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October 15, 2026

|                |                                                                                |
|----------------|--------------------------------------------------------------------------------|
| Company Name   | SHIFT Inc.                                                                     |
| Representative | Masaru Tange, CEO and Representative Director<br>(TSE Prime Market Code: 3697) |
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**Notice Regarding Transfer of Equity Interests in Consolidated Subsidiaries**  
**(Change in Second-Tier Subsidiaries)**

SHIFT Inc. ("SHIFT," headquartered in Minato-ku, Tokyo; Masaru Tange, CEO and Representative Director) hereby announces that it has resolved today to transfer all equity interests in Nadia Inc. ("Nadia," headquartered in Shinjuku-ku, Tokyo; Tomo Yuba, Representative Director) and xbs Inc. ("xbs," headquartered in Shinjuku-ku, Tokyo; Takashi Koki, Representative Director) to Hit Co., Ltd. ("Hit," headquartered in Chuo-ku, Tokyo; Hideki Fukai, CEO and Representative Director). Nadia and xbs are SHIFT group companies and second-tier subsidiaries indirectly wholly owned by SHIFT. Details are provided below.

**1. Reason for the Transfer**

Since joining the SHIFT Group in 2020, Nadia and xbs (together, "the Two Companies") have undertaken a wide range of projects both within and outside the Group. By leveraging their expertise in design, including UI/UX, they have contributed significantly to enhancing the service capabilities of the SHIFT Group. Through this collaboration, the SHIFT Group has also built up its expertise, talent, and service delivery structure in the UI/UX field.

In recent years, driven in part by the increasing adoption of AI, the needs of the SHIFT Group's clients have expanded from UI/UX support alone to comprehensive IT development, including the planning and design of businesses and services. The SHIFT Group is also strengthening its service structure in response to these changes, and is building a foundation that can broadly address client needs, including those in the UI/UX field.

In light of these changes in the business environment, SHIFT has carefully considered the future direction of the Two Companies, focusing on their continued business growth and the enhancement of their employees' expertise and career opportunities. As a result, SHIFT determined that operating under Hit, where the Two Companies can further demonstrate their expertise and strengths, would contribute to the sustainable growth of the Two Companies, the continued development of their employees, and the optimization of SHIFT Group's business portfolio. SHIFT therefore resolved to proceed with the Share Transfer.

Hit, the counterparty to the Share Transfer, provides comprehensive, one-stop services encompassing the development and operation of outdoor advertising media, including large-scale digital signage in commercial districts and roadside locations, as well as the sale of advertising space. Through its direct relationships with advertisers, Hit has developed unique insight into a diverse range of client needs.

Combining the creative talent of the Two Companies with Hit's media network will enable the creation of new corporate value in the creative and cross-media fields. Hit will be able to make high-value-added proposals, in collaboration with the Two Companies, to the advertisers it reaches directly. The Two Companies will also be able to make a wide range of proposals to their client base by leveraging Hit's media network. Additional synergies are also expected, including enhanced branding for Hit and its media assets and the application of IP collaboration expertise to support future expansion into ASEAN markets.

In addition, SHIFT believes that providing the employees of the Two Companies with broader opportunities for career development and skill enhancement will be best achieved by transitioning them from an environment centered on internal projects to one where they can gain experience across a more diverse range of external client engagements.

After carefully considering these factors, SHIFT concluded that the Share Transfer would support the continued growth of the Two Companies, enhance their corporate value, and create further opportunities for their employees. Accordingly, SHIFT decided to proceed with the Share Transfer.

## 2. Overview of SHIFT's Subsidiary (Decem Inc.)

|     |                                                   |                                                                                 |
|-----|---------------------------------------------------|---------------------------------------------------------------------------------|
| (1) | <b>Name</b>                                       | Decem Inc.                                                                      |
| (2) | <b>Address</b>                                    | 3-22-7 Yoyogi, Shibuya-ku, Tokyo                                                |
| (3) | <b>Name and title of representative</b>           | Sachiko Iwasaki, Representative Director                                        |
| (4) | <b>Business</b>                                   | Management of group companies through the holding of shares or equity interests |
| (5) | <b>Capital</b>                                    | JPY 1 million                                                                   |
| (6) | <b>Date of establishment</b>                      | March 9, 2020                                                                   |
| (7) | <b>Number of issued shares</b>                    | 100 shares                                                                      |
| (8) | <b>Fiscal year-end</b>                            | August 31                                                                       |
| (9) | <b>Major shareholders and shareholding ratios</b> | SHIFT (100%)                                                                    |

### 3. Overview of the Second-Tier Subsidiaries Subject to Change (the Two Companies)

|      |                                                                                               |                                     |                |                |
|------|-----------------------------------------------------------------------------------------------|-------------------------------------|----------------|----------------|
| (1)  | Name                                                                                          | Nadia Inc.                          |                |                |
| (2)  | Address                                                                                       | 22-1 Daikyo-cho, Shinjuku-ku, Tokyo |                |                |
| (3)  | Name and title of representative                                                              | Tomo Yuba, Representative Director  |                |                |
| (4)  | Business                                                                                      | Website production business         |                |                |
| (5)  | Capital                                                                                       | JPY 5 million                       |                |                |
| (6)  | Date of establishment                                                                         | March 31, 2020                      |                |                |
| (7)  | Number of issued shares                                                                       | 1 share                             |                |                |
| (8)  | Fiscal year-end                                                                               | August 31                           |                |                |
| (9)  | Major shareholders and shareholding ratios                                                    | Decem Inc. (100%)                   |                |                |
| (10) | Operating results and financial position for the most recent fiscal years (Unit: JPY million) |                                     |                |                |
|      | Fiscal year-end                                                                               | FY2024                              | FY2025         | FY2026         |
|      | Net Assets                                                                                    | 638                                 | 727            | 800            |
|      | Total Assets                                                                                  | 805                                 | 898            | 931            |
|      | Net Assets per Share (JPY)                                                                    | 638,330,786.00                      | 727,728,888.00 | 800,454,648.00 |
|      | Net Sales                                                                                     | 1,197                               | 1,106          | 1,109          |
|      | Operating Profit                                                                              | 149                                 | 113            | 77             |
|      | Ordinary Profit                                                                               | 144                                 | 114            | 80             |
|      | Net Income                                                                                    | 148                                 | 89             | 72             |
|      | Net Income per Share (JPY)                                                                    | 148,258,788.00                      | 89,398,102.00  | 72,725,760.00  |
|      | Dividend per Share (JPY)                                                                      | -                                   | -              | -              |

|      |                                                                                               |                                                                                                       |            |            |
|------|-----------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|------------|------------|
| (1)  | Name                                                                                          | xbs Inc.                                                                                              |            |            |
| (2)  | Address                                                                                       | 22-1 Daikyo-cho, Shinjuku-ku, Tokyo                                                                   |            |            |
| (3)  | Name and title of representative                                                              | Takashi Koki, Representative Director                                                                 |            |            |
| (4)  | Business                                                                                      | Software development business, including web system development, app development, and IoT development |            |            |
| (5)  | Capital                                                                                       | JPY 20 million                                                                                        |            |            |
| (6)  | Date of establishment                                                                         | March 31, 2010                                                                                        |            |            |
| (7)  | Number of issued shares                                                                       | 400 shares                                                                                            |            |            |
| (8)  | Fiscal year-end                                                                               | August 31                                                                                             |            |            |
| (9)  | Major shareholders and shareholding ratios                                                    | Decem Inc. (100%)                                                                                     |            |            |
| (10) | Operating results and financial position for the most recent fiscal years (Unit: JPY million) |                                                                                                       |            |            |
|      | Fiscal year-end                                                                               | FY2024                                                                                                | FY2025     | FY2026     |
|      | Net Assets                                                                                    | 77                                                                                                    | 82         | 96         |
|      | Total Assets                                                                                  | 87                                                                                                    | 95         | 112        |
|      | Net Assets per Share (JPY)                                                                    | 193,640.24                                                                                            | 206,531.67 | 240,327.67 |
|      | Net Sales                                                                                     | 72                                                                                                    | 70         | 79         |
|      | Operating Profit                                                                              | 11                                                                                                    | 6          | 18         |
|      | Ordinary Profit                                                                               | 11                                                                                                    | 6          | 19         |
|      | Net Income                                                                                    | 8                                                                                                     | 5          | 13         |
|      | Net Income per Share (JPY)                                                                    | 21,951.86                                                                                             | 12,891.43  | 33,796.00  |
|      | Dividend per Share (JPY)                                                                      | -                                                                                                     | -          | -          |

#### 4. Overview of the Counterparty to the Share Transfer

|     |                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                |        |
|-----|-----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|
| (1) | Name                                                                                                      | Hit Co., Ltd.                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                |        |
| (2) | Address                                                                                                   | 6-17-1 Ginza, Chuo-ku, Tokyo                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                |        |
| (3) | Name and title of representative                                                                          | Hideki Fukai, CEO and Representative Director                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                |        |
| (4) | Business                                                                                                  | Business related to the planning of out-of-home advertising media and the handling of advertising in general, centered on out-of-home advertising                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                |        |
| (5) | Capital                                                                                                   | JPY 778 million                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                |        |
| (6) | Date of establishment                                                                                     | February 8, 1991                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                |        |
| (7) | Major shareholders and shareholding ratios                                                                | Nobuyuki Matsumaru 37.17%<br>Bond Holdings Co., Ltd. 17.38%<br>Hideki Fukai 9.63%<br>Custody Bank of Japan, Ltd. (Trust Account) 6.57%<br>SBI SECURITIES Co., Ltd. 4.18%<br>Akira Katayama 3.37%<br>DAIWA CM SINGAPORE LTD – NOMINEE MATSUMARU NOBUYUKI 2.10%<br>Nomura Trust and Banking Co., Ltd. (Investment Trust Account) 2.01%<br>Satsuki Matsumaru 1.40%<br>Yoshihiro Yasuda 1.28% |                                                                                                                                                                                                                                                |        |
| (8) | Relationship between the listed company and the company                                                   | Capital relationship                                                                                                                                                                                                                                                                                                                                                                      | There is no capital relationship to be stated between SHIFT and Hit. In addition, there is no noteworthy capital relationship between SHIFT's related persons and affiliated companies and Hit's related persons and affiliated companies.     |        |
|     |                                                                                                           | Personnel relationship                                                                                                                                                                                                                                                                                                                                                                    | There is no personnel relationship to be stated between SHIFT and Hit. In addition, there is no noteworthy personnel relationship between SHIFT's related persons and affiliated companies and Hit's related persons and affiliated companies. |        |
|     |                                                                                                           | Business relationship                                                                                                                                                                                                                                                                                                                                                                     | There is no business relationship to be stated between SHIFT and Hit. In addition, there is no noteworthy business relationship between SHIFT's related persons and affiliated companies and Hit's related persons and affiliated companies.   |        |
|     |                                                                                                           | Status as related party                                                                                                                                                                                                                                                                                                                                                                   | Hit is not a related party of SHIFT. In addition, SHIFT's related persons and affiliated companies are not related parties of Hit.                                                                                                             |        |
| (9) | Consolidated operating results and financial position for the last three fiscal years (Unit: JPY million) |                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                |        |
|     | Fiscal year-end                                                                                           | FY2024                                                                                                                                                                                                                                                                                                                                                                                    | FY2025                                                                                                                                                                                                                                         | FY2026 |
|     | Net Assets                                                                                                | 2,586                                                                                                                                                                                                                                                                                                                                                                                     | 3,391                                                                                                                                                                                                                                          | 5,781  |
|     | Total Assets                                                                                              | 6,305                                                                                                                                                                                                                                                                                                                                                                                     | 6,461                                                                                                                                                                                                                                          | 8,485  |
|     | Net Assets per Share (JPY)                                                                                | 232.21                                                                                                                                                                                                                                                                                                                                                                                    | 304.54                                                                                                                                                                                                                                         | 405.04 |
|     | Net Sales                                                                                                 | 4,122                                                                                                                                                                                                                                                                                                                                                                                     | 4,419                                                                                                                                                                                                                                          | 5,159  |
|     | Operating Profit                                                                                          | 1,397                                                                                                                                                                                                                                                                                                                                                                                     | 1,387                                                                                                                                                                                                                                          | 1,433  |

|                                                    |          |       |       |
|----------------------------------------------------|----------|-------|-------|
| <b>Ordinary Profit</b>                             | 1,403    | 1,367 | 1,437 |
| <b>Net Income Attributable to Owners of Parent</b> | 935      | 905   | 984   |
| <b>Net Income per Share (JPY)</b>                  | 84.14    | 81.39 | 70.42 |
| <b>Dividend per Share (JPY)</b>                    | 3,500.00 | 17.50 | 40.00 |

## 5. Transfer Price and Status of Equity Interests Before and After the Transfer

|                                                                | <b>Nadia</b>                                                                     | <b>xbs</b>                                                                            |
|----------------------------------------------------------------|----------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|
| <b>(1) Number of indirectly owned shares before the change</b> | 1 share<br>(Number of voting rights: 1)<br>(Voting rights ownership ratio: 100%) | 400 shares<br>(Number of voting rights: 400)<br>(Voting rights ownership ratio: 100%) |
| <b>(2) Number of shares transferred</b>                        | 1 share (Number of voting rights: 1)                                             | 400 shares (Number of voting rights: 400)                                             |
| <b>(3) Transfer price</b>                                      | JPY 1,175 million                                                                | JPY 115 million                                                                       |
| <b>(4) Number of indirectly owned shares after the change</b>  | - shares<br>(Number of voting rights: -)<br>(Voting rights ownership ratio: -%)  | - shares<br>(Number of voting rights: -)<br>(Voting rights ownership ratio: -%)       |

## 6. Schedule

|                                          |                            |
|------------------------------------------|----------------------------|
| <b>(1) Date of SHIFT's decision</b>      | October 15, 2026           |
| <b>(2) Contract signing date</b>         | October 15, 2026           |
| <b>(3) Share transfer execution date</b> | October 30, 2026 (planned) |

## 7. Outlook

The impact of this matter on SHIFT's consolidated results is expected to be minor. If any matters requiring disclosure arise in the future, SHIFT will announce them promptly.

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### For inquiries regarding this release

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