



October 20, 2022

Dear Shareholders:

I love that in every segment of our terrain, you can see our commitment and connection to caring for our communities as many of our employees volunteer their time and talents. It's during these times of economic uncertainty, our team displays a passion for community banking. Even though it feels like we are rowing upstream some days, our teammates and independence is worth fighting for. We know that numbers and performance matter, but people matter more and that is what our brand is all about. Our employees continue to be our most important asset.

As a reminder, we have made a change in our dividend philosophy to better reflect our annual dividend paid out in four quarters. I am pleased to announce your third quarter dividend of \$.24 per share. As of September 30, 2022, our total assets were approximately \$547,256,000 as compared to \$559,138,000 (audited) as of December 31, 2021. Asset decrease was mainly due to the change in market value of investments as a result of significant increase in interest rates. Net loans outstanding were approximately \$318,104,000 while deposits totaled \$516,842,000. For the first nine months of 2022, net income remains strong at approximately \$3,847,000, as compared to the first nine months of 2021 at \$4,322,000. Year-to-date Earnings per share were approximately \$1.35 and \$1.50 for the third quarter of 2022 and 2021, respectively.

The Team took time out on a beautiful fall day last Sunday afternoon to forget about the difficult journey this year and to just celebrate with each other. It was so nice to be together after several years of no team activities due to the Pandemic. We all realized that we greatly missed it and the joy of working at a community bank is that it feels like one big family. We didn't talk about work but about the kids and adults enjoying the event activities and the beautiful weather.

As we look past the Pandemic, it truly is a time of reflection. Just as we know birds like the purple martin spend their summers on the Susquehanna but migrate all the way to Brazil in winter and then return again, we know that we will return again to better economic days ahead. I want to also thank each one of you for your patience as we focus on the bigger picture of long-term consistent performance, forward looking risk management, quality earnings and growth.

We will continue to work hard every day to earn your support and preserve our independence.

On behalf of the Team at Susquehanna,

A handwritten signature in black ink, appearing to read "D. S. Runk", written in a cursive style.

David S. Runk

President and CEO