



# Transformation of 7-Eleven

**Seven & i Holdings Co., Ltd.**

August 6, 2025

Thank you all for coming despite your busy schedules.

Today I'd like to talk about how we're going to transform Seven & i Holdings (7&i) into a leaner, faster, more focused business, delivering a better experience for our customers and superior returns to our shareholders.

We have been the market leader for many years, and we still are, by a wide margin. There are a lot of positive aspects to this, but it can also be a dangerous place to be.

Long term success can breed a certain complacency in the business leading to slower innovation and slower execution. Others copy our strengths and catch up.

Even before coming into our new roles, the management team knew we needed to transform the way we run the business and do it quickly, with a strong sense of urgency.

As soon as we were nominated by the Board, we began working with our leaders around the world to define how we do this.

It is especially important now because we are at a turning point in our history. In September, for the first time since the establishment of 7&i, we will be fully a convenience store focused business. This is our opportunity to redefine and reinvent ourselves.

The resulting plan is a first for us. A truly global plan that provides clarity around our key priorities and initiatives, with clear timelines and trackable deliverables; underpinned by robust management processes to ensure disciplined execution. This represents a clear break from the past.

This is what I'd like to share with you today.

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These forward-looking statements include, but are not limited to, statements regarding (a) the projected financial performance of 7&i, (b) the expected development of 7&i's business and projects, (c) 7&i's intention to conduct an SEI IPO and the timing thereof, (d) 7&i's continued efforts to sell its superstore business as York Holdings and the timing thereof, (e) the anticipated benefits of the SEI IPO, the sale of York Holdings, and the proposed share buybacks, in each case, for 7&i and its shareholders, (f) 7&i's and SEI's future operations, including the financial flexibility and decision-making autonomy of SEI after the SEI IPO and the use of SEI IPO proceeds for 7&i to fund share buybacks, and (g) 7&i's continued efforts in pursuing the announced business transformation initiatives. These forward-looking statements are based on 7&i's current expectations and beliefs and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in these statements. These factors and uncertainties include but are not limited to: (i) adverse changes in general economic or market conditions, (ii) the inability to manage successfully and complete the IPO of SEI (including the ability to retain and attract key employees post-IPO), the sale of York Holdings, and 7&i's other previously announced business transformation initiatives, (iii) the risk that the IPO of SEI, the sale of York Holdings, and 7&i's other announced business transformation initiatives may not occur in their expected timeframe or at all and (iv) other one-time events and other important factors disclosed previously and from time to time in 7&i's public filings with the Financial Services Agency in Japan, the Tokyo Stock Exchange or on 7&i's website (<https://www.7andi.com/en/ir/library>). Moreover, 7&i operates in a very competitive and rapidly changing environment, and new risks may emerge from time to time. Because forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified, the reader should not rely on these forward-looking statements as predictions of future events. The events and circumstances reflected in the forward-looking statements may not be achieved or occur and actual results and performance could differ materially from those projected in the forward-looking statements. In addition, statements that "we believe" and similar statements reflect 7&i's beliefs and opinions on the relevant subject. These statements are based upon information available to 7&i as of the date of this presentation, and while 7&i believes such information forms a reasonable basis for such statements, such information may be limited or incomplete, and 7&i's statements should not be read to indicate that 7&i has conducted an exhaustive inquiry into, or review of, all potentially available relevant information. 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For example, other companies may calculate similarly-titled non-GAAP financial measures differently. This presentation contains estimates and forecasts concerning 7&i's industry, including estimates of the total addressable market and serviceable addressable market of 7&i's current and anticipated future solutions, that are based on industry publications and reports or other publicly available information as well as 7&i's internal estimates and expectations. This information involves a number of assumptions and limitations, and is subject to significant uncertainty, and the reader is cautioned not to give undue weight to these estimates. Industry surveys and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy and completeness of the included information. 7&i has not independently verified this third-party information. 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# TODAY'S AGENDA

- 1 Where We Are
- 2 Our Transformation
- 3 The Numbers

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I'd like to start with a bit of history and context.  
Then get into some specifics regarding our transformation.  
And finally, what this all means for our financial performance.

## Social Impact

“We will grow by solving social challenges through our retail/distribution business”

Social Impact

## Founders' Mentality

Trust and sincerity (Masatoshi Ito)  
Embracing change (Toshifumi Suzuki)



Masatoshi Ito



Toshifumi Suzuki

Founders' Mentality



Stakeholder Collaboration

## Stakeholder Collaboration

Collaborate and prosper together

Shareholders/Investors Customers

FC Owners Business Partners

Society Employees Associates

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A lot of things are going to change going forward.

One thing that absolutely will not change is our fundamental values. Our founders had a very clear view on how our business should be run.

They wanted us to always strive to be a sincere company that is trusted by all our stakeholders. Our customers first and foremost and including all our stakeholders.

To do that, they wanted us to embrace change. Not simply adapt to change but to embrace it and drive it.

If we do that, and collaborate with our stakeholders in a mutually beneficial way, we will be able to grow and contribute to solving society's needs.

I think one of our challenges today is that we have lost some of our founder's mentality. We are no longer as trusted by our customers as we once were, especially in Japan. We no longer aggressively embrace change the way our founders did. We have become a bit complacent, particularly at headquarters. Getting back to our founders mentality is critically important and this plan is an important step in that direction.

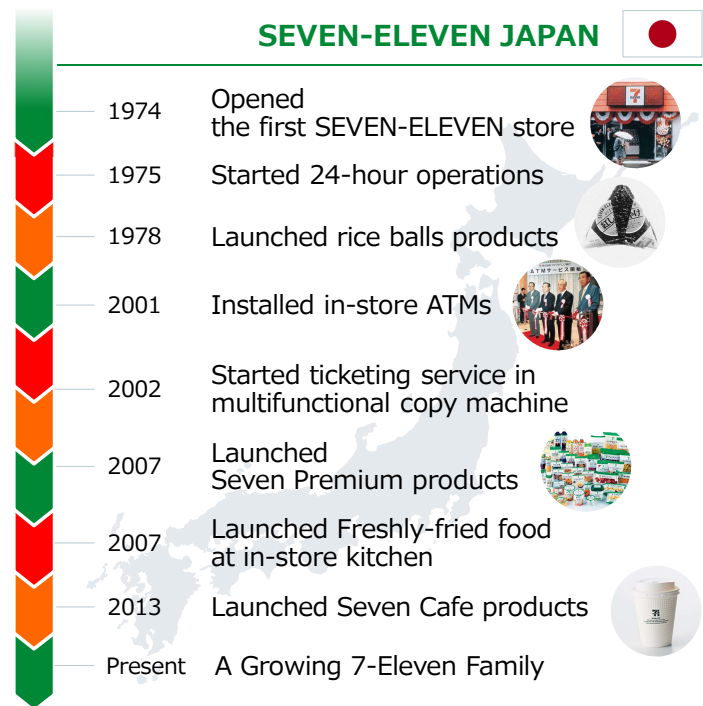
# History of 7-Eleven's Innovation and Success



## 7-Eleven, Inc.



## SEVEN-ELEVEN JAPAN



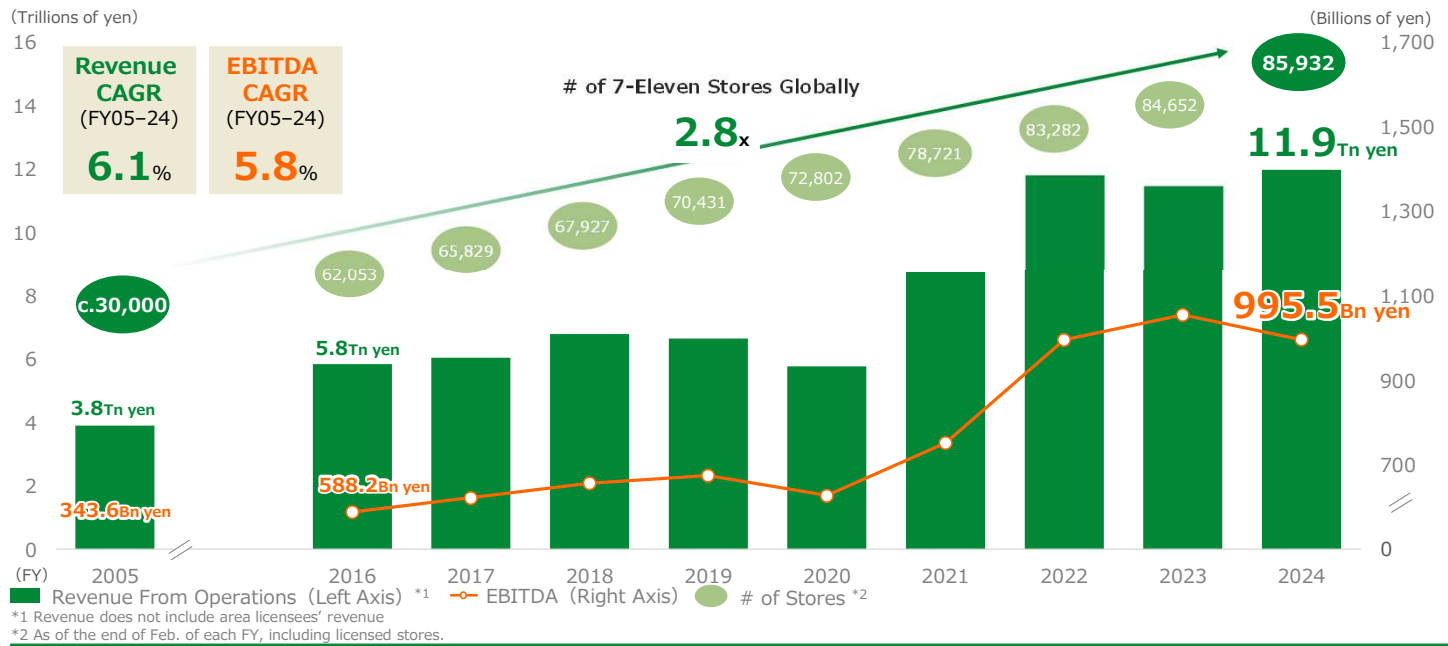
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7-Eleven invented the convenience store channel nearly 100 years ago in Texas. Along the way we had lots of great innovations including 24 hours operations, the Slurpee, Big Gulp and 7NOW digital delivery to name a few. 50 years ago, we brought 7-Eleven to Japan and reinvented the concept with an intense focus on high quality fresh food; we created *tanpin kanri* and a unique supply chain both of which continue to provide competitive advantage today.

Unfortunately, with the exception of 7NOW, its safe to say that our rate of fundamental innovation has slowed somewhat.

# Group's Growth History



**Sustaining success requires constant reinvention and innovation**

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You can see the results on this slide.

This highlights our growth over the last 20 years. Although both revenue and EBITDA have roughly tripled over this timeframe, more recently our performance has been flat.

This highlights the need for us to challenge ourselves to think and act more aggressively, to embrace reinvention and innovation. In short, to think and act as our founders did.

# Our Key Challenges



HD/HQ	<ul style="list-style-type: none"><li>• Absence of rigorous global planning and management</li><li>• Lack of clarity and consistency in global decision making</li><li>• Global talent</li><li>• HQ not fit for purpose</li><li>• Global leverage</li></ul>
Across SEI/SEJ/7IN	<ul style="list-style-type: none"><li>• Shift of consumer spending</li><li>• Channel shift</li><li>• Cost-push inflation</li><li>• Franchisee profitability</li></ul>
SEI	<ul style="list-style-type: none"><li>• Consumer perception re: fresh food</li><li>• Declining fuel demand</li></ul>
SEJ	<ul style="list-style-type: none"><li>• Consumer perception re: brand</li><li>• Intensifying competition</li></ul>
7IN	<ul style="list-style-type: none"><li>• Rigorous investment process</li><li>• Talent to fuel global growth</li></ul>

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In addition to the cultural challenges I just described above, we have a number of very specific business challenges that we need to address with urgency.

These can be divided into three buckets.

The first bucket is about how we manage the global business. This is pretty fundamental but it's also one we can make quick progress on.

The second bucket includes macro challenges that are common across all of our geographies. With inflation and economic uncertainty picking up, consumers are tightening their grip on their wallets. We see customers consolidating trips to the store and being more careful about what they buy.

In addition, we are seeing a shift in spending from the convenience channel to other channels, particularly discounters. All of this along with wage inflation is impacting our franchisees profitability.

The last bucket reflects challenges that are specific to each of our operating companies, 7-Eleven, Inc.(SEI), Seven-Eleven Japan(SEJ) and 7-Eleven International(7IN).

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# Maximizing the Opportunities We Have Today



## Key Challenges

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7IN	<ul style="list-style-type: none"><li>Global talent</li><li>Investment process</li></ul>

## Our Approach for Growth

HD/HQ	<ul style="list-style-type: none"><li>1-A Set <b>clear global management approach and cadence</b></li><li>1-B Upgrade our <b>HD function</b></li></ul>
Across SEI/ SEJ/ 7IN	<ul style="list-style-type: none"><li>2-A <b>Invest in stores/equipment</b> for distinctive food offering</li><li>2-B <b>Store network expansion</b> with optimal store formats</li><li>2-C <b>7NOW expansion</b></li><li>2-D <b>Cost control</b> to invest in growth</li></ul>
SEI	<ul style="list-style-type: none"><li>2-E Expand <b>proprietary products and Private Brand</b></li><li>2-F Maximize <b>fuel vertical integration opportunities</b></li></ul>
SEJ	<ul style="list-style-type: none"><li>2-G Enhance <b>customer engagement</b></li></ul>
7IN	<ul style="list-style-type: none"><li>Accelerate global talent acquisition /development</li><li>Set rigorous investment criteria and mgmt. rules</li></ul>

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The right hand side of this chart summarizes the various initiatives that are under way to address our key growth challenges I just referred to. I will take you through each of these separately.

Key Challenges

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First, I'll focus on how we manage our global business.

New leadership with enhanced management approach and HD oversight

**1-A**

## New leaders implementing an enhanced management approach

- Disciplined yet autonomous decision making of OpCos
- Strengthened senior-level global coordination

**1-B**

## Upgraded HD function

- Fixed roles and responsibilities with clear definitions esp. for HD
- With focus on CVS, lean HD and adding critical global functions

**Global, concrete, time-bound, clear ownership and accountability.  
Globally integrated team with clear understanding of duties and responsibilities**

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We have not really operated as an integrated global entity in the past. Each business unit did its own thing without a great deal of central oversight or even attempts at global leverage and coordination. 7&i, the parent company, was relatively hands off.

At the same time, we would periodically dive into micromanagement....telling our business units what they could or could not do without really understanding the local situation. This lack of consistency and clarity created real challenges for the operating units in terms of execution and speed, while at the same time making it difficult for the parent company to hold leaders accountable.

This has now changed. The operating company leadership teams have clarity regarding their KPI's and can operate with a high degree of autonomy within a clear framework of expectations. They know what is expected and progress is discussed and reviewed on a regular cadence.

The holding company is also evolving rapidly. The roles and responsibilities within the parent company are being redefined as we are no longer a conglomerate. We will get fit for purpose with a leaner HQ but with new global functions. These functions will be, staffed with global quality talent, to help us leverage our scale and global capabilities in ways we have not in the past.

This is all being carried out by new leadership at both 7&i and at SEJ. New leadership at both 7&i and SEJ is carrying out these changes.

The result of all of this is a new way of working. The transformation plan crystallizes this. The plan is global, concrete and time-bound, with clear ownership and accountability .

## Seven & i Holdings

 ★ Representative Director & President Chief Executive Officer <b>Stephen Hayes Dacus</b>	 Representative Director & Executive Chair <b>Junro Ito</b>	 ★ Representative Director & Vice President, Chief Administrative Officer <b>Shigeki Kimura</b>	 Director & Managing Executive Officer, Chief Financial Officer <b>Yoshimichi Maruyama</b>	 Director & Managing Executive Officer, Chief Strategy Officer <b>Tamaki Wakita</b>
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**North America CVS**

**Domestic CVS**

**International CVS**  
(Excl. Japan, North America)

<b>7-Eleven, Inc. ("SEI")</b>			<b>Seven-Eleven Japan Co., Ltd. ("SEJ")</b>		<b>7-Eleven International LLC ("7IN")</b>	
 CEO <b>Joseph M. DePinto</b>	 President <b>Stan Reynolds</b>	 Executive Vice President & COO <b>Doug Rosencrans</b>	 ★ President & Representative Director <b>Tomohiro Akutsu</b>	 ★ Director, Managing Executive Officer <b>Terutaka Kuretani</b>	 Chairman <b>Shinji Abe</b>	 President & CEO <b>Ken Wakabayashi</b>

**Global governance approach to drive our growth transformation**

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Speaking of accountability, these are our key leaders around the globe.

The Holdings leadership team (across the top of the page), consists of the five internal directors (Ito-san, Kimura-san, Maruyama-san, Wakita-san and myself). We meet every day at 8 AM. This allows us to share information, discuss matters, make decisions and act quickly.

In addition, every month the Holdings leadership team and operating company teams meet to review each businesses' performance, issues and opportunities. I know this sounds obvious, but it was not done before. We did not have monthly business reviews. Doing this allows us to work together to address issues and move with speed.

I also personally speak with each operating company CEO weekly. Again, this is an obvious step but it's new. We didn't used to do this. Now we have strong two way communication and a lot fewer surprises. It also allows me to ensure that I provide the support that our operating company leaders need to deliver on their KPI's.

The folks with the green stars next to their names are new to the leadership team. I'd like to talk a bit about their roles and how they are approaching things.

Kimura-san has taken on the role of Chief Administrative Officer of 7&i Holdings. In that capacity, he will be responsible for the transforming the parent company into a leaner and more focused organization. His planning is well advanced and we will see things start to take shape soon.

Akutsu-san is the new CEO of SEJ. He, along with his right hand, Kuretani-san, represent a new generation of leadership at SEJ. Akutsu-san has spent his career close to the field, close to our franchise owners and our customers. This has given him a clear view of what needs to change to regain the trust and confidence of both. He is moving rapidly to make changes and I'm confident that we will soon see results.

## Challenges

Existing headquarters supporting multiple businesses (incl. superstore and financial services), not fit for purpose



### **Centers of Excellence to leverage global scale and best practice**

- DX / technology
- Merchandise supply chain
- Operations



### **Create lean and streamlined HD function**

- Optimize support functions
- IT system to focus on CVS

**Upgrade headquarter and holdings function for “Pure CVS Group” (incl. 50% reduction in HD’s OSG&A from c. ¥81Bn by FY2030)**

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Our headquarters organization was designed to support a diversified conglomerate. That’s no longer what we are. We will be creating a much leaner and focused support structure while at the same time establishing global leverage teams comprised of small numbers of talented individuals to drive competitive advantage in key areas such as technology, digital, talent management, supply chain and operations. These are all areas of existing or potential advantage that we have not exploited on a global basis. We will go forward.

The result will be a leaner, more impactful headquarters and about 40 billion yen in annual cost savings by FY2030.

# Maximizing the Opportunities We Have Today



## Key Challenges

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Next, I'd like to talk about how we will maximize our existing opportunities across our three businesses.

There are seven really significant global initiatives that we believe will deliver significant value and growth over the next several years. We are aligning our businesses and resources around these initiatives.

This list of initiatives is highly summarized, but each operating company has gone through an extensive bottom-up process to clarify the key deliverables, milestones and accountability for each of the many activities that support these seven initiatives and deliver this plan. As a result, we feel we have a very robust, deliverable plan.

## Challenges

Need to draw customers with more differentiation in food

SEI

SEJ

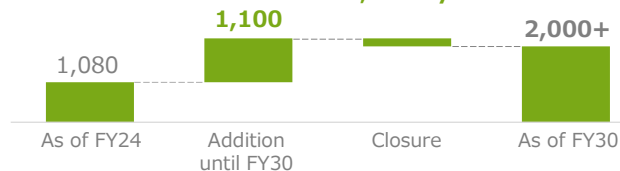
7IN

### SEI

Restaurant offers more tasty, fresh food with SEI's core CVS operations

#### # of stores with a restaurant

Add 1,100 by FY2030



### SEJ

Offer wider varieties of tasty, fresh food to customers **by investing in stores (remodel and new equipment)** as well as **by expanding our store formats**

#### Operational KPI

- Install 7 Café bakery and 7 Café Tea **nationwide**
- Invest in **5,000 stores** to strengthen food offerings **by FY30**

**Rebuild and offer distinctive food offering through aggressive investment in our stores and restaurants**

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As we have said many times, we are focused on food. That is the reason why we sell 30% more food per store in Japan than our competitors. However, our differentiation in food has slipped and our competitors have made progress. In the US as well, many of our smaller competitors are focusing more on food and doing it well. As the environment has changed, we need to step up.

SEI has developed a very successful and profitable restaurant in-store format. This format delivers much higher sales and profit than our other formats and drives incremental attachment sales of 81 cents for every dollar spent in the restaurant. That's big. We currently have 1,100 of these stores. We will roughly double that number over the next five years.

SEJ has developed several innovations to deliver fresh hot food to our customers, including in-store bakeries and 7 Café Tea. Over the next five years, we will invest 300 billion yen to remodel our stores and install the equipment necessary to rollout these and other innovations.

## Challenges

Satisfy changing customer needs with new formats and accelerate openings

SEI

SEJ

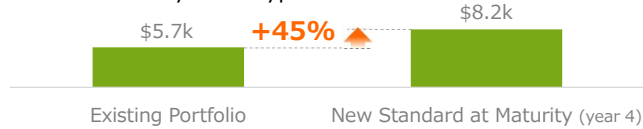
7IN

### SEI

#### Open new large format stores

# of new stores: Increase by c. 1,300 by FY2030 with new format with high APSD stores

Merch APSD by store type



### SEJ

Accelerate store expansion while our competitors slow down  
Leverage multiple store layouts/formats

# of stores\*1

Net increase by c. 1,000 by FY2030



\*1 Net increase in standard stores only; excludes small-format stores.

**Accelerate store expansion in the US and Japan  
by becoming more relevant to customers' needs with improved store formats**

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In North America our competitors have been expanding their store footprint at a faster rate than we have recently. Given the excellent returns on our new standard formats, which deliver 45% higher sales per store, we need to accelerate the pace of our rollout. In the US, we will accelerate from the current level of 125 new stores per year to over 250, resulting in an additional 1,300 stores over the next five years. However, given the amount of white space in North America, we believe there is an opportunity to accelerate even more over time as we develop the team and infrastructure to support a more aggressive rollout. That is not yet reflected in this plan. That's upside.

Similarly, SEJ has a variety of formats targeting different trade area dynamics. SEJ will leverage this capability to add another 1,000 stores, increasing the pace of store openings by 40%.



## Challenges

Customers definition of convenience continues to evolve, and our franchisees need additional sources of revenue. 7NOW delivers both

SEI

SEJ

### SEI

Expand 7NOW's geographic and service coverage, such as **subscription** (e.g., 7NOW Gold Pass)

#### # of 7NOW stores

Add **200 stores per year** through FY2030, exceeding **50% population coverage** in the US

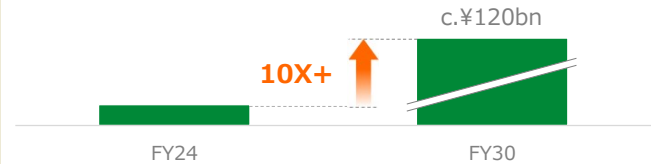


### SEJ

Continue to refine the service and rollout the geographic coverage

#### 7NOW sales

Increase sales to **¥120bn by FY2030**



**7NOW will redefine convenience with delivery in less than 30 minutes**

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Our customers are demanding ever more convenient shopping, and our franchisees need additional revenue streams. Especially today as people are consolidating shopping trips, it's even more important that we create more ways to reach our customers.

Our digital delivery platform 7NOW has been very successful in North America, and it is expected to achieve profitable growth of over 25% this year.

We are on track to hit our \$1 billion target by 2025. Clearly 7NOW is resonating with our customers. They are able to get a hot pizza, a drink or whatever they want delivered within 30 minutes or less on average. We are expanding this service and will soon cover 50% of the US population. In addition, we are testing a marketplace concept for 7NOW which could really enhance its attractiveness as well as subscription services such as 7 Gold Pass with free delivery. As we leverage our store base and cover more and more of the US population, this has the potential to redefine convenience for the next generation. It's really exciting and none of our convenience competitors have anything like it yet.

7NOW is a good example of leveraging successful ideas around the globe. It was developed jointly by SEJ and SEI, but it was rolled out and developed first in SEI where it's been very successful. It is still early days but our initial indicators are promising. Delivery takes about 20 minutes on average. As we gain scale, the potential of 7NOW to differentiate us from our competitors is very exciting.

## Challenges

Inflation driving cost increase

SEI

SEJ

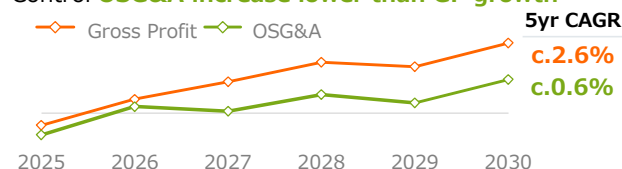
7IN

### SEI

Continue SEI's cost leadership activities to keep OSG&A increase slower than topline and GP growth

#### YoY change of OSG&A and gross profit

Control OSG&A increase lower than GP growth



### SEJ

Rigorously control OSG&A across value chain by launching company-wide transformation program

#### Operational KPI

Maintain OSG&A % at current level (<12%) through FY2030 (vs. 100bps increase predicted from As-Is forecast)

Turn cost control into a competitive advantage and invest where our customers value it

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In a difficult environment, where there are so many things that our outside our direct control, we must tightly manage the things that are within our control. OSG&A is one of those things.

I have to say that currently OSG&A management is not a source of competitive advantage for us. We need to change and we need to invest our money where the customers can really feel it.

To that end, both SEJ and SEI are undergoing a rigorous process to review all costs. SEI is much more advanced in the process as they began nearly a year ago. The benefits of all their hard work are starting to show up in the P&L as we saw in the last quarter's earnings. SEI will continue to keep OSG&A growth to well below revenue and gross margin growth allowing the savings to reach to the bottom line.

SEJ is at the start of the process and is launching a company-wide program to transform OSG&A across the value chain. We expect this will contribute a 100 basis-point improvement versus the current trend line.

## Challenges

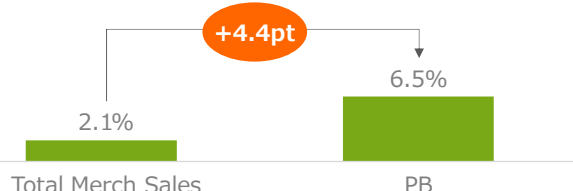
Change the perception of value and quality of our products, especially food

SEI

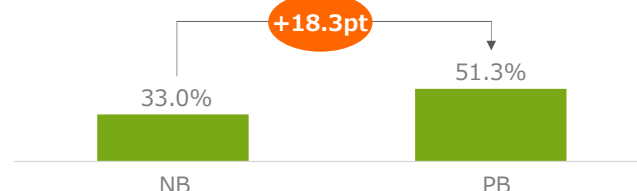
## SEI

Enhance our Private Brand team and improve our business processes to better serve customers' needs for savings accompanied with value and quality

## Sales CAGR (FY2024→ 2030)



## GP% (FY2024 Actual)



Expand our private brand and proprietary product offerings delivering high quality at great value for our customers and enhancing trust in our brand

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Our proprietary products and private brands are a real competitive differentiator in both Japan and North America. They have much higher margins, great quality and higher growth than national brands. We will lean into this in both regions but especially in North America where our PB business is still relatively underdeveloped. The margins on our private brands in North America are over 18 percentage points higher than national brands with equivalent or better quality. The upside is enormous, but first we need to get the people and processes in place. We need to build capability. We are doing this now and that is reflected in this plan. Over the next few years, we plan to expand the growth of private brand sales to three times that of overall merchandise sales. But going forward there is much more opportunity in both sales and margin. That potential upside is not reflected in this plan.

## Challenges

Untapped opportunities to capture profit pools within SEI's fuel supply chain

SEI

SEI

### Organization and Capabilities

Build organizations, capabilities, and infrastructure to support fuel strategy

### Tools and Intelligence

Utilize advanced analytics and existing asset base to achieve efficiencies through vertical integration

### Value Chain Coverage

Capture additional supply chain opportunities by gaining access to and investing in logistics infrastructure (e.g. marine, terminals, etc.)

### Supply Cost Control

Establish blending program to achieve fuel supply cost efficiencies

## Operational KPI

**~\$400mn**  
EBITDA  
(byFY2030)

**Maximize opportunities across the entire fuel value chain**

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SEI is the largest Fuel retailer in the US. Many people may not realize that. Because of our scale, we have an opportunity to build best-in-class, vertical integration capabilities to improve the margin profile of our Fuel business. We have been active in this area for several years already and it is time to accelerate our efforts to capture untapped profit pools within our supply chain.

Leveraging a talented and capable team with strong governance and supported by technology, SEI can use its core assets to stretch into other supply chain opportunities to create incremental value. This is similar to what we see our competitors in the US doing now.

We will do this by strategically moving up the fuel supply chain, gaining access to logistics infrastructure and opportunistically supplying fuel to other customers while continuously optimizing our own network.

As you can see, the EBITDA opportunity is quite significant.

## Challenges

Lack of effective customer communication has impacted brand perception

SEJ

SEJ

Upgrade customer perception through...

### Customer communication

**Establish interactive customer communication** through various channels

**Revamp our customer communication** by forming a dedicated specialist team

### Integrated approach to customer experience

**Develop high valued fresh food offerings** (e.g., counter food)

Enhance customer experience by **introducing store format/models based on regions' needs**

**Regain support from customers (especially younger generation)**

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SEJ has fallen behind our competitors in terms of how we communicate with and engage with our customers. Frankly, we've been a bit passive compared to our competitors and haven't invested as much in communication and marketing as we should have. The result is that our brand perception has taken a bit of a hit, particularly with younger cohorts of customers. We are still strong with older customers but have lost some traction with younger ones.

The leadership of SEJ recognizes this and is moving quickly to address it. They are revamping and strengthening the communications team, including bringing in strong external talent. They are changing the way we operate by ensuring we have an integrated approach to product development, store activity and communication. In addition, we have redirected funds from 7&i to SEJ and you will soon see a more integrated and aggressive cadence of communication and customer engagement.

# Operational KPIs toward 2030

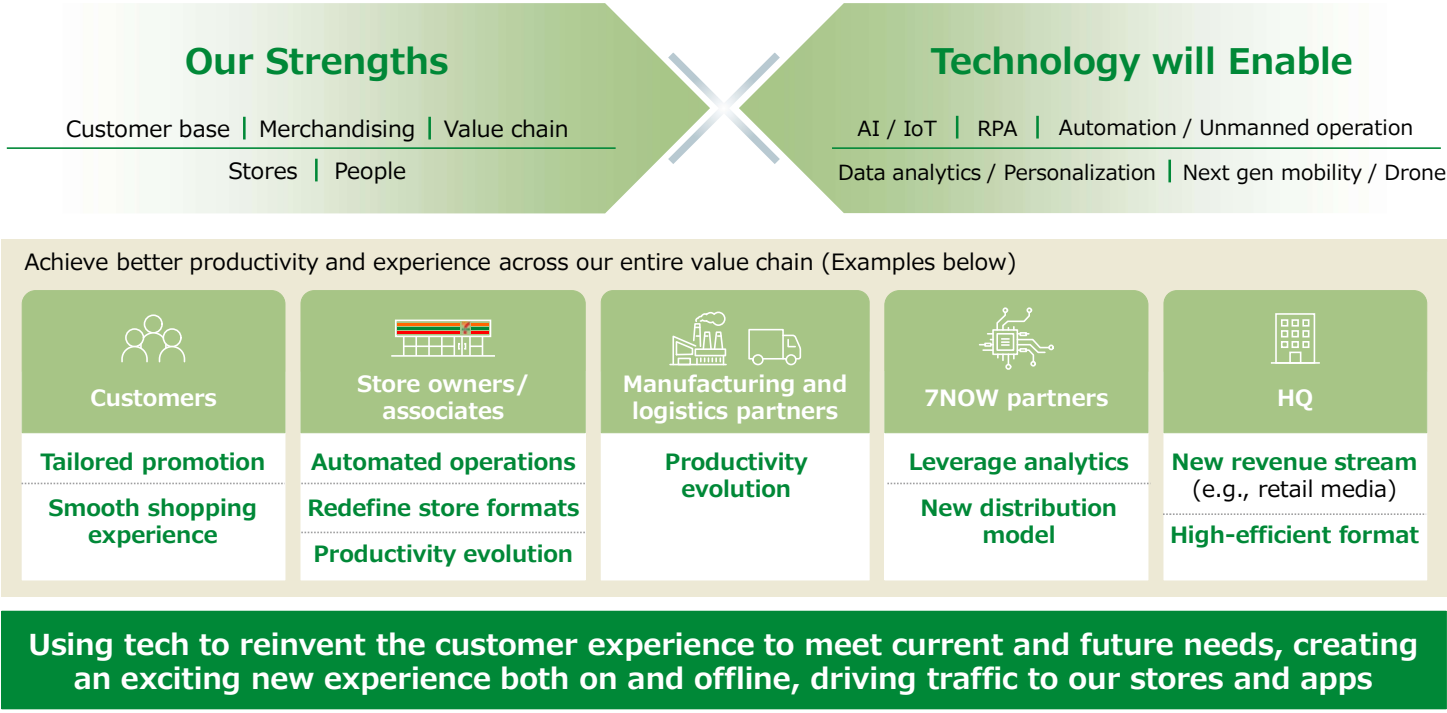


	SEI	SEJ
<b>2-A</b> Food Offering	Add <b>1,100 restaurants</b> by 2030	Enhance capability in <b>5,000+ stores</b>
<b>2-B</b> Store Network	Add <b>1,300 New stores</b>	Net increase of <b>1,000 stores</b>
<b>2-C</b> 7NOW	Add <b>200 stores/year</b> <b>50%+ Population coverage</b>	<b>¥120bn in Sales</b>
<b>2-D</b> OSG&A	<b>Slower increase than GP growth</b>	<b>OSG&amp;A% &lt; 12%</b>
<b>2-E</b> PB/Proprietary Product	PB sales <b>Growth CAGR at 6.5%</b>	n/a
<b>2-F</b> Fuel Opportunities	<b>~\$400mn EBITDA uplift</b>	n/a
Consumer perception	<b>Merch APSD CAGR at 2.4%</b>	<b>APSD CAGR at 2.0%</b>

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This slide summarizes some of the operational KPI's that I just shared with you. We will use this to track our progress at a high level. We will also track the detailed activities that support these initiatives as well to make sure to achieve these objectives.



This brings me to the last element in our transformation - Creating a new model leveraging technology as well as our immense volume of data to create a more convenient and exciting shopping experience for our customers while improving our stores and importantly our franchisees productivity and profitability. With our global reach and industry leading scale we are uniquely positioned to do this.

We have 21,000 stores in Japan and 13,000 stores in North America with an enormous customer base of 30 million people coming into our stores every single day in just those two geographies. We also have great strengths in supply chain and merchandising within our operations.

On the other hand, we are not strong in AI, in utilizing automation or in data analytics. We need partners to help us do this. Fortunately, our competitors don't seem to be that far along either. So, this is a big opportunity for whoever gets there first.

This isn't about creating new technology. The technology is out there and evolving rapidly everyday. This is about leveraging technology to enable us to deliver a better experience for our customers and a new model for our partners. It won't happen overnight but if we don't focus on it, it won't happen at all. Currently, we are not organized for success with regard to technology adoption and implementation.

No one is responsible for this across the business. To address this issue, we will establish a technology center of excellence which will be responsible for our global technology strategy, working with key external partners and supporting the transformation of our business.

The nature of convenience is changing rapidly. We need to be at the forefront of that change.

# TODAY'S AGENDA

- 1 Where We Are
- 2 Our Transformation
- 3 The Numbers



# Roadmap Toward 2030



	FY24A <sup>*1</sup>			FY30E			
Revenue from operations	10.0Tn			c.11.3Tn			CAGR c.2.0%
Gross profit from operations	2.7Tn			c.3.4Tn			CAGR c.3.9%
SEI	1,757Bn	843Bn		c.2.1Tn	c.1.1Tn		CAGR c.2.5% c.4.0%
SEJ							
OSG&A	c.2.3Tn			c.2.6Tn			c.Flat % of Sales
EBITDA	c.0.9Tn			c.1.3Tn			CAGR c.7.0%
SEI	573Bn	323Bn	26Bn	0.9Tn+	0.4Tn+	50Bn+	CAGR c.7.5% c.4.0% c.14.0%
SEJ							
7IN							
EPS	c.86			c. 210			CAGR c.17.0%
ROIC <sup>*2</sup>	4.8%			c.12.6%			+c.7.8%pt
SEI	6.0%	21.4%	6.7%	c.10.5%	c.22.0%	c.11.5%	+c.4.5%pt +c.0.7%pt +c.5.0%pt
SEJ							
7IN							
Debt / EBITDA	2.5x			~0.6x			c.-1.9x

<sup>\*1</sup> Pro-Forma with York HD and Seven Bank being equity method affiliates through full year

<sup>\*2</sup> Based on current J-GAAP. [ROIC= {Net income + Interest expense x (1 - Effective tax rate)} / {Owner's equity + Net Interest-bearing debt (both the averages of the figures at the beginning and the end of each fiscal year)}]

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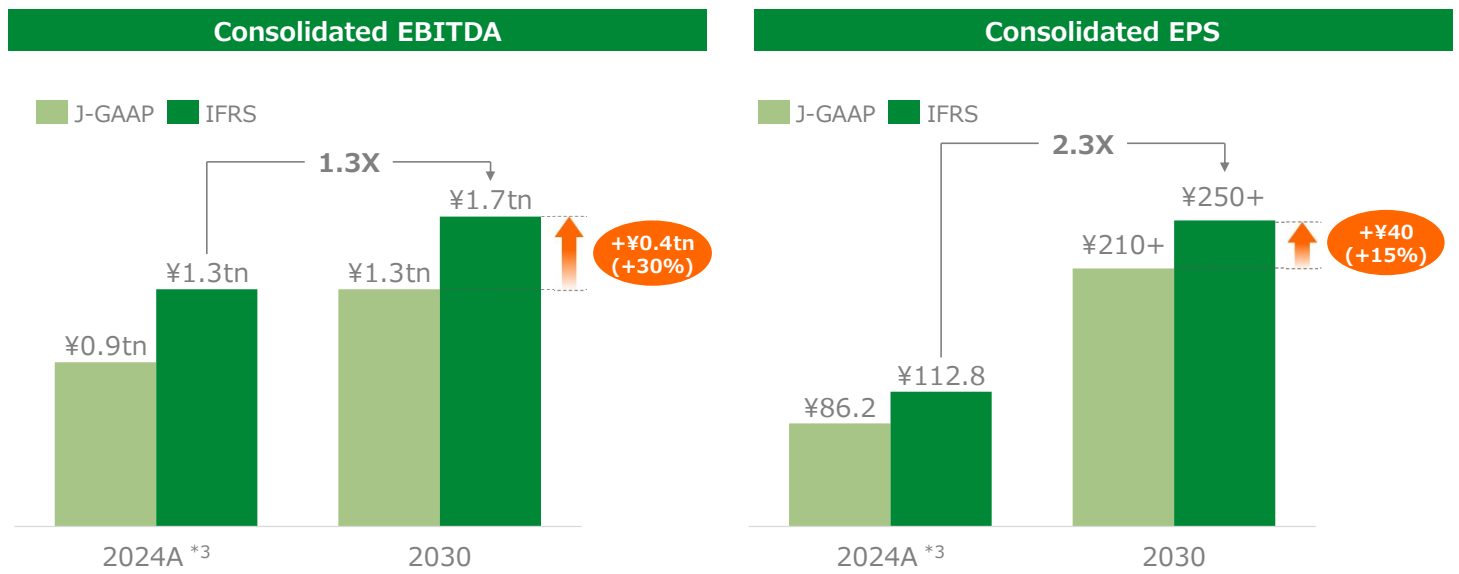
Now I'd like to share what this means for our financial performance. There are a lot of numbers on this slide, but I would like to focus first on the EBITDA numbers in the middle of the chart.

We plan to expand EBITDA by about 45% over the next five years from 0.9 trillion yen to 1.3 trillion yen. That reflects both margin improvement and cost reduction impacting the bottom line.

EPS will nearly triple to 210 yen per share and ROIC will improve from 4.8% in our last fiscal year to 12.6% in 2030. This reflects the impact of our share buybacks, the paying down of our debt and as well as our profit growth.

Our debt leverage at 0.6 turns assumes no additional debt for acquisitions, accelerated store expansion or shareholder returns. Clearly, we have significant debt capacity for any or all of these additional opportunities beyond what is planned.

# (Ref.) Pro-Forma IFRS Conversion Impact <sup>\*1,2</sup>



\*1 IFRS numbers are preliminary estimation, mainly focusing on goodwill amortization and lease accounting

\*2 All future numbers are rounded

\*3 YHD and Seven Bank numbers are excluded from 2024 Actual numbers

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All of the financial information on the previous slide was presented on a JGAAP basis. We thought it would be informative to share with you our pro-forma estimate of what our key numbers would look like on an IFRS basis. This is meant to make a comparison with some of our international competitors easier. I should point out that this is a preliminary estimate taking into account differences in the treatment of goodwill amortization and lease accounting between JGAAP and IFRS.

Under IFRS, our EBITDA would likely be 400 billion yen higher, and EPS would be 40 yen higher by 2030, this is based on our current JGAAP basis. Both are quite significant. A project to convert our accounting to IFRS is currently underway and has kicked off. We believe it will take a couple of years due to substantial systems changes that will be required. Our current target for conversion is FY2028.

% of Capital to be Deployed

1

## Growth Investments

JPY c.~**3.2Tn**

Capital Expenditures and Bolt-On M&A

2

## Capital Return

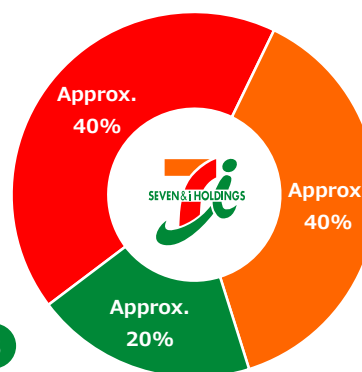
JPY c.~**2.8Tn**

Share Repurchases (2.0Tn) and Dividends

3

## Debt Paydown etc. \*1

JPY c.~**1.4Tn**



Total source of funds  
(FY25E–FY30E)

JPY c.~**7.5Tn**



Included operating cash flow as well as proceeds from sale of Superstore Business Group and SEI IPO

\*1 Includes dividends to SEI's minority shareholders

**7&i Holdings will continue to take a disciplined approach to capital allocation towards the goal of maximizing value for our shareholders**

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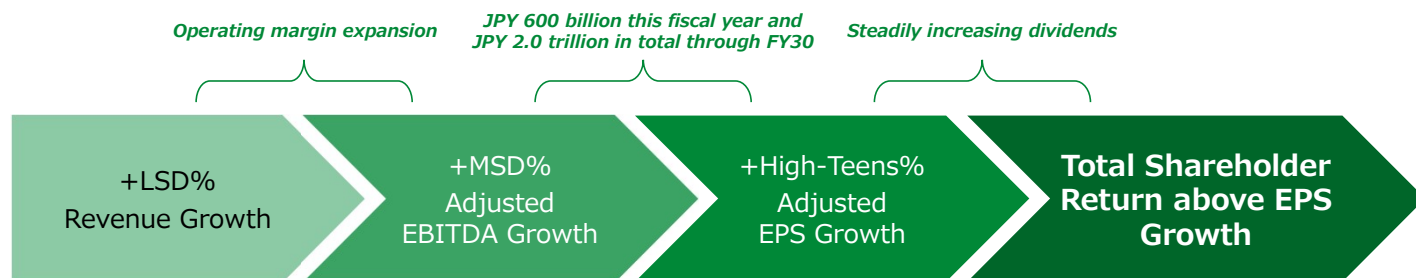
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This is the same slide I shared with you back in March. I'm repeating it here because I want to reiterate our commitment to disciplined capital allocation that drives our growth and unlocks value for our shareholders.

We plan to generate around 7.5 trillion yen in funds coming from operations, the sale of York Holdings and IPO of SEI. We will invest 3.2 trillion yen in growth, pay down 1.4 trillion yen in debt and return 2.8 trillion yen to our shareholders, including 2 trillion yen in share repurchases. It's important to note that of the 2 trillion yen in share repurchases that we are committed to, we are already actioning the first tranche of 600 billion yen that we are committed to.

Also, as I said earlier, this does not take into account the opportunity for additional borrowing to support M&A, accelerated investments in our stores or enhanced shareholder returns.

## Long-term Growth Algorithm Driving Significant Value Creation <sup>\*1</sup>



1. Inclusive of the sale of Superstore Business Group, deconsolidation of Seven Bank and IPO of SEI

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I shared this slide with you in March as well. The only difference is that the targets in our model have gone up in line with the plan that I've shared with you today. We are now targeting growth in EPS in the high teens and TSR in excess of that.



Reinforce our core values and founder's mentality



Manage the business differently



Maximize our clear and near-term opportunities



Commit to improved capital allocation and growth algorithm

So, this is a brief summary of the key takeaways from our discussion today. Specifically, what our new leadership team intends to do.

First, I think it's really important that in a sense, we get back to our roots.

Focus on our core values, on building trust with our customers and stakeholders, and embracing change. These are the values that gave us decades of success, and they will continue to do so.

Second, we will manage the business very differently.

We are introducing robust management processes and rigorous performance criteria at all levels. This framework will allow empowered operating company teams to make decisions and move faster, while the new leaders at the holding company provide coordinated oversight.

Third, we will maximize our clear, near-term opportunities.

We will focus on those areas in which we have a clear advantage and invest to accelerate the expansion of new store formats including QSR's, to drive greater differentiation in food, private brands and proprietary products, to rapidly expand 7NOW, and to build the capabilities we need to capture more profit from our fuel business. And to free up funds for investment, we will impose disciplined cost control throughout the organization.

Lastly, I want to make it clear that we are committed to our capital allocation strategy and long-term growth algorithm for shareholder returns. We believe the strategy we shared with you today will deliver shareholder returns over the next few years that are far in excess of what we have experienced over the last few years.

I look forward to providing an update on our progress at the IR Day scheduled for the end of October.

Thank you for your time and attention.



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.

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