,391,867)	(13,244,126)	147,741
Gain on sale of vessel	-	6,278,454	6,278,454
Operating income (1)	**$ 67,650,558**	**$ 17,414,669**	**$ 50,235,889**

(1) Does not include corporate general and administrative expenses. See the discussion under "Consolidated Results of Operations" above.

Total vessel revenues

Total vessel revenues for our dry bulk fleet, decreased to $60.5 million in the nine months ended September 30, 2023, from $118.9 million in the same period of 2022. This decrease was largely driven by the weaker charter hire rates that our dry bulk fleet earned in the nine months ended September 30, 2023 as compared with those earned during the same period of 2022 as, during the nine-months ended September 30, 2023, our dry bulk fleet earned on average a Daily TCE Rate of $10,928, compared to an average Daily TCE Rate of $21,823 earned during the same period in 2022. Daily TCE Rate is not a recognized measure under U.S. GAAP. Please refer to Appendix A for the definition and reconciliation of this measure to Total vessel revenues, the most directly comparable financial measure calculated and presented in accordance with U.S. GAAP.

Voyage expenses

Voyage expenses increased to $3.5 million in the nine months ended September 30, 2023, from $2.1 million in the corresponding period of 2022. This increase in voyage expenses is mainly associated with the decrease of gain on bunkers counterbalanced by the (i) decreased bunkers consumption and (ii) decreased brokerage commission expenses, corresponding to the decrease in vessel revenues discussed above.

Vessel operating expenses

The decrease in operating expenses for our dry bulk fleet by $3.3 million, to $27.7 million in the nine months ended September 30, 2023, from $31.0 million in the same period of 2022, mainly reflects the decrease in repairs, spares and maintenance costs for certain of our dry bulk vessels and the decrease in ownership days from 5,456 days in the nine-month period ended September 30, 2022 to 5,221 days in the nine month period ended September 30, 2023, following the sales of the *M/V Magic Rainbow* and *M/V Magic Twilight* on April 18, 2023 and July 20, 2023, respectively.

Management fees

Management fees for our dry bulk fleet in the nine months ended September 30, 2023, amounted to $4.9 million, whereas in the same period of 2022 management fees totaled $4.8 million. This increase in management fees is due to the adjustment of management fees for inflation effective July 1, 2023, offset by decreased Ownership Days due to the sale of the vessels mentioned above.

Depreciation and amortization

Depreciation expenses for our dry bulk fleet in the nine months ended September 30, 2023, and 2022, amounted to $11.7 million and $12.0 million, respectively. The decrease reflects (i) the decrease in the Ownership Days of our dry bulk segment days to 5,221 days in the nine-months ended September 30, 2023, from 5,456 days in the same period in 2022, due to the sales of the *M/V Magic Rainbow* and *M/V Magic Twilight*, and (ii) the effect of classifying the *M/V Magic Argo* as held for sale for which depreciation was not recorded during the period in which this vessel was classified as held for sale. Dry-dock and special survey amortization charges increased to $1.5 million in the nine months ended September 30, 2023, from $1.4 million in the same period of 2022. The $0.1 million increase in Dry-dock and special survey amortization charges in the periods discussed is due to the increase in the number of dry docks that our dry bulk fleet underwent in late 2022, which resulted in an increase in aggregate amortization days from 1,431 days in the nine months ended September 30, 2022, to 1,710 days in the same period of 2023.

Gain on sale of vessel

On April 18, 2023, we concluded the sale of the *M/V Magic Rainbow* which we sold, pursuant to an agreement dated March 13, 2023, for cash consideration of $12.6 million. The sale resulted in net proceeds to the Company of $11.4 million and the Company recording a net gain on the sale of $3.1 million. On July 20, 2023, we concluded the sale of the *M/V Magic Twilight* which we sold pursuant to an agreement dated June 2, 2023 for cash consideration of $17.5 million. The sale resulted in net proceeds to the Company of $16.6 million and the Company recording a net gain on the sale of $3.15 million.

Nine months ended September 30, 2023 — Containership Segment

We entered the containership business in the fourth quarter of 2022 and, accordingly, no comparative financial information exists for the nine months ended September 30, 2022.

(In U.S. Dollars)		Nine months ended September 30, 2023
Total vessel revenues		10,643,491
Expenses:		
Voyage expenses (including commissions to related party)		(517,383)
Vessel operating expenses		(4,075,428)
Management fees to related parties		(516,274)
Depreciation and amortization		(3,981,266)
Operating income(1)	**$**	**1,553,140**

(1) Does not include corporate general and administrative expenses. See the discussion under “Consolidated Results of Operations” above.

Total vessel revenues

Total vessel revenues for our containership segment amounted to $10.6 million in the nine months ended September 30, 2023. During the nine months ended September 30, 2023, we owned on average two containerships over the calendar period that earned a Daily TCE Rate of $19,399. During the period in which we owned them, both our containerships were engaged in period time charters. Daily TCE Rate is not a recognized measure under U.S. GAAP. Please refer to Appendix A for the definition and reconciliation of this measure to Total vessel revenues, the most directly comparable financial measure calculated and presented in accordance with U.S. GAAP.

Voyage expenses

Voyage expenses for our containership segment amounted to $0.5 million in the nine months ended September 30, 2023, mainly comprising of brokerage commissions.

Vessel operating expenses

Operating expenses for our containership segment amounted to $4.1 million in the nine months ended September 30, 2023, and mainly comprised of crew wages, spares, repairs and maintenance costs and lubricants’ consumption costs.

Management fees

Management fees for our containership segment amounted to $0.5 million in the nine months ended September 30, 2023, pursuant to the Amended and Restated Master Management Agreement.

Depreciation and Amortization

Depreciation expenses and amortization expenses for our containership segment amounted to $3.8 million and $0.2 million respectively in the nine months ended September 30, 2023.

Liquidity and Capital Resources

We operate in a capital-intensive industry, and we expect to finance the purchase of additional vessels and other capital expenditures through a combination of proceeds from equity offerings, borrowings in debt transactions and cash generated from operations. Our liquidity requirements relate to servicing the principal and interest on our debt, funding capital expenditures and working capital (which includes maintaining the quality of our vessels and complying with international shipping standards and environmental laws and regulations) and maintaining cash reserves for the purpose of satisfying certain minimum liquidity restrictions contained in our credit facilities. In accordance with our business strategy, other liquidity needs may relate to funding potential investments in additional vessels or businesses and maintaining cash reserves against fluctuations in operating cash flows. Our funding and treasury activities are intended to maximize investment returns while maintaining appropriate liquidity.

As of September 30, 2023, and December 31, 2022, we had cash and cash equivalents of $85.8 million and $100.6 million (which excludes $9.2 million of restricted cash in both periods under our debt agreements), respectively. Cash and cash equivalents are primarily held in U.S. dollars.

As of September 30, 2023, we had $102.3 million of gross indebtedness outstanding under our debt agreements, of which $19.5 million, matures in the twelve-month period ending September 30, 2024. As of September 30, 2023, we were in compliance with all the financial and liquidity covenants contained in our debt agreements.

Working capital is equal to current assets minus current liabilities. As of September 30, 2023, we had a working capital surplus of $138.9 million as compared to a working capital surplus of $114.9 million as of December 31, 2022.

We believe that our current sources of funds and those that we anticipate to internally generate for a period of at least the next twelve months from the date of this report, will be sufficient to fund the operations of our Fleet, meet our working capital and capital expenditures requirements and service the principal and interest on our debt for that period.

As of September 30, 2023, we did not have any commitments for capital expenditures related to vessel acquisitions.

Our Borrowing Activities

Please refer to Note 8 to our unaudited interim condensed consolidated financial statements, included elsewhere herein, for information regarding our borrowing activities as of September 30, 2023.

Cash Flows

The following table summarizes our net cash flows provided by/(used in) operating, investing, and financing activities and our cash, cash equivalents and restricted cash for the nine-month periods ended September 30, 2022, and 2023:

	Nine months ended September 30,	
(in thousands of U.S. Dollars)	**2022**	**2023**
Net cash provided by operating activities from continuing operations	$ 63,352,297	$ 11,170,691
Net cash used in investing activities from continuing operations	(22,956,411)	(40,976,112)
Net cash provided by financing activities from continuing operations	36,931,145	14,977,296
Net cash provided by operating activities from discontinued operations	13,917,491	20,409,041
Net cash provided by/(used in) investing activities from discontinued operations	11,857,255	(153,861)
Net cash used in financing activities from discontinued operations	(2,375,000)	(62,734,774)
Cash, cash equivalents and restricted cash at beginning of period	43,386,468	152,307,420
Cash, cash equivalents and restricted cash at end of period	**$ 144,113,245**	**$ 94,999,701**

Operating Activities (from continuing operations):

For the nine-month period ended September 30, 2023, net cash provided by operating activities amounted to $11.2 million, consisting of net loss of $3.7 million, non-cash adjustments related to depreciation and amortization of $17.2 million, aggregate gain on sale of the *M/V Magic Rainbow* and *M/V Magic Twilight,* of $6.3 million, amortization of deferred finance charges of $0.7 million, amortization of fair value of acquired charters of $1.8 million, unrealized loss of $13.5 million from revaluing our investments in listed equity securities at period end market rates, and a net increase of $10.3 million in working capital, which mainly derived from (i) decrease in accounts payable by $2.0 million, (ii) decrease in accrued liabilities by $1.6 million and (iii) increase in 'Due from/to related parties' by $5.6 million.

For the nine-month period ended September 30, 2022, net cash provided by operating activities amounted to $63.4 million, consisting of net income of $58.7 million, non-cash adjustments related to depreciation and amortization of $13.4 million, amortization of deferred finance charges of $0.6 million and a net increase of $7.7 million in working capital.

Investing Activities (from continuing operations):

For the nine-months ended September 30, 2023, net cash used in investing activities amounted to $41.0 million mainly reflecting the cash outflows of $72.0 million associated with the purchase and sale of equity securities and $0.2 million used for other capital expenditures relating to our Fleet, offset by the net proceeds from the sale of the *M/V Magic Rainbow* and *M/V Magic Twilight* of $28.0 million and the advance deposit of $3.2 million received relating to the sale of the *M/V Magic Argo*. Please also refer to Notes 9 and 7 of our unaudited interim consolidated financial statements included elsewhere in this report for a more detailed discussion.

On June 30, 2023, we filed a Schedule 13G reporting that we hold 1,391,500 shares of common stock of Eagle Bulk Shipping Inc. ("Eagle"), representing 14.99% of the issued and outstanding shares of common stock of Eagle as of June 23, 2023. Please refer to Note 9 to our unaudited interim condensed consolidated financial statements, included elsewhere herein, for further information regarding our investment.

For the nine-months ended September 30, 2022, net cash used in investing activities amounting to $23 million mainly reflects the cash outflows associated with our vessel acquisitions, as discussed in more detail in the 2022 Annual Report.

Financing Activities (from continuing operations):

For the nine months ended September 30, 2023, net cash provided by financing activities amounted to $15.0 million, mainly relating to (i) $49.9 million of net proceeds following the issuance of Series D Preferred Shares, (ii) $2.7 million cash reimbursement from Toro relating to the Spin-Off expenses incurred by us on Toro's behalf during 2022 and up to the completion of the Spin-Off and (iii) $0.6 million of net proceeds under our at-the-market common share offering program dated May 23, 2023, as offset by the $38.2 million of period scheduled principal repayments under our existing secured credit facilities and early prepayments due to sale of vessels. Please also refer to Notes 4, 8 and 10 of our unaudited interim consolidated financial statements included elsewhere in this report for a more detailed discussion.

For the nine months ended September 30, 2022, net cash provided by financing activities amounted to $36.9 million and relates to the $54.3 million net proceeds from the $55.0 million secured term loan facility that we entered into in January 2022 (as discussed in more detail in the 2022 Annual Report), as offset by (i) $17.3 million of period scheduled principal repayments under our existing secured credit facilities and (ii) $0.1 million of expenses paid in connection with our then effective at-the-market common shares offering program.

Equity price risk

Due to the Company's investments in listed equity securities carried at fair value, equity price fluctuations represent a market risk factor affecting the Company's consolidated financial position. The carrying values of investments subject to equity price risks are based on quoted market prices or, if not actively traded, management's estimate of fair value as of the balance sheet date. Market prices fluctuate, and the amount realized in the subsequent sale of an investment may differ significantly from the reported fair value.

The following table summarizes the Company's equity price risks in securities recorded at fair value on a recurring basis as of September 30, 2023, and shows the effects of a hypothetical 25 percent increase and a 25 percent decrease in market prices.

(U.S. dollars in thousands)	**Fair Value at September 30, 2023**	**Hypothetical Percentage Change**	**Estimated Fair Value After Hypothetical Price Change**	**Estimated Increase /(Decrease) in Net Income/(Loss) (1)**
Equity securities at fair value	$ 58,484,745	25% increase	$ 73,105,931	$ 14,621,186
		25% decrease	$ 43,863,559	$ (14,621,186)

(1) Changes in unrealized gains and losses on listed equity securities at fair value are included in earnings in the unaudited condensed consolidated statements of comprehensive income.

The selected hypothetical changes do not reflect what could be considered best- or worst-case scenarios. Results could be significantly different due to both the nature of markets and the concentration of the Company's investment portfolio.

Critical Accounting Estimates

We prepare our financial statements in accordance with accounting principles generally accepted in the United States, or U.S. GAAP. On a regular basis, management reviews the accounting policies, assumptions, estimates and judgments to ensure that our consolidated financial statements are presented fairly and in accordance with U.S. GAAP. However, because future events and their effects cannot be determined with certainty, actual results could differ from our assumptions and estimates, and such differences could be material. For more details on our Critical Accounting Estimates, please read "*Item 5.E. Critical Accounting Estimates*" in our 2022 Annual Report. For a description of our significant accounting policies, please read Note 2 to our unaudited interim condensed consolidated financial statements, included elsewhere in this report, "*Item 18. Financial Statements*" in our 2022 Annual Report and more precisely "*Note 2. Summary of Significant Accounting Policies*" of our consolidated financial statements included elsewhere in our 2022 Annual Report.

APPENDIX A

Non-GAAP Financial Information

Daily TCE Rate. The Daily Time Charter Equivalent Rate ("Daily TCE Rate") is a measure of the average daily revenue performance of a vessel. The Daily TCE Rate is not a measure of financial performance under U.S. GAAP (i.e., it is a non-GAAP measure) and should not be considered as an alternative to any measure of financial performance presented in accordance with U.S. GAAP. We calculate Daily TCE Rate by dividing total revenues (time charter and/or voyage charter revenues, and/or pool revenues, net of charterers' commissions), less voyage expenses, by the number of Available Days during that period. Under a time charter, the charterer pays substantially all the vessel voyage related expenses. However, we may incur voyage related expenses when positioning or repositioning vessels before or after the period of a time or other charter, during periods of commercial waiting time or while off-hire during dry docking or due to other unforeseen circumstances. Under voyage charters, the majority of voyage expenses are generally borne by us whereas for vessels in a pool, such expenses are borne by the pool operator. The Daily TCE Rate is a standard shipping industry performance measure used primarily to compare period-to-period changes in a company's performance and, management believes that the Daily TCE Rate provides meaningful information to our investors since it compares daily net earnings generated by our vessels irrespective of the mix of charter types (i.e., time charter, voyage charter or other) under which our vessels are employed between the periods while it further assists our management in making decisions regarding the deployment and use of our vessels and in evaluating our financial performance. Our calculation of the Daily TCE Rates may be different from and may not be comparable to that reported by other companies. The following table reconciles the calculation of the Daily TCE Rate for our fleet to Total vessel revenues for the periods presented (amounts in U.S. dollars, except for Available Days):

Reconciliation of Daily TCE Rate to Total vessel revenues

	Nine-months ended September 30, 2022	Nine-months ended September 30, 2023
Total vessel revenues	$ 118,920,093	$ 71,151,984
Voyage expenses -including commissions to related party	(2,147,721)	(3,970,433)
TCE revenues	**$ 116,772,372**	**$ 67,181,551**
Available Days	5,351	5,743
Daily TCE Rate	**$ 21,823**	**$ 11,698**

Reconciliation of Daily TCE Rate to Total vessel revenues — Containership Segment

	Nine-months ended September 30, 2023
Total vessel revenues	$ 10,643,491
Voyage expenses - including commissions to related party	(517,383)
TCE revenues	**$ 10,126,108**
Available Days	522
Daily TCE Rate	**$ 19,399**

Reconciliation of Daily TCE Rate to Total vessel revenues — Dry Bulk Segment

	Nine-months ended September 30, 2022	Nine-months ended September 30, 2023
Total vessel revenues	$ 118,920,093	$ 60,508,493
Voyage expenses - including commissions to related party	(2,147,721)	(3,453,050)
TCE revenues	**$ 116,772,372**	**$ 57,055,443**
Available Days	5,351	5,221
Daily TCE Rate	**$ 21,823**	**$ 10,928**