

Mason Korea, LLC
 Statements of Financial Position
 As of December 31, 2019 and 2018

<i>(in Korean won)</i>	2019	2018
Assets:		
Cash and cash equivalents	4,302,818,575	2,667,469,806
Prepaid expenses	48,187,199	61,832,525
Other account receivables	220,269,322	108,438,665
Prepaid income tax	369,050	298,650
Guarantee deposit	-	1,648,830
Total assets	4,571,644,146	2,839,688,476
Liabilities and Capital		
Liabilities:		
Accrued expenses	135,015,774	184,153,763
Due to George Mason University(Note3)	169,156,000	240,216,000
Retirement and severance benefits(Note 4)	776,849,352	556,141,209
Deposits	54,228,000	16,333,500
Deferred revenue	24,755,287	6,250,000
Total liabilities	1,160,004,413	1,003,094,472
Capital:		
Capital stock(Note 6)	1,057,001	1,057,001
Retained earnings	3,410,582,732	1,835,537,003
Total capital	3,411,639,733	1,836,594,004
Total liabilities and capital	4,571,644,146	2,839,688,476

See the accompanying notes.

Mason Korea, LLC
 Statements of Activities
 Years ended December 31, 2019 and 2018

<i>(in Korean won)</i>	2019	2018
Revenues and other support:		
Gross tuition and fees	8,886,305,549	7,749,492,895
Less: scholarships	(791,891,262)	(601,737,078)
Net tuition and fees	8,094,414,287	7,147,755,817
Government subsidy(Note 7)	1,020,000,000	-
Sales and services of auxiliary enterprises	36,913,249	1,956,501
Contribution revenue(Note 8)	1,322,740,895	1,250,416,083
Other	165,712,922	101,261,115
Total additional income	2,545,367,066	1,353,633,699
Total revenues and other support	10,639,781,353	8,501,389,516
Operating expenses(Note3):		
Payroll expense	5,709,752,490	5,520,524,980
Travel expense	118,177,857	91,481,311
Professional expense	320,738,177	356,667,348
Rent expense	1,260,328,581	1,209,962,623
General and administrative expense	587,396,890	724,652,077
Other expenses	1,068,341,629	925,927,115
Total operating expenses	9,064,735,624	8,829,215,454
Net income (loss)	1,575,045,729	(327,825,938)

See the accompanying notes.

Mason Korea, LLC
 Statements of Cash Flows
 Years ended December 31, 2019 and 2018

<i>(in Korean won)</i>	2019	2018
Cash flows from operating activities :		
Net income (loss)	1,575,045,729	(327,825,938)
Adjustments to reconcile net income to net cash provided by operating activities:		
Bad debt expenses	12,230,244	-
Provision for retirement and severance benefits	271,353,632	475,944,232
Changes in operating assets and liabilities:		
Increase in other account receivable	(124,060,901)	(38,667,009)
Decrease(Increase) in prepaid expenses and other assets	13,645,326	(31,592,816)
Increase in prepaid income tax	(70,400)	(122,930)
Increase(Decrease) in due to George Mason University	(71,060,000)	199,679,000
Increase(Decrease) in accrued expenses	(49,137,989)	166,510,537
Increase in deposit	37,894,500	6,303,500
Increase(Decrease) in deferred revenue	18,505,287	(40,217,450)
Decrease in long-term accrued expenses	-	(304,855)
Payment of retirement and severance benefits	(50,645,489)	(375,269,628)
Net cash provided by operating activities	1,633,699,939	34,436,643
Cash flows from investing activities :		
Decrease of guarantee deposit	1,648,830	-
Net cash provided by investing activities	1,648,830	-
Cash flows from financing activities :		
Decrease of borrowings	-	(600,000,000)
Net cash used in financing activities	-	(600,000,000)
Net increase (decrease) in cash and cash equivalents	1,635,348,769	(565,563,357)
Cash and cash equivalents:		
Beginning of the year	2,667,469,806	3,233,033,163
End of the year	4,302,818,575	2,667,469,806

See the accompanying notes.