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## Summary of Non-consolidated Financial Results for the Six Months Ended January 31, 2025 [Based on Japanese GAAP]

March 11, 2025

Company name: SILVER LIFE CO., LTD.

Listing: Tokyo

Securities code: 9262

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

Representative: Takahisa Shimizu

President, CEO

Inquiries: Hirokazu Masuyama

Director, Administration Manager

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Scheduled date to file semi-annual securities report: March 11, 2025

Scheduled date to commence dividend payments: -

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Non-consolidated Financial Results for the Six Months Ended January 31, 2025 (August 1, 2024 to January 31, 2025)

#### (1) Non-consolidated Operating Results

(Percentages indicate year-on-year changes.)

|                                   | Net sales       |      | Operating profit |       | Ordinary profit |        | Net income      |        |
|-----------------------------------|-----------------|------|------------------|-------|-----------------|--------|-----------------|--------|
|                                   | Millions of yen | %    | Millions of yen  | %     | Millions of yen | %      | Millions of yen | %      |
| Six months ended January 31, 2025 | 7,246           | 8.0  | 443              | (9.7) | 517             | (11.2) | 315             | (12.7) |
| January 31, 2024                  | 6,710           | 11.6 | 490              | 17.6  | 582             | 14.9   | 361             | 13.8   |

|                                   | Basic earnings per share | Diluted earnings per share |
|-----------------------------------|--------------------------|----------------------------|
|                                   | Yen                      | Yen                        |
| Six months ended January 31, 2025 | 29.04                    | 28.83                      |
| January 31, 2024                  | 33.33                    | 33.00                      |

#### (2) Non-consolidated Financial Position

|                        | Total assets    | Net assets      | Capital adequacy ratio |
|------------------------|-----------------|-----------------|------------------------|
|                        | Millions of yen | Millions of yen | %                      |
| As of January 31, 2025 | 9,917           | 6,576           | 66.3                   |
| July 31, 2024          | 9,875           | 6,423           | 65.1                   |

(Reference) Equity: As of January 31, 2025: ¥ 6,576 million

As of July 31, 2024: ¥ 6,423 million

## 2. Dividends

|  | Annual dividends |                 |                 |          |       |
|--|------------------|-----------------|-----------------|----------|-------|
|  | 1st quarter-end  | 2nd quarter-end | 3rd quarter-end | Year-end | Total |
|  | Yen              | Yen             | Yen             | Yen      | Yen   |
| Fiscal year ended July 31, 2024                | -                | 0.00            | -               | 15.00    | 15.00 |
| Fiscal year ending July 31, 2025               | -                | 0.00            |                 |          |       |
| Fiscal year ending July 31, 2025<br>(Forecast) |                  |                 | -               | 16.00    | 16.00 |

(Note) Revision to the forecast for dividends announced most recently: None

(Note) Breakdown of the 2nd quarter dividend for the fiscal year ending July 31, 2025 :

|                        |       |
|------------------------|-------|
| Commemorative dividend | - yen |
| Special dividend       | - yen |

## 3. Non-consolidated Financial Results Forecast for the Fiscal Year Ending July 31, 2025(August 1, 2024 to July 31, 2025)

(Percentages indicate year-on-year changes.)

|           | Net sales       |     | Operating profit |      | Ordinary profit |     | Net income      |     | Basic earnings per share |
|-----------|-----------------|-----|------------------|------|-----------------|-----|-----------------|-----|--------------------------|
|           | Millions of yen | %   | Millions of yen  | %    | Millions of yen | %   | Millions of yen | %   | Yen                      |
| Full year | 14,500          | 7.0 | 850              | 10.6 | 1,030           | 6.7 | 700             | 4.8 | 64.53                    |

(Note) Revision to the financial results forecast announced most recently: None

\* Notes:

(1) Adoption of accounting treatment specific to the preparation of semi-annual non-consolidated financial statements: None

(2) Changes in accounting policies, changes in accounting estimates, and restatement

- 1) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- 2) Changes in accounting policies due to other reasons: None
- 3) Changes in accounting estimates: None
- 4) Restatement: None

(3) Number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

|                   |                   |
|-------------------|-------------------|
| January 31, 2025: | 10,860,400 shares |
| July 31, 2024:    | 10,860,400 shares |

2) Number of treasury shares at the end of the period:

|                   |            |
|-------------------|------------|
| January 31, 2025: | 422 shares |
| July 31, 2024:    | 422 shares |

3) Average number of shares outstanding during the period:

|                                    |                   |
|------------------------------------|-------------------|
| Six months ended January 31, 2025: | 10,859,978 shares |
| Six months ended January 31, 2024: | 10,842,378 shares |

\* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

\* Proper use of earnings forecasts, and other special matters

Semi-annual Non-consolidated Financial Statements  
Semi-annual Non-consolidated Balance Sheets

(Thousands of yen)

|   | As of July 31, 2024 | As of January 31, 2025 |
|---|---------------------|------------------------|
| <b>Assets</b>                             |                     |                        |
| Current assets                            |                     |                        |
| Cash and deposits                         | 1,265,092           | 1,340,077              |
| Accounts receivable - trade               | 1,296,993           | 1,245,744              |
| Merchandise and finished goods            | 417,266             | 378,519                |
| Raw materials and supplies                | 112,768             | 153,871                |
| Other                                     | 607,166             | 626,726                |
| Allowance for doubtful accounts           | (113,567)           | (157,931)              |
| Total current assets                      | 3,585,719           | 3,587,008              |
| Non-current assets                        |                     |                        |
| Property, plant and equipment             |                     |                        |
| Buildings, net                            | 3,107,932           | 3,062,973              |
| Machinery and equipment, net              | 1,553,794           | 1,621,429              |
| Construction in progress                  | 76,932              | 99,982                 |
| Other, net                                | 970,709             | 1,008,050              |
| Total property, plant and equipment       | 5,709,367           | 5,792,435              |
| Intangible assets                         | 356,517             | 320,340                |
| Investments and other assets              |                     |                        |
| Other                                     | 237,489             | 240,711                |
| Allowance for doubtful accounts           | (14,019)            | (22,615)               |
| Total investments and other assets        | 223,470             | 218,096                |
| Total non-current assets                  | 6,289,355           | 6,330,872              |
| Total assets                              | 9,875,074           | 9,917,880              |
| <b>Liabilities</b>                        |                     |                        |
| Current liabilities                       |                     |                        |
| Accounts payable - trade                  | 648,335             | 453,460                |
| Contract liabilities                      | 5,956               | 4,850                  |
| Lease liabilities                         | 720                 | 1,182                  |
| Accounts payable - other                  | 590,305             | 556,728                |
| Current portion of long-term borrowings   | 239,400             | 339,396                |
| Income taxes payable                      | 168,523             | 222,585                |
| Provision for shareholder benefit program | 21,826              | -                      |
| Other                                     | 143,537             | 94,954                 |
| Total current liabilities                 | 1,818,605           | 1,673,157              |
| Non-current liabilities                   |                     |                        |
| Long-term borrowings                      | 1,472,650           | 1,511,289              |
| Lease liabilities                         | 1,321               | 3,459                  |
| Long term contract liabilities            | 5,571               | 4,117                  |
| Other                                     | 153,111             | 149,609                |
| Total non-current liabilities             | 1,632,654           | 1,668,475              |
| Total liabilities                         | 3,451,259           | 3,341,632              |
| <b>Net assets</b>                         |                     |                        |
| Shareholders' equity                      |                     |                        |
| Share capital                             | 731,387             | 731,387                |
| Capital surplus                           | 721,387             | 721,387                |
| Retained earnings                         | 4,971,996           | 5,124,428              |
| Treasury shares                           | (956)               | (956)                  |
| Total shareholders' equity                | 6,423,815           | 6,576,247              |
| Total net assets                          | 6,423,815           | 6,576,247              |
| Total liabilities and net assets          | 9,875,074           | 9,917,880              |

## Semi-annual Non-consolidated Statements of Income

(Thousands of yen)

|   | For the six months<br>ended January 31, 2024 | For the six months<br>ended January 31, 2025 |
|---|--|--|
| Net sales                                     | 6,710,884                                    | 7,246,458                                    |
| Cost of sales                                 | 4,515,990                                    | 4,791,045                                    |
| Gross profit                                  | 2,194,893                                    | 2,455,412                                    |
| Selling, general and administrative expenses  | 1,704,040                                    | 2,011,991                                    |
| Operating profit                              | 490,853                                      | 443,421                                      |
| Non-operating income                          |  |  |
| Interest income                               | 5,849  | 5,458  |
| Compensation income                           | 81,880                                       | 46,529                                       |
| Reversal of allowance for shareholder benefit | -  | 18,854                                       |
| Other   | 29,428                                       | 45,772                                       |
| Total non-operating income                    | 117,157                                      | 116,614                                      |
| Non-operating expenses                        |  |  |
| Interest expenses                             | 2,071  | 4,698  |
| Rental expenses                               | 11,992                                       | 19,236                                       |
| Bad debt expenses                             | 3,351  | -  |
| Provision of allowance for doubtful accounts  | 3,465  | 13,326                                       |
| Depreciation                                  | 2,838  | 4,909  |
| Other   | 1,411  | 275  |
| Total non-operating expenses                  | 25,131                                       | 42,446                                       |
| Ordinary profit                               | 582,879                                      | 517,590                                      |
| Extraordinary losses                          |  |  |
| Loss on retirement of non-current assets      | 1,079  | 6,237  |
| Other   | 500  | 1,511  |
| Total extraordinary losses                    | 1,579  | 7,748  |
| Profit before income taxes                    | 581,300                                      | 509,841                                      |
| Income taxes - current                        | 219,079                                      | 203,983                                      |
| Income taxes - deferred                       | 879  | (9,473)                                      |
| Total income taxes                            | 219,959                                      | 194,510                                      |
| Profit  | 361,340                                      | 315,331                                      |

## Semi-annual Non-consolidated Statements of Cash Flows

(Thousands of yen)

|  | For the six months<br>ended January 31, 2024 | For the six months<br>ended January 31, 2025 |
|--|--|--|
| <b>Cash flows from operating activities</b>                      |  |  |
| Profit before income taxes                                       | 581,300                                      | 509,841                                      |
| Depreciation   | 371,189                                      | 431,930                                      |
| Increase (decrease) in allowance for doubtful accounts           | 22,529                                       | 52,959                                       |
| Increase (decrease) in provision for shareholder benefit program | (33,390)                                     | (21,826)                                     |
| Interest and dividend income                                     | (5,849)                                      | (5,458)                                      |
| Interest expenses  | 2,071  | 4,698  |
| Loss on retirement of property, plant and equipment              | -  | 6,237  |
| Decrease (increase) in trade receivables                         | 48,317                                       | 51,248                                       |
| Decrease (increase) in inventories                               | 19,424                                       | (2,355)                                      |
| Increase (decrease) in trade payables                            | (50,346)                                     | (194,874)                                    |
| Loss on retirement of intangible assets                          | 1,079  | -  |
| Increase (decrease) in accrued consumption taxes                 | (878)  | (35,863)                                     |
| Increase (decrease) in contract liabilities                      | (5,582)                                      | (2,560)                                      |
| Other, net   | (91,031)                                     | (33,459)                                     |
| Subtotal   | 858,833                                      | 760,516                                      |
| Interest and dividends received                                  | 5,849  | 5,458  |
| Interest paid  | (2,080)                                      | (5,199)                                      |
| Income taxes paid  | (157,751)                                    | (151,678)                                    |
| Net cash provided by (used in) operating activities              | 704,851                                      | 609,097                                      |
| <b>Cash flows from investing activities</b>                      |  |  |
| Purchase of property, plant and equipment                        | (429,502)                                    | (470,996)                                    |
| Purchase of intangible assets                                    | (46,624)                                     | (42,232)                                     |
| Loan advances  | (660)  | -  |
| Proceeds from collection of loans receivable                     | 5,622  | 4,010  |
| Payments of leasehold and guarantee deposits                     | (153)  | (229)  |
| Proceeds from refund of leasehold and guarantee deposits         | 173  | 320  |
| Other, net   | (445)  | (1,090)                                      |
| Net cash provided by (used in) investing activities              | (471,591)                                    | (510,218)                                    |
| <b>Cash flows from financing activities</b>                      |  |  |
| Proceeds from long-term borrowings                               | -  | 300,000                                      |
| Repayments of long-term borrowings                               | (119,700)                                    | (161,365)                                    |
| Dividends paid   | (162,635)                                    | (161,899)                                    |
| Repayments of lease liabilities                                  | (360)  | (629)  |
| Net cash provided by (used in) financing activities              | (282,696)                                    | (23,894)                                     |
| Effect of exchange rate change on cash and cash equivalents      | -  | -  |
| Net increase (decrease) in cash and cash equivalents             | (49,436)                                     | 74,984                                       |
| Cash and cash equivalents at beginning of period                 | 1,507,524                                    | 1,265,092                                    |
| Cash and cash equivalents at end of period                       | 1,458,087                                    | 1,340,077                                    |