# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION
**Washington, D.C. 20549**

# FORM 10-Q

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the quarterly period ended March 31, 2026**

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the transition period from __________ to ___________**

Commission File Number**: 001-32171**

# Bimini Capital Management, Inc.
**(Exact name of registrant as specified in its charter)**

| | |
|---|---|
| **Maryland**<br>(State or other jurisdiction of incorporation or organization) | **72-1571637**<br>(I.R.S. Employer Identification No.) |

**3305 Flamingo Drive, Vero Beach, Florida 32963**
(Address of principal executive offices) (Zip Code)

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

Securities registered pursuant to Section 12(b) of the Act: None.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer”, “smaller reporting company”, and “emerging growth company” in Rule 12b-2 of the Exchange Act. Check one:

| | | | |
|---|---|---|---|
| Large accelerated filer | ☐ | Accelerated filer | ☐ |
| Non-accelerated filer | ☐ | Smaller reporting company | ☒ |
| | | 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. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the Registrant’s classes of common stock, as of the latest practicable date:

| Title of each Class | Latest Practicable Date | Shares Outstanding |
|---|---|---|
| Class A Common Stock, $0.001 par value | May 7, 2026 | 9,999,456 |
| Class B Common Stock, $0.001 par value | May 7, 2026 | 31,938 |
| Class C Common Stock, $0.001 par value | May 7, 2026 | 31,938 |

**BIMINI CAPITAL MANAGEMENT, INC.**

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**SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS**

We make forward-looking statements in this Report that are subject to risks and uncertainties. In some cases, these statements can be identified by the use of forward-looking terminology such as “believe,” “expect,” “anticipate,” “estimate,” “intend,” “should,” “may,” “plans,” “projects,” “will,” or similar expressions, or the negative of these words. These forward-looking statements involve risks and uncertainties because they relate to events, developments, and circumstances relating to our business, industry financial condition, liquidity, results of operations, plans and objectives and/or general economic or other conditions that may or may not occur in the future or may occur on longer or shorter timelines or to a greater or lesser degree than anticipated. Although we believe that we have a reasonable basis for each forward-looking statement contained in this report, forward-looking statements are not guarantees of future performance, and our actual results of operations, financial condition and liquidity, and the development of the industry in which we operate, may differ materially from the forward-looking statements contained in this Report as a result of the following factors, among others:

- adverse movements in interest rates;
- our business and investment strategy;
- our ability to acquire investments on attractive terms;
- the effect of prepayment rates on the value of our assets;
- our ability to access the capital markets;
- our ability to obtain future financing arrangements;
- our ability to successfully hedge the interest rate risk and prepayment risk associated with our portfolio;
- our understanding of our competition and our ability to compete effectively;
- our ability to quantify risk based on historical experience;
- our ability to forecast our tax attributes, which are based upon various facts and assumptions, and our ability to protect and use our net operating loss carryforwards (“NOLs”) to offset future taxable income, including whether our stockholder rights plan will be effective in preventing an ownership change that would significantly limit our ability to utilize such NOLs;
- the impact of technology on our operations and business;
- our ability to maintain our exemption from the obligation to register under the Investment Company Act of 1940, as amended;
- market trends;
- the effect of actual, anticipated or proposed actions of the U.S. government, including the U.S. Federal Reserve, the Federal Housing Finance Agency, the Federal Housing Administration, the Federal Open Market Committee and the U.S. Treasury, on interest rates, monetary policy, fiscal policy and the housing and credit markets;
- the federal conservatorship of the Federal National Mortgage Association (“Fannie Mae”) and the Federal Home Loan Mortgage Corporation (“Freddie Mac”) and related efforts, along with any changes in laws and regulations affecting the relationship between Fannie-Mae and Freddie Mac and the U.S. government;
- the impact of inflation on general economic conditions and monetary policy;
- the impact of future changes in tax laws or tax rates;
- geopolitical events, government responses to such events and the related impact on the economy both nationally and internationally; and
- other risks described from time to time in our filings with the Securities and Exchange Commission (the “SEC”).

The forward-looking statements are based on our beliefs, assumptions and expectations of our future performance, taking into account all information currently available to us. You should not place undue reliance on these forward-looking statements. These beliefs, assumptions and expectations can change as a result of many possible events or factors, not all of which are known to us. Some of these factors are described under the caption “Risk Factors” in Part I, Item 1A. of our Annual Report on Form 10-K for the year ended December 31, 2025 and any subsequent reports filed with or furnished to the SEC. If a change occurs, our business, financial condition, liquidity and results of operations may vary materially from those expressed in our forward-looking statements. Any forward-looking statement speaks only as of the date on which it is made. New risks and uncertainties arise from time to time, and it is impossible for us to predict those events or how they may affect us. Except as required by law, we are not obligated to, and do not intend to, update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

## PART I. FINANCIAL INFORMATION

### ITEM 1. FINANCIAL STATEMENTS

### BIMINI CAPITAL MANAGEMENT, INC.
### CONDENSED CONSOLIDATED BALANCE SHEETS

| | (Unaudited) March 31, 2026 | December 31, 2025 |
|---|---|---|
| **ASSETS:** | | |
| Mortgage-backed securities, at fair value: | | |
| Pledged to counterparties | $ 15,953,501 | $ 88,807,576 |
| Unpledged | 112,066 | 120,949 |
| Total mortgage-backed securities | 16,065,567 | 88,928,525 |
| Cash and cash equivalents | 16,377,955 | 12,696,660 |
| Restricted cash | 216,499 | 1,621,399 |
| Orchid Island Capital, Inc. common stock, at fair value | 4,000,569 | 4,097,311 |
| Accrued interest receivable | 72,989 | 415,092 |
| Property and equipment, net | 1,751,865 | 1,768,864 |
| Deferred tax assets, net | 17,022,785 | 17,239,648 |
| Due from affiliates | 1,788,044 | 1,660,666 |
| Other assets | 1,155,305 | 1,265,807 |
| **Total Assets** | $ 58,451,578 | $ 129,693,972 |
| **LIABILITIES AND STOCKHOLDERS' EQUITY** | | |
| **LIABILITIES:** | | |
| Repurchase agreements | $ 15,184,000 | $ 85,326,000 |
| Long-term debt | 27,340,751 | 27,346,546 |
| Accrued interest payable | 87,878 | 300,208 |
| Other liabilities | 2,415,098 | 4,098,421 |
| **Total Liabilities** | 45,027,727 | 117,071,175 |
| **COMMITMENTS AND CONTINGENCIES (Note 9)** | | |
| **STOCKHOLDERS' EQUITY:** | | |
| Preferred stock, $0.001 par value; 10,000,000 shares authorized; 100,000 shares designated Series A Junior Preferred Stock, 9,900,000 shares undesignated; no shares issued and outstanding as of March 31, 2026 and December 31, 2025 | - | - |
| Class A Common stock, $0.001 par value; 98,000,000 shares designated: 10,005,457 shares issued and outstanding as of March 31, 2026 and December 31, 2025 | 10,005 | 10,005 |
| Class B Common stock, $0.001 par value; 1,000,000 shares designated, 31,938 shares issued and outstanding as of March 31, 2026 and December 31, 2025 | 32 | 32 |
| Class C Common stock, $0.001 par value; 1,000,000 shares designated, 31,938 shares issued and outstanding as of March 31, 2026 and December 31, 2025 | 32 | 32 |
| Additional paid-in capital | 329,815,150 | 329,815,150 |
| Accumulated deficit | (316,401,368) | (317,202,422) |
| **Total Stockholders' Equity** | 13,423,851 | 12,622,797 |
| **Total Liabilities and Stockholders' Equity** | $ 58,451,578 | $ 129,693,972 |

*See Notes to Condensed Consolidated Financial Statements*

**BIMINI CAPITAL MANAGEMENT, INC.**
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**
**(Unaudited)**
**For the Three Months Ended March 31, 2026 and 2025**

| | Three Months Ended March 31, | |
|---|---|---|
| | **2026** | **2025** |
| **Revenues:** | | |
| Advisory services | $ 5,126,844 | $ 3,582,289 |
| Interest income | 1,163,807 | 1,742,174 |
| Dividend income from Orchid Island Capital, Inc. common stock | 204,866 | 204,866 |
| Total revenues | 6,495,517 | 5,529,329 |
| Interest expense: | | |
| Repurchase agreements | (697,071) | (1,306,500) |
| Long-term debt | (495,895) | (537,520) |
| Net revenues | 5,302,551 | 3,685,309 |
| **Other income (expense):** | | |
| Unrealized (losses) gains on mortgage-backed securities | (267,467) | 1,489,008 |
| Realized losses on mortgage-backed securities | (372,053) | - |
| Unrealized losses on Orchid Island Capital Inc. common stock | (96,742) | (147,958) |
| Gains (losses) on derivative instruments | 178,396 | (1,368,795) |
| **Other expense, net** | (557,866) | (27,745) |
| **Expenses:** | | |
| Compensation and related benefits | 2,045,858 | 1,918,648 |
| Direct advisory services costs | 443,999 | 341,233 |
| Directors' fees and liability insurance | 202,859 | 200,286 |
| Audit, legal and other professional fees | 859,915 | 325,095 |
| Administrative and other expenses | 174,137 | 138,895 |
| **Total expenses** | 3,726,768 | 2,924,157 |
| Net income before income tax provision | 1,017,917 | 733,407 |
| Income tax provision | 216,863 | 180,837 |
| **Net income** | **$ 801,054** | **$ 552,570** |
| **Basic and Diluted Net Income Per Share of:** | | |
| CLASS A COMMON STOCK | | |
| Basic and Diluted | $ 0.08 | $ 0.06 |
| CLASS B COMMON STOCK | | |
| Basic and Diluted | $ 0.08 | $ 0.06 |
| **Weighted Average Shares Outstanding:** | | |
| CLASS A COMMON STOCK | | |
| Basic and Diluted | 10,005,457 | 10,005,457 |
| CLASS B COMMON STOCK | | |
| Basic and Diluted | 31,938 | 31,938 |

*See Notes to Condensed Consolidated Financial Statements*

**BIMINI CAPITAL MANAGEMENT, INC.**
**CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**
**(Unaudited)**
**For the Three Months Ended March 31, 2026 and 2025**

| | Stockholders' Equity | | | | |
|---|---|---|---|---|---|
| | Common Stock, all classes | | Additional | Accumulated | |
| | Shares | Par Value | Paid-in Capital | Deficit | Total |
| Balances, January 1, 2026 | 10,069,333 | $ 10,069 | $ 329,815,150 | $ (317,202,422) | $ 12,622,797 |
| Net income | - | - | - | 801,054 | 801,054 |
| Balances, March 31, 2026 | 10,069,333 | $ 10,069 | $ 329,815,150 | $ (316,401,368) | $ 13,423,851 |
| | | | | | |
| Balances, January 1, 2025 | 10,069,333 | $ 10,069 | $ 329,815,150 | $ (323,003,812) | $ 6,821,407 |
| Net income | - | - | - | 552,570 | 552,570 |
| Balances, March 31, 2025 | 10,069,333 | $ 10,069 | $ 329,815,150 | $ (322,451,242) | $ 7,373,977 |

*See Notes to Condensed Consolidated Financial Statements*

**BIMINI CAPITAL MANAGEMENT, INC.**
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**
**(Unaudited)**
**For the Three Months Ended March 31, 2026 and 2025**

| | 2026 | 2025 |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES:** | | |
| Net income | $ 801,054 | $ 552,570 |
| Adjustments to reconcile net income to net cash provided by (used in) operating activities: | | |
| Depreciation | 16,999 | 18,075 |
| Deferred income tax provision | 216,863 | 180,837 |
| Unrealized losses (gains) on mortgage-backed securities | 267,467 | (1,489,008) |
| Realized losses on mortgage-backed securities | 372,053 | - |
| Losses (gains) on TBA securities | 54,984 | - |
| Unrealized losses on Orchid Island Capital, Inc. common stock | 96,742 | 147,958 |
| Changes in operating assets and liabilities: | | |
| Accrued interest receivable | 342,103 | 14,104 |
| Due from affiliates | (127,378) | (181,496) |
| Other assets | 110,502 | (70,477) |
| Accrued interest payable | (212,330) | (215,737) |
| Other liabilities | (1,738,307) | (2,075,792) |
| NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES | 200,752 | (3,118,966) |
| | | |
| **CASH FLOWS FROM INVESTING ACTIVITIES:** | | |
| From mortgage-backed securities investments: | | |
| Sales | 68,590,546 | - |
| Principal repayments | 3,632,892 | 2,872,054 |
| NET CASH PROVIDED BY INVESTING ACTIVITIES | 72,223,438 | 2,872,054 |
| | | |
| **CASH FLOWS FROM FINANCING ACTIVITIES:** | | |
| Proceeds from repurchase agreements | 981,196,523 | 285,099,000 |
| Principal repayments on repurchase agreements | (1,051,338,523) | (286,769,000) |
| Principal repayments on long-term debt | (5,795) | (5,396) |
| NET CASH USED IN FINANCING ACTIVITIES | (70,147,795) | (1,675,396) |
| | | |
| NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH | 2,276,395 | (1,922,308) |
| CASH, CASH EQUIVALENTS AND RESTRICTED CASH, beginning of the period | 14,318,059 | 7,422,746 |
| CASH, CASH EQUIVALENTS AND RESTRICTED CASH, end of the period | $ 16,594,454 | $ 5,500,438 |
| | | |
| **SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:** | | |
| Cash paid during the period for: | | |
| Interest expense | $ 1,405,296 | $ 2,059,757 |

*See Notes to Condensed Consolidated Financial Statements*

**BIMINI CAPITAL MANAGEMENT, INC.**
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**
**(Unaudited)**
**March 31, 2026**

## NOTE 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

### Business Description

Bimini Capital Management, Inc., a Maryland corporation (“Bimini Capital” and collectively with its subsidiaries, the “Company”) was formed in September 2003, and is a holding company. The Company operates in two business segments through its principal wholly owned operating subsidiary, Royal Palm Capital LLC, which includes its wholly owned subsidiary, Bimini Advisors Holdings, LLC.

Royal Palm Capital, LLC maintains an investment portfolio, consisting primarily of residential mortgage-backed securities (“MBS”) investments and shares of Orchid Island Capital, Inc. (“Orchid”) common stock, for its own benefit. Royal Palm Capital, LLC and its wholly owned subsidiaries are collectively referred to as "Royal Palm."

Bimini Advisors Holdings, LLC and its wholly owned subsidiary, Bimini Advisors, LLC (an investment advisor registered with the Securities and Exchange Commission), are collectively referred to as “Bimini Advisors.” Bimini Advisors manages a MBS portfolio for Orchid and receives fees for providing these services. Bimini Advisors also provides certain repurchase agreement trading, clearing and administrative services to Orchid. Bimini Advisors also manages the MBS portfolio of Royal Palm.

On April 1, 2026, the Company acquired eighty percent (80%) of the fully diluted equity interests of Tom Johnson Investment Management, LLC (“TJIM”), a registered investment adviser. See Note 17, “Subsequent Event,” for additional information.

### Segment Reporting

The Company’s operations are classified into two reportable segments: the asset management segment and the investment portfolio segment. These segments are evaluated by management in deciding how to allocate resources and in assessing performance. The accounting policies of the operating segments are the same as the Company’s accounting policies with the exception that inter-segment revenues and expenses are included in the presentation of segment results. For further information see Note 13.

### Consolidation

The accompanying condensed consolidated financial statements include the accounts of Bimini Capital and its subsidiaries, as listed above. All inter-company accounts and transactions have been eliminated.

### Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (“GAAP”) for interim financial information and with the instructions to Form 10-Q and Article 8 of Regulation S-X. Accordingly, they may not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair statement of results for the interim periods are included. Operating results for the three-month period ended March 31, 2026 are not necessarily indicative of the results that may be expected for the year ending December 31, 2026.

The consolidated balance sheet at December 31, 2025 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by GAAP for complete consolidated financial statements. For further information, refer to the financial statements and footnotes included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2025.

**Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could significantly differ from those estimates. Significant estimates affecting the accompanying consolidated financial statements include determining the fair values of MBS, the amounts of asset valuation allowances, and the computation of the income tax provision or benefit and the deferred tax asset allowances recorded for each accounting period.

**Variable Interest Entities ("VIEs")**

A variable interest entity ("VIE") is consolidated by an enterprise if it is deemed the primary beneficiary of the VIE. The Company obtains interests in VIEs through its investments in MBS. The interests in these VIEs are passive in nature and are not expected to result in the Company obtaining a controlling financial interest in these VIEs in the future. As a result, the Company does not consolidate these VIEs and accounts for the interest in these VIEs as MBS. See Note 3. The maximum exposure to loss for these VIEs is the carrying value of the MBS.

Bimini Capital has a common share investment in a trust, Bimini Capital Trust II, ("BCTII"), used in connection with the issuance of Bimini Capital's junior subordinated notes. BCTII is a VIE, as the holders of the equity investment at risk do not have adequate decision making ability over BCTII's activities. Bimini Capital's investment was financed directly by BCTII as a result of its loan of the proceeds to Bimini Capital, therefore that investment is not an equity investment at risk and is not a variable interest. Since Bimini Capital is not the primary beneficiary of BCTII, the Company has not consolidated the financial statements of BCTII into its consolidated financial statements, and this investment is accounted for on the equity method. See Note 7.

**Cash and Cash Equivalents and Restricted Cash**

Cash and cash equivalents include cash on deposit with financial institutions and highly liquid investments with original maturities of three months or less at the time of purchase. Restricted cash includes cash pledged as collateral for repurchase agreements and margin for derivative instruments. The following table presents the Company's cash, cash equivalents and restricted cash as of March 31, 2026 and December 31, 2025.

| | March 31, 2026 | December 31, 2025 |
|---|---|---|
| Cash and cash equivalents | $ 16,377,955 | $ 12,696,660 |
| Restricted cash | 216,499 | 1,621,399 |
| **Total cash, cash equivalents and restricted cash** | $ 16,594,454 | $ 14,318,059 |

The Company maintains cash balances at several banks and excess margin with one exchange clearing member. At times, balances may exceed federally insured limits. The Company has not experienced any losses related to these balances. Restricted cash balances are uninsured, but are held in separate accounts that are segregated from the general funds of the counterparty. The Company limits uninsured balances to only large, well-known banks and exchange clearing members and believes that it is not exposed to significant credit risk on cash and cash equivalents or restricted cash balances.

**Advisory Services**

Bimini Advisors manages and advises Orchid pursuant to the terms of a management agreement. See Note 2. Under the terms of the management agreement, Orchid is obligated to pay Bimini Advisors a monthly management fee and a pro rata portion of certain overhead costs and to reimburse the Company for any direct expenses incurred on its behalf. Revenues from management fees are recognized over the period of time in which the service is performed.

**Mortgage-Backed Securities**

The Company invests primarily in mortgage pass-through ("PT") MBS issued by Freddie Mac, Fannie Mae or Ginnie Mae, collateralized mortgage obligations ("CMOs"), interest-only ("IO") securities and inverse interest-only ("IIO") securities representing interest in or obligations backed by pools of mortgage-backed loans. The Company refers to MBS and CMOs as PT MBS and IO and IIO securities as structured MBS. The Company has elected to account for its investment in MBS under the fair value option. Electing the fair value option requires the Company to record changes in fair value in the consolidated statement of operations, which, in management's view, more appropriately reflects the results of the Company's operations for a particular reporting period and is consistent with the underlying economics and how the portfolio is managed.

The Company records MBS transactions on the trade date. Security purchases that have not settled as of the balance sheet date are included in the MBS balance with an offsetting liability recorded, whereas securities sold that have not settled as of the balance sheet date are removed from the MBS balance with an offsetting receivable recorded.

Fair value is defined as the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date. The fair value measurement assumes that the transaction to sell the asset or transfer the liability either occurs in the principal market for the asset or liability, or in the absence of a principal market, occurs in the most advantageous market for the asset or liability. Estimated fair values for MBS are based on independent pricing sources and/or third-party broker quotes, when available.

Income on PT MBS is based on the stated interest rate of the security. Premiums or discounts present at the date of purchase are not amortized. Premium loss and discount accretion resulting from monthly principal repayments are reflected in unrealized gains and losses on MBS in the consolidated statements of operations. For IO securities, the income is accrued based on the carrying value and the effective yield. The difference between income accrued and the interest received on the security is characterized as a return of investment and serves to reduce the asset's carrying value. At each reporting date, the effective yield is adjusted prospectively for future reporting periods based on the new estimate of prepayments and the contractual terms of the security. For IIO securities, effective yield and income recognition calculations also take into account the index value applicable to the security. Changes in fair value of MBS during each reporting period are recorded in earnings and reported as unrealized gains or losses on MBS in the accompanying consolidated statements of operations. The amount reported as unrealized gains or losses on MBS thus captures the net effect of changes in the fair market value of securities caused by market developments and any premium or discount lost as a result of principal repayments during the period. Realized gains and losses on sales of MBS, using the specific identification method, are reported as a separate component of net portfolio income on the statement of operations.

**Orchid Island Capital, Inc. Common Stock**

The Company accounts for its investment in Orchid common shares at fair value. The change in the fair value and dividends received on this investment are reflected in the consolidated statements of operations for each reporting period. We estimate the fair value of Orchid's common shares on a market approach using "Level 1" inputs based on the quoted market price of Orchid's common stock on a national stock exchange.

**Derivative Financial Instruments**

The Company has historically used derivative instruments to manage interest rate risk, facilitate asset/liability strategies and manage other exposures, and it may continue to do so in the future. The principal instruments that the Company has used are interest rate futures contracts, and "to-be-announced" ("TBA") securities transactions. The Company accounts for TBA securities as derivative instruments. Other types of derivative instruments may be used in the future. Gains and losses associated with derivative transactions are reported in gain (loss) on derivative instruments in the accompanying consolidated statements of operations.

Derivative instruments are carried at fair value, and changes in fair value are recorded in the consolidated operations for each period. The Company's derivative financial instruments are not designated as hedge accounting relationships, but rather are used as economic hedges of its portfolio assets and liabilities. Gains and losses on derivatives, except those that result in cash receipts or payments, are included in operating activities on the statements of cash flows. Cash payments and cash receipts from settlement of derivatives, including current period net cash settlements on interest rate swaps, are classified as an investing activity on the statements of cash flows. The Company's derivative agreements generally contain provisions that allow for netting or setting off derivative assets and liabilities with the counterparty; however, related assets and liabilities are reported on a gross basis in the Company's consolidated balance sheets. Derivative instruments in a gain position, if any, are reported as derivative assets at fair value and derivative instruments in a loss position, if any, are reported as derivative liabilities at fair value in the consolidated balance sheets.

Holding derivatives creates exposure to credit risk related to the potential for failure by counterparties to honor their commitments. In the event of default by a counterparty, the Company may have difficulty recovering its collateral and may not receive payments provided for under the terms of the agreement. The Company's derivative agreements require it to post or receive collateral to mitigate such risk. In addition, the Company uses only registered central clearing exchanges and well-established commercial banks as counterparties, monitors positions with individual counterparties and adjusts posted collateral as required. The Company's futures contracts are exchange traded contracts that are valued based on exchange pricing with daily margin requirements. The margin requirement varies based on the market value of the open position and the equity retained in the account. Margin posted is treated as settlement of the outstanding value of the futures contract. Any margin excess or deficit outstanding is recorded as a receivable or payable as of the date of the Company's balance sheets. The Company realizes gains and losses on these contracts upon expiration equal to the difference between the current fair value of the underlying asset and the contractual price of the futures contract.

**Financial Instruments**

The fair value of financial instruments is disclosed either in the body of the consolidated financial statements or in the accompanying notes. MBS, Orchid common stock and derivative assets and liabilities are accounted for at fair value in the consolidated balance sheets. The methods and assumptions used to estimate fair value for these instruments are presented in Note 12.

**Property and Equipment, net**

Property and equipment, net, consists of computer equipment with a depreciable life of 3 years, office furniture and equipment with depreciable lives of 8 to 20 years, land which has no depreciable life, and our building and its improvements with depreciable lives of 30 years. Property and equipment is recorded at acquisition cost and depreciated to their respective salvage values using the straight-line method over the estimated useful lives of the assets. Depreciation is included in administrative and other expenses in the consolidated statement of operations.

**Repurchase Agreements**

The Company finances the acquisition of the majority of its PT MBS through the use of repurchase agreements under master repurchase agreements. Repurchase agreements are accounted for as collateralized financing transactions, which are carried at their contractual amounts, including accrued interest, as specified in the respective agreements.

**Earnings Per Share**

Basic EPS is calculated as income available to common stockholders divided by the weighted average number of common shares outstanding during the period. Diluted EPS is calculated using the treasury stock or two-class method, as applicable for common stock equivalents. However, the common stock equivalents are not included in computing diluted EPS if the result is anti-dilutive.

Outstanding shares of Class B Common Stock, participating and convertible into Class A Common Stock, are entitled to receive dividends in an amount equal to the dividends declared, if any, on each share of Class A Common Stock. Accordingly, shares of the Class B Common Stock are included in the computation of basic EPS using the two-class method and, consequently, are presented separately from Class A Common Stock.

The shares of Class C Common Stock are not included in the basic EPS computation as these shares do not have participation rights. The outstanding shares of Class B and Class C Common Stock are not included in the computation of diluted EPS for the Class A Common Stock as the conditions for conversion into shares of Class A Common Stock were not met.

**Income Taxes**

Income taxes are provided for using the asset and liability method. Deferred tax assets and liabilities represent the differences between the financial statement and income tax bases of assets and liabilities using enacted tax rates. The measurement of net deferred tax assets is adjusted by a valuation allowance if, based on the Company's evaluation, it is more likely than not that they will not be fully realized in future accounting periods.

The Company's U.S. federal income tax returns for years ended on or after December 31, 2022 remain open for examination. Although management believes its calculations for tax returns are correct and the positions taken thereon are reasonable, the final outcome of a tax examination, should it occur, could be materially different from the tax returns filed by the Company, and those differences could result in significant costs or benefits to the Company. Bimini Capital and its includable subsidiaries, and Royal Palm and its includable subsidiaries, file their tax returns as separate tax paying entities.

The Company assesses the likelihood, based on their technical merit, that uncertain tax positions will be sustained during a tax examination based on the facts, circumstances and information available. The measurement of uncertain tax positions is adjusted when new information is available, or when an event occurs that requires a change. The Company recognizes tax positions in the consolidated financial statements only when it is more likely than not that the position will be sustained upon examination by the relevant taxing authority based on the technical merits of the position. A position that meets this standard is measured at the largest amount of benefit that will more likely than not be realized upon settlement. The difference between the benefit recognized and the tax benefit claimed on a tax return is referred to as an unrecognized tax benefit and is recorded as a liability in the consolidated balance sheets. The Company has recorded no such liabilities. The Company records income tax-related interest and penalties, if applicable, within the income tax provision.

**Recent Accounting Pronouncements**

In November 2024, the Financial Accounting Standards Board issued Accounting Standards Update ("ASU") No. 2024-03, "Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): *Disaggregation of Income Statement Expenses"*. The amendments in the ASU require disclosures about specific types of expenses included in the expense captions presented on the Consolidated Statements of Income, as well as disclosures about selling expenses. ASU 2024-03 is effective for fiscal years beginning after December 15, 2026. We are currently evaluating the impact of adoption on our financial disclosures.

**NOTE 2. ADVISORY SERVICES**

Bimini Advisors serves as the manager and advisor for Orchid pursuant to the terms of a management agreement. As Manager, Bimini Advisors 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 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 delegated to it. Bimini Advisors receives a monthly management fee in the amount of:

- One-twelfth of 1.50% of the first $250 million of Orchid’s month-end equity, as defined in the management agreement,
- One-twelfth of 1.25% of Orchid’s month-end equity that is greater than $250 million and less than or equal to $500 million, and
- One-twelfth of 1.00% of Orchid’s month-end equity that is greater than $500 million.

The Company also provides certain repurchase agreement trading, clearing and administrative services to Orchid. In consideration for such services, Orchid pays the following fees to the Company:

- a daily fee equal to the outstanding principal balance of repurchase agreement funding in place as of the end of such day multiplied by 1.5 basis points for the amount of aggregate outstanding principal balance less than or equal to $5 billion, and multiplied by 1.0 basis point for any amount of aggregate outstanding principal balance in excess of $5 billion, and
- a fee for the clearing and operational services provided by personnel of the Manager equal to $10,000 per month.

Orchid is obligated to reimburse Bimini Advisors for any direct expenses incurred on its behalf and to pay to Bimini Advisors an amount equal to Orchid's pro rata portion of certain overhead costs set forth in the management agreement. Orchid is required to pay Bimini Advisors by the 15th day of the month following the month the services are performed. The management agreement has been renewed through February 20, 2027 and provides for automatic one-year extension options thereafter. Should Orchid terminate the management agreement without cause, it will be obligated to pay Bimini Advisors a termination fee equal to three times the average annual management fee, as defined in the management agreement, before or on the last day of the applicable renewal term.

The following table summarizes the advisory services revenue from Orchid for the three months ended March 31, 2026 and 2025.

*(in thousands)*

| | Three Months Ended March 31, 2026 | Three Months Ended March 31, 2025 |
|---|---|---|
| Management fee | $ 3,988 | $ 2,747 |
| Allocated overhead | 786 | 608 |
| Repurchase, clearing and administrative fee | 353 | 227 |
| Total | $ 5,127 | $ 3,582 |

At March 31, 2026 and December 31, 2025, the net amount due from Orchid was approximately $1.8 million and $1.7 million, respectively.

**NOTE 3. MORTGAGE-BACKED SECURITIES**

The following table presents the Company's MBS portfolio as of March 31, 2026 and December 31, 2025:

*(in thousands)*

| | Par Value | Cost (1) | Fair Value |
|---|---|---|---|
| March 31, 2026 | $ 15,826 | $ 16,027 | $ 16,066 |
| December 31, 2025 | 86,293 | 87,266 | 88,929 |

(1) The cost information in the table above represents the aggregate current par value, multiplied by the purchase price of each security in the portfolio.

The following table is a summary of the Company's net gain (loss) from the sales of MBS for the three months ended March 31, 2026 and 2025.

*(in thousands)*

| | Three Months Ended March 31, | |
|---|---|---|
| | 2026 | 2025 |
| Proceeds from sales of MBS | $ 68,591 | $ - |
| Carrying value of MBS sold | (68,963) | - |
| Net loss on sales of MBS | $ (372) | $ - |
| | | |
| Gross gain on sales of MBS | $ 6 | $ - |
| Gross loss on sales of MBS | (378) | - |
| Net loss on sales of MBS | $ (372) | $ - |

**NOTE 4. REPURCHASE AGREEMENTS**

The Company pledges certain of its MBS as collateral under repurchase agreements with financial institutions. Interest rates are generally fixed based on prevailing rates corresponding to the terms of the borrowings, and interest is generally paid at the termination of a borrowing. If the fair value of the pledged securities declines, lenders will typically require the Company to post additional collateral or pay down borrowings to re-establish agreed upon collateral requirements, referred to as "margin calls." Similarly, if the fair value of the pledged securities increases, lenders may release collateral back to the Company. During the three months ended March 31, 2026 and 2025, the Company had met all margin call requirements.

As of March 31, 2026 and December 31, 2025, the Company's repurchase agreements had remaining maturities as summarized below:

*($ in thousands)*

| | OVERNIGHT (1 DAY OR LESS) | BETWEEN 2 AND 30 DAYS | BETWEEN 31 AND 90 DAYS | GREATER THAN 90 DAYS | TOTAL |
|---|---|---|---|---|---|
| **March 31, 2026** | | | | | |
| Fair value of securities pledged, including accrued interest receivable | $ - | $ 16,025 | $ - | $ - | $ 16,025 |
| Repurchase agreement liabilities associated with these securities | $ - | $ 15,184 | $ - | $ - | $ 15,184 |
| Net weighted average borrowing rate | - | 3.79% | - | - | 3.79% |
| **December 31, 2025** | | | | | |
| Fair value of securities pledged, including accrued interest receivable | $ - | $ 70,681 | $ 18,539 | $ - | $ 89,220 |
| Repurchase agreement liabilities associated with these securities | $ - | $ 67,669 | $ 17,657 | $ - | $ 85,326 |
| Net weighted average borrowing rate | - | 4.00% | 3.89% | - | 3.98% |

In addition, cash pledged to counterparties for repurchase agreements was approximately $0.1 million and $0.6 million as of March 31, 2026 and December 31, 2025, respectively.

If, during the term of a repurchase agreement, a lender files for bankruptcy, the Company might experience difficulty recovering its pledged assets, which could result in an unsecured claim against the lender for the difference between the amount loaned to the Company plus interest due to the counterparty and the fair value of the collateral pledged to such lender, including the accrued interest receivable, and cash posted by the Company as collateral, if any. At March 31, 2026 and December 31, 2025, the Company had an aggregate amount at risk (the difference between the amount loaned to the Company, including interest payable, and the fair value of securities and any cash pledged, including accrued interest on such securities) with all counterparties of approximately $0.9 million and $4.2 million, respectively. The Company did not have an amount at risk with any one counterparty exceeding 10% of stockholders' equity as of March 31, 2026 and December 31, 2025.

## NOTE 5. PLEDGED ASSETS

### Assets Pledged to Counterparties

The table below summarizes Bimini's assets pledged as collateral under its repurchase agreements and derivative agreements as of March 31, 2026 and December 31, 2025.

*($ in thousands)*

| | March 31, 2026 | | | December 31, 2025 | | |
|---|---|---|---|---|---|---|
| | Repurchase Agreements | Derivative Agreements | Total | Repurchase Agreements | Derivative Agreements | Total |
| PT MBS - at fair value | $ 15,954 | $ - | $ 15,954 | $ 88,808 | $ - | $ 88,808 |
| Accrued interest on pledged securities | 71 | - | 71 | 413 | - | 413 |
| Restricted cash | 59 | 157 | 216 | 568 | 1,053 | 1,621 |
| Total | $ 16,084 | $ 157 | $ 16,241 | $ 89,789 | $ 1,053 | $ 90,842 |

## NOTE 6. OFFSETTING ASSETS AND LIABILITIES

The Company's derivatives and repurchase agreements are subject to underlying agreements with master netting or similar arrangements, which provide for the right of offset in the event of default or in the event of bankruptcy of either party to the transactions. The Company reports its assets and liabilities subject to these arrangements on a gross basis. The following tables present information regarding those assets and liabilities subject to such arrangements as if the Company had presented them on a net basis as of March 31, 2026 and December 31, 2025.

*(in thousands)*

| | Offsetting of Liabilities | | | | | |
|---|---|---|---|---|---|---|
| | | | | Gross Amount Not Offset in the Consolidated Balance Sheet | | |
| | Gross Amount of Recognized Liabilities | Gross Amount Offset in the Consolidated Balance Sheet | Net Amount of Liabilities Presented in the Consolidated Balance Sheet | Financial Instruments Posted as Collateral | Cash Posted as Collateral | Net Amount |
| **March 31, 2026** | | | | | | |
| Repurchase Agreements | $ 15,184 | $ - | $ 15,184 | $ (15,125) | $ (59) | $ - |
| | $ 15,184 | $ - | $ 15,184 | $ (15,125) | $ (59) | $ - |
| **December 31, 2025** | | | | | | |
| Repurchase Agreements | $ 85,326 | $ - | $ 85,326 | $ (84,758) | $ (568) | $ - |
| | $ 85,326 | $ - | $ 85,326 | $ (84,758) | $ (568) | $ - |

The amounts disclosed for collateral received by or posted to the same counterparty are limited to the amount sufficient to reduce the asset or liability presented in the consolidated balance sheet to zero. The fair value of the actual collateral received by or posted to the same counterparty typically exceeds the amounts presented. See Note 5 for a discussion of collateral posted for, or received against, repurchase obligations and derivative instruments.

## NOTE 7. LONG-TERM DEBT

Long-term debt at March 31, 2026 and December 31, 2025 is summarized as follows:

*(in thousands)*

| | March 31, 2026 | December 31, 2025 |
|---|---|---|
| Junior subordinated debt | $ 26,804 | $ 26,804 |
| Secured note payable | 537 | 543 |
| Total | $ 27,341 | $ 27,347 |

### Junior Subordinated Debt

During 2005, Bimini Capital sponsored the formation of a statutory trust, known as BCTII, 100% of the common equity of which is owned by Bimini Capital. It was formed for the purpose of issuing trust preferred capital securities to third-party investors and investing the proceeds from the sale of such capital securities solely in junior subordinated debt securities of Bimini Capital. The debt securities held by BCTII are the sole assets of BCTII.

As of March 31, 2026 and December 31, 2025, the outstanding principal balance on the junior subordinated debt securities owed to BCTII was $26.8 million. The interest rate for the junior subordinated debt is the CME Term Secured Overnight Financing Rate ("SOFR") on the applicable reset date plus the tenor spread adjustment of 0.26161% plus the coupon spread of 3.50%. As of March 31, 2026 and December 31, 2025, the interest rate was 7.44% and 7.48%, respectively. The BCTII trust preferred securities and Bimini Capital's BCTII Junior Subordinated Notes require quarterly interest distributions, are redeemable at Bimini Capital's option, in whole or in part and without penalty, and have a final maturity of December 15, 2035. Bimini Capital's BCTII Junior Subordinated Notes are subordinate and junior in right of payment to all present and future senior indebtedness.

The Company's included consolidated financial statements present Bimini Capital's BCTII Junior Subordinated Notes issued to BCTII as a liability and Bimini Capital's investment in the common equity securities of BCTII as an asset (included in other assets). For financial statement purposes, Bimini Capital records payments of interest on the Junior Subordinated Notes issued to BCTII as interest expense.

### Secured Note Payable

On October 30, 2019, the Company borrowed $680,000 from a bank. Through October 30, 2024, interest on the note accrued at 4.89%. Thereafter, interest accrues based on the weekly average yield to the United States Treasury securities adjusted to a constant maturity of 5 years, plus 3.25%. The interest rate reset to 7.37% on October 30, 2024 and will reset again on October 30, 2029. The note is secured by a mortgage on the Company’s office building and has a final maturity of October 30, 2039.

The table below presents the future scheduled principal payments on the Company’s long-term debt.

*(in thousands)*

| | |
|---|---|
| Last nine months of 2026 | $ 18 |
| For the years: | |
| 2027 | 25 |
| 2028 | 27 |
| 2029 | 29 |
| 2030 | 31 |
| After 2030 (cumulative) | 27,211 |
| Total | $ 27,341 |

## NOTE 8. COMMON STOCK

There were no issuances of Bimini Capital's Class A Common Stock, Class B Common Stock or Class C Common Stock during the three months ended March 31, 2026 and 2025.

**Stock Repurchase Plans**

On March 12, 2026, the Board authorized a share repurchase plan pursuant to Rule 10b5-1 of the Securities Exchange Act of 1934 (the "2026 Repurchase Plan"). Pursuant to the 2026 Repurchase Plan, the Company can purchase shares of its Class A Common Stock from time to time for an aggregate purchase price not to exceed $2.5 million. Share repurchases can be executed through various means, including, without limitation, open market transactions. The 2026 Repurchase Plan does not obligate the Company to purchase any shares. Through March 31, 2026, the Company did not repurchase any shares under the 2026 Repurchase Plan. Subsequent to March 31, 2026, the Company repurchased 6,001 shares under the 2026 Repurchase Plan at an average price of $ 2.73 per share. The 2026 Repurchase Plan replaced the Company's prior repurchase plan adopted in 2024 (the "2024 Repurchase Plan"), which expired on March 9, 2026. The Company did not repurchase any shares under the 2024 Repurchase Plan.

**NOTE 9. COMMITMENTS AND CONTINGENCIES**

From time to time, the Company may become involved in various claims and legal actions arising in the ordinary course of business.

As previously disclosed, in April 2020 and November 2021, the Company received demands for payment from Citigroup, Inc. related to the indemnification provisions of various mortgage loan purchase agreements entered into prior to 2007. As of March 31, 2026, no further information has been received related to this matter. The ultimate resolution of this matter cannot presently be determined. However, in management's opinion, the demands are without merit and the likelihood of a material adverse outcome is remote. Accordingly, no provision or accrual has been recorded.

Management is not aware of any other significant reported or unreported contingencies at March 31, 2026.

**NOTE 10. INCOME TAXES**

The total income tax provision recorded for the three months ended March 31, 2026 and 2025 was $0.2 million and $0.2 million, respectively, on consolidated pre-tax book income of $1.0 million and $0.7 million, respectively. Company uses the discrete-period computation method for determining its income tax provision. The Company's income tax provision could be affected by numerous factors, including nondeductible expenses, the projected utilization of net operating loss carryovers ("NOLs") and changes in its deferred tax assets and liabilities and their valuations. The Company's tax provisions are computed using actual annual tax rates applied to actual income to date and include the expected realization of a portion of the tax benefits of federal and state NOLs. In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized in future accounting periods. The ultimate realization of net capital loss carryforwards and NOLs is dependent upon the generation of future capital gains and taxable income in periods prior to their expiration. The Company currently provides a valuation allowance against a portion of the deferred tax assets generated by the NOLs since the Company believes that it is more likely than not that some of the benefits will not be realized in the future. The Company will continue to assess the need for, and the amount of, the valuation allowance at each reporting date.

**NOTE 11. EARNINGS PER SHARE**

Shares of Class B common stock, participating and convertible into Class A common stock, are entitled to receive dividends in an amount equal to the dividends declared on each share of Class A common stock if, and when, authorized and declared by the Board of Directors. Class B common stock is included in the computation of basic EPS using the two-class method, and consequently is presented separately from Class A common stock. Shares of Class B common stock are not included in the computation of diluted Class A EPS as the conditions for conversion to Class A common stock were not met at March 31, 2026 and 2025.

Shares of Class C common stock are not included in the basic EPS computation as these shares do not have participation rights. Shares of Class C common stock are not included in the computation of diluted Class A EPS as the conditions for conversion to Class A common stock were not met at March 31, 2026 and 2025.

The table below reconciles the numerator and denominator of EPS for the three months ended March 31, 2026 and 2025.

*(in thousands, except per-share information)*

| | Three Months Ended March 31, 2026 | 2025 |
|---|---|---|
| **Basic and diluted EPS per Class A common share:** | | |
| Income attributable to Class A common shares: | | |
| Basic and diluted | $ 798 | $ 551 |
| Weighted average common shares: | | |
| Class A common shares outstanding at the balance sheet date | 10,005 | 10,005 |
| Weighted average shares-basic and diluted | 10,005 | 10,005 |
| Income per Class A common share: | | |
| Basic and diluted | $ 0.08 | $ 0.06 |

*(in thousands, except per-share information)*

| | Three Months Ended March 31, 2026 | 2025 |
|---|---|---|
| **Basic and diluted EPS per Class B common share:** | | |
| Income attributable to Class B common shares: | | |
| Basic and diluted | $ 3 | $ 2 |
| Weighted average common shares: | | |
| Class B common shares outstanding at the balance sheet date | 32 | 32 |
| Weighted average shares-basic and diluted | 32 | 32 |
| Income per Class B common share: | | |
| Basic and diluted | $ 0.08 | $ 0.06 |

## NOTE 12. FAIR VALUE

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). A fair value measure should reflect the assumptions that market participants would use in pricing the asset or liability, including the assumptions about the risk inherent in a particular valuation technique, the effect of a restriction on the sale or use of an asset and the risk of non-performance. Required disclosures include presentation of balance sheet amounts measured at fair value based on inputs the Company uses to derive fair value measurements. These inputs are:

- Level 1 valuations, where the valuation is based on quoted market prices for identical assets or liabilities traded in active markets (which include exchanges and over-the-counter markets with sufficient volume),
- Level 2 valuations, where the valuation is based on quoted market prices for similar instruments traded in active markets, quoted prices for identical or similar instruments in markets that are not active and model-based valuation techniques for which all significant assumptions are observable in the market, and
- Level 3 valuations, where the valuation is generated from model-based techniques that use significant assumptions not observable in the market, but observable based on Company-specific data. These unobservable assumptions reflect the Company's own estimates for assumptions that market participants would use in pricing the asset or liability. Valuation techniques typically include option pricing models, discounted cash flow models and similar techniques, but may also include the use of market prices of assets or liabilities that are not directly comparable to the subject asset or liability.

The Company's MBS and Orchid common stock are recorded at fair value on a recurring basis as of March 31, 2026 and December 31, 2025. When determining fair value measurements, the Company considers the principal or most advantageous market in which it would transact and considers assumptions that market participants would use when pricing the asset. When possible, the Company looks to active and observable markets to price identical assets. When identical assets are not traded in active markets, the Company looks to market observable data for similar assets.

The Company's MBS are valued using Level 2 valuations, and such valuations currently are determined by the Company based on independent pricing sources and/or third-party broker quotes. Because the price estimates may vary, the Company must make certain judgments and assumptions about the appropriate price to use to calculate the fair values. The Company and the independent pricing sources use various valuation techniques to determine the price of the Company's securities. These techniques include observing the most recent market for like or identical assets (including security coupon, maturity, yield, and prepayment speeds), spread pricing techniques to determine market credit spreads (option adjusted spread, zero volatility spread, spread to the U.S. Treasury curve or spread to a benchmark such as a TBA security), and model driven approaches (the discounted cash flow method, Black Scholes and SABR models which rely upon observable market rates such as the term structure of interest rates and volatility). The appropriate spread pricing method used is based on market convention. The pricing source determines the spread of recently observed trade activity or observable markets for assets similar to those being priced. The spread is then adjusted based on variances in certain characteristics between the market observation and the asset being priced. Those characteristics include: type of asset, the expected life of the asset, the stability and predictability of the expected future cash flows of the asset, whether the coupon of the asset is fixed or adjustable, the guarantor of the security if applicable, the coupon, the maturity, the issuer, size of the underlying loans, year in which the underlying loans were originated, loan to value ratio, state in which the underlying loans reside, credit score of the underlying borrowers and other variables if appropriate. The fair value of the security is determined by using the adjusted spread.

The Company's futures contracts are Level 1 valuations, as they are exchange-traded instruments and quoted market prices are readily available. Futures contracts are settled daily.

The estimated fair value of cash and cash equivalents, restricted cash, accrued interest receivable, other assets, due from affiliates, repurchase agreements, accrued interest payable and other liabilities generally approximates their carrying values due to the short-term nature of these financial instruments. The Company estimates the fair value of the cash and cash equivalents and restricted cash using Level 1 inputs, and the accrued interest receivable, other assets, due from affiliates, repurchase agreements, accrued interest payable and other liabilities using Level 2 inputs. The fair value of the Company's junior subordinated debt approximates its carrying value. The carrying value is a reasonable estimate of fair value since the instrument carries a floating rate that resets frequently. Further information regarding this instrument is presented in Note 7.

The following table presents financial assets and liabilities measured at fair value on a recurring basis as of March 31, 2026 and December 31, 2025:

*(in thousands)*

| | Fair Value Measurements | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
|---|---|---|---|---|
| **March 31, 2026** | | | | |
| Mortgage-backed securities | $ 16,066 | $ - | $ 16,066 | $ - |
| Orchid Island Capital, Inc. common stock | 4,001 | 4,001 | - | - |
| **December 31, 2025** | | | | |
| Mortgage-backed securities | $ 88,929 | $ - | $ 88,929 | $ - |
| Orchid Island Capital, Inc. common stock | 4,097 | 4,097 | - | - |

During the three months ended March 31, 2026 and 2025, there were no transfers of financial assets or liabilities between Levels 1, 2 or 3.

## NOTE 13. SEGMENT INFORMATION

The Company's business is organized into the asset management and the investment portfolio segments, with each representing a reportable segment. Our chief operating decision maker ("CODM") is our Chief Executive Officer. The results of each segment are regularly reviewed by the CODM to assess the performance of the segment and make decisions regarding the allocation of resources to the segments. The primary measure of segment performance used by the CODM is income before federal income taxes. Net revenues is also used to assess the financial performance of the segments and for purposes of allocating resources. The accounting policies of our two reportable business segments are the same as those described in Note 1.

The asset management segment includes the investment advisory services provided by Bimini Advisors to Orchid and Royal Palm. As discussed in Note 2, the revenues of the asset management segment consist of management fees, overhead reimbursements and repurchase, clearing and administrative fees received pursuant to a management agreement with Orchid. Total revenues received under this management agreement for the three months ended March 31, 2026 were approximately $5.1 million, accounting for approximately 79% of consolidated revenues. Total revenues received under this management agreement for the three months ended March 31, 2025 were approximately and $3.6 million, accounting for approximately and 65% of consolidated revenues.

The investment portfolio segment includes the investment activities conducted by Royal Palm. The investment portfolio segment receives revenue in the form of interest and dividend income on its investments.

The majority of our assets, revenues and expenses are directly associated with each respective business segment and are included in determining its asset balance and operating results. Those assets, revenues and expenses that are *not* directly attributable to a particular business segment are included in the Corporate function. Corporate operating expenses are allocated to the reportable segments based on their proportional share of total revenues. As a result, the sum of each income statement line item for the *two* reportable segments and the Corporate function is equal to that same income statement line item for the consolidated entity. In addition, the sum of the total assets for the *two* reportable segments and the Corporate function is equal to the total assets of the consolidated entity.

Segment information for the three months ended March 31, 2026 and 2025 is as follows:

*(in thousands)*

| | Asset Management | Investment Portfolio | Corporate | Eliminations | Total |
|---|---|---|---|---|---|
| **2026** | | | | | |
| Advisory services, external customers | $ 5,127 | $ - | $ - | $ - | $ 5,127 |
| Advisory services, other operating segments(1) | 56 | - | - | (56) | - |
| Interest and dividend income | - | 1,369 | - | - | 1,369 |
| Interest expense(2) | - | (697) | (496) | - | (1,193) |
| Net revenues | 5,183 | 672 | (496) | (56) | 5,303 |
| Other income (expense), net | - | (558) | - | - | (558) |
| Operating expenses(3) | (2,936) | (791) | - | - | (3,727) |
| Intercompany expenses(1) | - | (56) | - | 56 | - |
| Income (loss) before income taxes | $ 2,247 | $ (733) | $ (496) | $ - | $ 1,018 |

| | Asset Management | Investment Portfolio | Corporate | Eliminations | Total |
|---|---|---|---|---|---|
| **2025** | | | | | |
| Advisory services, external customers | $ 3,582 | $ - | $ - | $ - | $ 3,582 |
| Advisory services, other operating segments(1) | 41 | - | - | (41) | - |
| Interest and dividend income | - | 1,947 | - | - | 1,947 |
| Interest expense(2) | - | (1,306) | (538) | - | (1,844) |
| Net revenues | 3,623 | 641 | (538) | (41) | 3,685 |
| Other income (expense), net | - | (28) | - | - | (28) |
| Operating expenses(3) | (1,884) | (1,041) | 1 | - | (2,924) |
| Intercompany expenses(1) | - | (41) | - | 41 | - |
| Income (loss) before income taxes | $ 1,739 | $ (469) | $ (537) | $ - | $ 733 |

(1) Includes fees paid by Royal Palm to Bimini Advisors for advisory services at an annualized rate of 1.5% of capital allocated to Royal Palm's MBS portfolio.
(2) Includes interest on repurchase agreements in the Investment Portfolio column and long-term debt in the Corporate column.
(3) Operating expenses are allocated based on each segment's proportional share of total revenues.

Assets in each reportable segment as of March 31, 2026 and December 31, 2025 were as follows:

*(in thousands)*

| | Asset Management | Investment Portfolio | Corporate | Total |
|---|---|---|---|---|
| March 31, 2026 | $ 2,702 | $ 49,903 | 5,847 | $ 58,452 |
| December 31, 2025 | 2,617 | 120,751 | 6,326 | 129,694 |

With the closing of the acquisition of Tom Johnson Investment Management, LLC, a registered investment adviser ("TJIM"), on April 1, 2026 (the "TJIM Acquisition"), the composition of the Company's business changed both from the perspective of how its capital is deployed and how it reports its results for its operating segments. The TJIM Acquisition required the deployment of a significant portion of the Company's capital, including most of the capital currently deployed into the investment portfolio. The results of TJIM going forward would represent a significant portion of the Company's aggregate results. Once the TJIM Acquisition is completed and the Company is able to generate and retain earnings going forward, the Company expects that such funds will be deployed into an Agency MBS investment portfolio, in which case they are expected to be managed more conservatively in terms of the amount of leverage employed when compared to leverage employed by the Company historically. Given the Company's intention to retain ownership of shares of Orchid, the Company's operating segments are expected to consist of the management of Orchid, the controlling stake in the operations of TJIM, and to a lesser extent its investment portfolio, for a total of three reportable segments.

## NOTE 14. RELATED PARTY TRANSACTIONS

At both March 31, 2026 and December 31, 2025, the Company owned 569,071 shares of Orchid common stock, representing approximately 0.3% of Orchid's outstanding common stock on such dates. The Company received dividends on this common stock investment of approximately $0.2 million and $0.2 million during the three months ended March 31, 2026 and 2025, respectively.

Robert Cauley, the Chief Executive Officer and Chairman of the Board of Directors of the Company, also serves as Chief Executive Officer and Chairman of the Board of Directors of Orchid, participates in Orchid's long term incentive compensation plan, and owns shares of common stock of Orchid. In addition, Hunter Haas, the Chief Financial Officer, Chief Investment Officer, Treasurer and member of the Board of Directors of the Company, also serves as Chief Financial Officer, Chief Investment Officer and Secretary of Orchid, is a member of Orchid's Board of Directors, participates in Orchid's long term incentive compensation plan, and owns shares of common stock of Orchid. Robert J. Dwyer, an independent director of the Company, owns shares of common stock of Orchid.

## NOTE 17. SUBSEQUENT EVENT

### Acquisition of Tom Johnson Investment Management, LLC

On April 1, 2026, the Company completed the acquisition of 80% of the membership interest of TJIM. As a result of the transaction, the Company obtained control of TJIM and will consolidate its results beginning April 1, 2026. The purchase price of the interest of TJIM was approximately $12.3 million. The transaction agreement includes mutual put and call rights that could result in the Company's acquisition of the remaining 20% equity interest retained by the existing owners. The preliminary purchase price allocation and related goodwill have not been determined as of the filing date of this Form 10-Q. The TJIM Acquisition may also affect the expected realization of the Company's deferred tax assets and related valuation allowances.

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

The following discussion of our consolidated financial condition, cash flows, and results of operations should be read in conjunction with the consolidated financial statements and notes to those statements included in Item 1 of this Form 10-Q. The discussion may contain certain forward-looking statements that involve risks and uncertainties. As a result of many factors, such as those set forth under "Risk Factors" in our most recent Annual Report on Form 10-K, our actual results may differ materially from those anticipated in such forward-looking statements.

### Overview

Bimini Capital Management, Inc., a Maryland corporation ("Bimini Capital" and, collectively with its subsidiaries, the "Company," "we", "us" or "our") is a specialty finance company that operates in two business segments: (i) investing in mortgage-backed securities ("MBS") and Orchid Island Capital, Inc. ("Orchid") common stock in our own portfolio, (ii) and serving as the external manager of Orchid which also invests in MBS. In both cases, the principal and interest payments of these MBS are guaranteed by Fannie Mae, Freddie Mac or the Government National Mortgage Association ("Ginnie Mae" and, collectively with Fannie Mae and Freddie Mac, "GSEs") and are backed primarily by single-family residential mortgage loans. We refer to these types of MBS as "Agency MBS." Our portfolio primarily consists of traditional pass through ("PT") Agency MBS, such as mortgage pass-through certificates and collateralized mortgage obligations ("CMOs") issued by the GSEs ("PT MBS"); and structured Agency MBS, such as interest only securities ("IOs"), inverse interest only securities ("IIOs") and principal only securities ("POs").

The Company's operations are classified into two reportable segments: the investment portfolio segment and the asset management segment.

The investment portfolio segment includes the investment activities conducted at Bimini Capital's wholly owned subsidiary, Royal Palm Capital, LLC (collectively with its wholly owned subsidiaries, "Royal Palm"). The investment portfolio segment receives revenue in the form of interest and dividend income on its investments. References to the general management of the Company's portfolio of MBS refer to the operations of Royal Palm.

The asset management segment includes the arrangement by which the Company, through Bimini Advisors, LLC, an investment advisor registered with the SEC, serves as the external manager of Orchid. From this arrangement the Company receives management fees and expense reimbursements. Bimini Advisors, LLC is a wholly owned subsidiary of Bimini Advisors Holdings, LLC ("Holdings"), which is a wholly owned subsidiary of Royal Palm. Holdings and Bimini Advisors, LLC are collectively referred to as "Bimini Advisors."

### Factors that Affect our Results of Operations and Financial Condition

A variety of industry and economic factors may impact our results of operations and financial condition. These factors include:

- interest rate trends;
- changes in our cost of borrowed funds, including changes in the Federal Funds rate that is controlled by the Federal Reserve (the "Fed");
- the difference between Agency MBS yields and our funding and hedging costs;
- competition for, and supply of, investments in Agency MBS;
- actions taken by the U.S. government, including the presidential administration, the Fed, the Federal Housing Financing Agency (the "FHFA"), the Federal Deposit Insurance Corporation ("FDIC"), Federal Housing Administration, the Federal Open Market Committee (the "FOMC") and the U.S. Treasury;
- prepayment rates on mortgages underlying our Agency MBS, and credit trends insofar as they affect prepayment rates;
- geopolitical events that affect the U.S. and international economies; and
- other financial market developments.

In addition, a variety of factors directly relating to our business may also impact our results of operations and financial condition. These factors include:

- our use of leverage to finance our assets;
- our access to funding and borrowing capacity;
- our borrowing costs;
- our hedging activities;
- the market value of our investments;
- the requirements for us to maintain a registration exemption under the Investment Company Act;
- our ability to use tax net operating loss carryforwards and other tax attributes to reduce our taxable income;
- the impact of possible future changes in tax laws or tax rates;
- our ability to manage the portfolio of Orchid and maintain our role as manager;
- the financial performance of Orchid and resulting changes in Orchid's stockholders' equity and our advisory services revenue; and
- the carrying value of our investment in Orchid's common stock and dividend income received on that investment.

**Results of Operations**

Described below are the Company's results of operations for the three months ended March 31, 2026, as compared to the three months ended March 31, 2025.

**Net Income Summary**

Consolidated net income for the three months ended March 31, 2026 was $0.8 million, or $0.08 basic and diluted income per share of Class A Common Stock, as compared to consolidated net income of $0.6 million, or $0.06 basic and diluted income per share of Class A Common Stock, for the three months ended March 31, 2025. The components of net income for the three months ended March 31, 2026 and 2025, along with the changes in those components are presented in the table below.

*(in thousands)*

| | Three Months Ended March 31, | | |
|---|---|---|---|
| | 2026 | 2025 | Change |
| Advisory services revenues | $ 5,127 | $ 3,582 | $ 1,545 |
| Interest and dividend income | 1,369 | 1,947 | (578) |
| Interest expense | (1,193) | (1,844) | 651 |
| Net revenues | 5,303 | 3,685 | 1,618 |
| Other expense | (558) | (28) | (530) |
| Expenses | (3,727) | (2,924) | (803) |
| Net income before income tax provision | 1,018 | 733 | 285 |
| Income tax provision | 217 | 180 | 37 |
| Net income | $ 801 | $ 553 | $ 248 |

**GAAP and Non-GAAP Reconciliation**

*Economic Interest Expense and Economic Net Interest Income*

We use derivative instruments, primarily U.S. Treasury Note ("T-Note") and SOFR futures contracts to hedge a portion of the interest rate risk on repurchase agreements in a rising rate environment.

We have not designated our derivative financial instruments as hedge accounting relationships, but rather hold them for economic hedging purposes. Changes in fair value of these instruments are presented in a separate line item in our consolidated statements of operations and not included in interest expense. As such, for financial reporting purposes, interest expense and cost of funds are not impacted by the fluctuation in value of the derivative instruments.

For the purpose of computing economic net interest income and ratios relating to cost of funds measures, GAAP interest expense, as reflected in our consolidated statements of operations, is adjusted to reflect the realized and unrealized gains or losses on certain derivative instruments the Company uses that pertain to each period presented. We believe that adjusting our GAAP interest expense for the periods presented by the gains or losses on these derivative instruments may not accurately reflect our economic interest expense for these periods. The reason is that these derivative instruments may cover periods that extend into the future, not just the current period. Any realized or unrealized gains or losses on the derivative instruments reflect the change in market value of the instrument caused by changes in underlying interest rates applicable to the term covered by the instrument, which changes are reflective of the future periods covered by the derivative instrument, not just the current period.

For each period presented, we have combined the effects of the derivative financial instruments in place for the respective period with the actual interest expense incurred on repurchase agreements to reflect total economic interest expense for the applicable period. Interest expense, including the effect of derivative instruments for the period, is referred to as economic interest expense. Net interest income, when calculated to include the effect of derivative instruments for the period, is referred to as economic net interest income. This presentation includes gains or losses on all contracts in effect during the reporting period, covering the current period as well as periods in the future.

We believe that economic interest expense and economic net interest income provide meaningful information to consider, in addition to the financial information prepared in accordance with GAAP. The non-GAAP measures help management to evaluate its financial position and performance without the effects of certain transactions and GAAP adjustments that are not necessarily indicative of our current investment portfolio or operations. The gains or losses on derivative instruments presented in our consolidated statements of operations are not necessarily representative of the total interest expense that we will ultimately realize. This is because as interest rates move up or down in the future, the gains or losses we ultimately realize, and which will affect our total interest expense in future periods, may differ from the unrealized gains or losses recognized as of the reporting date.

Our presentation of the economic value of our hedging strategy has important limitations. First, other market participants may calculate economic interest expense and economic net interest income differently than the way we calculate them. Second, while we believe that the calculation of the economic value of our hedging strategy described above helps to present our financial position and performance, it may be of limited usefulness as an analytical tool. Therefore, the economic value of our investment strategy should not be viewed in isolation and is not a substitute for interest expense and net interest income computed in accordance with GAAP.

The tables below present a reconciliation of the adjustments discussed above to interest expense shown for each period relative to our derivative instruments, and the consolidated statements of operations line item, gains (losses) on derivative instruments, calculated in accordance with GAAP for each quarter in 2026 and 2025.

**Gains (Losses) on Derivative Instruments**

*(in thousands)*

| | | | Funding Hedges |
|---|---|---|---|
| **Three Months Ended** | **Consolidated Statement of Operations (GAAP)** | **TBA Securities Short Positions** | **Attributed to Current Period (Non-GAAP)** |
| March 31, 2026 | $ 178 | $ (55) | $ 76 |
| December 31, 2025 | 36 | - | 109 |
| September 30, 2025 | (170) | - | 108 |
| June 30, 2026 | (431) | - | 112 |
| March 31, 2025 | (1,369) | - | 106 |

## Economic Net Portfolio Interest Income

*(in thousands)*

| Three Months Ended | GAAP Interest Income | Interest Expense on Repurchase Agreements: GAAP Basis | Effect of Non-GAAP Hedges(1) | Economic Basis(2) | Net Portfolio Interest Income: GAAP Basis | Economic Basis(3) |
|---|---|---|---|---|---|---|
| March 31, 2026 | $ 1,164 | $ 697 | $ (76) | $ 621 | $ 467 | $ 543 |
| December 31, 2025 | 1,451 | 1,022 | (109) | 913 | 429 | 538 |
| September 30, 2025 | 1,534 | 1,157 | (108) | 1,049 | 377 | 485 |
| June 30, 2025 | 1,582 | 1,191 | (112) | 1,079 | 391 | 503 |
| March 31, 2025 | 1,742 | 1,307 | (106) | 1,201 | 435 | 541 |

(1) Reflects the effect of derivative instrument hedges for only the period presented.
(2) Calculated by subtracting the effect of derivative instrument hedges attributed to the period presented from GAAP interest expense.
(3) Calculated by adding the effect of derivative instrument hedges attributed to the period presented to GAAP net portfolio interest income.

## Economic Net Interest Income

*(in thousands)*

| Three Months Ended | Net Portfolio Interest Income: GAAP Basis | Economic Basis(1) | Interest Expense on Long-Term Debt (GAAP) | Net Interest Income (Expense): GAAP Basis | Economic Basis(2) |
|---|---|---|---|---|---|
| March 31, 2026 | $ 467 | $ 543 | $ 496 | $ (29) | $ 47 |
| December 31, 2025 | 429 | 538 | 514 | (85) | 24 |
| September 30, 2025 | 377 | 485 | 544 | (167) | (59) |
| June 30, 2025 | 391 | 503 | 540 | (149) | (37) |
| March 31, 2025 | 435 | 541 | 538 | (103) | 3 |

(1) Calculated by adding the effect of derivative instrument hedges attributed to the period presented to GAAP net portfolio interest income.
(2) Calculated by adding the effect of derivative instrument hedges attributed to the period presented to GAAP net interest income.

### Segment Information

We have two operating segments; (a) the asset management segment, which includes the investment advisory services provided by Bimini Advisors to Orchid and Royal Palm, and (b) the investment portfolio segment, which includes the investment activities conducted by Royal Palm.

Segment information for the three months ended March 31, 2026 and 2025 is as follows:

*(in thousands)*

| | Asset Management | Investment Portfolio | Corporate | Eliminations | Total |
|---|---|---|---|---|---|
| **2026** | | | | | |
| Advisory services, external customers | $ 5,127 | $ - | $ - | $ - | $ 5,127 |
| Advisory services, other operating segments(1) | 56 | - | - | (56) | - |
| Interest and dividend income | - | 1,369 | - | - | 1,369 |
| Interest expense(2) | - | (697) | (496) | - | (1,193) |
| Net revenues | 5,183 | 672 | (496) | (56) | 5,303 |
| Other income (expense), net | - | (558) | - | - | (558) |
| Operating expenses(3) | (2,936) | (791) | - | - | (3,727) |
| Intercompany expenses(1) | - | (56) | - | 56 | - |
| Income (loss) before income taxes | $ 2,247 | $ (733) | $ (496) | $ - | $ 1,018 |

| | Asset Management | Investment Portfolio | Corporate | Eliminations | Total |
|---|---|---|---|---|---|
| **2025** | | | | | |
| Advisory services, external customers | $ 3,582 | $ - | $ - | $ - | $ 3,582 |
| Advisory services, other operating segments(1) | 41 | - | - | (41) | - |
| Interest and dividend income | - | 1,947 | - | - | 1,947 |
| Interest expense(2) | - | (1,306) | (538) | - | (1,844) |
| Net revenues | 3,623 | 641 | (538) | (41) | 3,685 |
| Other income (expense), net | - | (28) | - | - | (28) |
| Operating expenses(3) | (1,884) | (1,041) | 1 | - | (2,924) |
| Intercompany expenses(1) | - | (41) | - | 41 | - |
| Income (loss) before income taxes | $ 1,739 | $ (469) | $ (537) | $ - | $ 733 |

(1) Includes fees paid by Royal Palm to Bimini Advisors for advisory services at an annualized rate of 1.5% of capital allocated to Royal Palm's MBS portfolio.
(2) Includes interest expense on repurchase agreements in the Investment Portfolio column and long-term debt in the Corporate column.
(3) Corporate expenses are allocated based on each segment's proportional share of total revenues.

Assets in each reportable segment were as follows:

*(in thousands)*

| | Asset Management | Investment Portfolio | Corporate | Total |
|---|---|---|---|---|
| March 31, 2026 | $ 2,702 | $ 49,903 | 5,847 | $ 58,452 |
| December 31, 2025 | 2,617 | 120,751 | 6,326 | 129,694 |

***Asset Management Segment***

*Advisory Services Revenue*

Advisory services revenue consists of management fees and overhead reimbursements charged to Orchid for the management of its portfolio pursuant to the terms of a management agreement. We receive a monthly management fee in the amount of:

- One-twelfth of 1.50% of the first $250 million of Orchid's month-end equity, as defined in the management agreement,
- One-twelfth of 1.25% of Orchid's month-end equity that is greater than $250 million and less than or equal to $500 million, and
- One-twelfth of 1.00% of Orchid's month-end equity that is greater than $500 million.

The Company also provides certain repurchase agreement trading, clearing and administrative services to Orchid. In consideration for such services, Orchid pays the following fees to the Company:

- a daily fee equal to the outstanding principal balance of repurchase agreement funding in place as of the end of such day multiplied by 1.5 basis points for the amount of aggregate outstanding principal balance less than or equal to $5 billion, and multiplied by 1.0 basis point for any amount of aggregate outstanding principal balance in excess of $5 billion, and
- a fee for the clearing and operational services provided by personnel of the Manager equal to $10,000 per month.

In addition, Orchid is obligated to reimburse us for any direct expenses incurred on its behalf and to pay to us an amount equal to Orchid's pro rata portion of certain overhead costs set forth in the management agreement. The management agreement has been renewed through February 2027 and provides for automatic one-year extension options. Should Orchid terminate the management agreement without cause, it will be obligated to pay to us a termination fee equal to three times the average annual management fee, as defined in the management agreement, before or on the last day of the applicable renewal term.

The following table summarizes the advisory services revenue received from Orchid in each quarter and during 2026 and 2025.

*(in thousands)*

| | | | | Advisory Services | | | |
|---|---|---|---|---|---|---|---|
| **Three Months Ended** | **Average Orchid MBS** | **Average Orchid Equity** | **Average Orchid Repurchase Agreements** | **Management Fee** | **Overhead Allocation** | **Repurchase, Clearing and Administrative Fees** | **Total** |
| March 31, 2026 | $ 10,983,600 | $ 1,365,471 | $ 10,490,095 | $ 3,988 | $ 786 | $ 353 | $ 5,127 |
| December 31, 2025 | 9,492,369 | 1,233,957 | 9,061,222 | 3,700 | 705 | 319 | 4,724 |
| September 30, 2025 | 7,674,720 | 1,108,307 | 7,331,428 | 3,294 | 887 | 277 | 4,458 |
| June 30, 2025 | 6,865,727 | 1,012,986 | 6,537,260 | 2,982 | 582 | 247 | 3,811 |
| March 31, 2025 | 5,995,702 | 902,590 | 5,722,092 | 2,747 | 608 | 227 | 3,582 |

*Acquisition of TJIM*

On April 1, 2026, the Company completed the acquisition of eighty percent of the membership interests of TJIM. At the time of the closing, TJIM had approximately $1.6 billion of assets under management across equity and fixed income markets. TJIM’s management agreements are diverse, covering individual accounts, sub-advisory agreements, and wrap programs. The existing owners of TJIM will retain an ownership interest in TJIM and Bimini intends to retain its current staff and investment management team. The transaction is intended to transition Bimini into a pure asset management firm with a more diverse mix of assets under its respective management teams.

Now that the acquisition of TJIM is completed, the composition of the Company’s business will change both from the perspective of how its capital is deployed and how it reports its results for its operating segments. The acquisition of an 80% ownership interest in TJIM required the deployment of a significant portion of the Company’s capital, including most of the capital currently deployed into the investment portfolio, with the exception of shares of Orchid. The results of TJIM going forward should represent a significant portion of the Company’s aggregate results. If the Company is able to generate and retain earnings going forward, the Company expects that such funds will be deployed into an Agency MBS investment portfolio, in which case they are expected to be managed more conservatively in terms of the amount of leverage employed when compared to leverage employed by the Company historically. Given the Company’s intention to retain ownership of shares of Orchid, the Company’s operating segments will consist of the management of Orchid, the controlling stake in the operations of TJIM, and to a lesser extent its investment portfolio, for a total of three reportable segments.

***Investment Portfolio Segment***

*Net Portfolio Interest Income*

In anticipation of the closing of the TJIM Acquisition, we sold a significant portion of the MBS portfolio in the first quarter of 2026. Our outstanding balances under repurchase agreement borrowings declined proportionately as well. As a result, many figures discussed below appear distorted when simple average balances are calculated, such as average MBS held and average outstanding balances under repurchase agreement borrowings. Further, since the sales occurred late in the quarter, interest income and interest expense amounts reflect balances of both assets and borrowing in place for the majority of the quarter. The combination of these two factors led to certain metrics such as our yield on average MBS and cost of funds measures to appear higher than they would have been had these large sales not occurred, or occurred earlier in the quarter. These factors should be kept in mind when reading the discussion of our investment portfolio segment results for the quarter.

During the three months ended March 31, 2026, we generated $0.5 million of net portfolio interest income, consisting of $1.2 million of interest income from MBS assets offset by $0.7 million of interest expense on repurchase liabilities. For the comparable period ended March 31, 2025, we generated $0.4 million of net portfolio interest income, consisting of $1.7 million of interest income from MBS assets offset by $1.3 million of interest expense on repurchase liabilities. The $0.58 million decrease in interest income was due to a $69.2 million decrease in average MBS holdings, offset by a 314 bp increase in yields. There was a $0.6 million decrease in interest expense for the three months ended March 31, 2026 that was due to a $66.1 million decrease in average repurchase liabilities, offset by a 106 bp increase in cost of funds.

Our economic interest expense on repurchase liabilities for the three months ended March 31, 2026 and 2025 was $0.6 million and $1.2 million, respectively, resulting in $0.5 million and $0.5 million of economic net portfolio interest income, respectively.

The tables below provide information on our portfolio average balances, interest income, yield on assets, average repurchase agreement balances, interest expense, cost of funds, net interest income and net interest rate spread for the three months ended March 31, 2026 and 2025 and each quarter in 2026 and 2025 on both a GAAP and economic basis.

*($ in thousands)*

| | | | | | Interest Expense | | Average Cost of Funds | |
|---|---|---|---|---|---|---|---|---|
| Three Months Ended | Average MBS Held(1) | Interest Income | Yield on Average MBS | Average Repurchase Agreements(1) | GAAP Basis | Economic Basis(2) | GAAP Basis | Economic Basis(3) |
| March 31, 2026 | $ 52,497 | $ 1,164 | 8.87% | $ 50,255 | $ 697 | $ 621 | 5.55% | 4.94% |
| December 31, 2025 | 96,668 | 1,451 | 6.00% | 92,640 | 1,022 | 913 | 4.41% | 3.94% |
| September 30, 2025 | 106,016 | 1,534 | 5.79% | 100,848 | 1,157 | 1,049 | 4.59% | 4.16% |
| June 30, 2025 | 114,294 | 1,582 | 5.54% | 108,626 | 1,191 | 1,079 | 4.39% | 3.97% |
| March 31, 2025 | 121,657 | 1,742 | 5.73% | 116,346 | 1,307 | 1,201 | 4.49% | 4.13% |

*($ in thousands)*

| | Net Portfolio Interest Income | | Net Portfolio Interest Spread | |
|---|---|---|---|---|
| Three Months Ended | GAAP Basis | Economic Basis(2) | GAAP Basis | Economic Basis(4) |
| March 31, 2026 | $ 467 | $ 543 | 3.32% | 3.93% |
| December 31, 2025 | 429 | 538 | 1.59% | 2.06% |
| September 30, 2025 | 377 | 485 | 1.20% | 1.63% |
| June 30, 2025 | 391 | 503 | 1.15% | 1.57% |
| March 31, 2025 | 435 | 541 | 1.24% | 1.60% |

(1) Portfolio yields and costs of borrowings presented in the tables above, below and on page 27 are calculated based on the average balances of the underlying investment portfolio/repurchase agreement balances and are annualized for the periods presented. Average balances for quarterly periods are calculated using two data points, the beginning and ending balances.
(2) Economic interest expense and economic net interest income presented in the tables above, below and on page 27 include the effect of derivative instrument hedges for only the period presented.
(3) Represents interest cost of our borrowings and the effect of derivative instrument hedges attributed to the period related to hedging activities divided by average MBS.
(4) Economic net interest spread is calculated by subtracting average economic cost of funds from yield on average MBS.

*Cost of Funds*

Since all of our repurchase agreements are short-term, changes in market rates have a more immediate impact on our interest expense. Our average cost of funds calculated on a GAAP basis was 190 bps above the average one-month SOFR and 169 bps above the average six-month SOFR for the quarter ended March 31, 2026. Our average economic cost of funds was 129 bps above the average one-month SOFR and 108 bps above the average six-month SOFR for the quarter ended March 31, 2026. The average term to maturity of the outstanding repurchase agreements was 17 days at March 31, 2026, compared to 31 days at December 31, 2025. The tables below present the average outstanding balances under our repurchase agreements, interest expense and average economic cost of funds, and average one-month and six-month SOFR rates for each quarter in 2026 and 2025, on both a GAAP and economic basis.

| | Average SOFR | | Average GAAP Cost of Funds Relative to Average | | Average Economic Cost of Funds Relative to Average | |
|---|---|---|---|---|---|---|
| Three Months Ended | One-Month | Six-Month | One-Month SOFR | Six-Month SOFR | One-Month SOFR | Six-Month SOFR |
| March 31, 2026 | 3.65% | 3.86% | 1.90% | 1.69% | 1.29% | 1.08% |
| December 31, 2025 | 3.79% | 4.20% | 0.62% | 0.21% | 0.15% | (0.26)% |
| September 30, 2025 | 4.31% | 4.37% | 0.28% | 0.22% | (0.15)% | (0.21)% |
| June 30, 2025 | 4.32% | 4.37% | 0.07% | 0.02% | (0.35)% | (0.40)% |
| March 31, 2025 | 4.33% | 4.55% | 0.16% | (0.06)% | (0.20)% | (0.42)% |

***Dividend Income from Orchid***

We owned 569,071 shares of Orchid common stock throughout each of the three months ended March 31, 2026 and 2025. Orchid paid total dividends of $0.36 per share during both the three months ended March 31, 2026 and 2025, resulting in dividend income of approximately $0.2 million in each period.

***Long-Term Debt***

*Junior Subordinated Debt*

The junior subordinated debt securities paid interest at a floating rate. The interest rate is the CME Term SOFR on the applicable reset date plus the tenor spread adjustment of 0.26161% plus the coupon spread of 3.50%. Interest expense on our junior subordinated debt securities was $0.5 million and $0.5 million for the three months ended March 31, 2026 and 2025, respectively. The average rate of interest paid for the three months ended March 31, 2026 was 7.48% compared to 8.11% for the comparable period in 2025.

*Note Payable*

On October 30, 2019, the Company borrowed $680,000 from a bank which is secured by a mortgage on the Company's office building and has a final maturity of October 30, 2039. Through October 30, 2024, interest accrued on the note at 4.89%. Thereafter, interest accrues based on the weekly average yield to the United States Treasury securities adjusted to a constant maturity of 5 years, plus 3.25%. The interest rate reset to 7.37% on October 30, 2024 and will reset again on October 30, 2029.

***Gains or Losses and Other Income***

The table below presents our gains or losses and other income for the three months ended March 31, 2026 and 2025.

*(in thousands)*

| | Three Months Ended March 31, | | |
|---|---|---|---|
| | 2026 | 2025 | Change |
| Realized losses on sales of MBS | $ (372) | $ - | $ (372) |
| Unrealized (losses) gains on MBS | (267) | 1,489 | (1,756) |
| Total (losses) gains on MBS | (639) | 1,489 | (2,128) |
| Gains (losses) on derivative instruments | 178 | (1,369) | 1,547 |
| Unrealized losses on Orchid Island Capital, Inc. common stock | (97) | (148) | 51 |

We invest in MBS with the intent to earn net income from the realized yield on those assets over their related funding and hedging costs, and not for the purpose of making short term gains from trading in these securities. However, we have sold, and may sell in the future, existing assets to acquire new assets, which our management believes might have higher risk-adjusted returns in light of current or anticipated interest rates, federal government programs or general economic conditions or to manage our balance sheet as part of our asset/liability management strategy. During the three months ended March 31, 2026, we received proceeds totaling $68.6 million from the sales of MBS. We did not sell any MBS during the three months ended March 31, 2025.

The fair value of our MBS portfolio and derivative instruments, and the gains (losses) reported on those financial instruments, are driven in part by changes in yields and interest rates, the spreads that MBS trade relative to comparable duration U.S. Treasuries or swaps, as well as varying levels of demand for MBS, which affect the pricing of the securities in our portfolio. The unrealized gains and losses on MBS may also include the premium lost as a result of prepayments on the underlying mortgages, decreasing unrealized gains or increasing unrealized losses as prepayment speeds or premiums increase. To the extent MBS are carried at a discount to par, unrealized gains or losses on MBS would also include discount accreted as a result of prepayments on the underlying mortgages, increasing unrealized gains or decreasing unrealized losses as speeds on discounts increase. Gains and losses on interest rate futures contracts are affected by changes in implied forward rates during the reporting period. The table below presents historical interest rate data as of the end of each quarter during 2026 and 2025.

| | 5 Year U.S. Treasury Rate(1) | 10 Year U.S. Treasury Rate(1) | 15 Year Fixed-Rate Mortgage Rate(2) | 30 Year Fixed-Rate Mortgage Rate(2) | Three Month SOFR(3) |
|---|---|---|---|---|---|
| March 31, 2026 | 3.95% | 4.31% | 5.75% | 6.38% | 3.68% |
| December 31, 2025 | 3.72% | 4.16% | 5.44% | 6.15% | 4.01% |
| September 30, 2025 | 3.73% | 4.15% | 5.49% | 6.30% | 4.35% |
| June 30, 2025 | 3.80% | 4.23% | 5.89% | 6.77% | 4.34% |
| March 31, 2025 | 3.98% | 4.25% | 5.89% | 6.65% | 4.35% |

(1) Historical 5 Year and 10 Year U.S. Treasury Rates are obtained from quoted end of day prices on the Chicago Board Options Exchange.
(2) Historical 15 Year and 30 Year Fixed Rate Mortgage Rates are obtained from Freddie Mac's Primary Mortgage Market Survey.
(3) Historical SOFR is obtained from the Federal Reserve Bank of New York. The SOFR averages are compounded averages of the SOFR over rolling 30- and 180-day periods.

***Operating Expenses***

For the three months ended March 31, 2026, our total operating expenses were approximately $3.7 million compared to $2.9 million for the three months ended March 31, 2025, respectively, as detailed in the table below.

*(in thousands)*

| | Three Months Ended March 31, | | |
|---|---|---|---|
| | 2026 | 2025 | Change |
| Compensation and related benefits | $ 2,046 | $ 1,919 | $ 127 |
| Direct advisory services costs | 444 | 341 | 103 |
| Legal fees | 95 | 101 | (6) |
| Accounting, auditing and other professional fees | 765 | 224 | 541 |
| Directors' fees and liability insurance | 203 | 200 | 3 |
| Administrative and other expenses | 174 | 139 | 35 |
| | $ 3,727 | $ 2,924 | $ 803 |

***Income Tax Provision***

We recorded income tax provisions for the three months ended March 31, 2026 and 2025 of approximately $0.2 million and $0.2 million, respectively, on consolidated pre-tax book income of $1.0 million and $0.7 million, respectively. The Company uses the discrete-period computation method for determining its income tax provision. Our income tax provision could be affected by numerous factors, including non-deductible expenses, the projected utilization of net operating loss carryovers and changes in our deferred tax assets and liabilities and their valuations, and can result in significant variations in the customary relationship between pretax income and income tax expense.

**Financial Condition:**

***Mortgage-Backed Securities***

As of March 31, 2026, our MBS portfolio consisted of $16.1 million of agency or government MBS at fair value and had a weighted average coupon of 5.35%. During the three months ended March 31, 2026, we received principal repayments of $3.6 million compared to $2.9 million for the comparable period ended March 31, 2025. The average prepayment speeds for the quarters ended March 31, 2026 and 2025 were 2.9% and 7.3%, respectively.

The following table presents the three-month constant prepayment rate ("CPR") experienced on our portfolio, on an annualized basis, for the quarterly periods presented. CPR is a method of expressing the prepayment rate for a mortgage pool that assumes that a constant fraction of the remaining principal is prepaid each month or year. Specifically, the CPR in the chart below represents the three-month prepayment rate of the securities in the respective asset category.

| Three Months Ended | Total Portfolio (%) |
|---|---|
| March 31, 2026 | 2.9 |
| December 31, 2025 | 16.6 |
| September 30, 2025 | 16.8 |
| June 30, 2025 | 9.9 |
| March 31, 2025 | 7.3 |

The following tables summarize certain characteristics of our PT MBS and structured MBS as of March 31, 2026 and December 31, 2025:

*($ in thousands)*

| | Fair Value | Weighted Average Coupon | Weighted Average Maturity in Months | Longest Maturity |
|---|---|---|---|---|
| **March 31, 2026** | $ 16,066 | 5.35% | 322 | 1-May-53 |
| **December 31, 2025** | $ 88,929 | 5.73% | 331 | 1-Aug-54 |

*($ in thousands)*

| | March 31, 2026 | | December 31, 2025 | |
|---|---|---|---|---|
| **Agency** | **Fair Value** | **Percentage of Entire Portfolio** | **Fair Value** | **Percentage of Entire Portfolio** |
| Fannie Mae | $ 2,305 | 14.3% | $ 21,924 | 24.7% |
| Freddie Mac | 13,761 | 85.7% | 67,005 | 75.3% |
| Total Portfolio | $ 16,066 | 100.0% | $ 88,929 | 100.0% |

As of March 31, 2026, the Company's portfolio had an effective duration of 3.483, indicating that an interest rate increase of 1.0% would be expected to cause a 3.483% decrease in the value of the MBS in our investment portfolio. As of December 31, 2025, the Company's portfolio had an effective duration of 2.229, indicating that an interest rate increase of 1.0% would be expected to cause a 2.229% decrease in the value of the MBS in our investment portfolio. These figures do not include the effect of our funding cost hedges. Effective duration quotes for individual investments are obtained from The Yield Book, Inc.

Our portfolio of PT MBS is typically comprised of adjustable-rate MBS, fixed-rate MBS and hybrid adjustable-rate MBS. We generally seek to acquire low duration assets that offer high levels of protection from mortgage prepayments provided that they are reasonably priced by the market. The stated contractual final maturity of the mortgage loans underlying our portfolio of PT MBS generally ranges up to 30 years. However, the effect of prepayments of the underlying mortgage loans tends to shorten the resulting cash flows from our investments substantially. Prepayments occur for various reasons, including refinancing of underlying mortgages, loan payoffs in connection with home sales, and borrowers paying more than their scheduled loan payments, which accelerates the amortization of the loans.

The duration of our IO and IIO portfolios will vary greatly depending on the structural features of the securities. While prepayment activity will always affect the cash flows associated with the securities, the interest only nature of IO’s may cause their durations to become extremely negative when prepayments are high, and less negative when prepayments are low. Prepayments affect the duration of IIO’s similarly, but the floating rate nature of the coupon of IIOs (which has inverse relationship to their reference index) causes their price movements - and model duration - to be affected by changes in both prepayments and their reference index - both current and anticipated levels. As a result, the duration of IIO securities will also vary greatly.

Prepayments on the loans underlying our MBS can alter the timing of the cash flows received by us. As a result, we gauge the interest rate sensitivity of its assets by measuring their effective duration. While modified duration measures the price sensitivity of a bond to movements in interest rates, effective duration captures both the movement in interest rates and the fact that cash flows to a mortgage related security are altered when interest rates move. Accordingly, when the contract interest rate on a mortgage loan is substantially above prevailing interest rates in the market, the effective duration of securities collateralized by such loans can be quite low because of expected prepayments.

We face the risk that the market value of our MBS assets will increase or decrease at different rates than those of our hedging instruments. Accordingly, we assess our interest rate risk by estimating the duration of our assets and the duration of our hedge instruments. We generally calculate duration and effective duration using various third-party models or obtain these quotes from third parties. However, empirical results and various third-party models may produce different duration numbers for the same securities.

The following sensitivity analysis shows the estimated impact on the fair value of our interest rate-sensitive investments and hedge positions as of March 31, 2026, assuming rates instantaneously fall 200 bps, fall 100 bps and rise 100 bps, adjusted to reflect the impact of convexity, which is the measure of the sensitivity of our hedge positions and Agency MBS’ effective duration to movements in interest rates.

*($ in thousands)*

| MBS Portfolio | Fair Value | $ Change in Fair Value | | | % Change in Fair Value | | |
|---|---|---|---|---|---|---|---|
| | | -200BPS | -100BPS | +100BPS | -200BPS | -100BPS | +100BPS |
| MBS Portfolio | $ 16,066 | $ 711 | $ 451 | $ (649) | 4.43% | 2.81% | (4.04)% |
| **Repurchase Agreement Hedges** | **Notional Amount** | **$ Change in Fair Value -200BPS** | **-100BPS** | **+100BPS** | **% Change in Fair Value -200BPS** | **-100BPS** | **+100BPS** |
| Interest Rate Futures Contracts | 10,000 | (1,129) | (546) | 512 | (11.29)% | (5.46)% | 5.12% |
| Gross Totals | | $ (418) | $ (95) | $ (137) | | | |

In addition to changes in interest rates, other factors impact the fair value of our interest rate-sensitive investments and hedging instruments, such as the shape of the yield curve, market expectations as to future interest rate changes and other market conditions. Accordingly, in the event of changes in actual interest rates, the change in the fair value of our assets would likely differ from that shown above and such difference might be material and adverse to our stockholders.

***Repurchase Agreements***

As of March 31, 2026, we had established borrowing facilities in the repurchase agreement market with a number of commercial banks and other financial institutions and had borrowings in place with three of these counterparties. We believe these facilities provide borrowing capacity in excess of our needs. None of these lenders are affiliated with us. These borrowings are secured by our MBS.

As of March 31, 2026, we had obligations outstanding under the repurchase agreements of approximately $15.2 million with a net weighted average borrowing cost of 3.79%. The remaining maturity of our outstanding repurchase agreement obligations ranged from 13 to 23 days, with a weighted average maturity of 17 days. Securing the repurchase agreement obligation as of March 31, 2026 are MBS with an estimated fair value, including accrued interest, of $16.0 million. Through May 7, 2026, we have been able to maintain our repurchase facilities with comparable terms to those that existed at March 31, 2026 with maturities through May 26, 2026.

The table below presents information about our period-end, maximum and average repurchase agreement obligations for each quarter in 2026 and 2025.

| Three Months Ended | Ending Balance of Repurchase Agreements | Maximum Balance of Repurchase Agreements | Average Balance of Repurchase Agreements | Difference Between Ending Repurchase Agreements and Average Repurchase Agreements | |
|---|---|---|---|---|---|
| | | | | Amount | Percent |
| March 31, 2026 | $ 15,184 | $ 85,332 | $ 50,255 | $ (35,071) | (69.79)% |
| December 31, 2025 | 85,326 | 99,953 | 92,640 | (7,314) | (7.90)% |
| September 30, 2025 | 99,953 | 101,788 | 100,848 | (895) | (0.89)% |
| June 30, 2025 | 101,742 | 115,096 | 108,626 | (6,884) | (6.34)% |
| March 31, 2025 | 115,511 | 117,603 | 116,346 | (835) | (0.72)% |

**Liquidity and Capital Resources**

Liquidity is our ability to turn non-cash assets into cash to fund our operations and to meet our obligations in both the short-term (one year or less) and long-term (greater than one year). Our material cash requirements include the purchase of additional investments, repay principal and interest on repurchase agreements and long-term debt (see Note 7 to the consolidated financial statements for more information related to the timing of principal payments and maturities of our long-term debt.), fund overhead and fulfill margin calls. We have both internal and external sources of liquidity. However, our material unused sources of liquidity include cash balances, unencumbered assets and our ability to sell encumbered assets to raise cash. Our balance sheet also generates liquidity on an on-going basis through payments of principal and interest we receive on our MBS portfolio and dividends we receive on our investment in Orchid common stock.

***Internal Sources of Liquidity***

Our internal sources of liquidity include our cash balances, unencumbered assets and our ability to liquidate our encumbered security holdings. Our balance sheet also generates liquidity on an ongoing basis through payments of principal and interest we receive on our MBS portfolio and dividends we receive on our investment in Orchid common stock.

We employ a hedging strategy that typically involves taking short positions in T-Note and SOFR futures, TBAs or other instruments. When the market causes these short positions to decline in value we are required to meet margin calls with cash. This can reduce our liquidity position to the extent other securities in our portfolio move in price in such a way that we do not receive enough cash through margin calls to offset the futures or TBA short positions related margin calls. If this were to occur in sufficient magnitude, the loss of liquidity might force us to reduce the size of the levered portfolio, pledge additional structured securities to raise funds or risk operating the portfolio with less liquidity.

***External Sources of Liquidity***

Our primary external sources of liquidity are our ability to (i) borrow under master repurchase agreements and (ii) use the TBA security market. Our borrowing capacity will vary over time as the market value of our interest earning assets varies. Our master repurchase agreements have no stated expiration but can be terminated at any time at our option or at the option of the counterparty. However, once a definitive repurchase agreement under a master repurchase agreement has been entered into, it generally may not be terminated by either party. A negotiated termination can occur but may involve a fee to be paid by the party seeking to terminate the repurchase agreement transaction.

Under our repurchase agreement funding arrangements, we are required to post margin at the initiation of the borrowing. The margin posted represents the haircut, which is a percentage of the market value of the collateral pledged. To the extent the market value of the asset collateralizing the financing transaction declines, the market value of our posted margin will be insufficient and we will be required to post additional collateral. Conversely, if the market value of the asset pledged increases in value, we would be over collateralized and we would be entitled to have excess margin returned to us by the counterparty. Our lenders typically value our pledged securities daily to ensure the adequacy of our margin and make margin calls as needed, as do we. Typically, but not always, the parties agree to a minimum threshold amount for margin calls so as to avoid the need for nuisance margin calls on a daily basis. Our master repurchase agreements do not specify the haircut; rather haircuts are determined on an individual repo transaction basis.

We invest a portion of our capital in structured MBS. We generally do not apply leverage to this portion of our portfolio. The leverage inherent in structured securities replaces the leverage obtained by acquiring PT securities and funding them in the repo market. This structured MBS strategy has been a core element of the Company's overall investment strategy since 2008. However, we have and may continue to pledge a portion of our structured MBS in order to raise our cash levels, but generally will not pledge these securities in order to acquire additional assets.

In future periods, we expect to continue to finance our activities through repurchase agreements and through revenues from our advisory services business. As of March 31, 2026, we had cash and cash equivalents of $16.4 million. We generated cash flows of $5.0 million from principal and interest payments on our MBS portfolio and had average repurchase agreements outstanding of $50.3 million during the three months ended March 31, 2026. In addition, during the three months ended March 31, 2026, we received approximately $5.1 million in management fees and expense reimbursements as manager of Orchid and approximately $0.2 million in dividends from our investment in Orchid common stock.

**Capital Expenditures**

At March 31, 2026, we had no material commitments for capital expenditures.

**Outlook**

***Orchid Island Capital Inc.***

Orchid reported a net loss for the first quarter of 2026 of $20.2 million, or $0.11 per share and its shareholders equity increased from $1.372 billion to $1.392 billion. During the first quarter, market conditions were not as favorable for levered MBS investors as the fourth quarter of 2025 or most of 2025. Orchid reported gains on hedge instruments of $46.3 million and realized and unrealized losses on its MBS portfolio of $115.9 million, which together resulted in losses of $69.6 million. Orchid is obligated to reimburse Bimini for direct expenses paid on its behalf as well as Orchid's pro-rata share of overhead expenses as defined in the management agreement. As a stockholder of Orchid, we will also continue to share in distributions, if any, paid by Orchid to its stockholders. Our operating results are also impacted by changes in the market value of our holdings of Orchid common shares, although these market value changes do not impact our cash flows from Orchid.

*Economic Summary*

Economic developments during the first quarter of 2026 were, to a large extent, a continuation of 2025, with inflation stubbornly above the Fed's target of 2%, the labor market stable, and growth and spending holding up. There was also considerable uncertainty surrounding the two primary focus points of the Fed – inflation and the labor market. The impact of tariffs implemented in 2025 had not materially impacted goods prices, and it was unclear whether they would, and to what extent. The Trump administration's crack down on immigration has meaningfully slowed labor market growth, and economists suspect the current base line growth rate of the labor market is at or close to zero. Both of these factors make it difficult for economists and Fed officials to interpret economic data and ascertain the appropriate path, or level, of monetary policy. Consequently, the Fed has held monetary policy stable and guided that they will continue assessing incoming data over time to determine what changes, if any, are needed.

Additional factors that could affect the economy emerged over the course of the quarter. The first was apparent strains in the private credit markets. These first emerged in 2025, but intensified materially during the first quarter of 2026 – predominantly as developments in artificial intelligence were viewed as a threat to software developers. Coincidentally, the market feared the tens of billions of dollars of spending on data centers throughout the country and world announced in recent months by the country's largest technology companies could lead to overcapacity. The weakness in the private credit markets spilled over into the broader equity markets, and most major market indices were down for the year by mid-single percentage points through late February, with software related companies down multiples of that.

On February 28, 2026, the United States and Israel attacked Iran and began the current war that has materially disrupted the supply and production of oil in the Persian Gulf region, among other important commodities needed for the global economy. Financial markets immediately reflected higher interest rates, equity markets declined, and commodity prices rose, especially the price of oil, which jumped to over $100 per barrel. Markets initially expected the war to be brief and the disruptions to the supply of oil and market turmoil to end quickly. This has not proved to be the case. With respect to domestic markets in the United States, the immediate impact has been inflationary, and headline inflation readings are expected to be elevated while the war lasts. Market pricing of Fed monetary policy adjustment quickly shifted from possibly one or two more interest rate cuts in 2026 to a possible hike before year end. As the war has continued, the market now expects the effect of the war may become more growth oriented, and longer-term rates have declined back to levels seen at year-end 2025. The ultimate outcome of the war remains unclear at this point, but what is very clear is the uncertainty surrounding the Fed and its pursuit of its dual mandates has become even more challenging.

*Interest Rates*

While interest rates across the U.S. Treasury curve had been remarkably stable for most of 2025, especially the latter half of the year, interest rate volatility increased during the first quarter of 2026 although it has since subsided into the second quarter. While the range of the yield on the 10-year U.S. Treasury and other maturities outside of the 2-year U.S. Treasury have increased, yields have remained within the new range throughout the year. Implied interest rate volatility in the rate options market spiked at the onset of the Iranian war, but has since retraced most of the upward spike. Shorter maturity U.S. Treasuries, those most sensitive to monetary policy, have increased as the market no longer anticipates additional interest rate cuts by the Fed. Prior to the outbreak of the war, the market was anticipating at least two 25-basis point cuts in the Fed Funds rate by the end of 2026, with additional cuts priced in for 2027. By the end of the first quarter, market pricing was approximately one-quarter of one 25-basis point cut by the end of 2026.

The Fed ended its quantitative tightening program, which reduced its balance sheet via the maturation of its holdings, and began reinvesting them into additional U.S. Treasury holdings on December 1, 2025. Run-off from the Agency MBS holdings is now directed towards purchasing U.S. Treasuries. The Fed also announced its intention, via Reserve Management Purchases ("RMPs"), to grow its balance sheet over time to maintain a stable relationship between the size of its balance sheet and the economy. These steps will result in increased purchases of U.S. Treasuries by the Fed going forward, and interest rate swap spreads have widened – or become less negative – as a result. When the RMP program was first introduced, U.S. Treasury purchases were $40 billion per month, which had the added benefit of taking pressure off of the overnight funding markets, as market participants such as money-market funds had fewer options to deploy their liquidity and therefore increased the pool of available funds for the overnight repurchase agreement ("repo") funding markets. As a result, funding levels available to the Company in the repo markets during the quarter – typically expressed as a spread over SOFR – were lower than had been the case for 2025. As is typically the case, the U.S. Treasury cash balances are elevated around the April 15th filing deadline for individual income taxes. The Fed has reduced its RMP purchases for the balance of the filing period – typically approximately 2 months – to $25 billion per month. The market anticipates the level of purchases will go back to $40 billion per month thereafter. The reduction in monthly RMP purchases during this period is not expected to materially impact the Company's funding levels.

*The Agency MBS Market*

The Agency MBS market had a strong start to the quarter as both absolute and relative performance versus comparable duration U.S. Treasuries and swaps. On January 8, 2026, President Trump announced plans for Fannie Mae and Freddie Mac (the "Enterprises") to purchase up to $200 billion of Agency MBS in 2026 in an effort to drive mortgage rates down and improve housing affordability. The market reacted strongly to the news, and the current coupon spread tightened to approximately 74 basis points, the tightest level since early 2022 when the Fed was still buying Agency MBS under its quantitative easing program. The anticipated increase in purchases by the Enterprises resulted in an immediate outperformance of the sector. Subsequently, the Iranian war commenced on February 28, 2026, and negatively impacted the performance of the Agency MBS sector, as well all risk markets generally, for the month of March 2026. The Agency MBS market had a -1.6% return for March and an excess return of -0.3% versus comparable duration swaps. For the first quarter of 2026, the Agency MBS sector still managed to generate a positive return of 0.6%, but versus comparable durations swaps, the return was only 0.02%. The returns compare to absolute returns of -0.6% and -0.4%, respectively, for the high yield and investment grade corporate bond sectors for the first quarter of 2026, and 0.1% and 1.4%, respectively, of excess returns versus comparable duration swaps for the quarter.

Within Agency MBS for the first quarter of 2026, conventional 30-year mortgages generated a total return of 0.6%, 15-year mortgages generated a total return of 0.3% and Ginnie Mae 30-year mortgages generated a total return of 0.9%. Versus comparable duration swaps, the returns were (0.11%), (0.08%) and 0.29% for 30-year conventional, 15-year conventional and Ginnie Mae 30-year mortgages, respectively. The Company invests predominantly in 30-year conventional mortgages. Returns with the 30-year stack varied greatly by coupon, with lower (3.0% and lower) and highest coupons (6.5% and higher) outperforming middle coupons. This was the case for both absolute and excess returns for the first quarter. As interest rates ended the quarter slightly higher than at the end of 2025 prepayment rates – and expectations for prepayment rates going forward – subsided. This led to outperformance for the highest coupons – even higher than the lowest coupon securities. The Company has the greatest concentration of its holdings in the 5.5% and 6.0% coupons, which generated absolute returns of 0.4% and 0.6%, respectively. Excess returns for these coupons were both -0.2%.

*Recent Legislative and Regulatory Developments*

In response to the deterioration in the markets for U.S. Treasuries, Agency MBS and other mortgage and fixed income markets resulting from the impacts of the COVID-19 pandemic, the Fed implemented a program of quantitative easing. Through November of 2021, the Fed was committed to purchasing $80 billion of U.S. Treasuries and $40 billion of Agency MBS each month. In November of 2021, it began tapering its net asset purchases each month, ended net asset purchases by early March of 2022, and ended asset purchases entirely in September of 2022. On May 4, 2022, the FOMC announced a plan for reducing the Fed's balance sheet. In June of 2022, in accordance with this plan, the Fed began reducing its balance sheet by a maximum of $30 billion of U.S. Treasuries and $17.5 billion of Agency MBS each month. On September 21, 2022, the FOMC announced the Fed's decision to continue reducing its balance sheet by a maximum of $60 billion of U.S. Treasuries and $35 billion of Agency MBS per month. On May 1, 2024, the FOMC announced the Fed's decision to reduce its balance sheet by a maximum of $25 billion of U.S. Treasury securities and remove the cap on Agency MBS reduction, with any amounts in excess of $35 billion per month being reinvested in U.S. Treasury securities. On March 19, 2025, the FOMC announced the Fed's decision to reduce its balance sheet by a maximum of $5 billion of U.S. Treasury securities beginning April 1, 2025. Relatively high interest rates and slow prepayment speeds kept the balance sheet reduction for Agency MBS below $20 billion per month throughout 2024 and 2025. On December 1, 2025, the Fed ended quantitative tightening and began reinvesting all proceeds from maturing Agency MBS up to a $35 billion per month cap in U.S. Treasuries and announced that it would begin buying an additional $40 billion per month of U.S. Treasuries via RMPs in order to maintain an ample level of reserves on an ongoing basis. As of March 31, 2026, the Fed had reduced its balance sheet for Agency MBS by approximately $745 billion from the peak of approximately $2.7 trillion to approximately $2.0 trillion, shedding approximately 54% of the Agency MBS added during pandemic quantitative easing and representing the lowest level since December 2020.

On September 14, 2021, the U.S. Treasury and the FHFA suspended certain policy provisions in the Enterprise capital framework established in December 2020, including limits on loans acquired for cash consideration, multifamily loans, loans with higher risk characteristics and second homes and investment properties (the "September 2021 Provisions"). Effective April 26, 2022, the FHFA further amended this framework by, among other things, replacing the fixed leverage buffer equal to 1.5% of an Enterprise's adjusted total assets with a dynamic leverage buffer equal to 50% of an Enterprise's stability capital buffer, reducing the risk weight floor from 10% to 5%, and removing the requirement that the Enterprises must apply an overall effectiveness adjustment to their credit risk transfer exposures. On June 14, 2022, the Enterprises announced that they would each charge a 50 bps fee for commingled securities issued on or after July 1, 2022 to cover the additional capital required for such securities under the Enterprise capital framework, which was subsequently reduced on January 19, 2023 to 9.375 bps for commingled securities issued on or after April 1, 2023 to address industry concern that the fee posed a risk to the fungibility of the Uniform Mortgage-Backed Security and negatively impacted liquidity and pricing in the market for TBA securities. On November 30, 2023, the FHFA published a final rule, which became effective April 1, 2024, which reduced the risk weight and credit conversion factor for guarantees on commingled securities to 5% and 50%, respectively; replaced the current exposure methodology with the standardized approach for counterparty credit risk as the method for computing exposure and risk-weighted asset amounts for derivatives and cleared transactions; updated the credit score assumption to 680 for single-family mortgage exposures originated without a representative credit score; and introduced a risk weight of 20% for guarantee assets. On January 2, 2025, the U.S. Treasury and FHFA entered into a letter agreement deleting the September 2021 Provisions entirely, as well as providing additional guidance on the process for a potential end to the conservatorship of the Enterprises. Throughout 2025, there was some speculation in the market regarding progress towards an end to the conservatorship, including through an initial public offering, but a directive by the Trump administration in January 2026 that the Enterprises purchase up to $200 billion of Agency MBS from their accumulated cash reserves will increase the Enterprises' balance sheets and exposure to mortgage risk and could make a near-term end to the conservatorship unlikely. The announcement of the directive, designed to increase liquidity and compress the spread between mortgage interest rates and the 10-year U.S. Treasury, had the intended effect of immediately and significantly increasing mortgage application volumes. The longer-term implications of this directive remain to be seen, with some analysts fearing a demand surge in home prices negating any affordability gains, systemic instability due to increased exposure to mortgage risk by the Enterprises, and volatility in the 10-year U.S. Treasury and mortgage interest spreads if the Fed decides to tighten monetary policy while the Trump administration is loosening it through the Enterprises. Further, the Enterprises are quickly approaching their regulatory asset caps, and it is unclear whether the FHFA will raise these caps to signal a long-term commitment to this directive or whether this is a limited intervention.

On July 27, 2023, the federal banking regulators, including the Office of the Comptroller of the Currency, (the "OCC") the FDIC and the Fed, jointly issued a proposed rule that would revise large bank capital requirements (the "2023 Basel III Endgame"). The 2023 Basel III Endgame, if implemented as originally proposed, would have significantly increased the credit weight risk for balance-sheet mortgages and for Agency MBS sold to the GSEs, which could have disincentivized banks from originating mortgages for sale to the GSEs and impacted pricing in the Agency MBS markets. The comment period for the 2023 Basel III Endgame closed on January 16, 2024, and the proposed rule was met with strong objections from the banking industry.

On November 25, 2025, the Fed, OCC and FDIC jointly adopted a final rule to revise the enhanced supplementary leverage ratio for globally systemically important bank holding companies ("GSIBs"). The rule, which became effective April 1, 2026 and may be adopted by banks subject to the rule as early as January 1, 2026, seeks to promote effective GSIB capital management and remove disincentives for banks to engage in low-risk activities, particularly in the U.S. Treasury market. This shift is expected to free up significant capital, allowing GSIBs greater discretion in asset allocation and potentially fostering increased lending and economic activity.

On March 19, 2026, the OCC, FDIC and the Fed rescinded the 2023 Basel III Endgame proposal and concurrently issued three revised notices of proposed rulemaking. The three proposals include (i) a revised Basel III Endgame proposal that would apply an expanded risk-based approach to Category I and Category II banking organizations, thus narrowing the mandatory scope from the 2023 proposal, with all other banking organizations permitted to opt in; (ii) a revised standardized approach proposal that would reduce risk weights for traditional lending activities for banking organizations not subject to the expanded risk-based approach; and (iii) a revised GSIB capital surcharge proposal. The OCC, FDIC, and the Fed estimate that the revised proposals would decrease aggregate common equity tier 1 capital requirements by approximately 4.8% for Category I and Category II banking organizations, in contrast to the significant capital increases that would have resulted under the 2023 Basel III Endgame. Additionally, the revised proposal would eliminate the requirement to deduct mortgage servicing assets from common equity tier 1 capital, instead assigning a 250% risk weight, which is designed to promote mortgage origination and servicing by banking organizations. The Fed voted 6-to-1 to advance all three proposals and the FDIC board voted unanimously in favor of the revised Basel III Endgame and standardized approach proposals. The comment period for the revised proposals is scheduled to close on June 18, 2026.

The scope and nature of the actions the U.S. government or the Fed will ultimately undertake are unknown and will continue to evolve.

*Effect on Us*

Regulatory developments, movements in interest rates and prepayment rates affect us in many ways, including the following:

*Effects on our Assets*

A change in or elimination of the guarantee structure of Agency MBS may increase our costs (if, for example, guarantee fees increase) or require us to change our investment strategy altogether. For example, the elimination of the guarantee structure of Agency MBS may cause us to change our investment strategy to focus on non-Agency MBS, which in turn would require us to significantly increase our monitoring of the credit risks of our investments in addition to interest rate and prepayment risks.

If prepayment rates are relatively low (due, in part, to the refinancing problems described above), lower long-term interest rates can increase the value of our Agency MBS. This is because investors typically place a premium on assets with coupon/yields that are higher than coupon/yields available in the market. To the extent such securities pre-pay slower than would otherwise be the case, we benefit from an above market coupon/yield for longer, enhancing the return from the security. Although lower long-term interest rates may increase asset values in our portfolio, we may not be able to invest new funds in similarly yielding assets.

If prepayment levels increase, the value of any of our Agency MBS that are carried at a premium to par that are affected by such prepayments may decline. This is because a principal prepayment accelerates the effective term of an Agency MBS, which would shorten the period during which an investor would receive above-market returns (assuming the yield on the prepaid asset is higher than market yields). Also, prepayment proceeds may not be able to be reinvested in similar-yielding assets. Agency MBS backed by mortgages with high interest rates are more susceptible to prepayment risk because holders of those mortgages are most likely to refinance to a lower rate. If prepayment levels decrease, the value of any of our Agency MBS that are carried at a discount to par that are affected by such prepayments may increase. This is because a principal prepayment accelerates the effective term of an Agency MBS, which would shorten the timeframe over which an investor would receive the principal of the underlying loans. Agency MBS backed by mortgages with low interest rates are less susceptible to prepayment risk because holders of those mortgages are less likely to refinance to a higher rate. IOs and IIOs, however, may be the types of Agency MBS most sensitive to increased prepayment rates. Because the holder of an IO or IIO receives no principal payments, the values of IOs and IIOs are entirely dependent on the existence of a principal balance on the underlying mortgages. If the principal balance is eliminated due to prepayment, IOs and IIOs essentially become worthless. Although increased prepayment rates can negatively affect the value of our IOs and IIOs, they have the opposite effect on POs. Because POs act like zero-coupon bonds, meaning they are purchased at a discount to their par value and have an effective interest rate based on the discount and the term of the underlying loan, an increase in prepayment rates would reduce the effective term of our POs and accelerate the yields earned on those assets, which would increase our net income.

Higher long-term rates can also affect the value of our Agency MBS. As long-term rates rise, rates available to borrowers also rise. This tends to cause prepayment activity to slow and extend the expected average life of mortgage cash flows. As the expected average life of the mortgage cash flows increases, coupled with higher discount rates, the value of Agency MBS declines. Some of the instruments we use to hedge our Agency MBS assets, such as interest rate futures, swaps and swaptions, are stable average life instruments. This means that to the extent we use such instruments to hedge our Agency MBS assets, our hedges may not adequately protect us from price declines, and therefore may negatively impact our book value. It is for this reason we use interest only securities in our portfolio. As interest rates rise, the expected average life of these securities increases, causing generally positive price movements as the number and size of the cash flows increase the longer the underlying mortgages remain outstanding. This makes interest only securities desirable hedge instruments for PT Agency MBS.

Because we base our investment decisions on risk management principles rather than anticipated movements in interest rates, in a volatile interest rate environment we may allocate more capital to structured Agency MBS with shorter durations. We believe these securities have a lower sensitivity to changes in long-term interest rates than other asset classes. We may attempt to mitigate our exposure to changes in long-term interest rates by investing in IOs and IIOs, which typically have different sensitivities to changes in long-term interest rates than PT MBS, particularly PT MBS backed by fixed-rate mortgages.

*Effects on our borrowing costs*

We leverage our PT MBS portfolio and a portion of our structured Agency MBS with principal balances through the use of short-term repurchase agreement transactions. The interest rates on our debt are determined by the short term interest rate markets. Increases in the Fed Funds rate or SOFR typically increase our borrowing costs, which could affect our interest rate spread if there is no corresponding increase in the interest we earn on our assets. The impact of these increases would be most prevalent with respect to our Agency MBS backed by fixed rate mortgage loans because the interest rate on a fixed-rate mortgage loan does not change even though market rates may change.

In order to protect our net interest margin against increases in short-term interest rates, we may enter into interest rate swaps, which economically convert our floating-rate repurchase agreement debt to fixed-rate debt or utilize other hedging instruments such as Fed Funds, SOFR, Eris SOFR Swap, and T-Note futures contracts, dual digital options or interest rate swaptions.

*Summary*

Orchid invests and, through the end of the first quarter of 2026, the Company invested exclusively in Agency MBS securities and applies leverage utilizing repurchase agreement funding. The primary drivers of the performance of these assets – both absolute performance and performance relative to hedges – are interest rates, their impact on both asset prices and the level of prepayments, interest rate volatility, particularly the level of implied volatility in interest rate swaptions and various interest rate derivatives, and our funding levels. Accordingly, we have significant exposure to interest rates, and our performance is driven by our ability to select assets, manage our leverage, and the effectiveness of our hedging strategy.

Interest rates have been range bound for several months going back approximately 12 months, with the range briefly expanding slightly during the first quarter of 2026 as a result of the Iranian war. Interest rate volatility, both realized and implied in interest rate options, has remained subdued outside of a temporary spike at the onset of the war in Iran. It seems the economy and the markets generally are caught in a quandary where it is unclear if inflation, which has been running above the Fed’s 2% target level for several years, or growth prospects, now potentially negatively impacted by the war and increased commodity prices, will be the predominant driver of interest rates, monetary policy and the performance of risk assets of all types. The resulting uncertainty has resulted in relative stability in the level and volatility of interest rates, and this stability has generally been conducive for levered Agency MBS investors.

Looking forward, the war in Iran continues to be the dominant force driving the performance of all markets. At this point it is unclear what the ultimate outcome of the war will be or when it will end. As for the economy and monetary policy, the outlook is equally uncertain, as the war will likely impact both inflation and growth in the U.S. and global economies. Both Orchid and the Company have deployed modest levels of leverage for the past several quarters and are likely to continue to do so given the market uncertainty. Positioning of the portfolios, in terms of asset selection, is likely to remain defensive going forward as well.

On April 1, 2026, the Company completed the acquisition of Tom Johnson Investment Management, LLC, or “TJIM.” TJIM is an asset manager with approximately $1.6 billion in assets under management invested in both equities and domestic fixed income securities. Going forward, the results of the Company’s operations and our focus in our public disclosures will be impacted by factors other than just the fixed income markets and the Agency MBS market, although the MBS market will still be a significant factor. Beginning with the second quarter of 2026 our focus will expand to include factors impacting the domestic equity markets as well as fixed income markets other than the Agency MBS market.

**Critical Accounting Estimates**

Our consolidated financial statements are prepared in accordance with GAAP, which requires our management to make some complex and subjective decisions, estimates and assessments. Our most critical accounting policies involve decisions, estimates and assessments which can have a material impact on reported assets, liabilities, revenues and expenses, and these estimates can change each reporting period. There have been no changes to the processes used to determine our critical accounting estimates as discussed in our annual report on Form 10-K for the year ended December 31, 2025.

**ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.**

As a smaller reporting company as defined by Rule 12b-2 of the Exchange Act, we are not required to provide disclosure pursuant to this Item. However, we have elected to include much of the information in Item 7 above.

**ITEM 4. CONTROLS AND PROCEDURES.**

**Evaluation of Disclosure Controls and Procedures**

As of the end of the period covered by this report (the “evaluation date”), we carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer (the “CEO”) and Chief Financial Officer (the “CFO”), of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934 (the “Exchange Act”). Based on this evaluation, the CEO and CFO concluded our disclosure controls and procedures, as designed and implemented, were effective as of the evaluation date (1) in ensuring that information regarding the Company and its subsidiaries is accumulated and communicated to our management, including our CEO and CFO, by our employees, as appropriate to allow timely decisions regarding required disclosure and (2) in providing reasonable assurance that information we must disclose in our periodic reports under the Exchange Act is recorded, processed, summarized and reported within the time periods prescribed by the SEC’s rules and forms.

**Changes in Internal Control over Financial Reporting**

There were no material changes in the Company’s internal control over financial reporting that occurred during the Company’s most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Company’s internal control over financial reporting.

# PART II. OTHER INFORMATION

## ITEM 1. LEGAL PROCEEDINGS

As previously disclosed, in April 2020 and November 2021, the Company received demands for payment from Citigroup, Inc. related to the indemnification provisions of various mortgage loan purchase agreements entered into prior to 2007. As of March 31, 2026, no further information has been received related to this matter. The ultimate resolution of this matter cannot presently be determined. However, in management's opinion, the demands are without merit and the likelihood of a material adverse outcome is remote. Accordingly, no provision or accrual has been recorded.

We are not party to any other material pending legal proceedings as described in Item 103 of Regulation S-K.

## ITEM 1A. RISK FACTORS.

There have been no material changes to the risk factors disclosed in our Annual Report on Form 10-K for the year ended December 31, 2025, filed with the SEC on March 13, 2026.

## ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

The Company did not have any unregistered sales of its equity securities during the three months ended March 31, 2026.

The Company did not repurchase shares of its common stock during the three months ended March 31, 2026.

## ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

## ITEM 4. MINE SAFETY DISCLOSURES.

Not Applicable.

## ITEM 5. OTHER INFORMATION

During the quarter ended March 31, 2026, none of the Company's directors or officers (as defined in Rule 16a-1(f) under the Exchange Act) adopted, modified or terminated a Rule 10b5-1 trading arrangement (as each term is defined in Item 408 of Regulation S-K).

**ITEM 6. EXHIBITS**

| Exhibit No | |
|---|---|
| 3.1 | Articles of Amendment and Restatement, incorporated by reference to Exhibit 3.1 to the Company's Form S-11/A, filed with the SEC on April 29, 2004 |
| 3.2 | Articles Supplementary, incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, dated November 3, 2005, filed with the SEC on November 8, 2005 |
| 3.3 | Articles of Amendment, incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, dated February 10, 2006, filed with the SEC on February 15, 2006 |
| 3.4 | Articles of Amendment, incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, dated September 24, 2007, filed with the SEC on September 24, 2007 |
| 3.5 | Certificate of Notice, incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, dated January 28, 2008, filed with the SEC on February 1, 2008 |
| 3.6 | Articles Supplementary, reclassifying shares of Class A Preferred Stock and Class B Preferred Stock into Preferred Stock, incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, dated December 21, 2015, filed with the SEC on December 21, 2015 |
| 3.7 | Articles Supplementary, creating the Series A Preferred Stock, incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K, dated December 21, 2015, filed with the SEC on December 21, 2015. |
| 3.8 | Amended and Restated Bylaws, incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K, dated September 24, 2007, filed with the SEC on September 24, 2007 |
| 4.1 | Rights Plan, dated as of December 21, 2015, between the Company and Broadridge Corporate Issuer Solutions, Inc. incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K, dated December 21, 2015, filed with the SEC on December 21, 2015. |
| 4.2 | Description of the Company's Capital Stock, incorporated by reference to Exhibit 4.2 to the Company's Annual Report on Form 10-K, filed with the SEC on March 27, 2020. |
| 31.1 | Certification of the Principal Executive Officer, pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes Oxley Act of 2002* |
| 31.2 | Certification of the Principal Financial Officer, pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes Oxley Act of 2002* |
| 32.1 | Certification of the Chief Executive Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes Oxley Act of 2002** |
| 32.2 | Certification of the Chief Financial Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes Oxley Act of 2002** |
| 101.INS | Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.*** |
| 101.SCH | Inline XBRL Taxonomy Extension Schema Document*** |
| 101.CAL | Inline XBRL Taxonomy Extension Calculation Linkbase Document*** |
| 101.DEF | Inline XBRL Additional Taxonomy Extension Definition Linkbase Document*** |
| 101.LAB | Inline XBRL Taxonomy Extension Label Linkbase Document*** |
| 101.PRE | Inline XBRL Taxonomy Extension Presentation Linkbase Document*** |
| 104 | Cover Page Interactive Data File (embedded within the Inline XBRL document) |

* Filed herewith.
** Furnished herewith
*** Submitted electronically herewith.

**Signatures**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BIMINI CAPITAL MANAGEMENT, INC.

Date: May 8, 2026

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

Date: May 8, 2026

By: /s/ G. Hunter Haas, IV
G. Hunter Haas, IV
President, Chief Financial Officer, Chief Investment Officer and Treasurer (Principal Financial Officer and Principal Accounting Officer)

**Exhibit 31.1**

**CERTIFICATION**
**PURSUANT TO SECTION 302 OF THE**
**SARBANES-OXLEY ACT OF 2002**

I, Robert E. Cauley, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Bimini Capital Management, Inc. (the "registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2026

/s/ Robert E. Cauley
Robert E. Cauley
Chairman of the Board and Chief Executive Officer

**Exhibit 31.2**

**CERTIFICATION**
**PURSUANT TO SECTION 302 OF THE**
**SARBANES-OXLEY ACT OF 2002**

I, G. Hunter Haas, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Bimini Capital Management, Inc. (the "registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing equivalent functions):

    a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2026

/s/ G. Hunter Haas, IV
G. Hunter Haas, IV
President and Chief Financial Officer

**Exhibit 32.1**

**CERTIFICATION**
**PURSUANT TO SECTION 906 OF THE**
**SARBANES-OXLEY ACT OF 2002, 18 U.S.C. SECTION 1350**

I, Robert E. Cauley, in compliance 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, hereby certify that, the Quarterly Report For Bimini Capital Management, Inc. (the "Company") on Form 10-Q for the period ended March 31, 2026 (the “Report”) filed with the Securities and Exchange Commission:

1. fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

It is not intended that this statement be deemed to be filed for purposes of the Securities Exchange Act of 1934.

May 8, 2026

/s/ Robert E.Cauley
Robert E. Cauley,
Chairman of the Board and
Chief Executive Officer

**Exhibit 32.2**

**CERTIFICATION**
**PURSUANT TO SECTION 906 OF THE**
**SARBANES-OXLEY ACT OF 2002, 18 U.S.C. SECTION 1350**

I, G. Hunter Haas, in compliance 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, hereby certify that, the Quarterly Report for Bimini Capital Management, Inc. (the "Company") on Form 10-Q for the period ended March 31, 2026 (the "Report") filed with the Securities and Exchange Commission:

1. fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

It is not intended that this statement be deemed to be filed for purposes of the Securities Exchange Act of 1934.

May 8, 2026

/s/ G. Hunter Haas, IV
G. Hunter Haas, IV
President and Chief Financial Officer