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***FAB-FORM***  
***2015 3rd Quarter***  
***Financials***

# REPORT TO OUR SHAREHOLDERS

The cover is a screenprint of our current home page for the Fab-Form website, showing a recent training session done with ICFs, Zont bracing and Helix. Over one hundred attendees listened to the ourstanding presentations and the hands-on workshops. For more information and videos on this training session please go to our home page at [www.vancouvericf.com](http://www.vancouvericf.com).

The accompanying Consolidated Financial Statements are the responsibility of Fab-Form Industries' management. The Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards which recognize the necessity of relying on some of management's best estimates and informed judgements.

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

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

Sincerely



Richard Fearn  
President and CEO  
12 November 2015



Herb Bentz  
Chief Financial Officer  
12 November 2015

## FAB-FORM INDUSTRIES LTD.

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

*Unaudited*

	Notes	30 Sep 2015	31 Dec 2014
<b>ASSETS</b>			
<b>Current</b>			
Cash	\$	54,790	\$ 61,781
Accounts receivable		147,319	114,621
Prepaid expenses and advances		23,348	18,711
Inventory		185,318	75,838
<b>Total current assets</b>		<b>410,775</b>	270,951
<b>Property and equipment</b>		<b>88,784</b>	106,016
<b>Deferred development</b>		<b>3,674</b>	4,322
<b>Patents</b>		<b>4,315</b>	3,895
		<b>96,743</b>	114,233
		<b>\$ 507,518</b>	\$ 385,184
<b>LIABILITIES</b>			
<b>Current</b>			
Bank indebtedness	\$	-	\$ -
Accounts payable and accrued liabilities		138,859	126,750
Accounts payable – related		63,416	68,711
Current portion of long-term debt		44,173	38,427
<b>Total current liabilities</b>		<b>246,448</b>	233,888
<b>Long-term debt</b>		<b>99,928</b>	107,807
<b>SHAREHOLDERS' EQUITY</b>			
<b>Share capital</b>		<b>769,520</b>	769,520
<b>Deficit</b>		<b>(608,378)</b>	(726,031)
		<b>161,142</b>	43,489
		<b>\$ 507,518</b>	\$ 385,184

Approved and authorized by the Board 12 November 2015

**"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

3rd Quarter, Unaudited

	Notes	3 <sup>rd</sup> Quarter		Three Quarters	
		2015	2014	2015	2014
<b>Sales</b>	4	\$ <b>364,883</b>	\$ 470,992	\$ <b>786,738</b>	\$ 804,346
<b>Cost of sales</b>	5	<b>244,151</b>	368,113	<b>515,313</b>	596,798
<b>Gross profit</b>		\$ <b>120,732</b>	\$ 102,879	\$ <b>271,425</b>	\$ 207,548
(Percent Gross Profit)		<b>33.1%</b>	21.8%	<b>34.5%</b>	25.8%
<b>Administrative &amp; selling expenses</b>					
General and administrative expenses	6	<b>34,672</b>	36,370	<b>90,667</b>	83,951
Selling and marketing expenses	7	<b>24,893</b>	20,305	<b>54,827</b>	40,393
		<b>59,665</b>	56,675	<b>145,494</b>	124,344
<b>Operating profit</b>		\$ <b>61,167</b>	\$ 46,204	\$ <b>125,931</b>	\$ 83,204
<b>Foreign exchange &amp; interest</b>					
Foreign exchange loss (gain)		<b>(6,188)</b>	2,895	<b>(10,891)</b>	2,776
Interest expense		<b>6,117</b>	6,855	<b>17,797</b>	17,683
		<b>(71)</b>	9,750	<b>6,906</b>	20,459
<b>Net Profit before other items (loss)</b>		\$ <b>61,238</b>	\$ 36,454	\$ <b>119,025</b>	\$ 62,745
<b>Other items</b>					
Inventory write-off		-	-	<b>1,372</b>	2,525
Development cost write-off		-	2,463	-	2,463
		-	2,463	<b>1,372</b>	4,988
<b>Comprehensive income (loss)</b>		\$ <b>61,238</b>	\$ 33,991	\$ <b>117,653</b>	\$ 57,757
<b>Average shares outstanding</b>					
Basic		<b>7,797,988</b>	4,852,382	<b>7,797,988</b>	4,852,382
Diluted	8	-	7,797,988	-	7,797,988
<b>Income (loss) per share</b>					
Basic		<b>0.01</b>	0.01	<b>0.02</b>	0.01
Diluted		-	0.00	-	0.00

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

FAB-FORM INDUSTRIES LTD.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

*Unaudited*

	<i>Shares</i>		<i>Share capital</i>		<i>Deficit</i>		<i>Shareholders' equity</i>
Balance, 1 January 2014	7,797,988	\$	769,520	\$	(762,933)	\$	6,587
Comprehensive income	-		-		57,757		57,757
Balance, 30 September 2014	7,797,988	\$	769,520	\$	(739,168)	\$	64,343
Balance, 1 January 2015	7,797,988	\$	769,520	\$	(726,031)	\$	43,489
Comprehensive income	-		-		117,653		117,653
Balance, 30 June 2015	7,797,988	\$	769,520	\$	(608,378)	\$	161,142

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

## FAB-FORM INDUSTRIES LTD.

## CONSOLIDATED STATEMENTS OF CASH FLOWS

*Quarter ended 30<sup>th</sup> September, Unaudited*

<b>Cash provided by (used in)</b>	Notes	3 <sup>rd</sup> Quarter		Three Quarters	
		<b>2015</b>	2014	<b>2015</b>	2014
<b>Operations</b>					
Income (loss) for period		\$ <b>61,238</b>	\$ 29,017	\$ <b>117,653</b>	\$ 23,765
Items not involving use of cash					
Amortization and depreciation		<b>6,082</b>	7,480	<b>19,769</b>	14,867
		<b>67,320</b>	36,497	<b>137,422</b>	38,632
Changes in non-cash working capital items					
Accounts receivable		<b>(17,958)</b>	(28,765)	<b>(32,698)</b>	10,609
Prepaid expenses and advances		<b>18,663</b>	9,844	<b>(4,637)</b>	(1,059)
Inventory		<b>(3,702)</b>	(8,863)	<b>(109,480)</b>	(21,624)
Accounts payable and accrued liabilities		<b>(4,893)</b>	31,789	<b>18,464</b>	37,469
Accounts payable - related		<b>(9,432)</b>	(3,516)	<b>(11,650)</b>	(45,155)
Current portion of long term debt		<b>53</b>	-	<b>5,746</b>	10,711
		<b>\$ (17,270)</b>	485	<b>\$ (134,256)</b>	(9,049)
<b>Financing</b>					
Long term debt increase (repayment)		<b>\$ (11,000)</b>	(9,708)	<b>\$ (7,879)</b>	20,951
<b>Investing</b>					
Property and equipment		<b>216</b>	(1,912)	<b>(1,670)</b>	(4,506)
Deferred development		-	-	-	(371)
Patents		-	-	<b>(610)</b>	-
		<b>\$ 216</b>	\$ (1,912)	<b>\$ (2,280)</b>	\$ (4,877)
<b>Increase (decrease) in cash</b>		<b>39,266</b>	25,362	<b>(6,992)</b>	45,657
<b>Cash (bank indebtedness) beginning of period</b>		<b>15,523</b>	(6,614)	<b>61,781</b>	(26,909)
<b>Cash (bank indebtedness) end of period</b>		<b>\$ 54,790</b>	\$ 18,748	<b>\$ 54,790</b>	\$ 18,748

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

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

*3<sup>rd</sup> Quarter Notes, 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 has traded on the TSX Venture Exchange ("TSX-V" under the symbol FBF) since 2000.

These interim consolidated financial statements for the third quarter of 2015 were approved and authorized for issue by the board of directors on the 12 November 2015.

**2. Basis of Preparation and Interim Period Reporting**

The interim consolidated financial statements of the Company are prepared in compliance with International Accounting Standard 34, Interim Financial Reporting, ("IAS 34"). The policies applied in these interim consolidated financial statements are based on International Financial Reporting Standards ("IFRS") issued and outstanding as of the date the Board of Directors approved the statements. Any subsequent changes to IFRS that are given effect in the company's annual consolidated financial statements for the year ending 31 December 2014 could result in restatement of these interim consolidated financial statements.

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 2014.

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 2014 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 2014.

**3. Product Sales**

	<b>Jul - Sep 15</b>	<b>Jul - Sep 14</b>	<b>\$ Change</b>	<b>% Change</b>
<b>Fastfoot</b>	<b>41,109</b>	54,105	-12,996	-24.0%
<b>Fast-Tube</b>	<b>2,534</b>	4,955	-2,421	-48.9%
<b>Helix</b>	<b>44,112</b>	309,350	-265,238	-85.7%
<b>Sundry</b>	<b>1,023</b>	-1,414	2,437	100.0%
<b>Monopour</b>	<b>10,225</b>	30,745	-20,520	-66.7%
<b>ICF</b>	<b>150,196</b>	11,348	138,848	1,223.5%
<b>Zont</b>	<b>115,684</b>	61,903	53,781	86.9%
	<b>364,883</b>	470,993	-106,110	-22.5%

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

3<sup>rd</sup> Quarter Notes, Unaudited**4. Cost of Sales**

	Jul - Sep 15	Jul - Sep 14	\$ Change	% Change
<b>Total direct product COGS</b>	<b>218,762</b>	350,016	-131,253	-37.5%
<i>Gross margins before indirect costs</i>	<i>40.0%</i>	<i>25.7%</i>		<i>55.9%</i>
<b>Indirect product COGS</b>				
<b>Amortization production equipment</b>	<b>2,975</b>	2,615	360	13.8%
<b>Production tools</b>	<b>437</b>	1,290	-852	-66.1%
<b>Production rental</b>	<b>7,298</b>	7,514	-216	-2.9%
<b>Variable overhead</b>	<b>9,994</b>	1,390	8,605	619.2%
<b>Customer delivery costs</b>	<b>4,684</b>	5,290	-606	-11.5%
<b>Total indirect product COGS</b>	<b>25,388</b>	18,098	7,291	40.3%
<b>Total cost of goods sold</b>	<b>244,151</b>	368,113	-123,963	-33.7%
<i>Gross margins after indirect costs</i>	<i>33.1%</i>	<i>21.8%</i>		<i>51.5%</i>

**5. General and Administrative Expenses**

	Jul - Sep 15	Jul - Sep 14	Change	% Change
<b>Administrative expenses</b>				
<b>Amortization &amp; depreciation</b>	<b>3,763</b>	5,589	-1,826	-32.7%
<b>Occupancy</b>	<b>2,710</b>	3,573	-863	-24.1%
<b>Patent &amp; TM maintenance fees</b>	<b>205</b>	205	-	-%
<b>Professional fees</b>	<b>3,274</b>	3,200	74	2.3%
<b>Pubco</b>	<b>3,380</b>	2,189	1,191	54.4%
<b>General expenses</b>	<b>16,253</b>	4,590	11,663	254.1%
<b>Management fees</b>	<b>2,821</b>	15,381	-12,560	-81.7%
<b>Telecommunications</b>	<b>1,765</b>	1,642	123	7.5%
<b>Total Admin Expenses</b>	<b>34,172</b>	36,370	-2,198	-6.0%

**6. Selling and Marketing Expenses**

	Jul - Sep 15	Jul - Sep 14	Change	% Change
<b>Marketing expenses</b>				
<b>Advertising</b>	<b>1,964</b>	1,632	332	20.3%
<b>Adwords</b>	<b>954</b>	749	205	27.4%
<b>Selling</b>	<b>7,393</b>	2,631	4,762	181.0%
<b>Trade shows</b>	<b>4,093</b>	1,630	2,464	151.2%
<b>Associations</b>	<b>1,050</b>	0	1,050	100.0%
<b>Postage &amp; courier</b>	<b>-</b>	48	-48	-100.0%
<b>Promo materials</b>	<b>1,786</b>	600	1,186	197.6%
<b>Website</b>	<b>50</b>	252	-202	-80.1%
<b>Commissions &amp; fees</b>	<b>7,603</b>	12,764	-5,161	-40.4%
<b>Total marketing expenses</b>	<b>24,893</b>	20,305	4,588	22.6%



FAB-FORM INDUSTRIES LTD.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

*3<sup>d</sup> Quarter Notes, Unaudited*

*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:

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