

BUILT ON A

PEOPLE

FIRST

FOUNDATION

FIRST NORTHERN BANK COMMUNITY BANCORP



PEOPLE FIRST



FIRST NORTHERN BANK

CUSTOMERS

- Voted “Best of Yolo County” for the 20th year by the readers of the Davis Enterprise and Winters Express.
- Voted “Best Bank” in Placer County by the readers of the Roseville Press Tribune.
- Extended easy-to-fund credit offers for our low-to moderate-income communities.

EMPLOYEES

- Profit Sharing Plan to reward employees for their contribution to bank’s success.
- Launched intranet platform, FNBconnect, to better support employee engagement & collaboration.
- Promoted workplace development with Culture ID.
- 360° survey results continue to improve year-over-year.

Cautionary Note Regarding Forward-Looking Information

This publication, including the Message to Shareholders beginning on page 1, contains forward-looking statements, including statements regarding the Company’s focus and values, vision, strategies and strategic initiatives, and the expected benefits thereof, the expected benefits of listing on the OTCQX® Best Market, and the Company’s prospects for growth, financial strength and performance, client base, business model, and competitive position. Do not rely unduly on forward-looking statements. Actual results might differ significantly from the Company’s forecasts and expectations. Please refer to Part I, Item 1A “Risk Factors” in the Form 10-K for a discussion of some factors that may cause results to differ.

All forward-looking information is based on information available as of the date of this report. We assume no obligation to update any forward-looking information.

Message to

SHAREHOLDERS

As we look back on the accomplishments of the past year, we are eager to present our annual report for 2023. Last year was marked by notable economic uncertainties, yet amidst it all, we remained resolute in our commitment to serving our customers, supporting our communities, delivering value to our shareholders, and fostering a culture of excellence.

Financially, First Northern Community Bancorp reported record year-end net income of \$21.6 million, or a 35.7% increase, when compared to net income of \$15.9 million for 2022. And, as a result of the heightened interest rate environment and subsequent organic balance sheet repricing, we achieved record net interest income of \$66.5 million, an \$11.8 million or 21.7% improvement compared to the previous year.

In 2023, the heart of our operations remained committed to providing exceptional customer service and offering banking solutions to satisfy the diverse customer base we serve. In doing so, First Northern Bank was honored to be recognized once again as the “Best of Yolo County” – for the 20th year – by the readers of the Davis Enterprise and Winters Express and voted “Best Bank” in Placer County by the readers of the Roseville Press Tribune. We are extremely grateful and proud to receive such praise.

Our commitment to making a positive impact extends beyond our 14 full-service branches. In 2023, First Northern Bank donated to more than 194 local organizations and its people contributed more than 3,225 volunteer hours. We believe in the power of community and the importance of giving back. Our recognition in the Sacramento Business Journal as one of the Top 25 organizations supporting our communities in 2023 is a testament to our commitment.

The success of the Bank falls squarely on the dedication and talent of each and every one of our passionate employees. Last year, we launched a new Intranet platform to better support employee engagement and collaboration across all departments throughout the Bank and continued to promote employee development through our Culture ID training initiative. We are seeing the benefit of our efforts as we have seen internal employee survey results improve year-over-year from already high levels.

We understand our success is intrinsically linked to the trust and confidence our shareholders have in us. That is why we continued our focus on delivering long-term value and sustainable growth of the organization. In 2023, First Northern Community Bancorp announced our uplisting from the OTCQB® Venture Market to the OTCQX® Best Market with the expectation of providing more transparent trading and improved access to company information to a more diverse group of investors, brokers, and market makers. And through our Strategic Plan Initiatives, we proudly delivered record net income and record net interest income in 2023. We remain optimistic about the opportunities that lie ahead for the Bank and our shareholders.

Living OUR VALUES



(continued on next page)

Message to

SHAREHOLDERS *(continued)*

Our focus in the coming year remains on delivering the essential banking solutions in the most efficient way to help us enhance the customer experience. At the top of our list, we are excited to roll out a new loan origination system. This new system should expedite the entire process of obtaining financing, from application submission to approval, enabling us to better serve our customers. To further improve operational efficiency and accuracy, we will be leveraging robotic



Pat Brady & Jeremiah Smith

process automation (RPA) throughout our back-office teams to help automate repetitive and time-consuming tasks. Of course, delivering exceptional customer service is a cornerstone of the Bank. So, in the coming year, we will be enhancing our support capabilities through our Client Solutions Center and online channels, ensuring that customers receive timely and personalized assistance when they need it. Lastly, we understand that time is precious, and unnecessary trips to the branch can be inconvenient for our customers. Therefore, we will continue to implement our eSignature technology on documents, allowing customers to safely sign important paperwork electronically from their home or office and reduce the need for a visit to the branch.

We have many more initiatives on our list that are geared toward enhancing efficiency, improving customer satisfaction, and driving sustainable growth for the Bank. It will be an exciting year at First Northern Bank, and we look forward to delivering on our values of: **People First, Absolute Integrity, and a Zest for Excellence.**

Whether you're a customer, shareholder, employee, or community advocate, we thank you for your loyalty to First Northern Bank as we continue to deliver a better brand of banking.

A handwritten signature in black ink, appearing to read "Jeremiah Z. Smith".

Jeremiah Z. Smith
President & Chief Executive Officer

A handwritten signature in black ink, appearing to read "Patrick R. Brady".

Patrick R. Brady
Chairman of the Board

SHAREHOLDERS

Information

ANNUAL MEETING

The Annual Meeting of Shareholders of First Northern Community Bancorp will be held at 5:30 p.m., Tuesday, May 14, 2024 at the First Northern Bank Operations Center, 210 Stratford Avenue, Dixon, CA 95620.

INDEPENDANT AUDITORS

Moss Adams LLP
2882 Prospect Park Drive, Suite 300
Rancho Cordova, CA 95670

COMMON SHARE LISTING
OTCQX – Symbol: FNRN

MARKET MAKERS

John Cavender
Raymond James Financial Services, Inc.
(800) 346-5544

Joey Warmenhoven
JWTT, Inc.
(971) 323-0628

Ford Dickinson
Monroe Securities
(800) 766-5560

TRANSFER AGENT

First Northern Community Bancorp
PO Box 547, Dixon, CA 95620
or 195 N. First Street, Dixon, CA 95620
(707) 678-3041

FORM 10-K AND OTHER SHAREHOLDER INFORMATION

First Northern Community Bancorp's Annual Report filed with the Securities and Exchange Commission, on Form 10-K, and other shareholder information can be viewed at the Company's Investor Relations website at www.thatsmybank.com; shareholders may also elect email notification of press releases, document filings, and other related information.

Printed materials may be obtained by contacting Devon Camara-Soucy at PO Box 547, Dixon, CA 95620, or by calling (707) 678-3041.

FIRST NORTHERN COMMUNITY BANCORP ADMINISTRATIVE MANAGEMENT

Jeremiah Z. Smith
President & Chief Executive Officer

Jeffrey Adamski
Executive Vice President/Senior Loan Officer

Denise E. Burris
Executive Vice President/Chief Information Officer

Brett Hamilton
Executive Vice President/Chief Credit Officer

Kevin Spink
Executive Vice President/Chief Financial Officer

Amanda Connell
Senior Vice President/Operations Administrator

Libby Feyh
Senior Vice President/Human Resources Director

Mike Webber
Senior Vice President/Marketing & Communications Director

Devon Camara-Soucy
Vice President/Corporate Secretary

BOARD OF DIRECTORS



PATRICK R. BRADY
*Chairman of the Board
Retired CEO, Sutter
Roseville Medical Center*



SEAN P. QUINN
*Former City Manager,
City of Fairfield*



JEREMIAH Z. SMITH
*President & CEO
First Northern Bank &
First Northern Community Bancorp*



GREGORY DuPRATT
*Retired Vice President/
Sales Manager,
Ron DuPratt Ford*



JOHN M. CARBAHAL
*CPA & Principal, Carbahal
& Company, Inc., an
Accountancy Corporation*



BARBARA A. HAYES
*Chief Economic Development
Officer, Rural County
Representatives of California
(RCRC)*



RICHARD M. MARTINEZ
Partner, Triad Farms



FOY S. McNAUGHTON
*President & CEO,
McNaughton Newspapers*



DANIEL F. RAMOS
*Vice President, Ramco
Enterprises/Ramco
Properties LP; President,
Ram Properties, Inc.*



MARK C. SCHULZE
*Chief Strategy Officer,
TSX Entertainment*



LOUISE A. WALKER
*Retired President & CEO
First Northern Bank &
First Northern Community Bancorp*

SENIOR MANAGEMENT



JEREMIAH Z. SMITH
President & CEO
First Northern Bank &
First Northern Community Bancorp



JEFFREY ADAMSKI
Executive Vice President
Senior Loan Officer



DENISE E. BURRIS
Executive Vice President
Chief Information Officer



BRETT HAMILTON
Executive Vice President
Chief Credit Officer



KEVIN SPINK
Executive Vice President
Chief Financial Officer



AMANDA CONNELL
Senior Vice President
Operations Administrator



LIBBY FEYH
Senior Vice President
Human Resources Director



MIKE WEBBER
Senior Vice President
Marketing & Communications
Director

COMMUNITY

- Now serving the North Valley with three full-service branches.
- Donated to more than 194 charitable organizations.
- Contributed more than 3,225 volunteer hours.
- Recognized among the “Top 25 Corporate Philanthropy – Direct Giving,” by the Sacramento Business Journal in 2023.

FINANCIAL HIGHLIGHTS

CAPITAL RATIOS

First Northern Bank has strong capital ratios, a key measure of a bank's strength and capital adequacy. All of the Bank's capital metrics exceeded the regulatory minimum required for a "well-capitalized" bank at December 31, 2023.

	First Northern Bank 12/31/23	Regulatory Well-Capitalized Minimum
Tier 1 Leverage	9.7%	5.0%
Common Equity Tier 1	14.8%	6.5%
Tier 1 Capital	14.8%	8.0%
Total Risk-Based Capital	16.0%	10.0%

TOTAL ASSETS *in thousands*

2018	\$1,249,845
2019	\$1,292,591
2020	\$1,655,376
2021	\$1,899,087
2022	\$1,871,361
2023	\$1,871,832

TOTAL DEPOSITS *in thousands*

2018	\$1,124,612
2019	\$1,138,632
2020	\$1,478,162
2021	\$1,728,302
2022	\$1,726,874
2023	\$1,692,444

TOTAL LOANS, NET *in thousands* *(including loans held-for-sale)*

2018	\$765,688
2019	\$773,003
2020	\$885,020
2021	\$853,780
2022	\$970,138
2023	\$1,052,465

ALLOWANCE FOR CREDIT LOSSES TO TOTAL LOANS

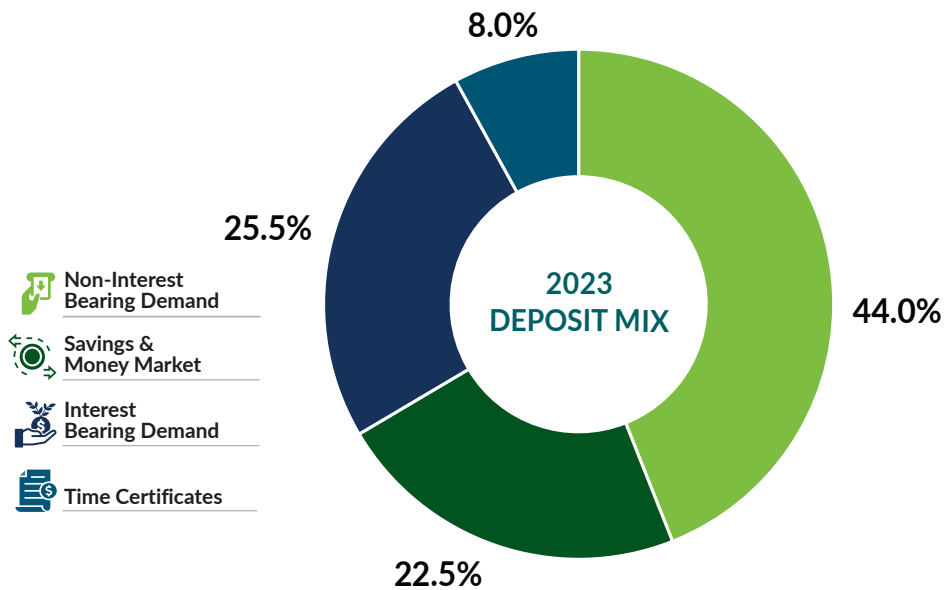
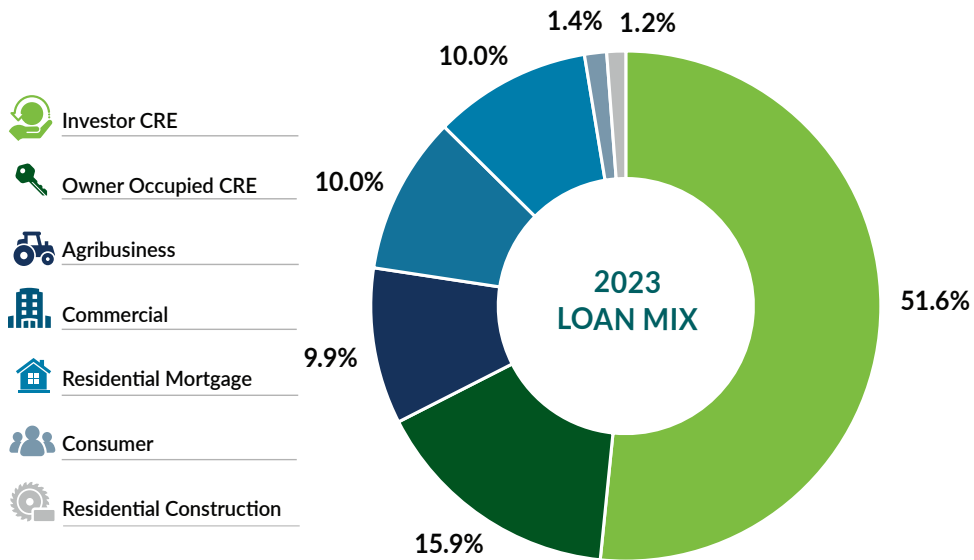
2018	1.65%
2019	1.58%
2020	1.73%
2021	1.61%
2022	1.50%
2023	1.55%

FNRN STOCK PRICES

Stock prices have been adjusted to give retroactive effect to the 5% stock dividend declared on January 25, 2024.

\$8.31	\$9.01	\$8.31	\$8.85	\$7.35	\$8.50
2018	2019	2020	2021	2022	2023

FINANCIAL HIGHLIGHTS



All data on pages 6 and 7 as of December 31.

SHAREHOLDERS

- Record year-end net income of \$21.6 million, up 35.7% year-over-year.
- Record net interest income of \$66.5 million, up 21.7% year-over-year.
- Uplisted FNRN stock from OTCQB® Venture Market to the OTCQX® Best Market.
- Recognized as “Super Premier Performer” by Findley Reports.

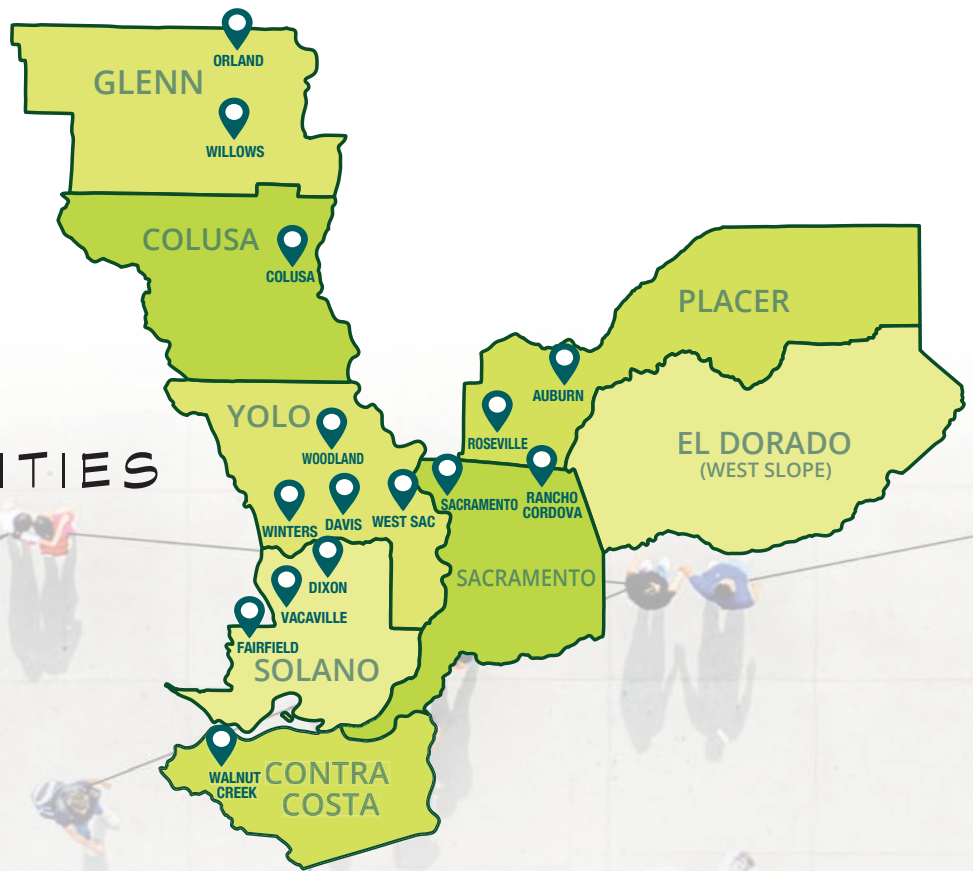
SELECTED FINANCIAL DATA

Dollars in thousands, except ratios, share, and per share information

	DECEMBER 31,	2023	2022
Summary of Operations	Interest and Dividend Income	\$ 74,123	\$ 55,882
	Interest Expense	(7,584)	(1,186)
	Net Interest Income	66,539	54,696
	(Provision) Reversal of Provision for Credit Losses	(1,100)	(900)
	Net Interest Income after Provision for Credit Losses	65,439	53,796
	Non-interest Income	7,845	6,933
	Non-interest Expense	(43,638)	(39,063)
	Income before Taxes	29,646	21,666
	Provision for Taxes	(8,092)	(5,782)
	Net Income	\$ 21,554	\$ 15,884
	Basic Earnings per Share*	\$ 1.42	\$ 1.05
Diluted Earnings per Share*	\$ 1.41	\$ 1.04	
Balance at Year-End	Total Assets	\$ 1,871,832	\$ 1,871,361
	Total Loans, Including Loans Held-for-Sale, Net	1,052,465	970,138
	Total Investments	572,357	618,092
	Total Deposits	1,692,444	1,726,874
	Total Equity	159,245	125,040
	Book Value per Common Share*	10.29	8.12
	Shares Outstanding	15,482,332	14,652,584
Ratios	Return on Average Equity	15.69%	12.14%
	Return on Average Assets	1.13%	0.84%
	Average Equity to Average Assets	7.18%	6.91%
	Total Risk-Based Capital to Risk-Weighted Assets	16.00%	15.90%
	Net Interest Margin	3.70%	3.06%
	Allowance as a % of Non-Performing Loans (net of government guarantees)	199.1%	172.4%

* Per share information for 2023 and 2022 has been adjusted to give retroactive effect to the stock dividend of 5% declared on January 25, 2024.

OUR COMMUNITIES & LOCATIONS



**Administration,
Corporate Headquarters**
195 N. First Street
Dixon, CA 95620
(707) 678-3041

**Administration,
Sacramento**
1375 Exposition Boulevard, Suite 300
Sacramento, CA 95815

Agribusiness Lending Team
195 N. First Street
Dixon, CA 95620
(707) 678-7881

Auburn Branch
390 Elm Avenue
Auburn, CA 95603
(530) 885-5009

**Business & Industrial
Lending Team**
508 Second Street, Suite 104
Davis, CA 95616
(530) 297-2062

Central Operations
210 Stratford Avenue
Dixon, CA 95620
(707) 678-1904

Colusa Branch
558 Market Street
Colusa, CA 95932
(530) 458-4884

Davis Branch
434 Second Street
Davis, CA 95616
(530) 758-7500

Davis Mortgage Loan Office
508 Second Street, Suite 104
Davis, CA 95616
(530) 753-1585

Dixon Branch
195 N. First Street
Dixon, CA 95620
(707) 678-4422

**East Bay Region
Commercial Lending Team**
(Contra Costa County)
100 Pringle Avenue, Suite 225
Walnut Creek, CA 94596
(925) 482-1580

Fairfield Branch
1455 Oliver Drive
Fairfield, CA 94533
(707) 425-2900

Orland Branch
328 Walker Street
Orland, CA 95963
(530) 865-2127

Rancho Cordova Branch
2901 Sunrise Blvd., Suite 100
Rancho Cordova, CA 95742
(916) 642-1477

Real Estate Industries Lending Team
(Residential Construction &
Commercial Real Estate Financing)
1375 Exposition Boulevard, Suite 101
Sacramento, CA 95815
(916) 447-9000

Roseville Branch
2270 Douglas Blvd., Suite 100
Roseville, CA 95661
(916) 787-8510

Sacramento Branch
1375 Exposition Boulevard, Suite 101
Sacramento, CA 95815
(916) 447-9000

University Retirement Community
Satellite Office
1515 Shasta Drive
Davis, CA 95616

Vacaville Branch
555 Mason Street
Vacaville, CA 95688
(916) 447-8600

West Sacramento Branch
1300 Harbor Boulevard
West Sacramento, CA 95691
(916) 372-1023

Willows Branch
155 N. Tehama Street
Willows, CA 95988
(530) 934-3821

Winters Branch
48 Main Street
Winters, CA 95694
(530) 795-4501

Woodland Branch
11 W. Court Street
Woodland, CA 95695
(530) 661-6000

WEALTH MANAGEMENT DIVISION

First Northern Advisors
390 Elm Avenue
Auburn, CA 95603
(530) 745-2281

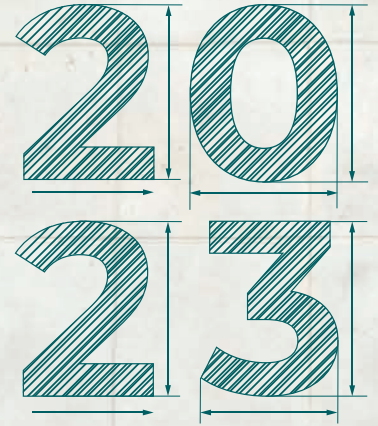


FIRST NORTHERN BANK

EXPERTISE IN COMMUNITY BANKING


We bring a wealth of financial solutions to our clients:

- | | |
|---|---------------------------------------|
| Lightning Loans | Equipment Loans & Leasing |
| Cash Management Services | Construction Financing |
| Online Banking & Mobile Banking | Commercial Real Estate Lending |
| Loans for Green Initiatives | Business & Consumer Checking Accounts |
| Remote Deposit Capture | eStatements |
| Merchant Credit/Debit Card Processing | Non-Profit/Association Banking |
| Mortgage Loans | Payroll Solutions |
| Home Equity Lines of Credit | MoneyPass® Surcharge-Free |
| Investment & Advisory Services,
non-FDIC insured | ATM Network |
| Small Business Administration Lending | Debit and Credit Cards |
| Business Term Loans & Lines of Credit | ACH and Check Positive Pay |
| Agribusiness Lending | CardValet |
| | Personal Financial Management |



FIRST NORTHERN
COMMUNITY BANCORP

195 N. First Street | Dixon, California 95620

 Equal Housing Lender | Member FDIC

