

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): **April 12, 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 2.02. Results of Operations and Financial Condition.

On April 12, 2023, Orchid Island Capital, Inc. (the “Company”) announced its estimated book value of \$11.56 per share as of March 31, 2023, certain details of its RMBS portfolio as of March 31, 2023, and estimated GAAP net income per share of \$0.10, including an estimated \$0.33 per share of net realized and unrealized gains, for the quarter ended March 31, 2023. These figures and the estimated book value per share and estimated GAAP net income per share are preliminary, subject to change, and subject to review by the Company’s independent registered public accounting firm.

Item 8.01. Other Events.

On April 12, 2023, the Company announced that the Board of Directors of the Company declared a dividend for the month of April 2023 of \$0.16 per share of the Company’s common stock, to be paid on May 26, 2023 to holders of record on April 28, 2023, with an ex-dividend date of April 27, 2023. In addition, the Company announced certain details of its RMBS portfolio as of March 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 April 12, 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: April 12, 2023

ORCHID ISLAND CAPITAL, INC.

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

**ORCHID ISLAND CAPITAL ANNOUNCES
ESTIMATED FIRST QUARTER 2023 RESULTS,
APRIL 2023 MONTHLY DIVIDEND AND
MARCH 31, 2023 RMBS PORTFOLIO CHARACTERISTICS**

- April 2023 Monthly Dividend of \$0.16 Per Share of Common Stock
- Estimated Book Value Per Share as of March 31, 2023 of \$11.56
- Estimated GAAP net income of \$0.10 per share for the quarter ended March 31, 2023, including an estimated \$0.33 per share of net realized and unrealized gains on RMBS and derivative instruments
- Estimated 0.9% total return on equity for the quarter
- Estimated book value, net income and total return on equity amounts are preliminary, subject to change, and subject to review by the Company's independent registered public accounting firm
- RMBS Portfolio Characteristics as of March 31, 2023
- Next Dividend Announcement Expected May 10, 2023

Vero Beach, Fla., April 12, 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 April 2023. The dividend of \$0.16 per share will be paid May 26, 2023 to holders of record of the Company's common stock on April 28, 2023, with an ex-dividend date of April 27, 2023. The Company plans on announcing its next common stock dividend on May 10, 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 April 12, 2023 and March 31, 2023 the Company had 39,085,756 shares of common stock outstanding. As of December 31, 2022, the Company had 36,764,983 shares of common stock outstanding.

Estimated March 31, 2023 Book Value Per Share

The Company's estimated book value per share as of March 31, 2023 was \$11.56. The Company computes book value per share by dividing total stockholders' equity by the total number of outstanding shares of common stock. At March 31, 2023, the Company's preliminary estimated total stockholders' equity was approximately \$451.7 million with 39,085,756 shares of common stock outstanding. These figures and the resulting estimated book value per share are preliminary, subject to change, and subject to review by the Company's independent registered public accounting firm.

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

The Company estimates it generated a net income per share of \$0.10, which includes \$0.33 per share of net realized and unrealized gains on RMBS and derivative instruments for the quarter ended March 31, 2023. These amounts compare to total dividends declared during the quarter of \$0.48 per share. Net income per common share calculated under generally accepted accounting principles can, and does, differ from our REIT taxable income. The Company views REIT taxable income as a better indication of income to be paid in the form of a dividend rather than net income. Many components of REIT taxable income can only be estimated at this time and our monthly dividends declared are based on both estimates of REIT taxable income to be earned over the course of the current quarter and calendar year and a longer-term estimate of the REIT taxable income of the Company. These figures are preliminary, subject to change, and subject to review by the Company's independent registered public accounting firm.

Estimated Total Return on Equity

The Company's estimated total return on equity for the quarter ended March 31, 2023 was 0.9%. The Company calculates total return on equity as the sum of dividends declared and paid during the quarter plus changes in book value during the quarter, divided by the Company's stockholders' equity at the beginning of the quarter. The total return was \$0.11 per share, comprised of dividends per share of \$0.48 and a decrease in book value per share of \$0.37 from December 31, 2022.

RMBS Portfolio Characteristics

Details of the RMBS portfolio as of March 31, 2023 are presented below. These figures are preliminary and subject to change and, with respect to figures that will appear in the Company's financial statements and associated footnotes as of and for the quarter ended March 31, 2023, are subject to review by the Company's independent registered public accounting firm:

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

About Orchid Island Capital, Inc.

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

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and other federal securities laws. These forward-looking statements include, but are not limited to, statements about the Company's distributions. These forward-looking statements are based upon Orchid Island Capital, Inc.'s present expectations, but these statements are not guaranteed to occur. Investors should not place undue reliance upon forward-looking statements. For further discussion of the factors that could affect outcomes, please refer to the "Risk Factors" section of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2022.

RMBS Valuation Characteristics
(\$ in thousands)

Type	Current Face	Fair Value	% of Portfolio	Current Price	Net Weighted Average		Age	Weighted Average Maturity (Months)	Realized Mar-23 CPR (1- Month) (Reported) in Apr	Realized Jan 23 - 23-Mar CPR (3- Month) (Reported) in Apr	Modeled Interest Rate Sensitivity (1)	
					Coupon	GWAC					(-50 BPS)	(+50 BPS)
Fixed Rate RMBS												
15yr 4.0	\$ 391	\$ 387	0.01%	\$ 99.02	4.00%	4.54%	59	120	0.8%	0.8%	\$ 6	\$ (6)
15yr Total	391	387	0.01%	99.02	4.00%	4.54%	59	120	0.8%	0.8%	6	(6)
30yr 3.0	2,516,951	2,273,406	56.84%	90.32	3.00%	3.44%	23	333	4.6%	3.6%	72,498	(74,352)
30yr 3.5	209,465	198,346	4.96%	94.69	3.50%	4.03%	37	313	7.6%	6.8%	5,443	(5,534)
30yr 4.0	471,336	452,279	11.31%	95.96	4.00%	4.76%	15	343	5.0%	2.9%	11,023	(11,985)
30yr 4.5	484,072	472,527	11.81%	97.62	4.37%	5.30%	10	350	3.1%	4.0%	8,895	(10,303)
30yr 5.0	582,948	583,517	14.59%	100.10	5.00%	5.93%	7	353	7.6%	5.5%	9,077	(10,956)
30yr Total	4,264,772	3,980,075	99.50%	93.32	3.56%	4.16%	19	338	5.0%	3.9%	106,935	(113,131)
Total Pass Through RMBS												
	4,265,163	3,980,462	99.51%	93.32	3.56%	4.16%	19	338	5.0%	3.9%	106,942	(113,138)
Structured RMBS												
IO 20yr 4.0	10,226	1,071	0.03%	10.47	4.00%	4.57%	135	98	12.3%	10.6%	5	(6)
IO 30yr 3.0	3,107	426	0.01%	13.72	3.00%	3.64%	98	252	0.7%	0.6%	-	(2)
IO 30yr 4.0	89,063	16,329	0.41%	18.33	4.00%	4.60%	103	248	5.1%	4.8%	(487)	351
IO 30yr 4.5	3,814	715	0.02%	18.74	4.50%	4.99%	153	193	8.0%	7.1%	(10)	6
IO 30yr 5.0	2,134	422	0.01%	19.76	5.00%	5.36%	153	195	16.2%	11.0%	(11)	8
IO Total	108,344	18,963	0.47%	17.50	4.01%	4.60%	109	231	6.0%	5.5%	(504)	358
IO 30yr 4.0	30,333	482	0.01%	1.59	0.00%	4.40%	67	283	6.5%	6.4%	118	(101)
Total Structured RMBS												
	138,677	19,445	0.49%	14.02	3.13%	4.55%	100	242	6.1%	5.7%	(387)	257
Total Mortgage Assets												
	\$ 4,403,840	\$ 3,999,907	100.00%		3.55%	4.18%	22	335	5.0%	4.0%	\$ 106,555	\$ (112,881)

Hedge	Average Notional Balance	Hedge Period End	Modeled Interest Rate Sensitivity (1)	
			(-50 BPS)	(+50 BPS)
5-Year Treasury Future(2)	\$ (926,500)	Jun-23	\$ (22,925)	\$ 20,536
10-Year Treasury Ultra(3)	(54,200)	Jun-23	(3,256)	2,932
Swaps	(1,674,000)	Apr-29	(42,016)	40,449
TBA	(875,000)	Apr-23	(23,956)	25,351
Swaptions	(533,000)	May-24	(3,073)	4,945
Hedge Total	\$ (4,062,700)		\$ (95,226)	\$ 94,213
Rate Shock Grand Total			\$ 11,329	\$ (18,668)

- (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 \$109.51 at March 31, 2023. The market value of the short position was \$1,014.6 million.
- (3) Ten-year Treasury Ultra futures contracts were valued at prices of \$117.12 at March 31, 2023. The market value of the short position was \$63.5 million.

RMBS Assets by Agency
(\$ in thousands)

Asset Category	Fair Value	Percentage of Portfolio
As of March 31, 2023		
Fannie Mae	\$ 2,630,154	65.8%
Freddie Mac	1,369,753	34.2%
Total Mortgage Assets	\$ 3,999,907	100.0%

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

Asset Category	Fair Value	Percentage of Portfolio
As of March 31, 2023		
Non-Whole Pool Assets	\$ 155,241	3.9%
Whole Pool Assets	3,844,666	96.1%
Total Mortgage Assets	\$ 3,999,907	100.0%

Borrowings By Counterparty
(\$ in thousands)

As of March 31, 2023	Total Borrowings	% of Total Debt	Weighted Average Repo Rate	Weighted Average Maturity in Days	Longest Maturity
ABN AMRO Bank N.V.	\$ 220,568	5.9%	5.12%	74	6/13/2023
ASL Capital Markets Inc.	213,221	5.7%	4.89%	18	4/20/2023
BMO Capital Markets Corp.	77,400	2.1%	4.91%	20	4/20/2023
Merrill Lynch, Pierce, Fenner & Smith	337,222	8.9%	4.96%	19	4/28/2023
Cantor Fitzgerald & Co	219,290	5.8%	4.85%	9	5/11/2023
Citigroup Global Markets Inc	190,315	5.0%	4.99%	27	4/28/2023
Daiwa Capital Markets America Inc.	255,292	6.8%	4.76%	17	4/17/2023
ING Financial Markets LLC	232,368	6.2%	4.97%	34	5/4/2023
J.P. Morgan Securities LLC	350,932	9.3%	4.87%	13	4/24/2023
Lucid Cash Fund USG, LLC	18,430	0.5%	4.95%	13	4/13/2023
Mirae Asset Securities (USA) Inc.	303,698	8.1%	5.01%	87	9/1/2023
Mitsubishi UFJ Securities (USA), Inc	173,462	4.6%	4.87%	22	5/1/2023
RBC Capital Markets, LLC	315,289	8.4%	4.94%	25	5/11/2023
South Street Securities, LLC	37,144	1.0%	4.90%	17	4/17/2023
Wells Fargo Bank, N.A.	162,880	4.3%	5.06%	45	6/9/2023
Goldman, Sachs & Co.	124,384	3.3%	4.95%	17	4/24/2023
Lucid Prime Fund, LLC	2,684	0.1%	4.95%	13	4/13/2023
Santander Bank, N.A.	118,614	3.1%	4.84%	23	4/27/2023
Marex Capital Markets Inc.	234,160	6.2%	4.88%	18	4/28/2023
StoneX Financial Inc.	182,084	4.8%	4.81%	25	5/10/2023
Total Borrowings	\$ 3,769,437	100.0%	4.92%	30	9/1/2023

Contact:

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