

Urban Infrastructure Group Inc.
(formerly Deal Pro Capital Corporation)
Condensed Interim Consolidated Financial Statements
(Expressed in Canadian Dollars)
Three and Nine Months Ended June 30, 2025 and 2024
(Unaudited)

Notice to Reader

The accompanying unaudited condensed interim consolidated financial statements of Urban Infrastructure Group Inc. (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements have not been reviewed by the Company's auditors.

Urban Infrastructure Group Inc. (formerly Deal Pro Capital Corporation)

Condensed Interim Consolidated Statement of Financial Position

(All amounts are in CAD, unless otherwise stated)

(Unaudited)

	Note	As at June 30, 2025	As at September 30, 2024
Assets			
Current assets			
Cash		\$ 425,289	\$ 671,980
Trade and other receivables	4	1,373,475	1,262,304
Holdback receivables	5	310,864	373,125
Prepaid expenses and sundry assets		15,000	5,000
Advance to related parties	18	81,361	-
Contract assets	6	-	69,461
Total current assets		2,205,989	2,381,870
Non-current assets			
Property, plant and equipment	7	198,451	241,224
Deferred tax assets		227,000	227,000
Right-of-use assets	8	48,139	69,801
Total non-current assets		473,590	538,025
Total assets		\$ 2,679,579	\$ 2,919,895
Equity and Liabilities			
Liabilities			
Current Liabilities			
Trade and other payables	9	\$ 903,105	\$ 538,117
Borrowings	10	101,438	97,636
Lease liabilities	8	19,111	17,936
Other liabilities	11	64,869	59,735
Advances from related parties	18	158,371	-
Current tax liabilities		14,115	181,052
Total current liabilities		1,261,009	894,476
Non-current liabilities			
Borrowings	10	235,232	173,634
Lease liabilities	8	13,116	27,600
Total non-current liabilities		248,348	201,234
Total liabilities		1,509,357	1,095,710
Equity			
Share capital	12	2,878,811	2,878,811
Reserve - Warrants	13	130,823	130,823
Reserve - Options	14	479,130	211,373
Accumulated earnings (deficit)		(2,318,542)	(1,396,822)
Total equity		1,170,222	1,824,185
Total equity and liabilities		\$ 2,679,579	\$ 2,919,895

Approved on behalf of the Board

Magaly Bianchini

Gary Alves

The accompanying notes form an integral part of these financial statements

Urban Infrastructure Group Inc. (formerly Deal Pro Capital Corporation)
Condensed Interim Consolidated Statement of Income
(All amounts are in CAD, unless otherwise stated)
(Unaudited)

	Note	Three Months Ended June 30,		Nine Months Ended June 30,	
		2025	2024	2025	2024
Revenue from rendering of services	15	\$ 1,470,577	\$ 661,984	\$ 3,875,862	\$ 4,164,756
Cost of services	16	(1,281,068)	(1,004,810)	(3,344,141)	(3,201,889)
Gross margin		189,509	(342,826)	531,721	962,867
Consulting fees		12,484	5,000	32,333	5,000
Depreciation		23,006	28,486	68,420	84,455
Equipment and other		29,752	44,983	82,966	137,866
General and administrative	17	74,625	42,929	177,294	159,703
Insurance		31,889	39,371	100,972	76,135
Licenses, due and subscription		1,987	-	2,287	300
Listing fees		-	-	-	1,694,368
Share-based payments	18	56,502	49,661	267,757	49,661
Marketing and promotion		4,644	7,136	21,147	43,496
Professional fees	18	84,880	144,558	264,092	489,870
Remuneration and benefits	18	108,260	184,501	397,879	545,172
Repairs and maintenance		-	17	-	1,465
		428,029	546,642	1,415,147	3,287,491
Operating profit (loss)		(238,520)	(889,468)	(883,426)	(2,324,624)
Other Income					
Finance expenses		(22,176)	(11,716)	(40,686)	(35,317)
Other income (loss)		(3,630)	(8,850)	2,392	3,777
		(25,806)	(20,566)	(38,294)	(31,540)
Profit (loss) before tax		(264,326)	(910,034)	(921,720)	(2,356,164)
Income tax (expense) / benefit					
Current tax		-	-	-	-
Deferred tax		-	-	-	-
Net profit (loss) and comprehensive income (loss)		\$ (264,326)	\$ (910,034)	\$ (921,720)	\$ (2,356,164)
Earnings (loss) per share					
Basic		\$ (0.00)	\$ (0.01)	\$ (0.01)	\$ (0.06)
Diluted		\$ (0.00)	\$ (0.01)	\$ (0.01)	\$ (0.06)
Weighted average number of common share outstanding					
Basic		104,512,916	104,512,916	104,512,916	36,751,724
Diluted		104,512,916	104,512,916	104,512,916	36,751,724

The accompanying notes form an integral part of these financial statements

Urban Infrastructure Group Inc. (formerly Deal Pro Capital Corporation)
Condensed Interim Consolidated Statement of Changes in Equity
(All amounts are in CAD, unless otherwise stated)
(Unaudited)

	Share Capital	Reserve Warrants	Reserve Options	Accumulated earnings/ (deficit)	Total Equity (Deficiency)
As at October 1, 2023	\$ 10	\$ -	\$ -	\$ 1,626,500	\$ 1,626,510
Shares issued - financing (Note 13 (i))	1,342,200	-	-	-	1,342,200
Cost of issuance (Note 13 (i))	(50,340)	-	-	-	(50,340)
Warrants issued from financing (Note 13(i))	(118,909)	118,909	-	-	-
Share exchange - Reversed takeover (Note 3)	1,121,988	-	-	-	1,121,988
Share issued - Finder Shares (Note 3)	595,776	-	-	-	595,776
Warrants issued - Finder warrants (Note 3)	(11,914)	11,914	-	-	-
Options granted - reversed takeover (Note 3)	-	-	90,732	-	90,732
Share-based payments	-	-	49,661	-	49,661
Loss for the period	-	-	-	(2,356,164)	(2,356,164)
Dividends paid	-	-	-	(500,000)	(500,000)
As at June 30, 2024	\$ 2,878,811	\$ 130,823	\$ 140,393	\$ (1,229,664)	\$ 1,920,363
Share-based payments	-	-	70,980	-	70,980
Profit for the period	-	-	-	(167,158)	(167,158)
As at September 30, 2024	\$ 2,878,811	\$ 130,823	\$ 211,373	\$ (1,396,822)	\$ 1,824,185
As at October 1, 2024	\$ 2,878,811	\$ 130,823	\$ 211,373	\$ (1,396,822)	\$ 1,824,185
Share-based payment	-	-	290,598	-	290,598
Reversing vested value of cancelled options	-	-	(22,841)	-	(22,841)
Loss for the period	-	-	-	(921,720)	(921,720)
As at June 30, 2025	\$ 2,878,811	\$ 130,823	\$ 479,130	\$ (2,318,542)	\$ 1,170,222

The accompanying notes form an integral part of these financial statements

Urban Infrastructure Group Inc. (formerly Deal Pro Capital Corporation)**Condensed Interim Consolidated Statement of Cash Flows***(All amounts are in CAD, unless otherwise stated)**(Unaudited)*

	Nine months ended June 30,	
	2025	2024
Profit (Loss) for the period	\$ (921,720)	\$ (1,303,915)
<i>Adjustments for:</i>		
Depreciation and amortization	68,420	55,969
Non-cash listing costs	-	1,552,153
Share-based payment	267,757	-
Gain on disposition of assets	-	(8,881)
	(585,543)	295,326
Cash flow - operating activities before working capital changes		
Changes in:		
Trade and other receivables	(111,171)	(135,666)
Holdback receivables	62,261	257,412
Prepaid expenses and sundry assets	(10,000)	-
Contract assets	69,461	(146,894)
Trade and other payables	364,989	(357,126)
Other liabilities	5,134	(105,929)
Other financial liabilities	-	44,156
Tax liabilities	(166,937)	-
	213,737	(444,047)
Net cash from operating activities	(371,806)	(148,721)
Cash flows - investing activities		
Net acquisition of property, plant, and equipment	(3,986)	85,050
Advances to related parties	(81,361)	-
Amount paid for acquisition of right of use assets	-	(81,825)
Net cash used in investing activities	(85,347)	3,225
Cash flows - financing activities		
Payment of lease liabilities	(13,309)	(28,153)
Advances from related parties	158,371	-
Issuance of shares	-	1,291,860
Repayment of borrowings	(72,876)	(21,650)
Proceeds from borrowings	138,276	-
Dividends paid	-	(500,000)
Net cash used in financing activities	210,462	742,057
Net increase in cash	(246,691)	596,561
Cash - beginning of period	671,980	951,197
Cash - end of period	\$ 425,289	\$ 1,547,758

The accompanying notes form an integral part of these financial statements

Urban Infrastructure Group Inc. (formerly Deal Pro Capital Corporation)
Notes to Condensed Interim Consolidated Financial Statements
Nine and Three Months Ended June 30, 2025 and 2024
(All amounts are in CAD, unless otherwise stated)
(Unaudited)

1 Description of Business and Nature of Operations

The accompanying consolidated Urban Infrastructure Group Inc. ("Urban", the "Company" or "UIG" and formerly Deal Pro Capital Corporation) was incorporated under the Business Corporations Act (Ontario) on June 11, 2021 ("Date of Incorporation"). The Company was classified as a Capital Pool Company as defined in Policy 2.4 of the TSX Venture Exchange (the "Exchange"). On March 18, 2024, the Company completed a reverse takeover transaction with Urban Utilities Contractors Inc. which became a wholly owned subsidiary of the Company (Note 4). Urban Utilities Contractors Inc. was incorporated on September 30, 2015 and its registered office is 106 East Drive, 2nd floor, Brampton, Ontario, L6T 1C1.

2 Basis of Preparation

a) Statement of Compliance

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34 - Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by the IASB.

The policies applied in these unaudited condensed interim consolidated financial statements are based on IFRS issued and outstanding as of August 28, 2025, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim consolidated financial statements as at and for the year ended September 30, 2024. Any subsequent changes to IFRS that are given effect in the Company's annual consolidated financial statements for the year ending September 30, 2025 could result in restatement of these unaudited condensed interim consolidated financial statements.

b) Basis of Consolidation

The Company's unaudited condensed interim consolidated financial statements include the accounts of the Company and its Subsidiary, Urban Utilities Contractors Inc.. Subsidiaries are entities controlled by the Company, where control is achieved by the Company having the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity. Subsidiaries are fully consolidated from the date on which control is obtained and are deconsolidated from the date that control ceases.

c) Basis of Measurement

These consolidated financial statements have been prepared on a going concern basis, maintains its accounts on accrual basis, except for cash flow information, and the concept of historical cost is followed except for the following:

1. Financial instruments at fair value through profit or loss are measured at fair value
2. Financial assets at fair value through other comprehensive income are measured at fair value.
3. In relation to lease prepayments, the initial fair value of the security deposit is estimated as the present value of the refundable amount, discounted using the market interest rates for similar instruments. The difference between the initial fair value and the refundable amount of the deposit is recognized as a Right of Use Asset and present value of lease liability.

d) Functional and Presentation Currency

The functional currency and presentation currency of the Company is Canadian dollars. The Company does not have any transactions in currencies other than the functional currency.

e) Use of Estimates and Judgements

The preparation of unaudited interim consolidated financial statements in conformity with IFRS requires management to make judgements, 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.

Urban Infrastructure Group Inc. (formerly Deal Pro Capital Corporation)

Notes to Condensed Interim Consolidated Financial Statements

Nine and Three Months Ended June 30, 2025 and 2024

(All amounts are in CAD, unless otherwise stated)

(Unaudited)

(i) Significant 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 of 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 option (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

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.

Share-based payments

Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors, and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates. The expected volatility assumptions for the Company's option and warrant grants are based on historical price data of the Company.

Reverse Takeover

Judgement is required when assessing the value of the consideration transferred and the net identifiable assets acquired and liabilities assumed in connection with the reverse takeover (Note 3).

(ii) Significant 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.

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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.

Pensions

The company has a pension plan for employees, and Liuna 183 Union manages the annual required contribution. Liuna is responsible for investing the funded contribution to generate returns that adequately cover employees' retirement benefits. The Company is solely responsible for the pension contributions to be made and has assessed the pension plan as a defined contribution pension plan.

3 Reverse Takeover Transaction

On March 18, 2024, Urban and Deal Pro Capital Corporation ("Deal Pro") completed their reversed takeover transaction (the "RTO"), pursuant to which Urban acquired all of the issued and outstanding common shares of Deal Pro in exchange for common shares of Urban. The transaction was completed by way of a court-approved plan of arrangement under the Business Corporations Act (Ontario) with the common shares of Urban listed on the Toronto Stock Ventures Exchange (TSXV) following the amalgamation of Deal Pro and Urban.

On closing of the RTO and pursuant to the amalgamation agreement dated March 18, 2024, the following steps were taken to take effect to the RTO:

(i) All issued and outstanding classes of common shares and stock options of Deal Pro were exchanged for post-consolidated common shares of Urban on a one-to-one basis. As a result of the exchange, the exercise price of the stock options remained unchanged and there was no incremental fair value identified in relation to the exchange. The exchange resulted in the issue of 8,207,001 common shares, 570,000 stock options with a \$0.05 exercise price, of which 154,054 expire June 25, 2031 and the remaining 415,946 expire March 18, 2025, and 250,700 stock options with a \$0.10 exercise price, of which 67,757 expire October 22, 2031 and the remaining 182,943 expire March 18, 2025.

(ii) An additional 4,357,920 post-consolidated common shares (the "Finder Shares") were issued to finders in connection with the RTO at no additional cost to the finders. Further, the Finders received 269,866 Finder Warrants, which can be exercised at a price of \$0.15, per common share, at any time until March 18, 2026, into one common share and one-half of a common share Purchase Warrant. Each full Purchase Warrant could be exercised for a common share in the Company at a price of \$0.25 for a period of two years until March 18, 2026.

Upon closing of the RTO, the shareholders of Urban held a total of 100,000,000 common shares (as 83,000,000 Class A common shares and 17,000,000 Class B common shares) of the Company, representing 82.3% of the common shares of the Company before taking effect to the subscription receipt financing. Accordingly, the acquisition of Deal Pro was considered a reverse acquisition of Deal Pro.

However, as the Corporation did not meet the definition of a business as defined by IFRS 3 Business Combinations ("IFRS 3"), it has been accounted for as a share-based payment transaction in accordance with IFRS 2. The accounting for this transaction resulted in the following:

(a) The consolidated financial statements of the combined entity are issued under the legal parent, the Corporation, but are considered a continuation of the consolidated financial statements of the legal subsidiary, Urban.

(b) As Urban is deemed to be the acquirer for accounting purposes, its assets and liabilities are included in the consolidated financial statements at their historical carrying values.

(c) Since the shares allocated to the former shareholders of the Corporation on closing of the RTO are considered within the scope of IFRS 2, and the Corporation cannot identify specifically some or all of the goods or service received in return for the allocation of the shares, the value in excess of the net identifiable assets or obligations of Deal Pro acquired on closing was expensed in the consolidated statements of loss and comprehensive loss as a listing expense.

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The fair value of the 8,207,001 common shares issued and outstanding with shareholders of the Company and the 4,357,920 Finder Shares issued on closing of the RTO was determined by reference to the fair value of the common shares issued pursuant to the subscription receipt financing completed by the Company, determined to be \$0.137 on the date of close.

At the date of acquisition on March 18, 2024, the RTO was recorded as follows:

Purchase Price Consideration	March 18, 2024
Fair value of common shares issued	\$ 1,121,988
Finder shares	595,776
Option grant	70,953
Total Consideration Issued	1,788,717
Net Identifiable Assets (Liabilities) Acquired	
Cash	35,360
Loan Receivable	65,000
Prepaid Expense	31,755
Accounts Payable and Accrued Liabilities	(164,174)
Total net identifiable assets	(32,059)
Professional Fees	201,404
Listing expenses	\$ 1,958,062

4 Trade and Other Receivables

Trade receivables as of June 30, 2025 and September 30, 2024 are stated net of allowance for doubtful receivables. Trade receivables consist of:

	June 30, 2025	September 30, 2024
Other trade receivables	\$ 1,373,475	\$ 1,271,083
Less: Allowance for doubtful receivables	-	(8,779)
	\$ 1,373,475	\$ 1,262,304

The Company maintains an allowance for doubtful receivables based on expected credit loss model. Trade receivables were subsequently realized and hence the credit loss allowance is \$Nil for the period ended June 30, 2025 (the year ended September 30, 2024 - \$8,779). During the three and nine months ended June 30, 2025, the Company recorded bad debt expense of \$Nil (June 30, 2024 - \$Nil) in the statement of income and comprehensive income.

As of June 30, 2025, the Company has recorded accounts receivable in the amount of \$1,373,475 of which \$1,179,970 (inclusive of H.S.T.) is classified as overdue. The overdue balance primarily relates to amounts invoiced to a specific customer (referred to as "Customer ABC"). The Company has been actively engaging with Customer ABC to resolve the outstanding balance; however, a dispute has arisen regarding the nature and validity of certain charges.

The dispute with Customer ABC has led to the commencement of litigation in Ontario Court, with the Company filing a statement of claim against Customer ABC on July 27, 2023. The legal proceedings are currently in the early stages, and management is diligently pursuing a resolution. As part of the litigation, the Company has successfully registered liens against developer Customer ABC and Customer ABC has fully paid all amounts owed to the Company into the Court. The ultimate outcome of the litigation is uncertain, and the Company is unable to reasonably estimate the potential financial impact on the accounts receivable balance at this time. The Company continues to recognize the full amount of the overdue accounts receivable on the statement of financial position, as it believes the collection of the outstanding balance is probable and can be reliably measured. Management is actively monitoring the situation, and any necessary adjustments will be made as more information becomes available.

As of the date of these financial statements, no provision for a contingent liability has been recognized in the financial statements. No amount has been specified by Customer ABC in their defense materials that have been filed with the Court. Further developments in the litigation and additional information obtained during the resolution process will be assessed, and any required adjustments will be recorded in the period in which they become reasonably estimable.

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5 Holdback Receivables

The following table provides information about holdback receivables from

	June 30, 2025	September 30, 2024
Retention funds from customers	\$ 310,864	\$ 373,125
	\$ 310,864	\$ 373,125

Holdback receivables represent a 10% retention of funds on ongoing contract billings with customers. The Holdback receivables are released upon completion of the project, accompanied by a certification of completion to verify full discharge of obligations. As at June 30, 2025, \$253,776 (September 30, 2024 - \$241,550) relates to Customer ABC as per Note 4 above.

6 Contract Assets

The following table provides information about contracts assets from the contract with customers:

	June 30, 2025	September 30, 2024
Unbilled receivables	\$ -	\$ 69,461
	\$ -	\$ 69,461

Contract assets represent any excess costs over progress billings. Upon the completion of delayed billings, contract assets will be replaced by accounts receivable in the Company's financial records. As at June 30, 2025, the Company recorded a credit loss allowance of \$Nil (June 30, 2024 - \$Nil).

7 Property, Plant and Equipment

	Computers	Equipment	Vehicles	Furniture and Fixtures	Total
Cost					
Balance as at September 30, 2023	\$ 14,694	\$ 128,583	\$ 314,593	\$ 89,563	\$ 547,433
Balance as at October 1, 2023	14,694	128,583	314,593	89,563	547,433
Balance as at September 30, 2024	14,694	128,583	314,593	89,563	547,433
Balance as at October 1, 2024	14,694	128,583	314,593	89,563	547,433
Additions	-	3,986	-	-	3,986
Balance as at June 30, 2025	\$ 14,694	\$ 132,569	\$ 314,593	\$ 89,563	\$ 551,419
Accumulated Depreciation					
Balance as at September 30, 2023	\$ 5,366	\$ 59,782	\$ 144,557	\$ 11,446	\$ 221,151
Balance as at October 1, 2023	5,366	59,782	144,557	11,446	221,151
Depreciation	4,664	13,761	51,010	15,623	85,058
Balance as at September 30, 2024	10,030	73,543	195,567	27,069	306,209
Balance as at October 1, 2024	10,030	73,543	195,567	27,069	306,209
Additions	1,749	8,854	26,781	9,375	46,759
Balance as at June 30, 2025	\$ 11,779	\$ 82,397	\$ 222,348	\$ 36,444	\$ 352,968
Carrying Amounts					
Balance as at September 30, 2024	\$ 4,664	\$ 55,040	\$ 119,026	\$ 62,494	\$ 241,224
Balance as at June 30, 2025	\$ 2,915	\$ 50,172	\$ 92,245	\$ 53,119	\$ 198,451

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8 Lessee

The Company leases mainly cars, equipment and real estate assets (such as office space).

Short-term leases and leases of low-value assets refer mainly to equipment (equipment used in construction) and real estate assets (office building) which are expensed off in Profit and loss account and hence vehicle (car) is capitalized as Right of use asset under IFRS 16.

The Company incurred interest expenses on lease liabilities of \$748 and \$2,527 for three and nine months ended June 30, 2025 (three and nine months ended June 30, 2024 - \$1,116 and \$2,739 respectively).

The discount rate used to determine the right-of-use asset and the lease liability for each country and leased asset is calculated based on the incremental borrowing rate at inception of the lease. The Company calculated the rate applicable to each lease contract on the basis of the lease duration.

The maturity analysis of lease liabilities, based on contractual undiscounted cash flows is shown at the end of this note.

Right of Use Assets and Lease Liabilities

The following are the changes in the carrying value of right of use assets

	Vehicles	Total
	\$ 11,545	\$ 11,545
Depreciation	(27,883)	(27,883)
Additions	94,321	94,321
Disposition	(8,182)	(8,182)
Balance as at September 30, 2024	\$ 69,801	\$ 69,801
Balance as at October 1, 2024	\$ 69,801	\$ 69,801
Depreciation	(21,662)	(21,662)
Balance as at June 30, 2025	\$ 48,139	\$ 48,139

The following is the movement in lease liabilities during the current period and previous year:

	June 30, 2025	September 30, 2024
Balance - beginning of period	\$ 45,536	\$ 9,540
Additions	-	59,786
Finance cost accrued during the period	1,779	3,757
Deletions	-	(5,681)
Payment of lease liabilities	(15,088)	(21,866)
Balance - end of Period	\$ 32,227	\$ 45,536
Current lease liabilities	\$ 19,111	\$ 17,936
Non-current lease liabilities	13,116	27,600
	\$ 32,227	\$ 45,536

The table below provides details regarding the contractual maturities of lease liabilities as of June 30, 2025 and September 30, 2024 on an undiscounted basis:

	June 30, 2025	September 30, 2024
Less than one year	\$ 19,111	\$ 17,936
One to five years	13,116	27,600
More than five years	-	-
Total	\$ 32,227	\$ 45,536

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9 Trade and Other Payables

	June 30, 2025	September 30, 2024
Trade Payables	\$ 681,562	\$ 380,156
Remuneration and benefits payable	6,927	45,384
Provincial sales tax payable	167,214	21,217
Accrued expenses	47,400	91,360
	\$ 903,103	\$ 538,117

10 Borrowings

	June 30, 2025	September 30, 2024
a) Current		
-Term Loan	\$ 51,976	\$ 50,160
-Vehicle Loan	49,462	47,476
	\$ 101,438	\$ 97,636

	June 30, 2025	September 30, 2024
b) Non-current		
-Term Loan	\$ 161,780	\$ 62,940
-Vehicle Loan	73,452	110,694
	\$ 235,232	\$ 173,634

Details of Term Loans from Banks:

Loan	Principal Amount	June 30, 2025	September 30, 2024
Term loan (BDC 1)	\$ 100,000	\$ 9,960	\$ 24,900
Term loan (BDC 2)	182,000	65,520	88,200
Term loan (BDC 3)	138,276	138,276	-
Vehicle loan (2186 loan payable - 2017 GMC Savan Cargo)	40,826	14,291	19,465
Vehicle loan (2174 loan payable - 2021 Silverado 1500)	63,620	34,332	40,423
Vehicle loan (2183 loan payable - 2020 Addison Chevrolet)	42,418	17,931	24,470
Vehicle loan (2182 loan payable - 2019 Chevrolet 2500-2)	28,254	9,066	12,205
Vehicle loan (2177 loan payable - 2019 Chevrolet Cargo-1)	30,077	9,605	12,945
Vehicle loan (2187 loan payable - 2022 Silverado 1500)	71,833	37,689	48,662
	\$ 697,304	\$ 336,670	\$ 271,270

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Loan	Issuance Date	Effective Interest		Maturity Date	Additional Features
		Rate			
Term loan (BDC 1)	10-01-2021	4.55%		10-12-2025	Monthly payment - \$1,660
Term loan (BDC 2)	15-09-2021	3.00%		15-08-2027	Monthly payment - \$2,250
Term loan (BDC 3)	28-03-2025	8.05%		28-01-2028	Payment of Interest only until Feb 28, 2026, then principal payment of \$2,567 plus interest, followed by \$2,300 of principal payments plus Interest until maturity.
Vehicle loan (2186 loan payable - 2017 GMC Savan Cargo)	01-05-2023	6.99%		31-05-2028	Monthly payment - \$1,116
Vehicle loan (2174 loan payable - 2021 Silverado 1500)	09-02-2023	1.49%		20-01-2028	Biweekly payment - \$532
Vehicle loan (2183 loan payable - 2020 Addison Chevrolet)	28-05-2021	5.69%		23-05-2027	Biweekly payment -\$310
Vehicle loan (2182 loan payable - 2019 Chevrolet 2500-2)	08-02-2021	5.99%		31-01-2028	Biweekly payment - \$286
Vehicle loan (2177 loan payable - 2019 Chevrolet Cargo-1)	23-06-2020	5.63%		20-06-2027	Biweekly payment -\$188
Vehicle loan (2187 loan payable - 2022 Silverado 1500)	23-06-2020	5.64%		20-06-2027	Biweekly payment - \$200

11 Other Liabilities

	June 30, 2025		September 30, 2024	
Union Dues	\$	64,869	\$	59,735
Total	\$	64,869	\$	59,735

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12 Share Capital

Authorized

Unlimited - Class A Common Shares with no par value

Unlimited - Class B Common Shares with no par value

		Shares		Amount
		Class A	Class B	
Balance, September 30, 2023		200	-	\$ 10
Private placement	(i)	8,947,995	-	1,342,200
Valuation of warrants	(i)	-	-	(118,909)
Cost of issuance - cash	(i)	-	-	(50,340)
Finder warrants	(i)	-	-	(11,914)
Share exchange from Urban to UIG	Note 3	83,000,000	-	-
Replacement of Urban shares to UIG	Note 3	(200)	-	(6)
Replacement of Urban shares to UIG	Note 3	-	17,000,000	6
Share exchange from Deal Pro to UIG	Note 3	8,207,001	-	1,121,988
Finder Shares	Note 3	4,357,920	-	595,776
Balance, June 30, 2024, September 30, 2024, and June 30, 2025		104,512,916	17,000,000	\$ 2,878,811

(i) On March 18, 2024, the Company completed its previously announced Concurrent financing with respect to the RTO transaction., pursuant to which it sold an aggregate of 8,947,995 units ("Unit") at a price of \$0.15 per Unit for aggregate gross proceeds of \$1,342,200. Each Unit was comprised of one Class A common Share in the Capital of Urban and One-half of one warrant, each Warrant is exercisable into one Urban Common Share, at a price of \$0.25 at any time until March 18, 2026. The warrants were valued at \$118,909 using the residual value method.

Pursuant to the concurrent financing, Urban paid three arm's length parties (collectively, the Finders") an aggregate cash commission of \$50,340 and issued to the Finders an aggregate of 269,866 non-transferable finder warrants, with each warrants exercisable into one Urban Unit ("Compensation Unit) at a price of \$0.15 per Compensation Unit, at any time until March 18, 2026. Each whole Compensation Unit warrant was to entitle the holder to purchase one Urban Common Share at \$0.25 per Common Share until March 18, 2026. The finder warrants were valued at \$11,914, using the Black-Scholes pricing model with the following assumptions: Underlying price of \$0.15, Exercise price of \$0.25, Risk free rate of 4.33%, Volatility of 59% and the expected life of two years.

13 Warrants

The following table reflects the continuity of warrants for the three and six months ended June 30, 2025 and the year ended September 30, 2014:

	Number of Warrants	Grant Date Fair Value
Balance, September 30, 2023	-	\$ -
Issued - Financing Note 12 (i)	4,473,998	118,909
Issued - Finders warrants Note 12 (i)	269,866	11,914
Balance, June 30, 2024, September 30, 2024 and June 30, 2025	4,743,864	\$ 130,823

The following table reflects the warrants issued and outstanding as of June 30, 2025 and September 30, 2024:

Expiry Date	Exercise Price (\$)	Warrants Outstanding	Valuation
March 18, 2026	\$ 0.25	4,743,864	\$ 130,823

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14 Options

The following table reflects the continuity of stock options for the three and six month period ended June 30, 2025 and the year ended September 30, 2024:

	Number of Stock Options	Weighted average Exercise Price (\$)
Balance, September 30, 2023	-	\$ -
Grant (i)	820,700	0.07
Grant (ii)	8,778,767	0.18
Balance, June 30, 2024 and September 30, 2024	9,599,467	\$ 0.17
Expired	(598,889)	0.07
Cancelled	(2,597,950)	0.09
Granted (iii)	2,810,000	0.10
Balance, June 30, 2025	9,212,628	\$ 0.099

The following table reflects the Company's stock options outstanding and exercisable as at June 30, 2025:

Weighted Averaged remaining contractual life	Options outstanding		Options exercisable		Expiry Date
	Number of Options	Weighted Average Exercise Price (\$)	Number of Options	Weighted average exercise Price (\$)	
5.99	154,054	\$ 0.07	154,054	\$ 0.07	June 25, 2031
6.32	67,757	0.07	67,757	0.07	October 22, 2031
3.92	6,180,817	0.10	-	0.10	May 30, 2029
4.91	2,810,000	0.10	-	0.09	May 27, 2030
5.06	9,212,628	\$ 0.099	221,811	\$ 0.099	

(i) From the RTO as disclosed in Note 4, Upon the Completion of the Transaction, the Resulting Issuer will have 570,000 Stock Options outstanding. The holders of the 570,000 Stock Options will be entitled to the purchase of one Resulting Issuer Share at a price of \$0.05 of which 154,054 Stock Options expire on June 25, 2031 and 415,946 Stock Options expire within 12 months from Closing. The holders of 250,700 Stock Options will be entitled to the purchase of one Resulting Issuer Share at a price of \$0.10 of which 67,757 Stock Options expire on October 22, 2031 and 182,943 Stock Options expire within 12 months from Closing. The value of these options were determined using the following parameters as per below.

(ii) On May 30, 2024, the Company awarded 7,798,767 incentive options on the Company's common shares to directors, management, employee, and other individuals in accordance with the terms of the Company's incentive Stock Option Plan. The Exercise price for the Options is C\$0.18 per share. These options will vest as to 1/2 at the date that is 18 months from the grant date and the remaining 1/2 will vest on the date that is 36 months from the grant date. The options are valid for a 5-year period from the date of grant. The Company also granted 980,000 stock options to Venture North, each exercisable at \$0.17 per share and vesting quarterly. These options are valid for a 5-year period from the date of grant. The value of these options were determined using the following parameters as per below.

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(iii) On May 27, 2025, the Company granted 2,810,000 incentive options on the Company's common shares to directors and management, in accordance with the terms of the Company's incentive Stock Option Plan. The Exercise price for the Options is C\$0.10 per share. These options will vest 50% by November 27, 2026 and 50% by May 27, 2028. The options are valid for a 5-year period from the date of grant. These options are valid for a 5-year period from the date of grant. The value of these options were determined using the following parameters as per below.

Option units	154,054	67,757	415,946
Estimated life in year	7 years	7 years	1 year
Exercise Price	0.05	0.1	0.05
Volatility	65%	65%	60%
Dividend Yield %	0%	0%	0%
Risk-free rate %	3.60%	3.60%	4.33%
Estimated Value	\$ 17,320	\$ 6,763	\$ 37,267
Option units	182,943	980,000	7,798,767
Estimated life in year	1 year	1 year	5 years
Exercise Price	0.1	0.17	0.1
Volatility	60%	57%	151%
Dividend Yield %	0%	0%	0%
Risk-free rate %	4.33%	4.31%	3.81%
Estimated Value	\$ 9,603	\$ 36,992	\$ 754,255
Option units			2,810,000
Estimated life in year			5 years
Exercise Price			0.10
Volatility			204%
Dividend Yield %			0%
Risk-free rate %			2.99%
Estimated Value			\$ 247,280

15 Revenues

	Three months ended June 30, 2025	Three months ended June 30, 2024	Nine months ended June 30, 2025	Nine months ended June 30, 2024
Rendering of Services	\$ 1,470,577	\$ 661,984	\$ 3,875,862	\$ 4,164,756
Total	\$ 1,470,577	\$ 661,984	\$ 3,875,862	\$ 4,164,756

a) Revenue concentration

For the three- and nine-month periods ended June 30, 2025, three customers each accounted for more than 10% of total revenues. Collectively, these customers represented approximately 99% and 89% of revenues for the respective periods. For the three- and nine-month periods ended June 30, 2024, three customers also individually accounted for more than 10% of total revenues, representing approximately 91% and 53% of revenues, respectively.

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16 Cost of sales

	Three months ended June 30, 2025	Three months ended June 30, 2024	Nine months ended June 30, 2025	Nine months ended June 30, 2024
Change in work in progress	\$ -	\$ 169,350	\$ 69,461	\$ 22,457
Raw materials and consumables	663,669	196,199	1,670,562	1,283,727
Direct labour	424,514	425,913	1,149,287	1,344,680
Sub-contractors	53,333	74,900	70,963	94,730
Union Dues	139,552	137,004	383,446	449,884
Equipment rental	-	1,122	422	5,527
Other	-	322	-	884
Total	\$ 1,281,068	\$ 1,004,810	\$ 3,344,141	\$ 3,201,889

17 General and administrative expenses

	Three months ended June 30, 2025	Three months ended June 30, 2024	Nine months ended June 30, 2025	Nine months ended June 30, 2024
Meals	\$ 4,210	\$ 13,218	\$ 22,587	\$ 30,489
Office and General	21,427	14,933	35,965	33,157
Rent	40,707	13,045	91,125	58,110
Telephone and internet	4,026	2,873	9,408	7,658
Travel/Training	-	6,947	7,426	24,654
Other miscellaneous	4,255	(8,088)	10,783	5,634
Total	\$ 74,625	\$ 42,929	\$ 177,294	\$ 159,703

18 Related Party Transactions

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.

Transactions with KMP	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	65,146	38,994	253,710	38,994
Consulting fees	15,833	15,000	32,333	30,000
Management fees	46,250	46,250	119,767	138,750
	\$ 219,305	\$ 183,994	\$ 662,308	\$ 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	\$ -

The loan to related party is due on demand, unsecured and with no interest.

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	\$ 158,371	\$ -

Loans from various related parties consist of:

- \$25,000 loan maturing on August 24, 2025, bearing interest at 15% per annum and the interest is payable monthly.
- \$100,000 loan maturing on August 4, 2025, bearing interest at 15% per annum and the interest is payable monthly.
- \$25,000 loan maturing on September 4, 2025, bearing interest at 15% per annum and the interest is payable monthly.

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19 Financial Instruments

Financial instruments by category

The carrying amounts and fair value of the financial instruments by each category as at June 30, 2025 and September 30, 2024 were as follows:

Financial Assets	Carrying Value		Fair Value	
	June 30, 2025	September 30, 2024	June 30, 2025	September 30, 2024
Financial Assets at Amortized Cost				
Trade receivables	\$ 1,373,475	\$ 1,262,304	\$ 1,373,475	\$ 1,262,304
Holdback receivables	310,864	373,125	310,864	458,422
Contract assets	-	69,461	-	69,461
	\$ 1,684,339	\$ 1,704,890	\$ 1,684,339	\$ 1,790,187

Financial Liabilities	Carrying Value		Fair Value	
	June 30, 2025	September 30, 2024	June 30, 2025	September 30, 2024
Financial Liabilities at Amortized Cost				
Borrowings (long-term)	\$ 235,232	\$ 173,634	\$ 235,232	\$ 173,634
Non-Current Lease Liabilities	13,116	27,600	13,116	27,600
Borrowings (Short-term)	101,438	97,636	101,438	97,636
Current Lease Liabilities	19,111	17,936	19,111	17,936
Trade Payable	903,105	538,117	903,105	538,117
	\$ 1,272,002	\$ 854,923	\$ 1,272,002	\$ 854,923

20 Segment Reporting

The Company is in the business providing construction service. Accordingly, there are no separate reportable primary segments as per IFRS 8. Secondary segmental reporting is based on geographical location is also not applicable to the Company as its transactions are only within Canada.

21 Subsequent Event

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