



## Q2 2023 Earnings Supplemental Materials

July 28, 2023

# Disclaimers

## **Forward-Looking Information**

This presentation contains forward-looking statements and information. Statements that are not historical facts, including statements about our beliefs and expectations, are forward-looking statements. Forward-looking statements include statements preceded by, followed by or that include the words “may,” “could,” “would,” “should,” “believe,” “expect,” “anticipate,” “plan,” “estimate,” “target,” “project,” “intend” and similar expressions. These statements include, among others, statements regarding our expected performance, anticipated returns on our investments, the mortgage backed securities markets, financing and hedging strategies, and means to implement those strategies, and actual or anticipated actions of the Federal Reserve (the “Fed”), and the impact of those actual or anticipated actions on the Company.

The forward-looking statements are based on our beliefs, assumptions and expectations of our future performance, taking into account all information currently available to us. You should not place undue reliance on these forward-looking statements. These beliefs, assumptions and expectations can change as a result of many possible events or factors, not all of which are known to us. Some of these factors are described under the caption “Risk Factors” in our Annual Report on Form 10-K. If a change occurs, our business, financial condition, liquidity and results of operations may vary materially from those expressed in our forward-looking statements. Any forward-looking statement speaks only as of the date on which it is made. New risks and uncertainties arise from time to time, and it is impossible for us to predict those events or how they may affect us. Except as required by law, we are not obligated to, and do not intend to, update or revise any forward looking statements, whether as a result of new information, future events or otherwise.

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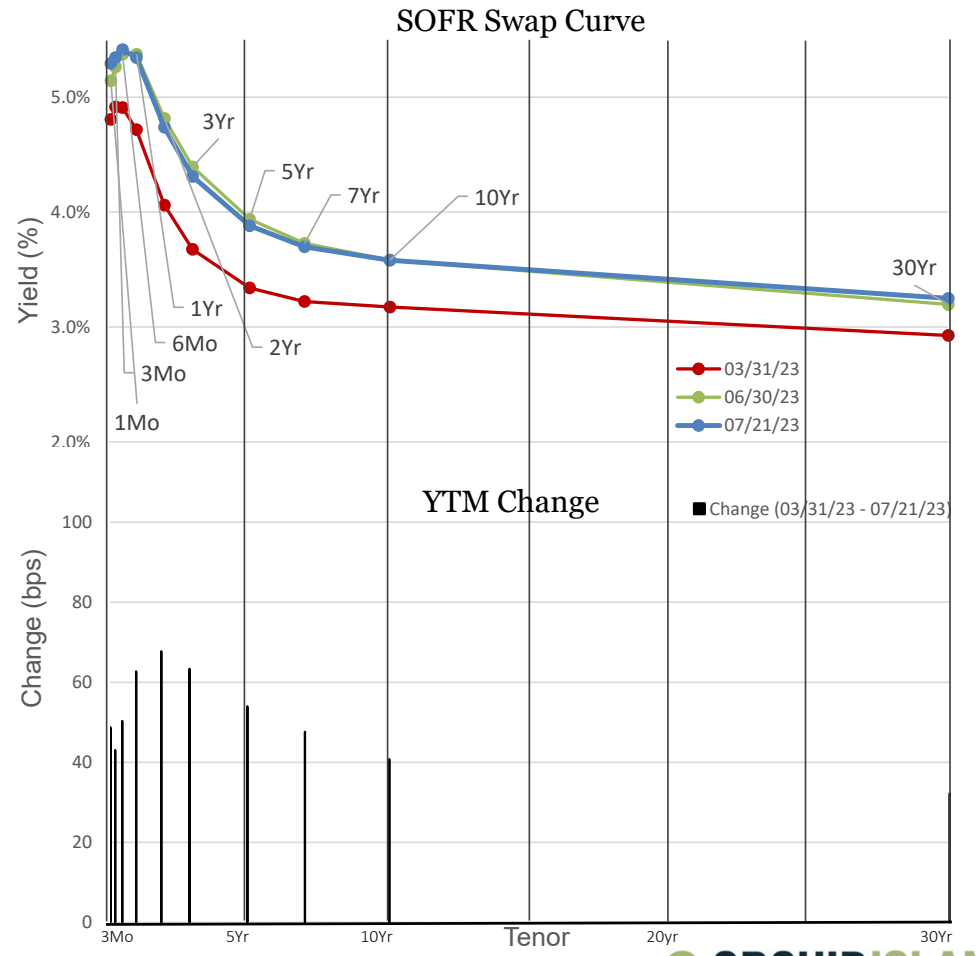
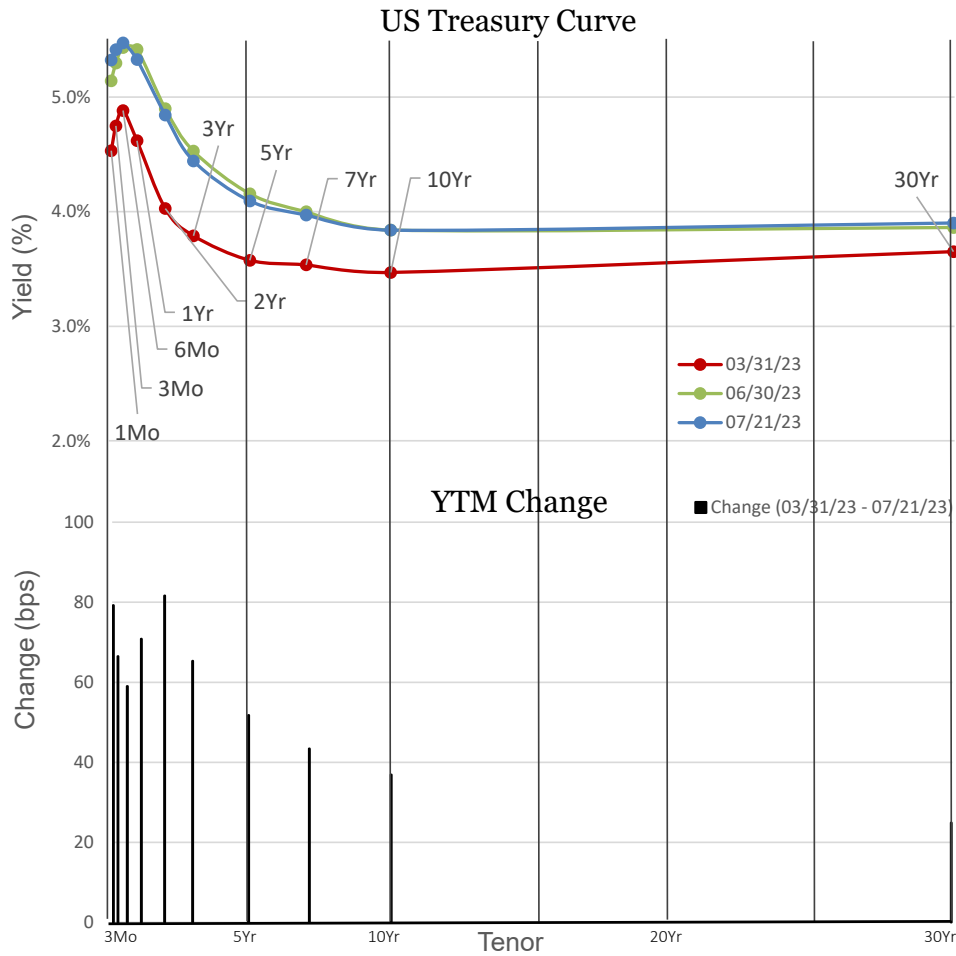
## Financial Highlights for the Quarter Ended June 30, 2023

- Net income per share of \$0.25
- Net earnings (excluding realized and unrealized gains/(losses) on RMBS and derivative instruments including net interest income on interest rate swaps) per share of (\$0.34), (See page 30 for reconciliation of this non-GAAP measure to net income per share)
- Gain of \$0.59 per share from net realized and unrealized gains on RMBS and derivative instruments, including net interest income on interest rate swaps
- Book value per share of \$11.16 at June 30, 2023 versus \$11.55 at March 31, 2023
- In Q2 2023, the Company declared and subsequently paid \$0.48 per share in dividends. Since its initial public offering, the Company has declared \$65.77 per share in dividends, including the dividends declared in July 2023
- Total economic gain of \$0.09 per share, or 0.78%, for the quarter



# Market Developments

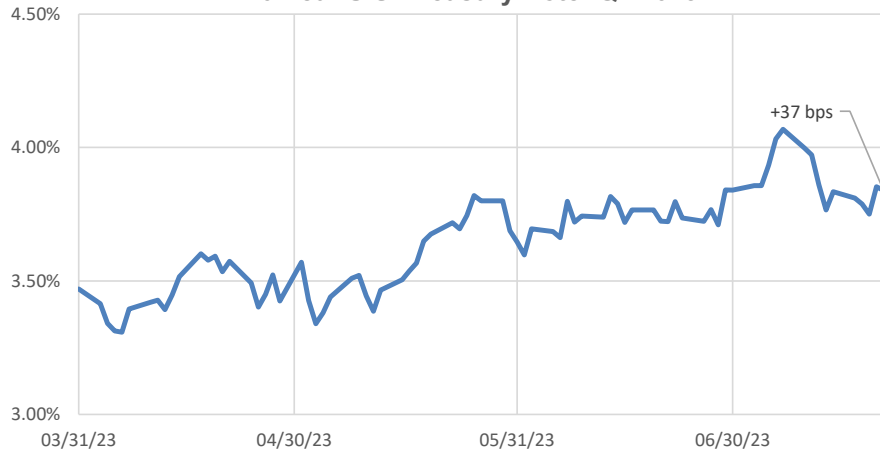
# U.S. Treasury Curve & U.S. Dollar Swap Curve



Source: Bloomberg Data

# 10-Year U.S. Treasury Note & 10-Year U.S. Dollar Swap

10-Year U.S. Treasury Note: Q2 2023



10-Year U.S. Treasury Note: 2-Year



10-Year SOFR: Q2 2023



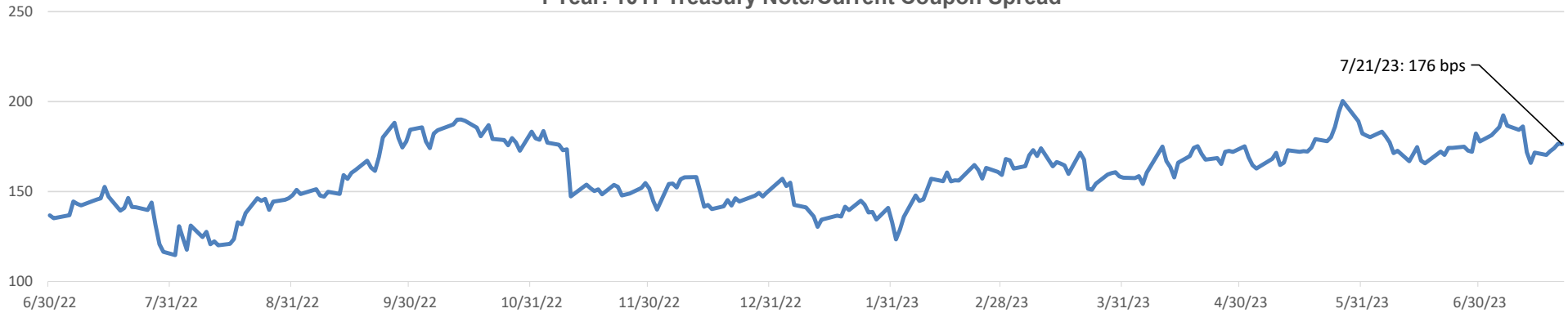
10-Year SOFR: 2-Year



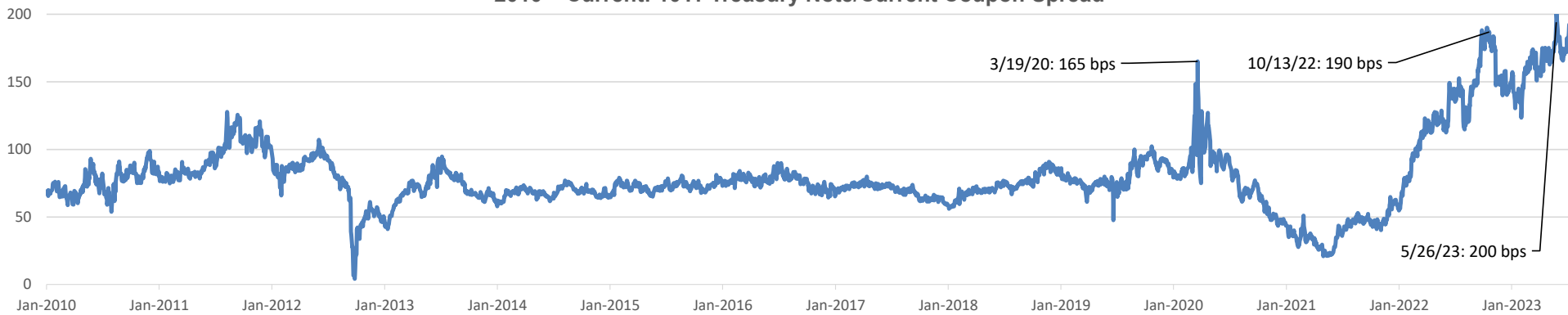
Source: Bloomberg Data

# 10-Year U.S. Treasury Note vs MBS Current Coupon

## 1 Year: 10Yr Treasury Note/Current Coupon Spread



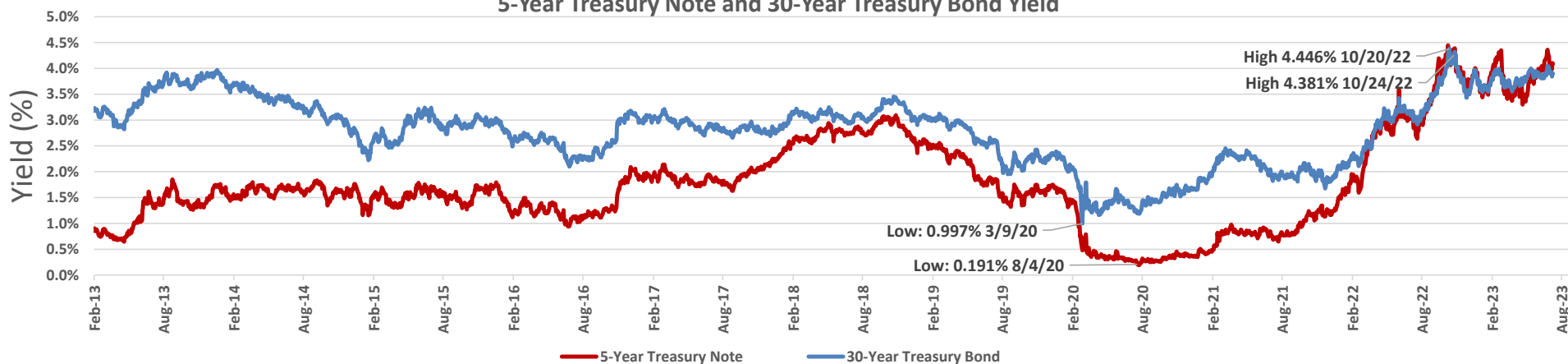
## 2010 – Current: 10Yr Treasury Note/Current Coupon Spread





# 5-Year Treasury Note vs 30-Year Treasury Bond Spread

## 5-Year Treasury Note and 30-Year Treasury Bond Yield

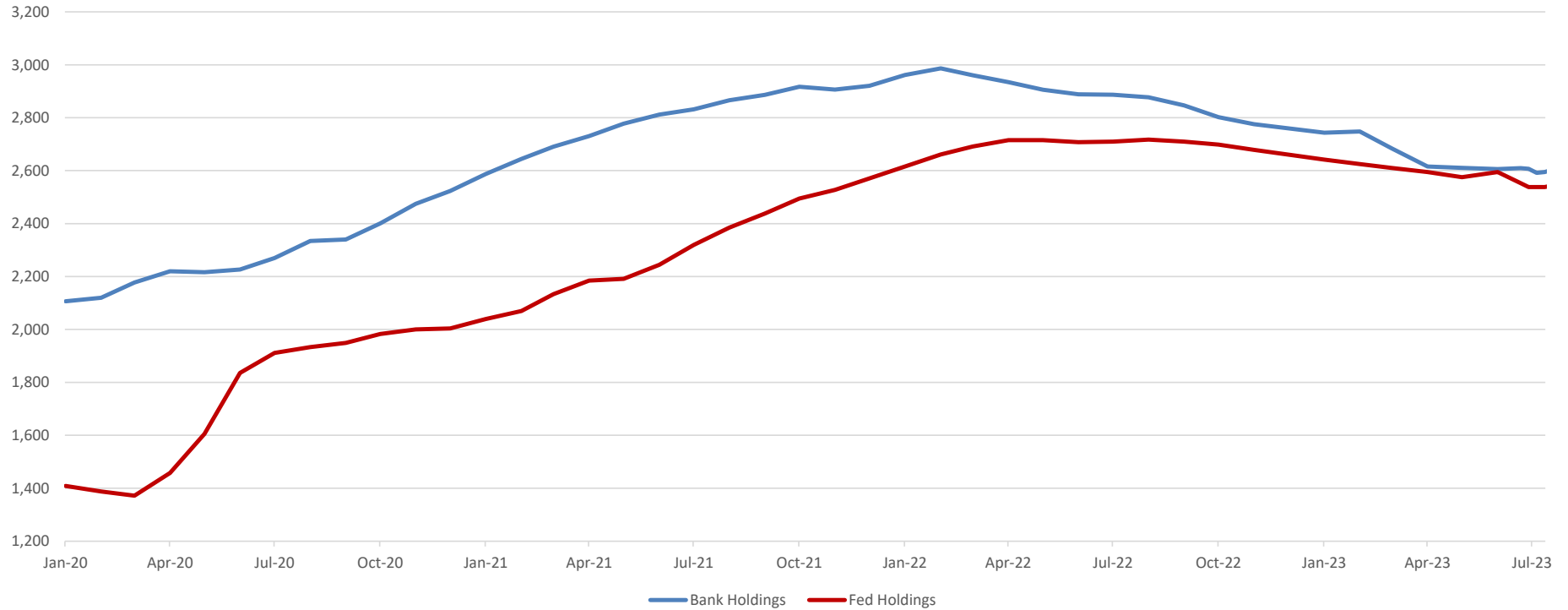


## 5-Year Treasury Note vs 30-Year Treasury Bond Yield Spread



# Commercial Bank & Federal Reserve MBS Holdings

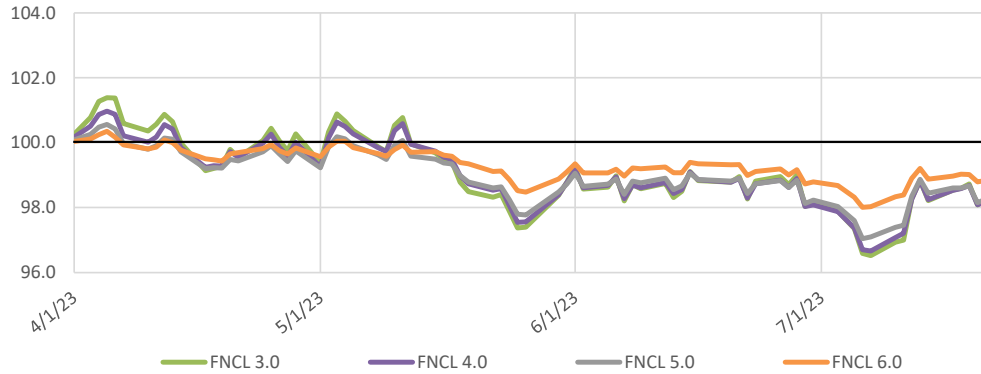
Commercial Banks & Federal Reserve Holdings of MBS



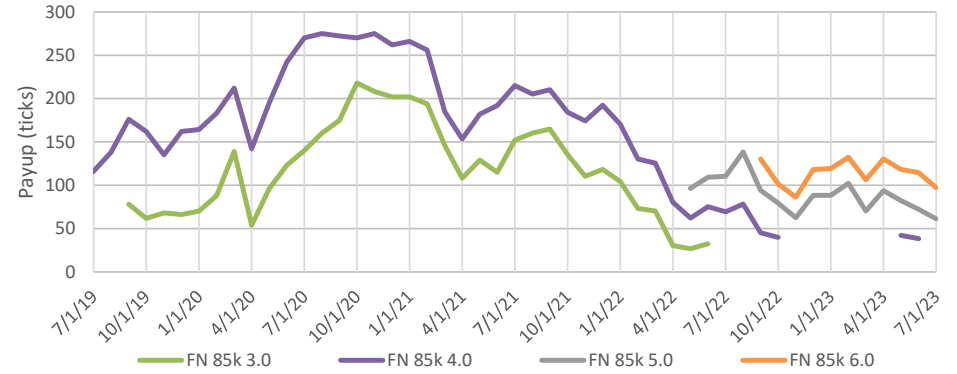
Note: Data include the following types of institutions in the fifty states and the District of Columbia: domestically chartered commercial banks; U.S. branches and agencies of foreign banks; and Edge Act and agreement corporations. The latter two categories together are referred to on this release as “foreign-related institutions.” Data exclude International Banking Facilities. Weekly levels are Wednesday values; monthly levels are pro rata averages of Wednesday values. The data for domestically chartered commercial banks and U.S. branches and agencies of foreign banks are estimated by benchmarking weekly data provided by a sample of banks to quarter-end reports of condition (Call Reports). Large domestically chartered commercial banks are defined as the top 25 domestically chartered commercial banks, ranked by domestic assets as of the previous commercial bank Call Report to which the H.8 release data have been benchmarked. Small domestically chartered commercial banks are defined as all domestically chartered commercial banks not included in the top 25. The data for large and small domestically chartered banks are adjusted to remove the estimated effects of mergers and panel shifts between these two bank groups. (See [www.federalreserve.gov/releases/h8/about.htm](http://www.federalreserve.gov/releases/h8/about.htm) for more information on how these data were constructed.)

# Mortgage Market Update: TBA & Roll Vs Specified Pool

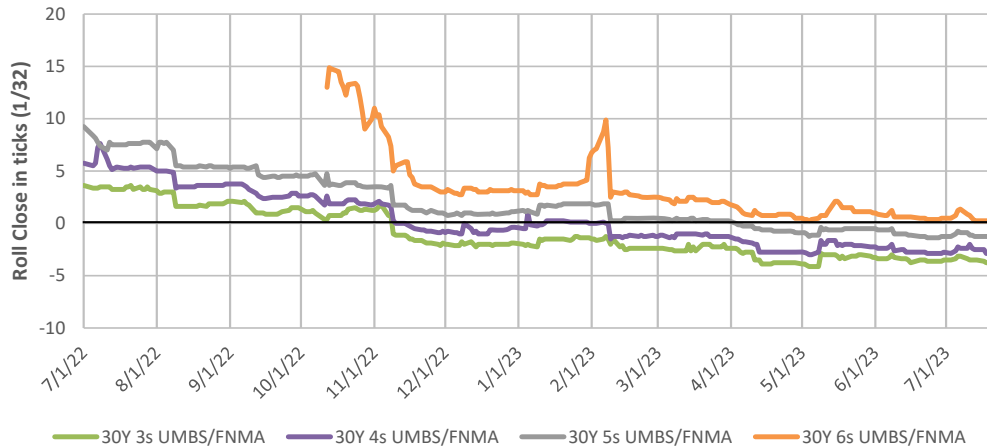
### FNCL Change



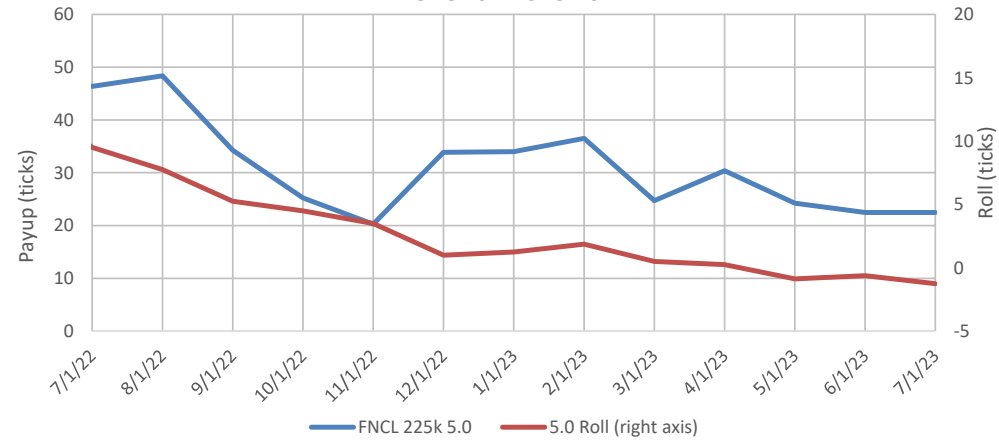
### '85k Max' Specified Pool Payup over TBA



### 1 Year FNCL Roll

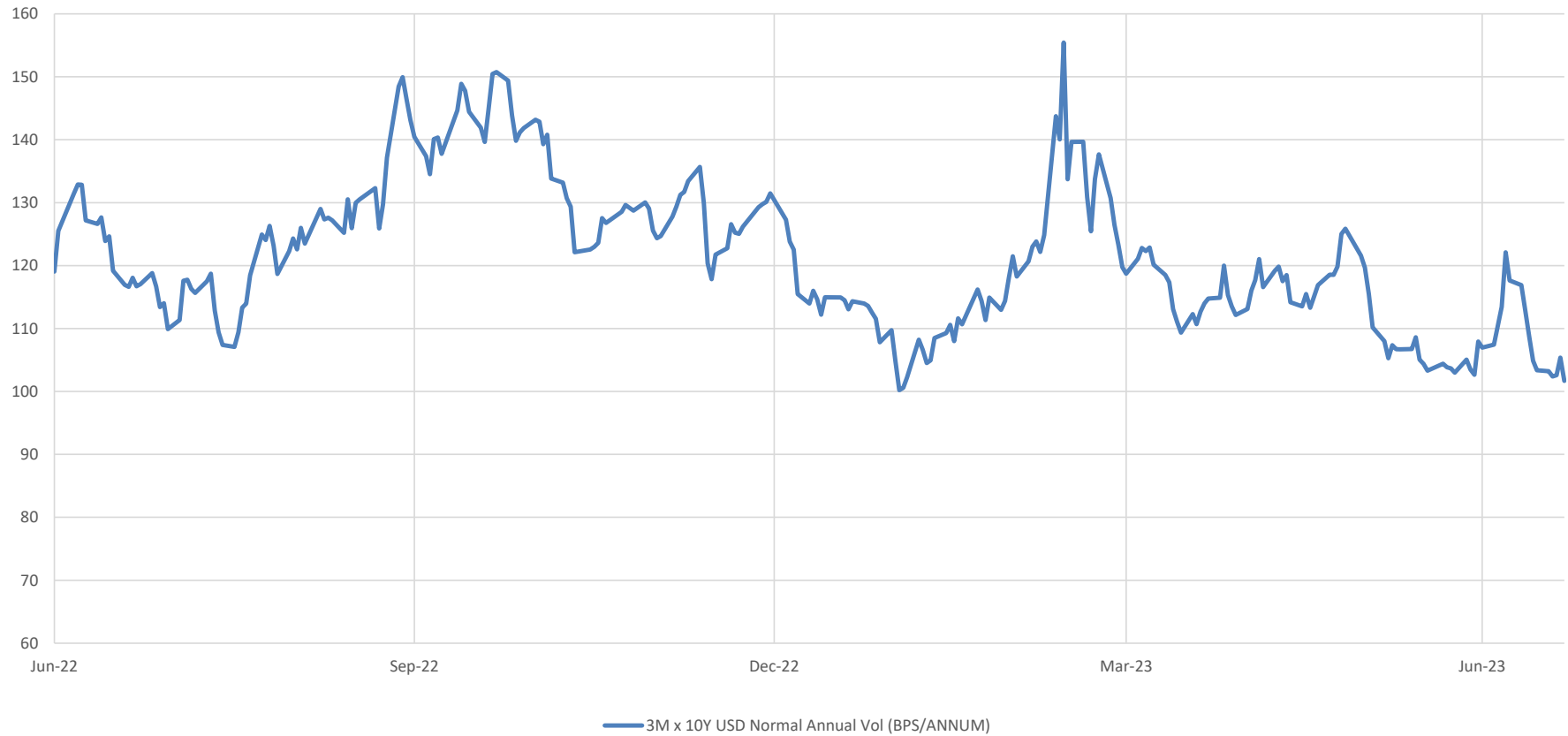


### 225k 5 vs FNCL 5 Roll



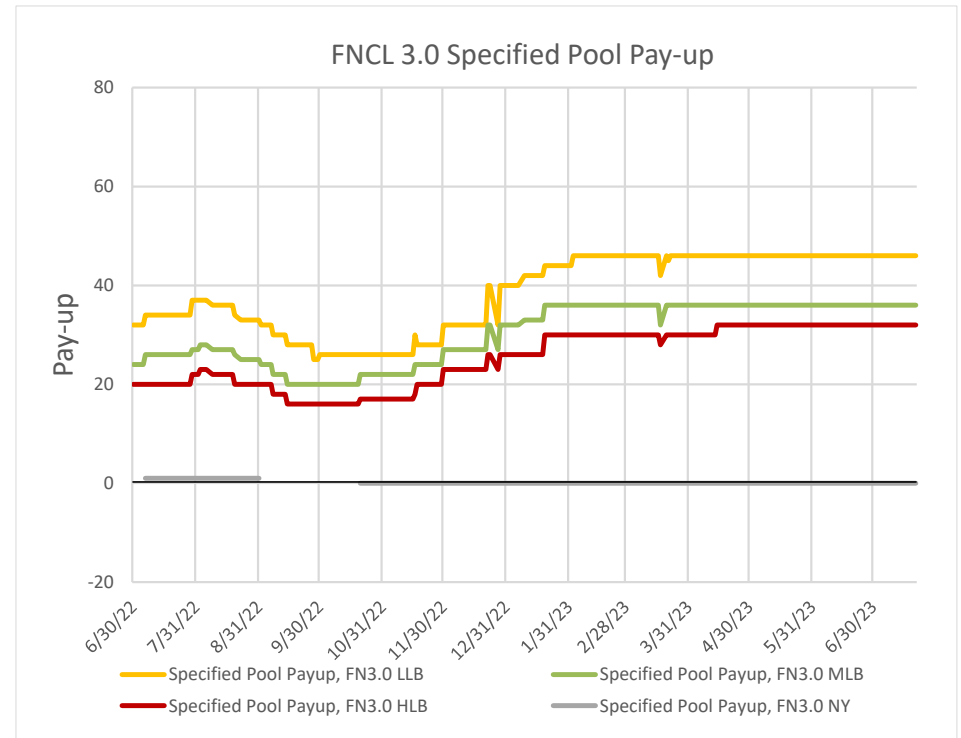
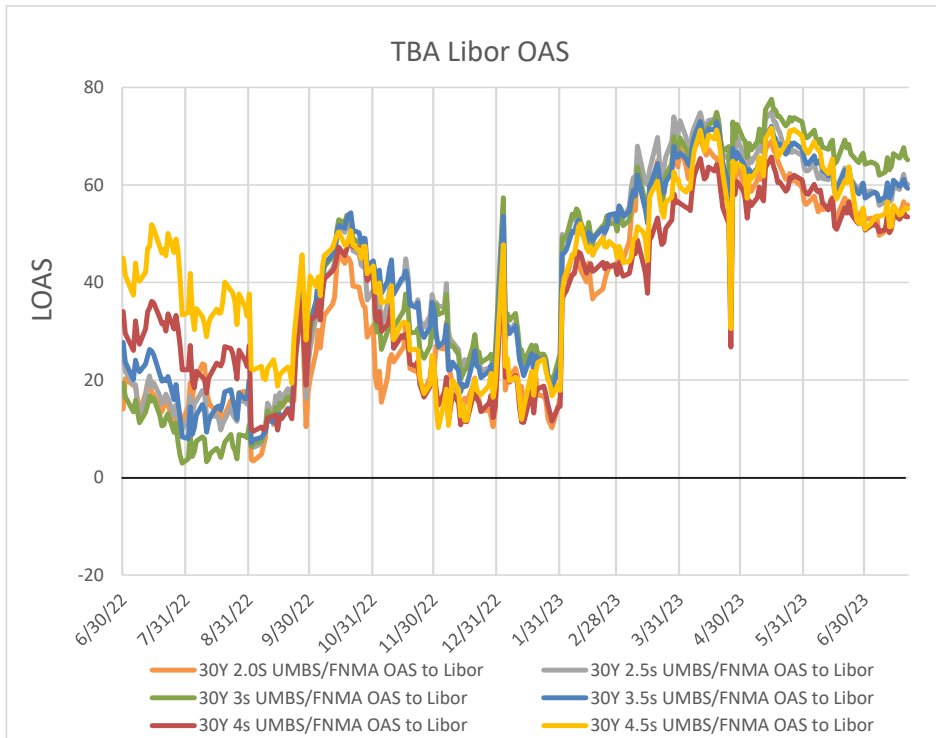
# Swaption Implied Volatility

3m x 10Y Normal Vol



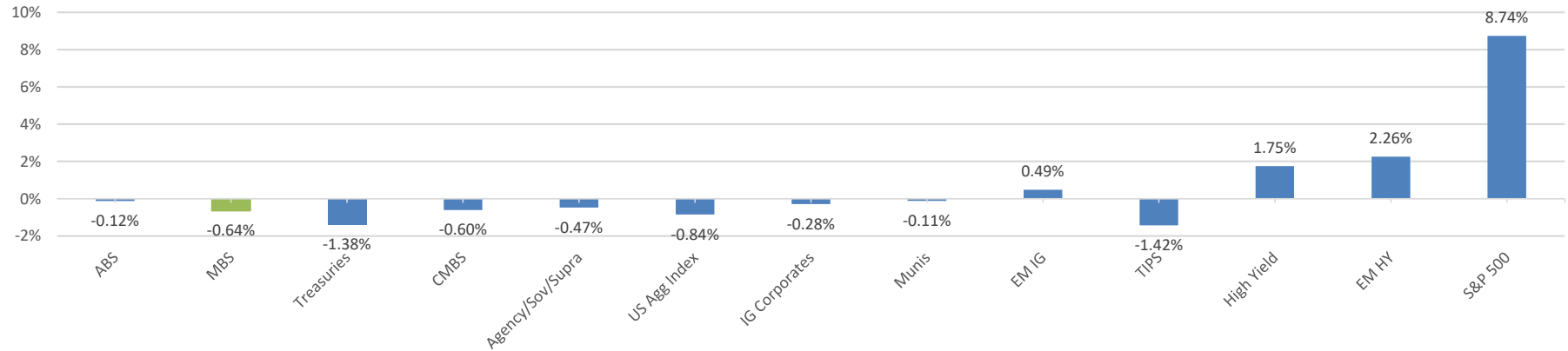
— 3M x 10Y USD Normal Annual Vol (BPS/ANNUM)

# TBA OAS & Specified Pool Pay-up Performance

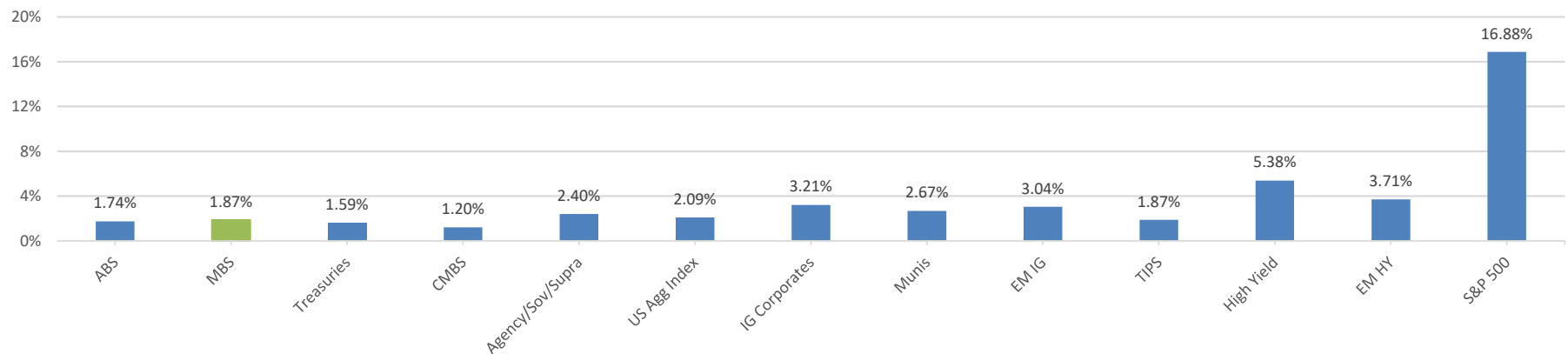


# Cross Asset Fixed Income Performance by U.S. Aggregate Bond Index Component

Q2 2023 Returns



YTD 2023 Returns as of 06/30/23



# Cross Asset Spreads Change

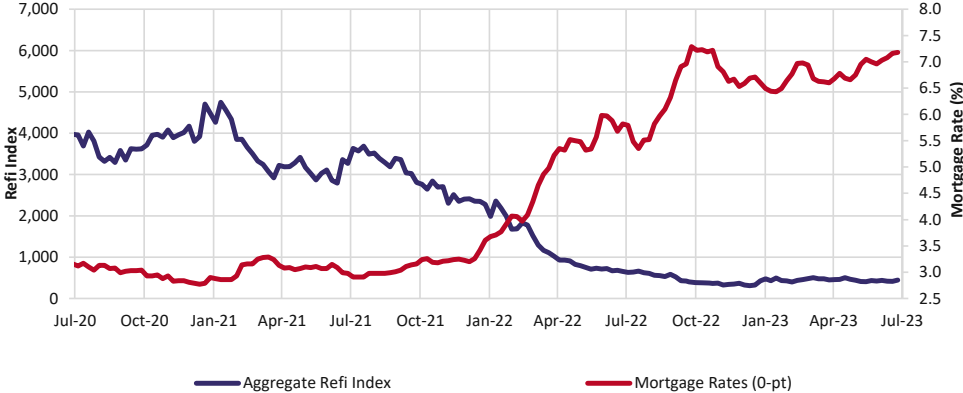
Spreads as of 06/29/2023

		Spreads								
Rating	Sector	Current	Dec-22	YTD Change	Jul-22	YoY change	2021 YE	2022 change	2022 highs	Current vs highs
IG	Agency MBS	161	145	16	137	24	68	77	177	-16
	Corps	136	144	-8	165	-29	94	50	179	-43
HY	Corps	409	475	-66	588	-179	298	177	588	-179
	LL	504	560	-56	558	-54	411	149	569	-65
AAA	US CLO AAA	160	185	-25	195	-35	107	78	230	-70
	EU CLO AAA	190	210	-20	195	-5	98	112	250	-60
	CMBS (OTR LCF 10yr)	144	126	18	122	22	72	54	169	-25
	CRE CLO (5Y managed)	225	245	-20	250	-25	140	105	265	-40
	RMBS (Non-QM)	170	185	-15	215	-45	95	90	250	-80
	ABS (Credit Card)	75	60	15	61	14	20	40	90	-15
	ABS (FFELP SL 3Y)	130	155	-25	130	0	51	104	180	-50
ABS (Private SL 3Y)	165	170	-5	180	-15	50	120	215	-50	
AA	US CLO AA	210	255	-45	265	-55	170	85	295	-85
	EU CLO AA	275	320	-45	300	-25	180	140	360	-85
	CRE CLO	340	390	-50	340	0	200	190	410	-70
	RMBS Non-QM AA	190	295	-105			135	160		
A	US CLO A	285	340	-55	325	-40	210	130	385	-100
	EU CLO A	350	430	-80	400	-50	215	215	480	-130
	CRE CLO	395	455	-60	380	15	240	215	475	-80
	CRT OTR M1A	200	240	-40	295	-95	104	136	355	-155
	RMBS Non-QM A	210	340	-130			145	195		
BBB	US CLO BBB	485	500	-15	500	-15	350	150	585	-100
	EU CLO BBB	560	605	-45	550	10	325	280	650	-90
	CRT OTR M1B	325	360	-35	458		185	175	499	-174
	RMBS Non-QM BBB	325	552	-227			205	347		
BB	US CLO BB	915	950	-35	900	15	715	235	1075	-160
	EU CLO BB	925	1010	-85	950	-25	630	380	1075	-150
	CRT OTR M2	450	615	-165	295	155	211	404	700	-250
	CRT OTR B1	650	750	-100	458	192	361	389	878	-228
	CRT OTR B2	1000	1,300	-300	675	325	671	629	1,400	-400

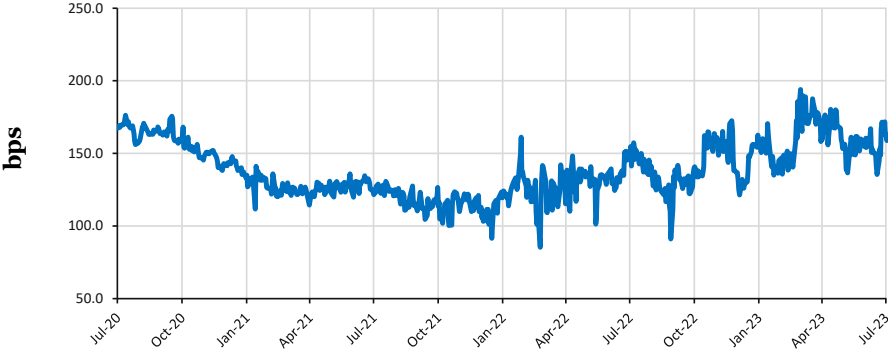
Source: BofA Global Research, Bloomberg S&P LCD, 06/29/2023

# Refinancing Activity

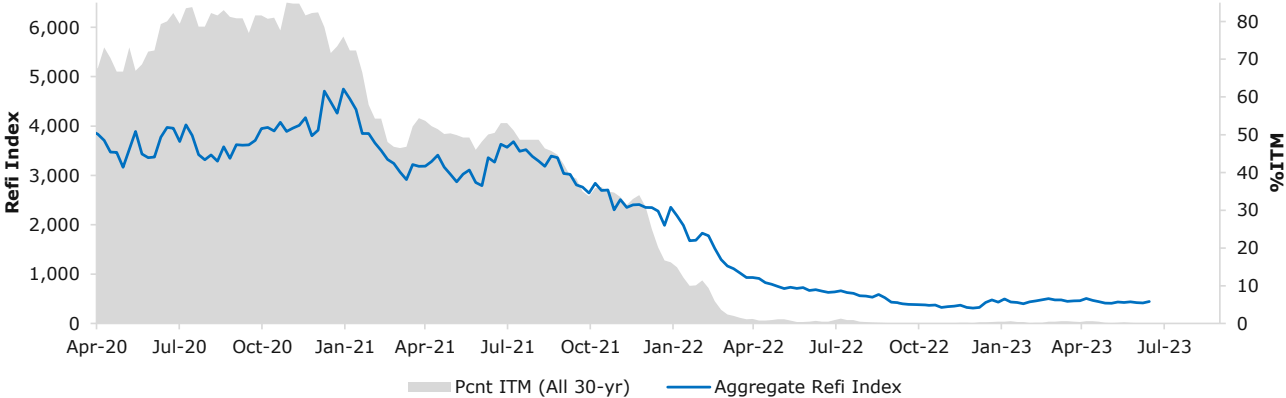
Refi Index vs. Mortgage Rates



Primary – Secondary Spreads



Refi Index vs. Percent In-The-Money (“ITM”)



Source: Wells Fargo Securities







# Financial Results

# Orchid Island Capital Financial Results for the Three Months Ended June 30, 2023

## Income Statement

	Net Income Excluding Realized and Unrealized Gains and Losses	Realized and Unrealized Gains/(Losses)	Total <sup>(1)</sup>
(\$ in thousands, except per share data)			
Interest income	\$ 39,911	\$ -	\$ 39,911
Interest expense	(48,671)	-	(48,671)
<b>Net interest income</b>	<b>(8,760)</b>	<b>-</b>	<b>(8,760)</b>
Realized gains/(losses) on mbs	-	-	-
Unrealized gains/(losses) on mbs	-	(69,539)	(69,539)
Gains/(losses) on interest rate futures	-	43,065	43,065
Gains/(losses) on interest rate swaps	-	49,084	49,084
Gains/(losses) on payer swaptions	-	1,218	1,218
Gains/(losses) on Treasuries	-	-	-
<b>Net portfolio income (loss)</b>	<b>\$ (8,760)</b>	<b>\$ 23,828</b>	<b>\$ 15,068</b>
<b>Expenses:</b>			
Management fees	2,704	-	2,704
Allocated overhead	639	-	639
Accrued incentive compensation	318	-	318
Directors' fees and liability insurance	318	-	318
Audit, legal and other professional fees	448	-	448
Direct REIT operating expenses	173	-	173
Other administrative	219	-	219
<b>Total expenses</b>	<b>4,819</b>	<b>-</b>	<b>4,819</b>
<b>Net income (loss)</b>	<b>\$ (13,579)</b>	<b>\$ 23,828</b>	<b>\$ 10,249</b>
<b>Basic and diluted net income (loss) per share</b>	<b>\$ (0.34)</b>	<b>\$ 0.59</b>	<b>\$ 0.25</b>
<b>WAVG shares outstanding - Basic and diluted</b>	<b>40,210,844</b>	<b>40,210,844</b>	<b>40,210,844</b>
<b>Dividends declared per common share</b>			<b>\$ 0.480</b>

1. May not foot due to rounding.

## MBS Portfolio Returns by Sector

(\$ in thousands)	Structured Security Portfolio				Total
	Pass-Through Portfolio	Interest- Only Securities	Inverse Interest Only Securities	Sub-total	
Income / (loss) (net of borrowing cost)	\$ (9,176)	\$ 416	\$ -	\$ 416	\$ (8,760)
Realized and unrealized (losses) / gains	(68,511)	(867)	(161)	(1,028)	(69,539)
Derivative losses	93,367	n/a	n/a	n/a	93,367
<b>Total Return</b>	<b>\$ 15,680</b>	<b>\$ (451)</b>	<b>\$ (161)</b>	<b>\$ (612)</b>	<b>\$ 15,068</b>
Beginning Capital Allocation	\$ 396,983	\$ 18,962	\$ 482	\$ 19,444	\$ 416,427
Return on Invested Capital for the Quarter(1)	3.9%	(2.4)%	(33.4)%	(3.1)%	3.6%
Average Capital Allocation(2)	\$ 400,403	\$ 18,205	\$ 402	\$ 18,607	\$ 419,010
Return on Average Invested Capital for the Quarter(3)	3.9%	(2.5)%	(40.0)%	(3.3)%	3.6%

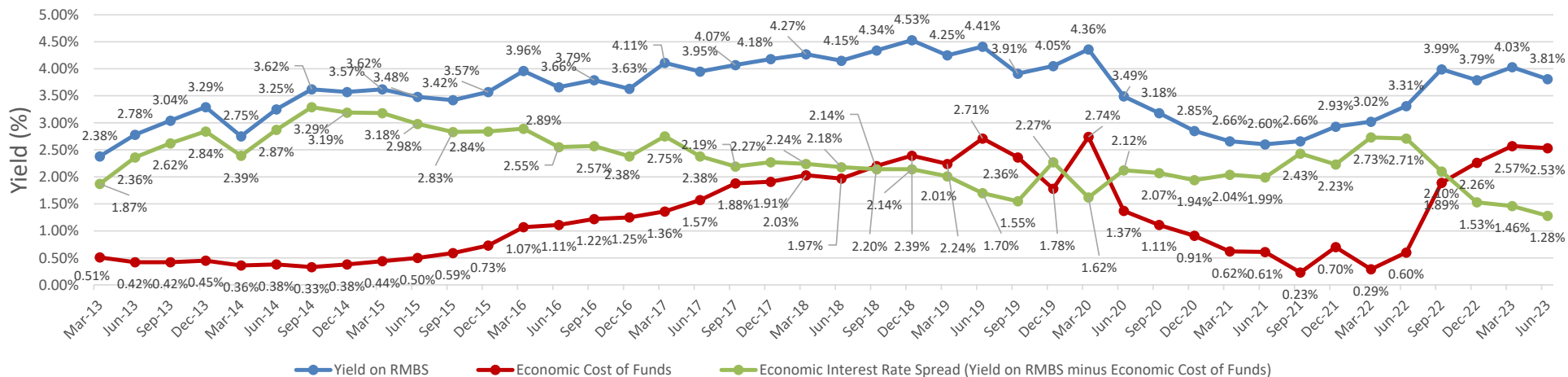
(1) Calculated by dividing the Total Return by the Beginning Capital Allocation, expressed as a percentage.

(2) Calculated using two data points, the Beginning and Ending Capital Allocation balances.

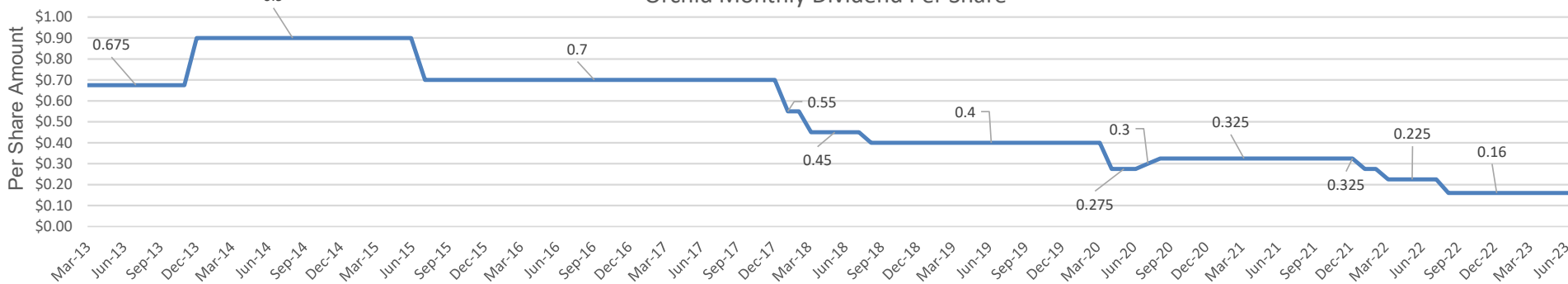
(3) Calculated by dividing the Total Return by the Average Capital Allocation, expressed as a percentage.

# Orchid Economic Interest Rate Spread and Dividend History

## Orchid Yield on MBS vs Economic Cost of Funds

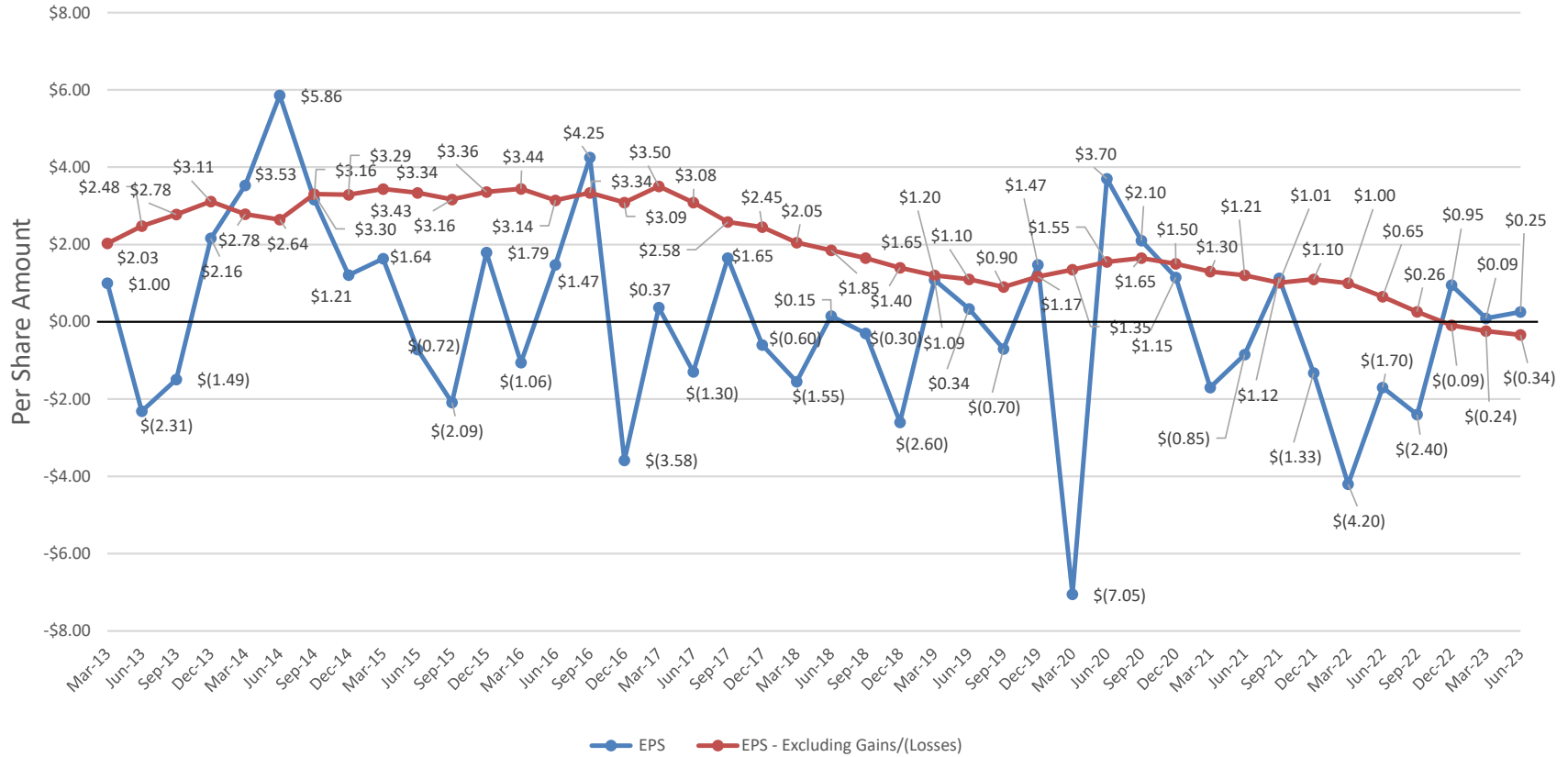


## Orchid Monthly Dividend Per Share



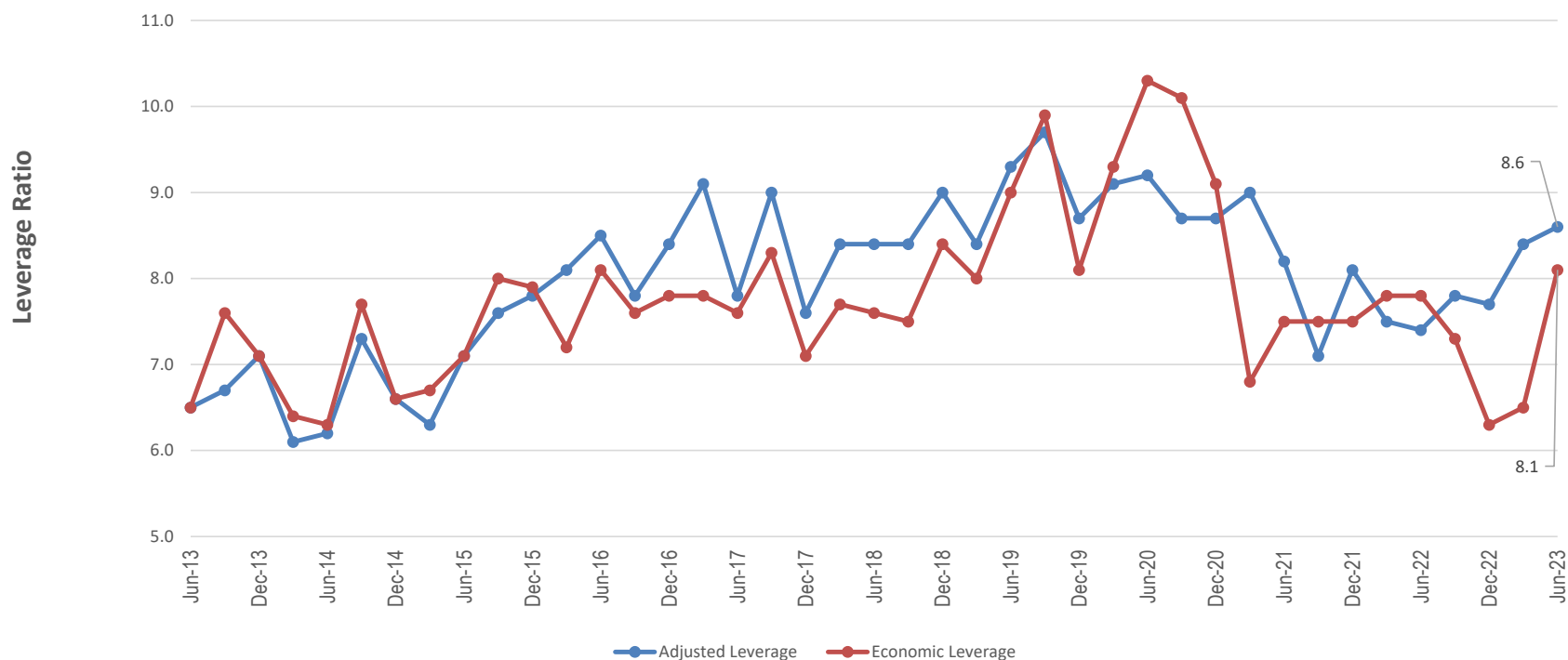
Source: Company Press Releases

# Orchid Earnings Per Share (EPS) as Reported and with Gains/(Losses) Removed<sup>(1)</sup>



(1) See Appendix for supporting data and reconciliations.

# Orchid Island Capital Leverage Ratio History



1. The adjusted leverage ratio is calculated by dividing ending repurchase agreement liabilities by ending stockholders' equity
2. The economic leverage ratio is calculated by dividing ending total liabilities adjusted for net notional TBA positions by ending stockholders' equity

# Orchid Capital Allocation & MBS Portfolio Activity for the Three Months Ended June 30, 2023

## Capital Allocation

(\$ in thousands)

	Pass-Through Portfolio	Interest-Only Securities	Inverse Interest Only Securities	Sub-total	Total
<b>June 30, 2023</b>					
Market value	\$ 4,356,203	\$ 17,448	\$ 321	\$ 17,769	\$ 4,373,972
Cash	249,337	-	-	-	249,337
Borrowings(1)	(4,201,717)	-	-	-	(4,201,717)
Total	\$ 403,823	\$ 17,448	\$ 321	\$ 17,769	\$ 421,592
% of Total	95.8%	4.1%	0.1%	4.2%	100.0%
<b>March 31, 2023</b>					
Market value	\$ 3,980,462	\$ 18,962	\$ 482	\$ 19,444	\$ 3,999,906
Cash	185,958	-	-	-	185,958
Borrowings(2)	(3,769,437)	-	-	-	(3,769,437)
Total	\$ 396,983	\$ 18,962	\$ 482	\$ 19,444	\$ 416,427
% of Total	95.3%	4.6%	0.1%	4.7%	100.0%


(1) At June 30, 2023, there were outstanding repurchase agreement balances of \$14.8 million secured by IO securities and \$0.3 million secured by IIO securities. We entered into these arrangements to generate additional cash available to meet margin calls on PT RMBS; therefore, we have not considered these balances to be allocated to the structured securities strategy.

(2) At March 31, 2023, there were outstanding repurchase agreement balances of \$15.4 million secured by IO securities and \$0.3 million secured by IIO securities. We entered into these arrangements to generate additional cash available to meet margin calls on PT RMBS; therefore, we have not considered these balances to be allocated to the structured securities strategy.

## Portfolio Activity

(\$ in thousands)

	Structured Security Portfolio				
	Pass-Through Portfolio	Interest-Only Securities	Inverse Interest Only Securities	Sub-total	Total
<b>Market value - March 31, 2023</b>	<b>\$ 3,980,462</b>	<b>\$ 18,962</b>	<b>\$ 482</b>	<b>\$ 19,444</b>	<b>\$ 3,999,906</b>
Securities purchased	521,364	-	-	-	521,364
Securities sold	-	-	-	-	-
(Losses) Gains on sales	-	-	-	-	-
Return of investment	n/a	(647)	-	(647)	(647)
Pay-downs	(76,725)	n/a	n/a	n/a	(76,725)
Discount accretion due to pay-downs	4,886	n/a	n/a	n/a	4,886
Mark to market (losses) gains	(73,784)	(867)	(161)	(1,028)	(74,812)
<b>Market value - June 30, 2023</b>	<b>\$ 4,356,203</b>	<b>\$ 17,448</b>	<b>\$ 321</b>	<b>\$ 17,769</b>	<b>\$ 4,373,972</b>



# Portfolio Characteristics, Credit Counterparties & Hedge Positions

# Orchid Island Capital MBS Portfolio Characteristics as of June 30, 2023

Type	Face	FMV	Percent of Portfolio	Current Price	CPN	GWAC	AGE	WA Mat	1m CPR	3m CPR	Int Rate Sensitivity (-50 BPS)	Int Rate Sensitivity (+50 BPS)
<b>Fixed Rate MBS</b>												
15yr 4.0	\$ 382,615	\$ 370,883	0.01%	\$ 96.93	4.00%	4.54%	62	117	0.9%	0.8%	\$ 6,160	(6,190)
15yr 5.0 TBA	100,000,000	99,351,560	2.22%	99.35	5.00%	5.67%	9	169			1,265,739	(1,418,740)
15yr Total	100,382,615	99,722,443	2.23%	99.34	5.00%	5.66%	9	169	0.9%	0.8%	1,271,899	(1,424,930)
30yr 3.0	2,474,334,014	2,194,009,564	49.05%	88.67	3.00%	3.44%	26	330	6.0%	5.0%	70,752,539	(71,871,726)
30yr 3.5	203,928,521	189,422,960	4.23%	92.89	3.50%	4.03%	40	310	7.0%	8.0%	5,284,382	(5,331,869)
30yr 4.0	580,703,326	546,481,874	12.22%	94.11	4.00%	4.78%	17	341	5.7%	6.4%	13,594,989	(14,616,301)
30yr 4.5	356,031,976	342,889,710	7.67%	96.31	4.50%	5.45%	12	347	6.8%	7.2%	6,470,232	(7,402,360)
30yr 5.0	573,058,913	563,183,022	12.59%	98.28	5.00%	5.93%	10	349	6.0%	4.8%	9,657,679	(11,258,027)
30yr 5.5	278,576,405	279,817,646	6.26%	100.45	5.50%	6.43%	3	358	0.6%		4,048,618	(4,837,875)
30yr 6.0	236,617,098	240,027,711	5.37%	101.44	6.00%	7.01%	4	354	11.3%		2,661,524	(3,213,827)
30yr Total	4,703,250,253	4,355,832,488	97.37%	92.61	3.80%	4.44%	20	337	6.04%	5.52%	112,469,962	(118,531,986)
Total Pass-Through MBS	4,803,632,868	4,455,554,930	99.60%	92.75	3.83%	4.47%	20	333	6.04%	5.52%	113,741,862	(119,956,916)
<b>Structured MBS</b>												
IO 20yr 4.0	-	-	0.02%	10.41	4.00%	4.57%	138	95	9.9%	9.8%	5,580	(6,117)
IO 30yr 3.0	3,075,654	416,843	0.01%	13.55	3.00%	3.64%	101	248	19.2%	7.4%	654	(2,193)
IO 30yr 4.0	86,365,078	14,923,214	0.33%	17.28	4.00%	4.60%	106	245	8.0%	8.4%	(327,323)	230,209
IO 30yr 4.5	3,708,083	689,087	0.02%	18.58	4.50%	4.99%	156	190	10.8%	8.1%	(6,346)	2,915
IO 30yr 5.0	2,019,980	411,349	0.01%	20.36	5.00%	5.36%	156	192	1.0%	11.7%	(7,737)	5,199
IO Total	104,846,968	17,448,046	0.39%	16.64	4.01%	4.60%	112	228	8.4%	8.6%	(335,172)	230,014
IIO 30yr 4.0	29,301,249	320,518	0.01%	1.09	0.00%	4.40%	69	280	0.4%	1.4%	82,325	(70,719)
Total Structured MBS	134,148,217	17,768,563	0.397%	13.25	3.13%	4.55%	103	240	6.7%	7.0%	(252,847)	159,295
<b>Mortgage Assets</b>												
Total Mortgage Assets	\$ 4,937,781,085	\$ 4,473,323,493	100%		3.81%	4.47%	22	331	6.05%	5.56%	\$ 113,489,015	\$ (119,797,621)
Hedge	Average Notional Balance	Hedge Period Average End									Int Rate Sensitivity (-50 BPS)	Int Rate Sensitivity (+50 BPS)
5-Year Treasury Future <sup>(2)</sup>	(471,500,000)	Sep-2023									(9,706,245)	9,483,965
10-Year Treasury Future <sup>(2)</sup>	(285,000,000)	Sep-2023									(9,379,995)	9,154,514
10-Year Ultra Treasury Future <sup>(2)</sup>	(244,200,000)	Sep-2023									(11,679,170)	11,135,953
Swaps	(2,151,500,000)	Jul-2029									(53,566,989)	51,602,465
TBA	(350,000,000)	Aug-2023									(9,851,630)	10,194,708
Swaptions	(533,000,000)	Aug-2024									(4,935,621)	8,790,581
Hedge Total	\$ (4,035,200,000)										(99,119,651)	100,362,186
Rate Shock Grand Total											\$ 14,369,363	\$ (19,435,435)

Note: Above table excludes 2yr Treasury Bill valued at \$37.2 million. The 2yr bill was purchased to post as collateral for hedge positions.

(1) Modeled results from Citigroup Global Markets Inc. Yield Book. Interest rate shocks assume instantaneous parallel shifts and horizon prices are calculated assuming constant SOFR option-adjusted spreads. These results are for illustrative purposes only and actual results may differ materially.

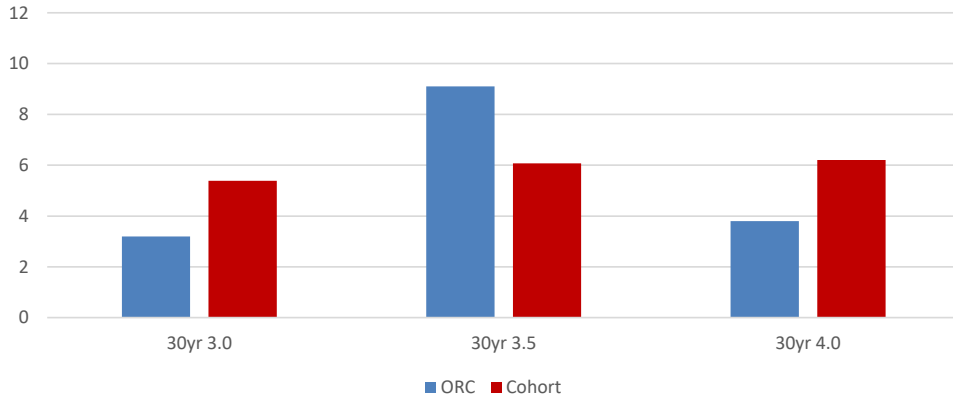
(2) See slide 28 for additional hedge detail

Source: Company Press Releases

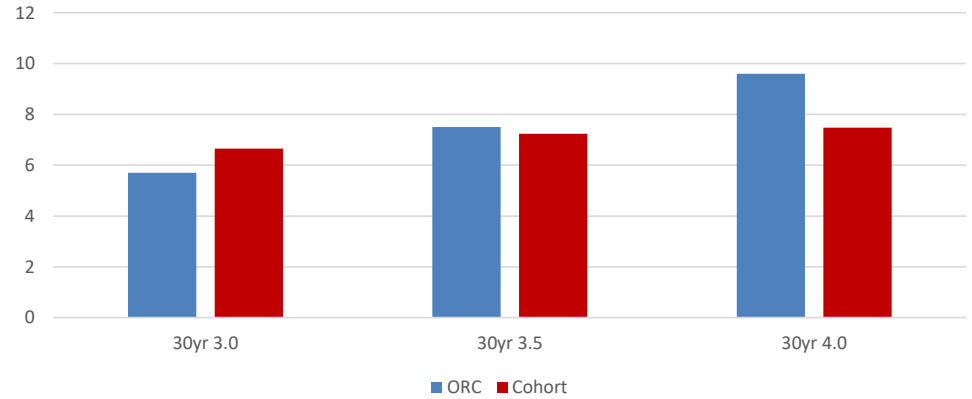


# Performance versus FNMA Fixed Rate Coupon Cohort

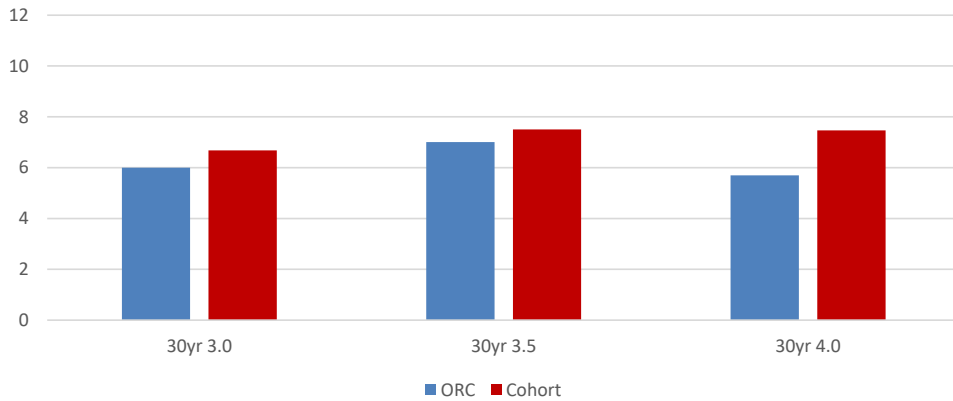
Apr CPR



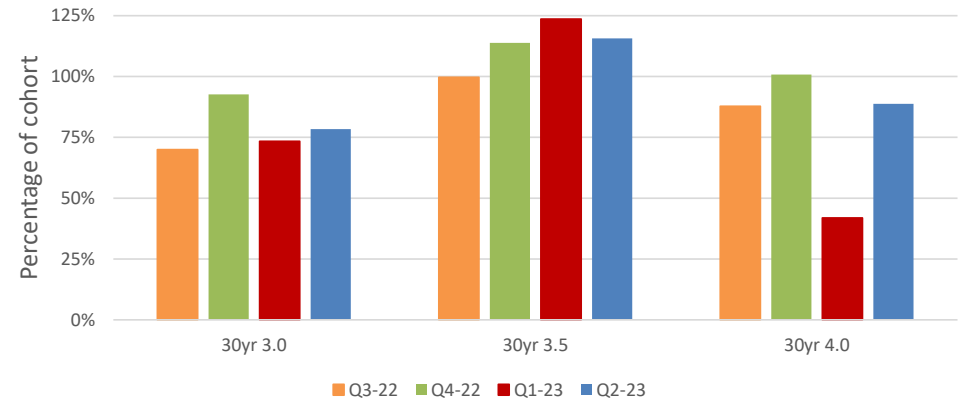
May CPR



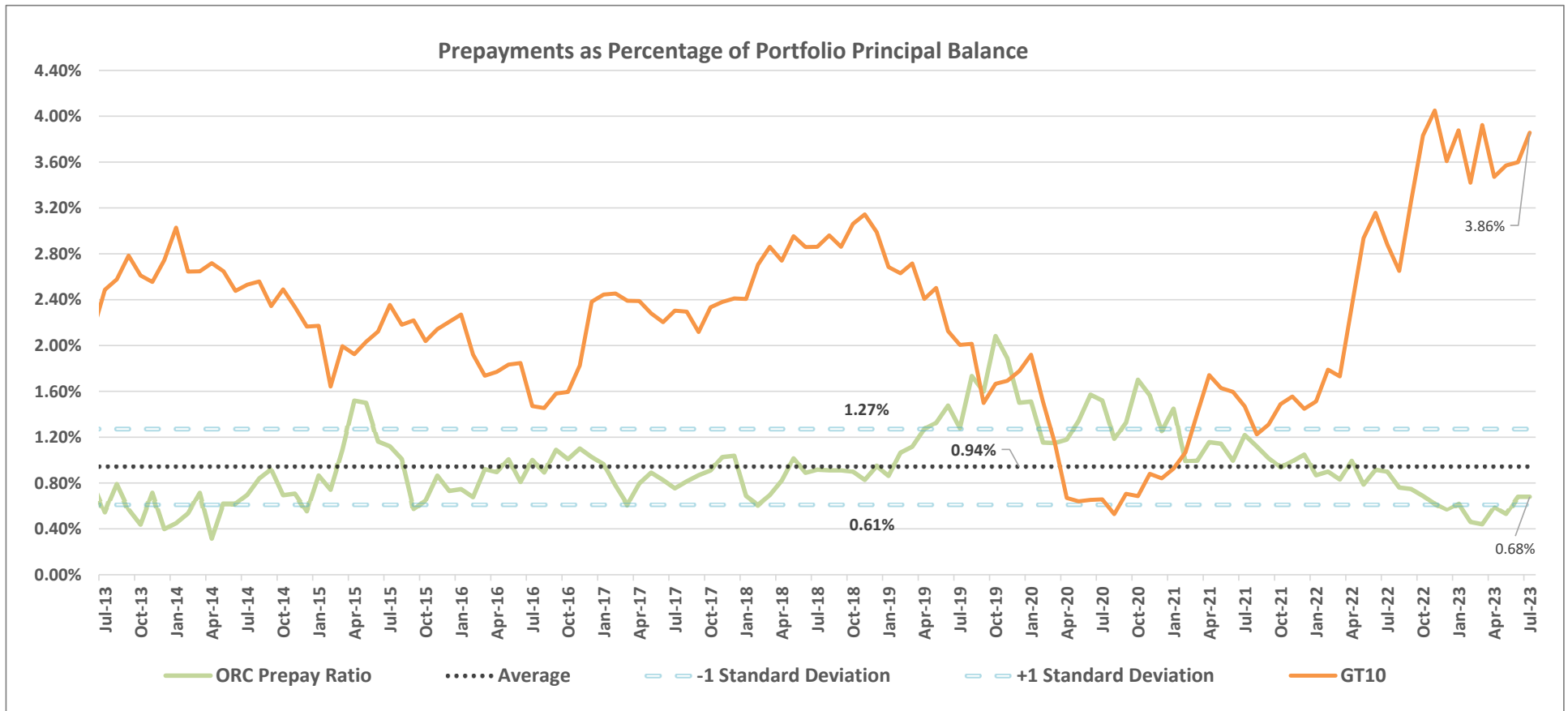
Jun CPR



Quarterly CPR Percentage Vs. Cohort



# Prepayment Sensitivity in PT Portfolio



# Orchid Credit Counterparties and Cost of Funds

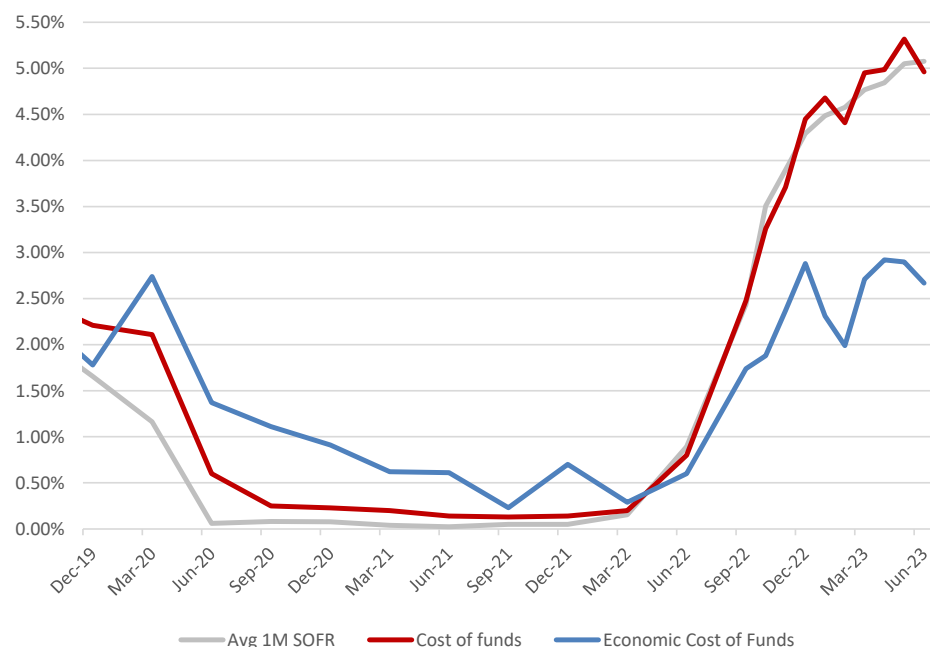
## Orchid Island Capital Credit Counterparties

(\$ in thousands)

As of June 30, 2023

Counterparty	Total Outstanding Balances	% of Total	Weighted Average Maturity in Days	Longest Maturity
J.P. Morgan Securities LLC	337,627	8.0%	13	7/24/2023
ASL Capital Markets Inc.	336,720	8.0%	41	9/29/2023
Mitsubishi UFJ Securities (USA), Inc	331,790	7.9%	19	7/27/2023
Wells Fargo Bank, N.A.	328,470	7.8%	15	7/28/2023
RBC Capital Markets, LLC	315,578	7.5%	15	7/17/2023
Citigroup Global Markets Inc	308,384	7.3%	28	7/31/2023
Mirae Asset Securities (USA) Inc.	301,508	7.2%	78	12/22/2023
Daiwa Securities America Inc.	241,338	5.7%	17	7/17/2023
Marex Capital Markets Inc.	229,138	5.5%	11	7/27/2023
ING Financial Markets LLC	225,570	5.4%	27	7/27/2023
ABN AMRO Bank N.V.	218,376	5.2%	13	7/13/2023
Cantor Fitzgerald & Co	217,196	5.2%	17	7/17/2023
Merrill Lynch, Pierce, Fenner & Smith	186,631	4.4%	15	8/25/2023
StoneX Financial Inc.	174,967	4.2%	13	7/17/2023
Goldman, Sachs & Co	122,836	2.9%	11	7/24/2023
South Street Securities, LLC	117,859	2.8%	88	9/29/2023
Banco Santander SA	112,619	2.7%	24	7/24/2023
Bank of Montreal	74,325	1.8%	17	7/17/2023
Lucid Cash Fund USG LLC	11,208	0.3%	20	7/20/2023
Lucid Prime Fund, LLC	9,077	0.2%	20	7/20/2023
<b>Total / Weighted Average</b>	<b>\$ 4,201,217</b>	<b>100.0%</b>	<b>25</b>	<b>12/22/2023</b>

## Avg SOFR vs Cost of Funds



# Orchid Island Capital Hedge Positions

## Treasury Futures

(\$ in thousands)	Contract Notional Amount	Weighted Average Entry Rate	Weighted Average Effective Rate	Open Equity <sup>(1)</sup>
<b>As of June 30, 2023</b>	<i>(Short Position)<sup>(2)</sup></i>			
Sep 2023 5-year T-Note	471,500	3.69%	4.40%	9,795
Sep 2023 10-year T-Note	285,000	3.76%	4.47%	3,793
Sep 2023 10-year Ultra	244,200	3.71%	3.77%	2,182
	\$ 1,000,700			15,770
<b>As of March 31, 2023</b>	<i>(Short Position)</i>			
Mar 2023 5-year T-Note	926,500	4.17%	3.89%	(20,719)
Mar 2023 10-year Ultra	54,200	3.91%	3.48%	(2,181)
	\$ 980,700			(22,899)

## TBA Positions

(\$ in thousands)	Notional Amount (Short)	Cost Basis	Market Value	Net Carrying Value
<b>As of June 30, 2023</b>				
FNCL 3.0 08/23	(350,000)	(308,494)	(224,518)	83,976
	\$ (350,000)	\$ (308,494)	\$ (224,518)	\$ 83,976
<b>As of March 31, 2023</b>				
FNCL 3.0 04/23	(700,000)	(616,438)	(627,457)	(11,020)
FNCL 2.0 04/23	(175,000)	(144,511)	(144,525)	(15)
	\$ (875,000)	\$ (760,948)	\$ (771,982)	\$ (11,034)

- Open equity represents the cumulative gains (losses) recorded on open futures positions from inception.
- 5-year T-Note, 10-year T-Note and 10-year Ultra futures contracts were valued at a price of \$107.09, \$112.27 and \$118.44 at Jun 30, 2023.
- Notional and cost amounts on swaption payer spread positions are netted.

## Swap Agreements

(\$ in thousands)	Notional Amount	Average Fixed Pay Rate	Average Receive Rate	Net Estimated Fair Value	Weighted Avg Maturity (Years)
<b>As of June 30, 2023</b>					
Expiration > 1 to ≤ 5 years	\$ 500,000	0.84%	5.53%	\$ 50,533	3.2
Expiration > 5 years	1,651,500	2.53%	5.14%	115,296	6.9
	\$ 2,151,500	2.13%	5.23%	\$ 165,830	6.1
<b>As of March 31, 2023</b>					
Expiration > 3 to ≤ 5 years	\$ 500,000	0.84%	5.02%	\$ 49,909	3.5
Expiration > 5 years	1,174,000	2.10%	4.88%	79,806	7.2
	\$ 1,674,000	1.72%	4.92%	\$ 129,715	6.1

## Swaptions & Rate Derivatives

(\$ in thousands)	Option			Underlying Swap			
	Cost <sup>(3)</sup>	Fair Value	WAVG Months to Expiration	Notional Amount <sup>(3)</sup>	Fixed Pay Rate	Receive Rate (SOFR)	Weighted Avg Maturity (Years)
<b>As of June 30, 2023</b>							
6m6m10y Fwd Vol Payer Spread	32,866	5,629	2	333,000	4.08%	Overnight	10.00
Long Leg 2y2y Payer Swaption	10,115	12,259	19	1,000,000	3.49%	Overnight	2.00
Short Leg 2y2y Payer Swaption	(8,433)	(10,215)	19	(1,000,000)	3.74%	Overnight	2.00
Long Leg 2s30s Spread Floor	2,500	3,844	22	1,000,000	n/a	n/a	n/a
Short Leg 2s30s Spread Floor	(1,358)	(2,573)	22	(1,000,000)	n/a	n/a	n/a
2s10s Cap	1,450	211	7	200,000	n/a	n/a	n/a
Total / WAVG	\$ 37,141	\$ 9,155	4	533,000	3.33%		6.16
<b>As of March 31, 2023</b>							
6m6m10y Fwd Vol Payer Spread	32,866	4,911	5	333,000	4.08%	Overnight	10.00
Long Leg 2y2y Payer Swaption	10,115	8,301	22	1,000,000	3.49%	Overnight	2.00
Short Leg 2y2y Payer Swaption	(8,433)	(6,891)	22	(1,000,000)	3.74%	Overnight	2.00
2s10s Cap	1,450	474	10	200,000	n/a	n/a	n/a
Total / WAVG	\$ 35,999	\$ 6,794	7	533,000	3.33%		6.16



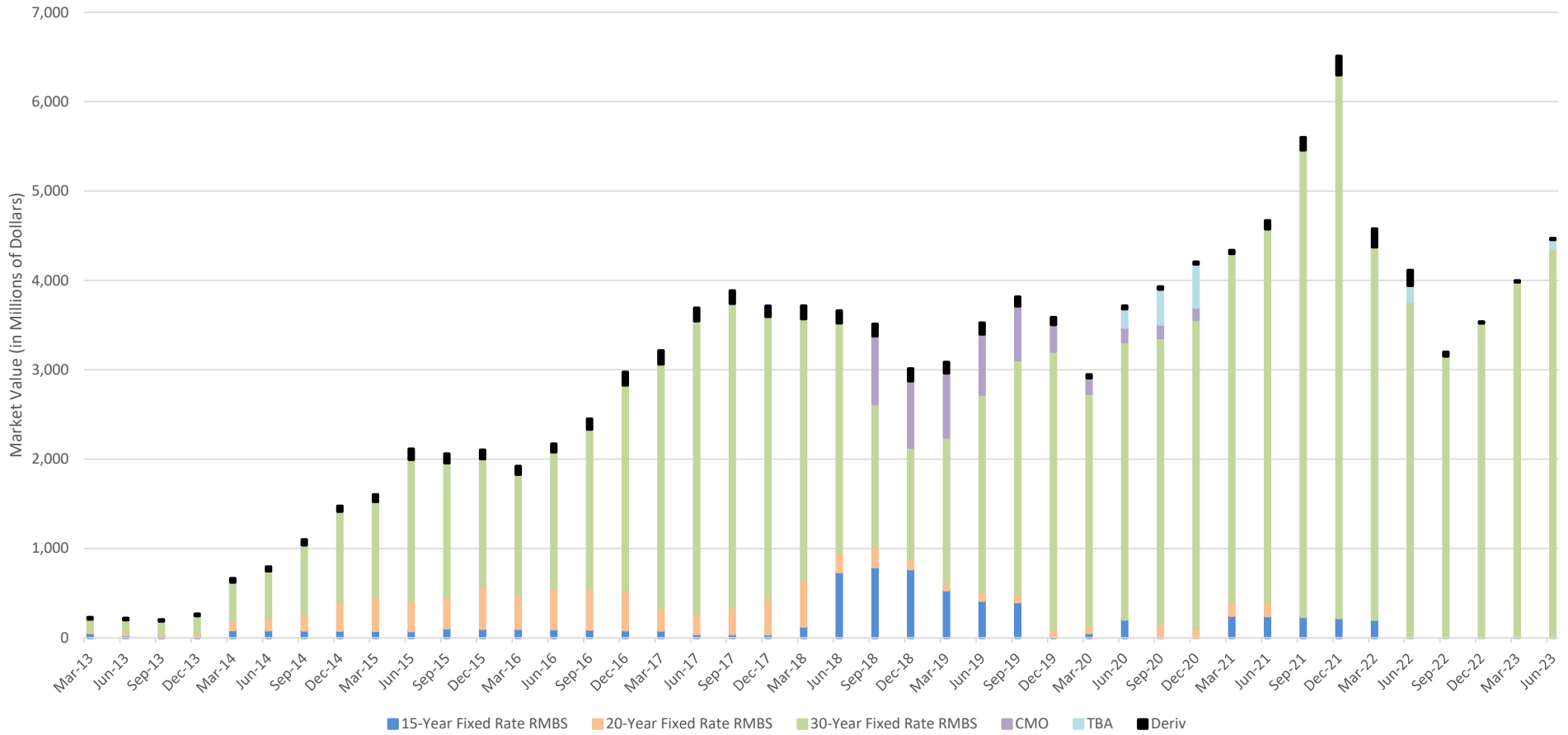
# Appendix

# Orchid Island Capital Earnings Per Share Support Data

Quarter	Net Income (GAAP)	Realized and Unrealized Gains and Losses	Net Earnings Less Realized and Unrealized Gains and Losses	Weighted Average Shares Outstanding	Net Income Per Share	Realized and Unrealized Gains and Losses Per Share	Net Earnings Less Realized and Unrealized Gains and Losses Per Share <sup>(1)</sup>
2013	\$ (698,000)	\$ (7,102,000)	\$ 6,404,000	602,382	\$ (1.07)	\$ (10.90)	\$ 9.83
2014	\$ 24,519,000	\$ 233,000	\$ 24,286,000	1,978,012	\$ 12.43	\$ 0.12	\$ 12.31
2015	\$ 1,070,000	\$ (52,575,000)	\$ 53,645,000	4,053,341	\$ 0.07	\$ (3.25)	\$ 3.31
2016	\$ 1,979,000	\$ (60,467,000)	\$ 62,446,000	4,819,943	\$ 0.41	\$ (12.56)	\$ 12.97
2017	\$ 2,007,000	\$ (91,118,000)	\$ 93,125,000	8,212,408	\$ 0.24	\$ (11.12)	\$ 11.36
2018	\$ (44,386,613)	\$ (116,646,416)	\$ 72,259,803	10,439,635	\$ (4.25)	\$ (11.17)	\$ 6.92
2019	\$ 24,193,944	\$ (24,008,905)	\$ 48,202,850	11,265,605	\$ 2.15	\$ (2.13)	\$ 4.28
2020	\$ 2,127,337	\$ (78,317,238)	\$ 80,444,574	13,442,163	\$ 0.16	\$ (5.83)	\$ 5.99
2021 - Q1	\$ (29,368,345)	\$ (50,791,430)	\$ 21,423,086	17,068,991	\$ (1.72)	\$ (2.98)	\$ 1.26
2021 - Q2	\$ (16,865,715)	\$ (40,842,965)	\$ 23,977,250	19,897,813	\$ (0.85)	\$ (2.05)	\$ 1.21
2021 - Q3	\$ 26,038,208	\$ (2,886,338)	\$ 28,924,546	25,717,469	\$ 1.01	\$ (0.11)	\$ 1.12
2021 - Q4	\$ (44,563,000)	\$ (82,598,000)	\$ 38,035,000	33,628,703	\$ (1.33)	\$ (2.46)	\$ 1.13
2022 - Q1	\$ (148,727,000)	\$ (183,232,000)	\$ 34,505,000	35,399,513	\$ (4.20)	\$ (5.18)	\$ 0.97
2022 - Q2	\$ (60,139,000)	\$ (82,284,000)	\$ 22,145,000	35,406,832	\$ (1.70)	\$ (2.32)	\$ 0.63
2022 - Q3	\$ (84,513,620)	\$ (93,544,207)	\$ 9,030,586	35,205,888	\$ (2.40)	\$ (2.66)	\$ 0.26
2022 - Q4	\$ 34,925,950	\$ 38,388,869	\$ (3,462,919)	36,786,056	\$ 0.95	\$ 1.04	\$ (0.09)
2023 - Q1	\$ 3,538,208	\$ 12,738,930	\$ (9,200,722)	38,491,767	\$ 0.09	\$ 0.33	\$ (0.24)
2023 - Q2	\$ 10,249,603	\$ 23,827,475	\$ (13,577,872)	40,210,844	\$ 0.25	\$ 0.59	\$ (0.34)

1. May not foot due to rounding.

# ORC Historical Portfolio Breakdown



Source: Company Press Releases

# Securitized Products Returns June 2023

Last 12 months from June 2022 – sorted by total returns

Sector	Last 12 Mo. (As of 6/30/23)		2022		6/30/2023
	Total Return	Excess Return (vs. Swaps/Libor)	Total Return	Excess Return (vs. Swaps/Libor)	Current Spread / Price
NDX 100	32.0%	N/A	-33.0%	N/A	4239
CRT B1	17.8%	13.0%	0.0%	-2.6%	615
S&P 500	17.6%	N/A	-19.4%	N/A	611
CLO 2.0/3.0 BB	12.9%	8.1%	-4.8%	-7.4%	941
CRT M2/Old M3	12.5%	7.9%	1.6%	-0.6%	310
Leveraged Loans	10.7%	6.0%	-0.6%	-3.2%	NA
CLO 2.0/3.0 A	9.2%	4.6%	-2.6%	-5.2%	311
CRT M1	9.2%	4.5%	2.4%	-0.4%	190
CLO 2.0/3.0 BBB	8.9%	4.3%	-3.6%	-6.2%	511
HY Corporate	8.9%	10.2%	-11.2%	-3.5%	425
CLO 2.0/3.0 AA	8.5%	3.9%	-0.7%	-3.4%	236
CLO 2.0/3.0 Total	7.0%	2.6%	-0.4%	-3.1%	254
SP down in credit indicator	6.7%	5.4%	-6.4%	-4.1%	NA
CLO 2.0/3.0 AAA	6.0%	1.4%	0.5%	-2.3%	186
Floating ABS	5.4%	0.8%	0.1%	-2.7%	137
SP return indicator	3.2%	1.1%	-4.6%	-2.8%	NA
SP AAA indicator	2.6%	0.8%	-3.9%	-1.5%	NA
Legacy RMBS	2.3%	-1.2%	-7.0%	-7.4%	241
Fixed ABS	1.6%	1.0%	-4.4%	-0.6%	146
IG Corporate	1.4%	4.3%	-15.4%	-2.7%	159
Agency CMBS	-1.1%	0.8%	-10.1%	-0.8%	72
Agency MBS	-1.6%	0.1%	-11.9%	-3.1%	87
CMBS	-1.8%	-0.5%	-10.2%	-2.1%	252
US Treasury	-2.5%	-0.1%	-12.9%	-1.1%	27
CMBS BBB	-8.6%	-7.9%	-14.2%	-6.9%	1099

Last 12 months from June 2022 – sorted by excess return

Sector	Last 12 Mo. (As of 6/30/23)		2022		6/30/2023
	Total Return	Excess Return (vs. Swaps/Libor)	Total Return	Excess Return (vs. Swaps/Libor)	Current Spread / Price
NDX 100	32.0%	N/A	-33.0%	N/A	4239
S&P 500	17.6%	N/A	-19.4%	N/A	611
CRT B1	17.8%	13.0%	0.0%	-2.6%	615
HY Corporate	8.9%	10.2%	-11.2%	-3.5%	425
CLO 2.0/3.0 BB	12.9%	8.1%	-4.8%	-7.4%	941
CRT M2/Old M3	12.5%	7.9%	1.6%	-0.6%	310
Leveraged Loans	10.7%	6.0%	-0.6%	-3.2%	NA
SP down in credit indicator	6.7%	5.4%	-6.4%	-4.1%	NA
CLO 2.0/3.0 A	9.2%	4.6%	-2.6%	-5.2%	311
CRT M1	9.2%	4.5%	2.4%	-0.4%	190
CLO 2.0/3.0 BBB	8.9%	4.3%	-3.6%	-6.2%	511
IG Corporate	1.4%	4.3%	-15.4%	-2.7%	159
CLO 2.0/3.0 AA	8.5%	3.9%	-0.7%	-3.4%	236
CLO 2.0/3.0 Total	7.0%	2.6%	-0.4%	-3.1%	254
CLO 2.0/3.0 AAA	6.0%	1.4%	0.5%	-2.3%	186
SP return indicator	3.2%	1.1%	-4.6%	-2.8%	NA
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CMBS	-1.8%	-0.5%	-10.2%	-2.1%	252
Legacy RMBS	2.3%	-1.2%	-7.0%	-7.4%	241
CMBS BBB	-8.6%	-7.9%	-14.2%	-6.9%	1099

Source: BofA Global Research - Securitized Products Returns for June 2023/  
Securitized Products Strategy / 03 July 2023



# Securitized Products Returns June 2023

## Securitized products total and excess returns versus swaps/Libor

	Mod	Total Returns				Excess Returns vs. Swaps/Libor				Mod	Total Returns				Excess Returns vs. Swaps/Libor				
		Dur	6/23	QTD	YTD	2022	6/23	QTD	YTD		2022	Dur	6/23	QTD	YTD	2022	6/23	QTD	YTD
<b>Agency MBS</b>	6.0	-0.4%	-0.5%	1.9%	-11.9%	0.6%	1.0%	0.7%	-3.1%										
UMBS CC	5.7	-0.1%	-0.8%	1.1%	-11.8%	0.5%	-0.2%	-0.5%	-4.0%	<b>SP return Indicator</b>	0.27%	1.3%	3.2%	-4.6%	0.41%	1.1%	1.4%	1.4%	
GNMA 30Y CC	3.8	0.1%	-0.8%	0.8%	-11.7%	0.5%	-0.5%	-0.8%	-4.2%	<b>SP AAA Indicator</b>	0.11%	0.8%	2.5%	-3.9%	0.30%	0.7%	0.8%	0.8%	
All FNMA	6.1	-0.4%	-0.5%	1.9%	-12.1%	0.6%	1.0%	0.8%	-3.2%	<b>SP down in credit Indicator</b>	1.84%	3.5%	6.0%	-6.4%	1.68%	2.8%	3.8%	3.8%	
All FHLMC		0.0%	0.0%	0.0%	-12.0%	0.0%	0.0%	0.0%	-3.7%	<b>CAS</b>									
All GNMA	5.8	-0.3%	-0.5%	2.0%	-10.7%	0.6%	0.9%	0.8%	-2.3%	1M1	0.8%	2.3%	3.9%	1.3%	0.3%	1.1%	1.6%	0.9%	
<b>UMBS 30yr</b>	6.5	-0.4%	-0.5%	2.0%	-12.6%	0.6%	1.1%	0.8%	-3.3%	1M2	1.0%	3.6%	5.5%	2.9%	0.6%	2.4%	3.2%	2.3%	
2.0		-0.4%	-0.2%	2.0%	-0.8%	0.7%	1.6%	0.9%	0.2%	1B1	1.4%	5.7%	9.8%	0.7%	1.0%	4.5%	7.3%	3.2%	
2.5		-0.4%	-0.5%	1.9%	-0.6%	0.6%	1.3%	0.9%	0.3%	2M1	0.7%	2.1%	4.3%	0.4%	0.3%	0.9%	2.1%	0.0%	
3.0		-0.5%	-1.0%	2.0%	-0.4%	0.5%	0.7%	0.9%	0.5%	2M2	1.6%	3.9%	7.1%	2.6%	1.2%	2.7%	4.7%	2.9%	
3.5		-0.4%	-0.8%	2.0%	-0.2%	0.6%	0.8%	0.9%	0.6%	2B1	1.7%	6.3%	10.5%	-3.9%	1.1%	4.9%	7.9%	2.4%	
4.0		-0.2%	-0.9%	2.1%	-0.6%	0.8%	0.6%	0.8%	0.1%	<b>STACR</b>									
4.5		-0.3%	-0.7%	2.0%	-0.6%	0.6%	0.5%	0.7%	0.0%	Low LTV M1	0.8%	2.8%	4.4%	2.4%	0.4%	1.6%	2.0%	-0.4%	
5.0		-0.1%	-0.6%	1.6%	-0.4%	0.7%	0.4%	0.2%	0.0%	Low LTV New M2/Old M3	1.9%	5.0%	8.2%	1.6%	1.4%	3.8%	5.8%	-0.6%	
5.5		0.0%	-0.2%	1.6%	-0.5%	0.7%	0.5%	0.1%	-0.2%	Low LTV B1	2.0%	6.3%	10.6%	0.0%	1.6%	5.1%	8.2%	-2.6%	
<b>UMBS 15yr</b>	4.0	-0.7%	-0.8%	1.2%	-9.0%	0.2%	0.4%	0.1%	-2.3%	High LTV M1	1.0%	3.1%	6.3%	-1.1%	0.6%	1.9%	4.0%	-3.2%	
2.0		-0.7%	-0.7%	1.2%	-0.7%	0.3%	-0.2%	-0.5%	-0.2%	High LTV New M2/Old M3	2.0%	4.2%	8.3%	0.4%	1.6%	3.0%	6.0%	-1.6%	
2.5		-0.6%	-0.8%	1.3%	-0.4%	0.2%	-0.3%	-0.4%	-0.1%	High LTV B1	2.2%	6.6%	11.1%	-5.6%	1.8%	5.4%	8.7%	-7.8%	
3.0		-0.6%	-0.3%	1.3%	0.0%	0.2%	0.1%	-0.3%	0.3%	<b>SFR Fixed</b>									
3.5		-0.4%	-0.5%	1.2%	0.0%	0.4%	-0.1%	-0.4%	0.3%	A	0.0%	0.5%	3.7%	-2.3%	0.3%	-0.4%	0.5%	-5.1%	
4.0		-0.3%	-0.8%	1.3%	-0.3%	0.5%	-0.4%	-0.4%	0.0%	B	0.3%	0.6%	1.6%	-2.9%	0.5%	-0.4%	-1.7%	-6.6%	
<b>Ginnie 30yr</b>	5.8	-0.3%	-0.5%	2.0%	-10.8%	0.6%	0.9%	0.8%	-2.3%	C	0.3%	0.8%	1.3%	-4.0%	0.6%	-0.1%	-1.9%	-2.8%	
2.5		-0.6%	-0.5%	1.9%	-12.3%	0.4%	0.1%	-0.4%	-3.2%	D	0.9%	2.0%	2.8%	-4.9%	1.2%	1.1%	-0.5%	-7.0%	
3.0		-0.3%	-0.8%	2.3%	-10.4%	0.7%	-0.2%	0.1%	-2.6%	E	0.7%	1.6%	4.2%	-3.7%	0.9%	0.6%	1.0%	-7.2%	
3.5		-0.1%	-0.5%	2.4%	-8.6%	0.9%	0.1%	0.2%	-0.9%	<b>CMBS</b>	3.9	-0.7%	-0.6%	0.9%	-10.2%	0.3%	0.7%	-0.1%	-2.1%
4.0		0.0%	-0.6%	2.1%	-7.4%	0.9%	-0.1%	0.0%	-0.3%	AAA	4.0	-0.7%	-0.4%	1.2%	-9.6%	0.4%	0.9%	0.2%	-1.3%
4.5		-0.3%	-0.8%	1.7%	-5.7%	0.5%	-0.4%	-0.4%	0.7%	AA-BBB	3.5	-0.8%	-1.3%	-0.2%	-12.6%	0.1%	-0.2%	-1.3%	-5.3%
5.0		-0.1%	-0.6%	1.6%	-5.1%	0.6%	-0.3%	-0.3%	0.5%	BBB	3.3	-0.8%	-1.8%	-3.3%	-14.2%	0.1%	-0.8%	-4.5%	-6.9%
<b>US Treasuries</b>	6.5	-0.7%	-1.4%	1.6%	-12.9%	0.3%	0.3%	0.7%	-1.1%	Agency	4.5	-0.7%	-0.6%	1.7%	-10.1%	0.5%	0.9%	0.9%	-0.8%
1-3yrs	1.8	-0.5%	-0.6%	1.0%	-3.7%	0.0%	-0.2%	-0.3%	0.2%	SASB fixed		-0.7%	-0.5%	1.1%	-10.5%	0.1%	0.4%	0.0%	-2.8%
3-5yrs	3.8	-1.2%	-1.3%	0.9%	-7.9%	0.1%	0.3%	0.4%	0.2%	SASB floating		0.7%	2.7%	3.7%	1.6%	0.3%	1.5%	1.3%	-4.4%
5-7yrs	5.4	-1.3%	-1.6%	1.3%	-11.1%	0.2%	0.4%	0.7%	-0.5%	<b>ABS - Fixed</b>	2.2	-0.2%	0.2%	2.3%	-4.4%	0.3%	0.5%	0.9%	-0.6%
7-10yrs	7.5	-1.3%	-1.9%	1.6%	-14.7%	0.2%	0.5%	0.7%	-0.6%	Autos	1.5	0.1%	0.5%	2.0%	-2.0%	0.3%	0.4%	0.4%	0.2%
20+ yrs	17.2	0.1%	-2.4%	3.9%	-30.7%	0.8%	1.2%	2.9%	-6.1%	Cards	2.1	-0.4%	-0.2%	1.2%	-3.9%	0.2%	0.3%	0.0%	0.1%
<b>Agency Debt</b>	3.3	-0.7%	-0.7%	1.3%	-6.9%	0.3%	0.5%	0.3%	0.2%	HEL	4.7	-0.9%	-0.5%	1.7%	-9.3%	0.1%	0.8%	0.7%	-4.2%
Freddie	4.1	-0.7%	-0.8%	1.4%	-5.9%	0.3%	0.6%	0.5%	0.1%	Other	3.1	-0.4%	0.0%	3.1%	-7.6%	0.3%	0.8%	1.8%	-1.6%
Fannie	3.5	-0.7%	-0.7%	1.3%	-7.6%	0.3%	0.5%	0.3%	0.3%	<b>ABS - Floating</b>	2.4	0.6%	1.7%	3.5%	0.1%	0.2%	0.5%	1.0%	-2.7%
<b>High Yield</b>	4.1	1.6%	1.6%	5.4%	-11.2%	2.6%	2.9%	4.3%	-3.5%	Cards	1.6	0.4%	1.3%	2.7%	1.1%	0.0%	0.2%	0.4%	-1.5%
<b>High Grade</b>	6.9	0.3%	-0.2%	3.2%	-15.4%	1.3%	1.7%	2.3%	-2.7%	HEL	3.1	0.1%	1.3%	2.7%	-1.0%	-0.3%	0.1%	0.2%	-3.9%
Banks	4.7	0.1%	0.3%	2.7%	-11.9%	1.0%	1.7%	1.8%	-2.4%	Other	2.9	0.7%	1.9%	3.7%	-0.2%	0.2%	0.7%	1.3%	-3.0%
Financials	5.1	0.1%	0.2%	2.7%	-12.6%	1.1%	1.7%	1.8%	-2.5%	Student Loans	2.9	0.7%	1.9%	3.7%	-0.2%	0.3%	0.7%	1.2%	-3.0%
<b>Non-Agency: Legacy</b>										<b>CLO 2.0/3.0 Total</b>	1.1%	2.5%	4.6%	-0.4%	0.6%	1.3%	2.3%	-3.1%	
Prime Fixed		-0.3%	1.7%	4.4%	-10.6%	0.8%	1.6%	1.9%	-2.7%	CLO 2.0/3.0 AAA	0.8%	2.0%	3.8%	0.5%	0.3%	0.8%	1.4%	-2.3%	
Alt-A S/1 WAC		0.6%	4.3%	4.1%	-6.3%	0.1%	3.0%	1.6%	-8.6%	CLO 2.0/3.0 AA	1.2%	2.5%	5.0%	-0.7%	0.7%	1.3%	2.6%	-3.4%	
Option ARM		0.5%	5.4%	5.6%	-7.0%	0.1%	4.2%	3.3%	-9.5%	CLO 2.0/3.0 A	1.6%	3.8%	7.0%	-2.6%	1.2%	2.6%	4.6%	-5.2%	
Subprime ARM		0.2%	2.2%	3.0%	-5.5%	-0.2%	1.0%	0.6%	-8.0%	CLO 2.0/3.0 BBB	2.3%	4.1%	7.0%	-3.6%	1.9%	3.0%	4.5%	-6.2%	
<b>Non-Agency: 2.0</b>										CLO 2.0/3.0 BB	2.7%	4.9%	9.4%	-4.8%	2.3%	3.6%	6.9%	-7.4%	
Non-QM A1		-0.3%	-0.5%	1.1%	-3.9%	-0.1%	-1.4%	-2.1%	3.6%										
RPL A1		-0.3%	0.0%	2.3%	-5.3%	0.0%	-0.9%	-1.0%	3.2%										

Source: BofA Global Research - Securitized Products Returns for June 2023/  
Securitized Products Strategy / 03 July 2023