

**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 17, 2022**

**Orchid Island Capital, Inc.**  
(Exact Name of Registrant as Specified in Charter)

**Maryland**    **001-35236**    **27-3269228**  
(State or Other Jurisdiction of                      (Commission File Number)                      (IRS Employer Identification No.)  
Incorporation)

**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:

<b>Title of each class:</b>	<b>Trading symbol:</b>	<b>Name of each exchange on which registered:</b>
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 3.03. Material Modifications to Rights of Security Holders.**

On August 17, 2022, Orchid Island Capital, Inc. (the “Company”) announced that the board of directors of the Company (the “Board”) has approved a reverse stock split of the outstanding shares of the Company’s common stock, par value \$0.01 per share (the “Common Stock”), at a ratio of one-for-five (the “Reverse Stock Split”). The Reverse Stock Split is scheduled to take effect at approximately 5:00 p.m. Eastern Time on August 30, 2022 (the “Effective Time”). At the Effective Time, every five issued and outstanding shares of Common Stock will be converted into one share of Common Stock, with a proportionate reduction in the Company’s authorized shares of Common Stock and preferred stock. The par value of each share of Common Stock will remain unchanged. The shares are expected to begin trading on a split-adjusted basis at market open on August 31, 2022. Trading in the Common Stock will continue on the NYSE under the symbol “ORC” but the security will be assigned a new CUSIP number.

No fractional shares will be issued in connection with the Reverse Stock Split. Instead, each stockholder that otherwise would receive fractional shares will be entitled to receive, in lieu of such fractional shares, cash in an amount determined on the basis of the closing price of the Common Stock on the NYSE on August 30, 2022. The Reverse Stock Split will apply to all of the outstanding shares of Common Stock as of the Effective Time. Stockholders of record will be receiving information from Continental Stock Transfer & Trust Company, the Company’s transfer agent, regarding their stock ownership following the Reverse Stock Split and cash in lieu of fractional share payments, if applicable. Stockholders who hold their shares in brokerage accounts or in “street name” are not required to take any action in connection with the Reverse Stock Split.

**Item 8.01. Other Events.****August 2022 Dividend**

On August 17, 2022, the Company announced that the Board declared a dividend for the month of August 2022 of \$0.16 per share of Common Stock (the “August Dividend”), to be paid on September 28, 2022 to holders of record on August 31, 2022 (the “Record Date”), with an ex-dividend date of August 30, 2022. Because the Record Date for the August Dividend is after the Effective Time of the Reverse Split, the August Dividend will reflect the Reverse Stock Split and will be paid on a split-adjusted basis. In addition, the Company announced certain details of its RMBS portfolio as of July 2022 as well as certain other information regarding the Company. A copy of the Company’s press release announcing the dividend, the Reverse Stock Split and other information regarding the Company is attached hereto as Exhibit 99.1 and incorporated herein by this reference.

**Reverse Stock Split**

The disclosure set forth under Item 3.03 above is incorporated herein by 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 and the Reverse Stock Split. 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, 2021. 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	<a href="#">Press Release dated August 17, 2022</a>
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 17, 2022

ORCHID ISLAND CAPITAL, INC.

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

**ORCHID ISLAND CAPITAL ANNOUNCES  
ONE-FOR-FIVE REVERSE STOCK SPLIT,  
AUGUST 2022 MONTHLY DIVIDEND AND JULY 31, 2022 RMBS PORTFOLIO  
CHARACTERISTICS**

- One-for-five reverse stock split of the outstanding shares of Common Stock
- August 2022 Monthly Dividend of \$0.16 Per Share of Common Stock
- RMBS Portfolio Characteristics as of July 31, 2022
- Next Dividend Announcement Expected September 12, 2022

Vero Beach, Fla., August 17, 2022 - Orchid Island Capital, Inc. (the "Company") (NYSE: ORC) announced today that the Board of Directors of the Company (the "Board") approved a reverse stock split of the outstanding shares of the Company's common stock, par value \$0.01 per share (the "Common Stock"), at a ratio of one-for-five (the "Reverse Stock Split"). The Reverse Stock Split is scheduled to take effect at approximately 5:00 p.m. Eastern Time on August 30, 2022 (the "Effective Time"). At the Effective Time, every five issued and outstanding shares of Common Stock will be converted into one share of Common Stock, with a proportionate reduction in the Company's authorized shares of Common Stock and preferred stock. The par value of each share of Common Stock will remain unchanged. The shares are expected to begin trading on a split-adjusted basis at market open on August 31, 2022. Trading in the Common Stock will continue on the NYSE under the symbol "ORC" but the security will be assigned a new CUSIP number.

No fractional shares will be issued in connection with the Reverse Stock Split. Instead, each stockholder that otherwise would receive fractional shares will be entitled to receive, in lieu of such fractional shares, cash in an amount determined on the basis of the closing price of the Common Stock on the NYSE on August 30, 2022. The Reverse Stock Split will apply to all of the outstanding shares of Common Stock as of the Effective Time. Stockholders of record will be receiving information from Continental Stock Transfer & Trust Company, the Company's transfer agent, regarding their stock ownership following the Reverse Stock Split and cash in lieu of fractional share payments, if applicable. Stockholders who hold their shares in brokerage accounts or in "street name" are not required to take any action in connection with the Reverse Stock Split.

The Company also announced today that the Board declared a monthly cash dividend for the month of August 2022 (the "August Dividend"). The dividend of \$0.16 per share will be paid September 28, 2022 to holders of record of Common Stock on August 31, 2022 (the "Record Date"), with an ex-dividend date of August 30, 2022. Because the Record Date for the August Dividend is after the Effective Time of the Reverse Stock Split, the August Dividend will reflect the Reverse Stock Split and will be paid on a split-adjusted basis. The August Dividend equates to a dividend of \$0.032 per share of Common Stock on a pre-split basis. The Company plans on announcing its next Common Stock dividend on September 12, 2022.

The Company estimates book value per share as of August 16, 2022 to be approximately \$3.10 to \$3.12 per share without giving effect to the Reverse Stock Split, an increase of approximately 8.0% to 8.7% from the book value per share at June 30, 2022 of \$2.87. The estimated book value per share includes a deduction for the Company's July 2022 dividend of \$0.045 per share of Common Stock that will be paid on August 29, 2022, which was declared on July 13, 2022 with a July 29, 2022 record date.

The estimated book value per share range is unaudited and has not been verified or reviewed by any third party. The Company undertakes no obligation to update or revise its estimated book value per share.

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 17, 2022, July 31, 2022 and June 30, 2022, the Company had 176,251,193 shares of common stock outstanding.

#### **RMBS Portfolio Characteristics**

Details of the RMBS portfolio as of July 31, 2022 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 Reverse Stock Split and 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, 2021.

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 2022 CPR (1-Month) (Reported in Aug)	Realized May - Jul 2022 CPR (3-Month) (Reported in Aug)	Modeled Interest Rate Sensitivity (-50 BPS) <sup>(1)</sup>	Modeled Interest Rate Sensitivity (+50 BPS) <sup>(1)</sup>
<b>Pass Through RMBS</b>												
15yr 4.0	\$ 414	\$ 424	0.01%	\$ 102.54	4.00%	4.54%	51	129	0.8%	0.8%	\$ 7	\$ (7)
15yr TBA	100,000	101,680	2.43%	101.68	4.00%						1,130	(1,350)
15yr Total	100,414	102,104	2.44%	101.68	4.00%	4.54%	51	129	0.8%	0.8%	1,137	(1,357)
30yr 3.0	3,440,860	3,340,590	79.95%	97.09	3.00%	3.46%	16	341	5.7%	7.1%	97,835	(104,728)
30yr 3.5	224,806	226,608	5.42%	100.80	3.50%	4.03%	29	322	12.0%	12.9%	5,778	(6,132)
30yr 4.0	281,892	285,531	6.83%	101.29	4.00%	4.72%	13	346	7.5%	7.3%	5,091	(6,108)
30yr 5.0	55,514	57,213	1.37%	103.06	5.00%	5.92%	1	360	0.1%	11.7%	506	(606)
30yr Total	4,003,072	3,909,942	93.58%	97.67	3.13%	3.62%	16	341	6.1%	7.4%	109,210	(117,574)
<b>Total Pass Through RMBS</b>	<b>4,103,486</b>	<b>4,012,046</b>	<b>96.02%</b>	<b>97.77</b>	<b>3.15%</b>	<b>3.62%</b>	<b>16</b>	<b>341</b>	<b>6.1%</b>	<b>7.4%</b>	<b>110,347</b>	<b>(118,931)</b>
<b>Structured RMBS</b>												
IO 20yr 3.0	325,562	37,672	0.90%	11.57	3.00%	3.69%	73	160	10.4%	11.7%	(857)	564
IO 20yr 4.0	11,745	1,408	0.03%	11.99	4.00%	4.57%	127	106	11.9%	12.5%	(3)	-
IO 30yr 3.0	41,142	6,292	0.15%	15.29	3.00%	3.69%	37	316	17.1%	13.6%	(312)	236
IO 30yr 3.5	497,027	93,105	2.23%	18.73	3.50%	4.01%	56	295	9.6%	11.3%	(3,383)	2,474
IO 30yr 4.0	145,236	25,682	0.61%	17.68	4.00%	4.56%	75	276	12.8%	16.9%	(1,326)	1,177
IO 30yr 4.5	4,144	720	0.02%	17.37	4.50%	4.99%	145	202	9.1%	11.6%	(27)	23
IO 30yr 5.0	2,274	400	0.01%	17.57	5.00%	5.36%	145	202	7.4%	14.9%	(18)	15
IO Total	1,027,130	165,279	3.96%	16.09	3.41%	3.99%	64	248	10.6%	12.4%	(5,926)	4,489
IIO 30yr 4.0	34,425	911	0.02%	2.65	2.38%	4.40%	59	292	4.1%	4.9%	168	(173)
<b>Total Structured RMBS</b>	<b>1,061,555</b>	<b>166,190</b>	<b>3.98%</b>	<b>15.66</b>	<b>3.37%</b>	<b>4.00%</b>	<b>64</b>	<b>249</b>	<b>10.4%</b>	<b>12.1%</b>	<b>(5,758)</b>	<b>4,316</b>
<b>Total Mortgage Assets</b>	<b>\$ 5,165,041</b>	<b>\$ 4,178,236</b>	<b>100.00%</b>		<b>3.19%</b>	<b>3.70%</b>	<b>26</b>	<b>322</b>	<b>7.0%</b>	<b>8.4%</b>	<b>\$ 104,589</b>	<b>\$ (114,615)</b>

Hedge	Average Notional Balance	Hedge Period End	Interest Rate Sensitivity (-50 BPS) <sup>(1)</sup>	Interest Rate Sensitivity (+50 BPS) <sup>(1)</sup>
5-Year Treasury Future <sup>(2)</sup>	\$ (1,200,500)	Sep-2022	\$ (27,570)	\$ 27,004
10-Year Treasury Ultra <sup>(3)</sup>	(274,500)	Sep-2022	(15,450)	14,714
Swaps	(1,400,000)	Jul-2028	(37,431)	36,138
TBA	(175,000)	Sep-2022	(5,224)	5,609

Swaptions	(777,800)	Mar-2023	(10,964)	11,462
<b>Hedge Total</b>	\$ (3,827,800)		\$ (96,639)	\$ 94,927
<b>Rate Shock Grand Total</b>			\$ 7,950	\$ (19,688)

- (1) Modeled results from Citigroup Global Markets Inc. Yield Book. Interest rate shocks assume instantaneous parallel shifts and horizon prices are calculated assuming constant LIBOR 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 \$113.73 at July 31, 2022. The market value of the short position was \$1,365.3 million.
- (3) Ten-year Treasury Ultra futures contracts were valued at prices of \$131.25 at July 31, 2022. The market value of the short position was \$360.3 million.

**RMBS Assets by Agency**

*(\$ in thousands)*

<b>Asset Category</b>	<b>Fair Value</b>	<b>Percentage of Portfolio</b>
<b>As of July 31, 2022</b>		
Fannie Mae	\$ 2,688,405	65.9%
Freddie Mac	1,388,151	34.1%
<b>Total Mortgage Assets</b>	<b>\$ 4,076,556</b>	<b>100.0%</b>

**Investment Company Act of 1940 Whole Pool Test**

*(\$ in thousands)*

<b>Asset Category</b>	<b>Fair Value</b>	<b>Percentage of Portfolio</b>
<b>As of July 31, 2022</b>		
Non-Whole Pool Assets	\$ 229,726	5.6%
Whole Pool Assets	3,846,830	94.4%
<b>Total Mortgage Assets</b>	<b>\$ 4,076,556</b>	<b>100.0%</b>

**Borrowings By Counterparty**

(\$ in thousands)

	Total	% of	Weighted	Weighted	
	Borrowings	Total	Average	Average	
As of July 31, 2022		Debt	Repo	Maturity	Longest
			Rate	in Days	Maturity
J.P. Morgan Securities LLC	\$ 357,502	9.4%	1.52%	11	8/25/2022
Mirae Asset Securities (USA) Inc.	344,846	9.1%	1.45%	57	1/30/2023
Mitsubishi UFJ Securities (USA), Inc.	340,537	9.0%	2.31%	24	8/29/2022
ABN AMRO Bank N.V.	317,886	8.4%	2.07%	21	9/14/2022
Merrill Lynch, Pierce, Fenner & Smith	308,322	8.1%	2.11%	16	8/26/2022
Cantor Fitzgerald & Co.	251,906	6.6%	1.99%	21	8/26/2022
ED&F Man Capital Markets Inc.	238,344	6.3%	2.30%	40	9/22/2022
RBC Capital Markets, LLC	222,173	5.9%	2.23%	28	9/2/2022
Santander Bank, N.A.	174,926	4.6%	2.36%	27	8/29/2022
Goldman Sachs & Co. LLC	161,905	4.3%	2.36%	27	8/29/2022
ING Financial Markets LLC	151,238	4.0%	2.38%	53	9/22/2022
Daiwa Capital Markets America, Inc.	148,494	3.9%	2.36%	47	9/16/2022
ASL Capital Markets Inc.	138,479	3.7%	2.21%	17	8/17/2022
Wells Fargo Bank, N.A.	118,656	3.1%	2.14%	21	9/6/2022
Citigroup Global Markets Inc.	117,951	3.1%	2.23%	21	8/24/2022
BMO Capital Markets Corp.	112,680	3.0%	2.41%	30	8/30/2022
Austin Atlantic Asset Management Co.	85,731	2.3%	2.22%	3	8/3/2022
StoneX Financial Inc.	78,109	2.1%	2.23%	20	8/30/2022
South Street Securities, LLC	60,342	1.6%	2.21%	18	8/18/2022
Nomura Securities International, Inc.	35,969	0.9%	2.27%	22	8/22/2022
Lucid Cash Fund USG, LLC	23,690	0.6%	2.00%	11	8/11/2022
<b>Total Borrowings</b>	<b>\$ 3,789,686</b>	<b>100.0%</b>	<b>2.09%</b>	<b>27</b>	<b>1/30/2023</b>

**Contact:**

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