



FAB-FORM
Financial Statements
2020 2nd Quarter

REPORT TO OUR SHAREHOLDERS

While the COVID flu has been "ruff" on many people around the world, it has not stopped "Rover" from instaling a pretty nice set of footings. As you can see, Rover would not consider forming footings without Fastfoot. And a lot of other contractors feel the same way. Our Fastfoot sales to date this year are up 31% over 2019.

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
27 July 2020



Don Russell
Chief Financial Officer
27 July 2020

FAB-FORM INDUSTRIES LTD.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

2nd Quarter 2020 and 31 December 2019, Unaudited

	Notes	30 Jun 2020	31 Dec 2019
ASSETS			
Current			
Cash		\$ 1,057,927	\$ 878,154
Accounts receivable		373,196	252,801
Prepaid expenses and advances		42,578	44,292
Inventory		328,468	527,949
Total current assets		1,802,169	1,703,196
Right of use assets		105,915	153,818
Property and equipment		65,822	74,888
Deferred development		10,999	9,378
Patents		4,265	4,427
		187,001	242,511
		\$ 1,989,170	\$ 1,945,707
LIABILITIES			
Current			
Accounts payable		\$ 165,040	\$ 202,890
Lease liability		48,523	96,427
Total current liabilities		213,563	299,317
Lease liability		57,392	57,392
SHAREHOLDERS' EQUITY			
Share capital		1,120,875	1,120,875
Surplus		597,340	468,123
		1,718,215	1,588,998
		\$ 1,989,170	\$ 1,945,707

Approved and authorized by the Board 27 July 2020

"Richard Fearn"

_____, Director

"Don Russell"

_____, Director

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

FAB-FORM INDUSTRIES LTD.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

Second quarter, unaudited

	Notes	2 nd Quarter		1 st Half	
		2020	2019	2020	2019
Sales		\$ 877,284	\$ 1,020,627	\$ 1,195,777	\$ 1,392,006
Cost of sales		616,143	721,694	838,085	1,022,891
Gross profit		\$ 261,141	\$ 298,933	\$ 357,692	\$ 389,115
(Percent Gross Profit)		29.8%	29.3%	29.9%	27.9%
Administrative & selling expenses					
General and administrative expenses		51,465	66,433	100,674	116,333
Interest expense		6,041	5,314	8,910	8,253
Selling and marketing expenses		51,852	51,803	99,740	81,093
		109,358	123,550	209,324	205,679
Net ordinary income		\$ 151,783	\$ 175,383	\$ 148,368	\$ 183,436
Other expense					
Foreign exchange (gain) loss		5,824	(605)	(28,772)	(1,596)
Provision for corporate tax		47,923	50,718	47,923	53,118
Recovery of duties		-	(3,348)	-	(3,348)
Inventory write-off		-	-	-	1,053
		53,747	46,765	19,151	54,871
Comprehensive income		\$ 98,036	\$ 121,921	\$ 129,217	\$ 128,565
Average shares outstanding					
Basic		8,822,065	8,822,065	8,822,065	8,822,065
Income per share					
Basic		0.011	0.014	.015	.015

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

FAB-FORM INDUSTRIES LTD.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Second quarter 2020 and 2019

	<i>Shares</i>		<i>Share capital</i>		<i>Surplus</i>		<i>Shareholders' equity</i>
Balance, 1 January 2019	8,822,065	\$	1,120,875	\$	121,586	\$	1,242,461
Comprehensive income	-		-		128,565		128,565
Balance, 30 June 2019	8,822,065	\$	1,120,875	\$	250,151	\$	1,371,026
Balance, 31 December 2019	8,822,055	\$	1,120,875	\$	468,123	\$	1,588,998
Comprehensive income	-		-		129,217		129,217
Balance, 30 June 2020	8,822,055	\$	1,120,875	\$	597,340	\$	1,718,215

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

FAB-FORM INDUSTRIES LTD.

CONSOLIDATED STATEMENTS OF CASH FLOWS

Second quarter, unaudited

Cash provided by (used in)	Notes	2 nd Quarter		1 st Half	
		2020	2019	2020	2019
Operations					
Income for period		\$ 98,036	\$ 121,921	\$ 129,217	\$ 128,565
Items not involving use of cash					
Amortization and depreciation		3,697	4,515	(39,837)	7,806
		101,733	126,436	89,380	136,371
Changes in non-cash working capital items					
Accounts receivable		(153,734)	(241,467)	(120,394)	(25,545)
Prepaid expenses and advances		18,479	4,673	1,714	10,230
Inventory		102,465	125,743	198,041	67,932
Accounts payable and accrued liabilities		59,971	142,911	(36,022)	296,645
Accounts payable - related		(194)	(9,567)	(388)	(15,476)
		\$ 26,987	22,293	\$ (4,953)	333,786
Financing					
Short term lease liability		\$ (24,029)	\$ (17,023)	\$ (47,904)	\$ 73,769
Investing					
Property and equipment		(2,882)	(1,445)	49,896	(10,880)
Capitalization of leases		24,029	17,023	47,904	(141,863)
		\$ 21,147	\$ (15,578)	\$ 97,800	\$ (152,743)
Increase (decrease) in cash		124,519	147,283	179,773	391,183
Cash beginning of period		933,408	744,869	878,154	500,968
Cash end of period		\$ 1,057,927	\$ 892,152	\$ 1,057,927	\$ 892,152

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

30 June 2020, 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. Significant Accounting Policies, Key Assumptions and Significant Judgements

These unaudited interim condensed consolidated financial statements (Interim Statements) of Fab-Form Industries Ltd. (the Company) have been prepared in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting, as issued by the International Accounting Standard Board (IASB). Accordingly, certain information and footnote disclosure normally included in annual financial statements prepared in accordance with International Financial Reporting Standards (IFRS) have been omitted or condensed, and therefore these Interim Statements should be read in conjunction with the 31 December 2019 audited annual consolidated financial statements and the notes to said statements.

These Interim Statements are based on the IFRS issued and effective as of 27 July 2020, the date these Interim Statements were authorized for issuance by the Company's Board of Directors, and follow the same accounting policies and methods of computation as the most recent annual consolidated financial statements.

FAB-FORM INDUSTRIES LTD.

FURTHER INFORMATION

30 June 2020

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".

For additional information, please contact:

Joey Fearn

Chief Operating Officer

joey@fab-form.com

Bruce Clark

Secretary

bruce@fab-form.com

Rick Fearn

President, CEO

rick@fab-form.com

Don Russell

Chief Financial Officer

don@fab-form.com



INDUSTRIES LTD.

Unit 19, 1610 Derwent Way

Delta, BC V3W 6W1, Canada

(604)596-3278

Shareholders and interested investors should visit:

www.fab-form.com/investor/overview.php

www.vancouvericf.com

www.steelfiberswest.com