



July 20, 2022

Dear Shareholders:

One of my fondest memories of our trip down the Danube this year was a private boat tour at night in Budapest. The captain ended the boat ride by playing “Thunderstruck” by AC/DC as he peeled off at the last moment as we approached the Parliament building. That’s how we all feel being thunderstruck with the material and rapid rise in interest rates due to inflation.

We are navigating the best that we can, but obviously this has impacted many aspects for us. Mortgage fees coupled with slower loan demand and the loss of the PPP fee income from the prior year is making 2022 quite challenging. In addition, our staffing levels continue to be very tight as we try to keep all branches open and functioning properly. We are really focusing on our relationships ensuring them that we want to help them navigate this economic environment.

As a reminder, we have made a change in our dividend philosophy to better reflect our annual dividend evenly paid out in four quarters. I am pleased to announce your second quarter dividend of \$.24 per share. As of June 30, 2022, our total assets were approximately \$547,300,000 as compared to \$559,138,000 (audited) as of December 31, 2021. Net loans outstanding were approximately \$307,754,000 while deposits totaled \$505,440,000. For the first six months of 2022, net income was approximately \$2,717,000 as compared to the first six months of 2021 at \$2,807,000. Year-to-date Earnings per share were approximately \$.96 and \$.97 for the second quarter of 2022 and 2021, respectively.

Just as there are many bridges that span the Susquehanna River in our communities, we know it takes strength to weather the storms. Susquehanna Community Bank has stood the test of time for over 100 years because of the strength of our employees and customers and the communities we share and serve. As an independent community bank, we believe we are well positioned to respond to these challenges. Those that have followed Susquehanna Community Bank over the years are aware of our consistent success nationally. We were pleased to find out that we were named as one of the top 200 community banks in the nation (banks with less than \$2 billion in assets) based on three-year average Return on Equity for the 12th consecutive year.

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

On behalf of the Team at Susquehanna,

David S. Runk
President and CEO