

FFW CORP PRESS RELEASE

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FFW CORPORATION ANNOUNCES EARNINGS FOR THE QUARTER ENDED SEPTEMBER 30, 2023

WABASH, INDIANA - FFW Corporation (the "Corporation") (OTC PINK: FFWC) (**10/24/2023 Close: \$35.60**), parent corporation of Crossroads Bank (the "Bank"), announced earnings for the quarter ended September 30, 2023.

For the three months ended September 30, 2023, the Corporation reported net income of \$978,000 or \$0.87 per common share compared to \$1,623,000 or \$1.42 per common share for the three months ended September 30, 2022. Net interest income for the three months ended September 30, 2023 was \$3,645,000 compared to \$4,376,000 for the three months ended September 30, 2022. The provision for credit losses was \$0 for the three months ended September 30, 2023 and \$300,000 for the three months ended September 30, 2022. Total noninterest income was \$928,000 for the three months ended September 30, 2023 compared to \$1,026,000 for the three months ended September 30, 2022. Noninterest expense was \$3,487,000 for the three months ended September 30, 2023 and \$3,191,000 for the three months ended September 30, 2022.

The three months ended September 30, 2023 represented a return on average common equity of 8.87% compared to 13.61% for the three months ended September 30, 2022. The three months ended September 30, 2023 represented a return on average assets of 0.72% compared to 1.21% for the three months ended September 30, 2022.

The allowance for credit losses as a percentage of gross loans receivable was 1.32% at September 30, 2023 compared to 1.23% at June 30, 2023. Nonperforming assets were \$1,845,000 at September 30, 2023 compared to \$2,065,000 at June 30, 2023.

As of September 30, 2023, FFWC's equity-to-assets ratio was 8.10% compared to 8.54% at June 30, 2023. Total assets at September 30, 2023 were \$541,533,000 compared to \$543,245,000 at June 30, 2023. Shareholders' equity was \$43,846,000 at September 30, 2023 compared to \$46,385,000 at June 30, 2023. 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

	September 30	June 30
	2023	2023
	Unaudited	
Assets		
Cash and due from financial institutions	\$ 6,102,535	\$ 8,686,057
Interest-bearing deposits in other financial institutions	3,260,402	4,668,889
Cash and cash equivalents	9,362,937	13,354,946
Securities available for sale	105,912,763	110,063,452
Loans held for sale	84,000	80,000
Loans receivable, net of allowance for credit losses of \$5,292,801 at September 30, 2023 and \$4,852,745 at June 30, 2023	395,751,052	390,544,236
Federal Home Loan Bank stock, at cost	1,289,700	1,289,700
Accrued interest receivable	2,752,820	2,648,368
Premises and equipment, net	8,060,878	8,121,511
Mortgage servicing rights	1,110,991	1,128,019
Cash surrender value of life insurance	10,167,345	10,086,476
Goodwill	1,213,898	1,213,898
Reposessed Assets	-	109,596
Other assets	5,827,032	4,604,551
Total assets	\$ 541,533,416	\$ 543,244,753
Liabilities and shareholders' equity		
Deposits		
Noninterest-bearing	\$ 56,217,861	\$ 53,267,081
Interest-bearing	431,138,013	437,700,301
Total deposits	487,355,874	490,967,382
Borrowings	6,000,000	2,100,000
Accrued expenses and other liabilities	4,332,013	3,792,808
Total liabilities	497,687,887	496,860,190
Shareholders' equity		
Common stock, \$.01 par; 2,000,000 shares authorized; Issued: 1,836,328; outstanding: 1,126,607 - September 30, 2023 and 1,126,357 - June 30, 2023	18,363	18,363
Additional paid-in capital	10,195,967	10,150,145
Retained earnings	59,562,879	59,406,634
Accumulated other comprehensive income (loss)	(13,333,327)	(10,588,876)
Treasury stock, at cost: 709,721 shares at September 30, 2023 and 709,971 shares at June 30, 2023	(12,598,353)	(12,601,703)
Total shareholders' equity	43,845,529	46,384,563
Total liabilities and shareholders' equity	\$ 541,533,416	\$ 543,244,753

FFW Corporation
Selected Financial Information

Consolidated Statement of Income

	Three Months Ended September 30	
	2023	2022
	Unaudited	Unaudited
Interest and dividend income:		
Loans, including fees	\$ 5,031,751	\$ 3,869,513
Taxable securities	489,120	441,825
Tax exempt securities	423,619	451,630
Other	57,374	161,572
Total interest and dividend income	6,001,864	4,924,540
Interest expense:		
Deposits	2,331,850	548,353
Borrowings	25,329	-
Total interest expense	2,357,179	548,353
Net interest income	3,644,685	4,376,187
Provision for credit losses	-	300,000
Net interest income after provision for credit losses	3,644,685	4,076,187
Noninterest income:		
Net gains on sales of loans	21,114	68,146
Net gains (losses) on sales of REO	(37,006)	11,841
Commission income	335,449	318,420
Service charges and fees	245,534	279,430
Earnings on life insurance	80,869	78,304
Other	282,309	269,796
Total noninterest income	928,269	1,025,937
Noninterest expense:		
Salaries and benefits	1,914,196	1,770,667
Occupancy and equipment	317,241	307,383
Professional	121,654	109,251
Marketing	81,576	93,974
Deposit insurance premium	67,000	38,000
Regulatory assessment	10,345	8,090
Correspondent bank charges	23,941	22,416
Data processing	450,967	331,142
Printing, postage and supplies	67,700	77,812
Expense on life insurance	22,796	22,099
Contribution expense	9,709	9,501
Expense on REO	5,822	4,783
Other	394,473	395,580
Total noninterest expense	3,487,420	3,190,698
Income before income taxes	1,085,534	1,911,426
Income tax expense	107,874	288,387
Net income	\$ 977,660	\$ 1,623,039

FFW Corporation
Selected Financial Information

Key Balances and Ratios

	Three Months Ended September 30	
	2023	2022
	Unaudited	Unaudited
Per common share data:		
Earnings	\$0.87	\$1.42
Diluted earnings	\$0.87	\$1.42
Dividends paid	\$0.29	\$0.28
Average shares issued and outstanding	1,126,628	1,140,413
Shares outstanding end of period	1,126,607	1,130,963
Supplemental data:		
Net interest margin **	2.75%	3.37%
Return on average assets ***	0.72%	1.21%
Return on average common equity ***	8.87%	13.61%

	September 30	June 30
	2023	2023
Nonperforming assets *	\$1,844,964	\$2,065,381
Reposessed assets	\$0	\$109,596

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

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

*** Annualized