



November 30, 2023

To whom it may concern:

Company Name: Seven & i Holdings Co., Ltd.
Representative: Ryuichi Isaka
President & Representative Director
(Code No. 3382/Prime Market of the Tokyo Stock Exchange)

**Notice Regarding Acquisition of Shares of Australian Company Convenience Group Holdings Pty Ltd
by a Subsidiary and Change in Seven & i Holdings' Specified Subsidiary**

Seven & i Holdings Co., Ltd. (the "Company") hereby announces that its Board of Directors resolved to approve the execution of an agreement by and between the Company's wholly-owned subsidiary and the joint venture of SEVEN-ELEVEN JAPAN CO., LTD. (location of head office: Tokyo, Japan, President: Fumihiko Nagamatsu) and 7-Eleven, Inc. (location of head office: Texas, U.S.A., President and CEO: Joseph M. DePinto) ("SEI"), 7-Eleven International LLC (location of head office: Texas, U.S.A., Co-CEO: Ken Wakabayashi and Shinji Abe) ("7IN") and Australian Company R.G. Withers Nominees Pty Ltd as trustee for R.G. Withers Unit Trust, to acquire all shares of Convenience Group Holdings Pty Ltd ("SEA"), a holding company of 7-Eleven Stores Pty Ltd, which operates the convenience store and fuel retail business under the "7-Eleven" brand as a licensee of the Company in Australia via 7IN's wholly-owned subsidiary, AR BidCo Pty Ltd (the "Transaction") and that 7IN executed the agreement relating to the Transaction as of today, details of which are as follows. Furthermore, the Company also announces that SEA's wholly-owned subsidiary, CONVENIENCE HOLDINGS PTY LTD will become its specified subsidiary because its capital will be equal to or more than 10% of the Company's capital.

I. Purpose of the Transaction

In the Medium-Term Management Plan 2021-2025, the Company announced its ideal group image for 2030 as well as its corporate creed since its establishment to be a sincere company that earns the trust of all stakeholders, and its basic stance of "We aim to contribute to the local community both in Japan and overseas by providing new experiences and values from the customer's point of view". Additionally, based on the the Results of the Group Strategy Reevaluation announced in March 2023, the Company adopted "A world-class retail group centered around its "food" that leads retail innovation through global growth strategies centered on the 7-Eleven business and proactive utilization of technology" as the new ideal group image for 2030.

One of the essential initiatives for realizing the ideal group image for 2030 is the global CVS strategy. 7IN which operates global CVS business outside of Japan and North America aims to have 50,000 stores worldwide (excluding Japan and North America) by FY2025 and to expand to 30 countries/regions by FY2030. In particular, 7IN pursues profit growth by not only new market entry but also strategic investments in existing licensees for maximizing licensee growth potential through business transformation, including strengthening "food", which has led to remarkable growth of SEI in the U.S. In addition, the Company decided to increase its investment in Vietnam business in February 2023, and is actively considering M&A including strategic investments in licensees to pursue accelerated profit growth in the global CVS business which has significant potential of growth.

SEA's subsidiary, 7-Eleven Stores Pty Ltd, as a licensee of the “7-Eleven” brand, has been operating convenience stores in Australia for many years. 7-Eleven Stores Pty Ltd is currently the largest convenience store retailer in Australia with a leading merchandise offering, targeted product range, and established loyalty program.

The Company and 7IN have a longstanding relationship with SEA and a deep knowledge of the business. By executing the Transaction, the Company intends to achieve the following objectives.

1. Expansion of Store Network in Australia

The Australian market is a growing market with a diverse population of young people and immigrants, and the Australian Government expects its population to grow at a CAGR of 1.4% over time until the mid-2060s. SEA operates 751 stores as of the end of June 2023 and the Transaction will enable the Company to establish itself as the clear industry leader in the Australian convenience store market, which has significant growth potential. In addition, the Company strongly believes that there is room for further growth by actively opening new stores in Victoria, New South Wales, Queensland, Western Australia, and other states, and that the expansion of the store network in Australia will accelerate the entire group’s long-term growth strategy. By utilizing the product strength and operational know-how of the business cultivated in Japan and North America and experience cultivating synergies through 50 M&A transactions since 2005, the Company expects that it will be able to increase product sales and improve gross product margin, further reduce costs, strengthen the customer base, and realize further innovation and an even greater increase in corporate value.

2. ESG Leadership

In May 2019, the Company group, as a global retailer representing Japan, announced the “GREEN CHALLENGE 2050”, the Company’s environmental declaration. The Company group is committed to achieving the declaration’s four themes: (1) reducing CO₂ emissions; (2) measures with respect to plastics; (3) measures for food loss and recycling; and (4) sustainable procurement. The Company group has set clear targets to achieve by 2030 and for the next-generation of society in 2050 with respect to the missions and duties of the Company group. Following the Transaction, the Company group, as a leading global retailer, reaffirms that it remains committed to the environmental declaration as part of its ESG efforts, and it will further accelerate these efforts in the Australian market through expansion of its network and presence.

II. Details of the Transaction

1. Outline of the Transaction

(1) Parties to the agreement	Seller: R.G Withers Nominees Pty Ltd as trustee for R.G Withers Unit Trust Purchaser: AR BidCo Pty Ltd
(2) Target shares	All shares of Convenience Group Holdings Pty Ltd, a subsidiary of R.G Withers Nominees Pty Ltd and a holding company of 7-Eleven Stores Pty Ltd, which operates the convenience store and fuel retail business under the “7-Eleven” brand as a licensee of the Company in Australia.
(3) Acquisition price	1,710 million Australian dollars (167,238 million yen*) The acquisition price will be adjusted based on the cash amounts and indebtedness as well as increases or decreases of working capital at closing.

*Converted at the rate of 1 Australian dollar = 97.80 yen (as of November 29, 2023).

2. Outline of the Target Company

(1) Name	Convenience Group Holdings Pty Ltd	
(2) Location of the head office	Victoria, Australia	
(3) Representative	CEO & Managing Director: Angus Mckay	
(4) Detail of business	Operation of convenience store business and fuel retail business	
(5) Stated capital	100 Australian dollars	
(6) Date of incorporation	September 5, 2022	
(7) Large shareholder and its shareholding ratio	R.G. Withers Nominees Pty Ltd as trustee for R.G. Withers Unit Trust 100.0%	
(8) Relationship between the listed company and the relevant company	Capital relationship	Not applicable
	Personnel relationship	Not applicable
	Transaction relationship	7IN, the Company's subsidiary, has an Area License Agreement with SEA's subsidiary, 7-Eleven Stores Pty Ltd
	Status as a related party	Not applicable

3. Consolidated Financial Position and Operating Results of Target Company

(Australian dollars in millions)

	Result for the term ended in June 2021	Result for the term ended in June 2022	Result for the term ended in June 2023
(1) Net Assets	273	277	315
(2) Total Assets	1,024	923	1,067
(3) Sales	4,159	5,247	6,115
(4) Operating income (EBIT)	35	66	97
(5) EBITDA	124	167	190
(6) Net income	31	45	74

*1: Australian Accounting Standards Board (AASB) 16 is not applied.

*2: Financials above are unaudited by an accounting firm.

*3: Converted at the rate of 1 Australian dollar = 97.80 yen (as of November 29, 2023).

4. Outline of the Counterparty to the Share Acquisition

(1) Name	R.G. Withers Nominees Pty Ltd as trustee for R.G. Withers Unit Trust
(2) Location of the head office	Melbourne, Victoria, Australia
(3) Representative	CEO: Greg Neave
(4) Detail of business	Shareholder of SEA
(5) Stated capital	6 Australian dollars
(6) Date of incorporation	February 8, 1980
(7) Net Assets	Not applicable
(8) Total Assets	Not applicable

(9) Large shareholder and its shareholding ratio	Wongalee Pty Ltd as trustee for R.G Withers Trust	33.3%
	Moorookyle Pty Ltd as trustee for the Russell Withers Trust	33.3%
	D.I. & B.R. Barlow Pty Ltd as trustee for B.R. Barlow Trust	33.3%
(10) Relationship between the listed company and the relevant company	Capital relationship	Not applicable
	Personnel relationship	Not applicable
	Transaction relationship	Not applicable
	Status as a related party	Not applicable

5. Outline of Subsidiary that Will Acquire the Target Company

(1) Name	AR BidCo Pty Ltd
(2) Location of the head office	Melbourne, Victoria, Australia
(3) Representative	Director: Ken Wakabayashi Director: Kate Hill
(4) Detail of business	Holding Company
(5) Stated capital	1 Australian dollar
(6) Date of incorporation	November 2023

III. Outline of Specified Subsidiary

(1) Name	CONVENIENCE HOLDINGS PTY LTD		
(2) Location of the head office	Victoria, Australia		
(3) Representative	CEO & Managing Director: Angus Mckay		
(4) Detail of business	Operation of convenience store business and fuel retail business		
(5) Stated capital	72 million Australian dollars		
(6) Date of incorporation	May 19, 2010		
(7) Large shareholder and its shareholding ratio	7 Holding Pty. Ltd.	100.0%	
(8) Relationship between the listed company and the relevant company	Capital relationship	Not applicable	
	Personnel relationship	Not applicable	
	Transaction relationship	Although there is no direct transaction, CONVENIENCE HOLDINGS PTY LTD is a sub-licensee of 7-Eleven Stores Pty Ltd with which 7IN, a subsidiary of the Company, has an Area License Agreement	
	Status as a related party	Not applicable	
(9) Financial Position and Operating Results of the Specified Subsidiary (Australian dollars in millions)			
	Result for the term ended in June 2021	Result for the term ended in June 2022	Result for the term ended in June 2023
Net Assets	(8)	43	46
Total Assets	52	59	69
Sales	299	328	404

Operating income (EBIT)	4	(5)	(11)
EBITDA	8	1	(4)
Net income	3	(5)	(10)

IV. Key Dates

(1)	Execution date of the agreement	November 30, 2023
(2)	Acquisition date (expected)	2 nd Quarter 2024 (April - June)

Acquisition of the shares is subject to satisfaction of the conditions precedent to implement the Transaction, including the regulatory review and approval by The Australian Foreign Investment Review Board.

V. Future Outlook

The Transaction will have a minor impact on the Company's consolidated financial results for the term ending in February 2024. However, the Transaction will contribute to the improvement of the Company's financial performance in the mid- and long-term.

Information disclosed in this press release may include forward-looking statements. The statements are based on management's judgment taking into account information available at the time of disclosure and may include various risks and uncertainties as we use certain assumptions in making forward-looking statements. Accordingly, actual numbers and results may differ from the future outlook included in this press release due to various factors such as changes in future business operations and economic conditions.