

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **August 16, 2023**

Orchid Island Capital, Inc.

(Exact Name of Registrant as Specified in Charter)

Maryland
(State or Other Jurisdiction of Incorporation)

001-35236
(Commission File Number)

27-3269228
(IRS Employer Identification No.)

3305 Flamingo Drive, Vero Beach, Florida 32963
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code **(772) 231-1400**

N/A

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class:	Trading symbol:	Name of each exchange on which registered:
Common Stock, par value \$0.01 per share	ORC	NYSE

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 8.01. Other Events.

On August 16, 2023, Orchid Island Capital, Inc. (the "Company") announced that the Board of Directors of the Company declared a dividend for the month of August 2023 of \$0.16 per share of the Company's common stock, to be paid on September 27, 2023 to holders of record on August 31, 2023, with an ex-dividend date of August 30, 2023. In addition, the Company announced certain details of its RMBS portfolio as of July 31, 2023 as well as certain other information regarding the Company. A copy of the Company's press release announcing the dividend and the other information regarding the Company is attached hereto as Exhibit 99.1 and incorporated herein by this reference.

Caution About Forward-Looking Statements.

This Current Report on Form 8-K contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and other federal securities laws, including, but not limited to, statements about the Company's distributions. These forward-looking statements are based upon the Company's present expectations, but the Company cannot assure investors that actual results will not vary from the expectations contained in the forward-looking statements. 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, 2022. All forward-looking statements speak only as of the date on which they are made. New risks and uncertainties arise over time, and it is not possible to predict those events or how they may affect the Company. Except as required by law, the Company is not obligated to, and does not intend to, update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated August 16, 2023
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: August 16, 2023

ORCHID ISLAND CAPITAL, INC.

By: /s/ Robert E. Cauley
Robert E. Cauley
Chairman and Chief Executive Officer

**ORCHID ISLAND CAPITAL ANNOUNCES
AUGUST 2023 MONTHLY DIVIDEND AND
JULY 31, 2023 RMBS PORTFOLIO CHARACTERISTICS**

- August 2023 Monthly Dividend of \$0.16 Per Share of Common Stock
- RMBS Portfolio Characteristics as of July 31, 2023
- Next Dividend Announcement Expected September 11, 2023

Vero Beach, Fla., August 16, 2023 - 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 August 2023. The dividend of \$0.16 per share will be paid September 27, 2023 to holders of record of the Company’s common stock on August 31, 2023, with an ex-dividend date of August 30, 2023. The Company plans on announcing its next common stock dividend on September 11, 2023.

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 August 16, 2023, the Company had 47,086,727 shares of common stock outstanding. As of July 31, 2023 and June 30, 2023, the Company had 43,896,709 shares of common stock outstanding.

RMBS Portfolio Characteristics

Details of the RMBS portfolio as of July 31, 2023 are presented below. These figures are preliminary and subject to change. The information contained herein is an intra-quarter update created by the Company based upon information that the Company believes is accurate:

- 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, 2022.

RMBS Valuation Characteristics
(\$ in thousands)

Type	Current Face	Fair Value	% of Portfolio	Current Price	Net Weighted Average Coupon	GWAC	Age	Weighted Average Maturity (Months)	Realized Jul-23 CPR (1-Month) (Reported in Aug)	Realized May 23 - Jul-23 CPR (3-Month) (Reported in Aug)	Modeled Interest Rate Sensitivity (1)	
											(-50 BPS)	(+50 BPS)
Fixed Rate RMBS												
15yr 4.0	\$ 380	\$ 369	0.01%	\$ 97.24	4.00%	4.54%	63	115	0.8%	0.8%	\$ 6	\$ (6)
15yr 5.0 TBA	100,000	99,328	2.25%	99.33	5.00%	5.67%	9	167	n/a	n/a	1,319	(1,477)
15yr Total	100,380	99,697	2.25%	99.32	5.00%	5.66%	9	167	0.8%	0.8%	1,325	(1,483)
30yr 3.0	2,456,873	2,165,855	48.97%	88.15	3.00%	3.44%	27	329	5.8%	5.9%	70,845	(71,926)
30yr 3.5	202,264	186,816	4.22%	92.36	3.50%	4.04%	41	309	7.7%	7.5%	5,286	(5,330)
30yr 4.0	577,027	540,268	12.22%	93.63	4.00%	4.78%	18	340	4.4%	6.7%	13,860	(14,839)
30yr 4.5	353,488	339,212	7.67%	95.96	4.50%	5.45%	13	346	6.3%	6.1%	6,771	(7,594)
30yr 5.0	569,299	557,442	12.60%	97.92	5.00%	5.93%	11	348	5.9%	5.3%	10,244	(11,803)
30yr 5.5	278,178	278,213	6.29%	100.01	5.50%	6.43%	4	356	5.8%	0.0%	4,386	(5,244)
30yr 6.0	234,058	236,801	5.35%	101.17	6.00%	7.01%	5	352	5.8%	0.0%	2,886	(3,481)
30yr Total	4,671,187	4,304,607	97.33%	92.15	3.80%	4.44%	21	336	5.8%	6.0%	114,278	(120,217)
Total Pass Through RMBS	4,771,567	4,404,304	99.58%	92.30	3.83%	4.47%	21	332	5.8%	6.0%	115,604	(121,698)
Structured RMBS												
IO 20yr 4.0	9,512	1,016	0.02%	10.68	4.00%	4.57%	139	94	6.4%	8.9%	6	(6)
IO 30yr 3.0	3,013	365	0.01%	12.12	3.00%	3.64%	102	247	0.6%	7.3%	1	(3)
IO 30yr 4.0	85,317	15,826	0.36%	18.55	4.00%	4.60%	107	244	7.1%	8.1%	(306)	216
IO 30yr 4.5	3,663	684	0.02%	18.67	4.50%	4.99%	157	189	7.6%	7.9%	(5)	1
IO 30yr 5.0	2,012	401	0.01%	19.94	5.00%	5.36%	157	191	9.6%	8.3%	(6)	4
IO Total	103,517	18,292	0.41%	17.67	4.01%	4.60%	113	227	7.0%	8.1%	(310)	212
IIO 30yr 4.0	29,096	310	0.01%	1.07	0.00%	4.40%	70	279	0.4%	1.4%	83	(70)
Total Structured RMBS	132,613	18,602	0.42%	14.03	3.13%	4.55%	103	239	5.5%	6.7%	(227)	141
Total Mortgage Assets	\$ 4,904,180	\$ 4,422,906	100.00%		3.81%	4.47%	23	329	5.8%	6.0%	\$ 115,377	\$ (121,557)

Hedge	Average Notional Balance	Hedge Period End	Modeled Interest Rate Sensitivity (1)
			(-50 BPS) (+50 BPS)
5-Year Treasury Future ⁽²⁾	\$ (471,500)	Sep-23	\$ (9,715) \$ 9,421
10-Year Treasury Future ⁽³⁾	(285,000)	Sep-23	(9,340) 9,116
10-Year Ultra Treasury Future ⁽⁴⁾	(244,200)	Sep-23	(11,530) 10,991
Swaps	(2,326,500)	Nov-29	(60,418) 58,123
TBA	(350,000)	Aug-23	(10,175) 10,463
Swaptions	(200,000)	Feb-24	(1,087) 1,100
Hedge Total	\$ (3,877,200)		\$ (102,265) \$ 99,214
Rate Shock Grand Total			\$ 13,112 \$ (22,343)

- (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) Five-year Treasury futures contracts were valued at prices of \$106.82 at July 31, 2023. The market value of the short position was \$503.7 million.
- (3) Ten-year Treasury futures contracts were valued at prices of \$111.41 at July 31, 2023. The market value of the short position was \$317.5 million.
- (4) Ten-year Treasury Ultra futures contracts were valued at prices of \$116.98 at July 31, 2023. The market value of the short position was \$285.7 million.

RMBS Assets by Agency
(\$ in thousands)

Asset Category	Fair Value	Percentage of Portfolio
As of July 31, 2023		
Fannie Mae	\$ 2,962,563	67.0%
Freddie Mac	1,460,343	33.0%
Total Mortgage Assets	\$ 4,422,906	100.0%

Investment Company Act of 1940 Whole Pool Test
(\$ in thousands)

Asset Category	Fair Value	Percentage of Portfolio
As of July 31, 2023		
Non-Whole Pool Assets	\$ 147,773	3.3%
Whole Pool Assets	4,275,133	96.7%
Total Mortgage Assets	\$ 4,422,906	100.0%

Borrowings By Counterparty
(\$ in thousands)

	Total Borrowings	% of Total Debt	Weighted Average Repo Rate	Weighted Average Maturity in Days	Longest Maturity
As of July 31, 2023					
ASL Capital Markets Inc.	\$ 334,517	8.1%	5.36%	31	9/29/2023
J.P. Morgan Securities LLC	332,029	8.0%	5.36%	15	8/23/2023
Mitsubishi UFJ Securities (USA), Inc	326,977	7.9%	5.45%	46	9/29/2023
RBC Capital Markets, LLC	304,569	7.4%	5.36%	15	8/17/2023
Citigroup Global Markets Inc	303,009	7.3%	5.45%	29	8/31/2023
Mirae Asset Securities (USA) Inc.	295,469	7.1%	5.45%	47	12/22/2023
Wells Fargo Bank, N.A.	276,180	6.7%	5.43%	42	9/28/2023
Daiwa Securities America Inc.	241,127	5.8%	5.36%	17	8/17/2023
Marex Capital Markets Inc.	225,680	5.5%	5.43%	62	10/5/2023
ING Financial Markets LLC	222,891	5.4%	5.47%	52	9/21/2023
Cantor Fitzgerald & Co	214,935	5.2%	5.37%	16	8/16/2023
ABN AMRO Bank N.V.	214,073	5.2%	5.35%	14	8/14/2023
Banco Santander SA	189,783	4.6%	5.43%	47	10/5/2023
Merrill Lynch, Pierce, Fenner & Smith	185,312	4.5%	5.37%	15	8/25/2023
StoneX Financial Inc.	173,222	4.2%	5.37%	25	9/15/2023
South Street Securities, LLC	117,859	2.8%	5.36%	57	9/29/2023
Goldman, Sachs & Co	88,297	2.1%	5.37%	14	8/24/2023
Bank of Montreal	74,003	1.8%	5.37%	17	8/17/2023
Lucid Cash Fund USG LLC	11,070	0.3%	5.41%	17	8/17/2023
Lucid Prime Fund, LLC	8,967	0.2%	5.41%	17	8/17/2023
Total Borrowings	\$ 4,139,969	100.0%	5.40%	32	12/22/2023

Contact:

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