

FFW CORP PRESS RELEASE

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FFW CORPORATION ANNOUNCES EARNINGS FOR THE FISCAL YEAR ENDED JUNE 30, 2024

WABASH, INDIANA - - FFW Corporation (the "Corporation") (OTC PINK: [FFWC](#)) (8/20/24 Close: **\$34.50**), parent corporation of Crossroads Bank (the "Bank"), announced earnings for the fiscal year ended June 30, 2024.

For the three months ended June 30, 2024, the Corporation reported net income of \$1,118,000 or \$0.99 per common share compared to \$1,343,000 or \$1.19 per common share for the three months ended June 30, 2023. Net interest income for the three months ended June 30, 2024 was \$3,664,000 compared to \$3,800,000 for the three months ended June 30, 2023. Credit loss expense was \$0 for the three months ended June 30, 2024 and \$75,000 for the three months ended June 30, 2023. Total noninterest income was \$1,137,000 for the three months ended June 30, 2024 compared to \$1,030,000 for the three months ended June 30, 2023. Noninterest expense was \$3,641,000 for the three months ended June 30, 2024 and \$3,349,000 for the three months ended June 30, 2023.

For the twelve months ended June 30, 2024, the Corporation reported net income of \$4,089,000 or \$3.63 per common share compared to \$5,698,000 or \$5.03 per common share for the twelve months ended June 30, 2023. Net interest income for the twelve months ended June 30, 2024 was \$14,477,000 compared to \$16,399,000 for the twelve months ended June 30, 2023. The Company recognized credit loss expense of \$0 for the twelve months ended June 30, 2024 and \$550,000 for the twelve months ended June 30, 2023. Total noninterest income was \$4,144,000 for the twelve months ended June 30, 2024 compared to \$4,005,000 for the twelve months ended June 30, 2023. Noninterest expense was \$14,225,000 for the twelve months ended June 30, 2024 and \$13,433,000 for the twelve months ended June 30, 2023.

The three and twelve months ended June 30, 2024 represented a return on average common equity of 9.41% and 8.78%, respectively, compared to 11.30% and 12.26% for the three and twelve month periods ended June 30, 2023. The three and twelve months ended June 30, 2024 represented a return on average assets of 0.80% and 0.74%, respectively, compared to 0.99% and 1.07% for the three and twelve month periods ended June 30, 2023.

The allowance for credit losses as a percentage of gross loans receivable was 1.33% at June 30, 2024 compared to 1.23% at June 30, 2023. Nonperforming assets were \$4,044,000 at June 30, 2024 compared to \$2,065,000 at June 30, 2023.

As of June 30, 2024, FFWC's equity-to-assets ratio was 8.55% compared to 8.54% at June 30, 2023. Total assets at June 30, 2024 were \$567,363,000 compared to \$543,245,000 at June 30, 2023. Shareholders' equity was \$48,515,000 at June 30, 2024 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

	June 30	June 30
	2024	2023
	Unaudited	
Assets		
Cash and due from financial institutions	\$ 5,202,224	\$ 8,686,057
Interest-bearing deposits in other financial institutions	11,717,782	4,668,889
Cash and cash equivalents	16,920,006	13,354,946
Securities available for sale	106,179,450	110,063,452
Loans held for sale	559,830	80,000
Loans receivable, net of allowance for credit losses of \$5,564,436 June 30, 2024 and \$4,852,745 at June 30, 2023	411,841,368	390,544,236
Federal Home Loan Bank stock, at cost	1,289,700	1,289,700
Accrued interest receivable	3,016,660	2,648,368
Premises and equipment, net	7,614,589	8,121,511
Mortgage servicing rights	1,086,587	1,128,019
Cash surrender value of life insurance	12,725,890	10,086,476
Goodwill	1,213,898	1,213,898
Repossessed Assets	1,250	109,596
Other assets	4,913,693	4,604,551
Total assets	\$ 567,362,921	\$ 543,244,753
Liabilities and shareholders' equity		
Deposits		
Noninterest-bearing	\$ 47,530,618	\$ 53,267,081
Interest-bearing	466,891,628	437,700,301
Total deposits	514,422,246	490,967,382
Borrowings	-	2,100,000
Accrued expenses and other liabilities	4,425,736	3,792,808
Total liabilities	518,847,982	496,860,190
Shareholders' equity		
Common stock, \$.01 par; 2,000,000 shares authorized;		
Issued: 1,836,328; outstanding: 1,126,243 - June 30, 2024 and 1,126,357 - June 30, 2023	18,363	18,363
Additional paid-in capital	10,266,257	10,150,145
Retained earnings	61,694,919	59,406,634
Accumulated other comprehensive income (loss)	(10,795,929)	(10,588,876)
Treasury stock, at cost: 710,085 at June 30, 2024 and 709,971 shares at June 30, 2023	(12,668,671)	(12,601,703)
Total shareholders' equity	48,514,939	46,384,563
Total liabilities and shareholders' equity	\$ 567,362,921	\$ 543,244,753

FFW Corporation
Selected Financial Information

Consolidated Statement of Income

	Three Months Ended June 30		Twelve Months Ended June 30	
	2024	2023	2024	2023
	Unaudited		Unaudited	
Interest and dividend income:				
Loans, including fees	\$ 5,561,214	\$ 4,797,377	\$ 21,249,360	\$ 17,404,248
Taxable securities	538,577	483,668	2,031,617	1,864,881
Tax exempt securities	406,253	426,926	1,656,939	1,804,825
Other	119,404	188,303	309,304	548,886
Total interest and dividend income	6,625,448	5,896,274	25,247,220	21,622,840
Interest expense:				
Deposits	2,933,414	2,095,131	10,613,939	5,216,815
Borrowings	27,627	1,059	155,984	7,096
Total interest expense	2,961,041	2,096,190	10,769,923	5,223,911
Net interest income	3,664,407	3,800,084	14,477,297	16,398,929
Credit loss expense	-	75,000	-	550,000
Net interest income after credit loss expense	3,664,407	3,725,084	14,477,297	15,848,929
Noninterest income:				
Net gains (losses) on sales of securities	-	-	-	(3,633)
Net gains on sales of loans	113,780	15,397	185,535	166,999
Net gains (losses) on fixed assets	-	-	-	(20,533)
Net gains (losses) on sales of REO	-	18,039	(37,006)	21,105
Commission income	395,409	374,866	1,429,640	1,298,105
Service charges and fees	219,733	248,318	998,995	1,052,670
Earnings on life insurance	106,082	80,596	389,414	318,684
Other	302,374	292,868	1,177,332	1,171,991
Total noninterest income	1,137,378	1,030,084	4,143,910	4,005,388
Noninterest expense:				
Salaries and benefits	1,990,109	1,789,700	7,716,276	7,341,502
Occupancy and equipment	320,824	314,274	1,270,996	1,247,099
Professional	122,245	146,533	482,039	473,020
Marketing	96,753	83,207	378,547	364,422
Deposit insurance premium	73,000	82,000	280,666	201,968
Regulatory assessment	10,344	8,090	41,379	32,780
Correspondent bank charges	23,388	21,641	93,273	87,714
Data processing	482,683	419,607	1,866,798	1,655,966
Printing, postage and supplies	65,701	57,018	285,133	278,285
Expense on life insurance	41,149	21,785	129,934	87,767
Contribution expense	9,501	8,876	50,382	49,000
Expense on REO	(139)	2,837	5,683	9,377
Other	405,714	393,378	1,623,675	1,603,767
Total noninterest expense	3,641,272	3,348,946	14,224,781	13,432,667
Income before income taxes	1,160,513	1,406,222	4,396,426	6,421,650
Income tax expense	42,948	63,249	306,949	723,754
Net income	\$ 1,117,565	\$ 1,342,973	\$ 4,089,477	\$ 5,697,896

FFW Corporation
Selected Financial Information

Key Balances and Ratios

	Three Months Ended June 30		Twelve Months Ended June 30	
	2024	2023	2024	2023
	Unaudited		Unaudited	
Per common share data:				
Earnings	\$0.99	\$1.19	\$3.63	\$5.03
Diluted earnings	\$0.99	\$1.19	\$3.63	\$5.03
Dividends paid	\$0.29	\$1.53	\$1.16	\$2.37
Average shares issued and outstanding	1,126,520	1,126,522	1,126,879	1,131,761
Shares outstanding end of period	1,126,243	1,126,357	1,126,243	1,126,357
Supplemental data:				
Net interest margin **	2.66%	2.85%	2.69%	3.15%
Return on average assets ***	0.80%	0.99%	0.74%	1.07%
Return on average common equity ***	9.41%	11.30%	8.78%	12.26%
	June 30	June 30		
	2024	2023		
Nonperforming assets *	\$4,044,082	\$2,065,381		
Repossessed assets	\$1,250	\$109,596		

* 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