

## FFW CORP PRESS RELEASE

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### FFW CORPORATION ANNOUNCES EARNINGS FOR THE QUARTER AND YEAR TO DATE ENDED DECEMBER 31, 2021

**WABASH, INDIANA** - - FFW Corporation (the "Corporation") (OTC PINK: [FFWC](#)) (1/25/2022 Close: **\$46.95**), parent corporation of Crossroads Bank (the "Bank"), announced earnings for the quarter and year to date ended December 31, 2021.

For the three months ended December 31, 2021, the Corporation reported net income of \$1,358,000 or \$1.19 per common share compared to \$1,774,000 or \$1.55 per common share for the three months ended December 31, 2020. Net interest income for the three months ended December 31, 2021 was \$3,780,000 compared to \$3,727,000 for the three months ended December 31, 2020. The provision for loan losses was \$80,000 for the three months ended December 31, 2021 and \$165,000 for the three months ended December 31, 2020. Total noninterest income was \$1,032,000 for the three months ended December 31, 2021 compared to \$1,814,000 for the three months ended December 31, 2020. Noninterest expense was \$3,219,000 for the three months ended December 31, 2021 and \$3,260,000 for the three months ended December 31, 2020.

For the six months ended December 31, 2021, the Corporation reported net income of \$2,828,000 or \$2.47 per common share compared to \$3,521,000 or \$3.08 per common share for the six months ended December 31, 2020. Net interest income for the six months ended December 31, 2021 was \$7,593,000 compared to \$7,434,000 for the six months ended December 31, 2020. The Company recognized a provision for loan losses of \$130,000 for the six months ended December 31, 2021 and \$330,000 for the six months ended December 31, 2020. Total noninterest income was \$2,245,000 for the six months ended December 31, 2021 compared to \$3,795,000 for the six months ended December 31, 2020. Noninterest expense was \$6,427,000 for the six months ended December 31, 2021 and \$6,686,000 for the six months ended December 31, 2020.

The three and six months ended December 31, 2021 represented a return on average common equity of 9.92% and 10.32%, respectively, compared to 13.66% and 13.69% for the three and six month periods ended December 31, 2020. The three and six months ended December 31, 2021 represented a return on average assets of 1.03% and 1.10%, respectively, compared to 1.46% and 1.47%, for the three and six month periods ended December 31, 2020.

The allowance for loan losses as a percentage of gross loans receivable was 1.35% at December 31, 2021 compared to 1.43% at June 30, 2021. Nonperforming assets were \$2,921,000 at December 31, 2021 compared to \$3,242,000 at June 30, 2021.

As of December 31, 2021, FFWC's equity-to-assets ratio was 10.42% compared to 10.89% at June 30, 2021. Total assets at December 31, 2021 were \$521,625,000 compared to \$486,442,000 at June 30, 2021. Shareholders' equity was \$54,332,000 at December 31, 2021 compared to \$52,954,000 at June 30, 2020. 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 twelve 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](http://www.crossroadsbanking.com). Crossroads Bank, Member FDIC.

**FFW Corporation**  
**Selected Financial Information**

**Consolidated Balance Sheet**

	<b>December 31</b>	<b>June 30</b>
	<b>2021</b>	<b>2021</b>
	Unaudited	
<b>Assets</b>		
Cash and due from financial institutions	\$ 6,153,813	\$ 4,779,188
Interest-bearing deposits in other financial institutions	64,506,271	51,646,720
Cash and cash equivalents	70,660,084	56,425,908
Securities available for sale	114,818,062	116,335,455
Loans receivable, net of allowance for loan losses of \$4,252,370 at December 31, 2021 and \$4,168,689 at June 30, 2021	310,761,100	285,643,064
Loans held for sale	54,501	2,613,987
Federal Home Loan Bank stock, at cost	1,462,500	1,462,500
Accrued interest receivable	2,087,995	2,131,744
Premises and equipment, net	8,717,373	8,949,842
Mortgage servicing rights	1,033,145	1,011,046
Cash surrender value of life insurance	9,613,392	9,459,746
Goodwill	1,213,898	1,213,898
Repossessed Assets	58,953	148,621
Other assets	1,143,749	1,045,876
<b>Total assets</b>	<b>\$ 521,624,752</b>	<b>\$ 486,441,687</b>
<b>Liabilities and shareholders' equity</b>		
Deposits		
Noninterest-bearing	\$ 50,431,524	\$ 49,510,375
Interest-bearing	412,858,678	380,084,790
Total deposits	463,290,202	429,595,165
Accrued expenses and other liabilities	4,002,546	3,892,719
Total liabilities	467,292,748	433,487,884
Shareholders' equity		
Common stock, \$.01 par; 2,000,000 shares authorized; Issued: 1,836,328; outstanding: 1,143,377 - December 31, 2021 and 1,141,190 - June 30, 2021		
	18,363	18,363
Additional paid-in capital	9,834,406	9,809,754
Retained earnings	54,085,891	51,852,194
Accumulated other comprehensive income	2,220,454	3,058,832
Treasury stock, at cost: 692,951 shares at December 31, 2021 and 695,138 shares at June 30, 2021	(11,827,110)	(11,785,340)
Total shareholders' equity	54,332,004	52,953,803
<b>Total liabilities and shareholders' equity</b>	<b>\$ 521,624,752</b>	<b>\$ 486,441,687</b>

**FFW Corporation**  
**Selected Financial Information**

**Consolidated Statement of Income**

	Three Months Ended December 31		Six Months Ended December 31	
	2021	2020	2021	2020
	Unaudited	Unaudited	Unaudited	Unaudited
<b>Interest and dividend income:</b>				
Loans, including fees	\$ 3,362,773	\$ 3,559,989	\$ 6,755,289	\$ 7,164,305
Taxable securities	331,914	321,319	686,485	654,512
Tax exempt securities	407,372	417,657	821,630	789,928
Other	25,096	9,728	43,849	17,509
<b>Total interest and dividend income</b>	<b>4,127,155</b>	<b>4,308,693</b>	<b>8,307,253</b>	<b>8,626,254</b>
<b>Interest expense:</b>				
Deposits	347,651	581,261	714,322	1,192,646
Borrowings	1	-	1	-
<b>Total interest expense</b>	<b>347,652</b>	<b>581,261</b>	<b>714,323</b>	<b>1,192,646</b>
<b>Net interest income</b>	<b>3,779,503</b>	<b>3,727,432</b>	<b>7,592,930</b>	<b>7,433,608</b>
Provision for loan losses	80,000	165,000	130,000	330,000
<b>Net interest income after provision for loan losses</b>	<b>3,699,503</b>	<b>3,562,432</b>	<b>7,462,930</b>	<b>7,103,608</b>
<b>Noninterest income:</b>				
Net gains on sales of securities	-	-	-	98,467
Net gains on sales of loans	72,163	1,013,356	354,826	2,208,842
Net gains (losses) on fixed assets	10,250	9,204	10,250	9,204
Net gains (losses) on sales of REO	13,770	-	6,754	(6,535)
Commission income	313,632	281,325	636,236	571,403
Service charges and fees	246,442	199,419	509,672	294,838
Earnings on life insurance	77,282	75,379	153,647	149,820
Other	298,788	235,103	574,096	469,446
<b>Total noninterest income</b>	<b>1,032,327</b>	<b>1,813,786</b>	<b>2,245,481</b>	<b>3,795,485</b>
<b>Noninterest expense:</b>				
Salaries and benefits	1,778,904	1,714,403	3,491,114	3,475,467
Occupancy and equipment	320,454	321,365	646,470	664,459
Professional	106,231	92,608	225,150	153,194
Marketing	105,686	108,652	218,054	222,593
Deposit insurance premium	33,000	33,000	66,000	66,000
Regulatory assessment	9,360	9,301	18,720	18,602
Correspondent bank charges	19,186	17,146	38,710	34,663
Data processing	413,164	400,688	832,436	821,270
Printing, postage and supplies	75,994	72,084	148,278	167,496
Expense on life insurance	21,332	15,849	42,764	31,698
Contribution expense	10,513	11,887	31,527	27,275
Expense on REO	4,961	3,258	1,025	8,039
Other	319,979	459,435	667,017	994,748
<b>Total noninterest expense</b>	<b>3,218,764</b>	<b>3,259,676</b>	<b>6,427,265</b>	<b>6,685,504</b>
<b>Income before income taxes</b>	<b>1,513,066</b>	<b>2,116,542</b>	<b>3,281,146</b>	<b>4,213,589</b>
Income tax expense	155,358	342,970	452,894	692,487
<b>Net income</b>	<b>\$ 1,357,708</b>	<b>\$ 1,773,572</b>	<b>\$ 2,828,252</b>	<b>\$ 3,521,102</b>

**FFW Corporation**  
**Selected Financial Information**

**Key Balances and Ratios**

	Three Months Ended December 31		Six Months Ended December 31	
	2021	2020	2021	2020
	Unaudited	Unaudited	Unaudited	Unaudited
<b>Per common share data:</b>				
Earnings	\$1.19	\$1.55	\$2.47	\$3.08
Diluted earnings	\$1.19	\$1.55	\$2.47	\$3.08
Dividends paid	\$0.26	\$0.25	\$0.52	\$0.50
Average shares issued and outstanding	1,143,377	1,142,690	1,144,291	1,142,690
Shares outstanding end of period	1,143,377	1,142,690	1,143,377	1,142,690
<b>Supplemental data:</b>				
Net interest margin **	3.07%	3.30%	3.15%	3.34%
Return on average assets ***	1.03%	1.46%	1.10%	1.47%
Return on average common equity ***	9.92%	13.66%	10.32%	13.69%
	<b>December 31</b>		<b>June 30</b>	
	<b>2021</b>		<b>2021</b>	
Nonperforming assets *	\$2,920,997		\$3,241,581	
Repossessed assets	\$58,953		\$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