



PO Box 157
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(828) 428-9911

October 31, 2024

Dear Shareholder:

We have completed the third quarter ending September 30, 2024.

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

	Q-3 2024	Q-3 2023	YTD 2024	YTD 2023
Net Loss	\$ (92,826)	\$ (243,284)	\$ (93,459)	\$ (331,969)

Below are comments based on the results for the year-to-date ending September 30, 2024:

- The net loss reduction in 2024 vs. 2023 was a result of strong investment earnings that increased \$234,000 over last year.
- Even though the results for Transportation Insight TopCo, L.P. (TI) do not flow through our financial statements, that investment continues to be impacted by a freight recession that started in 2022 and continues deep into 2024. The recession is the after effect of the COVID pandemic that created a boon for the freight industry since people were at home and ordering products like never before. Capitalizing on this trend, many new carriers entered the market and now find themselves with no product to move as purchasing trends are back to pre-COVID levels which, in turn, has led to depressed freight rates.

Included with this letter are summary financial statements as of September 30, 2024.

Thank you for your continued support.

A handwritten signature in black ink that reads "Bryan E. Beal". The signature is written in a cursive, flowing style.

Bryan E. Beal
President and CEO

CAROLINA MILLS, INC.
CONSOLIDATED BALANCE SHEETS

ASSETS	9/30/2024	9/30/2023	LIABILITIES AND EQUITY	9/30/2024	9/30/2023
CURRENT ASSETS:			CURRENT LIABILITIES		
Cash & marketable securities	\$ 4,860,615	\$ 5,137,758	Accounts Payable	63,231	47,257
Accounts receivable	193,184	60,214	Other	-	-
Inventories	989,505	1,114,959		<u>63,231</u>	<u>47,257</u>
Prepaid expenses	45,829	54,760			
			Accrued expenses:		
TOTAL CURRENT ASSETS	<u>6,089,133</u>	<u>6,367,691</u>	Wages	30,195	29,925
			Retirement plans	337,780	347,821
NET PROPERTY & EQUIPMENT	<u>219,780</u>	<u>259,618</u>	Other	133,641	80,555
				<u>501,616</u>	<u>458,301</u>
OTHER ASSETS			TOTAL CURRENT LIABILITIES	<u>564,847</u>	<u>505,558</u>
Investment in Trans Insight TopCo L.P.	8,500,000	8,500,000			
Other long-term investments	120,000	170,000	Long-term retirement liability	1,697,693	1,829,159
	<u>8,620,000</u>	<u>8,670,000</u>			
			TOTAL LIABILITIES	<u>2,262,540</u>	<u>2,334,717</u>
TOTAL ASSETS	<u>\$ 14,928,913</u>	<u>\$ 15,297,309</u>	STOCKHOLDERS' EQUITY	<u>12,666,373</u>	<u>12,962,592</u>
			TOTAL LIABILITIES & EQUITY	<u>\$ 14,928,913</u>	<u>\$ 15,297,309</u>

CAROLINA MILLS, INC.
CONSOLIDATED INCOME STATEMENT

	Q-3 2024	Q-3 2023	Year-to date 2024	Year-to date 2023
SALES	\$ 221,092	\$ 252,012	\$ 981,096	\$ 1,030,556
COST OF SALES	181,486	200,469	770,270	825,503
GROSS PROFIT	\$ 39,606	\$ 51,543	\$ 210,826	\$ 205,053
OVERHEAD:				
Employee compensation & benefits	141,083	153,129	436,678	470,711
Long-term retirement benefits	46,892	37,902	140,748	93,722
Legal & professional	21,701	28,032	71,898	84,485
Commercial insurance	12,467	11,528	37,373	37,095
Depreciation	9,960	9,960	29,879	29,976
Other overhead expense	38,483	28,902	126,770	100,352
	<u>270,586</u>	<u>269,453</u>	<u>843,346</u>	<u>816,341</u>
OTHER INCOME (EXPENSES)				
Gain/(Loss) on securities portfolio	79,706	(50,451)	428,842	194,824
Gain on sale of assets	-	-	-	9,500
Other income	58,448	25,077	110,219	74,995
	<u>138,154</u>	<u>(25,374)</u>	<u>539,061</u>	<u>279,319</u>
INCOME (LOSS) BEFORE TAXES	(92,826)	(243,284)	(93,459)	(331,969)
INCOME TAX EXPENSE	-	-	-	-
NET INCOME (LOSS)	\$ (92,826)	\$ (243,284)	\$ (93,459)	\$ (331,969)