



BIMINI CAPITAL MANAGEMENT ANNOUNCES FOURTH QUARTER 2021 RESULTS

VERO BEACH, Fla. (March 10, 2022) – Bimini Capital Management, Inc. (OTCBB:BMNM), (“Bimini Capital,” “Bimini,” or the “Company”) today announced results of operations for the three month period ended December 31, 2021.

Fourth Quarter 2021 Highlights

- Net loss of \$0.6 million, or \$0.05 per common share
- Book value per share of \$3.08
- Company to discuss results on Friday, March 11, 2022, at 10:00 AM ET

Management Commentary

Commenting on the fourth quarter results, Robert E. Cauley, Chairman and Chief Executive Officer, said, “The country and economy appear to be on the verge of recovering from the COVID-19 pandemic. Stimulated by unprecedented monetary and fiscal policy, the most significant combination of the two since the Second World War, the fading effect of the pandemic is clearly causing the economy to run at unsustainable levels, resulting in very tight labor markets and the highest level of inflation in decades. The Federal Reserve (the “Fed”) is in the midst of a rapid transformation from accommodation to constraint and will likely begin raising short-term rates at their meeting in March of 2022. Currently the market anticipates the Fed will continue to raise rates throughout the year and into 2023, possibly by as much as 200 basis points. Further, they are rapidly winding down their asset purchases and will likely stop asset purchases altogether – possibly by the end of the year – as they begin the process of “normalizing” the size of their balance sheet. The effect of these developments on interest rates has been a material flattening of the U.S. Treasury curve, whereby short and intermediate term rates rise and more so relative to longer maturity U.S. Treasuries. The Russian invasion of Ukraine on February 24, 2022 may cause the Fed to alter their monetary policy decisions over the course of 2022. The outbreak of hostilities has raised the threat of a more widespread war and will certainly be inflationary, especially with respect to commodities. However, given the level of inflation and strength of the economy at present, such developments would likely have to be severe in order to meaningfully impact the path of monetary policy over the near-term.

“Orchid had another strong quarter growing its shareholders’ equity after raising net proceeds of approximately \$115.5 million through its “at the market” program during the fourth quarter of 2021. Through the end of 2021, Orchid has increased its shareholders’ equity by approximately \$352.8 million, or 85%. As a result, Bimini Advisor’s advisory services revenue increased 19% over the third quarter. Dividend income on our shares of Orchid common stock was unchanged from the third quarter of 2021 and the fourth quarter of 2020 at \$0.065 per share per month. In January 2022, Orchid announced it will be reducing its monthly dividend to \$0.055 per share.

“The Agency RMBS portfolio at Royal Palm Capital decreased by 6% during the fourth quarter of 2021, the combined effect of \$2.5 million of paydowns, return of investment on the structured securities portfolio of \$0.2 million and \$0.9 million market to market loss. Prepayment activity during the quarter was 13.7 CPR for the pass-through portfolio, a decline from 15.5 CPR in the third quarter, and 35.2 CPR for the structured securities portfolio, an increase from 26.9 CPR for the third quarter. The combined portfolio prepaid at 21.1 CPR for the fourth quarter versus 18.3 CPR during the third. The pass-through securities owned by Royal Palm are predominantly higher coupon and more seasoned, and while rates on the loans underlying these securities are still in the money and the economic incentive to refinance is still present, we are finally seeing slower speeds, or burnout. We did see some widening in spreads of these securities as specified pool pay-ups softened late in the quarter. As a result, for the fourth quarter of 2021, we

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recorded the mark to market loss mentioned above of \$0.8 million on our RMBS pass-through holdings. The price of our Orchid shares declined by \$0.39, or \$1.0 million.

“The economic developments that occurred during the fourth quarter have continued, and in many cases accelerated so far in 2022. Interest rates have risen materially, and the curve has continued to flatten. The Fed has indicated they are poised to remove accommodation at an accelerated pace as well. For Bimini, this means our funding costs are likely to rise materially over the course of 2022 and possibly into 2023. While longer-term maturities have not risen as much as short and intermediate term rates, they have risen and refinancing and purchase activity in the residential housing market is likely to slow. If this occurs, it would slow premium amortization on the Company’s Agency RMBS securities. The net effect of higher funding costs and slower premium amortization will depend on the extent and timing of both but may reduce the Company’s net interest income. As always, we will be diligent in the management of our portfolio so as to minimize the effect of rising funding costs and protect the portfolio from further adverse market moves, likely via lower leverage.”

Details of Fourth Quarter 2021 Results of Operations

The Company reported net loss of \$0.6 million, or \$0.05 per common share, for the three-month period ended December 31, 2021. As Orchid was able to grow its capital base during the year, advisory service revenues increased approximately 66% compared to the three-month period ended December 31, 2020. Interest income on MBS and interest expense on repurchase agreements were down approximately 14% and 50%, respectively, for the fourth quarter of 2021 compared to the same period in 2020. We recorded mark-to-market losses of approximately \$0.9 million and \$1.0 million on our MBS portfolio and Orchid stock, respectively, during the three-month period ended December 31, 2021. The results for the quarter also included operating expenses of \$3.2 million.

Management of Orchid Island Capital, Inc.

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 the management agreement, 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 December 31, 2021, Bimini’s statement of operations included a fair value adjustment of \$(1.0) million and dividends of \$0.5 million from its investment in Orchid common stock. Also during the three months ended December 31, 2021, Bimini recorded \$3.0 million in advisory services revenue for managing Orchid’s portfolio consisting of \$2.6 million of management fees and \$0.4 million in overhead reimbursement.

Capital Allocation and Return on Invested Capital

The Company allocates capital between two MBS sub-portfolios, the pass-through MBS portfolio (“PT MBS”) and the structured MBS portfolio, consisting of interest only (“IO”) and inverse interest-only (“IIO”) 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 - September 30, 2021	\$ 61,372,233	\$ 2,999,175	\$ 18,869	\$ 3,018,044	\$ 64,390,277
Return of Investment	n/a	(197,478)	(2,880)	(200,358)	(200,358)
Pay-downs	(2,509,429)	n/a	n/a	n/a	(2,509,429)
Premium Lost Due to Pay-downs	(272,860)	n/a	n/a	n/a	(272,860)
Mark to Market (Losses)	(561,085)	(42,428)	(973)	(43,401)	(604,486)
Market Value - December 31, 2021	\$ 58,028,859	\$ 2,759,269	\$ 15,016	\$ 2,774,285	\$ 60,803,144

The tables below present the allocation of capital between the respective portfolios at December 31, 2021 and September 30, 2021, and the return on invested capital for each sub-portfolio for the three month period ended December 31, 2021. 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.

The returns on invested capital in the PT MBS and structured MBS portfolios were approximately (4.6)% and (1.1)%, respectively, for the fourth quarter of 2021. The combined portfolio generated a return on invested capital of approximately (3.6)%.

Capital Allocation					
	Pass-Through Portfolio	Structured Security Portfolio			Total
		Interest-Only Securities	Inverse Interest Only Securities	Sub-total	
December 31, 2021					
Market Value	\$ 58,028,859	\$ 2,759,269	\$ 15,016	\$ 2,774,285	\$ 60,803,144
Cash equivalents and restricted cash ⁽¹⁾	9,812,410	-	-	-	9,812,410
Repurchase Agreement Obligations	(58,877,999)	-	-	-	(58,877,999)
Total ⁽²⁾	\$ 8,963,270	\$ 2,759,269	\$ 15,016	\$ 2,774,285	\$ 11,737,555
% of Total	76.4%	23.5%	0.1%	23.6%	100.0%
September 30, 2021					
Market Value	\$ 61,372,233	\$ 2,999,175	\$ 18,869	\$ 3,018,044	\$ 64,390,277
Cash equivalents and restricted cash ⁽¹⁾	9,544,843	-	-	-	9,544,843
Repurchase Agreement Obligations	(63,159,999)	-	-	-	(63,159,999)
Total ⁽²⁾	\$ 7,757,077	\$ 2,999,175	\$ 18,869	\$ 3,018,044	\$ 10,775,121
% of Total	72.0%	27.8%	0.2%	28.0%	100.0%

(1) Amount excludes restricted cash of \$0 and \$160 at December 31, 2021 and September 30, 2021, respectively, related to trust preferred debt funding hedges.

(2) Invested capital includes the value of the MBS portfolio and cash equivalents and restricted cash, reduced by repurchase agreement borrowings.

Returns for the Quarter Ended December 31, 2021					
	Structured Security Portfolio				Total
	Pass-Through Portfolio	Interest-Only Securities	Inverse Interest Only Securities	Sub-total	
Income (net of repo cost)	\$ 478,466	\$ 11,235	\$ (5)	\$ 11,230	\$ 489,696
Realized and unrealized (losses) gains	(833,944)	(42,428)	(973)	(43,401)	(877,345)
	\$ (355,478)	\$ (31,193)	\$ (978)	\$ (32,171)	\$ (387,649)
Beginning Capital Allocation	7,757,077	2,999,175	18,869	3,018,044	10,775,121
Return on Invested Capital for the Quarter ⁽¹⁾	(4.6)%	(1.0)%	(5.2)%	(1.1)%	(3.6)%

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

Prepayments

For the fourth quarter of 2021, the Company received approximately \$2.7 million in scheduled and unscheduled principal repayments and prepayments, which equated to a constant prepayment rate (“CPR”) of approximately 21.1% for the fourth quarter of 2021.

Prepayment rates on the two MBS sub-portfolios were as follows (in CPR):

Three Months Ended	PT	Structured	Total
	MBS Sub- Portfolio	MBS Sub- Portfolio	
December 31, 2021	13.7	35.2	21.1
September 30, 2021	15.5	26.9	18.3
June 30, 2021	21.0	31.3	21.9
March 31, 2021	18.5	16.4	18.3
December 31, 2020	12.8	24.5	14.4
September 30, 2020	13.0	32.0	15.8
June 30, 2020	12.4	25.0	15.3
March 31, 2020	11.6	18.1	13.7

Portfolio

The following tables summarize the MBS portfolio as of December 31, 2021 and 2020.

(\$ in thousands)

Asset Category	Fair Value	Percentage of Entire Portfolio	Weighted Average Coupon	Weighted Average Maturity in Months	Longest Maturity
December 31, 2021					
Fixed Rate MBS	\$ 58,029	95.4%	3.69%	330	1-Sep-51
Interest-Only Securities	2,759	4.6%	2.86%	306	15-May-51
Inverse Interest-Only Securities	15	0.0%	5.90%	209	15-May-39
Total Mortgage Assets	\$ 60,803	100.0%	3.41%	329	1-Sep-51
December 31, 2020					
Fixed Rate MBS	\$ 64,902	99.6%	3.89%	333	1-Aug-50
Interest-Only Securities	251	0.4%	3.56%	299	15-Jul-48
Inverse Interest-Only Securities	25	0.0%	5.84%	221	15-May-39
Total Mortgage Assets	\$ 65,178	100.0%	3.89%	333	1-Aug-50

(\$ in thousands)

Agency	December 31, 2021		December 31, 2020	
	Fair Value	Percentage of Entire Portfolio	Fair Value	Percentage of Entire Portfolio
Fannie Mae	\$ 39,703	65.3%	\$ 38,946	59.8%
Freddie Mac	21,100	34.7%	26,232	40.2%
Total Portfolio	\$ 60,803	100.0%	\$ 65,178	100.0%

Entire Portfolio	December 31, 2021	December 31, 2020
Weighted Average Pass-Through Purchase Price	\$ 109.33	\$ 109.51
Weighted Average Structured Purchase Price	\$ 4.81	\$ 4.28
Weighted Average Pass-Through Current Price	\$ 109.30	\$ 112.67
Weighted Average Structured Current Price	\$ 9.87	\$ 3.20
Effective Duration ⁽¹⁾	2.103	3.309

(1) Effective duration of 2.103 indicates that an interest rate increase of 1.0% would be expected to cause a 2.103% decrease in the value of the MBS in the Company's investment portfolio at December 31, 2021. An effective duration of 3.309 indicates that an interest rate increase of 1.0% would be expected to cause a 3.309% decrease in the value of the MBS in the Company's investment portfolio at December 31, 2020. 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, Leverage and Liquidity

As of December 31, 2021, the Company had outstanding repurchase obligations of approximately \$58.9 million with a net weighted average borrowing rate of 0.14%. These agreements were collateralized by MBS with a fair value, including accrued interest, of approximately \$61.0 million, and cash pledged to counterparties of approximately \$1.4 million. At December 31, 2021, the Company's liquidity was approximately \$8.4 million, consisting of unpledged MBS and cash and cash equivalents.

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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 we will have to sell assets in a distressed market in order to raise cash. Below is a listing of outstanding borrowings under repurchase obligations at December 31, 2021.

(\$ in thousands)

Repurchase Agreement Obligations						
Counterparty		Total Outstanding Balances	% of Total	Weighted Average Borrowing Rate	Amount at Risk⁽¹⁾	Weighted Average Maturity (in Days)
Mirae Asset Securities (USA) Inc.	\$	34,205	58.1%	0.13%	\$ 1,844	15
ED&F Man Capital Markets, Inc.		11,996	20.4%	0.11%	417	14
South Street Securities, LLC		5,352	9.1%	0.15%	254	18
Citigroup Global Markets, Inc.		5,120	8.7%	0.15%	544	21
Mitsubishi UFJ Securities (USA), Inc.		2,205	3.7%	0.52%	461	20
	\$	58,878	100.0%	0.14%	\$ 3,520	16

(1) Equal to the fair value of securities sold plus accrued interest receivable and cash posted as collateral (if any), minus the sum of repurchase agreement liabilities and accrued interest payable.

Book Value Per Share

The Company's Book Value Per Share at December 31, 2021 was \$3.08. 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 December 31, 2021, the Company's stockholders' equity was \$33.0 million with 10,702,194 Class A Common shares outstanding.

Stock Repurchase Plans

On March 26, 2018, the Board of Directors of the Company approved a Stock Repurchase Plan (the "2018 Repurchase Plan"). Pursuant to the 2018 Repurchase Plan, we could purchase up to 500,000 shares of the Company's Class A Common Stock from time to time, subject to certain limitations imposed by Rule 10b-18 of the Securities Exchange Act of 1934. The 2018 Repurchase Plan was terminated on September 16, 2021.

During the period beginning January 1, 2021 through September 16, 2021, the Company repurchased a total of 1,195 shares under the 2018 Repurchase Plan at an aggregate cost of approximately \$2,298, including commissions and fees, for a weighted average price of \$1.92 per share. From commencement of the 2018 Repurchase Plan, through its termination, the Company repurchased a total of 71,598 shares at an aggregate cost of approximately \$169,243, including commissions and fees, for a weighted average price of \$2.36 per share.

On September 16, 2021, the Board authorized a share repurchase plan pursuant to Rule 10b5-1 of the Securities Exchange Act of 1934 (the "2021 Repurchase Plan"). Pursuant to the 2021 Repurchase Plan, we may purchase shares of our Class A Common Stock from time to time for an aggregate purchase price not to exceed \$2.5 million. Share repurchases may be executed through various means, including, without limitation, open market transactions. The 2021 Repurchase Plan does not obligate the Company to purchase any shares, and it expires on September 16, 2023. The authorization for the 2021 Repurchase Plan may be terminated, increased or

decreased by the Company's Board of Directors in its discretion at any time. From the commencement of the 2021 Repurchase Plan, through December 31, 2021, we repurchased a total of 92,287 shares at an aggregate cost of approximately \$192,905, including commissions and fees, for a weighted average price of \$2.09 per share. Subsequent to December 31, 2021, and through March 10, 2022, the Company repurchased a total of 170,422 shares at an aggregate cost of approximately \$343,732, including commissions and fees, for a weighted average price of \$2.02 per share.

Summarized Financial Statements

The following is a summarized presentation of the unaudited consolidated balance sheets as of December 31, 2021, and 2020, and the unaudited consolidated statements of operations for the calendar quarters and years ended December 31, 2021 and 2020. Amounts presented are subject to change.

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

	December 31, 2021	December 31, 2020
ASSETS		
Mortgage-backed securities	\$ 60,803,144	\$ 65,178,231
Cash equivalents and restricted cash	9,812,410	10,911,357
Investment in Orchid Island Capital, Inc.	11,679,107	13,547,764
Accrued interest receivable	229,942	202,192
Deferred tax assets, net	35,036,312	34,668,467
Other assets	4,523,726	4,192,558
Total Assets	\$ 122,084,641	\$ 128,700,569
LIABILITIES AND EQUITY		
Repurchase agreements	\$ 58,877,999	\$ 65,071,113
Junior subordinated notes	27,438,976	27,612,781
Other liabilities	2,767,816	1,528,826
Total Liabilities	89,084,791	94,212,720
Stockholders' equity	32,999,850	34,487,849
Total Liabilities and Equity	\$ 122,084,641	\$ 128,700,569
Class A Common Shares outstanding	10,702,194	11,608,555
Book value per share	\$ 3.08	\$ 2.97

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

	Years Ended December 31,		Three Months Ended December 31,	
	2021	2020	2021	2020
Advisory services	\$ 9,788,340	\$ 6,795,072	\$ 3,030,541	\$ 1,825,929
Interest and dividend income	4,261,596	5,516,733	1,017,044	1,102,658
Interest expense	(1,112,973)	(2,224,141)	(270,470)	(300,470)
Net revenues	12,936,963	10,087,664	3,777,115	2,628,117
(Losses) gains	(4,744,032)	(10,279,321)	(1,889,383)	424,608
Expenses	8,285,362	6,666,901	3,151,796	1,660,107
Net loss before income tax benefit	(92,431)	(6,858,558)	(1,264,064)	1,392,618
Income tax benefit	(367,845)	(1,369,416)	(704,234)	(10,665,275)
Net income (loss)	\$ 275,414	\$ (5,489,142)	\$ (559,830)	\$ 12,057,893

Basic and Diluted Net income (loss) Per Share of:

CLASS A COMMON STOCK	\$ 0.02	\$ (0.47)	\$ (0.05)	\$ 1.04
CLASS B COMMON STOCK	\$ 0.02	\$ (0.47)	\$ (0.05)	\$ 1.04

Key Balance Sheet Metrics	Consolidated Three Months Ended December 31,	
	2021	2020
Average MBS ⁽¹⁾	\$ 62,596,709	\$ 69,161,379
Average repurchase agreements ⁽¹⁾	61,018,999	67,878,143
Average equity ⁽¹⁾	32,449,980	28,458,902
Key Performance Metrics		
Average yield on MBS ⁽²⁾	3.27%	3.45%
Average cost of funds ⁽²⁾	0.14%	0.25%
Average economic cost of funds ⁽³⁾	4.77%	3.88%
Average interest rate spread ⁽⁴⁾	3.13%	3.20%
Average economic interest rate spread ⁽⁵⁾	(1.50)%	(0.43)%

- (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. is an asset manager that invests primarily 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).

Through our wholly-owned subsidiary, Bimini Advisors Holdings, LLC ("Bimini Advisors"), we serve as the external manager of Orchid Island Capital, Inc. ("Orchid"). Orchid is a publicly-traded real estate investment trust (NYSE: ORC). Orchid is managed to earn returns on the spread between the yield on its assets and its costs, including the interest expense on the funds it borrows. As Orchid's external manager, Bimini Advisors receives management fees and expense reimbursements for managing Orchid's investment portfolio and day-to-day operations. Pursuant to the terms of the management agreement, Bimini Advisors provides Orchid with its management team, including its officers, along with appropriate support personnel. Bimini Advisors is at all times subject to the supervision and oversight of Orchid's board of directors and has only such functions and authority as are delegated to it.

We also manage the portfolio of our wholly-owned subsidiary, Royal Palm Capital, LLC ("Royal Palm"). Royal Palm is managed with an investment strategy similar to that of Orchid. Bimini Capital Management, Inc. and its subsidiaries are headquartered in Vero Beach, Florida.

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.

Earnings Conference Call Details

An earnings conference call and live audio webcast will be hosted Friday, March 11, 2022, at 10:00 AM ET. Participants can receive dial-in information via email by following the link:

<https://www.incommglobevents.com/registration/q4inc/9945/bimini-capital-fourth-quarter-earnings-conference-call/>

A live audio webcast of the conference call can be accessed at <https://events.q4inc.com/attendee/416889295> 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 for approximately one year.

CONTACT:

Bimini Capital Management, Inc.

Robert E. Cauley, 772-231-1400

Chairman and Chief Executive Officer

<https://ir.biminicapital.com>