

## Fab-Form Announces \$500,000 Private Placement

NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

DELTA, BC - 31<sup>st</sup> 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

Our cover shows an image of our recent private placement announcement of \$500,000 or 1,000,000 common shares for the introduction of three new products: Fast-Tube Clear, ZAT walkway bracket and the Monopour Prefab. We are excited to be expanding and the public company is an excellent vehicle to finance this growth.

We are the only public company that is focused on the interface of the building structure with the excavation below. We believe strongly in the potential and the importance of 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
<b>ASSETS</b>			
<b>Current</b>			
Cash	\$	226,114	\$ 176,852
Accounts receivable		239,445	128,582
Prepaid expenses and advances		38,176	28,780
Inventory		342,494	299,353
<b>Total current assets</b>		<b>846,229</b>	633,567
<b>Property and equipment</b>		<b>50,440</b>	55,603
<b>Deferred development</b>		<b>2,351</b>	2,766
<b>Patents</b>		<b>4,427</b>	4,197
		<b>57,218</b>	62,566
	\$	<b>903,447</b>	\$ 696,133
<b>LIABILITIES</b>			
<b>Current</b>			
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
<b>Total current liabilities</b>		<b>295,505</b>	354,266
<b>SHAREHOLDERS' EQUITY</b>			
<b>Share capital</b>		<b>769,520</b>	769,520
<b>Deficit</b>		<b>(161,579)</b>	(427,653)
		<b>607,941</b>	341,867
	\$	<b>903,447</b>	\$ 696,133

Approved and authorized by the Board 20 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 & Three Quarters 2017 and 2016, unaudited

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

Three Quarters 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

Third Quarter and Three Quarters, 2017 and 2016, unaudited

Cash provided by (used in)	Notes	3 <sup>rd</sup> Quarter		Three Quarters	
		2017	2016	2017	2016
<b>Operations</b>					
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
		<b>127,918</b>	85,296	<b>278,926</b>	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)
		<b>\$ (79,832)</b>	(163,572)	<b>(222,160)</b>	(225,607)
<b>Financing</b>					
Long term debt increase (repayment)		\$ -	(3,120)	-	(23,037)
<b>Investing</b>					
Property and equipment		(2,552)	(1,105)	(7,274)	4,614
Patents		-	(33)	(230)	(11)
		<b>\$ (2,552)</b>	\$ (1,072)	<b>(7,504)</b>	\$ 4,603
<b>Increase (decrease) in cash</b>		<b>45,185</b>	(82,468)	<b>49,262</b>	(55,612)
<b>Cash (bank indebtedness) beginning of period</b>		<b>180,928</b>	117,453	<b>176,852</b>	90,598
<b>Cash (bank indebtedness) end of period</b>		<b>\$ 226,114</b>	\$ 34,986	<b>226,114</b>	\$ 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 (3<sup>rd</sup> Quarter)

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

FAB-FORM INDUSTRIES LTD.

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>
<b>Total Direct Product COGS</b>	<b>411,152</b>	353,318	57,834	16.4%
<b>Indirect Product COGS</b>				
<b>Packing Materials</b>	<b>140</b>	710	-570	-80.2%
<b>Customer Delivery VanICF</b>	<b>2,016</b>	893	1,123	125.7%
<b>Brokerage</b>	<b>-188</b>	2,097	-2,285	-109.0%
<b>Amortization production equipment</b>	<b>1,900</b>	1,866	34	1.8%
<b>Production tools</b>	<b>829</b>	14	814	5,793.0%
<b>Production rental</b>	<b>7,322</b>	7,259	63	0.9%
<b>Variable Overhead</b>	<b>1,063</b>	1,192	-129	-10.8%
<b>Wages not allocated</b>	<b>1,177</b>	2,712	-1,535	-56.6%
<b>Customer Delivery FBF</b>	<b>856</b>	2,415	-1,559	-64.5%
<b>Total Indirect Product COGS</b>	<b>15,115</b>	19,159	-4,044	-21.1%
<b>Total Cost of Goods Sold</b>	<b>426,270</b>	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>
<b>Amortization &amp; Depreciation</b>	<b>2,162</b>	2,451	-289	-11.8%
<b>Occupancy</b>	<b>2,477</b>	2,706	-228	-8.4%
<b>Order processing</b>	<b>8</b>	0	8	100.0%
<b>Patent &amp; TM Maintenance Fees</b>	<b>205</b>	205	0	0.0%
<b>Professional Fees</b>	<b>4,304</b>	6,217	-1,913	-30.8%
<b>Pubco</b>	<b>3,312</b>	3,095	217	7.0%
<b>General expenses</b>	<b>22,757</b>	11,947	10,811	90.5%
<b>Management Fees</b>	<b>0</b>	320	-320	-100.0%
<b>Telecommunications</b>	<b>1,562</b>	1,732	-170	-9.8%
<b>Total Admin Expenses</b>	<b>36,788</b>	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>
<b>Total Selling &amp; Marketing</b>	<b>36,099</b>	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".*

For additional information, please contact:

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Shareholders and interested investors should visit:

[www.fab-form.com/investor/overview.php](http://www.fab-form.com/investor/overview.php)

[www.vancouvericf.com](http://www.vancouvericf.com)

[www.helixwest.com](http://www.helixwest.com)

[www.icf-expo.com](http://www.icf-expo.com)