



PO Box 157  
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February 9, 2024

Dear Shareholder:

We have completed the fourth quarter ending December 31, 2023.

Earnings for the quarter and YTD vs. the prior year are shown below.

	Q-4 2023	Q-4 2022	YTD 2023	YTD 2022
Net income/(loss)	\$ 63,230	\$ (195,656)	\$ (268,739)	\$ (1,954,158)

The comments below are based on the results for the full year of 2023.

- Our investment/equity portfolio rebounded to generate a gain of \$460,303 during 2023 versus a loss of \$1,200,651 for 2022.
- The Textile Division generated a loss of \$71,000 for the full year of 2023. We will evaluate this Division during 2024 regarding its viability to generate profits in the future.
- Transportation Insight TopCo, L.P. (TI) was impacted in 2023 by a freight recession driven by an excess of trucking capacity. TI is comprised of two main businesses:
  - Managed Transportation – TI helps customers manage their freight expenses through a contracted agreement. Managed Transportation is less cyclical and generates a steady stream of recurring revenue.
  - Freight Brokerage – TI contracts with freight carriers to help customers transport goods. Because of the excess of trucking capacity, the brokerage operation has been negatively impacted by both lower volumes and lower rates. Most pundits foresee a slow recovery in volume and rates during 2024.

Enclosed with this letter are financial statements with more detail of the results of the Company.

As always, we appreciate your support.

Bryan E. Beal  
President and CEO

**CAROLINA MILLS, INC.**  
**CONSOLIDATED BALANCE SHEETS**

ASSETS	12/31/2023	12/31/2022	LIABILITIES AND EQUITY	12/31/2023	12/31/2022
<b>CURRENT ASSETS:</b>			<b>CURRENT LIABILITIES</b>		
Cash & marketable securities	\$ 4,991,707	\$ 5,472,160	Accounts Payable	27,494	18,957
Accounts receivable	108,838	188,350	Total Payables	<u>27,494</u>	<u>18,957</u>
Inventories	1,125,043	1,473,599	Accrued expenses:		
Prepaid expenses	17,318	21,199	Wages	-	5,062
<b>TOTAL CURRENT ASSETS</b>	<u><b>6,242,906</b></u>	<u><b>7,155,308</b></u>	Retirement plans	337,780	378,411
			Other	127,525	354,391
<b>NET PROPERTY &amp; EQUIPMENT</b>	<u><b>249,659</b></u>	<u><b>289,595</b></u>		<u>465,305</u>	<u>737,864</u>
			<b>TOTAL CURRENT LIABILITIES</b>	<u><b>492,799</b></u>	<u><b>756,821</b></u>
<b>OTHER ASSETS</b>			Long-term retirement liability	1,789,524	1,948,067
Investment in Trans Insight TopCo L.P.	8,500,000	8,500,000	<b>TOTAL LIABILITIES</b>	<u><b>2,282,323</b></u>	<u><b>2,704,888</b></u>
Other long-term investments	170,000	170,000	<b>STOCKHOLDERS' EQUITY</b>	<u><b>12,880,242</b></u>	<u><b>13,410,015</b></u>
	<u>8,670,000</u>	<u>8,670,000</u>	<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><b>\$ 15,162,565</b></u>	<u><b>\$ 16,114,903</b></u>
<b>TOTAL ASSETS</b>	<u><b>\$ 15,162,565</b></u>	<u><b>\$ 16,114,903</b></u>			

**CAROLINA MILLS, INC.**  
**CONSOLIDATED INCOME STATEMENT**

	Q-4 2023	Q-4 2022	Year-to date 2023	Year-to date 2022
<b>SALES</b>	\$ 263,642	\$ 200,183	\$ 1,294,198	\$ 2,261,904
<b>COST OF SALES</b>	206,458	149,494	1,031,961	1,805,240
<b>GROSS PROFIT</b>	\$ 57,184	\$ 50,689	\$ 262,237	\$ 456,664
<b>OVERHEAD:</b>				
Employee compensation & benefits	154,447	181,113	625,158	738,690
Long-term retirement benefits	37,902	41,557	131,624	166,208
Legal & professional	30,523	33,941	115,008	123,607
Commercial insurance	13,420	15,503	50,515	58,267
Depreciation	9,960	12,360	39,936	48,506
Other overhead expense	46,593	58,318	146,945	173,393
	<u>292,845</u>	<u>342,792</u>	<u>1,109,186</u>	<u>1,308,671</u>
<b>OTHER INCOME (EXPENSES)</b>				
Gain/(Loss) on securities portfolio	265,489	79,027	460,313	(1,200,651)
Gain/(Loss) on sale of assets	-	(9,519)	9,500	(9,519)
Other income	33,402	26,939	108,397	108,019
	<u>298,891</u>	<u>96,447</u>	<u>578,210</u>	<u>(1,102,151)</u>
<b>INCOME (LOSS) BEFORE TAXES</b>	<b>63,230</b>	<b>(195,656)</b>	<b>(268,739)</b>	<b>(1,954,158)</b>
INCOME TAX EXPENSE	-	-	-	-
<b>NET INCOME (LOSS)</b>	<b>\$ 63,230</b>	<b>\$ (195,656)</b>	<b>\$ (268,739)</b>	<b>\$ (1,954,158)</b>