

March 28th, 2025

To Our Valued Stakeholders,

Notice of the Reorganization
(Absorption-type Merger between Subsidiaries and Transfer of Shares of a Subsidiary)

SHIFT Inc. (Note 1, hereinafter “SHIFT”) headquartered in Minato-ku, Tokyo, Japan; Masaru Tange, CEO and Representative Director) is announcing that, at a meeting of the Board of Directors held on March 28th, 2025, it decided following two points (hereinafter “the Reorganization”).

- I. ALH Inc. (Note 2, hereinafter “ALH”), a group company of SHIFT, will merge Careersystems Inc. (Note 3, hereinafter “Careersystems”), a group company in which SHIFT owns a 100% interest, by absorption.
- II. SHIFT Growth Capital Inc. (Note 4, hereinafter “SGC”) will transfer 100% of its shares of CIMTECH Inc. (Note 5, hereinafter “CIMTECH”) to Baristrade Group Inc. (Note 6, hereinafter “Baristrade Group”), a group company of SHIFT, through an absorption-type company split.

Regarding the decision I, the following two steps are scheduled.

- A) SHIFT will succeed all the shares of Careersystems held by SHIFT to the Baristrade Group through an absorption-type split.
- B) ALH (in which Baristrade Group owns 100% of shares) will merge Careersystems by absorption

Note 1: Headquartered in Minato-ku, Tokyo ; Masaru Tange, CEO and Representative Director

Note 2: Headquartered in Meguro-ku, Tokyo; Shoji Hatakeyama, President and Representative Director

Note 3: Headquartered in Minato-ku, Tokyo ; Eiki Marui, Representative Director

Note 4: Headquartered in Minato-ku, Tokyo ; Hideki Kojima, Representative Director

Note 5: Headquartered in Chuo-ku, Tokyo ; Kohei Mizushima, Representative Director and President

Note 6: Headquartered in Meguro-ku, Tokyo, Shoji Hatakeyama, President and Representative Director

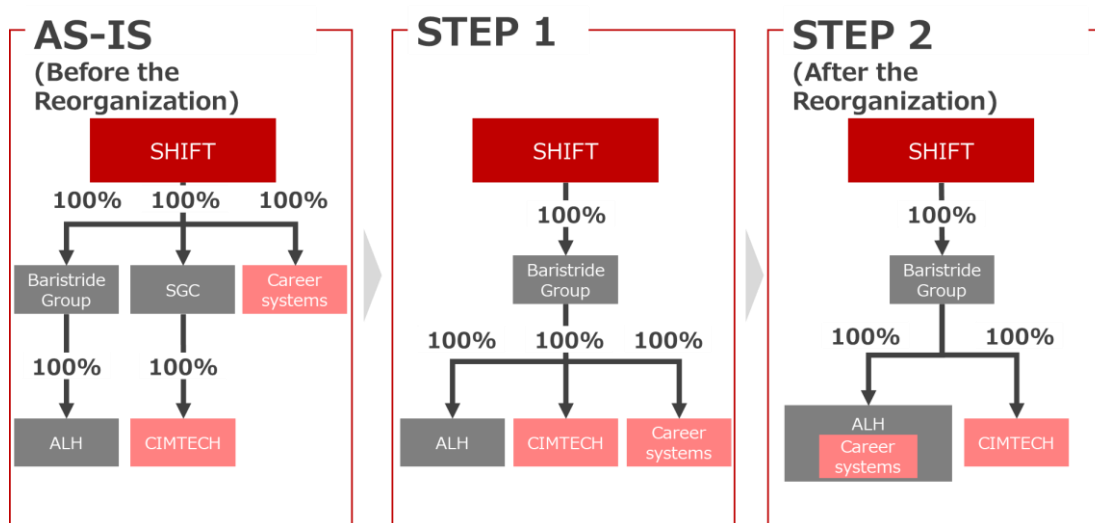
1. Reasons for the Reorganization

Careersystems joined the SHIFT Group in 2023 as a group company in which SHIFT holds a 100% share and has been growing its business mainly through project and recruitment collaborations with SHIFT.

As it proceeds with its business as a member of the SHIFT Group, it has been decided that Careersystems will be merged into ALH which develops similar businesses to each other. We believe that this merger will boost both companies' growth even further. Careersystems provides a wide range of services centered on infrastructure construction, maintenance, operation, and application development. ALH also has these areas and intends to further strengthen them in the future. We decided to merge Careersystems into ALH from both aspects of a high degree of business affinity and efficiency in the administrative areas.

CIMTECH has strengths in development areas centered on app and website development, maintenance and operation. CIMTECH will aim to further strengthen the collaboration structure with ALH, which is a part of Baristrade Group and one of the biggest group companies of SHIFT, by becoming also a part of the Baristrade Group. We will work on efficiently maximizing synergies, expanding the app development business and accelerating the growth of both companies.

Through the Reorganization, we will accelerate the growth of the SHIFT Group.



2. Outline of the Reorganization

i. Schedule of the Reorganization

(1) Board resolution date	March 28 th , 2025
(2) Execution date of the agreements	March 28 th , 2025
(3) Expected absorption-type split date (I-A)	June 1 st , 2025
(4) Expected absorption-type merger date (I-B)	June 2 nd , 2025
(5) Expected absorption-type split date (II)	June 1 st , 2025

ii. Method of the Reorganization

For the absorption-type split (I-A), Barstride Group will be the succeeding company, and SHIFT will be the splitting company.

For the absorption-type merger (I-B), ALH will be the succeeding company, and Careersystems will be the dissolving company.

For the absorption-type split (II), Barstride Group will be the succeeding company, and SGC will be the splitting company.

iii. Allotments Related to the Reorganization

The Reorganization is planned to be non-compensatory transaction because it is the one within the SHIFT Group.

iv. Treatment of New Share Subscription Rights and New Share Subscription Bonds Related to the Reorganization

Not applicable.

v. Change in Capital due to the Reorganization

There will be no increase or decrease in capital due to the Reorganization.

vi. Rights and Obligations to be Succeeded by the Succeeding Companies

Barstride Group will succeed to the contractual status and other rights and obligations pertaining to Careersystems and CIMTECH that are stipulated in the absorption-type split agreement.

ALH will succeed to the contractual status and other rights and obligations pertaining to Careersystems that are stipulated in the absorption-type merger agreement.

vii. Prospects for Performance of Debt Obligations

There will be no change in the performance of obligations due to the Reorganization.

3. Overview of Companies Involved in the Absorption-type Split (I-A)

	Succeeding company	Splitting company
(1) Name	Baristrade Group Inc.	SHIFT Inc.
(2) Address	Orix Meguro Building, 1-24-12, Meguro, Meguro-ku, Tokyo	Azabudai Hills Mori JP Tower, 1-3-1, Azabudai, Minato-ku, Tokyo
(3) Job title/name of representative	Shoji Hatakeyama, President and Representative Director	Masaru Tange, CEO and Representative Director
(4) Business activities	Holding company	- Software quality assurance and testing business
(5) Common stock	¥68 million	¥21 million
(6) Date of establishment	December 25 th , 2000	September 7 th , 2005
(7) Number of shares outstanding	341,537	267,500,670
(8) Fiscal year end	August 31 st	August 31 st
(9) Major shareholders and percentage of shares held	SHIFT Inc. 100%	Masaru Tange 31.44% The Master Trust Bank of Japan, Ltd. (Trust Account) 10.52% Custody Bank of Japan, Ltd. (Trust Account) 10.04% Note: Percentage of total number of shares outstanding (excluding treasury stock)

4. Overview of the Business to be Split or Absorbed

i) Details of Business to be Succeeded

In this absorption-type split (I-A), no business division will split. SHIFT will transfer the shares of Careersystems (100%) to Baristrade Group through the absorption-type split.

In this absorption-type split (I-B), ALH will absorb all businesses.

In this absorption-type split (II), no business division will split. SGC will transfer the shares of CIMTECH (100%) to Baristrade Group through the absorption-type split.

ii) Assets and Liabilities to be Split or Absorbed

Baristrade Group will succeed to the contractual positions, other rights and obligations relating to the company split that are stipulated in the absorption-type company split agreement.

5. Overview of Companies Involved in the Absorption-type Merger (I-B)

	Succeeding company	Dissolving company
(1) Name	ALH Inc.	Careersystems Inc.
(2) Address	Orix Meguro Building, 1-24-12, Meguro, Meguro-ku, Tokyo	Akasaka Ito Building, 7-10-9 Akasaka, Minato-ku, Tokyo
(3) Job title/name of representative	Shoji Hatakeyama, President and Representative Director	Eiki Marui, Representative Director
(4) Business activities	<ul style="list-style-type: none"> - IT solution business - IT consulting business - Security service business 	<ul style="list-style-type: none"> - Software development - IT infrastructure building - Maintenance and operation - Embedded development
(5) Common stock	¥9 million	¥30 million
(6) Date of establishment	January 20 th , 2014	January 26 th , 2010
(7) Number of shares outstanding	200	600
(8) Fiscal year end	August 31 st	August 31 st
(9) Major shareholders and percentage of shares held	Baristride Group Inc. 100%	SHIFT Inc. 100%

6. Overview of CIMTECH

(1) Name	CIMTECH Inc.
(2) Address	Ginza Fugetsu-do Building, 6-6-1 Ginza, Chuo-ku, Tokyo
(3) Job title/name of representative	Kohei Mizushima, Representative Director and President
(4) Business Activities	<ul style="list-style-type: none">- Support of operation development- Support of web development- Support of network building- Contracted system development
(5) Common stock	¥10 million
(6) Date of Establishment	March 14 th , 2001
(7) Number of shares outstanding	7
(8) Fiscal year end	August 31 st
(9) Major shareholders and percentage of shares held	SHIFT Growth Capital Inc. 100%

7. Outlook

The SHIFT Group expects the Reorganization to have no material impact on its financial results or financial condition. However, should there be any significant changes, the company will promptly disclose any impact on its future financial outlook.

Note: As the Reorganization is an absorption-type merger and absorption-type splits that cover the consolidated subsidiaries, disclosure items and details are partially omitted.

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.

###

Contact

Motoya Kobayashi

Director

ir_info@shiftinc.jp