

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

MANAGEMENT DISCUSSION & ANALYSIS
for the nine-month period ended June 30, 2025

The following Management Discussion & Analysis (“MD&A”) of Urban Infrastructure Group Inc. (formerly, Deal Pro Capital Corporation) (the “Company” or “Urban”) is dated August 27, 2025, unless otherwise indicated, and should be read in conjunction with the unaudited condensed interim financial statements (the “Financial Statements”) for the nine months ended June 30, 2025, and the related notes. This Interim MD&A has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company since its last management discussion & analysis, being the Management Discussion & Analysis (“Annual MD&A”) for the fiscal year ended September 30, 2024. This MD&A was written to comply with National Instrument 51-102 - Continuous Disclosure Obligations. Results are reported in Canadian Dollars, unless otherwise noted. The results presented for the nine months ended June 30, 2025, are not necessarily indicative of the results that may be expected for any future period.

The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) for the nine months ended June 30, 2025. Information about the Company is available at www.urbaninfrastructuregroup.com or on SEDAR+ at www.sedarplus.ca.

The information contained in this report has been approved by the Company’s Board.

The Company’s certifying officers are responsible for ensuring that the Financial Statements and MD&A do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made. The Company’s officers certify that the Financial Statements and MD&A fairly present, in all material respects, the financial condition, result of operations and cash flows, of the Company as the date hereof.

The Board of Directors approves the Financial Statements and MD&A and ensures that the Company’s officers have discharged their financial responsibilities. The Board’s review is accomplished principally through the Audit Committee, which reviews and approves all financial reports prior to filing.

BASIS OF PRESENTATION

This MD&A and the financial statements have been prepared in Canadian dollars, unless otherwise indicated, and in accordance with International Financial Reporting Standards (“IFRS”).

COMPANY OVERVIEW AND DESCRIPTION OF BUSINESS

Urban Utilities Contractors Inc. was incorporated under the *Business Corporations Act* (Ontario) on September 30, 2015.

On March 18, 2024, Urban Utilities Contractors Inc. (“UUCI”) completed an RTO Transaction with Deal Pro Capital Corporation (“DP”) and the resulting company changed its name to Urban Infrastructure Group (“Urban”, or the “Company”).

Under the terms of the RTO Transaction, DP issued 83,000,000 Class A common shares and 17,000,000 Class B common shares, to acquire all of the issued and outstanding common shares of UUCI. The 17,000,000 Class B common shares can be exchanged for 17,000,000 Class A common shares under certain conditions. DP issued 4,357,920 Class A common shares and 269,866 Finder’s Warrants as Finder’s Fees, which were converted into Urban common shares and warrants on a one-to one basis.

The Company completed a Concurrent 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 whole 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 Class A common shares, 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 whole warrant can be exercised at a price of \$0.25 per Class A common share, at any time until March 18, 2026.

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The Company commenced trading on the TSXV under the symbol UIG on March 26, 2024. This RTO Transaction was a Qualifying Transaction (QT) under the Exchange Rules.

Urban is focused on the concrete and drain sector for new low-rise construction in the Southern Ontario region. The services that Urban provides includes the installation of drainage systems and laying strong, seamless foundations for homes across and beyond the Greater Toronto Area. Urban has worked with some of the largest home builders in Canada, specializing in:

- Concrete and drain work for the residential housing sector.
- Construction of underground services for residential subdivisions.

These services primarily involve the concrete and drain segment of new home construction which occurs during the earliest stage of the construction process. The concrete and drain sector is comprised of the following aspects:

- (i) the installation and connection of the basement drain to the sewer line;
- (ii) pouring of the basement floor;
- (iii) pouring of the garage floor; and
- (iv) pouring of the porch and stairs.

Urban has serviced areas with burgeoning communities, including:

Brampton	Caledon	Oshawa
Ayr	Barrie	Bracebridge
Kitchener	Whitby	Pickering
Oakville		

COMPANY HIGH-LIGHTS

During the three-month period ended June 30, 2025, and to the date of this MDA, the Company:

- Several directors advanced a total of \$150,000 to the Company in the form of a promissory note bearing interest at 15%. The funds are being used for general and corporate purposes.
- In early March the Company commenced work on a 145-unit residential development project in Pickering, Ontario.
- As at the time of writing this MD&A the Company had recently won a contract valued at approximately \$2M and comprising 197 residential units in the town of Milton, Ontario. See press release dated August 18, 2025 for additional details.

CHANGE IN DIRECTORS AND CHIEF EXECUTIVE OFFICER

Per the Company's press release on May 5th, 2025, the Company's Annual General Meeting was held May 27, 2025 and the following changes were approved:

- As part of the Company's succession plan, Ungad Chadda resigned as Chief Executive Officer (CEO) and will stay with the Company as a consultant, focussing on corporate transactions. Gary Alves was appointed as the new CEO.
- To enhance operational efficiency and streamline corporate governance costs, Ungad Chadda, Mark DiCristofaro and Nicholas Thadaney did not stand for re-election as directors of the Company.
- Steve Kaszas was elected to the Board on May 27, 2025. Mr. Kaszas began his career at Burns Fry in 1983 and quickly rose to become a shareholder in 1984. As a senior leader with The Altberg Kaszas Group at BMO Nesbitt Burns, Mr. Kaszas leveraged his expertise and global network to deliver investment strategies and superior client service while leveraging his insights from a broad

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spectrum of international financial resources. Beyond his professional accomplishments, Mr. Kaszas is a dedicated community advocate and a recipient of the Queen Elizabeth II Golden Jubilee Medal (2003) in recognition of his significant contributions to Canada and the broader community.

- The Company regrets to announce the passing of Harold Wolkin, Chairman of the Board, on August 25, 2025. His vision, council, and wit will be missed. The Company will not replace Mr. Wolkin at this time.

SUMMARY OF ANNUAL RESULTS

The following table sets forth selected financial information from the Company’s audited financial statements for each of the two most recently completed year ends.

	YEARS ENDED		
	Sept 30, 2024	Sept 30, 2023	Sept 30, 2022
Revenues	\$5,381,874	\$12,276,877	\$7,648,330
Net income (loss)	\$(2,523,322)	\$1,674,887	\$251,260
Earnings per share (basic and diluted)	\$(0.05)	\$8,239	\$1,256

The 2024 year saw a significant downturn in construction activity. Also, in 2024, the Company completed its go public, RTO transaction and recorded a non-cash “listing expense” of \$2.0 million. Earnings per share in 2024 decreased as average shares outstanding increased from 200 as a private company to 56 million in 2024. As per note #4 in the audited year-end financial statements, entitled Reverse Takeover Transaction, the “listing expense”, the vast majority of which, is a non-cash expense that is calculated by subtracting the identifiable assets of the CPC shell (Deal Pro), which were nominal, from the total fair value of the shares, options and warrants that were allocated to the former shareholders of Deal Pro as part of the purchase price. Thus, the one-time, non-cash “listing expense” of approx. \$2.0M in 2024.

SUMMARY OF QUARTERLY RESULTS

The following table sets forth selected financial information from the Company’s quarterly financial statements.

Quarter Ended	Revenue	Gross Margin	Expenses	Net Income	Earnings Per Share	Average Shares
2025-06-30	\$ 1,470,577	\$ 189,509	\$ 691,658	\$ (527,955)	\$ (0.01)	104,512,916
2025-03-31	1,003,322	125,979	490,643	(367,745)	(0.00)	104,512,916
2024-12-31	1,401,963	216,233	496,473	(289,648)	(0.00)	104,512,916
2024-09-30	1,217,118	74,319	356,349	(317,355)	(0.00)	104,512,916
2024-06-30	661,984	(342,826)	546,642	(910,034)	(0.01)	104,512,916
2024-03-31	1,536,307	323,284	2,178,924	(1,863,622)	(0.32)	5,742,646
2023-12-31	1,966,465	982,408	419,709	559,707	2,799	200
2023-09-30	2,703,225	1,198,884	422,867	281,613	1,408	200

The June 2025 net loss increased as a result of option grants. The March 2025 loss was largely attributable to lower revenue levels. The March 2024 quarter loss was mostly created by the one-time non-cash, listing

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fee expense of \$1,552,153 (revised to \$1,958,062 in September 2024) and increased professional fees. These costs related to the go-public transaction. As per note #4 in the audited year-end financial statements entitled Reverse Takeover Transaction, the “listing expense” is a non-cash expense that is calculated by subtracting the identifiable assets of the CPC shell (Deal Pro), which were nominal, from the total fair value of the shares, options and warrants that were allocated to the former shareholders of Deal Pro as part of the purchase price. Thus, the one-time, largely non-cash “listing expense” of approximately \$2.0M in 2024. The June 2024 and September 2024 losses were mostly created by low revenue.

RESULTS OF OPERATIONS

Three months ended June 30, 2025

The Company recorded a net loss of \$527,955 (\$0.01 per share) for the three-month period ended June 30, 2025 as compared to net loss of \$910,034 (\$0.01 per share) for the three-month period ended June 30, 2024.

Revenues for the three-month period ended June 30, 2025 increased to \$1,470,577 as compared to revenue of \$661,984 for the three-month period ended June 30, 2024, representing the strongest quarter since March 2024. The cost of sales for the three-month period ended June 30, 2025, were \$1,281,068 compared to \$1,004,810 for the three-month period ended June 30, 2024. The increase in revenues shows a slight recovery in the industry-wide, well-documented slowdown in the residential building market. Many in the industry, media and elsewhere believe this has been caused primarily by developers delaying project launches as they assess the interest rate environment and economic conditions. As a result of these delays, our sales for the quarter were not where we hoped they would be. That said, we continue to have a strong pipeline of contracted jobs but without the near-term certainty on when these industry delays will moderate. We note that there are some early signs of projects starting back up and our labour crews getting busier, but it remains to be seen if this will take on some permanence. Our belief is that a Bank of Canada rate cut in September would be a positive development. Lower activity continues to place pressure on gross margins, which is likely to continue until activity improves significantly.

[Strategically, management has been working on aligning itself with the federal government’s new initiatives which are focused on modular and pre fab homes. The Company is making sure that it is best aligned to capture the related concrete and drain work which is still required for modular, pre-built homes. Several partnerships and new business opportunities are being explored.

The difference in operating expenses on a quarter-over-quarter basis is explained below:

Share-based payments \$320,131 (Q3 2024 – \$Nil). This non-cash expense item reflects the cost of the vested portion of stock options issued on May 30, 2024, and repriced in May 2025. In addition, the Company issued 2,820,000 stock options in May 2025, concurrent with the voluntary forfeiture of 2,000,000 options and the cancellation of 566,800 options as holders ceased their relationships with the Company.

Professional fees \$84,880 (Q3 2024 – \$144,558). Professional fees in 2025 decreased significantly versus 2024, also reflecting the cost of the RTO Transaction with DP, which provided the Company with its TSX-V listing in March 2024.

Remuneration and benefits \$108,260 (Q3 2024 – \$184,501). Cost control efforts applied.

Depreciation \$23,006 (Q3 2024 – \$28,486). Depreciation in 2025 versus 2024 was steady as mid-late 2022 additions of a new truck purchases and leasehold improvements with respect to renovations at a new head office rental space in Brampton, Ontario continue to be depreciated.

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Equipment and Other \$29,752 (Q3 2024 – \$44,983). Quarter over quarter decrease is due to the reduced revenue, as crew size along with the decrease in houses completed driving the need for fewer tools and equipment such as power trowels, power tools, hand tools, safety equipment.

General and Administrative \$74,625 (Q3 2024 – \$42,929). General and Administrative expense increased in 2025 over 2024 in support of Urban's maturity as a public company.

Nine months ended June 30, 2025

The Company recorded net loss of \$1,185,349 (\$0.01 per share) for the nine-month period ended June 30, 2025 as compared to net loss of \$2,356,164 (\$0.06 per share) for the nine-month period ended June 30, 2024. The decrease in the net loss is mostly the result of the one-time go-public expense in the March 2024 quarter, the vast majority of which was a non-cash expense. Revenue decreased in the first nine months of 2025. The cost of sales for the nine-month period ended June 30, 2025, were \$3,344,141 compared to \$3,201,889 for the nine-month period ended June 30, 2024. The decrease in revenues was a result of a seasonally slow period during the winter months exacerbated by an industry-wide, well-documented slowdown in the residential building market. Many in the industry, media and elsewhere believe this has been caused primarily by developers delaying project launches as they assess the interest rate environment and economic conditions. As a result of these delays, our sales for the quarter were down significantly from the prior year comparative period. That said, we continue to have a strong pipeline of contracted jobs but without the near-term certainty on when these industry delays will moderate. We note that there are some early signs of projects starting back up and our labour crews getting busier, but it remains to be seen if this will take on some permanence. Our belief is that a Bank of Canada rate cut in September would be a positive development.

The increased cost of sales and reduced gross margin in 2025 as compared to 2024 demonstrates price pressure in the industry at this time, due to over capacity against current market demands.

As at the date of this MD&A, substantial uncertainty exists in the new home buyer market as a result of the ongoing tariff threats and political and economic uncertainty. This will likely extend the timeframe for our core customer base to be fully ramped up from a new home construction perspective.

Other expense variances in the nine-month period ended June 30, 2025 include:

Listing fees \$Nil (nine months 2024 – \$1,694,368). This expense item reflects the cost of the RTO Transaction with DP, which provided the Company with its TSX-V listing in March 2024.

Professional fees \$264,092 (nine months 2024 – \$489,870). Professional fees in 2025 decreased significantly versus 2024, also reflecting the cost of the RTO Transaction with DP, which provided the Company with its TSX-V listing in March 2024.

Share-based payments \$531,386 (nine months 2024 – \$Nil). This non-cash expense item reflects the cost of the vested portion of stock options issued on May 30, 2024 and repriced in May, 2025, combined with new options issued in May 2025.

Remuneration and benefits \$397,879 (nine months 2024 – \$545,172) Cost control efforts applied.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

Related party transactions

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Key management personnel (“KMP”) are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director whether executive or otherwise. Key management personnel include the board of directors and other senior management executives. Related party transactions are in the ordinary course of operations and measure at the exchange amount, which is the amount of consideration established and agreed upon by the related parties. Amounts due to or from related parties are non-interest bearing and unsecured unless specified.

The other related parties are those with whom the Company has had transaction during the nine-month periods ended June 30, 2025 and 2024 are as follows:

Name of the Personnel	Relationship with the Company
Mr. Gary - Director	KMP and a Major Shareholder of 87.98% of Class A and 100% of Class B Common Shares.
Mrs. Krisztina Alves	CEO of the Company (May 27, 2025 to present)
Ungad Chadda	KMP
John C. Ross Consulting Inc.	Former CEO of the Company (ceased May 27, 2025)
1000679050 Ontario Inc.	Company owned by the CFO of the Company
Legal Labs Inc.	Company owned by a Director which holds shares in the Company
	Company owned by a former Director of the Company (ceased December 2024)

Transactions with Related Parties	Three months ended June 30, 2025	Three months ended June 30, 2024	Nine months ended June 30, 2025	Nine months ended June 30, 2024
Salary paid to KMP	\$ 92,076	\$ 83,750	\$ 256,498	\$ 251,250
Share-based payment	334,709	38,994	523,273	38,994
Consulting fees	15,833	15,000	32,333	30,000
Management fees	46,250	46,250	119,767	138,750
	\$ 488,868	\$ 183,994	\$ 931,871	\$ 458,994

As part of its financing activities, the Company received loans and advances from various related parties. In addition, the Company provided a short-term loan to a related party. As at June 30, 2025 and September 30, 2024, the amounts due to and from related parties are summarized as follows:

Loan to Related Party	Description of relationship	As at June 30, 2025	As at September 30, 2024
Loans to 1000679050 Ontario Inc.	Company owned by a director of the Company	\$ 81,361	\$ -

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Loans from Related Parties	Description of relationship	As at June 30, 2025	As at September 30, 2024
Loans from various related parties	Officer and Directors of the company	\$ 158,171	\$ -

LIQUIDITY AND CAPITAL RESOURCES

The Company maintains and adjusts its capital structure based on changes in economic conditions and the Company's planned requirements. The Company may adjust its capital structure by issuing new equity, issuing new debt, or acquiring or disposing of assets, and controlling its expenses. The Company is not subject to externally imposed capital requirements. Additionally, the Company is capital expenditure light and requires pick-up trucks and hand tools to deliver its products and services to customers.

The Company is not subject to any capital requirements imposed by a regulator, other than the continued listing requirements of the TSX Venture Exchange.

As at June 30, 2025 the Company held cash of \$425,289 (September 30, 2024 – \$671,980) and had a working capital surplus of \$944,980 (September 30, 2024 – working capital surplus of \$1,487,394).

During the nine-month period ended June 30, 2025, net cash used by operating activities was \$371,806 (September 30, 2024 – cash provided of \$902,866). Net cash used in investing activities in the nine-month period ended June 30, 2025, was \$85,357 (September 30, 2024 – cash used of \$20,831), mostly related to an advance to a related party the purpose of which was to acquire a business asset (warehouse) which was previously leased from a third party. Net cash provided by financing activities in the nine-month period ended June 30, 2025 was \$210,462 (September 30, 2024 – proceeds of \$644,481), from borrowing and leasing repayments.

FINANCIAL INSTRUMENTS

Fair value of financial instruments

The Company classifies the fair value of its financial instruments according to a fair value hierarchy based on the significance of observable inputs used to value the instrument as follows:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 – Unobservable inputs for the asset or liability.

As at June 30, 2025 and September 30, 2024, cash under the fair value hierarchy were recorded based on level 1 inputs.

Classification of financial instruments

The Company's financial instruments consist of cash and bank overdraft, trade and other receivables, holdback receivables, trade and other payables, other liabilities, due to related party, borrowings and lease liabilities. Cash and bank overdraft were classified as fair value through profit or loss and the other financial instruments were classified as amortized cost.

Financial and capital risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a risk management policy to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the Company's activities.

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The Company thoroughly examines the various financial instruments and risks to which it is exposed and assesses the impact and likelihood of those risks. These risks include interest rate risk, credit risk, and liquidity risk. Where material, these risks are reviewed and monitored by the Board of Directors.

SECURITIES OUTSTANDING

Subdivision of Common Shares

On January 22, 2024, the Company filed articles of amendment subdividing the issued and existing common shares on the basis of one existing common share being subdivided into 500,000 post-subdivision common shares. As of the date hereof, there are an aggregate of 104,512,916 common shares issued and outstanding.

Creation of Class A and Class B shares

On February 7, 2024, UUIC filed articles of amendments creating an unlimited number of Class A and Class B Shares.

The holders of the Class A Shares are entitled to dividends if, as and when declared by the board of directors, to receive notice of and one vote per Class A Share at meetings of shareholders and, upon liquidation, dissolution or winding up of UUIC, to share rateably in such assets of UUIC as are distributable to the holders of common, Class A and Class B shares. These Class A and B common shares were exchanged for Urban Class A and B common shares in the RTO Transaction.

The holders of Class B Shares are not entitled to receive any dividends nor are they entitled to or to receive notice at any meeting of shareholders of the Company (other than meetings of the holders of Class B Shares). Upon liquidation, dissolution or winding up of the Company, to share rateably in such assets of the Company as are distributable to the holders of common, Class A and Class B shares. The Class B Shares are non-transferable except as required pursuant to the RTO Transaction.

As at the date of this MD&A, June 30, 2025 and September 30, 2024, the Company's outstanding share information is as follows:

	August 27, 2025	June 30, 2025	September 30, 2024
Common shares	-	-	200
Class A common shares issued and outstanding	104,922,916	104,512,916	104,512,916
Class B common shares issued and outstanding	17,000,000	17,000,000	17,000,000
Stock options issued and outstanding	8,802,578	9,212,628	9,599,467
Warrants issued and outstanding	4,743,864	4,743,864	4,743,864
Fully diluted common shares issued and outstanding	135,469,408	135,469,408	135,856,247

Subsequent to June 30, 2024, 410,000 stock options were exercised.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements requires that the Company's management make assumptions and estimates of effects of uncertain future events on the carrying amounts of the Company's assets and liabilities at the end of the reporting period. Actual results may differ from those estimates as the estimation process is inherently uncertain. Actual future outcomes could differ from present estimates and assumptions, potentially having material future effects on the Company's financial statements. Estimates are reviewed on an ongoing basis and are based on historical experience and other facts and circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

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The significant assumptions about the future and other major sources of estimation uncertainty as at the end of the reporting period that have a significant risk of resulting in a material adjustment to the carrying amounts of the Company's assets and liabilities are as follows:

Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and contingent liabilities at the date of financial statements, and income and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods which are affected.

(i) Material estimates

Allowance for credit losses

The Company must make an assessment of whether trade receivables and holdback receivables are collectible from customers. Accordingly, management establishes an allowance for estimated credit losses arising from non-payment, taking into consideration customer credit, current economic trends and past experience. If future collections differ from estimates, future earnings would be affected.

Useful lives or property, plant and equipment

The Company estimates the useful lives of property, plant and equipment by analyzing the internal life of the asset which takes into account actual and expected future usage, physical wear and tear, replacement history and assumptions about the evolution of technology. Changes in these factors may cause the estimated useful lives of these assets to change. When factors indicate that the assets' useful lives are different from the prior assessment, the Company depreciates the remaining carrying value prospectively over the adjusted estimated useful lives. The Company reviews estimates of the useful lives of property, plant and equipment on an annual basis.

Leases

The Company estimates the lease term by considering the facts and circumstances that can create an economic incentive to exercise an extension option, or not exercise a termination option by assessing relevant factors such as profitability and operations. Extension options (or options after termination options) are only included in the lease term if the lease is reasonably certain to be included (or not terminated). The assessment of the lease term is reviewed if a significant event or significant change in circumstance occurs, which affects this assessment and that is within the control of the lessee. The Company estimates the incremental borrowing rate used, if the interest rate implicit in the lease is not readily determinable, to measure its lease liability for each lease contract. This includes estimation in determining the asset-specific security impact.

Valuation of contract assets

Contract assets consist of an estimate of the percentage of completion within each performance obligation applied to the contractual value of each component work stream reduced by the profit margin of each component to arrive at the value of the costs to date. On site evaluation as well as daily site reports containing details of raw material, labour, and other costs are used in the estimation process.

Current and deferred taxes

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Estimations of current and deferred tax provisions and assets or obligations require assessments to be made based on the potential tax treatment of certain items that will only be resolved once finally agreed with the relevant tax authorities. Assumptions underlying the composition of deferred tax assets and liabilities include estimates of future financial performance and the timing of reversal of temporary differences as well as the tax rates and laws at the time of the expected reversal.

(ii) Material judgments

Current and deferred taxes

Judgment is required in determining whether deferred tax assets are recognized on the statement of financial position and what tax rate is expected to be applied in the year when the related temporary differences reverse, particularly in regard to the utilization of tax losses carry forward. Deferred tax assets, including those arising from unutilized tax losses require management to assess the likelihood that the Company will generate taxable earnings in future periods in order to utilize recognized deferred tax assets.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. The Company considers the terms of the contracts, the nature of the transaction, estimated time required on the project, and the specific circumstances of each arrangement. The Company recognizes revenue as it fulfills its performance obligations by transferring control of the promised services to the customer. Judgement involves determining when revenue recognition criteria have been met including when all performance obligation have been fulfilled.

RISKS AND UNCERTAINTIES

The Company is currently subject to operational, financial, and regulatory risks.

The operational risks include the Company's ability to provide concrete and drain services economically, the Company ability to market its products and services and maintain a demand for them, the Company's ability to hire and retain skilled employees, and the Company's ability to remain competitive in the industry. The Company continuously monitors and responds to changes in these operational risks.

Financial risks include interest rate environment, housing starts and the ability for the Company to generate enough cash from operations.

Regulatory risks include the possible delays in getting regulatory approval for the transactions that the Board of Directors believe to be in the best interest of the Company and include increased fees for filings and the introduction of ever more complex reporting requirements.

FORWARD-LOOKING INFORMATION

The Company's financial statements for the nine-month periods ended June 30, 2025 and 2024, and this accompanying MD&A, contain statements that constitute "forward-looking statements" within the meaning of National Instrument 51-102, Continuous Disclosure Obligations of the Canadian Securities Administrators. It is important to note that, unless otherwise indicated, forward-looking statements in this MD&A describe the Company's expectations up to the date of the MD&A.

Forward-looking statements often, but not always, are identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect", "targeting" and "intend" and statements that an event or result "may", "will", "should", "could", or "might" occur or be achieved and other similar expressions. Forward-looking statements in this MD&A include statements regarding the Company's future plans and expenditures, the satisfaction of rights and performance of obligations under agreements to which the Company is a part, the ability of the Company to hire and retain employees and consultants and estimated

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administrative assessment and other expenses. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Factors that could cause the actual results to differ include market prices, continued availability of capital and financing, inability to obtain required regulatory approvals and general market conditions. These statements are based on a number of assumptions, including assumptions regarding general market conditions, the timing and receipt of regulatory approvals, the ability of the Company and other relevant parties to satisfy regulatory requirements, the availability of financing for proposed transactions and programs on reasonable terms acceptable to the Company and the ability of third-party service providers to deliver services in a timely manner. Some of these risks and uncertainties are identified under the heading "RISKS AND UNCERTAINTIES" as disclosed elsewhere in this MD&A. Additional information regarding these factors and other important factors that could cause results to differ materially may be referred to as part of particular forward-looking statements.

Forward-looking statements contained herein are made as of the date of this MD&A and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise except as required by securities law. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

OUTLOOK

The Company's business plan is focused on continued sales and profit growth within its current market, as well as the pursuit of a roll-up and diversification driven acquisition strategy to consolidate similar companies operating in the concrete and drain and Stage One construction industry in Ontario. Stage One residential infrastructure includes concrete and drain, low rise forming, water and sewer and other specialties is a multi-billion industry in Ontario that is very fragmented and characterized by numerous small and medium-sized owner-managed businesses.

Within its current operating model, the Company has established competitive advantages within the geographic areas it serves, including:

- strong market recognition;
- scalability and geographic mobility of operations;
- operational practices and methods that are replicable and deliver the highest quality product; and
- reliable, trustworthy and diversified services

Among its peers in the concrete and drain sector, the Company has become a benchmark for excellent operational and financial performance.

The market is highly fragmented and served by numerous small companies that are owner operated and managed. The owners of many of these companies will be seeking exits over the next several years. The Company's acquisition program has been designed to provide an exit strategy for these owner managers and integrate target companies in a manner that increases the Company's share of the concrete and drain and stage one infrastructure market through consolidation. Due to its ultra-light capital asset requirements the Company's core business line can traverse a large geographical span when delivering its concrete and drain services. Aggregate, pipe and concrete are delivered to the job site anywhere in Ontario where the Company's skilled manpower forms the basements, garages, porches and porch steps.

To achieve its goals, the Company will be acting on the following strategic priorities:

- expanding market share within the concrete and drain market in which the Company operates;
- continuing to focus on operational efficiency and improved profitability; and
- rapidly expanding top-line sales and core capabilities such as low-rise forming (basement walls), water-

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sewer, aggregates, etc.

- amassing and retaining skilled labour crews to support the Company's growth trajectory

Tactically, these strategic priorities will be achieved by pursuing:

- enhanced sales and relationship management
- risk-adjusted acquisition terms and performance earn-out agreements with owner-managers whose businesses are acquired by the Company
- enhanced labour retention programs including equity ownership opportunities.

The new liberal government in Canada has prioritized the housing crisis as a top priority. As a result, the Company is actively pursuing and negotiating contracts in areas that stand to benefit from the new government's direction.