



ORANGE COUNTY BANCORP, INC.

*SOARING TO NEW HEIGHTS*

*March 2021*



# Forward-Looking Statements

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This presentation contains forward-looking statements, which can be identified by the use of words such as “estimate,” “project,” “believe,” “intend,” “anticipate,” “plan,” “seek,” “expect” and words of similar meaning. These forward-looking statements include, but are not limited to: statements of our goals, intentions and expectations; statements regarding our business plans, prospects, growth and operating strategies; statements regarding the quality of our loan and investment portfolios; and estimates of our risks and future costs and benefits.

These forward-looking statements are based on current beliefs and expectations of our management and are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond our control. In addition, these forward-looking statements are subject to assumptions with respect to future business strategies and decisions that are subject to change.

The following factors, among others, could cause actual results to differ materially from the anticipated results or other expectations expressed in the forward-looking statements: general economic conditions, either nationally or in our market areas, that are worse than expected; our ability to access cost-effective funding; competition among depository and other financial institutions; inflation and changes in the interest rate environment that reduce our margins or reduce the fair value of financial instruments; the rate of delinquencies and amounts of loans charged-off; fluctuations in real estate values and both residential and commercial real estate market conditions; adverse changes in the securities markets; changes in laws or government regulations or policies affecting financial institutions, including changes in regulatory fees and capital requirements; our ability to enter new markets successfully and capitalize on growth opportunities; our ability to capitalize on strategic opportunities; our ability to successfully introduce new products and services, enter new markets, and capitalize on growth opportunities; our ability to successfully integrate into our operations any assets, liabilities, customers, systems and management personnel we may acquire and our ability to realize related revenue synergies and cost savings within expected time frames, and any goodwill charges related thereto; our ability to retain our existing customers; changes in consumer spending, borrowing and savings habits; changes in accounting policies and practices, as may be adopted by the bank regulatory agencies and the Financial Accounting Standards Board; changes in our organization, compensation and benefit plans; changes in the quality or composition of our loan or investment portfolios; a breach in security of our information systems, including the occurrence of a cyber incident or a deficiency in cyber security; technological changes that may be more difficult or expensive than expected; the failure to attract and retain skilled people; and the fiscal and monetary policies of the federal government and its agencies.

Because of these and other uncertainties, our actual future results may be materially different from the results indicated by these forward-looking statements.

# Orange County Bancorp, Inc. Overview

*Holding Company for Orange Bank and Trust and Hudson Valley Investment Advisors, Inc.*



## \$1.7 Billion in Total Assets

- 77% Loan / Deposit Ratio
- \$1+ billion in Assets Under Management



## OTCQX: OCBI

- Market Capitalization: ~\$130 million
- Stock Price / Tangible Book Value: 1.03x
- Dividend Yield: 2.76%



## 13 Locations<sup>(1)</sup>

Orange, Rockland, Westchester Counties (NY)

- Headquarters in Middletown, NY
- Bank founded in 1892



## Value Proposition

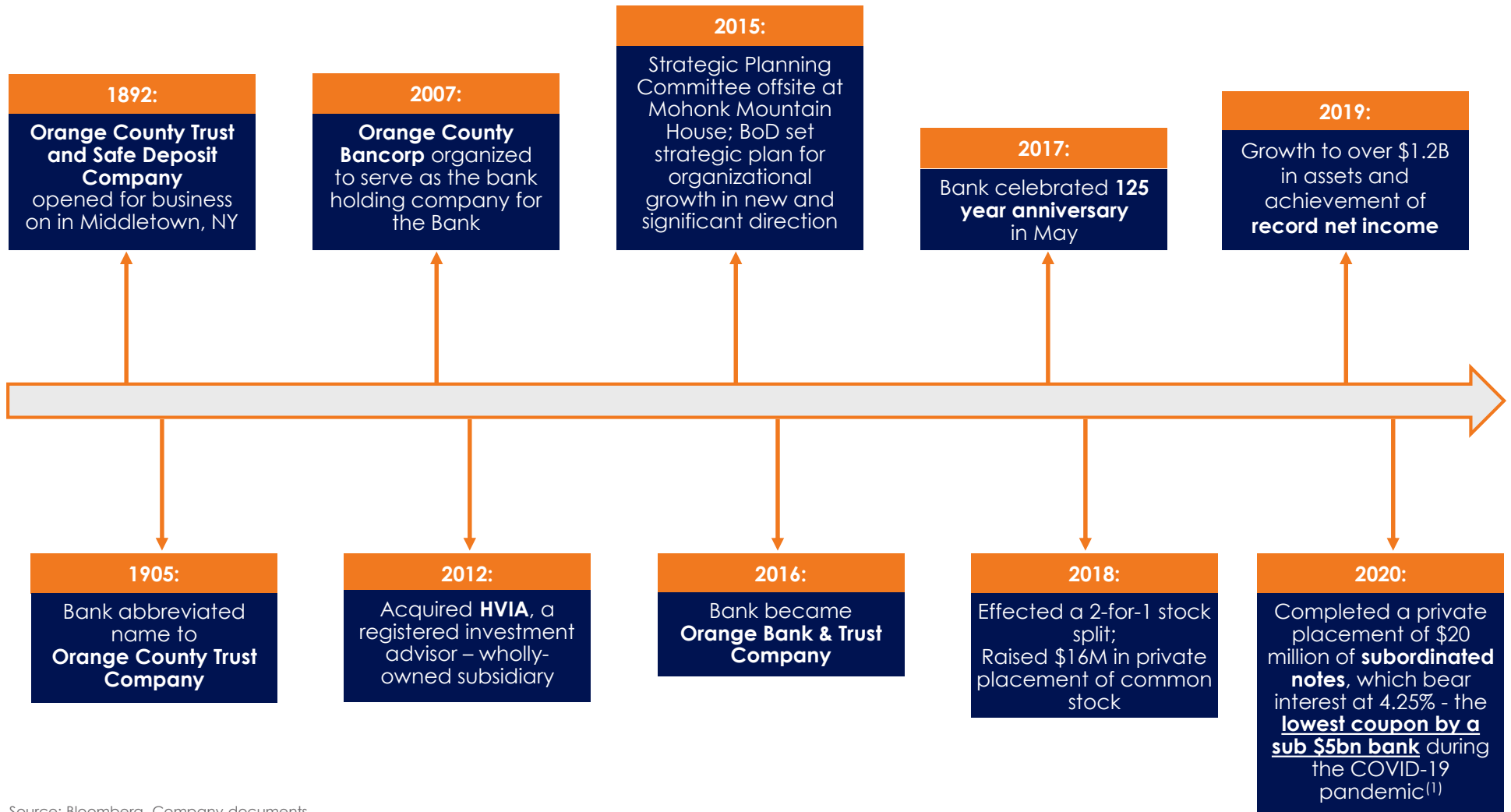
- ✓ Premier business bank in the Hudson Valley region
- ✓ Highly attractive core deposit franchise
- ✓ Diversified and unique product offerings via private banking & trust / wealth management

Note: Market data as of March 8, 2021.

(1) Recent approval of two new branches in the Bronx and Nanuet, which are scheduled to open in the next 3 months.

# Business Evolution and Milestones

- Michael Gilfeather was hired as President & CEO in 2014
- In early 2015, the Board of Directors approved a new strategic plan for organizational growth in a new and significant direction



Source: Bloomberg, Company documents.  
 (1) As of 9/24/2020 (announcement date of the offering).

# Leadership Team

## Experienced Team with Strong Ties to the Community



**Michael Gilfeather**  
*President, Chief Executive Officer and Director*

**Years of Experience: 36**

Mr. Michael J. Gilfeather has been Chief Executive Officer and President of Orange County Bancorp, Inc and Orange Bank & Trust Company since April 7, 2014 and its Director since 2014. Mr. Gilfeather served as the Chief Administrative Officer and Executive Vice President of Hudson Valley Bank, N.A, a subsidiary of Hudson Valley Holding Corp. since June 2011 until April 3, 2014. Mr. Gilfeather served as an Executive Vice President of Branch Administration at Hudson Valley Bank from July 2005 to May 2011. From May 2001 to 2005, Mr. Gilfeather served as the President of Home Services Shop. He served as a Senior Manager of Retail Banking for The Bank of New York since 1980. He has been a Director of Orange County Bancorp, Inc. since July 28, 2015.



**Robert Peacock**  
*SEVP and Chief Financial Officer*

**Years of Experience: 38**

Mr. Robert L. Peacock is currently serving as a Senior Executive Vice President and Chief Financial Officer of Orange County Bancorp, Inc. and Orange Bank & Trust Company since July, 2018. He previously served as Executive Vice President and Strategic Planning Officer of Spencer Savings Bank, SLA and had been its Treasurer since June 2, 2016. Mr. Peacock served as Chief Financial Officer and Senior Vice President of Spencer Savings Bank, SLA. Mr. Peacock was responsible for the overall direction, control and management of the Finance Division, which includes Accounting, Treasury, investment management and budget planning. Mr. Peacock served as Chief Financial Officer of Paragon Computer Professionals, Inc. He worked as a Managing Director for FinPro, Inc. At FinPro he managed consulting engagements specializing in bank-startups from concept, management team selection, regulatory application and capital raising assistance. He has a Master of Business Administration and a BS in Finance and Statistics both from The Wharton School of the University of Pennsylvania.



**Michael Coulter**  
*EVP and Chief Lending Officer*

**Years of Experience: 39**

Mr. Michael J. Coulter serves as Executive Vice President and Chief Lending Officer at Orange Bank & Trust, Company since 2017. He served as Executive Vice President of Metropolitan Bank in Manhattan. Prior to Metropolitan, Mr. Coulter held progressively more senior positions at BBVA Compass Bank, Sun National Bank, Citizens and Key Bank - all in the greater New York City and Hudson Valley markets.



**Michael Listner**  
*SVP & Chief Credit Officer*

**Years of Experience: 18**

Mr. Michael Listner serves as Senior Vice President and Chief Credit Officer at Orange Bank & Trust Company. Michael joined the Bank with more than 18 years in banking, credit, finance and relationship management experience. He joined the Bank most recently from Sun National Bank as Senior Vice President. There his responsibilities were both on the credit and relationship sourcing side. In addition, he has many years of experience in credit ratings and structured finance with Standard & Poor's. Michael has a Master of Business Administration from NYU Stern School of Business and a BS in Finance and Economics from Villanova University.



**Gustave Scacco**  
*CEO & Chief Investment Officer HVIA*

**Years of Experience: 29**

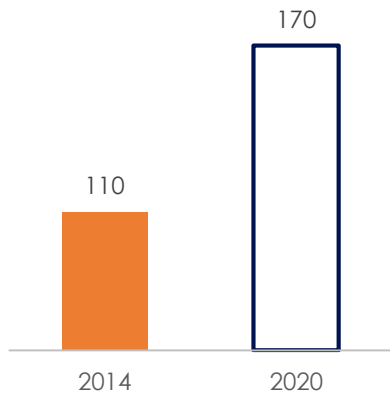
Gustave "Gus" J. Scacco. Mr. Scacco serves as Chief Investment Officer and CEO of Hudson Valley Investment Advisors, Inc., a subsidiary of Orange County Bancorp, since February 2015. He has 30 years of experience in the finance and investment industry. Mr. Scacco has a Bachelor of Business Administration in management from Adelphi University, an MBA in Finance from Hofstra University's Frank Zarb School of Business. Gus serves as a Director for Orange County Bancorp, Inc.

# Our History, Transformation and Significant Growth and Expansion

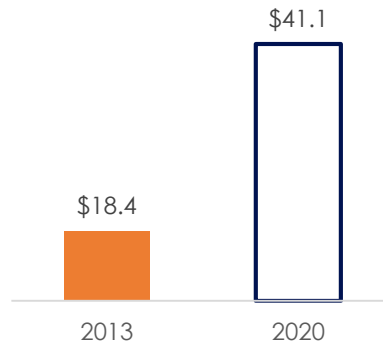
Significant Investments in People, Systems and Expanding the Footprint...

... Has Led to Strong Balance Sheet Growth and Enhanced Profitability

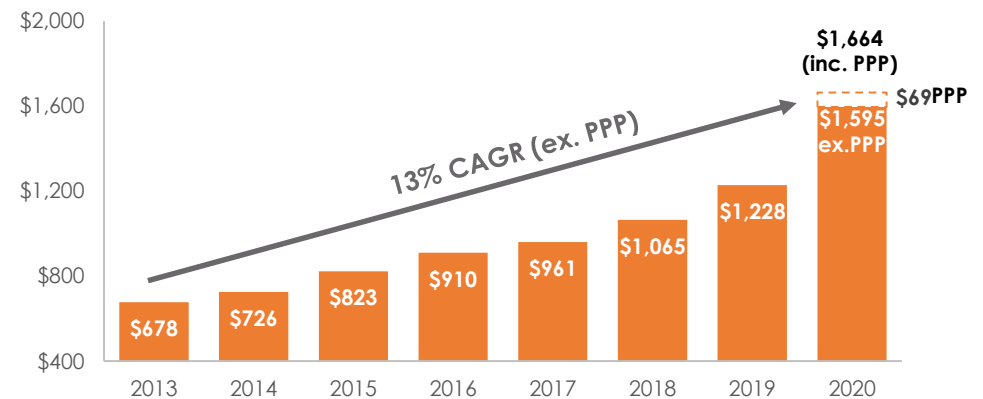
## Employee Count<sup>(1)</sup>



## Noninterest Expense (\$M)



## Total Assets (\$M)

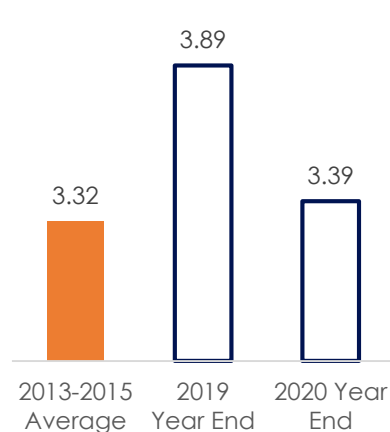


## Expansion of Franchise Footprint

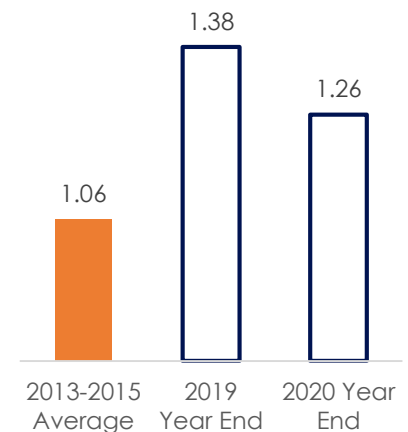
- + 2015: Opened White Plains branch (Westchester County)
- + 2016: Opened Mamaroneck & Hawthorne branches (Westchester)
- + 2017: Opened New city branch (Rockland County)
- + 2017: Opened Mount Vernon branch (Rockland County)
- 2018: Sale of Fishkill branch (Dutchess County)
- + 2018: Opening of Cortlandt Manor branch (Westchester County)
- + 2019: Opened LPO in Bronx, NY market
- + 2020 / 2021: Approval to open two new branches in the Bronx and Nanuet in the next 3 months

## Profitability Improvement

### Net Interest Margin (%)



### Pre-Tax, Pre-Provision Core Return on Average Assets (%)



Source: Company documents, S&P Global Market Intelligence.  
(1) Bank-level financial data shown.

# Balanced Go-to-Market Business Model



**Structure & Scope**

**Key Financials**

**Business Banking**

- 13 branches
- Focus on local small to medium sized businesses in the communities we serve
- Seasoned lenders in market with industry expertise
- Full product line offering
- Full treasury management suite

• **\$1.1 billion loans, \$786 million deposits<sup>(1)</sup>**

**86% of Revenue**

**Private Banking**

- Launched in mid 2017
- Division of Orange Bank & Trust
- Client-driven, high-tech model across four areas
  - 1) Cash Management / Treasury
  - 2) Loans (both Commercial and Residential)
  - 3) Trust, Estate and Custody Services
  - 4) Investment Advisory (through HVIA)

• **350+ Clients**

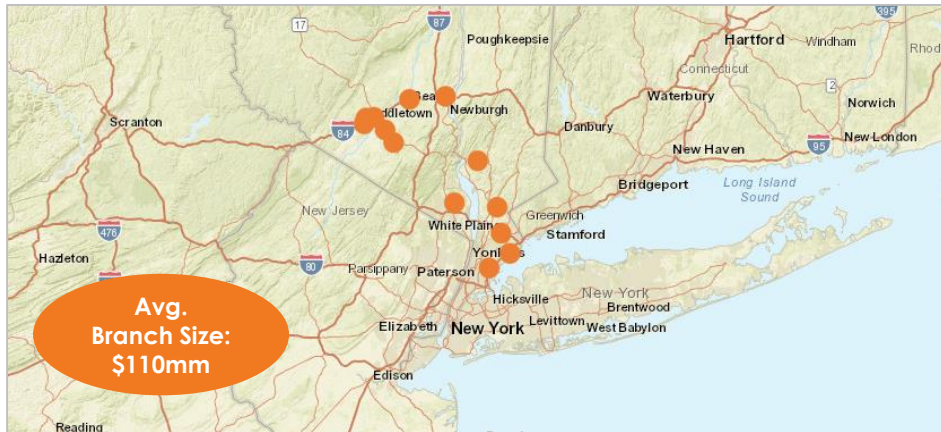
**Trust & Wealth Management**

	<b>TRUST SERVICES</b>
<ul style="list-style-type: none"> <li>• Subsidiary of Orange County Bancorp, Inc.</li> <li>• Acquired in late 2012 from Sterling Bancorp</li> <li>• SEC registered Investment Advisor</li> <li>• Focused on financial planning and wealth management</li> </ul>	<ul style="list-style-type: none"> <li>• Division of the Bank</li> <li>• Traditional trust and administration services to local clients</li> <li>• Nationwide niche focus on Special Needs Trust and Guardianship services</li> </ul>
<ul style="list-style-type: none"> <li>• <b>\$650 AUM</b></li> <li>• <b>630+ Clients</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>\$539 AUM</b></li> <li>• <b>660+ Clients</b></li> </ul>

**14% of Revenue**

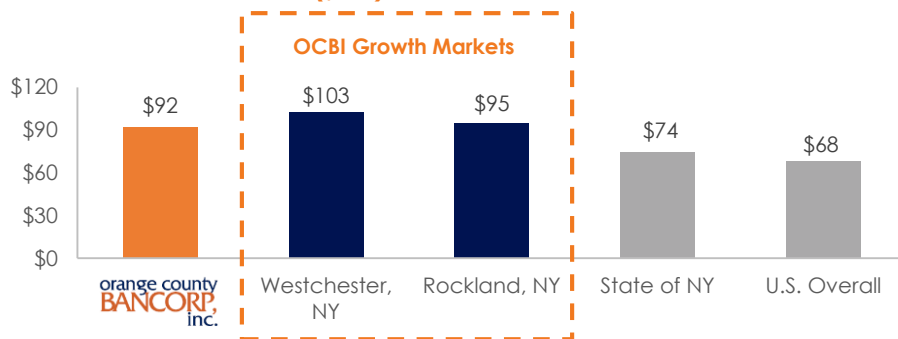
(1) Excludes \$199 million of municipal deposits.

# Franchise Scarcity Value in Highly Attractive Markets



## Attractive Demographics in a Large, Growing Addressable Market

### Median Household Income (\$000)



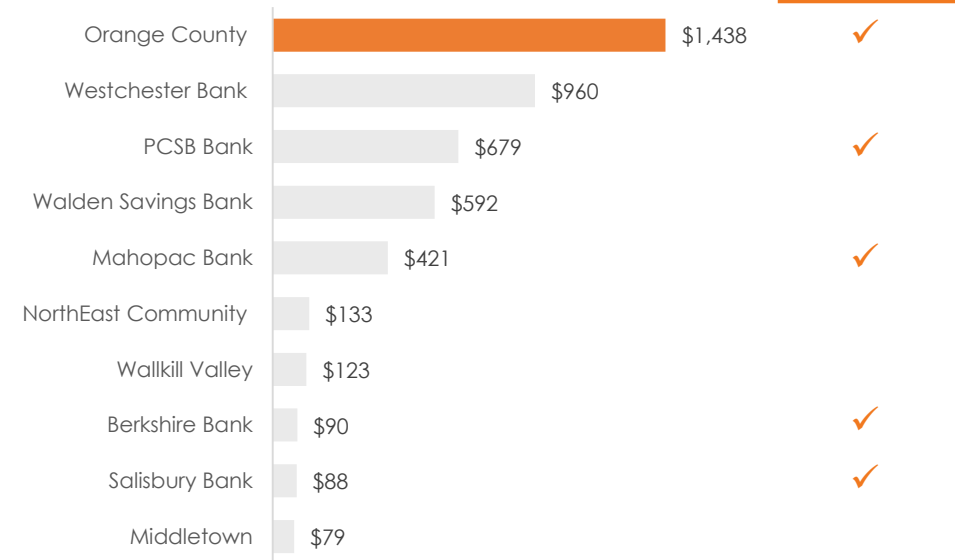
County	Deposits (\$B)		Growth
	2019	2020	YoY %
Westchester, NY	\$118	\$153	29.5 %
Orange, NY	9	11	21.7
Rockland, NY	14	21	47.8
Bronx, NY	14	16	15.0
<b>Total OCBi Markets</b>	<b>\$155</b>	<b>\$200</b>	<b>29.4 %</b>
<b>New York State</b>	<b>\$2,649</b>	<b>\$3,174</b>	<b>19.8 %</b>

Source: FDIC, S&P Global Market Intelligence. Note: FDIC deposit data as of 06/30/2020.

(1) Lower Hudson Valley region includes Orange, Westchester, and Rockland counties. Community Bank defined as less than \$5 billion in most recent quarter total assets.

## #1 Ranked Community Bank in Lower Hudson Valley<sup>(1)</sup>

### Deposits in the Market (\$ in millions)



## Market Area Has Experienced Significant Consolidation

- **Sales / Mergers of:**
  - Hudson Valley Bank
  - Hometown Bank of the Hudson Valley
  - Greater Hudson Bank
- **Former Community Banks Moving Upstream**
  - Sterling / Provident
  - ConnectOne

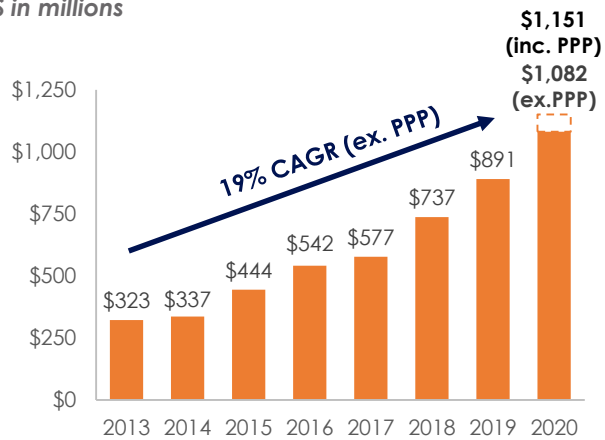


# Growth and Momentum Across All Areas

## Lending

### Gross Loans

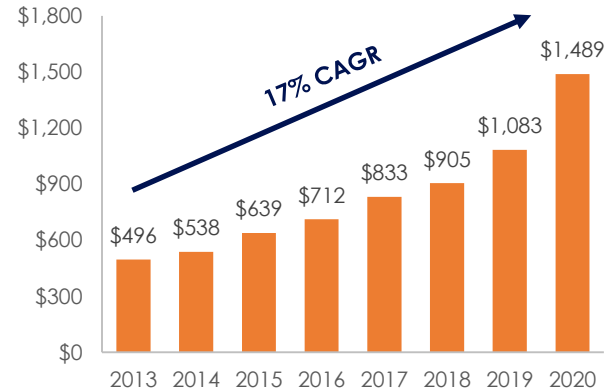
\$ in millions



## Deposits

### Total Deposits

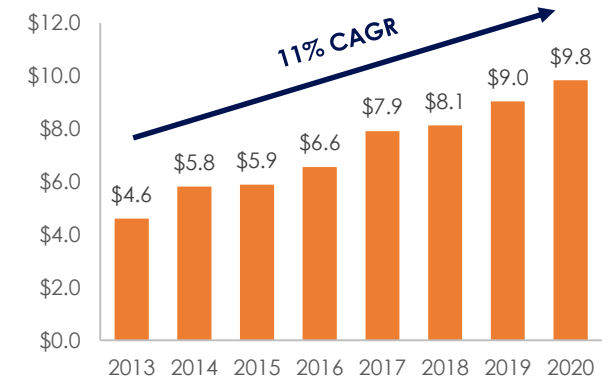
\$ in millions



## Fee Income & AUM

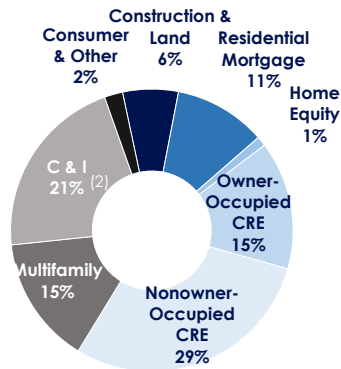
### Trust / Wealth Revenue<sup>(1)</sup>

\$ in millions



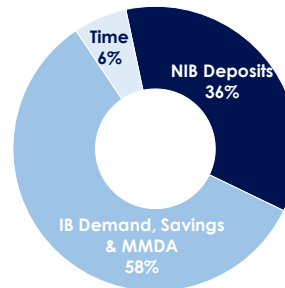
## Composition

\$1.1bn



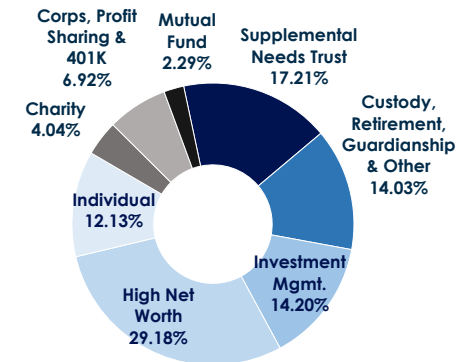
Yield on Loans:	4.67 %
Regulatory CRE / TRBC:	366 %

\$1.5bn



Cost of IB Deposits:	0.34 %
Cost of Total Deposits:	0.23 %

\$1.2bn AUM



Fee Income / Revenue:	19.5 %
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Note: Company data as of 12/31/2020.

(1) Trust / Wealth Revenue includes Trust Revenue and Other Noninterest Income. (2) Excludes approximately \$69 million of PPP loans.

# Leading Core Deposit Franchise

**\$1.5B**

Total Deposits

**36%**

Noninterest Bearing Mix

**0.23%**

Cost of Total Deposits

**5%**

Deposit Beta Through Last Rate Cycle (2015-2019)

## Areas of Focus

- **Keys to Success**

- ✓ Dedicated Deposit Relationship managers
- ✓ Investment into state-of-the-art Treasury / Cash management product suite

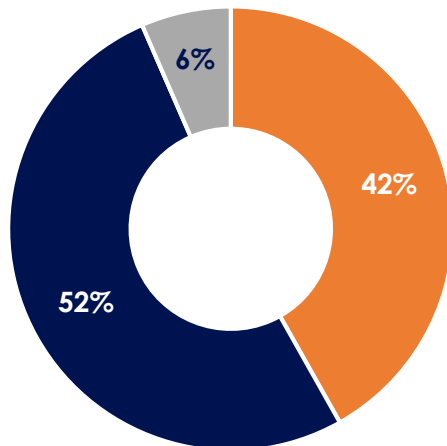
- **Escrow**

- ✓ Attractable DDA capture

- **Municipal Deposits**

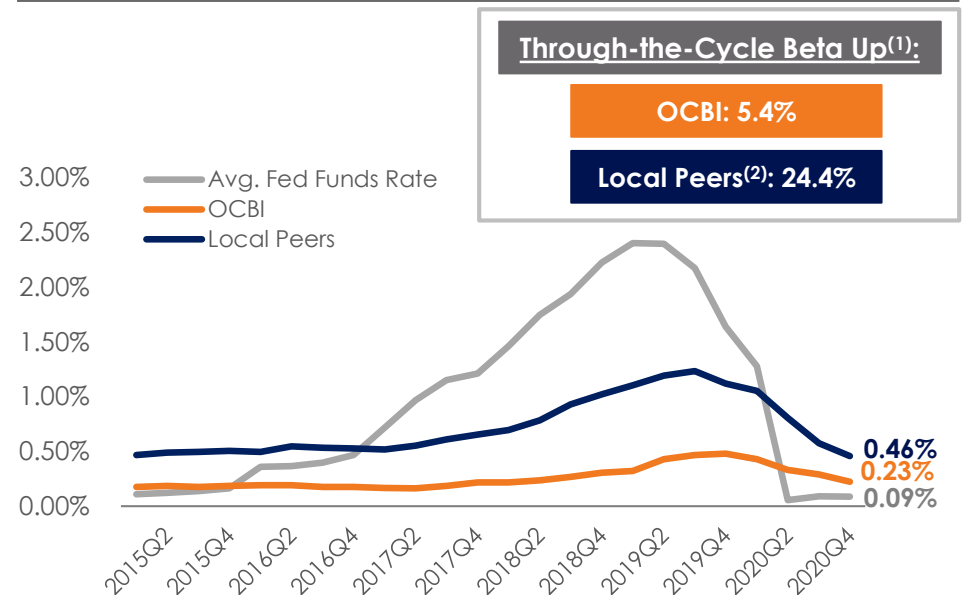
- ✓ Competitive products and niche focus
- ✓ Focused on local opportunities
- ✓ Long-term relationships

## Composition by Geography



■ Westchester ■ Orange ■ Rockland

## Cost of Total Deposits During '15 – '19 Rate Cycle



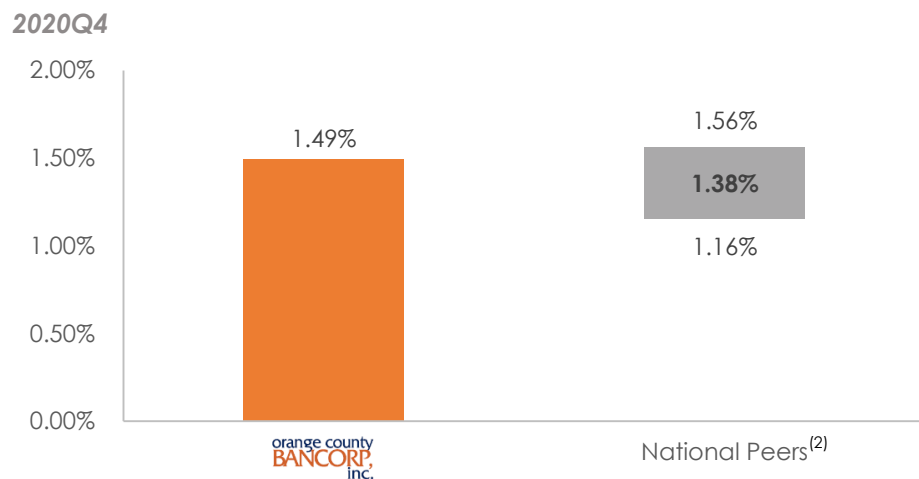
Source: S&P Global Market Intelligence, FDIC. Note: FDIC deposit data as of 6/30/2020.

(1) Deposit beta is calculated as the change in the bank's deposit costs as a percentage of the change in the Fed Fund Rate, measured from 2015Q1 to 2019Q1.

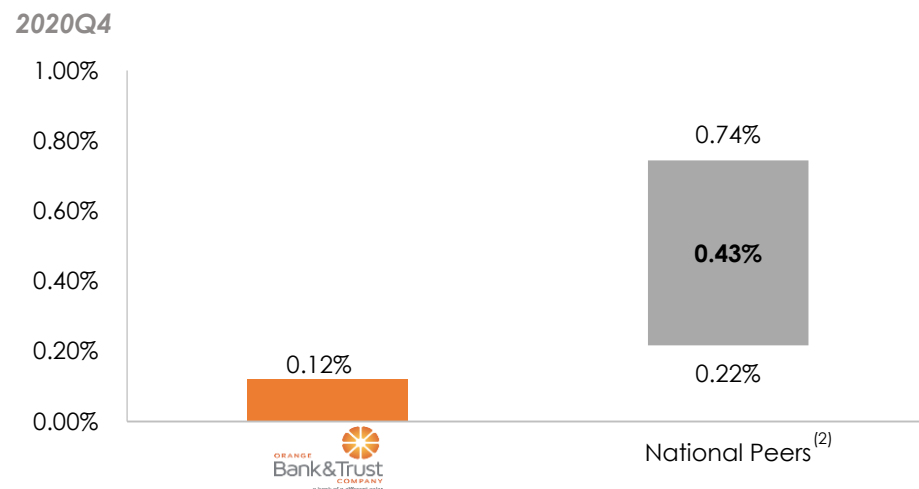
(2) Local Peers include NASDAQ, NYSE, NYSEAM, and OTC-traded U.S. banks and thrifts in the NYC MSA with total assets under \$50 billion, excluding merger targets and mutuals.

# Credit Trends

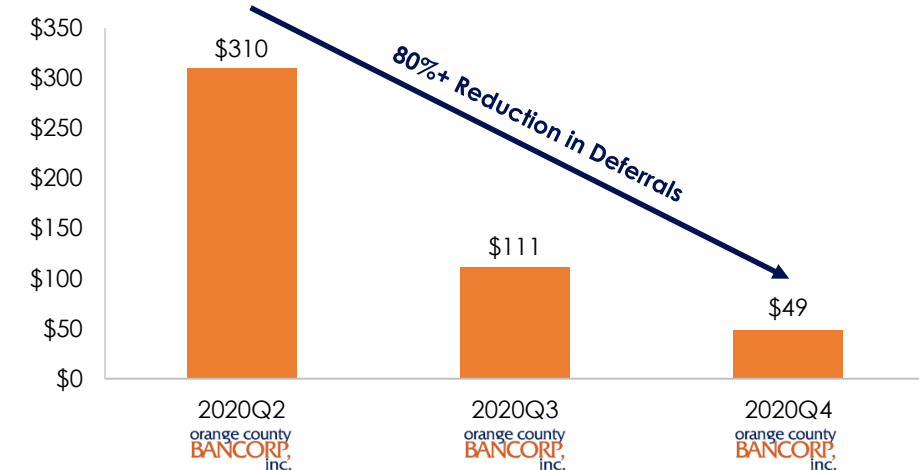
## Reserves / Loans (ex. PPP) (%)



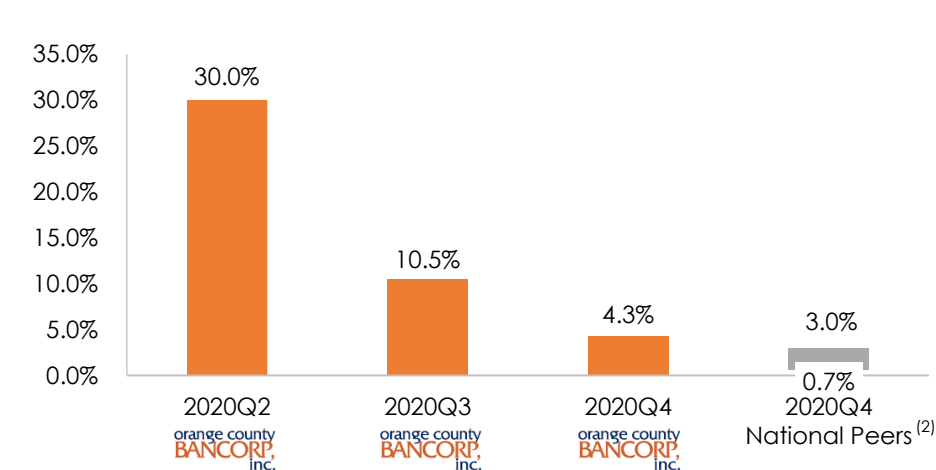
## Non-Performing Assets / Total Assets<sup>(1)</sup> (%)



## COVID-19 Deferrals (\$M)



## COVID-19 Deferrals / Total Loans (%)



Source: S&P Global Market Intelligence. (1) NPAs/Assets defined as nonaccrual loans plus OREO / total assets, excludes restructured loans from nonperforming assets.

(2) Peers consist of publicly traded (NYSE and NASDAQ) U.S. banks and thrifts with most recent quarter total assets between \$1 and \$5 billion, excluding merger targets and mutuals.

# Loan Deferral Detail

## Summary of Loan Portfolio Segments & Deferments at 12/31/2020

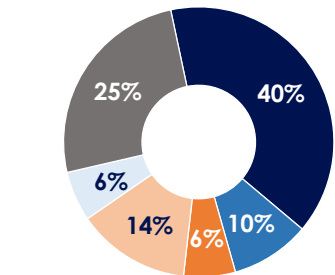
*\$ in millions*

Industry Classification	Balance	Loan Count	% of Total Loans	Total Deferments		
				Outstanding Balance	Loan Count	Deferred %
Real Estate & Rental Leasing	\$457	481	39.5 %	\$5	6	1.0 %
Healthcare & Social Assistance	110	670	9.5	12	12	10.7
Construction	71	94	6.2	--	0	0.0
Retail Trade	45	87	3.9	11	1	24.6
Mgmt. of Companies / Enterprise	42	19	3.7	0	0	0.0
Wholesale Trade	28	72	2.4	0	0	0.0
Manufacturing	39	103	3.4	0	0	0.0
Hotel / Motel	26	13	2.2	8	3	26.3
Professional, Scientific & Tech. Service	21	204	1.8	0	0	0.0
Finance & Insurance	18	63	1.5	0	0	0.0
Contractors	17	97	1.5	0	0	0.0
Educational Services & Child Care	17	33	1.5	0	0	0.0
Administrative & Mgmt.	15	86	1.3	7	2	44.5
Food Services	14	30	1.3	0	1	3.1
Art, Entertainment & Recreation	3	21	0.3	3	1	91.2
Transportation & Warehousing	5	34	0.4	0	0	0.0
Residential Real Estate & Other	157	1327	13.6	4	3	2.2
PPP Loans	69	579	6.0	0	0	0.0
<b>Total</b>	<b>\$1,156</b>	<b>4,013</b>	<b>100.0 %</b>	<b>\$49</b>	<b>29</b>	<b>4.2 %</b>

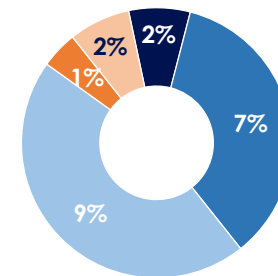
Loan Portfolio Category	Balance	Loan Count	% of Total Loans	Total Deferments		
				Outstanding Balance	Loan Count	Deferred %
<b>CRE:</b>						
Multifamily	\$157	90	13.6 %	\$2	1	1.5 %
Non-owner Occupied	372	360	32.3	27	9	7.2
Owner Occupied	169	187	14.6	16	9	9.3
Construction, Development, Land	67	32	5.8	--	--	0.0
<b>C&amp;I:</b>	\$232	1,321	20.0 %	\$3	9	1.5 %
PPP Loans	69	579	6.0	--	--	0.0
<b>Consumer:</b>						
Residential	\$69	540	6.0 %	\$1	1	0.9 %
Non-residential	20	904	1.7	--	--	0.0
<b>Total</b>	<b>\$1,156</b>	<b>4,013</b>	<b>100.0 %</b>	<b>\$49</b>	<b>29</b>	<b>4.2 %</b>

## Industry Classification Breakdown



- Real Estate & Rental Leasing
- Healthcare & Social Assistance
- Construction
- Residential Real Estate & Other
- PPP Loans
- Industries with <5%

## Outstanding Deferral %



- Multifamily
- Non-owner Occupied
- Owner Occupied
- Residential
- C&I

Note: As of 12/31/2020.

# Go-Forward Strategic Focus

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## Strategic Focus

- ✓ Continue executing strategic plan
- ✓ Further hiring to support lending capabilities
- ✓ Further build out and integration of fee income businesses
- ✓ Evaluate opportunistic M&A opportunities

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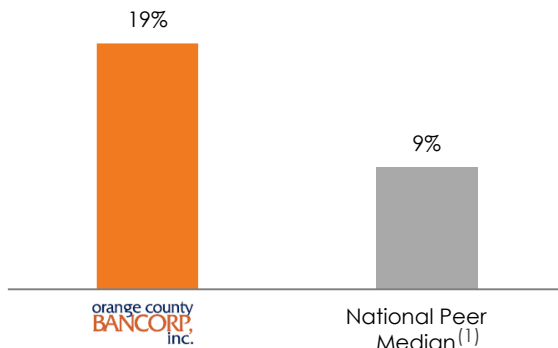
## Financial Outlook

- ✓ Utilize excess liquidity for near-term loan growth and target long-term overall balance sheet growth
- ✓ Continued increase in Loan-to-Deposit ratio
- ✓ Focus on maintaining Net Interest Margin
- ✓ Hold cash dividends per-share and continue to lower payout ratio
- ✓ Long-term profitability targets:
  - 1.0%+ Return on Assets
  - 12%+ Return on Tangible Equity

# Compelling Investment Opportunity

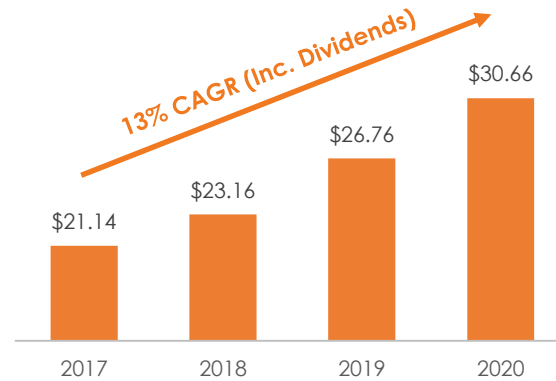
## Superior Balance Sheet Growth Rates

### 2013 – 2020 Loan Growth CAGR



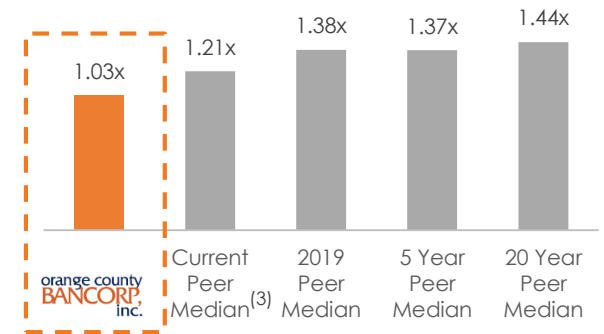
## Superior Per Share Growth Rates

### Tangible Book Value per Share (+ Dividends)

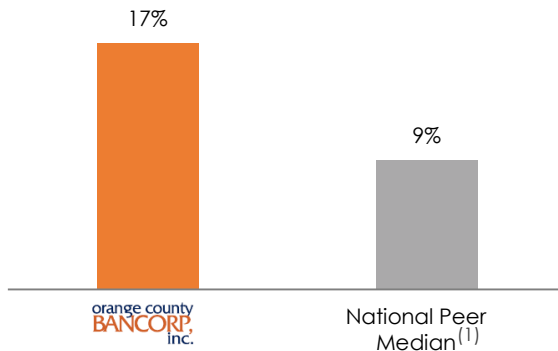


## Significantly Undervalued vs. Broader Bank Universe

### Price / Tangible Book Value (x)

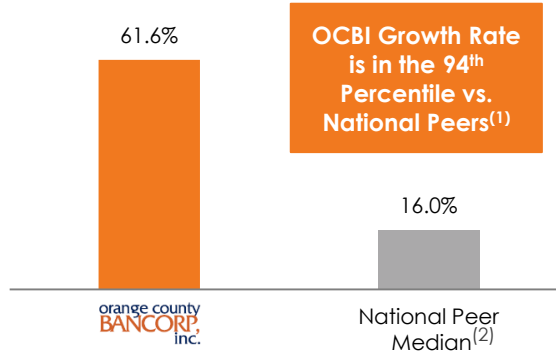


### 2013 – 2020 Deposit Growth CAGR

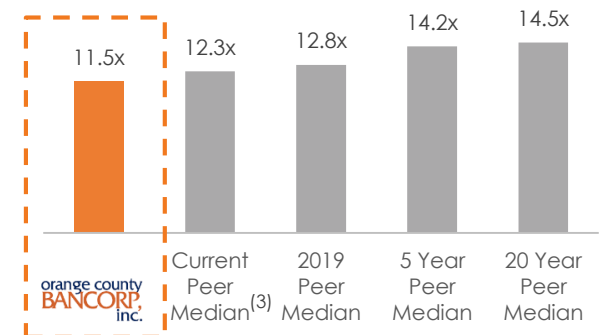


### Earnings Per Share

#### 2017 – 2020 CAGR



### Price / LTM Core EPS (x)



Source: S&P Global Market Intelligence, FactSet. Market data as of 3/8/2021.

(1) Peers include NASDAQ, NYSE, NYSEAM, and OTC-traded U.S. banks and thrifts with total assets between \$500 million and \$1.5 billion, excluding merger targets and mutuals. (2) Peers consist of publicly traded (NYSE, NYSEAM, and NASDAQ) U.S. banks and thrifts with most recent quarter total assets between \$1 and \$5 billion, excluding merger targets and mutuals. (3) Peers include NASDAQ, NYSE, NYSEAM, and OTC-traded U.S. banks and thrifts with total assets between \$1 and \$5 billion.

# Contact Information

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## Corporate Headquarters

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### Orange County Bancorp, Inc.

212 Dolson Avenue  
Middletown, NY 10940  
(845) 341-5000

[www.orangebanktrust.com](http://www.orangebanktrust.com)

## Company Contacts

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### **Michael Gilfeather**

*President, Chief Executive Officer &  
Director*

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Email: [MGilfeather@orangebanktrust.com](mailto:MGilfeather@orangebanktrust.com)

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### **Robert Peacock**

*Sr. Executive VP & Chief Financial Officer*

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### **Michael Coulter**

*Executive VP & Chief Lending Officer*

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Email: [MCoulter@orangebanktrust.com](mailto:MCoulter@orangebanktrust.com)