

Crossroads Impact Corp.
Consolidated Balance Sheets
At

July 31,
2024

October 31,
2023

ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 9,010,034	\$ 2,836,476
Restricted cash	20,538,531	51,422,377
Interest receivable	7,853,039	11,823,080
Current portion of mortgage notes receivable	532,362	2,258,111
Current portion of commercial/other notes receivable	38,431,485	76,698,978
Inventory	10,866,222	5,581,752
Prepaid expenses and other current assets	477,703	1,256,200
Income tax receivable	(77,268)	4,652,235
Total current assets	87,632,108	156,529,209
MORTGAGE NOTES RECEIVABLE, net of current maturities and allowance of \$0 and \$0 at Jul 31, 2024 and Oct 31, 2023, respectively		
	122,005,845	125,799,379
COMMERCIAL/OTHER NOTES RECEIVABLE, net of current maturities and allowance of \$4,740,333 and \$2,906,124 at Jul 31, 2024 and Oct. 31, 2023, respectively		
	322,444,407	256,643,908
PPP LOANS RECEIVABLE, net of discounts and allowance of \$2,403,677 and \$2,307,177 at Jul 31, 2024 and Oct 31, 2023, respectively		
	213,216,675	770,631,729
INVESTMENT - DEBT SECURITIES (Held-to-Maturity), net of deferred fees		
	65,758,228	65,221,583
INVESTMENTS (Held-to-Maturity)		
INVESTMENT IN SOLAR TAX CREDIT FUND	(2,320,684)	(2,194,408)
RIGHT OF USE ASSET		
GOODWILL	56,105	121,778
DEFERRED TAX ASSET		
	18,566,966	18,566,966
	3,456,254	3,456,254
TOTAL ASSETS	\$ 832,427,568	\$ 1,396,576,478
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$ 3,245,131	\$ 4,052,421
Accrued liabilities	76,322,380	134,571,512
Escrow liabilities	2,260,032	3,616,874
Current portion of credit facilities	89,440,898	123,309,101
Current portion of other note payable	98,671	232,411
Current portion of acquisition notes payable	1,151,496	2,763,590
Current portion of CDFI Bond Guarantee Program	252,156	252,156
Total current liabilities	172,770,764	268,798,065
CREDIT FACILITIES, net of current maturities		
	80,833,088	31,220,259
OTHER NOTE PAYABLE, net of current maturities		
	450,701	489,850
CDFI Bond Guarantee Program		
	42,972,649	13,501,249
ACQUISITION NOTES PAYABLE, net of current maturities		
	(182,727)	277,871
FEDERAL PPP LIQUIDITY FACILITY ("PPPLF")		
	217,952,128	771,186,328
OTHER LONG-TERM LIABILITIES		
	29,698,929	51,188,058
TOTAL LIABILITIES	544,495,532	1,136,661,680
Common stock subject to possible redemption, \$0.001 par value, 10,687,727 shares issued and outstanding, at Jul 31, 2024 and Oct 31, 2023, at a redemption value of \$12.90 per share and \$11.98 per share, respectively		
	138,833,574	128,038,969
EQUITY		
Common stock, \$0.001 par value: 175,000,000 shares authorized; 11,507,835 and 11,507,751 shares issued and outstanding (excluding 10,687,727 shares subject to possible redemption) in Jul 31, 2024 and Oct 31, 2023, re		
	11,508	11,508
Additional paid in capital		
	73,107,125	73,241,541
Accumulated earnings		
	57,681,572	40,451,673
Crossroads Systems, Inc. stockholders' equity		
	130,800,205	113,704,722
Non-controlling interests		
	18,298,257	18,171,107
TOTAL EQUITY	149,098,462	131,875,829
TOTAL LIABILITIES, COMMON STOCK SUBJECT TO REDEMPTION AND EQUITY	\$ 832,427,568	\$ 1,396,576,478

Crossroads Impact Corp.
Consolidated Statements of Income

Nine Months Ended July 31	2024	2023	Increase/(Decrease)	
			\$	%
REVENUES				
Interest income	\$ 51,273,867	\$ 37,840,829	\$ 13,433,038	35.5%
Property sales	4,065,680	8,132,850	(4,067,170)	-50.0%
PPP administrative fees	7,046,388	1,443,866	5,602,522	388.0%
Other revenue	4,138,732	4,421,597	(282,865)	-6.4%
Total revenues	66,524,667	51,839,142	14,685,525	28.3%
COSTS AND EXPENSES				
Interest expense	18,147,796	13,672,985	4,474,811	32.7%
Cost of properties sold	4,293,665	7,682,760	(3,389,095)	-44.1%
Provision for loan loss	3,880,708	-	3,880,708	
General and administrative	12,488,667	11,783,971	704,696	6.0%
PPP processing fees	(12,640,611)	2,245,130	(14,885,741)	-663.0%
Salaries and wages	3,138,257	3,789,479	(651,222)	-17.2%
Management bonus	-	-	-	
Total costs and expenses	29,308,482	39,174,325	(9,865,843)	-25%
Income from operations	37,216,185	12,664,817	24,551,368	193.9%
OTHER INCOME (EXPENSES)				
Interest expense	(167,987)	(346,793)	178,806	-51.6%
Realized Loss on Investment	-	-	-	
Total other income (expense)	(167,987)	(346,793)	178,806	-51.6%
Income before income tax provision	37,048,198	12,318,024	24,730,174	200.8%
INCOME TAX PROVISION	(7,779,503)	(2,628,267)	(5,151,236)	196.0%
NET INCOME	29,268,695	9,689,757	19,578,938	202.1%
Less: net income attributable to non-controlling interests	(1,244,191)	(787,500)	(456,691)	58.0%
NET INCOME ATTRIBUTABLE TO CONTROLLING INTERESTS	\$ 28,024,504	\$ 8,902,257	\$ 19,122,247	214.8%
EARNINGS PER SHARE				
Net income per share - basic	\$ 1.25	\$ 0.40	\$ 0.85	213%
Net income per share - fully diluted	\$ 1.21	\$ 0.40	\$ 0.81	203%

Crossroads Impact Corp.
Consolidated Statements of Income

Three Months Ended July 31	2024	2023	\$	Increase/(Decrease) %
REVENUES				
Interest income	15,168,059	13,351,072	1,816,987	13.6%
Property sales	1,471,480	2,099,700	(628,220)	-29.9%
PPP administrative fees	-	-	-	#DIV/0!
Other revenue	1,361,093	1,879,721	(518,628)	-27.6%
Total revenues	18,000,632	17,330,493	670,139	3.9%
COSTS AND EXPENSES				
Interest expense	6,016,499	5,683,630	332,869	5.9%
Cost of properties sold	1,658,534	2,042,270	(383,736)	-18.8%
Provision for loan loss	854,701	-	854,701	
General and administrative	4,651,409	3,818,284	833,125	21.8%
PPP processing fees	1,291,733	442,327	849,406	192.0%
Salaries and wages	702,725	1,149,467	(446,742)	-38.9%
Management Bonus	-	-	-	
Total costs and expenses	15,175,601	13,135,978	2,039,623	15.5%
Income from operations	2,825,031	4,194,515	(1,369,484)	-32.6%
OTHER EXPENSES				
Other income	-	-	-	0.0%
Interest expense	(36,181)	(104,233)	68,052	-65.3%
Total other expenses	(36,181)	(104,233)	68,052	-65.3%
Income before income tax provision	2,788,850	4,090,282	(1,301,432)	-31.8%
INCOME TAX PROVISION	(585,000)	(896,387)	311,387	-34.7%
NET INCOME	2,203,850	3,193,895	(990,045)	-31.0%
Less: net income attributable to non-controlling interests	(381,452)	(292,500)	(88,952)	30.4%
NET INCOME ATTRIBUTABLE TO CONTROLLING INTERESTS	<u>\$ 1,822,398</u>	<u>\$ 2,901,395</u>	<u>\$ (1,078,997)</u>	<u>-37.2%</u>
EARNINGS PER SHARE				
Net income per share - basic	\$ 0.08	\$ 0.13	\$ (0.05)	-38%
Net income per share - fully diluted	\$ 0.07	\$ 0.13	\$ (0.06)	-46%

Crossroads Impact Corp.
Consolidated Statements of Cash Flows
 Nine Months Ended July 31

2024

2023

CASH FLOWS FROM OPERATING ACTIVITIES

Net income	\$	28,760,363	\$	6,495,862
Adjustments to reconcile net income to net cash used in operating activities:				
Stock based compensation		(135,300)		166,541
Amortization of deferred financing fees		309,890		31,188
Provision for income taxes		7,779,503		1,731,880
Change in right-of-use asset		65,673		-
Change in lease liability		(57,325)		-
Changes in operating assets and liabilities:				
Interest receivable		3,970,041		(2,204,896)
Notes receivable (Mortgage and commercial/other)		(22,013,723)		(117,145,754)
Inventory		(5,284,470)		900,168
Prepays and other assets		778,497		164,657
Accounts payable		(807,290)		2,550,934
Accrued liabilities		(74,943,217)		(16,855,989)
Escrow liabilities		(1,356,842)		(2,699,191)
Income tax payable		(7,779,503)		(1,731,880)
Net cash provided/(used) in operating activities		(70,713,703)		(128,596,480)

CASH FLOWS FROM INVESTING ACTIVITIES

PPP loans receivable		557,415,054		82,167,827
Cash paid for Investments - Debt Securities		(536,645)		(25,002,600)
Cash paid for investments		188,416		(1,800,080)
Cash received from investment in tax credit fund (equity method)		126,276		-
Net cash used in investing activities		557,193,101		55,365,147

CASH FLOWS FROM FINANCING ACTIVITIES

Payments of lease liabilities		(8,216)		-
Preferred equity dividend distributions		(608,709)		(447,288)
Common equity contributions/distributions		884		41,399,972
Principal payments on CDFI Bond Guarantee Program		(63,230)		14,000,000
Borrowings on credit facilities (mortgage line)		4,918,369		175,863
Principal payments on credit facilities (mortgage line)		(25,172,655)		-
Borrowings on credit facilities (inventory line)		-		2,576,811
Principal payments on credit facilities (inventory line)		(265,214)		-
Borrowings on credit facilities (credit facility)		46,838,093		-
Principal payments on credit facilities (credit facility)		(10,875,351)		59,288,721
Principal payments on other notes payable		(172,889)		(89,047)
Principal payments on acquisition note payable		(2,081,198)		(1,412,983)
Payments to the PPPLF		(553,234,200)		(100,647,448)
Net cash provided/(used) by financing activities		(511,189,686)		14,844,601

Net change in cash and cash equivalents and restricted cash		(24,710,288)		(58,386,732)
Cash and cash equivalents and restricted cash at beginning of period		54,258,853		144,696,116
Cash and cash equivalents and restricted cash at end of period	\$	29,548,565	\$	86,309,384

Crossroads Impact Corp.
Consolidating Balance Sheet
At July 31, 2024

	Crossroads Impact Corp.	Crossroads Impact SPV's	Capital Plus Financial, LLC	Rise Line Business Credit, LLC	Eliminations	Total
ASSETS						
CURRENT ASSETS						
Cash and cash equivalents	\$ 164,709	\$ -	\$ 8,832,061	\$ 13,264	\$ -	\$ 9,010,034
Restricted cash	1,128,547	6,361,189	13,048,795	-	-	20,538,531
Interest receivable	885	2,993,597	4,858,557	-	-	7,853,039
Current portion of mortgage notes receivable	-	-	532,362	-	-	532,362
Current portion of commercial/other notes receivable	-	31,890,656	6,274,144	266,685	-	38,431,485
Intercompany receivables	-	-	105,772,873	8,249,273	(114,022,146)	-
Inventory	-	-	10,866,222	-	-	10,866,222
Prepaid expenses and other current assets	(90,018)	295,632	241,935	30,154	-	477,703
Income taxes payable	(77,268)	-	-	-	-	(77,268)
Total current assets	1,126,855	41,541,074	150,426,949	8,559,376	(114,022,146)	87,632,108
MORTGAGE NOTES RECEIVABLE, net of current maturities and allowance of \$0 at Jul 31, 2024	-	-	122,005,845	-	-	122,005,845
COMMERCIAL/OTHER NOTES RECEIVABLE, net of current maturities and allowance of \$4,740,333 Jul 31	-	314,338,192	8,106,215	-	-	322,444,407
PPP LOANS RECEIVABLE, net of discounts and allowance of \$2,403,677 at Jul 31, 2024	-	-	213,216,675	-	-	213,216,675
INVESTMENT - DEBT SECURITIES (Held-to-Maturity), net of deferred fees	-	41,105,308	24,652,920	-	-	65,758,228
INVESTMENTS (Held-to-Maturity)	-	-	1,611,664	-	-	1,611,664
INVESTMENT IN SOLAR TAX CREDIT FUND (Equity Method)	(2,320,684)	-	-	-	-	(2,320,684)
RIGHT TO USE ASSET	-	-	56,105	-	-	56,105
GOODWILL	18,566,966	-	-	-	-	18,566,966
DEFERRED TAX ASSET	3,456,254	-	-	-	-	3,456,254
INVESTMENT IN SUBSIDIARY	137,696,128	95,154,301	-	-	(232,850,429)	-
TOTAL ASSETS	\$ 158,525,519	\$ 492,138,875	\$ 520,076,373	\$ 8,559,376	\$ (346,872,575)	\$ 832,427,568
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Accounts payable	\$ -	\$ -	\$ 3,428,547	\$ (183,416)	\$ -	\$ 3,245,131
Accrued liabilities	5,133,438	1,210,427	69,978,515	-	-	76,322,380
Escrow liabilities	-	-	2,260,032	-	-	2,260,032
Intercompany payables	(74,585,653)	187,965,645	-	642,154	(114,022,146)	-
Current portion of credit facilities	64,023,205	-	25,417,693	-	-	89,440,898
Current portion of other note payable	-	-	98,671	-	-	98,671
Current portion of acquisition notes payable	1,151,496	-	-	-	-	1,151,496
Current portion of CDFI Bond Guarantee Program	-	-	252,156	-	-	252,156
Total current liabilities	(4,277,514)	189,176,072	101,435,614	458,738	(114,022,146)	172,770,764
CREDIT FACILITIES, net of current maturities	290,817	55,606,093	24,936,178	-	-	80,833,088
OTHER NOTE PAYABLE, net of current maturities	-	-	450,701	-	-	450,701
BOND GUARANTEE PROGRAM	-	-	42,972,649	-	-	42,972,649
ACQUISITION NOTES PAYABLE, net of current maturities	(182,727)	-	-	-	-	(182,727)
FEDERAL PPP LIQUIDITY FACILITY ("PPPLF")	-	-	217,952,128	-	-	217,952,128
OTHER LONG-TERM LIABILITIES	-	21,562,500	8,136,429	-	-	29,698,929
TOTAL LIABILITIES	(4,169,424)	266,344,665	395,883,699	458,738	(114,022,146)	544,495,532
Common stock subject to possible redemption, \$0.001 par value, 10,687,727 shares issued and outstanding, at Jul 31, 2024 at a redemption value of \$12.90 per share	-	-	-	-	-	138,833,574
EQUITY						
Common stock, \$0.001 par value: 175,000,000 shares authorized, 11,507,835 shares issued and outstanding (excluding 10,687,727 shares subject to possible redemption)	11,508	-	-	3,000,000	(3,000,000)	11,508
Additional paid in capital	377,359,941	-	(304,252,816)	10,079,046	(10,079,046)	73,107,125
Accumulated earnings (deficit)	(353,510,080)	225,794,210	410,147,233	(4,978,408)	(219,771,383)	57,681,572
Crossroads Systems, Inc. stockholders' equity/deficit	23,861,369	225,794,210	105,894,417	8,100,638	(232,850,429)	130,800,205
Non-controlling interests	-	-	18,298,257	-	-	18,298,257
TOTAL EQUITY	23,861,369	225,794,210	124,192,674	8,100,638	(232,850,429)	149,098,462
TOTAL LIABILITIES, COMMON STOCK SUBJECT TO REDEMPTION AND EQUITY	\$ 158,525,519	\$ 492,138,875	\$ 520,076,373	\$ 8,559,376	\$ (346,872,575)	\$ 832,427,568

Crossroads Impact Corp.
Consolidating Statement of Income
Year Ended July 31, 2024

	Crossroads Impact Corp.	Crossroads Impact SPV's	Capital Plus Financial, LLC	Rise Line Business Credit, LLC	Total
REVENUES					
Interest income	\$ -	\$ 30,066,724	\$ 21,207,143	\$ -	\$ 51,273,867
Property sales	-	-	4,065,680	-	4,065,680
PPP administrative fees	-	-	7,046,388	-	7,046,388
Other revenue	-	3,109,718	982,033	46,981	4,138,732
Total revenues	-	33,176,442	33,301,244	46,981	66,524,667
COSTS AND EXPENSES					
Interest expense	586,861	11,263,049	6,295,261	2,625	18,147,796
Provision for Loan Losses	-	(31,450)	2,081,458	1,830,700	3,880,708
Cost of properties sold	-	-	4,293,665	-	4,293,665
General and administrative	2,631,329	6,918,221	2,780,349	158,768	12,488,667
PPP processing fees	-	-	(12,640,611)	-	(12,640,611)
Salaries & wages	2,099,810	-	725,698	312,749	3,138,257
Management bonus	-	-	-	-	-
Total costs and expenses	5,318,000	18,149,820	3,535,820	2,304,842	29,308,482
Income (loss) from operations	(5,318,000)	15,026,622	29,765,424	(2,257,861)	37,216,185
OTHER INCOME (EXPENSES)					
Other Income	-	-	-	-	-
Interest expense	(167,987)	-	-	-	(167,987)
Other Income/Expense	-	-	-	-	-
Realized Loss on Investment	-	-	-	-	-
Total other income (expenses)	(167,987)	-	-	-	(167,987)
Income (loss) before income tax provision	(5,485,987)	15,026,622	29,765,424	(2,257,861)	37,048,198
INCOME TAX PROVISION	(7,779,503)	-	-	-	(7,779,503)
NET INCOME (LOSS)	(13,265,490)	15,026,622	29,765,424	(2,257,861)	29,268,695
Less: net income attributable to non-controlling interests	-	-	(1,244,191)	-	(1,244,191)
CONTROLLING INTERESTS	<u>\$ (13,265,490)</u>	<u>\$ 15,026,622</u>	<u>\$ 28,521,233</u>	<u>\$ (2,257,861)</u>	<u>\$ 28,024,504</u>

Crossroads Impact Corp.
Consolidating Statement of Income

Three Months Ended July 31	Crossroads Impact Corp	Crossroads Impact SPV's	Capital Plus Financial, LLC	Rise Line Business Credit, LLC	Total
REVENUES					
Interest income	\$ -	\$ 11,110,899	\$ 4,057,160	\$ -	\$ 15,168,059
Property sales	-	-	1,471,480	-	1,471,480
PPP administrative fees	-	-	-	-	-
Other revenue	-	1,050,163	295,295	15,635	1,361,093
Total revenues	-	12,161,062	5,823,935	15,635	18,000,632
COSTS AND EXPENSES					
Interest expense	121,372	4,405,075	1,490,052	-	6,016,499
Provision for loan losses	-	-	1	854,700	854,701
Cost of properties sold	-	-	1,658,534	-	1,658,534
General and administrative	1,170,598	2,586,986	846,561	47,264	4,651,409
PPP processing fees	-	-	1,291,733	-	1,291,733
Salaries and wages	417,451	-	210,834	74,440	702,725
Management Bonus	-	-	-	-	-
Total costs and expenses	1,709,421	6,992,061	5,497,715	976,404	15,175,601
Income (loss) from operations	(1,709,421)	5,169,001	326,220	(960,769)	2,825,031
OTHER EXPENSES					
Interest expense	(36,181)	-	-	-	(36,181)
Other income (expense)	-	-	-	-	-
Realized Loss on Investment	-	-	-	-	-
Total other expenses	(36,181)	-	-	-	(36,181)
Income (loss) before income tax provision	(1,745,602)	5,169,001	326,220	(960,769)	2,788,850
INCOME TAX PROVISION	(585,000)	-	-	-	(585,000)
NET INCOME (LOSS)	(2,330,602)	5,169,001	326,220	(960,769)	2,203,850
Less: net income attributable to non-controlling interests	-	-	(381,452)	-	(381,452)
NET INCOME (LOSS) ATTRIBUTABLE TO CONTROLLING INTERESTS	<u>\$ (2,330,602)</u>	<u>\$ 5,169,001</u>	<u>\$ (55,232)</u>	<u>\$ (960,769)</u>	<u>\$ 1,822,398</u>