

The Board of Directors
I.T Limited
31/F, Tower A, Southmark
11 Yip Hing Street
Wong Chuk Hang
Hong Kong

22 March 2021

Dear Sirs,

I.T Limited (the “Company”)

Profit Estimate for the Twelve Months Ended 31 December 2020

We refer to the following profit estimate set out in the section headed “Financial Information of the Other Operations” in the Letter from the Board in the scheme document dated 22 March 2021 (the “Scheme Document”) jointly issued by the Company and Brooklyn Investment Limited (the “Offeror”) in connection with, among other matters, the proposal for the privatisation of the Company by the Offeror by way of a scheme of arrangement under section 99 of the Companies Act 1981 of Bermuda and the restructuring as contemplated under the restructuring term sheet dated 5 December 2020 and the restricting framework agreement dated 30 January 2021 entered into by the relevant parties (the “Restructuring”).

Under the Restructuring, the Company and its subsidiaries (collectively referred to as the “Group”) will restructure into the brand operations (the Group's business operations relating to A Bathing Ape, AAPE by A Bathing Ape and associated sub-brands thereof, including Baby Milo, Milo Stores, BAPY, BAPE Black, and Mr. Bathing Ape) (the “Brand Operations”) and the other operations (including all the other operations of the Group other than the Brand Operations prior to completion of the Restructuring) (the “Other Operations”).

The unaudited figure of the Other Operations set out below (“Profit Estimate”) is extracted from the section headed “Financial Information of the Other Operations” in the Letter from the Board on page 36 of the Scheme Document:

	Twelve months ended 31 December 2020 HK\$'000
EBITDA of Other Operations*	454,546

** Represents the earnings before income tax, share of losses of joint ventures, share of profit of an associate, finance income and costs, impairment of goodwill, property, furniture and equipment and right-of-use assets, depreciation and amortisation of the Other Operations.*

Directors’ Responsibilities

The Profit Estimate has been prepared by the directors of the Company (the “Directors”) based on the unaudited management accounts of the Group for the 12 months ended 31 December 2020.

The Directors are solely responsible for the Profit Estimate.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Hong Kong Standard on Quality Control 1 issued by the HKICPA and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor’s Responsibilities

Our responsibility is to express an opinion on the accounting policies and calculations of the Profit Estimate based on our procedures.

We conducted our engagement in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 500 “Reporting on Profit Forecasts, Statements of Sufficiency of Working Capital and Statements of Indebtedness” and with reference to Hong Kong Standard on Assurance Engagements 3000 (Revised) “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” issued by the HKICPA. Those standards require that we plan and perform our work to obtain reasonable assurance as to whether, so far as the accounting policies and calculations are concerned, the Directors have properly compiled the Profit Estimate in accordance with the bases adopted by the Directors and as to whether the Profit Estimate is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group. Our work is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing issued by the HKICPA. Accordingly, we do not express an audit opinion.

Opinion

In our opinion, so far as the accounting policies and calculations are concerned, the Profit Estimate has been properly compiled in accordance with the bases adopted by the Directors as set out on page 36 of the Scheme Document and is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group as set out in the audited consolidated financial statements of the Group for the year ended 29 February 2020 and the unaudited condensed consolidated interim financial information of the Group for the six months ended 31 August 2020.

Yours faithfully,


PricewaterhouseCoopers
Certified Public Accountants
Hong Kong