



Financial Results for the 3rd Quarter of Fiscal Year Ending July 31, 2025

SILVER LIFE CO., LTD.

The Standard Market of the Tokyo Stock Exchange (9262)

Discounted Side Dish Shop
Examples of side dish
presentation



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 3rd Quarter Performance Highlights	3 ~ 11
2.	Forecast for the year ending July 31, 2025	13 ~ 15
3.	Reference Data	18 ~ 31

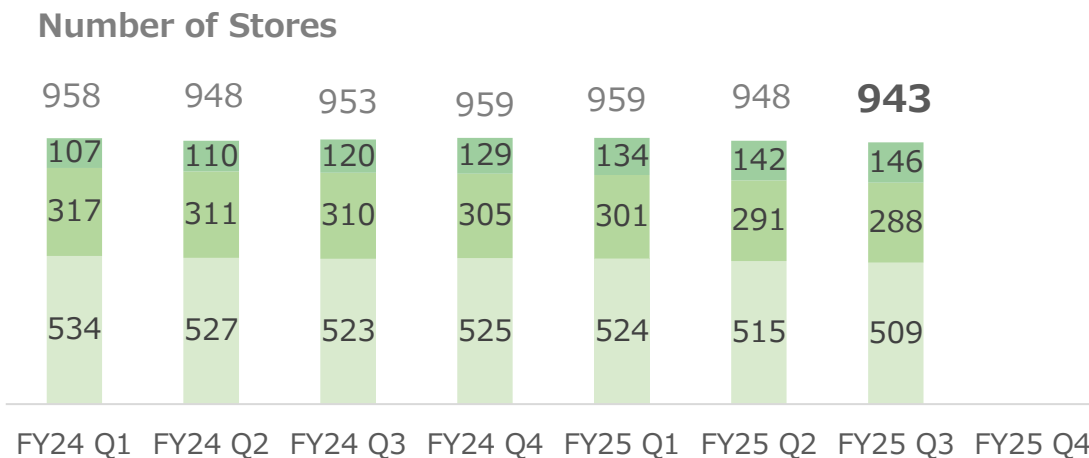
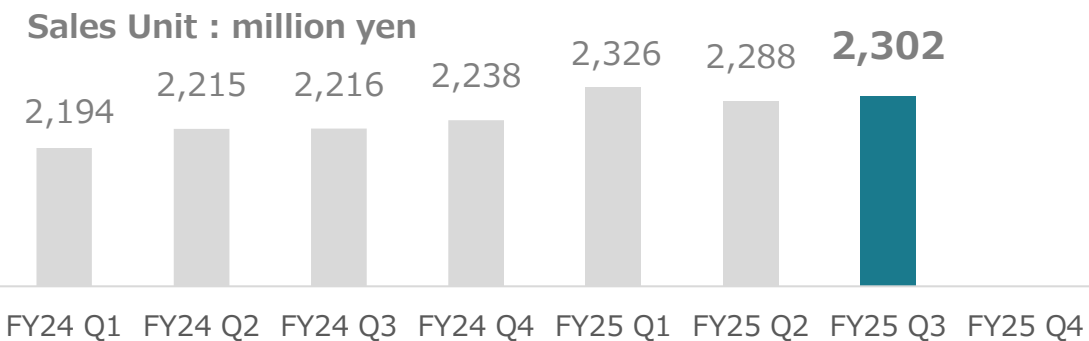
Fiscal Year Ending July 2025 Q3 Performance (vs YoY)



Net sales	+8.7%	Increases in all sales categories, due to price revisions implemented at franchised stores and elderly care facilities.
Gross profit	+15.7%	Gross profit increased due to the effect of increasing in-house manufacturing rate from 60% in the previous fiscal year to 70% this fiscal year and price revisions.
Operating profit	+0.6%	Immediately after the logistics integration, in the first quarter, sales were down 72 million yen compared to the previous quarter, but from the second quarter, sales improved as in-house production progressed, and the cumulative total caught up in the third quarter.

Unit : million yen	FY2025 Q3			FY2024 Q3		FY2025 Plan	
	Actual	Vs. FY2024 Q3Actual	Sales ratio	Actual	Sales ratio	Plan	Sales ratio
Net sales	10,937	+ 8.7%	-	10,058	-	14,500	-
Gross profit	3,733	+ 15.7%	34.1%	3,226	32.1%	4,917	33.9%
Operating profit	671	+ 0.6%	6.1%	667	6.6%	850	5.9%
Ordinary profit	780	▲ 5.1%	7.1%	822	8.2%	1,030	7.1%
Profit	477	▲ 5.7%	4.4%	506	5.0%	700	4.8%

Franchise chains



■ Takushoku Life ■ Haishokuno Fureai ■ Magokoro Bento

Vs. FY2024 Q3
cumulative Actual

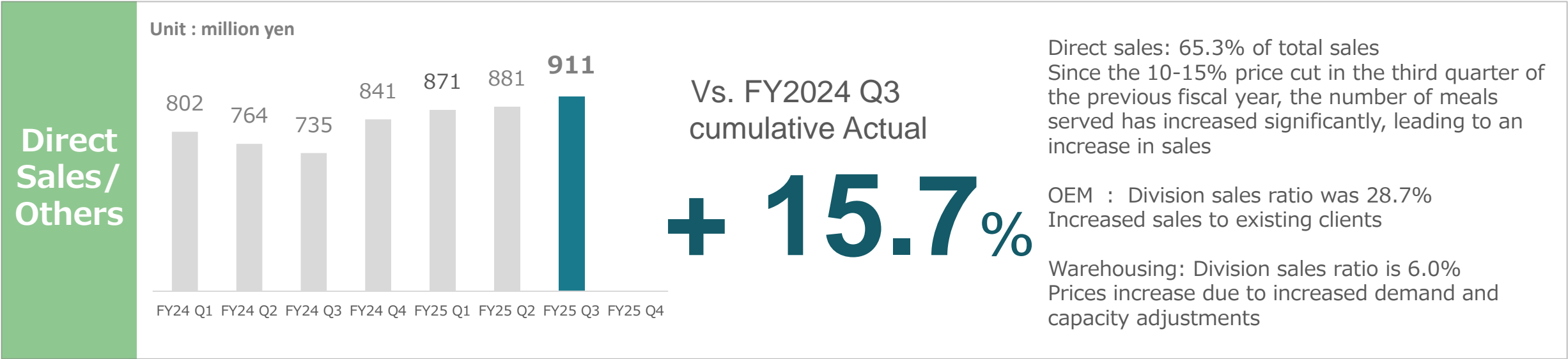
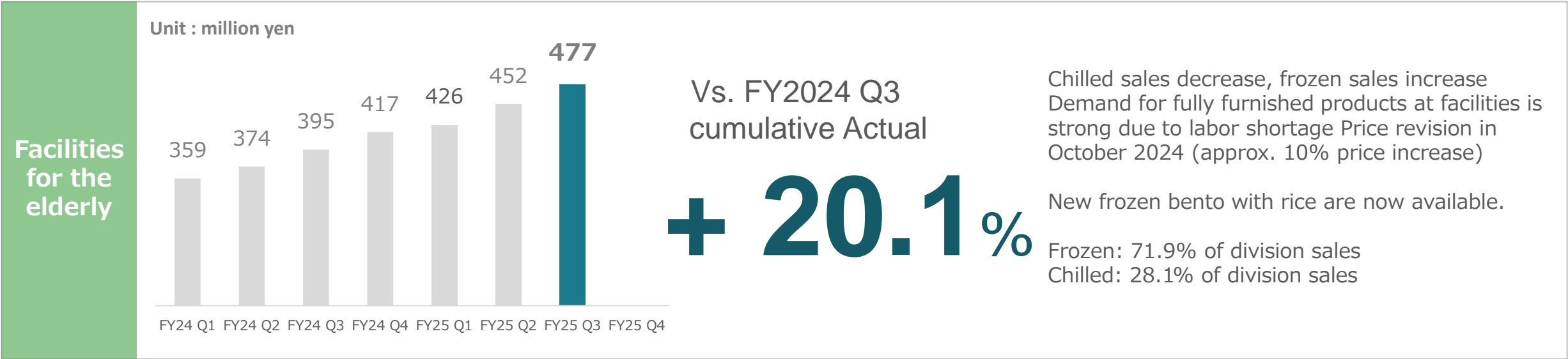
+ 4.4%

Sales : Slight increase due to price hike
Prices will be revised in September 2024 and March 2025.
Sales increased due to rising rice prices (sales up 3.7% year-on-year)
However, as rice is sold almost entirely at cost, gross profit margins were negatively affected
Sales per existing store increased 112.0% year-on-year*1
special meal*2 will be packaged in March 2025 to reduce manufacturing costs
Ingredient sales of regular and special meals combined will grow by +2.7%
We plan to transfer the production of mousse meals, one of the special meals, to our own production in the fall.
Number of stores: 943 stores, openings and closings continue to fluctuate
● Major change to business model that has continued for over 20 years
→ Due to a shortage of manpower, it was determined that two deliveries a day and night was the limit.
→ From July onwards, the system will be gradually changed to simultaneous day and night deliveries once a day.
→ According to our calculations, sales will decrease slightly and store labor costs can be reduced by 35%

※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 Q3 Sales by Sales Segment

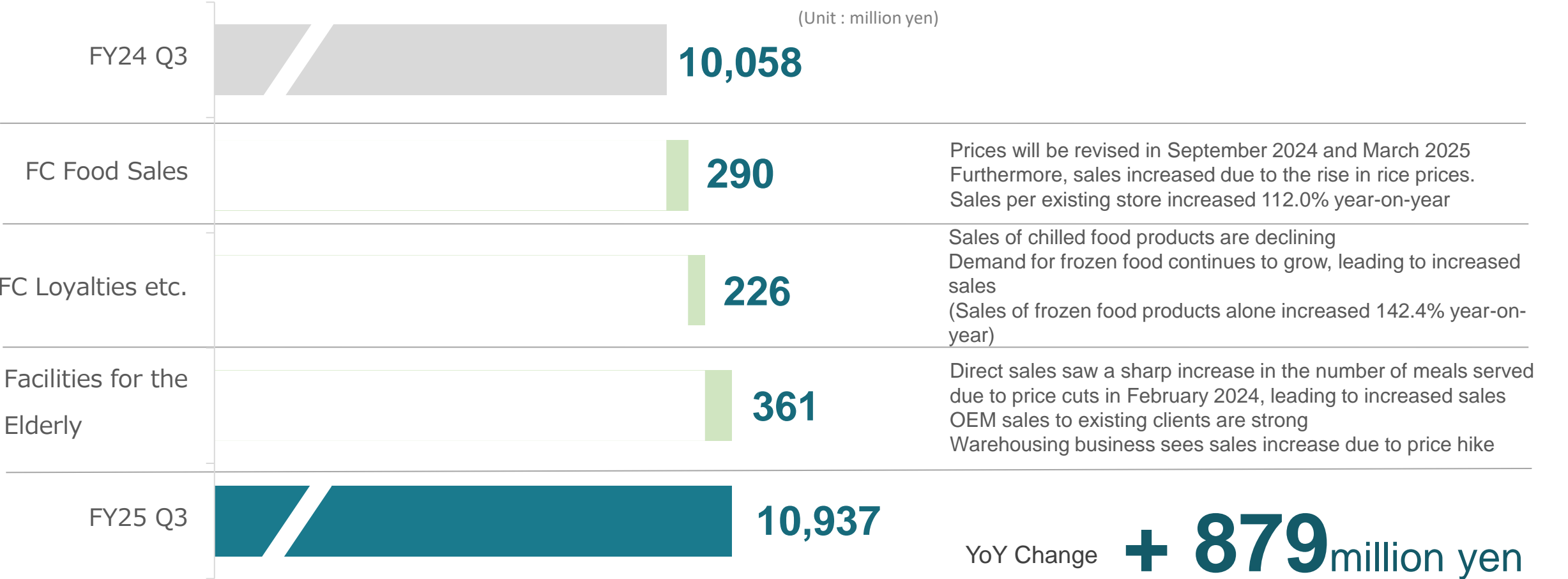


Change Analysis of Sales

Sales YoY + 8.7%

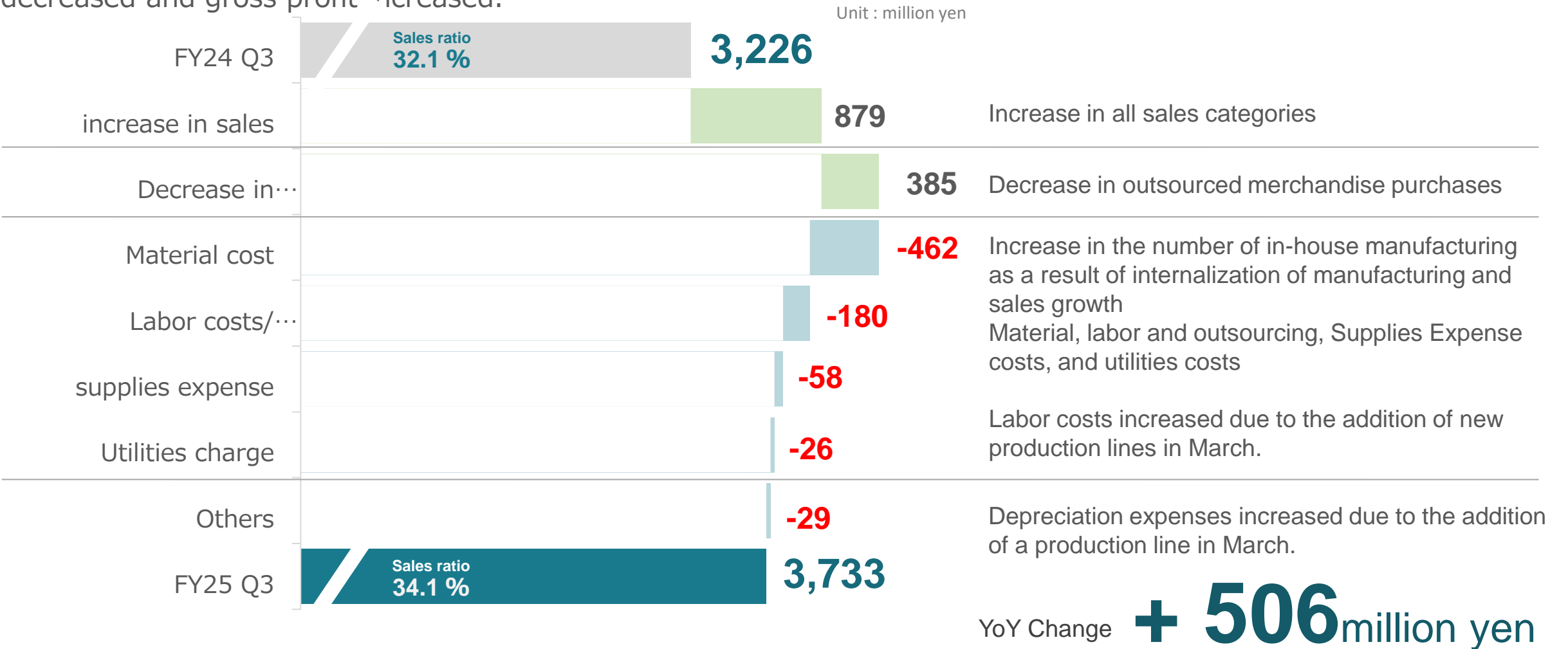
Sales to franchisees increased due to price revisions and rising rice prices, but the number of meals delivered decreased due to a shortage of delivery staff. Sales at elderly care facilities (food sales to facilities) increased due to increased demand caused by labor shortages and sales of frozen lunch boxes with rice increased.

Direct sales and others: Sales increased thanks to a pricing strategy that combined price cuts and price increases, and favorable performance from existing OEM clients.



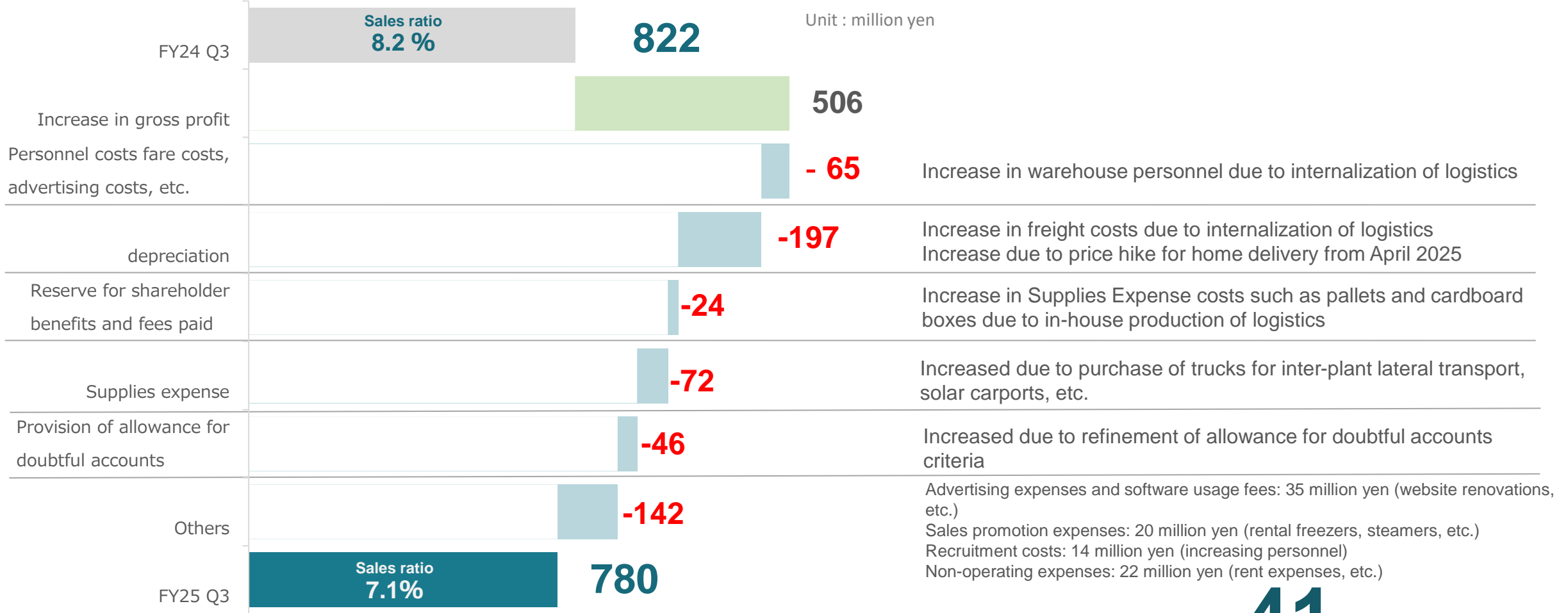
Change Analysis of Gross Profit

Value increased 15.7% YoY, gross margin improved 2.1% YoY.
The in-house manufacturing ratio increased from the previous 4Q (60% to 70%), which increased manufacturing costs at our own factory. However, the purchase of outsourced ingredients decreased, so the cost of goods decreased and gross profit increased.



Change Analysis of Ordinary Profit

Recurring profit declined 5.1%, and recurring profit margin deteriorated 1.1%.
Significant increase in logistics volume and freight rates for shipments to our own bases due to the in-house production of logistics in the Q4 of the previous fiscal year
In the first three quarters of this fiscal year, we will focus on laying the foundations for various improvement measures, primarily focusing on freight rates.



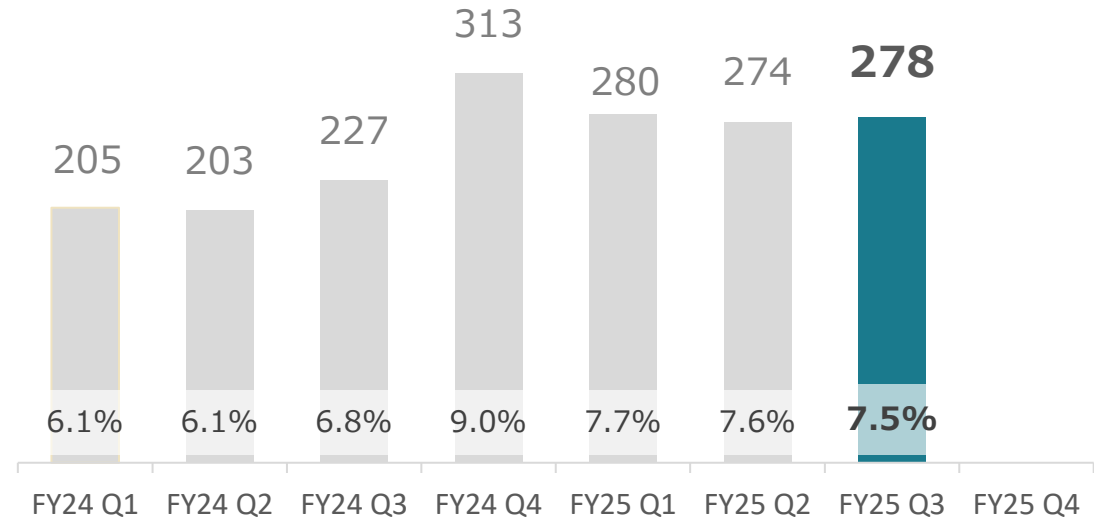
YoY Change ▲ 41 million yen

Activities in the current term

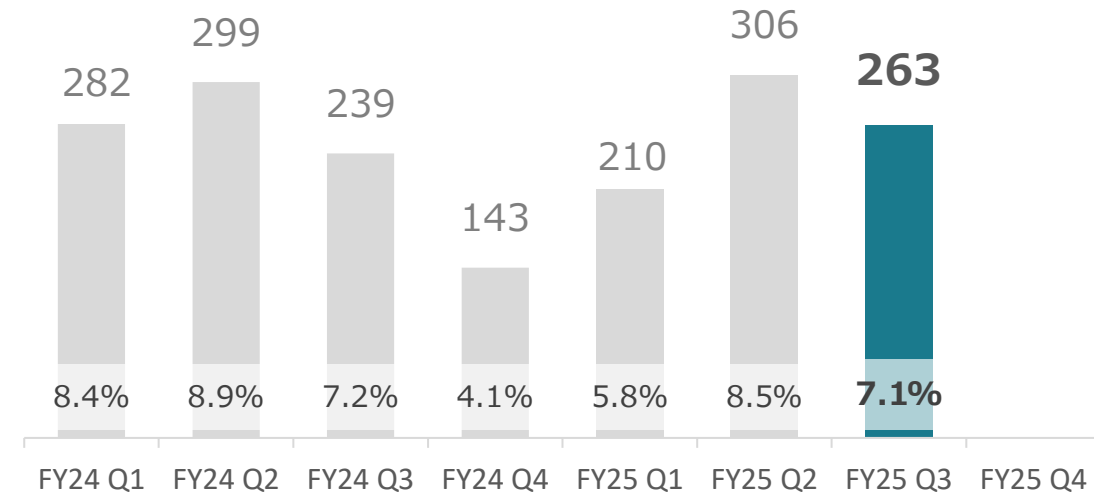
In-house logistics and improvement of freight rate, which had deteriorated temporarily



Freight and freight ratio within selling, general and administrative expenses (million yen · %)



Ordinary profit and ordinary profit margin (million yen · %)



Freight ratio Q3 7.5% 1.5% improvement from 9.0% in Q4 FY24
Ordinary Profit Margin Q3 7.1% 3.0% improvement from 4.1% in Q4 FY24

Rapid development in preparation for fare increases from April 2025
Consignment of home delivery services to designated routes, in-house consignment of home delivery services, warehouse automation

May 2024 Freight rates rise sharply as logistics centers are centralized
June 2024 Improved warehouse cardboard box size
December 2024 In-house transport between factories, warehouses, and our own locations
January 2025 Okinawa Prefecture store delivery service changed from courier service to airmail and consignment route delivery
March 2025 In-house production of outsourced store delivery routes in Kanagawa Prefecture
April 2025 In-house outsourcing of store delivery routes in the Santama area

June 2025 In-house outsourcing of store delivery routes in Chiba Prefecture
Kansai area store delivery service to be outsourced to other routes
Scheduled for July 2025 In-house delivery routes for stores in the 23 wards of Tokyo and northern Kanto
Scheduled for August 2025 Sapporo and Kyushu store delivery service to be outsourced to other routes
Scheduled for September 2025 Automation of shipping operations on the first floor of the warehouse (introduction of conveyors and AGVs)

Activities in this term

February: 50 new items added to Life Meal

Furthermore, in response to the growing health consciousness, we have added a menu with "15g carbohydrate standard" that reduces carbohydrates while still maintaining deliciousness and satisfaction.



ハンバーグデミグラスソース弁当



赤魚の塩焼き弁当

March: Launch of the prepared food pack sales site "Wakeari na Okazuya-san"

By quickly freezing excess produce produced in factories rather than throwing it away, we can keep prices reasonable.



April: Guidelines are created by the Nursing Care Related Service Business Association

As an initial member of the Nursing Care Related Service Business Association, which is supported by the Ministry of Economy, Trade and Industry, we created guidelines for food delivery services together with two other companies.



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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

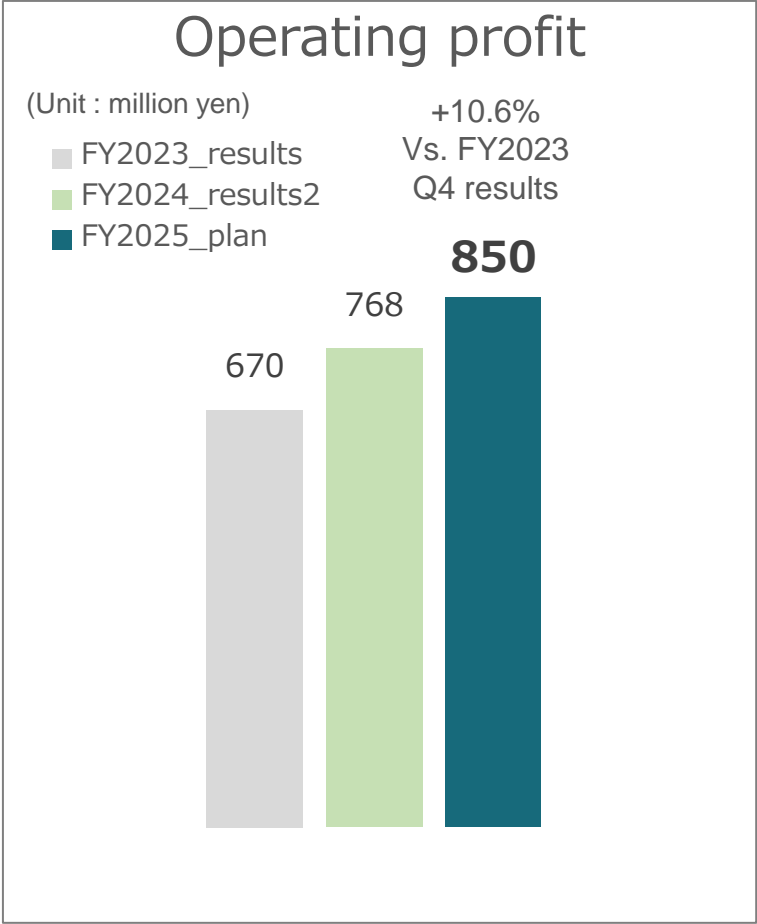
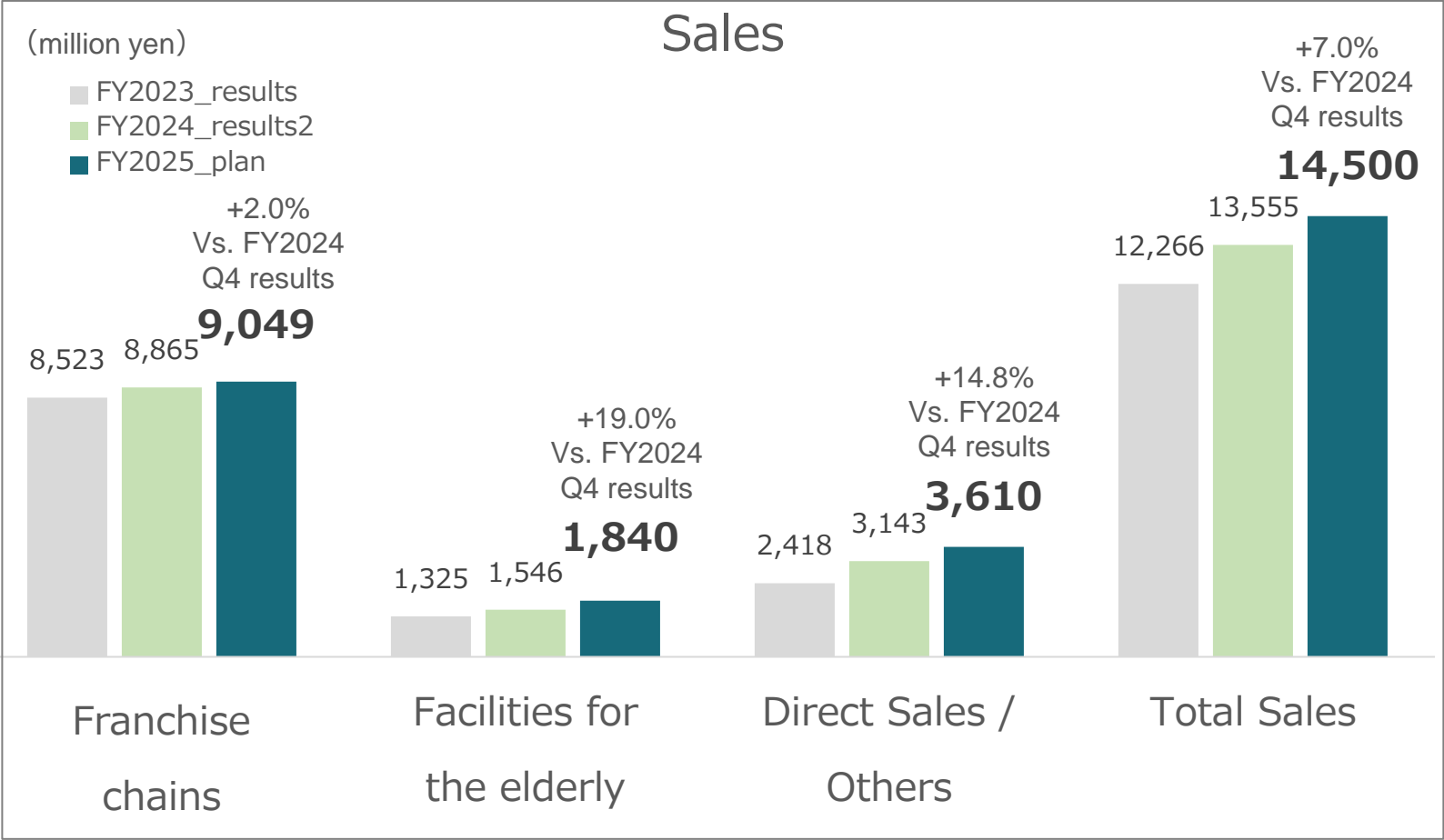
	FY2024 Plan			FY2025 Plan			Gap
	full financial year	(first half of the year)	(second half of the fiscal year)	full financial year	(first half of the year)	(second half of the fiscal year)	
Net Sales	13,555	6,710	6,844	14,500	7,246	7,254	+944
Operating Profit Operating profit ratio	768 5.7%	490 7.3%	277 4.1%	850 5.9%	440 6.1%	410 5.7%	+81 +0.2%
Ordinary Profit Ordinary Profit ratio	965 7.1%	582 8.7%	382 5.6%	1,030 7.1%	514 7.1%	516 7.1%	+64 0.0%
Net profit Net profit ratio	668 4.9%	361 5.4%	306 4.5%	700 4.8%	315 4.3%	385 5.3%	+31 ▲0.1%

※ The change is due to a revision of the performance forecast for the first half, with no change to the full-year forecast.

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

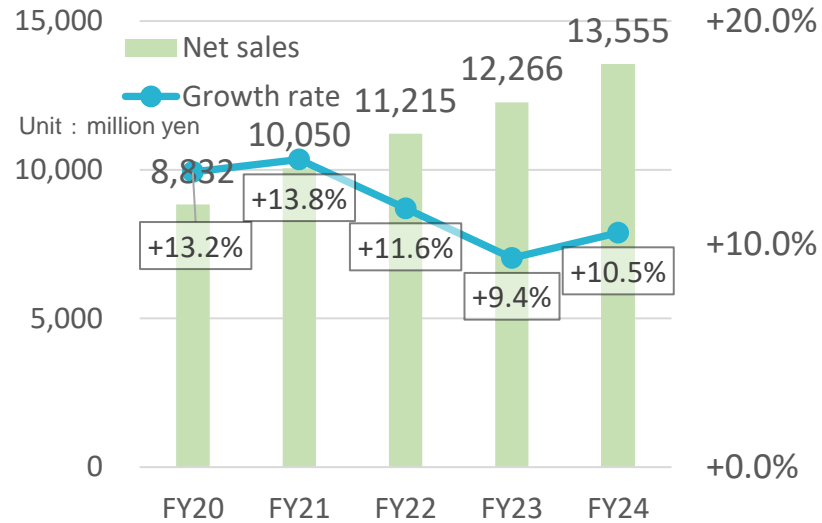


Net sales are expected to grow only moderately in franchise store sales
Sales from senior care facilities, direct sales, and others are expected to grow significantly due to an increase in demand for frozen food and frozen bento.
Operating profit is expected to increase 10.6% yoy due to cost reduction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

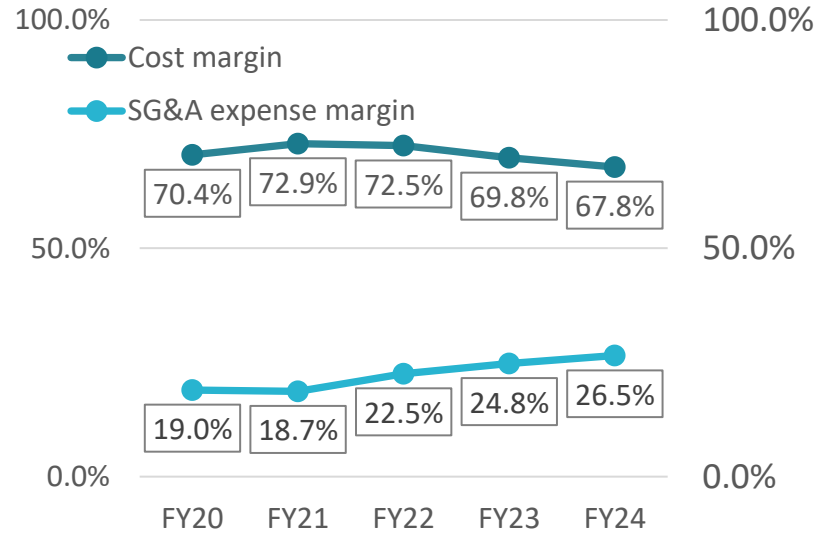


Reference : Management index

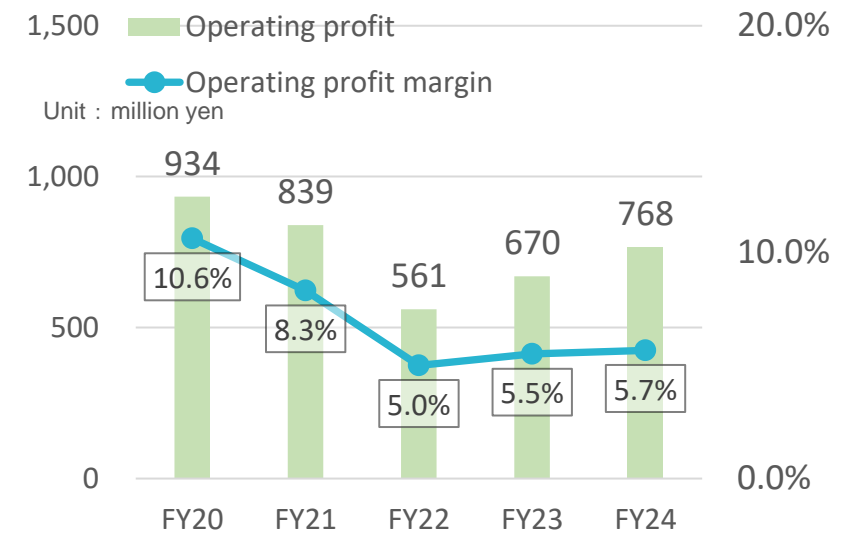
Net sales



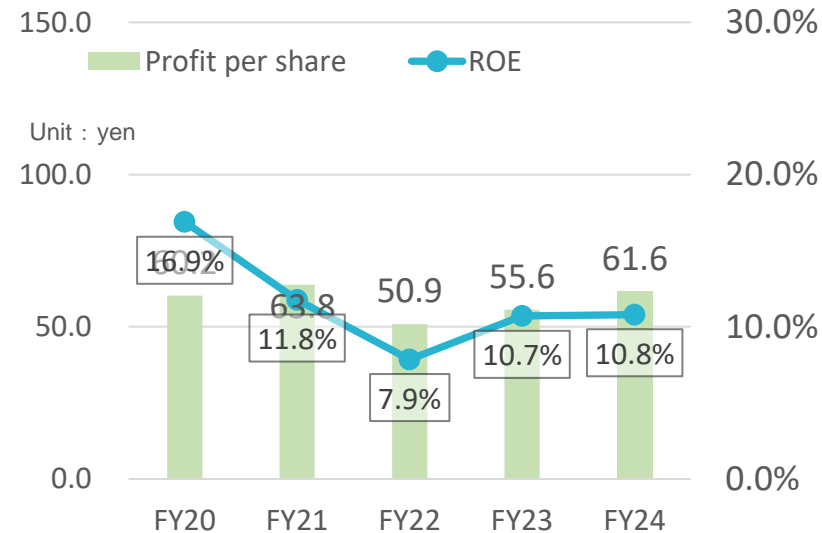
Cost of sales margin & SG&A expense margin



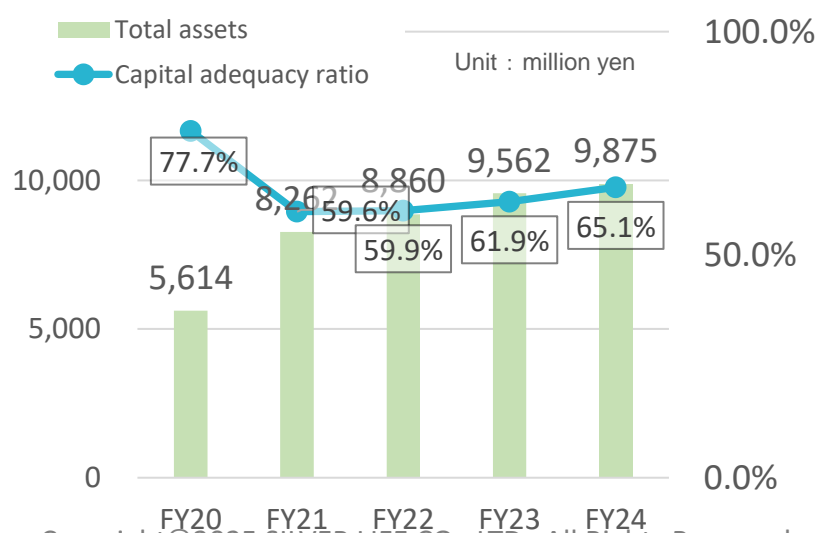
Operating profit margin



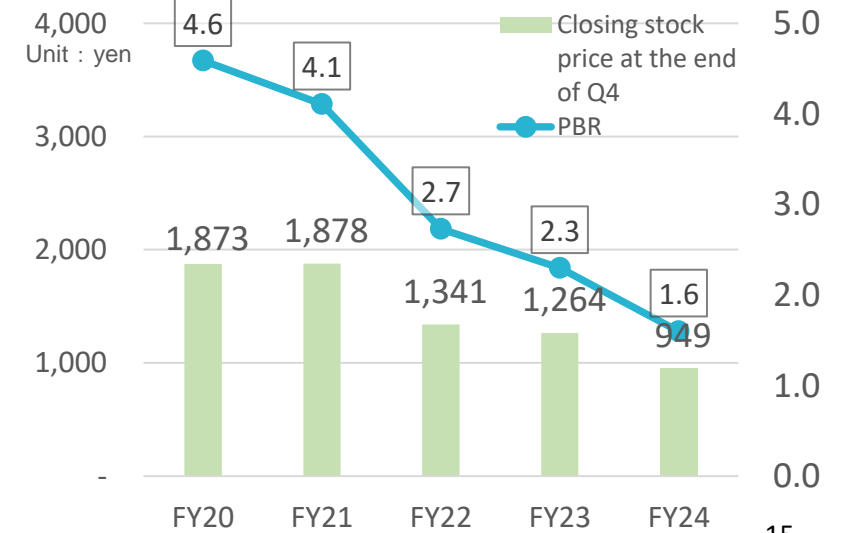
ROE



Capital adequacy margin



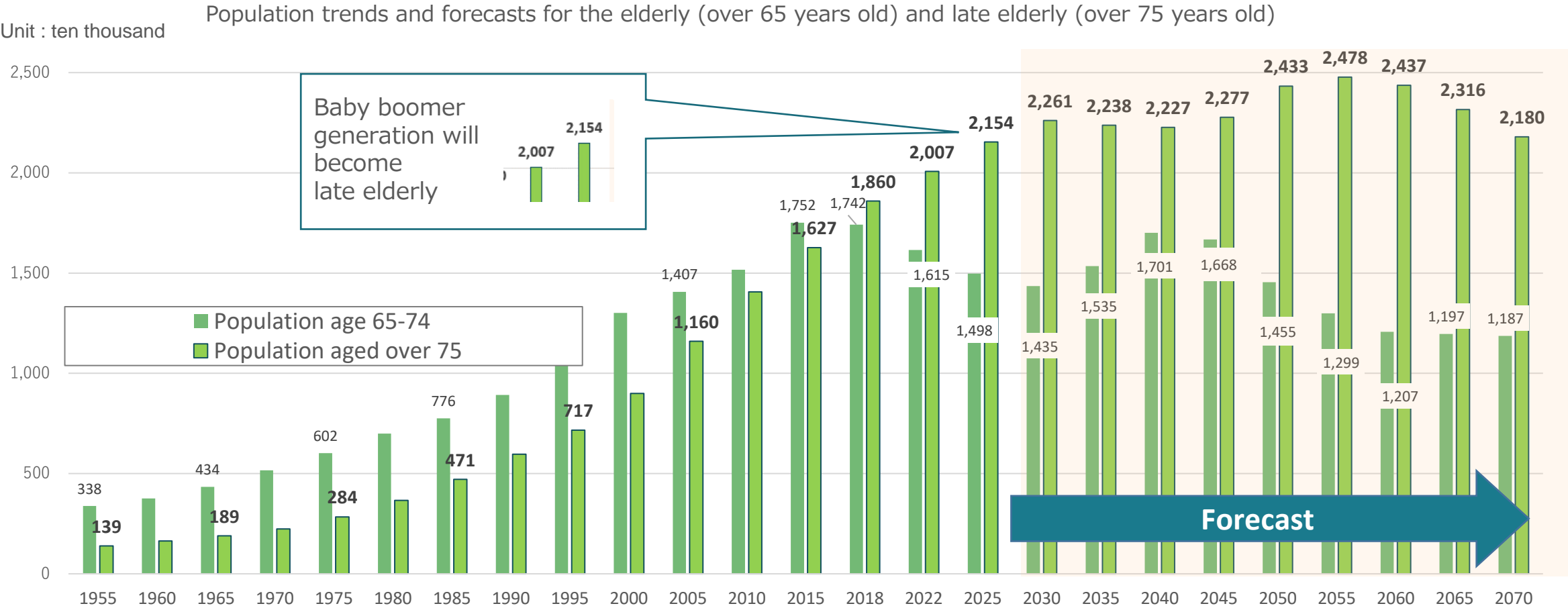
PBR



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Company Overview

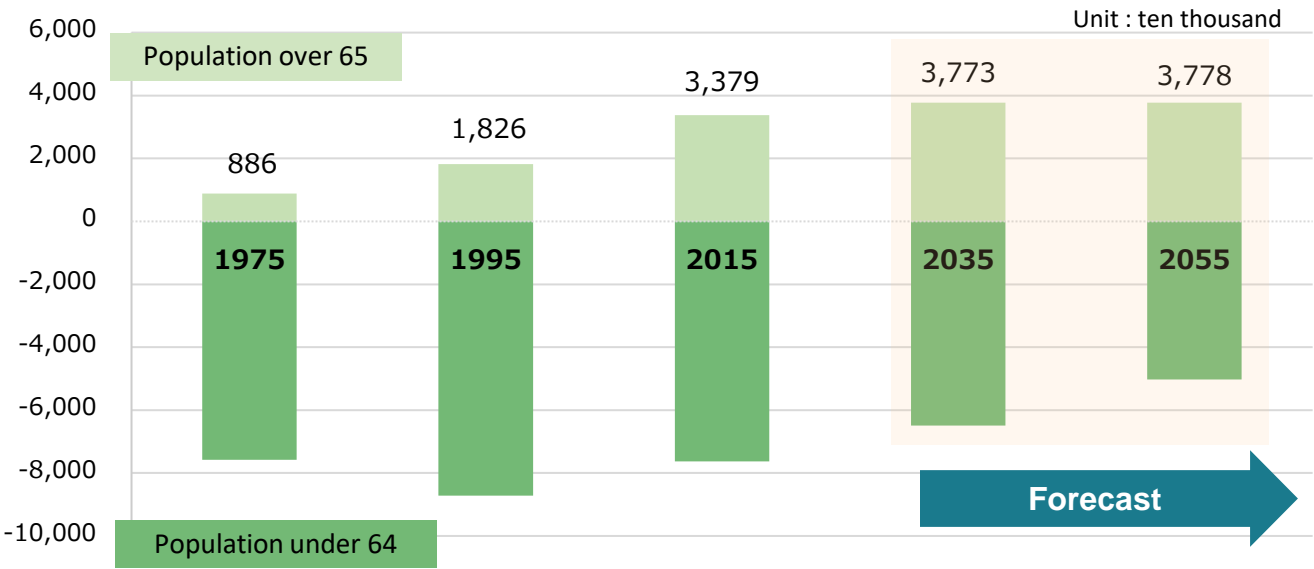
Our main target, the late elderly, will increase exponentially beyond 2025



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

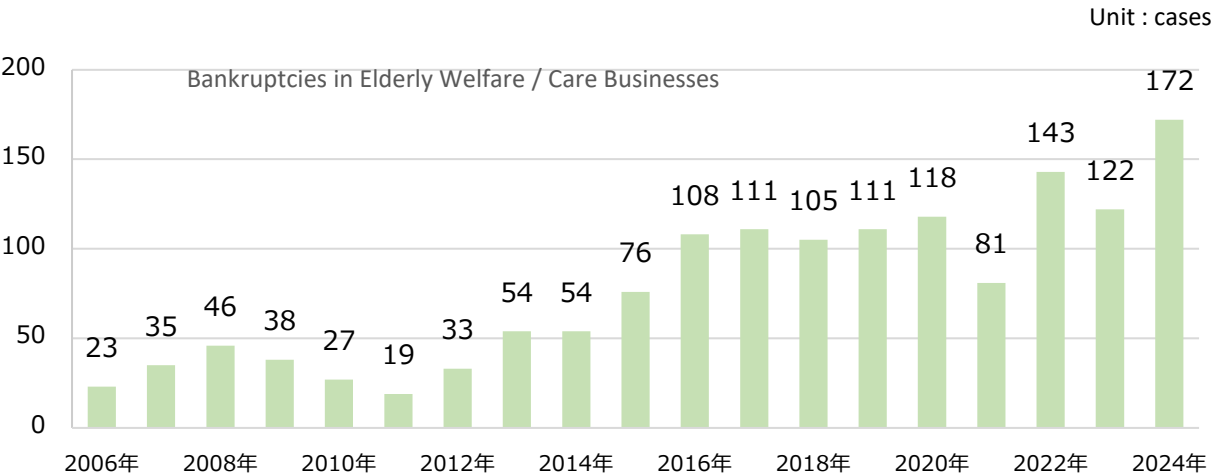
The working generation (15 to 64 years old) is decreasing, and the elderly population is increasing

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

Declining working population makes it even more difficult to secure financial resources for nursing care and welfare. In addition, nursing care providers face a labor shortage and high prices.

(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

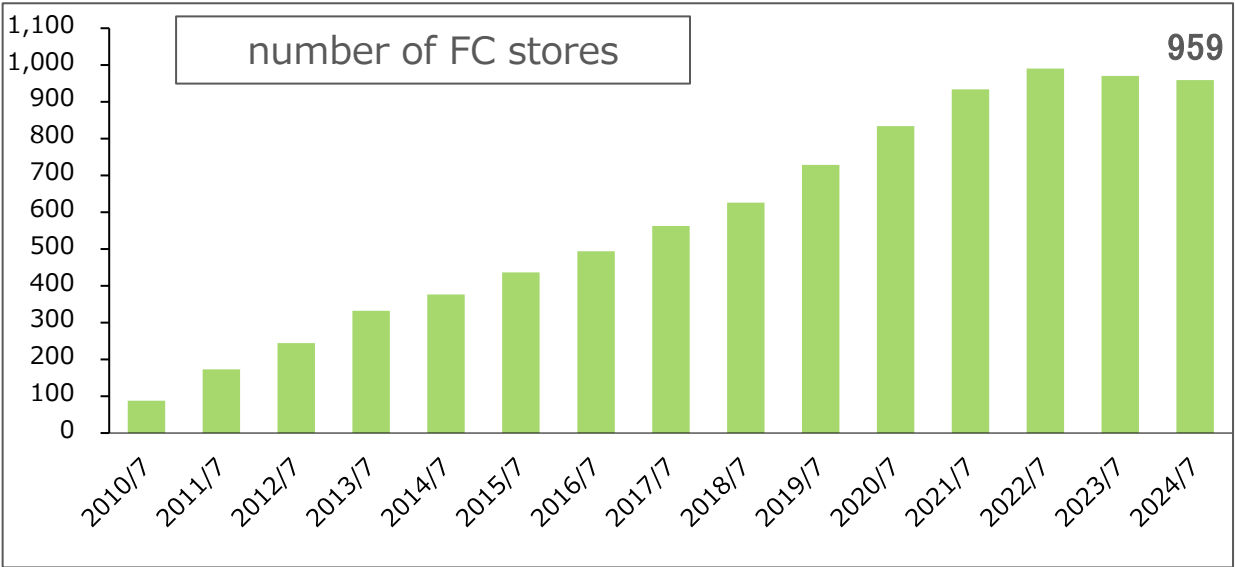


Source: local Government materials

Our Company Advantages

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 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 and Tochigi 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 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>

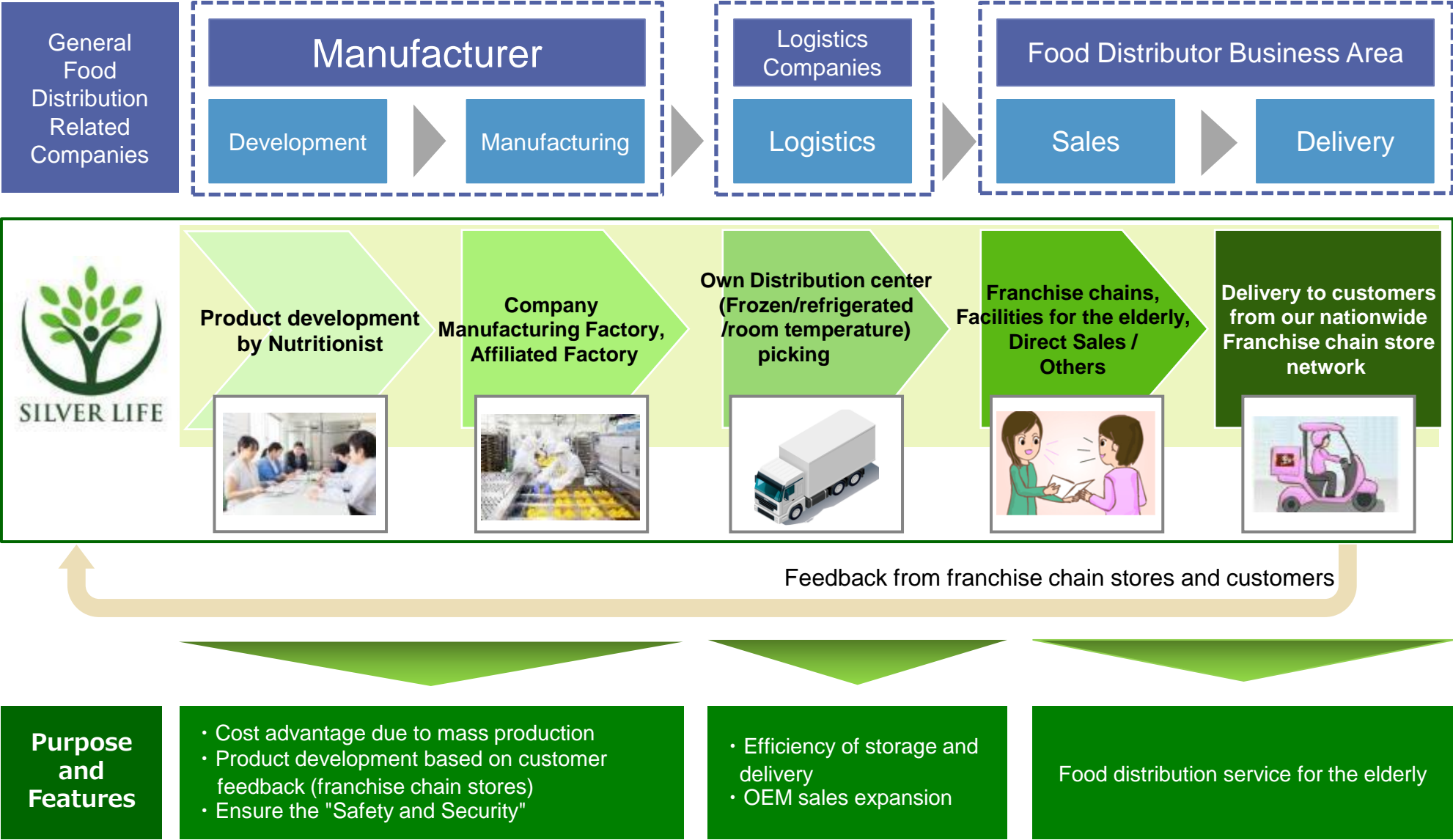
Business introduction



Business
Introduction

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

Our Advantage : Consistent System



Company Overview

Our Management Philosophy and Mission



【Management Philosophy】

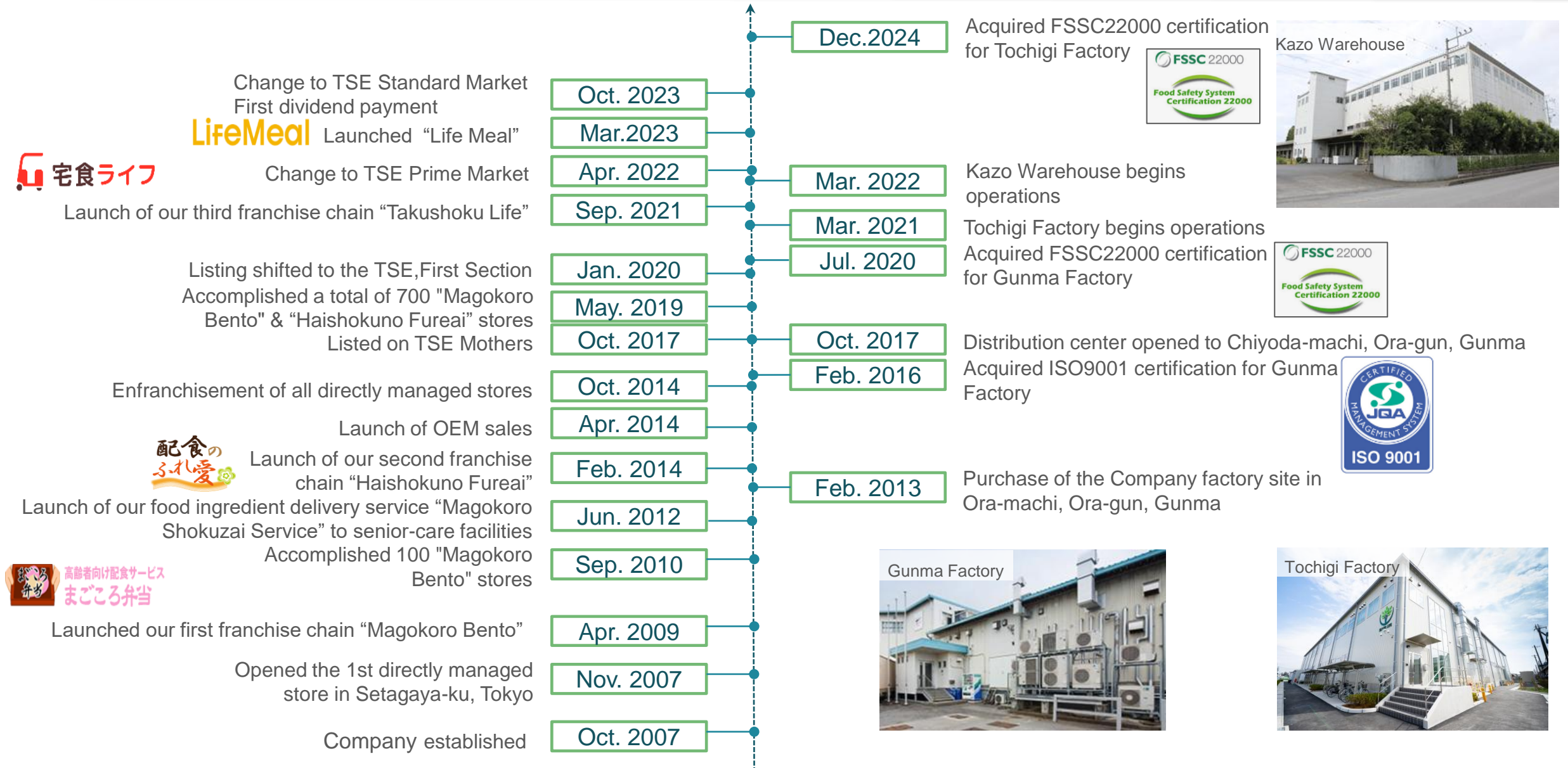
We will create a society where everyone can grow old with peace of mind from the perspective of food.

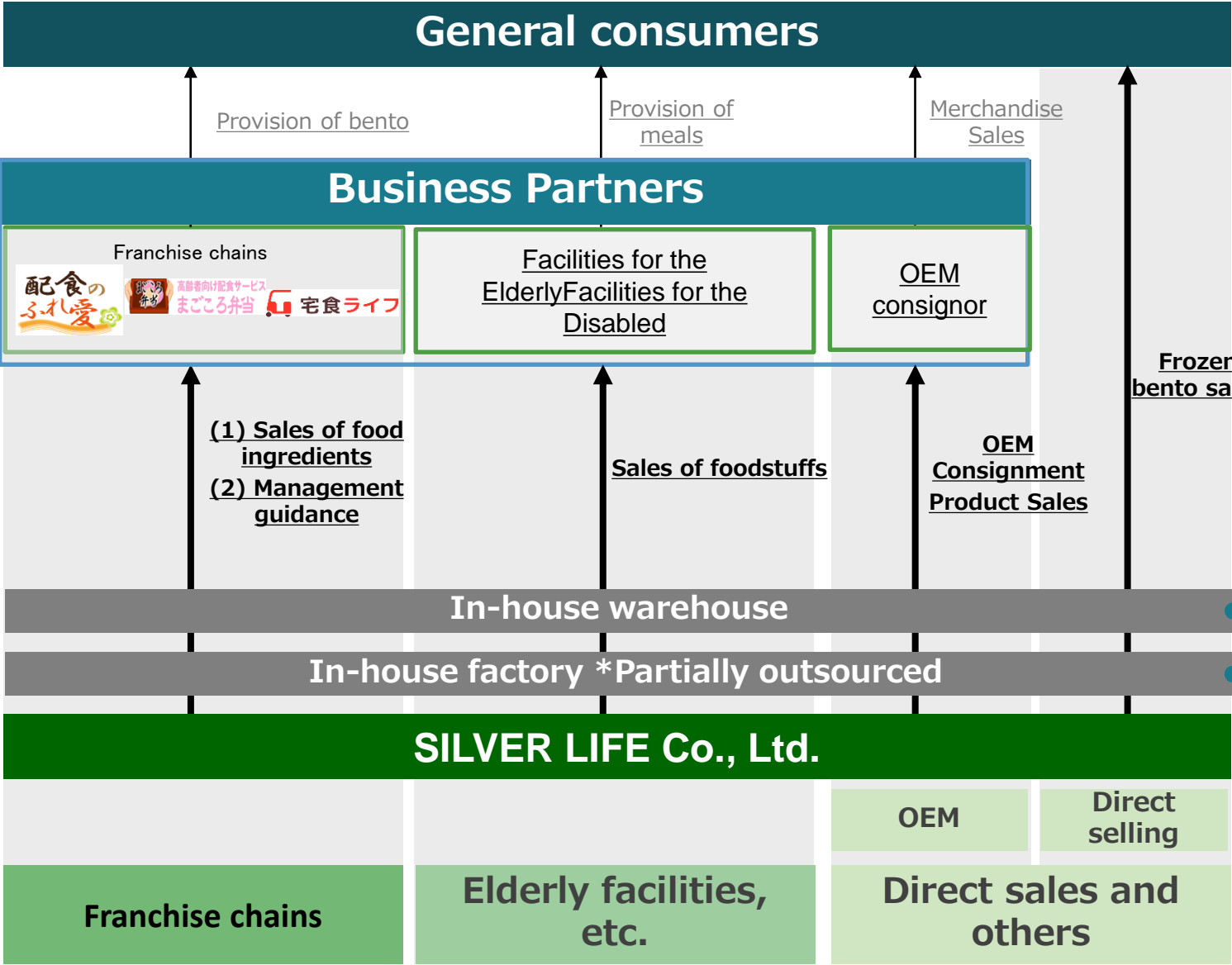
【Our Mission】

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



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.
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