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.

August 25, 2026

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 Establishment of a Special Subsidiary Company (SHIFT HAP Inc.)

SHIFT Inc. ("SHIFT," headquartered in Minato-ku, Tokyo; Masaru Tange, CEO and Representative Director) announced that its Board of Directors, at a meeting held today, resolved to establish a special subsidiary company, SHIFT HAP Inc. ("SHIFT HAP"), as detailed below.

1. Reason for Establishing the Subsidiary

Under its human capital management policy, the SHIFT Group has fostered an environment where every employee can leverage their unique strengths and talents and continue to grow. In the employment of people with disabilities, SHIFT has promoted employment opportunities by combining the strengths of both an "inclusion" model, in which employees with disabilities work alongside their colleagues across various departments, and an "integration" model, in which they contribute through specialized departments. Through these efforts, the Group has continuously created diverse work opportunities not only in its software testing and development businesses but also in new fields such as floriculture and art.

Recently, the Group has also been transforming its operations and businesses through extensive AI utilization. While SHIFT recognizes the significant value and results generated by AI in improving productivity and automation, it also believes that in an era where efficiency and automation are the standard, the value created by human sensibilities, creativity, and empathy becomes even more critical. SHIFT positions the conversion of these unique human values into social value as a key source for sustainable enhancement of corporate value.

To further develop and expand these Group-wide initiatives, and to strengthen governance and operational efficiency as a foundation for growth, SHIFT has decided to establish a new company, SHIFT HAP Inc.

Following its establishment, SHIFT HAP will apply for certification as a "Special Subsidiary Company" under the Act on Employment Promotion etc. of Persons with Disabilities, aiming to obtain approval within 2026. Furthermore, SHIFT HAP will centralize and implement AI in the back-office functions related to the employment of people with disabilities across the Group. This will streamline operations and costs while creating diverse career opportunities tailored to employees' abilities. Additionally, SHIFT HAP will fully launch a value creation business centered on flowers and art. By extending the value generated by this business to Group employees and clients, SHIFT aims to improve overall engagement and enhance corporate value over the medium to long term.

2. Overview of SHIFT HAP

<table>
<tr><td>(1)</td><td>Name</td><td colspan="2">SHIFT HAP Inc.</td></tr>
<tr><td>(2)</td><td>Address</td><td colspan="2">3-22-7 Yoyogi, Shibuya-ku, Tokyo</td></tr>
<tr><td>(3)</td><td>Job title and name of representative</td><td colspan="2">Ai Kitagawa, Representative Director</td></tr>
<tr><td>(4)</td><td>Business</td><td colspan="2">Provision of various outsourced services for the Group and external clients; support for the employment, retention, and active participation of people with disabilities; planning, development, and sales of products and services that contribute to solving social issues; and other businesses incidental or related thereto.</td></tr>
<tr><td>(5)</td><td>Share capital</td><td colspan="2">250 million yen</td></tr>
<tr><td>(6)</td><td>Planned date of incorporation</td><td colspan="2">October1, 2026</td></tr>
<tr><td>(7)</td><td>Major shareholders and ownership ratio</td><td colspan="2">SHIFT Inc. 100%</td></tr>
<tr><td rowspan="3">(8)</td><td rowspan="3">Relationship between SHIFT and SHIFT HAP</td><td>Capital Relationship</td><td>SHIFT HAP will be established as a consolidated subsidiary 100% owned by SHIFT.</td></tr>
<tr><td>Personnel Relationship</td><td>Three directors and one auditor from SHIFT are scheduled to be appointed.</td></tr>
<tr><td>Business Relationship</td><td>SHIFT plans to conclude an outsourcing agreement with SHIFT HAP.</td></tr>
</table>

3. Schedule

(1)	Date of Board of Directors Resolution	August 25, 2026
(2)	Planned Date of Incorporation	October 1, 2026

4. Future Outlook

The impact of this establishment 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.

###