Form **8937**
(December 2017)
Department of the Treasury
Internal Revenue Service

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

OMB No. 1545-0123

Part I Reporting Issuer

1 Issuer's name: Citizens & Northern Corporation	2 Issuer's employer identification number (EIN): 23-2451943

3 Name of contact for additional information: Mark Hughes	4 Telephone No. of contact: 570-724-3411	5 Email address of contact: markh@cnbankpa.com

6 Number and street (or P.O. box if mail is not delivered to street address) of contact: 90-92 Main Street	7 City, town, or post office, state, and ZIP code of contact: Wellsboro, PA 16901
8 Date of action: 10/1/2025	9 Classification and description: Common Stock

10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
172922106	N/A	CZNC	N/A

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ See attachment.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ See attachment.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ See attachment.

Part II Organizational Action *(continued)*

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶

The merger qualifies as a tax-free reorganization under Section 368 (a) of the Code. Other relevant Code sections include 354, 356, 368, 1001, 1221 and 1223.

18 Can any resulting loss be recognized? ▶ See attachment.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶

The adjustment to basis would be taken into account in the tax year of the shareholder during which the merger occurred.

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ▶ Mark A. Hughes Date ▶ 11/13/2025

Print your name ▶ Mark A. Hughes Title ▶ EVP, Treasurer, CFO

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
	Firm's name ▶			Firm's EIN ▶	
	Firm's address ▶			Phone no.	

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

Citizens & Northern Corporation
EIN: 23-2451943
Attachment to IRS Form 8937

REPORT OF ORGANIZATIONAL ACTIONS AFFECTING BASIS OF SECURITIES

CONSULT YOUR TAX ADVISOR

The information contained herein is being provided pursuant to the requirements of Section 6045B of the Internal Revenue Code of 1986, as amended (the "Code"), and includes a general summary regarding the application of certain U.S. federal income tax laws and regulations relating to the effects on the tax basis of Citizens & Northern Corporation ("CZNC") stock received in exchange for Susquehanna Community Financial, Inc. ("SQCF") stock as a result of the merger of SQCF with and into CZNC. The information contained herein does not constitute tax advice and does not purport to be complete or to describe the consequences that may apply to particular categories of shareholders. CZNC does not provide tax advice to its shareholders. The tax treatment described below may not apply to all former shareholders of SQCF. You are urged to consult your own tax advisor regarding the particular consequences of the merger to **you, including the applicability and effect of all U.S. federal, state and local and foreign tax laws.**

Form 8937 Part II, **Line 14:**

On October 1, 2025, Susquehanna Community Financial, Inc. ("SQCF") merged into CZNC with CZNC surviving in a merger transaction pursuant to Section 368(a) of the Internal Revenue Code. The SQCF shareholders exchanged their SQCF common stock into a right to receive 0.8 shares of CZNC common stock for every share of SQCF stock they held. In lieu of fractional shares, SQCF shareholders received cash (without interest) in an amount determined by multiplying their fractional interest by $19.48 per share.

Form 8937 Part II, **Lines 15 & 16:**

For each SQCF shareholder who received CZNC common stock in the exchange, the aggregate tax basis in the CZNC common stock received pursuant to the transaction should equal the aggregate tax basis in the original SQCF common stock surrendered in the transaction.

SQCF shareholders who receive cash in lieu of fractional shares will be treated as having received the fractional share and then having the fractional share redeemed by CZNC for cash. Accordingly, a portion of their adjusted basis in shares of SQCF common stock surrendered pursuant to the merger will be allocated to the fractional share which is deemed to have been received and the SQCF shareholder will recognize gain or loss in an amount equal to the difference between the cash received for the fractional share and his or her adjusted basis allocable to that fractional share.

The holding period of any shares of CZNC received by SQCF shareholders as a result of the merger generally will include the holding period of shares of SQCF exchanged for such CZNC common stock.

Shareholders should consult with a qualified tax advisor for questions regarding the specific tax treatment of this transaction based on their individual facts and circumstances.

Form 8937 Part II, Line 18:

SQCF shareholders generally will not recognize any gain or loss for U.S. federal income tax purposes on the exchange of their SQCF common stock for CZNC common stock in the merger, except for any gain or loss that may result from the receipt of cash in lieu of a fractional share of CZNC common stock.

SQCF shareholders who receive cash in lieu of fractional shares will be treated as having received the fractional share and then having the fractional share redeemed by CZNC for cash. Accordingly, a portion of their adjusted basis in shares of SQCF common stock surrendered pursuant to the merger will be allocated to the fractional share which is deemed to have been received and the SQCF shareholder will recognize gain or loss in an amount equal to the difference between the cash received for the fractional share and his or her adjusted basis allocable to that fractional share.