FAB-FORM INDUSTRIES

SECOND QUARTER MD&A 2024/25

FAB-FORM KEY MILESTONES

1986

Fastfoot®

Developed the fabric based Fastfoot footing form, which replaced bulky dimensional lumber with lightweight polyethylene. **Fastfoot Trademarked in January 2024**

1999

Fast-Pad

Developed the fabric-based Fast-Pad, which was used to seismically upgrade schools and homes damaged after the 1989 Loma Prieta earthquake in California.

2002

Fast-Tube®

Introduced the fabric-based Fast-Tube, the world's first column form manufactured entirely of lightweight polyethylene fabric. Placing 100' of column form behind the contractor's seat was revolutionary.

2010

Zont Bracing

Fab-Form introduced the Zont bracing system (Patent [9,045,912] for insulated concrete forms. Traditional ICF braces are heavy and cumbersome - the Zont brace weighs and costs about 10% of conventional systems.

2011

Monopour System

Fab-Form introduced the ICF Monopour System (Patent [8,286,398]. This made ICFs far more economic, as a single concrete pour greatly reduces costs and time onsite.

2017

ZAT Bracket

Introduced new ZAT catwalk bracket; an accessory to the Zont bracing system, which simplifies the construction of the walkway for foundations.

2021

Fab-Slab

Fab-Form is developing the Fab-Slab System for insulated structural slabs. Initial design work is 50% completed. . **The project is on hold until the completion of the Fast-Tube 3.0.**

2022

Level-R® & Monopour HD

Development begins on new Level-R and Monopour HD. Upgrades to the Fast Yoke product that was developed in the 1990s. Upgraded design allows for drill adjustment and thread protection from concrete. **Patent Application published on 18 Jan 2024. Initial batch order placed on 18 October 2024**

2023

Fast-Tube® 2.0

Production of Fast-Tube 2.0 using fabric from Hagihara in Japan was started in early October. Production and initial testing at the sites are successful.
Fast-Tube Trademarked in January 2024

Fast-Tube online store

Successfully launched online store for Fast-Tube, first online order received on March 8th 2024. Store will be expanded to all products later this year

Fast-Tube® 3.0

In progress - Innovative new fabric design will lead to significant reduction in manufacturing costs. Other benefits to end user to be announced.

2024

New Product **SPACE-R®**

The SPACE-R addresses three challenges in creating reinforced concrete columns. Firstly, it replaces the traditional horizontal steel stirrup with a lightweight fiberglass component, significantly reducing shipping costs and eliminating corrosion issues. Secondly, it utilizes polypropylene clips to connect vertical rebar to the horizontal stirrup, reducing onsite labor and eliminating human error. Thirdly, it features polypropylene fins on the outside to ensure the reinforcement is correctly positioned within the column, a task typically accomplished with rebar wheels in the industry. (Patent pending)

New Product **KLiP**

The KLiP will correct the alignment of Fast-Tube, eliminating column wrinkling and ensuring consistent concrete coverage around reinforcement. This component will assist the global adoption of Fast-Tube by improving its ease of use and reliability. (Patent pending)

2025

Tradeshow completed on 21-23 Jan 2025 (Refer page 14)

Management Discussion and Analysis
For the quarter ended 31 December 2024
(In Canadian Dollars rounded to nearest dollar)

Fab-Form Industries Ltd. ("Fab-Form" or the "Company") is a leading enviromentally conscious concrete formwork manufacturer located in Vancouver, BC Canada. Since its inception in 1986, the Company has invented, developed, and commercialized foundation products that are more sustainable for the building industry.

This management discussion and analysis ("MD&A") covers the operations of Fab-Form Industries Ltd. for the quarter ended December 31, 2024. The financial statements for the quarter ended 31 December 2024 together with this MD&A are intended to provide investors with a reasonable basis for assessing the financial performance of the Company. The interim financial statements and the accompanying notes should be read in conjunction with the annual financial statements and the accompanying notes contained in our audited financial statement for the year ended 30 June 2024.

The interim financial statements and the accompanying notes have been prepared on the same basis as the annual financial statements and, in the opinion of management, reflect all adjustments, which include only normal recurring adjustments, necessary for a fair statement of the results of operations for the periods presented. The results of operations for any interim period are not necessarily indicative of the results to be expected for the full year or for any other future years or interim periods.

HIGHLIGHTS: QUARTER ENDED 31 DECEMBER 2024

Profitability	Revenue for the quarter ending December 31, 2024, was $1,030,927, a 1.01% increase over the same period the year before. Gross Profit: $344,734; this is a 0.40% rise over 2023. Operating income increased by 7.11% from 2023 to $157,281. Net Profit: $117,393, up 9.33% from the quarter that concluded on December 31, 2024.	Favorable weather conditions in December permitted the sites to continue the construction activities leading to an increase in demand for Insulated Concrete Forms ("ICF"), which is expected to be reduced in January and February. However, the housing market is still under pressure despite multiple interest rates cut in 2024. The demand for Fast-Tube continues to increase, and several requests have been received for private labeling.
Operations	Human resources were expanded focusing future growth expectations. Marketing efforts were extended by scheduling monthly seminars and the annual trade shows. New Fast-Tube automated cutting machine was completed and scheduled to commenced operations in January 2025. A Fast-Tube printer focusing private labeling in progress.	Sales and marketing, admin and finance and research and development departments were expanded focusing future growth. Total number of employees increase to 13 from 9 employees as of 30 June, 2024, a 44% increase. The automated Fast-Tube cutting machine was commissioned at the end of January 2025, eliminating the manual cutting process and enhancing productivity. Once the printer is installed, the machine will be fully ready for private labeling.

(In Canadian Dollars rounded to nearest dollar)

HIGHLIGHTS: QUARTER ENDED 31 DECEMBER 2024

Liquidity

The total amount of cash generated from operating activities for the six months ending December 31, 2024, was $388,903. At the end of December 31, 2024, total liquid funds climbed from $1,547,112 to $1,733,822 over six months ended 31 December 2024

With 65.8% of total assets held in cash, cash equivalents, and short-term investments, the company's cash flow position remains solid. Excess cash is consistently directed toward interest-bearing investments.

The Company is committed to improving the usability and quality of all products. Ongoing research and development of new products is a very high priority.

SELECTED ANNUAL INFORMATION

The following table presents selected financial information for each of the most recent four financiall years

	30 June 2024 $	30 June 2023 $	30 June 2022 $	30 June 2021 $
Revenue	4,681,956	5,710,975	5,434,743	3,448,075
Net earnings	771,875	1,086,547	1,097,411	412,794
Basic and diluted earning per common share	0.084	0.122	0.121	0.047
Total assets	6,057,534	5,204,367	4,434,162	3,292,127
Long-term debt	-	-	-	-
Dividend	-	-	-	-

SELECTED QUARTERLY INFORMATION

The following table presents selected financial information for each of the most recent eight quarters:

For the periods ending	31-Dec-24 $	30-Sep-24 $	30-Jun-24 $	31-Mar-24 $
Revenue	1,030,927	1,433,820	1,372,664	748,002
Net earnings	111,393	278,836	222,348	85,157
Basic and diluted earning per common share	0.0128	0.03	0.024	0.009
Total assets	6,488,912	6,388,251	6,057,534	5,848,486
Long-term debt	-	-	-	-
Dividend	-	-	-	-

For the periods ending	31 Dec-23 $	30-Sep-23 $	30-Jun-23 $	31-Mar-23 $
Revenue	1,020,614	1,540,676	1,883,990	707,075
Net earnings	107,372	356,998	370,672	111,922
Basic and diluted earning per common share	0.0117	0.039	0.04	0.012
Total assets	5,671,498	5,727,761	5,204,367	4,847,278
Long-term debt	-	-	-	-
Dividend	-	-	-	-

We look forward to working with all the stakeholders to reach our growth objectives. We continue to thank all our shareholders, employees for their trust in our Company and products.

Sincerely

Sgd

Joseph Fearn

President and CEO
28 February 2025

Sgd

Vishwanath Kumar

Chief Financial Officer
28 February 2025

This MD&A of the interim financial results of the Company should be read in conjunction with the interim financial statements for the quarter ended 31 December 2024 and the audited financial statements for the year ended 30 June 2024 and accompanying notes. The results reported herein have been prepared in accordance with IFRS Accounting Standards and are presented in Canadian dollars unless otherwise stated. MD&A has been prepared with reference to National Instrument ("NI") 51-102 Continuous Disclosure Obligations of the Canadian Securities Administrators. The following information prepared as at 26 February 2025. Additional information relating to the Company can be found on the Sedarplus (System for Electronic Document Analysis and Retrieval) website at www.sedarplus.ca.

FORWARD-LOOKING STATEMENTS

Some statements contained in this MD&A constitute "forward-looking statements" as is defined in applicable securities laws. These statements include, without limitation, the success of developing, manufacturing, and distributing new products and other similar statements concerning anticipated future events, conditions, or results that are not historical in nature, and reflect management's current estimates, beliefs, intentions, and expectations. These statements are not guaranteeing of future performance. The Company cautions that all forward-looking information is inherently uncertain, and that actual performance may be affected by several material factors, many of which are beyond the Company's control. Such factors include, among others, risks and uncertainties relating to product development; the ability of the Company to obtain additional financing; the Company's limited operating history; the need to comply with environmental and governmental regulations; potential defects in product performance; fluctuations in currency exchange rates; fluctuating prices of commodities; operating hazards and risks; competition; the uncertainty of capturing market share and other risks and uncertainties. Accordingly, actual future events, conditions, and results may differ materially from the estimates, beliefs, intentions, and expectations expressed or implied in the forward-looking information. These statements are made as of the Report Date and, except as required by law, the Company is under no obligation to update or alter any forward-looking information.

COMPANY DESCRIPTION

Fab-Form is a public company domiciled in Canada and incorporated under the Company Act of British Columbia. The address of the Company's head office is Unit 19, 1610 Derwent Way, Delta BC V3M 6W1. The Company develops, manufactures, and distributes proprietary technology to form concrete footings, columns, foundations, and walls for building structures. The Company also exclusively distributes Helix® micro rebar into the BC market and Nudura® insulating concrete form into BC and Washington. The Company has traded on the TSX Venture Exchange ("TSXV" under the symbol FBF) since 1999.

MD&A is presented in Canadian dollars, the Company's functional currency (rounded to nearest dollar).

(In Canadian Dollars rounded to nearest dollar)

OPERATING RESULTS

	Quarter Ended 31 December				Year-to-date Ended 31 December			
	31-Dec-24	**31-Dec-23**	**Change**	**%**	**31-Dec-24**	**31-Dec-23**	**Change**	**%**
	$	**$**	**$**		**$**	**$**	**$**	
Revenue	1,030,927	1,020,614	10,313	1.01	2,464,747	2,561,290	(96,543)	(3.77)
Cost of sales	(686,193)	(677,243)	(8,950)	1.32	(1,590,668)	(1,620,845)	30,177	(1.86)
Gross profit	344,734	343,371	1,363	0.40	874,079	940,445	(66,366)	(7.06)
Expenses								
General and administration	(192,190)	(156,644)	(35,546)	22.69	(358,582)	(288,421)	(70,161)	24.33
Selling and marketing	(70,324)	(46,865)	(23,459)	50.06	(117,071)	(94,763)	(22,308)	23.54
Total expenses	(262,514)	(203,509)	(59,005)	28.99	(475,653)	(383,184)	(92,469)	24.13
Earnings from operations	82,220	139,862	(57,642)	(41.21)	398,426	557,261	(158,835)	(28.50)
Finance cost	(1,367)	(2,087)	720	(34.50)	(2,916)	(4,350)	1,434	(32.97)
Other income	76,428	9,066	67,362	743.02	118,939	77,698	41,241	53.08
Earnings before income taxes	157,281	146,841	10,440	7.11	514,449	630,609	(116,160)	(18.42)
Income taxes	(39,888)	(39,469)	(419)	1.06	(118,233)	(166,239)	48,006	(28.88)
Net earnings for the period/year ended and total comprehensive income	**117,393**	**107,372**	**10,021**	**9.33**	**396,216**	**464,370**	**(68,154)**	**(14.68)**

The company experienced a 3.77% decline in year-to-date revenue, primarily due to weaker housing demand and declining economic conditions. Cost of sales fell 1.86%, leading to a gross profit drop of 7.06%.

Operating expenses increased significantly, with general and administrative expenses rising by 24.33%, driven by higher IT-related costs and professional fees. These increases are an investment in future growth when the housing market improves. Selling and marketing expenses increased by 23.54%, reflecting the company’s continued investment in marketing, distribution and sales. Total expenses rose by 24.13%, leading to a 28.50% decline in earnings from operations.

Other income increased by 53.08%, primarily due to the placement of funds into short-term investments as well as gains in foreign exchange. This increase in non-operating income helped offset some of the losses from declining operational earnings.

Earnings before income taxes declined by 19.30%, leading to an income tax decline of 28.88%. Net earnings for first two quarters was $396,216, down 14.68% from the same periods in 2023.

In summary, while the company faced negative market conditions, it continued to invest in new products and the marketing, distribution and sales channels for those products.

(In Canadian Dollars rounded to nearest dollar)

1. Product performance

	Quarter Ended 31 December				Year-to-date Ended 31 December			
	31-Dec-24	31-Dec-23	Change	%	31-Dec-24	31-Dec-23	Change	%
Bracing	190,108	236,951	(46,843)	(19.77)	506,252	642,177	(135,925)	(21.17)
Fastfoot	122,791	67,823	54,968	81.05	300,282	246,367	53,915	21.88
Fast-Pad	1,100	2,636	(1,536)	(58.27)	5,634	4,400	1,234	28.05
Fast-Tube	27,455	703	26,752	3,805.41	53,470	1,140	52,330	4,590.35
Helix	35,720	45,195	(9,475)	(20.96)	91,673	99,050	(7,377)	(7.45)
ICF accessories	67,054	40,484	26,570	65.63	124,471	109,520	14,951	13.65
Monopour	22,832	33,326	(10,494)	(31.49)	72,408	89,497	(17,089)	(19.09)
Nudura ICF	539,237	561,675	(22,438)	(3.99)	1,248,899	1,293,070	(44,171)	(3.42)
Rentals	23,439	30,571	(7,132)	(23.33)	57,706	68,641	(10,935)	(15.93)
Used bracing & accessories	1,191	1,250	(59)	(4.72)	3,952	7,428	(3,476)	(46.80)
	1,030,927	1,020,614	10,313	1.01	2,464,747	2,561,290	(96,543)	(3.77)

Product sales declined by 3.77% year-to-date, with a **very strong growth in Fast-Tube** (+4,590.35%), Fastfoot® (+21.88%), and ICF accessories (+13.65%), showing increased market adoption. Bracing (-21.17%), Monopour (-19.09%), and Rentals (-15.93%) all saw declines.

2. Analysis of cost of sales

	Quarter Ended 31 December				Year-to-date Ended 31 December			
	31-Dec-24	31-Dec-23	Change	%	31-Dec-24	31-Dec-23	Change	%
Total direct product COGS	655,821	655,521	300	0.05	1,535,776	1,579,157	(43,381)	(2.75)
Indirect product COGS								
Waste disposal	354	394	(40)	(10.15)	821	889	(68)	(7.65)
Packing materials	2,169	180	1,989	1,105.00	2,397	539	1,858	344.71
Depreciation production equipment and tools	788	846	(58)	(6.86)	1,548	1,566	(18)	(1.15)
Warehouse lease rental	11,844	10,413	1,431	13.74	23,652	21,229	2,423	11.41
Variable overhead	15,217	9,889	5,328	53.88	26,474	17,465	9,009	51.58
Total indirect product COGS	30,372	21,722	8,650	39.82	54,892	41,688	13,204	31.67
Total Cost of sales	686,193	677,243	8,950	1.32	1,590,668	1,620,845	(30,177)	(1.86)

Total cost of sales declined by 1.86% year-to-date, slightly less than the sales reduction of 3.77%. This was due primarily to a 2.75% reduction in direct product COGS. There was a 31.67% increase in indirect product COGS due to: packing materials (+344.71%), warehouse lease rental (+11.41%), and variable overheads (+51.58%).

(In Canadian Dollars rounded to nearest dollar)

3. Analysis of General and Administration Expenses

	Quarter Ended 31 December				Year-to-date Ended 31 December			
	31-Dec-24	31-Dec-23	Change	%	31-Dec-24	31-Dec-23	Change	%
Amortization & Depreciation	2,403	7,438	(5,035)	(67.69)	4,274	8,827	(4,553)	(51.58)
Research and development expenses	1,779	-	1,779	100.00	4,691	690	4,001	579.86
Office rental and occupancy costs	7,264	6,168	1,096	17.77	14,420	11,293	3,127	27.69
Patent & TM maintenance fees	945	3,220	(2,275)	(70.65)	1,491	4,636	(3,145)	(67.84)
Professional Fees	39,158	25,500	13,658	53.56	55,616	25,500	30,116	118.10
Pubco expenses	16,363	18,254	(1,891)	(10.36)	24,027	28,461	(4,434)	(15.58)
General expenses	6,849	8,864	(2,015)	(22.73)	15,820	17,730	(1,910)	(10.77)
Wages and benefits	89,924	68,297	21,627	31.67	179,482	151,626	27,856	18.37
Telecommunications & computers	21,129	7,721	13,408	173.66	37,654	14,563	23,091	158.56
Credit Card Processing fees	10,012	9,766	246	2.52	24,115	24,577	(462)	(1.88)
Provision / (reversal) of expected credit losses	(3,636)	1,416	(5,052)	(356.78)	(3,008)	518	(3,526)	(680.69)
Total General & Administrative Expenses	192,190	156,644	35,546	22.69	358,582	288,421	70,161	24.33

General and administrative expenses increased by 24.33% year-to-date, driven primarily by higher professional fees (+118.10%), depreciation (+51.58%), and Telecommunication IT related expenses (+158.56%). This increase was partially offset by a 680.69% decline in expected credit loss provisions and a 67.84% reduction in patent & trademark maintenance fees.

4. Analysis of Selling and Marketing Expenses

	Quarter Ended 31 December				Year-to-date Ended 31 December			
	31-Dec-24	31-Dec-23	Change	%	31-Dec-24	31-Dec-23	Change	%
Bracing	9,011	12,113	(3,102)	(25.61)	18,227	24,727	(6,500)	(26.29)
Fastfoot	7,121	4,418	2,703	61.18	12,307	14,423	(2,116)	(14.67)
Fast-Pad	1,915	-	1,915	100.00	3,830	-	3,830	0.00
Fast-Tube	5,854	9,395	(3,541)	(37.69)	14,915	11,371	3,544	31.17
Helix	-	226	(226)	(100.00)	-	234	(234)	(100.00)
Monopour	3,726	3,753	(27)	(0.72)	5,022	6,797	(1,775)	(26.11)
Nudura	42,697	16,958	25,739	151.78	62,770	37,209	25,561	68.70
Total selling & marketing	70,324	46,863	23,461	50.06	117,071	94,761	22,310	23.54

Total selling and marketing expenses increased by 23.54% year-to-date, primarily driven by higher spending on Nudura (+68.70%) and Fast-Tube (+31.17%). Meanwhile, Bracing (-26.29%), Monopour (-26.11%), and Fastfoot (-14.67%) declined, reflecting a shift in marketing focus.

5. Liquidity, Cash Flow Position and Going Concern

For the quarter ended December 31, 2024, cash generated from operating activities was $55,509, leading to a cash and cash equivalents balance of $1,733,822 at the end of the period. The decrease in net cash generated compared to the previous quarter was primarily driven by higher working capital outflows, including a $25,444 decrease in trade and other payables and a $46,156 increase in trade and other receivables, reflecting timing differences in collections and payments.

Investing activities resulted in a net cash outflow of $28,325, largely due to the purchase of property and equipment ($41,456), deferred development costs ($26,928), and intangible asset investments ($13,299). These were partially offset by short-term investments of $53,358, ensuring funds remained accessible while generating returns.

Financing activities used $30,609 in cash, entirely for lease payments, while the company remains debt-free apart from lease liabilities, demonstrating strong liquidity and flexibility. With a solid cash position and strategic investments in assets and development, the company is well-positioned for continued financial stability and growth.

6. Critical accounting estimates and judgments

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income or loss in the year of the change if the change affects that year only, or in the year of the change and future years if the change affects both.

7. Off-Balance sheet arrangements

The Company has not engaged in any off-balance sheet arrangements, such as obligations under guaranteed contracts, a retained or contingent interest in assets transferred to an unconsolidated entity, any obligation under derivative instruments, or any obligation under a material variable interest in an unconsolidated entity that provides financing, liquidity, market risk or credit risk support to the Company or engages in leasing or hedging services with the Company.

8. Events subsequent to 31 December 2024

None

(In Canadian Dollars rounded to nearest dollar)

9. Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Key management personnel include the directors, chief executive officer ("CEO") and chief financial officer ("CFO"), who have the authority and responsibility for planning, directing and controlling the activities of the Company.

These amounts of key management compensation are included in the amounts shown in profit or loss for the following period/years.

	Quarter ended 31 December 2024	Quarter ended 31 December 2023	Year ended 30-June 2024
	$	$	$
Key management compensation			
Management remuneration	85,641	78,282	315,585
Directors' fees	5,000	6,000	24,000
Related party transactions			
Shape Energy Inc. – Consultancy Fees	428	-	-

10. Risk Management

Management of Capital

The Company considers its capital to consist of all components of its shareholders' equity of $5,750,479 (31 December 2023: $5,046,758, 30 June 2024: $5,354,263).

The Company's objectives for managing capital are to safeguard its ability to continue as a going concern to pursue the design, development and marketing of new products to service the concrete forming industry. There were no changes in the Company's approach to capital management during the quarter ended 31 December 2024 and the Company does not have any externally imposed capital restrictions.

The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The levels of the fair value hierarchy are defined as follows:

(In Canadian Dollars rounded to nearest dollar)

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, relying on the entity's own assumptions about market participant pricing.

The following table sets forth the Company's financial asset measured at fair value by level within the fair value hierarchy:

31-Dec-24	**Level 1**	**Level 2**	**Level 3**	**Total**
Cash & cash equivalent	$1,733,822	-	-	$1,733,822
Short-term investments	$2,537,624	-	-	$2,537,624
	$4,299,032			**$4,299,032**

31-Dec-23	**Level 1**	**Level 2**	**Level 3**	**Total**
Cash & cash equivalent	$2,247,178	-	-	$2,247,178
Short-term investments	$1,509,705	-	-	$1,509,705
	$3,756,883			**$3,756,883**

30-Jun-24	**Level 1**	**Level 2**	**Level 3**	**Total**
Cash & cash equivalent	$1,547,112	-	-	$1,547,112
Short-term investments	$2,557,517	-	-	$2,557,517
	$4,104,629			**$4,104,629**

There were no changes to the Company's risk exposures during the quarter ended 31 December 2024. The Company has exposure to the following risks from its use of financial instruments:

a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company manages its credit risk on by holding cash and cash equivalent and short-term deposits in high credit quality banking institutions in Canada. The Company also has credit risk because of its trade receivables and supplier rebates. Trade receivables and supplier rebates consists of many customers, spread across diverse industries. The concentration of credit risk is limited due to the fact that the customer base is large and unrelated. As such, the Company does not anticipate any significant credit losses.

(In Canadian Dollars rounded to nearest dollar)

b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company achieves this by maintaining sufficient cash. As at 31 December 2024, the Company had cash and cash equivalents of $1,733,822 (31 December 2024: $ 2,247,178) The Company's financial liabilities, based on contractual undiscounted payments at 31 December 2024, were 628,393 (31 December 2023: $557,524, 30 June 2024 : $603,291). Management believes that future cash flows from operations will be adequate to support the financial liabilities. Trade payables are non-interest bearing and are normally settled on 30 day term.

c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on capital.

i) *Currency risk* – Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to USD, and if the USD exchange rate had fluctuated by 10% the net earnings would have had an impact of $35,189 (31 December 2024 : $152,868, 30 June 2024: $93,406). The management has taken necessary steps to minimize the effect from subsequent valuation by reducing the overall exposure to USD.

ii) *Interest rate risk* – The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any short- or long-term borrowings or deposits that are directly exposed to interest rate risk.

iii) *Other price risk* – The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market. The Company is not exposed to significant other price risk.

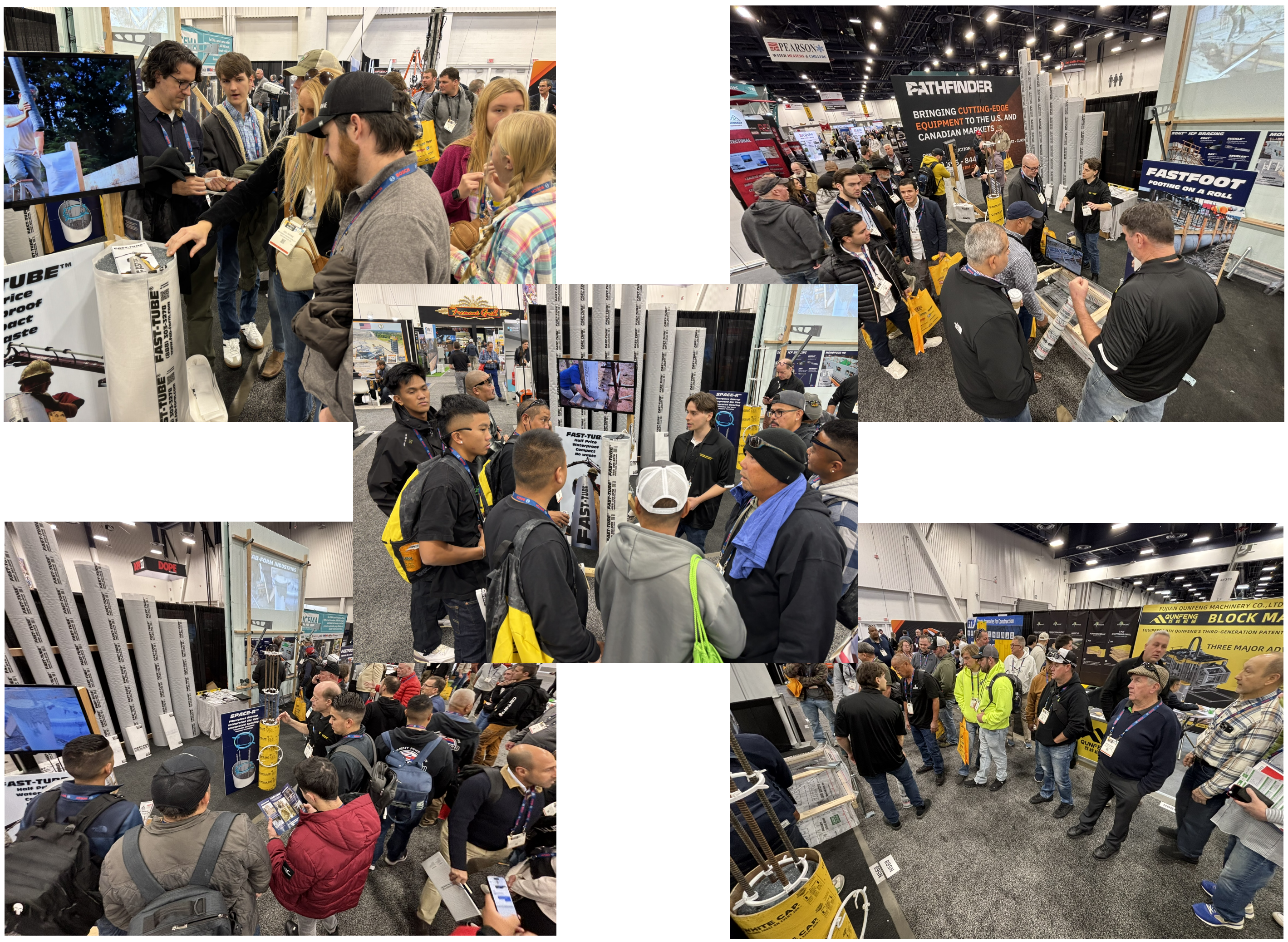
11. Outstanding share data

The Company had the following securities issued and outstanding:

	31-Dec-24	30-Sep-24	30-Jun-24	30-Jun-23	30-Jun-22	30-Jun-21
Common shares	9,174,507	9,174,507	9,174,507	9,174,507	9,084,036	8,822,055
Fully and diluted shares	9,174,507	9,174,507	9,174,507	9,174,507	9,084,036	8,822,055

12. New Products Update

From January 21st to 23rd, 2025, Fab-From participated in World of Concrete Las Vegas, showcasing a selection of new products poised to dominate the market within the next 12-24 months. The event generated over 500 leads, with multiple visits from interested stakeholders. It was the most successful show in the past 25 years. The booth featured Fast-Tube (including KLiP), SPACE-R, Monopour HD, and Level-R.



FAB-FORM INDUSTRIES LTD.

Management Discussion and Analysis
For the quarter ended 31 December 2024
(In Canadian Dollars rounded to nearest dollar)

Additional financial information on the Company can be found on SEDAR at www.sedarplus.com.

Approved: *"Board of Directors"*

28 February 2025

FAB-FORM INDUSTRIES LTD., headquartered in Delta BC, is a manufacturer and distributor of green and cost-effective concrete forming products for the building industry. Its common shares trade on the Toronto Venture Exchange under the symbol "FBF".

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Shareholders and interested investors should visit:
www.fab-form.com/investor/overview.php
www.vancouvericf.com
www.steelfiberswest.com