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2Q22 Investor Presentation

July 27th, 2022

This presentation may contain certain forward-looking statements about Bankwell Financial Group, Inc. (the “Company”). Forward-looking statements include statements regarding anticipated future events and can be identified by the fact that they do not relate strictly to historical or current facts. They often include words such as “believe,” “expect,” “would,” “should,” “could,” or “may.” Forward-looking statements, by their nature, are subject to risks and uncertainties. Certain factors that could cause actual results to differ materially from expected results include increased competitive pressures, changes in the interest rate environment, general economic conditions or conditions within the securities markets, and legislative and regulatory changes that could adversely affect the business in which the Company and its subsidiaries are engaged. The COVID-19 pandemic continues to affect Bankwell Financial Group, its customers, counterparties, employees, and third party service providers, and the ultimate extent of the impacts on its business, financial position, results of operations, liquidity, and prospects is unknown.



- 2Q22 Performance
- Trends
- Credit Quality & ALLL
- Loan Portfolio
- Capital
- Bankwell History & Overview





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2Q22 Performance

- Record net income of \$12.02 million, or \$1.55 earnings per share (EPS)
- Operating EPS of \$1.15 excludes the following one-time items:
 - \$1.5 million elevated fees associated with loan prepayments ~\$0.15 EPS

2Q22 loan prepayments exceeded historical quarterly averages and are not reflective of run rate

- \$1.6 million ALLL release of specific reserves ~\$0.16 EPS

Specific reserve reduction as impaired loans exhibited improved performance or paid off

- \$0.9 million reduction given historical loss update to peer group ~\$0.09 EPS

Bankwell is not yet subject to CECL; reduction in reserves due to annual update to historical loss data in our peer group-based, “incurred loss” model

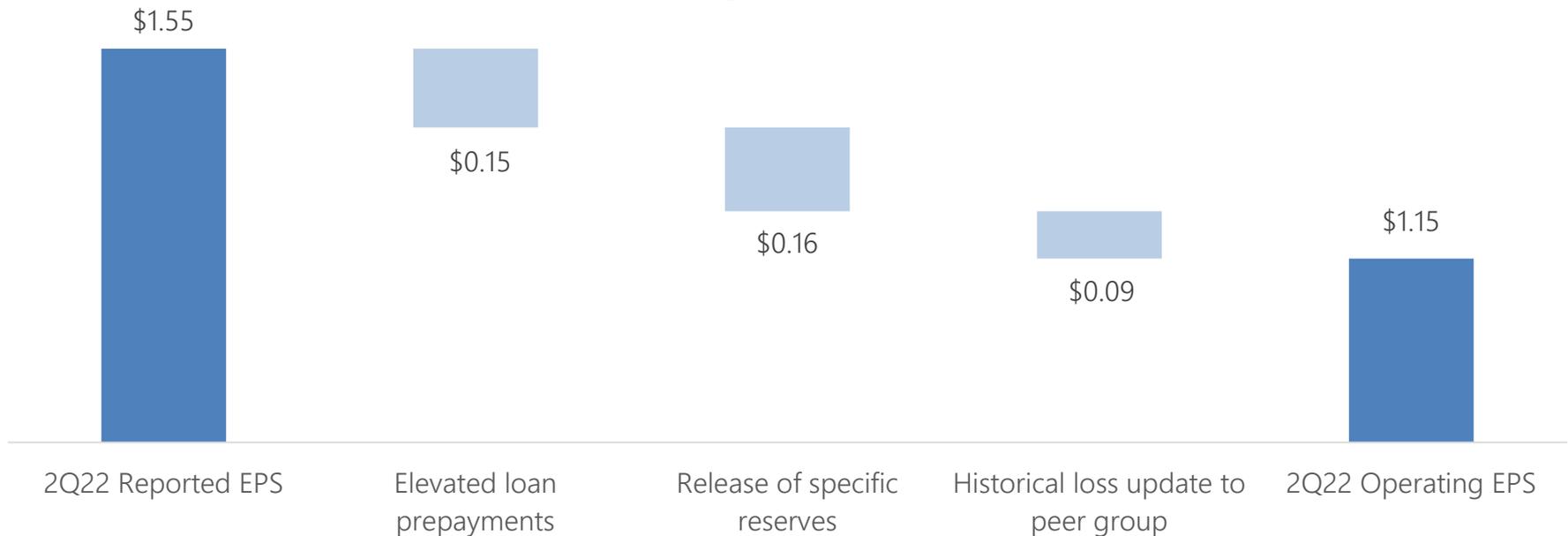


- Return on Average Assets (ROAA) and Return on Average Equity (ROAE) were 1.96% and 22.09%, respectively for the quarter, and 1.65% and 19.16% year-to-date
 - Excluding the one-time items of \$0.40 EPS, ROAA and ROAE were 1.45% and 16.39%, respectively for the quarter, and 1.40% and 16.22% year-to-date
- Pre-tax, pre-provision net revenue (“PPNR”)¹ of \$14.04 million, or 2.29% PPNR ROAA
 - Excluding the one-time elevated loan prepayment fees, PPNR of \$12.54 million, or 2.04% PPNR ROAA
- Loan growth of \$71 million, or 4%, with year-to-date loan growth of \$162 million, or ~17% annualized
- Quarterly Net Interest Margin (“NIM”) of 4.01%, year-to-date NIM of 3.65%
- Wilton branch closure announced 7/8/2022 (effective 10/7/2022)

¹ Pre-tax, pre-provision net revenue per share is a non-GAAP metric & excludes provision for loan losses and income tax expense



2Q22 EPS Walk



Year To Date

2Q22

Key Metrics	Year To Date			2Q22		
	Reported	Operating	V bps	Reported	Operating	V bps
NIM	3.65%	3.53%	(13)	4.01%	3.75%	(25)
Efficiency Ratio	45.91%	47.47%	(157)	43.79%	46.59%	(280)
Return on Average Assets	1.65%	1.40%	(25)	1.96%	1.45%	(51)
Return on Average Equity	19.16%	16.22%	(294)	22.09%	16.39%	(570)



Profitability

	QTR	YTD
• Net Income	\$12.0 million	\$20.2 million
• PPNR	\$14.0 million	\$24.6 million
• Return on Average Assets	1.96%	1.65%
• PPNR / Average Assets	2.29%	2.01%
• Return on Average Equity	22.09%	19.16%

Balance Sheet

- \$2.1 billion of gross loans
- \$2.0 billion of deposits
- 0.77% ALLL; not yet subject to CECL

Capital

- Dividend of \$0.20 per share paid
- \$28.75 Fully Diluted Tangible Book Value
- Well Capitalized^{1,2}

<i>Tier 1 Leverage</i>	<i>10.15%</i>
<i>Tier1/CET1 / RWA</i>	<i>11.10%</i>
<i>Total Capital / RWA</i>	<i>11.80%</i>

¹ Ratios presented represent Bank ratios; presented ratios are preliminary, subject to finalization of the FDIC Call Report

² Bankwell meets Adequate + buffer standard, which exceeds Well Capitalized thresholds



Dollars in millions, except per share data

Income Statement	2Q22	1Q22	Var ¹	Balance Sheet	2Q22	1Q22	Var ¹
Total Interest Income	\$26.4	\$22.3	\$4.1	Cash & Cash Equivalents	\$171	\$299	\$(128)
Total Interest Expense	\$2.5	\$2.8	\$0.3	Investment Securities	\$113	\$117	\$(4)
<i>Net Interest Income</i>	<i>\$23.8</i>	<i>\$19.5</i>	<i>\$4.3</i>	Loans Receivable, net	\$2,037	\$1,965	\$72
Non-Interest Income	\$1.2	\$1.0	\$0.2	All Other Assets	\$115	\$116	\$(1)
Non-Interest Expense	\$10.9	\$9.9	\$(1.0)	Total Assets	\$2,436	\$2,497	\$(61)
Pre-Tax, Pre-Provision Net Revenue	\$14.0	\$10.5	\$3.5	Total Deposits	\$2,034	\$2,166	\$(133)
(Credit)/Provision for Loan Losses	\$(1.4)	\$0.2	\$1.7	Total Borrowings	\$140	\$84	\$55
Pre-Tax Income	\$15.5	\$10.3	\$5.2	Other Liabilities	\$37	\$36	\$1
Income Tax Expense	\$3.5	\$2.1	\$(1.4)	Total Liabilities	\$2,210	\$2,287	\$(77)
Reported Net Income	\$12.0	\$8.2	\$3.8	Equity	\$225	\$210	\$15
EPS	\$1.55	\$1.04	\$0.51	Total Liabilities & Equity	\$2,436	\$2,497	\$(61)
<i>Pre-Tax, Pre-Provision Net Revenue per share²</i>	<i>\$1.84</i>	<i>\$1.37</i>	<i>\$0.47</i>				

¹ Variances are rounded based on actual whole dollar amounts

² Pre-tax, pre-provision net revenue per share is a non-GAAP metric & excludes provision for loan losses and income tax expense



YTD Consolidated Income Statements

Prior Year

Dollars in millions, except per share data

Income Statement	2Q 2022	2Q 2021	Var ¹
Total Interest Income	\$48.7	\$38.9	\$9.8
Total Interest Expense	\$5.3	\$7.6	\$2.3
<i>Net Interest Income</i>	<i>\$43.3</i>	<i>\$31.2</i>	<i>\$12.1</i>
Non-Interest Income ²	\$2.1	\$3.4	\$(1.3)
Non-Interest Expense	\$20.9	\$19.7	\$(1.2)
Pre-Tax, Pre-Provision Net Revenue	\$24.6	\$14.9	\$9.6
(Credit) for Loan Losses	\$(1.2)	\$(0.3)	\$0.8
Pre-Tax Income	\$25.8	\$15.3	\$10.5
Income Tax Expense	\$5.6	\$3.3	\$(2.2)
Reported Net Income	\$20.2	\$11.9	\$8.3
EPS	\$2.58	\$1.50	\$1.08
<i>Pre-Tax, Pre-Provision Net Revenue per share³</i>	<i>\$3.20</i>	<i>\$1.92</i>	<i>\$1.28</i>

¹ Variances are rounded based on actual whole dollar amounts

² 2021 includes the one-time benefit for the federal payroll tax credit for COVID-19-impacted small businesses

³ Pre-tax, pre-provision net revenue per share is a non-GAAP metric & excludes provision for loan losses and income tax expense

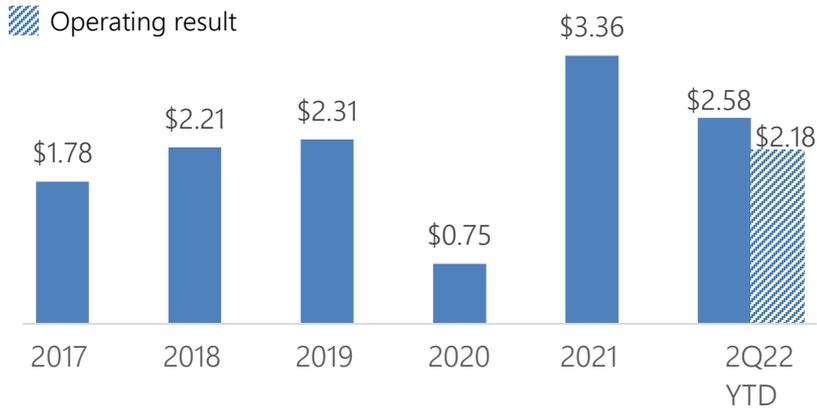




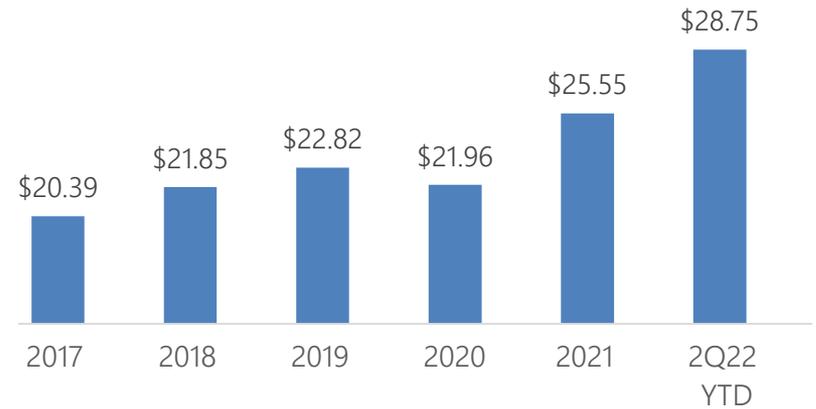
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Trends

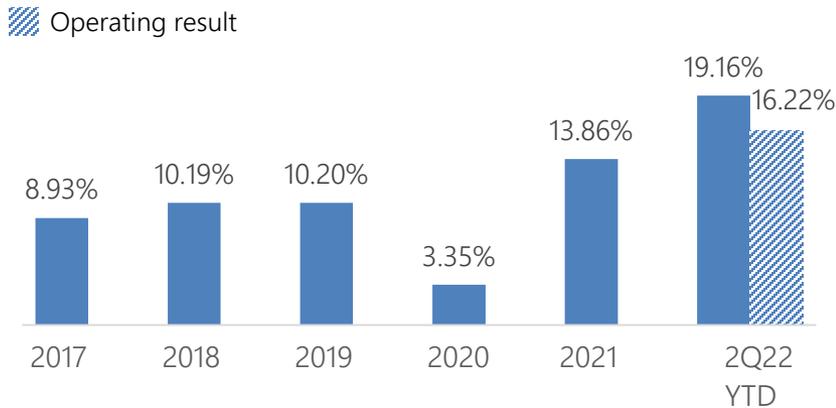
Diluted EPS



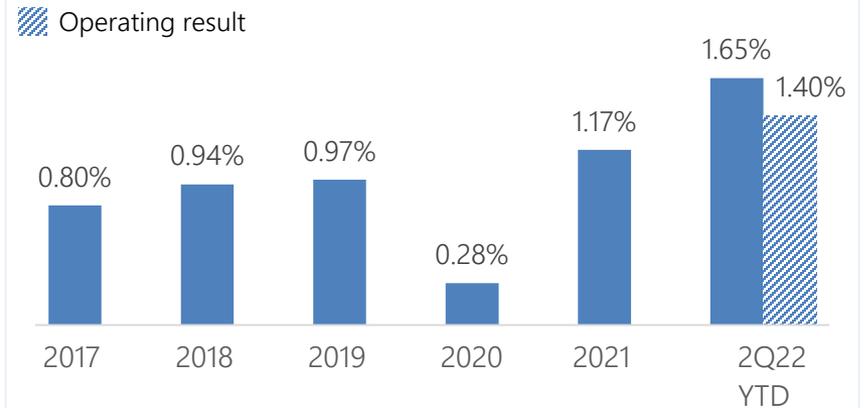
Fully Diluted Tangible Book Value



Return on Average Equity



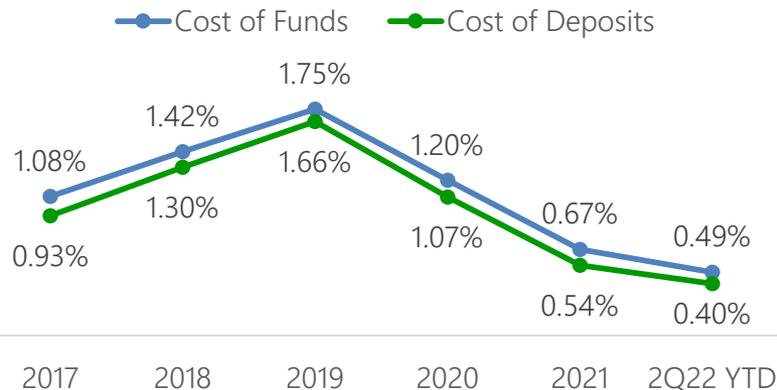
Return on Average Assets



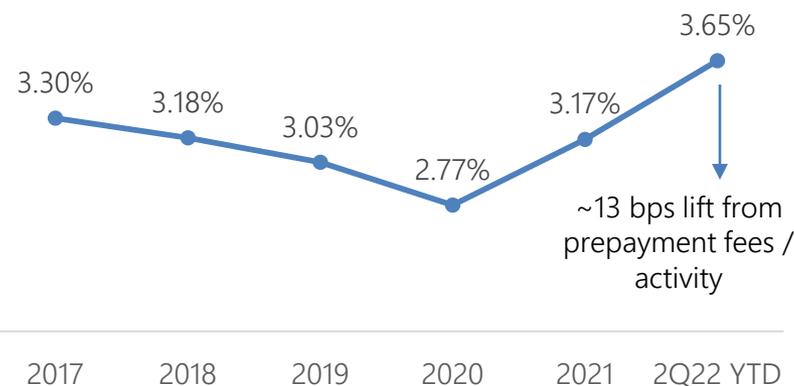
Positive performance trends reflect successful strategy execution



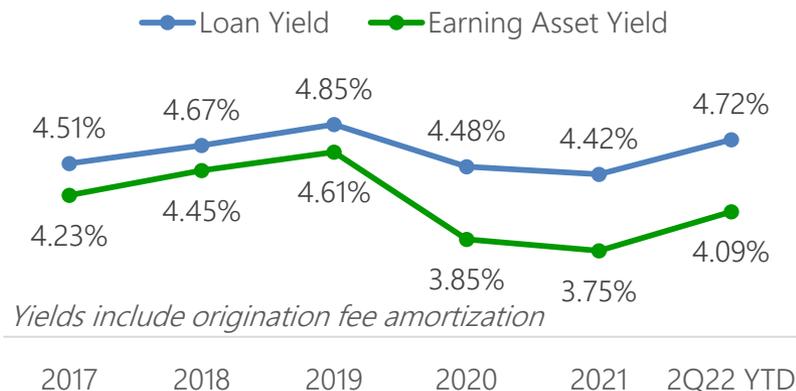
Cost of Funds / Deposits



Net Interest Margin



Loan & Earning Asset Yields



Assets repricing with higher rates

- Originated in excess of \$0.5 billion loans YTD with funded volume exceeding \$350 million at 4.88% yield
- 3Q22 originations yields expected to exceed 5.00%
- ~\$450 million loans either floating or set to reprice in the next 12 months



Dollars in millions

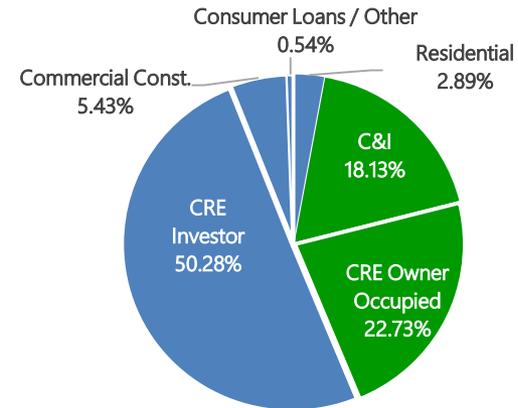
Loan Balances



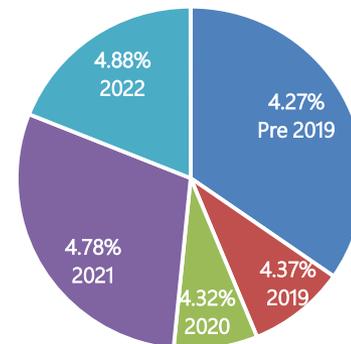
C&I + CRE Owner Occupied / Total Loans

28% 27% 25% 27% 35% **41%**

2Q22 Loan Mix



2Q22 Portfolio Yield by Vintage¹



Reduced reliance on Investor CRE



¹ Weighted average yield based on active loans as of 6-30-2022

Dollars in millions

Deposit Balances

■ Brokered Deposits ■ Retail CDs ■ Core Deposits ¹

Core deposit mix trending favorably



FHLB Borrowings

\$199 \$160 \$150 \$175 \$50 \$105

Wholesale Funding ratio²

24.9% 23.4% 20.6% 19.8% 16.4% 18.7%

Checking Deposits Trend

Excluding IOLTA accounts

■ NOW

■ Non-Interest Bearing



Commercial Deposits Trend

■ Interest Bearing

■ Non-Interest Bearing



¹ Core Deposits include Commercial and Consumer checking, savings and money market accounts

² Wholesale Funding ratio defined as brokered deposits and FHLB borrowings to total assets

³ Average cost on 2Q22 NOW deposits less than 15 basis points; these accounts not sensitive to Fed Funds rate changes



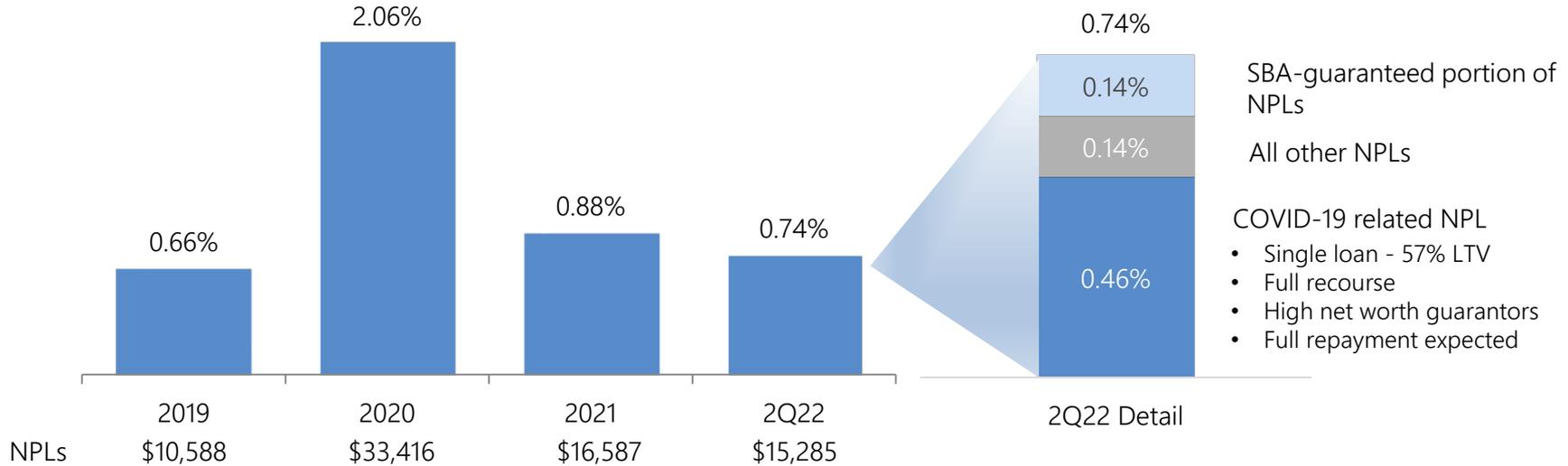


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Credit Quality & ALLL

Dollars in thousands

Non Performing Loans / Gross Loans



		Rated Asset Balances – Total Loans							
		Dollars in millions							
Risk Rating (RR)	1-5	\$1,555	96.9%	\$1,563	96.1%	\$1,827	96.4%	\$1,994	97.0%
	6	\$27	1.7%	\$15	0.9%	\$21	1.1%	\$20	1.0%
	7	\$19	1.2%	\$46	2.8%	\$45	2.4%	\$41	2.0%
	8	\$4	0.2%	\$2	0.1%	\$2	0.1%	\$1	0.0%
	Total	\$1,604		\$1,626		\$1,895		\$2,057	

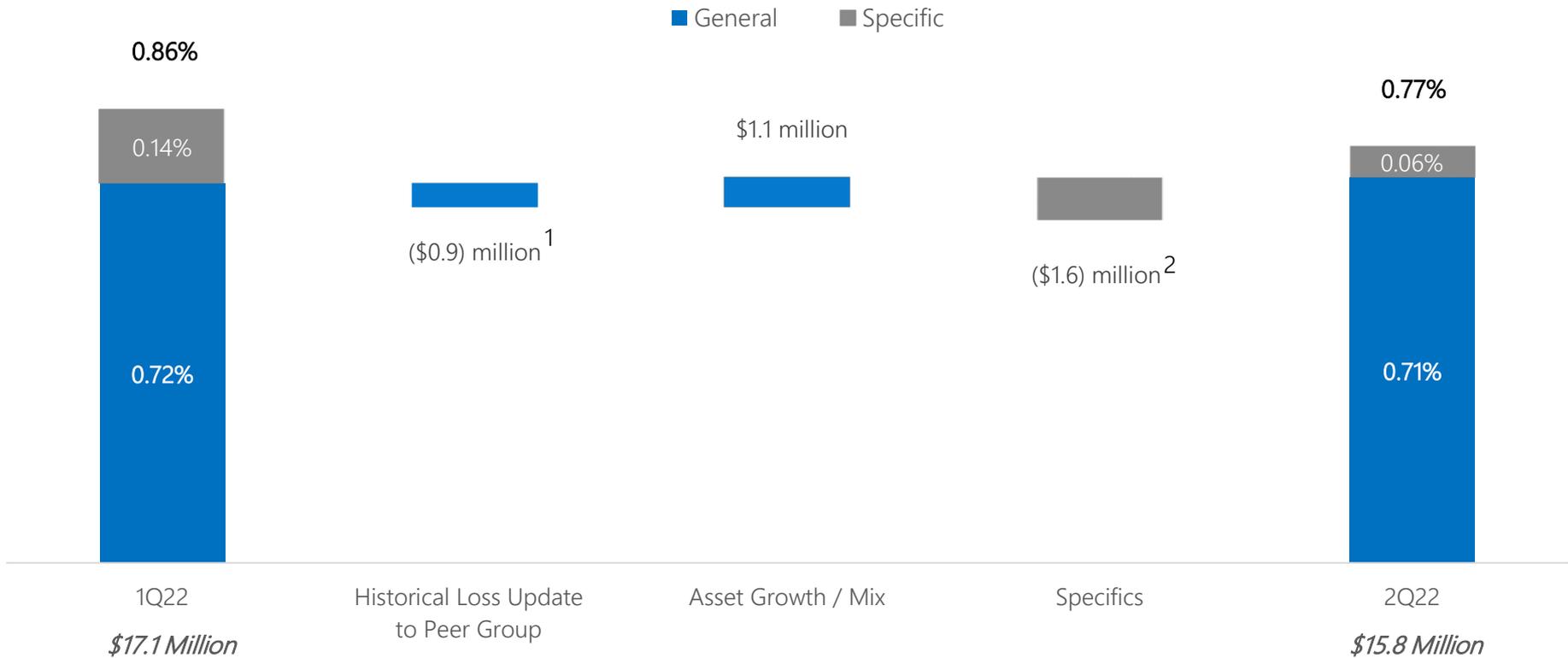
Risk Rating Meanings

1	Secured by Cash	6	Special Mention
2	Superior	7	Substandard
3	Desirable	8	Doubtful
4	Pass	9	Loss
5	Bankable with Care	NR	Not Rated

Credit quality remains strong



Allowance for Loan Loss (“ALLL”) Walk



¹ Bankwell is not yet subject to CECL; reduction in reserves due to annual update to historical loss data in our peer group-based, “incurred loss” model

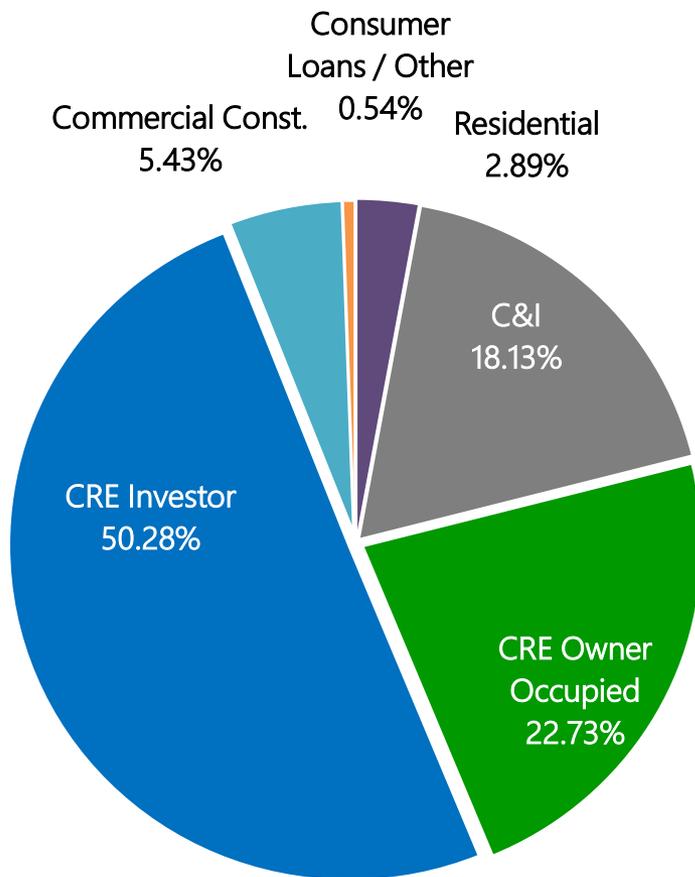
² Specific reserve reduction as impaired loans exhibited improved performance or paid off





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Loan Portfolio



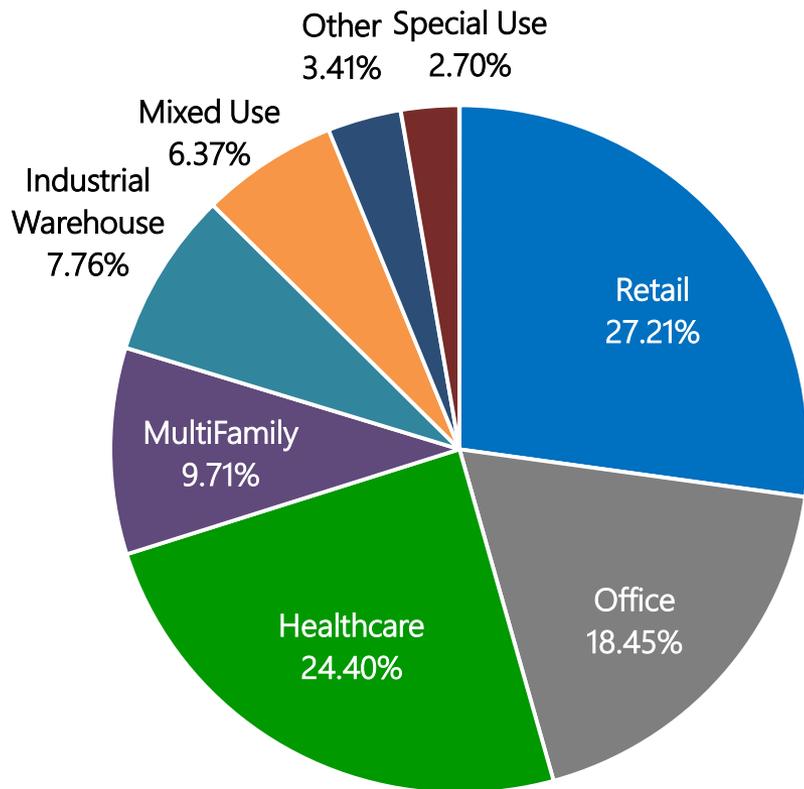
Total Loan Portfolio = \$2,057 million

- No single relationship represents more than ~5% of total loans, as of June 30, 2022
- Increasingly diversified commercial loan portfolio mix:

	4Q19	4Q20	4Q21	1Q22	2Q22
CRE Investor	59.8%	60.5%	55.2%	52.9%	50.3%
CRE O/O + C&I	24.9%	27.1%	34.9%	37.5%	40.8%

Diversifying portfolio, reducing reliance on Investor CRE





Total CRE Portfolio by Property Type = \$1,499 million

- Property Type mix continues to show well diversified exposure
- Healthcare consists primarily of skilled nursing and/or assisted living facilities located across eastern US
- ~ 58% of all CRE loan balances have recourse
 - Non recourse loans require lower LTV and higher DSCR

¹ Includes Owner Occupied CRE, does not include Construction



Dollars in millions

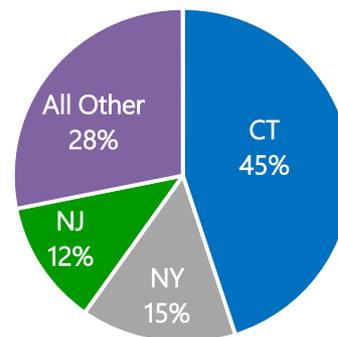
Retail Segment Detail

Type	Count	\$	%	LTV ³
Retail ²	80	\$232	57%	65.7%
Grocery	11	\$100	24%	65.0%
Restaurant	23	\$32	8%	59.7%
Pharmacy	7	\$21	5%	71.3%
Gas / Auto Services	16	\$23	6%	65.0%
Total Retail	137	\$408	100%	65.4%

- No significant exposure to any one retailer
- No exposure to bankrupt retailers

Office Segment Detail

Type	Count	\$	%	LTV ³
Office (primarily suburban)	72	\$196	71%	60.5%
Medical	36	\$80	29%	66.2%
Condo	4	\$1	0%	65.1%
Total Office	112	\$277	100%	62.2%



- ~72% Office loans located in Bankwell's primary lending area, mostly in suburban area, not NYC
- Out of primary market loans are generally either GSA-leased, credit tenants, owner-occupied or medical office

¹ Includes Owner Occupied CRE, does not include Construction

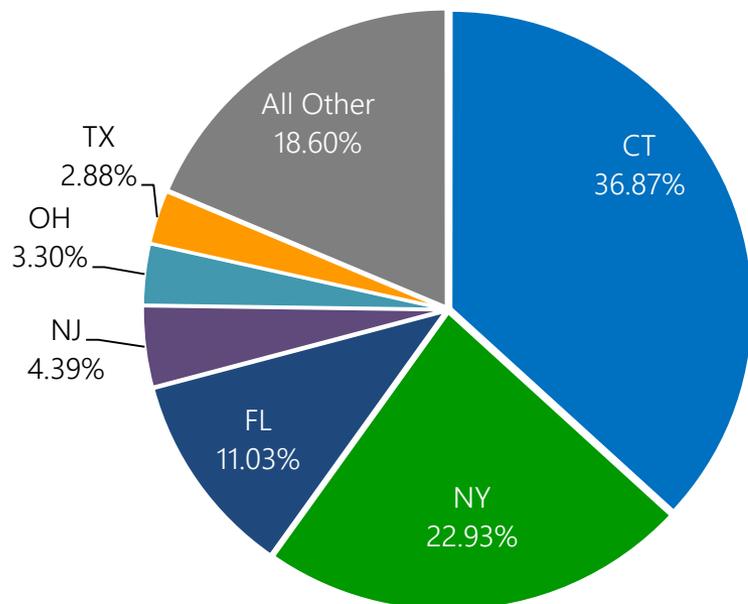
² Comprised primarily of neighborhood and convenience centers, typically characterized by: size up to 125,000 sq. ft.; convenience and service oriented

³ LTVs based on original LTV values, at origination



Dollars in millions

Geography Distribution



- Greater geographic diversity attributed to growth in Healthcare / SNF sector
- Continued diversification by following strongest customers to growth or stable markets
- **Of the CT-based loans, 56% are in Fairfield County²**

¹ Includes Owner Occupied CRE, does not include Construction

² Based on dollar volume

³ LTVs based on original LTV values, at origination

⁴ Consists primarily of skilled nursing and/or assisted living facilities

⁵ **Special Use** includes Country Clubs, Tennis Facilities, Catering

⁶ **Other** includes Hotel, NFP/Social, Mobile Home & Worship

Loan To Value

Property Type	\$	LTV ³
Retail	\$408.0	65.4%
Healthcare ⁴	\$365.8	67.4%
Office	\$276.7	62.2%
Multifamily	\$145.5	60.6%
Industrial/Warehouse	\$116.3	59.2%
Mixed Use	\$95.4	47.6%
Special Use ⁵	\$40.4	63.8%
Other ⁶	\$18.9	46.8%
1 - 4 Family Investment	\$16.4	63.8%
Land	\$15.8	46.3%
Self Storage	\$0.0	55.0%
Total	\$1,499.3	62.7%

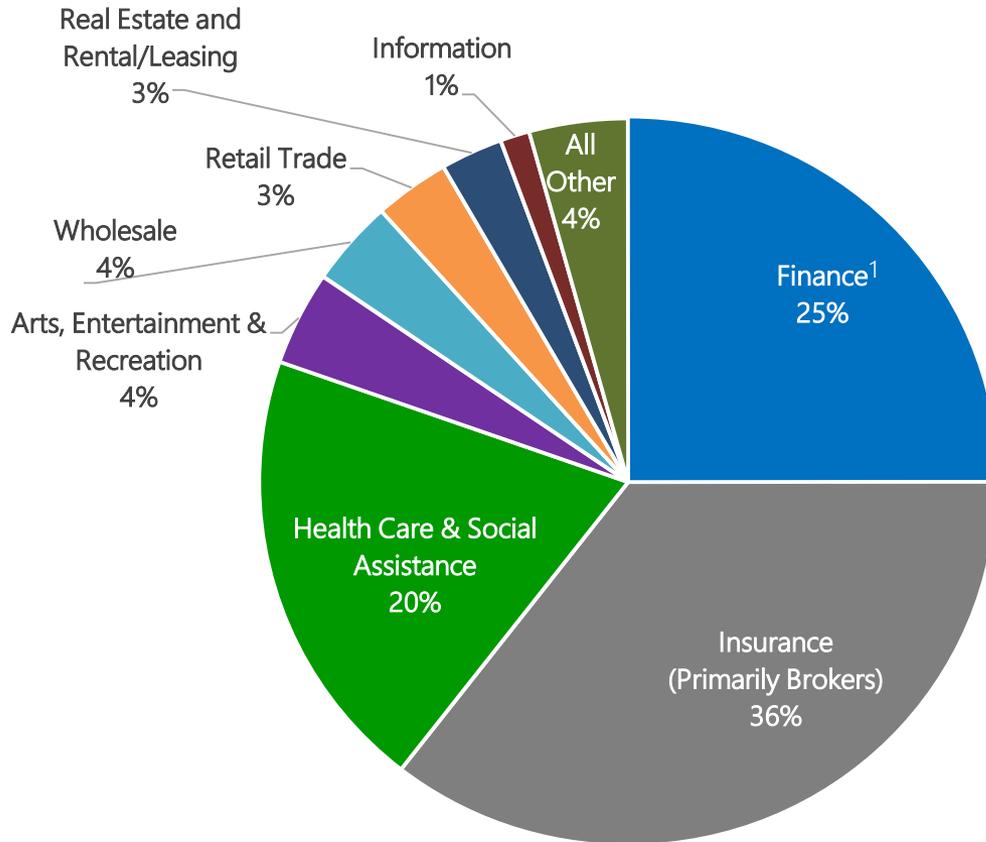
Vintage

Year	\$	Distribution
Pre 2019	\$572.8	38%
2019	\$137.4	9%
2020	\$103.1	7%
2021	\$407.5	27%
2022	\$278.5	19%
Total	\$1,499.3	100%



Loans by Industry Type

Total C&I Portfolio = \$372 million



- Limited leverage loan exposure of \$20 million as of 6/30/22, ~1% of total loans
- Majority of the Lines of Credit are uncommitted lines

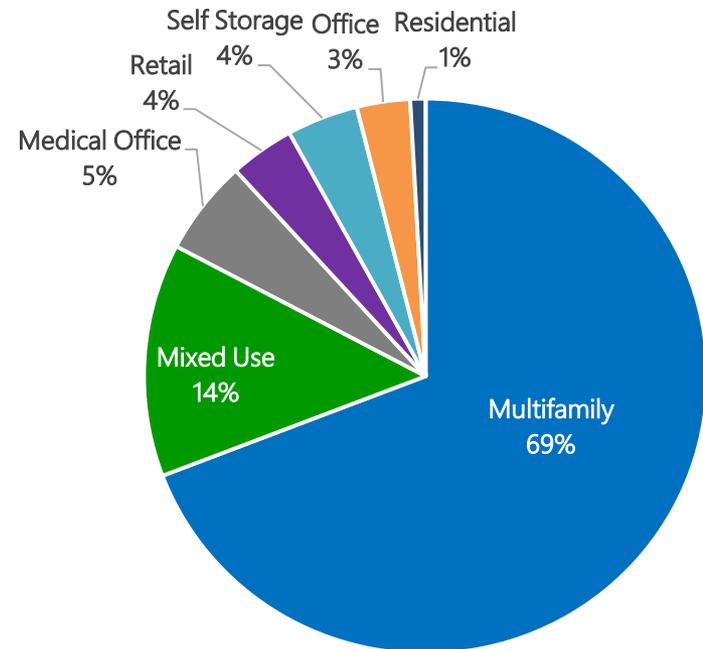
¹ Includes luxury auto leasing and financing



- Commercial construction loans comprise ~5% of total loan portfolio (~\$111 million)
- \$141 million of unfunded commitments, committed construction draws are subject to various terms and conditions, including completion of work verified by third party professional inspection

Dollars in millions	# Loans	\$ Committed	% Unfunded	\$ Unfunded
1Q22 Balance	32	\$256	56%	\$142
Closures in 1Q22	(5)	(\$35)		
1Q22 Loans @ 2Q22	27	\$221	63%	\$140
New 2Q22 Loans	4	\$22		
2Q22 Balance	31	\$243	58%	\$141

By Property Type



- \$64 million Residential portfolio comprised of:
 - \$59 million residential mortgages, with an average LTV of 67.1%¹ and an average size of \$494 thousand
 - \$5 million HELOCs
- 87% (\$51 million) of residential mortgages secured by residences in Fairfield County, CT
 - Of the Fairfield County mortgages, 66% are secured by residences in New Canaan, Fairfield & Westport

Loan Vintage

Year	\$ Millions	Distribution
Pre 2014	\$27.8	43%
2014	\$6.2	10%
2015	\$10.0	16%
2016	\$8.6	13%
2017	\$11.4	18%
2018	\$0.2	0%
Total	\$64.3	100%

Bankwell stopped originating residential mortgages at the end of 2017

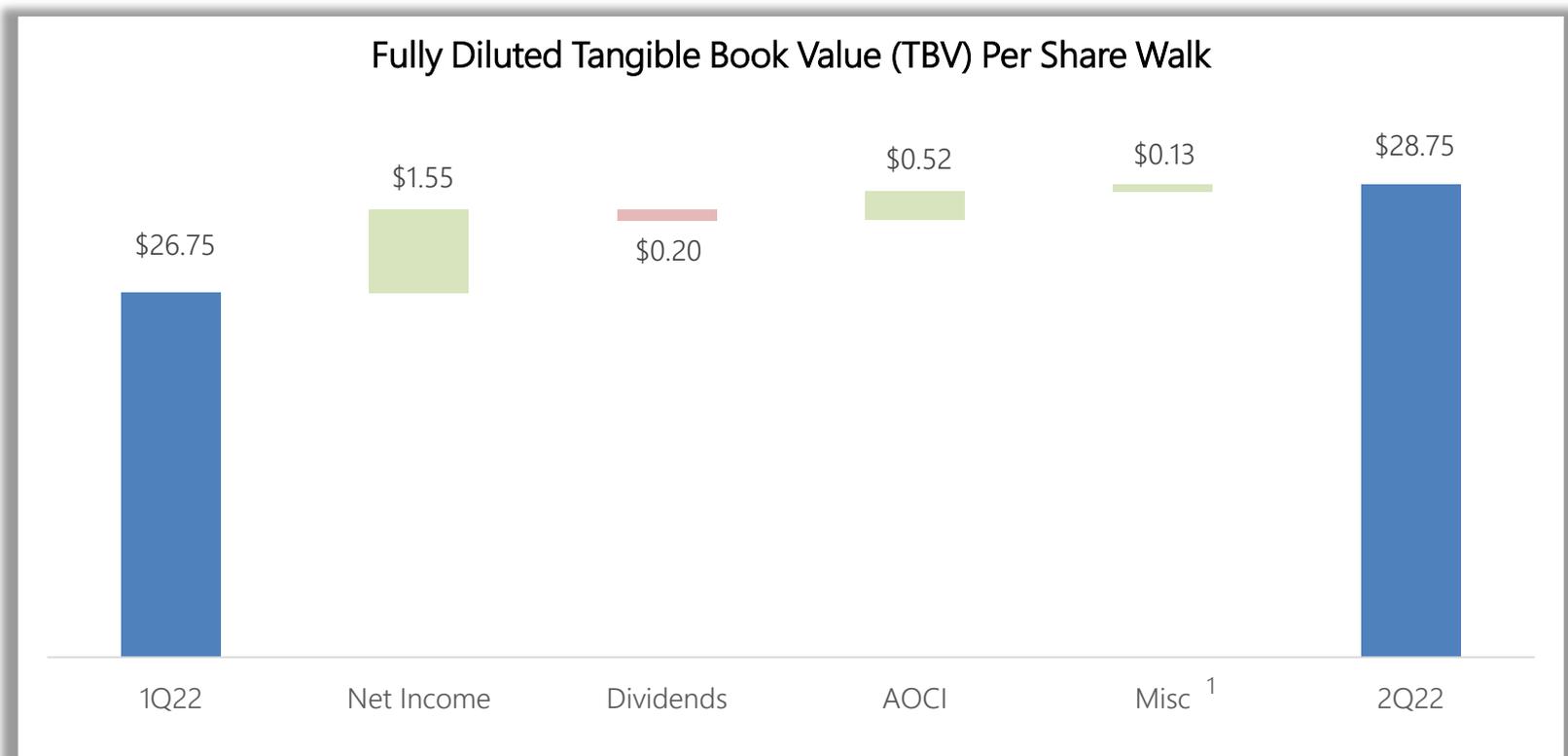
¹ LTVs based on original LTV values, at origination





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Capital

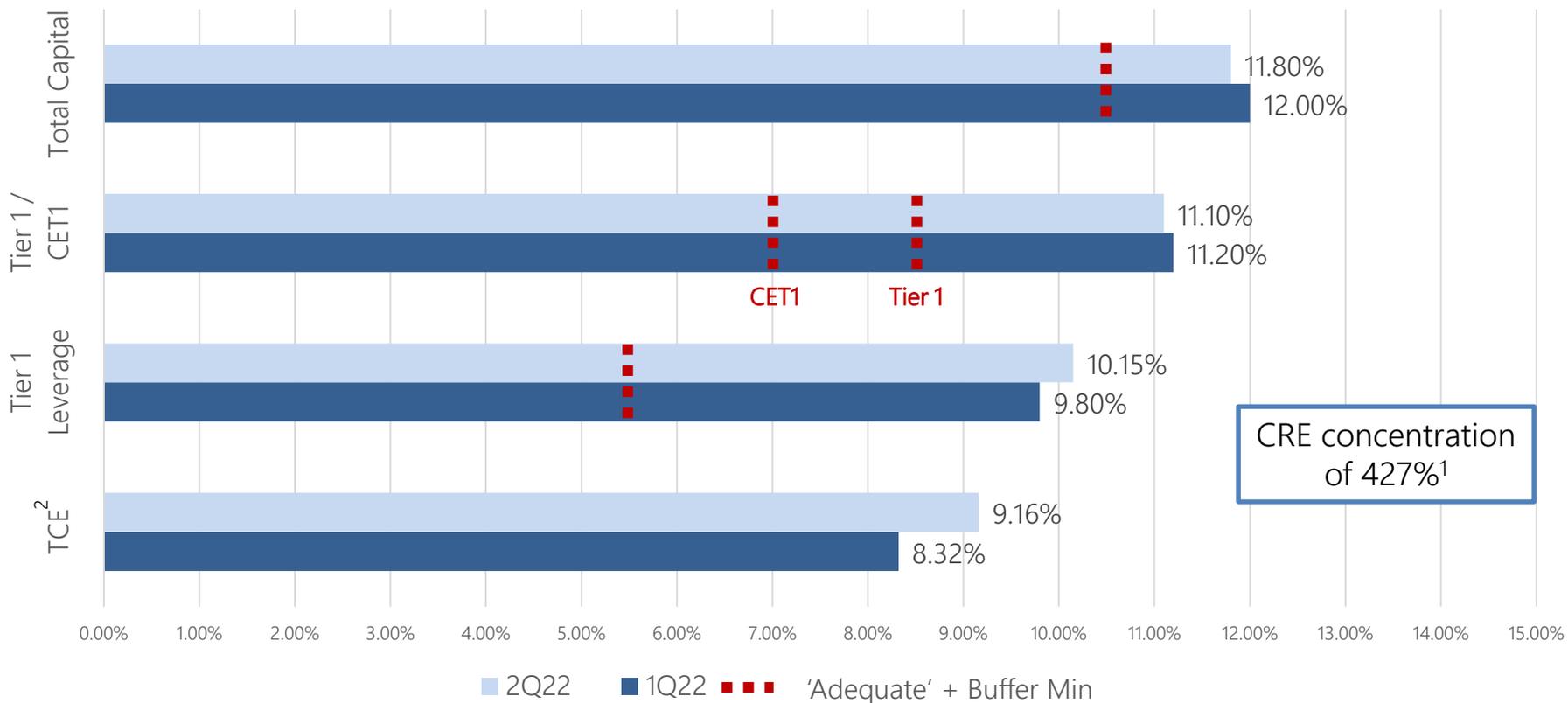


- AOCI: \$0.71 favorable change from mark-to-market primarily on long-dated interest rate swaps offset by (\$0.19) unfavorable change from AFS investment portfolio
- \$50 million of \$75 million of long-dated interest rate swaps were terminated in June 2022
- Mark-to-market as of July 19th: Swaps \$0.01 incremental TBV, offset by (\$0.03) reduction in AFS investment portfolio
- No shares repurchased in 2Q22

¹ Misc includes items such as, but not limited to, changes related to stock grants and share count



Key Bank Capital Ratios¹



Capital ratios reflect strong earnings and double-digit loan growth

¹ Current period Bank capital ratios are preliminary, subject to finalization of the FDIC Call Report

² TCE calculation is a consolidated BWFG ratio



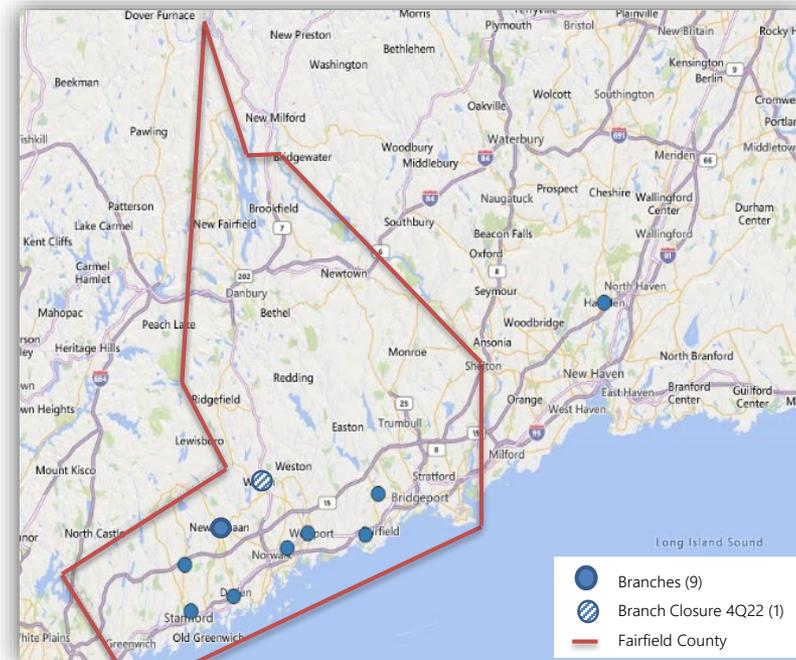


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History & Overview

Bankwell operates in an attractive core market:

- Third most affluent MSA in the Nation in per capita personal income (PCPI)²
- 4 of the top 25 wealthiest towns in the U.S.³
- MSA ranked 11th most educated overall, tied for 5th with the highest percentage of bachelors degree holders⁴
- Headquarters of 9 Fortune 500 companies⁵
- Home to two of the largest hedge funds in the U.S.
- \$27 billion total AUM managed by 68 firms with \$1 billion or less in AUM⁶
- 381 thousand housing units with a median value of owner-occupied units of \$433 thousand⁷
 - In addition, New Haven County has 371 thousand housing units with a median value of owner-occupied units of \$252 thousand⁷



- Connecticut-based \$2.4 billion commercial bank
- 9 branches in Fairfield & New Haven Counties
 - Wilton branch closure announced 7/8/2022 (effective 10/7/2022)
- \$177 million deposits per branch; one of the highest in Fairfield & New Haven Counties¹

¹ Source: S&P Global Market Intelligence's *Branch Competitors & Pricing Report* as of 6/30/21, excluding global money center banks (tickers BAC, WFC, JPM, TD & C)

² Source: Bureau of Economic Analysis' *Metropolitan Area Table*, contained within the *Personal Income by County & Metropolitan Area, 2020* news release 11/16/21

³ Source: Bloomberg: *2020 Richest Places*

⁴ Source: WalletHub: *Most & Least Educated Cities in America, 7/18/22*

⁵ Source: Fortune.com: *2022 Fortune 500*

⁶ Source: US News and World Report

⁷ Source: US Census Bureau QuickFacts (2021 data)



Dollars in thousands, except per share data

	2017 ¹	2018	2019	2020	2021	2Q22
Total assets	\$1,796,607	\$1,873,665	\$1,882,182	\$2,253,747	\$2,456,264	\$2,435,552
Net loans	\$1,520,879	\$1,586,775	\$1,588,840	\$1,601,672	\$1,875,167	\$2,036,626
Loan-to-deposit ratio	110.1%	106.4%	107.1%	87.9%	88.8%	100.8%
Efficiency ratio ²	54.9%	59.2%	60.2%	73.9%	53.9%	45.9%
Non-interest expense / avg. assets	1.88%	1.93%	1.90%	2.03%	1.75%	1.71%
Net interest margin	3.30%	3.18%	3.03%	2.77%	3.17%	3.65%
Total capital to risk weighted assets	12.19%	12.50%	13.35%	12.28%	12.00%	11.80%
Tangible common equity ratio ²	8.81%	9.16%	9.56%	7.73%	8.13%	9.16%
Return on average equity	8.93%	10.19%	10.20%	3.35%	13.86%	19.16%
Fully diluted tangible book value per share ²	\$20.39	\$21.85	\$22.82	\$21.96	\$25.55	\$28.75
Net interest income	\$54,364	\$56,326	\$53,761	\$54,835	\$67,886	\$43,333
Pre-tax, pre-provision net revenue ²	\$26,470	\$24,593	\$23,379	\$14,907	\$33,803	\$24,582
Net income	\$13,830	\$17,433	\$18,216	\$5,904	\$26,586	\$20,234
EPS (fully diluted)	\$1.78	\$2.21	\$2.31	\$0.75	\$3.36	\$2.58

¹ Values are based on reported earnings / performance, which were impacted primarily as a result of the *Tax Cut and Jobs Act* passed in December 2017 along with several other smaller items. Please refer to BWFG's 4Q'17 Earnings Release for further detail

² A non-GAAP metric



Experienced Leadership Team

Name	Years Experience	Selected Professional Biography
Christopher Gruseke Chief Executive Officer Director (since 2015)	30+	Mr. Gruseke was a founding investor and director of Bankwell Financial Group’s predecessors, BNC Financial Group, Inc., and The Bank of New Canaan. He brings more than 25 years of capital markets, operations, sales and finance experience to his role at the Company. Most recently, he was a member of the Executive Committee at CRT Capital, a Stamford, Connecticut-based broker/dealer. He also served as Co-Chief Operating Officer and a member of the Board of Greenwich Capital Markets. Mr. Gruseke earned a B.A. from Williams College and an M.S. from the Stern School of Business at New York University.
Christine A. Chivily Chief Risk Officer Chief Credit Officer (since 2013)	40+	Ms. Chivily has over 40 years of experience in banking and real estate finance. She previously served in a risk management role for the CRE and C&I loan portfolios at People’s United Bank. Her prior experience also includes five years as Director of Freddie Mac’s New England region for multifamily properties and 11 years as Senior Credit Officer at RBS Greenwich Capital. She also has over 10 years of combined experience in lending, loan administration and workouts at other various banking institutions. Ms. Chivily received her B.A. from Mt. Holyoke College.
Penko Ivanov Chief Financial Officer (since 2016)	30+	Mr. Ivanov has over 30 years of experience in accounting and finance. His more recent roles include CFO for the U.S. Operations of Doral Bank, where he created a scalable finance organization to support the rapid growth of several business units from infancy to \$3 billion in assets, and as CFO of Darien Rowayton Bank. He began his career with Ernst & Young and held various accounting/finance positions at PepsiCo, GE Capital and Bridgewater Associates. His experience includes building, improving and overseeing all finance areas, including Controllershship, SOX, Treasury, FP&A, as well as internal and external reporting functions. Mr. Ivanov holds M.B.A. and bachelor degrees in accounting and finance from the University of South Florida and is a CPA. He is also Six Sigma Black Belt certified.
Matthew McNeill Chief Banking Officer (since 2020)	20+	Mr. McNeill has more than 20 years of experience in Commercial Banking. He most recently served as Head of Commercial Lending at Metropolitan Commercial Bank. During his 8 years at Metropolitan Commercial Bank the bank grew its lending assets from \$400 million to over \$3 billion. Mr. McNeill has additionally held lending roles at HSBC Bank US and Banco Santander. Mr. McNeill has also served as Managing Partner at American Real Estate Lending; a Commercial Real Estate finance company.
Laura J. Waitz Chief Operating Officer (since 2017)	35+	Ms. Waitz has over 35 years of experience for various businesses and previously was Senior Managing Director, Global Head of Human Resources at The Blackstone Group. She also served as Managing Director and Global Head of Compensation at Citi Alternative Investments and as Head of Compensation (Americas) for Deutsche Bank. Prior to that she served as Global Compensation Manager for private equity and investment banks. Ms. Waitz received her B.S. from Penn State University.





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Thank You & Questions