

CONFIDENTIAL

Mr. Noriaki Ishizuka
President and Representative Director

Mr. Toru Takeuchi (for information)
Corporate Officer

Intage Holdings Inc.

20th January 2022

Dear Mr. Ishizuka,

We last wrote to you on 13th August 2021. In that letter, we announced that Rising Sun Management Ltd ("RSM") was withdrawing its buyout ("MBO") proposal, originally set out in my letter to you of 19th July 2021. At the same time, we informed you that RSM was unilaterally withdrawing from the Non-disclosure Agreement ("NDA"), signed on 17th July 2021, which governed our obligation to maintain confidentiality in our dealings with Intage Holdings Inc. (the "Company"). We also expressed our disappointment with your, in our view lacklustre, August earnings guidance and failure to announce a substantial dividend increase.

As you are aware, although we were admirers of the dynamic way in which you were seeking to diversify the Company's activities and the fact you had set yourselves ambitious targets to drive your vision forward (hence our investment in the first place), there were several areas of concern to us, including the lack of widely-held stock incentives, progress of digitisation, acquisition policy and levels of automation in the business generally.

We are pleased to note that management has now addressed some of these. First, we would like to congratulate you on the announcement of a 2.5% repurchase of the Company's shares – we are confident that this helped support the rally in the share price last autumn. We would hope that the Board of Directors would move swiftly to cancel these shares as soon as they are purchased. We are also gratified that, while the core panel business continues to grow and show solid performance, there has been a significant digital shift in the custom research business – with an 18% growth in online activity and a 16% decline offline. Increased usage of online facilities, such as Zoom, should lead to notable cost reduction.

Having said this, our principal concern for the business going forward still remains, and, indeed, has been exacerbated by, recent moves. We continue to be impressed with management's commitment to change and expansion, not being content to just rest on the laurels of the Company's profitable core business. Nevertheless, we feel that your ambitious strategy, particularly in making acquisitions with no immediate prospect of financial reward, would be better undertaken by a private entity with no responsibility for

quarterly market reporting. To be specific, we have misgivings about the medium term prospects of the Research and Innovations (R&I) purchase. The turnaround of this loss-making start-up is likely to be long and arduous. We understand this company's attractions for cross-selling and agree that Intage Holdings is a natural partner for its activities, but are not convinced the investment outlay can be quickly recouped, while the cost of accumulating subscriptions and consumer data, as well as building and maintaining research panels will continue rising. Indeed, you are forecasting a Yen 500 million operating loss, plus a further Yen 150 million in amortization expenses in this division.

Further, your intention to enter into effect measurement tools for commercial TV and digital signage for retailers has left us a little confused. These markets are highly competitive, with existing front runners such as Raksul and XICA, and we have not heard any convincing arguments regarding how you will compete and gain market-share. Put simply, these concerns reflect our general uneasiness with the Company's choice of direction in capital allocation. We have noticed a preference to make what are not obviously compelling acquisitions, rather than returning cash directly to shareholders via raised dividends or larger repurchases. This uncertainty in the market about future direction and profitability has coincided with, and may be responsible for, the recent drop in your share price.

The issue of how best to deploy excess cash is one we have raised with you before and is now of even greater relevance given recent remarks of Prime Minister Kishida. In recent interviews he has made much of his desire to see workers being paid more. Our analysis of your employee data on www.vorkers.com reveals compensation levels at Intage Holdings compare well with competitors, but many reviews suggest that generosity depends on large amounts of overtime. As you know, we believe that current stock ownership levels within management and staff are too low and do not reflect either government guidance on suitable awards of restricted stock or a close alignment with the economic interests of the Company's owners. Further distributions of restricted stock appear to be an easy way to increase compensation while complying with both the new government's and shareholders' mind-sets. Alternatively, you can just confer greater ownership to staff through an MBO.

The arguments we have rehearsed here have reinforced our earlier conclusion. The Company's expansion in new directions, not always immediately economically rewarding, would be better pursued as private entity away from the gaze of the market and its need for constant reporting. You have previously rejected our call to consider delisting the Company, declining to appoint a panel to investigate this possibility. This caused us to re-evaluate our investment and consider disposing of our interest, especially when the share price was performing well. But, after review we have concluded there is still a great deal of value to be unlocked were you to instigate an MBO as we have urged.

A look at corporate activity in your space bears this out. As the presence of big data companies increases, data collection and analysis tools are continuously becoming less costly. In contrast, survey research globally is still expensive as traditional market research companies operate a patchwork of legacy systems. Without the scrutiny of dealing with public investors, Macromill has built a global research infrastructure based on proprietary survey and data management software, global consumer access panels, and ultra-efficient business processes, all helping to make their research less expensive. Shortly after re-listing in 2017,

following their MBO managed by Bain Capital in 2013, Macromill's EBITDA margin was almost double Intage's at 24%. Today, Macromill's produces ¥8.4bn EBITDA compared to Intage's ¥4.7bn while also accelerating revenue growth (up +177% since going private). Intage's strategy before its focus on growth was profitability. Yet, Macromill managed to outperform you both on revenue growth and EBITDA. New York-based market research company NPD Group recently sold itself to private equity firm Hellman & Friedman. NPD is the eighth largest market research company, providing omni-channel analytics to measure and improve performance with its retail partners. We expect NPD to leverage H&F's network and accelerate as a leading source of market information and advisory services for general merchandise and foodservice, before re-listing.

As our filing on 18th January 2022 shows, we have continued to amass your common stock on behalf of the group of companies comprising Nippon Active Value Fund plc, Earle 1927 LLC and Michael 1925 LLC, which RSM represents. The group now owns 4,112,000 shares or 10.17% of Intage Holdings' equity capital, and, as such, we are your largest shareholder.

As before, we hope an MBO can be concluded in a friendly and constructive manner. The 2019 Government Guidelines for Fair M&A Transactions state that once a company receives an acquisition proposal, the company should immediately set up a committee composed of a majority of independent directors to examine whether the proposed corporate action increases the company's value and whether the terms and conditions and transaction procedure are fair in protecting all shareholders. We understand that our offer to organise a 'friendly' MBO is not yet a formal acquisition proposal as we wish to maintain our cordial relationship for as long as possible. Nevertheless, as your largest shareholder, we believe you are bound to take our proposal seriously and should convene the independent committee without delay.

Once this committee has deliberated, we expect to be invited to commence work in earnest. Recent turbulence in the corporate market, not least within our own portfolio, has demonstrated how managements can be vulnerable to the attentions of both local and international activists who might not always be as well intentioned as we are! If you wish to retain the power of self-determination in your own hands, you will want to form the MBO 'project leadership' team we have proposed previously. It should be composed of RSM, the Company's management, its financial and legal advisers and, vitally, a large reputable private equity ("PE") firm to put the funding in place. As you are aware, we co-operate with several market-leading firms and will be happy to introduce you to financiers we know are already following Intage Holdings closely. This group will then invite important customers, business partners and suppliers, as well as other key clients, to participate alongside RSM as anchor investors, while simultaneously organising for all managers and staff to receive long-term stock options.

The formation of this project leadership group will initiate a sixty (60) day period of exclusivity, during which time we and our advisers will help organise structuring and expertise for the transaction and complete necessary due diligence. We continue to believe that a modest premium to the current share price of around 10%, say, Yen 1800 per share, should be offered to all shareholders and will garner considerable support. We are also happy to discuss higher prices.

My colleagues Kazutaka Mizuochi and Gifford Combs and I enjoyed meeting Mr Takeuchi, Mr Matsuura and Ms Oguro once again, if only on Zoom, this morning and for your giving us the opportunity to let you know this proposal was on its way. As we said at our meeting, we intend to publish the contents of this letter and to speak to the press about our ideas for the Company. We will do this immediately if we have not had confirmation from you that you are taking this initiative forward within five business days of the date of this missive. We expect this to be evidenced by a press release from the Company to the effect that you are convening an 'independent committee' to evaluate our proposed transaction. We do so hope that, with this our fifth letter, we can finally devote our energies towards the joint action necessary to bring the Company's interests and those of its shareholders into perfect economic harmony. We entreat you to embrace our offer to be an engine for change for the benefit of all.

Yours faithfully,



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