

Condensed Consolidated Interim Financial Statements of

Vertex Resource Group Ltd.

September 30, 2025

(Unaudited)

Notice to Reader: As required by National Instrument 51-102, Part 4, subsection 4.3(3)(a), readers are advised that the Company's independent auditors have not performed a review of these condensed consolidated interim financial statements.

Vertex Resource Group Ltd.

September 30, 2025

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Vertex Resource Group Ltd.

Condensed consolidated interim statements of financial position

(in thousands of Canadian dollars)

(unaudited)

As at	Notes	September 30, 2025	December 31, 2024
Assets			
Current assets			
Cash		2,514	11,628
Accounts receivable	3	46,741	44,473
Contract assets		542	84
Inventories		3,658	3,985
Prepaid expenses and deposits		4,285	4,597
		57,740	64,767
Property and equipment		71,922	79,163
Right of use assets		30,708	36,265
Intangible assets		4,824	5,834
Goodwill		25,674	25,674
Deferred income taxes		5,980	5,753
		196,848	217,456
Liabilities			
Current liabilities			
Bank indebtedness		4,907	9,454
Accounts payable and accrued liabilities	4	31,966	29,147
Contract liabilities		620	942
Current portion of loans and borrowings	5, 9	61,739	12,096
Current portion of lease liabilities	9	7,515	8,778
Current portion of other liabilities		-	1,000
		106,747	61,417
Loans and borrowings	5, 9	5,512	58,123
Lease liabilities	9	17,735	22,046
Convertible debenture	9	12,942	12,942
Deferred income taxes		971	2,928
		143,907	157,456
Shareholders' Equity			
Common shares		89,543	89,543
Contributed surplus		7,162	7,109
Accumulated other comprehensive loss		(341)	(26)
Deficit		(43,423)	(36,626)
		52,941	60,000
		196,848	217,456

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Vertex Resource Group Ltd.

Condensed consolidated interim statements of net (loss) income and comprehensive (loss) income

(in thousands of Canadian dollars)

(unaudited)

		Three months ended		Nine months ended	
		September 30,		September 30,	
	Notes	2025	2024	2025	2024
Gross revenue		54,047	62,405	164,709	179,295
Less flow through subcontractor costs		3,607	126	12,917	1,808
Net revenue		50,440	62,279	151,792	177,487
Direct costs ⁽¹⁾		37,658	44,713	116,068	130,054
Profit margin		12,782	17,566	35,724	47,433
General and administrative expenses		5,602	5,642	16,952	18,562
Depreciation and amortization		6,690	6,994	18,571	19,290
Finance costs	6	1,968	2,894	6,281	8,482
Impairment		-	-	2,707	-
Share-based compensation		18	59	53	178
(Loss) income before income taxes		(1,496)	1,977	(8,840)	921
Income tax (recovery) expense		(326)	464	(2,043)	216
Net (loss) income for the period		(1,170)	1,513	(6,797)	705
Other comprehensive income (loss)					
Foreign currency translation adjustment, net of tax		187	(3)	(315)	(4)
Total comprehensive (loss) income for the period, net of tax		(983)	1,510	(7,112)	701
(Loss) earnings per share					
Basic and diluted	7	(0.01)	0.02	(0.06)	0.01

(1) Direct costs do not include depreciation.

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Vertex Resource Group Ltd.

Condensed consolidated interim statements of changes in shareholders' equity

(in thousands of Canadian dollars)

(unaudited)

	<i>Notes</i>	Common shares	Contributed surplus	Accumulated other comprehensive income (loss)	Deficit	Total shareholders' equity
Balance, as at December 31, 2023		91,514	5,872	13	(30,492)	66,907
Net income for the period		-	-	-	705	705
Share-based compensation		-	178	-	-	178
Repurchase of shares		(1,971)	991	-	-	(980)
Foreign currency translation adjustment, net of tax		-	-	(4)	-	(4)
Balance, as at September 30, 2024		89,543	7,041	9	(29,787)	66,806
Balance, as at December 31, 2024		89,543	7,109	(26)	(36,626)	60,000
Net loss for the period		-	-	-	(6,797)	(6,797)
Share-based compensation		-	53	-	-	53
Foreign currency translation adjustment, net of tax		-	-	(315)	-	(315)
Balance, as at September 30, 2025		89,543	7,162	(341)	(43,423)	52,941

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Vertex Resource Group Ltd.

Condensed consolidated interim statements of cash flows

(in thousands of Canadian dollars, except per share amounts)

(unaudited)

		Three months ended		Nine months ended	
	Notes	September 30,	2024	September 30,	2024
		2025		2025	
Operating activities					
Net (loss) income for the period		(1,170)	1,513	(6,797)	705
Adjustments for:					
Depreciation and amortization		6,690	6,994	18,571	19,289
Finance costs	6	1,968	2,894	6,281	8,482
Impairment		-	-	2,707	-
Loss (gain) on disposal of property and equipment		235	(34)	227	(115)
Income tax (recovery) expense		(352)	464	(2,078)	216
Share-based compensation		18	59	53	178
		7,389	11,890	18,964	28,755
Changes in non-cash operating working capital items	9	(1,666)	(2,190)	(2,336)	1,026
Cash provided by operating activities		5,723	9,700	16,628	29,781
Investing activities					
Purchase of property and equipment		(1,858)	(1,493)	(5,279)	(10,250)
Proceeds from disposal of property and equipment		602	624	1,810	2,067
Changes in non-cash investing working capital items	9	-	172	-	(80)
Cash used in investing activities		(1,256)	(697)	(3,469)	(8,263)
Financing activities					
Proceeds from loans and borrowings	9	367	1,012	5,561	18,194
Repayments of loans and borrowings	9	(2,613)	(3,585)	(8,674)	(10,292)
Principal payments of lease liabilities	9	(2,252)	(7,335)	(8,464)	(17,416)
Interest paid		(1,353)	(2,224)	(4,458)	(6,357)
Repayments of other liabilities		(336)	(349)	(1,017)	(1,257)
Financing charges		(147)	(41)	(294)	(291)
Repurchase of common shares		-	-	-	(980)
Changes in non-cash financing working capital items	9	(495)	(230)	30	278
Cash used in financing activities		(6,829)	(12,752)	(17,316)	(18,121)
Effect of foreign currency translation on cash		(292)	(3)	(410)	(4)
(Decrease) increase in cash		(2,654)	(3,752)	(4,567)	3,393
Cash (bank indebtedness) ⁽¹⁾ , beginning of the period		261	5,135	2,174	(2,010)
Cash, end of period		(2,393)	1,383	(2,393)	1,383
Comprised of:					
Cash		2,514	1,383	2,514	1,383
Bank indebtedness		(4,907)	-	(4,907)	-
		(2,393)	1,383	(2,393)	1,383

(1) (Bank indebtedness) cash includes bank overdrafts that are repayable on demand and form an integral part of cash management.

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Vertex Resource Group Ltd.

Notes to the condensed consolidated interim financial statements

September 30, 2025

(in thousands of Canadian dollars, except per share amounts)

(unaudited)

1. Description of business

Vertex Resource Group Ltd. ("the Company") is a publicly listed company on the TSX Venture Exchange ("TSXV") trading under the symbol VTX and maintains its head office in Sherwood Park, Alberta, Canada. The Company provides environmental consulting and support services to a diverse clientele across Canada and in select locations in the United States.

2. Basis of preparation

a) Statement of compliance

The Company prepares its annual consolidated financial statements in accordance with International Financial Reporting Standards (IFRS). These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting (IAS 34).

The condensed consolidated interim financial statements were approved by the Board of Directors on November 12, 2025. These condensed consolidated interim financial statements should be read in conjunction with the Company's most recent annual financial statements as the accounting policies applied by the Company in these condensed consolidated interim financial statements are the same as those disclosed therein.

b) Significant accounting policies

These condensed consolidated interim financial statements have been prepared using the same accounting policies and methods of computation as the annual audited consolidated financial statements of the Company for the year ended December 31, 2024.

3. Accounts receivable

	September 30,	December 31,
	2025	2024
Trade accounts receivable	41,006	40,129
Accrued receivables	5,798	4,602
Other receivables	789	521
Less: allowance for expected credit losses	(852)	(779)
	46,741	44,473

4. Accounts payable and accrued liabilities

	September 30,	December 31,
	2025	2024
Trade accounts payable	24,050	21,112
Employee related accounts payable	3,125	3,083
Accrued liabilities	4,791	4,952
	31,966	29,147

Vertex Resource Group Ltd.

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5. Loans and borrowings

	September 30, 2025			December 31, 2024		
	Current	Non-current	Total	Current	Non-current	Total
Secured						
Revolving loan	31,500	-	31,500	-	29,000	29,000
Syndicate term loan	23,743	-	23,743	4,461	22,627	27,088
Equipment loans	5,248	5,512	10,760	5,245	6,393	11,638
Co-lend term loan	1,042	-	1,042	1,979	-	1,979
Working capital loan	206	-	206	411	103	514
Total borrowings	61,739	5,512	67,251	12,096	58,123	70,219

At September 30, 2025, the Company was in compliance with the terms and covenants of its lending agreements.

The maturity date of the secured syndicate facilities is the earlier of: (a) six months prior to the maturity of the Company's convertible debenture on March 7, 2027, (i.e. September 7, 2026), or (b) May 31, 2027. Given that September 7, 2026, falls within twelve months of the reporting date, the revolving loan and syndicate term loan have been presented as current liabilities.

Management is in discussion with the convertible debenture holder regarding a maturity date extension.

Principal payments

Scheduled principal payments for the co-lend term loan, subordinate working capital loan, equipment loans, revolving loan and syndicate term loan, assuming they continue until maturity, within the next five years are as follows:

Due Within	Working capital and co-lend term loans	Equipment loans	Revolving loan	Term loan	Total
One year	1,248	4,370	31,500	23,743	60,861
Two years	-	3,697	-	-	3,697
Three years	-	2,352	-	-	2,352
Four years	-	341	-	-	341
	1,248	10,760	31,500	23,743	67,251

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Notes to the condensed consolidated interim financial statements

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6. Finance costs

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2025	2024	2025	2024
Interest on loans and borrowings	1,050	1,920	3,555	5,394
Interest accretion on lease liabilities	417	607	1,369	1,883
Interest on convertible debenture	300	300	900	900
Financing and bank charges	198	51	440	247
Interest accretion on other liabilities	3	16	17	58
	1,968	2,894	6,281	8,482

7. Earnings per share

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2025	2024	2025	2024
Numerator:				
Net (loss) income for the period	(1,170)	1,513	(6,797)	705
Denominator:				
Weighted average shares outstanding - basic & diluted	112,026,890	112,026,890	112,026,890	112,636,614
(Loss) earnings per share - basic and diluted	(0.01)	0.02	(0.06)	0.01

In calculating the loss per share for the three and nine-months period ended September 30, 2025, the Company excluded 3,840,000 options and the impact of the convertible debenture fully converted to common shares of 23,076,923 (three and nine-month periods ended September 30, 2024 – 4,065,000 options, 23,076,923 convertible debenture), as the impact was anti-dilutive.

8. Related party transactions

All related party transactions are in the normal course of business and are on terms that are similar to those that would be adopted if the parties were dealing at arm's length. Related party transactions include transactions with other private companies that are controlled by a director or officer.

At September 30, 2025, lease liabilities include \$0.4 million (September 30, 2024 - \$2.9 million) of liabilities relating to facility leases with an officer of the Company. Principal payments of unsecured lease liabilities and associated interest accretion for the three-month period ended September 30, 2025 were \$0.1 million (three months ended September 30, 2024 - \$0.2 million) and for the nine-months ended September 30, 2025 were \$0.4 million (nine-months ended September 30, 2024 - \$0.7 million).

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9. Supplemental cash flow information

	Three months ended		Nine months ended	
	September 30, 2025	2024	September 30, 2025	2024
<i>Changes in non-cash working capital:</i>				
Accounts receivable	(923)	(4,285)	(2,268)	8,020
Contract assets	21	62	(458)	(853)
Inventories	244	307	327	116
Prepaid expenses and deposits	96	(60)	312	(1,218)
Accounts payable and accrued liabilities	(1,522)	1,625	103	(4,057)
Contract liabilities	(77)	103	(322)	(784)
Changes in non-cash working capital	(2,161)	(2,248)	(2,306)	1,224
<i>Changes in non-cash working capital items from:</i>				
Operating activities	(1,666)	(2,190)	(2,336)	1,026
Investing activities	-	172	-	(80)
Financing activities	(495)	(230)	30	278

The table below reconciles the movement of financial liabilities to cash flows arising from financing activities:

	Convertible debenture	Lease liabilities	Loans and borrowings
As at December 31, 2024	12,942	30,824	70,219
<i>Changes from financing cash flows:</i>			
Proceeds	-	-	5,561
Repayments	-	(8,464)	(8,674)
Interest paid	(900)	-	(3,555)
Total changes from financing cash flows:	(900)	(8,464)	(6,668)
Additions during year	-	1,521	-
Interest expense/accretion during the year	900	1,369	3,555
Amortization of deferred debt costs	-	-	145
As at September 30, 2025	12,942	25,250	67,251

10. Segmented information

The Company has two reportable segments described as Engineering and Environmental Consulting ("Environmental Consulting") and Environmental Services. The accounting policies and practices for each of the segments are the same as those described in Note 2. There are no significant inter-segment transactions. Segment capital expenditures are the total costs incurred during the year to acquire property and equipment and intangible assets.

- a) Environmental Consulting consists of a variety of services related to assisting its clients to meet internal environmental standards, environmental legislation and related environmental compliance

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requirements. These services span multiple industries including energy, mining, utilities, forestry, private development, public infrastructure, telecommunications and government. More specifically, these services include advisory services related to new capital expenditure and asset development, environmental consulting and monitoring on existing assets, emission management solutions, sub-surface engineering, facility engineering, asset retirement and land reclamation services.

- b) Environmental Services consists of a variety of services related to transportation; removal, storage and disposal of materials; and maintenance of facilities, in an environmentally safe manner. Services include fluid management and logistics, waste and recycling, industrial cleaning and maintenance, hydro-excavating, and site services for various industries including energy, telecommunications, public sector, utilities, mining and agriculture.
- c) The "Corporate" segment is comprised of intersegment eliminations and corporate costs.

	For the three month period ended September 30, 2025				
	Environmental Consulting	Environmental Services	Inter-segment Elimination	Corporate	Total
Profit (loss) before tax	2,232	(1,561)	-	(2,167)	(1,496)
Gross revenue	16,865	36,793	-	389	54,047
Inter-segment revenue	50	616	(666)	-	-
Less flow through subcontractor costs	(515)	(3,092)	-	-	(3,607)
Net revenue	16,400	34,317	(666)	389	50,440
Other items of expenses:	-	-	-	-	-
Depreciation and amortization	610	6,022	-	58	6,690
Finance costs	296	1,634	-	38	1,968
Other information					
Expenditures for additions to :					
Property and equipment	122	1,625	-	111	1,858

	For the three month period ended September 30, 2024				
	Environmental Consulting	Environmental Services	Inter-segment Elimination	Corporate	Total
Profit (loss) before tax	2,212	2,434	-	(2,602)	2,044
Gross revenue	15,133	47,269	-	3	62,405
Inter-segment revenue	261	1,751	(2,012)	-	-
Less flow through subcontractor costs	(126)	-	-	-	(126)
Net revenue	15,268	49,020	(2,012)	3	62,279
Other items of expenses:	-	-	-	-	-
Depreciation and amortization	428	6,499	-	67	6,994
Finance costs	121	1,882	-	891	2,894
Other information					
Expenditures for additions to :					
Property and equipment	3	1,698	-	66	1,767

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(in thousands of Canadian dollars, except per share amounts)

(unaudited)

For the nine month period ended September 30, 2025					
	Environmental Consulting	Environmental Services	Inter-segment Elimination	Corporate	Total
Profit (loss) before tax	4,363	(4,982)	-	(8,221)	(8,840)
Gross revenue	46,812	116,961	-	936	164,709
Inter-segment revenue	212	2,278	(2,490)	-	-
Less flow through subcontractor costs	(1,377)	(11,540)	-	-	(12,917)
Net revenue	45,647	107,699	(2,490)	936	151,792
Other items of expenses:					
Depreciation and amortization	1,835	16,562	-	174	18,571
Impairment	-	2,707	-	-	2,707
Finance costs	856	3,597	-	1,828	6,281
Other information					
Expenditures for additions to :					
Property and equipment	210	4,690	-	379	5,279

For the nine month period ended September 30, 2024					
	Environmental Consulting	Environmental Services	Inter-segment Elimination	Corporate	Total
Profit (loss) before tax	3,778	6,099	-	(8,956)	921
Gross revenue	44,378	134,684	-	233	179,295
Inter-segment revenue	626	3,208	(3,834)	-	-
Less flow through subcontractor costs	(1,808)	-	-	-	(1,808)
Net revenue	43,196	137,892	(3,834)	233	177,487
Other items of expenses:					
Depreciation and amortization	1,529	17,574	-	187	19,290
Finance costs	303	4,697	-	3,482	8,482
Other information					
Expenditures for additions to :					
Property and equipment	112	9,892	-	246	10,250

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As at September 30, 2025	Environmental Consulting	Environmental Services	Corporate	Total
Goodwill and intangible assets	20,827	9,671	-	30,498
Total assets	53,980	137,897	4,971	196,848
Total liabilities	11,961	64,416	67,530	143,907
As at December 31, 2024				
Goodwill and intangible assets	20,892	10,616	-	31,508
Total assets	57,340	145,812	14,304	217,456
Total liabilities	15,723	68,744	72,989	157,456

Gross Revenue	For the three month period ended September 30, 2025	For the nine month period ended September 30, 2025	For the three month period ended September 30, 2024	For the nine month period ended September 30, 2024
Canada	48,543	149,503	58,808	165,293
United States	5,504	15,206	3,497	14,002
	54,047	164,709	62,305	179,295

Non-current assets	September 30 2025	As at December 2024
Canada	129,490	141,475
United States	9,618	11,214
	139,108	152,689