

FFW CORP PRESS RELEASE

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FFW CORPORATION ANNOUNCES EARNINGS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

WABASH, INDIANA - - FFW Corporation (the "Corporation") (OTC PINK: [FFWC](#)) (8/11/2022 Close: **\$47.00**), parent corporation of Crossroads Bank (the "Bank"), announced earnings for the fiscal year ended June 30, 2022.

For the three months ended June 30, 2022, the Corporation reported net income of \$1,523,000 or \$1.33 per common share compared to \$1,379,000 or \$1.21 per common share for the three months ended June 30, 2021. Net interest income for the three months ended June 30, 2022 was \$4,071,000 compared to \$3,608,000 for the three months ended June 30, 2021. The provision for loan losses was \$200,000 for the three months ended June 30, 2022 and (\$150,000) for the three months ended June 30, 2021. Total noninterest income was \$1,075,000 for the three months ended June 30, 2022 compared to \$1,221,000 for the three months ended June 30, 2021. Noninterest expense was \$3,215,000 for the three months ended June 30, 2022 and \$3,391,000 for the three months ended June 30, 2021.

For the twelve months ended June 30, 2022, the Corporation reported net income of \$5,721,000 or \$5.00 per common share compared to \$6,476,000 or \$5.67 per common share for the twelve months ended June 30, 2021. Net interest income for the twelve months ended June 30, 2022 was \$15,409,000 compared to \$14,697,000 for the twelve months ended June 30, 2021. The Company recognized a provision for loan losses of \$405,000 for the twelve months ended June 30, 2022 and \$345,000 for the twelve months ended June 30, 2021. Total noninterest income was \$4,441,000 for the twelve months ended June 30, 2022 compared to \$6,590,000 for the twelve months ended June 30, 2021. Noninterest expense was \$12,933,000 for the twelve months ended June 30, 2022 and \$13,303,000 for the twelve months ended June 30, 2021.

The three and twelve months ended June 30, 2022 represented a return on average common equity of 12.63% and 10.85%, respectively, compared to 10.37% and 12.42% for the three and twelve month periods ended June 30, 2021. The three and twelve months ended June 30, 2022 represented a return on average assets of 1.16% and 1.10%, respectively, compared to 1.12% and 1.36% for the three and twelve month periods ended June 30, 2021.

The allowance for loan losses as a percentage of gross loans receivable was 1.28% at June 30, 2022 compared to 1.43% at June 30, 2021. Nonperforming assets were \$2,345,000 at June 30, 2022 compared to \$3,242,000 at June 30, 2021.

As of June 30, 2022, FFWC's equity-to-assets ratio was 8.72% compared to 10.89% at June 30, 2021. Total assets at June 30, 2022 were \$534,918,000 compared to \$486,442,000 at June 30, 2021. Shareholders' equity was \$46,648,000 at June 30, 2022 compared to \$52,954,000 at June 30, 2021. Crossroads Bank exceeds all applicable regulatory requirements to be considered "well capitalized."

Forward Looking Statements

This press release may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include expressions such as "expects," "intends," "believes," and "should," which are necessarily statements of belief as to the expected outcomes of future events. Actual results could materially differ from those presented. The Corporation's ability to predict future results involves a number of risks and uncertainties. The Corporation undertakes no obligation to release revisions to these forward-looking statements or reflect events or circumstances after the date of this release.

Crossroads Bank is a wholly owned subsidiary of FFW Corporation providing an extensive array of banking services and a wide range of investments and securities products through its main office in Wabash and six Indiana banking centers located in Columbia City, North Manchester, Peru, South Whitley, Syracuse and Warsaw. The Bank also provides leasing services at each of its banking centers. Insurance products are offered through an affiliated company, Insurance 1 Services, Inc. The Corporation's stock is traded on the OTC Markets under the symbol "FFWC." Our website address is www.crossroadsbanking.com. Crossroads Bank, Member FDIC.

FFW Corporation
Selected Financial Information

Consolidated Balance Sheet

	June 30	June 30
	2022	2021
	Unaudited	
Assets		
Cash and due from financial institutions	\$ 7,122,187	\$ 4,779,188
Interest-bearing deposits in other financial institutions	48,456,109	51,646,720
Cash and cash equivalents	55,578,296	56,425,908
Securities available for sale	115,717,308	116,335,455
Loans held for sale	248,000	2,613,987
Loans receivable, net of allowance for loan losses of \$4,342,121 at June 30, 2022 and \$4,168,689 at June 30, 2021	335,672,317	285,643,064
Federal Home Loan Bank stock, at cost	1,289,700	1,462,500
Accrued interest receivable	2,105,470	2,131,744
Premises and equipment, net	8,481,385	8,949,842
Mortgage servicing rights	1,138,165	1,011,046
Cash surrender value of life insurance	9,767,792	9,459,746
Goodwill	1,213,898	1,213,898
Repossessed Assets	75,025	148,621
Other assets	3,630,737	1,045,876
Total assets	\$ 534,918,093	\$ 486,441,687
Liabilities and shareholders' equity		
Deposits		
Noninterest-bearing	\$ 55,960,708	\$ 49,510,375
Interest-bearing	428,550,708	380,084,790
Total deposits	484,511,416	429,595,165
Accrued expenses and other liabilities	3,758,195	3,892,719
Total liabilities	488,269,611	433,487,884
Shareholders' equity		
Common stock, \$.01 par; 2,000,000 shares authorized;		
Issued: 1,836,328; outstanding: 1,140,305 - June 30, 2022 and 1,141,190 - June 30, 2021	18,363	18,363
Additional paid-in capital	9,940,774	9,809,754
Retained earnings	56,384,625	51,852,194
Accumulated other comprehensive income (loss)	(7,726,089)	3,058,832
Treasury stock, at cost: 696,023 shares at June 30, 2022 and 695,138 shares at June 30, 2021	(11,969,191)	(11,785,340)
Total shareholders' equity	46,648,482	52,953,803
Total liabilities and shareholders' equity	\$ 534,918,093	\$ 486,441,687

FFW Corporation
Selected Financial Information

Consolidated Statement of Income

	Three Months Ended June 30		Twelve Months Ended June 30	
	2022	2021	2022	2021
	Unaudited		Unaudited	
Interest and dividend income:				
Loans, including fees	\$ 3,562,772	\$ 3,257,093	\$ 13,660,543	\$ 13,769,397
Taxable securities	341,548	313,689	1,317,675	1,308,266
Tax exempt securities	423,846	418,267	1,652,828	1,627,426
Other	128,452	14,860	197,815	38,650
Total interest and dividend income	4,456,618	4,003,909	16,828,861	16,743,739
Interest expense:				
Deposits	385,508	395,295	1,419,669	2,046,577
Borrowings	200	200	201	200
Total interest expense	385,708	395,495	1,419,870	2,046,777
Net interest income	4,070,910	3,608,414	15,408,991	14,696,962
Provision for loan losses	200,000	(150,000)	405,000	345,000
Net interest income after provision for loan losses	3,870,910	3,758,414	15,003,991	14,351,962
Noninterest income:				
Net gains on sales of securities	-	-	-	98,467
Net gains on sales of loans	75,450	390,165	523,219	3,261,880
Net gains (losses) on fixed assets	-	-	34,283	9,204
Net gains (losses) on sales of REO	(17,909)	-	(6,623)	(23,498)
Commission income	337,665	309,389	1,279,202	1,224,845
Service charges and fees	275,763	188,237	1,135,426	721,677
Earnings on life insurance	77,651	75,757	308,047	300,452
Other	326,669	257,103	1,167,426	996,765
Total noninterest income	1,075,289	1,220,651	4,440,980	6,589,792
Noninterest expense:				
Salaries and benefits	1,815,040	1,875,637	7,100,728	6,885,238
Occupancy and equipment	313,309	325,235	1,298,461	1,339,852
Professional	111,887	143,066	448,694	850,073
Marketing	90,882	104,293	394,013	431,982
Deposit insurance premium	38,304	33,000	140,752	132,000
Regulatory assessment	9,074	9,588	37,379	37,705
Correspondent bank charges	22,200	18,881	80,724	71,511
Data processing	337,292	391,172	1,584,725	1,613,051
Printing, postage and supplies	73,382	62,193	293,419	292,047
Expense on life insurance	21,132	20,518	85,128	72,827
Contribution expense	11,676	11,138	65,583	70,753
Expense on REO	5,412	5,626	7,505	18,683
Other	365,584	391,069	1,396,052	1,487,411
Total noninterest expense	3,215,174	3,391,416	12,933,163	13,303,133
Income before income taxes	1,731,025	1,587,649	6,511,808	7,638,621
Income tax expense	207,572	208,465	791,077	1,163,097
Net income	\$ 1,523,453	\$ 1,379,184	\$ 5,720,731	\$ 6,475,524

FFW Corporation
Selected Financial Information

Key Balances and Ratios

	Three Months Ended June 30		Twelve Months Ended June 30	
	2022	2021	2022	2021
	Unaudited		Unaudited	
Per common share data:				
Earnings	\$1.33	\$1.21	\$5.00	\$5.67
Diluted earnings	\$1.33	\$1.21	\$5.00	\$5.67
Dividends paid	\$0.26	\$1.25	\$1.04	\$2.00
Average shares issued and outstanding	1,141,763	1,141,717	1,143,428	1,142,448
Shares outstanding end of period	1,140,305	1,141,190	1,140,305	1,141,190
Supplemental data:				
Net interest margin **	3.15%	3.11%	3.12%	3.29%
Return on average assets ***	1.16%	1.12%	1.10%	1.36%
Return on average common equity ***	12.63%	10.37%	10.85%	12.42%
	June 30	June 30		
	2022	2021		
Nonperforming assets *	\$2,344,693	\$3,241,581		
Repossessed assets	\$75,025	\$148,621		

* Includes non-accruing loans, accruing loans delinquent more than 90 days and repossessed assets

** Yields reflected have not been computed on a tax equivalent basis

*** Annualized