



Seven & i Holdings Co., Ltd.

"IR Day2024"

Global CVS Operations Strategy

April 23, 2024

Global Strategy Promotion by 7IN



Accelerate growth of 7-Eleven globally

1 Accelerate New Market Entry

- Accelerate expansion into white space with strategic priorities in Europe, Latin America, Middle East, and Africa in addition to APAC (Including JV/M&A)
- Expand store footprint in new markets to increase growth and profitability

2 Support Existing Market Growth

- Close the performance gap among markets and maximize licensee growth potential by fully leveraging SEJ and SEI's core competencies
- Enhance the 7-Eleven global brand to increase profitability of 7IN and licensees

3 Invest in Strategic Markets

- Pursue accelerated profit growth through strategic investments and business involvement with licensees
 - ✓ Acquire 100% share of Australia business
 - ✓ Investment in Vietnam business



INTERNATIONAL

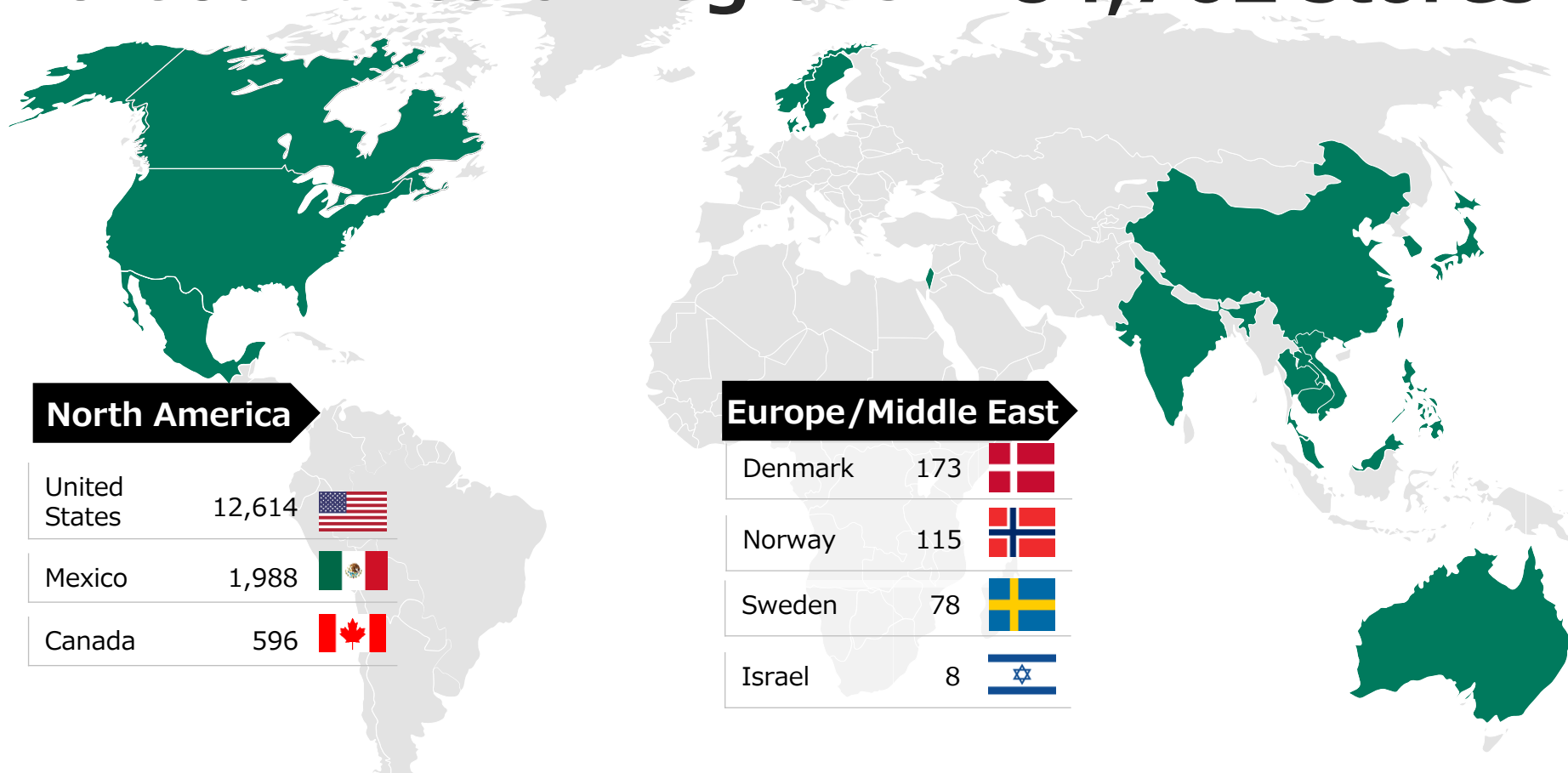
**7-Eleven
International LLC
(Since 2022)**

7IN to Lead Accelerated Growth Outside of Japan/North America

7-Eleven Global Footprint

As of March 31, 2024

20 Countries & Regions 84,762 stores



North America

United States	12,614	
Mexico	1,988	
Canada	596	

Europe/Middle East

Denmark	173	
Norway	115	
Sweden	78	
Israel	8	

Asia-Pacific

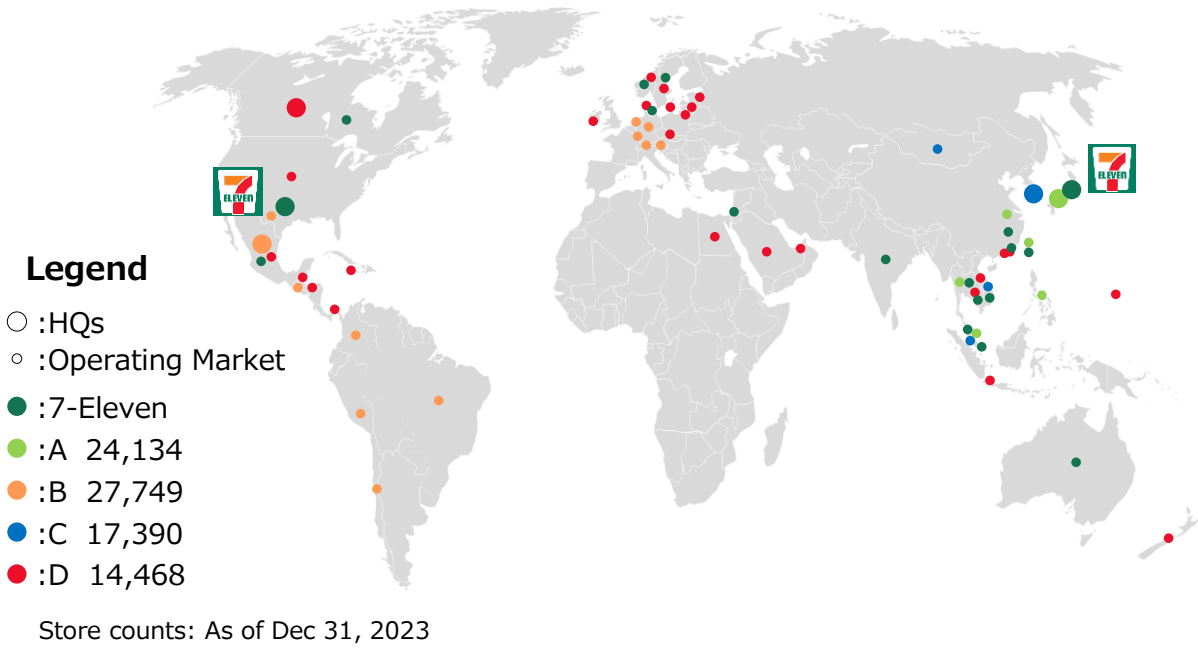
Japan	21,544	
Thailand	14,730	
South Korea	12,911	
Taiwan	6,939	
China	5,142	
Philippines	3,829	
Malaysia	2,581	
Australia	775	
Singapore	501	
Viet Nam	99	
Cambodia	83	
India	52	
Laos	4	

Target: 100,000 stores in 30 countries/regions by 2030

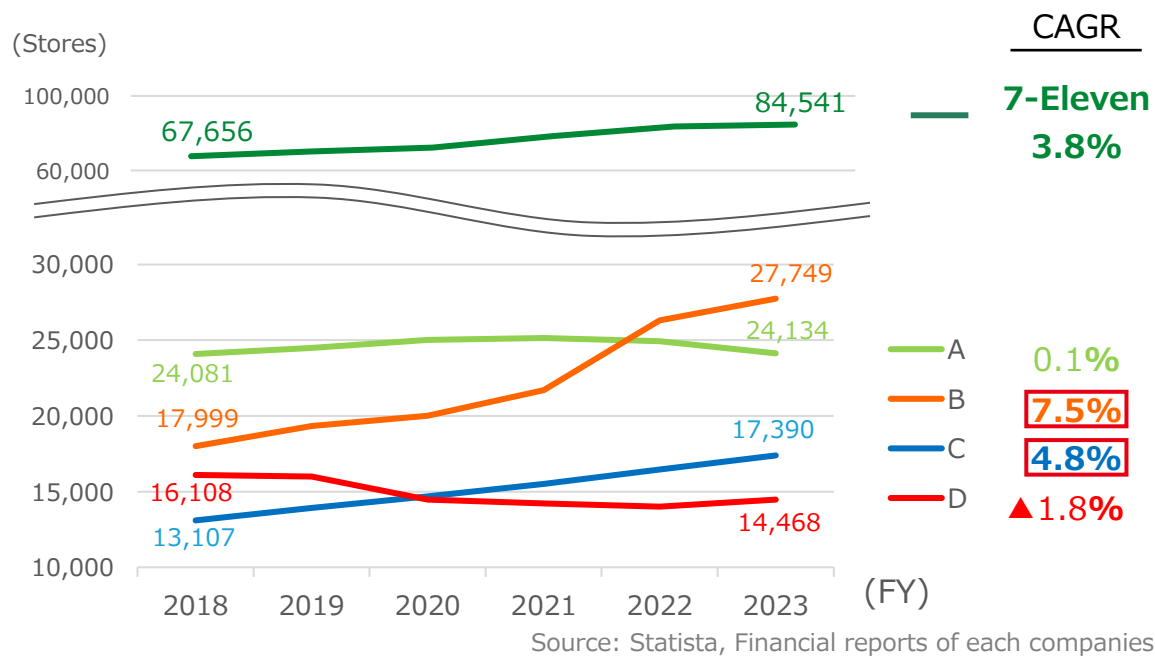
Global Competition

- The global C-Store Business market is growing rapidly, and competition is intense
- Global C-store competitors are aggressively seeking acquisition opportunities to grow

Major Global C-Store Players

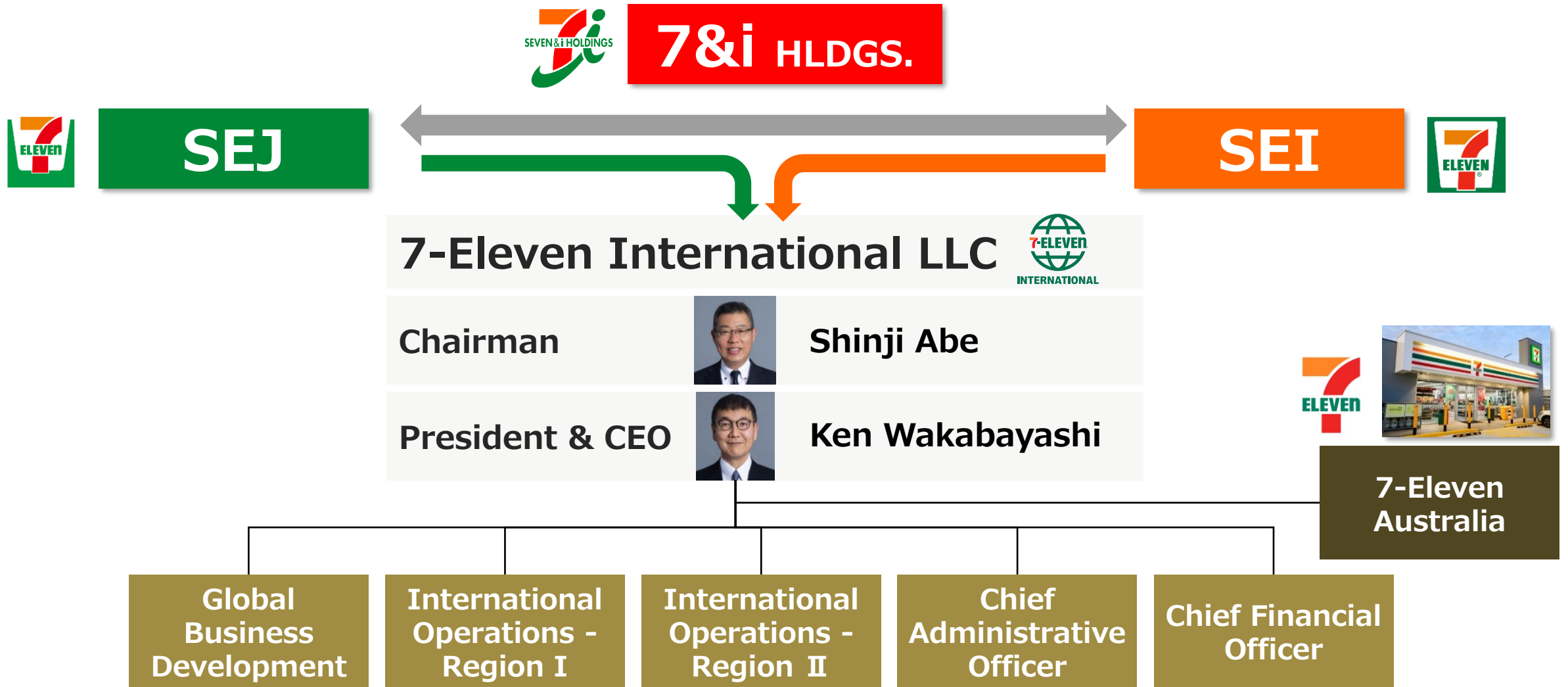


Store Count Trend



Proactive market expansion enables 7-Eleven to grow into a truly global retailer

7IN Management Structure (Updated April 1, 2024)



Accelerate Growth of 7-Eleven Brand Globally



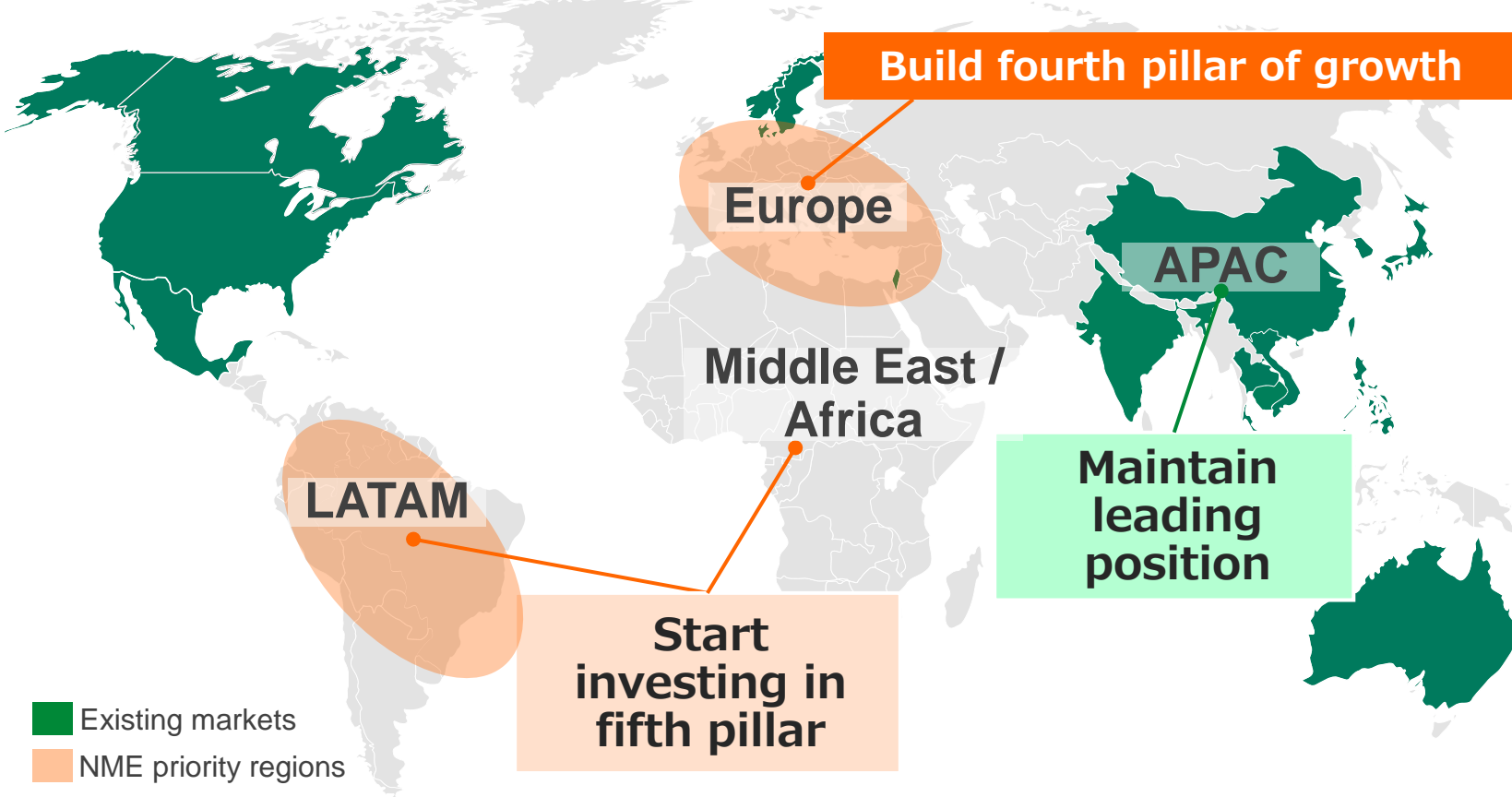
Accelerate New Market Entry

Support Existing Market Growth

Invest in Strategic Markets

New Market Entry Strategy

Build strong store network in 30 markets by 2030



APAC

Enter remaining markets while enhancing existing markets

Europe

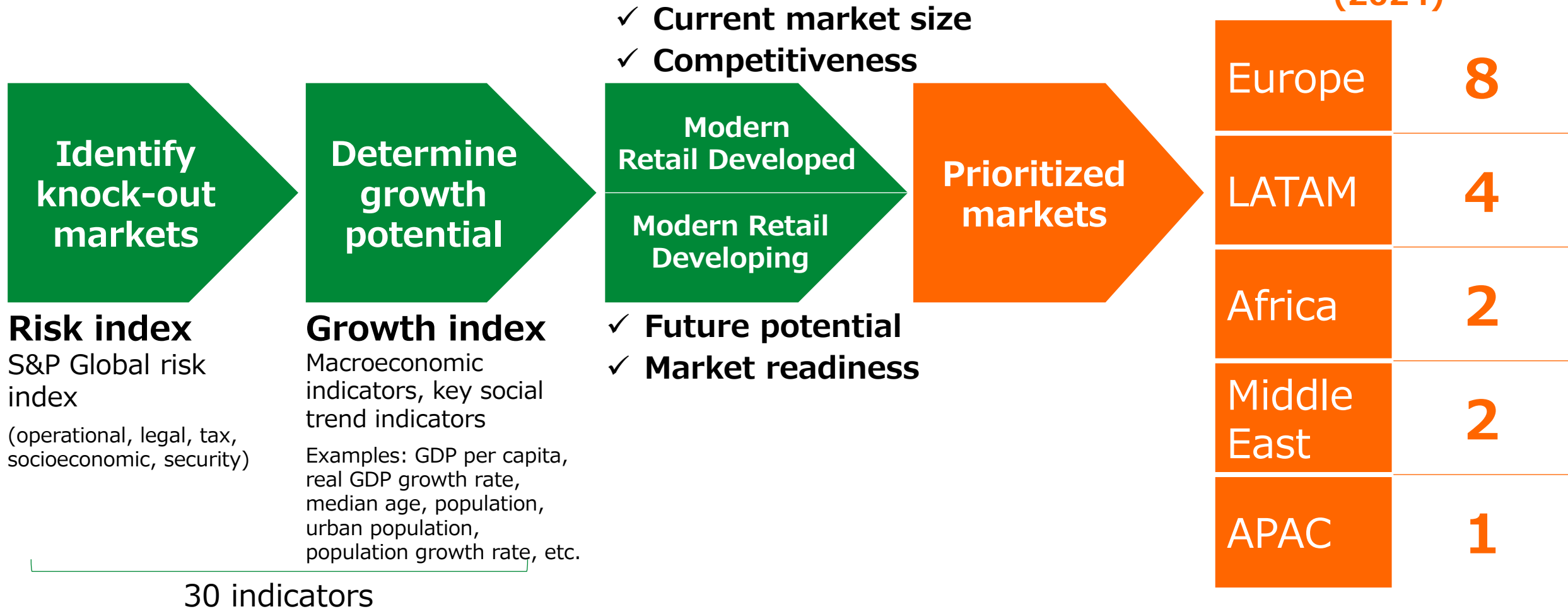
Partner with top performing companies to accelerate growth

LATAM/Africa/ME

Enter high potential and sizable markets

PIPELINE = 20 Markets (to be evaluated) TARGET = enter 2 countries/year

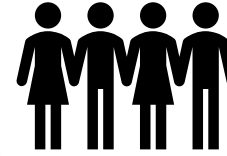
Market selection process



Target markets are based on detailed analysis of market conditions

New Market Entry Strategy – Selecting Partners

Exporting 7-Eleven Quality



Providing high-quality service to local consumers

Partnership

7-Eleven Core Competencies

Product Development



Market Concentration



Communications



Retailer Initiative



Digital (7GT)



Partner Capabilities

Food Production Capabilities

Financial Health

Existing Supply Chain

Long-term Investment Intent

Existing Network of Stores

Culture & Values

Marketing, Local Consumer Insights

Experienced Human Resources

Grow 7-Eleven Business Rapidly with Top Performers

Main models	Master Franchisee Agreement	JV Establishment or Consolidation (M&A)
Management	<ul style="list-style-type: none"> 7IN has no direct involvement Accelerate growth through consultation and logistical support 	<ul style="list-style-type: none"> Direct participation by gaining a seat on the BOD Boost growth through secondment of human resources to key positions
7IN Income	<ul style="list-style-type: none"> Royalty only 	<ul style="list-style-type: none"> Consolidated Revenues Dividend income
Plan	<p>7IN to include the right to negotiate future share acquisition</p>	<ul style="list-style-type: none"> Acquire/Establish a JV with a local retailer or a related business company Develop new formats (bakery, café, etc.)

Focus on investment vs. MFA model to achieve a higher return



Accelerate New Market Entry

Support Existing Market Growth

Invest in Strategic Markets

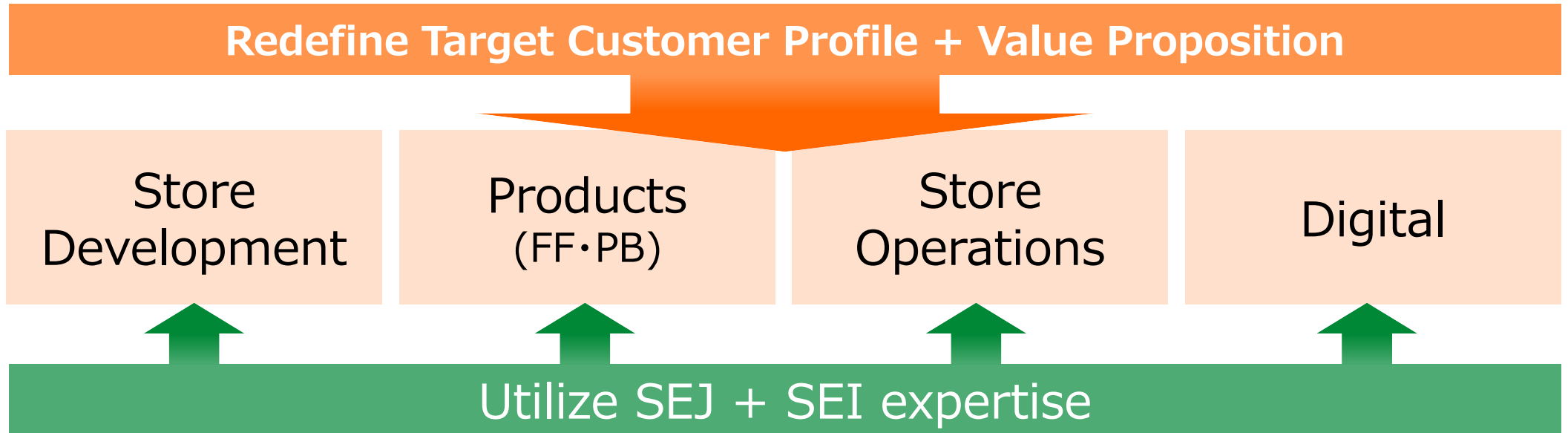
Strategy

Introduce “7-Eleven with Food” leveraging 7&i strengths

- ✓ Close APSD sales gap among markets
- ✓ Expand customer base and quality offerings in all markets



Key Initiatives



Enhance all markets with key strategic initiatives

Growth In Existing Markets: Convert To “C-Stores with Food”

► Market Placement

(Based on 14 indicators of performance + macro trends)

		APSD sales \$ (adj. PPP index)	Population per store (2023)	Population Growth Index (2020-50)	Median Age (2023)
Ref.	SEJ (Japan)	7,000+	5,780	83	49.1
	SEI (U.S.)	5,000+	25,789	112	38.1
Model	Market1	7,000+	5,000<	95	40s
	Market2	5,000+	5,000<	95	40s
Priority	Market3	5,000+	7,000<	90	40s
	Next A	3,000+	30,000+	120+	20s
Top Priority	Australia	4,000+	34,574	126	37.5
	Market4	3,000+	10,000+	100+	40s
	Vietnam	3,000+	94,152	111	32.8
	Next B	1,000+	5,000<	90<	40s
	Next C	1,000+	10,000+	120+	30s

Indicators Source:

- Population per store: Population/Store counts (Store Count: As of December 31, 2023, Populations: As of 2023 (IMF), for Vietnam is only HCMC)
- Population Growth Index: United Nations, Estimates and medium projections of 2020-2050. Total Population, as of 1 January. Indexed with 2020 as 100 by 7IN
- Median Age : IMF

7IN invested markets: The markets with potential for higher APSD sales, room to expand store counts, as well as with a population growth

► Existing Market Growth Plan

Close performance gaps

- Classification by performance and macro trend score
- Select markets with high growth potential and potential for performance improvement as priority markets
- Strengthen strategy development and implementation support tailored to the characteristics of each market



Convert to “C-Stores with Food”

- Expand customer base and value in each market
- Build a system to create quality, differentiated food products rooted in the local community

Transform into C-stores with Food to meet local needs

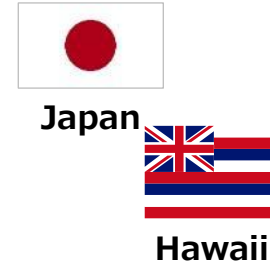
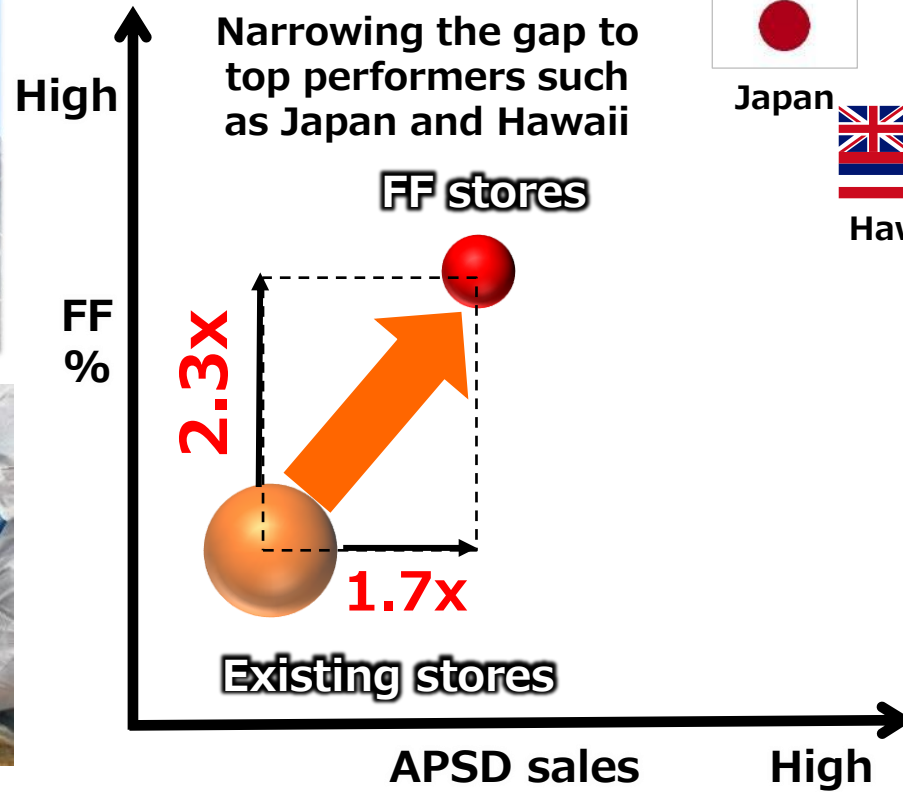
Malaysia Food Value-Up Progress

▼ New commissary



▼ FF store results

*Bubble size=store counts



▼ Commissary expansion plan



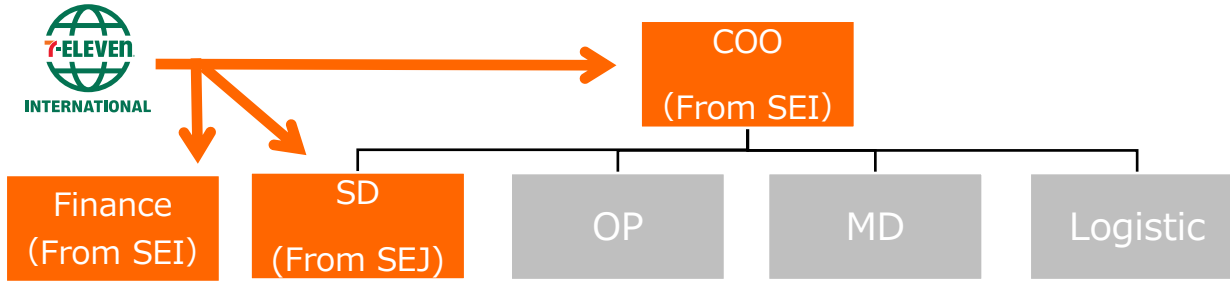
Started producing new items

Rolling out FF stores

Expanding outside of Kuala Lumpur

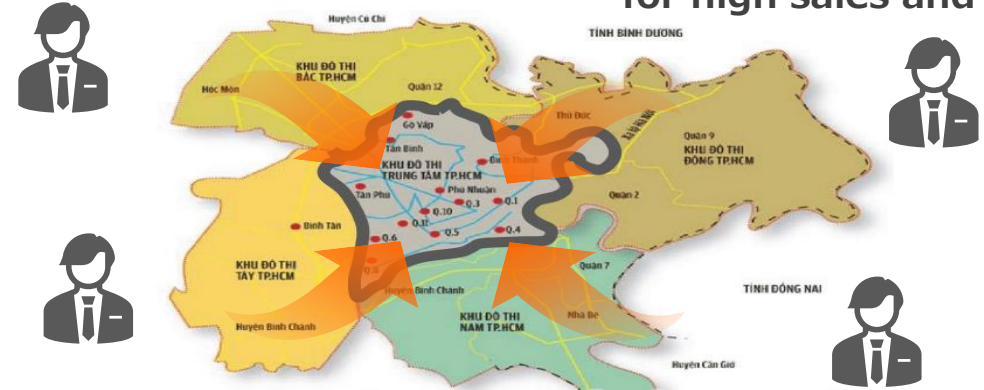
Expand food assortment to boost sales nationally

▼ New org chart (2023 June~)



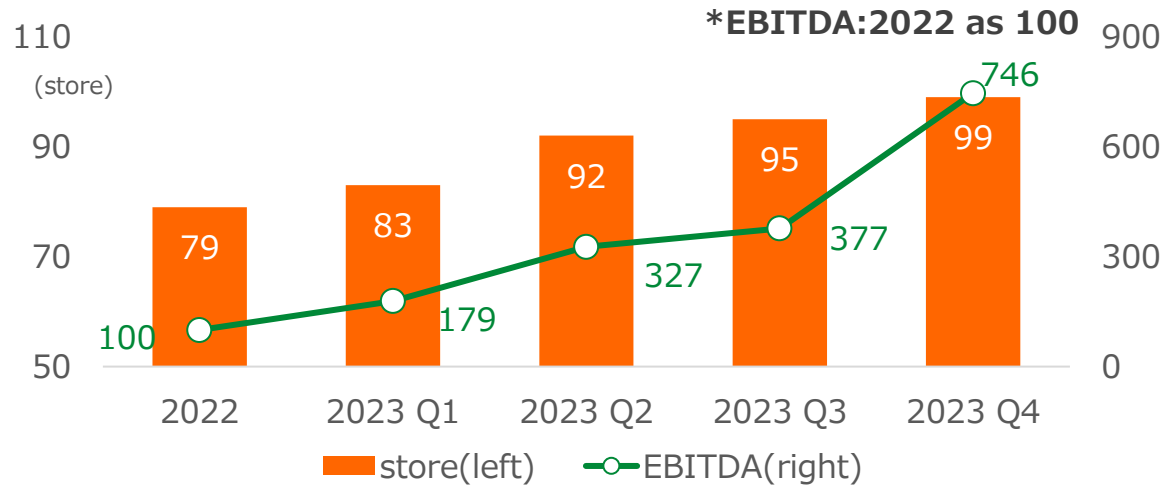
▼ Store development

Strengthen urban stores for high sales and profit



New store sales improved almost the same level with existing store's sales

▼ Store EBITDA and store count



- The first JV project converted from MFA model
- Dispatched strong personnel to key posts and participating in management
- Improved overall business performance since the JV formation last year
- Found a formula for business growth in a high-potential market through strategic investment and financing

Significant improvement of financial results from 2023

Vietnam Food Value-Up Progress

▼APSD sales & store count (End of 2023)

	Brand A	Brand B	Brand C	Brand D	7-Eleven	Brand E
APSD sales (USD)	\$879	\$832	\$851	\$784	\$1,004	\$690
Store Count	466	236	167	161	99	78
Store Count share %	39%	20%	14%	13%	8%	6%

*APSD sales of competitors =calculated by total revenue divided by store/ Source: Euromonitor
 *Currency converted to USD



Banh Mi

Shao Pao

Vietnam leaf beef noodle

Significant growth in hot foods with enhanced menu development



Test kitchen launch

Strengthened packaged food development

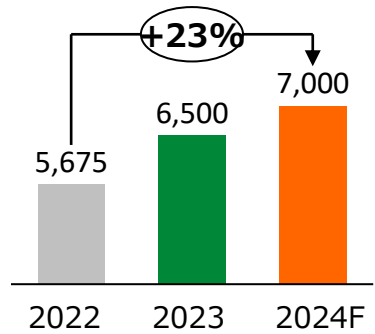
Increase store count while maintaining higher APSD sales

Creating hero items rooted in local food culture

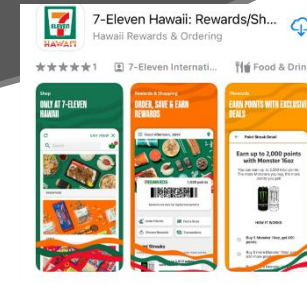
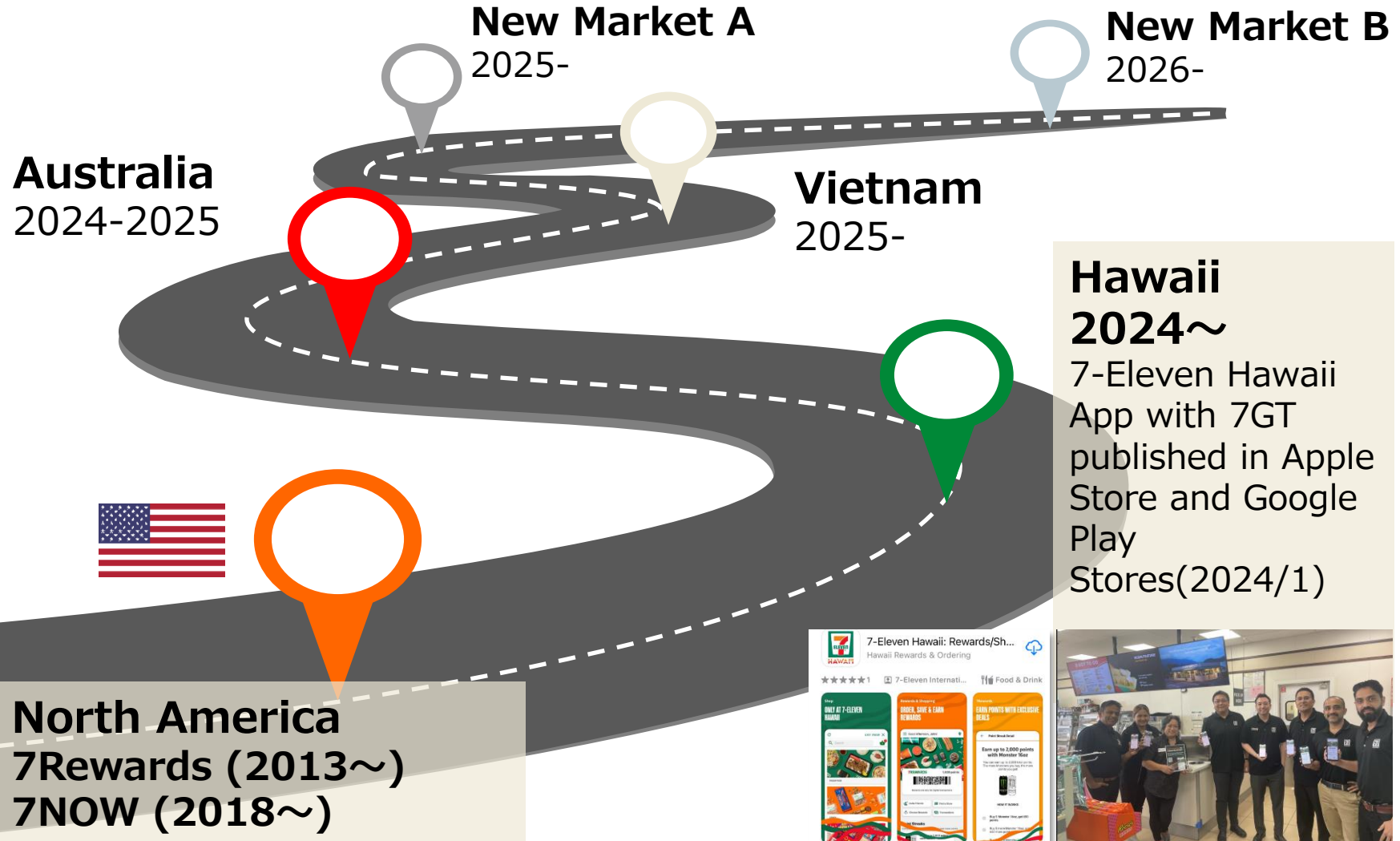
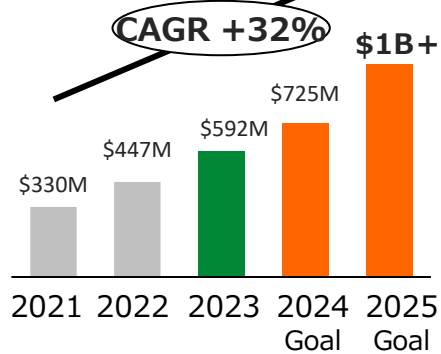
7GT Pilot Test in Hawaii: The First Step for Global Expansion



7NOW Store counts



7NOW Sales



7GT: Enhanced customer experience and simplified store operations



Accelerate New Market Entry

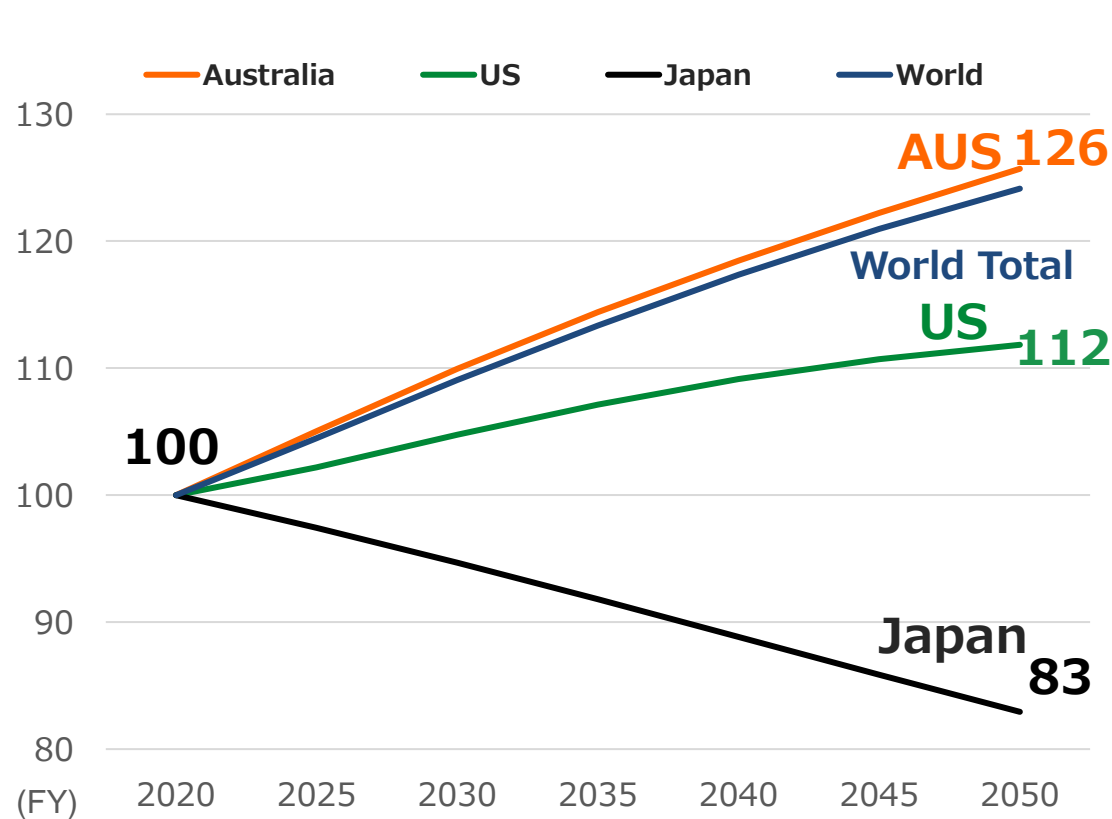
Support Existing Market Growth

Invest in Strategic Markets

Investment Growth Strategy: AUSTRALIA

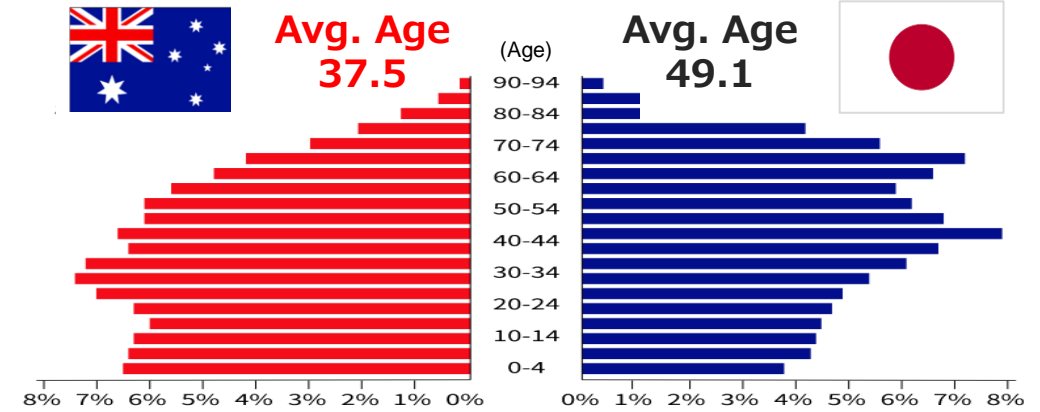
Global Population Growth Forecast*1

(Indexed with 2020 as 100)



*1 United Nations. Department of Economic and Social Affairs Population Division. World Population Prospects 2022. Estimates and medium projections of 2020-2050. Total Population, as of 1 January. Indexed with 2020 as 100 by 7IN.
 *2 SEJ and SEI store counts as of August 31, 2023; SEA store count as of June 30, 2023.

Age Distribution*1



Population / Region*1,2

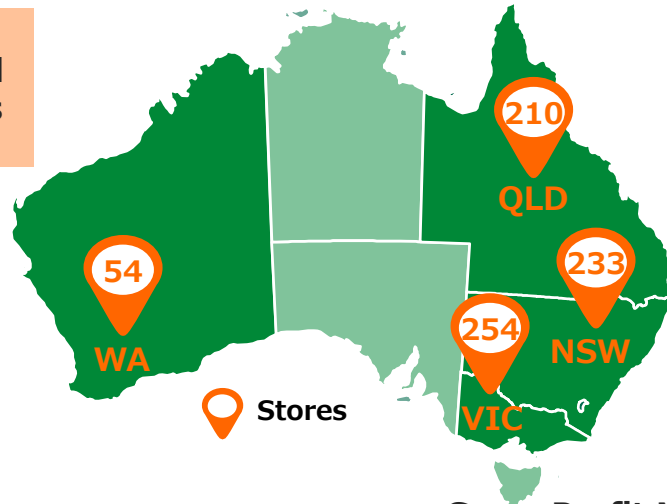
	SEJ 	SEI 	SEA
7-Eleven Stores (Stores)	21,281	13,145	751
Population (Million)	123	339	26
Population / Store (People)	5,780	25,789	34,574

Attractive Growth Market Due to Demographic & Density

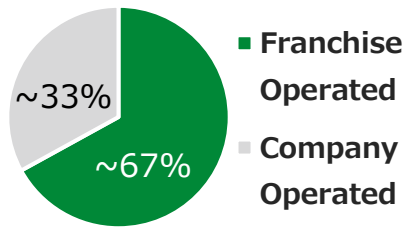
Investment Growth Strategy: AUSTRALIA

7-Eleven Australia (SEA) Overview

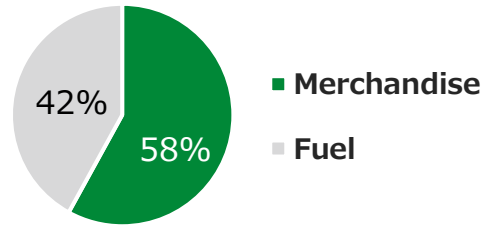
SEA Stores concentrated in Australia's city centers



Store Network Mix (FY23A)



Gross Profit Mix (FY23A)

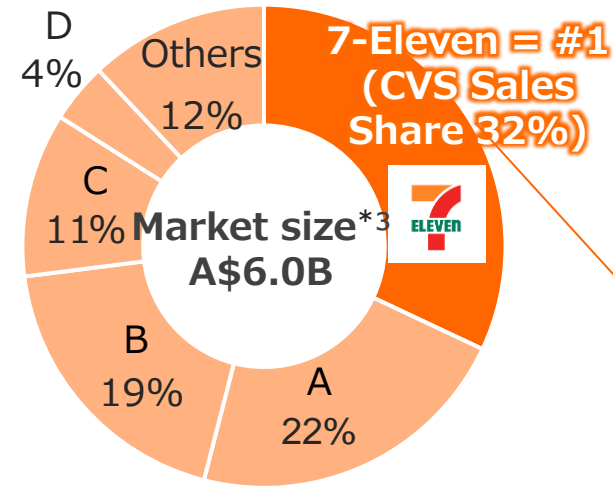


Total Stores*¹
751

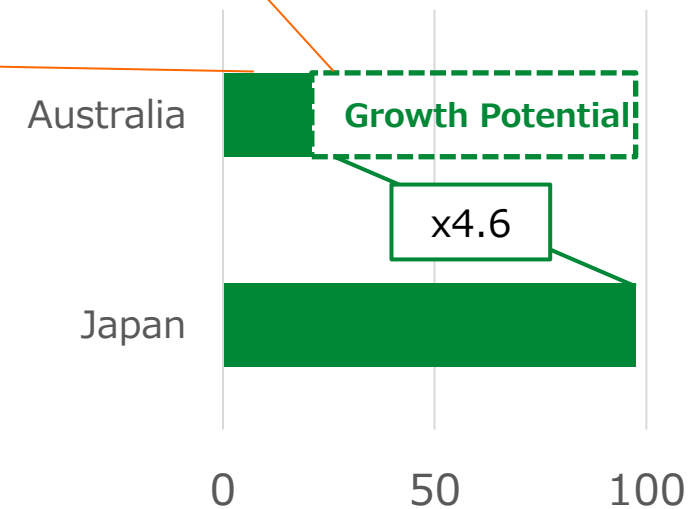
Merchandise Sales (FY23A)
A\$1,792 M*²

Total Gross Profit (FY23A)
A\$1,185 M*²

Growth opportunity for the Convenience Store sector in Australia



CVS market size per capita (JPY '000)



Source: Financial information provided by the seller. Fiscal Year ending June.

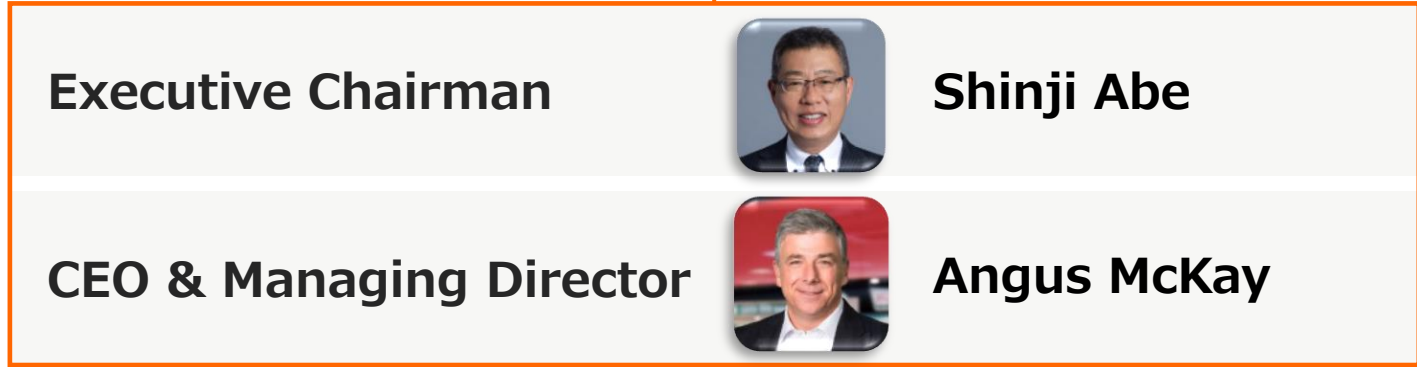
*1. Store count as of June 2023. *2. Reflects network-level metrics. *3. Market size and share for major Australian CVS retailers per Circana (IRI).

Strengthen leading position with enhanced core competencies

Investment Growth Strategy: AUSTRALIA



SEA Management Structure



Strong leadership team will accelerate SEA growth

Australia's growth can be unlocked by...

Population per store:
Australia ~35,000
Japan ~6,000

of SKU's per store:
SEA less than half of SEJ

Retailer Initiatives, SEJ's
competitive edge, not
implemented yet

E-commerce ratio:
Australia food sector 6%
SEA 2.6%

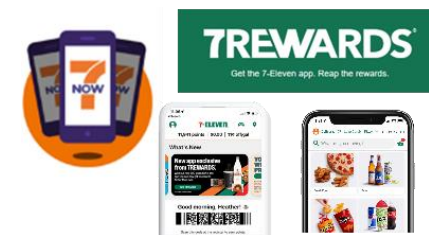
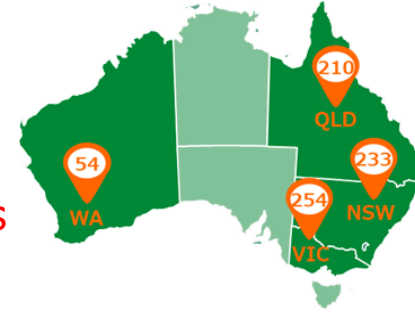
Store
Development

Merchandising

Operations

Digital

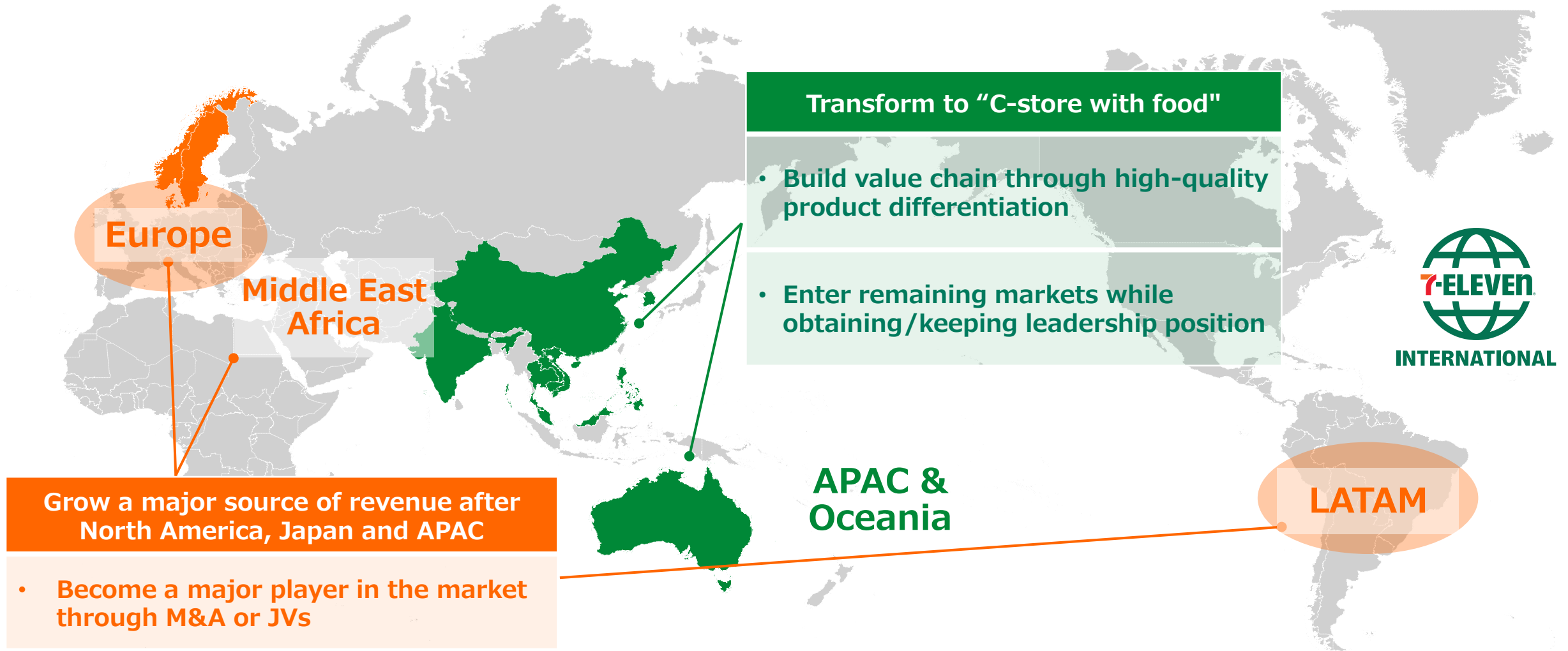
- Increasing # of store developers to accelerate store expansion
- Increasing non-gas stores and improve profitability
- Enhancing FF mix around hot drinks
- Expanding assortment to fulfill customers' needs
- Improving sales floor efficiency via store systems improvement
- Executing Retailer Initiatives
- 7GT introduction to enhance loyalty program and delivery





SEJ + SEI strengths will support growth in Australia

7-Eleven International's Mid/Long-term goals



- 7-Eleven will be embedded into every market as the "world's favorite convenience brand"
- 7-Eleven International will be one of key group companies to significantly contribute to increase the Group's corporate value, along with Seven-Eleven Japan and 7-Eleven, Inc.



The information disclosed by the Company may contain forward-looking statements. These statements are based on management's judgment in accordance with materials available to the Company at the time of disclosure, with future projections based on certain assumptions. The forward-looking statements therefore incorporate various risks, estimates, and uncertainties, and as such, actual results and performance may differ from the future outlook included in disclosed information due to various factors, such as changes in business operations and the financial situation going forward.