



Q4 2025 Earnings Supplemental Materials  
January 30, 2025

# 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 portfolio and targeted assets, expected performance, dividends, anticipated returns on our investments, interest rates, the mortgage backed securities markets, financing and hedging opportunities, funding costs, book value, interest rate sensitivity, prepayments, the economy, inflation, capital raising and actual or anticipated actions of the Federal Reserve (the “Fed”), and the impact of those actual or anticipated actions on the Company.

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# Financial Results

## Financial Highlights for the Quarter Ended December 31, 2025

Net Income (Loss) <sup>1</sup>	
<u>Q4 25</u>	<u>Q3 25</u>
\$0.62	\$0.53

Book Value <sup>1</sup>	
<u>Q4 25</u>	<u>Q3 25</u>
\$7.54	\$7.33

Total Return <sup>2</sup>	
<u>Q4 25</u>	<u>Q3 25</u>
7.8%	6.7%

Dividend Declared <sup>1</sup>	
<u>Q4 25</u>	<u>Q3 25</u>
\$0.36	\$ 0.36

1. Data is on a per share basis

2. Equal to (a) the sum of dividends declared and paid during the quarter and changes in book value during the quarter, divided by (b) book value at the beginning of the quarter

## Portfolio Highlights for the Quarter Ended December 31, 2025

Average MBS Balances (in millions)	
<u>Q4 25</u>	<u>Q3 25</u>
\$9,492	\$ 7,675

Economic Leverage Ratio <sup>1</sup>	
<u>Q4 25</u>	<u>Q3 25</u>
7.4	7.4

Speeds (3mo. Portfolio CPR)	
<u>Q4 25</u>	<u>Q3 25</u>
15.7	10.1

Liquidity <sup>2</sup>	
<u>Q4 25</u>	<u>Q3 25</u>
57.7%	57.1%

1. The economic leverage ratio is calculated by dividing ending total liabilities adjusted for net notional TBA positions by ending stockholders' equity
2. Liquidity is calculated as the percentage of unrestricted cash, cash equivalents, unpledged RMBS and unpledged U.S. Treasury securities to stockholders' equity

# Orchid Island Capital Financial Results for the Quarter Ended December 31, 2025

## Income Statement

(\$ in thousands, except for per share data)

	Three Months Ended December 31,	
	2025	2024
Interest income	\$ 132,188	\$ 71,996
Interest expense	(93,705)	(63,853)
<b>Net interest (expense) income</b>	<b>38,483</b>	<b>8,143</b>
Realized gains (losses) on mortgage-backed securities	2,967	(5,112)
Unrealized gains (losses) on mortgage-backed securities and U.S. Treasury securities	53,727	(153,541)
Gains (losses) on derivative and other hedging instruments	14,048	160,412
<b>Net portfolio income (loss)</b>	<b>109,225</b>	<b>9,902</b>
Expenses	5,817	4,357
<b>Net Income (loss)</b>	<b>\$ 103,408</b>	<b>\$ 5,545</b>
Other comprehensive income	(1)	84
<b>Comprehensive net income (loss)</b>	<b>103,407</b>	<b>5,629</b>
<b>Basic and diluted net income (loss) per share</b>	<b>\$ 0.62</b>	<b>\$ 0.07</b>
<b>Weighted Average Shares Outstanding</b>	<b>166,072,451</b>	<b>79,590,498</b>
<b>Dividends Declared Per Common Share</b>	<b>\$ 0.36</b>	<b>\$ 0.36</b>

## Balance Sheet

(\$ in thousands, except for per share data)

	31-Dec-25	31-Dec-24
<b>ASSETS:</b>		
Mortgage-backed securities	\$ 10,628,658	\$ 5,253,310
U.S. Treasury securities	135,133	100,551
Cash, cash equivalents and restricted cash	724,561	335,053
Accrued interest receivable	49,127	23,044
Derivative assets, at fair value	9,253	9,277
Reverse repurchase agreements	128,613	-
Other assets	648	392
<b>Total Assets</b>	<b>\$ 11,675,993</b>	<b>\$ 5,721,627</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Repurchase agreements	\$ 10,115,466	\$ 5,025,543
Payable for investment securities and TBA transactions	1,519	-
Dividends payable	21,865	9,940
Derivative liabilities, at fair value	1,846	332
Accrued interest payable	31,397	10,750
Due to affiliates	1,661	1,167
Obligation to return securities borrowed under reverse repurchase agreements, at fair value	128,724	-
Other liabilities	1,567	5,395
<b>Total Liabilities</b>	<b>10,304,045</b>	<b>5,053,127</b>
<b>Total Stockholders' Equity</b>	<b>1,371,948</b>	<b>668,500</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 11,675,993</b>	<b>\$ 5,721,627</b>
Common shares outstanding	181,985,900	82,622,464
Book value per share	\$ 7.54	\$ 8.09

## Orchid Island Capital Financial Results for the Year Ended December 31, 2025

### Income Statement

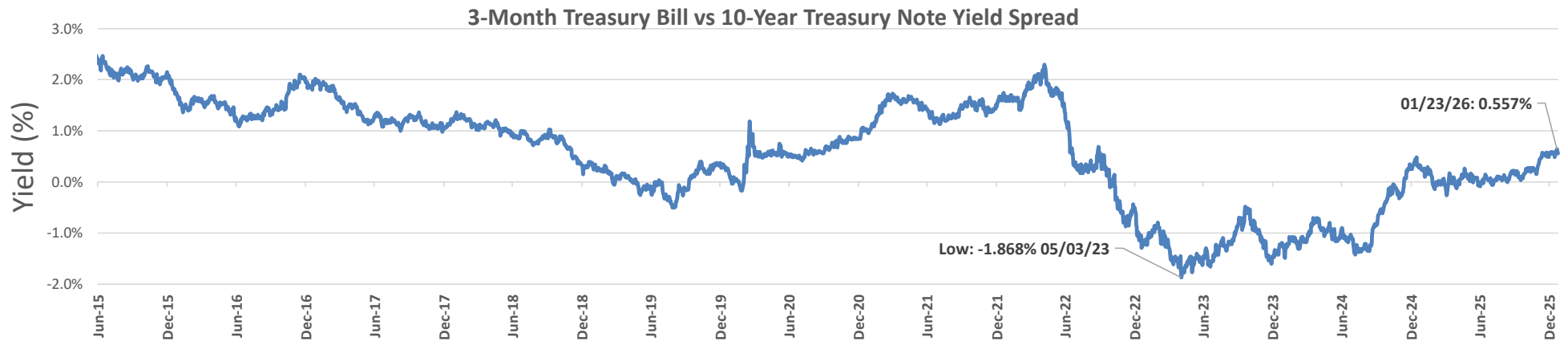
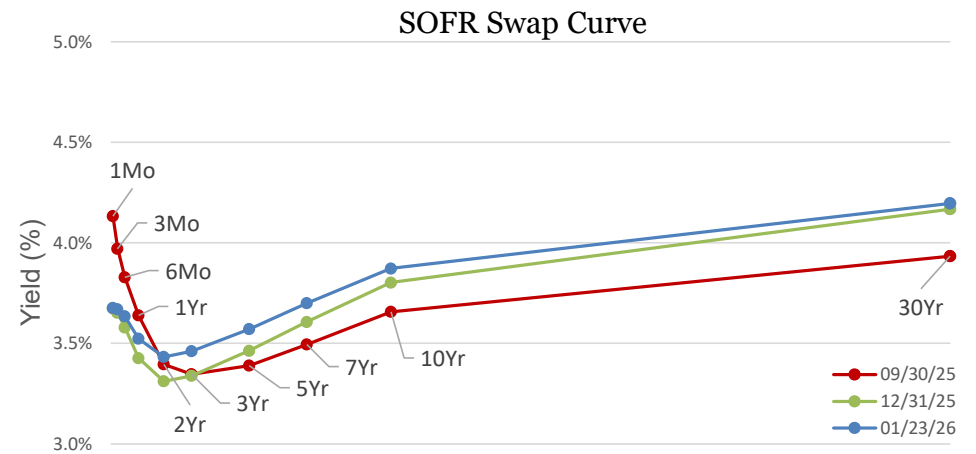
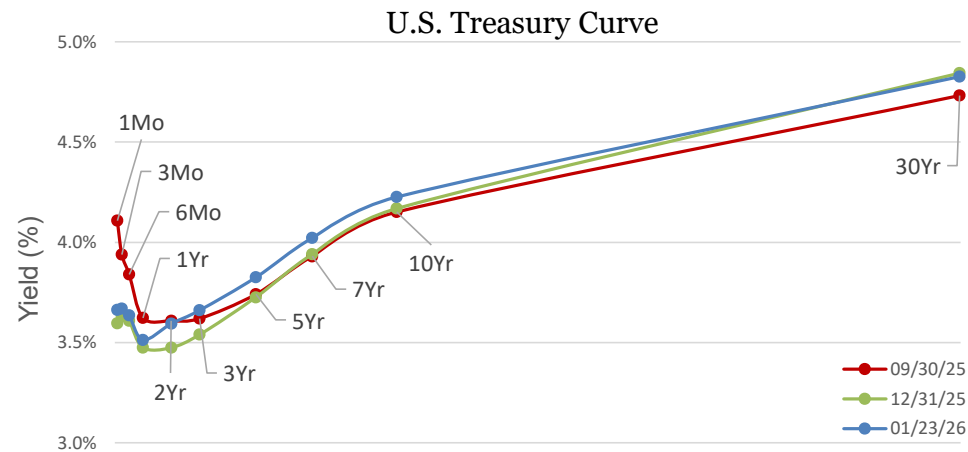
(\$ in thousands, except for per share data)

	Year Ended December 31,	
	2025	2024
Interest income	\$ 414,001	\$ 241,577
Interest expense	(305,732)	(236,281)
<b>Net interest (expense) income</b>	<b>108,269</b>	<b>5,296</b>
Realized gains (losses) on mortgage-backed securities	(6,321)	(4,602)
Unrealized gains (losses) on mortgage-backed securities and U.S. Treasury securities	200,231	(79,842)
Gains (losses) on derivative and other hedging instruments	(122,669)	133,554
<b>Net portfolio income (loss)</b>	<b>179,510</b>	<b>54,406</b>
Expenses	20,480	16,744
<b>Net Income (loss)</b>	<b>\$ 159,030</b>	<b>\$ 37,662</b>
Other comprehensive income	279	122
<b>Comprehensive net income (loss)</b>	<b>159,309</b>	<b>37,784</b>
<b>Basic and diluted net income (loss) per share</b>	<b>\$ 1.24</b>	<b>\$ 0.57</b>
<b>Weighted Average Shares Outstanding</b>	<b>128,302,423</b>	<b>65,449,149</b>
<b>Dividends Declared Per Common Share</b>	<b>\$ 1.44</b>	<b>\$ 1.44</b>



# Market Developments

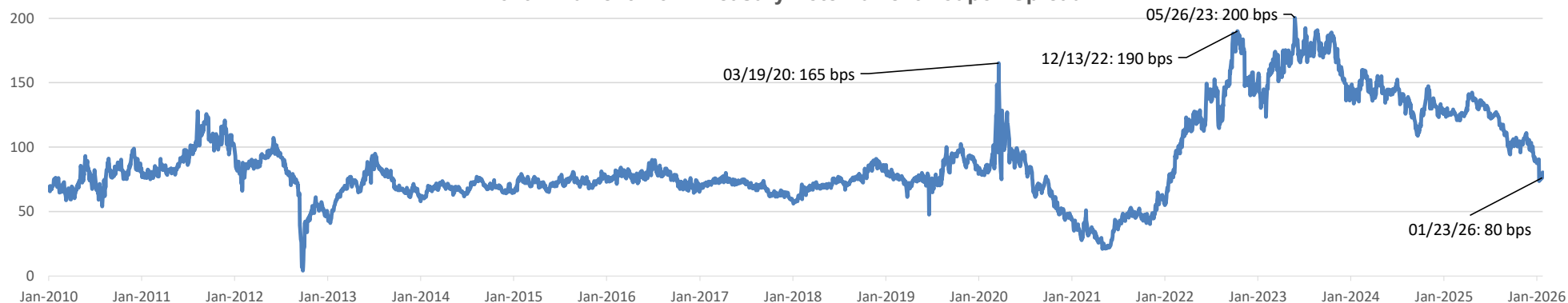
# U.S. Treasury, U.S. Dollar Swap, Yield Spread Curve



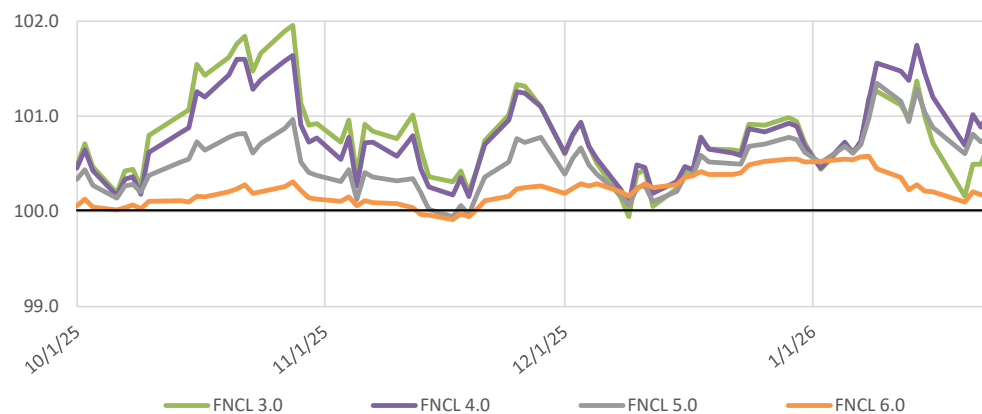
Source: Bloomberg Data

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

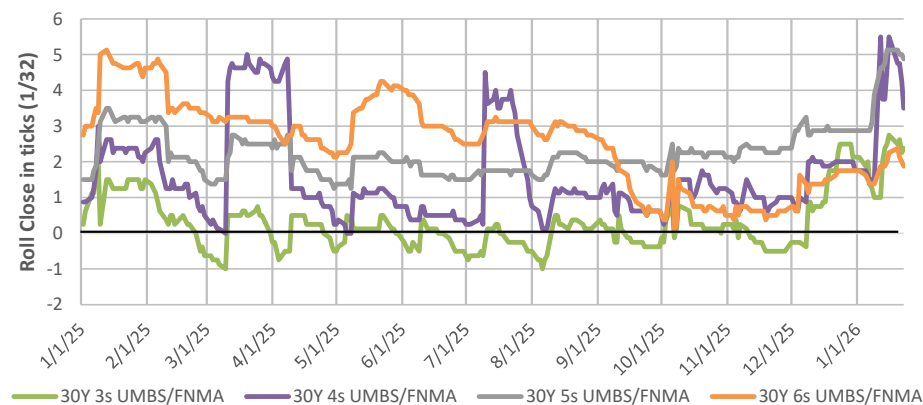
2010 – Current: 10Yr Treasury Note/Current Coupon Spread



FNCL Change

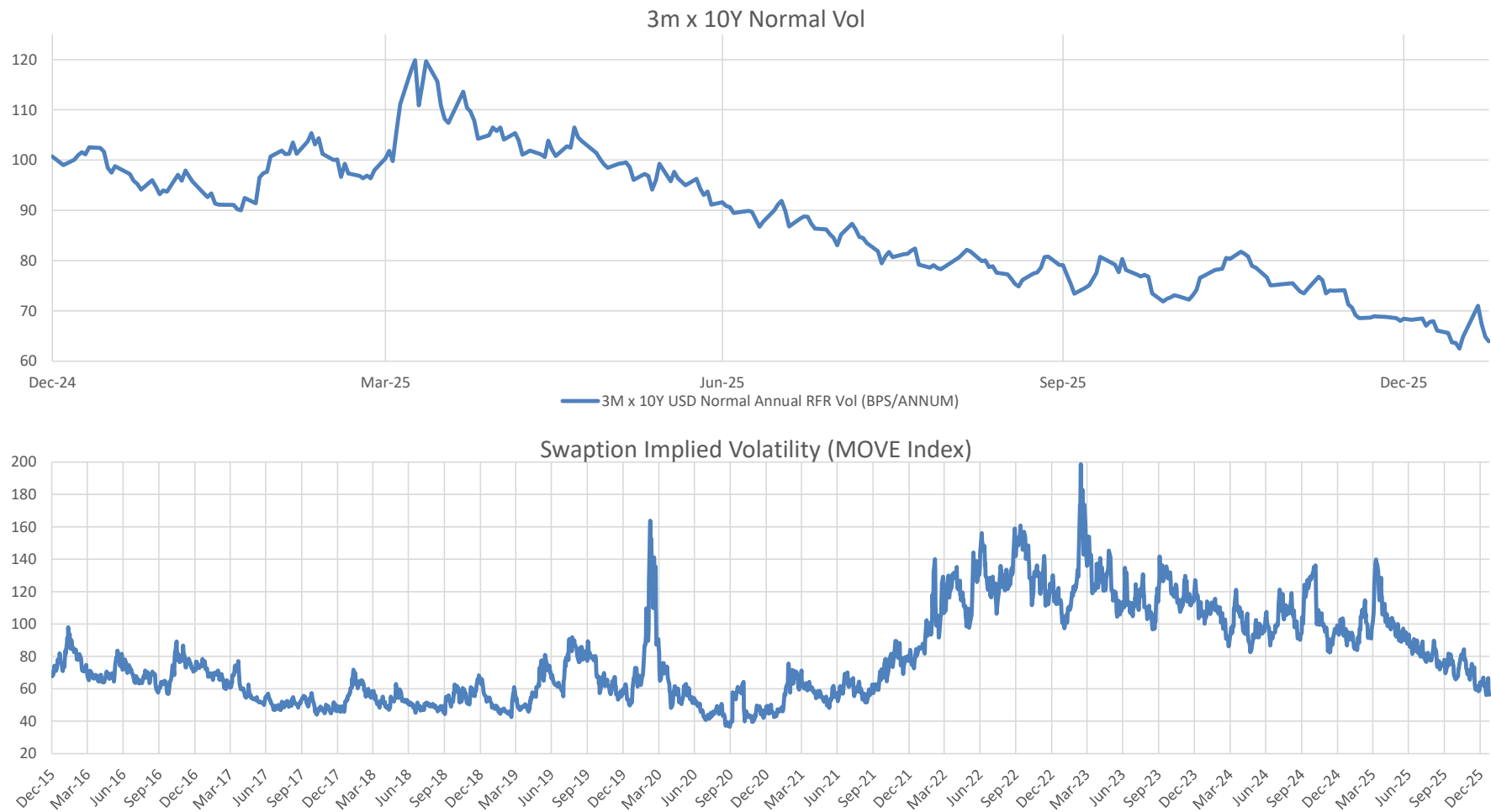


1 Year FNCL Roll



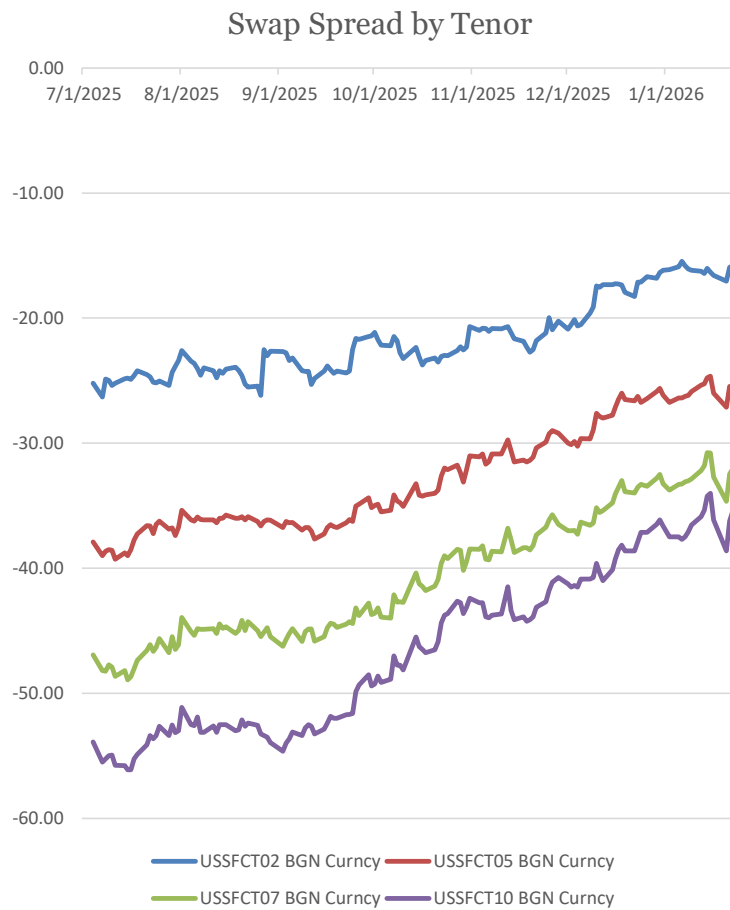
Source: Bloomberg Data

# Swaption Implied Volatility

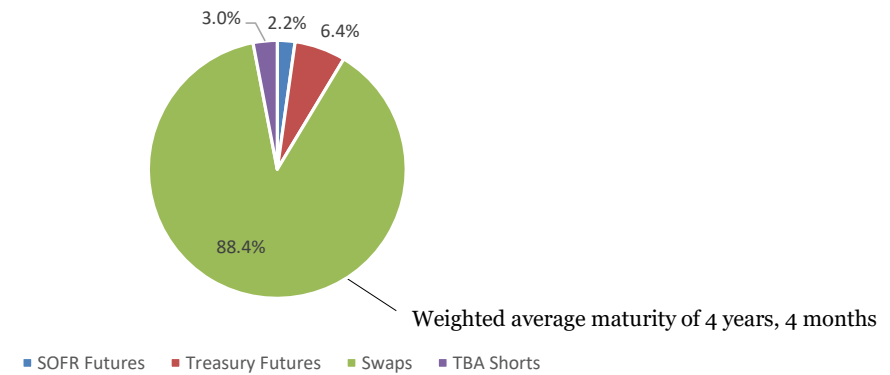


Source: Citi Velocity, Bloomberg Data

# Swap Spreads



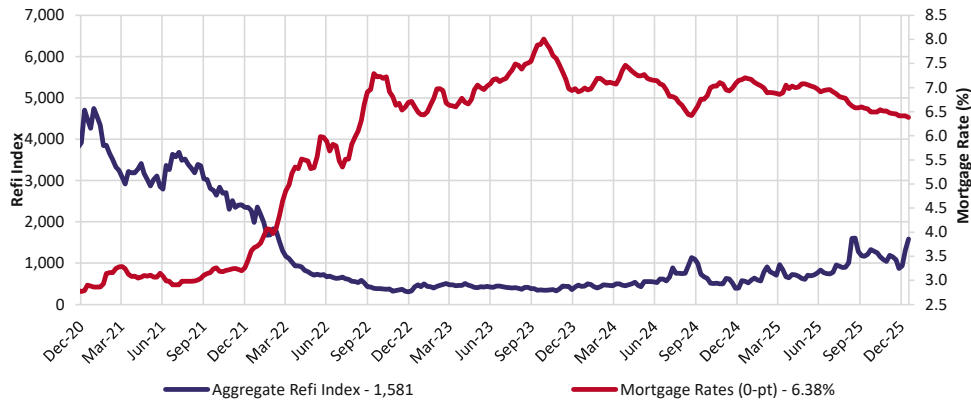
Hedge Weight by DV01



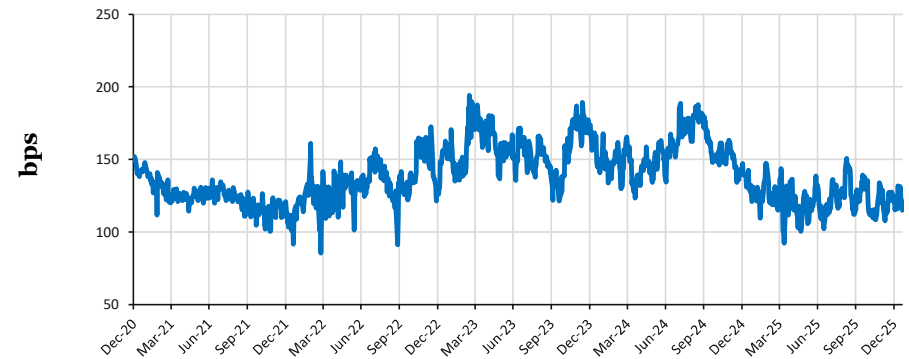
\*DV01 for Orchid hedge portfolio as of 12/31/2025

# Refinancing Activity

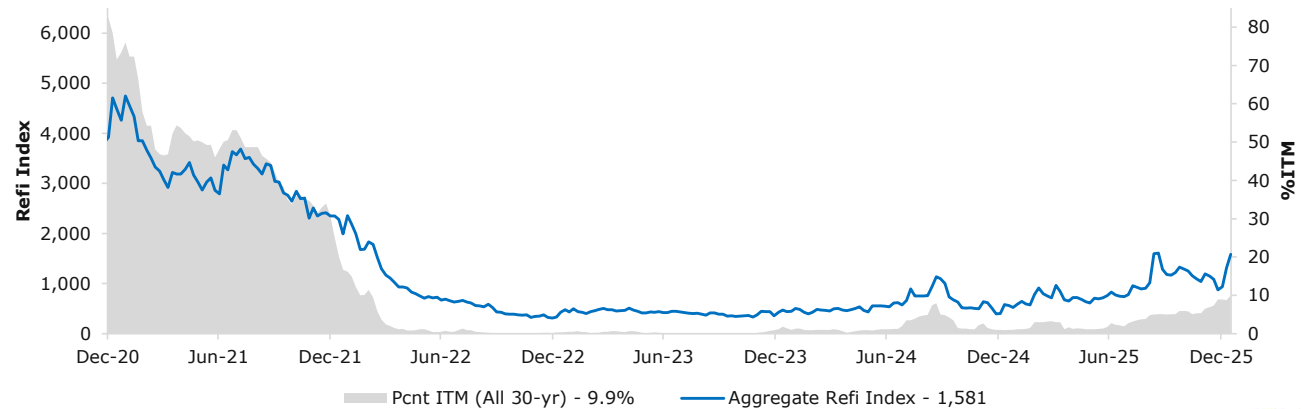
## Refi Index vs. Mortgage Rates



## Primary – Secondary Spreads

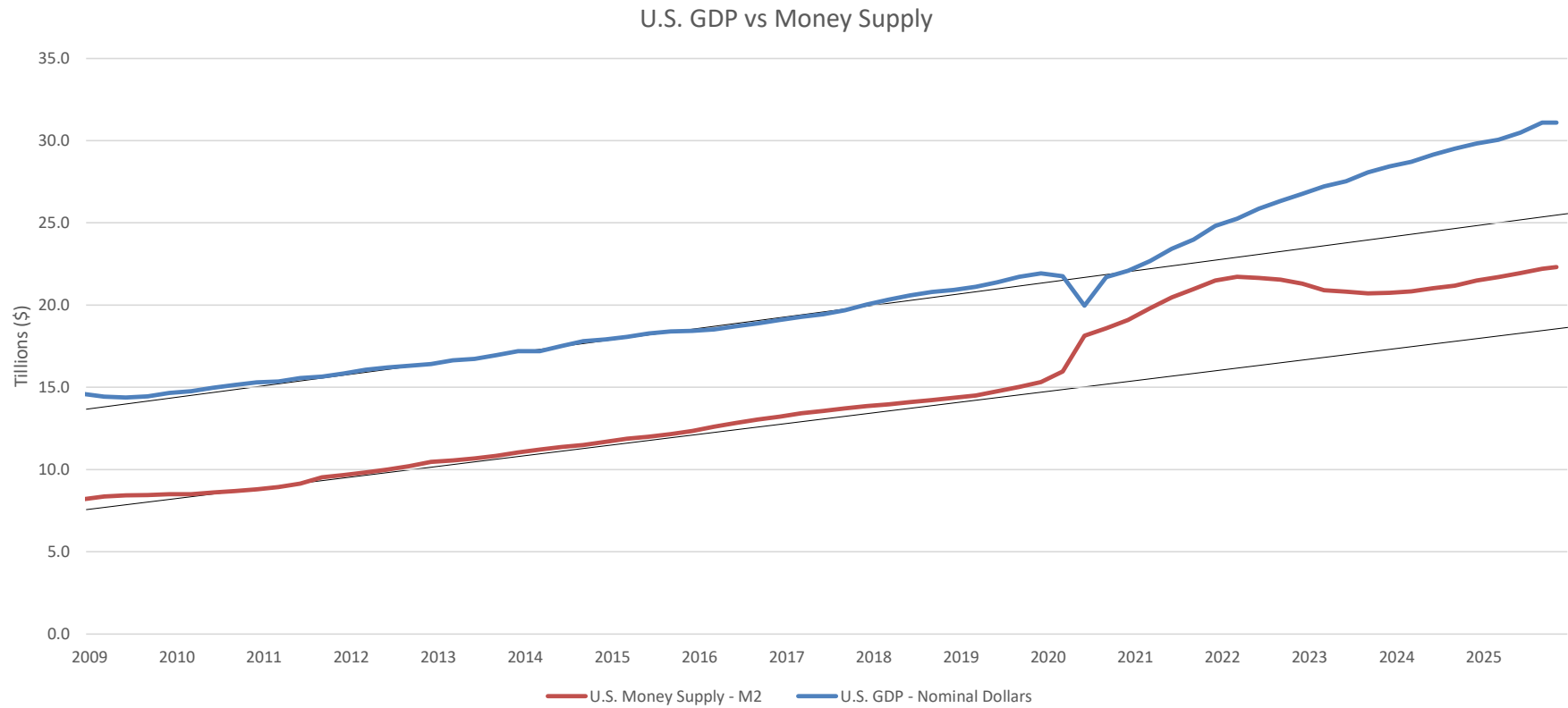


## Refi Index vs. Percent In-The-Money (“ITM”)



Source: Wells Fargo Securities

# U.S. Economy



Source: Bloomberg Data

# Portfolio Characteristics & Hedge Positions



## Investment Portfolio

The year 2025 ended with interest rates range bound and implied volatility in rate options steadily declining. Agency RMBS spreads continually tightened into year end. The potential for Fannie Mae and Freddie Mac to accelerate their purchases of Agency RMBS caused spreads to tighten further. Into early 2026, interest rate cuts by the Federal Reserve were supportive of the sector as well, and the market expects additional cuts in 2026, although recent economic data has cast doubt on that outcome. In spite of spreads at multi-year tights, the prospect for further tightening seems likely over the near term as spreads on investment grade and sub-investment grade corporate debt are at even tighter levels versus historical norms. Absent a breakout of interest rates materially higher or lower, these conditions are likely to persist.

### Developments During the Quarter:

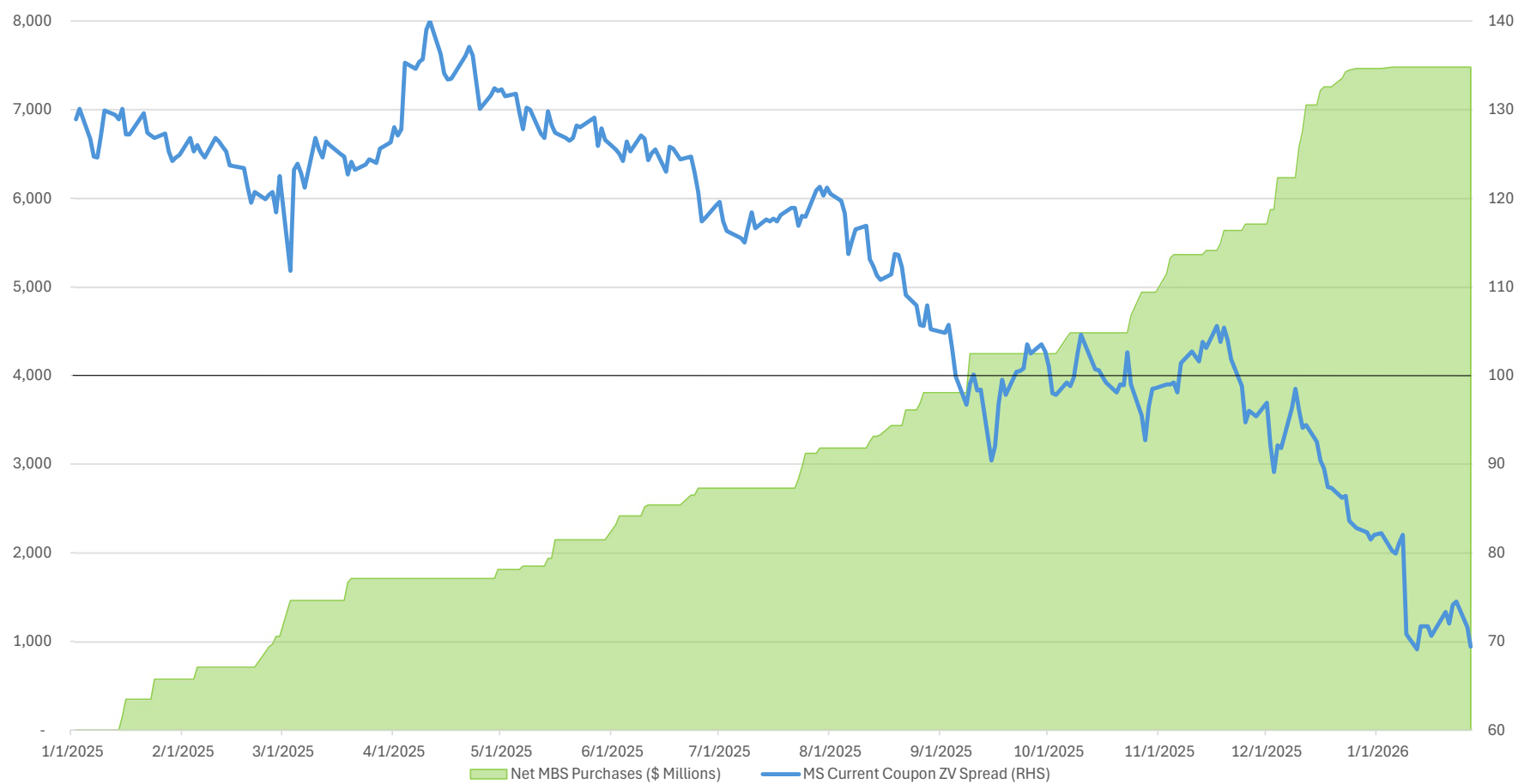
- Continued to increase the weighted average coupon of the fixed-rate MBS portfolio from 5.50% to 5.64% at September 30, 2025 and December 31, 2025, respectively
- Realized yield<sup>1</sup> on portfolio decreased from 5.65% to 5.57% at September 30, 2025 and December 31, 2025, respectively
- Inclusive of hedge instruments, economic net interest spread<sup>2</sup> for the fourth quarter was 2.30% from 2.40% for the third quarter of 2025
- Increased allocation to 30yr RMBS 5.0% and 5.5% by 6.89% and 8.56%, respectively
- Reduced allocation to 30yr RMBS 3.0% by 5.96%

### Targeted assets:

- Orchid Island Capital's portfolio consists entirely of highly liquid Agency fixed-rate pass-through securities, interest-only securities, and inverse interest-only securities
- Agency pass-throughs are generally fixed-rate 30-year and 15-year securities in specified pools or TBA form
- Orchid retains ample access to financing sources in excess of needs via the repurchase agreement funding market
- Orchid self-clears all security buys and sells and manages all margin activity related to the funding of assets and hedging our interest rate exposure

1. Defined as GAAP interest income divided by average of the beginning and ending balance of the MBS portfolio
2. See appendix for calculations and reconciliation to net interest income

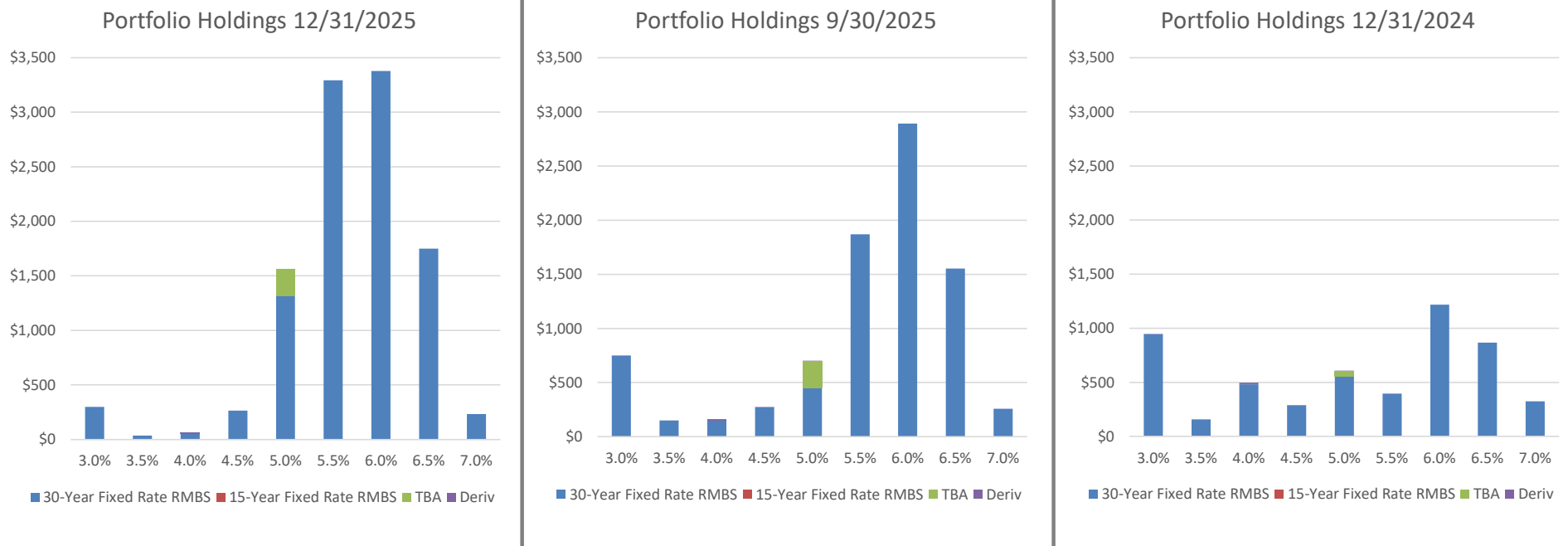
## Opportunistic Portfolio Growth



Source: Bloomberg Data, Internal Data

## Investment Portfolio Pass-Through Holdings

Lower coupon securities outperformed early in the fourth quarter of 2025 and were replaced with higher coupon, specified pools with attractive call protection characteristics acquired at attractive valuations. Over the course of 2025, shareholders' equity and portfolio more than doubled in size and the deployment of the equity raising proceeds facilitated the transition of the coupon profile of the portfolio. The portfolio is currently concentrated in par to low-premium, specified pools with hedge positions skewed towards interest rate swaps in anticipation of further swap spread widening.

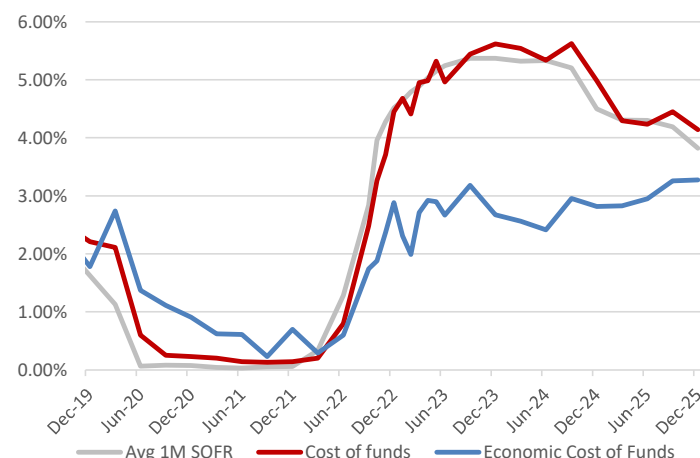


\*The above excludes U.S. Treasury Notes and Bills valued at \$135.1 million as of 12/31/2025

## Investment Portfolio Funding Costs as of December 31, 2025

Funding spreads in the repo market were far less elevated around December 31, 2025 than the third quarter and earlier in 2025. The Federal Reserve's introduction of its Reserve Management Purchases and the transformation of the Standing Repurchase Facility into the Standing Repurchase Agreement Operations have calmed the funding markets considerably. Paydowns of the Fed's Agency RMBS holdings are now being used to acquire U.S. Treasury Bills – freeing up cash for the funding markets.

- The weighted average repo rate at December 31, 2025, was 3.98% compared to 4.33% as of September 30, 2025
- Repurchase obligation weighted average maturity as of December 31, 2025, was 39 days compared to 39 days as of September 30, 2025
- Orchid's average economic cost of funds<sup>1</sup>, inclusive of interest rate swaps, swaptions, and U.S. Treasury future short positions was 3.27% for the quarter ended December 31, 2025, vs 3.25% for the quarter ended September 30, 2025
- Orchid's adjusted leverage ratio was 7.4 to 1 as of December 31, 2025, vs 7.4 to 1 as of September 30, 2025 (adjusted leverage ratio is calculated as repurchase agreement balance divided by shareholders' equity)



### Agency Repurchase Agreements

Term	Amount (\$ in thousands)	Interest Rate
Repo Funding ≤30 days	6,544,072	4.00%
Repo Funding >30 days	3,571,394	3.95%
Total	10,115,466	3.98%
Swaps (Pay Fixed vs. Receive SOFR)	5,858,300	3.53%
Blended Cost of Funds	15,973,766	3.82%

1. See appendix for calculations and reconciliations

## Hedging Positions

Orchid has hedge positions equal to approximately 69% of our repo funding liability with continued emphasis on interest rate swaps and a longer duration bias. The continued migration of the pass-through portfolio into higher coupon, lower duration assets hedged with slightly longer duration hedges has yielded lower notional balance of our hedges in relation to our repo liability.

- Total notional balance of hedge positions of \$(6,960.8) million
- Interest rate swaps with a notional balance of \$(5,858.3) million at December 31, 2025
  - Covered 58% of our repo funding liability
  - Weighted average pay fix rate of 3.53%
- SOFR, U.S. Treasury, and ERIS swap future short position of \$(672.5) million at December 31, 2025
- Short TBA positions of \$(430.0) million at December 31, 2025
- As of December 31, 2025, there are no swaption positions in Orchid Island's portfolio

### Hedge Positions – Summary Metrics

**Three Months Ended December 31, 2025**

	Notional (\$ in thousands)	Hedge Period Average End	Mark to Market Gain (Loss) (\$ in thousands)	Mark to Market Gain (Loss) / Share*
Interest Rate Swaps	\$(5,858,300)	Apr-30	\$20,862	\$0.13
Short Future Positions	\$(672,500)	Jan-29	\$(3,493)	\$(0.02)
Short TBAs	\$(430,000)	n/a	\$(3,478)	\$(0.02)
Totals	\$(6,960,800)		\$13,891	\$0.08

\*Weighted average shares for the quarter ended 12/31/2025 was 166,072,451

# Hedging Positions

## Interest Rate Futures

(\$ in thousands)	Contract Notional Amount	Weighted Average Entry Rate	Weighted Average Effective Rate	Open Equity <sup>(1)</sup>
<b>As of December 31, 2025</b>				
	(Short Position)			
3-Month SOFR Future <sup>(3)</sup>	(390,000)	3.39%	3.32%	(449)
Mar 2026 5-year T-Note <sup>(2)</sup>	(122,500)	3.65%	3.65%	10
Mar 2026 10-year T-Note <sup>(2)</sup>	(90,000)	3.79%	3.91%	739
Mar 2026 10-year Ultra <sup>(2)</sup>	(60,000)	4.03%	4.14%	575
ERIS Swap Futures	(10,000)	3.48%	3.45%	(13)
	\$ (672,500)			861
<b>As of September 30, 2025</b>				
	(Short Position)			
3-Month SOFR Future <sup>(3)</sup>	(390,000)	3.48%	3.41%	(500)
Dec 2025 5-year T-Note <sup>(2)</sup>	(562,500)	3.67%	3.67%	54
Dec 2025 10-year T-Note <sup>(2)</sup>	(228,500)	3.97%	3.91%	(997)
Dec 2025 10-year Ultra <sup>(2)</sup>	(197,500)	4.23%	4.13%	(1,855)
ERIS Swap Futures	(10,000)	3.20%	3.36%	78
	\$ (1,388,500)			(3,222)

## TBA Positions

(\$ in thousands)	Notional Amount (Short)	Cost Basis	Market Value	Net Carrying Value
<b>As of December 31, 2025</b>				
FNCL 5.5 1/26	(275,000)	(277,696)	(278,996)	(1,300)
FNCL 6.5 2/26	(155,000)	(161,103)	(161,127)	(24)
	(430,000)	\$ (438,939)	\$ (440,123)	\$ (1,184)
<b>As of September 30, 2025</b>				
FNCL 5.5 10/25	(282,000)	(284,018)	(284,445)	(427)
	\$ (282,000)	\$ (284,018)	\$ (284,445)	\$ (427)

## Swap Agreements

(\$ in thousands)	Notional Amount	Average Fixed Pay Rate	Average Receive Rate	Net Estimated Fair Value	Weighted Avg Maturity (Years)
<b>As of December 31, 2025</b>					
Expiration > 1 to ≤ 5 years	\$ 4,162,500	3.38%	3.87%	397	3.2
Expiration > 5 years	1,695,800	3.87%	3.87%	(29,991)	7.1
	\$ 5,858,300	3.53%	3.87%	\$ (29,594)	4.3
<b>As of September 30, 2025</b>					
Expiration > 1 to ≤ 5 years	\$ 1,922,500	2.90%	4.24%	40,950	3.7
Expiration > 5 years	2,020,800	3.69%	4.27%	(22,762)	7.0
	\$ 3,943,300	3.31%	4.25%	\$ 18,188	5.4

1. Open equity represents the cumulative gains (losses) recorded on open futures positions from inception.
2. 5-year T-Note futures contracts, 10-year T-Note futures contracts, and 10-year Ultra futures contracts were valued at prices of \$109.30, \$112.44, and \$115.02 as of December 31, 2025.
3. 3-Month SOFR futures expire every 3 months starting March 2026 and ending June 2027.
4. ERIS swap futures are exchange traded futures that replicate the cash flows of an underlying swap position.

## Current Agency Conventional 30-year Fixed Rate Risk Metrics

Below are the return projections under various scenarios of conventional 30-year fixed rate Agency RMBS, option adjusted spreads, effective duration and convexity figures, as well as Orchid's portfolio allocation to each. All figures are as of December 31, 2025.

Coupon	Current Price <sup>1</sup> (\$)	OAS <sup>2</sup>	Effective Duration <sup>2</sup>	Effective Convexity <sup>2</sup>	Interest Rate Sensitivities				ORC Portfolio Allocation <sup>5</sup>
					-50 bps <sup>3</sup>	+50 bps <sup>3</sup>	Bull Steepener <sup>4</sup>	Bear Flatten <sup>4</sup>	
3.0	88.48	49.73	6.92	-0.33	3.42	-3.50	3.61	-3.56	2.8%
3.5	92.49	28.73	6.33	-0.70	3.06	-3.25	3.39	-3.41	0.3%
4.0	94.89	42.27	5.57	-1.02	2.65	-2.91	3.05	-3.16	0.5%
4.5	97.64	41.37	4.79	-1.67	2.17	-2.58	2.56	-2.89	2.5%
5.0	99.77	47.40	3.65	-2.06	1.55	-2.08	1.89	-2.44	12.4%
5.5	101.41	56.76	2.33	-2.44	0.90	-1.46	1.16	-1.84	31.0%
6.0	102.67	60.66	1.33	-1.74	0.49	-0.91	0.70	-1.26	31.8%
6.5	103.92	57.02	0.67	-1.04	0.25	-0.51	0.45	-0.83	16.5%
7.0	105.21	62.60	0.70	-0.32	0.35	-0.44	0.60	-0.76	2.2%
<b>Total Weighted Average</b>		56.27	2.08	-1.80	0.85	-1.28	1.09	-1.63	<b>100%</b>

1. TBA prices at 12/31/25
2. Per YieldBook
3. Parallel 50bp interest rate shifts
4. Represents YieldBook's default scenario Bull Steepener (+50) and Bear Flatten (-50)
5. Table excludes TBA long positions and interest only securities

Source: Yieldbook

## Investment Portfolio Interest Rate Sensitivity

Orchid's Agency RMBS portfolio consists predominantly of 30-year, fixed-rate pass-through securities with a bias towards securities with favorable convexity characteristics and expected returns in various interest rate scenarios. Combined with our hedge positions, the portfolio has a very modest sensitivity to interest rates.

(\$ in thousands)

Agency RMBS Assets	Market Value /Notional	Dollar Duration (per .01% change in yield)	Model Interest Rate Sensitivity	
			-50 bps (\$)	+50 bps (\$)
15-year MBS	\$250,186	70	3,165	(3,884)
30-year MBS	\$10,615,570	2,672	112,862	(156,272)
IO/IIO Securities	\$13,088	(2)	(138)	59
Total RMBS Assets	\$10,878,844	2,740	115,889	(160,097)
Hedge Position	\$6,960,800	(2,618)	(131,786)	130,010
Net Duration Gap		122	(15,897)	(30,087)
Duration Gap / Total Equity <sup>1</sup>			(1.16%)	(2.19%)

1. Total equity of \$1,371.9 million at 12/31/25



## Investment Portfolio Prepayment Experience

Orchid's higher coupon holdings continued to increase during the fourth quarter. The coupon profile of the portfolio continued to migrate into higher coupon securities with call protection. Mortgage rates available to borrowers declined during the quarter and prepayments on our premium securities were on average higher in the fourth quarter versus the third, although slowed into year-end.

Prepayment Speeds (CPR)						
Securities (by coupon)	WALA <sup>1</sup>	October 2025	November 2025	December 2025	Q3 2025 <sup>2</sup>	Q4 2025 <sup>2</sup>
30-year MBS						
3.0	56	7.4%	6.4%	8.4%	7.2%	7.4%
3.5	75	10.1%	4.4%	1.0%	8.3%	5.2%
4.0	79	8.6%	8.3%	9.2%	8.1%	8.7%
4.5	42	11.9%	13.1%	8.4%	11.0%	11.1%
5.0	13	9.6%	6.5%	6.0%	7.5%	7.4%
5.5	10	9.8%	9.0%	7.7%	6.2%	8.8%
6.0	13	16.6%	16.9%	15.1%	9.5%	16.2%
6.5	16	26.4%	21.6%	20.6%	13.2%	22.9%
7.0	26	31.4%	38.8%	46.1%	23.5%	38.8%
IO/IOO						
3.0	N/A	1.0%	26.1%	N/A	9.8%	N/A
3.745	99	1.5%	0.7%	25.8%	7.5%	9.3%
4.0	135	11.5%	6.1%	6.4%	7.5%	8.0%
4.5	186	9.1%	5.4%	7.7%	7.1%	7.4%
5.0	186	13.3%	1.1%	2.3%	11.9%	5.6%
<b>Total</b>		15.4%	13.7%	12.7%	9.6%	13.9%

1. Weighted average loan age in months as of 12/31/2025

2. Calculated as the average of 1-month CPR during the quarter

Source: Bloomberg Data

## Orchid Island Capital – Q4 Wrap-up and Outlook

As the year turned from 2025 to 2026, the Agency RMBS market transitioned from trading at spread levels far above historical norms to spread levels in line with these same norms and may continue tightening. The cause is debatable – years of excessive fiscal accommodation, risk sentiment buoyed by the prospects for artificial intelligence and surging productivity or an extremely pro-growth, pro-business administration focused on driving mortgage rates lower. Interest rate volatility has continued to decline as well, and the Fed has lowered over-night rates, which are both supportive for the sector.

### Looking back:

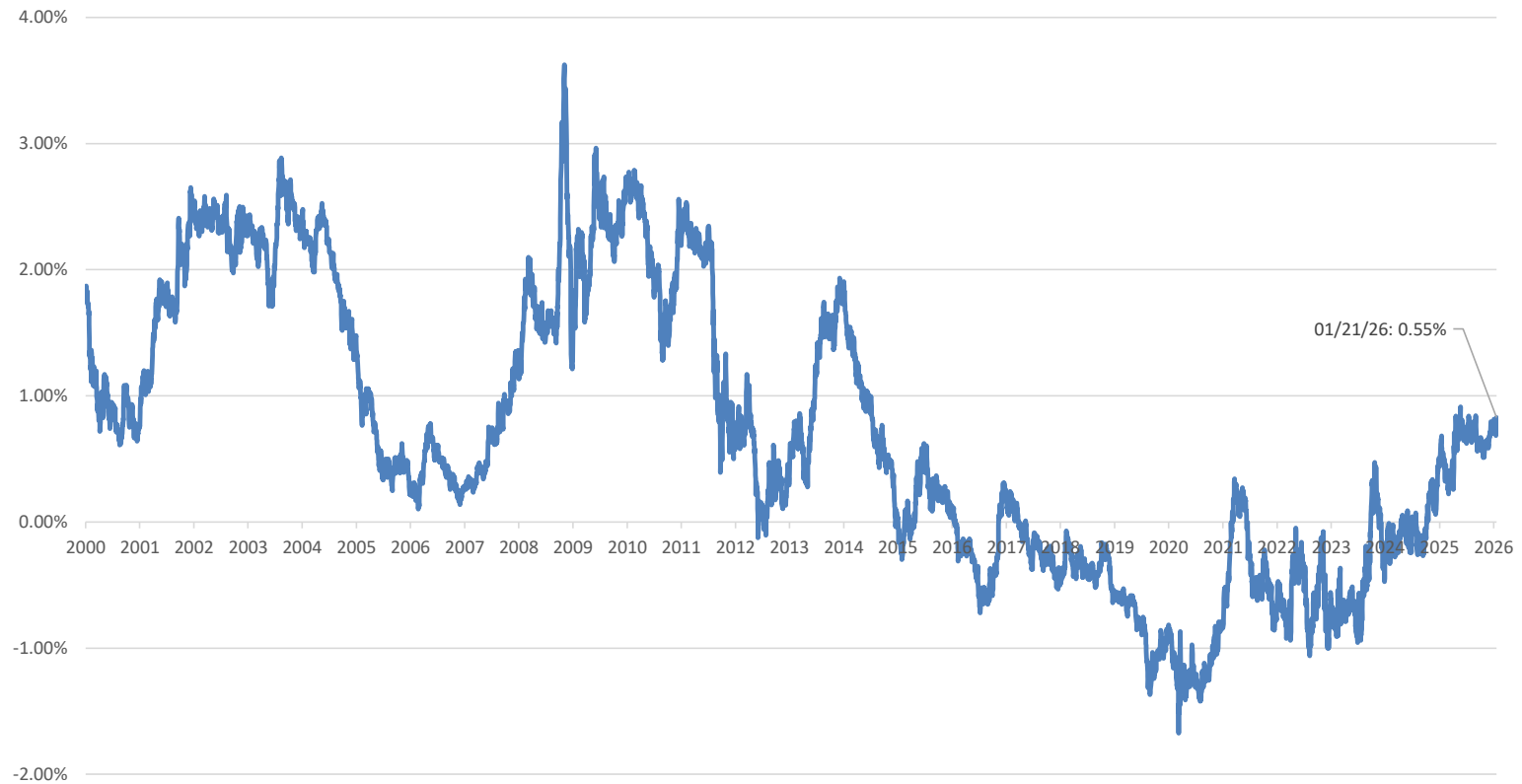
- Orchid Island doubled in size over the course of 2025 as Agency RMBS spreads continued to tighten and the market was very conducive to our strategy, resulting in a 7.8% total return in the fourth quarter and 11% for the year.
- As prepayment rates increased, driven by lower available mortgage rates resulting from the tightening, we used the proceeds of new capital and the strategic reallocation of existing capital to position the portfolio away from lower coupon securities that had benefitted from strong performance into higher coupon, specified pools with attractively priced call protection,.

### Looking forward:

- As a result of Orchid doubling in size and our ability to contain costs, our current run rate of general and administrative expenses as a percentage of our equity ended 2025 at 1.7%, which is close to levels of significantly larger peers.
- We believe our current portfolio positioning should perform well in an elevated prepayment environment that appears to be at hand.
- We believe funding pressures have subsided, and monetary policy may provide additional support to the extent the economy weakens. This could act as a buffer to the yield compression resulting from lower mortgage rates and faster prepayment speeds.

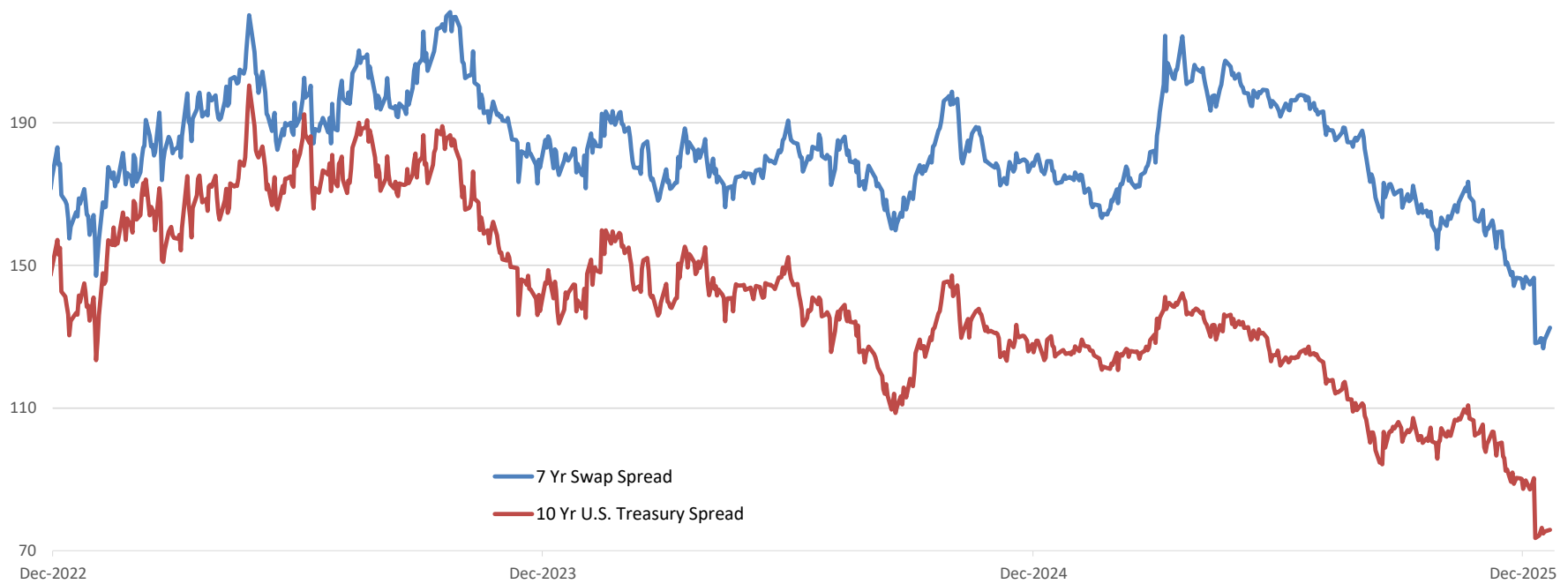
# Appendix

## ACM 10 Year Treasury Term Premia



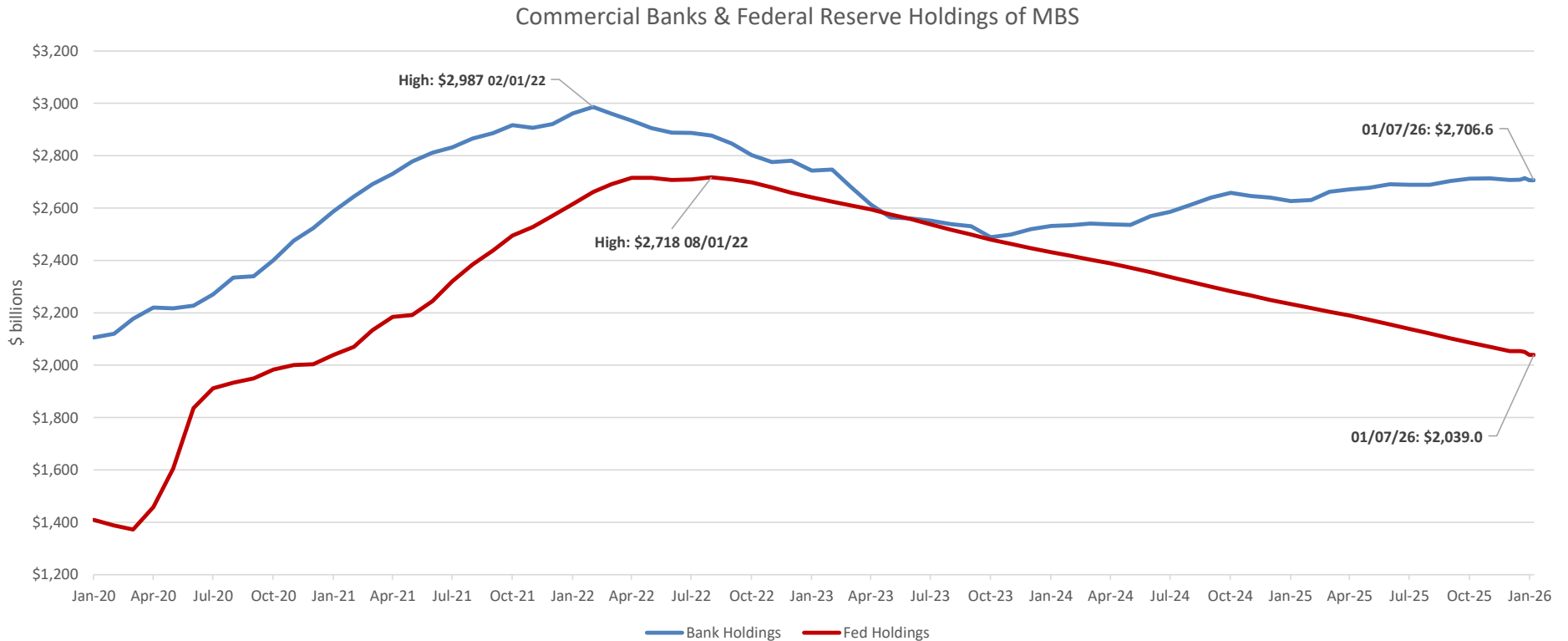
01/21/26: 0.55%

## Current Coupon Mortgage Spreads



Source: Bloomberg Data

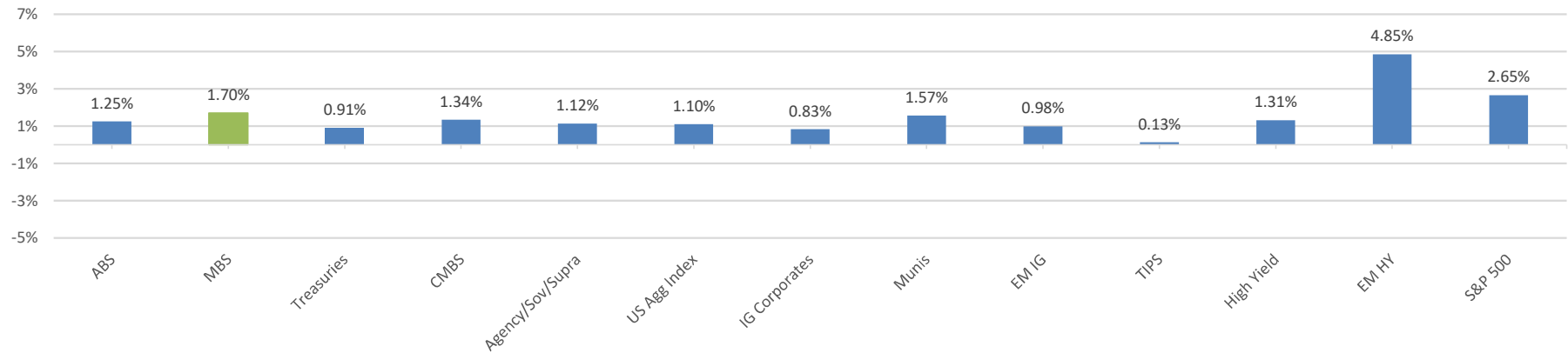
# Commercial Bank & Federal Reserve MBS Holdings



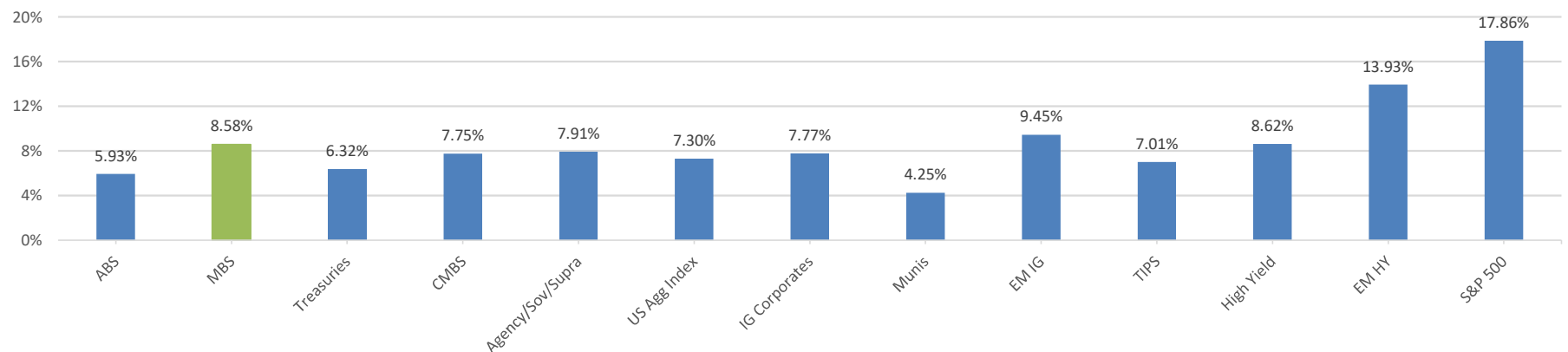
Note: Data include the following types of institutions in the fifty states and the District of Columbia: domestically chartered commercial banks; U.S. branches and agencies of foreign banks; and Edge Act and agreement corporations. Data exclude International Banking Facilities. Weekly levels are Wednesday 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.)

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

Q4 2025 Returns

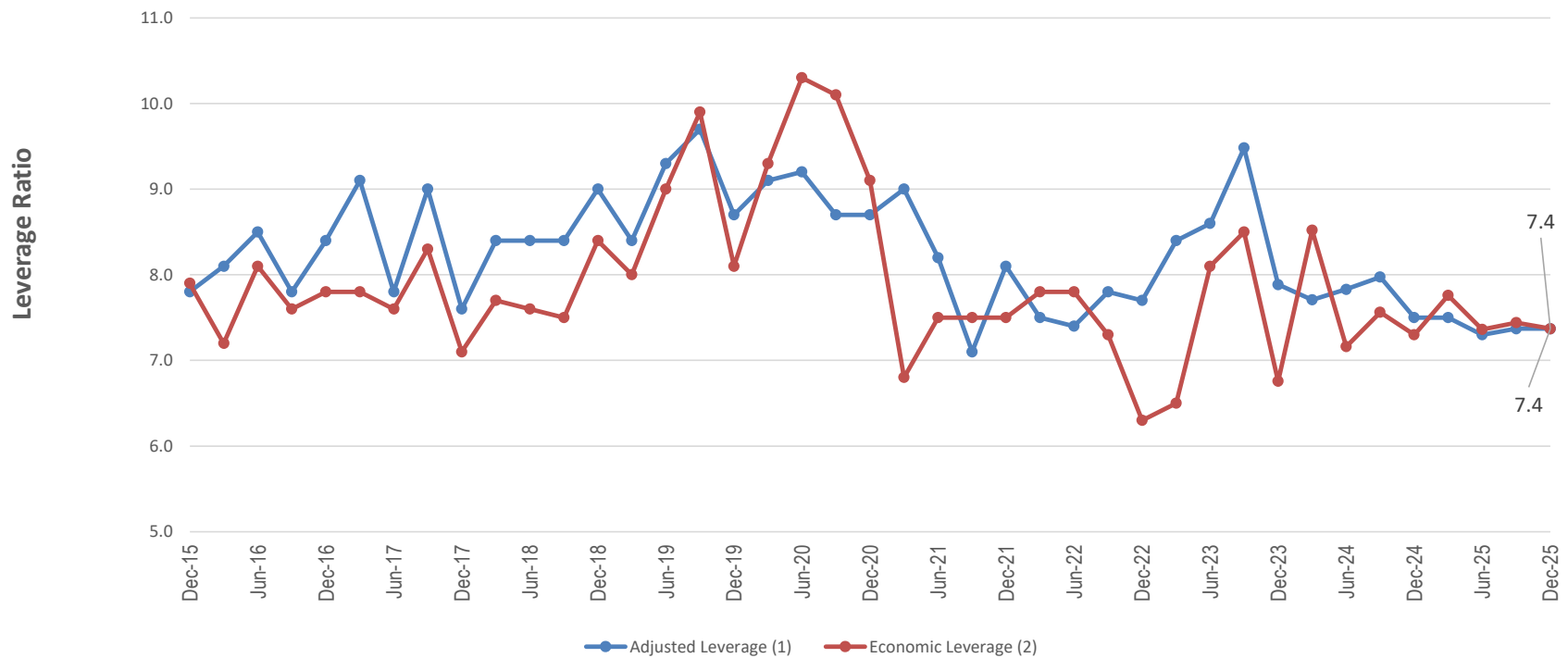


YTD 2025 Returns as of 12/31/25



Source: Bloomberg Data

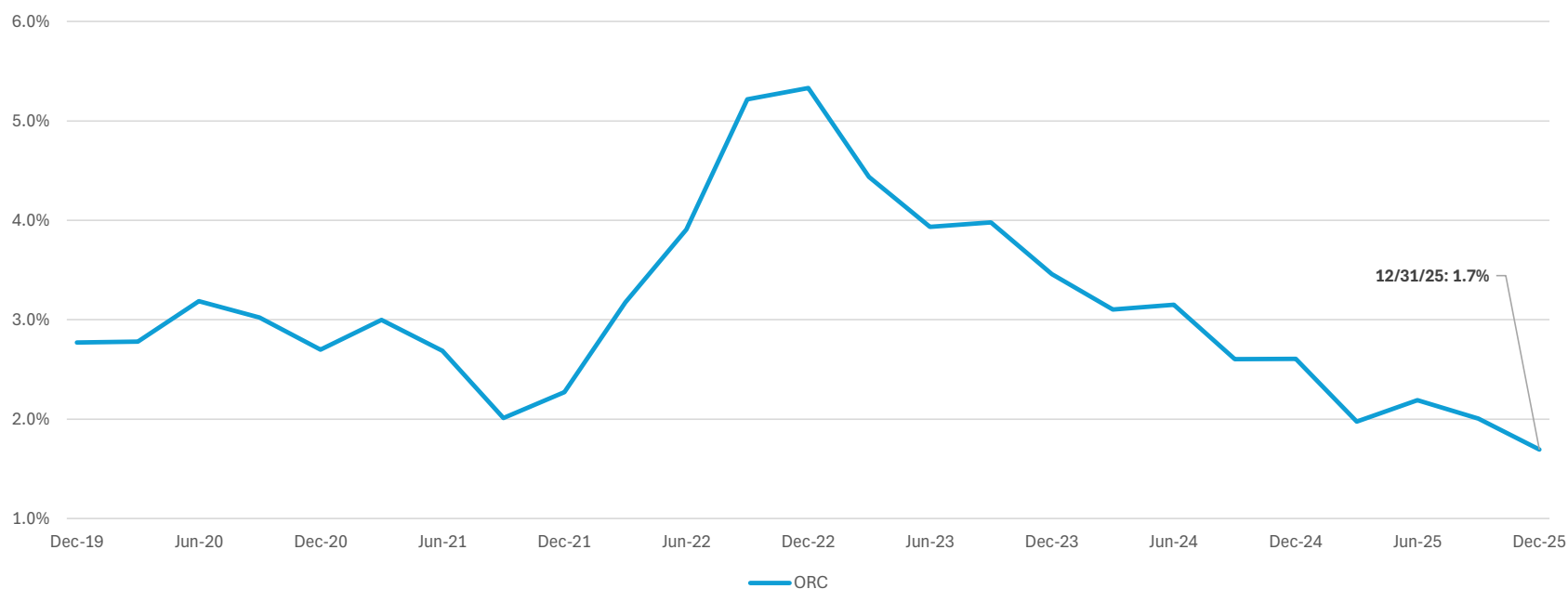
## Orchid Island Capital Leverage Ratio History



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 Island Capital Expense Ratio History



1. The expense ratio is calculated as the annualized expenses divided by stockholders' equity

# Orchid Island Capital MBS Portfolio Characteristics as of December 31, 2025

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 TBA 4.5	250,000,000	250,185,525	2.30%	100.10	4.50%	5.41%	6	174			3,165,527	(3,883,713)
15yr Total	250,000,000	250,185,525	2.30%	100.10	4.50%	5.41%	6	174			3,165,527	(3,883,713)
30yr 3.0	331,322,611	298,534,802	2.74%	90.10	3.00%	3.52%	56	297	8.4%	7.2%	8,908,395	(8,970,904)
30yr 3.5	38,078,361	35,319,813	0.32%	92.76	3.50%	4.30%	75	266	1.0%	3.6%	1,047,212	(1,062,744)
30yr 4.0	50,950,560	49,040,247	0.45%	96.25	4.00%	4.77%	79	277	9.2%	13.1%	1,212,817	(1,256,383)
30yr 4.5	269,221,966	264,932,586	2.44%	98.41	4.50%	5.44%	42	313	8.4%	11.2%	5,248,536	(5,931,684)
30yr 5.0	1,307,603,016	1,314,406,181	12.08%	100.52	5.00%	5.99%	13	345	6.0%	8.1%	23,000,269	(28,319,171)
30yr 5.5	3,210,600,578	3,293,958,272	30.28%	102.60	5.50%	6.46%	10	347	7.7%	9.7%	40,661,628	(57,200,230)
30yr 6.0	3,253,257,458	3,377,940,380	31.05%	103.83	6.00%	6.93%	13	343	15.1%	17.0%	23,948,299	(39,091,109)
30yr 6.5	1,663,677,804	1,748,400,714	16.07%	105.09	6.50%	7.39%	16	340	20.6%	23.8%	7,395,528	(12,726,504)
30yr 7.0	220,316,470	233,036,921	2.14%	105.77	7.00%	7.95%	26	325	46.1%	40.5%	1,439,059	(1,713,248)
30yr Total	10,345,028,826	10,615,569,917	97.58%	102.62	5.67%	6.59%	16	341	12.73%	15.82%	112,861,743	(156,271,978)
Total Pass-Through MBS	10,595,028,826	10,865,755,442	99.88%	102.56	5.64%	6.57%	15	337	12.73%	15.82%	116,027,269	(160,155,690)
<b>Structured MBS</b>												
IO 20yr 4.0	5,363,274	428,027	0.00%	7.98	4.00%	4.56%	167	67	10.9%	10.9%	2,042	(2,168)
IO 30yr 4.0	63,369,511	11,682,537	0.11%	18.44	4.00%	4.60%	135	215	6.0%	8.1%	(248,718)	141,196
IO 30yr 4.5	2,775,853	500,871	0.00%	18.04	4.50%	4.99%	186	161	7.7%	7.4%	(4,383)	972
IO 30yr 5.0	1,440,182	290,584	0.00%	20.18	5.00%	5.37%	186	161	2.3%	5.7%	(4,562)	2,136
IO Total	72,948,820	12,902,018	0.12%	17.69	4.04%	4.62%	141	201	6.3%	8.3%	(255,621)	142,135
IIO 30yr 4.0	17,704,172	186,071	0.00%	1.05	0.00%	4.40%	99	249	25.8%	10.1%	117,442	(83,109)
Total Structured MBS	90,652,991	13,088,089	0.12%	14.44	3.25%	4.58%	133	210	10.1%	8.6%	(138,178)	59,027
<b>Mortgage Assets</b>												
Total Mortgage Assets	\$ 10,685,681,817	\$ 10,878,843,531	100%		5.62%	6.55%	16	336	12.71%	15.73%	\$ 115,889,091	\$ (160,096,663)
Hedge	Notional Balance	Hedge Period Average End									Int Rate Sensitivity (-50 BPS)	Int Rate Sensitivity (+50 BPS)
3-Month SOFR Futures	(390,000,000)	Sep-2026									(2,925,000)	2,925,000
5-Year Treasury Futures	(122,500,000)	May-2030									(2,586,018)	2,509,395
10-Year Treasury Futures	(90,000,000)	Nov-2032									(2,967,188)	2,882,813
10-Year Ultra Treasury Futures	(60,000,000)	Aug-2035									(2,710,848)	2,588,907
ERIS Swap Futures	(10,000,000)	Mar-2031									(231,072)	224,000
Swaps	(5,858,300,000)	Apr-2030									(117,421,153)	113,972,840
TBA Short	(430,000,000)	n/a									(2,944,503)	4,906,745
Hedge Total	\$ (6,960,800,000)										(131,785,781)	130,009,699
Rate Shock Grand Total											\$ (15,896,690)	\$ (30,086,965)

Note: Above table excludes U.S. Treasury Notes and Bills valued at \$135.1 million. The U.S. Treasury Notes and Bills were purchased to post as collateral for hedge positions.

(1) Modeled results from 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 20 for additional hedge detail

Source: Company Press Releases

# Orchid Island Capital MBS Portfolio Characteristics as of September 30, 2025

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 TBA 5.0	250,000,000	252,714,850	2.94%	101.09	5.00%	5.84%	5	173			2,827,879	(3,459,666)
15yr Total	250,000,000	252,714,850	2.94%	101.09	5.00%	5.84%	5	173			2,827,879	(3,459,666)
30yr 3.0	834,429,922	748,804,448	8.70%	89.74	3.00%	3.48%	55	297	7.2%	7.3%	21,717,347	(21,982,295)
30yr 3.5	162,599,871	151,190,325	1.76%	92.98	3.50%	4.04%	67	279	4.9%	8.4%	4,076,793	(4,125,214)
30yr 4.0	156,219,046	148,920,317	1.73%	95.33	4.00%	4.70%	53	302	9.5%	8.4%	3,745,392	(3,920,193)
30yr 4.5	278,734,579	272,291,522	3.16%	97.69	4.50%	5.44%	39	317	8.6%	11.1%	5,499,234	(6,127,026)
30yr 5.0	447,224,242	446,473,154	5.19%	99.83	5.00%	5.93%	32	323	6.2%	8.2%	8,556,541	(9,859,306)
30yr 5.5	1,835,700,789	1,870,044,475	21.72%	101.87	5.50%	6.45%	11	345	6.3%	6.1%	28,021,059	(35,803,043)
30yr 6.0	2,804,916,661	2,892,624,180	33.60%	103.13	6.00%	6.94%	12	344	9.7%	10.0%	28,121,923	(40,189,632)
30yr 6.5	1,488,120,104	1,553,110,464	18.04%	104.37	6.50%	7.39%	15	340	13.9%	13.5%	9,805,945	(15,382,435)
30yr 7.0	245,768,572	258,440,318	3.00%	105.16	7.00%	7.94%	23	328	28.2%	24.3%	1,781,959	(2,260,949)
30yr Total	8,253,713,786	8,341,899,202	96.90%	101.07	5.51%	6.39%	21	334	9.68%	10.08%	111,326,194	(139,650,093)
Total Pass-Through MBS	8,503,713,786	8,594,614,052	99.84%	101.07	5.50%	6.37%	20	329	9.68%	10.08%	114,154,073	(143,109,759)
<b>Structured MBS</b>												
IO 20yr 4.0	5,743,143	472,549	0.01%	8.23	4.00%	4.57%	164	70	11.6%	12.5%	1,916	(2,141)
IO 30yr 3.0	2,391,187	317,580	0.00%	13.28	3.00%	3.64%	128	222	1.5%	10.6%	(594)	(1,042)
IO 30yr 4.0	65,885,491	12,318,329	0.14%	18.70	4.00%	4.60%	133	218	9.9%	7.7%	(286,250)	180,967
IO 30yr 4.5	2,862,107	552,744	0.01%	19.31	4.50%	4.99%	183	164	9.1%	7.2%	(6,589)	2,670
IO 30yr 5.0	1,503,387	313,696	0.00%	20.87	5.00%	5.37%	183	164	19.0%	12.2%	(5,932)	3,319
IO Total	78,385,315	13,974,898	0.16%	17.83	4.01%	4.59%	138	204	10.0%	8.2%	(297,449)	183,772
IIO 30yr 4.0	18,392,351	205,561	0.00%	1.12	0.00%	4.40%	96	252	0.6%	7.7%	115,322	(81,164)
Total Structured MBS	96,777,666	14,180,459	0.16%	14.65	3.25%	4.56%	130	213	8.2%	8.1%	(182,127)	102,609
<b>Mortgage Assets</b>												
Total Mortgage Assets	\$ 8,600,491,452	\$ 8,608,794,511	100%		5.47%	6.35%	22	328	9.66%	10.06%	\$ 113,971,946	\$ (143,007,150)
Hedge	Notional Balance	Hedge Period Average End									Int Rate Sensitivity (-50 BPS)	Int Rate Sensitivity (+50 BPS)
3-Month SOFR Futures	(390,000,000)	Sep-2026									(3,412,500)	3,412,500
5-Year Treasury Futures	(562,500,000)	Feb-2030									(11,784,932)	11,521,090
10-Year Treasury Futures	(228,500,000)	Aug-2032									(7,529,176)	7,350,760
10-Year Ultra Treasury Futures	(197,500,000)	May-2035									(8,938,296)	8,506,792
ERIS Swap Futures	(10,000,000)	Dec-2030									(233,508)	226,371
Swaps	(3,943,300,000)	Feb-2031									(97,662,621)	94,426,072
TBA Short	(282,000,000)	n/a									(3,295,215)	4,628,083
Hedge Total	\$ (5,613,800,000)										(132,856,250)	130,071,669
Rate Shock Grand Total											\$ (18,884,304)	\$ (12,935,482)

Note: Above table excludes U.S. Treasury Notes and Bills valued at \$125.4 million. The U.S. Treasury Notes and Bills were purchased to post as collateral for hedge positions.

(1) Modeled results from 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 20 for additional hedge detail

# Orchid Island Capital MBS Portfolio Characteristics as of December 31, 2024

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 5.0 TBA	50,000,000	49,742,190	0.94%	99.48	5.00%	5.85%	6	170			741,656	(816,767)
15yr Total	50,000,000	49,742,190	0.94%	99.48	5.00%	5.85%	6	170			741,656	(816,767)
30yr 3.0	1,095,966,566	945,376,135	17.83%	86.26	3.00%	3.47%	45	308	6.2%	6.5%	29,548,661	(29,973,315)
30yr 3.5	175,770,359	158,323,973	2.99%	90.07	3.50%	4.04%	58	289	5.9%	6.6%	4,508,680	(4,558,832)
30yr 4.0	526,005,513	483,035,971	9.11%	91.83	4.00%	4.64%	71	282	5.7%	5.3%	12,738,248	(13,432,329)
30yr 4.5	305,898,115	289,216,115	5.45%	94.55	4.50%	5.44%	30	326	12.1%	8.5%	6,479,663	(6,971,344)
30yr 5.0	574,297,360	556,504,515	10.49%	96.90	5.00%	5.94%	25	330	4.9%	5.6%	11,854,829	(12,912,745)
30yr 5.5	397,697,705	395,366,630	7.46%	99.41	5.50%	6.45%	15	342	5.2%	3.9%	7,676,601	(8,617,269)
30yr 6.0	1,201,764,050	1,218,206,045	22.97%	101.37	6.00%	6.98%	12	343	8.8%	11.6%	19,253,690	(22,443,381)
30yr 6.5	841,820,173	866,182,372	16.33%	102.89	6.50%	7.43%	11	346	9.0%	17.3%	10,019,802	(12,404,126)
30yr 7.0	312,054,657	325,600,981	6.14%	104.34	7.00%	7.94%	14	339	21.1%	32.2%	3,015,324	(3,728,242)
30yr Total	5,431,274,497	5,237,812,736	98.77%	96.44	5.03%	5.84%	28	326	8.14%	10.59%	105,095,498	(115,041,584)
Total Pass-Through MBS	5,481,274,497	5,287,554,926	99.71%	96.47	5.03%	5.84%	28	325	8.14%	10.59%	105,837,154	(115,858,351)
<b>Structured MBS</b>												
IO 20yr 4.0	6,998,386	643,356	0.01%	9.19	4.00%	4.57%	156	78	9.0%	9.3%	3,791	(3,470)
IO 30yr 3.0	2,598,910	365,667	0.01%	14.07	3.00%	3.64%	119	230	1.2%	9.8%	1,532	(1,759)
IO 30yr 4.0	71,388,240	13,341,780	0.25%	18.69	4.00%	4.60%	124	227	6.8%	6.6%	(130,309)	86,312
IO 30yr 4.5	3,125,341	603,704	0.01%	19.32	4.50%	4.99%	174	173	9.3%	7.5%	(392)	(1,141)
IO 30yr 5.0	1,674,678	353,252	0.01%	21.09	5.00%	5.37%	174	173	2.8%	9.3%	(2,257)	774
IO Total	85,785,555	15,307,759	0.29%	17.84	4.01%	4.60%	129	212	6.8%	7.0%	(127,636)	80,716
IIO 30yr 4.0	21,970,921	189,812	0.00%	0.86	0.00%	4.40%	87	261	0.4%	7.3%	97,302	(66,417)
Total Structured MBS	107,756,476	15,497,571	0.29%	14.38	3.19%	4.56%	121	222	5.5%	7.0%	(30,334)	14,299
<b>Mortgage Assets</b>												
Total Mortgage Assets	\$ 5,589,030,973	\$ 5,303,052,498	100%		4.99%	5.81%	30	323	8.09%	10.52%	\$ 105,806,820	\$ (115,844,052)
Hedge	Notional Balance	Hedge Period Average End									Int Rate Sensitivity (-50 BPS)	Int Rate Sensitivity (+50 BPS)
5-Year Treasury Future	(312,500,000)	Mar-2025									(6,369,658)	6,173,668
10-Year Treasury Future	(93,500,000)	Mar-2025									(2,966,009)	2,877,910
10-Year Ultra Treasury Future	(32,500,000)	Mar-2025									(1,429,033)	1,362,447
Swaps	(3,516,800,000)	Jun-2030									(83,890,324)	81,039,370
TBA Short	(200,000,000)	Jan-2025									(5,785,892)	5,976,969
Hedge Total	\$ (4,155,300,000)										(100,440,916)	97,430,364
<b>Rate Shock Grand Total</b>											\$ 5,365,904	\$ (18,413,688)

Note: Above table excludes U.S. Treasury Notes valued at \$100.6 million. The U.S. Treasury Notes were purchased to post as collateral for hedge positions.

- (1) Modeled results from 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 20 for additional hedge detail

## Orchid Credit Counterparties

As of December 31, 2025				
Counterparty	Total Outstanding Balances (\$ in thousands)	% of Total	Weighted Average Maturity in Days	Longest Maturity
Citigroup Global Markets Inc	527,566	5.22%	27	2/25/2026
ABN AMRO Bank N.V.	507,961	5.02%	33	3/2/2026
South Street Securities, LLC	501,372	4.96%	102	11/13/2026
J.P. Morgan Securities LLC	495,300	4.90%	26	1/26/2026
Marex Capital Markets Inc.	494,150	4.89%	21	1/23/2026
Wells Fargo Securities, LLC	489,749	4.84%	9	1/29/2026
Hidden Road Partners Civ US LLC	469,978	4.65%	22	2/27/2026
Merrill Lynch, Pierce, Fenner & Smith	466,235	4.61%	43	2/23/2026
RBC Capital Markets, LLC	464,617	4.59%	53	6/26/2026
Daiwa Securities America Inc.	455,124	4.50%	54	3/23/2026
StoneX Financial Inc.	438,478	4.33%	54	2/23/2026
ASL Capital Markets Inc.	413,468	4.09%	93	9/21/2026
Clear Street LLC	405,479	4.01%	21	2/2/2026
Goldman, Sachs & Co	394,876	3.90%	25	1/29/2026
DV Securities, LLC Repo	391,259	3.87%	55	2/27/2026
The Bank of Nova Scotia	372,871	3.69%	53	2/23/2026
Mirae Asset Securities (USA) Inc.	333,950	3.30%	21	1/22/2026
Cantor Fitzgerald & Co	321,162	3.17%	26	1/26/2026
Banco Santander SA	309,950	3.06%	21	2/13/2026
Bank of Montreal	292,462	2.89%	14	1/14/2026
ING Financial Markets LLC	284,938	2.82%	48	2/17/2026
Mitsubishi UFJ Securities (USA), Inc.	258,582	2.56%	21	1/21/2026
MUFG Securities Canada, Ltd.	243,227	2.40%	30	1/30/2026
Brean Capital, LLC	238,050	2.35%	40	2/12/2026
Mizuho Securities USA LLC	205,269	2.03%	33	2/17/2026
Nomura Securities International, Inc.	202,259	2.00%	75	3/16/2026
Natixis, New York Branch	103,725	1.03%	29	1/29/2026
Lucid Prime Fund, LLC	33,409	0.33%	15	1/15/2026
<b>Total / Weighted Average</b>	<b>\$ 10,115,466</b>	<b>100.0%</b>	<b>39</b>	<b>11/13/2026</b>

Source: Company Press Releases

## Gains (Losses) on Derivative Instruments

### Gains (Losses) on Derivative Instruments

(in thousands)

	Recognized in			Economic Hedges	
	Income Statement (GAAP)	TBA Securities Short Positions	Gain (Loss) Long Positions	Attributed to Current Period (Non-GAAP)	Attributed to Future Periods (Non-GAAP)
Three Months Ended					
December 31, 2025	\$ 14,046	\$ (3,478)	\$ 158	\$ 19,578	\$ (2,211)
September 30, 2025	(8,772)	(4,272)	957	21,872	(27,329)
June 30, 2025	(53,286)	(7,662)	472	20,937	(67,033)
March 31, 2025	(74,659)	3,026	100	20,912	(98,697)
December 31, 2024	160,412	9,937	(683)	27,782	123,376
September 30, 2024	(140,825)	(16,315)	348	31,924	(156,782)
June 30, 2024	26,068	3,042	-	29,459	(6,433)
March 31, 2024	87,899	9,903	105	30,154	47,737
Years Ended					
December 31, 2025	\$ (122,671)	\$ (12,386)	\$ 1,687	\$ 83,299	\$ (195,270)
December 31, 2024	133,554	6,567	(230)	119,319	7,898

The tables to the left present a reconciliation of the adjustments to interest expense shown for each period relative to our derivative instruments, and the income statement line item, gains (losses) on derivative instruments, calculated in accordance with GAAP for each quarter of 2025 and 2024.

### Economic Interest Expense and Economic Net Interest Income

(in thousands)

		Interest Expense on Borrowings					
				Gains (Losses) on Derivative Instruments		Net Interest Income	
	Interest Income	GAAP Interest Expense	Attributed to Current Period <sup>(1)</sup>	Economic Interest Expense <sup>(2)</sup>		GAAP Net Interest Income	Economic Net Interest Income <sup>(2)</sup>
Three Months Ended							
December 31, 2025	\$ 132,188	\$ 93,705	\$ 19,578	\$ 74,127	\$	38,483	\$ 58,061
September 30, 2025	108,434	81,515	21,872	59,643		26,919	48,791
June 30, 2025	92,289	69,135	20,937	48,198		23,154	44,091
March 31, 2025	81,090	61,377	20,912	40,465		19,713	40,625
December 31, 2024	71,996	63,853	27,782	36,071		8,143	35,925
September 30, 2024	67,646	67,306	31,924	35,382		340	32,264
June 30, 2024	53,064	53,761	29,459	24,302		(697)	28,762
March 31, 2024	48,871	51,361	30,154	21,207		(2,490)	27,664
Years Ended							
December 31, 2025	\$ 414,001	\$ 305,732	\$ 83,299	\$ 222,433	\$	108,269	\$ 191,568
December 31, 2024	241,577	236,281	119,319	116,962		5,296	124,615

1. Reflects the effect of derivative instrument hedges for only the period presented.
2. Calculated by adding the effect of derivative instrument hedges attributed to the period presented to GAAP interest expense.
3. Calculated by adding the effect of derivative instrument hedges attributed to the period presented to GAAP net interest income.

## Economic Net Interest Spread

The tables below provide information on our portfolio average balances, interest income, yield on assets, average borrowings, interest expense, cost of funds, net interest income and net interest spread for each quarter of 2025 and 2024 on both a GAAP and economic basis.

(\$ in thousands)

	Average RMBS	Interest	Yield on Average	Average Borrowing s <sup>(1)</sup>	Interest Expense		Average Cost of Funds	
					GAAP	Economic	GAAP	Economic
	Held <sup>(1)</sup>	Income	RMBS		Basis	Basis <sup>(2)</sup>	Basis	Basis <sup>(3)</sup>
Three Months Ended								
December 31, 2025	\$9,492,369	\$ 132,188	5.57%	\$9,061,222	\$ 93,705	\$ 74,127	4.14%	3.27%
September 30, 2025	7,674,720	108,434	5.65%	7,331,428	81,515	59,643	4.45%	3.25%
June 30, 2025	6,865,727	92,289	5.38%	6,537,260	69,135	48,198	4.23%	2.95%
March 31, 2025	5,995,702	81,090	5.41%	5,722,092	61,377	40,465	4.29%	2.83%
December 31, 2024	5,348,057	71,996	5.38%	5,128,207	63,853	36,071	4.98%	2.81%
September 30, 2024	4,984,279	67,646	5.43%	4,788,287	67,306	35,382	5.62%	2.96%
June 30, 2024	4,203,416	53,064	5.05%	4,028,601	53,761	24,302	5.34%	2.41%
March 31, 2024	3,887,545	48,871	5.03%	3,708,573	51,361	21,207	5.54%	2.56%
Years Ended								
December 31, 2025	\$7,507,130	\$ 414,001	5.51%	\$7,163,001	\$ 305,732	\$ 222,433	4.27%	3.11%
December 31, 2024	4,605,824	241,577	5.25%	4,413,417	236,281	116,962	5.35%	2.71%

(\$ in thousands)

	Net Interest Income		Net Interest Spread	
	GAAP Basis	Economic Basis <sup>(2)</sup>	GAAP Basis	Economic Basis <sup>(4)</sup>
<b>Three Months Ended</b>				
December 31, 2025	\$ 38,483	\$ 58,061	1.43%	2.30%
September 30, 2025	26,919	48,791	1.20%	2.40%
June 30, 2025	23,154	44,091	1.15%	2.43%
March 31, 2025	19,713	40,625	1.12%	2.58%
December 31, 2024	8,143	35,925	0.40%	2.57%
September 30, 2024	340	32,264	(0.19)%	2.47%
June 30, 2024	(697)	28,762	(0.29)%	2.64%
March 31, 2024	(2,490)	27,664	(0.51)%	2.47%
<b>Years Ended</b>				
December 31, 2025	\$ 108,269	\$ 191,568	1.24%	2.40%
December 31, 2024	5,296	124,615	(0.10)%	2.54%

- Portfolio yields and costs of borrowings presented in the tables above are calculated based on the average balances of the underlying investment portfolio/borrowings balances and are annualized for the periods presented. Average balances for quarterly periods are calculated using two data points, the beginning and ending balances.
- Economic interest expense and economic net interest income presented in the tables above includes the effect of our derivative instrument hedges for only the periods presented.
- Represents interest cost of our borrowings and the effect of derivative instrument hedges attributed to the period divided by average RMBS.
- Economic net interest spread is calculated by subtracting average economic cost of funds from realized yield on average RMBS.



# Securitized Products Returns December 2025

**Last 12 months from November 2024 return summary – sorted by total returns**

Sector	Last 12 Mo. (As of 12/31/25)		2024		12/31/2025
	Total Return	Excess Return (vs. Swaps/Libor)	Total Return	Excess Return (vs. Swaps/Libor)	Current Spread / Price
NDX 100	21.0%	N/A	25.9%	N/A	30711
S&P 500	17.9%	N/A	25.0%	N/A	15220
Legacy RMBS	9.7%	5.7%	8.0%	3.4%	196
CMBS BBB	9.4%	3.6%	17.6%	14.4%	705
CLO 2.0/3.0 BB	9.3%	5.2%	20.6%	15.2%	635
HY Corporate	8.5%	2.7%	8.2%	5.2%	281
Agency MBS	8.3%	2.6%	1.3%	-0.1%	21
SP down in credit indicator	8.2%	4.3%	16.1%	12.0%	NA
CLO 2.0/3.0 BBB	8.1%	4.2%	13.3%	8.2%	280
IG Corporate	7.8%	2.5%	2.8%	2.6%	79
CMBS	7.6%	1.6%	5.9%	3.6%	115
Agency CMBS	7.5%	1.3%	3.0%	1.3%	34
CLO 2.0/3.0 A	6.9%	2.9%	9.6%	4.6%	180
CRT B1	6.8%	2.8%	12.7%	7.5%	190
CLO 2.0/3.0 AA	6.6%	2.5%	8.7%	3.8%	155
SP return indicator	6.5%	1.9%	7.3%	3.3%	NA
CLO 2.0/3.0 Total	6.5%	2.5%	8.9%	4.0%	161
US Treasury	6.2%	1.1%	0.5%	0.0%	-1
CRT M2/Old M3	6.2%	2.2%	9.4%	4.4%	155
CLO 2.0/3.0 AAA	6.0%	1.9%	7.6%	2.7%	120
SP AAA indicator	6.0%	1.4%	6.2%	3.3%	NA
Leveraged Loans	5.9%	1.9%	9.0%	4.0%	NA
CRT M1	5.8%	1.8%	8.4%	3.4%	110
Fixed ABS	5.7%	0.6%	5.9%	2.0%	96
Floating ABS	5.2%	1.2%	7.0%	2.1%	-21

**Last 12 months from November 2024 returns summary – sorted by excess return**

Sector	Last 12 Mo. (As of 12/31/25)		2024		12/31/2025
	Total Return	Excess Return (vs. Swaps/Libor)	Total Return	Excess Return (vs. Swaps/Libor)	Current Spread / Price
NDX 100	21.0%	N/A	25.9%	N/A	30711
S&P 500	17.9%	N/A	25.0%	N/A	15220
Legacy RMBS	9.7%	5.7%	8.0%	3.4%	196
CLO 2.0/3.0 BB	9.3%	5.2%	20.6%	15.2%	635
SP down in credit indicator	8.2%	4.3%	16.1%	12.0%	NA
CLO 2.0/3.0 BBB	8.1%	4.2%	13.3%	8.2%	280
CMBS BBB	9.4%	3.6%	17.6%	14.4%	705
CLO 2.0/3.0 A	6.9%	2.9%	9.6%	4.6%	180
CRT B1	6.8%	2.8%	12.7%	7.5%	190
HY Corporate	8.5%	2.7%	8.2%	5.2%	281
Agency MBS	8.3%	2.6%	1.3%	-0.1%	21
CLO 2.0/3.0 AA	6.6%	2.5%	8.7%	3.8%	155
CLO 2.0/3.0 Total	6.5%	2.5%	8.9%	4.0%	161
IG Corporate	7.8%	2.5%	2.8%	2.6%	79
CRT M2/Old M3	6.2%	2.2%	9.4%	4.4%	155
Leveraged Loans	5.9%	1.9%	9.0%	4.0%	NA
SP return indicator	6.5%	1.9%	7.3%	3.3%	NA
CLO 2.0/3.0 AAA	6.0%	1.9%	7.6%	2.7%	120
CRT M1	5.8%	1.8%	8.4%	3.4%	110
CMBS	7.6%	1.6%	5.9%	3.6%	115
SP AAA indicator	6.0%	1.4%	6.2%	3.3%	NA
Agency CMBS	7.5%	1.3%	3.0%	1.3%	34
Floating ABS	5.2%	1.2%	7.0%	2.1%	-21
US Treasury	6.2%	1.1%	0.5%	0.0%	-1
Fixed ABS	5.7%	0.6%	5.9%	2.0%	96

**Source:** BofA Global Research - Securitized Products Returns for December 2025/  
Securitized Products Strategy / 02 January 2026



# Securitized Products Returns December 2025

## Securitized products total and excess returns versus swaps

	Mod	Total Returns				Excess Returns vs. Swaps					Mod	Total Returns				Excess Returns vs. Swaps					
		Dur	12/25	QTD	YTD	12/24	12/25	QTD	YTD			12/24	Dur	12/25	QTD	YTD	2024	12/25	QTD	YTD	2024
Agency MBS		5.5	0.1%	1.6%	8.3%	1.3%	0.6%	1.3%	2.6%	-0.1%		SP return indicator		0.4%	1.4%	6.7%	7.3%	0.2%	0.6%	2.0%	3.3%
UMBS CC		5.3	0.4%	1.7%	8.2%	2.6%	0.6%	1.1%	2.6%	-1.1%		SP AAA indicator		0.3%	1.2%	6.2%	6.2%	0.2%	0.4%	1.4%	3.3%
GNMA 30Y CC		5.7	0.3%	1.5%	7.4%	1.5%	0.5%	0.9%	2.0%	-2.2%		SP down in credit indicator		0.7%	1.7%	8.5%	16.1%	0.6%	0.8%	4.3%	12.0%
Alt FNMA		5.6	0.1%	1.6%	8.5%	1.3%	0.6%	1.3%	2.8%	-0.1%		CAS									
Alt GNMA		5.3	0.1%	1.5%	7.8%	1.3%	0.5%	1.1%	2.2%	-0.4%	CAS 1M1	1M1	0.6%	1.3%	5.6%	7.7%	0.3%	0.5%	1.5%	2.8%	
UMBS 30yr		5.9	0.1%	1.7%	8.6%	1.2%	0.6%	1.4%	2.8%	-0.1%	CAS 1M2	1M2	0.5%	1.5%	6.0%	9.6%	0.2%	0.6%	1.9%	4.6%	
2.0			-0.3%	1.3%	8.4%	-0.4%	0.6%	1.5%	3.0%	-0.5%	CAS 1B1	1B1	0.5%	2.0%	6.7%	11.4%	0.3%	1.1%	2.7%	6.3%	
2.5			-0.2%	1.6%	8.6%	0.6%	0.7%	1.7%	3.1%	0.4%	CAS 2M1	2M1	0.4%	1.5%	5.9%	7.9%	0.2%	0.6%	1.9%	3.0%	
3.0			-0.1%	1.7%	9.1%	0.6%	0.7%	1.7%	3.6%	0.0%	CAS 2M2	2M2	0.6%	1.8%	6.2%	9.7%	0.4%	0.9%	2.2%	4.7%	
3.5			0.3%	2.2%	9.7%	1.0%	1.0%	2.1%	4.1%	0.0%	CAS 2B1	2B1	0.5%	1.9%	6.7%	11.3%	0.3%	1.0%	2.6%	6.2%	
4.0			-0.1%	1.8%	9.0%	1.4%	0.5%	1.6%	3.2%	0.0%	STACR										
4.5			0.1%	1.8%	9.1%	2.0%	0.6%	1.4%	3.5%	0.0%	Low LTV M1	Low LTV M1	0.4%	1.5%	5.8%	8.4%	0.2%	0.6%	1.8%	3.4%	
5.0			0.3%	1.8%	8.9%	2.9%	0.6%	1.3%	3.1%	-0.1%	Low LTV New M2/Old M3	Low LTV New M2/Old M3	0.5%	1.6%	6.2%	9.4%	0.3%	0.8%	2.2%	4.4%	
5.5			0.5%	1.8%	8.5%	3.8%	0.6%	1.1%	2.9%	-0.2%	Low LTV B1	Low LTV B1	0.6%	2.1%	6.8%	12.7%	0.3%	1.2%	2.8%	7.5%	
6.0			0.7%	1.8%	8.0%	4.8%	0.5%	0.9%	2.7%	-0.1%	High LTV M1	High LTV M1	0.4%	1.5%	5.8%	8.6%	0.2%	0.6%	1.8%	3.6%	
6.5			0.6%	1.6%	7.2%	5.6%	0.3%	0.5%	2.5%	0.5%	High LTV New M2/Old M3	High LTV New M2/Old M3	0.6%	1.8%	6.1%	9.9%	0.3%	0.9%	2.2%	4.8%	
7.0			0.6%	1.6%	6.3%	6.3%	0.3%	0.6%	2.0%	1.2%	High LTV B1	High LTV B1	0.6%	2.0%	6.6%	12.0%	0.3%	1.2%	2.6%	6.9%	
UMBS 15yr	3.3		0.4%	1.5%	7.9%	2.7%	0.5%	0.8%	2.0%	0.4%	SFR Fixed										
2.0			0.1%	1.3%	8.1%	2.4%	0.3%	0.6%	2.7%	0.4%	SFR A Fixed	A	0.4%	1.7%	6.4%	5.7%	0.6%	1.0%	1.2%	2.6%	
2.5			0.3%	1.4%	7.2%	3.4%	0.4%	0.6%	1.8%	0.6%	SFR B Fixed	B	0.4%	1.7%	6.0%	3.5%	0.5%	1.0%	0.8%	0.5%	
3.0			0.3%	1.2%	6.5%	4.0%	0.2%	0.4%	1.3%	0.8%	SFR C Fixed	C	0.4%	1.3%	5.1%	3.3%	0.5%	0.6%	0.0%	0.3%	
3.5			0.3%	1.3%	6.8%	3.2%	0.3%	0.5%	1.4%	-0.1%	SFR D Fixed	D	0.3%	1.3%	5.3%	5.2%	0.5%	0.6%	0.1%	2.1%	
4.0			0.4%	1.4%	7.4%	2.7%	0.5%	0.7%	1.7%	-0.6%	SFR E Fixed	E	0.4%	1.3%	6.7%	4.6%	0.5%	0.6%	1.5%	1.6%	
4.5			0.4%	1.3%	7.0%	3.1%	0.4%	0.5%	1.5%	-0.6%	CMBS	CMBS	3.6	0.1%	1.3%	7.6%	5.9%	0.2%	0.6%	1.6%	3.6%
5.0			0.5%	1.4%	6.7%	3.9%	0.4%	0.5%	1.5%	-0.2%	CB10	AAA	3.5	0.1%	1.2%	7.4%	4.9%	0.2%	0.5%	1.5%	2.6%
GNMA 30yr	5.3		0.1%	1.5%	7.8%	1.3%	0.5%	1.1%	2.2%	-0.4%	CB50	AA-BBB	3.7	0.1%	1.4%	7.9%	10.2%	0.2%	0.7%	1.9%	7.7%
2.0			-0.2%	1.2%	8.1%	-1.3%	0.8%	1.4%	2.8%	-1.5%	CB40	BBB	2.8	0.4%	1.8%	9.4%	17.6%	0.4%	1.0%	3.6%	14.4%
2.5			-0.3%	1.3%	8.0%	0.0%	0.6%	1.3%	2.7%	-0.4%	CMBY	Agency	4.1	-0.1%	1.2%	7.5%	3.0%	0.2%	0.5%	1.3%	1.3%
3.0			-0.1%	1.7%	8.5%	0.2%	0.7%	1.7%	3.4%	-0.5%	SASB fixed	SASB fixed		0.8%	1.2%	5.7%	6.4%	0.2%	0.4%	1.3%	4.5%
3.5			-0.3%	1.2%	7.4%	0.7%	0.4%	1.0%	2.0%	-0.4%	SASB floating	SASB floating		0.5%	1.4%	7.1%	10.5%	0.2%	0.5%	3.2%	5.7%
4.0			0.0%	1.6%	8.0%	1.3%	0.6%	1.4%	2.4%	-0.3%	ROAO		2.2	0.3%	1.2%	5.7%	5.9%	0.2%	0.3%	0.6%	2.0%
4.5			0.0%	1.6%	8.5%	1.9%	0.4%	1.2%	3.0%	-0.5%	ROUO	Autos	1.5	0.4%	1.2%	5.3%	5.8%	0.2%	0.2%	0.4%	1.3%
5.0			0.3%	1.5%	8.3%	3.0%	0.5%	0.9%	3.0%	-0.3%	ROCO	Cards	1.9	0.3%	1.1%	5.3%	5.0%	0.1%	0.2%	0.5%	0.7%
5.5			0.5%	1.6%	7.6%	4.2%	0.5%	0.9%	2.3%	0.2%	ROHD	HEL	3.0	0.4%	1.2%	6.2%	6.0%	0.4%	0.5%	0.7%	3.7%
6.0			0.4%	1.4%	6.9%	5.1%	0.2%	0.6%	2.0%	0.9%	ROOO	Other	3.0	0.3%	1.1%	6.3%	6.5%	0.3%	0.3%	0.8%	3.4%
6.5			0.6%	1.8%	6.7%	5.6%	0.4%	0.8%	1.8%	1.4%	ROFO	ABS - Floating	2.5	0.4%	1.3%	5.2%	7.0%	0.1%	0.4%	1.2%	2.1%
7.0			0.5%	1.6%	6.1%	5.8%	0.3%	0.6%	1.5%	1.7%	ROFC	Cards	1.3	0.4%	1.2%	5.0%	6.2%	0.2%	0.3%	1.0%	1.3%
US Treasuries	6.0		-0.5%	0.7%	6.2%	0.5%	0.2%	0.7%	1.1%	0.0%	ROFH	HEL	2.2	0.4%	1.3%	5.6%	6.7%	0.1%	0.5%	1.7%	2.0%
1-3yrs	1.8		0.3%	1.1%	5.1%	4.1%	0.1%	0.1%	0.2%	0.0%	ROFO	Other	3.4	0.4%	1.3%	5.5%	7.6%	0.1%	0.4%	1.6%	2.8%
3-5yrs	3.7		0.0%	1.1%	6.7%	2.4%	0.1%	0.4%	0.8%	0.3%	ROFS	Student Loans	3.7	0.3%	1.4%	5.7%	7.7%	0.1%	0.5%	1.7%	2.9%
5-7yrs	5.3		-0.4%	1.0%	7.8%	1.1%	0.1%	0.6%	1.0%	0.4%	CLO Total			0.5%	1.4%	6.5%	8.9%	0.3%	0.6%	2.5%	4.0%
7-10yrs	7.0		-0.8%	0.9%	8.2%	-0.5%	0.2%	0.9%	1.4%	0.0%	CLO AAA			0.5%	1.4%	6.0%	7.6%	0.2%	0.4%	1.9%	2.7%
20+yrs	15.8		-2.5%	-0.9%	4.4%	-7.6%	0.3%	1.7%	3.3%	-1.2%	CLO AA			0.5%	1.4%	6.6%	8.7%	0.3%	0.6%	2.5%	3.8%
Agency Debt	3.8		-0.1%	1.1%	6.8%	2.6%	0.1%	0.4%	0.8%	0.6%	CLO A			0.6%	1.5%	6.9%	9.6%	0.3%	0.6%	2.9%	4.6%
Freddie	4.7		-0.2%	1.1%	7.8%	1.2%	0.2%	0.6%	1.1%	0.4%	CLO BBB			0.6%	1.7%	8.1%	13.3%	0.4%	0.9%	4.2%	8.2%
Fannie	3.5		0.0%	1.1%	6.6%	2.9%	0.4%	0.7%	2.7%	0.6%	CLO BB			1.1%	1.5%	9.3%	20.6%	0.9%	0.7%	5.2%	15.2%
High Yield	3.8		0.7%	1.4%	8.5%	8.2%	0.7%	0.6%	2.7%	5.2%											
High Grade	6.5		-0.3%	0.8%	7.8%	2.8%	0.5%	0.8%	2.5%	2.6%											
Banks	4.7		0.0%	1.2%	8.3%	4.7%	0.3%	0.7%	2.5%	3.0%											
Financials	5.0		0.0%	1.1%	8.1%	4.6%	0.4%	0.7%	2.4%	3.1%											
Non-Agency: Legacy																					
Prime Fixed			0.7%	2.8%	10.4%	8.9%	0.8%	2.1%	5.3%	8.8%											
Alt-A S/I WAC			0.6%	1.7%	8.5%	8.0%	0.4%	1.3%	5.0%	3.0%											
Option ARM			0.4%	2.9%	11.1%	8.8%	0.2%	2.4%	7.2%	3.8%											
Subprime ARM			0.4%	2.6%	9.3%	7.5%	0.2%	2.1%	5.6%	2.5%											
Non-Agency: 2.0																					
Non-QM A1			0.3%	1.5%	7.2%	5.0%	0.4%	0.8%	2.0%	1.9%											
RPL A1			0.3%	1.4%	6.1%	5.7%	0.4%	0.6%	0.9%	2.7%											
Jumbo 2.0A1			0.0%	1.7%	8.5%		0.1%	1.0%	3.3%												

Source: BofA Global Research - Securitized Products Returns for December 2025/  
Securitized Products Strategy / 02 January 2026

# Orchid Island Capital Dividend Tax Characterization

Record Date	Payment Date	Distribution Rate Per Share	Total Ordinary Dividends	Qualified Dividend	Total Capital Gain Distribution	Nondividend Distributions	Section 199A Dividend
Form 1099 - DIV			Box 1a	Box 1b	Box 2a	Box 3	Box 5
12/29/2023	1/29/2024	\$ 0.120000	\$ 0.115200	\$ -	\$ -	\$ 0.004800	\$ 0.115200
1/31/2024	2/27/2024	\$ 0.120000	\$ 0.115200	\$ -	\$ -	\$ 0.004800	\$ 0.115200
2/29/2024	3/27/2024	\$ 0.120000	\$ 0.115200	\$ -	\$ -	\$ 0.004800	\$ 0.115200
3/28/2024	4/26/2024	\$ 0.120000	\$ 0.115200	\$ -	\$ -	\$ 0.004800	\$ 0.115200
4/30/2024	5/30/2024	\$ 0.120000	\$ 0.115200	\$ -	\$ -	\$ 0.004800	\$ 0.115200
5/31/2024	6/27/2024	\$ 0.120000	\$ 0.115200	\$ -	\$ -	\$ 0.004800	\$ 0.115200
6/28/2024	7/30/2024	\$ 0.120000	\$ 0.115200	\$ -	\$ -	\$ 0.004800	\$ 0.115200
7/31/2024	8/29/2024	\$ 0.120000	\$ 0.115200	\$ -	\$ -	\$ 0.004800	\$ 0.115200
8/30/2024	9/27/2024	\$ 0.120000	\$ 0.115200	\$ -	\$ -	\$ 0.004800	\$ 0.115200
9/30/2024	10/30/2024	\$ 0.120000	\$ 0.115200	\$ -	\$ -	\$ 0.004800	\$ 0.115200
10/31/2024	11/27/2024	\$ 0.120000	\$ 0.115200	\$ -	\$ -	\$ 0.004800	\$ 0.115200
11/29/2024	12/30/2024	\$ 0.120000	\$ 0.115200	\$ -	\$ -	\$ 0.004800	\$ 0.115200
<b>Total</b>		<b>\$ 1.440000</b>	<b>\$ 1.382400</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 0.057600</b>	<b>\$ 1.382400</b>

Record Date	Payment Date	Distribution Rate Per Share	Total Ordinary Dividends	Qualified Dividend	Total Capital Gain Distribution	Nondividend Distributions	Section 199A Dividend
Form 1099 - DIV			Box 1a	Box 1b	Box 2a	Box 3	Box 5
12/31/2024	1/30/2025	\$ 0.120000	\$ 0.114000	\$ -	\$ -	\$ 0.006000	\$ 0.114000
1/31/2025	2/27/2025	\$ 0.120000	\$ 0.114000	\$ -	\$ -	\$ 0.006000	\$ 0.114000
2/28/2025	3/28/2025	\$ 0.120000	\$ 0.114000	\$ -	\$ -	\$ 0.006000	\$ 0.114000
3/31/2025	4/29/2025	\$ 0.120000	\$ 0.114000	\$ -	\$ -	\$ 0.006000	\$ 0.114000
4/30/2025	5/29/2025	\$ 0.120000	\$ 0.114000	\$ -	\$ -	\$ 0.006000	\$ 0.114000
5/30/2025	6/27/2025	\$ 0.120000	\$ 0.114000	\$ -	\$ -	\$ 0.006000	\$ 0.114000
6/30/2025	7/30/2025	\$ 0.120000	\$ 0.114000	\$ -	\$ -	\$ 0.006000	\$ 0.114000
7/31/2025	8/28/2025	\$ 0.120000	\$ 0.114000	\$ -	\$ -	\$ 0.006000	\$ 0.114000
8/29/2025	9/29/2025	\$ 0.120000	\$ 0.114000	\$ -	\$ -	\$ 0.006000	\$ 0.114000
9/30/2025	10/30/2025	\$ 0.120000	\$ 0.114000	\$ -	\$ -	\$ 0.006000	\$ 0.114000
10/31/2025	11/26/2025	\$ 0.120000	\$ 0.114000	\$ -	\$ -	\$ 0.006000	\$ 0.114000
11/28/2025	12/30/2025	\$ 0.120000	\$ 0.114000	\$ -	\$ -	\$ 0.006000	\$ 0.114000
<b>Total</b>		<b>\$ 1.440000</b>	<b>\$ 1.368000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 0.072000</b>	<b>\$ 1.368000</b>

Source: Company Website