



2024 KBW Community Bank Investor Conference

With You Today



Anders Tomson

President & Chief
Executive Officer



Dale McKim

Executive Vice President
& Chief Financial Officer

Safe Harbor Statement

Forward-looking Statements: This report contains forward-looking statements within the meaning of Section 27A of the Securities Act, Section 21E of the Exchange Act, and the Private Securities Litigation Reform Act of 1995. The Corporation intends its forward-looking statements to be covered by the safe harbor provisions for forward-looking statements in these sections. All statements regarding the Corporation's expected financial position and operating results, the Corporation's business strategy, the Corporation's financial plans, forecasted demographic and economic trends relating to the Corporation's industry and similar matters are forward-looking statements. These statements can sometimes be identified by the Corporation's use of forward-looking words such as "may," "will," "anticipate," "estimate," "expect," or "intend." The Corporation cannot guarantee that its expectations in such forward-looking statements will turn out to be correct. The Corporation's actual results could be materially different from expectations because of various factors, including changes in economic conditions or interest rates, credit risk, difficulties in managing the Corporation's growth, competition, the impact of the COVID-19 pandemic, changes in law or the regulatory environment, and changes in general business and economic trends. Information concerning these and other factors can be found in the Corporation's 2023 Annual Report on Form 10-K. These filings are available publicly on the SEC's website at <http://www.sec.gov>, on the Corporation's website at <http://www.chemungcanal.com> or by written request to: Kathleen S. McKillip, Corporate Secretary, Chemung Financial Corporation, One Chemung Canal Plaza, Elmira, NY 14901. Except as otherwise required by law, the Corporation undertakes no obligation to publicly update or revise its forward-looking statements, whether as a result of new information, future events or otherwise. Form 10-K Annual Report: A copy of the Corporation's Form 10-K Annual Report is available without charge to shareholders after April 24, 2024, upon written request to the Corporation's secretary. A copy is also available on our Transfer Agent, American Stock Transfer & Trust Company's website at www.astproxyportal.com/ast/01079.

Key Takeaways



Continued strength and momentum in underlying businesses

High customer engagement across all business lines and geographies.



Stable deposit base and ample liquidity

Majority of deposits sourced from stable, legacy markets.



Community banking flywheel driving growth and profits

Demonstrated commercial and consumer growth across all markets.



Valuable wealth management business

High touch relationships with affluent borrowers provides dependable non-interest income stream.



Solid and stable credit quality

Consistently low non-performing assets and charge-offs.



Contiguous geographic expansion

Expansion of the franchise in higher growth markets of Albany and Buffalo.

About Us

Elmira, NY



About Us



History

Oldest locally owned and managed community bank in New York State, dating to 1833.



Operations

Subsidiary bank - Chemung Canal Trust Company - operates with 31 branches over 14 counties in New York and Pennsylvania. Operating as Capital Bank division in Albany, New York market and Canal Bank division in Buffalo, New York market.

Trust and Wealth Management division with \$2.4 bn in assets under management or administration.



Legal & Market

New York chartered bank and member of the Federal Reserve

Listed on NASDAQ Global Select (Ticker: CHMG)

Market Capitalization of \$229.0 million at June 30, 2024

Core Strategies

Chemung Financial Corporation

Revenue Growth



- Drive growth in Albany and Buffalo with legacy market deposits.
- Well positioned to opportunistically acquire when operational model and pricing is right. Seeking wealth management, whole bank or branch opportunities.
- Fee and pricing discipline.

Operating Efficiencies



- Continual evaluation of branch distribution model.
- Optimization of vendor contracts.
- Rationalization of headcount and outsourcing opportunities.
- Robotic Process Automation.

Customer Experience and Brand



- Launch of Canal Bank brand in Western New York.
- Introduction of unified digital experience.
- Relationship focus.

Colleagues and Community



- Believe and behave like a community bank.
- Recognized community partner within our markets.
- Review of incentive compensation plans to maintain competitiveness.

Second Quarter 2024 Highlights

EPS
\$1.05

Net Income
\$5.0M

ACL-to-total
Loans
1.05%

Non-performing
loans-to-total
loans
0.41%

Returns

ROA
0.73%

ROE
10.27%

ROTE
11.56%

Second Quarter 2024 Highlights

- Net interest income \$17.8 million, or 4.5%, less than second quarter 2023.
- Net interest margin 2.66%
- Efficiency ratio 69.19%
- Tangible common equity to tangible assets improved by 11 basis points from December 31, 2023 to 6.56%
- Loans-to-deposits 83.26%
- Dividend of \$0.31 declared
- Announced Canal Bank, a division of Chemung Canal Trust Company, and a new regional banking center in Williamsville, NY
- Received approval to consolidate Ithaca Station branch with other Ithaca locations

Appendices

Company and Financial Highlights

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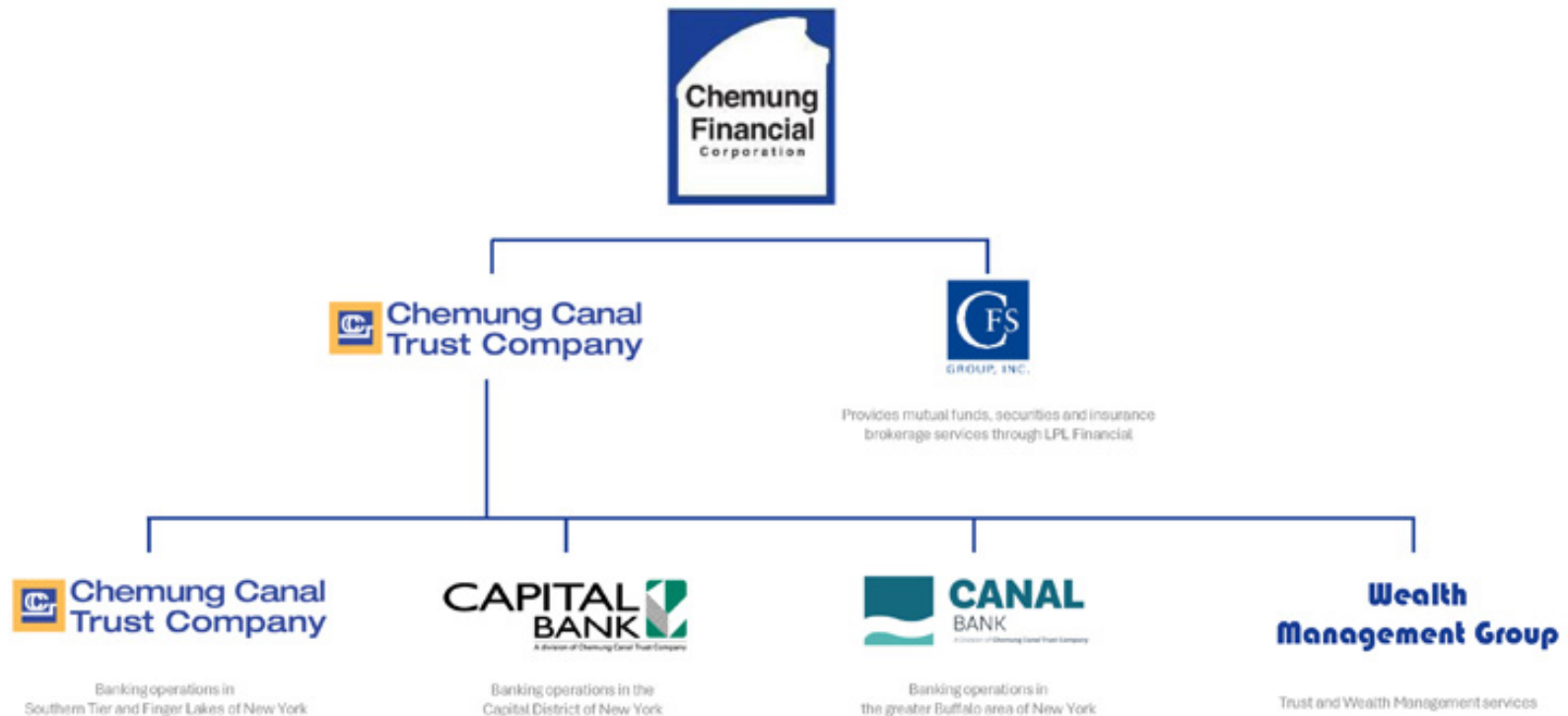
Performance

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Net Income Trend
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Non-Interest Income
Non-Interest Expense
Expense Management
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Background

Corporate Organization



Markets



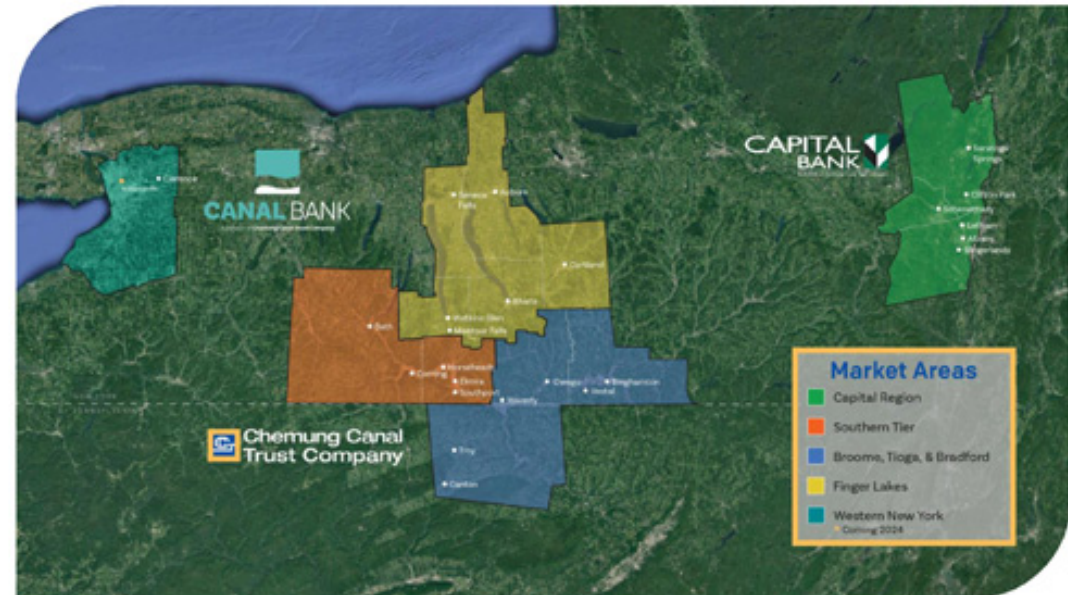
Legacy Markets

Long, deep relationships since 1833 provide stable funding and earnings engine. Steady and even economy, powered by large corporations (Corning, Inc.), higher education (Cornell University, SUNY Binghamton) and tourism.



Growth Opportunity

New York's Capital and Western New York regions offer larger population centers undergoing economic renaissances. Large bank consolidation providing market disruption opportunities.



Market Share



Albany, NY

County	2023 Deposits	Share
Chemung	\$959,331,000	61.49%
Albany	\$360,232,000	1.45%
Tioga	\$139,572,000	26.22%
Schuyler	\$181,089,000	69.99%
Steuben	\$126,414,000	9.39%
Cayuga	\$121,273,000	7.56%
Tompkins	\$111,292,000	4.17%
Bradford (PA)	\$65,042,000	4.10%
Broome	\$110,897,000	3.18%
Saratoga	\$123,069,000	1.89%
Seneca	\$28,742,000	3.93%
Cortland	\$19,922,000	2.18%
Schenectady	\$44,654,000	1.24%
Erie	\$3,061,000	0.00%
Total	\$2,394,590,000	

Legacy Markets

Dominant market share of deposits

Growth Markets

Small share of much larger markets; a lot of room to grow.

Competitive Advantage

Deployment of lower cost deposits to higher growth markets.

Experienced Management Team



Anders Tomson

President and CEO
Industry Experience: 31 years
Years with CHMG: 13 years
Previously with Citizens



Dale McKim

EVP & CFO
Industry Experience: 28 years
Previously with KPMG LLP and
Evans Bancorp



Jeffrey Kenefick

Regional President
Industry Experience: 35 years
Years with CHMG: 5
Previously with Five Star Bank



Daniel Fariello

President, Capital Bank
Industry Experience: 23 years
Years with CHMG: 11
Previously with First Niagara



Vincent Cutrona

President, Canal Bank
Industry Experience: 27 years
Previously with M&T Bank and Evans
Bancorp



Thomas Wirth

EVP, Wealth Management
Industry Experience: 37 years
Years with CHMG: 37 years



Kimberly Hazelton

EVP, Senior Banking Officer
Industry Experience: 31 years
Years with CHMG: 8 years
Previously with TD Bank



Peter Cosgrove

EVP, Chief Credit and Risk Officer
Industry Experience: 42 years
Years with CHMG: 5 years
Previously with First Niagara



Dale Cole

EVP and Chief Information Officer
Industry Experience: 26 years
Years with CHMG: 7 years
Previously with BOK Financial

Supporting Our Communities



**Volunteering Over
8,000 Hours**

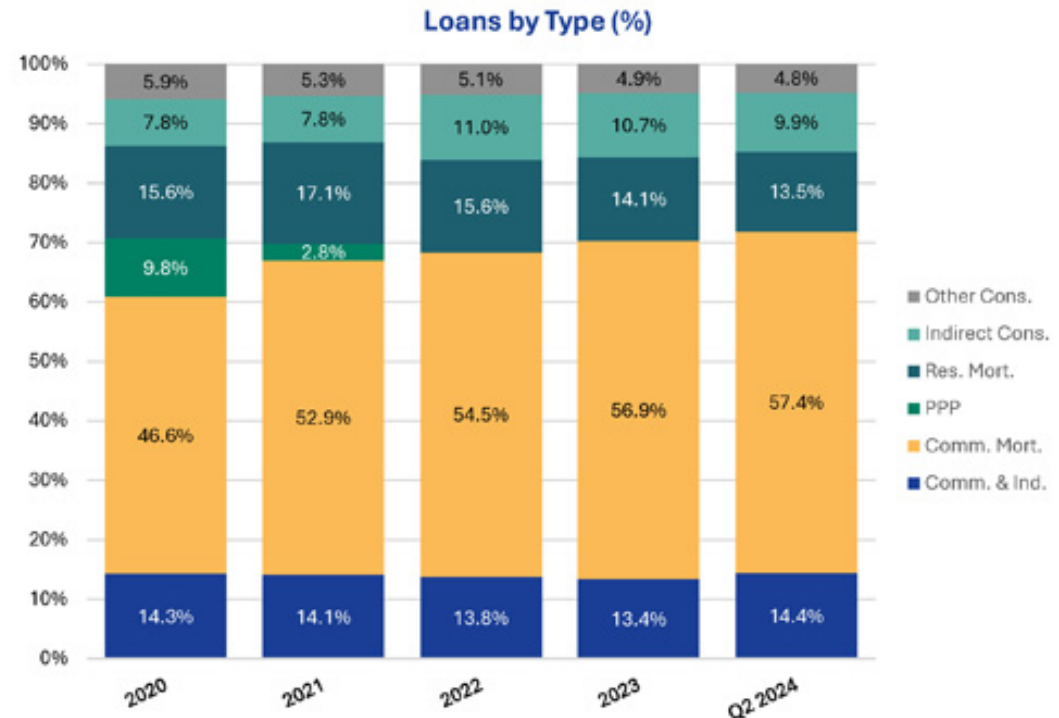
**Distributing Nearly
\$550,000 in
Donations and
Sponsorships**

Achieve | Albany Medical Center | American Cancer Society | American Heart Association | ARCs | Arnot Museum | Arnot Health | Auburn Public Theater | Boy Scouts | Broome County Council of Churches Buddy Walk | Capital City Rescue Mission | Capital Region Sponsor-A-Scholar | CareFirst | Career Development Council | Catholic Charities Clemens Center | Colonie Senior Center | Community Foundations | Corning Community College | Disabled American Veterans | Elmira College | Food Bank of the Southern Tier | Girl Scouts | Glassfest | Glove House | Grand Prix Festival | Guthrie | Habitat for Humanity | Historical Society | Ithaca Science Center | Jefferson Awards | JDRF | Junior Achievement | Kiwanis | Lions | Lourdes Foundation | Meals on Wheels | Multiple Sclerosis | Muscular Dystrophy | NAACP | Office for the Aging | PAL | Public Television Reading is Fundamental | Red Cross | Rockwell Museum | Ronald McDonald House Charities | Rotary | Sock Out Cancer | Sidney Albert Jewish Community Center | SPCA | St. Peter's Hospital | United Health Services | Youth Sports Leagues | YMCA & YWCA... **and many many more!**

Loans

Summary of Loan Growth

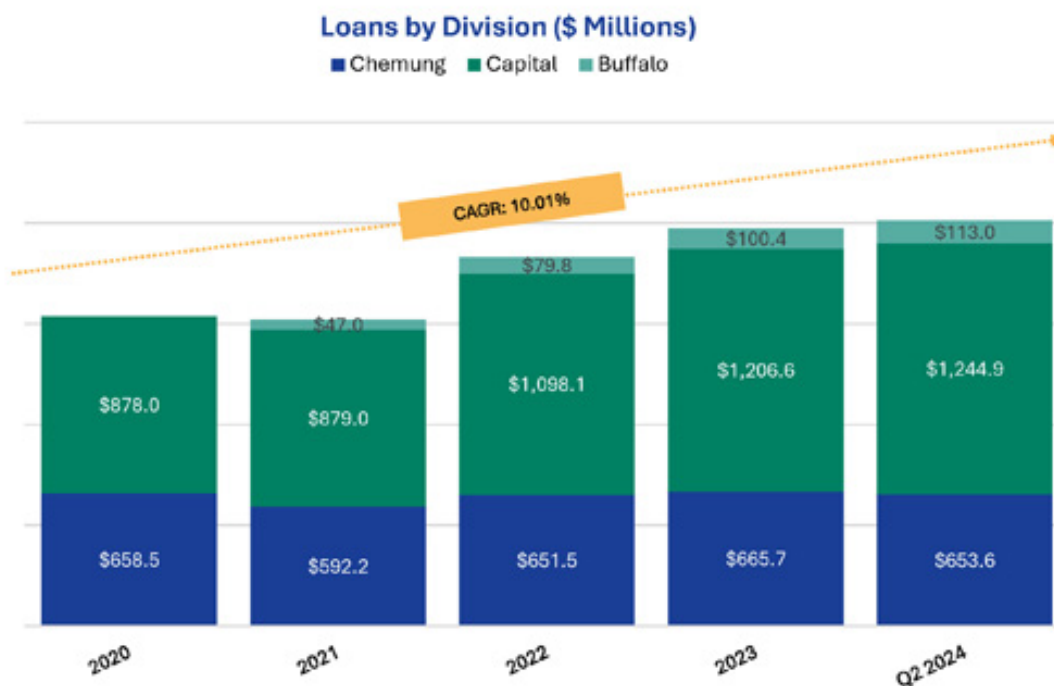
- Total Loans: \$2.011 billion at June 30, 2024
- Originated \$100.3MM in Commercial Loans to date in 2024
- Originated \$25.7MM in Indirect Loans to date in 2024
- Originated \$15.5MM in Home Equity Loans to date in 2024
- Opened Loan Production Office in Buffalo, NY in 2021. \$113.0MM in loans as of June 30, 2024.



*June 30, 2024 figures unaudited

Summary of Loan Growth

	2020	2021	2022	2023	Q2 2024
Chemung	42.86%	39.01%	35.60%	33.75%	32.49%
Capital	57.14%	57.9%	60.04%	61.16%	61.89%
Buffalo	N/A	3.09%	4.36%	5.09%	5.62%

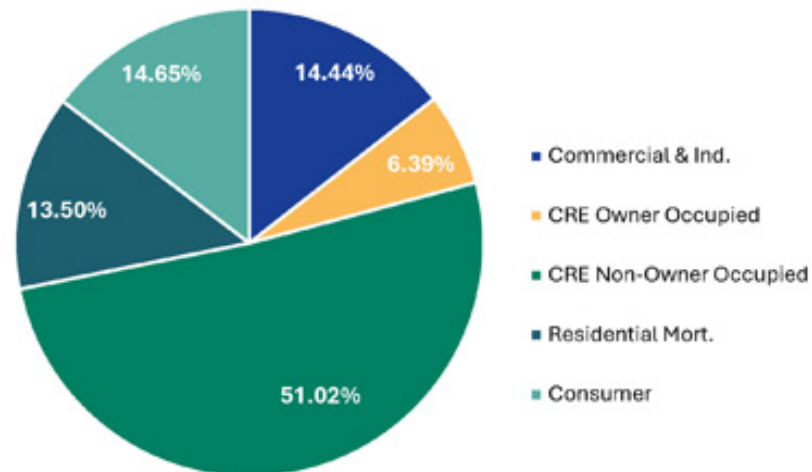


*CAGR: 12/31/19 to 06/30/2024 *June 30, 2024 figures unaudited

Loan Composition

- Effectively managing portfolio composition by establishing limits such as exposure and percentage of capital deployed for each category.
- Tactical use of participations to manage risk and capital.

Portfolio Concentrations to Total Loans
June 30, 2024

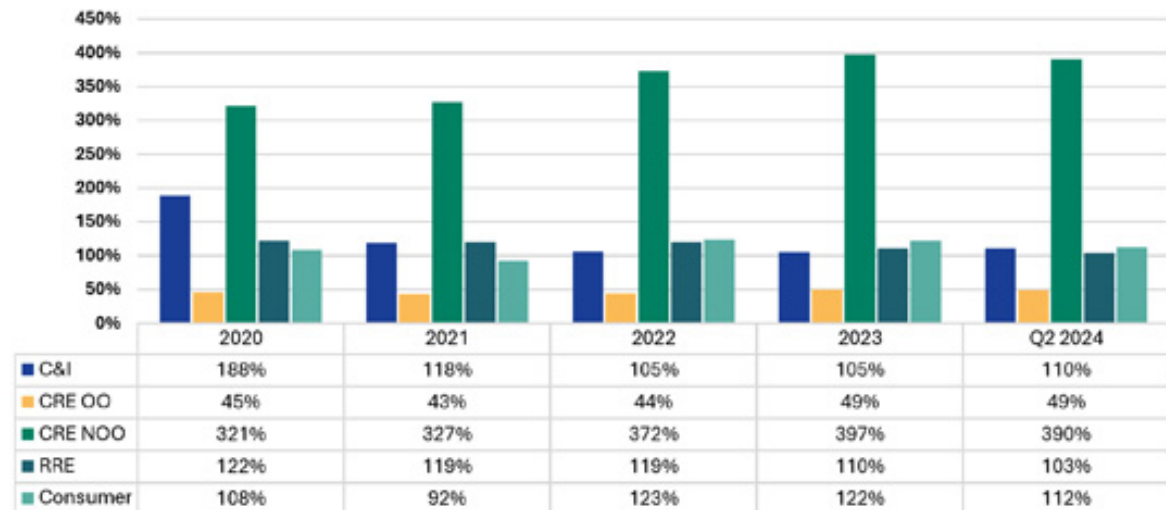


*June 30, 2024 figures unaudited

Loan Composition

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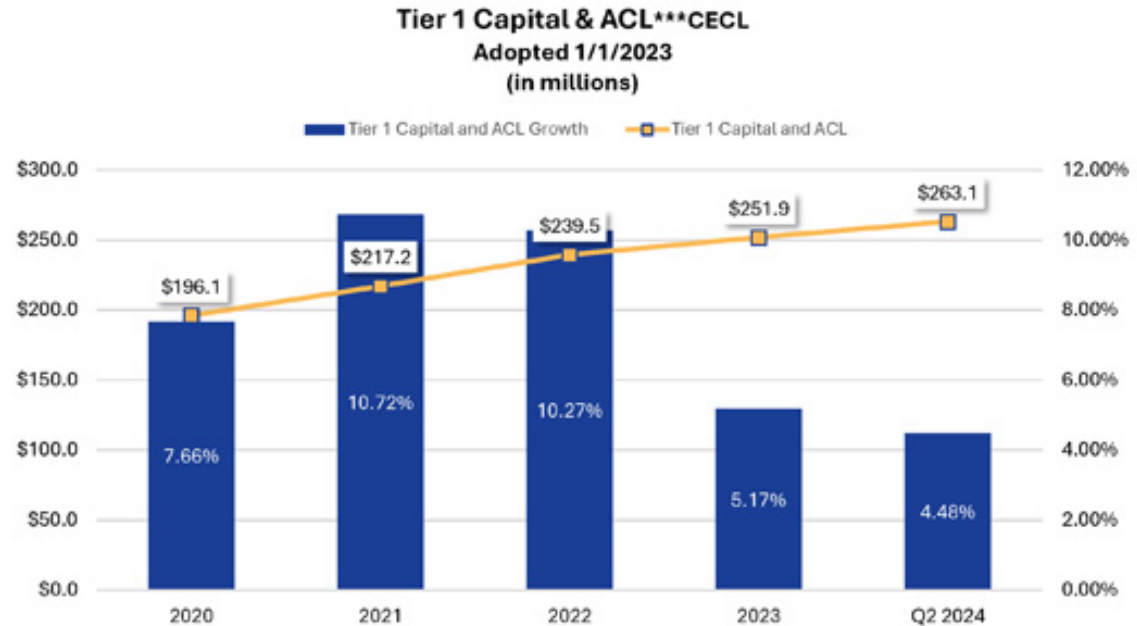
Portfolio Composition to Tier 1 Capital & ACL
June 30, 2024



*The CRE Ratio above does not agree to the regulatory guidelines due to the inclusion of owner-occupied loans. The regulatory guideline measure was 398% at June 30, 2024.
* June 30, 2024 figures unaudited

Loan Composition

- Risk management function continually monitors and stress tests CRE exposure consistent with 2006 and 2015 interagency guidance.



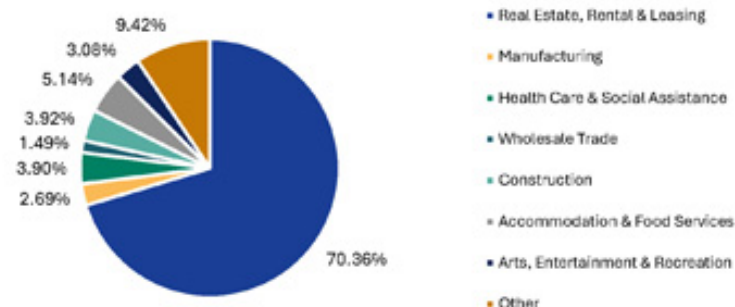
*June 30, 2024 figures unaudited

Commercial Loan Portfolio – June 30, 2024

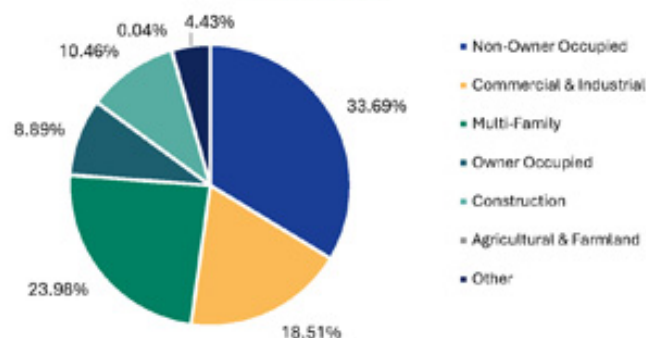
NAICS Code / Descriptions	Balances (\$ Thousands)	Percentage
Real Estate, Rental & Leasing	\$ 1,016,915	70.36%
Accommodation & Food Services	74,285	5.14%
Construction	56,677	3.92%
Health Care & Social Assistance	56,398	3.90%
Arts, Entertainment & Recreation	44,526	3.08%
Manufacturing	38,862	2.69%
Wholesale Trade	21,506	1.49%
Other	136,089	9.42%
Total	\$ 1,445,258	100.00%

Loan Types	Balances (\$ Thousands)	Percentage
Non-Owner Occupied	\$ 486,895	33.69%
Multi-Family	346,524	23.98%
Commercial & Industrial	267,515	18.51%
Construction	151,126	10.46%
Owner Occupied	128,548	8.89%
Agricultural & Farmland	641	0.04%
Other	64,009	4.43%
Total	\$ 1,445,258	100.00%

NAICS Descriptions

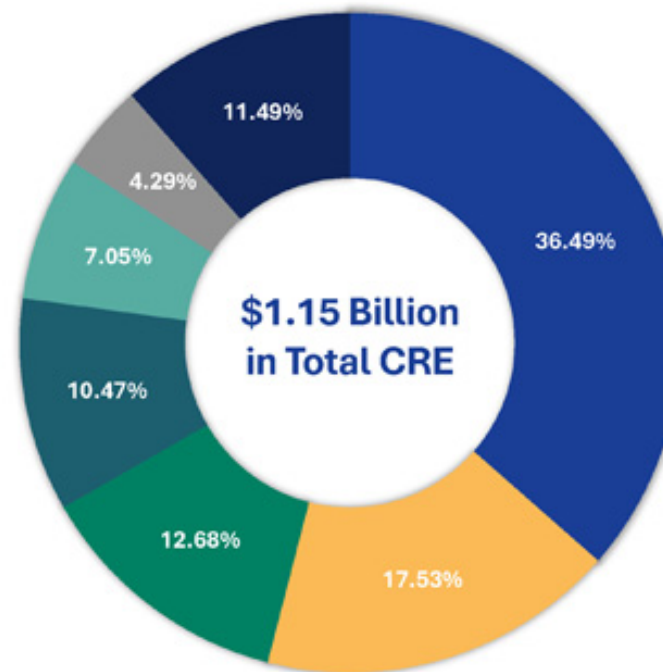


Loan Types



*June 30, 2024 figures unaudited

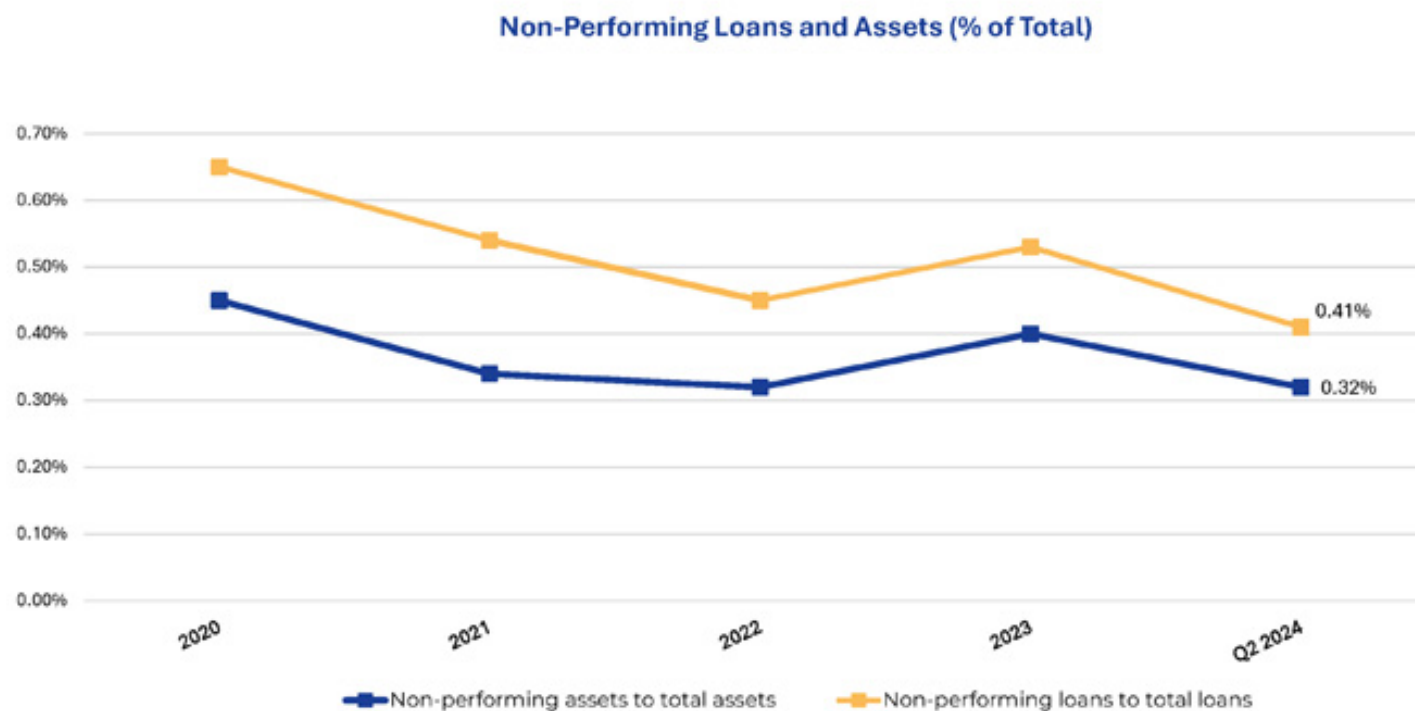
Commercial Real Estate



■ Multifamily ■ Retail ■ Construction & Land Development ■ Office ■ Warehouse & Storage ■ Hotel ■ Other

*June 30, 2024 figures unaudited

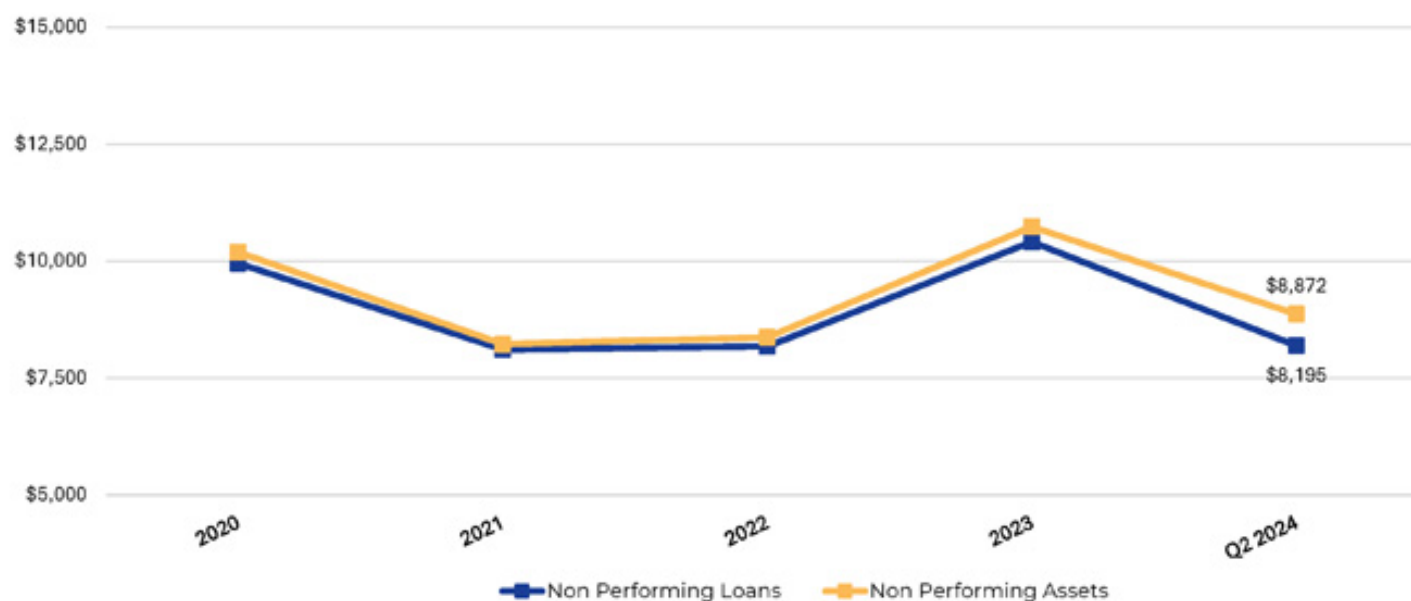
Trends in Non-Performing Assets



*June 30, 2024 figures unaudited.

Trends in Non-Performing Assets

Non-Performing Loans and Assets (\$ Thousands)



*June 30, 2024 figures unaudited.

Investments

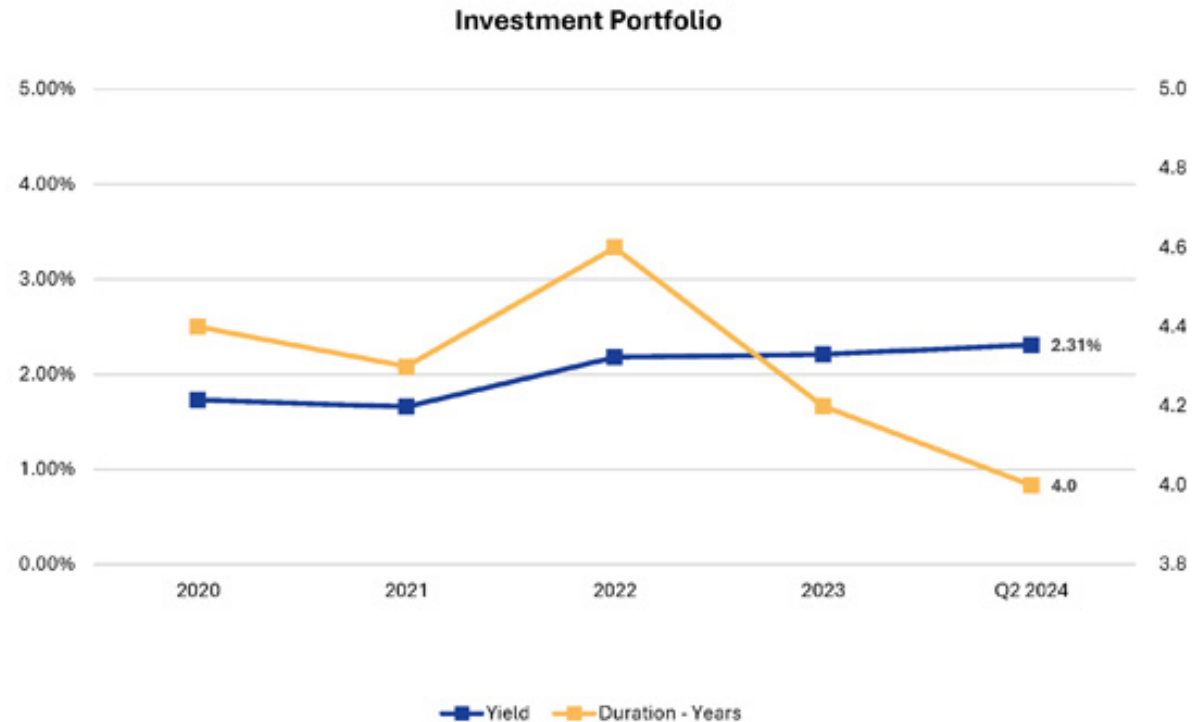
Investment Portfolio Composition



*June 30, 2024 figures unaudited.

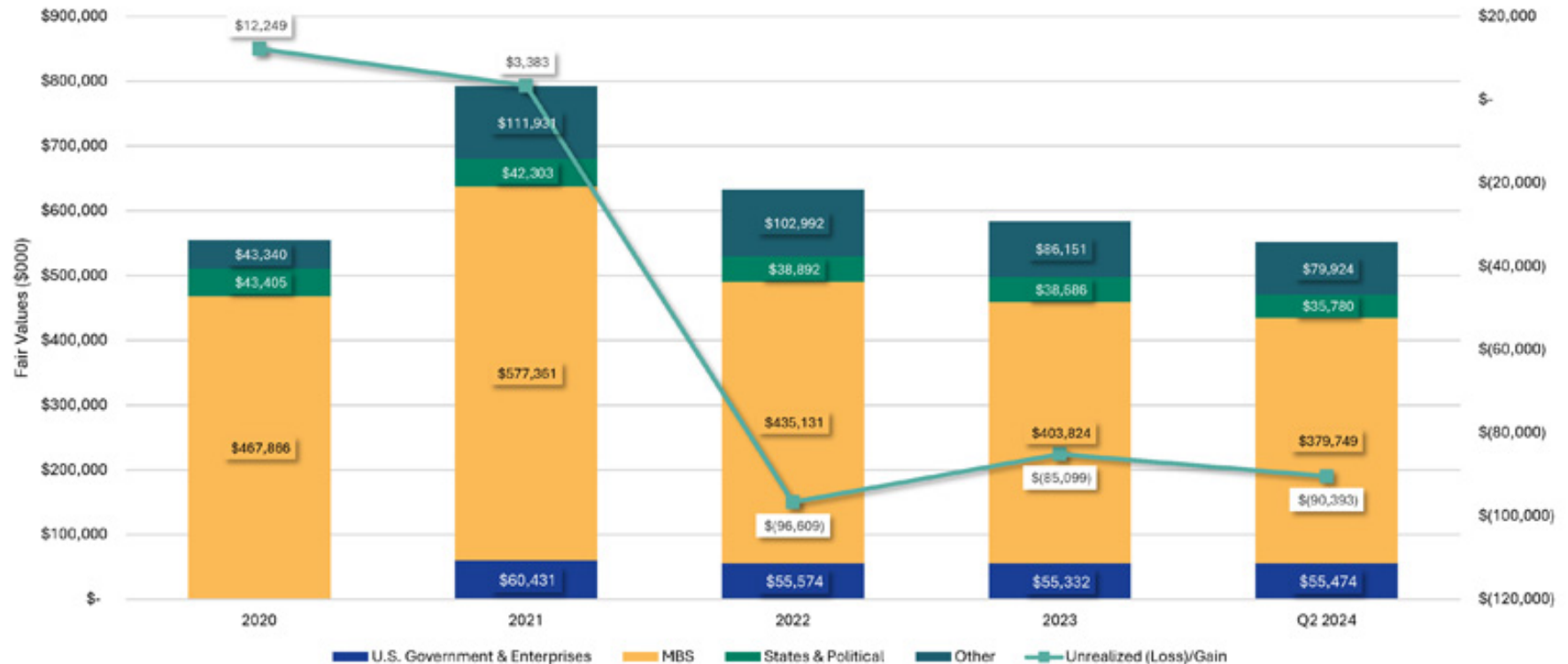
Investment Portfolio - Yield & Duration

- Utilizing cashflows from principal and interest payments to fund loans and pay down borrowings.
- Approximately \$5 million a month in cash flows.
- Principal cash flows representing over 50% of the portfolio to be received in the next five years.



*June 30, 2024 figures unaudited.

Investment Portfolio – Fair Value and AOCI

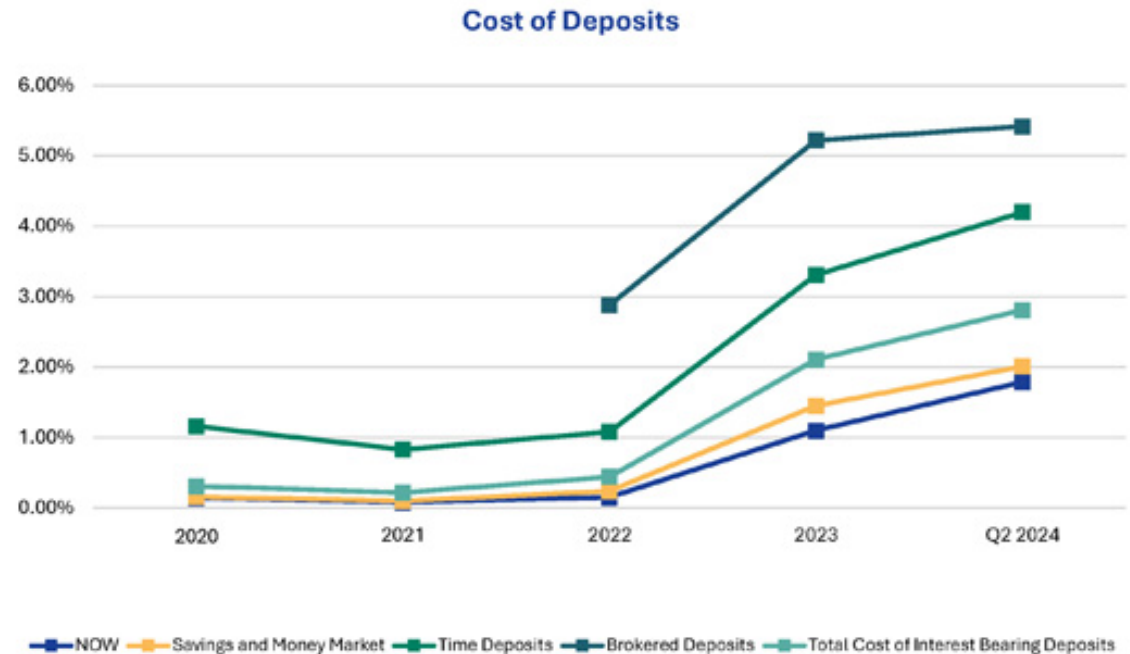


*June 30, 2024 figures unaudited.

Deposits

Deposit Costs

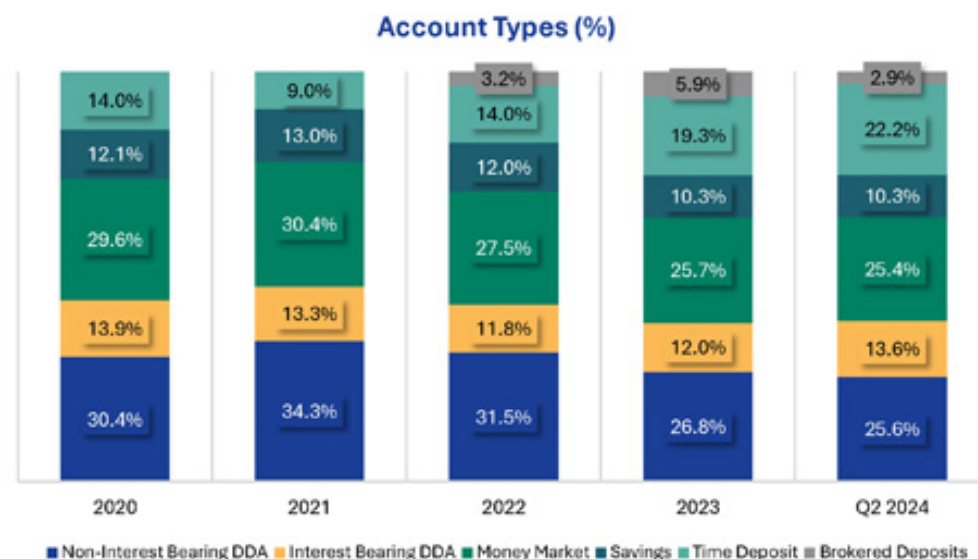
- Cumulative deposit beta for the period of December 2021 through June 2024: 38%^
- 2023 deposit beta: 84%^



*June 30, 2024 figures unaudited.

Deposit Costs

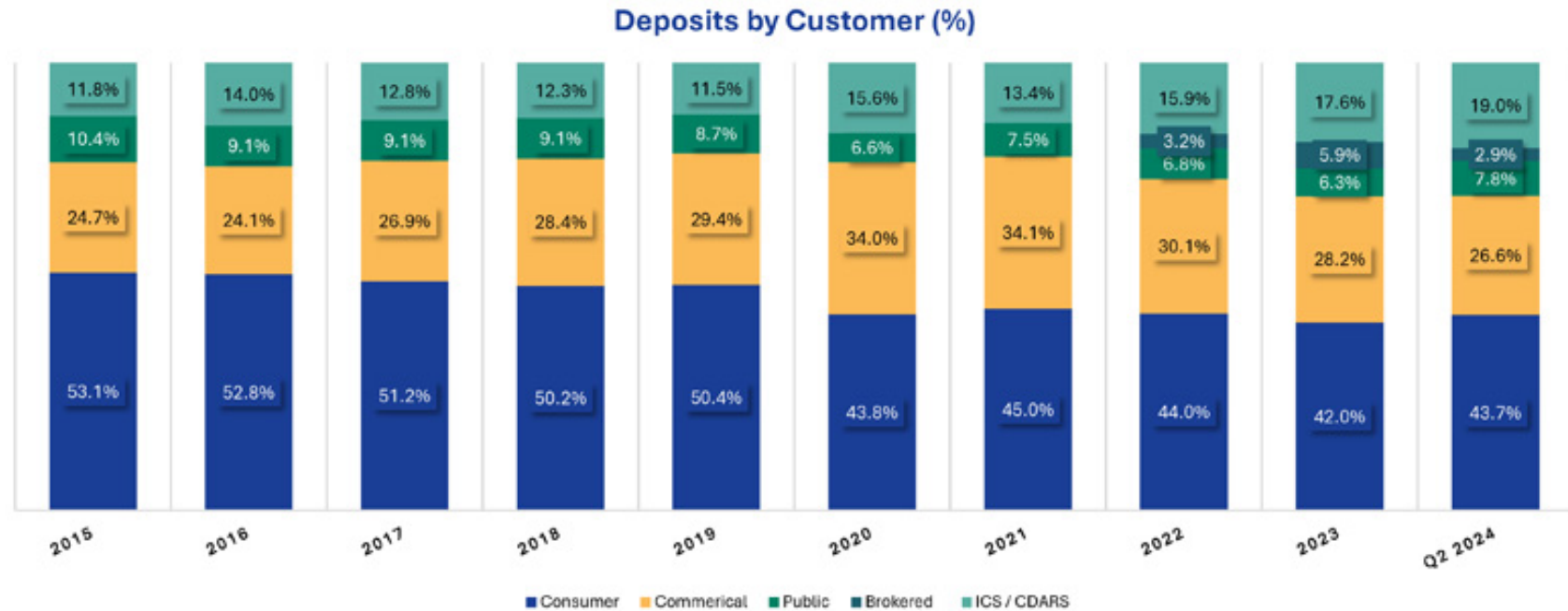
- 2024 Total Deposits \$2.416B; a decrease of \$13.5 million from December 31, 2023
- 2024 Brokered Deposits \$69.5 million; a decrease of \$73.3 million from December 31, 2023



Rate	2020	2021	2022	2023	Q2 2024
NOW	0.14%	0.08%	0.15%	1.10%	1.79%
Savings and Money Market	0.16%	0.10%	0.24%	1.45%	2.01%
Time Deposits	1.16%	0.83%	1.08%	3.31%	4.20%
Brokered Deposits			2.88%	5.22%	5.42%
Total Cost of Interest Bearing Deposits	0.31%	0.22%	0.44%	2.11%	2.80%
Total Cost of Deposits	0.21%	0.15%	0.30%	1.51%	2.08%

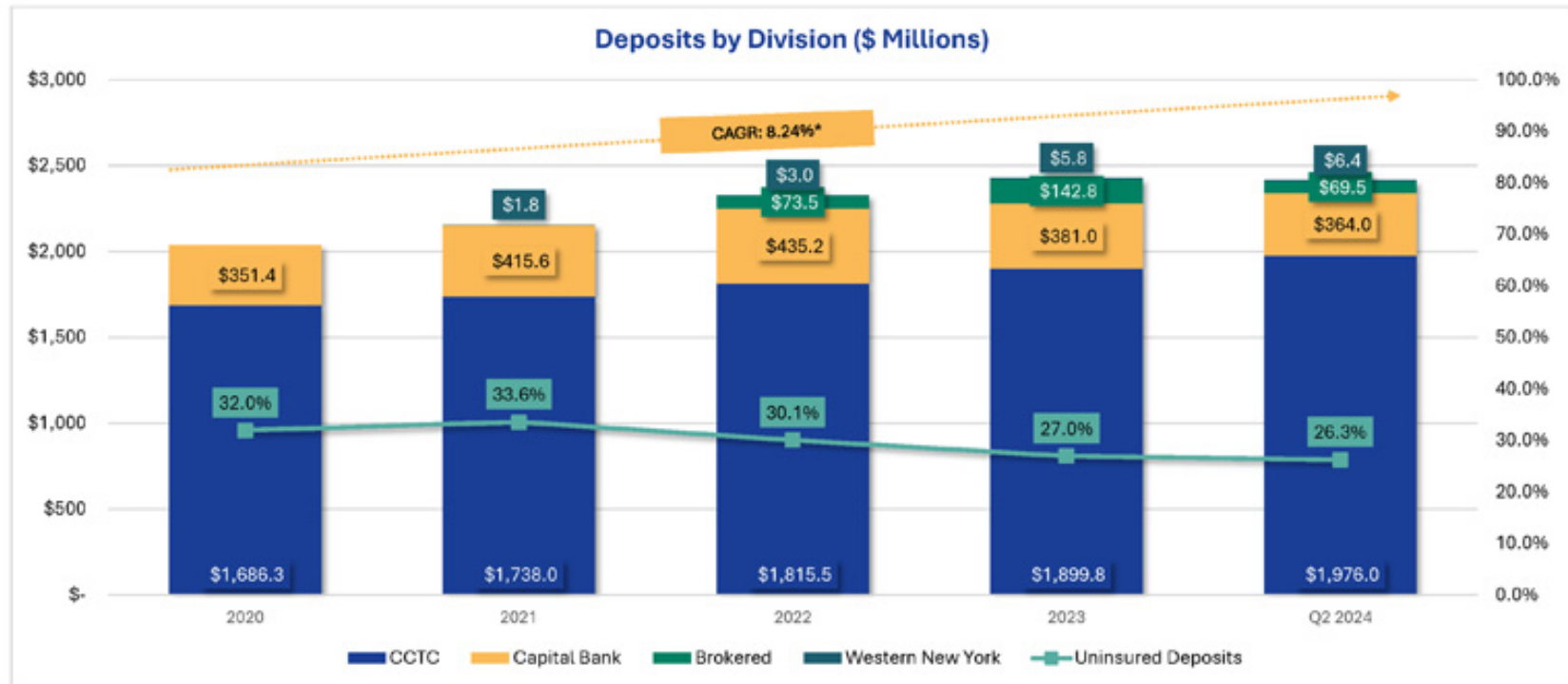
*June 30, 2024 figures unaudited.

Deposit Composition



*June 30, 2024 figures unaudited.

Deposit Composition



*CAGR 12/31/2019 to 06/30/2024 *June 30, 2024 figures unaudited.

Liquidity



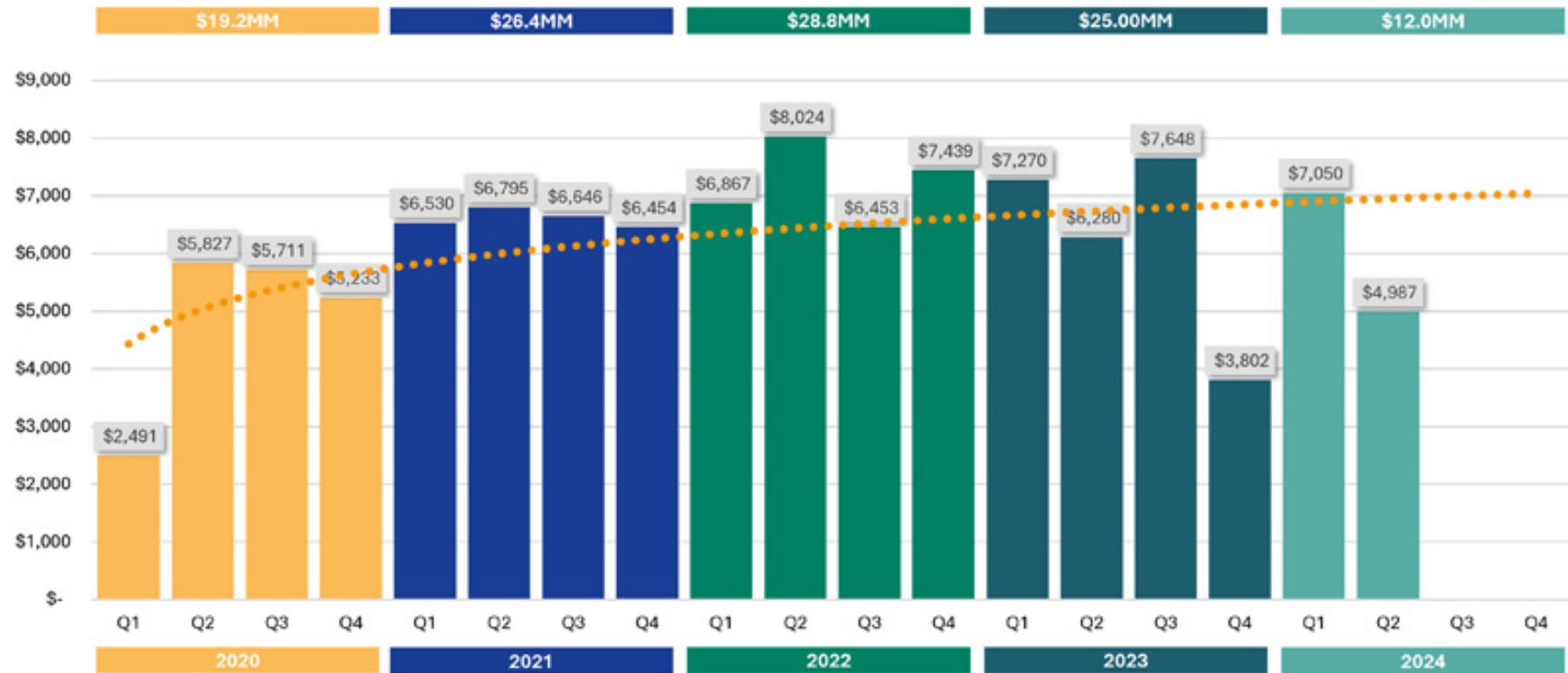
Williamsville, New York Branch

Dollars in Thousands	Total Available	Outstanding	Remaining Available
FHLB Advances	\$ 221,409	\$ 30,000	\$ 191,409
Correspondent Bank Lines of Credit	60,000	-	60,000
Brokered Deposits	275,581	69,500	206,081
Unencumbered Securities	206,406	-	206,406
Total Sources of Liquidity	\$ 763,396	\$ 99,500	\$ 663,896
Uninsured Deposits*			\$ 635,187
Uninsured Deposits to Total Deposits			26.3%

*Includes \$188.8 M in collateralized municipal deposits

Performance

Net Income - Quarterly Trend (\$ Thousands)

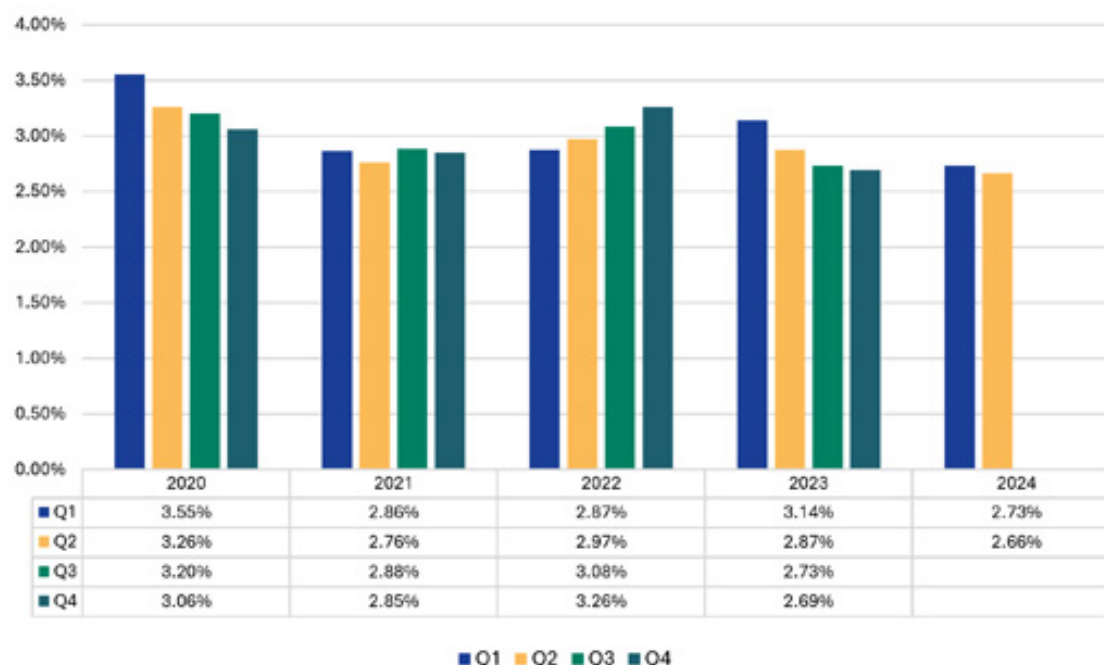


*March 31, 2024, and June 30, 2024 figures unaudited.

Net Interest Margin

- 26.6% of the loan portfolio reprices or matures within the next 90 days
- 20.5% of the commercial loan portfolio reprices or matures within the next 90 days
- 48.5% of the commercial loan portfolio reprices or matures within the next 5 years
- 70.4% of the commercial loan portfolio is variable

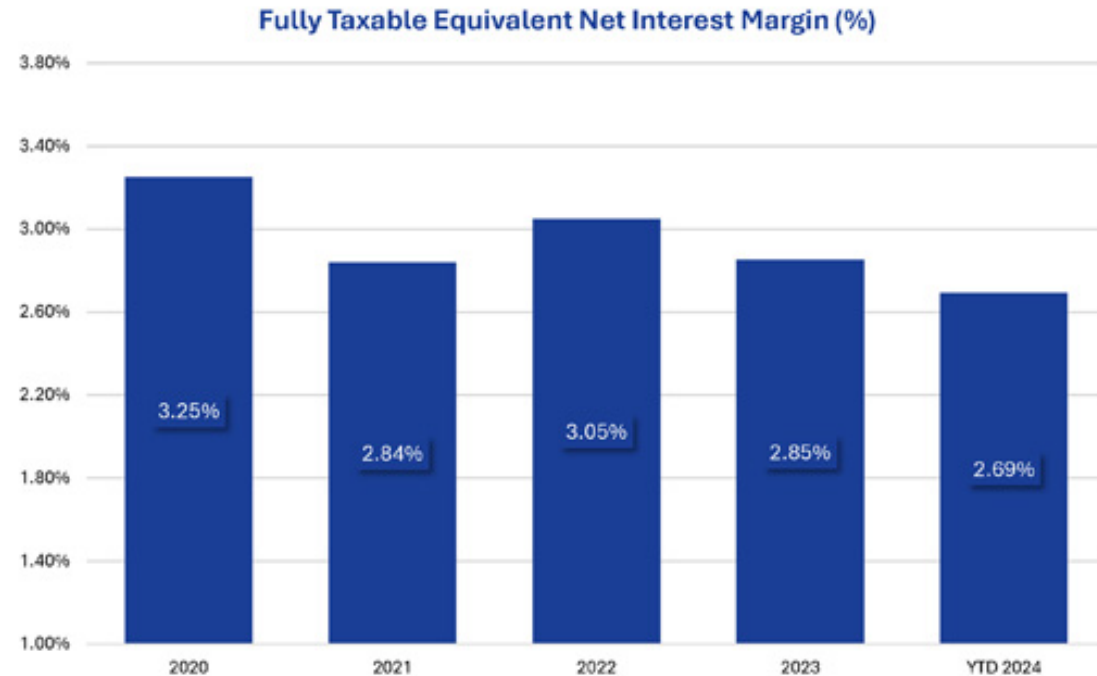
Fully Taxable Equivalent Net Interest Margin (%)



*March 31, 2024, and June 30, 2024 figures unaudited.

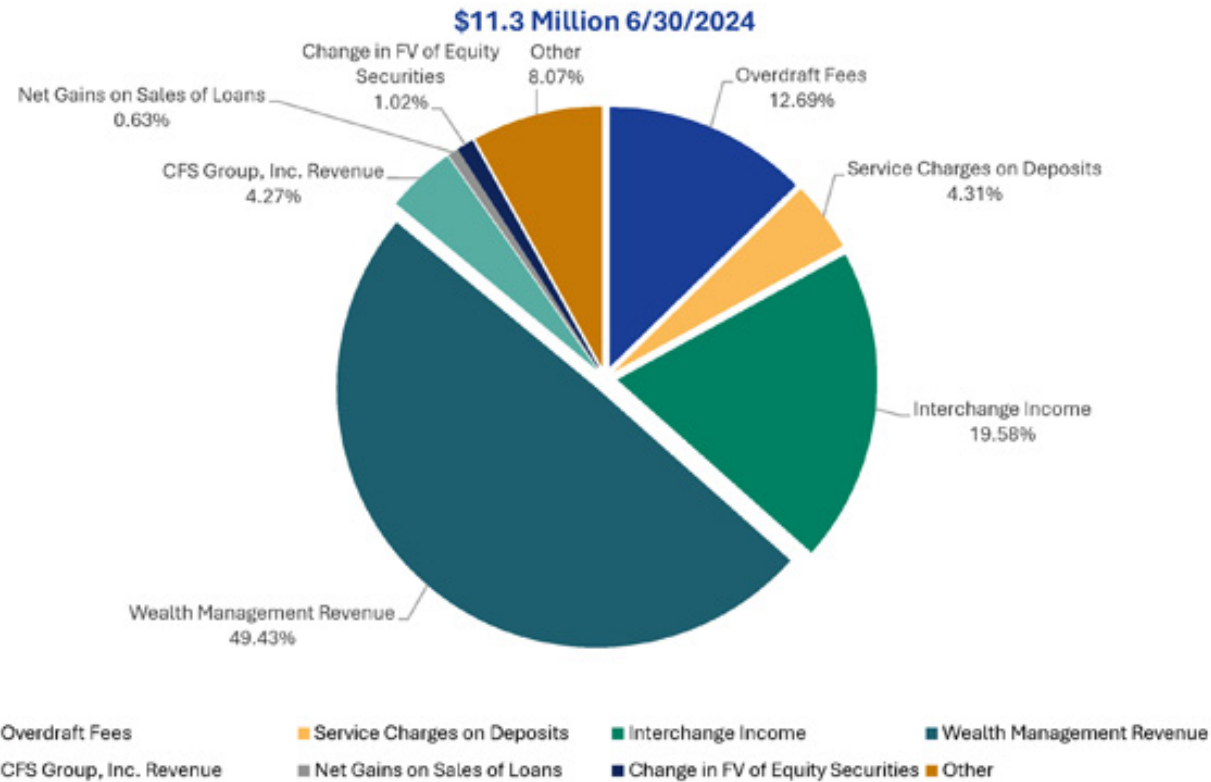
Net Interest Margin

- Net interest margin impacted by low yielding mortgage-backed securities
- No loss trade transactions executed to date
- Loss trades are continually evaluated by the Board of Directors and Management



*June 30, 2024 figures unaudited.

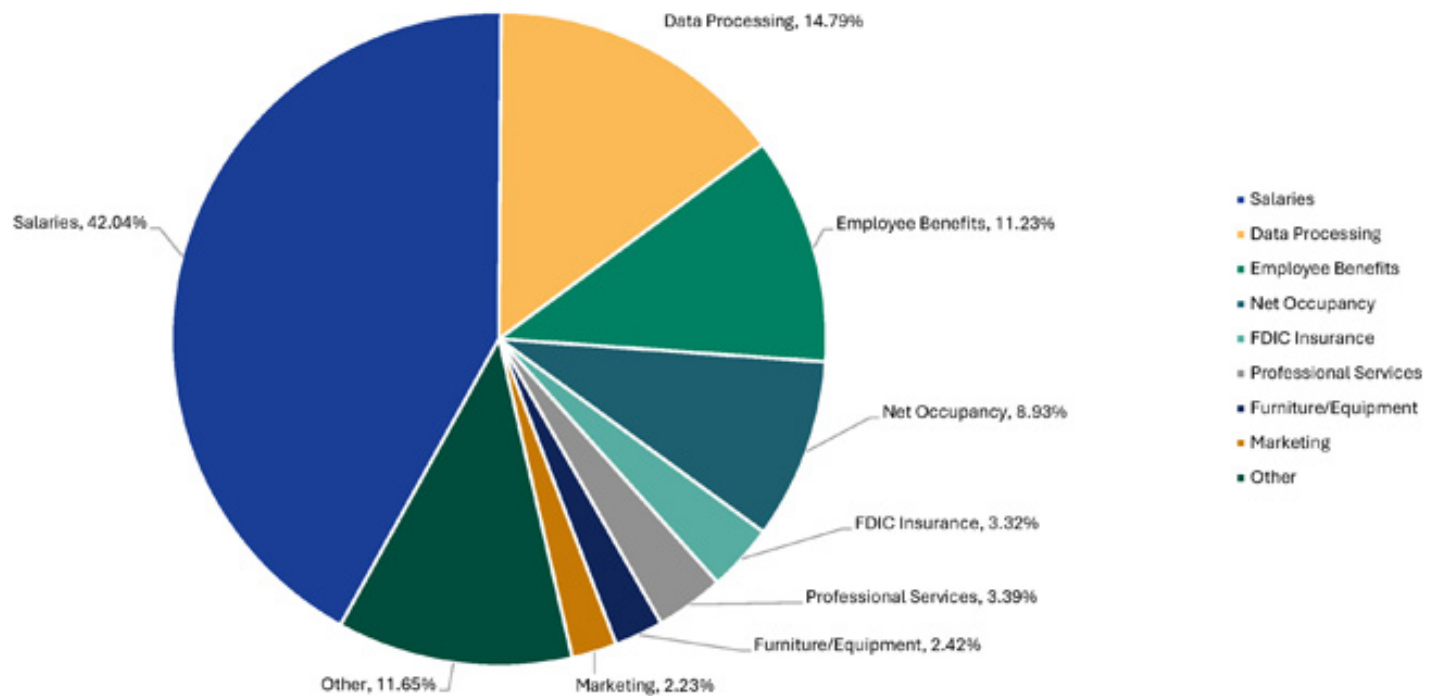
Non-Interest Income Components



*June 30, 2024 figures unaudited.

Non-Interest Expense Components

\$32.9 Million 6/30/2024



*June 30, 2024 figures unaudited.

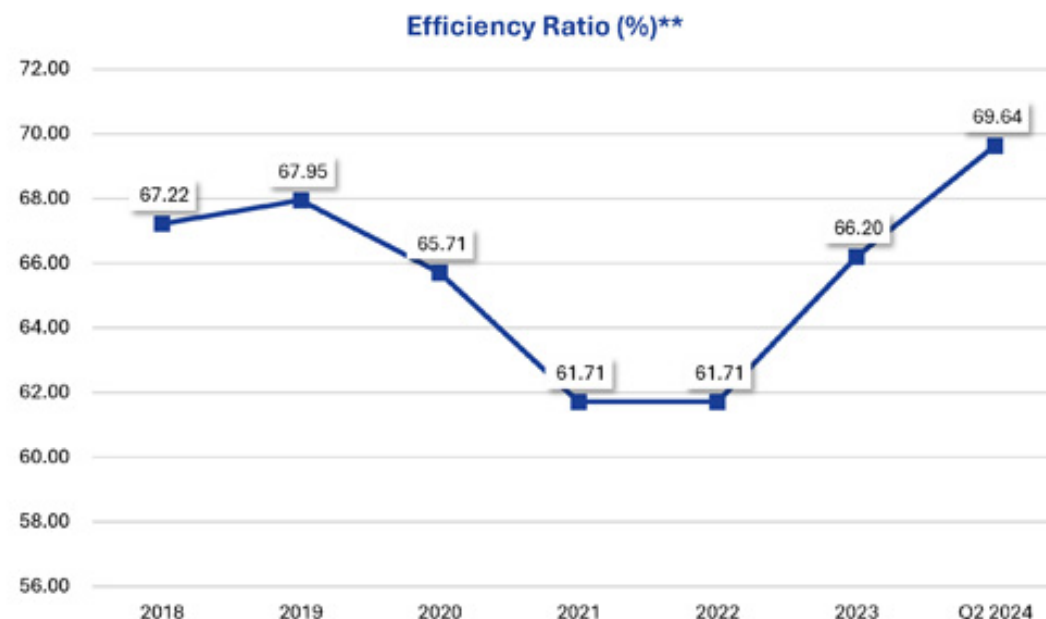
Expense Management and Control

Goal is both cost containment and cost savings

- Increase efficiency in banking operations (e.g., hub and spoke)
- Identify internal best practices
- Develop clear action plans to implement best practices across the organization
- Growth without adding cost

Cost savings recognized:

- Reduction in headcount
- Frozen pension plan and post-retirement healthcare accruals
- Consolidation of six branch locations within existing footprint including Ithaca Station office, which will officially consolidate on November 15, 2024

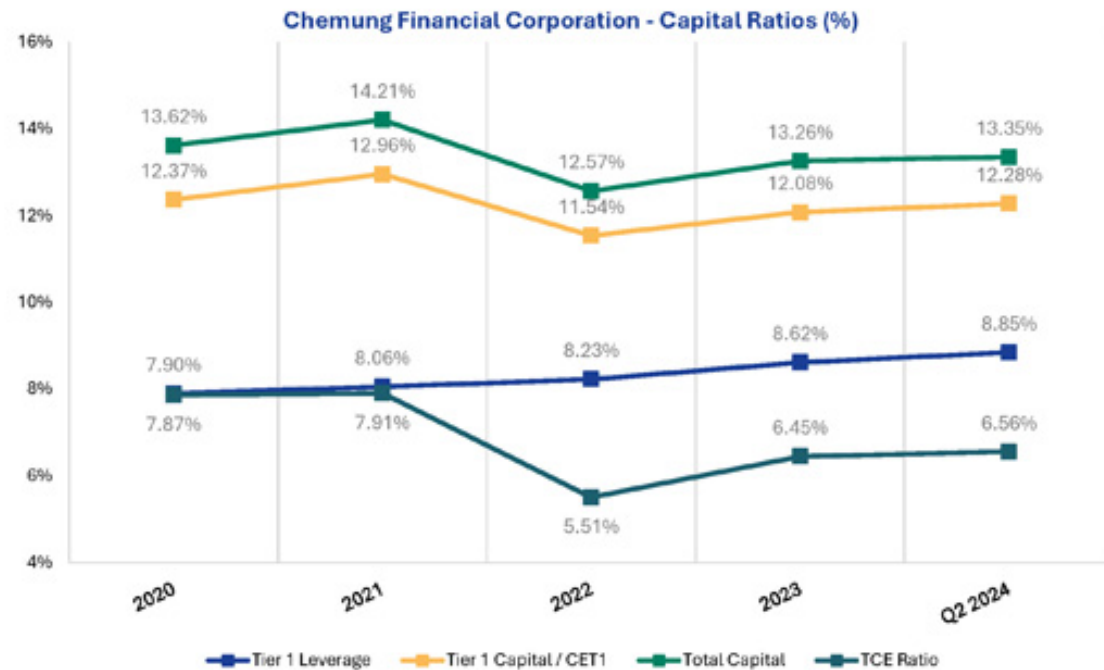


**Efficiency ratio (adjusted) is non-interest expense less amortization of intangible assets divided by the total of fully taxable equivalent net interest income plus non-interest income less net gains or losses on securities transactions

*June 30, 2024 figures unaudited.

Capital Management

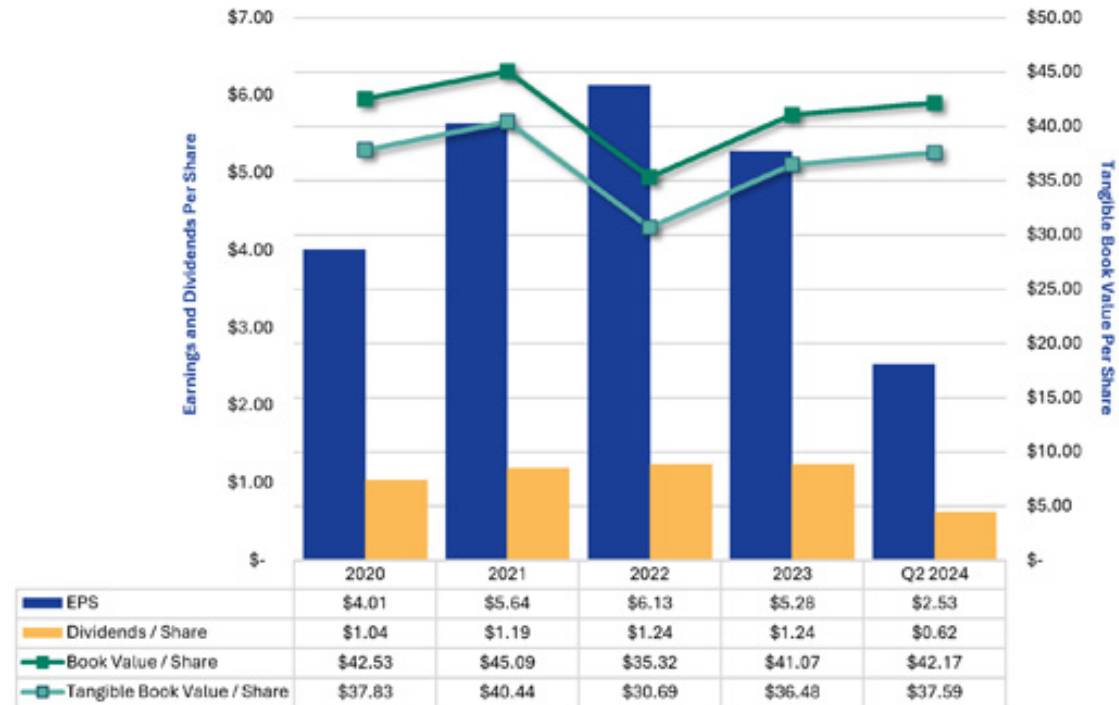
- Grow capital organically through earnings
- Continually evaluating capital strategies
- Positive stress testing results



*June 30, 2024 figures unaudited.

Capital Management

- Continue to remain profitable and pay dividends
- Announced share repurchase program of 250,000 shares in January 2021
- As of June 30, 2024: 49,184 shares had been repurchased



*June 30, 2024 figures unaudited.

CHMG Stock At a Glance

Shares Outstanding*	4.8 million
Market Capitalization*	\$229.0M
YTD Dividend Per Share^	\$0.62
Dividend Yield (TTM)*	2.58%
Average Daily Volume^	7,478
Book Value Per Share*	\$42.17
Tangible Book Value Per Share*	\$37.59
Stock Price*	\$48.00
Price to Earnings (TTM)*	9.43x
Price to Tangible Book*	1.28x
Return on Average Assets^	0.89%
Return on Average Equity^	12.37%

*As of June 30, 2024 (unaudited). ^YTD, June 30, 2024 (unaudited).

Get In Touch

Chemung Financial Corporation is a \$2.8 billion financial services holding company headquartered in Elmira, New York and operates 31 retail offices through its principal subsidiary, Chemung Canal Trust Company, a full-service community bank with trust powers. Established in 1833, Chemung Canal Trust Company is the oldest locally-owned and managed community bank in New York State. Chemung Financial Corporation is also the parent of CFS Group, Inc., a financial services subsidiary offering non-traditional services including mutual funds, annuities, brokerage services, tax preparation services and insurance.



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