



Bimini Capital Management Announces First Quarter 2025 Results

May 1, 2025

VERO BEACH, Fla., May 01, 2025 (GLOBE NEWSWIRE) -- Bimini Capital Management, Inc. (OTCQB: BMNM), ("Bimini Capital," "Bimini," or the "Company"), today announced results of operations for the three-month period ended March 31, 2025.

First Quarter 2025 Highlights

- Net income of \$0.6 million, or \$0.06 per common share
- Book value per share of \$0.74
- Company to discuss results on Friday, May 2, 2025, at 10:00 AM ET

Management Commentary

Commenting on the first quarter results, Robert E. Cauley, Chairman and Chief Executive Officer, said, "While economic data and events generally are never uniformly stable or consistent, the first quarter of 2025 was relatively uneventful. Interest rates were generally range bound, and volatility was low for most of the quarter. These are ideal conditions for a levered investment strategy in Agency RMBS. Accordingly, the Company and the Agency RMBS market generated attractive returns for the period. Orchid Island Capital's stock also traded well during the quarter – at least until the last week of the quarter. Orchid was able to take advantage of these conditions and the performance of its common stock price and raise additional capital, enhancing the Company's advisory service revenues going forward.

"Although we did not add to the RMBS portfolio at our Royal Palm Capital subsidiary this quarter we did several times during 2024, and with funding costs down as a result of Fed rates cuts late in 2024, our net interest income, inclusive of dividends from our holdings of Orchid, increased substantially.

"While the first quarter market conditions were very supportive of our two operating segments, conditions so far in the second quarter have been challenging. At the moment, there remains considerable uncertainty about how the tariffs introduced by the new administration will ultimately impact the economy and markets. To the extent the economy slows, leading to potential additional rate cuts by the Fed, and/or longer-term interest rates rise as a result of the inflationary impacts of the tariffs, both the Company's investment portfolio as well as Orchid's could benefit from enhanced net interest margins resulting from the steeper interest rate curve."

Details of First Quarter 2025 Results of Operations

Orchid reported net income for the first quarter 2025 of \$17.1 million and generated a 2.60% return on its book value for the quarter – not annualized. Orchid also raised \$205.4 million during the quarter and its shareholders equity increased from \$668.5 million at December 31, 2024 to \$855.9 million at March 31, 2025. As a result, Bimini's advisory service revenues of approximately \$3.6 million represented a 22% increase over the first quarter of 2024 and a 6% increase over the fourth quarter of 2024.

Royal Palm did not add to the RMBS portfolio during the first quarter of 2025 but did so several times during 2024, and interest revenue increased 25% over the first quarter of 2024 and 4% over the fourth quarter of 2024. With funding costs down as a result of Fed rates cuts late in 2024, net interest income, inclusive of dividends from holdings of Orchid common shares, increased approximately 64% over the first quarter of 2024 and by approximately 35% over the fourth quarter of 2024. Note these figures represent just the net interest income from the investment portfolio, and do not include interest charges on our trust preferred or other long-term debt.

Interest charges on the preferred trust and other long-term debt of \$0.54 million were down 8% from the fourth quarter of 2024 and 12% from the first quarter of 2024. Expenses of \$2.92 million increased 4% from the fourth quarter of 2024 and decreased 3% from the first quarter of 2024. Bimini recorded an income tax provision of \$0.2 million for the first quarter of 2025.

Management of Orchid Island Capital, Inc.

Orchid is managed and advised by Bimini. As Manager, Bimini is responsible for administering Orchid's business activities and day-to-day operations. Pursuant to the terms of a management agreement, our subsidiary, Bimini Advisors, provides Orchid with its management team, including its officers, along with appropriate support personnel. Bimini also maintains a common stock investment in Orchid which is accounted for under the fair value option, with changes in fair value recorded in the statement of operations for the current period. For the three months ended March 31, 2025, Bimini's statement of operations included a fair value adjustment of \$(0.1) million and dividends of \$0.2 million from its investment in Orchid common stock. Also, during the three months ended March 31, 2025, Bimini recorded \$3.6 million in advisory services revenue for managing Orchid's portfolio, consisting of \$2.7 million of management fees, \$0.6 million in overhead reimbursement, and \$0.2 million in repurchase, clearing and administrative fees.

Book Value Per Share

The Company's book value per share on March 31, 2025 was \$0.74. The Company computes book value per share by dividing total stockholders' equity by the total number of shares outstanding of the Company's Class A Common Stock. At March 31, 2025, the Company's stockholders' equity was \$7.4 million, with 10,005,457 Class A Common shares outstanding.

Capital Allocation and Return on Invested Capital

The Company allocates capital between two MBS sub-portfolios, the pass-through MBS portfolio and the structured MBS portfolio, consisting of interest-only and inverse interest-only securities. The table below details the changes to the respective sub-portfolios during the quarter.

Portfolio Activity for the Quarter					
	Pass Through Portfolio	Structured Security Portfolio			Total
		Interest-Only Securities	Inverse Interest-Only Securities	Sub-total	
Market Value - December 31, 2024	\$ 120,055,716	\$ 2,285,605	\$ 6,849	\$ 2,292,454	\$ 122,348,170
Securities purchased	-	-	-	-	-
Return of investment	n/a	(77,876)	(346)	(78,222)	(78,222)
Pay-downs	(2,793,832)	n/a	n/a	n/a	(2,793,832)
Discount accreted due to pay-downs	19,415	n/a	n/a	n/a	19,415
Mark to market gains	1,423,056	45,169	1,368	46,537	1,469,593
Market Value - March 31, 2025	\$ 118,704,355	\$ 2,252,898	\$ 7,871	\$ 2,260,769	\$ 120,965,124

The tables below present the allocation of capital between the respective portfolios at March 31, 2025 and December 31, 2024, and the return on invested capital for each sub-portfolio for the three-month period ended March 31, 2025. Capital allocation is defined as the sum of the market value of securities held, less associated repurchase agreement borrowings, plus cash and cash equivalents and restricted cash associated with repurchase agreements. Capital allocated to non-portfolio assets is not included in the calculation.

Capital Allocation					
	Pass Through Portfolio	Structured Security Portfolio			Total
		Interest-Only Securities	Inverse Interest-Only Securities	Sub-total	
March 31, 2025					
Market value	\$ 118,704,355	\$ 2,252,898	\$ 7,871	\$ 2,260,769	\$ 120,965,124
Cash equivalents and restricted cash	5,500,438	-	-	-	5,500,438
Repurchase agreement obligations	(115,510,999)	-	-	-	(115,510,999)
Total	\$ 8,693,794	\$ 2,252,898	\$ 7,871	\$ 2,260,769	\$ 10,954,563
% of Total	79.4 %	20.5 %	0.1 %	20.6 %	100.0 %
December 31, 2024					
Market value	\$ 120,055,716	\$ 2,285,605	\$ 6,849	\$ 2,292,454	\$ 122,348,170
Cash equivalents and restricted cash	7,422,746	-	-	-	7,422,746
Repurchase agreement obligations	(117,180,999)	-	-	-	(117,180,999)
Total	\$ 10,297,463	\$ 2,285,605	\$ 6,849	\$ 2,292,454	\$ 12,589,917
% of Total	81.8 %	18.2 %	0.1 %	18.2 %	100.0 %

The returns on invested capital in the PT MBS and structured MBS portfolios were approximately 4.6% and 3.7%, respectively, for the three months ended March 31, 2025. The combined portfolio generated a return on invested capital of approximately 4.4%.

Returns for the Quarter Ended March 31, 2025	
	Structured Security Portfolio
	Inverse

	Pass Through Portfolio	Interest- Only Securities	Interest- Only Securities	Sub-total	Total
Interest income (net of repo cost)	\$ 397,204	\$ 38,427	\$ 43	\$ 38,470	\$ 435,674
Realized and unrealized gains	1,442,471	45,169	1,368	46,537	1,489,008
Hedge losses	(1,368,795)	n/a	n/a	n/a	(1,368,795)
Total Return	\$ 470,880	\$ 83,596	\$ 1,411	\$ 85,007	\$ 555,887
Beginning capital allocation	\$ 10,297,463	\$ 2,285,605	\$ 6,849	\$ 2,292,454	\$ 12,589,917
Return on invested capital for the quarter ⁽¹⁾	4.6 %	3.7 %	20.6 %	3.7 %	4.4 %

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

Prepayments

For the first quarter of 2025, the Company received approximately \$2.9 million in scheduled and unscheduled principal repayments and prepayments, which equated to a 3-month constant prepayment rate ("CPR") of approximately 7.3%. Prepayment rates on the two MBS sub-portfolios were as follows (in CPR):

Three Months Ended	PT MBS Sub- Portfolio	Structured MBS Sub- Portfolio	Total Portfolio
March 31, 2025	7.5	6.2	7.3
December 31, 2024	10.9	12.5	11.1
September 30, 2024	6.3	6.7	6.3
June 30, 2024	10.9	5.5	10.0
March 31, 2024	18.0	9.2	16.5

Portfolio

The following tables summarize the MBS portfolio as of March 31, 2025 and December 31, 2024:

(\$ in thousands)

Asset Category	Fair Value	Percentage of Entire Portfolio	Weighted Average Coupon	Weighted Average Maturity in Months	Longest Maturity
March 31, 2025					
Fixed Rate MBS	\$ 118,704	98.1 %	5.60 %	338	1-Jan-55
Structured MBS	2,261	1.9 %	2.86 %	279	15-May-51
Total MBS Portfolio	\$ 120,965	100.0 %	5.27 %	337	1-Jan-55
December 31, 2024					
Fixed Rate MBS	\$ 120,056	98.1 %	5.60 %	341	1-Jan-55
Structured MBS	2,292	1.9 %	2.85 %	281	15-May-51
Total MBS Portfolio	\$ 122,348	100.0 %	5.26 %	340	1-Jan-55

(\$ in thousands)

Agency	March 31, 2025		December 31, 2024	
	Fair Value	Percentage of Entire Portfolio	Fair Value	Percentage of Entire Portfolio
Fannie Mae	\$ 31,705	26.2 %	\$ 32,692	26.7 %
Freddie Mac	89,260	73.8 %	89,656	73.3 %

Total Portfolio	\$	120,965	100.0 %	\$	122,348	100.0 %
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		March 31, 2025	December 31, 2024
Weighted Average Pass Through Purchase Price	\$	102.72	\$ 102.72
Weighted Average Structured Purchase Price	\$	4.48	\$ 4.48
Weighted Average Pass Through Current Price	\$	100.85	\$ 99.63
Weighted Average Structured Current Price	\$	14.02	\$ 13.71
Effective Duration ⁽¹⁾		3.257	3.622

(1) Effective duration is the approximate percentage change in price for a 100 basis point change in rates. An effective duration of 3.257 indicates that an interest rate increase of 1.0% would be expected to cause a 3.257% decrease in the value of the MBS in the Company's investment portfolio at March 31, 2025. An effective duration of 3.622 indicates that an interest rate increase of 1.0% would be expected to cause a 3.622% decrease in the value of the MBS in the Company's investment portfolio at December 31, 2024. These figures include the structured securities in the portfolio but not the effect of the Company's hedges. Effective duration quotes for individual investments are obtained from The Yield Book, Inc.

Financing and Liquidity

As of March 31, 2025, the Company had outstanding repurchase obligations of approximately \$115.5 million with a net weighted average borrowing rate of 4.47%. These agreements were collateralized by MBS with a fair value, including accrued interest, of approximately \$121.4 million. At March 31, 2025, the Company's liquidity was approximately \$4.5 million, consisting of unpledged MBS and cash and cash equivalents.

We may pledge more of our structured MBS as part of a repurchase agreement funding but retain cash in lieu of acquiring additional assets. In this way, we can, at a modest cost, retain higher levels of cash on hand and decrease the likelihood that we will have to sell assets in a distressed market in order to raise cash. Below is a list of outstanding borrowings under repurchase obligations at March 31, 2025.

(\$ in thousands)

Repurchase Agreement Obligations				
Counterparty	Total Outstanding Balances	% of Total	Weighted Average Borrowing Rate	Weighted Average Maturity (in Days)
South Street Securities, LLC	\$ 25,952	22.5 %	4.46 %	21
Marex Capital Markets Inc.	24,040	20.8 %	4.45 %	39
DV Securities, LLC Repo	19,282	16.7 %	4.45 %	21
Mirae Asset Securities (USA) Inc.	18,870	16.3 %	4.51 %	51
Clear Street LLC	16,365	14.2 %	4.46 %	49
Mitsubishi UFJ Securities, Inc.	11,002	9.5 %	4.49 %	49
	\$ 115,511	100.0 %	4.47 %	36

Summarized Consolidated Financial Statements

The following is a summarized presentation of the unaudited consolidated balance sheets as of March 31, 2025, and December 31, 2024, and the unaudited consolidated statements of operations for the three months ended March 31, 2025 and 2024. Amounts presented are subject to change.

BIMINI CAPITAL MANAGEMENT, INC.
CONSOLIDATED BALANCE SHEETS
(Unaudited - Amounts Subject to Change)

	March 31, 2025	December 31, 2024
ASSETS		
Mortgage-backed securities	\$ 120,965,124	\$ 122,348,170

Cash equivalents and restricted cash	5,500,438	7,422,746
Orchid Island Capital, Inc. common stock, at fair value	4,279,414	4,427,372
Accrued interest receivable	587,536	601,640
Deferred tax assets, net	15,750,116	15,930,953
Other assets	4,356,674	4,122,776
Total Assets	\$ 151,439,302	\$ 154,853,657

LIABILITIES AND STOCKHOLDERS' EQUITY

Repurchase agreements	\$ 115,510,999	\$ 117,180,999
Long-term debt	27,362,762	27,368,158
Other liabilities	1,191,564	3,483,093
Total Liabilities	144,065,325	148,032,250
Stockholders' equity	7,373,977	6,821,407
Total Liabilities and Stockholders' Equity	\$ 151,439,302	\$ 154,853,657
Class A Common Shares outstanding	10,005,457	10,005,457
Book value per share	\$ 0.74	\$ 0.68

BIMINI CAPITAL MANAGEMENT, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited - Amounts Subject to Change)

	Three Months Ended March 31,	
	2025	2024
Advisory services	\$ 3,582,289	\$ 2,929,261
Interest and dividend income	1,947,040	1,598,965
Interest expense	(1,844,020)	(1,815,678)
Net revenues	3,685,309	2,712,548
Other (expense) income	(27,745)	926,731
Expenses	2,924,157	3,029,395
Net income before income tax provision	733,407	609,884
Income tax provision	180,837	396,776
Net income	\$ 552,570	\$ 213,108

Basic and Diluted Net (Loss) Income Per Share of:

CLASS A COMMON STOCK	\$ 0.06	\$ 0.02
CLASS B COMMON STOCK	\$ 0.06	\$ 0.02

Key Balance Sheet Metrics	Three Months Ended March 31,	
	2025	2024
Average MBS ⁽¹⁾	\$ 121,656,646	\$ 90,697,087
Average repurchase agreements ⁽¹⁾	116,345,999	85,752,999
Average stockholders' equity ⁽¹⁾	7,097,692	8,234,295

Key Performance Metrics

Average yield on MBS ⁽²⁾	5.73 %	6.15 %
Average cost of funds ⁽²⁾	4.49 %	5.63 %
Average economic cost of funds ⁽³⁾	4.13 %	5.54 %
Average interest rate spread ⁽⁴⁾	1.24 %	0.52 %
Average economic interest rate spread ⁽⁵⁾	1.60 %	0.61 %

- (1) Average MBS, repurchase agreements and stockholders' equity balances are calculated using two data points, the beginning and ending balances.
- (2) Portfolio yields and costs of funds are calculated based on the average balances of the underlying investment portfolio/repurchase agreement balances and are annualized for the quarterly periods presented.
- (3) Represents interest cost of our borrowings and the effect of derivative agreements attributed to the period related to hedging activities, divided by average repurchase agreements.
- (4) Average interest rate spread is calculated by subtracting average cost of funds from average yield on MBS.
- (5) Average economic interest rate spread is calculated by subtracting average economic cost of funds from average yield on MBS.

About Bimini Capital Management, Inc.

Bimini Capital Management, Inc. invests primarily in, but is not limited to investing in, residential mortgage-related securities issued by the Federal National Mortgage Association (Fannie Mae), the Federal Home Loan Mortgage Corporation (Freddie Mac) and the Government National Mortgage Association (Ginnie Mae). Its objective is to earn returns on the spread between the yield on its assets and its costs, including the interest expense on the funds it borrows. In addition, Bimini generates a significant portion of its revenue serving as the manager of the MBS portfolio of, and providing certain repurchase agreement trading, clearing and administrative services to, Orchid Island Capital, Inc.

Forward Looking Statements

Statements herein relating to matters that are not historical facts are forward-looking statements, as defined in the Private Securities Litigation Reform Act of 1995. The reader is cautioned that such forward-looking statements are based on information available at the time and on management's good faith belief with respect to future events, and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in such forward-looking statements. Important factors that could cause such differences are described in Bimini Capital Management, Inc.'s filings with the Securities and Exchange Commission, including Bimini Capital Management, Inc.'s most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. Bimini Capital Management, Inc. assumes no obligation to update forward-looking statements to reflect subsequent results, changes in assumptions or changes in other factors affecting forward-looking statements, except as may be required by applicable law.

Earnings Conference Call Details

An earnings conference call and live audio webcast will be hosted Friday, May 2, 2025, at 10:00 AM ET. Participants can register and receive dial-in information at <https://register-conf.media-server.com/register/Bla731c864bb5447568e7b00d74642ab23>. A live audio webcast of the conference call can be accessed at <https://edge.media-server.com/mmc/p/cq5fazei> or via the investor relations section of the Company's website at <https://ir.biminicapital.com>. An audio archive of the webcast will be available on the website for 30 days after the call.

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