

HANMI FINANCIAL CORP
Form 424B3
July 18, 2018
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**Filed Pursuant to Rule 424(b)(3)
Registration No. 333-225818**

SWNB Bancorp, Inc.

MERGER PROPOSAL YOUR VOTE IS VERY IMPORTANT

Dear Stockholder:

On May 18, 2018, Hanmi Financial Corporation (which we refer to as Hanmi) and SWNB Bancorp, Inc. (which we refer to as SWNB) entered into an Agreement and Plan of Merger (which we refer to as the merger agreement) pursuant to which SWNB will merge with and into Hanmi, with Hanmi as the surviving entity (which we refer to as the merger). Immediately following the merger, Southwestern National Bank, the wholly-owned subsidiary of SWNB, will merge with and into Hanmi Bank, the wholly-owned subsidiary of Hanmi, with Hanmi Bank as the surviving entity (which we refer to as the bank merger). Before we can complete the merger, the stockholders of SWNB must vote to approve the merger agreement.

If the merger is completed, SWNB stockholders will be entitled to elect to receive for each share of SWNB common stock that they own: (1) \$5.74 in cash or (2) 0.1961 shares of Hanmi common stock. SWNB stockholders may receive cash and/or Hanmi common stock for their shares of SWNB common stock. However, individual elections will be limited by the requirement that 80% of the shares of SWNB common stock must be exchanged for Hanmi common stock and 20% must be exchanged for cash. Therefore, the amount of Hanmi common stock and/or cash that each SWNB stockholder receives will depend on the elections made by other SWNB stockholders. Based upon the 13,535,036 shares of SWNB common stock outstanding as of July 9, 2018, Hanmi expects to pay approximately \$15.5 million in cash and issue approximately 2,123,376 shares of Hanmi common stock upon completion of the merger.

The merger agreement establishes a minimum requirement for SWNB's capital (\$48,563,000) prior to the closing of the merger. If SWNB's closing capital, as adjusted in accordance with the terms of the merger agreement, is in excess of the minimum required, SWNB may pay a special dividend to its stockholders in the amount of such excess. For purposes of illustration only, as of March 31, 2018, SWNB's closing capital would have been approximately \$48,430,786. This would not have resulted in the payment of any special dividend to SWNB's stockholders.

The federal income tax consequences of the merger to SWNB stockholders will depend on whether they receive cash, Hanmi common stock or a combination of cash and Hanmi common stock in exchange for their shares of SWNB common stock. The merger has been structured to be tax-free for federal income tax purposes to SWNB stockholders with respect to any shares of Hanmi common stock that they receive in exchange for their shares of SWNB common stock.

Hanmi's common stock trades on the Nasdaq Stock Market under the symbol HAFC. The closing price of Hanmi common stock on May 18, 2018, the trading day before the merger was publicly announced, was \$28.65, which, based on the 0.1961 exchange ratio, represented a value of \$5.62 per share of SWNB common stock. The closing price of Hanmi common stock on July 9, 2018, the most recent practicable trading date before the date of this document, was

\$29.50 per share, which represented a value of \$5.78 per share of SWNB common stock based on the exchange ratio. The market price for Hanmi common stock will fluctuate before the merger. We urge you to obtain current market quotations for Hanmi common stock.

The merger cannot be completed unless holders of at least two-thirds of the issued and outstanding shares of common stock of SWNB approve the merger agreement. SWNB stockholders will vote to approve the merger agreement and on the other matters described in this proxy statement/prospectus at a special meeting of stockholders to be held at 2:00 p.m., local time, on August 16, 2018 at the main office of Southwestern National Bank at 6901 Corporate Drive, Houston, Texas 77036.

SWNB's board of directors unanimously recommends that SWNB stockholders vote FOR the approval of the merger agreement and FOR the other matters to be considered at the SWNB special meeting.

This document contains information that you should consider in evaluating the proposed merger. **In particular, you should carefully read the section captioned Risk Factors beginning on page 13 for a discussion of certain risk factors relating to the merger. You may also obtain additional information about Hanmi and SWNB as described under the section entitled Where You Can Find More Information.**

Voting procedures are described in this proxy statement/prospectus. Your vote is important and I urge you to cast it promptly.

C. K. Lee
Chairman of SWNB Bancorp, Inc.

The shares of Hanmi common stock to be issued in the merger are not deposits or savings accounts or other obligations of any bank subsidiary of Hanmi or of SWNB, and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency. Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved the merger described in this document or the Hanmi common stock to be issued in the merger, or passed upon the adequacy or accuracy of this document. Any representation to the contrary is a criminal offense.

The date of this proxy statement/prospectus is July 12, 2018, and it is first being mailed or otherwise delivered to stockholders of SWNB on or about July 18, 2018.

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ABOUT THIS DOCUMENT

This proxy statement/prospectus, which we refer to as this document, forms part of a registration statement on Form S-4 filed with the Securities and Exchange Commission (which we refer to as the SEC) by Hanmi and constitutes a prospectus of Hanmi under the Securities Act of 1933, as amended (which we refer to as the Securities Act) with respect to the shares of Hanmi common stock to be issued to SWNB stockholders pursuant to the merger agreement. This document also constitutes a proxy statement and a notice of meeting with respect to the special meeting of stockholders of SWNB.

You should rely only on the information contained in this document. Neither Hanmi nor SWNB has authorized anyone to give any information or make any representation about the merger or the companies that is different from, or in addition to, that contained in this proxy statement/prospectus or in any of the materials that have been incorporated in this proxy statement/prospectus by reference. Therefore, if anyone gives you different information, you should not rely on it. This document is dated July 12, 2018. You should not assume that the information contained in this document is accurate as of any other date. Neither the mailing of this document to SWNB stockholders nor the issuance by Hanmi of its common stock in connection with the merger will create any implication to the contrary.

This document does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy, to or from any person in any jurisdiction where it is unlawful to make any such offer or solicitation. Information contained in this document regarding Hanmi has been provided by Hanmi and information contained in this document regarding SWNB has been provided by SWNB.

REFERENCES TO ADDITIONAL INFORMATION

This document incorporates important business and financial information about Hanmi from documents filed with the SEC that have not been included in or delivered with this document. You may read and copy these documents at the SEC's public reference room located at 100 F Street, NE, Washington, DC 20549. Copies of these documents also can be obtained at prescribed rates by writing to the Public Reference Section of the SEC, at 100 F Street, NE, Washington, DC 20549 or by calling 1-800-SEC-0330 for additional information on the operation of the public reference facilities. This information is also available at the Internet site the SEC maintains at <http://www.sec.gov>. See "Where You Can Find More Information" on page 83.

You also may request orally or in writing copies of these documents at no cost by contacting Hanmi at the following address:

Hanmi Financial Corporation
3660 Wilshire Boulevard, Penthouse Suite A
Los Angeles, California 90010
Attention: Vivian I. Kim, Corporate Secretary
(213) 382-2200

You will not be charged for any of these documents that you request. SWNB stockholders requesting documents should do so by August 9, 2018, in order to receive them before the special meeting.

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In addition, if you have questions about the merger or the SWNB special meeting, need additional copies of this document or need to obtain proxy cards or other information related to the proxy solicitation, you may contact Michael Hong at the following address and telephone number:

SWNB Bancorp, Inc.

6901 Corporate Drive

Houston, Texas 77036

Attention: Michael Hong

(713) 771-9700

Information on the website of Hanmi or SWNB, or any subsidiary of Hanmi or SWNB, is not part of this document. You should not rely on that information in deciding how to vote.

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SWNB Bancorp, Inc.

6901 Corporate Drive

Houston, Texas 77036

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

A special meeting of stockholders of SWNB Bancorp, Inc. will be held at the main office of Southwestern National Bank at 6901 Corporate Drive, Houston, Texas 77036, at 2:00 p.m., local time, on Thursday, August 16, 2018.

At the special meeting, you will be asked to consider and vote on:

1. a proposal to approve the Agreement and Plan of Merger, dated as of May 18, 2018, by and between Hanmi Financial Corporation and SWNB Bancorp, Inc.; and
2. a proposal to adjourn the special meeting to a later date or dates, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the special meeting to approve the merger agreement (which we refer to as the Adjournment Proposal).

A copy of the Agreement and Plan of Merger (which we refer to as the merger agreement) is included as Appendix A to this document. This document describes the merger agreement and the proposed merger in detail. We urge you to read it carefully. The enclosed document forms a part of this notice.

The board of directors of SWNB Bancorp, Inc. unanimously recommends that SWNB stockholders vote FOR the proposal to approve the merger agreement and FOR the Adjournment Proposal.

SWNB's board of directors has fixed the close of business on July 9, 2018 as the record date for determining the stockholders entitled to notice of, and to vote at, the special meeting and any adjournments or postponements of the special meeting.

SWNB stockholders have the right to dissent from the merger and obtain payment of the cash appraisal fair value of their SWNB shares under applicable provisions of Texas law. A copy of the provisions regarding dissenters' rights is attached as Appendix B to the accompanying proxy statement/prospectus. For details of your dissenter's rights and how to exercise them, please see the discussion under Dissenters' Rights of SWNB Stockholders.

Your vote is very important. Your proxy is being solicited by SWNB's board of directors. In order to complete the proposed merger, the proposal to approve the merger agreement must be approved by at least two-thirds of the issued and outstanding shares of common stock of SWNB. Whether or not you plan to attend the special meeting in person, we urge you to vote in advance of the meeting by mail. You should follow the instructions on the proxy card that accompanies this proxy statement/prospectus or the voting instruction card that you receive from your bank or broker. You may revoke your proxy at any time before the special meeting. If you attend the special meeting and vote in person, your proxy vote will not be used.

By Order of the Board of Directors

Doris Chen
Corporate Secretary

Houston, Texas

July 18, 2018

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QUESTIONS AND ANSWERS ABOUT THE MERGER AND THE SPECIAL MEETING

General Questions about the Merger

Q: What am I being asked to vote on? What is the proposed transaction?

A: On May 18, 2018, Hanmi Financial Corporation (which we refer to as **Hanmi**) entered into an Agreement and Plan of Merger (which we refer to as the **merger agreement**) with SWNB Bancorp, Inc. (which we refer to as **SWNB**). The merger agreement provides for the merger of SWNB with and into Hanmi, with Hanmi as the surviving corporation (which we refer to as the **merger**). A copy of the merger agreement is attached to this document as Appendix A. In order to complete the merger, SWNB stockholders are being asked to vote to approve the merger agreement and the transactions contemplated thereby. SWNB will hold a special meeting of stockholders to obtain the required stockholder approval to complete the merger. This document contains important information about the merger agreement, the merger, the SWNB stockholder meeting, and other related matters, and you should read it carefully. SWNB stockholders are also being asked to vote on a proposal to adjourn the special meeting, if necessary, in order to permit further solicitation of proxies in favor of the merger agreement and the transactions contemplated thereby (which we refer to as the **Adjournment Proposal**).

Q: What will SWNB stockholders receive in the merger?

A: Under the merger agreement, each SWNB stockholder will have the right to elect to receive for each share of SWNB common stock that they own: (1) \$5.74 in cash or (2) 0.1961 shares of Hanmi common stock. However, individual elections will be limited by the requirement that 80% of the shares of SWNB common stock is exchanged for Hanmi common stock and 20% is exchanged for cash. Hanmi will not issue fractional shares in the merger; instead, SWNB stockholders will receive a cash payment, without interest, for the value of any fraction of a share of Hanmi common stock that they would otherwise be entitled to receive.

Additionally, if the SWNB Closing Capital, as defined in the merger agreement and as further described in this document, exceeds \$48,563,000, subject to certain adjustments, SWNB may, upon written notice to Hanmi, declare and pay a special dividend to its stockholders in the amount of such excess. For purposes of illustration only, as of March 31, 2018, SWNB's closing capital would have been approximately \$48,430,786. This would not have resulted in the payment of any special dividend to SWNB's stockholders.

See the sections of this document entitled **Description of the Merger Consideration to be Received in the Merger** and **Description of Hanmi Capital Stock** for more information.

Q: What will happen to SWNB as a result of the merger?

A: If the merger is completed, SWNB will merge with and into Hanmi, and SWNB will cease to exist. Following the consummation of the merger, Southwestern National Bank, a national banking association and wholly-owned subsidiary of SWNB, will merge with and into Hanmi Bank, a California chartered bank and wholly-owned

subsidiary of Hanmi, with Hanmi Bank continuing as the surviving entity.

Q: What dividends will SWNB stockholders receive after the merger?

A: After the merger, former SWNB stockholders will be entitled to receive dividends declared on the shares of Hanmi common stock that they receive in the merger. Currently, Hanmi pays a quarterly dividend of \$0.24 per share. However, there is no guarantee that Hanmi will continue to pay dividends at this level or at all. All dividends on Hanmi common stock are declared at the discretion of the Hanmi board of directors. See the sections of this document entitled *Comparative Pro Forma Per Share Data* and *Market Price and Dividend Information* for more information.

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Q: Is completion of the merger subject to any conditions besides SWNB stockholder approval?

A: Yes. To complete the merger: (1) the merger must receive the required regulatory approvals, (2) on the third business day immediately preceding the closing date, Southwestern National Bank must have total month-to-date average core deposits of not less than \$190,000,000, (3) as of the closing date, SWNB's closing capital must be equal or greater than \$48,563,000, (4) on the third business day immediately preceding the closing date, Southwestern National Bank's allowance for loan losses must not be less than \$4,231,000, (5) SWNB must have received a favorable private letter ruling from the Internal Revenue Service (which we refer to as the "IRS"), and (6) other customary closing conditions must be satisfied. To review the conditions to completing the merger in more detail, see "Description of the Merger" "Conditions to Completing the Merger."

Q: When is the merger expected to be completed?

A: Hanmi and SWNB will try to complete the merger as soon as possible. Before this happens, the merger agreement must be approved by SWNB's stockholders, and Hanmi and SWNB must obtain the necessary regulatory approvals. Assuming Hanmi and SWNB obtain all necessary stockholder and regulatory approvals in a timely fashion, we expect to complete the merger in the third quarter of 2018.

Q: Will the shares of Hanmi common stock received by SWNB stockholders in the merger be listed on the Nasdaq Global Select Market upon the completion of the merger?

A: Yes. The shares of Hanmi common stock to be issued in connection with the merger have been registered under the Securities Act, and will be listed on the Nasdaq Global Select Market under the symbol "HAFC."

Q: What equity stake will SWNB stockholders hold in Hanmi immediately following the merger?

A: Immediately following completion of the merger, SWNB stockholders will own approximately 6.0% of the outstanding shares of Hanmi common stock.

Q: Am I entitled to dissenters' rights?

A: Yes. SWNB stockholders are entitled to dissenters' rights. For further information, see "Dissenters' Rights" and Appendix B to this document.

Q: What are the U.S. federal income tax consequences of the merger to SWNB stockholders?

A:

If you exchange your shares of SWNB common stock solely for Hanmi common stock, you should not recognize any gain or loss except with respect to the cash you receive instead of any fractional share of Hanmi common stock. If you exchange your shares of SWNB common stock solely for cash, you generally will recognize gain or loss on the exchange equal to the difference between the amount of cash received and the adjusted tax basis in your shares of SWNB common stock exchanged in the merger. If you exchange your shares of SWNB common stock for a combination of Hanmi common stock and cash, you generally will not recognize any loss but will recognize gain, if any, equal to the lesser of (1) the excess, if any, of the sum of the cash received and the fair market value of the Hanmi common stock you receive pursuant to the merger over your adjusted tax basis in your shares of SWNB common stock surrendered, and (2) the amount of cash consideration you receive pursuant to the merger. Because the allocations of cash and Hanmi common stock that you receive will depend on the elections made by other SWNB stockholders, you will not know the actual federal income tax consequences of the merger to you until the allocations are completed. For further information see the section of this document entitled Material U.S. Federal Income Tax Consequences of the Merger. This tax treatment may not apply to all SWNB stockholders. SWNB's counsel is not able to provide an opinion regarding whether this tax treatment will apply to any individual stockholder. Determining the actual tax consequences of the merger to SWNB stockholders can be

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complicated. **SWNB stockholders should consult their own tax advisor for a full understanding of the merger's tax consequences that are particular to each stockholder.**

Q: How do I elect to receive cash or Hanmi common stock in exchange for my SWNB common stock?

A: An election form will be sent to you separately on or about the date this document is mailed. For your election to be effective, your properly completed election form, along with your SWNB stock certificates or an appropriate guarantee of delivery, must be sent to and received by the exchange agent for the merger, Computershare Trust Company, N.A., on or before 5:00 p.m., Central time, on August 31, 2018. **Do not send your election form or stock certificates with your proxy card. Instead, use the separate envelope specifically provided for the election form and your stock certificates.** If you own shares of SWNB common stock in street name through a bank, broker or other nominee and you wish to make an election, you should seek instructions from the bank, broker or other nominee holding your shares. If you do not make a timely or proper election, you will be allocated Hanmi common stock and/or cash depending on the elections made by other stockholders. See the section of this document entitled Description of the Merger Allocation Procedures for more information.

Q: How will I exchange my SWNB stock certificates for Hanmi common stock?

A: If you make an election, you must return your SWNB stock certificates or an appropriate guarantee of delivery with your election form. Shortly before the completion of the merger, the exchange agent will allocate cash and Hanmi common stock among SWNB stockholders, consistent with their elections and the allocation and proration procedures in the merger agreement. If you do not submit an election form, the exchange agent will send you instructions on how and where to surrender your SWNB stock certificates after the merger is completed. **Do not send your election form or SWNB stock certificates with your proxy card.**

Q: What happens if the merger is not completed?

A: If the merger is not completed, SWNB stockholders will not receive any consideration for their shares of common stock in connection with the merger. Instead, SWNB will remain an independent company. Under specified circumstances, SWNB may be required to pay to Hanmi a fee with respect to the termination of the merger agreement. For more information, please review the sections entitled Description of the Merger Terminating the Merger Agreement and Termination Fee beginning on page 69.

Questions Regarding the SWNB Stockholder Meeting

Q: When and where is the SWNB special meeting?

A: The special meeting of SWNB stockholders is scheduled to take place at the main office of Southwestern National Bank at 6901 Corporate Drive, Houston, Texas 77036 at 2:00 p.m., local time, on Thursday, August 16, 2018.

Q: Who is entitled to vote at the SWNB special meeting?

A: Holders of shares of SWNB common stock at the close of business on July 9, 2018, which is the record date, are entitled to vote at the special meeting. As of the record date, 13,535,036 shares of SWNB common stock were outstanding and entitled to vote.

Q: What is the quorum requirement for the special meeting?

A: The presence at the SWNB special meeting, in person or by proxy, of stockholders representing a majority of the outstanding shares of SWNB common stock will constitute a quorum. Abstentions and broker non-votes, if any, will be included in the number of shares present at the meeting for determining the presence of a quorum.

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Q: What vote is required to approve the merger agreement?

A: Approval of the merger agreement requires the affirmative vote by at least two-thirds of the issued and outstanding shares of common stock of SWNB. As of July 9, 2018, directors and executive officers of SWNB beneficially owned 6,711,286 shares of SWNB common stock, representing 48.79% of the issued and outstanding shares of SWNB common stock. SWNB's directors have entered into voting agreements with Hanmi to vote 6,491,842 shares of SWNB common stock over which they have the power to vote or the power to direct the vote, representing 47.96% of the issued and outstanding shares of SWNB common stock, in favor of the merger agreement at the special meeting.

Q: What vote does SWNB's Board of Directors recommend?

A: SWNB's board of directors has determined that the proposed merger is in the best interests of SWNB stockholders, has unanimously approved the merger agreement and unanimously recommends that SWNB stockholders vote FOR the approval of the merger agreement and FOR the Adjournment Proposal. See the section entitled Description of the Merger SWNB's Reasons for the Merger; Recommendation of SWNB's Board of Directors beginning on page 35 of this document.

Q: If I plan to attend the SWNB special meeting in person, should I still return my proxy card?

A: Yes. Whether or not you plan to attend the SWNB special meeting in person, you should complete and return the enclosed proxy card.

Q: What do I need to do now to vote my shares of SWNB common stock?

A: After you have carefully read and considered the information contained in this document, please complete, sign, date and mail your proxy card in the enclosed return envelope as soon as possible. This will enable your shares to be represented at the special meeting. You may also vote in person at the SWNB special meeting. If you sign, date and send in your proxy card, but you do not indicate how you want to vote, your proxy will be voted in favor of approval of the merger agreement.

Q: If my shares are held in street name by my broker, will my broker automatically vote my shares for me?

A: No. Your broker is not able to vote your shares of common stock on the proposal to approve the merger agreement unless you provide instructions on how to vote. You should instruct your broker how to vote your shares by following the directions that your broker provides. If you do not provide instructions to your broker, your shares will not be voted. You should check the voting form used by your broker to see if your broker allows you to vote by telephone or via the Internet.

Q: May a SWNB stockholder change or revoke his or her vote after submitting a proxy?

A: Yes. If you have not voted through your broker, you can change your vote by:

providing written notice of revocation to the Corporate Secretary of SWNB, which must be provided before the special meeting;

submitting a new proxy card; or

attending the special meeting and voting in person. However, simply attending the special meeting without voting will not revoke your proxy.

If you have instructed a broker to vote your shares, you must follow your broker's directions to change your vote.

Q: Are there risks that I should consider in deciding whether to vote to approve the merger agreement?

A: Yes. You should consider the risk factors set forth in the section entitled "Risk Factors" beginning on page 13 of this document.

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Q: Who can answer my other questions?

A: If you have any questions about the merger or the special meeting, or if you need additional copies of this document or the enclosed proxy card, you should contact Michael Hong at the following address and telephone number:

SWNB Bancorp, Inc.

6901 Corporate Drive

Houston, Texas 77036

Attention: Michael Hong

(713) 771-9700

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SUMMARY

This summary highlights selected information in this document and may not contain all of the information important to you. To understand the merger more fully, you should read this entire document carefully, including the attached appendices.

The Companies

Hanmi Financial Corporation

3660 Wilshire Boulevard, Penthouse Suite A

Los Angeles, California 90010

(213) 382-2200

Hanmi Financial Corporation is a Delaware corporation incorporated in 2000 to be the holding company for Hanmi Bank. Hanmi's common stock is listed on the Nasdaq Global Select Market under the symbol H AFC. Hanmi is subject to the Bank Holding Company Act of 1956, as amended, and elected financial holding company status in 2000. Hanmi Bank, the primary subsidiary of Hanmi, is a state chartered bank incorporated under California law in 1981. Effective July 19, 2016, Hanmi Bank converted from a state member bank to a state nonmember bank and, as a result, the Federal Deposit Insurance Corporation is now its primary federal bank regulator. The California Department of Business Oversight remains the Bank's primary state bank regulator. Hanmi Bank is a community bank conducting general business banking, with its primary market encompassing the Korean-American community as well as other ethnic communities across California, Colorado, Georgia, Illinois, New Jersey, New York, Texas, Virginia and Washington. Hanmi Bank's full-service offices are located in markets where many of the businesses are run by immigrants and other minority groups. Hanmi Bank's client base reflects the multi-ethnic composition of these communities.

At March 31, 2018, Hanmi, on a consolidated basis, had total assets of \$5.3 billion, total deposits of \$4.4 billion and stockholders' equity of \$564.3 million.

SWNB Bancorp, Inc.

6901 Corporate Drive

Houston, Texas 77036

(713) 771-9700

SWNB Bancorp, Inc. is a Texas corporation incorporated in 2004 to be the holding company for Southwestern National Bank. Southwestern National Bank provides a broad line of financial products and services to small- and medium-sized businesses and consumers. Southwestern National Bank operates locations in Houston, Sugar Land, Plano, Richardson and Austin, Texas. During 2016, Southwestern National Bank opened a loan and deposit production office in Irvine, California. At March 31, 2018, SWNB, on a consolidated basis, had total assets of \$409.4 million, total deposits of \$345.8 million and stockholders' equity of \$48.4 million.

Special Meeting of SWNB Stockholders; Required Vote (page 27)

A special meeting of SWNB stockholders is scheduled to be held at the main office of Southwestern National Bank at 6901 Corporate Drive, Houston, Texas 77036 at 2:00 p.m., local time, on August 16, 2018. At the special meeting, SWNB stockholders will be asked to vote on (1) a proposal to approve the merger agreement between Hanmi and SWNB, and (2) the Adjournment Proposal. Only SWNB stockholders of record as of the close of business on July 9, 2018 are entitled to notice of and to vote at the SWNB special meeting and any adjournments or postponements of the meeting.

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Approval of the merger agreement requires the affirmative vote of at least two-thirds of the issued and outstanding shares of common stock of SWNB. As of the July 9, 2018 record date, there were 13,535,036 shares of SWNB common stock issued and outstanding. As of July 9, 2018, directors and executive officers of SWNB (and their affiliates), as a group, beneficially owned 6,711,286 shares of SWNB common stock, representing 48.79% of the outstanding shares of SWNB common stock. The directors of SWNB have collectively agreed to vote 6,491,842 shares of SWNB common stock over which they have the power to vote or the power to direct the vote (47.96% of the issued and outstanding shares of SWNB common stock as of July 9, 2018) in favor of the merger agreement at the special meeting.

The Merger and the Merger Agreement (page 33)

The merger of SWNB with and into Hanmi is governed by the merger agreement, which is attached as Appendix A to this document. The merger agreement provides that if all of the conditions are satisfied or waived, SWNB will be merged with and into Hanmi, with Hanmi as the surviving entity. We encourage you to read the merger agreement.

What Will SWNB Stockholders Receive in the Merger (page 48)

The merger agreement provides that each SWNB stockholder will be entitled to elect to receive for each share of SWNB common stock that they own: (1) \$5.74 in cash or (2) 0.1961 shares of Hanmi common stock. However, individual elections will be limited by the requirement in the merger agreement that 80% of the shares of SWNB common stock is exchanged for Hanmi common stock and 20% is exchanged for cash. Therefore, allocations of Hanmi common stock and cash that a SWNB stockholder receives will depend on the elections made by other SWNB stockholders.

Additionally, if the SWNB Closing Capital (as determined in accordance with the merger agreement) is in excess of \$48,563,000, SWNB may declare and pay a special dividend in the amount of such excess, subject to certain federal tax considerations. The SWNB Closing Capital is the SWNB Capital at closing. SWNB Capital is defined in the merger agreement as SWNB's capital stock, surplus, accumulated other comprehensive income or loss, as determined in accordance with generally accepted accounting principles in the United States of America (which we refer to as GAAP) on a consolidated basis (calculated in the same manner in which SWNB's consolidated equity capital at December 31, 2017 was calculated) and excluding realized gains on the sales of securities, gains on the dispositions of property and equipment (including any real estate owned), gains on the sales of loans (except for realized gains on the sales of SBA 7(a) loans originated beginning after May 18, 2018 through the effective time, and certain SBA 7(a) loans disclosed by SWNB to Hanmi), any recovery or net benefit received on loans disclosed by SWNB to Hanmi, and goodwill and other intangible assets (i.e., tangible common equity). In calculating SWNB Capital, transaction-related expenses, as defined in the merger agreement, that exceed \$1.5 million, on an after tax basis, will reduce the amount of SWNB Capital.

For purposes of illustration only, as of March 31, 2018, the SWNB Closing Capital would have been approximately \$48,430,786. This would not have resulted in the payment of any special dividend to SWNB's stockholders.

Dissenters' Rights (page 30)

Under Texas law, SWNB stockholders who deliver a written demand for payment of the fair cash value of their shares of SWNB common stock prior to the SWNB special meeting and who vote against the merger agreement at the special meeting will be entitled, if and when the merger is completed, to receive the fair cash value of their shares. Stockholders' right to make this demand and receive the fair value of their shares in cash is known as dissenters' rights. Dissenters' rights are contingent upon strict compliance with the procedures set forth in Chapter 10, Subchapter H of

the Texas Business Organizations Code (Sections 10.351-10.368).

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For additional information regarding dissenters' rights, see Dissenters' Rights and the complete text of Sections 10.351-10.368 of the Texas Business Organizations Code attached to this document as Appendix B. If SWNB stockholders have any questions regarding dissenters' rights, such stockholders should consult with their own legal advisers. See Dissenters' Rights on page 30.

Market Price and Share Information (page 26)

The following table shows the closing price per share of Hanmi common stock and the implied value of the merger consideration payable for each share of SWNB common stock, giving effect to the merger on May 18, 2018, which is the last day on which shares of Hanmi common stock traded preceding the public announcement of the proposed merger, and on July 9, 2018, the most recent practicable date prior to the mailing of this document. The implied value of one share of SWNB common stock is computed by adding the sum of: (1) 0.8 times the price of a share of Hanmi common stock by the 0.1961 exchange ratio and (2) 0.2 times the cash consideration of \$5.74. See Description of the Merger Consideration to be Received in the Merger.

	Hanmi Common Stock		Cash Consideration	Implied Price Per Share of SWNB Common Stock		
May 18, 2018	\$	28.65	\$	5.74	\$	5.64
July 9, 2018	\$	29.50	\$	5.74	\$	5.78

Recommendation of SWNB Board of Directors (page 35)

The SWNB board of directors has unanimously approved the merger agreement and the proposed merger. The SWNB board of directors believes that the merger agreement, including the merger contemplated by the merger agreement, is fair to, and in the best interests of, SWNB and its stockholders, and therefore **unanimously recommends that SWNB stockholders vote FOR the proposal to approve the merger agreement.** In reaching this decision, SWNB's board of directors considered many factors, which are described in the section captioned Description of the Merger SWNB's Reasons for the Merger; Recommendation of SWNB's Board of Directors.

Opinion of SWNB's Financial Advisor (page 38)

At the May 18, 2018 meeting of the SWNB board of directors, a representative of Sheshunoff & Co. Investment Banking, L.P. (which we refer to as Sheshunoff) rendered Sheshunoff's oral opinion, which was subsequently confirmed by delivery of a written opinion to the SWNB board of directors, dated May 18, 2018, as to the fairness, as of such date, from a financial point of view, to the holders of SWNB's outstanding common stock of the merger consideration to be received by such holders in the merger pursuant to the merger agreement, based upon and subject to the qualifications, assumptions and other matters considered in connection with the preparation of its opinion.

The full text of the written opinion of Sheshunoff, dated May 18, 2018, which sets forth, among other things, the various qualifications, assumptions and limitations on the scope of the review undertaken, is attached as Appendix C to this document.

Sheshunoff provided its opinion for the information and assistance of the SWNB board of directors (solely in its capacity as such) in connection with, and for purposes of, its consideration of the merger and its opinion only

addresses whether the merger consideration to be received by the holders of SWNB common stock in the merger pursuant to the merger agreement was fair, from a financial point of view, to such holders. The opinion of Sheshunoff did not address any other term or aspect of the merger agreement or the merger contemplated thereby. The Sheshunoff opinion does not constitute a recommendation to the

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SWNB board of directors or any holder of SWNB common stock as to how the board of directors, such stockholder or any other person should vote or otherwise act with respect to the merger or any other matter.

Regulatory Approvals (page 55)

The merger cannot be completed unless it is approved by the Federal Deposit Insurance Corporation (which we refer to as the FDIC) and the California Department of Business Oversight (which we refer to as the Department of Business Oversight). In addition, the merger cannot be completed without the approval of the Board of Governors of the Federal Reserve System (which we refer to as the Federal Reserve) pursuant to the Bank Holding Company Act, or a waiver by the Federal Reserve of any requirement for an application, and the non-objection of the Texas Department of Banking. Hanmi filed the required applications with the FDIC and the Department of Business Oversight, a notice with the Texas Department of Banking, and a waiver request with the Federal Reserve requesting confirmation that Hanmi may acquire SWNB without the filing of a formal application. As of the date of this document, Hanmi has not received the required regulatory approvals, non-objection or waiver for the merger, but does not know of any reason why it would not be able to obtain these approvals, non-objection and waiver in a timely manner. Hanmi cannot be certain when or if it will receive the approvals of the FDIC and Department of Business Oversight, the non-objection of the Texas Department of Banking, and the waiver to filing an application from the Federal Reserve.

Conditions to Completing the Merger (page 57)

The completion of the merger is subject to the fulfillment of a number of conditions, including:

approval of the merger agreement by at least two-thirds of the issued and outstanding shares of common stock of SWNB;

the absence of any order, decree, injunction, statute, rule or regulation that enjoins or prohibits the consummation of the merger or the bank merger;

approval of and non-objection to the merger by the appropriate regulatory authorities;

effectiveness of the registration statement of which this document is a part;

authorization by the Nasdaq Stock Market of the listing of the shares of Hanmi common stock to be issued to SWNB stockholders;

receipt by Hanmi and SWNB of an opinion from their respective legal counsel to the effect that the merger will be treated for federal income tax purposes as a tax-free reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (which we refer to as the Code);

subject to the materiality standards provided in the merger agreement, the continued accuracy of the representations and warranties of Hanmi and SWNB in the merger agreement;

performance in all material respects by each of Hanmi and SWNB of its respective obligations under the merger agreement;

the absence of any material adverse effect with respect to Hanmi and SWNB since the date of the merger agreement;

not more than 10% of the outstanding shares of common stock of SWNB having perfected their right to dissent under the Texas Business Organizations Code;

none of the regulatory approvals containing any materially burdensome conditions;

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on the third business day immediately preceding the closing date, Southwestern National Bank having total month-to-date average core deposits of not less than \$190,000,000;

SWNB's closing capital being equal or greater than \$48,563,000;

on the third business day immediately preceding the closing date, Southwestern National Bank's allowance for loan losses must not be less than \$4,231,000; and

SWNB having received a favorable private letter ruling from the IRS.

Termination (page 69)

The merger agreement may be terminated by mutual written consent of Hanmi and SWNB at any time before the completion of the merger. Additionally, subject to conditions and circumstances described in the merger agreement, either Hanmi or SWNB may terminate the merger agreement if, among other things, any of the following occur:

the merger has not been consummated by January 31, 2019, unless the failure to complete the merger by that time was due to the failure of the party seeking to terminate the merger agreement to perform or observe the covenants and agreements provided in the merger agreement;

SWNB stockholders do not approve the merger agreement at the SWNB special meeting of stockholders, provided SWNB can only terminate under this provision if it has complied with certain obligations pursuant to the merger agreement;

a required regulatory approval is denied or a governmental authority or court prohibits the consummation of the merger; or

there is a breach of any representation, warranty, covenant or agreement contained in the merger agreement, which cannot be cured, or has not been cured within 30 days after the giving of written notice to such party of such breach.

Hanmi may terminate the merger agreement if SWNB has breached its covenant not to solicit alternative acquisition proposals from a party other than Hanmi, or if the SWNB board of directors does not convene the SWNB special meeting of stockholders or recommend approval of the merger to its stockholders, or modifies or qualifies its recommendation to stockholders in a manner adverse to Hanmi.

Hanmi may also terminate the merger agreement if SWNB does not receive a favorable private letter ruling from the IRS as required by the merger agreement or SWNB does not receive a private letter ruling from the IRS as required by the merger agreement within six months from the date of the merger agreement.

In addition, SWNB may terminate the merger agreement if it has received a superior acquisition proposal from a party other than Hanmi and SWNB's board of directors has determined to accept the superior proposal, after determining in

good faith, after consultation with legal counsel, that failing to take such action would violate its fiduciary duties.

Termination Fee (page 69)

Under certain circumstances described in the merger agreement, including circumstances involving alternative acquisition proposals from a party other than Hanmi and changes in the recommendation of the SWNB board of directors to its stockholders, SWNB may be required to pay to Hanmi a \$3.12 million termination fee in connection with the termination of the merger agreement.

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Expense Reimbursement (page 70)

Hanmi and SWNB will each pay its own costs and expenses incurred in connection with the merger. However, if the merger agreement is terminated because of SWNB's failure to obtain a favorable private letter ruling from the IRS, Hanmi will be reimbursed its documented reasonable costs and expenses incurred in connection with obtaining the regulatory approvals required under the merger agreement.

Interests of SWNB Officers and Directors in the Merger that are Different from the Interests of SWNB Stockholders (page 56)

You should be aware that some of SWNB's directors and officers may have interests in the merger that are different from, or in addition to, the interests of SWNB's stockholders generally. These include:

The termination of all outstanding SWNB stock options, whether or not vested, in exchange for a cash payment to the stock option holder equal to the number of shares provided for in each such stock option, multiplied by the positive difference between \$5.74 and the exercise price of the relevant stock option, less applicable tax withholdings.

The continued employment of Marianne Plant, Senior Vice President and Chief Credit Officer of SWNB, and Mohammed Younus, Dallas Regional President of SWNB, on mutually agreeable terms.

Rights of officers and directors of SWNB and its affiliates to continued indemnification coverage and continued coverage under a directors' and officers' liability insurance policy.

SWNB's board of directors was aware of these interests and took them into account in approving the merger. See Description of the Merger Interests of Certain Persons in the Merger That Are Different From Yours.

Accounting Treatment of the Merger (page 51)

Hanmi will account for the merger under the acquisition method of accounting in accordance with GAAP. Using the acquisition method of accounting, Hanmi will record the assets and liabilities of SWNB at their respective fair values at the time of the completion of the merger. The difference between the purchase price and the net fair value of the assets acquired and liabilities assumed will be recorded as goodwill or bargain purchase gain.

Certain Differences in Stockholder Rights (page 74)

SWNB stockholders who receive shares of Hanmi common stock will become Hanmi stockholders and their rights will be governed by Delaware law and by Hanmi's certificate of incorporation and bylaws. See Comparison of Rights of Stockholders for a summary of the material differences between the respective rights of Hanmi stockholders and SWNB stockholders.

Material U.S. Federal Income Tax Consequences of the Merger to SWNB Stockholders (page 51)

If you exchange your shares of SWNB common stock solely for Hanmi common stock, you generally will not recognize any gain or loss except with respect to the cash you receive instead of any fractional share of Hanmi

common stock. Any cash received in lieu of a fractional share interest will generally be treated as received in full payment for such fractional share of stock and as capital gain or loss. If you exchange your shares of SWNB common stock solely for cash, you generally will recognize gain or loss on the exchange equal to the difference between the amount of cash received and the adjusted tax basis in of SWNB common stock exchanged in the merger. If you exchange your shares of SWNB common stock for a combination of Hanmi common stock

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and cash, you generally will not recognize any loss but will recognize gain, if any, equal to the lesser of (1) the excess, if any, of the sum of the cash received and the fair market value of the Hanmi common stock you receive pursuant to the merger over your adjusted tax basis in your shares of SWNB common stock surrendered, and (2) the amount of cash consideration you receive pursuant to the merger. Because the allocations of cash and Hanmi common stock that you receive will depend on the elections made by other SWNB stockholders, you will not know the actual federal income tax consequences of the merger to you until the allocations are completed.

This tax treatment may not apply to all SWNB stockholders. SWNB's counsel is not able to provide an opinion regarding whether this tax treatment will apply to any individual stockholder. Determining the actual tax consequences of the merger to SWNB stockholders can be complicated. **SWNB stockholders should consult their own tax advisor for a full understanding of the merger's tax consequences that are particular to each stockholder.**

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RISK FACTORS

*In addition to the other information included in this document, you should consider carefully the risk factors described below in deciding how to vote. You should keep these risk factors in mind when you read forward-looking statements in this document. Please refer to the section of this document titled *Cautionary Note Regarding Forward-Looking Statements*.*

Risks Related to the Merger

Because the market price of Hanmi common stock will fluctuate, SWNB stockholders cannot be certain of the market value of the merger consideration they will receive.

Upon completion of the merger, each share of SWNB common stock will be converted into either 0.1961 shares of Hanmi common stock or \$5.74 in cash. The market value of the stock consideration may vary from the value on the date Hanmi announced the merger, on the date that this document is mailed to SWNB stockholders, on the date of the special meeting of SWNB stockholders, on the date the merger is completed and thereafter. Any change in the market price of Hanmi common stock prior to the completion of the merger will affect the market value of the merger consideration that SWNB stockholders will receive upon completion of the merger, and there will be no adjustment to the merger consideration for changes in the market price of either shares of Hanmi common stock or shares of SWNB common stock. Stock price changes may result from a variety of factors that are beyond the control of Hanmi and SWNB, including, but not limited to, general market and economic conditions, changes in Hanmi's business, operations and prospects and regulatory considerations. Therefore, at the time of the SWNB special meeting you will not know the precise market value of the consideration you will receive at the effective time of the merger. You should obtain current market quotations for shares of Hanmi common stock. See *Market Price and Dividend Information* on page 26 for ranges of historic market prices of Hanmi common stock.

The price of Hanmi common stock might decrease after the merger.

Following the merger, many holders of SWNB common stock will become stockholders of Hanmi. Hanmi common stock could decline in value before or after the merger. For example, during the twelve-month period ended July 9, 2018 (the most recent practicable date before the printing of this document), the closing price of Hanmi common stock varied from a low of \$25.90 to a high of \$32.55 and ended that period at \$29.50. The market value of Hanmi common stock fluctuates based upon general market economic conditions, Hanmi's business and prospects, and other factors, many of which Hanmi cannot control.

SWNB stockholders may receive a form of consideration different from what they elect.

The merger consideration to be received by SWNB stockholders is subject to the requirement that 80% of the shares of SWNB common stock be exchanged for Hanmi common stock and 20% be exchanged for cash. The merger agreement contains proration and allocation procedures to achieve this desired result. If you elect all cash and the available cash is oversubscribed, then you will receive a portion of the merger consideration in Hanmi common stock. If you elect all stock and the available stock is oversubscribed, then you will receive a portion of the merger consideration in cash.

Hanmi may be unable to successfully integrate SWNB's operations and retain SWNB's employees.

The merger involves the integration of two companies that have previously operated independently. The difficulties of combining the operations of the two companies include integrating personnel with diverse business backgrounds,

combining different corporate cultures, and retaining key employees. The process of integrating operations could interrupt the momentum of the business and operations of Hanmi and SWNB, and could lead to the loss of key personnel. The diversion of management's attention and any delays or difficulties encountered in

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connection with the merger and the integration of the two companies' operations could have an adverse effect on the business and results of operations of Hanmi following the merger.

Additionally, Hanmi may not be able to successfully achieve the level of cost savings, revenue enhancements, and other synergies that it expects, and may not be able to capitalize upon the existing customer relationships of SWNB to the extent anticipated, or it may take longer, or be more difficult or expensive than expected, to achieve these goals. This could have an adverse effect on Hanmi's business, results of operations and stock price.

The termination fee and the restrictions on solicitation contained in the merger agreement may discourage other companies from trying to acquire SWNB.

Until the completion of the merger, SWNB is prohibited from soliciting, initiating, encouraging or taking any other action to facilitate any inquiries, discussions or the making of any proposals that may lead to an acquisition proposal, such as a merger or other business combination transaction, with any person other than Hanmi. In addition, SWNB has agreed to pay a termination fee to Hanmi in specified circumstances. These provisions could discourage other companies from trying to acquire SWNB even though those other companies may be willing to offer greater value to SWNB's stockholders than what Hanmi has offered in the merger. The payment of the termination fee also could have a material adverse effect on SWNB's financial condition and results of operations.

Certain of SWNB's officers and directors have interests that are different from, or in addition to, interests of SWNB's stockholders generally.

The directors and officers of SWNB have interests in the merger that are different from, or in addition to, the interests of SWNB stockholders generally. These include: (1) provisions in the merger agreement relating to indemnification of directors and officers and insurance for directors and officers of SWNB for events occurring before the merger; (2) the termination of all outstanding SWNB stock options, whether or not vested, with a cash payment to the stock option holder equal to the number of shares provided for in each such stock option, multiplied by the positive difference between \$5.74 and the exercise price of the relevant stock option, less applicable tax withholdings; and (3) the continued employment of Marianne Plant, Senior Vice President and Chief Credit Officer of SWNB, and Mohammed Younus, Dallas Regional President of SWNB, on mutually agreeable terms. For a more detailed discussion of these interests, see "Description of the Merger—Interests of Certain Persons in the Merger That Are Different from Yours."

SWNB and Hanmi will be subject to business uncertainties and contractual restrictions while the merger is pending.

Uncertainty about the effect of the merger on employees and customers may have an adverse effect on SWNB or Hanmi. These uncertainties may impair SWNB's or Hanmi's ability to attract, retain and motivate key personnel until the merger is completed, and could cause customers and others that deal with SWNB and Hanmi to change their existing business relationships. Retention of certain employees by SWNB or Hanmi may be challenging while the merger is pending, as certain employees may experience uncertainty about their future roles with SWNB or Hanmi. If key employees depart because of issues relating to the uncertainty and difficulty of integration or a desire not to remain with SWNB or Hanmi, SWNB's business or Hanmi's business could be harmed. In addition, subject to certain exceptions, SWNB has agreed to operate its business in the ordinary course pending the closing of the merger. See

"Description of the Merger—Covenants of SWNB and Hanmi in the Merger Agreement" for a description of the restrictive covenants applicable to SWNB and Hanmi.

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Failure to complete the merger could negatively impact the stock prices and future businesses and financial results of Hanmi and SWNB.

If the merger is not completed, the ongoing businesses of Hanmi and SWNB may be adversely affected and Hanmi and SWNB will be subject to several risks, including the following:

Hanmi and SWNB will be required to pay certain costs relating to the merger, whether or not the merger is completed, such as legal, accounting, financial advisor and printing fees;

under the merger agreement, SWNB is subject to certain restrictions on the conduct of its business pending the completion of the merger, which may materially and adversely affect its ability to fully execute its business plan;

under the merger agreement, SWNB is required to pay a termination fee if the merger agreement is terminated under specific circumstances, including if SWNB accepts an acquisition proposal from a third party other than Hanmi;

under the merger agreement, SWNB may be required to reimburse Hanmi for its documented reasonable costs and expenses incurred in connection with obtaining the regulatory approvals required under the merger agreement if the merger agreement is terminated pursuant to SWNB's failure to obtain a favorable private letter ruling from the IRS; and

matters relating to the merger may require substantial commitments of time and resources by Hanmi and SWNB management, which could otherwise have been devoted to other opportunities that may be beneficial to Hanmi or SWNB as independent companies.

In addition, the financial markets as well as customers and employees of Hanmi or SWNB may react unfavorably if the merger is not completed. Hanmi or SWNB also may be subject to litigation related to any failure to complete the merger.

Both Hanmi and SWNB stockholders will have a reduced ownership and voting interest after the merger and will exercise less influence over management of the combined organization.

Each of Hanmi and SWNB stockholders currently have the right to vote in the election of their respective boards of directors and on various other matters affecting their respective companies. Upon the completion of the merger, SWNB stockholders who receive Hanmi common stock in the merger will become stockholders of Hanmi with a percentage ownership interest in the combined organization that is substantially less than their percentage ownership of SWNB. Further, because shares of Hanmi common stock will be issued to SWNB stockholders, existing Hanmi common stockholders will have their ownership and voting interests diluted by approximately 6.0%. Accordingly, Hanmi and SWNB stockholders will not be able to exercise as much influence over the management and policies of the combined organization as they currently can.

If the merger does not constitute a reorganization under Section 368(a) of the Code, then each SWNB stockholder may be responsible for payment of U.S. income taxes related to the merger.

The IRS may determine that the merger does not qualify as a nontaxable reorganization under Section 368(a) of the Code. In that case, each SWNB stockholder would recognize a gain or loss equal to the difference between the (1) the sum of the fair market value of Hanmi common stock and the amount of cash consideration, if any, received by the SWNB stockholder in the merger and (2) the SWNB stockholder's adjusted tax basis in the shares of SWNB common stock exchanged therefor.

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In certain circumstances, cash merger consideration received may be taxed as a dividend rather than capital gains and SWNB's counsel is not able to provide an opinion regarding whether this tax treatment will apply to any individual stockholder.

In certain circumstances, the cash merger consideration received by a SWNB stockholder who receives Hanmi common stock and cash may be taxed as a dividend, rather than as capital gain. For purposes of this determination, the stockholder generally will be treated as if the stockholder first exchanged all of the stockholder's shares of SWNB common stock solely for Hanmi common stock and then Hanmi immediately redeemed a portion of the Hanmi common stock in exchange for the cash the stockholder actually received. Moreover, under the Code, the SWNB stockholder may be deemed to constructively own shares of Hanmi common stock held by certain members of the stockholder's family, by certain estates and trusts of which the stockholder is a beneficiary or by certain entities in which the stockholder has an ownership or beneficial interest, and certain stock options actually or constructively owned by the stockholder or such other persons may be aggregated with the stockholder's shares of Hanmi common stock. Receipt of cash in such deemed redemption will generally be treated as a capital gain and will not have the effect of a dividend if such deemed redemption is not essentially equivalent to a dividend or substantially disproportionate, each within the meaning of Section 302(b) of the Code. For further information see the section of this document entitled "Material U.S. Federal Income Tax Consequences of the Merger."

Because the determination as to whether an SWNB stockholder will recognize a capital gain or dividend income as a result of the exchange of SWNB common stock for a combination of Hanmi common stock and cash in the merger is based on facts and circumstances unique to each stockholder, the opinion received from SWNB's legal counsel will not opine as to such treatment at the individual stockholder level. Accordingly, we urge you to consult your own tax advisor with respect to any such determination that is applicable to your individual situation.

SWNB stockholders who make elections may be unable to sell their shares in the market pending the merger.

SWNB stockholders may elect to receive cash or Hanmi common stock consideration in the merger by completing an election form that will be sent under separate cover. Making an election will require that stockholders who hold their shares in certificate form turn in their SWNB stock certificates before the merger has been completed. This means that during the time between when the election is made and the date the merger is completed, SWNB stockholders will be unable to sell their SWNB common stock. If the merger is unexpectedly delayed, this period could be extended for a significant period of time. SWNB stockholders can shorten the period during which they cannot sell their shares by delivering their election shortly before the election deadline. However, elections received after the election deadline will not be accepted or honored.

The fairness opinion received by the board of directors of SWNB from SWNB's financial advisor does not reflect changes in circumstances subsequent to the date of the fairness opinion.

Sheshunoff, SWNB's financial advisor in connection with the merger, delivered to the board of directors of SWNB an opinion dated May 18, 2018. The opinion does not speak as of the time the merger will be completed or any date other than the date of such opinion. The opinion does not reflect changes that may occur or may have occurred after the date of the opinion, including changes to the operations and prospects of Hanmi or SWNB, changes in general market and economic conditions or regulatory or other factors. Any such changes may materially alter or affect the relative values of Hanmi or SWNB.

The shares of Hanmi common stock to be received by SWNB stockholders as a result of the merger will have different rights than shares of SWNB common stock.

Following completion of the merger, SWNB stockholders who receive the stock consideration will become Hanmi stockholders and be governed by Delaware law and Hanmi's certificate of incorporation and bylaws.

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There are differences between the current rights of SWNB stockholders and the rights of Hanmi stockholders that may be important to SWNB stockholders. See [Comparison of Rights of Stockholders](#) for a discussion of the different rights associated with Hanmi common stock and SWNB common stock.

Regulatory approvals may not be received, may take longer to receive than expected, or may impose conditions that are not presently anticipated or that could have an adverse effect on the combined company following the merger.

Before the merger may be completed, Hanmi and SWNB must obtain the approval, non-objection or waiver of the Department of Business Oversight, the FDIC, the Texas Department of Banking and the Federal Reserve. In determining whether to grant these approvals, non-objections or waivers, the regulators consider a variety of factors, including the regulatory standing of each party. An adverse development in either party's regulatory standing or other factors could result in an inability to obtain approvals or delay their receipt. These regulators may impose conditions on the completion of the merger or the bank merger or require changes to the terms of the merger or the bank merger. Such conditions or changes could have the effect of delaying or preventing completion of the merger or the bank merger or imposing additional costs on or limiting the revenues of the combined company following the merger and the bank merger, any of which might have an adverse effect on the combined company following the merger.

Goodwill incurred in the merger may negatively affect Hanmi's financial condition.

To the extent that the merger consideration, consisting of shares of Hanmi common stock and cash to be issued in the merger, exceeds the fair value of the net assets, including identifiable intangibles, of SWNB, that amount will be reported as goodwill by Hanmi. In accordance with current accounting guidance, goodwill will not be amortized but will be evaluated for impairment annually. A failure to realize expected benefits of the merger could adversely impact the carrying value of the goodwill recognized in the merger, and in turn negatively affect Hanmi's financial condition.

Risks Related to Hanmi's Business

You should read and consider risk factors specific to Hanmi's business that will affect the combined company after the merger. These risks are described in the section entitled [Risk Factors](#) in Hanmi's Annual Report on Form 10-K for the fiscal year ended December 31, 2017 and in other documents incorporated by reference into this document. See the section entitled [Where You Can Find More Information](#) for a description of the information incorporated by reference into this document.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Forward-Looking Statements

This document contains forward-looking statements, which can be identified by the use of words such as *estimate, project, believe, intend, anticipate, assume, plan, seek, expect, will, may, should, indicate, contemplate, continue, target* and words of similar meaning. These forward-looking statements include, but are not limited to:

statements of Hanmi's and SWNB's respective goals, intentions and expectations;

statements regarding Hanmi s and SWNB s respective business plans, prospects, growth and operating strategies;

statements regarding the quality of Hanmi s and SWNB s respective loan and investment portfolios; and

estimates of Hanmi s and SWNB s respective risks and future costs and benefits.

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These forward-looking statements are based on current beliefs and expectations and are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond Hanmi's and SWNB's control. In addition, these forward-looking statements are subject to assumptions with respect to future business strategies and decisions that are subject to change. The following factors, among others, could cause actual results to differ materially from the anticipated results or other expectations expressed in the forward-looking statements:

failure to complete the merger due to the failure of SWNB stockholders to approve the merger agreement, failure to obtain applicable regulatory approvals or the failure to satisfy other closing conditions;

failure to complete the merger in a timely manner or on the expected terms and schedule;

the potential impact of announcement or consummation of the proposed merger with SWNB on relationships with third parties, including customers, employees, and competitors;

business disruption following the merger, including the challenges of integrating, retaining, and hiring key personnel;

difficulties and delays in integrating the Hanmi and SWNB businesses or fully realizing expected cost savings and other benefits;

Hanmi's potential exposure to unknown or contingent liabilities of SWNB;

failure to attract new customers and retain existing customers in the manner anticipated;

the outcome of pending or threatened litigation, or of matters before regulatory agencies, whether currently existing or commencing in the future, including litigation related to the merger;

any interruption or breach of security resulting in failures or disruptions in customer account management, general ledger, deposit, loan, or other systems;

changes in Hanmi's stock price before the closing of the merger, including as a result of the financial performance of Hanmi and/or SWNB before the closing of the merger;

operational issues stemming from, or capital spending necessitated by, the potential need to adapt to industry changes in information technology systems, on which Hanmi and SWNB are highly dependent;

changes in legislation, regulation, policies, or administrative practices, whether by judicial, governmental, or legislative action, and other changes pertaining to banking, securities, taxation, rent regulation and housing, financial accounting and reporting, environmental protection, and insurance, and the ability to comply with such changes in a timely manner;

changes in the monetary and fiscal policies of the U.S. government, including policies of the U.S. Department of the Treasury and the Federal Reserve;

changes in interest rates, which may affect Hanmi's and/or SWNB's net income or cash flows, or the market value of Hanmi's and/or SWNB's assets;

changes to the federal tax code;

changes in accounting principles, policies, practices, or guidelines;

changes in Hanmi's credit ratings or in Hanmi's ability to access the capital markets;

natural disasters, war, or terrorist activities; and

other economic, competitive, governmental, regulatory, technological, and geopolitical factors affecting Hanmi's or SWNB's operations, pricing, and services.

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Additionally, the timing and occurrence or non-occurrence of events may be subject to circumstances beyond Hanmi's or SWNB's control.

Annualized, projected and estimated numbers are used for illustrative purposes only, are not forecasts and may not reflect actual results.

For any forward-looking statements made in this document or in any documents incorporated by reference into this document, Hanmi and SWNB claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. You are cautioned not to place undue reliance on these statements, which speak only as of the date of this document or the date of the applicable document incorporated by reference in this document. Except to the extent required by applicable law, neither Hanmi nor SWNB undertake to update forward-looking statements to reflect facts, circumstances, assumptions, or events that occur after the date the forward-looking statements are made. All written and oral forward-looking statements concerning the merger or other matters addressed in this document and attributable to Hanmi, SWNB, or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this document.

Table of Contents**SELECTED HISTORICAL FINANCIAL INFORMATION**

The following tables present selected historical financial information for Hanmi and for SWNB at and for the dates indicated. The following information is only a summary and not necessarily indicative of the results of future operations of Hanmi, SWNB or the combined company. The summary financial information for Hanmi is derived from prior filings made with the SEC, which are incorporated by reference into this document. The financial information for Hanmi at December 31, 2017 and 2016 and for the three years ended December 31, 2017 should be read in connection with the audited consolidated financial statements and related notes thereto included in its Annual Report on Form 10-K for the year ended December 31, 2017. The financial information for Hanmi for the three months ended March 31, 2018 and 2017 should be read in connection with the unaudited financial statements and notes thereto included in its Quarterly Report on Form 10-Q for the period ended March 31, 2018. The results of operations for the three months ended March 31, 2018 are not necessarily indicative of the operating results for the year ending December 31, 2018 or for any other period. See [Where You Can Find More Information](#) on page 83.

Selected Historical Consolidated Financial Data of Hanmi

	As of and for the Three Months Ended		As of and for the Year Ended December 31,				
	March 31, 2018	2017	2017	2016	2015	2014	2013
<i>(In thousands, except share and per share data)</i>							
Summary Statements of Operations:							
Interest and dividend income	\$ 55,082	\$ 48,349	\$ 209,321	\$ 178,471	\$ 164,226	\$ 136,734	\$ 119,140
Interest expense	10,158	5,995	32,519	18,274	16,109	14,033	13,507
Net interest income	44,924	42,354	176,802	160,197	148,117	122,701	105,633
Loan and lease loss provision (income)	649	(80)	831	(4,339)	(11,614)	(6,258)	576
Noninterest income	6,061	7,217	33,415	33,075	47,602	42,296	27,900
Noninterest expense	29,757	27,240	114,102	108,223	115,328	98,671	70,441
Income before provision for income taxes	20,579	22,411	95,284	89,388	92,005	72,584	62,516
Provision for income taxes	5,724	8,628	40,624	32,899	38,182	22,379	22,732
Net income from continuing operations	14,855	13,783	54,660	56,489	53,823	50,205	39,784
(Loss) income from discontinued operations						(444)	73

Net income	\$	14,855	\$	13,783	\$	54,660	\$	56,489	\$	53,823	\$	49,761	\$	39,857
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Summary Balance Sheets:

Cash and due from banks	\$	151,611	\$	138,592	\$	153,826	\$	147,235	\$	164,364	\$	158,320	\$	179,357
Securities		570,351		548,010		578,804		516,964		698,296		1,060,717		530,926
Loans and leases receivable (1)		4,381,780		3,910,799		4,273,415		3,812,340		3,140,381		2,735,832		2,177,498
Assets		5,305,641		4,811,821		5,210,485		4,701,346		4,234,521		4,232,443		3,054,379
Deposits		4,378,101		4,083,165		4,348,654		3,809,737		3,509,976		3,556,746		2,512,325
Liabilities		4,741,363		4,272,279		4,648,008		4,170,321		3,740,603		3,779,056		2,654,302
Stockholders equity		564,278		539,542		562,477		531,025		493,918		453,387		400,077
Tangible equity (2)		551,824		526,745		549,933		518,136		492,217		451,307		398,906
Average loans and leases (3)		4,310,964		3,881,686		4,039,346		3,423,292		2,901,698		2,440,682		2,156,626
Average securities		588,738		526,549		583,971		614,749		788,156		648,937		418,273
Average interest-earning assets		4,948,488		4,463,220		4,680,035		4,103,960		3,805,877		3,163,141		2,687,799
Average assets		5,213,790		4,738,221		4,952,466		4,372,698		4,076,669		3,410,751		2,827,508
Average deposits		4,317,627		3,873,840		4,160,072		3,607,585		3,502,886		2,872,029		2,391,248
Average interest-bearing liabilities		3,306,878		2,979,139		3,125,766		2,640,953		2,493,513		2,054,680		1,678,618
Average stockholders equity		565,867		534,273		548,135		518,867		476,401		425,913		392,601
Average tangible equity (4)		553,362		521,420		535,416		516,238		474,498		425,018		391,342

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	As of and for the Three Months Ended March 31,		As of and for the Year Ended December 31,				
	2018	2017	2017	2016	2015	2014	2013
Per Share Data:							
Earnings per share basic	\$ 0.46	\$ 0.43	\$ 1.70	\$ 1.76	\$ 1.69	\$ 1.57	\$ 1.26
Earnings per share diluted	0.46	0.43	1.69	1.75	1.68	1.56	1.26
Book value per share (5)	17.36	16.66	17.34	16.42	15.45	14.21	12.60
Tangible book value per share (6)	16.98	16.26	16.96	16.03	15.39	14.14	12.56
Cash dividends declared per share	0.24	0.19	0.80	0.66	0.47	0.28	0.14
Common shares outstanding	32,502,658	32,392,580	32,431,627	32,330,747	31,974,359	31,910,203	31,761,550
Selected Performance Ratios:							
Return on average assets (7) (8)	1.16%	1.18%	1.10%	1.29%	1.32%	1.47%	1.41%
Return on average stockholders equity (8) (9)	10.65%	10.46%	9.97%	10.89%	11.30%	11.79%	10.13%
Return on average tangible equity (8) (10)	10.89%	10.72%	10.21%	10.94%	11.34%	11.81%	10.18%
Net interest margin (11)	3.70%	3.89%	3.82%	3.95%	3.90%	3.88%	3.94%
Efficiency ratio (12)	58.36%	54.95%	54.28%	56.00%	58.93%	59.80%	52.75%
Dividend payout ratio (13)	52.17%	44.39%	47.06%	37.57%	27.81%	17.83%	11.11%
Average stockholders equity to average assets	10.85%	11.28%	11.07%	11.87%	11.69%	12.49%	13.89%
Selected Capital Ratios:							
Total risk-based capital ratio:							

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Hanmi Financial	15.43%	16.16%	15.50%	13.86%	14.91%	15.89%	17.48%
Hanmi Bank	15.13%	15.91%	15.20%	13.64%	14.86%	15.18%	16.79%
Tier 1 risk-based capital ratio:							
Hanmi Financial	12.52%	12.93%	12.55%	13.02%	13.65%	14.63%	16.26%
Hanmi Bank	14.39%	15.07%	14.47%	12.80%	13.60%	13.93%	15.53%
Common equity Tier 1 capital ratio:							
Hanmi Financial	12.09%	12.56%	12.19%	12.73%	13.65%	%	%
Hanmi Bank	14.39%	15.07%	14.47%	12.80%	13.60%	%	%
Tier 1 leverage ratio:							
Hanmi Financial	10.88%	11.21%	10.79%	11.53%	11.31%	10.91%	13.62%
Hanmi Bank	12.51%	13.08%	12.44%	11.33%	11.27%	10.39%	13.05%
Selected Asset Quality Ratios:							
Non-performing loans and leases to loans and leases (14) (15)	0.35%	0.32%	0.37%	0.30%	0.60%	0.92%	1.16%
Non-performing assets to assets (16)	0.32%	0.36%	0.34%	0.40%	0.65%	0.97%	0.87%
Net loan and lease charge-offs (recoveries) to average loans and leases (15)	(0.01)%	(0.08)%	0.05%	0.18%	(0.06)%	(0.06)%	0.29%
Allowance for loan and lease losses to loans and leases	0.72%	0.84%	0.72%	0.84%	1.35%	1.88%	2.58%
Allowance for loan and lease losses to non-performing loans and leases (17)	206.85%	259.53%	194.39%	275.80%	196.12%	204.26%	222.42%

(1) Excludes loans held for sale.

(2) Tangible equity is calculated by subtracting goodwill and other intangible assets from stockholders' equity. Tangible equity is a Non-GAAP financial measure, as discussed in the following section.

(3) Includes loans held for sale.

- (4) *Average tangible equity is calculated by subtracting average goodwill and average other intangible assets from average stockholders equity. Average tangible equity is a Non-GAAP financial measure, as discussed in the following section.*
- (5) *Stockholders equity divided by shares of common stock outstanding.*
- (6) *Tangible equity divided by common shares outstanding. Tangible equity is a Non-GAAP financial measure, as discussed in the following section.*

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- (7) Net income divided by average assets.
- (8) Amounts calculated on net income from continuing operations.
- (9) Net income divided by average stockholders' equity.
- (10) Net income divided by average tangible equity. Average tangible equity is a Non-GAAP financial measure, as discussed in the following section.
- (11) Net interest income divided by average interest-earning assets. Computed on a tax-equivalent basis using the 35% statutory federal tax rate.
- (12) Noninterest expense divided by the sum of net interest income and noninterest income.
- (13) Dividends declared per share divided by basic earnings per share.
- (14) Nonperforming loans and leases, excluding loans held for sale, consist of nonaccrual loans and leases, and loans and leases past due 90 days or more still accruing interest; except for the three months ended March 31, 2018 and March 31, 2017.
- (15) Excludes PCI loans; except for the three months ended March 31, 2018 and March 31, 2017.
- (16) Nonperforming assets consist of nonperforming loans and leases and other real estate owned; except for the three months ended March 31, 2018 and March 31, 2017.
- (17) Excludes allowance for loan losses on PCI loans; except for the three months ended March 31, 2018 and March 31, 2017.

Non-GAAP Financial Measures

Hanmi calculates certain supplemental financial information determined by methods other than in accordance with GAAP, including tangible assets, tangible stockholders' equity and tangible book value per share. These non-GAAP measures are used by management in analyzing Hanmi's capital strength.

Tangible equity is calculated by subtracting goodwill and other intangible assets from stockholders' equity. Banking and financial institution regulators also exclude goodwill and other intangible assets from stockholders' equity when assessing the capital adequacy of a financial institution.

Management believes the presentation of these financial measures excluding the impact of items described in the preceding paragraph provide useful supplemental information that is essential to a proper understanding of the capital strength of Hanmi. These disclosures should not be viewed as a substitution for results determined in accordance with GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other companies.

Average Tangible Equity and Return on Average Tangible Equity

The following table reconciles these non-GAAP performance measure to the GAAP performance measure for the periods indicated:

	As of and for the Three Months Ended March 31,		As of and for the Year Ended December 31,				
	2018	2017	2017	2016	2015	2014	2013
Average stockholders equity	\$ 565,867	\$ 534,273	\$ 548,135	\$ 518,867	\$ 476,401	\$ 425,913	\$ 392,601

(Dollars in thousands)

Less average goodwill	(11,031)	(11,031)	(11,031)	(1,078)			
Less average other intangible assets	(1,474)	(1,822)	(1,688)	(1,551)	(1,903)	(895)	(1,259)
Average tangible equity	\$ 553,362	\$ 521,420	\$ 535,416	\$ 516,238	\$ 474,498	\$ 425,018	\$ 391,342
Return on average stockholders equity	10.65%	10.46%	9.97%	10.89%	11.30%	11.79%	10.13%
Effect of average intangible assets	0.24%	0.26%	0.24%	0.05%	0.04%	0.02%	0.05%
Return on average tangible equity	10.89%	10.72%	10.21%	10.94%	11.34%	11.81%	10.18%

Table of Contents**Tangible Stockholders Equity and Tangible Book Value Per Share**

The following table reconciles these non-GAAP performance measure to the GAAP performance measure for the periods indicated:

	Three Months Ended March 31,		Year Ended December 31,				2013
	2018	2017	2017	2016	2015	2014	
	<i>(In thousands, except per share data)</i>						
Stockholders equity	\$ 564,278	\$ 539,542	\$ 562,477	\$ 531,025	\$ 493,918	\$ 543,387	\$ 400,077
Less goodwill	(11,031)	(11,031)	(11,031)	(11,031)			
Less other intangible assets	(1,423)	(1,766)	(1,513)	(1,858)	(1,701)	(2,080)	(1,171)
Tangible stockholders equity	\$ 551,824	\$ 526,745	\$ 549,933	\$ 518,136	\$ 492,217	\$ 451,307	\$ 398,906
Book value per share	17.36	16.66	17.34	16.42	15.45	14.21	12.60
Effect of intangible assets	(0.38)	(0.40)	(0.38)	(0.39)	(0.06)	(0.07)	(0.04)
Tangible book value per share	\$ 16.98	\$ 16.26	\$ 16.96	\$ 16.03	\$ 15.39	\$ 14.14	\$ 12.56

Selected Historical Consolidated Financial Data of SWNB

	At or For the Three Months Ended March 31,*		At or For the Year Ended December 31,				2013
	2018	2017	2017	2016	2015	2014	
	<i>(Dollars in thousands, except per share amounts)</i>						
FINANCIAL CONDITION DATA							
Total assets	\$ 409,435	\$ 359,951	\$ 394,841	\$ 358,469	\$ 349,221	\$ 343,202	\$ 348,025
Cash and cash equivalents	69,019	50,255	64,046	62,832	58,072	53,555	54,057
Investment securities	66,146	83,047	69,880	85,753	116,340	141,348	159,013
Net loans	256,965	210,562	243,227	187,146	147,728	128,113	110,934
Deposits	345,753	298,600	330,535	297,600	287,975	282,689	288,286
Total stockholders equity	48,411	46,313	48,563	45,080	46,068	45,030	38,758
OPERATING DATA							

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Net interest income	\$ 3,156	\$ 2,666	\$ 11,721	\$ 9,615	\$ 8,739	\$ 9,219	\$ 8,950
Provision (credit) for loan losses		(4)	(4)	(334)	(670)	(1,562)	(1,100)
Non-interest income	503	481	2,275	1,795	1,916	1,849	2,581
Non-interest expense	2,700	2,235	9,343	8,349	8,441	8,753	9,387
Income tax expense							
Net income	960	916	4,657	3,395	2,883	3,876	3,244
COMMON SHARE DATA							
Basic earnings per share	\$ 0.07	\$ 0.07	\$ 0.35	\$ 0.25	\$ 0.21	\$ 0.28	\$ 0.24
Diluted earnings per share	0.07	0.07	0.34	0.25	0.21	0.27	0.23
Dividends per share	0.03	0.02	0.13	0.10	0.10	0.06	0.05
Book value per share (1)	3.58	3.45	3.60	3.36	3.33	3.27	2.81
Basic earnings per share (2)	0.06	0.05	0.20	N/A	N/A	N/A	N/A
Diluted earnings per share (2)	0.06	0.05	0.20	N/A	N/A	N/A	N/A
Book value per share (2)	3.56	3.43	3.50	N/A	N/A	N/A	N/A
Outstanding shares (basic)	13,535,036	13,435,036	13,495,036	13,435,036	13,827,434	13,771,878	13,771,878
Outstanding shares (diluted)	13,764,480	13,704,480	13,704,480	13,621,703	14,021,601	14,098,101	14,072,101
KEY OPERATING RATIOS							
Return on average assets	1.03%	1.04%	1.26%	0.96%	0.90%	1.17%	0.63%
Return on average common equity	8.67%	8.21%	10.00%	7.41%	6.88%	10.02%	5.77%
Interest rate spread	3.17%	3.06%	3.22%	2.75%	2.62%	2.76%	2.61%
Net interest margin (3)	3.40%	3.29%	3.46%	3.02%	2.80%	2.92%	2.75%

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	At or For the Three Months Ended March 31,*		At or For the Year Ended December 31,				
	2018	2017	2017	2016	2015	2014	2013
Average stockholders' equity to average assets	11.91%	12.63%	12.56%	12.97%	13.06%	11.79%	10.89%
Dividend payout ratio (4)	41.40%	33.12%	37.48%	85.48%	45.67%	0.00%	0.00%
Efficiency ratio (5)	70.84%	68.83%	65.27%	71.97%	74.43%	74.64%	81.23%
Allowance for loan losses to total loans	1.63%	1.67%	1.71%	1.87%	2.34%	3.13%	4.82%
Non-performing loans to total loans (6)	0.29%	0.35%	0.30%	0.39%	0.50%	0.87%	4.96%
Non-performing assets to total assets (7)	0.18%	0.19%	0.19%	0.21%	0.22%	0.34%	1.70%
Allowance for loan losses to non-performing loans	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.83%
Net charge-offs to average loans	(0.05)%	(0.03)%	(0.31)%	(0.21)%	(0.06)%	(0.06)%	0.44%
CAPITAL RATIOS							
Total risk-based capital ratio	17.22%	19.06%	17.96%	20.31%	23.74%	25.12%	24.36%
Tier 1 risk-based capital ratio	15.97%	17.81%	16.71%	19.06%	22.48%	23.86%	23.08%
Leverage ratio	12.14%	12.83%	12.24%	12.36%	12.80%	12.40%	11.16%
Common equity tier 1 risk-based	15.97%	17.81%	16.71%	19.06%	22.48%	N/A	N/A

(1) Stockholders' equity divided by shares of common stock outstanding.

(2) SWNB is a Subchapter S corporation; to allow comparability, the data has been tax effected at the then current income tax rates.

(3) Net interest income divided by average interest-earning assets.

(4) Dividends declared per share divided by basic earnings per share.

(5) Noninterest expense divided by the sum of net interest income and noninterest income.

(6) Non-performing loans include non-accrual loans and loans past due 90 days or more and still accruing interest.

(7) Non-performing assets include non-accrual loans, loans past due 90 days or more and still accruing interest and other real estate owned.

* BKD, LLP, SWNB's independent auditor, has not been engaged to perform, any procedures related to the unaudited financial information of SWNB contained in this offering document.

Table of Contents**COMPARATIVE PRO FORMA PER SHARE DATA**

The following table summarizes selected share and per share information about Hanmi and SWNB giving effect to the merger (which we refer to as pro forma information). The data in the table should be read together with the financial information and the financial statements of Hanmi incorporated by reference to this document. The pro forma information is presented as an illustration only. The data does not necessarily indicate the combined financial position per share or combined results of operations per share that would have been reported if the merger had occurred when indicated, nor is the data a forecast of the combined financial position or combined results of operations for any future period.

The information listed as per equivalent SWNB share was obtained by multiplying the pro forma amounts by the exchange ratio of 0.1961, and does not reflect the receipt of cash by holders of SWNB common stock. We anticipate that the merger will provide the combined company with financial benefits that include reduced operating expenses and greater revenue. We also expect that Hanmi and SWNB will incur merger and integration charges as a result of combining Hanmi and SWNB. The pro forma information, while helpful in illustrating the financial characteristics of Hanmi following the merger under one set of assumptions, does not reflect these anticipated benefits and, accordingly, does not attempt to predict or suggest future results. The pro forma information also does not necessarily reflect what the historical results of Hanmi would have been had the companies been combined during these periods.

The information in the following table is based on, and should be read together with, the historical financial information that we have presented in or incorporated by reference in this document.

	SWNB Historical (1)	Hanmi Historical	Pro Forma Combined (2)	Per Equivalent SWNB Share
Book value per share:				
At March 31, 2018	\$ 3.56	\$ 17.36	\$ 17.97	\$ 3.52
At December 31, 2017	3.50	17.34	17.96	3.52
Cash dividends declared per share (3):				
Three months ended March 31, 2018	\$ 0.03	\$ 0.24	\$ 0.24	\$ 0.05
Year ended December 31, 2017	0.13	0.80	0.80	0.16
Earnings per share basic:				
Three months ended March 31, 2018	\$ 0.06	\$ 0.46	\$ 0.46	\$ 0.09
Year ended December 31, 2017	0.20	1.70	1.69	0.33
Earnings per share diluted:				
Three months ended March 31, 2018	\$ 0.06	\$ 0.46	\$ 0.46	\$ 0.09
Year ended December 31, 2017	0.20	1.69	1.67	0.33

- (1) SWNB historical book value per share, basic earnings per share and diluted earnings per share have been adjusted to reflect a C-Corp basis.
- (2) The pro forma combined book value per share of Hanmi common stock is based upon the pro forma combined common stockholders' equity for Hanmi and SWNB divided by total pro forma common shares of the combined entity.

(3) The pro forma combined cash dividend information assumes continuation of Hanmi's historical dividend.

Table of Contents**MARKET PRICE AND DIVIDEND INFORMATION**

Hanmi common stock is listed on the Nasdaq Global Select Market under the symbol HAFC. There is no established public trading market for SWNB common stock and no broker makes a market in the stock. The closing sale price reported for Hanmi common stock on May 18, 2018, the last trading day before the proposed merger was publicly announced, was \$28.65. The following table lists the high and low sales prices per share for Hanmi common stock and the dividends declared for the periods indicated.

Quarter Ended	Hanmi Common Stock		
	High	Low	Dividends
September 30, 2018 (through July 9, 2018)	\$ 29.55	\$ 28.15	\$
June 30, 2018	31.85	26.95	0.24
March 31, 2018	32.46	28.01	0.24
December 31, 2017	33.10	28.45	0.21
September 30, 2017	31.20	25.45	0.21
June 30, 2017	30.90	25.95	0.19
March 31, 2017	35.85	28.20	0.19
December 31, 2016	35.40	22.78	0.19
September 30, 2016	26.97	22.32	0.19
June 30, 2016	24.44	20.64	0.14
March 31, 2016	23.38	18.92	0.14

You should obtain current market prices for Hanmi common stock because the market price of Hanmi common stock will fluctuate between the date of this document and the date on which the merger is completed, and thereafter. You can obtain these quotations on the Internet or by calling your broker.

As of July 9, 2018, there were approximately 917 holders of record of Hanmi common stock. This does not reflect the number of persons or entities who may hold their stock in nominee or street name through brokerage firms.

As of July 9, 2018, there were approximately 130 holders of record of SWNB common stock. This does not reflect the number of persons or entities who may hold their stock in nominee or street name through brokerage firms. Stock transfer records maintained by SWNB indicate that there have been relatively infrequent transactions in SWNB stock. Sales and purchases of shares of SWNB common stock are privately negotiated, and SWNB may not be aware of the price for those transactions. As a result, trading price data is very limited and may not accurately reflect the actual market value of the shares.

Following the merger, the declaration of dividends will be at the discretion of Hanmi's board of directors and will be determined after consideration of various factors, including earnings, cash requirements, the financial condition of Hanmi, applicable state law and government regulations and other factors deemed relevant by Hanmi's board of directors. See the section of this document entitled Comparative Pro Forma Per Share Data for more information.

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SPECIAL MEETING OF SWNB STOCKHOLDERS

This document is being provided to holders of SWNB common stock as SWNB's proxy statement in connection with the solicitation of proxies by and on behalf of its board of directors to be voted at the special meeting of SWNB stockholders to be held on August 16, 2018, and at any adjournment or postponement of the special meeting. This document is also being provided to SWNB stockholders as Hanmi's prospectus in connection with the issuance by Hanmi of its shares of common stock as consideration in the merger.

Date, Place and Time of the Meeting

The special meeting will be held at the main office of Southwestern National Bank at 6901 Corporate Drive, Houston, Texas 77036 at 2:00 p.m., local time, on August 16, 2018.

Matters to be Considered

At the special meeting, you will be asked to vote on a proposal to approve the merger agreement. You also may be asked to vote on a proposal to adjourn the special meeting, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the meeting to approve the merger agreement.

Who Can Vote at the Meeting

You are entitled to vote if the records of SWNB showed that you held shares of SWNB common stock as of the close of business on July 9, 2018. As of the close of business on that date, 13,535,036 shares of SWNB common stock were issued and outstanding. Each share of SWNB common stock has one vote. If you are a beneficial owner of shares of SWNB common stock held by a broker, bank or other nominee (*i.e.*, in street name) and you want to vote your shares in person at the meeting, you will have to get a written proxy in your name from the broker, bank or other nominee who holds your shares.

Quorum; Vote Required

The special meeting will conduct business only if a majority of the outstanding shares of SWNB common stock entitled to vote (a quorum) is represented in person or by proxy at the meeting. If you return valid proxy instructions or attend the meeting in person, your shares will be counted to determine whether there is a quorum, even if you abstain from voting. Broker non-votes also will be counted to determine the existence of a quorum. A broker non-vote occurs when a broker, bank or other nominee holding shares of SWNB common stock for a beneficial owner does not vote on a particular proposal because the nominee does not have discretionary voting power with respect to that item and has not received voting instructions from the beneficial owner.

Approval of the merger agreement will require the affirmative vote of at least two-thirds of the issued and outstanding shares of common stock of SWNB at which a quorum is present. **Failure to submit valid proxy instructions or to vote in person will have the same effect as a vote against the merger agreement. Abstentions and broker non-votes will have the same effect as shares voted against the merger agreement.**

The affirmative vote of the majority of votes cast at a meeting at which a quorum is present is required to approve the Adjournment Proposal. The failure to vote in person or submit valid proxy instructions, abstentions and broker non-votes will have no effect on the Adjournment Proposal.

Shares Held by SWNB's Officers and Directors

As of July 9, 2018, directors and executive officers of SWNB beneficially owned 6,711,286 shares of SWNB common stock, representing 48.79% of the issued and outstanding shares of SWNB common stock. SWNB's directors have entered into voting agreements with Hanmi to vote 6,491,842 shares of SWNB common stock over which they have the power to vote or the power to direct the vote, representing 47.96% of the issued and outstanding shares of SWNB common stock, in favor of the merger agreement at the special meeting.

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Voting and Revocability of Proxies

You may vote in person at the special meeting or by proxy. To ensure your representation at the special meeting, SWNB recommends that you vote by proxy even if you plan to attend the special meeting. You can always change your vote at the special meeting.

If you are a stockholder of record, you can vote your shares:

by completing and mailing the proxy card that is enclosed; or

by voting in person at the special meeting.

Please refer to the specific instructions set forth on the proxy card. We encourage you to vote by completing and mailing the proxy card that is enclosed.

SWNB stockholders whose shares are held in street name by their broker, bank or other nominee must follow the instructions provided by their broker, bank or other nominee to vote their shares. Your broker or bank may allow you to deliver your voting instructions via telephone or Internet.

If you properly complete and timely submit your proxy, your shares will be voted as you have directed. You may vote for, against, or abstain with respect to the approval of the merger agreement and the Adjournment Proposal. If you are the record holder of your shares of SWNB common stock and submit your proxy without specifying a voting instruction, your shares will be voted FOR the proposal to approve the merger agreement and FOR the Adjournment Proposal. SWNB's board of directors unanimously recommends a vote FOR approval of the merger agreement and FOR the Adjournment Proposal.

You may revoke your proxy before it is voted by:

filing with SWNB's Corporate Secretary a duly executed revocation of proxy;

submitting a new proxy at a later date; or

voting in person at the special meeting.

Attendance at the special meeting will not, in and of itself, constitute a revocation of a proxy. Address written notices of revocation and other communication with respect to the revocation of proxies to:

Doris Chen, Corporate Secretary

SWNB Bancorp, Inc.

6901 Corporate Drive

Houston, Texas 77036

If any matters not described in this document are properly presented at the special meeting, the persons named in the proxy card will use their own judgment to determine how to vote your shares. SWNB does not know of any other matters to be presented at the meeting.

Solicitation of Proxies

This proxy solicitation is made by the board of directors of SWNB. Additionally, officers and directors of SWNB may solicit proxies personally or by telephone or other means of communication, without additional compensation. SWNB will reimburse banks, brokers and other custodians, nominees and fiduciaries for their reasonable expenses in forwarding the proxy materials to beneficial owners of SWNB common stock.

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PROPOSAL NO. 1 MERGER PROPOSAL

SWNB is asking its stockholders to approve the merger agreement. Holders of SWNB common stock should read this document carefully and in its entirety, including the appendices, for more detailed information concerning the merger agreement and the merger. A copy of the merger agreement is attached to this document as Appendix A.

After careful consideration, the SWNB board of directors unanimously approved the merger agreement and declared the merger agreement and the transactions contemplated thereby, including the merger, to be advisable and in the best interests of SWNB and the stockholders of SWNB. See Description of the Merger SWNB s Reasons for the Merger; Recommendation of SWNB s Board of Directors included elsewhere in this document for a more detailed discussion of the SWNB board of directors recommendation.

SWNB s board of directors unanimously recommends a vote FOR the merger proposal.

PROPOSAL NO. 2 ADJOURNMENT PROPOSAL

If, at the SWNB special meeting, the number of shares of SWNB common stock present or represented and voting in favor of the merger proposal is insufficient to approve the merger proposal, SWNB intends to move to adjourn the SWNB special meeting in order to enable SWNB s board of directors to solicit additional proxies for approval of the merger proposal. In that event, SWNB will ask its stockholders to vote upon the Adjournment Proposal, but not the merger proposal. SWNB is asking its stockholders to authorize the holder of any proxy solicited by the SWNB board of directors on a discretionary basis to vote in favor of adjourning the SWNB special meeting to another time and place to solicit additional proxies, including the solicitation of proxies from SWNB stockholders who have previously voted.

SWNB s board of directors unanimously recommends a vote FOR the Adjournment Proposal.

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DISSENTERS RIGHTS OF SWNB STOCKHOLDERS

General

If you hold one or more shares of SWNB common stock, you are entitled to dissenters rights under Texas law and have the right to dissent from the merger and have the appraised fair value of your shares of SWNB common stock paid to you in cash. The appraised fair value may be more or less than the value of the consideration you would receive under the merger agreement. If you are contemplating exercising your right to dissent, we urge you to read carefully the provisions of Chapter 10, Subchapter H of the Texas Business Organizations Code (§§10.351-10.368), which are attached to this document as Appendix B, and to consult with your legal counsel before electing or attempting to exercise these rights. The following discussion describes the steps you must take if you want to exercise your right to dissent and is qualified in its entirety by reference to those statutes in Appendix B. You should read this summary and the full text of the law carefully.

How to Exercise and Perfect Your Right to Dissent

To be eligible to exercise your right to dissent to the merger:

you must, prior to the SWNB special meeting, provide SWNB with a written objection to the merger that states that you will exercise your right to dissent if the merger is completed and that provides an address to which Hanmi may send a notice if the merger is completed;

you must vote your shares of SWNB common stock against the merger agreement at the SWNB special meeting;

you must, not later than the 20th day after Hanmi sends you notice that the merger was completed, provide Hanmi with a written demand for payment of fair value of your SWNB common stock, that states the number and class of shares of SWNB common stock you own, your estimate of the fair value of such stock, and an address to which a notice relating to the dissent and appraisal procedures may be sent; and

you must, not later than the 20th day after the date on which you make the written demand for payment from Hanmi, submit to Hanmi the certificates representing your shares of SWNB common stock to which the demand relates, for purposes of making a notation on the certificates that a demand for the payment of the fair value of the shares has been made.

If you intend to dissent from the merger, you should send your written objection to, prior to the special meeting, to SWNB at the following address:

SWNB Bancorp, Inc.

6901 Corporate Drive

Houston, Texas 77036

Attention: President and Corporate Secretary

If you fail to vote your shares of SWNB common stock at the special meeting against the approval of the merger agreement, you will lose your right to dissent from the merger. You will instead receive shares of Hanmi common stock and/or cash as described in the merger agreement. If you comply with the first two items above and the merger is completed, Hanmi will send you a written notice advising you that the merger has been completed. Hanmi must deliver this notice to you within ten days after the merger is completed.

Your Demand for Payment

If you wish to receive the fair value of your shares of SWNB common stock in cash, you must, within 20 days of the date the notice of consummation of the merger was delivered or mailed to you by Hanmi, send a written demand to Hanmi for payment of the fair value of your shares of SWNB common stock. The fair value of

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your shares of SWNB common stock will be the value of the shares on the day immediately preceding the merger, excluding any appreciation or depreciation in anticipation of the merger. Your written demand and any notice addressed to Hanmi must be sent to:

Hanmi Financial Corporation
3660 Wilshire Boulevard, Penthouse Suite A
Los Angeles, California 90010
Attention: President and Corporate Secretary

Your written demand must state how many shares of SWNB common stock you own and your estimate of the fair value of your shares of SWNB common stock. If you fail to send this written demand to Hanmi within 20 days of Hanmi's delivery or mailing of notice that the merger is completed, you will be bound by the merger and you will not be entitled to receive a cash payment representing the fair value of your shares of SWNB common stock. Instead, you will receive shares of Hanmi common stock and/or cash as described in the merger agreement.

In addition, not later than the 20th day after the date on which you make written demand for payment, you must submit to Hanmi your certificates representing SWNB common stock to which the demand relates for purposes of making a notation on the certificates that a demand for the payment of the fair value of your shares of SWNB common stock has been made. If you fail to submit your certificates within the required period, it will have the effect of terminating, at the option of Hanmi, your right to dissent and appraisal unless a court, for good cause shown, directs otherwise.

Hanmi's Actions upon Receipt of Your Demand for Payment

Within 20 days after Hanmi receives your demand for payment and your estimate of the fair value of your shares of SWNB common stock, Hanmi must send you written notice stating whether it accepts your estimate of the fair value of your shares claimed in the demand or rejects the demand.

If Hanmi accepts your estimate, Hanmi will notify you that it will pay the amount of your estimated fair value within 90 days of the merger being completed. Hanmi will make this payment to you only if you have surrendered the certificates representing your shares of SWNB common stock, duly endorsed for transfer, to Hanmi.

If Hanmi does not accept your estimate, Hanmi will notify you of this fact and will make an offer of an alternative estimate of the fair value of your shares that it is willing to pay you. You will have 90 days from the date of the completion of the merger to accept or decline Hanmi's offer. If you accept the offer, Hanmi must pay the agreed amount within 120 days of the merger being completed, but only if you have surrendered the certificates representing your shares of SWNB common stock, duly endorsed for transfer, to Hanmi.

Payment of the Fair Value of Your Shares of SWNB Common Stock upon Agreement of an Estimate

If you and Hanmi reach an agreement on the fair value of your shares of SWNB common stock within 90 days after the merger is completed, Hanmi must pay you the agreed amount within 120 days after the merger is completed, but only if you have surrendered the share certificates representing your shares of SWNB common stock, duly endorsed for transfer, to Hanmi.

Commencement of Legal Proceedings if a Demand for Payment Remains Unsettled

If you and Hanmi are unable to reach an agreement as to the fair market value of your shares of SWNB common stock within 90 days after the merger is completed, you or Hanmi may, within 60 days after the expiration of the 90-day period, commence proceedings in Harris County, Texas, asking the court to determine

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the fair value of your shares of SWNB common stock. The court will determine if you have complied with the dissenters' rights provisions of the Texas Business Organizations Code and if you have become entitled to a valuation of and payment for your shares of SWNB common stock. The court will appoint one or more qualified persons to act as appraisers to determine the fair value of your shares. The appraisers will be entitled to a reasonable fee payable from court costs which the court shall allocate between Hanmi and the dissenting stockholders as the court determines to be fair and equitable.

The appraisers will determine the fair value of your shares and will report this value to the court. The court will consider the report, and both you and Hanmi may object to all or part of the appraisal report. The court will determine the fair value of your shares and direct Hanmi to pay that amount, plus interest accruing from the 91st day after the merger is completed until the date of the court's judgment. Hanmi must pay the amount of the judgment to you immediately after you surrender to Hanmi the certificates representing your shares of SWNB common stock, duly endorsed for transfer, to Hanmi.

Rights as a Stockholder

If you have demanded payment for your SWNB common stock pursuant to the procedures described above, you will not thereafter be entitled to vote or exercise any other rights as a SWNB stockholder except the right to receive payment for your shares as described above and the right to bring an appropriate action to obtain relief on the ground that the merger would be or was fraudulent. In the absence of fraud, your right to dissent and receive payment of the fair value of your shares of SWNB common stock under the dissenters' rights provisions described herein is the exclusive remedy for the recovery of the value of your shares or money damages with respect to the merger.

Withdrawal of Demand

If you have made a written demand to Hanmi for payment of the fair value of your shares of SWNB common stock, you may withdraw such demand at any time before payment for your shares has been made or before a petition has been filed with a court for determination of the fair value of your shares.

Termination of Right to Dissent

If you do not perfect your dissenters' rights, withdraw your demand, or are otherwise unsuccessful in asserting your dissenters' rights, your right to be paid the fair value of your shares of SWNB common stock in cash will cease and you will be entitled to receive the same consideration received by other SWNB stockholders in the merger. Your status as a stockholder will be restored and you will be entitled to receive any dividends or distributions made after the date of your payment demand.

Income Tax Consequences

See "Description of the Merger" Material Tax Consequences of the Merger on page 51 for a discussion on how the federal income tax consequences to you will change if you elect to dissent from the merger.

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DESCRIPTION OF THE MERGER

The following is a summary of the material terms of the merger agreement. A copy of the merger agreement is attached as Appendix A and is incorporated by reference into this document. We urge you to read carefully this entire document, including the merger agreement and the other appendices, as this summary may not contain all of the information that you consider important.

General

The merger agreement provides for the merger of SWNB with and into Hanmi, with Hanmi as the surviving entity. Immediately following the merger, Southwestern National Bank, the wholly-owned subsidiary of SWNB, will merge with and into Hanmi Bank, the wholly-owned subsidiary of Hanmi, with Hanmi Bank as the surviving entity. Hanmi will remain the bank holding company for Hanmi Bank.

Background of the Merger

From time to time, SWNB's board of directors has engaged in reviews and discussions of SWNB's long-term strategies and objectives, considering ways that it might enhance stockholder value and SWNB's performance and prospects in light of competitive and other relevant factors. Strategic options considered by SWNB's board of directors have included expanding organically, raising additional capital through private placements or public offerings of equity or debt securities, and merging with another financial institution. These discussions have also focused on, among other things, the business and regulatory environment facing financial institutions in general, and SWNB in particular, as well as ways to enhance SWNB's competitive position in the marketplace.

In the context of reviewing its strategic plans, in 2014, SWNB discussed with representatives of Sheshunoff opportunities for SWNB to enhance or provide liquidity to stockholders, while continuing to allow SWNB to operate and grow its business. In this process, executives, board members and other representatives of SWNB and Sheshunoff held many conversations, both by telephone and in person, about possible strategic alternatives, including continued independent operations and the potential sale or merger of SWNB.

These discussions ultimately led to SWNB engaging Sheshunoff in 2014 to explore opportunities for a sale of SWNB. Sheshunoff identified several potential acquirors for SWNB and communicated these to management of SWNB. These parties were selected in consultation with SWNB based upon their size, capacity to pay, stock liquidity and strategic interest in SWNB or banks in the Texas marketplace.

In June 2014, Sheshunoff engaged in an auction process and requested that interested parties submit written expressions of interest concerning an acquisition of SWNB. SWNB received three written offers; however, no offers were deemed acceptable for various reasons, including, but not limited to, price and liquidity of the bidder's currency. As a result, at that time, SWNB's board of directors determined that the best course of action was to continue growing the bank, improving asset quality and waiting for market conditions and prices to improve. SWNB continued down this path for the next three years.

In November 2017, SWNB's board of directors appointed a subcommittee to work with Sheshunoff to determine if market conditions were now more favorable for a potential sale. The need for liquidity requested by several large stockholders as well as improvement in bank merger prices were both noted as reasons for re-engaging Sheshunoff in November 2017.

Sheshunoff submitted to SWNB's board of directors a list of ten banks that Sheshunoff believed would be interested in engaging in a business transaction with SWNB, including Hanmi. This list was approved by the subcommittee in late 2017. As before, these potential suitors were selected in consultation with SWNB based upon their size, capacity to pay, stock liquidity and strategic interest in SWNB or banks in the Texas marketplace.

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Sheshunoff then began the process of assembling current financial information on SWNB and Southwestern National Bank, reaching out to banks on the approved list and obtaining non-disclosure agreements from interested parties. The non-disclosure agreements did not contain stand-still provisions. As a result of this process, in early 2018, five banks signed non-disclosure agreements and received the confidential information memorandum concerning SWNB and Southwestern National Bank. Of these five interested parties, three submitted written offers and one submitted an oral offer. The fifth elected not to continue the process. Sheshunoff held discussions with all parties submitting offers in an effort to fully understand their level of interest and determine if a higher price than that stated in the respective offers could be obtained. These discussions resulted in offers ranging from aggregate consideration valued from \$58.0 million to \$78.0 million, with Hanmi identified as the highest bidder with the most liquid currency.

On January 10, 2018, Hanmi provided SWNB a non-binding letter of interest that contemplated Hanmi acquiring all of the issued and outstanding SWNB common stock in a transaction for shares of Hanmi common stock and cash, subject to among other things completion of due diligence and entry into a definitive agreement. Through their respective financial advisors, SWNB and Hanmi continued discussions and negotiations concerning the terms of the non-binding letter of interest, arriving at a revised letter of interest dated January 30, 2018, with stock and cash consideration that had an aggregate transaction value of \$78.0 million.

On or about February 1, 2018, the subcommittee of SWNB's board of directors submitted Hanmi's letter of interest to the full board of directors for its consideration, along with a summary of all the parties Sheshunoff had contacted and the offers received from those parties. SWNB's board of directors, after a full day of deliberation, determined that an 8% improvement in the price of Hanmi's offer would be needed to sign the letter of interest. Following discussions between Sheshunoff and Hanmi's financial advisor, Hanmi agreed to the request for an 8% improvement in price and submitted a revised letter of interest dated January 30, 2018. This letter stipulated a purchase price of 20% cash and 80% stock, with the number of shares to be determined by the volume weighted average price (which we refer to as the VWAP) for the 20 days prior to the signing of the definitive agreement, and contained other standard terms for a letter of interest, including an exclusivity provision, a requirement that members of SWNB's board of directors sign a voting agreement and that the directors also sign a non-competition and non-solicitation agreement. SWNB's board of directors met again in mid-February 2018 to review the revised letter of interest with representatives of Sheshunoff, and at that meeting authorized its Chairman to sign the revised letter of interest and move forward with Hanmi.

Hanmi performed onsite due diligence from February 27, 2018 to March 2, 2018. Their review did not identify any matters requiring an adjustment to the purchase price.

On April 2, 2018, SWNB engaged Fenimore, Kay, Harrison & Ford LLP (which we refer to as Fenimore Kay), as legal counsel, to assist with matters related to a proposed transaction with Hanmi. On April 5, 2018, Luse Gorman, PC (which we refer to as Luse Gorman), on behalf of Hanmi, sent an initial draft of the merger agreement to Fenimore Kay, on behalf of SWNB. On April 18, 2018, the SWNB Board held a board meeting to review and consider the proposed transaction and the initial draft of the merger agreement submitted by Hanmi. At that meeting, representatives of Fenimore Kay explained the terms of the merger agreement and related transaction documents. Also at the meeting, representatives of Sheshunoff reviewed the financial aspects of the proposed merger and summarized the strategic and financial rationale for the transaction for both parties and responded to questions by SWNB's board of directors. At that time, the SWNB board of directors determined that there continued to be open issues relating to the transaction, and requested that Fenimore Kay and Sheshunoff continue negotiations with the legal and financial advisors for Hanmi to resolve the remaining open issues.

One of these issues was that during the pendency of the negotiations in April and early May, Hanmi's stock price drifted downward by more than 10%, raising concern among SWNB's board members. Following extensive discussions among SWNB board members, Hanmi's executive management, Sheshunoff and Hanmi's financial

advisors, an agreement was reached to fix the number of Hanmi shares to be issued at 2,123,376, plus cash of \$15,899,260 (inclusive of outstanding options).

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From late April through mid-May, the parties continued to negotiate certain aspects of the transaction, including the price negotiations described in the preceding paragraph, and to complete further due diligence. Additional transaction terms negotiated included additional flexibility for Southwestern National Bank's management to sell certain assets before closing of the merger, reducing the fiduciary-out break-up fee from 4.5% to 4.0%, clarifying certain definitions and other requirements in the merger agreement and clarifying that Southwestern National Bank and SWNB may continue to pay Subchapter S tax distributions through closing consistent with past practice.

On May 18, 2018, the SWNB board of directors held another special meeting to consider approval of the merger agreement. Representatives of Sheshunoff and Fenimore Kay participated in that board meeting. At that meeting, the SWNB board of directors reviewed a final draft of the merger agreement, and Fenimore Kay reviewed the final material terms of the proposed merger agreement and related documents with the SWNB board of directors. Representatives of Fenimore Kay also reviewed the regulatory and stockholder processes required to complete the merger, and each member of the board had the opportunity to discuss and ask questions of SWNB's legal counsel and management regarding the terms of the merger agreement and such related documents.

At this special meeting, representatives of Sheshunoff reviewed with the SWNB board of directors Sheshunoff's financial analysis of the merger consideration and rendered its oral fairness opinion (later confirmed in writing dated as of May 18, 2018), to the effect that, as of such date and based on and subject to various assumptions made, procedures followed, matters considered and limitations and qualifications on the review undertaken as described in such opinion, the merger consideration was fair, from a financial point of view, to the disinterested stockholders of SWNB.

On May 18, 2018, Hanmi's board of directors held a meeting at which representatives of Hanmi's senior management were present and representatives from its financial advisor, D.A. Davidson & Co. (which we refer to as "D.A. Davidson"), and its legal counsel, Luse Gorman, were present via telephone. Representatives of D.A. Davidson reviewed the financial aspects of the transaction. Hanmi's board of directors was updated on the results of the completion of the legal and business due diligence review of SWNB. A representative of Luse Gorman reviewed in detail the terms of the merger agreement. After further discussion, Hanmi's board of directors unanimously approved the merger agreement.

After further discussion among the directors and SWNB's advisors, including with respect to the factors described, the SWNB board of directors unanimously determined that the merger and the merger agreement were advisable, fair to, and in the best interests of, SWNB and its stockholders, and unanimously approved the merger agreement, related documents and related actions, and recommended the adoption and approval of such agreement and transactions to the SWNB stockholders. After this meeting, the parties continued work to finalize the merger agreement, related documents and disclosure schedules, and entered into the merger agreement dated May 18, 2018, and announced the transaction in a joint press release at the opening of business on May 21, 2018.

SWNB's Reasons for the Merger; Recommendation of SWNB's Board of Directors

After careful consideration, at its meeting on May 18, 2018, the SWNB board of directors determined that the merger is in the best interests of SWNB and its stockholders and that the consideration to be received in the merger is fair to the SWNB stockholders. Accordingly, the SWNB board of directors unanimously approved the merger agreement and recommended that the SWNB stockholders vote "FOR" the merger agreement.

The SWNB board of directors believes that partnering with Hanmi will maximize the long-term value of SWNB's investment in SWNB, and that the merger will provide the combined company with additional resources necessary to compete more effectively in its Texas market areas.

In reaching its decision to approve the merger agreement and recommend the merger to its stockholders, the SWNB board of directors evaluated the merger and the merger agreement, in consultation with SWNB s

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management, as well as its legal and financial advisors, and considered a number of positive factors, including the following material factors, which are not presented in order of priority:

its knowledge of the business, operations, financial and regulatory condition, earnings and prospects of SWNB and Hanmi;

its knowledge of the current environment in the financial services industry, including national and regional economic conditions, increased regulatory burdens, evolving trends in technology, increasing competition, the current financial market and regulatory conditions and the likely effects of these factors on the potential growth of SWNB and Hanmi, development, productivity, profitability and strategic options;

the complementary aspects of SWNB's and Hanmi's respective businesses, including customer focus, Hanmi's experience with and dedication to the Asian-American community, geographic coverage, business orientation and compatibility of the companies' management and operating styles;

SWNB's belief that a merger with Hanmi would allow SWNB stockholders to participate in the future performance of a combined company that would have better future prospects than SWNB was likely to achieve on a stand-alone basis or through other strategic alternatives;

SWNB's belief that SWNB and Hanmi share a similar strategic vision;

Hanmi's commitment to enhancing its strategic position in its markets;

the fact that a significant portion of the merger consideration is to be paid in the form of Hanmi common stock, which would allow former SWNB stockholders to participate as Hanmi stockholders in the growth of Hanmi and in any synergies resulting from the merger;

the historical performance of Hanmi common stock;

the limited liquidity that SWNB stockholders have with respect to their investment in SWNB, for which there is no active public market, and the fact that as Hanmi stockholders, SWNB's stockholders would have increased liquidity in the form of a publicly-traded security;

the value of the merger consideration compared to the current and projected book value of SWNB and compared to similar recent transactions in the industry;

the fact that the portion of the merger consideration to be paid in the form of Hanmi common stock is expected to be tax-free to SWNB stockholders;

the terms of the merger agreement, and the presentation by SWNB's legal advisors regarding the merger and the merger agreement;

the financial presentation of Sheshunoff, dated May 18, 2018, to the SWNB board of directors and the opinion of Sheshunoff, dated May 18, 2018, to the SWNB board of directors to the effect that, as of May 18, 2018, and subject to the assumptions, limitations and qualifications set forth in the opinion, the merger consideration was fair, from a financial point of view, to the holders of SWNB common stock, as more fully described below under the section of this proxy statement/prospectus entitled "Opinion of SWNB's Financial Advisor" beginning on page 38;

the regulatory and other approvals required in connection with the merger and the likelihood that the approvals needed to complete the merger will be obtained within a reasonable time and without unacceptable conditions;

Hanmi's agreement to provide certain benefits to the employees of Southwestern National Bank; and

the likelihood of Hanmi consummating the merger based upon Hanmi's history of completing other merger transactions.

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The SWNB board of directors also considered potential risks and potentially negative factors concerning the merger in connection with its deliberations of the proposed transaction, including the following material factors:

the challenges of combining the businesses, assets and workforces of two financial institutions;

the potential risk of diverting management focus and resources from other strategic opportunities and from operational matters while working to implement the merger;

the risks and costs to SWNB if the merger is not completed;

the fact that the merger consideration, which consists primarily of shares of Hanmi common stock, provides less certainty of value to SWNB stockholders compared to a transaction in which they would receive only cash consideration;

the potential for a decline in the value of Hanmi common stock - whether before or after consummation of the merger - which would reduce the value of the consideration received by SWNB's stockholders;

the risks of the condition to closing related to the request for relief from the IRS;

the provisions of the merger agreement restricting SWNB's solicitation of third party acquisition proposals and the fact that SWNB would be obligated to pay a termination fee following the termination of the merger agreement in certain circumstances;

the requirement that SWNB conduct its business in the ordinary course and other restrictions on the conduct of SWNB's business before completion of the merger, which may delay or prevent SWNB from undertaking business opportunities that may arise before completion of the merger;

the fact that gains from the cash component of the merger consideration would generally be taxable to SWNB's United States stockholders for United States federal income tax purposes;

the risk that the anticipated benefits of the merger may not be realized or may take longer than expected to be realized;

the potential for unintended delays in the regulatory approval process; and

that interests of certain of SWNB's directors and executive officers in the merger are different from, or in addition to, their interests as SWNB stockholders, which are further described in the section of this proxy statement/prospectus entitled "Interests of SWNB's Directors and Executive Officers in the Merger" beginning on page 56.

The foregoing discussion of the factors considered by the SWNB board of directors is not intended to be exhaustive, but is believed to include the material factors considered by the SWNB board of directors. The SWNB board of directors collectively reached the unanimous conclusion to approve the merger agreement and the merger in light of the various factors described above and other factors that each member of the SWNB board of directors determined was appropriate. In view of the wide variety of the factors considered in connection with its evaluation of the merger and the complexity of these matters, the SWNB board of directors did not find it useful, and did not attempt, to quantify, rank or otherwise assign relative weights to these factors. In considering the factors described above, the individual members of the SWNB board of directors may have given different weight to different factors. The SWNB board of directors conducted an overall analysis of the factors described above including thorough discussions with SWNB management and SWNB's advisors, and considered the factors overall to be favorable to, and to support, its determination.

For the reasons set forth above, the SWNB board of directors unanimously determined that the merger agreement and the related transactions, are advisable and in the best interests of SWNB and its stockholders, and unanimously adopted and approved the merger agreement and the related transactions. The SWNB board of directors unanimously recommends that the SWNB stockholders vote FOR the approval of merger agreement.

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Opinion of SWNB's Financial Advisor in Connection with the Merger

SWNB retained Sheshunoff to provide an opinion as to the fairness from a financial point of view to SWNB's stockholders of the merger consideration to be received by the stockholders of SWNB. As part of its investment banking business, Sheshunoff is regularly engaged in the valuation of securities in connection with mergers and acquisitions and valuations for estate, corporation and other purposes. SWNB retained Sheshunoff based upon its experience as a financial advisor in mergers and acquisitions of financial institutions and its knowledge of financial institutions.

On May 18, 2018, Sheshunoff rendered its fairness opinion to the board of directors of SWNB that, as of such date, the merger consideration was fair, from a financial point of view, to the stockholders of SWNB. The full text of the fairness opinion, which sets forth, among other things, assumptions made, procedures followed, matters considered, and limitations on the review undertaken, is attached as Appendix C to this document. You are urged to read Sheshunoff's fairness opinion carefully and in its entirety. The fairness opinion is addressed to the board of directors of SWNB and does not constitute a recommendation to any stockholder of SWNB as to how he or she should vote at the special meeting of stockholders of SWNB.

In connection with the fairness opinion, Sheshunoff:

Reviewed the latest draft of the merger agreement;

Discussed the terms of the merger agreement with the management of SWNB and SWNB's legal counsel;

Conducted conversations with management of SWNB regarding recent and projected financial performance of SWNB;

Evaluated the financial condition of SWNB and its subsidiary bank based upon a review of Call Reports/Uniform Bank Performance Reports for the five-year period ended December 31, 2017 and interim period through March 31, 2018, and internally-prepared financial reports for SWNB and its subsidiary bank for the interim period through March 31, 2018;

Compared SWNB's recent operating results with those of certain other banks in the United States with an Asian-American customer focus as defined by S&P Global Market Intelligence that have recently been acquired;

Compared SWNB's recent operating results with those of certain other banks in the Southwest Region of the United States as defined by S&P Global Market Intelligence that have recently been acquired;

Compared the pricing multiples for SWNB in the merger to recent acquisitions of banks in the United States with an Asian-American customer focus as defined by S&P Global Market Intelligence with similar

characteristics to SWNB;

Compared the pricing multiples for SWNB in the merger to recent acquisitions of banks in the Southwest Region of the United States as defined by S&P Global Market Intelligence with similar characteristics to SWNB;

Analyzed the present value of the after-tax cash flows based on projections on a stand-alone basis approved by SWNB for the five-year period ending March 31, 2023;

Reviewed the potential pro forma impact of the merger on the combined company's results and certain financial performance measures of SWNB and Hanmi;

Discussed certain matters regarding Hanmi's regulatory standing, financial performance, and business prospects with Hanmi executives;

Reviewed certain internal and publicly available information regarding Hanmi that Sheshunoff deemed relevant;

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Compared Hanmi's recent operating results and pricing multiples with those of certain other publicly traded banks in the West Region as defined by S&P Global Market Intelligence that Sheshunoff deemed relevant;

Compared the historical stock price data and trading volume of Hanmi common stock to certain relevant indices;

Reviewed available stock analyst research reports concerning Hanmi; and

Performed such other analyses deemed appropriate.

For the purposes of this opinion, Sheshunoff assumed and relied upon, without independent verification, the accuracy and completeness of the information provided to it by SWNB in conjunction with this opinion. Sheshunoff assumed that any projections provided by or approved by SWNB were reasonably prepared on a basis reflecting the best currently available estimates and judgments of SWNB's management. Sheshunoff assumed such forecasts and projections will be realized in the amounts and at times contemplated thereby.

Sheshunoff did not make an independent evaluation of the assets or liabilities (including any contingent, derivative or off-balance-sheet assets or liabilities) of SWNB or Hanmi nor was Sheshunoff furnished with any such appraisal. Sheshunoff assumed that any off-balance-sheet activities of SWNB or Hanmi will not materially and adversely impact the future financial position or results of operation of Hanmi after the merger. Sheshunoff is not an expert in the evaluation of loan portfolios for the purposes of assessing the adequacy of the allowance for loan and lease losses and assumed that such allowances for SWNB and Hanmi are, respectively, adequate to cover such losses.

Sheshunoff assumed that the merger will be effected without any amendment or waiver of, or delay in the fulfillment of, any material terms or conditions set forth in the merger agreement provided to Sheshunoff or without any subsequent development that would have a material adverse effect on SWNB or Hanmi and thereby on the results of its analyses. Sheshunoff assumed that any and all regulatory approvals, if required, will be received in a timely fashion and without any conditions or requirements that could adversely affect the operations or financial condition of Hanmi after the completion of the merger.

The fairness opinion is necessarily based on economic, market, regulatory, and other conditions as in effect on, and the information made available to Sheshunoff as of May 18, 2018.

In rendering the fairness opinion, Sheshunoff performed a variety of financial analyses. The preparation of an opinion involves various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances. Consequently, the fairness opinion is not readily susceptible to partial analysis or summary description. Moreover, the evaluation of fairness, from a financial point of view, of the merger consideration is to some extent subjective, based on the experience and judgment of Sheshunoff, and not merely the result of mathematical analysis of financial data. Sheshunoff did not attribute particular weight to any analysis or factor considered by it. Accordingly, notwithstanding the separate factors summarized below, Sheshunoff believes that its analyses must be considered as a whole and that selecting portions of its analyses and of the factors considered, without considering all analyses and factors, could create an incomplete view of the evaluation process underlying its opinion. The ranges of valuations resulting from any particular analysis described below should not be taken to be Sheshunoff's view of the actual value of SWNB, Hanmi or the combined entity.

In performing its analyses, Sheshunoff made numerous assumptions with respect to industry performance, business and economic conditions and other matters, many of which are beyond the control of SWNB or Hanmi. The analyses performed by Sheshunoff are not necessarily indicative of actual values or future results, which may be significantly more or less favorable than suggested by such analyses. In addition, Sheshunoff's analyses should not be viewed as determinative of the opinion of the board of directors or the management of SWNB with respect to the value of SWNB or Hanmi or to the fairness of the merger consideration.

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The following is a summary of the analyses performed by Sheshunoff in connection with its opinion. The discussion utilizes financial information concerning SWNB and Hanmi as of March 31, 2018 that is believed to be reliable, accurate, and complete; however, Sheshunoff cannot guarantee the reliability, accuracy, or completeness of any such information.

Pursuant to the draft merger agreement dated May 18, 2018, Hanmi has agreed to exchange approximately \$15.5 million in cash and approximately 2,123,376 shares of Hanmi common stock for all of the outstanding shares of common stock and options of SWNB. The aggregate consideration to be received by SWNB stockholders is valued at approximately \$76.2 million as of Hanmi's closing share price of \$28.55 on May 17, 2018. SWNB will also pay out excess capital prior to the completion of the transaction, currently estimated at approximately \$3.5 million assuming a closing date of August 31, 2018.

SWNB Discounted Cash Flow Analysis: Using discounted cash flow analysis, Sheshunoff estimated the present value of the future after-tax cash flow streams that SWNB could produce on a stand-alone basis through March 31, 2023 under various circumstances, assuming that it performed in accordance with the projections provided by SWNB's management.

Sheshunoff estimated the terminal value for SWNB at the end of March 31, 2023 by (1) multiplying the final period projected earnings by one plus the assumed annual long-term growth rate of the earnings of SWNB of 5.0% (or 1.05) and (2) dividing this product by the difference between the required rates of return shown below and the assumed annual long-term growth rate of earnings of 5.0% in (1) above. Sheshunoff discounted the annual cash flow streams (defined as all earnings in excess of that which is required to maintain a tangible common equity to tangible asset ratio of 8.0%) and the terminal values using discount rates ranging from 14.5% to 16.5%. The discount rate range was chosen to reflect different assumptions regarding the required rates of return of SWNB and the inherent risk surrounding the underlying projections. This discounted cash flow analysis indicated a range of values per share of \$4.29 to \$5.27 as shown in the table below compared to the estimated merger consideration of \$5.61 per share (excluding the payment of any excess capital to SWNB stockholders prior to the completion of the transaction).

	Discount Rate		
	16.5%	15.5%	14.5%
Present value (in thousands)	\$ 58,134	\$ 64,212	\$ 71,621
Present value (per share)	\$ 4.29	\$ 4.73	\$ 5.27

Analysis of Selected Transactions: Sheshunoff performed an analysis of premiums paid in selected recently announced acquisitions of banking organizations with comparable characteristics to SWNB. Two sets of transactions were selected to ensure a thorough analysis.

The first set of comparable transactions consisted of a group of selected transactions for banks and thrifts in the United States with an Asian-American customer focus for which pricing data was available, with the following characteristics: targets with headquarters in the United States that were announced since January 1, 2011, and reporting a return on average assets greater than 0.0%. These comparable transactions consisted of 14 mergers and acquisitions of banks and thrifts with total assets ranging between \$119.5 million and

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\$4.74 billion that were announced between January 23, 2011 and April 23, 2018. A listing of the transactions included in this comparable group follows:

Buyer	ST	Target	City	ST	Ann Date
RBB Bancorp	CA	First American Intl Corp	Brooklyn	NY	4/23/2018
Cathay General Bancorp	CA	SinoPac Bancorp			