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October 15, 2026

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Notice Regarding a Basic Agreement with Tokyo Gas Co., Ltd. to Establish an Investment Limited Partnership (Sub-subsidiary) through Joint Investment Totaling JPY 15 Billion

– Full-Scale Launch of an Investment Platform for Inorganic Growth through Fund-Based M&A –

SHIFT Inc. ("SHIFT," headquartered in Minato-ku, Tokyo; Masaru Tange, CEO and Representative Director), which has evolved from its roots in quality assurance to support broader business transformation, announced today that its consolidated subsidiary, SHIFT Growth Capital Inc. ("SGC," headquartered in Minato-ku, Tokyo; Hidetaka Kojima, Representative Director), will establish an investment limited partnership (the "Fund").

In addition, SHIFT and Tokyo Gas Co., Ltd. ("Tokyo Gas," headquartered in Minato-ku, Tokyo; Shinichi Sasayama, President and CEO) have reached a basic agreement to jointly invest a total of JPY 15 billion in the Fund upon the commencement of its operations. Details are provided below.

1. Purpose of Establishing the Fund

SHIFT views the advent of the AI era as a fundamental shift in the business environment and has made its transformation into an "AI-Native Company" a key pillar of its medium- to long-term growth strategy. Rather than limiting the use of AI to improving operational efficiency, SHIFT is incorporating AI into all aspects of its business, including service development, business processes, and organizational management. Through these initiatives, SHIFT aims to improve productivity in its existing businesses, create new value for clients and further accelerate organic growth.

In addition to organic growth, SHIFT considers the continued pursuit of inorganic growth opportunities through M&A to be an important strategy for sustainably enhancing corporate value. To date, SHIFT has pursued capital alliances and M&A with leading companies to expand its business domains and strengthen its client portfolio. To capture further growth opportunities, SHIFT is building and enhancing an investment platform that enables the entire process, from deal sourcing and execution through PMI and growth support for portfolio companies, to be carried out consistently and with a high degree of repeatability.

The Fund is one of the initiatives through which SHIFT is implementing this growth strategy. Against the backdrop of growing demand for AI and digital transformation (DX) in Japan, Tokyo Gas and SHIFT will jointly establish the Fund to invest primarily in companies operating in fields such as system integration, system engineering services, and software development and sales.

For approximately 140 years, Tokyo Gas has supported Japan's energy infrastructure. Through close engagement with clients at both the operational and management levels, Tokyo Gas has developed extensive expertise in facility operations and built a broad customer base. Today, the company is expanding its solutions business under the "IGNITURE" brand, its solutions business brand, including through the use of AI. SHIFT believes that collaborating with Tokyo Gas, which has strong customer relationships and extensive business expertise across sectors including manufacturing, will provide access to investment opportunities that SHIFT would be unable to capture on its own and strengthen post-investment growth support.

In addition, as announced in the October 2025 "[Notice Regarding the Establishment of an Investment Limited Partnership \(Sub-subsidiary\) and SHIFT's Investment Therein](#)," SHIFT has been pursuing a fund-based M&A strategy. As part of this strategy, SHIFT acquired shares in STEP Co., Ltd. ("STEP") in March 2026, making it a consolidated subsidiary. Building on the investment, PMI and growth-support expertise accumulated through these efforts, SHIFT will now establish a new framework for collaboration with Tokyo Gas. Through this collaboration, SHIFT aims to further strengthen its capabilities in sourcing and executing investments and enhancing the corporate value of portfolio companies, thereby increasing the repeatability of M&A-driven growth.

Through the Fund, SHIFT will continue to invest in and support the growth of promising companies while seeking to create new business opportunities by combining the respective business foundations of Tokyo Gas and SHIFT. Through these efforts, SHIFT aims to support the growth of portfolio companies and enhance its own corporate value over the medium to long term.

Comment from Seita Shimizu, Managing Executive Officer, Tokyo Gas

I am honored that Tokyo Gas has reached a basic agreement with SHIFT, a company with extensive expertise and a strong track record in M&A and PMI*1, toward the establishment of this Fund. Under our FY2026–2028 Medium-term Management Plan, we have positioned the solutions business as one of our key drivers of profit growth. Manufacturing, in particular, is an important area where we can leverage the strengths and expertise we have built through our long-standing business activities.

Japanese companies are facing increasingly diverse and complex challenges, including labor shortages and aging facilities. Addressing these challenges requires more than our existing capabilities. We believe it is essential to continuously bring in new technologies and services and integrate them into solutions that deliver greater value to customers.

With this in mind, we have set out a programmatic M&A strategy*2 focused on DX solutions, particularly for the manufacturing sector, to broaden and deepen the value we provide. Through this Fund, we aim to build relationships with a wider range of companies and create new M&A opportunities, and accelerate the growth of our solutions business. We will also work with SHIFT to contribute to the sustainable development of Japanese industry.

*1: The process of integrating businesses following the completion of an M&A transaction.

*2: A strategy of pursuing a series of smaller-scale M&A transactions on an ongoing basis.

Comment from Hidetaka Kojima, Representative Director, SGC

I am honored that we have reached a basic agreement with Tokyo Gas, which has long supported Japan's energy infrastructure through its trusted technologies and expertise, to establish this Fund. SHIFT has enhanced the corporate value of its group companies by making its M&A and PMI processes more systematic and repeatable, thereby reducing its reliance on individual expertise. In recent years, SHIFT has also been building and strengthening its investment platform through the establishment of a private equity fund and the active use of external capital to further accelerate its M&A strategy.

Through this Fund, we will combine Tokyo Gas's customer base and industry expertise with SHIFT's M&A and PMI capabilities to create investment opportunities that would be difficult for either company to pursue independently, while contributing to the enhancement of both companies' corporate value over the long term.

2. Overview of the Fund

(1)	Name	SGC-TG No. 1 Investment Limited Partnership
(2)	Address	Azabudai Hills Mori JP Tower, 1-3-1 Azabudai, Minato-ku, Tokyo
(3)	Date of formation	December 1, 2026 (scheduled)
(4)	Target investments	Japan-based system integrators and IT engineering service providers with strong growth potential and significant opportunities for value creation
(5)	Fund size	JPY 15 billion (combined contribution ratio of SHIFT and SGC: 33.3% (expected))
(6)	Fund term	7 years, including a 3-year investment period
(7)	Investors	General Partner: SGC Limited Partner (preferred contribution): Tokyo Gas Limited Partner (subordinated contribution): SHIFT

3. Overview of the Subsidiary Establishing the Fund

(1)	Name	SHIFT Growth Capital Inc.
(2)	Address	Azabudai Hills Mori JP Tower, 1-3-1 Azabudai, Minato-ku, Tokyo
(3)	Representative	Hidetaka Kojima, Representative Director
(4)	Business activities	M&A execution services Management and operation of portfolio companies and provision of PMI services Other services incidental to the above
(5)	Capital	JPY 10 million
(6)	Date of establishment	March 9, 2022
(7)	Shareholder and ownership ratio	SHIFT: 100%

4. Outlook

Going forward, based on this basic agreement, SHIFT will work with Tokyo Gas to proceed with the signing of a definitive agreement and other procedures necessary for the formation of the Fund. The impact of this investment on the Company's consolidated financial results is expected to be immaterial. Should any material impact arise due to significant changes in business conditions, SHIFT will promptly disclose such information once it becomes known.

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For inquiries regarding this release

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