

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(D) OF
THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): June 21, 2023

Orange County Bancorp, Inc.
(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction)
of Incorporation)

001-40711
(Commission File No.)

26-1135778
(I.R.S. Employer
Identification No.)

212 Dolson Avenue, Middletown, New York
(Address of Principal Executive Offices)

10940
(Zip Code)

Registrant's telephone number, including area code: (845) 341-5000

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, par value \$0.50	OBT	The Nasdaq Stock Market, LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01 **Regulation FD Disclosure**

On June 21, 2023, Orange County Bancorp, Inc. (the “Company”), parent company of Orange Bank & Trust Company and Hudson Valley Investment Advisors, made available and distributed to analysts and prospective investors a slide presentation. The slide presentation will be reviewed with certain analysts and certain institutional investors at the Stephens Inc. Summer Bank Bash on June 22, 2023. The presentation materials include information regarding the Company’s operating and growth strategies and financial performance. The slide presentation is furnished in this Current Report on Form 8-K, pursuant to this Item 7.01, as Exhibit 99.1, and is incorporated herein by reference.

This Current Report and the information included below and furnished as exhibits hereto shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (“Exchange Act”), nor shall it be incorporated by reference into a filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such a filing. The furnishing of the information in this Current Report is not intended to, and does not, constitute a determination or admission by the Company that the information in this report is material or complete, or that investors should consider this information before making an investment decision with respect to any security of the Company or any of its affiliates.

Item 9.01 **Financial Statements and Exhibits**

- (a) Financial statements of businesses acquired. None.
 - (b) Pro forma financial information. None.
 - (c) Shell company transactions: None.
 - (d) Exhibits.
 - [99.1](#) [Presentation Materials of Orange County Bancorp, Inc.](#)
 - 104 Cover Page Interactive Data File (embedded in the cover page formatted in Inline XBRL)
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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

ORANGE COUNTY BANCORP, INC.

DATE: June 21, 2023

By: /s/ Michael Lesler
Michael Lesler
Senior Vice President, Chief Financial Officer

orange county
BANCORP,
inc.

INVESTOR Presentation

June 2023

Forward Looking Statements

Forward-Looking Statements

This presentation contains, and future oral and written statements by us and our management may contain, forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements represent plans, estimates, objectives, goals, guidelines, expectations, intentions, projections, and statements of our beliefs concerning future events, business plans, objectives, expected operating results, and the assumptions upon which those statements are based. Forward-looking statements include without limitation, any statement that may predict, forecast, indicate or imply future results, performance or achievements, and are typically identified with words such as "may," "could," "should," "will," "would," "believe," "anticipate," "estimate," "expect," "aim," "intend," "plan," or words or phrases of similar meaning. We caution that the forward-looking statements are based largely on our expectations and are subject to a number of known and unknown risks and uncertainties that are subject to change based on factors which are, in many instances, beyond our control. Such forward-looking statements are based on various assumptions (some of which may be beyond our control) and are subject to risks and uncertainties, which change overtime, and other factors which could cause actual results to differ materially from those currently anticipated. New risks and uncertainties may emerge from time to time, and it is not possible for us to predict their occurrence or how they will affect us. If one or more of the factors affecting our forward-looking information and statements proves incorrect, then our actual results, performance or achievements could differ materially from those expressed in, or implied by, forward-looking information and statements contained in this presentation. Therefore, we caution you not to place undue reliance on our forward-looking information and statements. We disclaim any duty to revise or update the forward-looking statements, whether written or oral, to reflect actual results or changes in the factors affecting the forward-looking statements, except as specifically required by law.

Industry Information

This presentation includes statistical and other industry and market data that we obtained from government reports and other third-party sources. Our internal data, estimates, and forecasts are based on information obtained from government reports, trade and business organizations and other contacts in the markets in which we operate and our management's understanding of industry conditions. Although we believe that this information (including the industry publications and third party research, surveys, and studies) is accurate and reliable, we have not independently verified such information. In addition, estimates, forecasts and assumptions are necessarily subject to a high degree of uncertainty and risk due to a variety of factors. Finally, forward-looking information obtained from these sources is subject to the same qualifications and the additional uncertainties regarding the other forward-looking statements in this presentation.

Non-GAAP Financial Measures

We present tangible shareholders' equity to tangible assets to help us describe our operating performance. Our presentation of these non-GAAP measures is intended as a supplemental measure of our performance that is not required by, or presented in accordance with U.S. generally accepted accounting principles ("GAAP"). These non-GAAP measures should not be considered as an alternative to performance measures derived in accordance with U.S. GAAP. Our presentation of these non-GAAP measures should not be construed to imply that our future results will be unaffected by these items. See the appendix to this presentation for a reconciliation of these non-GAAP measures to the most directly comparable GAAP financial measures.

Franchise Overview

Strong Banking Institution with Established Presence in Stable Markets

Geographic Presence



March 31, 2023 Snapshot

\$2.5B	\$1.7B	\$2.0B	\$1.4B
TOTAL ASSETS	TOTAL NET LOANS	TOTAL DEPOSITS	AUM

1) There are 3 branches located in Middletown.
 2) See slide 15 for non-GAAP reconciliation information
 3) Bank-level regulatory data

Company Background

Background

- Successfully completed IPO and NASDAQ listing in 2021
- Bank was established in 1892 and has operated successfully for over 130 years
- Headquartered in Middletown, NY
- Premier business bank in the Hudson Valley region, operating in diverse and stable markets
- Highly attractive core deposit franchise
- Full service commercial bank with focus on small to medium sized businesses
- Diverse, high-margin private banking and trust/wealth management service offerings

Financial Snapshot as of and for the Three Months Ended March 31, 2023

YTD Profitability Ratios

Net Interest Margin	3.78%
ROAA	0.55%
ROAE	8.97%

Regulatory Capital Ratios

TCE/TA (2)	5.78%
Tier 1 Leverage (3)	9.07%
Tier 1 Capital Ratio (3)	12.35%
Total Capital Ratio (3)	13.61%

Asset Quality Ratios

ACL/Total Loans	1.51%
NPAs/TA (2)	0.32%

Balanced, Client-Driven Business Model

Client-Driven Service Unifies Three Unique Product Areas



Note: Key financials are as of March 31, 2023.

Franchise Scarcity Value in Highly Attractive Markets

Orange County

- Attractive and stable market
- 60 miles from New York City
- 131-year-operating history in the region
- Strong foundation for growth and low-cost deposit funding
- Recent COVID-19 related population growth

Westchester & Rockland Counties

- Primary OBT growth markets
- Large, economically diverse and affluent markets
- Unbalanced Market: large regional/national banks, few small community banks
- Reputation as leading local bank for small business
- Significant long-term growth opportunity relative to current market share

Bronx County

- Densely populated area with approximately 1.5 million residents
- Diversified economy typical of urban population centers
- Persistent need for housing in the region generates growth through demand for construction lending and refinancing activity

Attractive Demographics in a Large, Growing Addressable Market

Median Household Income (\$000)



Largest Locally Headquartered Bank in the Lower Hudson Valley¹

Deposits in the Market (\$ in millions)

Bank	Deposits (\$ in millions)	Rank
JPMorgan Chase	\$28,431	1
Citigroup	\$8,264	2
Customers Bancorp	\$6,825	3
Toronto-Dominion	\$6,456	4
Wells Fargo	\$6,031	5
Orange County Bancorp	\$2,140	13
Walden	\$732	19
Northeast Community	\$628	20
Wallkill Valley	\$265	24
Berkshire Bancorp	\$144	28
First Federal Savings	\$119	30
Salisbury Bancorp	\$119	31
Rhinebeck Bancorp	\$97	33
Vecta Inc	\$81	34
First Greenwich Financial	\$75	35

1) Defined as Lower Hudson Valley region, includes Orange, Westchester, and Rockland counties.
 2) Represents the weighted average household income by deposits to all company markets.
 Source: S&P Capital IQ Pro, FDIC, Claritas.
 Note: Deposit data as of June 30, 2022.
 Note: Demographic data from Claritas is based primarily on most recent census data available.

Business Strategy

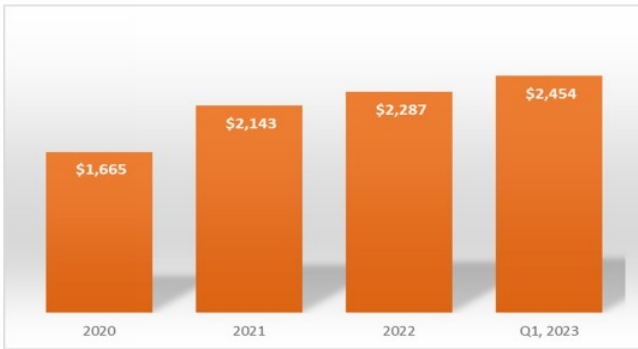
Leverage Relationships to Drive Organic Growth	<ul style="list-style-type: none">• The bank's historical success has been closely tied to that of its clients and the communities it serves• Seek trusted advisor role with clients as they build their businesses with the Bank's resources and support
Derive Loan Growth Through Relationship-Based Model	<ul style="list-style-type: none">• Majority of loan growth comes from existing clients and referrals• Direct access to senior management offers customers quicker response time on loan applications and other transactions• Differentiated level of service provides a pricing advantage, often resulting in higher loan rates
Continue to Grow Core Deposit Franchise	<ul style="list-style-type: none">• Core deposits comprise 93.3% of total funding, attributed to the bank's long-standing relationships with clients• Cash management has helped the bank expand depth and efficiency of deposit product offerings• By broadening its suite of business services, deposits and loans grew 2.6% over year end 2022
Continue to Build Fee-Based Business	<ul style="list-style-type: none">• Having recently reached \$1.4 billion in combined AUM in 2023Q1, the Company's trust and advisory services businesses provide a strong foundation of fee-based revenue• Company intends to expand HVIA's services into Westchester and Rockland counties• Private Banking service enables approximately 480 clients to leverage the resources of the platform
Strategic Expansion / Opportunistic M&A	<ul style="list-style-type: none">• Strategic Expansion: Ongoing investments in Rockland, Westchester and Bronx Counties continue to be significant drivers of growth & profitability• Capitalize on Market Disruption: Consolidation from the sales/mergers of The Westchester Bank, Sterling National Bank, Hudson Valley Bank, Hometown Bank, and Greater Hudson Bank presents opportunities to hire seasoned bankers and capture market share• Opportunistic M&A: Could include fee-based business, whole bank or branch acquisitions that would improve market position in geographies with attractive demographics

Note: Financial data as of March 31, 2023.

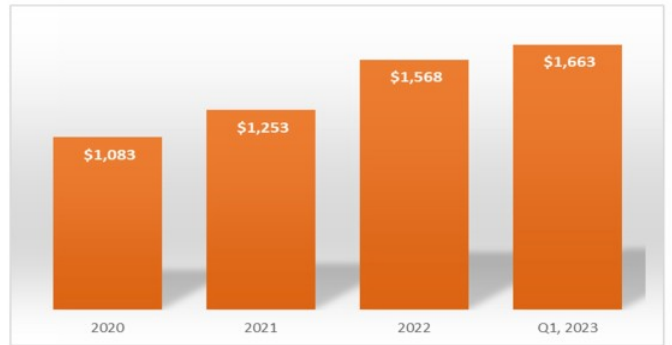
Consistent History of Growth

Current Success is Attributed to Disciplined Organic Growth

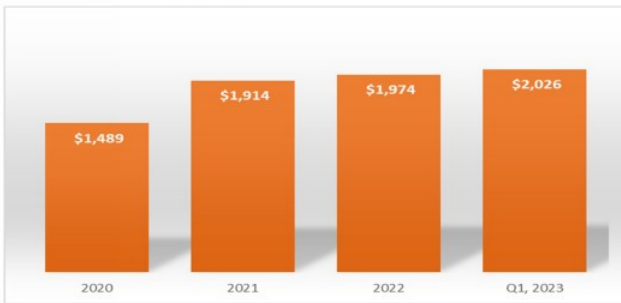
Total Assets (\$M)



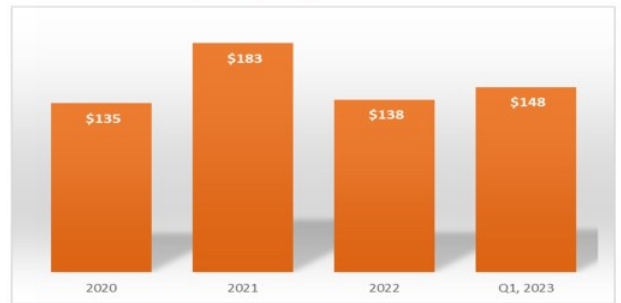
Gross Loans Ex. PPP (\$M)



Total Deposits (\$M)



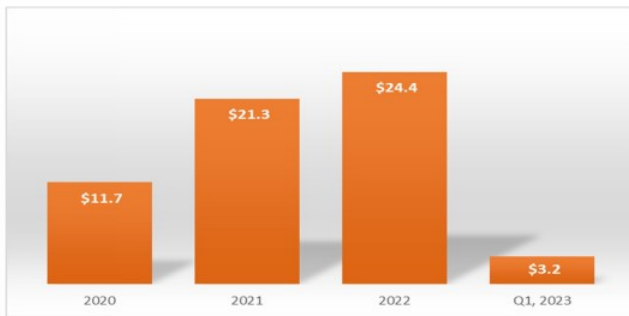
Consolidated Equity (\$M)



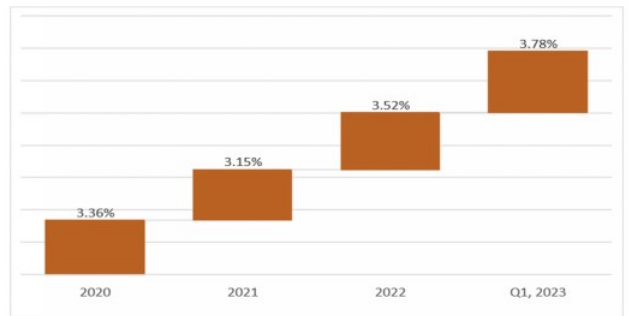
Strong and Consistent Historical Profitability

Success Maintaining Strong Profitability Metrics

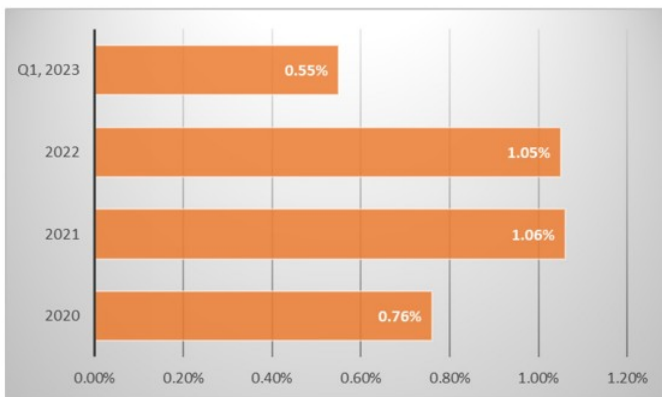
Net Income (\$M)



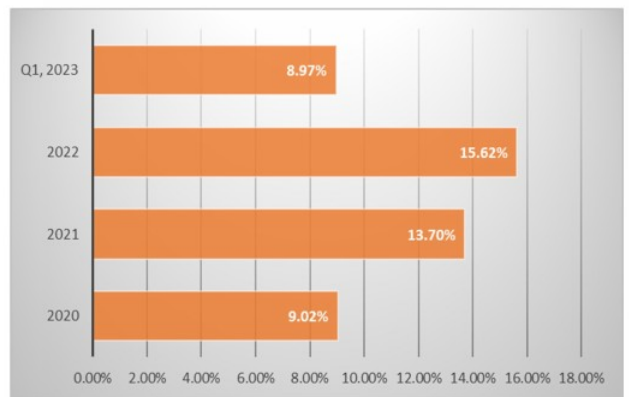
Net Interest Margin (%)



ROAA (%)



ROAE (%)



Loan Composition

Highly Diversified Portfolio with Conservative Concentrations

	Amount	Percent
Commercial and industrial	\$ 254,592	15%
Commercial real estate	1,192,501	72%
Commercial real estate construction	116,077	7%
Residential real estate	73,156	4%
Home equity	12,067	1%
Consumer	14,975	1%
Total loans	1,663,368	100%

Loan Portfolio Commentary

- Advantageous, relationship-based lending model through existing clients and referrals
- Syndicated loans represent less than 3.5% of total loans
- ~76% of loans are in market as of March 31, 2023

**Total Loans:
\$1.7 Billion**



Composition by Geography

Westchester	24%
Orange	20%
Bronx	14%
Other NY counties	12%
CT and other	9%
New Jersey	9%
Rockland	8%
Manhattan	4%

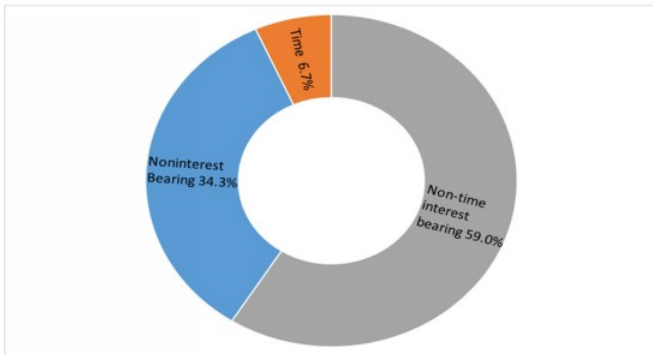
1) CRE loans as a % of Total Risk-Based Capital; Bank-level regulatory data.

2) Excluding PPP loans for quarter ended March 31, 2023.

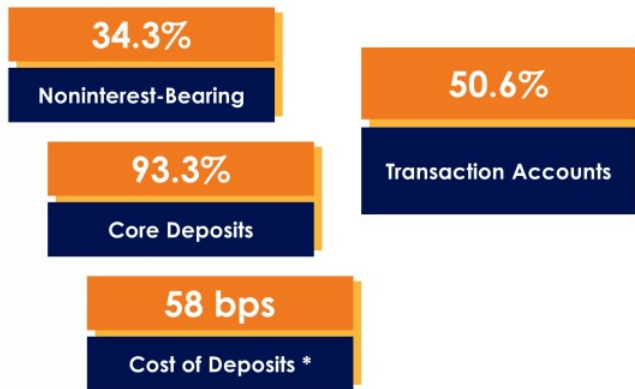
Note: Financial data as of March 31, 2023.

Leading Core Deposit Franchise

Stable and Low-Cost Core Funding Base



Total Deposits:
\$2.0 Billion



* Cost of total deposits calculated using total annualized deposit interest expense and average total deposits in the given period.
Note: Financial data as of March 31, 2023

Areas of Focus

Keys to Success

- ✓ Dedicated deposit relationship managers
- ✓ Investment into customer experience/cash management product suite
- ✓ Obtain deposit relationships at loan origination

Escrow

- ✓ Attractable DDA capture

Municipal Deposits

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

Uninsured Deposits

- ✓ Represented approximately 58% of total deposits at 3/31/23
- ✓ Adjusted for fully collateralized municipal deposits represented approximately 42% of total deposits at 3/31/23

Deposit Composition by Geography

Orange	44%
Westchester	36%
Rockland	7%
Bronx	3%
Other	10%

Conservatively Managed Securities Portfolio

Securities Portfolio Composition

Available for Sale Securities	Amortized Cost	Estimated Fair Value	Unrealized Gain / (Loss)
U.S. Government Agencies	\$102,194	\$93,683	\$(8,511)
Mortgage-backed Securities	360,748	320,544	(40,204)
Corporate Securities *	28,553	20,788	(7,765)
Municipal Securities	104,133	91,310	(12,823)
Total	\$595,628	\$526,325	\$(69,303)

\$526.3 Million

Total Portfolio

Note: As of March 31, 2023.

* Includes \$5 million ACL charge for Signature Bank subordinated debt

Securities Portfolio Commentary

- \$526.3 million in securities, primarily concentrated in mortgage-backed securities, municipal securities and U.S. government agencies
 - Historically served as use for excess liquidity
 - 100% of securities are classified as available for sale
- Approximately 63% pledged as collateral to secure public deposits
- Approximately 18% pledged as collateral for additional lines of credit

Fair Value of Investment Securities

- Decline in fair value was attributable to changes in interest rates and illiquidity
- No intent to sell securities before their anticipated recovery

Investment Highlights



Strong and Experienced Management Team



Successful and Ongoing Expansion of Market Footprint



Highly Attractive Market Geography and Scarcity Value of Franchise



Ability to Take Advantage of M&A Driven Market Disintermediation



Stable, Low-Cost Deposit Base: 50% Transaction Accounts, 58 bps Total Cost¹



Demonstrated Loan Growth Driven by Relationship-Based Model



Complementary Offerings in Private Banking and Trust & Wealth Businesses



Consistent and Attractive Performance

1) For the quarter ended March 31, 2023.

Appendix

Management Team



Experienced Leadership Team with Strong Ties to the Community



MICHAEL J. GILFEATHER
President
Chief Executive Officer



MICHAEL COULTER
Executive Vice President
Chief Lending Officer



JOSEPH A. RUHL
Executive Vice President
Regional President – Westchester



GREG SOUSA
Executive Vice President
Chief Commercial Banking Officer



DAVID DINEEN
Senior Vice President
Director of Wealth Services



ELIZABETH JONES
Senior Vice President
Chief Operating Officer



PAM JONES
Senior Vice President
Human Resources Director



MICHAEL LESLER
Senior Vice President
Chief Financial Officer



MIKE LISTNER
Senior Vice President
Chief Risk Officer



ANTHONY PILI
Senior Vice President
Director of Cash Management



STEVEN ROONEY
Senior Vice President
Chief Credit Officer

Non-GAAP Reconciliation

The following table reconciles, as of the dates set forth below, stockholders' equity (on a GAAP basis) to tangible equity and total assets (on a GAAP basis) to tangible assets and calculates our tangible book value per share.

	March 31, 2023	December 31, 2022
	(Dollars in thousands except for share data)	
Tangible Common Equity:		
Total stockholders' equity	\$ 148,215	\$ 138,138
<i>Adjustments:</i>		
Goodwill	(5,359)	(5,359)
Other intangible assets	(1,321)	(1,392)
Tangible common equity	\$ 141,535	\$ 131,387
Common shares outstanding	5,642,789	5,642,121
Book value per common share	\$ 26.27	\$ 24.48
Tangible book value per common share	\$ 25.08	\$ 23.29
Tangible Assets		
Total assets	\$ 2,454,313	\$ 2,287,334
<i>Adjustments:</i>		
Goodwill	(5,359)	(5,359)
Other intangible assets	(1,321)	(1,392)
Tangible assets	\$ 2,447,633	\$ 2,280,583
Tangible common equity to tangible assets	5.78%	5.76%