



# A Strategically Compelling & Financially Attractive Combination

April 29, 2024



# Forward Looking Statements & Additional Disclosures

This presentation contains statements regarding future events or the future financial performance of Hope Bancorp, Inc. (“Company”) and its proposed merger with Territorial Bancorp Inc. (“Territorial”) that constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements relate to, among other things, expectations regarding the strategically compelling and financially attractive nature of the proposed merger, low-cost core deposit base, diversification of the loan portfolio, expansion of market share, percentage earnings per share growth, capital to support growth, and statements about the proposed transaction being immediately accretive. Forward-looking statements include, but are not limited to, statements preceded by, followed by or that include the words “will,” “believes,” “expects,” “anticipates,” “intends,” “plans,” “estimates” or similar expressions. With respect to any such forward-looking statements, the Company and Territorial each claims the protection provided for in the Private Securities Litigation Reform Act of 1995. These statements involve risks and uncertainties. Upon completion of the merger, the combined company’s actual results, performance or achievements may differ significantly from the results, performance or achievements expressed or implied in any forward-looking statements. The closing of the proposed transaction is subject to regulatory approvals, the approval of the shareholders of Territorial, and other customary closing conditions. There is no assurance that such conditions will be met or that the proposed merger will be consummated within the expected time frame, or at all. If the transaction is consummated, factors that may cause actual outcomes to differ from what is expressed or forecasted in these forward-looking statements include, among things: difficulties and delays in integrating the Company and Territorial and achieving anticipated synergies, cost savings and other benefits from the transaction; higher than anticipated transaction costs; deposit attrition, operating costs, customer loss and business disruption following the merger, including difficulties in maintaining relationships with employees and customers, may be greater than expected; and required governmental approvals of the merger may not be obtained on its proposed terms and schedule, or without regulatory constraints that may limit growth. Other risks and uncertainties include, but are not limited to: possible further deterioration in economic conditions in our areas of operation; interest rate risk associated with volatile interest rates and related asset-liability matching risk; liquidity risks; risk of significant non-earning assets, and net credit losses that could occur, particularly in times of weak economic conditions or times of rising interest rates; the failure of or changes to assumptions and estimates underlying the Company’s allowances for credit losses, and regulatory risks associated with current and future regulations. For additional information concerning these and other risk factors, see the Company’s most recent Annual Report on Form 10-K. The Company does not undertake, and specifically disclaims any obligation, to update any forward-looking statements to reflect the occurrence of events or circumstances after the date of such statements except as required by law.

## Additional Information and Where to Find It

In connection with the proposed merger, Hope Bancorp, Inc. will file with the Securities and Exchange Commission (“SEC”) a Registration Statement on Form S-4, which will include a Proxy Statement of Territorial Bancorp Inc., that also constitutes a prospectus of Hope Bancorp, Inc. Territorial Bancorp shareholders are encouraged to read the Registration Statement and the Proxy Statement/Prospectus regarding the merger when it becomes available and any other relevant documents filed with the SEC, as well as any amendments or supplements to those documents, because they will contain important information about the proposed merger. Territorial Bancorp shareholders will be able to obtain a free copy of the Proxy Statement/Prospectus, as well as other filings containing information about Hope Bancorp and Territorial Bancorp at the SEC’s Internet site ([www.sec.gov](http://www.sec.gov)). Territorial Bancorp shareholders will also be able to obtain these documents, free of charge, from Territorial Bancorp at <https://www.tsbhawaii.bank/tsb/investor-relations/>.

# Transaction Highlights

*Strategically  
Compelling*



*Financially  
Attractive*

*Culturally  
Aligned*

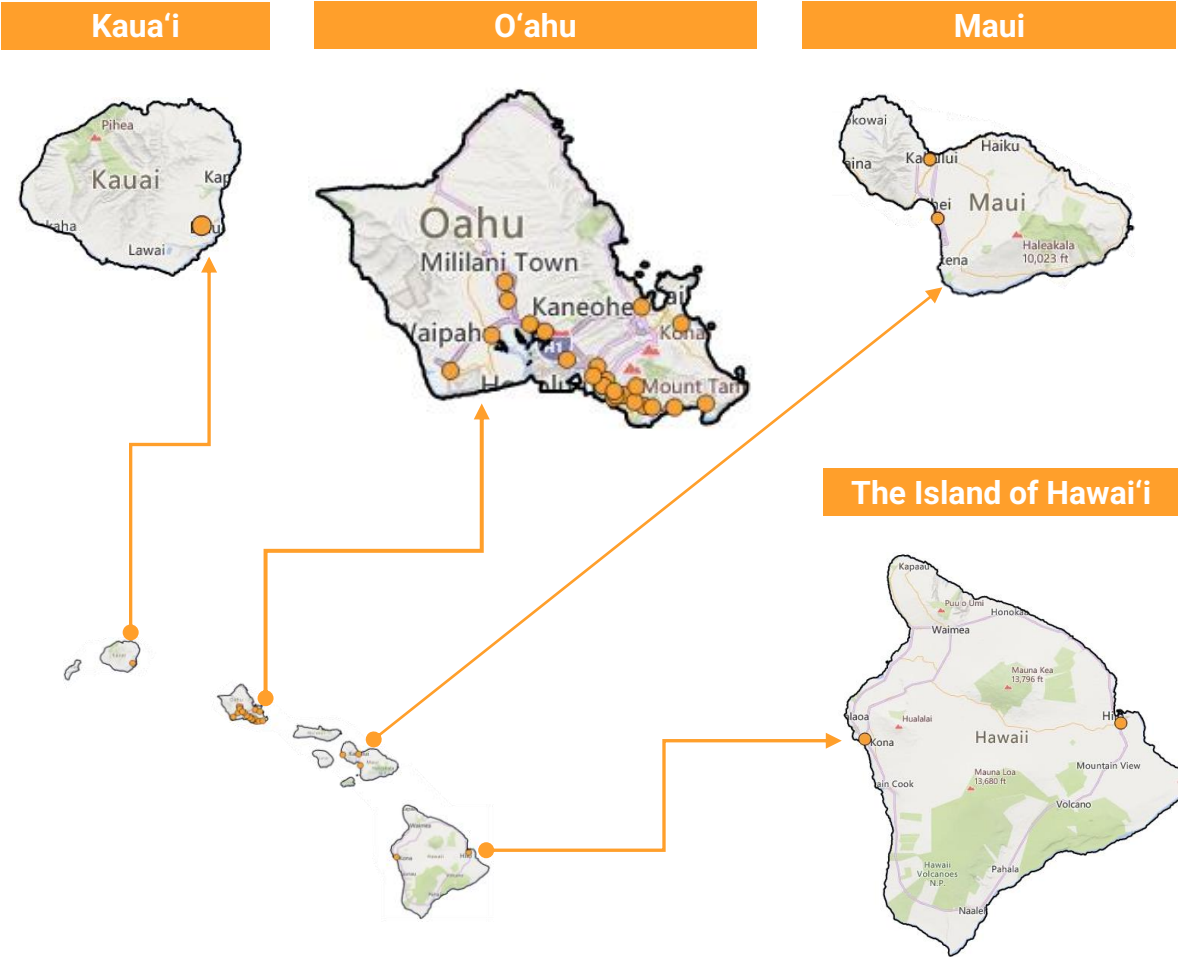
- Creates the largest U.S. regional bank catering to multi-ethnic customers across the continental United States and the Hawaiian Islands
- TBNK bolsters Combined Company's core funding base with \$1.6 billion in low-cost deposits as of 12/31/23
- Accelerates diversification of Combined Company's loan portfolio by more than doubling HOPE's residential mortgage balances
- Market share growth opportunities by leveraging larger balance sheet, more resources, enhanced technology and broader array of banking products & services for enhanced customer experience
- Merger consideration of \$78.6 million, or \$8.82 per TBNK share<sup>(1)</sup>
- Fixed exchange ratio: 0.8048 HOPE shares per TBNK share in an all-stock transaction
- Expected to be immediately accretive after the close with double-digit percentage EPS growth. Targeting deal close by year-end 2024
- Strong capital to support growth of the Combined Company
- Shared corporate values that preserve and build on TBNK's 100+ year legacy of providing personalized customer service and supporting local communities
- To ensure continuity for customers and employees after the close, legacy TBNK will do business under the Territorial Savings Bank brand, as a trade name of Bank of Hope
- Continued dedication to and investment in the Hawai'i communities

# Overview of TBNK



- Headquartered in Honolulu, Hawai'i
- 5<sup>th</sup> largest deposit market share<sup>(1)</sup> in the state of Hawai'i
- Founded in 1921: 100+ years of operating history in Hawai'i
- **Attractive cost of total deposits:** 1.61% spot rate, or 1.20% excl. public deposits, as of 12/31/23
- **Low loan-to-value ("LTV") residential mortgage portfolio:** avg. LTV of 63% as of 12/31/23, of which less than 1% has an LTV >80%

## 28 Branch Footprint in the Hawaiian Islands



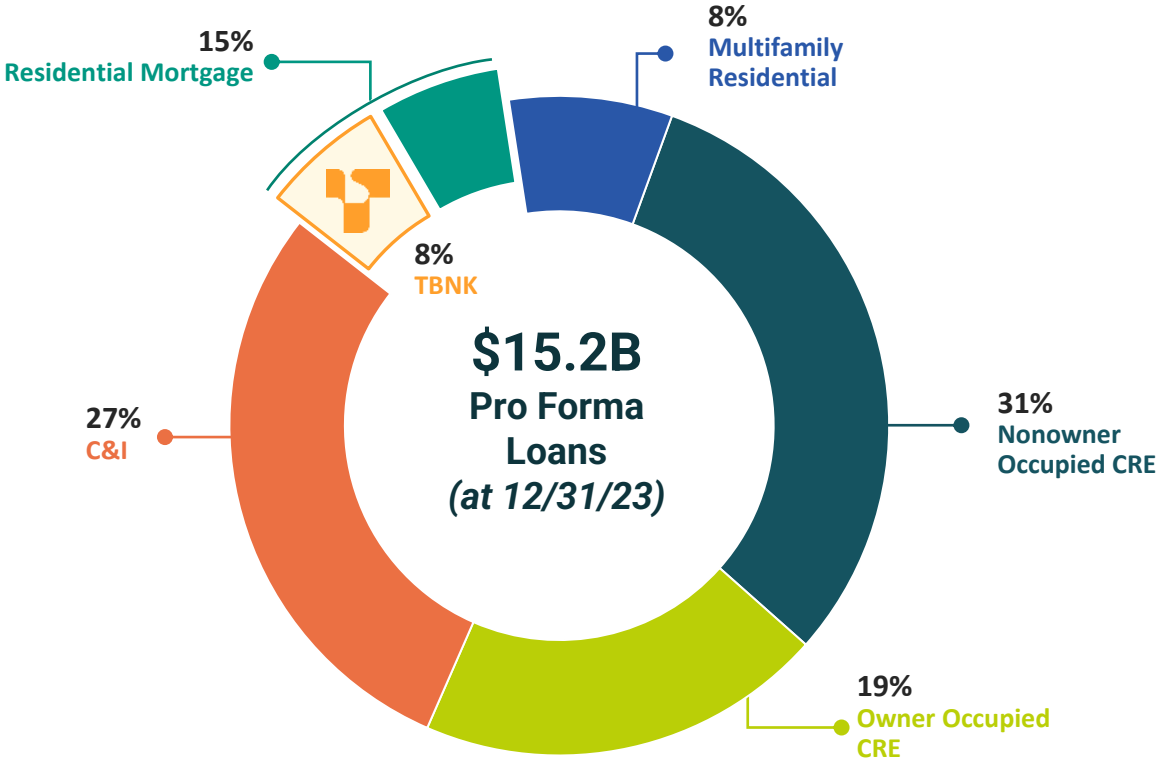
### Financial Highlights (as of 12/31/23)<sup>(2)</sup>

<b>\$2.2B</b> Total Assets	<b>0.10%</b> NPAs / Total Assets
<b>\$1.3B</b> (97% Resi. Mort.) Gross Loans	<b>\$251MM</b> Tang. Common Equity
<b>\$1.6B</b> Total Deposits	<b>11.23%</b> Tang. Common Equity Ratio
<b>80.0%</b> Loans / Deposits	<b>28.33%</b> Common Equity Tier-1 Ratio

(1) Deposit market share source: S&P Capital IQ Pro based on FDIC Summary of Deposits as of 6/30/23  
 (2) Source: S&P Capital IQ Pro as of 12/31/23

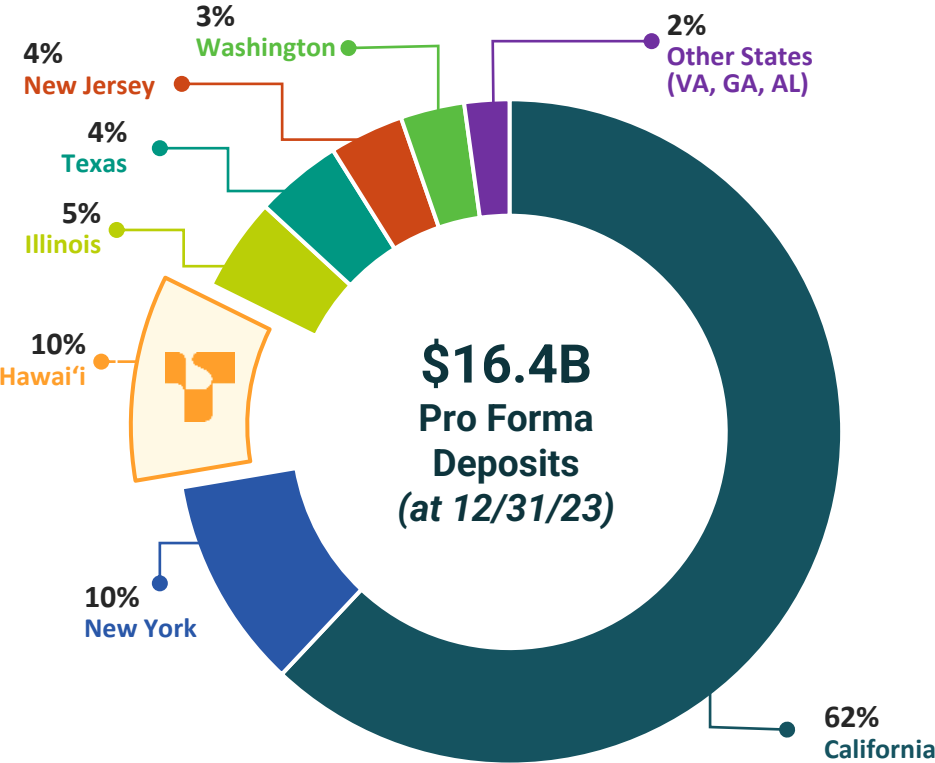
# Pro Forma Loans and Deposits

Pro Forma Loan Portfolio



TBNK's contribution would more than double HOPE's residential mortgage portfolio

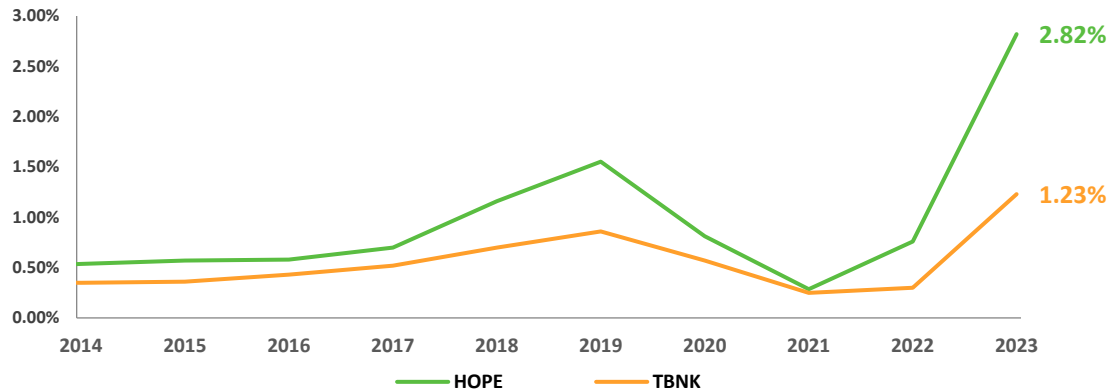
Pro Forma Deposit Portfolio



Hawai'i would be the Combined Company's 3rd largest deposit market by state

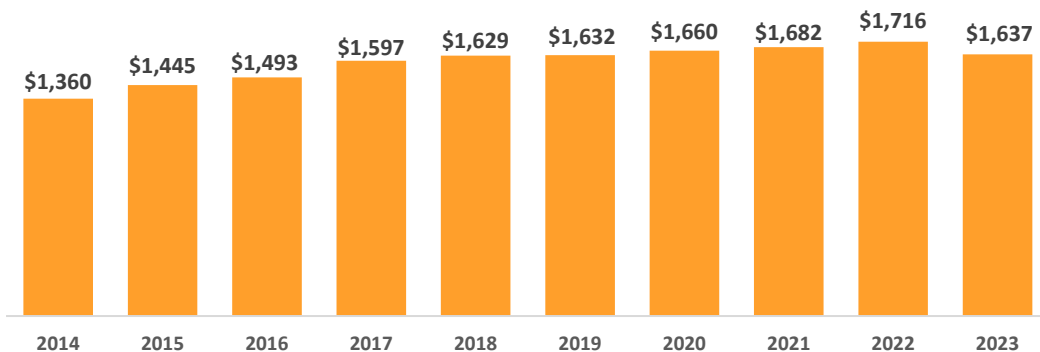
# TBNK's Core Deposit Franchise: Low-Cost, Granular, Stable

## Weighted Avg. Annual Cost of Total Deposits

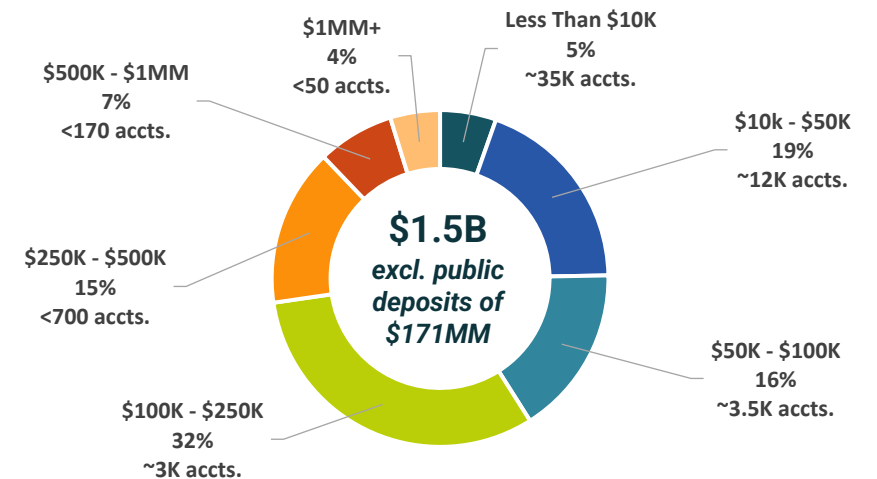


- FY 2023 avg. cost of total deposits: 1.23%, or 0.79% excl. public deposits
- Year-end total cost of deposits @ 12/31/23: 1.61%, or 1.20% excl. public deposits
- Granular deposit base: ~55,000 accounts, with avg. account size of ~\$30,000 and median account size of ~\$4,100
- 73% of TBNK deposit balances (*excl. public deposits*) are from accounts equal to or less than \$250,000 in size
- 93% of non-CD deposit balances are consumer deposits

## TBNK Deposits (\$000) as of Year-End



## TBNK Deposits – By Account Size as of 12/31/23



# Transaction Details

## Consideration

- Fixed exchange ratio: TBNK shareholders to receive 0.8048 shares of HOPE common stock for each share of TBNK common stock
- 100% stock-for-stock transaction valued at approximately \$78.6MM<sup>(1)</sup>
- Based on HOPE's closing price on 4/26/24, represents a value of \$8.82 per TBNK share
- Transaction intended to qualify as a tax-free reorganization for TBNK shareholders
- Upon merger completion, TBNK shareholders will own approximately 5.6% of HOPE shares outstanding (7.2 million shares) on a Pro Forma basis

## Timing & Approvals

- HOPE is a seasoned acquiror & integrator of diverse business models
- Subject to approval by TBNK shareholders
- Subject to customary regulatory approvals
- No financing contingencies to complete the transaction
- Targeting merger close by year-end 2024

## Transaction Metrics <sup>(1)</sup>

**31%**  
Price/  
TBNK TBV<sup>(2)</sup>

**~(6)%**  
HOPE TBV  
Accretion/  
(Dilution)

**~3 Years**  
HOPE TBV  
Earn-back

## Pro Forma Combined Company Capital Ratios <sup>(3)</sup>

**8.0%**  
TCE<sup>(2)</sup>  
Ratio

**9.2%**  
Leverage  
Ratio

**11.7%**  
CET-1<sup>(2)</sup>  
Ratio

**13.3%**  
Total Capital  
Ratio

(1) Based on HOPE closing stock price of \$10.96 as of 4/26/24. HOPE and TBNK tangible book value as of 12/31/23

(2) Tangible Book Value ("TBV") per share; Tangible Common Equity ("TCE"); Common Equity Tier-1 ("CET-1")

(3) Pro Forma capital ratios as of 12/31/23 including transaction fair market value marks

# Commitment to the Hawai'i Market

## TERRITORIAL SAVINGS BANK

- Continuing to operate under Territorial Savings Bank brand, doing business as a trade name of Bank of Hope
- Strategically important partner enhancing Bank of Hope's footprint and diversification



## EMPLOYEES

- Local staff to ensure relationship continuity for customers
- Competitive compensation, benefits and career advancement opportunities



## CUSTOMERS

- Access to expanded array of banking products & services
- Benefits from enhanced technology platforms for improved customer user experiences



## COMMUNITIES

- Shared cultural values that emphasize volunteerism and outreach to local communities
- Commitment to Territorial's long-standing legacy of community investments



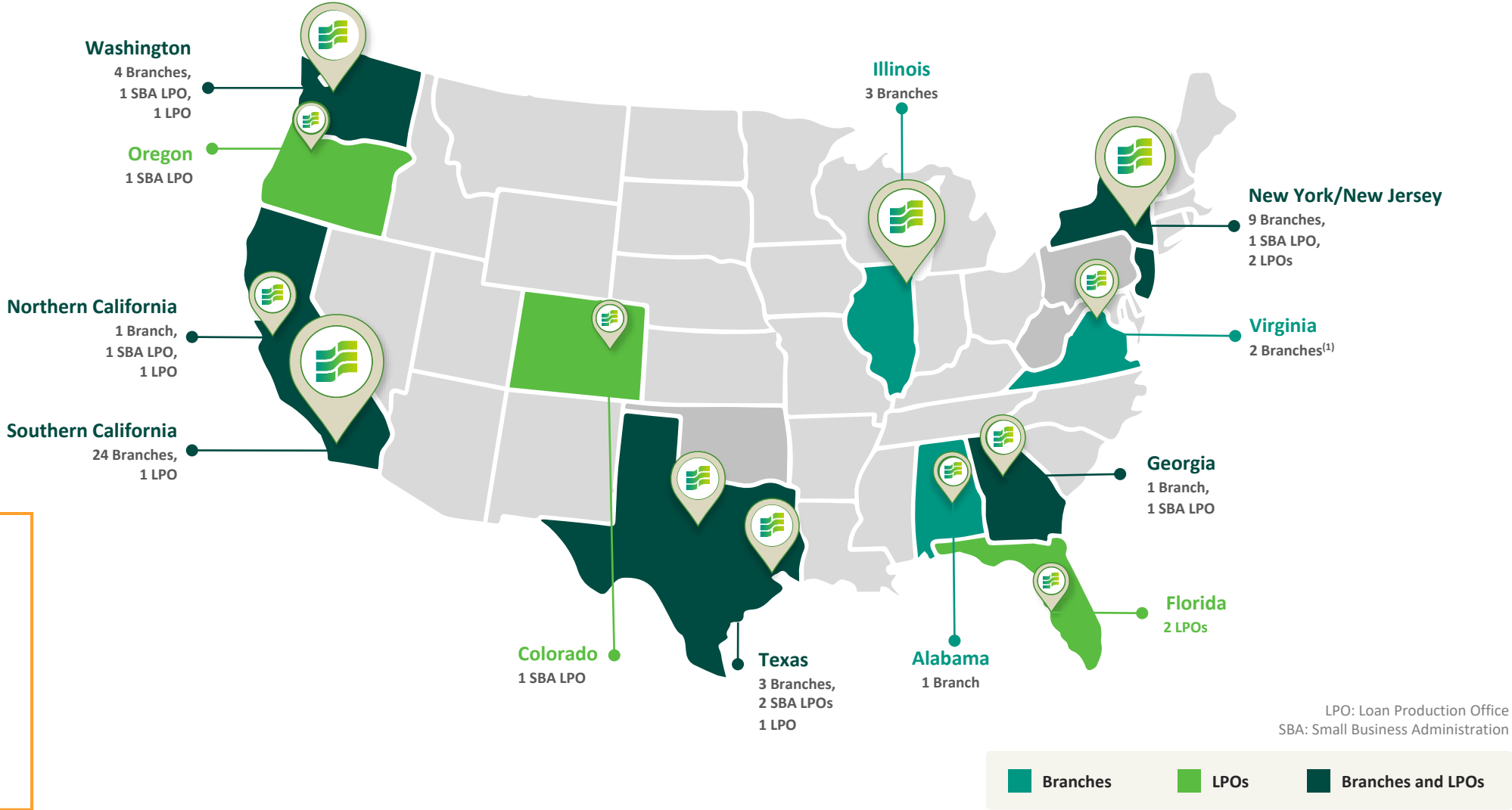
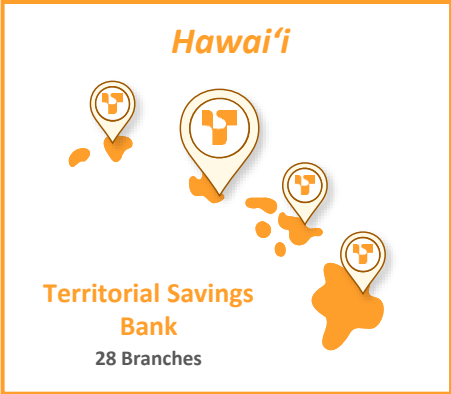


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# Appendix



# Nationwide Presence Anchored in Asian American Communities



Branch map is not presented in scale. Map as of 4/29/24.

(1) HOPE entered into branch purchase & assumption agreement for the sale of its two branches in Virginia. Transaction expected to close in 2H24.

# TBNK Operating Markets

## Honolulu County



# of Branches	23
Deposit Market Share	2.9%
Population	997K
Median HHI	\$97K

## Hawai'i County



# of Branches	2
Deposit Market Share	4.4%
Population	209K
Median HHI	\$74K

## Maui County



# of Branches	2
Deposit Market Share	2.7%
Population	165K
Median HHI	\$85K

## Kaua'i County



# of Branches	1
Deposit Market Share	1.0%
Population	75K
Median HHI	\$86K

## Hawai'i Deposit Market Share (as of 06/30/23)

Rank	Institution (State)	Deposit Market Share
1	Bank of Hawaii Corp. (HI)	33.8%
2	First Hawaiian Inc. (HI)	33.8%
3	ASB Hawaii, Inc. (HI)	14.3%
4	Central Pacific Financial Corp (HI)	11.9%
5	<b>Territorial Bancorp Inc. (HI)</b>	<b>2.9%</b>
6	Hawaii National Bancshares Inc. (HI)	1.3%
7	HomeStreet Inc. (WA)	1.2%
8	CBB Bancorp Inc. (CA)	0.4%
9	First Foundation Inc. (TX)	0.3%
10	RBB Bancorp (CA)	0.1%
<b>Total for Institutions in Market</b>		<b>100.0%</b>

**Combination with HOPE provides market share growth opportunities with broader array of banking products & services**