



September 6, 2024

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)

Seven and i Holdings' Board Responds to Non-Binding Proposal from Alimentation Couche-Tard Inc. ("ACT")

Open to sincerely consider any proposal that is in the best interests of our shareholders and other stakeholders

Concludes proposal "grossly" undervalues Company's intrinsic value and opportunities to unlock that value

We believe that the proposal does not adequately acknowledge the multiple and significant challenges such a transaction would face from U.S. competition law enforcement agencies in the current regulatory environment

Regarding the matter announced in the "Seven & i Holdings Comments on News Reports Regarding Acquisition Proposal" dated August 19, 2024, where we received a confidential, non-binding acquisition proposal from ACT, the Board of Directors of Seven & i Holdings Co., Ltd. has today sent the following letter to ACT responding to the proposal.



8-8 NIBANCHO, CHIYODA-KU, TOKYO, 102-8452 JAPAN

Dear Alain:

I am writing on behalf of the board of directors of Seven & i Holdings Co., Ltd (“7&i”) to follow up on our phone conversation earlier today and to officially respond to your confidential, non-binding and preliminary proposal to acquire all outstanding shares of 7&i for US\$14.86 per share in cash.

As I shared with you in my message of August 15 acknowledging your proposal, the 7&i Board promptly formed a Special Committee comprised solely of independent outside directors to review your proposal. I have served as chair of the Special Committee. The Special Committee, assisted by our financial and legal advisors, conducted a careful and comprehensive review of your proposal over the course of multiple meetings.

I want to emphasize that the 7&i Board is single-mindedly focused on delivering value for 7&i shareholders and other stakeholders. We are open to sincerely consider any proposal that is in the best interests of 7&i shareholders and other stakeholders; however, we will resist any proposal that deprives our shareholders of the company’s intrinsic value or that fails to specifically address very real regulatory concerns.

After a thorough review and discussion of your proposal, the 7&i Board has unanimously concluded, based on the unanimous recommendation of the Special Committee, that the proposal is not in the best interest of 7&i shareholders and other stakeholders. We are open to engaging in sincere discussions should you put forth a proposal that fully recognizes our standalone intrinsic value and addresses our concerns regarding certainty of closing in the current regulatory environment. However, we do not believe, for several critical reasons, that the proposal you have put forward provides a basis for us to engage in substantive discussions regarding a potential transaction.

First, the Special Committee believes that your proposal is opportunistically timed and grossly undervalues our standalone path and the additional actionable avenues we see to realize and unlock shareholder value in the near- to medium-term. The 7&i business is a unique asset and strategically positioned within the global convenience store sector. The Board is confident that it can realize and unlock shareholder value through a number of strategic actions, including but not limited to our U.S. business, that we are actively pursuing.

Second, the 7&i Board believes that even if you were able to improve the value element of your proposal very significantly, your proposal does not adequately acknowledge the multiple and significant challenges such a transaction would face from U.S. competition law enforcement agencies in the current regulatory environment and provides no certainty to closing. Beyond your simple assertion that you do not believe that a combination would unfairly impact the competitive landscape and that you would “consider” potential divestitures, you have provided no indication at all of your views as to the level of divestitures that would be required or how they would be effected. Your proposal also does not indicate, for example, the timeline you believe would be required to clear regulatory hurdles, or whether you would be prepared to take *all* necessary action to obtain regulatory clearance, including by litigating with the government.

Third, while you acknowledge the crucial role that 7&i plays in everyday life in Japan across food retail, banking and other services, this is clearly an area that would require further discussion should we reach that point.

As we discussed, although we would have preferred to keep both your proposal and our response private and confidential, given that the fact of your proposal is already in the public domain, in the interest of transparency with our shareholders and other stakeholders, we are making this letter public.

Thank you for your interest in 7&i. As I mentioned when we talked, I'm available to answer questions you may have.

Sincerely,

/s/ Stephen Dacus

Stephen Dacus
Chair, Special Committee
Chairman of the Board