

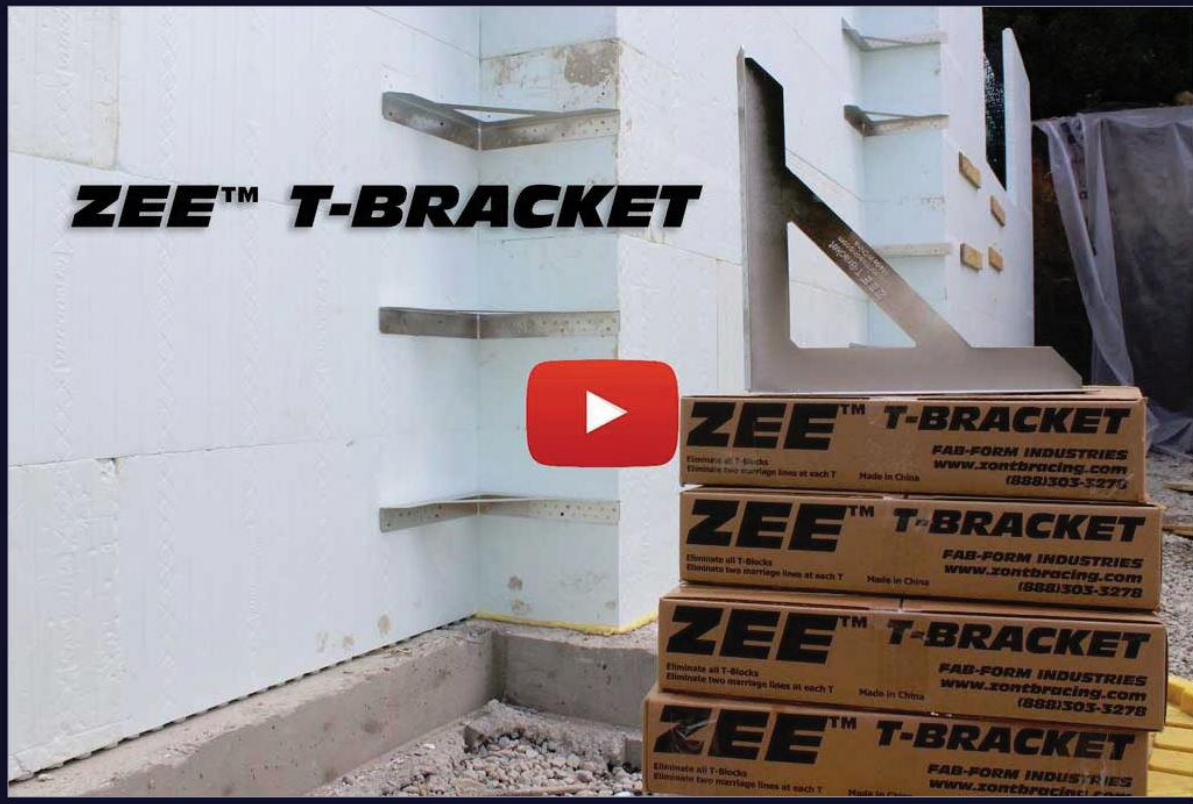
FAB-FORM
Sustainable Foundations



INVESTOR



HELIX



NEWS

FAB-FORM

Financial Statements

2nd Quarter 2018

REPORT TO OUR SHAREHOLDERS

The cover is a screen shot of our home page showing the new ZEE™ T-bracket. We received our first container in June, with July and August showing exponential growth. As the ZEE™ bracket benefits both the contractor and the dealer, we expect continued growth over the coming quarters.

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
29 August 2018

'Don Russell'

Don Russell
Chief Financial Officer
29 August 2018

FAB-FORM INDUSTRIES LTD.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

Unaudited

	Notes	30 Jun 2018	31 Dec 2017
ASSETS			
Current			
Cash		\$ 534,564	\$ 352,312
Accounts receivable		440,507	270,447
Prepaid expenses and advances		51,632	44,879
Inventory		404,330	362,315
Total current assets		1,431,033	1,029,953
Property and equipment		61,867	47,472
Deferred development		2,812	2,213
Patents		5,621	5,450
		70,300	55,135
		\$ 1,501,333	\$ 1,085,088
LIABILITIES			
Current			
Accounts payable and accrued liabilities		\$ 335,437	\$ 162,520
Accounts payable – related		103,973	128,900
Corporate tax payable		-	55,000
Private placement in process		-	184,885
Total current liabilities		439,410	531,305
SHAREHOLDERS' EQUITY			
Share capital		1,120,875	769,520
Deficit		(58,952)	(215,737)
		1,061,923	553,783
		\$ 1,501,333	\$ 1,085,088

Approved and authorized by the Board 29 August 2018

"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

2nd Quarter and 1st Half, 2018 and 2017, unaudited

	Notes	2 nd Quarter		1 st Half	
		2018	2017	2018	2017
Sales	3	\$ 921,266	\$ 758,441	\$ 1,430,807	\$ 1,142,151
Cost of sales	4	682,188	558,517	1,044,421	883,698
Gross profit		\$ 239,077	\$ 199,924	\$ 386,386	\$ 308,452
(Percent Gross Profit)		19.6%	26.4%	25.3%	27.0%
Administrative & selling expenses					
General and administrative expenses	5	40,367	39,907	78,047	64,312
Interest expense		5,424	5,883	7,727	8,518
Selling and marketing expenses	6	49,716	35,702	92,498	71,576
Wages and benefits		14,138	12,694	29,718	18,179
		109,645	94,186	207,991	162,653
Net ordinary income		\$ 129,432	\$ 105,738	\$ 178,395	\$ 145,868
Other expense					
Foreign exchange (gain) loss		(2,806)	1,718	(5,137)	2,363
Provision for corporate tax		9,600	-	25,693	-
Inventory write-off		-	-	1,053	-
		6,794	1,717	21,609	2,363
Comprehensive income		\$ 122,638	\$ 104,020	\$ 156,786	\$ 143,504
Average shares outstanding					
Basic		8,500,698	7,797,988	8,500,698	7,797,988
Income per share					
Basic		0.014	0.007	.0184	.0184

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

FAB-FORM INDUSTRIES LTD.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

First Half 2018 and 2017

	<i>Shares</i>	<i>Share capital</i>	<i>Deficit</i>	<i>Shareholders' equity</i>
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	\$ (281,149)	\$ 485,371
Balance, 1 January 2018	7,797,988	\$ 769,520	\$ (215,738)	\$ 553,782
Private placement	702,710	\$ 351,355	-	351,355
Comprehensive income	-	-	156,786	156,786
Balance, 30 June 2018	8,500,698	\$ 1,120,875	\$ (58,952)	\$ 1,061,923

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	
		2018	2017	2018	2017
Operations					
Income for period		\$ 122,638	\$ 104,019	\$ 156,786	\$ 143,504
Items not involving use of cash					
Amortization and depreciation		4,267	4,330	7,567	8,441
		126,905	108,349	164,353	151,945
Changes in non-cash working capital items					
Accounts receivable		(89,825)	(143,226)	(170,060)	(317,790)
Prepaid expenses and advances		(2,940)	(9,011)	(6,753)	(19,022)
Inventory		(29,848)	67,628	(42,015)	137,561
Accounts payable and accrued liabilities		62,679	66,996	117,918	60,439
Accounts payable - related		(10,952)	(1713)	(24,928)	(1,312)
Current portion of long term debt		-	(1,360)	-	(2,723)
		\$ (70,886)	(20,686)	\$ (125,839)	(142,847)
Financing					
Private placement in progress		-	(1,708)	(184,885)	(4,722)
Private placement		-	-	351,355	(299)
		\$ (12,433)	\$ (1,708)	\$ 166,470	\$ (5,021)
Investing					
Property and equipment		(12,433)	(1,708)	(22,733)	(4,722)
Patents		-	-	-	(299)
		\$ (12,433)	\$ (1,708)	\$ (22,733)	\$ (5,021)
Increase (decrease) in cash		46,870	85,956	182,252	4,076
Cash beginning of period		487,693	94,973	352,312	176,852
Cash end of period		\$ 534,564	\$ 180,928	\$ 534,564	\$ 180,928

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 March 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 2017.

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 2017 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 2017.

3. Product Sales

	Apr - Jun 18	Apr - Jun 17	Change	% Change
Fastfoot	77,738	78,611	(873)	-0.1%
Fast-Tube	6,065	3,149	2,916	92.6%
Helix	77,013	120,703	(43,690)	-36.2%
Sundry Income	198	198	0	0.0%
Monopour	14,530	22,069	(7,539)	-34.2%
Nudura	545,802	376,418	169,383	45.0%
Bracing	145,709	127,134	18,575	14.6%
ICF Accessories	54,211	30,159	24,052	79.8%
Total Sales	921,266	758,441	162,825	21.5%

FAB-FORM INDUSTRIES LTD.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 March 2017 and 2016, unaudited

5. Cost of Sales

	Apr - Jun 18	Apr - Jun 17	Change	% Change
Total Direct Product COGS	667,390	539,507	127,883	23.7%
Indirect Product COGS				
Packing Materials	1,305	842	463	55.0%
Customer Delivery VanICF	(3,786)	3,722	(7508)	-201.7%
Brokerage	3,628	869	2,760	317.7%
Amortization production equip.	2,195	1,827	368	20.1%
Production tools	133	41	92	223.5%
Production rental	8,296	7,406	890	12.0%
Variable Overhead	3,315	1,203	2,112	175.5%
Wages not allocated	-	2,960	(2,960)	-100.0%
Customer Delivery FBF	431	140	291	208.4%
Total Indirect Product COGS	14,719	19,010	(4,290)	-22.6%
Total COGS	682,188	558,517	123,687	22.2%

6. General and administration

	Apr - Jun 18	Apr - Jun 17	Change	% Change
Amortization & Depreciation	2,192	1,905	287	15.1%
General expenses	20,053	18,346	1,707	9.3%
Occupancy	3,079	5,197	(2,119)	-40.8%
Order, invoice processing	2,398	-	2,398	100.0%
Patent & TM Maintenance Fees	-	205	(205)	-100.0%
Professional Fees	5,803	7,761	(1,958)	-25.2%
Pubco	5,328	4,948	380	7.7%
Telecommunications	1,515	1,544	(29)	-1.9%
Total Admin Expenses	40,367	39,907	461	1.2%

7. Selling and marketing

	Apr - Jun 18	Apr - Jun 17	Change	% Change
Total Selling & Marketing	49,716	35,702	14,014	39.3%

FAB-FORM INDUSTRIES LTD.

FURTHER INFORMATION

31 March 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
www.vancouvericf.com
www.steelfiberswest.com
www.icf-expo.com