



July 6, 2023

To whom it may concern,

Company Name: Konica Minolta, Inc.
Representative: Toshimitsu Taiko, President and CEO
Stock Exchange Listing: Tokyo Prime Market
Local Securities Code Number: 4902
Contact: Miwa Okamura, Corporate Senior Vice President, General Manager,
Corporate Communications Division
Tel: (81) 3-6250-2111

Notice of Additional Acquisition of Shares of Consolidated Subsidiary

The Company announced that on July 3, 2023, it received notice (the "Notice") from INCJ, Ltd. ("INCJ") to the effect that INCJ will exercise the right (the "Put Option") to request the Company's Group to purchase all of the shares held by INCJ of the Company's consolidated subsidiary REALM IDx, Inc., ("REALM IDx") headquartered in California, USA and that the Company's Group will make an additional acquisition of such shares of REALM IDx.

1. Background

In order to contribute to the early launch of high-precision genetic diagnosis and the promotion of precision medicine in Japan, the Company and INCJ made a joint acquisition of Ambry Genetics Corporation ("Ambry Genetics"), the genetic testing company in 2017. At the time of acquisition, the Company held 60% and INCJ held 40% of Ambry Genetics' shares. The Company established in 2018 Konica Minolta Precision Medicine, Inc. (currently REALM IDx), which has three subsidiaries, including Invicro, LLC ("Invicro") for imaging contract research organization ("iCRO") and Konica Minolta REALM Co., Ltd. ("Konica Minolta REALM").

REALM IDx has developed the precision medicine business by leveraging its globally unique presence. Under REALM IDx, each of the companies has technological strengths in genetic analysis, organ image analysis, and highly precise protein quantization. However, recognizing the requirement of continued investment for growth, and considering the Company's current financial status, the Company has decided to proceed with the deliberation of strategic options, including the transfer of the business to a third party, to accelerate the growth, in addition to the listing on the U.S. stock

market that has been in preparation, as disclosed on May 10, 2023.

The shares of Ambry Genetics initially held by INCJ were converted to shares of REALM IDx in 2021. As a result of the transaction, INCJ's Put Option at the time of the acquisition of Ambry Genetics expired and a new Put Option was granted to INCJ for its 23% share ownership of REALM IDx. Under that contract, the Company received the Notice.

2. Assumed purchase price, timing of payment and share acquisition by the Company

(1) Assumed purchase price

Approximately US\$220 million*

* Approximately 32 billion yen when converted at the exchange rate as of July 3, 2023 (1 US\$ = approximately 144.5 yen)

The financing for the purchase has already been incorporated in the Company's in-house plan for the current fiscal year.

(2) Timing of payment and share acquisition

The Company will carry out the payment and share acquisition approximately 180 days from the receipt of the Notice. Fair value of Put Options written on non-controlling interests is calculated by forecasting the future exercise price and discounting the amount paid to the counterparty according to that forecast at an appropriate discount rate. The fair value of Put Options was booked as other financial liabilities and the balance of as of the year ended March 31, 2023, was 31.9 billion yen. If there is a difference between the exercise price and the balance of other financial liabilities, it will be adjusted in additional paid-in capital. As a result, there will be no effect on the Company's consolidated statement of income for the year ending March 31, 2024.

About REALM IDx

REALM IDx leverages the strengths of the three companies of Ambry Genetics, Invicro, and Konica Minolta REALM for the precision medicine business.

Precision medicine uses cutting-edge technologies to provide appropriate medication, treatment, and prevention through the precise grouping of individual patients by distinguishing the characteristics of genetic expression and protein in the cells at the molecular level. It has been attracting attention worldwide as an important and effective means for reducing the expanding national medical expenditures because it enables appropriate medication and treatment by establishing methods ranging from treatment to disease prevention and development of new drugs for each group according to patient characteristics, rather than conventional uniform methods.

In particular, Ambry Genetics, with the industry-leading analytical precision in genetic testing and the world's first RNA tests for innate genetic variants, and the iCRO company Invicro, with advanced medical imaging analysis capabilities, boast top-class technology and track record in the U.S. market, where precision medicine is advancing.

Overview of REALM IDx

Name	REALM IDx, Inc.
Address	1 Enterprise, Aliso Viejo, CA 92656 U.S.A.
Representative	Aaron Elliott, Ph.D., Chief Executive Officer
Incorporation	October 2018