

## **Tokyo Gas and SHIFT Reach Basic Agreement to Establish 15 Billion Yen Joint Investment Fund**

### **– Combining Tokyo Gas’s Industry Expertise with SHIFT’s M&A and PMI Capabilities –**

Tokyo Gas Co., Ltd. (Headquarters: Minato-ku, Tokyo; President and CEO: SASAYAMA Shinichi, “Tokyo Gas”) has reached a basic agreement with SHIFT Inc. (Headquarters: Minato-ku, Tokyo; President and CEO: TANGE Masaru, “SHIFT”) to jointly commit a total of 15 billion yen to an investment limited partnership (the “Fund”) to be established by SHIFT Growth Capital Inc. (Headquarters: Minato-ku, Tokyo; Representative Director: KOJIMA Hidetaka, “SGC”), a consolidated subsidiary of SHIFT.

### **1. Background and Purpose of the Fund**

Companies are navigating a rapidly changing business environment, driving growing demand for digital transformation and the use of AI to transform operations and improve productivity. In Japan, industries such as manufacturing face structural challenges including labor shortages, rising costs, and aging facilities. These challenges are increasing demand for more efficient and sophisticated production operations, as well as broader business transformation through digital technologies and AI.

As a result, IT and software companies that enable corporate transformation are becoming increasingly important, and continued growth is expected in the sector.

Against this backdrop, Tokyo Gas and SHIFT have reached a basic agreement to jointly commit 15 billion yen to the Fund, which will invest in high-growth IT and software companies. Target investments are expected to include companies operating in areas such as system development and operations, system integration, IT talent services, and software development and sales.

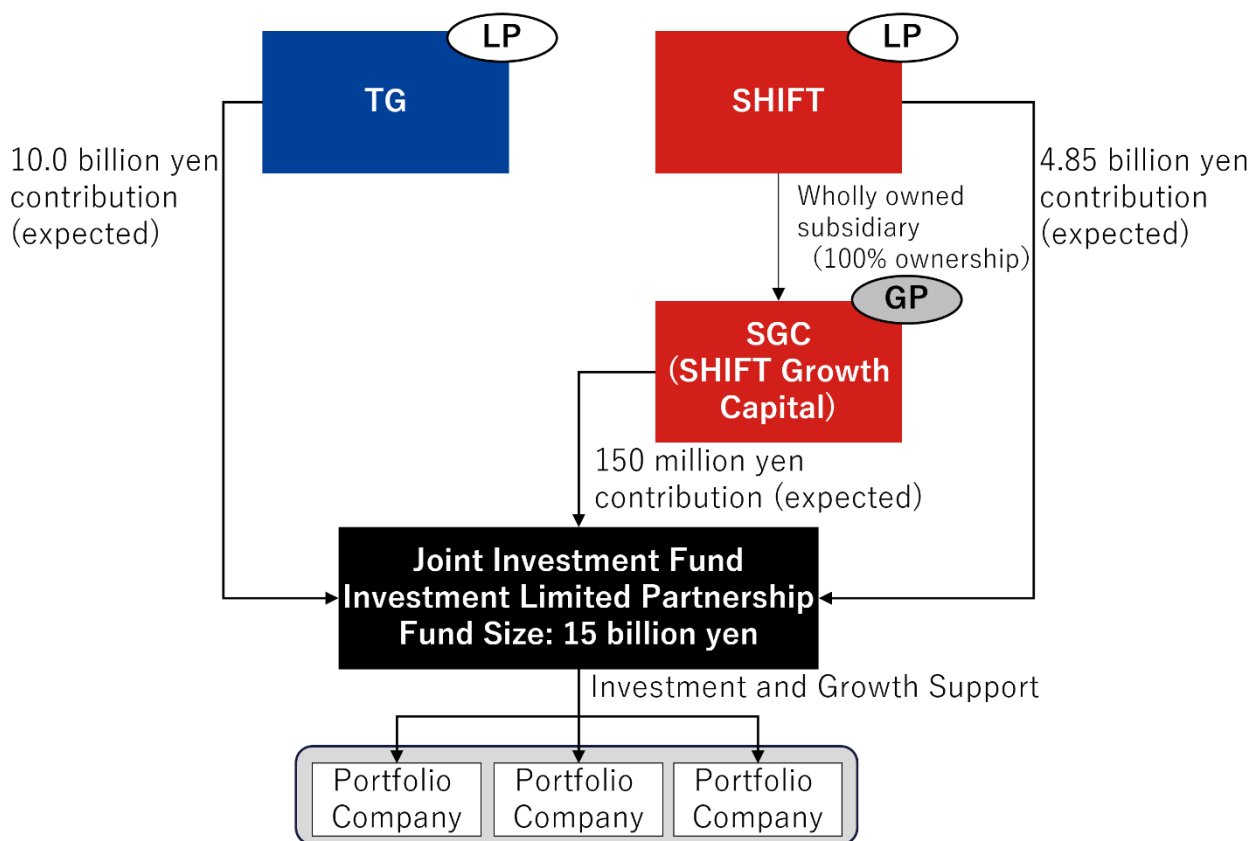
The Fund will leverage the complementary strengths of Tokyo Gas and SHIFT. Tokyo Gas brings a broad corporate customer base, including manufacturers, as well as expertise in equipment operations based on energy data developed through its longstanding customer relationships. SHIFT brings extensive M&A expertise and capabilities in supporting the growth of portfolio companies. By combining these strengths, the Fund will invest in and support the growth of a broad range of IT and software companies.

Through these investments, Tokyo Gas and SHIFT aim to create new business opportunities and synergies, help customers address business challenges and enhance enterprise value, and support sustainable value creation for portfolio companies as well as for Tokyo Gas and SHIFT.

More broadly, the Fund aims to accelerate digital and business transformation among Japanese companies, helping improve productivity and strengthen the competitiveness of Japanese industry and, ultimately, contribute to the sustainable growth of the Japanese economy.

## 2. Overview of the Fund

|     |                         |                                                                                                                                                   |
|-----|-------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| (1) | Name                    | SGC-TG No. 1 Investment Limited Partnership                                                                                                       |
| (2) | Location                | Azabudai Hills Mori JP Tower, 1-3-1 Azabudai, Minato-ku, Tokyo                                                                                    |
| (3) | Expected Formation Date | 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               | 15 billion yen<br>(Tokyo Gas: 66.7% (expected); SHIFT and SGC: 33.3% (expected))                                                                  |
| (6) | Fund Term               | 7 years, including a 3-year investment period                                                                                                     |
| (7) | Investors               | General Partner: SGC<br>Limited Partner (preferred contribution): Tokyo Gas<br>Limited Partner (subordinated contribution): SHIFT                 |



Fund Structure

### 3. Comments from Representatives

SHIMIZU Seita, Managing Executive Officer, Chief Executive of Solution Co-creation Division, 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<sup>\*1</sup>, 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<sup>\*2</sup> 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.

<sup>\*1</sup> : The process of integrating businesses following the completion of an M&A transaction.

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

KOJIMA Hidetaka, Representative Director, SHIFT Growth Capital Inc.

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.

#### 4. Related Initiatives of the Two Companies

##### <Tokyo Gas>

Through IGNITURE<sup>\*3</sup>, its solutions business brand built around three core values—decarbonization, optimization, and resilience—Tokyo Gas provides solutions that help customers address their business challenges by leveraging advanced technologies in areas such as green transformation (GX) and digital transformation (DX).

In the manufacturing sector, Tokyo Gas is expanding its portfolio of digital solutions designed to improve efficiency and productivity at production sites. These include AI-powered production planning optimization, monitoring and control systems, and production management solutions.

Going forward, Tokyo Gas will continue to bring together the technologies and expertise of its group companies to support the digital transformation and broader business transformation of its customers.



<sup>\*3</sup>: For more information on IGNITURE, click [here](#).

##### <SHIFT>

SHIFT has continuously pursued equity partnerships and M&A to broaden its business portfolio and strengthen its customer base. To capture new growth opportunities in the AI era, SHIFT is building and enhancing an investment platform that enables an integrated, end-to-end process—from sourcing and executing investments to PMI and supporting the growth of portfolio companies. Through this platform, SHIFT aims to build a more repeatable model for M&A-driven growth.

Through the Fund, SHIFT will combine its expertise in M&A, PMI, and growth support with Tokyo Gas's customer base and business expertise. Together, the two companies will support the growth of portfolio companies and enhance their corporate value.

End