



BRIDGEWATER  
BANCSHARES, INC.

**INVESTOR PRESENTATION**  
SECOND QUARTER 2021

### Forward-Looking Statements

This presentation contains “forward-looking statements” within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements include, without limitation, statements concerning plans, estimates, calculations, forecasts and projections with respect to the anticipated future performance of Bridgewater Bancshares, Inc. (the “Company”). These statements are often, but not always, identified by words such as “may”, “might”, “should”, “could”, “predict”, “potential”, “believe”, “expect”, “continue”, “will”, “anticipate”, “seek”, “estimate”, “intend”, “plan”, “projection”, “would”, “annualized”, “target” and “outlook”, or the negative version of those words or other comparable words of a future or forward-looking nature. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations and assumptions regarding our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following: the negative effects of the COVID-19 pandemic, including its effects on the economic environment, our clients and our operations, as well as any changes to federal, state or local government laws, regulations or orders in connection with the pandemic; loan concentrations in our portfolio; the overall health of the local and national real estate market; our ability to successfully manage credit risk; business and economic conditions generally and in the financial services industry, nationally and within our market area; our ability to maintain an adequate level of allowance for loan losses; new or revised accounting standards, including as a result of the future implementation of the Current Expected Credit Loss Standard; our high concentration of large loans to certain borrowers; our concentration of large deposits from certain clients; our ability to successfully manage liquidity risk; our dependence on non-core funding sources and our cost of funds; our ability to raise additional capital to implement our business plan; our ability to implement our growth strategy and manage costs effectively; developments and uncertainty related to the future use and availability of some reference rates, such as the London Interbank Offered Rate, as well as other alternative reference rates; the composition of our senior leadership team and our ability to attract and retain key personnel; the occurrence of fraudulent activity, breaches or failures of our information security controls or cybersecurity-related incidents; interruptions involving our information technology and telecommunications systems or third-party servicers; competition in the financial services industry; the effectiveness of our risk management framework; the commencement and outcome of litigation and other legal proceedings and regulatory actions against us; the impact of recent and future legislative and regulatory changes; interest rate risk; fluctuations in the values of the securities held in our securities portfolio; the imposition of tariffs or other governmental policies impacting the value of products produced by our commercial borrowers; severe weather, natural disasters, wide spread disease or pandemics (including the COVID-19 pandemic), acts of war or terrorism or other adverse external events; potential impairment to the goodwill we recorded in connection with our past acquisition; changes to U.S. tax laws, regulations and guidance; and any other risks described in the “Risk Factors” sections of reports and other documents filed by the Company with the Securities and Exchange Commission.

Any forward-looking statement made by us in this presentation is based only on information currently available to us and speaks only as of the date on which it is made. We undertake no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise. Certain of the information contained in this presentation is derived from information provided by industry sources. Although we believe that such information is accurate and that the sources from which it has been obtained are reliable, we cannot guarantee the accuracy of, and have not independently verified, such information.

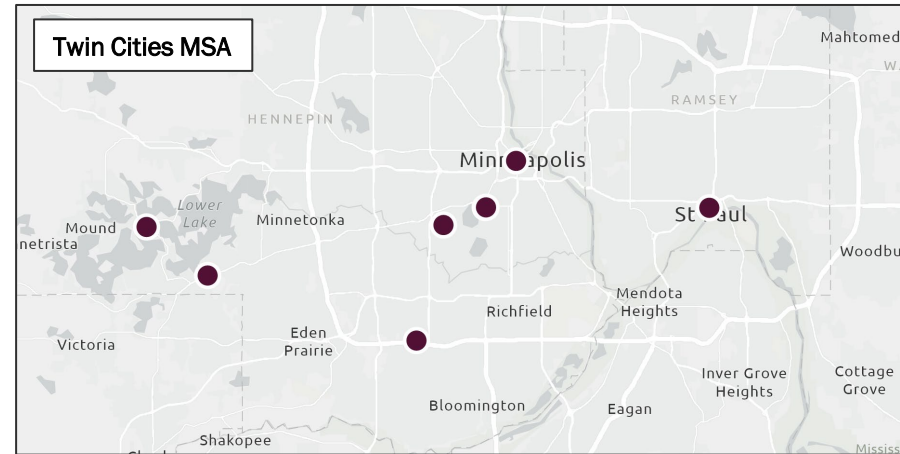
### Use of Non-GAAP financial measures

In addition to the results presented in accordance with U.S. General Accepted Accounting Principles (“GAAP”), the Company routinely supplements its evaluation with an analysis of certain non-GAAP financial measures. The Company believes these non-GAAP financial measures, in addition to the related GAAP measures, provide meaningful information to investors to help them understand the Company’s operating performance and trends, and to facilitate comparisons with the performance of peers. These disclosures should not be viewed as a substitute for operating results determined in accordance with GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other companies. Reconciliations of non-GAAP disclosures to the comparable GAAP measures are provided in this presentation.

## Company Overview

<b>Name:</b>	Bridgewater Bancshares, Inc.
<b>Headquarters:</b>	St. Louis Park, MN
<b>Ticker:</b>	NASDAQ: BWB
<b>Assets:</b>	\$3.2 Billion
<b>Loans:</b>	\$2.6 Billion
<b>Deposits:</b>	\$2.7 Billion
<b>Equity:</b>	\$290.8 Million

## Franchise Footprint



## Company Highlights

- Founded in 2005 by a group of banking industry veterans and local business leaders
- Publicly traded on NASDAQ since March 14, 2018 under the symbol “BWB”
- The Company operates through seven branches across the Twin Cities MSA
- Continuous profitability since the third month of operations
- Record of stability, growth and profitability through the Great Recession and recovery, and, more recently, through the COVID-19 pandemic
- Expertise in commercial real estate with a focus in multifamily lending
- Organizational focus on productivity and risk management
- Effective operating model, with an efficiency ratio consistently in the low 40% range

Diluted EPS	Return on Average Assets	Return on Average Common Equity	Efficiency Ratio <sup>1</sup>
\$0.38	1.43%	15.40%	42.0%

### Robust Balance Sheet Growth Continues

- Gross loan balances up \$168.1 million, or 27.8% annualized from 1Q21 (up 41.2% ex. PPP)
- Deposit balances up \$82.3 million, or 12.5% annualized from 1Q21

### Strong Revenue Growth

- Total revenue of \$27.9 million, up 5.6% from 1Q21
- Pre-provision net revenue<sup>1</sup> (PPNR) of \$15.9 million with a PPNR ROA<sup>1</sup> of 2.07%
- Solid net interest margin of 3.52%, down 8 bps from 1Q21; core net interest margin<sup>1</sup> (ex. PPP and loan fees) of 3.31%, down 3 bps from 1Q21

### Superb Asset Quality

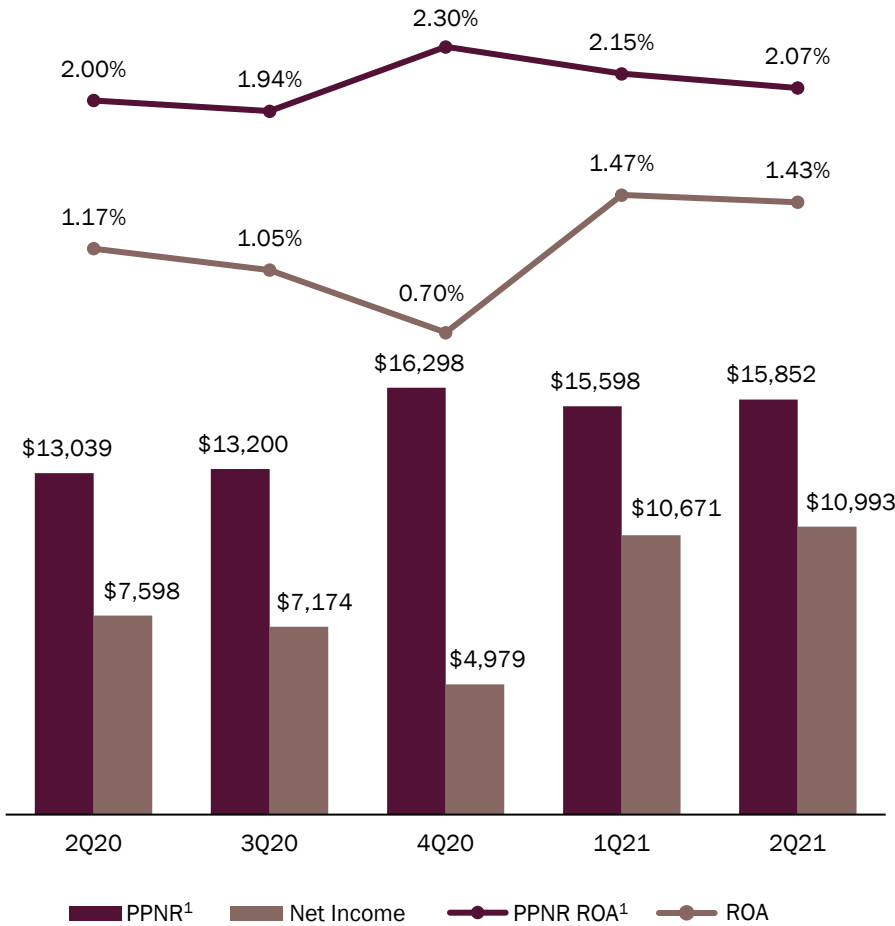
- Annualized net charge-offs to average loans of 0.00%
- Provision of \$1.6 million driven by continued strong loan growth, bringing allowance to total loans to 1.50% (ex. PPP), down from 1.59% in 1Q21
- Nonperforming assets to total assets of 0.02%, down from 0.03% in 1Q21

### Solid Capital and Liquidity Position

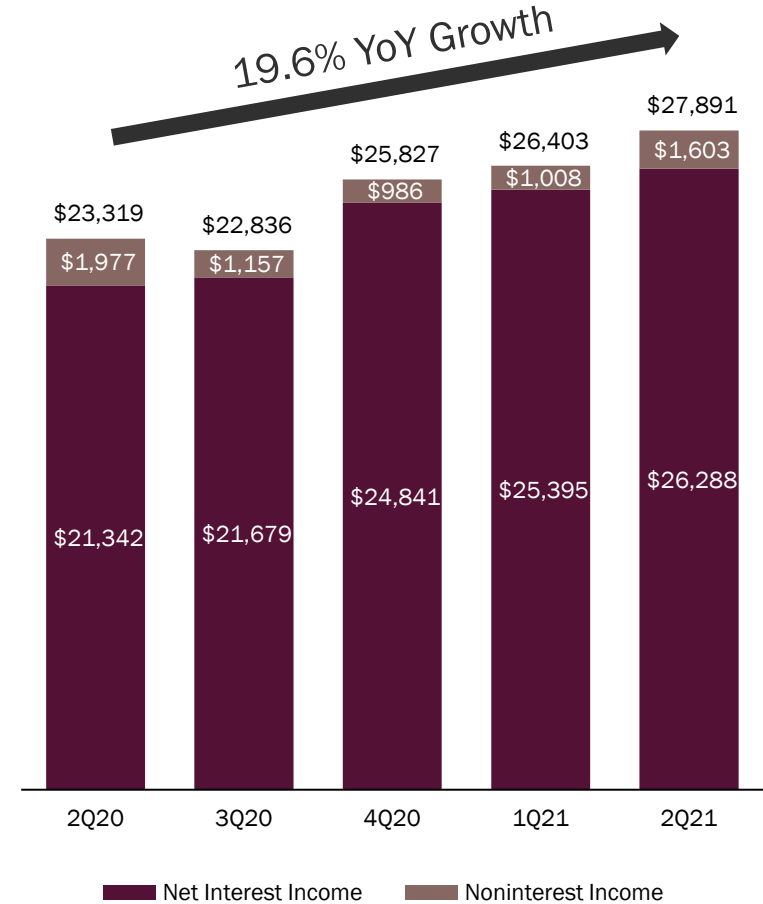
- Tangible common equity ratio<sup>1</sup> of 9.10%, up 11 bps from 1Q21
- \$1.3 billion of on- and off-balance sheet liquidity
- Completed private placement of \$30 million of 3.25% Fixed-to-Floating Rate Subordinated Notes due 2031 on July 8, 2021

<sup>1</sup> Represents a Non-GAAP financial measure. See Appendix for Non-GAAP reconciliation.

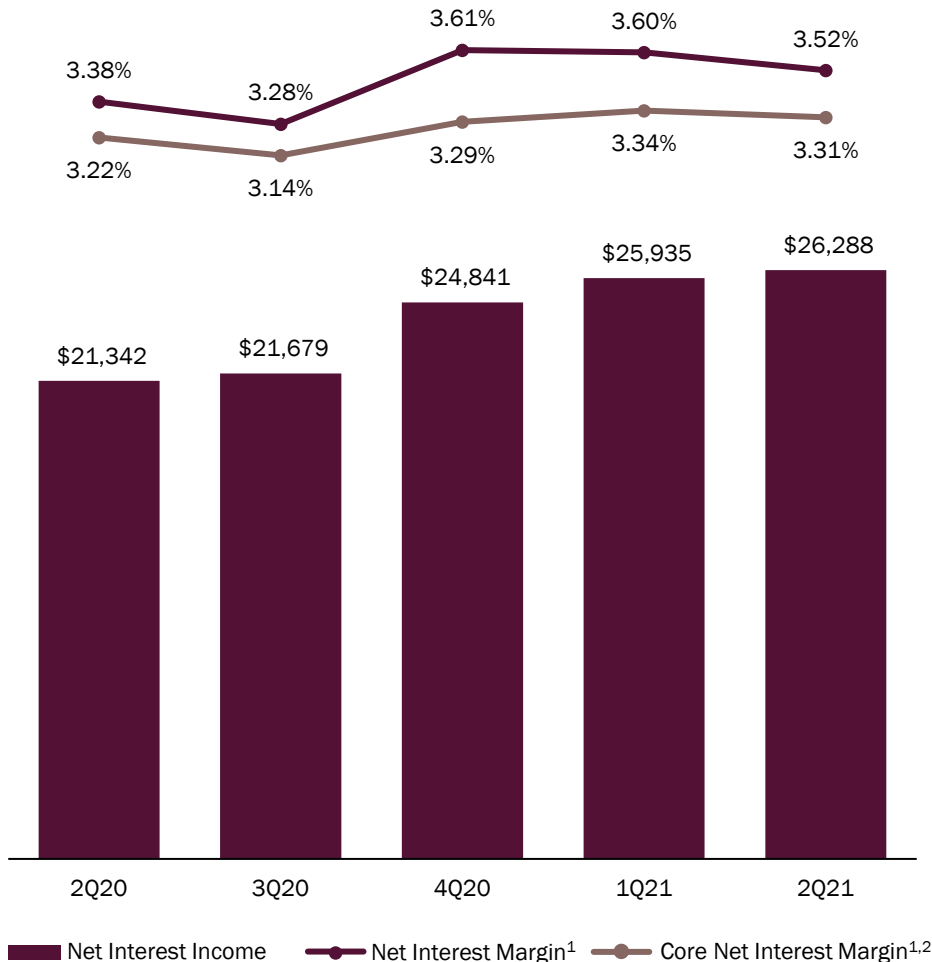
## Strong PPNR



## Consistent Revenue Growth



<sup>1</sup> Represents a Non-GAAP financial measure. See Appendix for Non-GAAP reconciliation  
Dollars in thousands



- 23.2% YoY growth in net interest income
- 2Q21 net interest income includes the recognition of \$1.4 million of PPP loan origination fees, which contributed 19 bps to net interest margin
- Estimated \$3.4 million of PPP fees yet to be recognized
- Total interest earning asset yield declined 14 bps while total interest-bearing liability cost decreased 8 bps compared to 1Q21
- Excess cash weighed 3 bps on NIM during the quarter
- Expect continued stabilization of core net interest margin

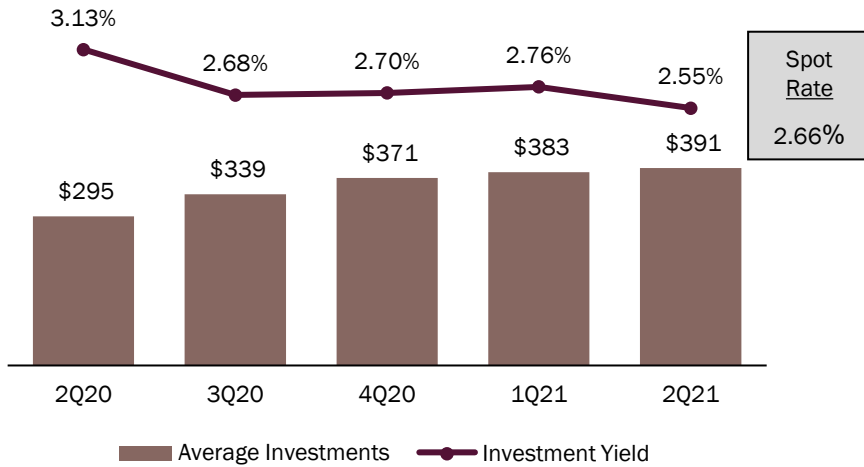
<sup>1</sup> Amounts calculated on a tax-equivalent basis using statutory federal tax rate of 21%

<sup>2</sup> Excludes loan fees and PPP loan balances, interest and fees; represents a Non-GAAP financial measure, see Appendix for Non-GAAP reconciliation

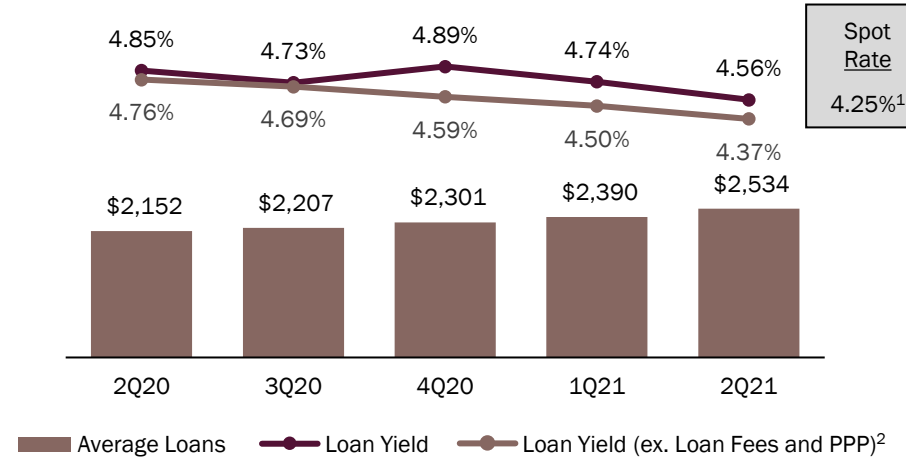
Dollars in thousands



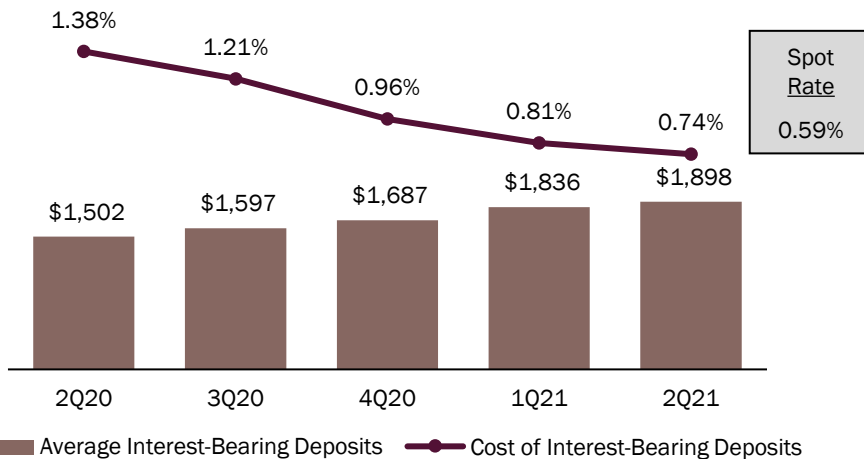
## Deploying Excess Liquidity into Investments



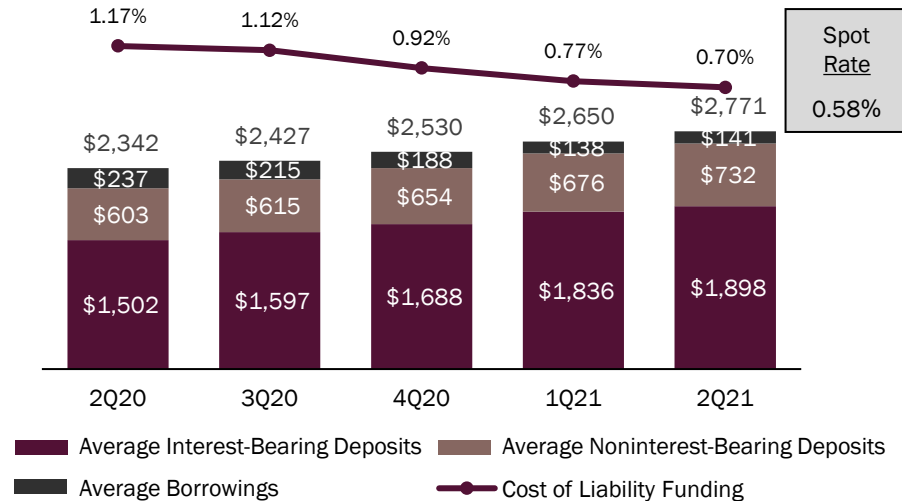
## Market-Related Loan Yield Pressure as Balances Grow



## Improving Deposit Mix Resulting in Lower Deposit Costs



## Lower Overall Funding Costs

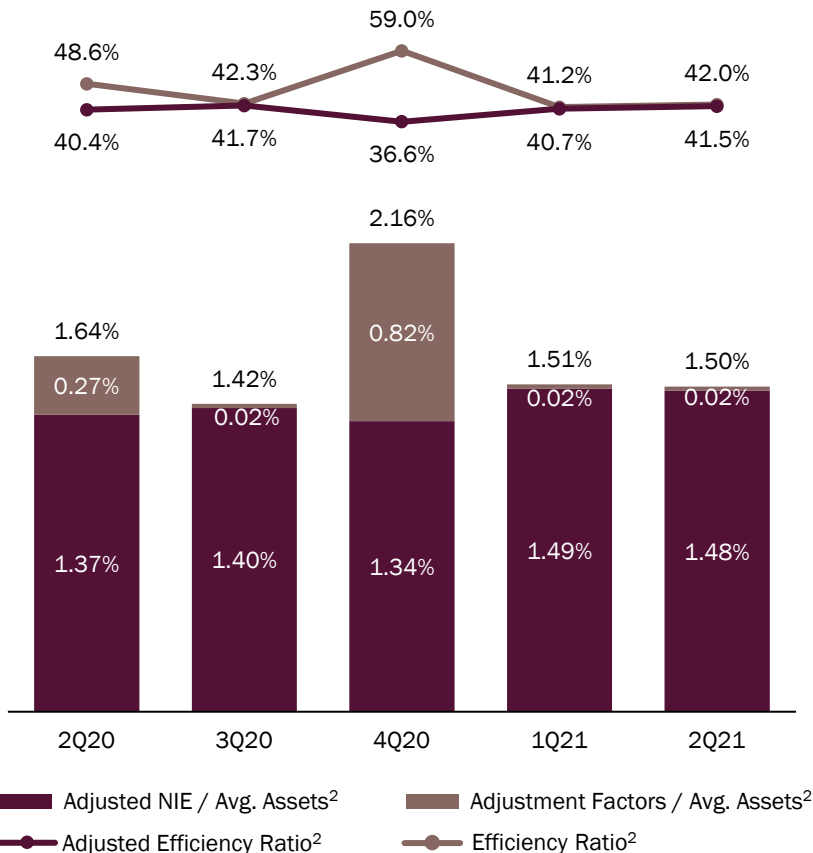


<sup>1</sup> Excludes loan fees and PPP

<sup>2</sup> Represents a Non-GAAP financial measure. See Appendix for Non-GAAP reconciliation  
Dollars in millions

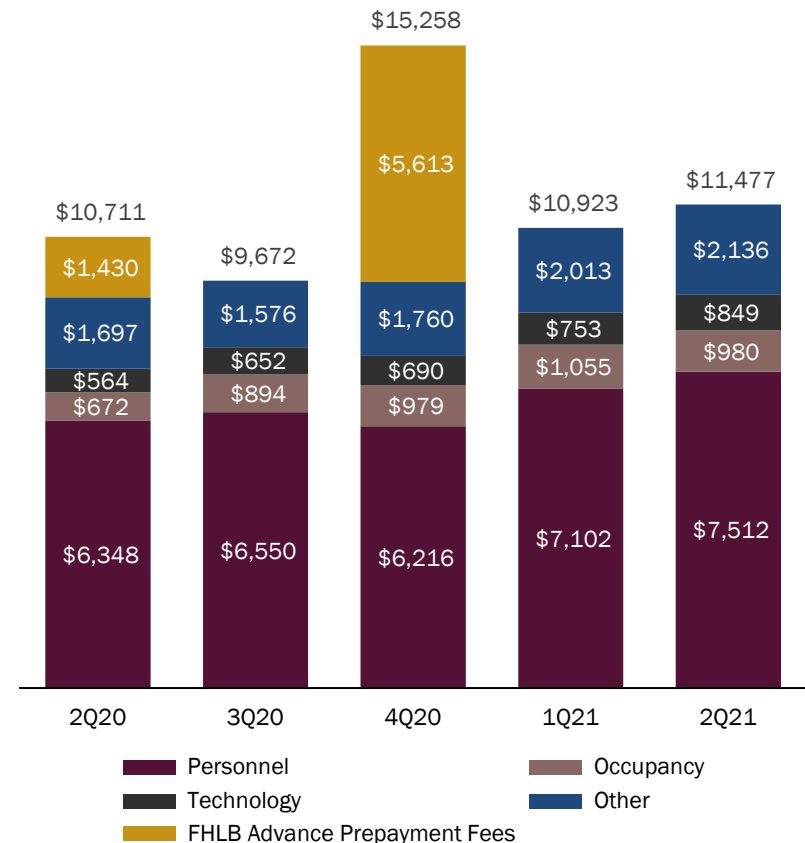
## Adjusted Efficiency Ratio Consistently in the Low 40% Range

Industry median efficiency ratio of 58%<sup>1</sup>



## Operating Expense Composition

Expenses expected to increase in-line with asset growth

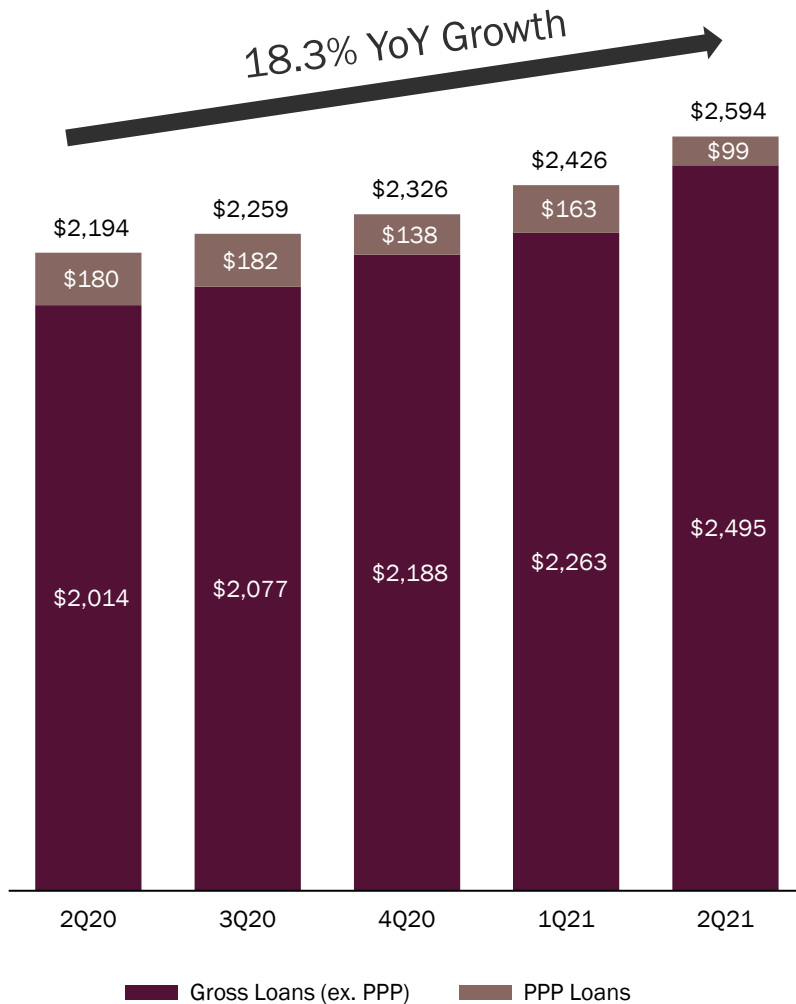


<sup>1</sup> 1Q21 median efficiency ratio for publicly-traded banks with total assets between \$1 billion and \$10 billion (Source: S&P Global Market Intelligence)

<sup>2</sup> Represents a Non-GAAP financial measure. See Appendix for Non-GAAP reconciliation

Dollars in thousands



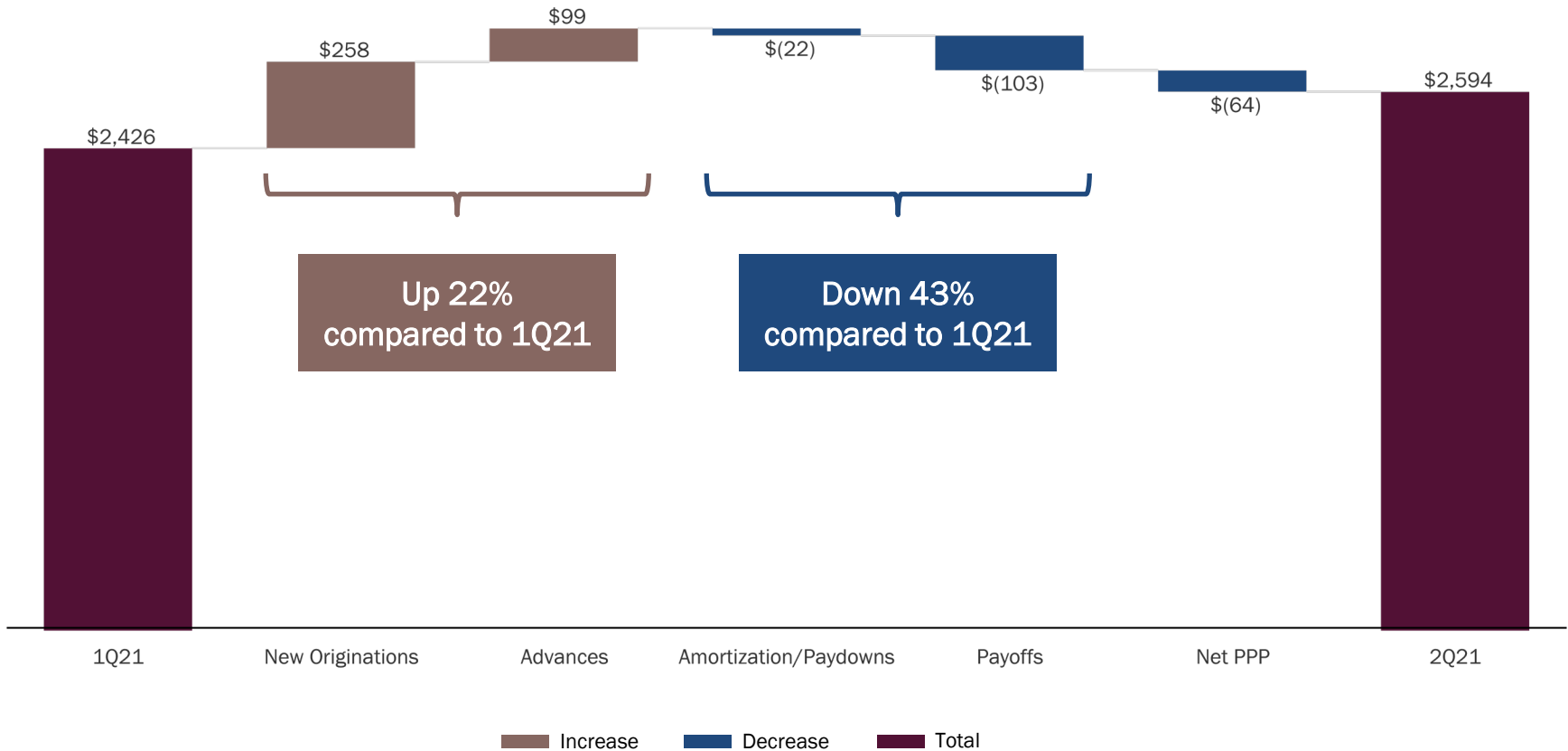


- 23.9% YoY loan growth, excluding PPP loans
- 2Q21 gross loans grew \$232.2 million, or 41.2% annualized, excluding PPP loans
- Expect near-term annualized loan growth (ex. PPP) in the high teen percent range

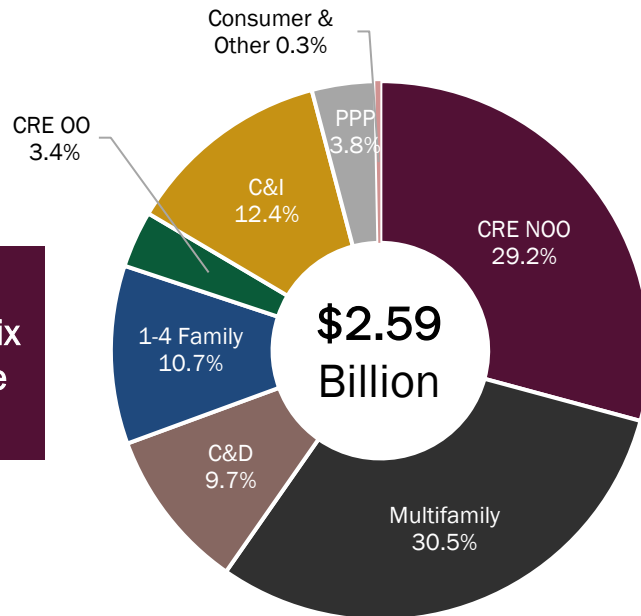
### BWB Loan Growth Catalysts

- Strong brand and service model in the Twin Cities market
- M&A-related market disruption resulting in client and banker acquisition opportunities
- PPP-related client acquisition opportunities
- Expansion of talented lending teams

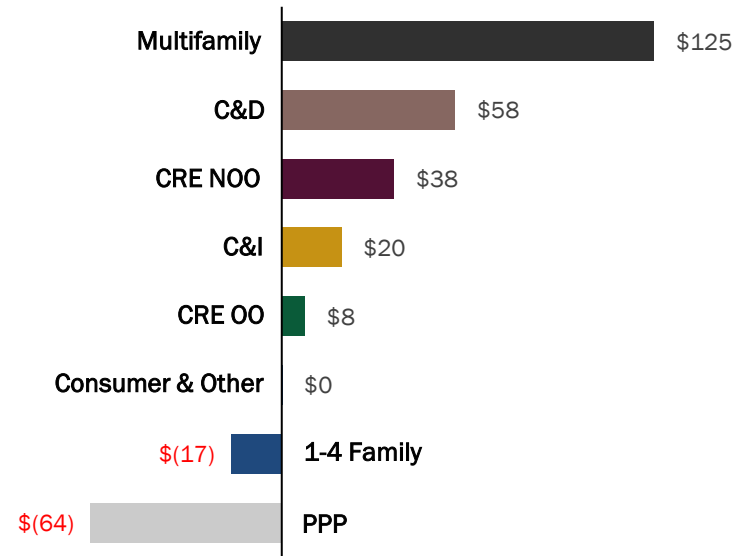
- Despite payoffs and paydowns of \$125 million and a net PPP balance reduction of \$64 million in 2Q21, gross loan portfolio grew \$168 million from 1Q21
- Loan pipeline remains strong and diversified among various asset classes



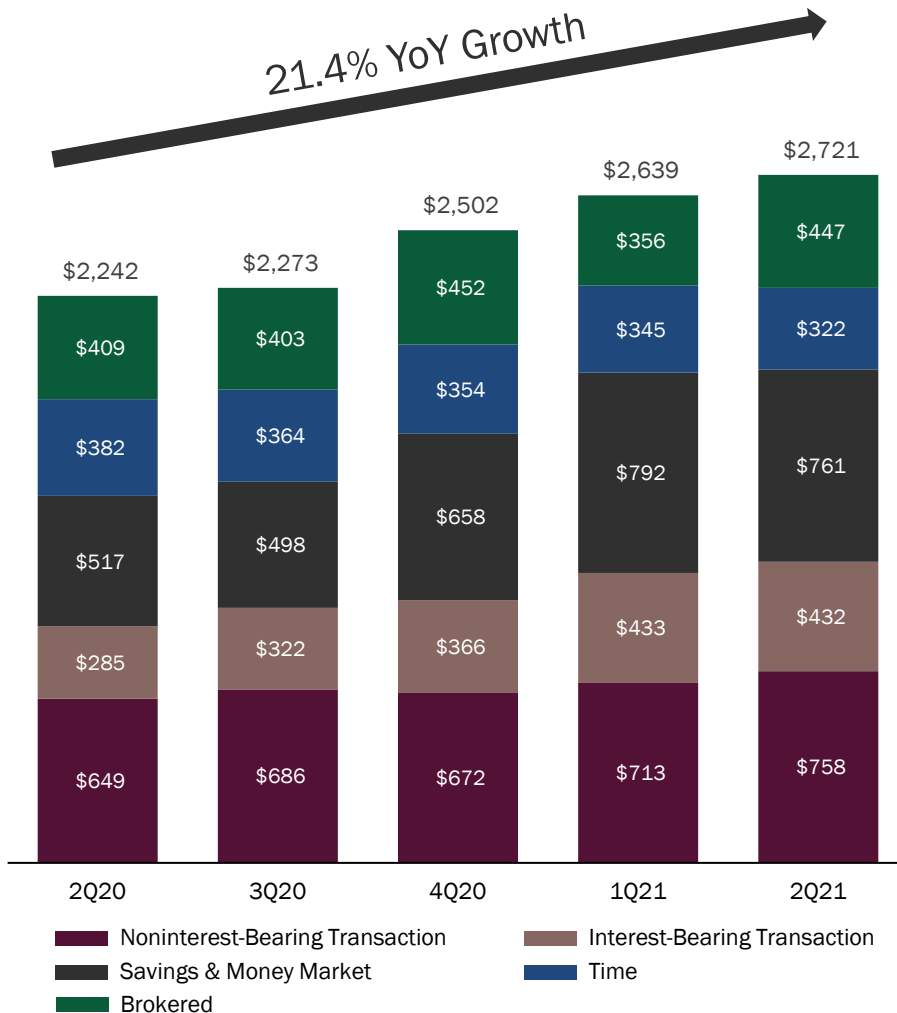
## Loan Mix by Type



## 2Q21 Loan Growth by Type (vs. 1Q21)



- 2Q21 loan growth across all commercial portfolios, led by multifamily and C&D
- Growth in multifamily due to segment expertise and lower portfolio risk characteristics
- C&D growth driven by build out of additional lending and credit expertise in the space over the past two years – focus on experienced developers with properties in quality locations
- 59% fixed rate, 23% adjustable rate and 18% variable rate
- Loan modifications of \$34 million at June 30, 2021, or 1.4% of gross loans (ex. PPP)

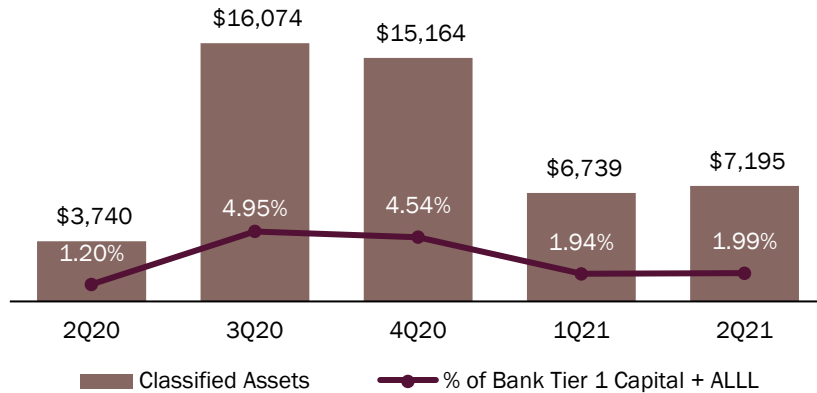


- 16.8% YoY growth in noninterest-bearing deposits
- Robust deposit inflows reflect both successful new client and banker acquisition initiatives and pandemic-related accumulation of liquidity by existing clients
- Increase in brokered deposits included \$75 million at 1 basis point late in 2Q21
- Core deposits<sup>1</sup> were 81% of total deposits (up from 76% at 2Q20)
- \$169 million in time deposits maturing over the next five quarters at a blended cost of 1.55%
- Expect deposit growth to continue to fund loan growth going forward

<sup>1</sup> Total deposits less brokered deposits and certificates of deposit greater than \$250,000

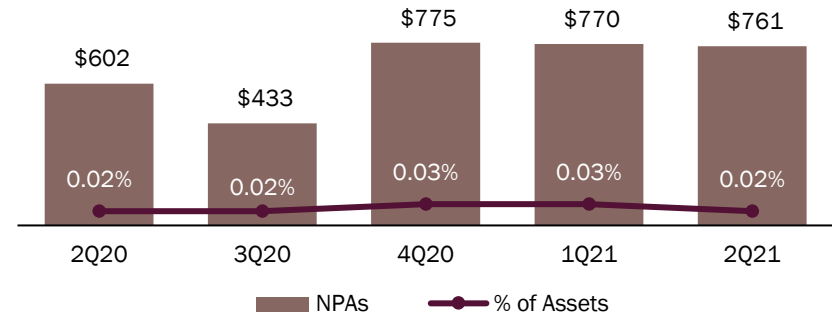
## Classified Assets

3Q20 increase due to two COVID-related relationships



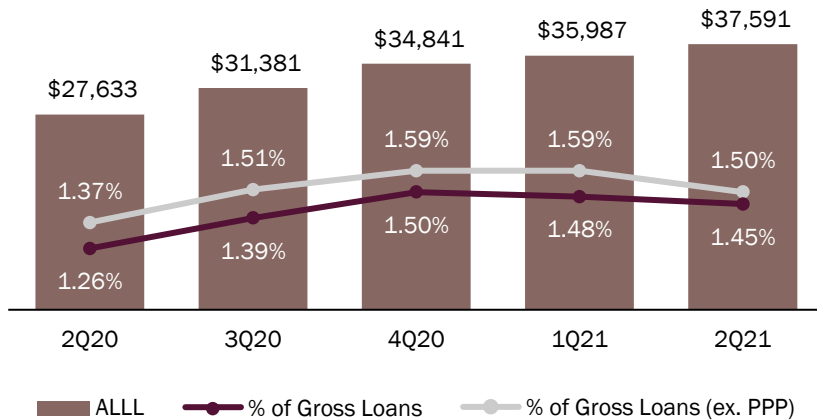
## Nonperforming Assets<sup>1</sup>

Consistently low NPA levels



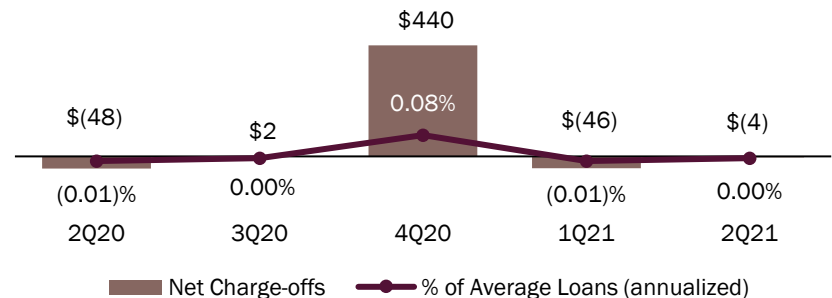
## Allowance for Loan Losses

Current reserves at appropriate levels



## Net Charge-Offs

Cumulative NCOs of \$642K since 2017

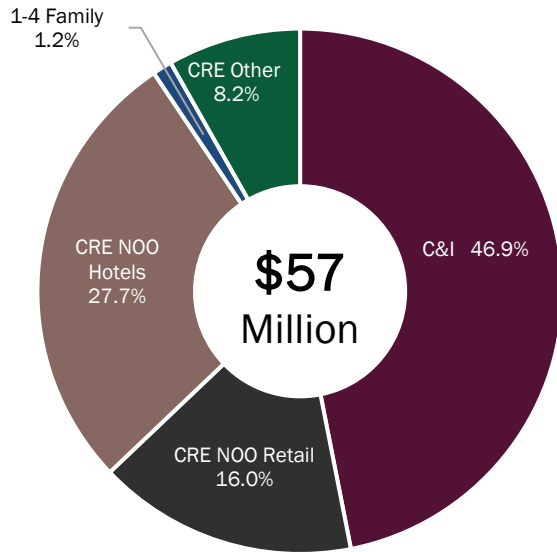


<sup>1</sup> Nonaccrual loans, loans 90 days past due and foreclosed assets

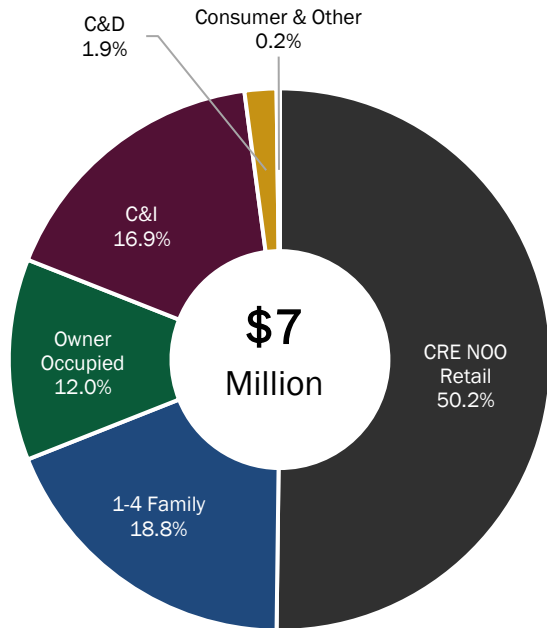
Dollars in thousands



**Watch List  
By Loan  
Type**



**Classified  
List By  
Loan Type**



**Only 3 hotel relationships as of June 30, 2021, with 2 on Watch**

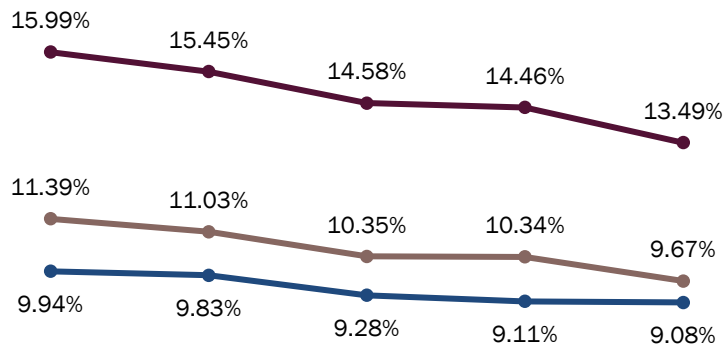
Watch List Characteristics	
Loan Balance Outstanding	\$56,696
% of Total Loans, Gross	2.2%
Number of Loans	26
Average Loan Size	\$2,181

**Majority of Watch and Classified loans are pandemic-related**

Classified List Characteristics	
Loan Balance Outstanding	\$7,195
% of Total Loans, Gross	0.3%
Number of Loans	19
Average Loan Size	\$379
% of Bank Tier 1 Capital + ALLL	1.99%

## Consolidated Capital Ratios

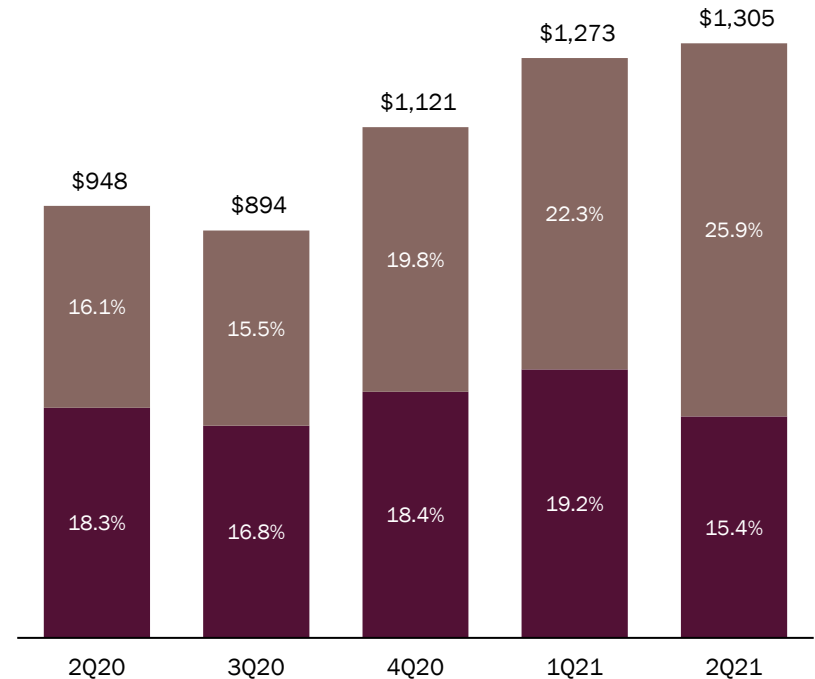
Focus on utilizing capital to support strong loan growth



Completed private placement of \$30 million of 3.25% Fixed-to-Floating Rate Subordinated Notes due 2031 on July 8, 2021

## On & Off-Balance Sheet Liquidity as % of Total Assets

Securities portfolio completely unencumbered at June 30, 2021

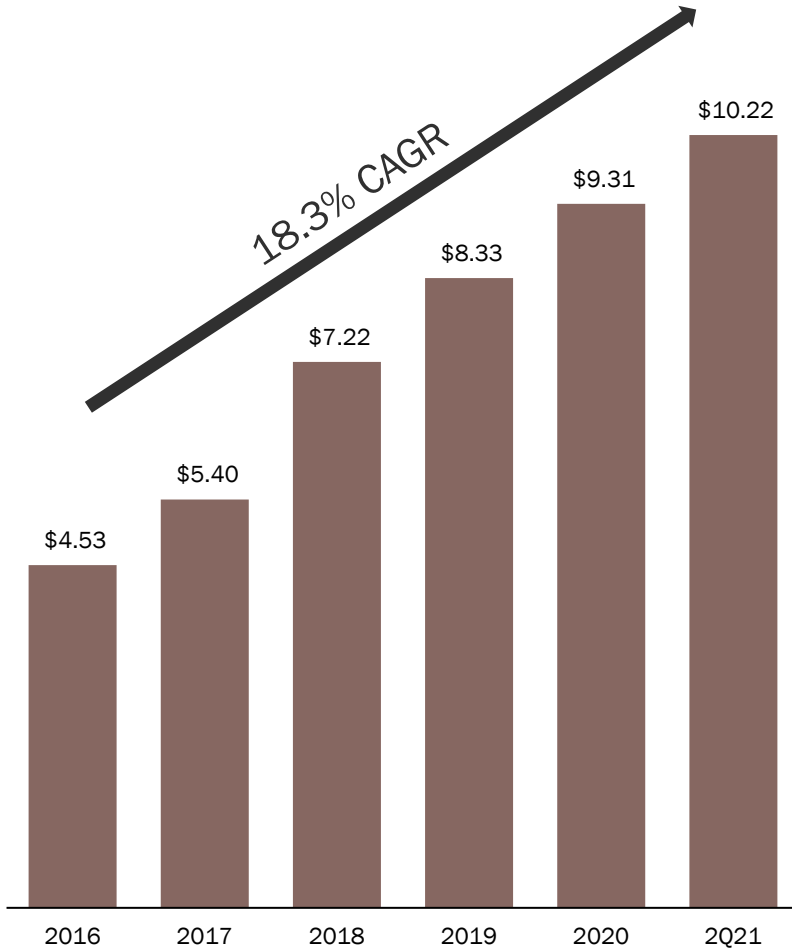


● Total Risk-Based Capital Ratio   
 ● Common Equity Tier 1 Capital Ratio  
● Tier 1 Leverage Ratio

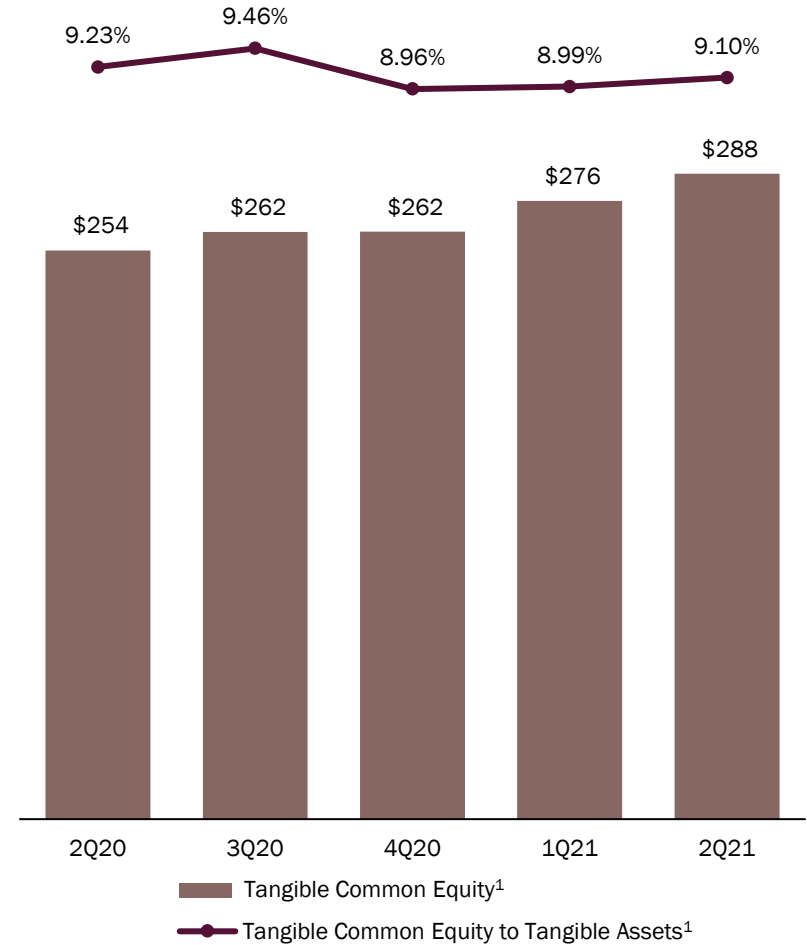
■ Off-Balance Sheet Liquidity as a % of Assets  
■ On-Balance Sheet Liquidity as a % of Assets



### Tangible Book Value Per Share<sup>1</sup>



### Tangible Common Equity



<sup>1</sup> Represents a Non-GAAP financial measure. See Appendix for Non-GAAP reconciliation Dollars in millions, except per share data



- 1 **Pre-eminent real estate bank in the Twin Cities** market with a focus on multifamily lending
- 2 Operational strategy focused on generating **consistently profitable organic growth**
- 3 Superior profitability driven by a **highly efficient business model**
- 4 **Very experienced** and deep group of managers and business producers
- 5 Primary operations in the **growing Twin Cities** market, with **ample opportunities from bank M&A disruption**
- 6 **Proactive risk management approach** resulting in continued strong asset quality, despite the pandemic
- 7 An **unconventional culture** that is attracting and retaining top talent



Unconventional

Responsive

Dedicated

Growth

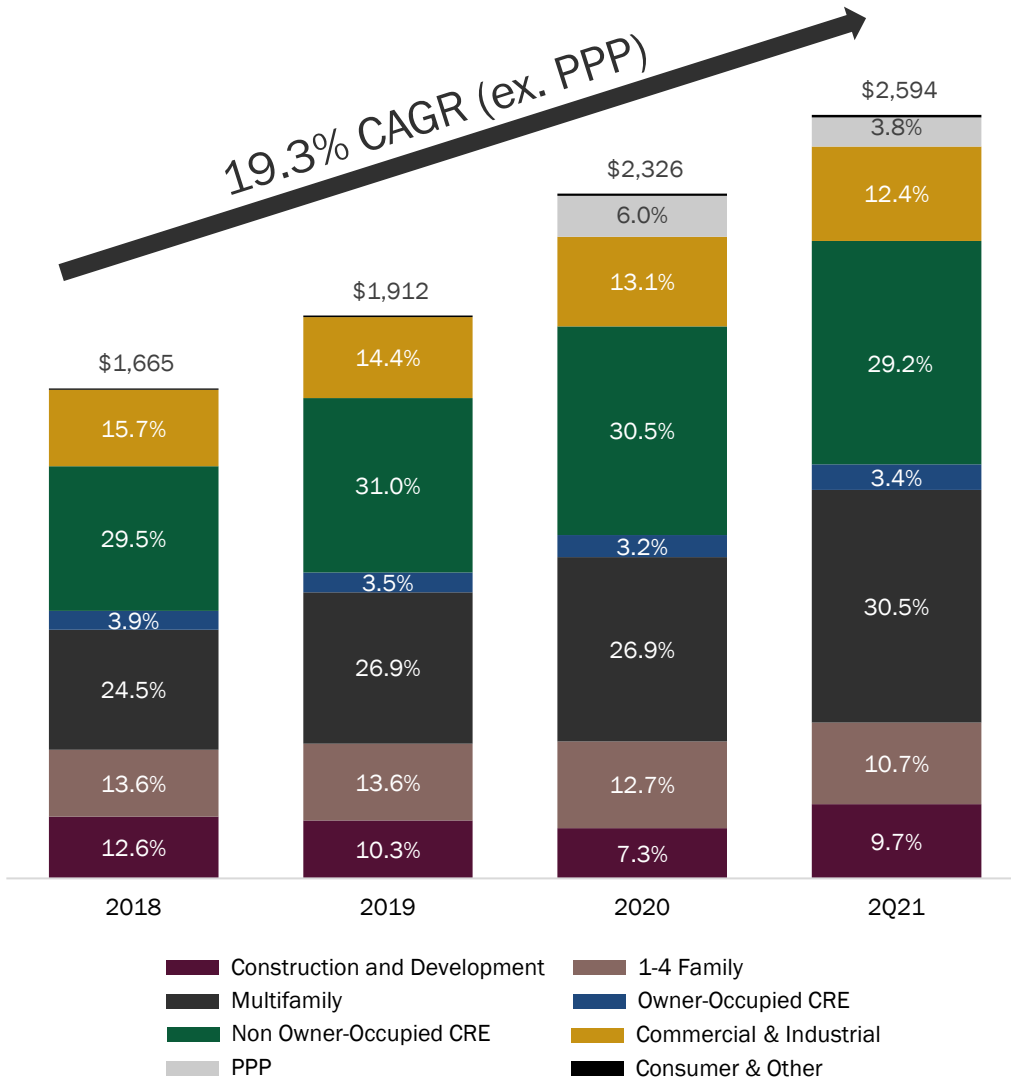
Accuracy



# APPENDIX

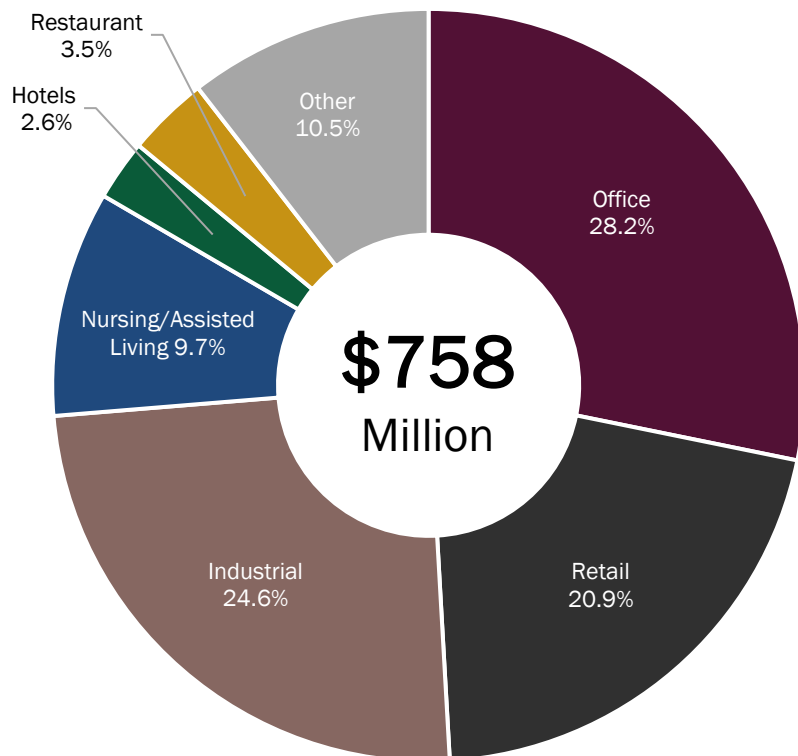


BRIDGEWATER  
BANCSHARES, INC.



- Robust organic growth
- Well diversified portfolio among asset classes
- Multifamily focus and expertise
- Geographic concentration in Twin Cities MSA, with greater than 85% of loans in market

## By Property Type

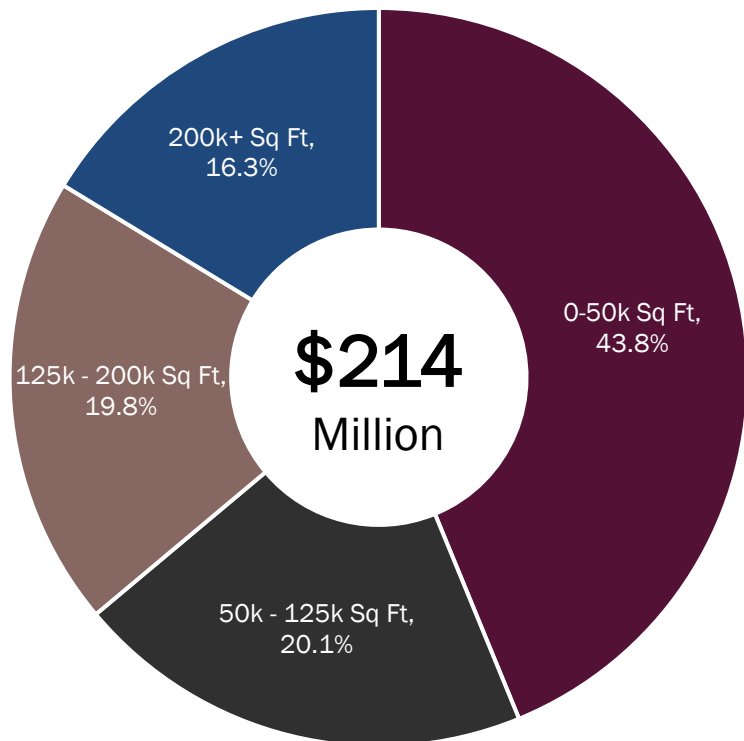


## Portfolio Characteristics – CRE NOO

Loan Balance Outstanding	\$758,101
% of Total Loans, Gross	29.2%
Number of Loans	357
Average Loan Size	\$2,124
Loan-to-Value (Weighted Average)	60.1%
5 Year Net Charge-Offs (%)	0.01%

Risk Rating	Number of Loans	2Q21 Total
Pass	345	\$ 725,077
Watch	9	29,409
Classified	3	3,615
<b>Total</b>	<b>357</b>	<b>\$ 758,101</b>

## By Property Square Footage



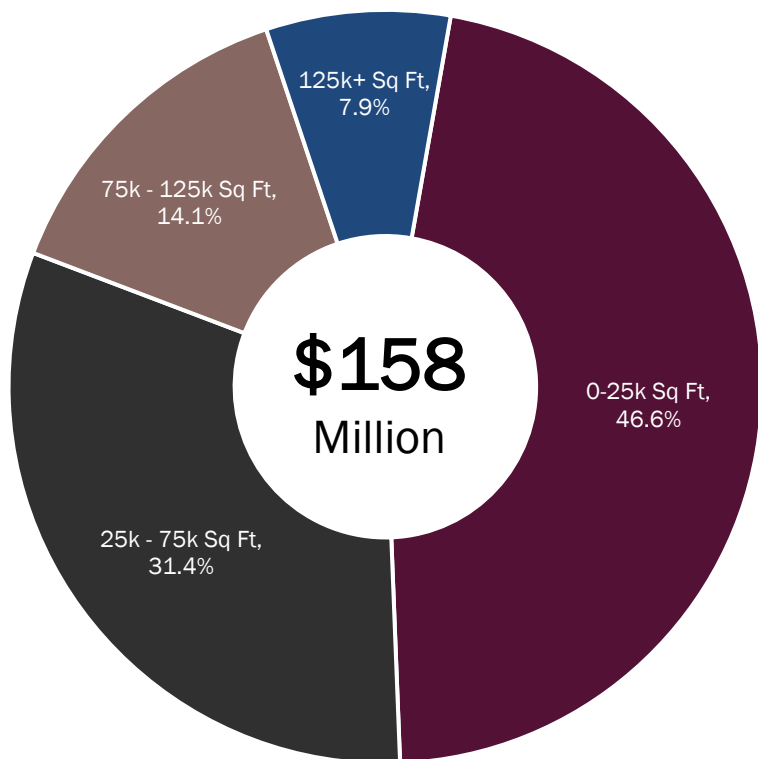
## Portfolio Characteristics – CRE NOO Office

Loan Balance Outstanding	\$213,713
% of Total Loans, Gross	8.2%
Number of Loans	98
Average Loan Size	\$2,181
Loan-to-Value (Weighted Average)	62.0%

Risk Rating	Number of Loans	2Q21 Total
Pass	98	\$ 213,713
Watch	-	-
Classified	-	-
<b>Total</b>	<b>98</b>	<b>\$ 213,713</b>



## By Property Square Footage



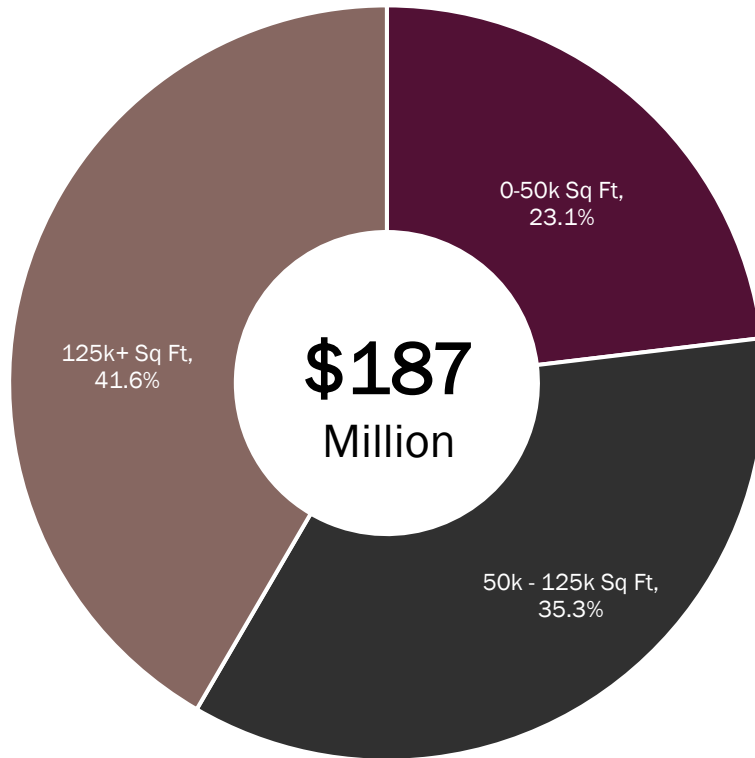
## Portfolio Characteristics – CRE NOO Retail

Loan Balance Outstanding	\$158,330
% of Total Loans, Gross	6.1%
Number of Loans	101
Average Loan Size	\$1,568
Loan-to-Value (Weighted Average)	60.3%

Risk Rating	Number of Loans	2Q21 Total
Pass	94	\$ 145,653
Watch	4	9,062
Classified	3	3,615
Total	101	\$ 158,330



## By Property Square Footage

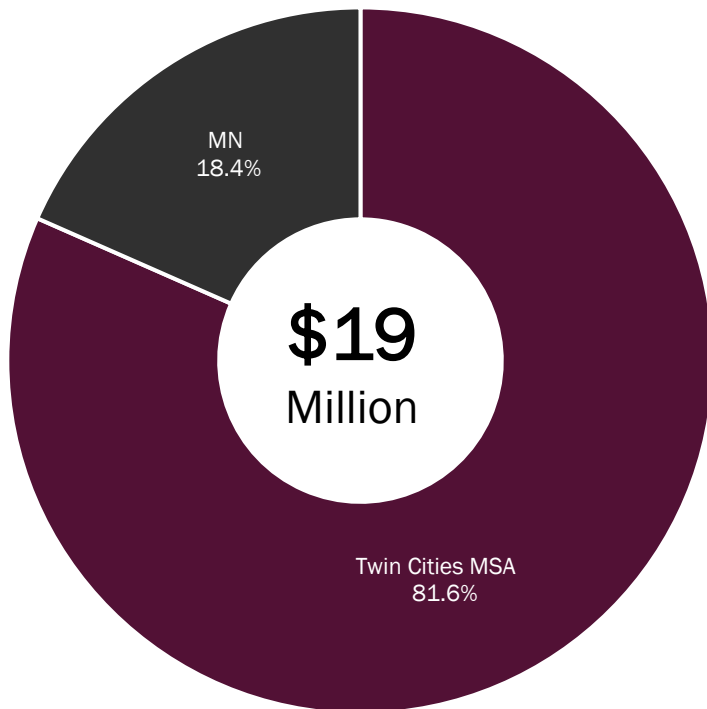


## Portfolio Characteristics – CRE NOO Industrial

Loan Balance Outstanding	\$186,605
% of Total Loans, Gross	7.2%
Number of Loans	76
Average Loan Size	\$2,455
Loan-to-Value (Weighted Average)	57.43%

Risk Rating	Number of Loans	2Q21 Total
Pass	76	\$ 186,605
Watch	-	-
Classified	-	-
Total	76	\$ 186,605

## By Geography<sup>1</sup>



## Portfolio Characteristics – CRE NOO Hotels

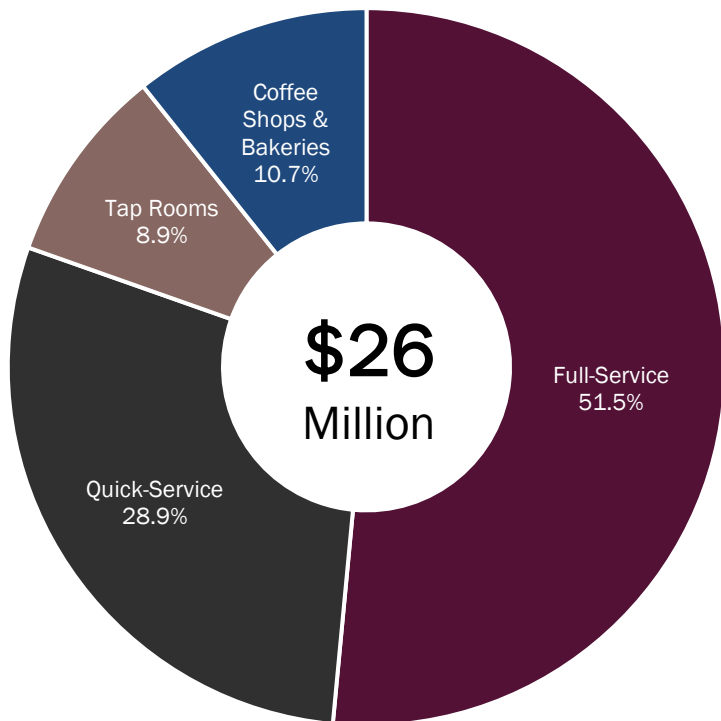
Loan Balance Outstanding	\$19,366
% of Total Loans, Gross	0.7%
Number of Loans	5
Average Loan Size	\$3,873
Loan-to-Value (Weighted Average)	70.5%

Risk Rating	Number of Loans	2Q21 Total
Pass	2	\$ 3,659
Watch	3	15,707
Classified	-	-
<b>Total</b>	<b>5</b>	<b>\$ 19,366</b>

<sup>1</sup> Based on state of primary real property collateral if available, otherwise borrower address is used  
Dollars in thousands



## By Restaurant Type

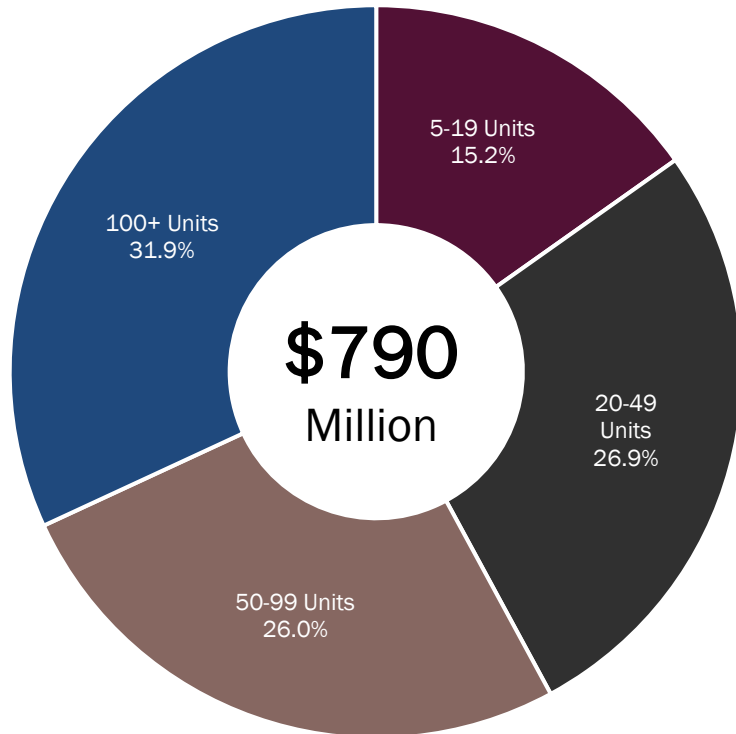


## Portfolio Characteristics – CRE NOO Restaurants

Loan Balance Outstanding	\$26,385
% of Total Loans, Gross	1.0%
Number of Loans	19
Average Loan Size	\$1,389
Loan-to-Value (Weighted Average)	62.1%

Risk Rating	Number of Loans	2Q21 Total
Pass	19	\$ 26,385
Watch	-	-
Classified	-	-
<b>Total</b>	<b>19</b>	<b>\$ 26,385</b>

## By Unit Type

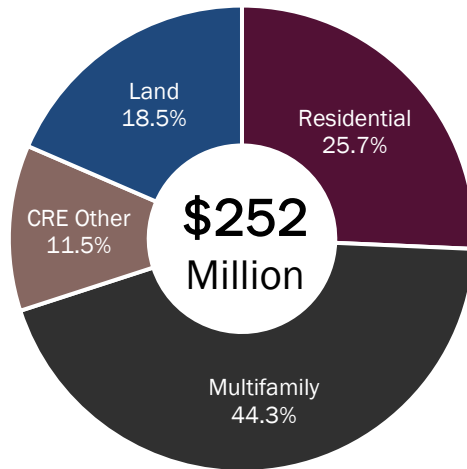


## Portfolio Characteristics – Multifamily

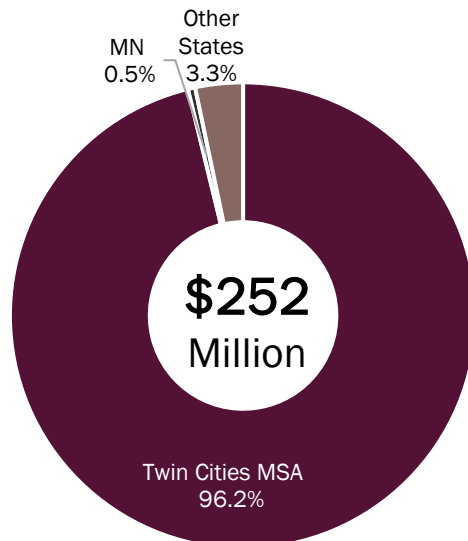
Loan Balance Outstanding	\$790,275
% of Total Loans, Gross	30.5%
Number of Loans	334
Average Loan Size	\$2,366
Loan-to-Value (Weighted Average)	63.6%
5 Year Net Charge-Offs (%)	0.00%

Risk Rating	Number of Loans	2Q21 Total
Pass	334	\$ 790,275
Watch	-	-
Classified	-	-
<b>Total</b>	<b>334</b>	<b>\$ 790,275</b>

**By  
Property  
Type**



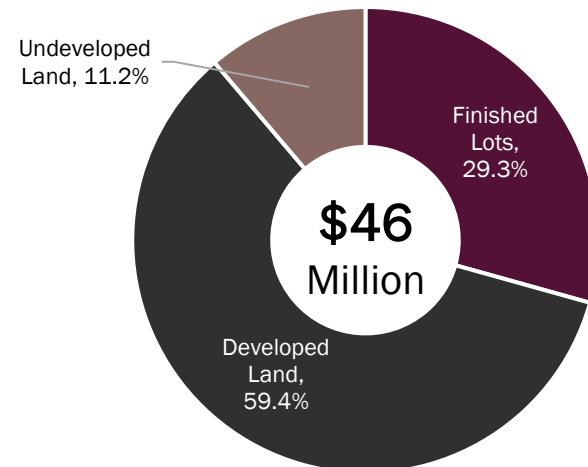
**By  
Geography<sup>1</sup>**



**Portfolio Characteristics – C&D**

Loan Balance Outstanding	\$251,573
% of Total Loans, Gross	9.7%
% Utilization of Commitments	36.5%
Number of Loans	317
Average Loan Size	\$794
Loan-to-Value (Weighted Average)	63.2%
5 Year Net Charge-Offs (%)	0.00%

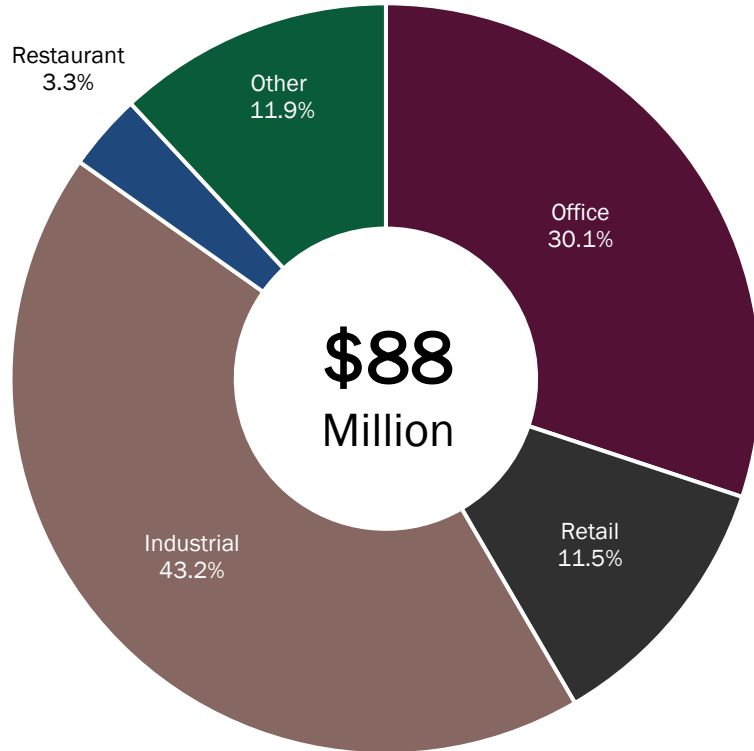
**Land Portfolio Composition**



<sup>1</sup> Based on state of primary real property collateral if available, otherwise borrower address is used  
Dollars in thousands



By Property Type

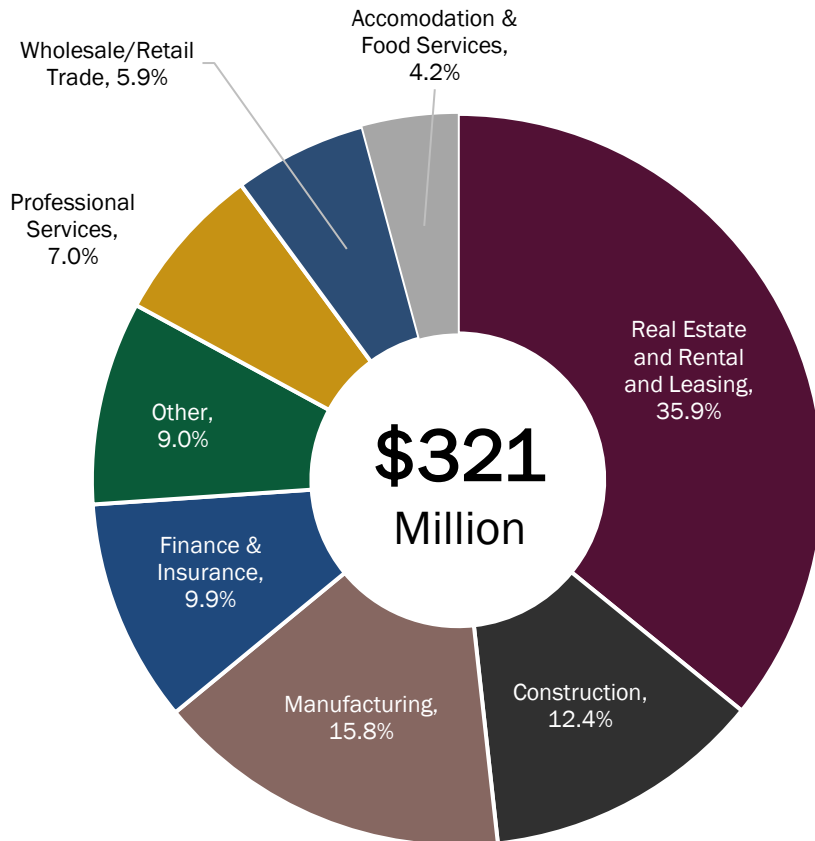


Portfolio Characteristics – CRE OO

Loan Balance Outstanding	\$87,507
% of Total Loans, Gross	3.4%
Number of Loans	144
Average Loan Size	\$608
Loan-to-Value (Weighted Average)	58.1%
5 Year Net Charge-Offs (%)	(0.01)%

Risk Rating	Number of Loans	2Q21 Total
Pass	140	\$ 86,642
Watch	-	-
Classified	4	865
Total	144	\$ 87,507

## By Industry<sup>1</sup>



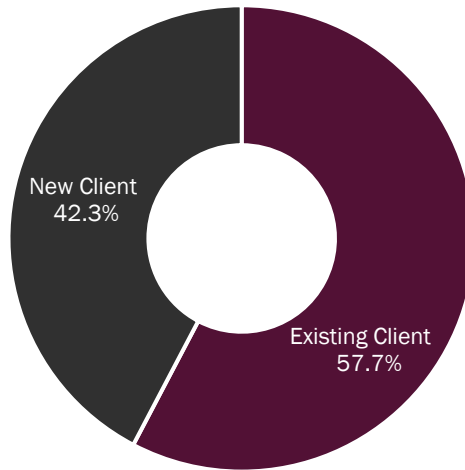
## Portfolio Characteristics – C&I

Loan Balance Outstanding	\$321,474
% of Total Loans, Gross	12.4%
Number of Loans	737
Average Loan Size	\$436
Number of Relationships	472
5 Year Net Charge-Offs (%)	0.03%

Risk Rating	Number of Loans	6/30/21 Total
Pass	717	\$ 293,690
Watch	14	26,571
Classified	6	1,213
<b>Total</b>	<b>737</b>	<b>\$ 321,474</b>

<sup>1</sup> Distribution by North American Industry Classification System (NAICS). Any industries included in Other category are individually < 3% of total portfolio  
Dollars in thousands

**New vs.  
Existing  
Client**

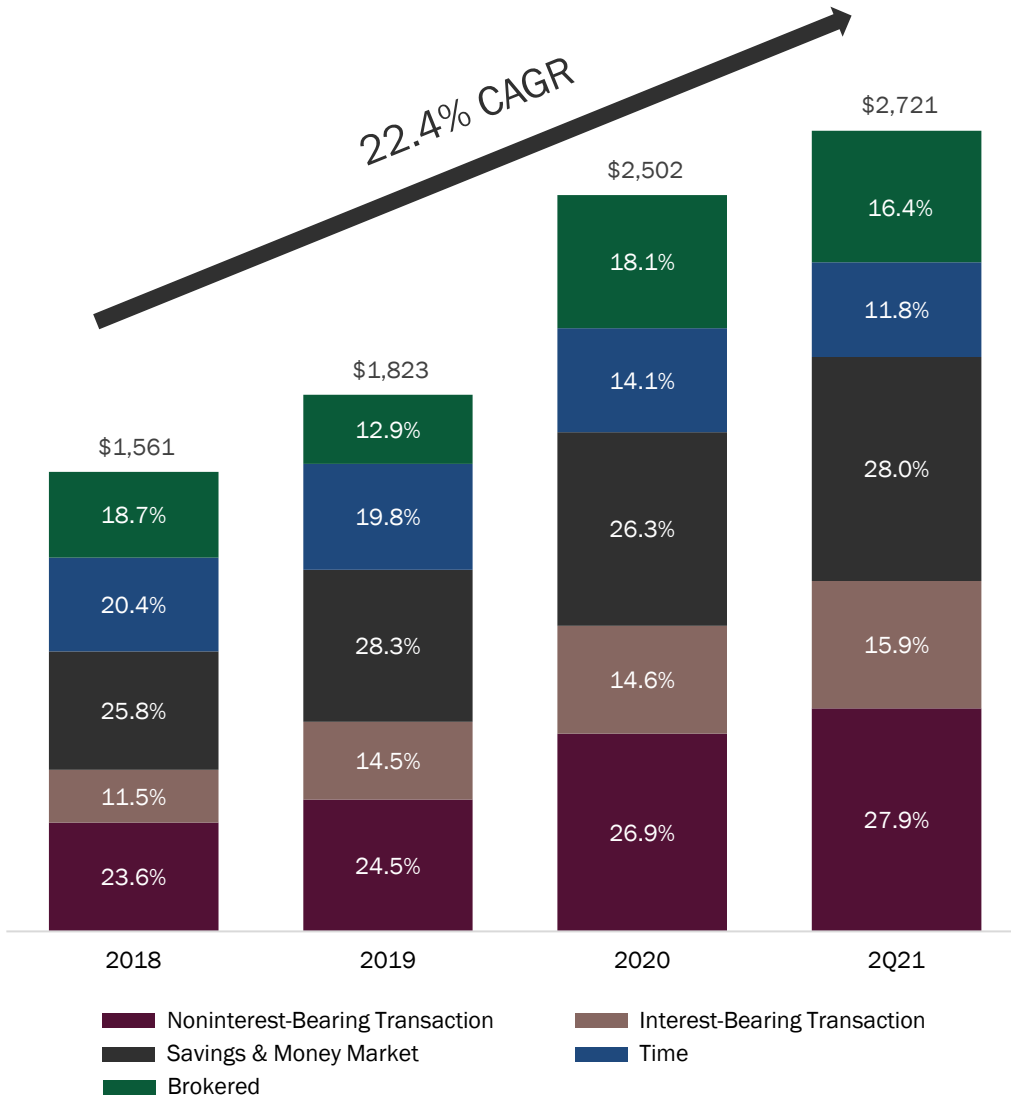


## PPP Origination Summary as of 6/30/2021

	Number of Loans	Principal Balance	Origination Fees
Round 1	1,200	\$ 181,600	\$ 5,706
Round 2	651	78,386	3,544
<b>Total</b>	<b>1,851</b>	<b>\$ 259,986</b>	<b>\$ 9,250</b>

## PPP Outstanding Summary

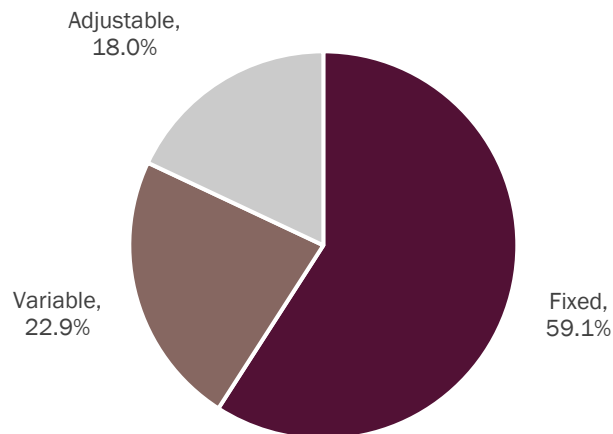
	As of and for the Three Months Ended 6/30/2021				Program Lifetime	
	# of Loans	Principal Balance	Net Fees Earned	Unrecognized Fees	Net Fees Generated	Net Fees Earned
Round 1	225	\$ 27,184	\$ 971	\$ 376	\$ 5,706	\$ 5,330
Round 2	606	71,888	430	3,046	3,544	498
<b>Total</b>	<b>831</b>	<b>\$ 99,072</b>	<b>\$1,401</b>	<b>\$ 3,422</b>	<b>\$ 9,250</b>	<b>\$ 5,828</b>



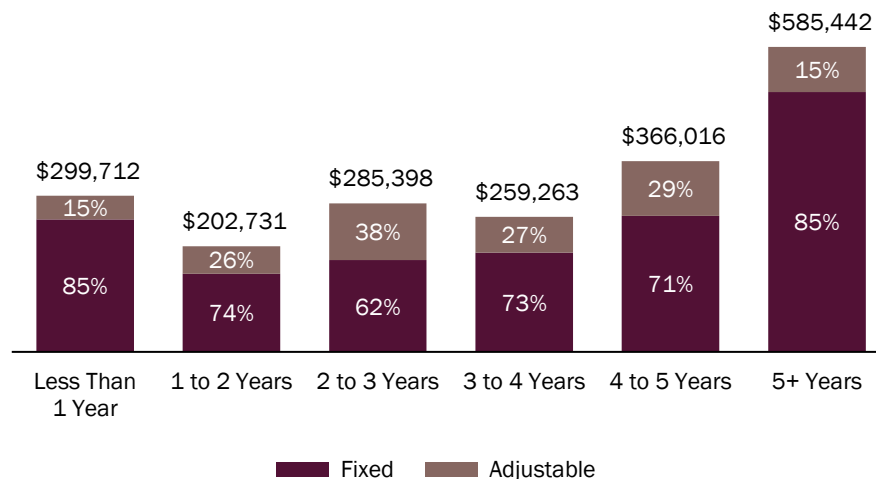
- Continue to attract in-market lenders and deposit gatherers with loyal client bases from institutions disrupted by M&A
- Core deposits<sup>1</sup> increased from 74% of total deposits in 2018 to 81% as of June 30, 2021
- Will continue to opportunistically and efficiently supplement core deposits with low-cost brokered deposits

<sup>1</sup> Total deposits less brokered deposits and certificates of deposit greater than \$250,000  
Dollars in millions

## Loan Portfolio – Repricing Composition



## Fixed/Adjustable Years to Maturity/Repricing



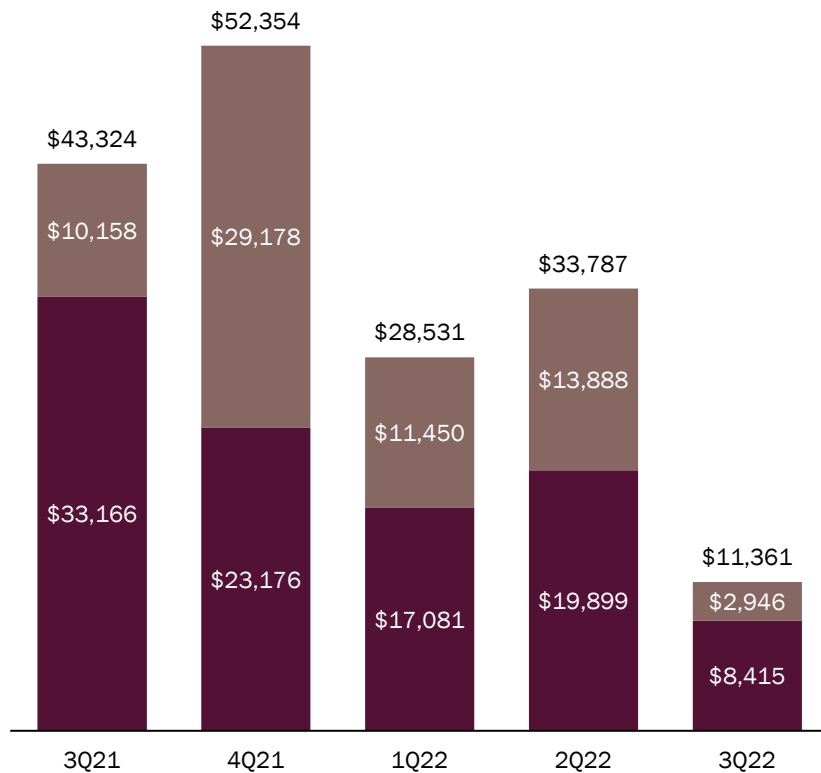
## Variable/Adjustable Loans vs. Rate Floors

Index Rate	At Floor	0 to -25 bps	-26 to -50 bps	-51 to -75 bps	-76 to -100 bps	> -100 bps	Total
PRIME	\$ 302,942	\$ 24,576	\$ 7,346	\$ 21	\$ 145	\$ 62	\$ 335,093
Libor	177,542	12,256	-	-	6,560	-	196,358
2 Yr FHLB	9,757	-	-	-	-	-	9,757
3 Yr FHLB	76,962	-	-	-	-	-	76,962
5 Yr FHLB	67,374	-	-	-	-	-	67,374
1 Yr CMT	3,764	-	-	-	-	-	3,764
2 Yr CMT	120	-	8,486	-	-	-	8,606
3 Yr CMT	64,751	3,655	2,358	772	9,922	11,348	92,805
5 Yr CMT	159,673	1,204	2,325	5,472	1,694	11,463	181,830
10 Yr CMT	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 862,885</b>	<b>\$ 41,691</b>	<b>\$ 20,515</b>	<b>\$ 6,265</b>	<b>\$ 18,321</b>	<b>\$ 22,873</b>	<b>\$ 972,549</b>



## Time Deposit Maturities

**\$169 million in time deposits maturing over the next five quarters at a blended cost of 1.55%**



■ Retail Time Deposit Maturities ■ Wholesale Time Deposit Maturities

## Time Deposit Repricing

Maturity Dates	Balance	Weighted Avg. Yield	Implied Repricing Rate <sup>1</sup>	% of Total Portfolio
Jul-21	\$ 13,093	1.53%	0.35%	2.41%
Aug-21	16,679	1.68%	0.41%	3.07%
Sep-21	13,551	1.21%	0.33%	2.49%
Oct-21	27,043	1.51%	0.53%	4.97%
Nov-21	10,681	1.37%	0.42%	1.96%
Dec-21	14,630	1.62%	0.44%	2.69%
Jan-22	10,911	1.34%	0.36%	2.01%
Feb-22	11,238	1.69%	0.56%	2.07%
Mar-22	6,382	1.27%	0.36%	1.17%
Apr-22	12,435	1.96%	0.50%	2.29%
May-22	10,848	1.58%	0.42%	1.99%
Jun-22	10,505	1.66%	0.50%	1.93%
Jul-22	3,836	1.41%	0.38%	0.71%
Aug-22	4,883	1.63%	0.63%	0.90%
Sep-22	2,643	1.78%	0.54%	0.49%
<b>Total</b>	<b>\$ 169,355</b>	<b>1.55%</b>	<b>0.45%</b>	<b>31.14%</b>

<sup>1</sup> Rate indicated assumes renewal into like term at market rates as of July 26, 2021

Dollars in thousands

## Large Corporate Presence

# #1

Fortune 500 companies per capita (16)<sup>1</sup>

## Credit Worthy Population

# #1

State with highest average credit score (720)<sup>2</sup>

## Banking Industry Disruption

Banking industry disruption caused by M&A activity leading to opportunities for client and talent acquisition

## Women Entrepreneurs

# #1

Best place for women entrepreneurs<sup>3</sup>

## Educated Workforce

# #5

State with educational achievement beyond high school (59% of age 25-64 population)<sup>4</sup>

## Business Focus

# #7

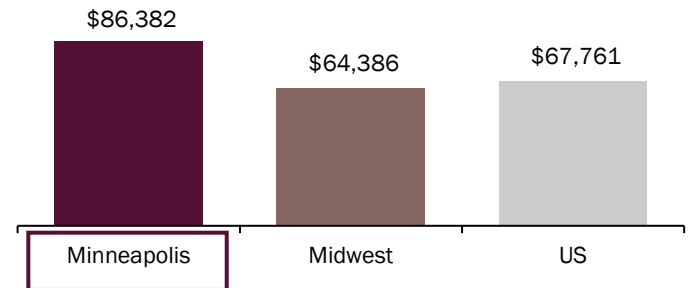
America's top states for business<sup>5</sup>

## High Growth MSA

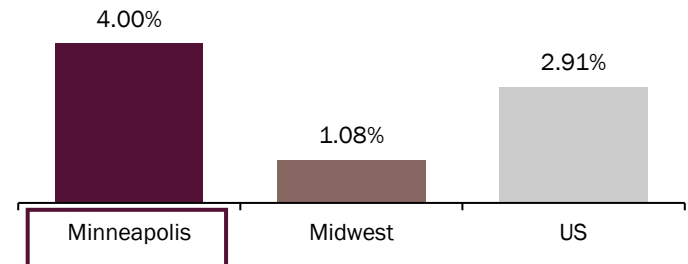
# Top 20

Most populated area in the U.S. with 4% projected population growth by 2026

## 2021 Median Household Income (\$) <sup>6</sup>



## 2021 - 2026 Proj. Population Growth (%) <sup>6</sup>



<sup>1</sup> Source: Minnesota Department of Employment and Economic Development

<sup>2</sup> Source: Experian - State of Credit, 2020

<sup>3</sup> Source: Minneapolis-St. Paul Smart Asset™, 2020

<sup>4</sup> Source: Lumina Foundation, A Stronger Nation - National Report, 2019

<sup>5</sup> Source: CNBC, 2019

<sup>6</sup> Source: S&P Global Market Intelligence, Midwest includes ND, SD, NE, KS, MN, IA, MO, WI, IL, IN and OH

## Total Bank Deposits - Minneapolis-St.Paul-Bloomington, MN-WI MSA

Top 10 Institutions	2006 Total Deposits (\$000)	Market Share
Wells Fargo & Co.	\$ 16,308,234	27.59%
U.S. Bancorp	\$ 15,535,660	26.28%
TCF Financial Corp.	\$ 3,686,508	6.24%
Marshall & Isley Corp.	\$ 1,729,917	2.93%
Bremer Financial Corp.	\$ 1,720,239	2.91%
Associated Banc-Corp	\$ 1,162,530	1.97%
Klein Financial Inc.	\$ 880,289	1.49%
Inter Savings Bank, fsb	\$ 558,660	0.94%
Excel Bank Corp.	\$ 505,614	0.86%
American Bancorp	\$ 457,414	0.77%
<b>Total Deposits</b>	<b>\$ 42,545,065</b>	<b>71.98%</b>
<b>Total Bank Deposits</b>	<b>\$ 59,119,026</b>	<b>197</b>

% of Twin Cities MSA Deposits	<b>71.98%</b>
-------------------------------	---------------

**2006**



**2020**

Top 10 Institutions	2020 Total Deposits (\$000)	Market Share
U.S. Bancorp	\$ 83,341,943	38.23%
Wells Fargo & Co.	\$ 65,154,088	29.88%
TCF Financial Corp.	\$ 8,226,068	3.77%
Bank of Montreal	\$ 5,928,722	2.72%
Bremer Financial Corp.	\$ 5,801,429	2.66%
Ameriprise Bank, fsb	\$ 5,300,381	2.43%
Bank of America Corp.	\$ 4,634,383	2.13%
Old National Bancorp	\$ 3,585,042	1.64%
<b>Bridgewater Bancshares, Inc.</b>	<b>\$ 2,289,454</b>	<b>1.05%</b>
Associated Banc-Corp	\$ 2,277,702	1.04%
<b>Total Deposits</b>	<b>\$ 186,539,212</b>	<b>85.55%</b>
<b>Total Bank Deposits</b>	<b>\$ 218,026,091</b>	<b>144</b>

% of Twin Cities MSA Deposits	<b>85.55%</b>
-------------------------------	---------------

This presentation includes certain non-GAAP financial measures intended to supplement, not substitute for, comparable GAAP measures. Reconciliations of these non-GAAP financial measures are provided below. The Company believes these non-GAAP financial measures provide useful information to both management and investors to analyze and evaluate the Company's financial performance. Because not all companies use the same calculations for these measures, the information in this presentation may not be comparable to other similarly titled measures as calculated by other companies.

Efficiency Ratio	As of and for the year ended December 31 for year end data,									
	2016	2017	2017*	2018	2018*	2019	2019*	2020	2020*	
Noninterest Expense	\$ 20,168	\$ 25,496	\$ 25,496	\$ 31,562	\$ 31,562	\$ 36,932	\$ 36,932	\$ 45,387	\$ 45,387	
Less: Amortization of Tax Credit Investments	-	-	(1,916)	-	(3,293)	-	(3,225)	-	(738)	
Less: FHLB Advances Prepayment Fee	-	-	-	-	-	-	-	-	(7,043)	
Less: Amortization Intangible Assets	(104)	(191)	(191)	(191)	(191)	(191)	(191)	(191)	(191)	
Adjusted Noninterest Expense	<u>\$ 20,064</u>	<u>\$ 25,305</u>	<u>\$ 23,389</u>	<u>\$ 31,371</u>	<u>\$ 28,078</u>	<u>\$ 36,741</u>	<u>\$ 33,516</u>	<u>\$ 45,196</u>	<u>\$ 37,415</u>	
Net Interest Income	\$ 42,118	\$ 54,173	\$ 54,173	\$ 64,738	\$ 64,738	\$ 74,132	\$ 74,132	\$ 87,964	\$ 87,964	
Noninterest Income	2,567	2,536	2,536	2,543	2,543	3,826	3,826	5,839	5,839	
Less: (Gain) Loss on Sales of Securities	(830)	250	250	125	125	(516)	(516)	(1,503)	(1,503)	
Adjusted Operating Revenue	<u>\$ 43,855</u>	<u>\$ 56,959</u>	<u>\$ 56,959</u>	<u>\$ 67,406</u>	<u>\$ 67,406</u>	<u>\$ 77,442</u>	<u>\$ 77,442</u>	<u>\$ 92,300</u>	<u>\$ 92,300</u>	
<i>Efficiency Ratio</i>	45.8%	44.4%	41.1%	46.5%	41.7%	47.4%	43.3%	49.0%	40.5%	

Tangible Common Equity & Tangible Common Equity/Tangible Assets	As of and for the year ended December 31 for year end data,				
	2016	2017	2018	2019	2020
Common Equity	\$ 115,366	\$ 137,162	\$ 220,998	\$ 244,794	\$ 265,405
Less: Intangible Assets	(4,060)	(3,869)	(3,678)	(3,487)	(3,296)
<i>Tangible Common Equity</i>	<u>\$ 111,306</u>	<u>\$ 133,293</u>	<u>\$ 217,320</u>	<u>\$ 241,307</u>	<u>\$ 262,109</u>
Total Assets	\$ 1,260,394	\$ 1,616,612	\$ 1,973,741	\$ 2,268,830	\$ 2,927,345
Less: Intangible Assets	(4,060)	(3,869)	(3,678)	(3,487)	(3,296)
<i>Tangible Assets</i>	<u>\$ 1,256,334</u>	<u>\$ 1,612,743</u>	<u>\$ 1,970,063</u>	<u>\$ 2,265,343</u>	<u>\$ 2,924,049</u>
<i>Tangible Common Equity/Tangible Assets</i>	8.86%	8.26%	11.03%	10.65%	8.96%

Tangible Book Value Per Share	2016	2017	2018	2019	2020
Book Value Per Common Share	\$ 4.69	\$ 5.56	\$ 7.34	\$ 8.45	\$ 9.43
Less: Effects of Intangible Assets	(0.17)	(0.16)	(0.12)	(0.12)	(0.12)
<i>Tangible Book Value Per Common Share</i>	<u>\$ 4.52</u>	<u>\$ 5.40</u>	<u>\$ 7.22</u>	<u>\$ 8.33</u>	<u>\$ 9.31</u>

<b>Total Common Shares</b>	24,589,861	24,679,861	30,097,274	28,973,572	28,143,493
----------------------------	------------	------------	------------	------------	------------

\* Efficiency Ratio is adjusted to exclude the historic tax credit amortization and FHLB prepayment fees.

Dollars in thousands

This presentation includes certain non-GAAP financial measures intended to supplement, not substitute for, comparable GAAP measures. Reconciliations of these non-GAAP financial measures are provided below. The Company believes these non-GAAP financial measures provide useful information to both management and investors to analyze and evaluate the Company's financial performance. Because not all companies use the same calculations for these measures, the information in this presentation may not be comparable to other similarly titled measures as calculated by other companies.

Efficiency Ratio	As of and for the quarter ended,									
	June 30, 2020	June 30, 2020*	September 30, 2020	September 30, 2020*	December 31, 2020	December 31, 2020*	March 31, 2021	March 31, 2021*	June 30, 2021	June 30, 2021*
Noninterest Expense	\$ 10,711	\$ 10,711	\$ 9,672	\$ 9,672	\$ 15,258	\$ 15,258	\$ 10,923	\$ 10,923	\$ 11,477	\$ 11,477
Less: Amortization of Tax Credit Investments	-	(362)	-	(145)	-	(146)	-	(118)	-	(140)
Less: FHLB Advances Prepayment Fee	-	(1,430)	-	-	-	(5,613)	-	-	-	-
Less: Amortization Intangible Assets	(47)	(47)	(48)	(48)	(48)	(48)	(48)	(48)	(47)	(47)
Adjusted Noninterest Expense	\$ 10,664	\$ 8,872	\$ 9,624	\$ 9,479	\$ 15,210	\$ 9,451	\$ 10,875	\$ 10,757	\$ 11,430	\$ 11,290
Net Interest Income	\$ 21,342	\$ 21,342	\$ 21,679	\$ 21,679	\$ 24,841	\$ 24,841	\$ 25,395	\$ 25,395	\$ 26,288	\$ 26,288
Noninterest Income	1,977	1,977	1,157	1,157	986	986	1,008	1,008	1,603	1,603
Less: Gain on Sales of Securities	(1,361)	(1,361)	(109)	(109)	(30)	(30)	-	-	(702)	(702)
Adjusted Operating Revenue	\$ 21,958	\$ 21,958	\$ 22,727	\$ 22,727	\$ 25,797	\$ 25,797	\$ 26,403	\$ 26,403	\$ 27,189	\$ 27,189
Efficiency Ratio	48.6%	40.4%	42.3%	41.7%	59.0%	36.6%	41.2%	40.7%	42.0%	41.5%

Tangible Common Equity & Tangible Common Equity/Tangible Assets	As of and for the quarter ended,				
	June 30, 2020	September 30, 2020	December 31, 2020	March 31, 2021	June 30, 2021
Common Equity	\$ 257,190	\$ 265,432	\$ 265,405	\$ 279,171	\$ 290,830
Less: Intangible Assets	(3,391)	(3,344)	(3,296)	(3,248)	(3,200)
Tangible Common Equity	\$ 253,799	\$ 262,088	\$ 262,109	\$ 275,923	\$ 287,630
Total Assets	\$ 2,754,463	\$ 2,774,564	\$ 2,927,345	\$ 3,072,359	\$ 3,162,612
Less: Intangible Assets	(3,391)	(3,344)	(3,296)	(3,248)	(3,200)
Tangible Assets	\$ 2,751,072	\$ 2,771,220	\$ 2,924,049	\$ 3,069,111	\$ 3,159,412
Tangible Common Equity/Tangible Assets	9.23%	9.46%	8.96%	8.99%	9.10%

Tangible Book Value Per Share	June 30, 2020	September 30, 2020	December 31, 2020	March 31, 2021	June 30, 2021
Book Value Per Common Share	\$ 8.92	\$ 9.25	\$ 9.43	\$ 9.92	\$ 10.33
Less: Effects of Intangible Assets	(0.12)	(0.12)	(0.12)	(0.12)	(0.11)
Tangible Book Value Per Common Share	\$ 8.80	\$ 9.13	\$ 9.31	\$ 9.80	\$ 10.22

<b>Total Common Shares</b>	28,837,560	28,710,775	28,143,493	28,132,929	28,162,777
----------------------------	------------	------------	------------	------------	------------

\* Efficiency Ratio is adjusted to exclude the historic tax credit amortization and FHLB prepayment fees.

Dollars in thousands

This presentation includes certain non-GAAP financial measures intended to supplement, not substitute for, comparable GAAP measures. Reconciliations of these non-GAAP financial measures are provided below. The Company believes these non-GAAP financial measures provide useful information to both management and investors to analyze and evaluate the Company's financial performance. Because not all companies use the same calculations for these measures, the information in this presentation may not be comparable to other similarly titled measures as calculated by other companies.

Pre-Provision Net Revenue	As of and for the quarter end,				
	June 30, 2020	September 30, 2020	December 31, 2020	March 31, 2021	June 30, 2021
Noninterest Income	\$ 1,977	\$ 1,157	\$ 986	\$ 1,008	\$ 1,603
Less: Gain on sales on Securities	(1,361)	(109)	(30)	-	(702)
Total Operating Noninterest Income	616	1,048	956	1,008	901
Plus: Net Interest Income	21,342	21,679	24,841	25,395	26,288
Net Operating Revenue	21,958	22,727	25,797	26,403	27,189
Noninterest Expense	10,711	9,672	15,258	10,923	11,477
Less: Amortization of Tax Credit Investments	(362)	(145)	(146)	(118)	(140)
Less: FHLB Advances Prepayment Fees	(1,430)	-	(5,613)	-	-
Total Operating Noninterest Expense	8,919	9,527	9,499	10,805	11,337
<b>Pre-Provision Net Revenue</b>	<b>\$ 13,039</b>	<b>\$ 13,200</b>	<b>\$ 16,298</b>	<b>\$ 15,598</b>	<b>\$ 15,852</b>
Plus:					
Non-Operating Revenue Adjustments	1,361	109	30	-	702
Less:					
Provision for Loan Losses	3,000	3,750	3,900	1,100	1,600
Non-Operating Expense Adjustments	1,792	145	5,759	118	140
Provision for Income Taxes	2,010	2,240	1,690	3,709	3,821
Net Income	<u>\$ 7,598</u>	<u>\$ 7,174</u>	<u>\$ 4,979</u>	<u>\$ 10,671</u>	<u>\$ 10,993</u>
Average Assets	<u>\$ 2,622,272</u>	<u>\$ 2,711,755</u>	<u>\$ 2,816,032</u>	<u>\$ 2,940,262</u>	<u>\$ 3,076,712</u>
<b>Pre-Provision Net Revenue Return on Average Assets</b>	2.00%	1.94%	2.30%	2.15%	2.07%

This presentation includes certain non-GAAP financial measures intended to supplement, not substitute for, comparable GAAP measures. Reconciliations of these non-GAAP financial measures are provided below. The Company believes these non-GAAP financial measures provide useful information to both management and investors to analyze and evaluate the Company's financial performance. Because not all companies use the same calculations for these measures, the information in this presentation may not be comparable to other similarly titled measures as calculated by other companies.

Pre-Provision Net Revenue	As of and for the quarter end,				
	June 30, 2020	September 30, 2020	December 31, 2020	March 31, 2021	June 30, 2021
Net Interest Income (Tax-Equivalent Basis)	\$ 21,581	\$ 21,898	\$ 25,051	\$ 25,609	\$ 26,495
Less: Loan Fees	(1,264)	(1,198)	(1,514)	(1,202)	(1,023)
Less: PPP Interest and Fees	(873)	(1,173)	(2,097)	(1,864)	(1,767)
Core Net Interest Margin	<u>\$ 19,444</u>	<u>\$ 19,527</u>	<u>\$ 21,440</u>	<u>\$ 22,543</u>	<u>\$ 23,705</u>
Average Interest Earning Assets	\$ 2,567,292	\$ 2,655,882	\$ 2,759,543	\$ 2,883,084	\$ 3,019,437
Less: Average PPP Loans	(139,235)	(181,397)	(165,099)	(148,881)	(149,312)
Core Average Interest Earning Assets	<u>\$ 2,428,057</u>	<u>\$ 2,474,485</u>	<u>\$ 2,594,444</u>	<u>\$ 2,734,203</u>	<u>\$ 2,870,125</u>
<b>Core Net Interest Margin</b>	3.22%	3.14%	3.29%	3.34%	3.31%
Loan Interest Income (Tax-Equivalent Basis)	\$ 25,943	\$ 26,254	\$ 28,265	\$ 27,938	\$ 28,778
Less: Loan Fees	(1,264)	(1,198)	(1,514)	(1,202)	(1,023)
Less: PPP Interest and Fees	(873)	(1,173)	(2,097)	(1,864)	(1,767)
Core Loan Interest Income	<u>\$ 23,806</u>	<u>\$ 23,883</u>	<u>\$ 24,654</u>	<u>\$ 24,872</u>	<u>\$ 25,988</u>
Average Loans	\$ 2,152,398	\$ 2,206,807	\$ 2,301,328	\$ 2,389,919	\$ 2,534,071
Less: Average PPP Loans	(139,235)	(181,397)	(165,099)	(148,881)	(149,312)
Core Average Loans	<u>\$ 2,013,163</u>	<u>\$ 2,025,410</u>	<u>\$ 2,136,229</u>	<u>\$ 2,241,038</u>	<u>\$ 2,384,759</u>
<b>Core Loan Yield</b>	4.76%	4.69%	4.59%	4.50%	4.37%



THANK YOU



BRIDGEWATER  
BANCSHARES, INC.