Janney | FIG Partners

Virtual Bank CEO Forum

February 4, 2021

Hanmi Financial Corporation

Forward-Looking Statements

Hanmi Financial Corporation (the "Company") cautions investors that any statements contained herein that are not historical facts are forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, including, but not limited to, those statements regarding operating and financial performance, financial position and liquidity, business strategies, regulatory, economic and competitive outlook, investment and expenditure plans, capital and financing needs and availability, litigation plans and objectives, merger or sale activity, the effects of COVID-19 on our business, financial condition and results of operations, and all other forecasts and statements of expectation or assumption underlying any of the foregoing. These statements involve known and unknown risks and uncertainties that are difficult to predict. Investors should not rely on any forward-looking statement and should consider risks, such as changes in governmental policy, legislation and regulations, economic climate uncertainty, fluctuations in interest rate and credit risk, competitive pressures, the ability to succeed in new markets, balance sheet management, ability to identify and remediate any material weakness in internal controls over financial reporting, and other operational factors.

Further, given its ongoing and dynamic nature, it is difficult to predict the full impact of the COVID-19 outbreak on our business, financial condition and results of operations. The extent of such impact will depend on future developments, which are highly uncertain, including when the coronavirus can be controlled and abated and whether the gradual reopening of businesses will result in a meaningful increase in economic activity. As the result of the COVID-19 pandemic and the related adverse local and national economic consequences, we could be subject to various risks, any of which could have a material, adverse effect on our business, financial condition, liquidity, and results of operations.

Forward-looking statements are based upon the good faith beliefs and expectations of management as of this date only and are further subject to additional risks and uncertainties, including, but not limited to, the risk factors set forth in our earnings release dated January 26, 2021, including the section titled "Forward Looking Statements and the Company's most recent Form 10-K, 10-Q and other filings with the Securities and Exchange Commission ("SEC"). Investors are urged to review our earnings release dated January 26, 2021, including the section titled "Forward Looking Statements and the Company's SEC filings. The Company disclaims any obligation to update or revise the forward-looking statements herein.

"It seems like much more than a year has passed because so much happened in 2020. None of us could have ever imagined serving our customers while masked and behind plastic barriers, spending countless hours and weekends processing PPP loans, and working tirelessly through a global pandemic. We remained committed to our communities and provided support to help those in need in a variety of ways, including educational support to more than 60 at-risk youths through the Hanmi Dream Scholarship program, donations to medical staff at hospitals in the communities we serve, and through our recent partnership with Feeding America.

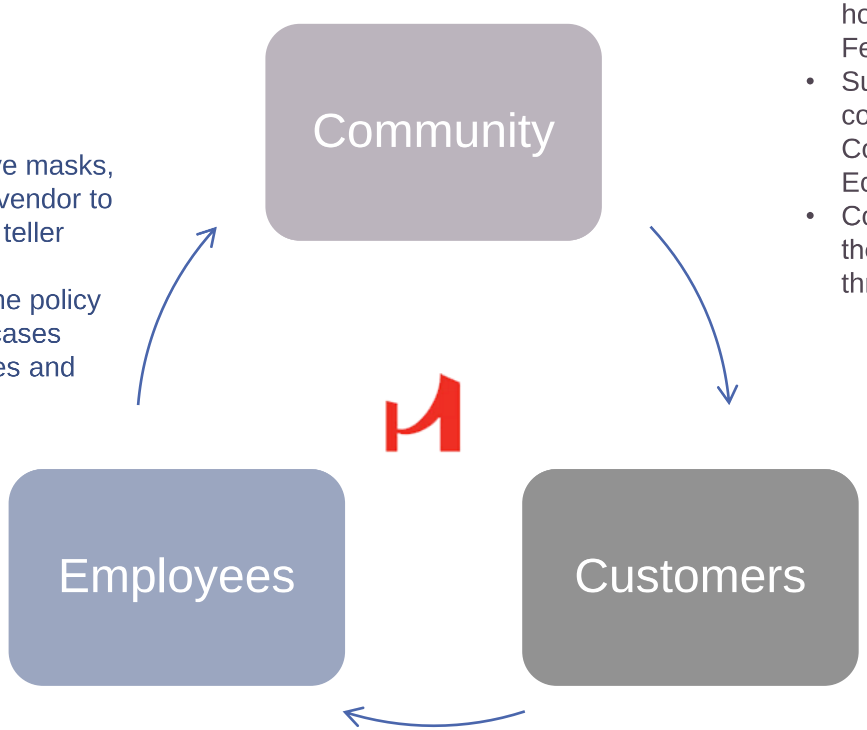
As we set our intentions for the new year, we are cautiously optimistic about an economic recovery in 2021. The economy is forecasted to bounce back as vaccines become more widely available and additional fiscal stimulus flows in. As we begin returning to "normal" this year, we must focus on the opportunities that lie ahead. To support our growth, Hanmi will continue to invest in customer-facing products and services and internal work-related processes. Our continued expansion will position us to provide a new home mortgage lending platform, additional digital offerings including online account opening capability, and make further strides on the corporate banking business front."

Bonnie Lee, President and Chief Executive Officer

Managing Through Turbulent Times

EMPLOYEES

- Sourced and distributed protective masks, gloves, care kits and engaged a vendor to design protective barriers for our teller lines
- Continue to foster work from home policy with a resurgence in COVID-19 cases
- Reduced lobby hours for branches and suspended Saturday hours



COMMUNITY

- Donated nearly $20,000 as part of the holiday giving campaign supporting Feeding America
- Supported non-profit organizations in the community – Koreatown Youth Community Center (KYCC) and New Economics for Women
- Continue to educate our customers about the SBA’s Disaster Loan Programs through trainings and webinars

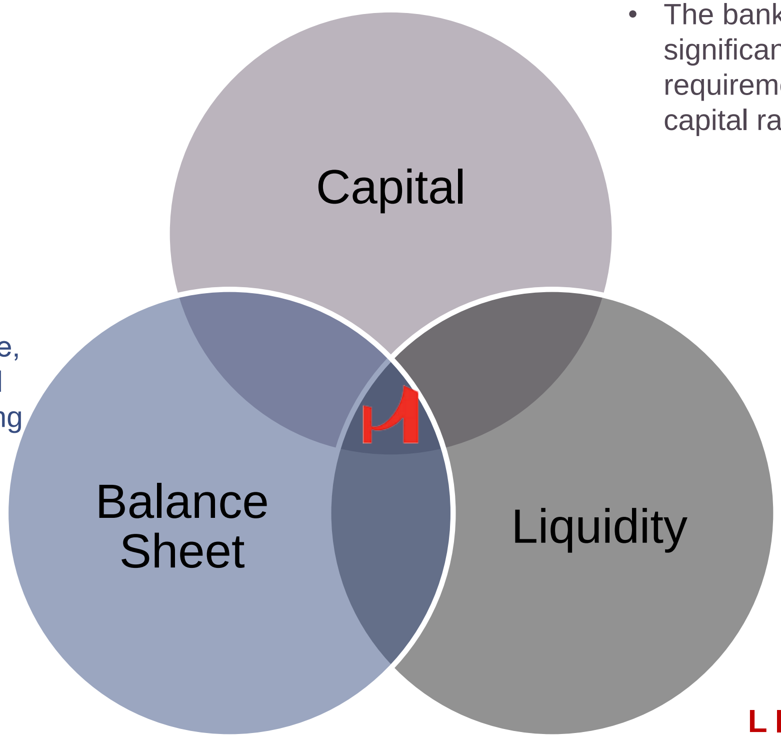
CUSTOMERS

- Funded over 3,000 loans amounting to approximately $309 million under the SBA’s Paycheck Protection Program
- Approved $156 million of modifications since September 30, 2020, and forgiven $8 million loans
- Solid new loan production of $328 million for the fourth quarter

Hanmi's Strengths in the Midst of COVID-19 Crisis

CAPITAL

- The bank remains well capitalized, significantly above the regulatory requirements, with total risk-based capital ratio of 15.29%



BALANCE SHEET

- The bank's asset quality remains stable, with NPAs at 1.38% of total assets and ACL at 1.85% of loans (1.97% excluding PPP loans)

LIQUIDITY

- The bank, with $5.3 billion of deposits, has $3.0 billion of cash, securities and borrowing availability

Supporting our Customers

PAYCHECK PROTECTION PROGRAM

As of June 30, 2020

$309M	3,064
$ of Loans Funded	# of Loans Funded

As of December 31, 2020

$8M	408
$ of Loans Forgiven	# of Loans Forgiven

PPP FUNDING DISTRIBUTION

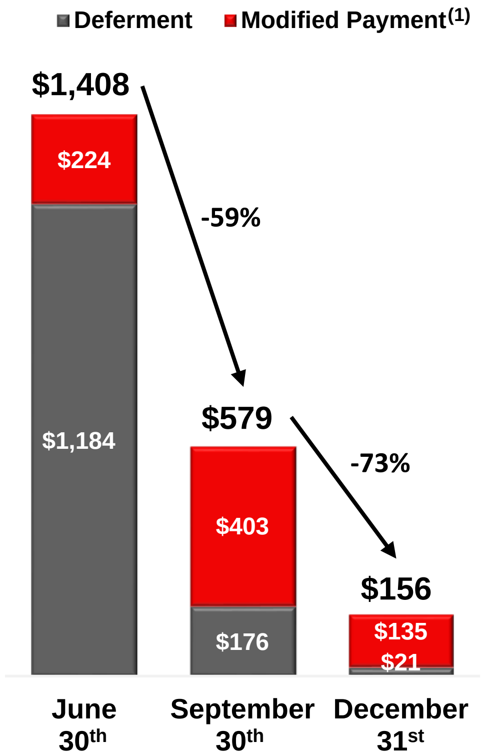
# of Loans Funded	$ Total Funding	$ Average Balance	$ Total Fees
LOANS UP TO $350K (5% FEE) (1)			
2,913	$155M	$53K	$7.8M
LOANS BETWEEN $350K AND $2M (3% FEE)			
134	$97M	$727K	$2.9M
LOANS AT LEAST $2M AND ABOVE (1% FEE)			
17	$56M	$3M	$0.6M

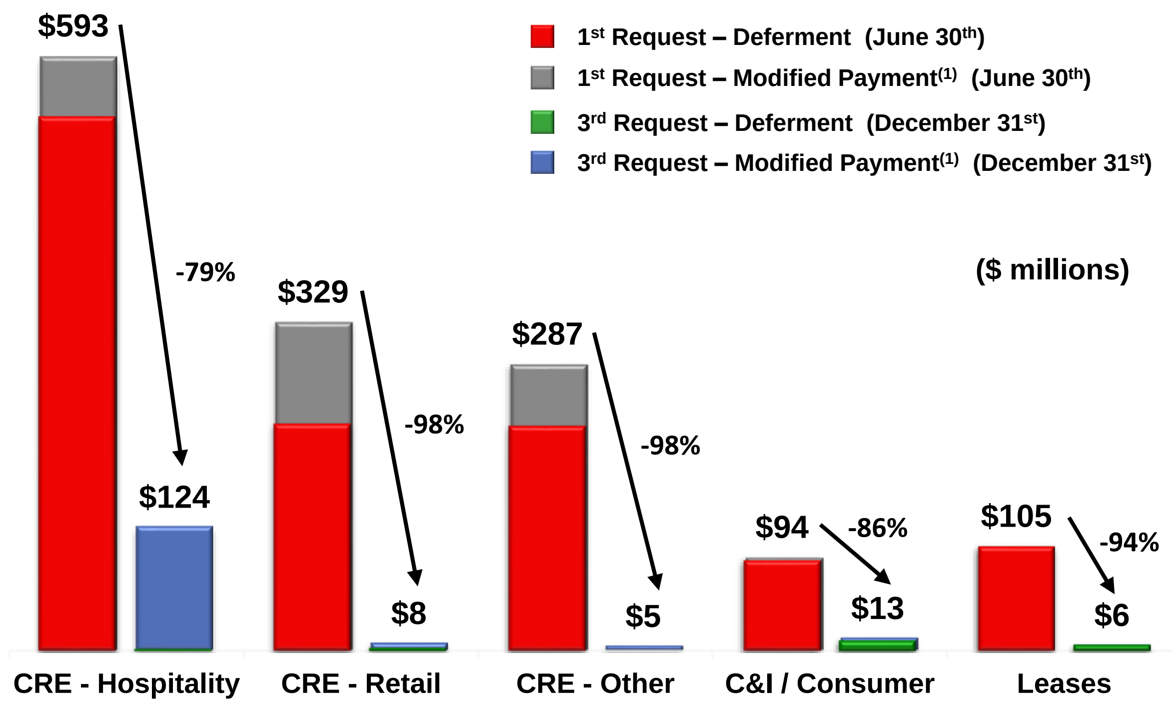
(1) 1,938 loans, representing $41M in funding, have a balance of $50 thousand or less

Note: Numbers may not add due to rounding

Encouraging Modification Trend

- 89% decline in modifications since June 30, 2020 – from $1.4B to $156M
- Modified portfolio represents 3.2% of loans receivable as of December 31, 2020





	CRE - Hospitality 1st Request	CRE - Hospitality 3rd Request	CRE - Retail 1st Request	CRE - Retail 3rd Request	CRE - Other 1st Request	CRE - Other 3rd Request	C&I / Consumer 1st Request	C&I / Consumer 3rd Request	Leases 1st Request	Leases 3rd Request
Modified Payment(1)	$59	$122	$101	$5	$61	$5	$3	$3	$0	$0
Deferment	$534	$2	$228	$3	$226	$0	$91	$10	$105	$6
Total	$593	$124	$329	$8	$287	$5	$94	$13	$105	$6

Note: Numbers may not add due to rounding

(1) Modified payments include Interest Only, Hybrid, Reduced Payment and other type of modifications

The Hanmi Story

1982
First Korean American Bank in the U.S.

1988
Began offering SBA loans
Acquired First Global Bank

2001
Listed HAFC common stock

2004
Acquired Pacific Union Bank

2007
Completed $70 million secondary common stock offering

2014
Acquired Central Bancorp, Inc.

2016
Acquired & commenced Commercial Equipment Leasing Division (CELD)

2017
Assets surpassed $5 billion
Opened a Manhattan branch in NY

2018
Opened Houston Chinatown branch in Texas

Management Team

Name	Position	Banking Experience (Years)	Hanmi Experience (Years)	Previous Experience
Bonnie Lee	President & CEO	34	7	BBCN Bancorp, Shinhan Bank America, Nara Bank
Romolo Santarosa	SEVP, Chief Financial Officer	29	5	Opus Bank, First California Financial Group, Sanwa Bank, Shawmut National Corporation
Anthony Kim	EVP, Chief Banking Officer	26	7	Nara Bank / Saehan Bank BBCN Bancorp
Matthew Fuhr	EVP, Chief Credit Administration Officer	24	5	Pacific Western Bank, Wells Fargo Bank, Foothill Independent Bank, FDIC
Mike Park	EVP, Chief Credit Risk Officer	32	6	East West Bank, Nara Bank, Sanwa/Bank of the West, Center Bank
Anna Chung	EVP, Chief SBA Lending Officer	37	6	East West Bank, Nara Bank, Sanwa/Bank of the West, Center Bank
Navneeth Naidu	EVP, Chief Technology Officer	18	2	Columbia Bank, American Marine Bank, First Capital Bank of Texas
Michael Du	SVP, Chief Risk Officer	21	1	Fremont Investment and Loan, Capital Source, Banc of California, Unify Financial Federal Credit Union, Pacific Western Bank

Hanmi at a Glance

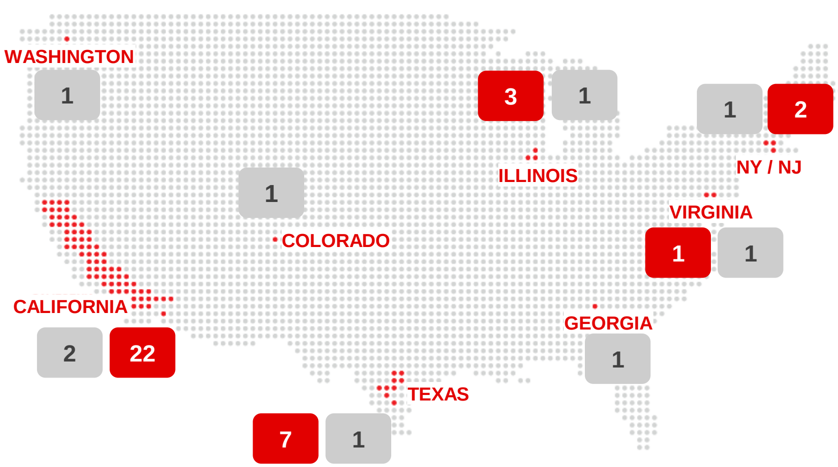
Equity Snapshot (as of February 2, 2021)

Headquarters:	**Los Angeles, CA**
Ticker:	**NASDAQ: HAFC**
Share Price:	**$14.37**
52 Week Range:	**$7.15 - $18.11**
Market Cap:	**$437.2 Million**
Avg. 3M Daily Volume:	**213,508**

Focus on growth and value preservation for our shareholders

- Second largest Korean American Bank with 38 years of history and $6.2 billion in assets
- 35 branches coast-to-coast in major banking markets & 9 LPOs
- Commitment to conservative, disciplined underwriting, and strong asset quality
- Well capitalized, significantly above the regulatory requirements

Bank Network



Branch

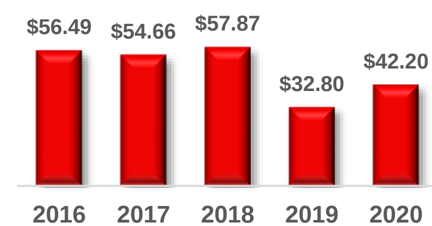
Loan Production Office (LPO)

Assets
$ billions

Loans
$ billions

Deposits
$ billions

Net Income
$ millions



2020 Highlights

Net Income	Diluted EPS	ROAA	NIM	Efficiency Ratio	TBVPS*
$42.2M	$1.38	0.72%	3.19%	53.15%	$18.41

- **Net income** of $42.2 million, or $1.38 per diluted share, up 28.7% from $32.8 million, or $1.06 per diluted share in 2019
  - **Net interest income** of $180.9 million, up 2.9% or $5.0 million year-over-year
  - **Noninterest income** of $43.1 million, up 56.4% or $15.6 million year-over-year
  - **Noninterest expense** of $119.1 million, down 5.4% or $6.9 million year-over-year
- **Loans receivable** of $4.88 billion, up 5.9% year-over-year, reflecting $1.33 billion of new loan and lease production for the year
- **Deposits** of $5.28 billion, up 12.3% year-over-year
  - **Noninterest-bearing demand deposits** of $1.90 billion, up 36.4% from 2019
  - **Cost of interest-bearing deposits** declined 81 basis points from the prior year to 1.04%
- **Credit loss expense** of $45.5 million compared with $30.2 million for 2019
  - **Allowance for credit losses** of 1.85% of loans (1.97% excluding PPP loans) at year-end
- **Well-capitalized** with a Total Risk-Based capital ratio of 15.29% and a Common Equity Tier 1 capital ratio of 11.60% and TCE/TA* ratio of 9.13% (9.59% excluding PPP loans)

*Non-GAAP financial measure; refer to the non-GAAP reconciliation slide

2020 Financial Summary

($ millions, except EPS)	Twelve Months Ended December 31, 2020	December 31, 2019	Change[1,2]
Income Statement Summary			
Net interest income	$ **180.9**	$ 175.9	2.9%
Noninterest income	**43.1**	27.6	56.4%
Operating revenue	**224.0**	203.4	10.1%
Noninterest expense	**119.1**	125.9	-5.4%
Credit Loss Expense	**45.5**	30.2	50.7%
Pretax income	**59.5**	47.3	25.7%
Income tax expense	**17.3**	14.6	18.8%
Net income	$ **42.2**	$ 32.8	28.7%
Reported EPS-Diluted	$ **1.38**	$ 1.06	30.2%
Select Balance Sheet Items			
Loans	$ **4,880**	$ 4,610	5.9%
Deposits	**5,275**	4,699	12.3%
Total Assets	**6,202**	5,538	12.0%
Stockholders' Equity	**577**	563	2.4%
Profitability Metrics			
Return on average assets	**0.72%**	0.60%	12
Return on average equity	**7.56%**	5.80%	176
TCE/TA[3]	**9.13%**	9.98%	-85
Net interest margin	**3.19%**	3.37%	-18
Efficiency ratio	**53.15%**	61.89%	-874

Note: Numbers may not add due to rounding
(1) Percentage change calculated from dollars in thousands
(2) Change in basis points for returns and ratios
(3) Non-GAAP financial measure; refer to the non-GAAP reconciliation slide

Key Highlights

- Net income of $42.2 million, or $1.38 per diluted share, compared with $32.8 million, or $1.06 per diluted share in 2019
  - Net income includes credit loss expense of $45.5 million and gain on sale of securities of $15.7 million
- Loans and leases receivable of $4.88 billion, up 4.0% in the fourth quarter on an annualized basis and up 5.9% year-over-year
  - Reflects $309.0 million of loans funded through the Paycheck Protection Program (“PPP”) and fourth quarter 2020 new loan and lease production of $327.8 million
- Deposits of $5.28 billion, up 12.3% year-over-year driven by an increase of $507.1 million in noninterest-bearing demand deposits
- Net interest income increased 2.9% to $180.9 million for 2020; net interest margin of 3.19%
- Noninterest income was $43.1 million up $15.5 million from 2019; includes $15.7 million of gains from sales of securities
- Noninterest expense of $119.1 million down 5.4% from the prior year; 2020 included $3.1 million effect of deferred loan origination costs from PPP loan originations
- Efficiency ratio of 53.15% (58.63%[3] excluding securities gains and deferred PPP loan origination costs) compared to 61.89% for 2019
- Nonperforming assets at 1.38% of total assets; allowance for credit losses was 1.85% of loans at year-end or 1.97% excluding PPP loans
  - Modified loans declined 73% in the fourth quarter to $156 million or 3.2% of loans

4Q20 Financial Summary

($ million, except EPS)	4Q20	3Q20	4Q19	Change (1,2) Q/Q	Change (1,2) Y/Y
Income Statement Summary					
Net interest income	**$ 46.9**	$ 45.6	$ 43.9	2.8%	6.7%
Noninterest income	**8.8**	7.1	6.7	23.4%	31.3%
Operating revenue	**55.7**	52.7	50.6	5.6%	10.0%
Noninterest expense	**30.9**	29.9	34.1	3.3%	-9.3%
Credit Loss Expense	**5.1**	0.0	10.8	13123.0%	-52.7%
Pretax income	**19.7**	22.8	5.8	-13.6%	239.1%
Income tax expense	**5.4**	6.4	2.7	-16.9%	96.8%
Net income	**$ 14.3**	$ 16.3	$ 3.1	-12.3%	364.5%
EPS-Diluted *(in $)*	**$ 0.47**	$ 0.53	$ 0.10		
Select Balance Sheet Items					
Loans receivable	**$ 4,880**	$ 4,834	$ 4,610	1.0%	5.9%
Deposits	**5,275**	5,194	4,699	1.6%	12.3%
Total assets	**6,202**	6,107	5,538	1.6%	12.0%
Stockholders' equity	**577**	563	563	2.5%	2.4%
Profitability Metrics					
Return on average assets	**0.92%**	1.08%	0.22%	-16	70
Return on average equity	**10.01%**	11.74%	2.15%	-173	786
TCE/TA*	**9.13%**	9.05%	9.98%	8	-85
Net interest margin	**3.13%**	3.13%	3.32%	0	-19
Efficiency ratio	**55.53%**	56.73%	67.31%	-120	-1,178

Note: Numbers may not foot due to rounding
(1) Percentage change calculated from dollars in thousands
(2) Change in basis points for returns and ratios
(3) Non-GAAP financial measure; refer to the non-GAAP reconciliation slide

Key Highlights

- Net income of $14.3 million, or $0.47 per diluted share, down 12.3% from $16.3 million, or $0.53 per share, in the third quarter
- Loans receivable of $4.88 billion, up 1.0% from the end of the prior quarter reflecting $327.8 million of new loan and lease production
- Deposits of $5.28 billion, up $80.7 million or 1.6% from the end of the third quarter, led principally by an increase of $197.3 million in money market and savings deposits
- Net interest income increased 2.8% to $46.9 million for the fourth quarter; net interest margin of 3.13%
- Noninterest income up 23.4% from the previous quarter to $8.8 million primarily due to a $1.0 million litigation settlement from a failed acquisition and $1.0 million from the disposition of a previously acquired loan
- Noninterest expense of $30.9 million up 3.3% from the prior quarter
- Efficiency ratio improved to 55.53% in the fourth quarter from 56.73% in the prior quarter
- Well-capitalized with a Total risk-based capital ratio of 15.29% and a Common equity Tier 1 capital ratio of 11.60% at December 31, 2020; tangible common equity to tangible assets ratio was 9.13% (9.59% excluding PPP loans) at year-end

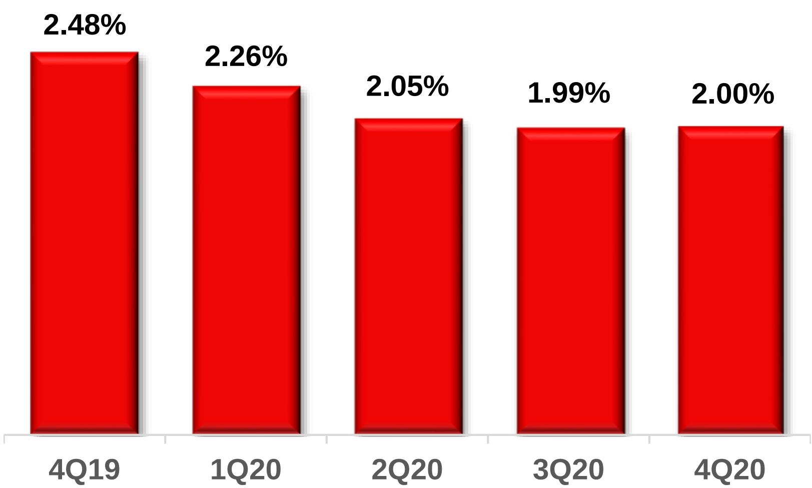
Pretax Pre-Provision Income

($ millions)

Income Statement Summary	4Q20	3Q20	2Q20	1Q20	4Q19
Net interest income	**$ 46.9**	$ 45.6	$ 44.4	$ 44.0	$ 43.9
Noninterest income(1,3)	**7.8**	7.1	5.2	6.2	6.7
Operating revenue	**54.7**	52.7	49.6	50.2	50.6
Noninterest expense(2,3)	**30.9**	29.9	30.2	31.1	34.1
Pretax, Pre-Provision income	**23.8**	22.8	19.4	19.1	16.5
Pretax, Pre-Provision income / average assets (annualized)	**1.54%**	1.52%	1.32%	1.39%	1.20%

- **Operating revenue increased by 3.7% quarter-over-quarter**
  - **Operating revenue includes SBA gains of $1.8 million (4Q20), $2.3 million (3Q20), $1.2 million (1Q20), $1.5 million (4Q19)**
- **Pretax, Pre-Provision income for the fourth quarter increased by 4.1% quarter-over-quarter**

Noninterest Expense over Avg. Assets (2)



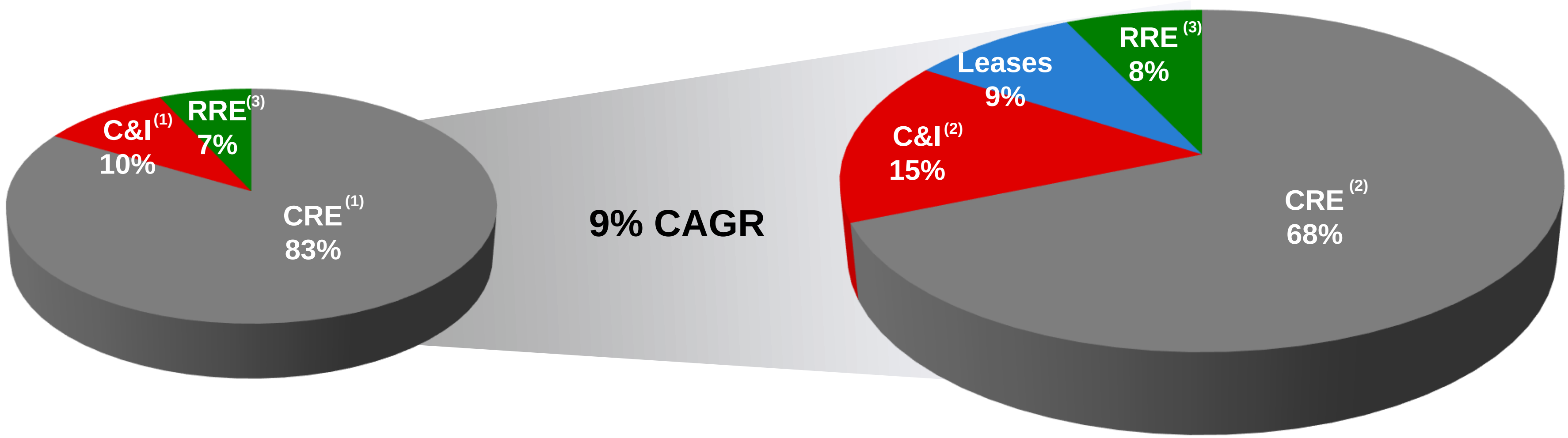
Pretax, Pre-Provision Income ($ millions) (1,2)

Note: Numbers may not add due to rounding
(1) Excludes $1.0 million legal settlement for 4Q20 and gains on securities of $15.7 million for 2Q20
(2) Excludes $3.1 million of PPP deferred loan origination costs for 2Q20
(3) Non-GAAP financial measure; refer to the non-GAAP reconciliation slide

Successful Portfolio Diversification Strategy

Loan Composition
4Q 2015

Loan Composition
4Q 2020



Total Portfolio:
$3.2 billion

Total Portfolio:
$4.9 billion

Significant progress in reducing CRE concentration from 83% of total portfolio to 68% today

(1) Includes $184 million and $14 million of the retained unguaranteed portion of the SBA loans across CRE and C&I respectively.
(2) Includes $137 million and $41 million of the retained unguaranteed portion of the SBA loans across CRE and C&I respectively, and $296 million of guaranteed loans funded through the Paycheck Protection Program net of deferred fees in C&I
(3) RRE includes Consumer

Loan Portfolio Composition

$4.88 Billion Loan Portfolio
(as of 4Q20)

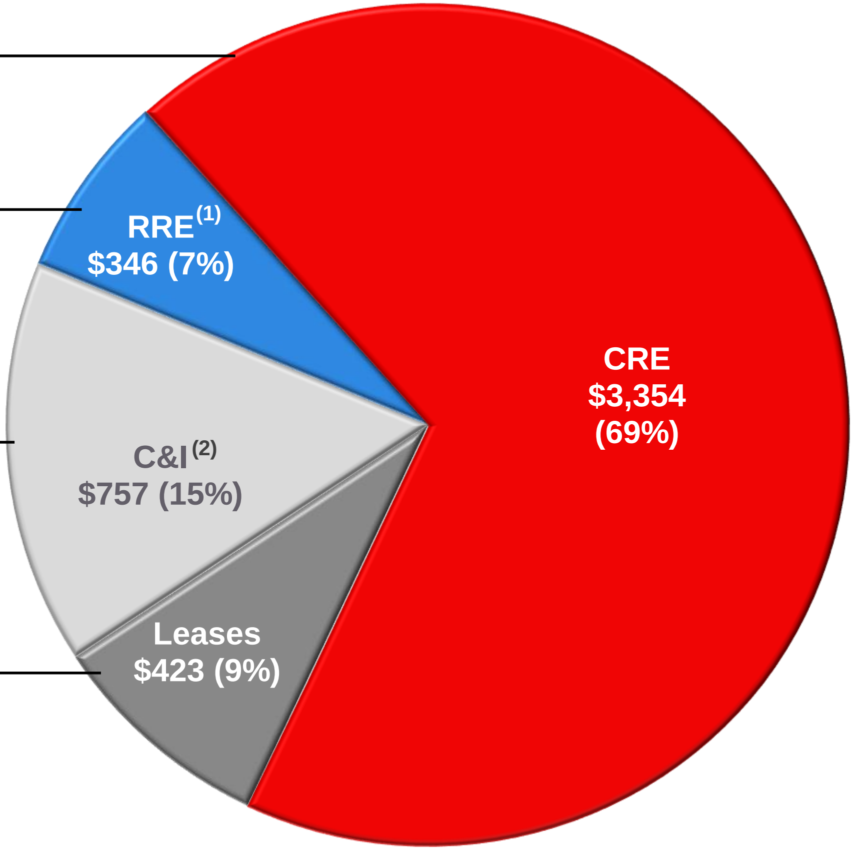
Commercial Real Estate Portfolio	
$ in millions	
Outstanding	$3,354
Average Size	$1.7
QTD Average Yield	4.38%

RRE & Consumer Portfolio	
$ in millions	
Outstanding	$346
Average Size	$0.4
QTD Average Yield	3.60%

Commercial & Industrial Portfolio(2)	
$ in millions	
Outstanding	$757
Average Size	$0.2
QTD Average Yield	3.59%

Leasing Portfolio	
$ in millions	
Outstanding	$423
Average Size	$0.04
QTD Average Yield	5.16%

Loan Portfolio Composition ($ millions)

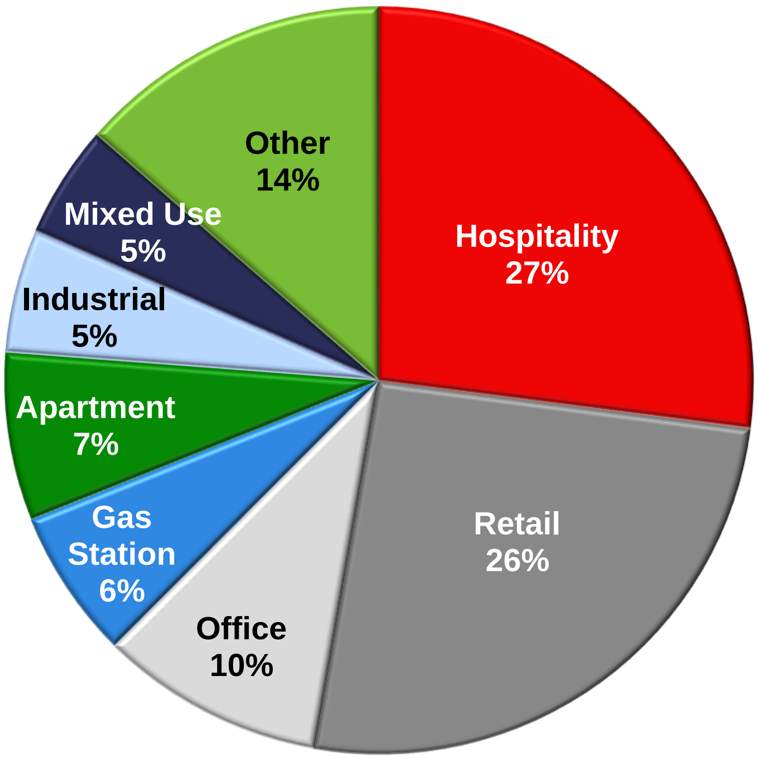


(1) RRE includes Consumer
(2) C&I portfolio includes $296 million of loans funded through the Paycheck Protection Program net of deferred fees and costs

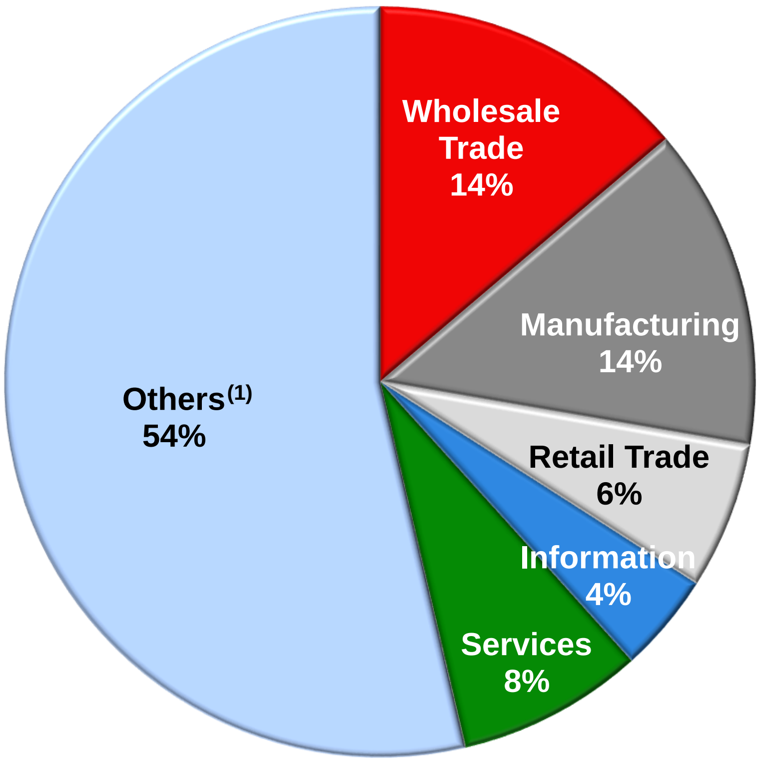
Loan Portfolio Diversification

Loan portfolio is well diversified across property and business types.

CRE Portfolio
$3.35B



C&I Portfolio
$757M



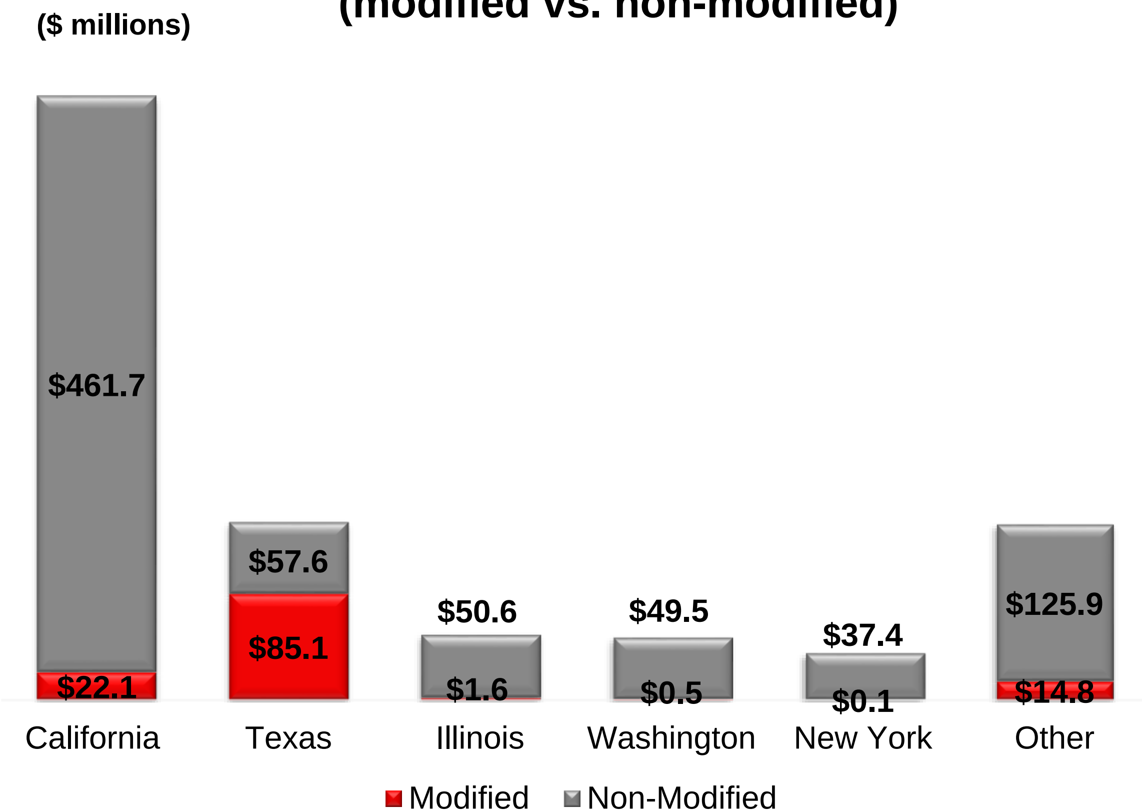
Note: Numbers may not add due to rounding

(1) 73% of this category represents PPP loans

Hospitality Segment

Hospitality segment(1) is $907 million, representing 19% of the loan portfolio.

Composition by Top 5 States(2) (modified vs. non-modified)



Total Hospitality Segment: $907M

Hospitality Portfolio Detail

- Average balance within the segment is $3.3 million
- Weighted average debt coverage ratio of the segment is 2.0x
- Weighted average loan to value of the segment is 50.3%

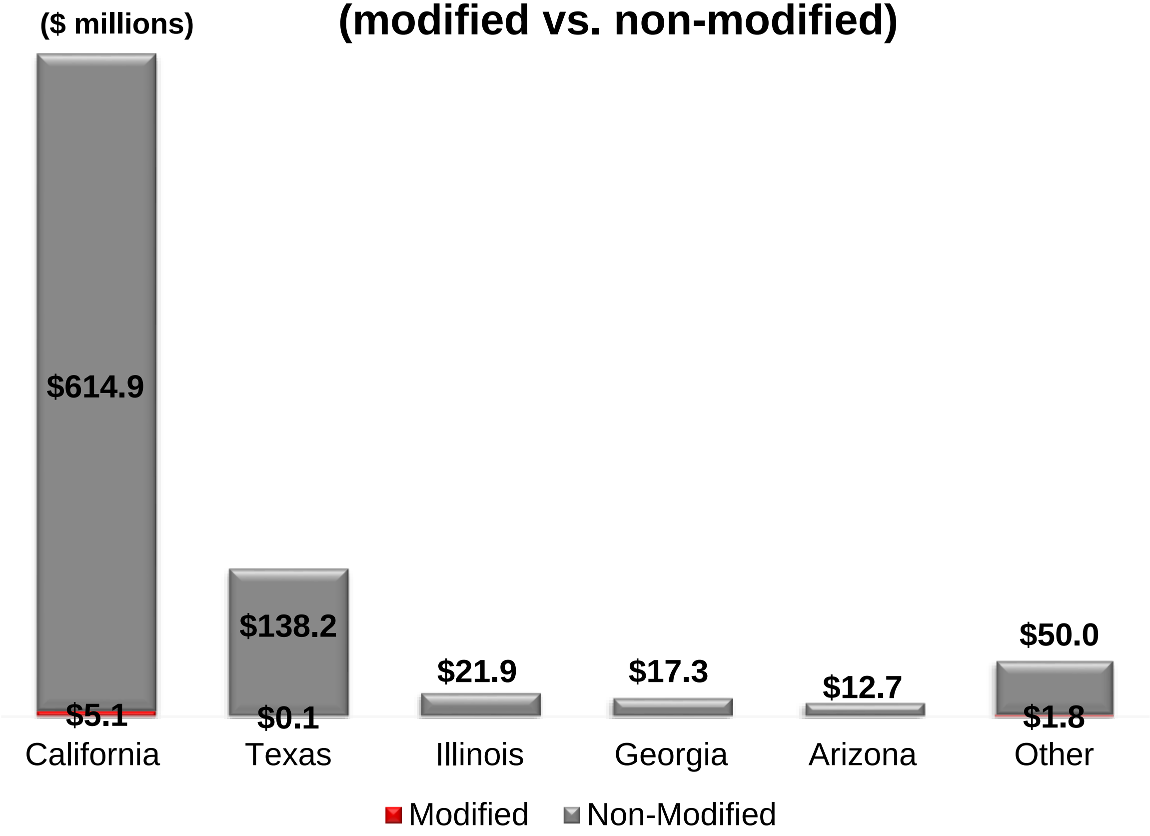
Note: Numbers may not add due to rounding

(1) Segment represents exposure across the loan portfolio, inclusive of CRE, C&I and SBA
(2) Geography based on the collateral address

Retail Segment

Retail segment[1] is $862 million, representing 18% of the loan portfolio.

Composition by Top 5 States[2] (modified vs. non-modified)



Total Retail Segment: <u>$862M</u>

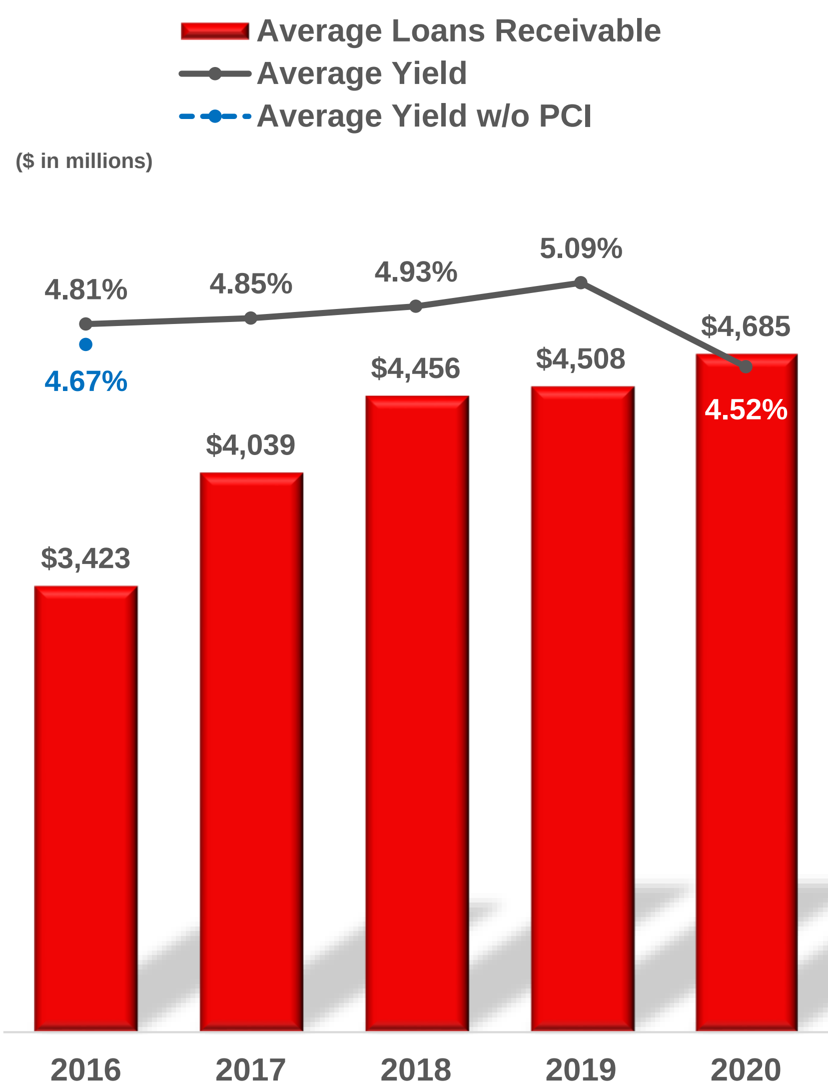
Retail Portfolio Detail

- **Average balance within the segment is $1.2 million**
- **Weighted average debt coverage of the segment is 1.7x**
- **Weighted average loan to value of the segment is 49.6%**

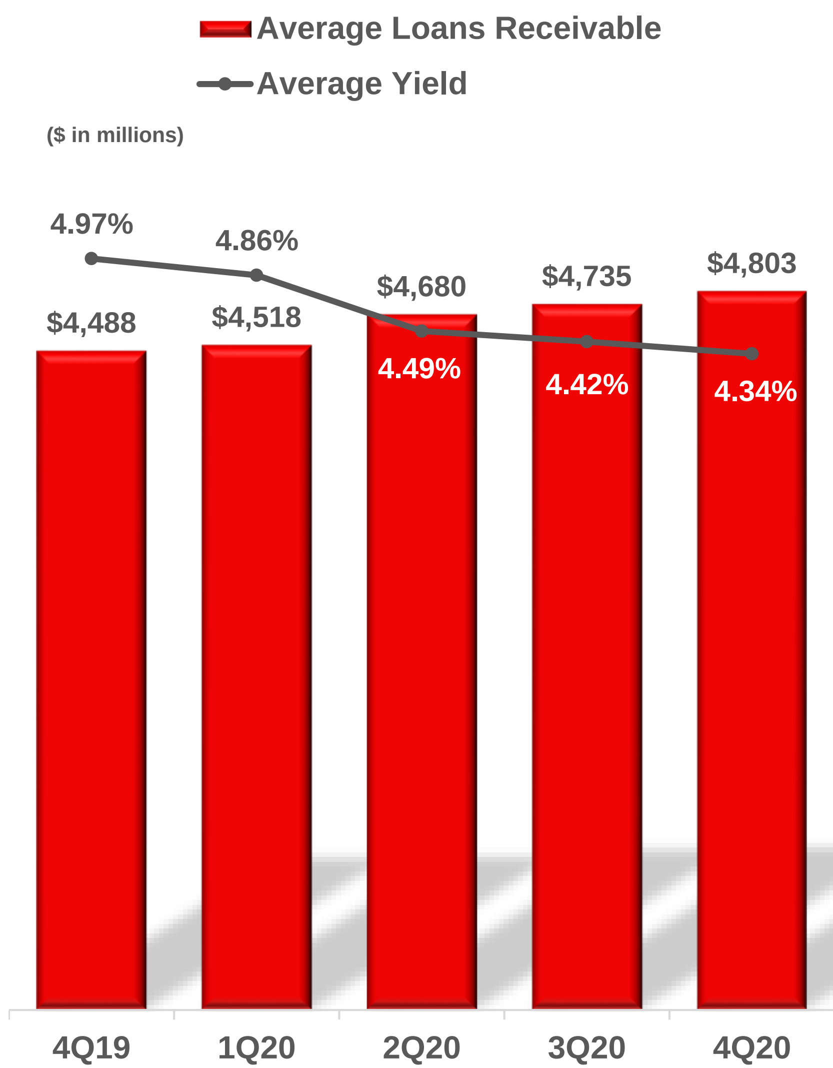
Note: Numbers may not add due to rounding

(1) Segment represents exposure across the loan portfolio, inclusive of CRE, C&I and SBA
(2) Geography based on the collateral address

Loan Trends



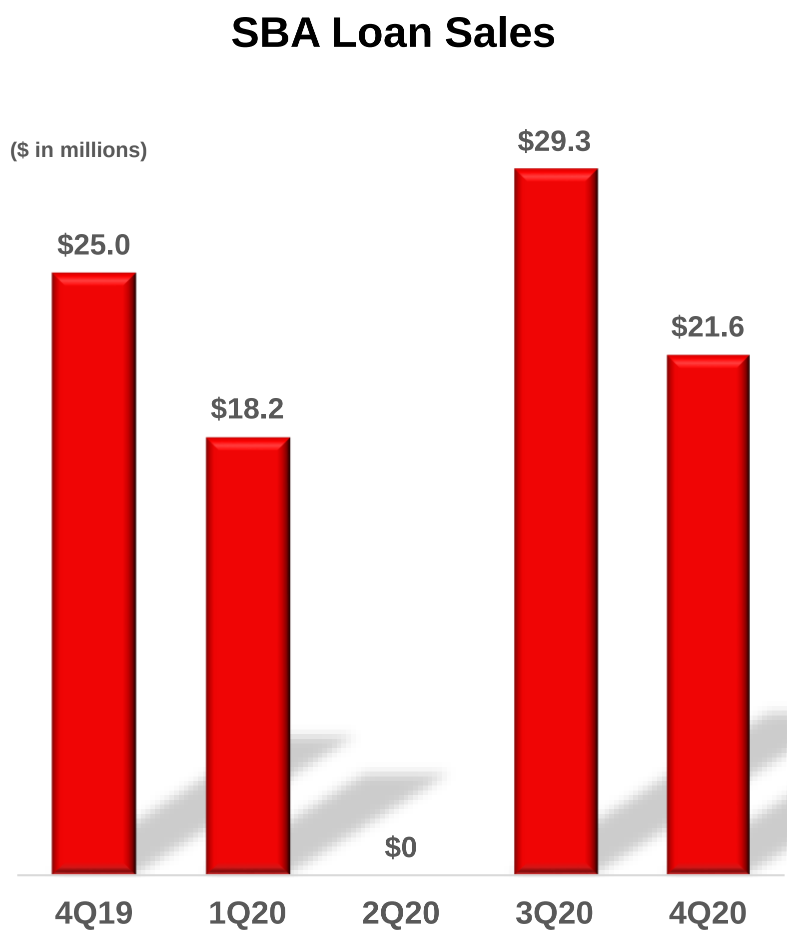
Average Loans Receivable
Average Yield
Average Yield w/o PCI
($ in millions)
4.81%
4.85%
4.93%
5.09%
4.67%
$4,685
$4,456
$4,508
4.52%
$4,039
$3,423
2016
2017
2018
2019
2020

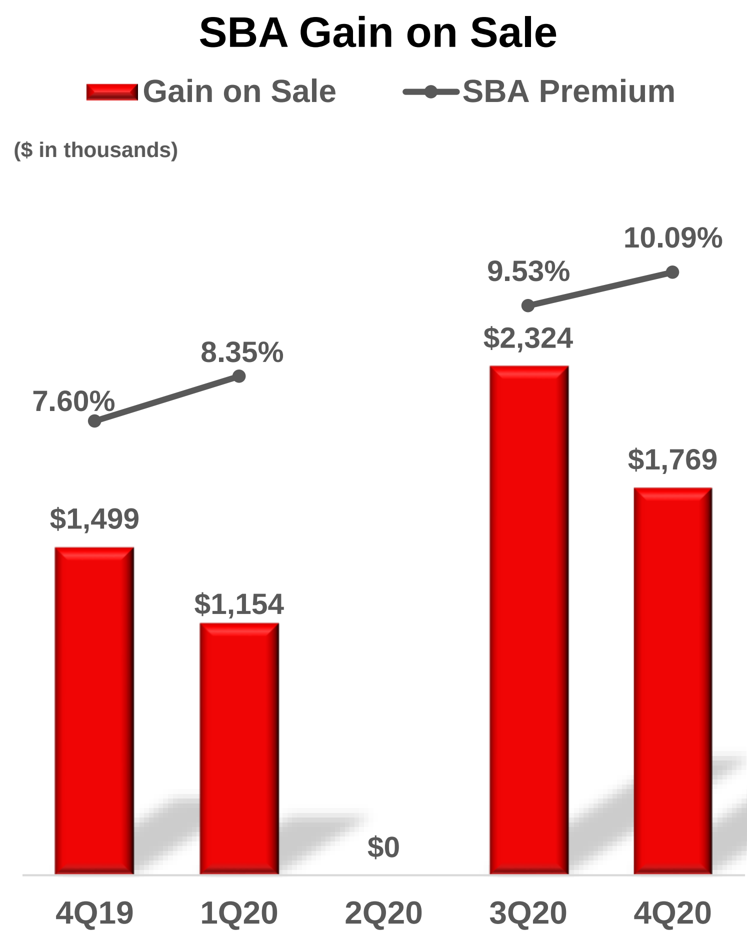


Average Loans Receivable
Average Yield
($ in millions)
4.97%
4.86%
$4,803
$4,735
$4,680
$4,488
$4,518
4.49%
4.42%
4.34%
4Q19
1Q20
2Q20
3Q20
4Q20

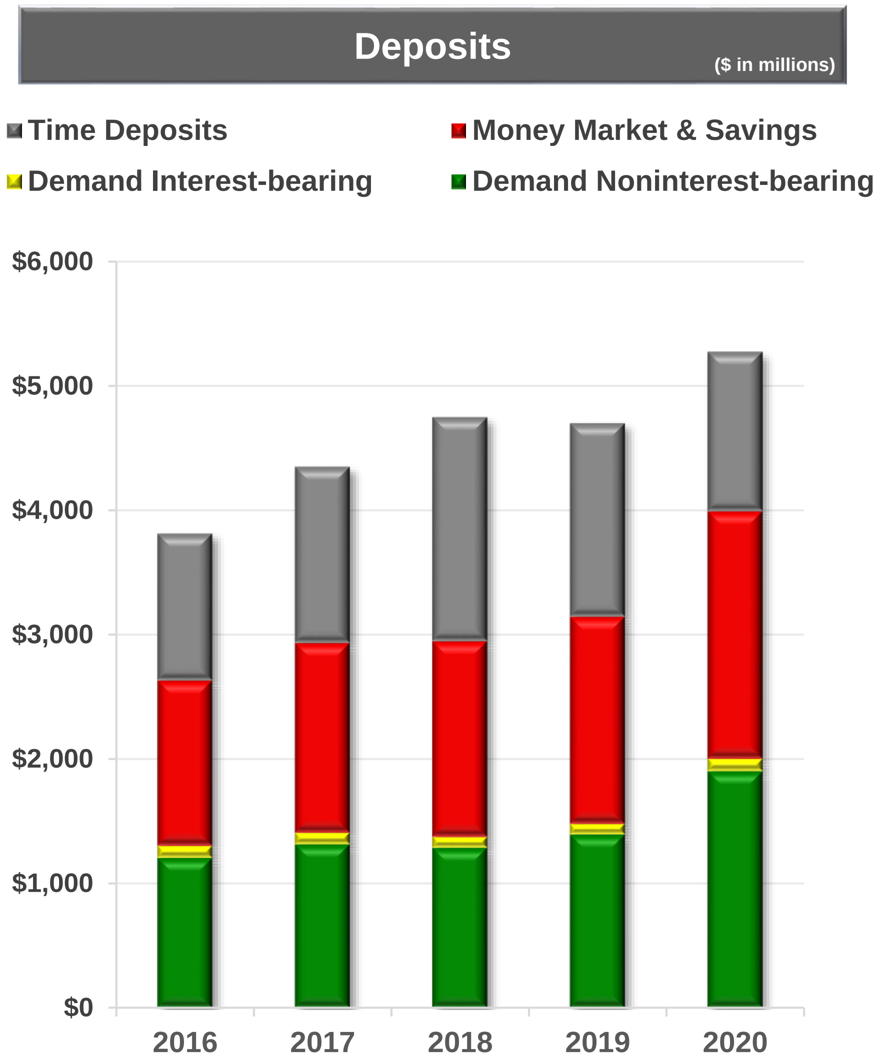
SBA Loan Sales

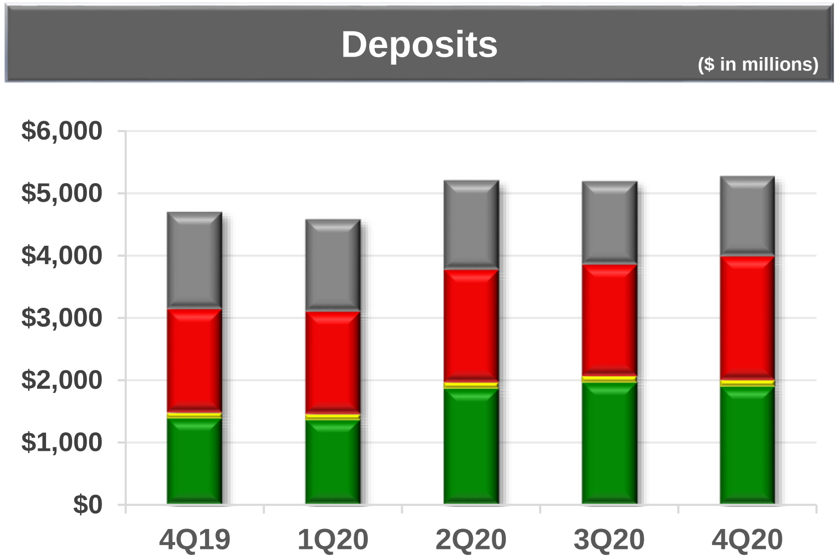
The volume of SBA loans sold and gains on sales of SBA loans for the fourth quarter of 2020 were $21.6 million and $1.8 million, respectively. Hanmi did not sell any SBA loans during the second quarter because of the disruptions in the secondary market resulting from COVID-19.

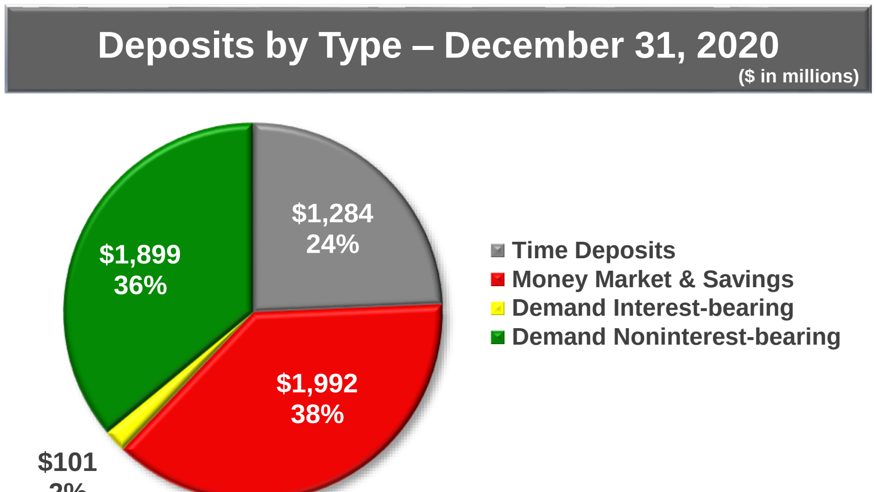




Diversified Deposit Base

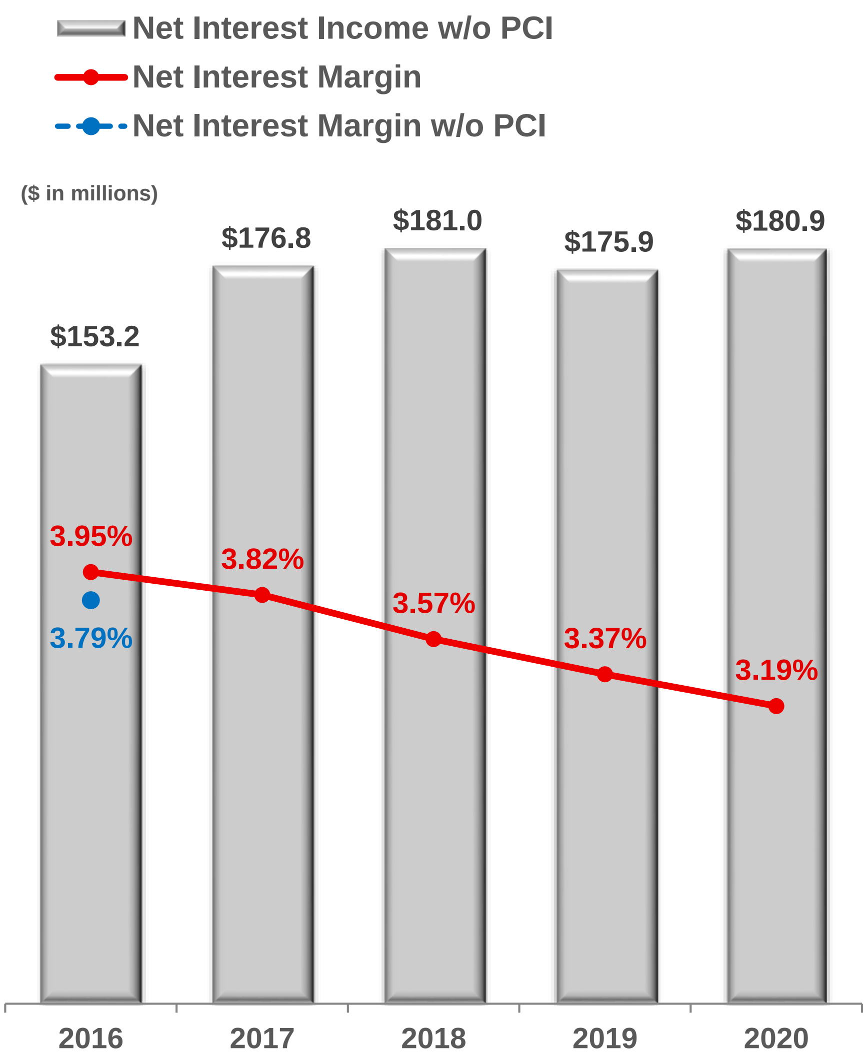


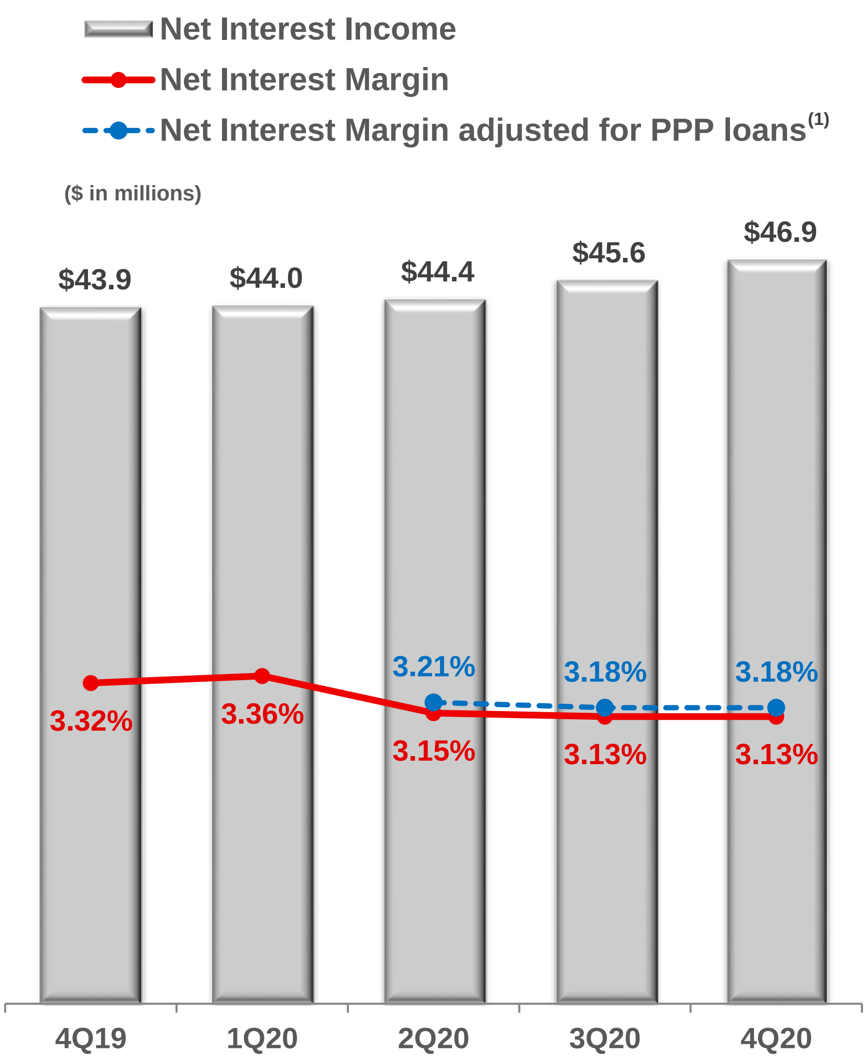




Note: Numbers may not sum due to rounding

Net Interest Margin

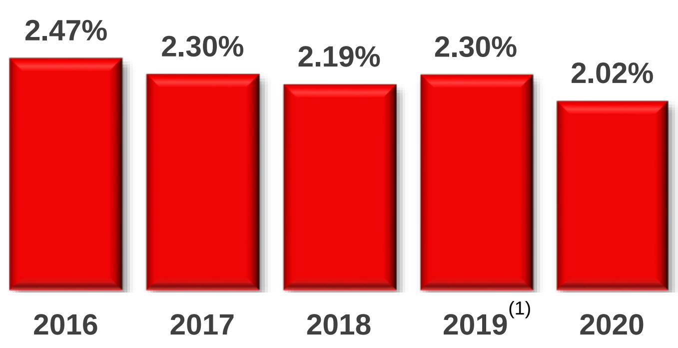




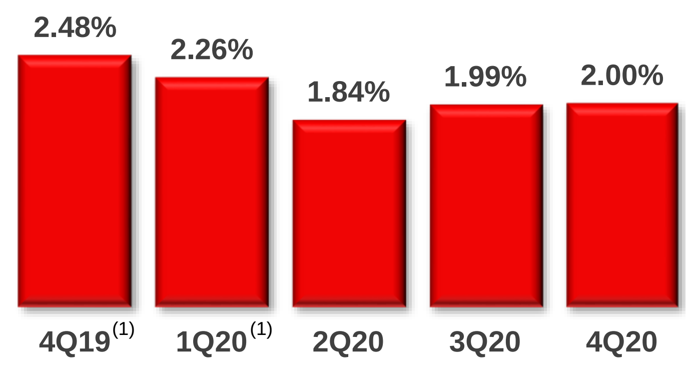
(1) Non-GAAP financial measure; refer to the non-GAAP reconciliation slide

Noninterest Expenses

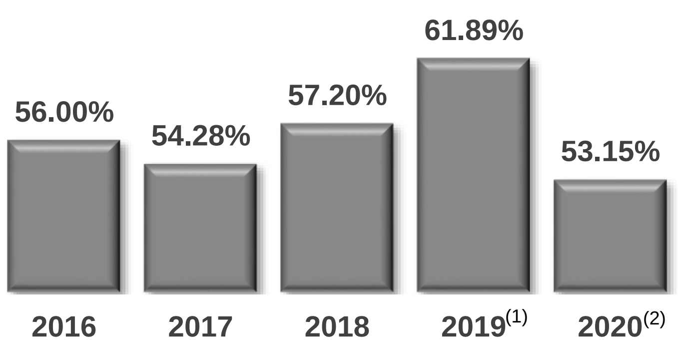
NIE/Avg. Assets



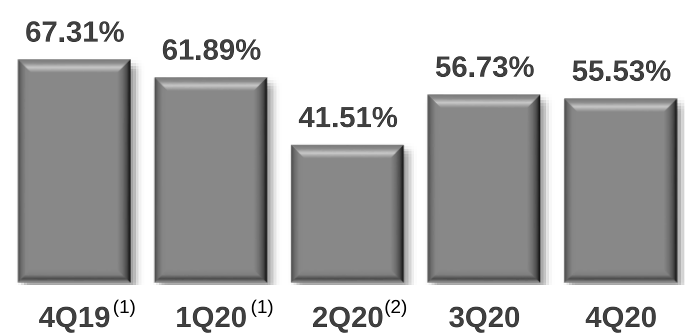
NIE/Avg. Assets



Efficiency Ratio



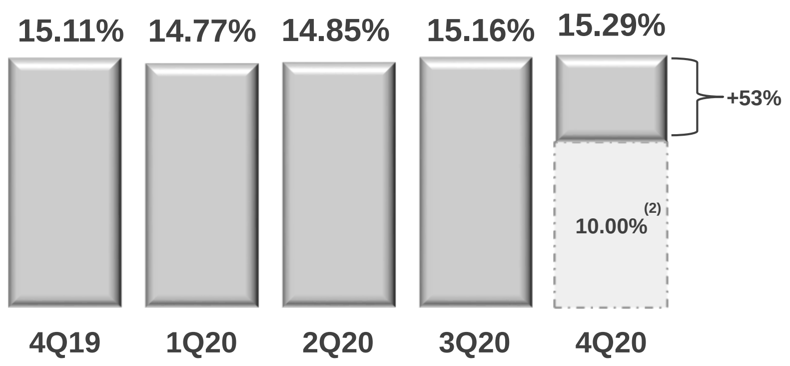
Efficiency Ratio



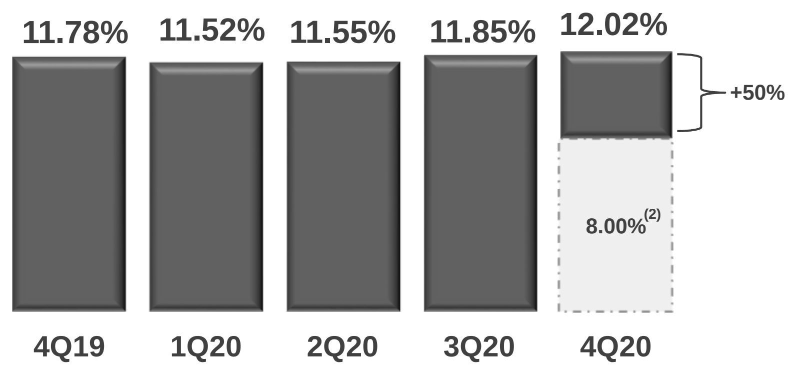
(1) Reflects, among other things, elevated charges arising from the troubled loan relationship
(2) Efficiency ratio adjusted for PPP loans and securities gains for 2Q20 is 60.82% and for FY 2020 is 58.63%. Non-GAAP financial measure; refer to the non-GAAP reconciliation slide

Capital Ratios Exceed Well-Capitalized Thresholds[1]

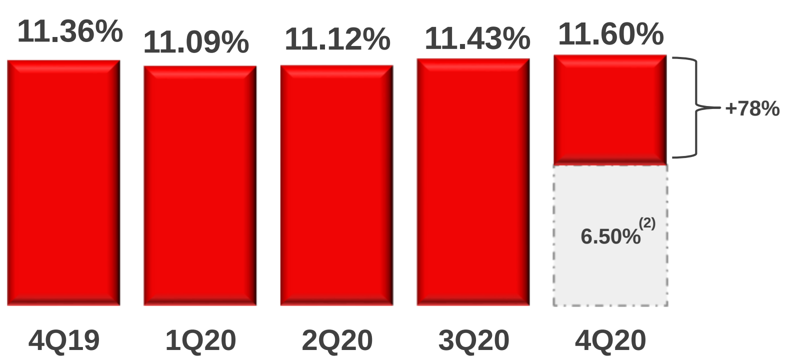
Total RBC



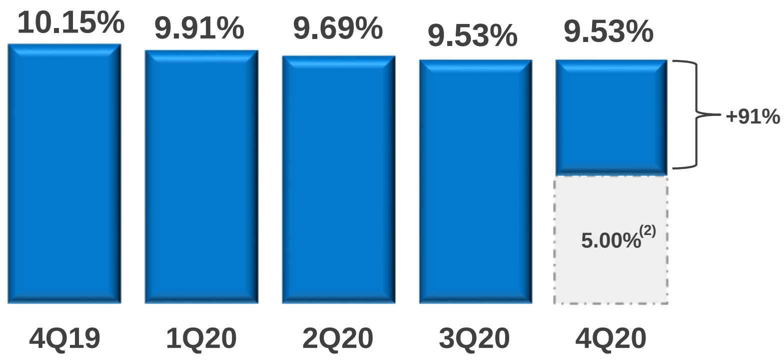
Tier 1 RBC



CET 1



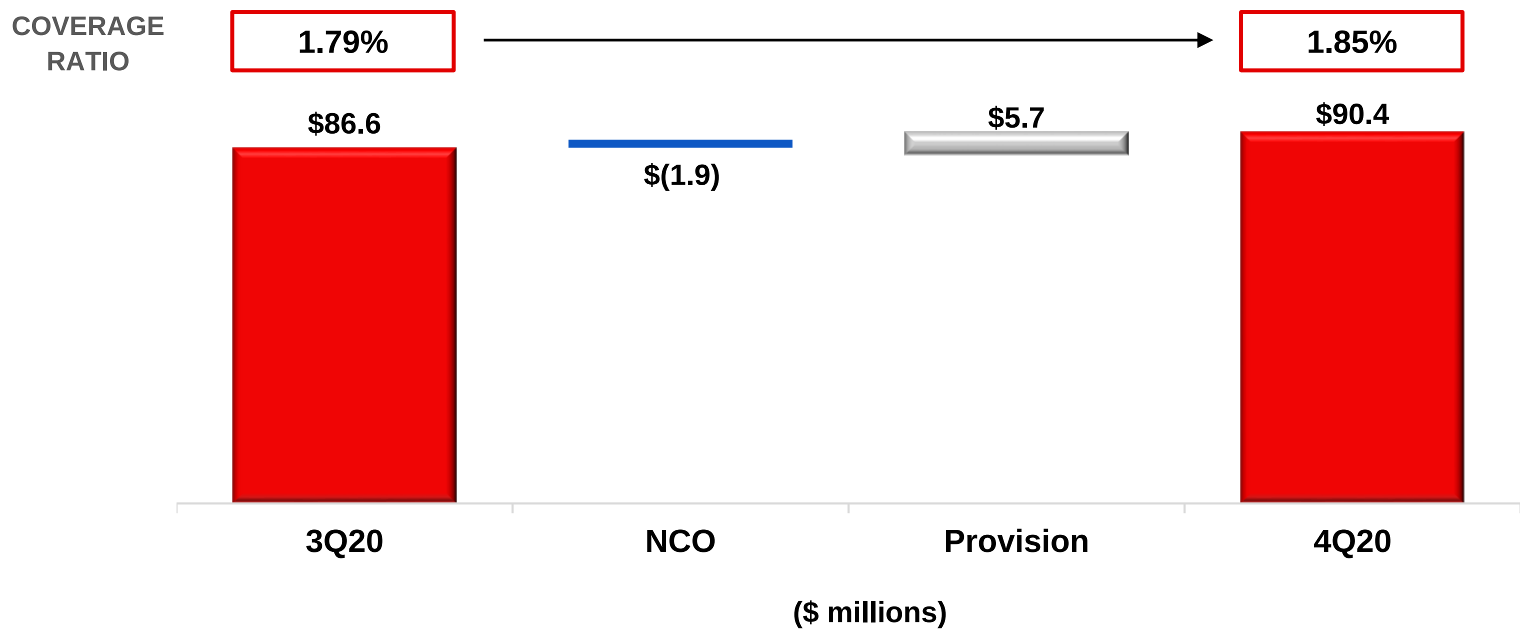
Tier 1 Leverage



(1) Capital ratios are preliminary for December 31, 2020.
(2) Minimum threshold for a well-capitalized institution.

ACL Analysis

Allowance for credit losses was $90.4 million as of December 31, 2020 generating an allowance for credit losses to loans of 1.85% (1.97%[(1)] excluding PPP loans) compared with 1.79% (1.91%[(1)] excluding the PPP loans) at the end of the prior quarter. The increase primarily reflected an increase in specific allowances for individually impaired loans resulting from the COVID-19 pandemic.



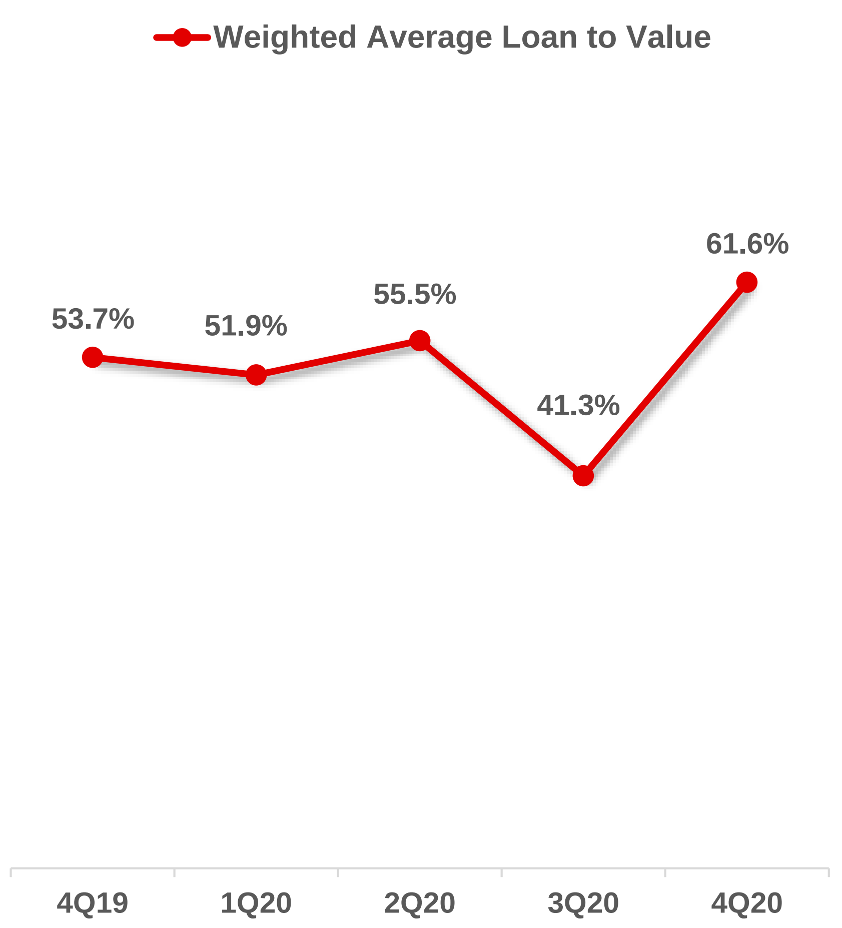
(1) Non-GAAP financial measure; refer to the non-GAAP reconciliation slide

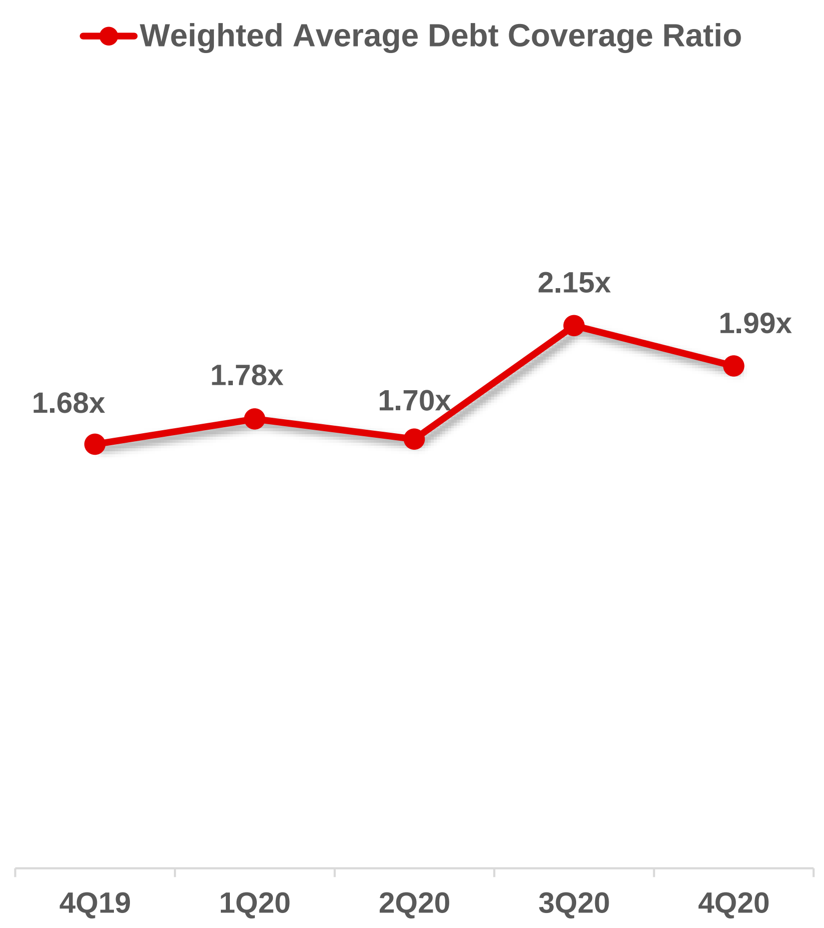
ACL by Loan Components

($ millions)	December 31, 2020		September 30, 2020		June 30, 2020		March 31, 2020		January 1, 2020[1]	
	Allowance	Loans	Allowance	Loans	Allowance	Loans	Allowance	Loans	Allowance	Loans
Loan Components										
CRE	$ 50.5	$ 3,353.8	$ 47.8	$ 3,264.4	$ 53.6	$ 3,266.2	$ 37.0	$ 3,187.2	$ 34.7	$ 3,213.0
C&I	21.4	757.3	20.8	765.5	13.4	730.4	11.6	472.7	2.0	472.4
Leases	17.1	423.3	15.3	433.3	16.5	462.8	15.8	492.5	14.7	483.9
RRE & Consumer	1.4	345.8	2.7	370.9	2.8	366.2	2.1	391.2	2.2	415.7
Total	**$ 90.4**	**$ 4,880.2**	**$ 86.6**	**$ 4,834.1**	**$ 86.3**	**$ 4,825.6**	**$ 66.5**	**$ 4,543.6**	**$ 53.6**	**$ 4,585.0**

(1) Allowance and loans exclude the 1Q20 $25.2 million charge-off associated with the previously identified troubled-loan relationships

Asset Quality in New CRE Originations





Asset Quality

Nonaccrual loans represent 59% of the classified loans by the end of the fourth quarter of 2020.

($ millions)	December 31, 2020	September 30, 2020	Additions / Downgrades	Reductions / Upgrades	Pandemic-impacted
Special Mention	$ 77.0	$ 57.1	$ 37.5	$ 17.6	$ 49.1
Classified	$ 140.2	$ 106.2	$ 45.4	$ 11.4	$ 54.0
Total Criticized Loans	**$ 217.2**	**$ 163.3**	**$ 82.9**	**$ 29.0**	**$ 103.1**
Nonaccrual loans	**$ 83.0**	**$ 64.3**	**$ 22.3**	**$ 3.6**	**$ 33.0**

- **Total criticized loans increased by 33% quarter-over-quarter and pandemic impact made up for 47% of all criticized loans**
- **Nonaccrual loans increased by 29% quarter-over-quarter and pandemic impact made up for 40% of nonaccrual loans**
  - **Nearly 75% of nonaccrual loans represent just eight loan relationships of $2 million or more; several of these are expected to be positively dispositioned in the first quarter with minimal or no loss**
- **20.1% of special mention loans and 15.7% of classified loans represent loan modifications**
  - **4.6% of nonaccrual loans represent loan modifications**

Note: Numbers may not add due to rounding

Investment Highlights & Opportunities

- **Strong balance sheet**
  - Diversified loan portfolio
  - Premier core deposit franchise
  - Sound asset quality
  - Well capitalized

- **Prudent capital management**
  - Dividends appropriate with earnings level
  - Share repurchase in place, although paused for time being

- **Attractive market valuation**[1]
  - P/ LTM EPS: 10.41x
  - P/TBV: 0.80x

(1) Source: S&P Global Market Intelligence as of February 2, 2021

Non-GAAP Reconciliation

($ thousands, except share, per share data and ratios)

	4Q20	3Q20	2Q20	1Q20	4Q19
Tangible Common Equity to Tangible Assets Ratio					
Assets	$ 6,201,888	$ 6,106,782	$ 6,218,163	$ 5,617,690	$ 5,538,184
Less goodwill and other intangible assets	(11,612)	(11,677)	(11,742)	(11,808)	(11,873)
Tangible assets	$ 6,190,276	$ 6,095,105	$ 6,206,421	$ 5,605,882	$ 5,526,311
Stockholders' equity[1]	$ 577,044	$ 563,203	$ 547,436	$ 552,958	$ 563,267
Less goodwill and other intangible assets	(11,612)	(11,677)	(11,742)	(11,808)	(11,873)
Tangible stockholders' equity[1]	$ 565,432	$ 551,526	$ 535,694	$ 541,150	$ 551,394
Stockholders' equity to assets	9.30%	9.22%	8.80%	9.84%	10.17%
Tangible common equity to tangible assets[1]	9.13%	9.05%	8.63%	9.65%	9.98%
Common shares outstanding	30,717,835	30,719,591	30,657,629	30,622,741	30,799,624
Tangible common equity per common share	$ 18.41	$ 17.95	$ 17.47	$ 17.67	$ 17.90

(1) There were no preferred shares outstanding at the periods indicated.

Non-GAAP Reconciliation – PPP (FY 2020)

($ in thousands, except share and per share data)

	For the Twelve Months Ended December 31, 2020	
Net Interest Margin		
Net interest income	$	180,898
Less PPP loan interest income		(4,593)
Net interest income adjusted for PPP loans	$	176,305
Average interest-earning assets	$	5,671,265
Less average PPP loans		(217,999)
Average interest-earning assets adjusted for PPP loans	$	5,453,266
NIM (1)		**3.19%**
NIM adjusted for PPP loans (1)		**3.23%**
Efficiency Ratio		
Noninterest expense	$	119,053
Less PPP deferred origination costs		3,064
Noninterest expense adjusted for PPP loans	$	122,117
Net interest income plus noninterest income	$	224,002
Less net gain on sales of securities		(15,712)
Net interest income plus noninterest income adjusted for net securities gains	$	208,290
Efficiency ratio (2)		**53.15%**
Efficiency ratio adjusted for PPP loans and securities gains (2)		**58.63%**

(1) Net interest income (as applicable) divided by average interest-earning assets (as applicable), annualized
(2) Noninterest expense (as applicable) divided by the sum of net interest income and noninterest income (as applicable)

In response to the Covid-19 pandemic, the Coronavirus Aid, Relief and Economic Security Act (the "CARES Act") was adopted, which included authorization for the U.S. Small Business Administration (the "SBA") to introduce a new program, entitled the "Paycheck Protection Program," which provides loans for eligible businesses through the SBA's 7(a) loan guaranty program. These loans are fully guaranteed and available for loan forgiveness of up to the full principal amount so long as certain employee and compensation levels of the business are maintained and the proceeds of the loan are used as required under the program. The Paycheck Protection Program ("PPP") and loan forgiveness are intended to provide economic relief to small businesses nationwide adversely impacted under the COVID-19 pandemic.

Hanmi participated in this program and the financial information for the 2020 fourth quarter reflects this participation. This table shows financial information excluding the effect of the origination of the PPP loans, including the corresponding interest income earned on such loans, which constitutes a non-GAAP measure. Management believes the presentation of certain financial measures excluding the effect of PPP loans provides useful supplemental information that is essential to a proper understanding of the financial condition and results of operations of Hanmi. This disclosure should not be viewed as a substitution for results determined in accordance with GAAP, nor is it necessarily comparable to non-GAAP financial measures that may be used by other companies.

Non-GAAP Reconciliation – PPP (4Q20)

($ in thousands, except share and per share data)

		As of December 31, 2020
Tangible Common Equity to Tangible Assets		
Tangible assets	$	6,190,276
Less PPP loans		(295,702)
Tangible assets adjusted for PPP loans	$	5,894,574
Tangible stockholders' equity (1)	$	565,432
TCE / TA Ratio		**9.13%**
TCE / TA Ratio adjusted for PPP loans		**9.59%**
Allowance for Credit Losses to Loans Receivable		
Allowance for credit losses	$	90,426
Loans receivable	$	4,880,168
Less PPP loans		(295,702)
Loans receivable adjusted for PPP loans	$	4,584,466
ACL / Loans Receivable		**1.85%**
ACL / Loans Receivable adjusted for PPP loans		**1.97%**

		Three Months Ended December 31, 2020
Net Interest Margin		
Net interest income	$	46,877
Less PPP loan interest income		(1,751)
Net interest income adjusted for PPP loans	$	45,126
Average interest-earning assets	$	5,956,208
Less average PPP loans		(304,017)
Average interest-earning assets adjusted for PPP loans	$	5,652,191
NIM(2)		**3.13%**
NIM adjusted for PPP loans (2)		**3.18%**
Efficiency Ratio		
Noninterest expense	$	30,923
Less PPP deferred origination costs		-
Noninterest expense adjusted for PPP loans	$	30,923
Net interest income plus noninterest income	$	55,686
Less net gain on sales of securities		-
Net interest income plus noninterest income adjusted for net securities gains	$	55,686
Efficiency ratio (3)		**55.53%**
Efficiency ratio adjusted for PPP loans and securities gains (3)		**55.53%**

(1) There were no preferred shares outstanding at December 31, 2020
(2) Net interest income (as applicable) divided by average interest-earning assets (as applicable), annualized
(3) Noninterest expense (as applicable) divided by the sum of net interest income and noninterest income (as applicable)

In response to the Covid-19 pandemic, the Coronavirus Aid, Relief and Economic Security Act (the “CARES Act”) was adopted, which included authorization for the U.S. Small Business Administration (the “SBA”) to introduce a new program, entitled the “Paycheck Protection Program,” which provides loans for eligible businesses through the SBA’s 7(a) loan guaranty program. These loans are fully guaranteed and available for loan forgiveness of up to the full principal amount so long as certain employee and compensation levels of the business are maintained and the proceeds of the loan are used as required under the program. The Paycheck Protection Program (“PPP”) and loan forgiveness are intended to provide economic relief to small businesses nationwide adversely impacted under the COVID-19 pandemic.

Hanmi participated in this program and the financial information for the 2020 fourth quarter reflects this participation. This table shows financial information excluding the effect of the origination of the PPP loans, including the corresponding interest income earned on such loans, which constitutes a non-GAAP measure. Management believes the presentation of certain financial measures excluding the effect of PPP loans provides useful supplemental information that is essential to a proper understanding of the financial condition and results of operations of Hanmi. This disclosure should not be viewed as a substitution for results determined in accordance with GAAP, nor is it necessarily comparable to non-GAAP financial measures that may be used by other companies.

Non-GAAP Reconciliation – PPP (3Q20)

($ in thousands, except share and per share data)

		As of September 30, 2020
Tangible Common Equity to Tangible Assets		
Tangible assets	$	6,095,105
Less PPP loans		(302,929)
Tangible assets adjusted for PPP loans	$	5,792,176
Tangible stockholders' equity (1)	$	551,526
TCE / TA Ratio		**9.05%**
TCE / TA Ratio adjusted for PPP loans		**9.52%**
Allowance for Credit Losses to Loans Receivable		
Allowance for credit losses	$	86,620
Loans receivable	$	4,834,137
Less PPP loans		(302,929)
Loans receivable adjusted for PPP loans	$	4,531,208
ACL / Loans Receivable		**1.79%**
ACL / Loans Receivable adjusted for PPP loans		**1.91%**

		Three Months Ended September 30, 2020
Net Interest Margin		
Net interest income	$	45,605
Less PPP loan interest income		(1,713)
Net interest income adjusted for PPP loans	$	43,892
Average interest-earning assets	$	5,787,667
Less average PPP loans		(302,365)
Average interest-earning assets adjusted for PPP loans	$	5,485,302
NIM (2)		**3.13%**
NIM adjusted for PPP loans (2)		**3.18%**
Efficiency Ratio		
Noninterest expense	$	29,924
Less PPP deferred origination costs		-
Noninterest expense adjusted for PPP loans	$	29,924
Net interest income plus noninterest income	$	52,745
Less net gain on sales of securities		-
Net interest income plus noninterest income adjusted for net securities gains	$	52,745
Efficiency ratio (3)		**56.73%**
Efficiency ratio adjusted for PPP loans and securities gains (3)		**56.73%**

(1) There were no preferred shares outstanding at September 30, 2020
(2) Net interest income (as applicable) divided by average interest-earning assets (as applicable), annualized
(3) Noninterest expense (as applicable) divided by the sum of net interest income and noninterest income (as applicable)

In response to the Covid-19 pandemic, the Coronavirus Aid, Relief and Economic Security Act (the “CARES Act”) was adopted, which included authorization for the U.S. Small Business Administration (the “SBA”) to introduce a new program, entitled the “Paycheck Protection Program,” which provides loans for eligible businesses through the SBA’s 7(a) loan guaranty program. These loans are fully guaranteed and available for loan forgiveness of up to the full principal amount so long as certain employee and compensation levels of the business are maintained and the proceeds of the loan are used as required under the program. The Paycheck Protection Program (“PPP”) and loan forgiveness are intended to provide economic relief to small businesses nationwide adversely impacted under the COVID-19 pandemic.

Hanmi participated in this program and the financial information for the 2020 third quarter reflects this participation. This table shows financial information excluding the effect of the origination of the PPP loans, including the corresponding interest income earned on such loans, which constitutes a non-GAAP measure. Management believes the presentation of certain financial measures excluding the effect of PPP loans provides useful supplemental information that is essential to a proper understanding of the financial condition and results of operations of Hanmi. This disclosure should not be viewed as a substitution for results determined in accordance with GAAP, nor is it necessarily comparable to non-GAAP financial measures that may be used by other companies.

Non-GAAP Reconciliation – PPP (2Q20)

($ in thousands, except share and per share data)

		As of June 30, 2020
Tangible Common Equity to Tangible Assets		
Tangible assets	$	6,206,421
Less PPP loans		(301,836)
Tangible assets adjusted for PPP loans	$	5,904,585
Tangible stockholders' equity (1)	$	535,694
TCE / TA Ratio		**8.63%**
TCE / TA Ratio adjusted for PPP loans		**9.07%**
Allowance for Credit Losses to Loans Receivable		
Allowance for credit losses	$	86,330
Loans receivable	$	4,825,642
Less PPP loans		(301,836)
Loans receivable adjusted for PPP loans	$	4,523,806
ACL / Loans Receivable		**1.79%**
ACL / Loans Receivable adjusted for PPP loans		**1.91%**

		Three Months Ended June 30, 2020
Net Interest Margin		
Net interest income	$	44,442
Less PPP loan interest income		(1,129)
Net interest income adjusted for PPP loans	$	43,313
Average interest-earning assets	$	5,673,321
Less average PPP loans		(251,758)
Average interest-earning assets adjusted for PPP loans	$	5,421,563
NIM(2)		**3.15%**
NIM adjusted for PPP loans (2)		**3.21%**
Efficiency Ratio		
Noninterest expense	$	27,138
Less PPP deferred origination costs		3,064
Noninterest expense adjusted for PPP loans	$	30,202
Net interest income plus noninterest income	$	65,373
Less net gain on sales of securities		(15,712)
Net interest income plus noninterest income adjusted for net securities gains	$	49,661
Efficiency ratio (3)		**41.51%**
Efficiency ratio adjusted for PPP loans and securities gains (3)		**60.82%**

(1) There were no preferred shares outstanding at June 30, 2020
(2) Net interest income (as applicable) divided by average interest-earning assets (as applicable), annualized
(3) Noninterest expense (as applicable) divided by the sum of net interest income and noninterest income (as applicable)

In response to the Covid-19 pandemic, the Coronavirus Aid, Relief and Economic Security Act (the “CARES Act”) was adopted, which included authorization for the U.S. Small Business Administration (the “SBA”) to introduce a new program, entitled the “Paycheck Protection Program,” which provides loans for eligible businesses through the SBA’s 7(a) loan guaranty program. These loans are fully guaranteed and available for loan forgiveness of up to the full principal amount so long as certain employee and compensation levels of the business are maintained and the proceeds of the loan are used as required under the program. The Paycheck Protection Program (“PPP”) and loan forgiveness are intended to provide economic relief to small businesses nationwide adversely impacted under the COVID-19 pandemic.

Hanmi participated in this program and the financial information for the 2020 second quarter reflects this participation. This table shows financial information excluding the effect of the origination of the PPP loans, including the corresponding interest income earned on such loans, which constitutes a non-GAAP measure. Management believes the presentation of certain financial measures excluding the effect of PPP loans provides useful supplemental information that is essential to a proper understanding of the financial condition and results of operations of Hanmi. This disclosure should not be viewed as a substitution for results determined in accordance with GAAP, nor is it necessarily comparable to non-GAAP financial measures that may be used by other companies.