ARBITRAGE HOLDINGS LIMITED
Incorporated in the Republic of South Africa
(Registration Number: 2021/732583/06)
ISIN: ZAE400000267
Share Code: 4AARB
("Arbitrage" or "the Company")

ANNOUNCEMENT RELATING TO RECEIPT OF EXPRESSION OF INTEREST FOR FUNDING, UPDATE ON THE APPOINTMENT OF A NEW AUDIT FIRM, WITHDRAWAL OF AUDITOR'S REPORT IN THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FERUARY 2025, AND CAUTIONARY ANNOUNCEMENT

Receipt of Letter of Interest
The Board wishes to advise shareholders that the Company is making good progress with a significant capital raise and is expecting to receive a Letter of Interest from an interested investor to make an equity investment into the Company imminently. The Company is also at an advanced stage of discussions with other interested investors and mining contractors. This progress will support and enhance the Company's strategy to develop its coal mining assets. A further detailed announcement will be published in due course.

Appointment of new audit firm
The audit committee had previously identified the need to appoint a larger reputable audit firm going forward due to technical and capacity constraints of auditing a listed entity by the previous auditor. It had been agreed that this process would be undertaken after the Annual General Meeting. The Company is progressing well with the appointment a large reputable audit firm with listed company experience, details of which will be announced once finalised.

Withdrawal of audit opinion for the year ended 28 February 2025
Shareholders are advised that communication has been received from the former auditor Louis Jonker Chartered Accountants (SA), ("the former auditor") wherein they have advised that matters have arisen subsequent to the date of the Auditor's Report, which require consideration and action in accordance with ISA 560 (Subsequent Events). In terms of ISA 560, the Auditor is required to consider whether facts that become known after the date of the Auditor's Report indicate that the financial statements or the Auditor's Report may be affected and, where appropriate, to take action to prevent continued reliance on the Auditor's Report.

Based on information above, the former auditor sent a letter whereby they advised that they had identified matters which, individually and collectively, indicate that continued reliance can no longer appropriately be placed on their Auditor's Report issued on the financial statements of Arbitrage for the financial year ended 28 February 2025.

On investigation by the Board, it was established that these matters arose pursuant to a review by IRBA of the audit working papers of the former auditor and relate to potential going concern considerations, material misstatement in the financial statements as well as auditor reporting and engagement quality matters. The IRBA investigation of the former auditor's practice is ongoing. The former auditor distributed the original letter prior to raising such queries with the Board of Arbitrage, which is considered unacceptable and unnecessary. The Company reserves its right to engage with regulatory bodies with the evidence and regarding the conduct of the previous auditor.

The Board is comfortable that there is no material misstatement in the Company's annual financial statements and has engaged an IFRS expert to provide input into the IFRS queries. Furthermore, the Company has secured updated valuations of the material underlying assets, which supports the net asset value of the Company.

The Company will address any technical disclosure matters with the new experienced and competent auditors which will be appointed and has briefed the new audit firm as to the recent development with the former auditor. Should a restatement of the results for the year ended 28 February 2025 be required, it will be addressed in the publication of its audited results for the year ended 28 February 2026.

Cautionary Announcement

As a result of the above, shareholders are advised to exercise caution when dealing in the Company's securities until and further announcement is made.

By Order of the Board
20 March 2026

CORPORATE ADVISOR AND ISSUER AGENT
AcaciaCap Advisors Proprietary Limited

COMPANY AND TRANSFER SECRETARIES
CTSE Registry Services Proprietary Limited