



FAB-FORM

Financial Statements

2nd Quarter 2017

REPORT TO OUR SHAREHOLDERS

The cover shows an image of the layout drawing and cross-sectional details for a pre-fabricated monopour project in Richmond BC. This project uses the Nudura ICF, Helix micro rebar and Zont bracing, each product is very innovative in itself; yet when combined the assembly becomes very powerful. Monopour sales in the last quarter increased 115.3% over the previous years quarter. For more information on the monopour system, go to: <http://www.fab-form.com/fastfootMp/fastfootMpOverview.php>.

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

24 August 2017



Herb Bentz

Chief Financial Officer

24 August 2017

FAB-FORM INDUSTRIES LTD.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

Unaudited

	Notes	30 Jun 2017	31 Dec 2016
ASSETS			
Current			
Cash	\$	180,928	\$ 176,852
Accounts receivable		446,372	128,582
Prepaid expenses and advances		47,802	28,780
Inventory		161,792	299,353
Total current assets		836,894	633,567
Property and equipment		52,161	55,603
Deferred development		2,489	2,766
Patents		4,496	4,197
		59,146	62,566
		\$ 896,040	\$ 696,133
LIABILITIES			
Current			
Accounts payable and accrued liabilities	\$	261,621	\$ 201,183
Accounts payable – related		146,954	148,266
Current portion of long-term debt		2,094	4,817
Total current liabilities		410,669	354,266
SHAREHOLDERS' EQUITY			
Share capital		769,520	769,520
Deficit		(284,149)	(427,653)
		485,371	341,867
		\$ 896,040	\$ 696,133

Approved and authorized by the Board 24 August 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

1st Quarter 2017 and 2016, unaudited

	Notes	2 nd Quarter		1 st Half	
		2017	2016	2017	2016
Sales	3	\$ 758,441	\$ 462,200	\$ 1,142,151	\$ 836,584
Cost of sales	4	558,517	342,116	883,698	613,961
Gross profit		\$ 199,924	\$ 120,084	\$ 308,452	\$ 222,623
(Percent Gross Profit)		26.4%	26.0%	27.0%	26.6%
Administrative & selling expenses					
General and administrative expenses	5	39,907	31,259	64,312	63,103
Interest expense		5,883	6,467	8,518	9,820
Selling and marketing expenses	6	35,702	19,666	71,576	29,636
Wages and benefits		12,694	1,929	18,179	4,294
		94,186	52,854	162,653	107,032
Net ordinary income		\$ 105,738	\$ 67,230	\$ 145,868	\$ 115,591
Other expense					
Foreign exchange (gain) loss		1,718	3,291	2,363	6,557
Inventory write-off		-	-	-	(30)
		1,717	3,291	2,363	6,527
Comprehensive income		\$ 104,020	\$ 57,472	\$ 143,504	\$ 99,244
Average shares outstanding					
Basic		7,797,988	7,797,988	7,797,988	7,797,988
Diluted		-	-	-	-
Income (loss) per share					
Basic		0.0133	0.007	.0184	0.013

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 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	\$ (628,008)	\$ 141,512
Comprehensive income	-	-	99,244	99,240
Balance, 30 June 2016	7,797,988	\$ 769,520	\$ (528,764)	\$ 240,756
Balance, 1 January 2017	7,797,988	\$ 769,520	\$ (427,653)	\$ 341,867
Comprehensive income	-	-	143,504	143,504
Balance, 30 June 2017	7,797,988	\$ 769,520	\$ (284,149)	\$ 485,371

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 June, unaudited

Cash provided by (used in)	Notes	2 nd Quarter		1 st Half	
		2017	2016	2017	2016
Operations					
Income (loss) for period		\$ 104,019	\$ 57,472	\$ 143,504	\$ 99,244
Items not involving use of cash					
Amortization and depreciation		4,330	4,866	8,441	9,733
		108,349	62,338	151,945	108,977
Changes in non-cash working capital items					
Accounts receivable		(143,226)	45,675	(317,790)	(86,713)
Prepaid expenses and advances		(9,011)	(13,679)	(19,022)	(11,404)
Inventory		67,628	(66,404)	137,561	(54,660)
Accounts payable and accrued liabilities		66,996	48,930	60,439	87,268
Accounts payable - related		(1,713)	5,859	(1,312)	4,493
Current portion of long term debt		(1,360)	(354)	(2,723)	(299)
		\$ (20,686)	22,553	\$ (142,847)	(61,316)
Financing					
Long term debt increase (repayment)		\$ -	(8,500)	\$ -	(19,917)
Investing					
Property and equipment		(1,708)	-	(4,722)	-
Patents		-	(170)	(299)	(170)
		\$ (1,708)	\$ (170)	\$ (5,021)	\$ (170)
Increase (decrease) in cash		85,956	76,222	4,076	27,575
Cash (bank indebtedness) beginning of period		94,973	41,952	176,852	90,598
Cash (bank indebtedness) end of period		\$ 180,928	\$ 118,173	\$ 180,928	\$ 118,173

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

30 June 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

	Apr - Jun 17	Apr - Jun 16	Change	% Change
Fastbag	2,537	4,104	-1,566	-38.2%
Fastfoot	76,074	45,331	30,742	67.8%
Fast-Tube	3,149	3,726	-577	-15.5%
Helix	120,703	52,690	68,014	129.1%
Sundry Income	198	156	42	26.6%
Monopour	22,069	10,248	11,820	115.3%
Nudura	376,418	245,059	131,360	53.6%
Bracing	127,134	89,560	37,574	42.0%
ICF Accessories	30,159	11,325	18,833	166.3%
Sales	758,441	462,199	296,242	64.1%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

30 June 2017 and 2016, unaudited

4. Cost of Sales

	Apr - Jun 17	Apr - Jun 16	Change	% Change
Total Direct Product COGS	539,507	326,484	213,023	65.2%
Indirect Product COGS				
Packing Materials	842	107	736	690.2%
Customer Delivery VanICF	3,722	0	3,722	100.0%
Brokerage	869	0	869	100.0%
Amortization production equip.	1,827	1,827	0	0.0%
Production tools	41	41	0	0.9%
Production rental	7,406	7,267	139	1.9%
Variable Overhead	1,203	730	474	64.9%
Wages not allocated	2,960	1,083	1,878	173.4%
Customer Delivery FBF	140	4,578	-4,438	-96.9%
Total Indirect Product COGS	19,010	15,631	3,379	21.6%
Total COGS	558,517	342,116	216,401	63.3%

5. General and administration

	Apr - Jun 17	Apr - Jun 16	Change	% Change
Amortization & Depreciation	1,905	2,441	-536	-22.0%
General expenses	18,346	10,021	8,325	83.1%
Occupancy	5,197	2,822	2,375	84.2%
Patent & TM Maintenance Fees	205	205	0	0.0%
Professional Fees	7,761	8,447	-687	-8.1%
Management Fees	0	320	-320	-100.0%
Pubco	4,948	2,667	2,281	85.5%
Telecommunications	1,544	1,831	-287	-15.7%
Total Admin Expenses	39,907	28,754	11,152	38.8%

6. Selling and marketing

	Apr - Jun 17	Apr - Jun 16	Change	% Change
Total Selling & Marketing	35,702	19,666	16,037	81.6%

FAB-FORM INDUSTRIES LTD.

FURTHER INFORMATION

30 June 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".

For additional information, please contact:

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FAB-FORM

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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