



Orchid Island Capital Announces Estimated First Quarter 2024 Results, April 2024 Monthly Dividend and March 31, 2024 RMBS Portfolio Characteristics

April 10, 2024

- April 2024 Monthly Dividend of \$0.12 Per Share of Common Stock
- Estimated Book Value Per Share as of March 31, 2024 of \$9.12
- Estimated GAAP net income of \$0.38 per share for the quarter ended March 31, 2024, including an estimated \$0.50 per share of net realized and unrealized gains on RMBS and derivative instruments.
- Estimated 4.2% total return on equity for the quarter
- Estimated book value, net income and total return on equity amounts are preliminary, subject to change, and subject to review by the Company's independent registered public accounting firm
- RMBS Portfolio Characteristics as of March 31, 2024
- Next Dividend Announcement Expected May 8, 2024

VERO BEACH, Fla.--(BUSINESS WIRE)-- Orchid Island Capital, Inc. (the "Company") (NYSE: ORC) announced today that the Board of Directors of the Company declared a monthly cash dividend for the month of April 2024. The dividend of \$0.12 per share will be paid May 30, 2024 to holders of record of the Company's common stock on April 30, 2024, with an ex-dividend date of April 29, 2024. The Company plans on announcing its next common stock dividend on May 8, 2024.

The Company intends to make regular monthly cash distributions to its holders of common stock. In order to qualify as a real estate investment trust ("REIT"), the Company must distribute annually to its stockholders an amount at least equal to 90% of its REIT taxable income, determined without regard to the deduction for dividends paid and excluding any net capital gain. The Company will be subject to income tax on taxable income that is not distributed and to an excise tax to the extent that a certain percentage of its taxable income is not distributed by specified dates. The Company has not established a minimum distribution payment level and is not assured of its ability to make distributions to stockholders in the future.

As of April 10, 2024, the Company had 52,973,989 shares of common stock outstanding. As of March 31, 2024, the Company had 52,826,169 shares of common stock outstanding. As of December 31, 2023, the Company had 51,636,074 shares of common stock outstanding.

Estimated March 31, 2024 Book Value Per Share

The Company's estimated book value per share as of March 31, 2024 was \$9.12. The Company computes book value per share by dividing total stockholders' equity by the total number of outstanding shares of common stock. At March 31, 2024, the Company's preliminary estimated total stockholders' equity was approximately \$481.6 million with 52,826,169 shares of common stock outstanding. These figures and the resulting estimated book value per share are preliminary, subject to change, and subject to review by the Company's independent registered public accounting firm.

Estimated Net Income Per Share and Realized and Unrealized Gains and Losses on RMBS and Derivative Instruments

The Company estimates it generated a net income per share of \$0.38, which includes \$0.50 per share of net realized and unrealized gains on RMBS and derivative instruments for the quarter ended March 31, 2024. These amounts compare to total dividends declared during the quarter of \$0.36 per share. Net income per common share calculated under generally accepted accounting principles can, and does, differ from our REIT taxable income. The Company views REIT taxable income as a better indication of income to be paid in the form of a dividend rather than net income. Many components of REIT taxable income can only be estimated at this time and our monthly dividends declared are based on both estimates of REIT taxable income to be earned over the course of the current quarter and calendar year and a longer-term estimate of the REIT taxable income of the Company. These figures are preliminary, subject to change, and subject to review by the Company's independent registered public accounting firm.

Estimated Total Return on Equity

The Company's estimated total return on equity for the quarter ended March 31, 2024 was 4.2%. The Company calculates total return on equity as the sum of dividends declared and paid during the quarter plus changes in book value during the quarter, divided by the Company's stockholders' equity at the beginning of the quarter. The total return was \$0.38 per share, comprised of dividends per share of \$0.36 and an increase in book value per share of \$0.02 from December 31, 2023.

RMBS Portfolio Characteristics

Details of the RMBS portfolio as of March 31, 2024 are presented below. These figures are preliminary and subject to change and, with respect to figures that will appear in the Company's financial statements and associated footnotes as of and for the quarter ended March 31, 2024, are subject to review by the Company's independent registered public accounting firm:

- RMBS Valuation Characteristics
- RMBS Assets by Agency
- Investment Company Act of 1940 (Whole Pool) Test Results
- Repurchase Agreement Exposure by Counterparty
- RMBS Risk Measures

About Orchid Island Capital, Inc.

Orchid Island Capital, Inc. is a specialty finance company that invests on a leveraged basis in Agency RMBS. Our investment strategy focuses on, and our portfolio consists of, two categories of Agency RMBS: (i) traditional pass-through Agency RMBS, such as mortgage pass-through certificates and collateralized mortgage obligations issued by Fannie Mae, Freddie Mac or Ginnie Mae, and (ii) structured Agency RMBS. The Company is managed by Bimini Advisors, LLC, a registered investment adviser with the Securities and Exchange Commission.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and other federal securities laws. These forward-looking statements include, but are not limited to, statements about the Company's distributions. These forward-looking statements are based upon Orchid Island Capital, Inc.'s present expectations, but these statements are not guaranteed to occur. Investors should not place undue reliance upon forward-looking statements. For further discussion of the factors that could affect outcomes, please refer to the "Risk Factors" section of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2023.

RMBS Valuation Characteristics

(\$ in thousands)

| Type | Current Face | Fair Value | % of Portfolio | Net Weighted | | Weighted Average Maturity (Months) | Age | Weighted Average | Realized | Realized | Modeled Interest Rate Sensitivity (1) | |
|--|------------------|-------------------------|---------------------|----------------|----------------|------------------------------------|------------|------------------|----------------------|-------------------------------|--|-------------------|
| | | | | Current Price | Average Coupon | | | | Mar-24 CPR (1-Month) | Jan-24 - Mar-24 CPR (3-Month) | (-50 BPS) | (+50 BPS) |
| Fixed Rate RMBS | | | | | | | | | | | | |
| 30yr 3.0 | \$ 1,370,656 | \$ 1,197,253 | 30.85% | 87.35 | 3.00% | 3.46% | 36 | 318 | 4.9% | 5.3% | \$37,486 | \$(37,854) |
| 30yr 3.5 | 190,371 | 174,067 | 4.49% | 91.44 | 3.50% | 4.04% | 49 | 300 | 5.1% | 5.7% | 4,893 | (4,937) |
| 30yr 4.0 | 557,000 | 518,393 | 13.36% | 93.07 | 4.00% | 4.78% | 26 | 331 | 10.5% | 4.8% | 13,316 | (14,203) |
| 30yr 4.5 | 332,189 | 318,003 | 8.19% | 95.73 | 4.50% | 5.45% | 21 | 337 | 7.1% | 8.9% | 6,505 | (7,154) |
| 30yr 5.0 | 543,831 | 532,646 | 13.72% | 97.94 | 5.00% | 5.93% | 19 | 338 | 6.0% | 5.2% | 10,158 | (11,510) |
| 30yr 5.5 | 268,684 | 269,800 | 6.95% | 100.42 | 5.50% | 6.43% | 12 | 346 | 0.6% | 2.9% | 4,375 | (5,199) |
| 30yr 6.0 | 436,455 | 443,168 | 11.42% | 101.54 | 6.00% | 7.00% | 10 | 346 | 2.7% | 5.2% | 5,215 | (6,510) |
| 30yr 6.5 | 325,991 | 334,343 | 8.61% | 102.56 | 6.50% | 7.39% | 8 | 349 | 13.8% | 11.5% | 2,835 | (3,738) |
| 30yr 7.0 | 73,934 | 76,832 | 1.98% | 103.92 | 7.00% | 7.94% | 6 | 350 | 22.7% | 10.9% | 483 | (625) |
| 30yr Total | 4,099,111 | 3,864,505 | 99.57% | 94.28 | 4.38% | 5.12% | 25 | 331 | 6.5% | 6.0% | 85,266 | (91,730) |
| Total Pass Through RMBS | | | | | | | | | | | | |
| | 4,099,111 | 3,864,505 | 99.57% | 94.28 | 4.38% | 5.12% | 25 | 331 | 6.5% | 6.0% | 85,266 | (91,730) |
| Structured RMBS | | | | | | | | | | | | |
| IO 20yr 4.0 | 8,320 | 822 | 0.02% | 9.88 | 4.00% | 4.57% | 147 | 86 | 6.4% | 8.1% | 5 | (4) |
| IO 30yr 3.0 | 2,798 | 378 | 0.01% | 13.50 | 3.00% | 3.63% | 110 | 241 | 2.2% | 18.1% | 1 | (1) |
| IO 30yr 4.0 | 78,587 | 14,069 | 0.36% | 17.90 | 4.00% | 4.60% | 115 | 236 | 5.4% | 6.2% | (187) | 144 |
| IO 30yr 4.5 | 3,385 | 665 | 0.02% | 19.65 | 4.50% | 4.99% | 165 | 181 | 6.5% | 5.3% | (3) | 1 |
| IO 30yr 5.0 | 1,851 | 392 | 0.01% | 21.17 | 5.00% | 5.36% | 165 | 183 | 1.1% | 1.8% | (5) | 3 |
| IO Total | 94,941 | 16,326 | 0.42% | 17.20 | 4.01% | 4.60% | 120 | 220 | 5.3% | 6.6% | (190) | 142 |
| IIO 30yr 4.0 | 25,768 | 247 | 0.01% | 0.96 | 0.00% | 4.40% | 78 | 270 | 1.6% | 3.4% | 87 | (70) |
| Total Structured RMBS | | | | | | | | | | | | |
| | 120,709 | 16,573 | 0.43% | 13.73 | 3.15% | 4.55% | 111 | 231 | 4.5% | 5.9% | (103) | 72 |
| Total Mortgage Assets | | | | | | | | | | | | |
| | \$ 4,219,820 | \$ 3,881,078 | 100.00% | | 4.34% | 5.10% | 27 | 328 | 6.5% | 6.0% | \$85,163 | \$(91,658) |
| Hedge | | | | | | | | | | | | |
| | | Average Notional | Hedge Period | Balance | End | | | | | | Modeled Interest Rate Sensitivity (1) | |
| | | | | | | | | | | | (-50 BPS) | (+50 BPS) |
| 3-Month SOFR Futures | | \$ (100,000) | Mar-26 | | | | | | | | \$ (750) | \$ 750 |
| 5-Year Treasury Future ⁽²⁾ | | (421,500) | Jun-24 | | | | | | | | (8,556) | 8,423 |
| 10-Year Treasury Future ⁽³⁾ | | (320,000) | Jun-24 | | | | | | | | (10,360) | 10,006 |
| Swaps | | (2,531,800) | Dec-29 | | | | | | | | (62,066) | 59,907 |
| TBA | | (370,700) | Apr-24 | | | | | | | | (10,045) | 10,490 |
| Swaptions | | (809,400) | May-24 | | | | | | | | (169) | 508 |
| Hedge Total | | \$ (4,553,400) | | | | | | | | | \$ (91,946) | \$ 90,084 |
| Rate Shock Grand Total | | | | | | | | | | | \$ (6,783) | \$ (1,574) |

- Modeled results from Citigroup Global Markets Inc. Yield Book. Interest rate shocks assume instantaneous parallel shifts and horizon prices are
- (1) calculated assuming constant SOFR option-adjusted spreads. These results are for illustrative purposes only and actual results may differ materially.
 - (2) Five-year Treasury futures contracts were valued at prices of \$107.02 at March 31, 2024. The market value of the short position was \$451.1 million.
 - (3) Ten-year Treasury futures contracts were valued at prices of \$110.80 at March 31, 2024. The market value of the short position was \$354.6 million.

RMBS Assets by Agency

(\$ in thousands)

| Asset Category | Fair Value | Percentage of Portfolio |
|-----------------------------|--------------|-------------------------|
| As of March 31, 2024 | | |
| Fannie Mae | \$ 2,719,139 | 70.1% |
| Freddie Mac | 1,161,939 | 29.9% |
| Total Mortgage Assets | \$ 3,881,078 | 100.0% |

Investment Company Act of 1940 Whole Pool Test

(\$ in thousands)

| Asset Category | Fair Value | Percentage of Portfolio |
|-----------------------------|--------------|-------------------------|
| As of March 31, 2024 | | |
| Non-Whole Pool Assets | \$ 137,811 | 3.6% |
| Whole Pool Assets | 3,743,267 | 96.4% |
| Total Mortgage Assets | \$ 3,881,078 | 100.0% |

Borrowings By Counterparty

(\$ in thousands)

| As of March 31, 2024 | Total Borrowings | % of Total Debt | Weighted Average Repo Rate | Weighted Average Maturity in Days | Longest Maturity |
|---------------------------------------|------------------|-----------------|----------------------------|-----------------------------------|------------------|
| RBC Capital Markets, LLC | \$ 290,315 | 7.8% | 5.46% | 11 | 4/11/2024 |
| ASL Capital Markets Inc. | 265,535 | 7.2% | 5.43% | 33 | 7/15/2024 |
| Mitsubishi UFJ Securities (USA), Inc | 255,330 | 6.9% | 5.47% | 12 | 4/26/2024 |
| J.P. Morgan Securities LLC | 252,936 | 6.8% | 5.46% | 22 | 4/22/2024 |
| Citigroup Global Markets Inc | 243,960 | 6.6% | 5.46% | 24 | 4/24/2024 |
| Cantor Fitzgerald & Co | 224,172 | 6.0% | 5.46% | 11 | 4/11/2024 |
| ABN AMRO Bank N.V. | 223,932 | 6.0% | 5.46% | 25 | 5/31/2024 |
| Wells Fargo Bank, N.A. | 204,977 | 5.5% | 5.45% | 19 | 4/19/2024 |
| Mirae Asset Securities (USA) Inc. | 193,164 | 5.2% | 5.46% | 26 | 6/18/2024 |
| Merrill Lynch, Pierce, Fenner & Smith | 191,904 | 5.2% | 5.47% | 15 | 4/26/2024 |
| Daiwa Securities America Inc. | 175,179 | 4.7% | 5.47% | 24 | 4/24/2024 |
| Bank of Montreal | 164,564 | 4.4% | 5.46% | 11 | 4/11/2024 |
| StoneX Financial Inc. | 163,354 | 4.4% | 5.46% | 16 | 4/16/2024 |
| Marex Capital Markets Inc. | 156,953 | 4.2% | 5.46% | 20 | 4/26/2024 |
| Goldman, Sachs & Co | 154,197 | 4.2% | 5.46% | 18 | 4/18/2024 |
| Banco Santander SA | 150,450 | 4.1% | 5.47% | 19 | 4/22/2024 |
| ING Financial Markets LLC | 124,790 | 3.4% | 5.47% | 22 | 4/22/2024 |
| DV Securities, LLC Repo | 112,001 | 3.0% | 5.46% | 40 | 5/14/2024 |
| South Street Securities, LLC | 101,890 | 2.7% | 5.46% | 54 | 5/28/2024 |
| Clear Street LLC | 44,558 | 1.2% | 5.45% | 37 | 5/13/2024 |
| Lucid Cash Fund USG LLC | 17,337 | 0.5% | 5.46% | 18 | 4/18/2024 |
| Total Borrowings | \$ 3,711,498 | 100.0% | 5.46% | 21 | 7/15/2024 |

Orchid Island Capital, Inc.

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Source: Orchid Island Capital, Inc.