

This is an English AI translation of the original Japanese-language press release dated June 30, 2021 and is provided for reference purposes only.

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June 30, 2021



Company Name: DESCENTE LTD.
 Representative Name: President and Representative Director:
 Shuichi Koseki
 (Code Number: 8114 First Section of Tokyo Stock Exchange)
 Contact: Director, Managing Executive Officer:
 Akira Tsuchihashi
 (TEL: 03-5979-6111)

Notice Concerning Controlling Shareholders, etc.

DESCENTE Ltd. (hereinafter the “Company”) hereby announce that regarding ITOCHU Corporation, the parent company of BS Investment Corporation, relating to controlling shareholders, etc. as follows;

Notes

1. Names of the parent company, controlling shareholders (excluding parent company), or other affiliated companies

(As of March 31, 2021)

Name	Attribution	Voting Shares (%)			Financial instruments exchanges where issued share certificates are publicly listed
		Direct	Aggregate portion	Total	
BS Investment Corporation	Other affiliated company	40.0	—	40.0	—
ITOCHU Corporation	Parent company of Other affiliated company	—	40.0	40.0	First Section of Tokyo Stock Exchange

2. Name of and reason for the company that is deemed to have the greatest impact on listed companies among the parent companies, etc.

Name	Reason
ITOCHU Corporation	ITOCHU Corporation is the wholly-owned parent company of BS Investment Corporation and so is considered to have the greatest impact on us.

3. Positioning of listed companies in the corporate group of the parent company, etc. and relationship between the other listed companies and the parent company, etc.

ITOCHU Corporation is the parent company of other affiliated company, which owns 40.0% of our voting rights.

Regarding the Company's approach to ensuring independence from ITOCHU Corporation and measures for this purpose, the board of directors' meeting reports on the status of transactions with ITOCHU Corporation on a quarterly basis, and other measures are thoroughly deliberated and decided by the management meeting, etc. Accordingly, the Company believes that a certain degree of independence is secured.

With regard to our personnel relations with ITOCHU Corporation, as described below, the Company recognize that it is not enough to interfere with our own management decisions, and that are ensuring a certain degree of independence.

(Status of acceptance of seconded employees)

(As of June 30, 2021)

Department Name	Number of seconded employees	Name of the parent company, etc. or its group company the employee is seconded from	Reason for acceptance of secondment
CFO Office	1	ITOCHU Corporation	To strengthen global business
Corporate Planning	1	ITOCHU Corporation	To strengthen global business
DESCENTE (CHINA) CO., LTD.	1	ITOCHU Corporation	To strengthen global business
DESCENTE JAPAN LTD.	5	ITOCHU Corporation	To strengthen domestic business

(NOTE) The number of employees of the Company is 34 (As of March 31, 2021)

4. Matters concerning transactions with the parent company, etc.

FY2020 (April 1, 2020 - March 31, 2021)

Name	Details of relationship	Details of transactions		Transaction amount (Yen in millions)	Item	Balance at the end of year (Yen in millions)
	Operating relation					
ITOCHU Corporation	Supplier	Business transactions	Purchase of merchandise	3,460	Notes and accounts payable – trade	1,124

(NOTE) 1 Consumption taxes are not included in the above transaction amounts. Balance at the end of year includes consumption tax, etc.

2 Transaction terms and policy for deciding transaction terms

The terms and conditions of transactions are determined with reference to general business partners.

- End -