

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

December 15, 2025

Company Name	SHIFT Inc.
Representative	Masaru Tange, CEO and Representative Director (TSE Prime Market Code: 3697)
Inquiries	Motoya Kobayashi, Director TEL: +81-3-6809-1165

Notice Regarding the Acquisition of Shares in a Newly Established Company (Subsidiary) of ESCCO Japan Co., Ltd.

SHIFT Inc. ("SHIFT," headquartered in Minato-ku, Tokyo, Japan; Masaru Tange, CEO and Representative Director) is announcing that its wholly-owned subsidiary, SHIFT Growth Capital Inc. ("SGC," headquartered in Minato-ku, Tokyo, Japan; Hidetaka Kojima, Representative Director) decided to acquire all shares of a newly established company (hereinafter referred to as "Newly Established Company") that will be established through a company split (incorporation-type split) by ESCCO Japan Co., Ltd. ("ESCCO Japan," headquartered in Shinjuku-ku, Tokyo, Japan; Xianku Li, Chief Executive Officer) for the purpose of acquiring ESCCO Japan's system development business for the life insurance and non-life insurance industries in Japan (hereinafter referred to as "the Business") thereby making the Newly Established Company a subsidiary of SGC.

1. Reason for the acquisition

Since its founding in 2009, SHIFT has developed its business as a professional in software quality assurance across a wide range of industries, from the enterprise sector to the entertainment sector, starting with its software testing business. Currently, SHIFT continues to grow as the SHIFT Group, encompassing 42 group companies (including consolidated subsidiaries and affiliates) and providing end-to-end system development and related services.

The Business of ESCCO Japan provides consulting services for the implementation of low-code development platforms tailored to the insurance industry, as well as system architecture design and construction. In addition, the Business offers a broad range of services, including business analysis, system maintenance, and the development of related systems. Leveraging extensive experience and specialized expertise in insurance operations, the Business has established itself as a highly reliable partner by building systems that can flexibly and rapidly respond to changes in customers' business environments. It has built stable and long-standing business relationships primarily with major domestic insurance companies, thereby achieving sustainable growth. At the same time, the Business faces challenges in sales activities targeting new customers and in talent recruitment.

Through this acquisition, the SHIFT Group will collaborate with the Newly Established Company by sharing know-how related to human resources and HR initiatives and by jointly engaging in sales activities, with

the aim of further expanding its business in the insurance sector. In particular, by strengthening collaboration with HOPES Corporation, which focuses on providing solutions for insurance companies and has been expanding its revenue in this domain within the SHIFT Group, the Group aims not only to enhance the breadth of value it can offer but also to expand its customer base and increase the scale of its projects.

By welcoming the Newly Established Company into the SHIFT Group through SGC, the Group will further accelerate its growth while enhancing the value of its service offerings, and will continue striving to realize the creation of “services that drive sales” for its customers.

2. Overview of SGC

(1) Name	SHIFT Growth Capital Inc.
(2) Address	Azabudai Hills Mori JP Tower, 1-3-1 Azabudai, Minato-ku, Tokyo
(3) Job title and name of representative	Hidetaka Kojima, Representative Director
(4) Business	M&A, Investment management, PM
(5) Share capital	JPY 10million
(6) Founded	March 9, 2022
(7) Major shareholders and ownership ratios	SHIFT Inc. (100%)

3. Overview of the new company

(1) Name	AXIS Inc. (scheduled)
(2) Address	Shinjuku-ku, Tokyo (scheduled)
(3) Job title and name of representative	Tatsuki Shimizu, Representative Director (scheduled)
(4) Business	System development for the insurance industry
(5) Share capital	JPY 10million (scheduled)
(6) Founded	January 30, 2026 (scheduled)
(7) Major shareholders and ownership ratios	ESCCO Japan Co.,Ltd. (100%)

4. Overview of the Business Succession

(1) Details of Business to be Succeeded

System development business for the insurance industry in Japan

(2) Business Results of the Business to be Succeeded (As of December 31, 2024)

Net sales: 786 million yen

Operating profit: 269 million yen

(3) Assets and Liabilities to be Succeeded

SGC will succeed to those contractual rights relating to the incorporation-type company split as specified in the incorporation-type company split agreement.

5. Overview of Shareholder of the New Company

(1)	Name	ESCCO Japan Co.,Ltd.	
(2)	Location	2-2-12 Okubo, Shinjuku-ku, Tokyo	
(3)	Job title and name of representative	Xianku Li, Chief Executive Officer	
(4)	Description of business	System development business, ITP business, BPO business, etc.	
(5)	Share capital	JPY 67 million	
(6)	Date of establishment	August 21, 2008	
(7)	Net assets	JPY 574 million	
(8)	Total assets	JPY 897 million	
(9)	Major shareholders and ownership ratios	Rainbow System Co., Ltd. 68.9%、 Executives etc. 31.1%	
(10)	Relationship between the Company and the relevant company	Capital relationship	No material capital relationship between SHIFT and ESCCO Japan, neither between SHIFT related party/company and ESCCO Japan related party/company.
		Personnel relationship	No material personnel relationship between SHIFT and ESCCO Japan, neither between SHIFT related party/company and ESCCO Japan related party/company
		Business relationship	No material business relationship between SHIFT and ESCCO Japan, neither between related SHIFT party/company and ESCCO Japan related party/company.
		Related party relationship	No material business relationship between SHIFT and ESCCO Japan.

6. Number of Shares to Be Acquired, Acquisition Cost, and Shareholding Status

(1)	Number of shares held before the transaction	-shares (Number of voting rights:- units) (Ratio of voting rights held: -%)
(2)	Number of shares to be acquired	100 shares (Number of voting rights: 100 units)
(3)	Acquisition price	JPY 710 million
(4)	Number of shares held after the transaction	100 shares (scheduled) (Number of voting rights: 100 units) (Ratio of voting rights held: 100% (scheduled))

Note: SHIFT has determined the aforementioned acquisition price based on a third-party appraisal.

7. Timetable

(1)	Date of decision on the Board of Directors (SGC)	December 15, 2025
(2)	Date of conclusion of the agreement	December 15, 2025
(3)	Date of commencement of share transfer	February 1, 2026 (scheduled)

8. Future Outlook

The impact of this alliance 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 as soon as it becomes known.