



Financial Results for the 1ST Quarter of Fiscal Year Ending July 31, 2025

SILVER LIFE CO., LTD.

The Standard Market of the Tokyo Stock Exchange (9262)



Note : This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

1.	Fiscal Year Ending July 2025 1ST Quarter Performance Highlights	3 ~ 10
2.	Forecast for the year ending July 31, 2025	12 ~ 14
3.	Reference Data	16 ~ 31

Fiscal Year Ending July 2025 Q1 Performance (vs YoY)

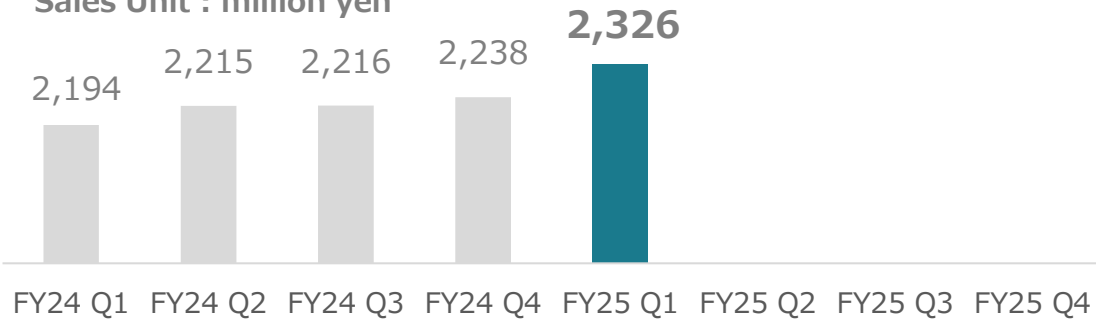


Net sales	+7.9%	Increase in all sales categories, price increase for franchisees contributed
Gross profit	+9.8%	Gross profit increased due to an increase in the in-house production ratio from 60% in the previous year to 70% in the current year.
Operating profit	▲29.4%	Decrease in operating income due to increase in freight expenses resulting from in-house production of logistics and increase in allowance for doubtful accounts

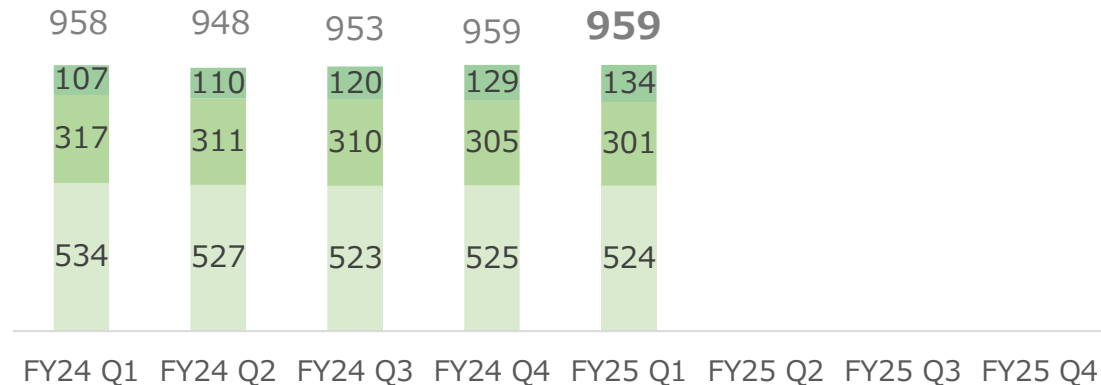
Unit : million yen	FY2025 Q1			first half of the year plan		FY2024 Q1	
	Actual	Vs. FY2024 Q1 results	Sales ratio	Plan	Sales ratio	Results	Sales ratio
Net sales	3,623	+7.9%	-	7,080	-	3,356	-
Gross profit	1,215	+9.8%	33.5%	2,354	33.3%	1,107	33.0%
Operating profit	173	▲29.4%	4.8%	330	4.7%	245	7.3%
Ordinary profit	210	▲25.5%	5.8%	420	5.9%	282	8.4%
Profit	130	▲26.5%	3.6%	285	4.0%	177	5.3%

Franchise chains

Sales Unit : million yen



Number of Stores



■ Takushoku Life ■ Haishokuno Fureai ■ Magokoro Bento

Vs. FY2024 Q1
cumulative Actual

+ 6.0%

Sales :Base increase due to price hike

Price revision in September 2024 (4.5% price increase for regular meals)
Existing stores sales YoY: 111.2%*1

Of food ingredient sales to franchisees, 87% are regular meals and 13% are special meals*2

Regular meals are priced in the 500-yen range at stores and continue to grow (+4.4%) Special meals are priced in the 700-yen range at stores and growing slightly.(+1.3%).

→Special meals will be packaged in April 2025 to reduce production costs.
→At the same time, we plan to offer merchants cut in price

Number of stores:959 stores, with a steady flow of stores moving in and out of the market

Conducted on-demand distribution franchise information sessions as a measure to open new stores Use of external M&A sites as exit measures
Released our own store succession support site in November

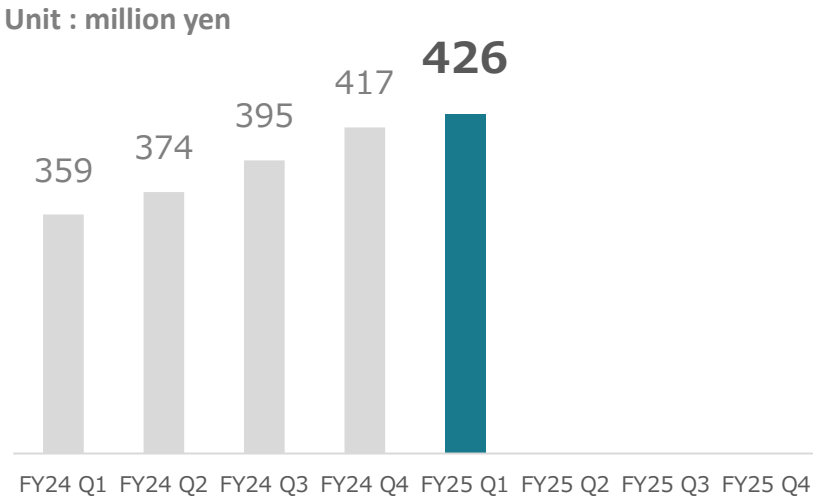
*1 Comparison between stores that existed in both the previous fiscal year and this fiscal year, excluding stores that were withdrawn.

*2 Special diets include carbohydrate calorie adjusted meals, protein adjusted meals, and mousse meals.

FY2025 July Q1 Sales by Sales Segment



Facilities for the elderly



Vs. FY2024 Q1 cumulative Actual

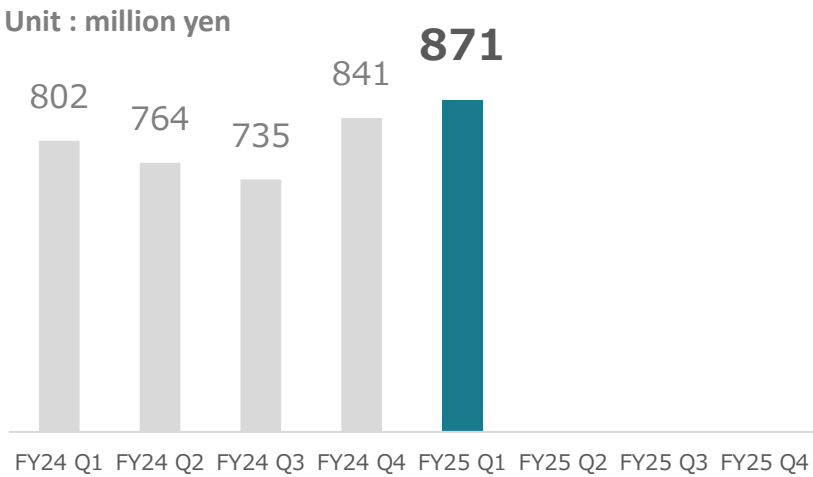
+ 18.5%

Chilled sales decrease, frozen sales increase
Demand for fully furnished facilities is strong due to labor shortages

Price revision in October 2024 for “Kodawari Chef” and “Otegaru Chef” for one-time orders only (10% price increase).

Frozen: 69.0% of division sales
Chilled: 31.0% of division sales

Direct Sales/ Others



Vs. FY2024 Q1 cumulative Actual

+ 8.6%

Direct sales: Increase in sales due to price reductions

Sales increased due to a large increase in the number of meals due to price reductions in the Q3 of the previous fiscal year.

Sales ratio within the division is 62.9%

OEM: Sales to existing customers increased, and the sales ratio within the division was 30.7%.

Warehousing: Increased prices due to increased demand and adjustment of warehouse allowances, resulting in sales growth.
Sales ratio in the division is 6.4%.

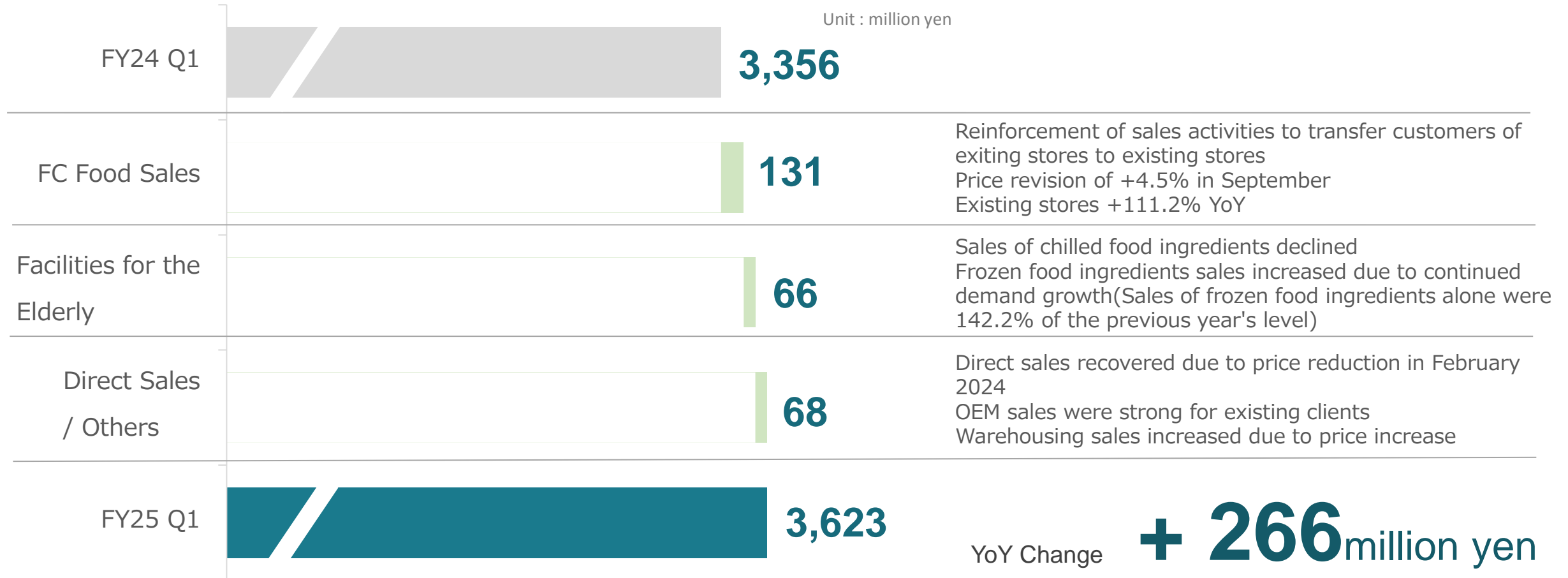
Change Analysis of Sales

Sales to franchisees increased 7.9% yoy.

Sales to franchisees increased due to a price revision of 4.5% in September and stronger takeover of stores that withdrew from the franchise.

Sales to elderly care facilities, etc. (sales of food ingredients to facilities) increased due to increased demand accompanying the labor shortage of facility cooks.

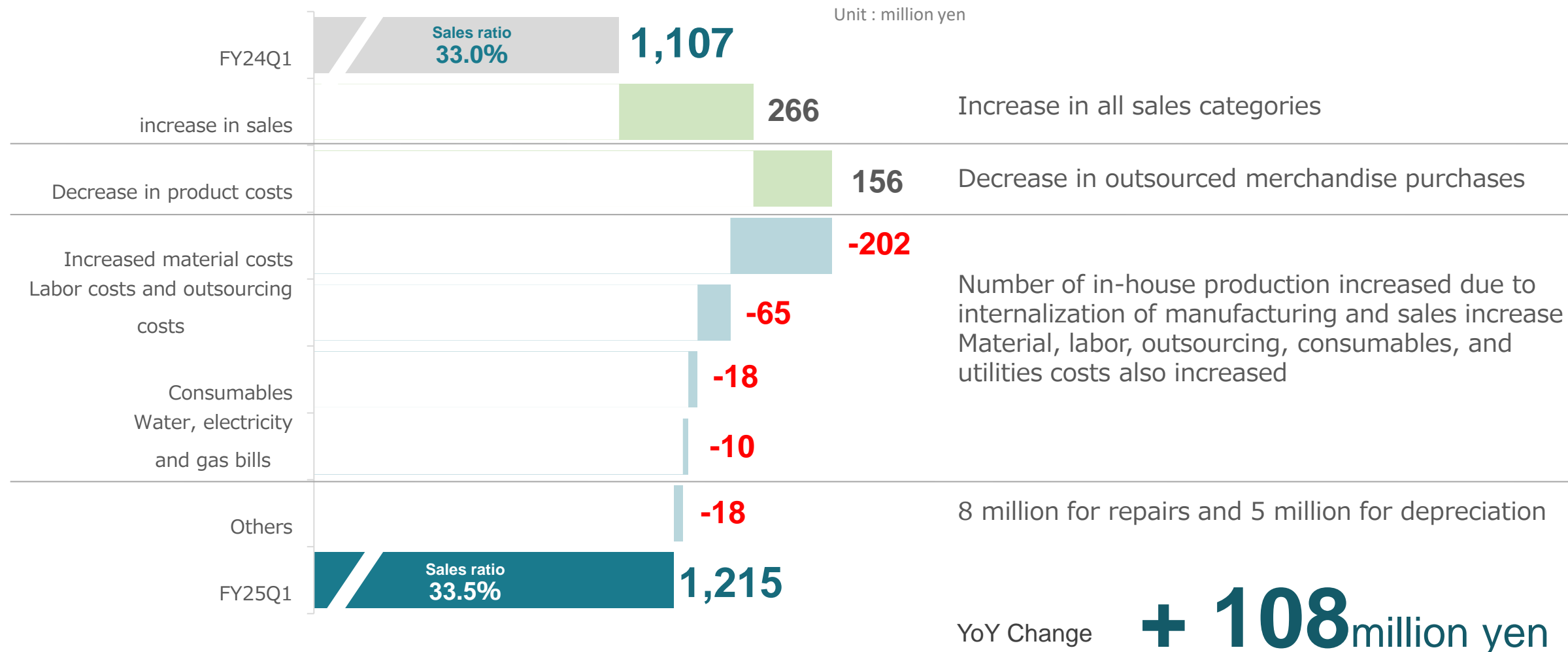
Direct sales and others: Sales increased due to strong performance by existing OEM customers.



Change Analysis of Gross Profit

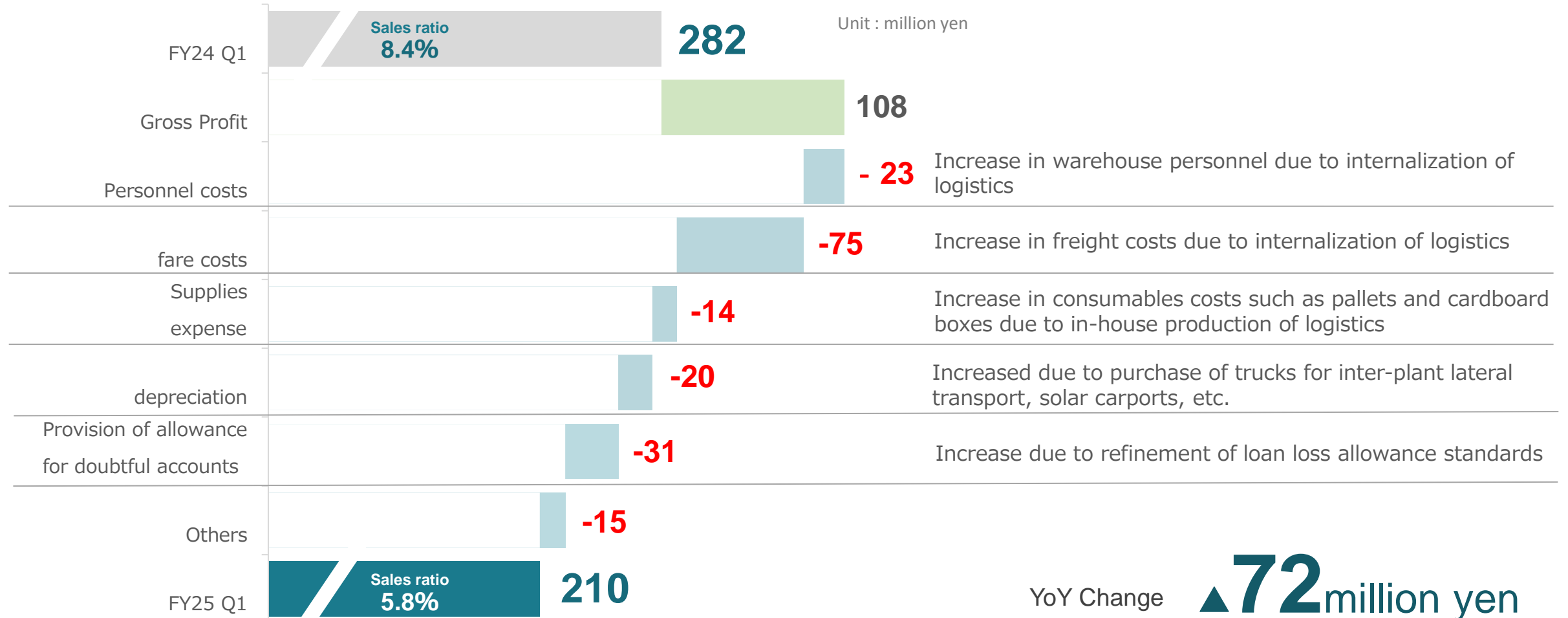
Amount increased by 9.8% y-o-y, and gross profit margin improved by 0.5%.

Although the ratio of in-house production increased from 60% to 70% from the previous quarter, cost of goods sold declined and gross profit increased due to a decrease in the purchase of outsourced foodstuffs, despite an increase in manufacturing costs at the company's own plants.



Change Analysis of Ordinary Profit

Amount down -25.5%, recurring profit margin deteriorated by -2.6The volume of logistics and freight costs for shipments to the company's own bases increased significantly due to the in-house production of logistics in the Q4 of the previous fiscal year. In addition, one-time costs (refinement of standards for allowance for loan losses) were incurred, resulting in a decrease in profit.



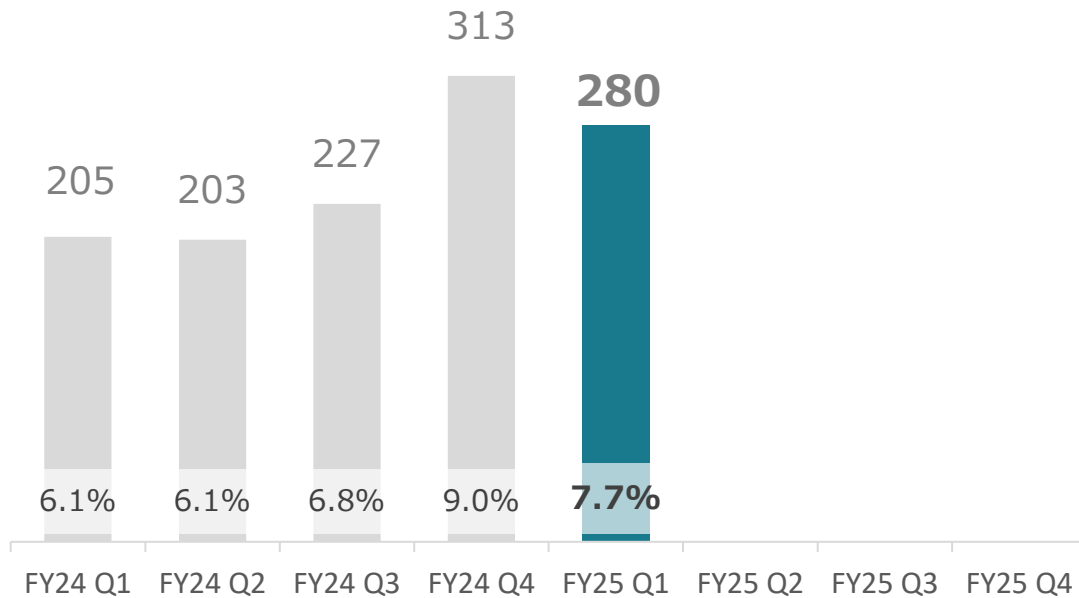
Progress in bringing logistics in-house and improving the deteriorated freight rate ratio since the Q4 of the previous fiscal year

Freight and Freight Ratio Improved by 33 million, or 1.3%, from the previous quarter.
 Ordinary income and profit margin improved by 67 million, or 1.7%, from the previous quarter.

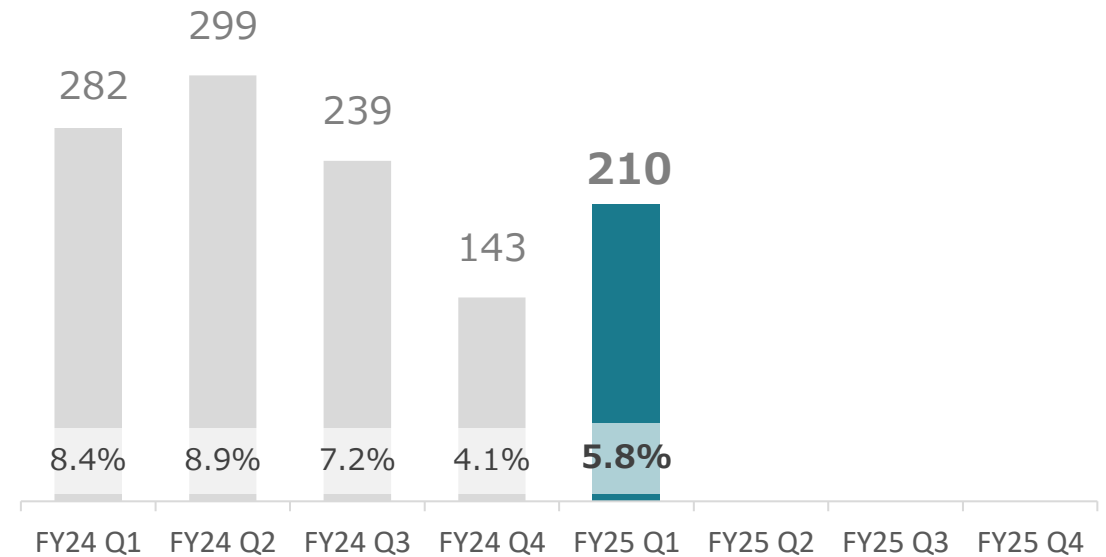
Freight rates improved from the Q4 of the previous year by procuring two 4-ton trucks, bringing in-house the cost of transporting goods between the company's bases, which had been outsourced, adjusting delivery requests to lower-unit-price destinations based on box size and weight, and adjusting the sorting system, etc.

Future plans include utilizing air freight to Okinawa, Hokkaido, Kyushu, etc., establishing own route delivery service (starting with member stores and expanding to food ingredients for facilities and products sold through EC), adding one more own truck, and adjusting the delivery cycle.

Fares and Freight Ratio (Millions of yen · %)



Ordinary Income and Ordinary Income Margin (Millions of yen · %)



Measures for this term

- ✓ **Sept. Began handling Morinaga Milk Industry products in the franchisee field.**
Started sales of dairy products for the elderly by receiving bulk deliveries to our warehouse and receiving know-how on sales methods from Morinaga Milk Industry.
- ✓ **Oct. Started handling Furusato tax returns**
Began offering the product as a tax return gift from the hometown of Oramachi, Gunma Prefecture, with the aim of increasing sales and awareness through expanded sales channels.
- ✓ **Oct. Began selling frozen bento with rice for institutional customers**
Began selling frozen bento to senior citizens and facilities for the disabled in anticipation of demand for the benefits of more convenient frozen bento to alleviate labor shortages.
- ✓ **Nov Exhibited at Caretex One Yokohama 2024 Care Food Exhibition**
Pre-prepared foodstuffs, mainly as products for institutional use
Caretex One stall opening

Frozen bento with rice (380 yen)



Products eligible for Furusato tax returns



1.	Fiscal Year Ending July 2025 1 ST Quarter Performance Highlights	3 ~ 10
2.	Forecast for the year ending July 31, 2025	12 ~ 14
3.	Reference Data	16 ~ 31

FY2025 Financial Plan

Considering price revisions by category in relation to sales, expecting overall growth of 7.0%.
 Price increase of +4.5% in September for franchised stores, and price reduction of about -1% in the special meal portion due to the shift to chilled packs of frozen bento in February next year.
 Price increases for institutional customers are expected to be +2% in October, and +10% for warehousing customers in October.
 No price revision is currently planned for frozen bento sold directly to customers. Operating profit margin is expected to improve by 0.2% due to the improvement of logistics system, appropriate personnel allocation, cost control, etc.

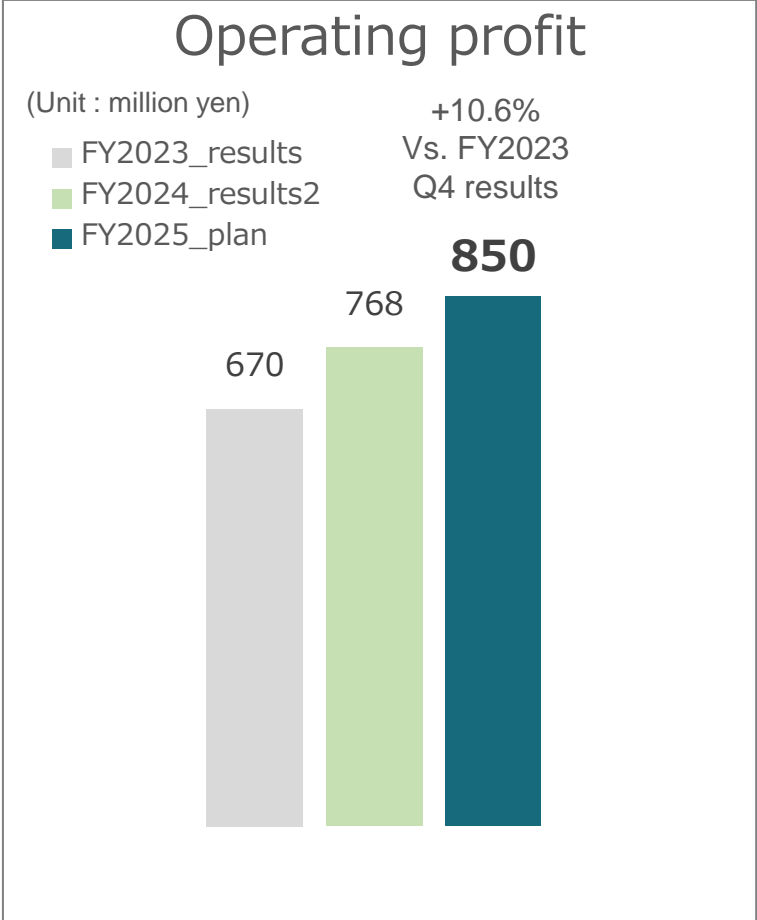
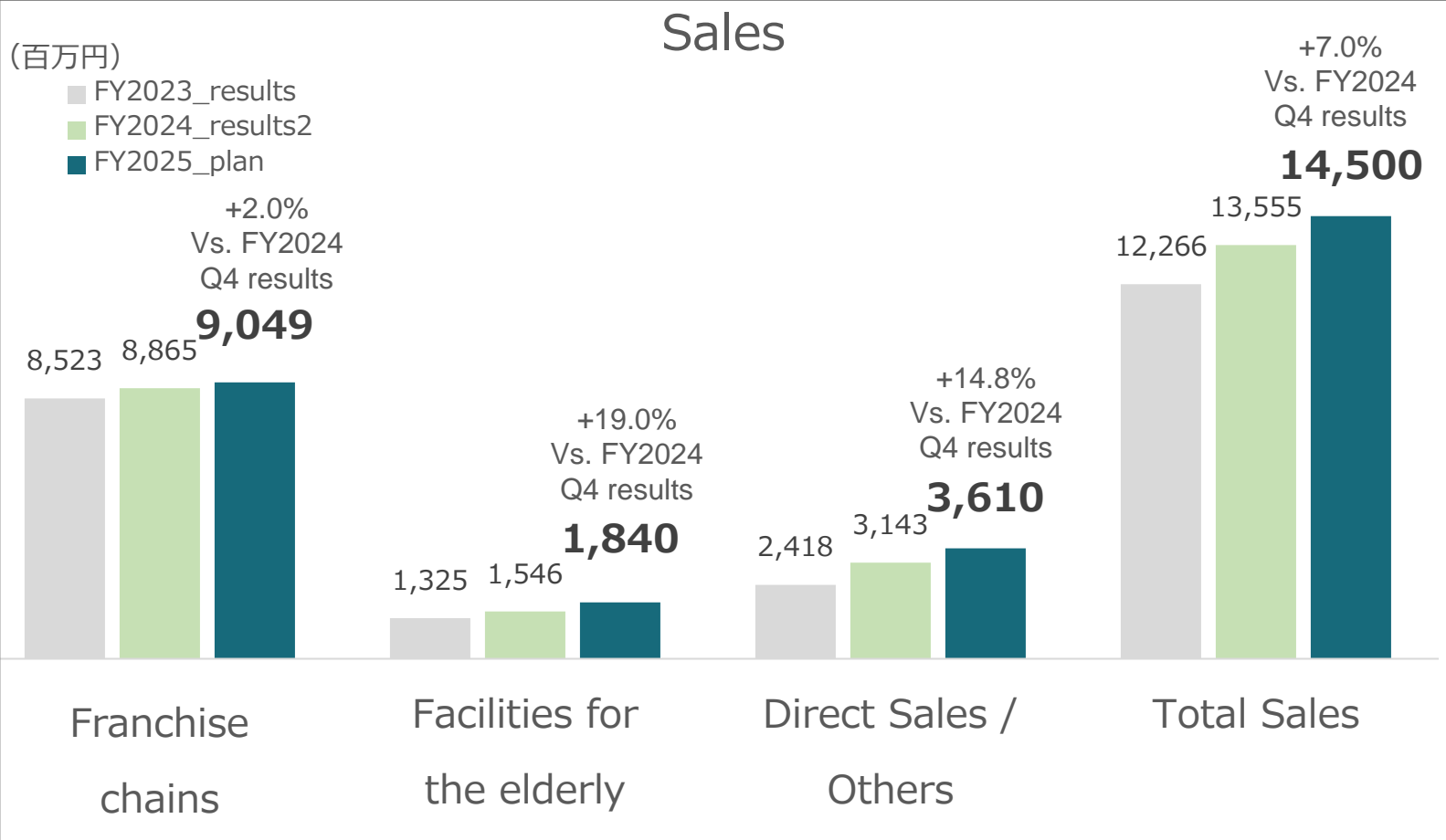
Unit : million yen

	FY2024 Plan			FY2025 Plan			Gap
	full financial year	(first half of the year)	(second half of the fiscal year)	full financial year	(first half of the year)	(second half of the fiscal year)	
Net Sales	13,555	6,710	6,844	14,500	7,080	7,420	+944
Operating Profit Operating profit ratio	768 5.7%	490 7.3%	277 4.1%	850 5.9%	330 4.7%	520 7.0%	+81 +0.2%
Ordinary Profit Ordinary Profit ratio	965 7.1%	582 8.7%	382 5.6%	1,030 7.1%	420 5.9%	610 8.2%	+64 0.0%
Net income Net income ratio	668 4.9%	361 5.4%	306 4.5%	700 4.8%	285 4.0%	415 5.6%	+31 ▲0.1%

FY2024 Financial Plan (Sales and operating profit by sales category)

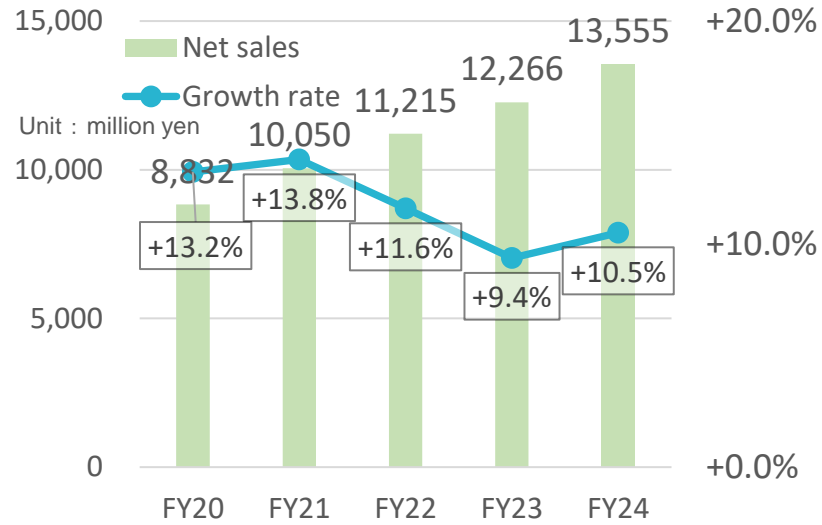


Net sales are expected to grow only moderately in franchise store sales
 Sales from senior care facilities, direct sales, and others are expected to grow significantly due to an increase in demand for frozen food and frozen bento.
 Operating income is expected to increase 10.6% yoy due to cost reduction measures and sales growth.

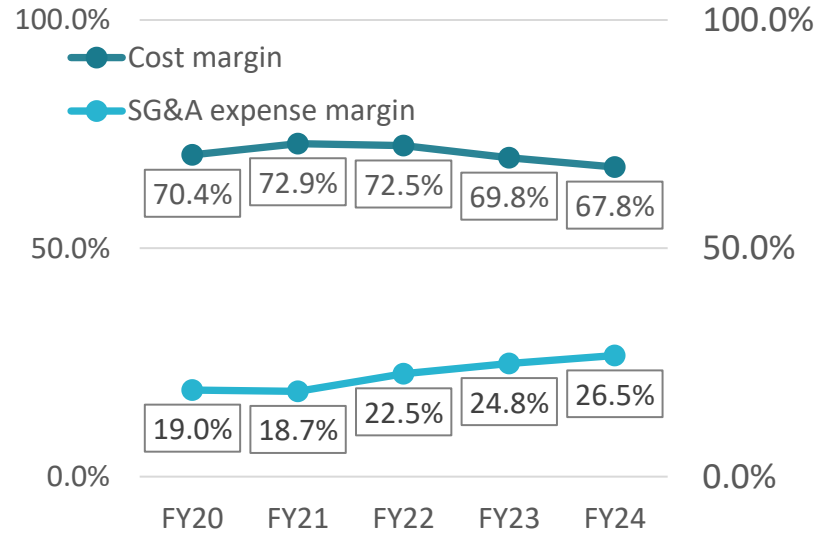


Reference : Management index

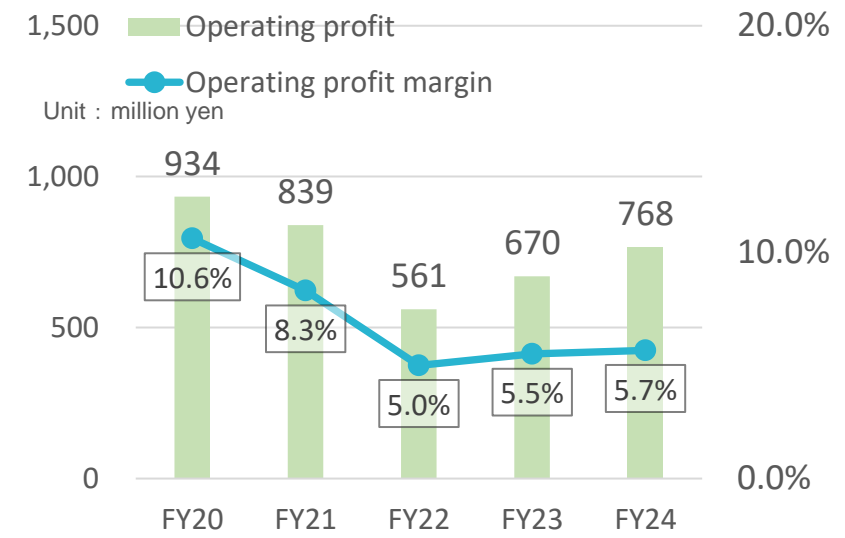
Net sales



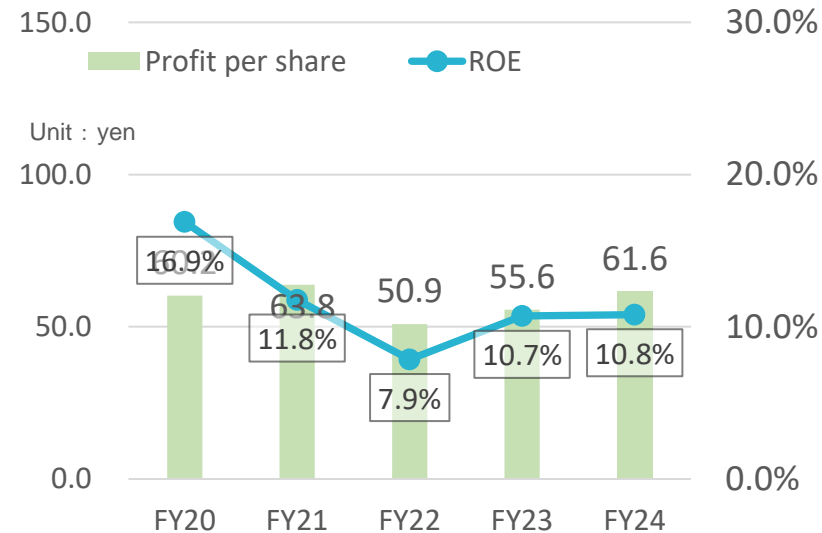
Cost of sales margin & SG&A expense margin



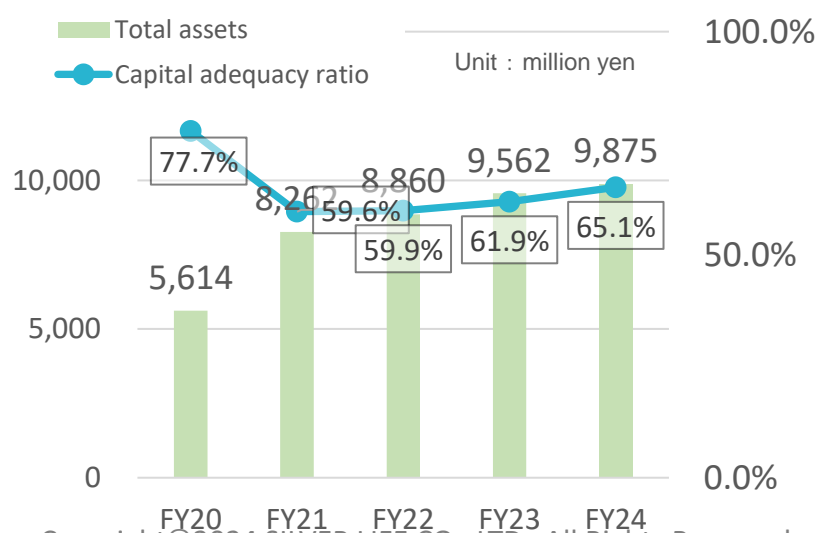
Operating profit margin



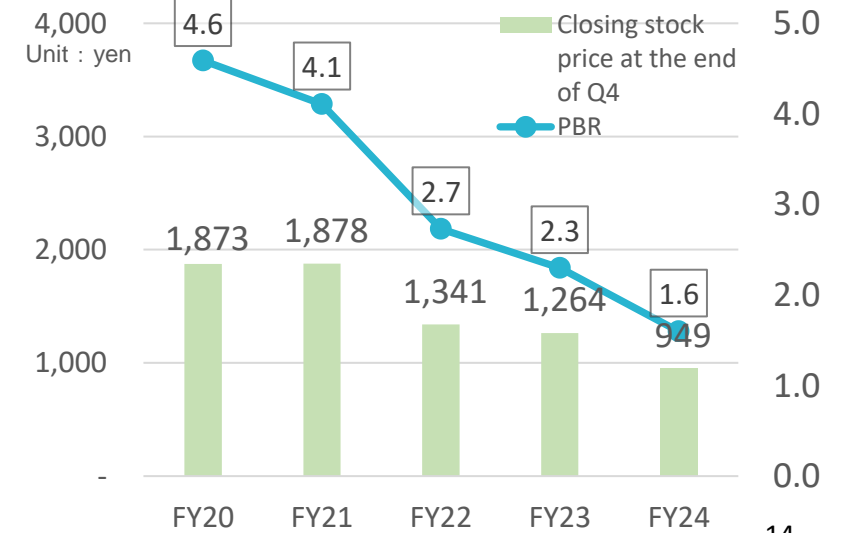
ROE



Capital adequacy margin



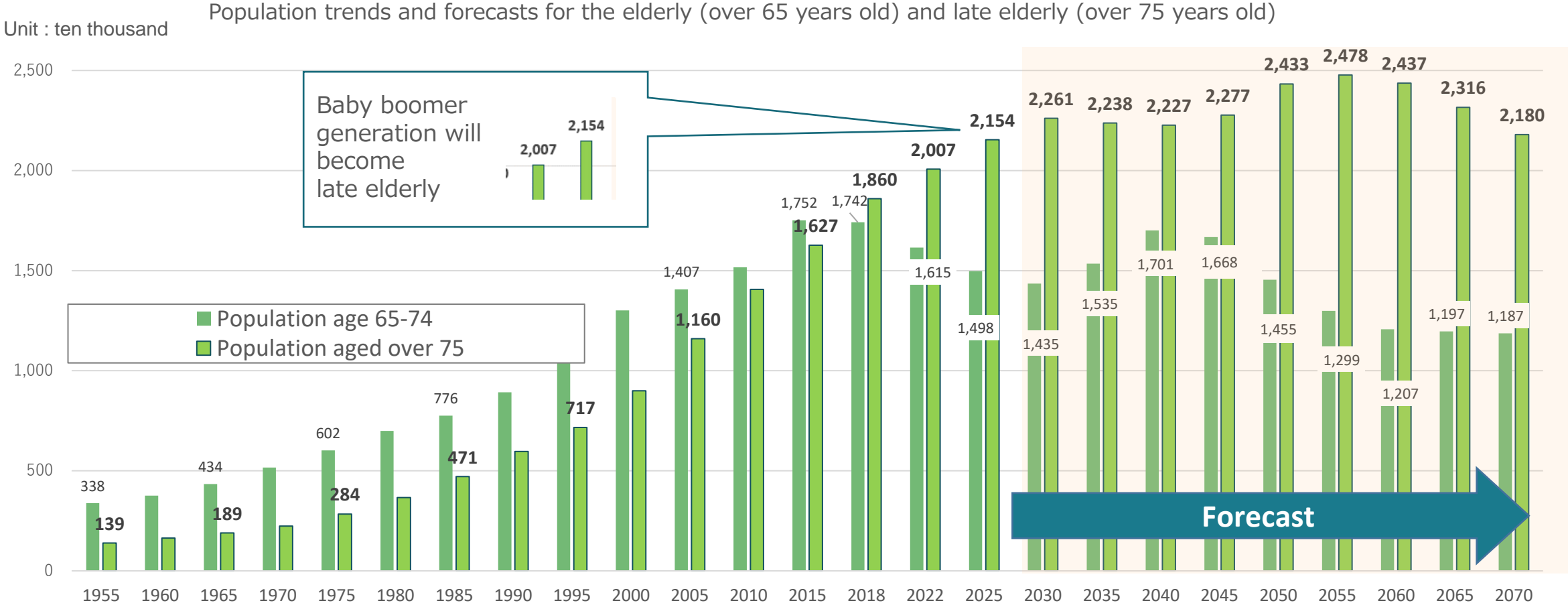
PBR



1.	Fiscal Year Ending July 2025 1ST Quarter Performance Highlights	3 ~ 10
2.	Forecast for the year ending July 31, 2025	12 ~ 14
3.	Reference Data	16 ~ 31

The Market to which we belong

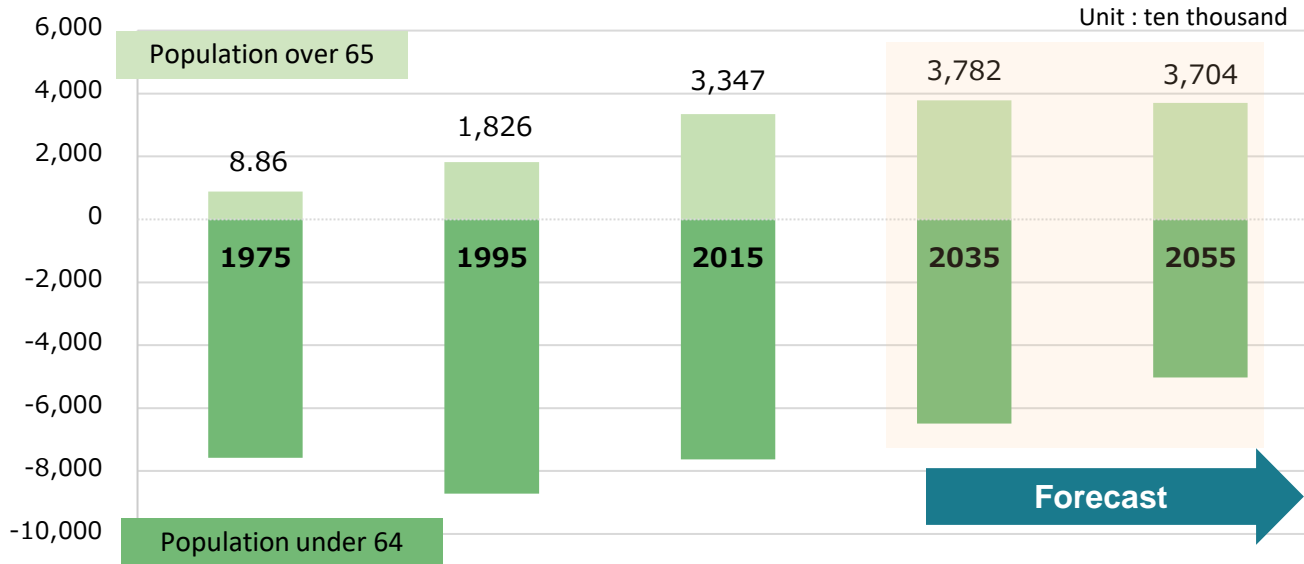
Our main target, the late elderly, will increase exponentially beyond 2025



White Paper on Aging Society 2024, Cabinet Office, Government of Japan

External Environment (a business that does not rely on care insurance)

Changes in the Working Generation and the Elderly Population

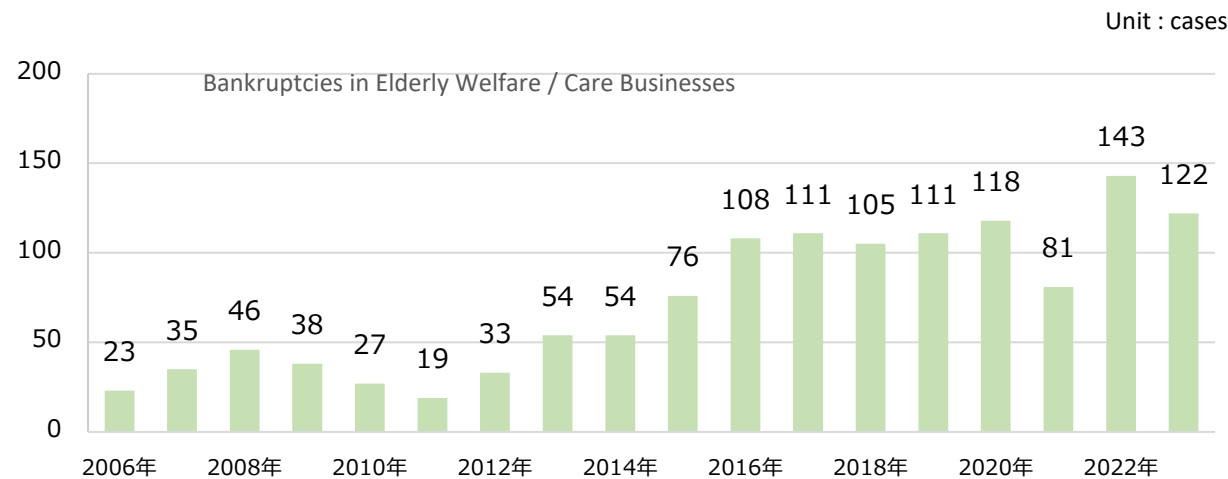


Source: Government materials

The working generation (15 to 64 years old) is decreasing, and the elderly population is increasing

Moving toward society where 1.3 people of the working generation will support 1 person aged over 65. Social security deposit benefits per person will decrease

The increase of expenditure toward COVID-19 measures in 2020 makes it even more difficult to secure financial resources for care and welfare



Source: local Government materials

(90% of sales rely on care insurance) care business is destined to become difficult in the future.

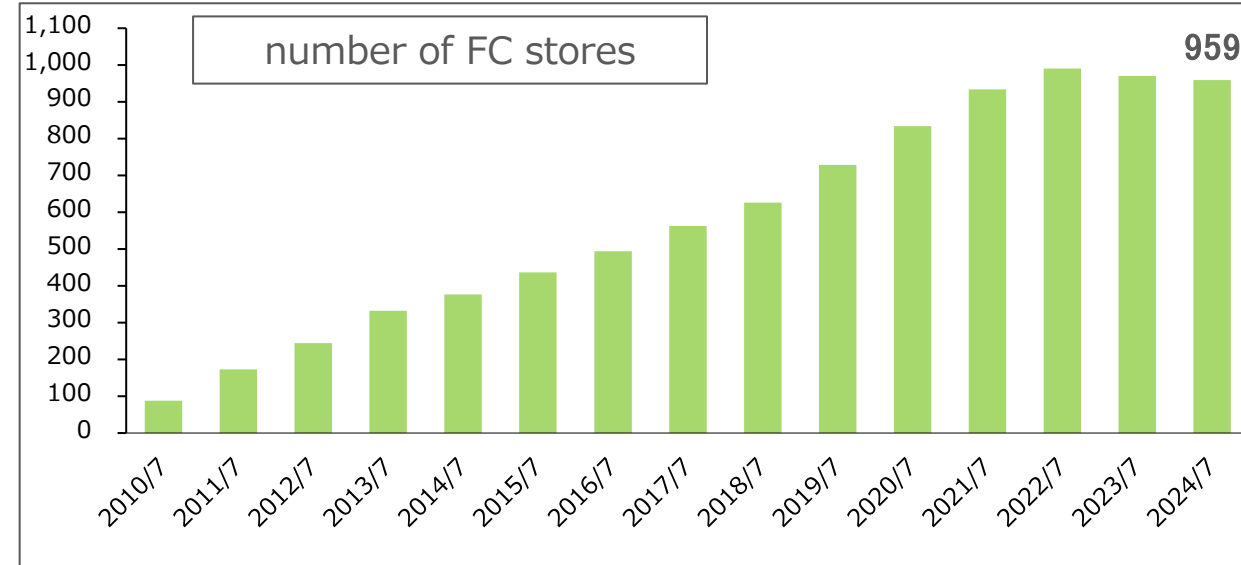
In this upcoming era, only businesses such as food distribution services for the elderly, which can be managed without relying on insurance, can support the lives of the rapidly increasing elderly population

Our Company Advantages

Our Advantage : FC Network

Overwhelming number of stores

Since opening its first store in “Setagaya” in November 2007, it has 959 stores as of the end of July 2024. This unparalleled number of stores in the industry enables you to enjoy economies of scale in terms of productivity, purchasing, and cost reduction



Low-cost opening

Since the FC stores that we are developing are not visit-type stores, there are advantages such as a wide range of location options and rent reduction. In addition, we have prepared a plan that does not require a large kitchen facility and can be operated by one person, and a plan with a low initial cost

profit and loss statement of FC stores (If the owner enters the store)

Sales	100	* Available at the lowest price on the market
Costs	40	* Stable purchase of high quality without cooking
Gross profit	60	
		* Easy operation without cooking
expenses	20	* Low initial investment and location-free rent
profit	40	* Low fixed cost ratio generates profits

High-mix random production

With an overwhelming number of stores, even the high-mix random production required for chilled food delivery services enjoys economies of scale in terms of purchasing and productivity

Manufacturing line required in a general food factory (dedicated line for a single product group)
Meat bun factory (1 million meat buns a day flow from a machine dedicated to manju to the conveyor. Although there are differences in meat buns and bean buns, they are the same product group)

Manufacturing line required for food distribution service (line that can handle random production of other varieties)

Since meals are distributed daily, the same product group cannot be provided every day. 12 items made today, 12 items made , all should be different



Diversity of products

In addition to more than 1,000 chilled meals, we manufacture a wide range of frozen bento boxes such as a variety of frozen meals, protein-adjusted meals, and mousse meals.

In addition, for frozen bento, both pillow type and top seal type can be manufactured.



Chilled and frozen meals



Frozen bento with rice



Frozen bento Top Seal type

Our Advantage : variety of menus

Food Pack

Menu : More than 1,000 items

Sold to : FC and Facilities for the Elderly

varieties : chilled · frozen

feature : Nutritional balance for the elderly

Food pack for FC stores, which are our main company. Since it is a daily meal, it is served refrigerated so that it does not lose its taste. In addition, we also provide frozen due to the expiration date loss and convenience required by the facility.



Chilled Pack



After serving at FC stores

Frozen bento meals

menu : More than 80 items

Sold to : EC & FC

varieties : Health balance and large cuts

Carbohydrate calorie and protein adjustment

Moose diet and salt-restricted diet

feature : Suitable for all ages, short-time cooking, health management



We make frozen bento meals to meet diverse dietary needs, including convenience, time efficiency, and health management.

Product Development

- Our Product Development Office is situated in our factory, facilitating close collaboration with the production team for high-quality and authentic product reproduction
- Our product development team consists mainly of qualified registered dietitians who utilize their advanced knowledge to achieve optimal nutritional balance and deliciousness

【qualification holders】
35 registered dietitians
4 nutritionists
7 health managers



(Product Development)

Quality and Sanitation Management

- Gunma Factory acquires FSSC 22000 certification, building an advanced safety management system that meets international standards
- Sanitation management team conducts bacterial testing, hygiene guidance and supervision in the factory.
- In order to improve the taste of the bento boxes provided to customers, tastings are held every day



(foreign matter inspection)



(Bacterial testing)

Products for FC



<https://www.magokoro-bento.com/>

Products for Elderly Facilities



<https://kodawari-chef.com/lp>

EC site



<https://magokoro-care-shoku.com/>

EC site



<https://l-meal.com/>

OEM Business Site



OEM Business

<https://www.silver-life.co.jp/oem>

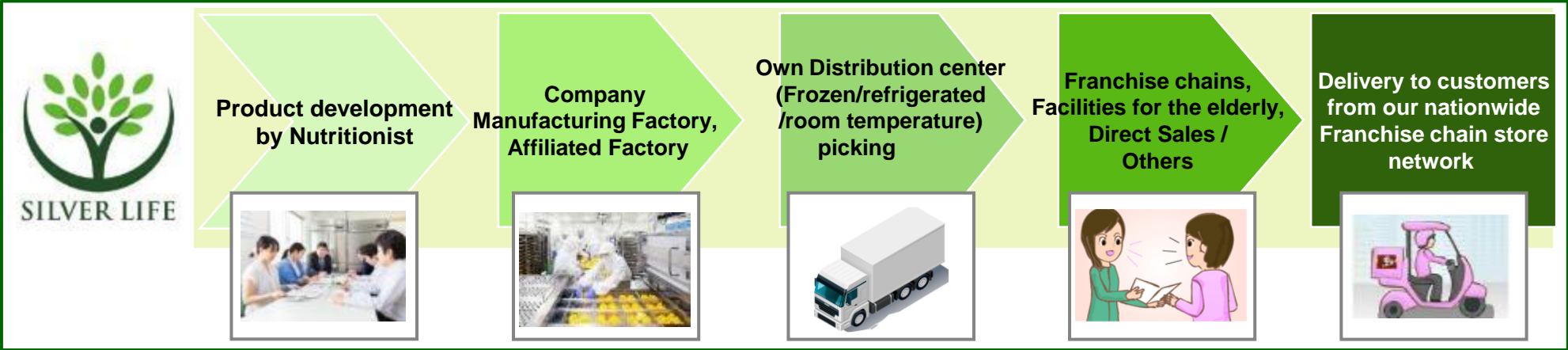
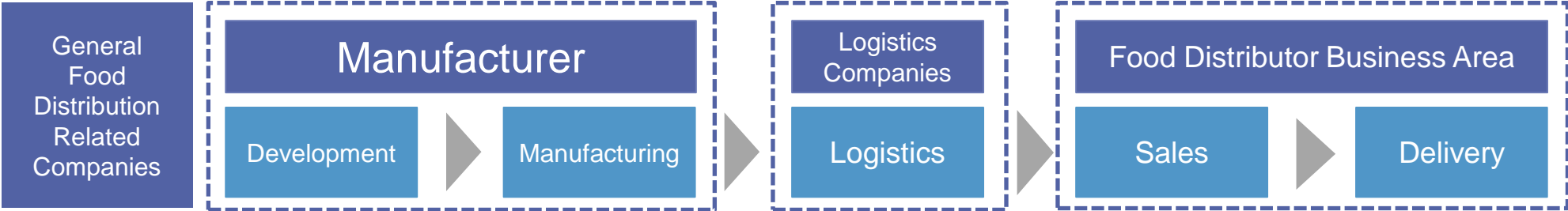
Business introduction



Business Introduction

<https://www.silver-life.co.jp/product>

Our Advantage : Consistent System



Feedback from franchise chain stores and customers

<p>Purpose and Features</p>	<ul style="list-style-type: none"> • Cost advantage due to mass production • Product development based on customer feedback (franchise chain stores) • Ensure the "Safety and Security" 	<ul style="list-style-type: none"> • Efficiency of storage and delivery • OEM sales expansion 	<p>Food distribution service for the elderly</p>
------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------	--------------------------------------------------

Company Overview



【Management Philosophy】

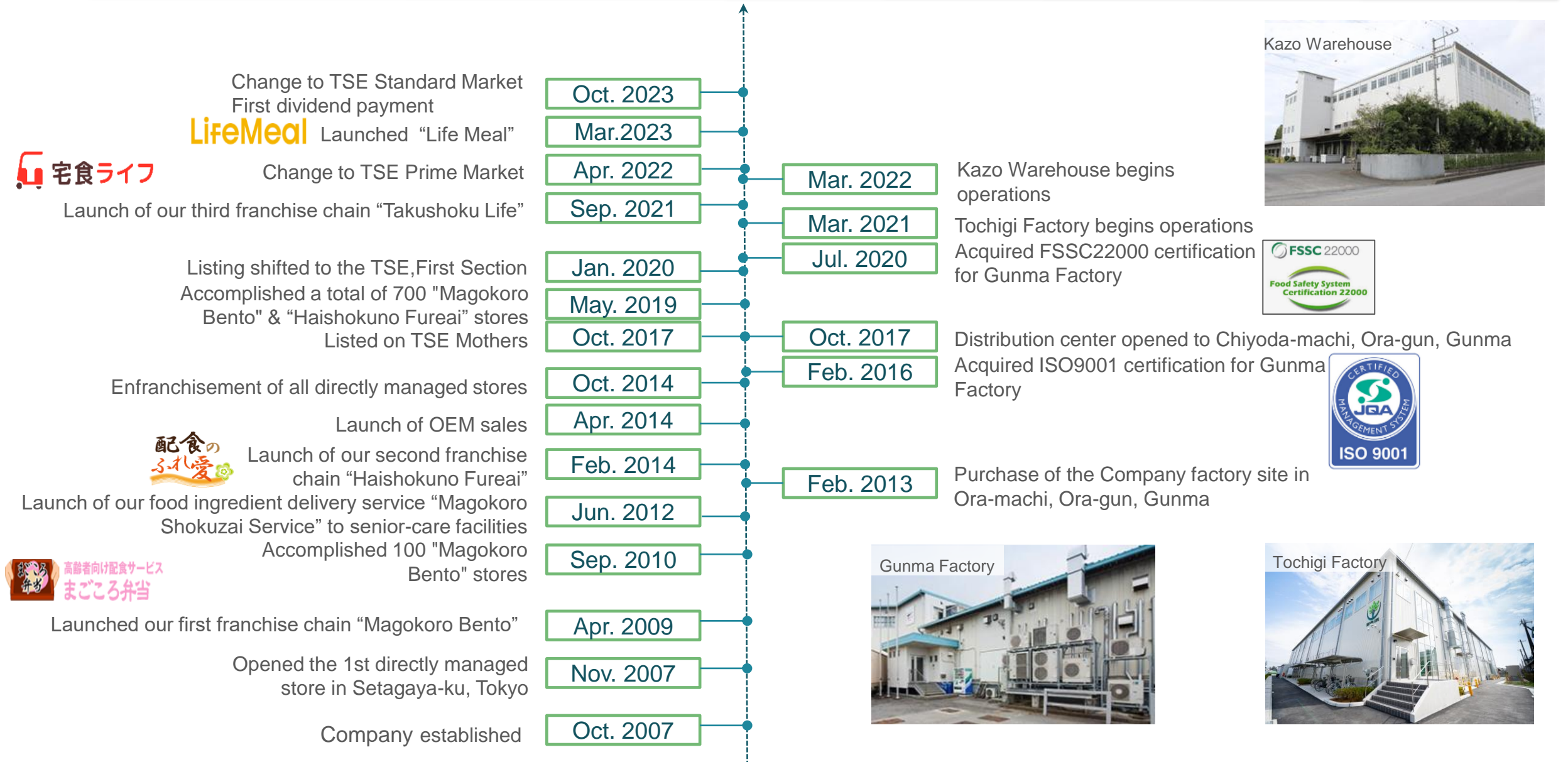
We will create a society where everyone can grow old with peace of mind from the perspective of food.

【Our Mission】

We prepare bento's at reasonable prices and deliver to your home every day so that elderly people living alone or needing care who have difficulty cooking or going out to shop can eat without any trouble.

Company Name	SILVER LIFE Co., Ltd.
Representative	President, CEO : Takahisa Shimizu
Established	October 2007
Capital Stock	731 million yen (as of July 31, 2024)
Address	Highness Lofty Level 2, 4-32-4, Nishishinjuku, Shinjuku-ku, Tokyo, 160-0023, Japan
Businesses	<ul style="list-style-type: none">▪ Franchise management of food delivery service for the elderly (Service names: “Magokoro Bento”, “Haishokuno Fureai”, “Takushoku Life”)▪ Food ingredient sales to senior-care facilities (Service names: “Magokoro Shokuzai Service”, “Kodawari Chef”)▪ Own brand and OEM sales of frozen bento meals (Service name: “Magokoro Care Shoku”)
Website	https://www.silver-life.co.jp/
Employees	530 (Full-time: 305 / Part-time: 225) As of the end of July 2024
Factory	<ul style="list-style-type: none">▪ Gunma Factory:1678-1, Nakano, Ora-machi, Ora-gun, Gunma, 370-0603, Japan▪ Tochigi Factory:576-6, Hakaricho, Ashikaga-shi, Tochigi, 326-0327, Japan
Warehouse	<ul style="list-style-type: none">▪ Kazo Warehouse:376, Sakae, Kazo-shi, Saitama, 349-0213, Japan

Our History



Kazo Warehouse begins operations

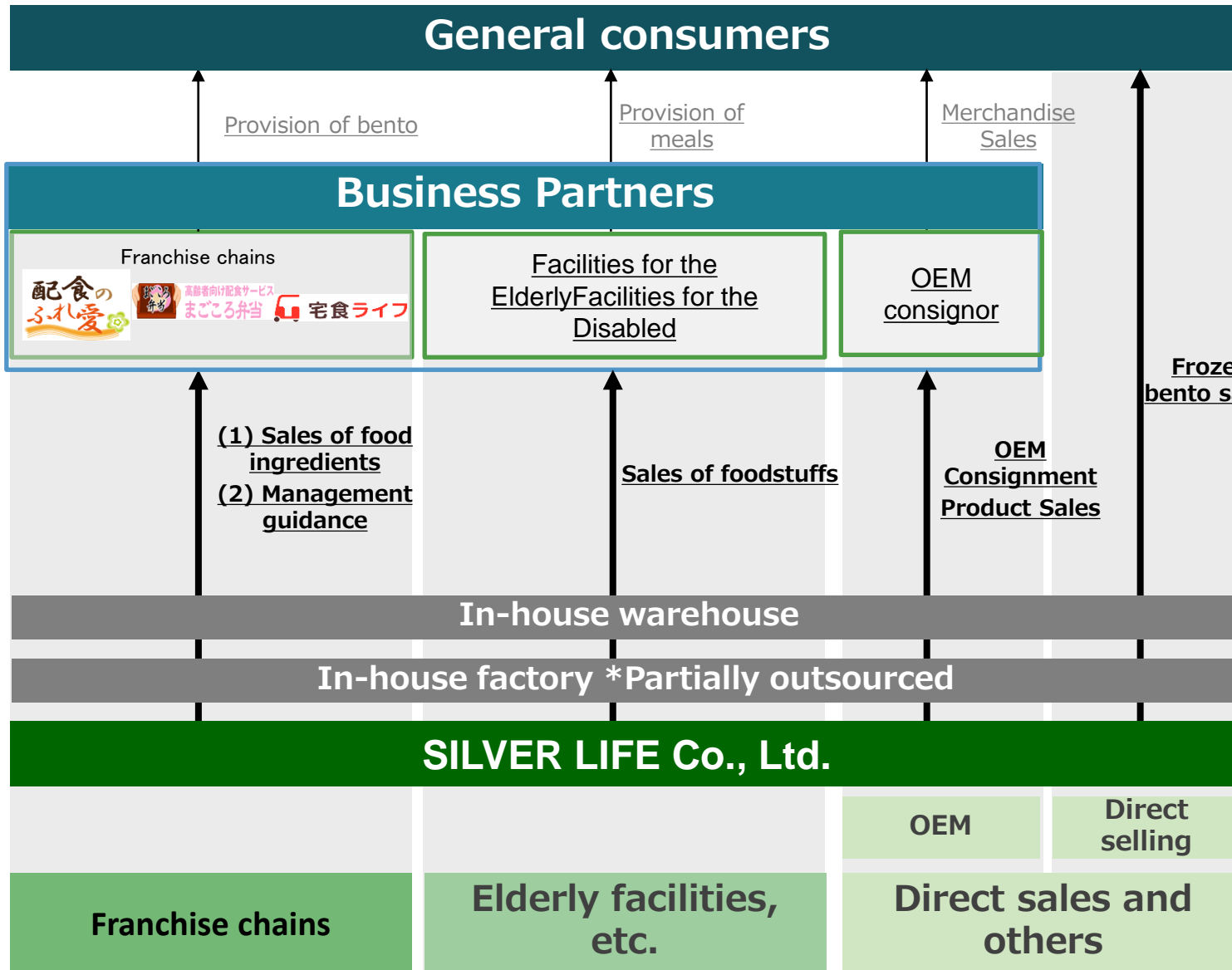


Tochigi Factory begins operations
Acquired FSSC22000 certification for Gunma Factory



Distribution center opened to Chiyoda-machi, Ora-gun, Gunma
Acquired ISO9001 certification for Gunma Factory





Kazo Warehouse



Mainly hub for logistics of the company's own factory products
Sales Category: Warehousing (including storage and picking contracting)

Tochigi Factory



Mainly manufactures chilled food ingredients and OEM food ingredients
Sales categories: franchisees, elderly care facilities, etc., OEM

Gunma Factory



Mainly manufactures frozen bento
Sales categories: direct sales and others (own e-commerce site sales, OEM, etc.)

- The statements in this document regarding future-prospects are based on current information and may fluctuate due to economic trends, market environment, our related industry trends, and other internal and external factors. Therefore, please have in mind that there are risks and uncertainties that the actual results may differ from those described in this document regarding future-prospects.
- This document does not constitute or solicit an application for acquisition of any securities, an application for sale, or an application for purchase (hereinafter referred to as “solicitation”) and is not intended to perform any solicitation activities and may not be the basis of any contracts or obligations.
- Although we take the utmost care for the information in this document, there may be errors in the posted information, and you may experience damage from data falsification or data downloaded by a third party, but we do not take any responsibility for any reason.