

URBAN INFRASTRUCTURE GROUP INC. (FORMERLY, DEAL PRO CAPITAL CORPORATION)
FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(IN CANADIAN DOLLARS)

URBAN INFRASTRUCTURE GROUP INC. (FORMERLY, DEAL PRO CAPITAL CORPORATION)

FINANCIAL STATEMENTS

DECEMBER 31, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Urban Infrastructure Group Inc. (formerly Deal Pro Capital Corp.)

Opinion

We have audited the financial statements of Urban Infrastructure Group Inc. (formerly Deal Pro Capital Corp.) (the "Corporation"), which comprise the statements of financial position as at December 31, 2023 and 2022, and the statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our auditor's report.

Other Information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained the Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Grand Lui.

RSM Canada LLP

Chartered Professional Accountants
Licensed Public Accountants
April 29, 2024
Toronto, Ontario

URBAN INFRASTRUCTURE GROUP INC. (FORMERLY, DEAL PRO CAPITAL CORPORATION)
STATEMENTS OF FINANCIAL POSITION
(All Amounts are in Canadian Dollars)

As at

	Notes	December 31, 2023 \$	December 31, 2022 \$
ASSETS			
CURRENT			
Cash	5	132,115	297,287
TOTAL ASSETS		132,115	297,287
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and accrued liabilities		29,309	28,459
SHAREHOLDERS' EQUITY			
CAPITAL STOCK			
Issued and Outstanding – 8,207,001 Common shares	6	405,188	405,188
Warrants		13,222	13,222
Contributed Surplus		47,901	47,901
Accumulated Deficit		(363,505)	(197,483)
		102,806	268,828
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		132,115	297,287

APPROVED ON BEHALF OF THE BOARD

(signed) "Ungad Chadda" Ungad Chadda
Director

(signed) "Harold Wolkin" Harold Wolkin
Director

See the accompanying notes to the financial statements.

URBAN INFRASTRUCTURE GROUP INC. (FORMERLY, DEAL PRO CAPITAL CORPORATION)
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
 (All Amounts are in Canadian Dollars)

For the Years Ended

	December 31, 2023	December 31, 2022
	\$	\$
EXPENSES		
Regulatory and listing costs	\$ 34,782	\$ 12,625
Professional fees	131,240	72,290
Share-based compensation	-	-
NET LOSS AND COMPREHENSIVE LOSS FOR THE YEAR	166,022	84,915
NET LOSS PER SHARE – Basic and diluted	\$ 0.02	\$ 0.01
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING – Basic and diluted	8,207,001	8,207,001

See the accompanying notes to the financial statements.

URBAN INFRASTRUCTURE GROUP INC. (FORMERLY, DEAL PRO CAPITAL CORPORATION)
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(All Amounts are in Canadian Dollars)

For the Years Ended December 31, 2023 and 2022

	Number of Common Shares	Amount of Common Shares	Warrants	Contributed Surplus	Accumulated Deficit	Shareholders' Equity
Balance, January 1, 2022	8,207,001	\$ 405,188	\$ 13,222	\$ 47,901	\$ (112,568)	\$ 353,743
Net loss for the year	-	-	-	-	(84,915)	(84,915)
Balance, December 31, 2022	8,207,001	405,188	13,222	47,901	(197,483)	268,828
Net loss for the year	-	-	-	-	(166,022)	(166,022)
Balance, December 31, 2023	8,207,001	\$ 405,188	\$ 13,222	\$ 47,901	\$ (363,505)	\$ 102,806

See the accompanying notes to the financial statements.

URBAN INFRASTRUCTURE GROUP INC. (FORMERLY, DEAL PRO CAPITAL CORPORATION)
STATEMENTS OF CASH FLOW
(All Amounts are in Canadian Dollars)

For the Years Ended

	December 31, 2023	December 31, 2022
	\$	\$
OPERATING ACTIVITIES		
Net loss for the year	\$ (166,022)	\$ (84,915)
Change in non-cash working capital:		
Increase in accounts payable and accrued liabilities	850	11,466
	<u>(165,172)</u>	<u>(73,449)</u>
Change in cash	(165,172)	(73,449)
Opening cash	<u>297,287</u>	<u>370,736</u>
Closing cash	<u>\$ 132,115</u>	<u>\$ 297,287</u>

See the accompanying notes to the financial statements.

1. Nature of Organization

Description of the Business

These financial statements are of the financial condition and results of operations of Deal Pro Capital Corporation ("DP", or the "Company") for the period from January 1, 2023 to December 31, 2023. DP completed a reverse takeover transaction with Urban Infrastructure Group Inc. ("Urban") on March 18, 2024 (the "RTO Transaction") which resulted in the amalgamation of DP and Urban, with Urban being the successor company. In these financial statements, references to the "Company" prior to completion of the RTO Transaction are references to DP, and references to the Company after completion of the RTO Transaction are references to Urban.

DP was incorporated under the *Business Corporations Act* (Ontario) on June 11, 2021. DP was classified as a Capital Pool Company as defined in Policy 2.4 of the TSX Venture Exchange (the "Exchange"). On October 22, 2021, DP completed its Initial Public Offering and was then defined as a Capital Pool Corporation trading under the symbol DPCC.P. The principal business of the Company was to identify and evaluate assets or businesses with a view to potentially acquiring them or an interest therein. The purpose of such an acquisition is to satisfy the related conditions of a "Qualifying Transaction" ("QT") under the Exchange rules.

The financial statements of the Company were authorized for issuance in accordance with a resolution of the directors on April 26, 2024.

2. Basis of Presentation

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC"). These financial statements are presented in Canadian dollars, which is the Company's functional and presentation currency. The financial statements are prepared on a going concern basis, under the historical cost convention.

3. Material Accounting Policy Information

Cash

Cash consists of deposits with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Income Taxes

Income tax expense comprises current and deferred tax. Tax is recognized in the statement of comprehensive income except to the extent it relates to items recognized in other comprehensive income or directly in equity.

Current Income Tax

Current tax expense is based on the results for the period as adjusted for items that are not taxable or not deductible. Current tax is calculated using tax rates and laws that were enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. Provisions are established where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred Tax

Deferred taxes are the taxes expected to be payable or recoverable on differences between the carrying amounts of assets in the statement of financial position and their corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences between the carrying amounts of assets and their corresponding tax bases. Deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets in a transaction that affects neither the taxable profit nor the accounting profit.

Provisions for taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing

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authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

Earnings (Loss) Per Share

The Company presents basic earnings (loss) per share for its common shares, calculated by dividing the earnings (loss) attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year. Diluted loss per share does not adjust the loss attributable to common shareholders on the weighted average number of common shares outstanding when the effect is anti-dilutive.

Financial instruments

The following table shows the classification of the Company's financial instruments under IFRS 9:

Financial assets	
Cash	Amortized cost
Financial liabilities	
Trade payables and accrued liabilities	Amortized cost

The Company classifies its financial assets in one of the following categories: (1) at fair value through profit or loss ("FVTPL"), (2) at amortised cost or (3) at fair value through other comprehensive income ("FVTOCI"). The classification depends on the purpose for which the financial assets were acquired, the business model in which they are managed and their cash flow characteristics. Management determines the classification of its financial assets at initial recognition.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of profit or loss in the period in which they arise.

Amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value and subsequently carried at amortized cost less any impairment. They are classified as current or non-current based on their maturity date.

Financial assets at FVTOCI

Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income. There is no subsequent reclassification of fair value gains and losses to profit or loss following the de-recognition of the investment.

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company recognizes in the statements of profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of the financial instruments by valuation technique:

Level 1 – Applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.

Level 2 – Applies to assets or liabilities for which there are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly such as quoted prices for similar assets or liabilities in active markets or indirectly such as quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions.

Level 3 – Applies to assets or liabilities for which there are unobservable market data.

The carrying value of cash, trade payables and accrued liabilities approximate their fair value because of the short-term nature of these instruments or their ability of prompt liquidation.

Share-based Payments

Stock options issued by the Company are accounted for in accordance with the fair value based method. The fair value of options issued to directors, officers, employees of and consultants to the Company is charged to operations on a straight-line basis over the vesting period of each tranche (graded vesting) with the offsetting amount recorded to contributed surplus. The historical forfeiture rate is also factored into the calculations. When options are exercised, the amount received, together with the amount previously recorded in contributed surplus are added to capital stock. The fair value of warrants issued to agents in conjunction with a public offering is charged to share issue costs with an offsetting amount recorded to contributed surplus. Fair value is measured using the Black-Scholes option pricing model.

Recent Accounting Pronouncements

Accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements, except as follows:

IAS 1, Presentation of Financial Statements

On January 23, 2020, the IASB issued amendments to IAS 1 Presentation of Financial Statements to clarify the requirements for classifying liabilities as current or non-current. The amendments include specifying the conditions which exist at the end of the reporting period are those which will be used to determine if a right to defer settlement of a liability exists and expectations about events after the balance sheet date are not relevant. The amendments are effective for annual reporting periods beginning on or after January 1, 2024. The Company is evaluating the impact of this amendment on its consolidated financial statements.

4. Summary of Accounting Estimates and Assumptions

The preparation of the financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual outcomes can differ from these estimates.

Significant judgements made in preparation of these financial statements include:

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The Company uses the Black-Scholes option pricing model to determine the fair value of options in order to calculate share-based compensation expense and the fair value of agent options. The Black-Scholes model involves six key inputs to determine fair value of an option: risk-free interest rate, exercise price, market price at date of issue, expected dividend yield, expected life, and expected volatility. Certain of the inputs are estimates that involve considerable judgment and are or could be affected by significant factors that are out of the Company's control. The Company is also required to estimate the future forfeiture rate of options based on historical information in its calculation of share-based compensation expense.

5. Cash

The Company has cash of \$132,115 at December 31, 2023 (December 31, 2022 - \$297,287) held in trust with its lawyers. As a Capital Pool Company, the proceeds raised from the issuance of common shares including the funds held in trust, could only be used to identify and evaluate assets or businesses for future investments, with the exception that not more than \$3,000 per month may be used to cover administrative and general expenditures of the Company. These restrictions applied until March 18, 2024, when a Qualifying Transaction was completed as defined under Policy 2.4 of the Exchange.

6. Capital Stock

Common Shares

The Company is authorized to issue an unlimited number of common shares and unlimited number of preferred shares (issuable in series) and to determine the designation, rights, privileges, restrictions and conditions attached to the shares of each series. The Company did not issue common shares or grant stock options in the year ended December 31, 2022.

On June 25, 2021, the directors and officers of the Company subscribed for 5,700,001 common shares at a price of \$0.05 per common share for gross proceeds of \$285,000.

All 5,700,001 issued and outstanding common shares of the Company, and all common shares acquired on exercise of stock options granted to directors and officers prior to the receipt of a Final Exchange Bulletin on completion of a Qualifying Transaction, will be held in escrow pursuant to the requirements of the Exchange. Shares will be released from escrow as follows:

- 25% on receipt of the Final Exchange Bulletin,
- 25% on the 6-month anniversary of the Final Exchange Bulletin,
- 25% on the 12-month anniversary of the Final Exchange Bulletin,
- 25% on the 18-month anniversary of the Final Exchange Bulletin,

On October 22, 2021, the Company completed its Initial Public Offering ("IPO") of 2,507,000 common shares at \$0.10 per share (\$250,700). The Company paid a commission of 10% of gross proceeds to the Agent, and granted the Agent warrants to acquire 10% of the common shares issued in the offering exercisable for a period ending twenty-four months from the date the Company's common shares are listed on the TSX Venture Exchange, exercisable at \$0.10 per share. The Company also paid a corporate finance fee upon the closing of the offering and reimbursed the Agent for legal fees and other reasonable expenses incurred pursuant to the IPO. The Company incurred share issuance cash costs related to the IPO of \$117,290 which was netted against share capital.

The grant date fair value of the Agent warrants was estimated at \$13,222 using the Black-Scholes option pricing model with the following assumptions: share price of \$0.10; expected volatility of 100% based on the average volatility of comparable companies; risk-free interest rate of 1.45%; expected dividend yield of 0%; and an expected life of 2 years.

Stock Options

The Company has established a stock option plan for its directors, officers and consultants under which the Company may grant options from time to time to acquire a maximum of 10% of the issued and outstanding common shares. The exercise price of each option granted under the plan shall be determined by the Board of Directors.

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Options may be granted for a maximum term of ten years from the date of the grant. They are non-transferable and expire within 90 days of termination of employment or holding office as director or officer of the Company and, in the case of death, expire one year thereafter.

Upon death, the options may be exercised by legal representation or designated beneficiaries of the holder of the option. Any shares issued upon exercise of the options prior to the Company entering into a QT will be subject to escrow restrictions. Unless otherwise stated, the options fully vest when granted.

On June 25, 2021, the Company granted 570,000 options to its officers and directors. The options were valued using the Black-Scholes model and the expense was charged to the statement of loss and comprehensive loss during the period ended December 31, 2021.

On October 22, 2021, the Company granted 250,700 options to its officers and directors. The options were issued with a strike price of \$0.10 per share and were valued using the Black-Scholes model. The expense was charged to the statement of loss and comprehensive loss during the period ended December 31, 2021.

At December 31, 2023, the following stock options were outstanding:

Number of Options	Exercise Price	Expiry Date	Expected Volatility ^(a)	Risk-Free Interest Rate	Expected Dividend Yield	Expected Life
570,000	\$0.05	June 25, 2031	100%	1.45%	0%	10 years
250,700	\$0.10	October 22, 2031	100%	1.45%	0%	10 years

(a) Expected volatility is based on the average volatility of comparable companies

The following table reflects the continuity of stock options:

	December 31, 2023		December 31, 2022	
	Number	Weighted Average Exercise Price	Number	Weighted Average Exercise Price
Outstanding, beginning of period	820,700	\$ 0.07	820,700	\$ 0.07
Granted	-	-	-	-
Exercised	-	-	-	-
Outstanding, end of year	820,700	\$ 0.07	820,700	\$ 0.07
Number exercisable, end of year	-		-	

Until the Company completed a QT, the 820,700 stock options were not exercisable. Subsequent to December 31, 2023, the Company completed its QT, and the options became exercisable (see Note 10).

7. Capital Risk Management

The Company manages its capital stock as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue to operate and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new common shares, issue new debt, acquire or dispose of assets or adjust the amount of cash.

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In order to facilitate the management of its capital requirements, the Company may prepare expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

In order to maximize ongoing efforts, the Company does not pay out dividends.

The Company expects its current capital resources will be sufficient to carry its operations. The Company is not subject to any externally or internally imposed capital requirements as at December 31, 2023, except those indicated in Note 5.

The Company's capital under management as at December 31, 2023 and 2022 is \$405,188.

8. Transactions with Related Parties

Related parties include the Board of Directors, close family members and enterprises which are controlled by these individuals as well as persons performing similar functions. During the years ended December 31, 2023 and 2022, the Company did not record any compensation and did not grant any stock options to directors and officers. During the period ended December 31, 2021, 820,700 stock options were granted to directors and officers which were valued at \$47,901 (Note 6). There was no further compensation to key management personnel in either period.

9. Income Taxes

- (a) The items causing the Company's effective income tax rate to differ from the combined Canadian federal and provincial statutory rate of 26.5%, for the years ended December 31, 2023 and 2022, are as follows:

	2023	2022
	\$	\$
Loss before income taxes	166,022	84,915
Expected income tax recovery	44,000	22,500
Adjustments to benefit resulting from:		
Share-based compensation	-	-
Change in unrecognized deductible temporary differences	(44,000)	(22,500)
Deferred income tax recovery	-	-

- (b) The Company does not have any tax benefits from non-capital loss carry-forwards to date.
- (c) Unrecognized deferred tax assets

Deferred income tax assets have not been recognized in respect of the following deductible temporary differences:

	2023	2022
	\$	\$
Non-capital loss carry-forwards	83,600	39,600
Total	83,600	39,600

Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the Company can use the benefits. The Company's unused tax losses expire as follows:

	Non-capital losses
	\$
2041	17,100
2042	22,500
2043	44,000
	83,600

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10. Subsequent event

On March 22, 2024, the Company announced that the RTO Transaction with Urban had closed. The Company changed its name to Urban Infrastructure Group Inc. and commenced trading on the TSX Venture Exchange under the symbol "UIG".

The Company completed financing on March 18, 2024, of 8,947,995 units at \$0.15 per unit, for gross proceeds of \$1,342,200. Each unit comprised one Class A common share and one half of one Class A warrant. Each full warrant can be exercised at a price of \$0.25, per Class A common share, at any time until March 18, 2026. Warrants issued as Finder Fees can be exercised at a price of \$0.15 per warrant, at any time until March 18, 2026, with each warrant to be comprised of one Class A common share and one-half of one Class A common share warrant. Each full warrant can be exercised at a price of \$0.25, per Class A common share, at any time until March 18, 2026.

The capital structure of the Company after the close of the RTO transaction is as follows:

	Common shares – Class A	Common shares – Class B	Warrants	Options
Deal Pro Shareholders	8,207,001			
Urban Shareholders	83,000,000	17,000,000		
Financing	8,947,995		4,473,998	
Finder Fees	4,357,920		269,866	
Stock Options				820,700
	104,512,916	17,000,000	4,743,864	820,700

The 17,000,000 Class B common shares can be exchanged for 17,000,000 Class A common shares under certain conditions.