

Fab-Form Announces \$500,000 Private Placement

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DELTA, BC - 31st October 2017 (NEWSFILE WIRE)

Fab-Form Industries Ltd. ("Fab-Form" or the "Company") (TSX-V: FBF) is pleased to announce its intention to complete a non-brokered private placement of up to 1,000,000 units of the Company (the "Units") at a subscription price of \$0.50 per Unit for aggregate gross proceeds of up to \$500,000 (the "Private Placement"). Each Unit will consist of one common share of the Company (each, a "Common Share").

All securities issued will be subject to a hold period that expires four months and a day from the closing date in accordance with the rules and policies of the TSX Venture Exchange (the "TSXV") and applicable Canadian securities laws.

The net proceeds of the Private Placement will be used for the following:

- **ZAT Bracket:** This patent pending bracket provides a rapid and cost-effective walkway for all ICF structures. Proceeds will be used for product development, OSHA testing and market development.
- **Monopour Prefab:** This patented system allows the foundation and footing to be pre-manufactured and delivered onsite for greater accuracy and cost effectiveness over site built foundations. Proceeds will be used to rationalize the production process as well as develop systems and documentation necessary to franchise Monopour Prefab to truss manufacturers across North America.
- **Fast-Tube Clear:** This product is used to form concrete columns using fabric. Fast-Tube folds flat and takes up only 1% of the



FAB-FORM
Financial Statements
3rd Quarter 2017

REPORT TO OUR SHAREHOLDERS

The cover shows an image of our recent announcement on the 31st October of a private placement of \$500,000 or 1,000,000 common shares. This announcement is exciting for us as it is the first time in nine years that we have gone to the public market for funding. Our website is undergoing a revision to show our customers and potential investors that we a public company with excellent potential and opportunity for growth and profitability. Indeed we are the only public company that allows investors to participate in this sector of the green construction market.

As always, thank you Board Members, Shareholders and progressive Dealers and Contractors for your continued support and commitment.

The Company's independent auditors have neither reviewed nor audited these Consolidated Financial Statements.

Sincerely



Richard Fearn

President and CEO

20 November 2017



Herb Bentz

Chief Financial Officer

20 November 2017

FAB-FORM INDUSTRIES LTD.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

Unaudited

	Notes	30 Sep 2017	31 Dec 2016
ASSETS			
Current			
Cash	\$	226,114	\$ 176,852
Accounts receivable		239,445	128,582
Prepaid expenses and advances		38,176	28,780
Inventory		342,494	299,353
Total current assets		846,229	633,567
Property and equipment		50,440	55,603
Deferred development		2,351	2,766
Patents		4,427	4,197
		57,218	62,566
	\$	903,447	\$ 696,133
LIABILITIES			
Current			
Accounts payable and accrued liabilities	\$	165,527	\$ 201,183
Accounts payable – related		134,518	148,266
Current portion of long-term debt		460	4,817
Total current liabilities		295,505	354,266
SHAREHOLDERS' EQUITY			
Share capital		769,520	769,520
Deficit		(161,579)	(427,653)
		607,941	341,867
	\$	903,447	\$ 696,133

Approved and authorized by the Board 30 November 2017

"Richard Fearn"

_____, Director

"Herb Bentz"

_____, Director

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

FAB-FORM INDUSTRIES LTD.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

Third Quarter 2017 and 2016, unaudited

	Notes	3 rd Quarter		Three quarters	
		2017	2016	2017	2016
Sales	3	\$ 650,546	\$ 528,475	\$ 1,792,696	\$ 1,365,059
Cost of sales	4	426,270	372,477	1,260,485	986,438
Gross profit		\$ 224,276	\$ 155,998	\$ 532,211	\$ 378,621
(Percent Gross Profit)		34.5%	29.5%	29.7%	27.7%
Administrative & selling expenses					
General and administrative expenses	5	36,788	32,551	101,100	95,654
Selling and marketing expenses	6	36,099	5,836	107,676	75,435
Interest expense		5,022	35,799	13,540	15,656
Wages and benefits		19,911	2,518	38,090	6,812
		97,820	76,704	260,406	193,557
Net ordinary income		\$ 126,456	\$ 79,294	\$ 271,805	\$ 185,064
Other expense					
Foreign exchange (gain) loss		3,367	(1,159)	5,731	5,397
Inventory write-off		-	-	-	(30)
		3,367	(1,159)	5,731	5,367
Comprehensive income		\$ 123,089	\$ 80,453	\$ 266,074	\$ 179,697
Average shares outstanding					
Basic		7,797,988	7,797,988	7,797,988	7,797,988
Diluted			-		
Income (loss) per share					
Basic		0.016	0.008	.034	0.023

The accompanying notes are an integral part of these unaudited consolidated financial statements

FAB-FORM INDUSTRIES LTD.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Third quarter 2017 and 2016

	<i>Shares</i>	<i>Share capital</i>	<i>Deficit</i>	<i>Shareholders' equity</i>
Balance, 1 January 2016	7,797,988	\$ 769,520	\$ (628,018)	\$ 141,512
Comprehensive income	-	-	179,697	179,697
Balance, 30 September 2016	7,797,988	\$ 769,520	\$ (448,321)	\$ 321,199
Balance, 1 January 2017	7,797,988	\$ 769,520	\$ (427,653)	\$ 341,867
Comprehensive income	-	-	266,074	266,074
Balance, 30 September 2017	7,797,988	\$ 769,520	\$ (161,579)	\$ 607,941

The accompanying notes are an integral part of these unaudited consolidated financial statements

FAB-FORM INDUSTRIES LTD.

CONSOLIDATED STATEMENTS OF CASH FLOWS

Periods ended 30 September, unaudited

Cash provided by (used in)	Notes	3 rd Quarter		Three Quarters	
		2017	2016	2017	2016
Operations					
Income (loss) for period		\$ 123,089	\$ 80,453	\$ 266,074	\$ 179,697
Items not involving use of cash					
Amortization and depreciation		4,829	4,843	12,852	8,713
		127,918	85,296	278,926	188,426
Changes in non-cash working capital items					
Accounts receivable		206,927	(122,362)	(110,863)	(212,246)
Prepaid expenses and advances		9,625	(420)	(9,397)	(11,824)
Inventory		(181,219)	49,998	(43,140)	(4,662)
Accounts payable and accrued liabilities		(97,715)	(86,266)	(40,655)	3,454
Accounts payable - related		(15,816)	(4,722)	(13,748)	(229)
Current portion of long term debt		(1,634)	199	(4,357)	(100)
		\$ (79,832)	(163,572)	(222,160)	(225,607)
Financing					
Long term debt increase (repayment)		\$ -	(3,120)	-	(23,037)
Investing					
Property and equipment		(2,552)	(1,105)	(7,274)	4,614
Patents		-	(33)	(230)	(11)
		\$ (2,552)	\$ (1,072)	(7,504)	\$ 4,603
Increase (decrease) in cash		45,185	(82,468)	49,262	(55,612)
Cash (bank indebtedness) beginning of period		180,928	117,453	176,852	90,598
Cash (bank indebtedness) end of period		\$ 226,114	\$ 34,986	226,114	\$ 34,986

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

30 September 2017 and 2016, unaudited

1. Reporting Entity

Fab-Form Industries Ltd. (the "Company" or "Fab-Form") is a 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 the Lower Mainland of BC market. The Company has traded on the TSX Venture Exchange ("TSX-V" under the symbol FBF) since 2000.

2. Basis of Presentation for Interim Period Reporting

These consolidated financial statements were prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standard Board (IASB) and the interpretations issued by International Financial Reporting Interpretations Committee (IFRIC).

The same accounting policies and methods of computation were followed in the preparation of these interim consolidated financial statements as in the consolidated financial statements for the year ended 31 December 2016.

The disclosure contained in these interim consolidated financial statements is condensed and includes only selected explanatory notes and does not duplicate or repeat disclosure reported in the consolidated financial statements for the year ended 31 December 2016 that has not changed materially since their date of issue. Accordingly, these interim consolidated financial statements should only be read in conjunction with the consolidated financial statements of the company for the year ended 31 December 2016.

3. Product Sales (3rd Quarter)

	Jul - Sep 17	Jul - Sep 16	Change	% Change
Fastbag	7,230	733	6,498	886.9%
Fastfoot	70,017	53,859	16,159	30.0%
Fast-Tube	4,952	2,811	2,141	76.2%
Helix	46,471	48,265	-1,794	-3.7%
Sundry	107	290	-183	-63.1%
Monopour	24,114	19,861	4,253	21.4%
Nudura	354,948	264,365	90,583	34.3%
Bracing	108,697	115,246	-6,550	-5.7%
Accessories	34,011	23,046	10,964	47.6%
Total Sales	650,546	528,475	122,071	23.1%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

*30 September 2017 and 2016, unaudited***4. Cost of Sales**

	<u>Jul - Sep 17</u>	<u>Jul - Sep 16</u>	<u>Change</u>	<u>% Change</u>
Total Direct Product COGS	411,152	353,318	57,834	16.4%
Indirect Product COGS				
Packing Materials	140	710	-570	-80.2%
Customer Delivery VanICF	2,016	893	1,123	125.7%
Brokerage	-188	2,097	-2,285	-109.0%
Amortization production equipment	1,900	1,866	34	1.8%
Production tools	829	14	814	5,793.0%
Production rental	7,322	7,259	63	0.9%
Variable Overhead	1,063	1,192	-129	-10.8%
Wages not allocated	1,177	2,712	-1,535	-56.6%
Customer Delivery FBF	856	2,415	-1,559	-64.5%
Total Indirect Product COGS	15,115	19,159	-4,044	-21.1%
Total Cost of Goods Sold	426,270	372,477	53,793	14.4%

5. General and administration

	<u>Jul - Sep 17</u>	<u>Jul - Sep 16</u>	<u>Change</u>	<u>% Change</u>
Amortization & Depreciation	2,162	2,451	-289	-11.8%
Occupancy	2,477	2,706	-228	-8.4%
Order processing	8	0	8	100.0%
Patent & TM Maintenance Fees	205	205	0	0.0%
Professional Fees	4,304	6,217	-1,913	-30.8%
Pubco	3,312	3,095	217	7.0%
General expenses	22,757	11,947	10,811	90.5%
Management Fees	0	320	-320	-100.0%
Telecommunications	1,562	1,732	-170	-9.8%
Total Admin Expenses	36,788	28,673	8,115	28.3%

6. Selling and marketing

	<u>Jul - Sep 17</u>	<u>Jul - Sep 16</u>	<u>Change</u>	<u>% Change</u>
Total Selling & Marketing	36,099	35,799	300	0.8%

FAB-FORM INDUSTRIES LTD.

FURTHER INFORMATION

30 September 2017

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.helixwest.com

www.icf-expo.com