



KONICA MINOLTA

150

YEARS

## News Release

# Konica Minolta Concludes Strategic Alliance Agreement with Luxvisions Innovation Technology for Optical Components Business

## Pursuing Sustainable High-profit Business Model through Collaboration with Major Chinese Electronic Components Company

Tokyo (October 26, 2023) - Konica Minolta, Inc. (Head Office: Chiyoda-ku, Tokyo; President and CEO: Toshimitsu Taiko; "Konica Minolta") announced that in its optical components business, which is an origin of the Company, it has entered into an agreement to transfer 80% of the shares of two of its Chinese manufacturing subsidiaries to Guangzhou Luxvisions Innovation Technology Limited (Head Office: Guangzhou, Guangdong Province, China; Statutory Representative: Laixi Wang; "Luxvisions"). The transferred manufacturing companies have development and sales functions. Through this strategic business alliance, Konica Minolta will optimize the structure of its unit\*<sup>1</sup> business in the growing mobility field. At the same time, Konica Minolta will provide new value provision tailored to the evolution and diversity of its customers by feeding back to Konica Minolta's materials and processing technological developments the information obtained from Luxvisions' globally wide-ranging customer contact points. By doing so, Konica Minolta will realize growth in its enterprise optical components\*<sup>2</sup> business in the Industry domain and advance the medium-term business plan aimed at transforming itself into highly profitable businesses.

\*1: Assembled products combining multiple parts, by mainly utilizing assembly technology

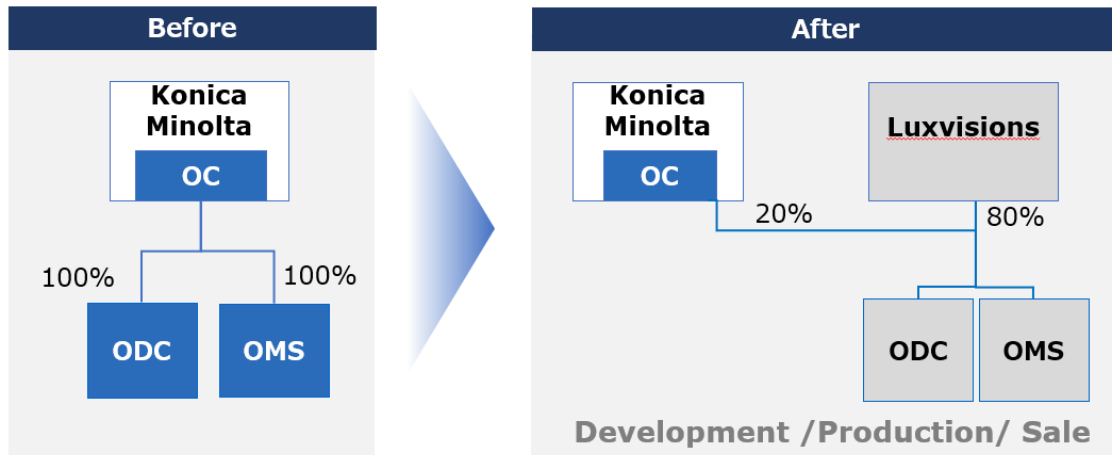
\*2: Ultra-high-precision optical components that utilize the combination of the core technologies for materials and nano-fabrication.

### Purpose of the alliance

- Transform Konica Minolta's optical components business into a sustainable, high-profit business. This is also part of its medium-term business plan to accelerate the expansion in the mobility, inspection and other Industry fields.
- Optimize the structure to accelerate the growth of the enterprise optical unit business in the mobility field by combining Luxvisions' wide-ranging global customer contact points, centered on the mobility field, along with its manufacturing capabilities based on thorough automation and modularization technologies, and Konica Minolta's core technologies, such as optical design capability, high-level production technologies, and unit assembly technologies.
- Provide new value in response to the evolution and diversity of customers by delivering key components to the Industry field such as mobility and inspection, and by feeding back to Konica Minolta's materials and processing technology development the information obtained from Luxvisions' wide-ranging customer

contact points through its initiatives aimed at expanding the enterprise domain including mobility and related infrastructure.

### Strategic alliance structure



OC: Optical Component (Optical Component) Business Unit

ODC: Konica Minolta Opto (Dalian) Co., Ltd.

OMS: Konica Minolta Optical Products (Shanghai) Co., Ltd.

Konica Minolta will transfer 80% of the shares of two manufacturing subsidiaries in China to Luxvisions, and the two will become subsidiaries of Luxvisions.

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## Appendix: History and Strengths of Konica Minolta's Optical Business

### **Before management integration of Konica Minolta in 2003**

- Konica, one of the founding companies that make up Konica Minolta today, was founded 150 years ago, and Minolta has a long history of 95 years. Both companies are founded on photography-related businesses. Konica lenses were known for Hexar and Hexanon, while Minolta lenses were known for Rokkor. Many photo enthusiasts loved these lenses.

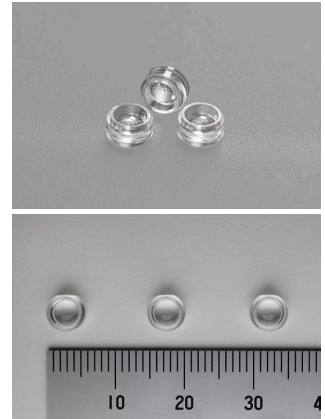
### **Optical business at Konica Minolta**

- In 2006, Konica Minolta announced it would end its photographic film and camera businesses. Production and sales under its own brand were closed but the optical technology, an origin of both companies, has further advanced as one of the four core technologies at Konica Minolta Opto (then an operating company), simultaneously supporting the Konica Minolta Group's other businesses as elemental technology.
- The dominant market share in the pickup lenses for optical disks, originating from Konica's innovative technologies in the 1980s, translated into high profitability, driving the Konica Minolta Group's profits in the 2000s and continuing to hold a significant share today.
- In the lens unit business, the Company has been shifting away from consumer applications such as compact cameras and cellphones and moving toward professional domains such as high-quality and high value-added digital cinema projectors and interchangeable lenses, which have earned recognition for its advanced technological capabilities.
- Among these, sales of high luminance digital cinema lens units have expanded in response to the trend of 3D in the movie theaters, sustaining high market share and gaining stable profit.
- In this way, the Company will leverage the advanced optical design technology cultivated since its founding, as well as the manufacturing techniques fostered through the production of components and units. Through this strategic business alliance, the Company will provide key components to the Industry field, such as mobility and inspection. It will make new value provision in response to the evolution and diversity of its customers.

## **Aspherical plastic lenses registered as Essential Historical Material for Science and Technology by the National Museum of Nature and Science (September 13, 2021)**

This was the world's first ultra-high precision aspheric plastic lens for CD drives which Konishiroku Photo Industry Co., Ltd., one of the forerunners of Konica Minolta, developed for commercial use in 1984, leveraging its state-of-the-art optical and nano-fabrication technologies. With the high form accuracy of 0.1 $\mu$ m or less and the unparalleled double-sided aspheric surface, this revolutionary product uses a single lens to deliver the performance required of pickup lenses for CD players. This success accelerated the development of pickup lenses for various optical discs including DVDs and Blu-ray Discs™ and greatly contributed to the creation and growth of the optical disc industry. In recognition of such historical importance, the aspheric plastic lens was registered as an Essential Historical Material.

<https://www.konicaminolta.com/global-en/newsroom/topics/2021/0922-01-01.html>



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