

(Attachment) Financial Statements

Research and Business Development Foundation of SUNY Korea

The 3rd period

From July 1, 2022

to June 30, 2023

The 2nd period

From July 1, 2021

to June 30, 2022

The attached financial statements have been prepared by
Research and Business Development Foundation of
SUNY Korea (hereinafter referred to as "SUNY KOREA
R&BDF")

Han Min-Koo, President of SUNY KOREA R&BDF

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Balance Sheet

The 3rd (current) period as of June 30, 2023

The 2nd (prior) period as of June 30, 2022

SUNY KOREA R&BDF

(Unit: KRW)

Account	3 rd period (current)	2 nd period (prior)
Assets		
I. Current Assets	1,124,834,700	1,104,278,506
(1) Current assets	1,124,834,700	1,104,278,506
1. Cash and cash equivalents (Note 3)	1,059,563,933	1,076,691,364
2. Accounts receivable	59,743,735	25,286,250
3. Pre-paid value added tax	5,527,032	2,300,892
II. Non-current Assets	109,492,308	119,325,855
(1) Tangible assets (Note 4)	109,492,308	119,325,855
1. Machinery	156,809,087	136,239,087
Accumulated depreciation	(47,316,779)	(16,913,232)
Asset totals	1,234,327,008	1,223,604,361
Liabilities		
I. Current Liabilities	842,011,042	1,005,911,743
1. Accounts payable	114,160,415	19,042,980
2. Withholdings	37,118,220	2,378,110
3. Taxes withheld	36,381,620	5,212,470
4. Value added tax withheld	25,332,620	8,220,139
5. Deferred income	629,018,167	971,058,044
II. Non-current liabilities	166,648,651	52,131,538
1. Severance pay liability (Note 5)	19,719,056	7,058,006
2. Reserve fund for essential business	146,929,595	45,073,532
Total liabilities	1,008,659,693	1,058,043,281
Endowment		
I. Operating balance before appropriation	225,667,315	165,561,080
1. Operating balance carried over from the prior period	165,561,080	27,460,366
2. Operating balance of the current period	60,106,235	138,100,714
Total endowment	225,667,315	165,561,080
Total liabilities and endowment	1,234,327,008	1,223,604,361

"Refer to Notes"

Operations Statement
The 3rd (current) period as of June 30, 2023
The 2nd (prior) period as of June 30, 2022

SUNY KOREA R&BDF

(Unit: KRW)

Account	3 rd period (current)	2 nd period (prior)
Operating revenue		
I. Revenue from industry-university collaboration (Note 6)	554,995,898	386,175,520
(1) Research revenue	235,566,667	132,398,216
1. Government research revenue	96,978,842	61,759,939
2. Industrial research revenue	138,587,825	70,638,277
(2) Revenue from education operations	287,611,049	253,777,304
1. Training operation revenue	287,611,049	253,777,304
(3) Other university-industry cooperation revenue	31,818,182	-
1. Other university-industry cooperation revenue	31,818,182	-
II. Revenue from grants (Note 7)	1,198,614,544	1,159,068,095
(1) Research revenue	1,095,047,949	817,177,987
1. Government research revenue	1,066,969,198	781,000,799
2. Industrial research revenue	28,078,751	36,177,188
(2) Other grant revenue	103,566,595	341,890,108
1. Other grant revenue	103,566,595	341,890,108
III. Revenue from indirect cost	101,354,576	100,250,214
(1) Revenue from university-industry cooperation	71,453,576	50,149,214
1. Revenue from university-industry cooperation	50,496,587	18,745,761
2. Revenue from running education for university-industry cooperation	20,956,989	31,403,453
(2) Grant revenue	29,901,000	50,101,000
1. Research grant revenue	28,901,000	48,101,000
2. Other grant revenue	1,000,000	2,000,000
IV. Non-operating income	657,263	799,146
(1) Non-operating income	657,263	799,146
1. Interest income	633,868	747,958
2. Other non-operating income	23,395	51,188
Total operating revenue	1,855,622,281	1,646,292,975
Operating cost		
I. University-Industry cooperation cost	513,142,090	379,926,795
(1) University-industry cooperation research expenses	276,227,544	129,091,666
1. Labor cost	141,713,220	29,600,000
2. Student labor cost	10,000,000	20,620,000

3. Research facility equipment cost	589,991		-.
4. Research material cost	18,959,507		17,677,911
5. Research activity expenses	51,190,118		41,033,937
6. Research allowance	53,774,708		20,159,818

Account	3 rd period (current)		2 nd period (prior)	
(2) Education operating expenses		236,914,546		250,835,129
1. Labor cost	166,692,100		165,057,026	
2. Curriculum development fee	14,520,000		4,000,000	
3. Other educational operating expenses	55,702,446		81,778,103	
II. Subsidized project cost		1,108,812,576		1,037,804,606
(1) Research grant		1,017,806,250		756,945,980
1. Labor cost	306,067,179		179,814,250	
2. Student labor cost	306,006,000		244,885,000	
3. Research facility equipment cost	13,570,210		4,256,065	
4. Research material cost	20,540,363		26,819,131	
5. Research activity expenses	231,693,498		205,368,174	
6. Research allowance	139,929,000		95,803,360	
(2) Other subsidized project expenses		91,006,326		280,858,626
1. Other subsidized project expenses	91,006,326		280,858,626	
III. Indirect cost project expenses		41,301,770		28,722,102
(1) Research grants		41,301,770		28,722,102
1. Institutional common support expenses	39,073,770		28,000,712	
2. Lab safety management fee	1,431,000		-.	
3. Student researcher workers' compensation insurance premiums	797,000		721,390	
IV. General and administrative expenses		30,403,547		16,665,036
(1) General and administrative expenses		30,403,547		16,665,036
1. Depreciation	30,403,547		16,665,036	
V. Non-operating expenses		101,856,063		45,073,722
(1) Non-operating expenses		101,856,063		45,073,722
1. Provision for the reserve fund for essential business	101,856,063		45,073,532	
2. Miscellaneous loss	-.		190	
Total operating expenses		1,795,516,046		1,508,192,261
Operating balance of the current period		60,106,235		138,100,714
Total operating expenses		1,855,622,281		1,646,292,975

"Refer to Notes"

Cash Flow Statement

The 3rd (current) period as of June 30, 2023

The 2nd (prior) period as of June 30, 2022

SUNY KOREA R&BDF

(Unit: KRW)

Account	3 rd period (current)	2 nd period (prior)
I. Cash inflow	1,491,828,309	1,707,409,921
1. cash flows from operating activities	1,491,828,309	1,707,409,921
1) Cash inflow from industry-academia cooperation revenue	459,216,657	448,363,642
2) Cash inflow from grant revenue	895,776,882	1,157,996,919
3) Cash inflow from indirect cost revenue	136,177,507	100,250,214
4) Cash inflow from non-operating revenue	657,263	799,146
2. Cash inflows from investment	-	-
3. Cash inflow from financial activities	-	-
II. Cash outflow	(1,508,955,740)	(1,565,792,831)
1. Cash outflows from operating activities	(1,488,385,740)	(1,439,305,581)
1) Cash outflow for university-industry cooperation expenses	(513,142,090)	(379,926,795)
2) Cash outflows for subsidized projects	(933,941,880)	(1,024,158,935)
3) Cash outflow from indirect business cost	(41,301,770)	(35,219,661)
4) Cash outflows for non-operating expenses	-	(190)
2. Cash outflow from investment	(20,570,000)	(126,487,250)
1) Expenses for acquiring tangible assets	(20,570,000)	(126,487,250)
3. Cash outflow from financial activities	-	-
IV. Increase in cash (I+II) (Note 8)	(17,127,431)	141,617,090
V. Beginning balance of cash	1,076,691,364	935,074,274
VI. Ending balance of cash	1,059,563,933	1,076,691,364

"Refer to Notes"

Operating Balance Appropriation Statement

The 3rd (current) period as of June 30, 2023

The 2nd (prior) period as of June 30, 2022

SUNY KOREA R&BDF

(Unit: KRW)

Account	3 rd period (current)		2 nd period (prior)	
I. Operating balance before appropriation		225,667,315		165,561,080
1. Operating profit carried over from the prior	165,561,080		27,460,366	
2. Operating profit of the current period	60,106,235		138,100,714	
II. Operating profit appropriation amount		-.		-.
III. Operating profit carried over to the next period		225,667,315		165,561,080

"Refer to Notes"

Notes

The 3rd (current) period as of June 30, 2023

The 2nd (prior) period as of June 30, 2022

SUNY KOREA R&BDF

1. Overview

Research and Business Development Foundation of SUNY Korea (hereinafter referred to as "SUNY KOREA R&BDF") was established on September 25, 2020 at the campus of the State University of New York, Korea located at 119-2 Songdo Moonhaw-Ro, Yeonsu-gu, Incheon, pursuant to the Industrial Education Enhancement and Industry-academia-research Cooperation Promotion Act for the purpose of contributing to the development of national industry and science and technology by developing and disseminating new knowledge and technology by promoting industrial education based on the educational philosophy of the State University of New York, Korea.

2. Important accounting policies

(1) Standards for preparing financial statements

SUNY KOREA R&BDF prepares financial statements in accordance with the Accounting Rules for SUNY KOREA R&BDF by the Ministry of Education in accordance with the provisions of Article 33 of the Industrial Education Enhancement and Industry-academia-research Cooperation Promotion Act and Articles 24, 27 and 28 of the Enforcement Decree of the same Act.

(2) Standards for revenue recognition

SUNY KOREA R&BDF recognizes revenue from the provision of services in the period in which the research and development is provided as Industry-Academia Cooperation revenue for services for which a quid pro quo relationship exists and as grant revenue for services for which a quid pro quo relationship does not exist. In addition, revenue from the transfer of intellectual property rights is recognized on whichever day comes earlier between the balance settlement date or the date of availability to the purchaser. Revenue from the rental or use of intellectual property rights is recognized in the period in which the services are provided and revenue from donations is recognized on the date of receipt of the donation or donated goods.

(3) Allowance for bad debts

SUNY KOREA R&BDF establishes allowances for bad debts based on individual analysis of the recoverability of receivable balances as of the statement of financial position date and historical bad debt experience rates.

(4) Depreciation of tangible assets

SUNY KOREA R&BDF records the depreciation expense for tangible assets in accordance with Article 32 of the Industry-Academia Cooperation Accounting Rules. The calculated depreciation amount is listed as an item in the accumulated depreciation account and subtracted from the respective asset. Additionally, SUNY KOREA R&BDF depreciates machinery and equipment as well as furniture and fixtures over a fixed period of five years in accordance with the straight-line method.

(5) Severance pay liability

SUNY KOREA R&BDF recognizes the total estimated amount of severance pay that should be paid in accordance with the severance payment regulations when an employee with over one year of service retires at the reporting period-end as accrued severance pay liabilities.