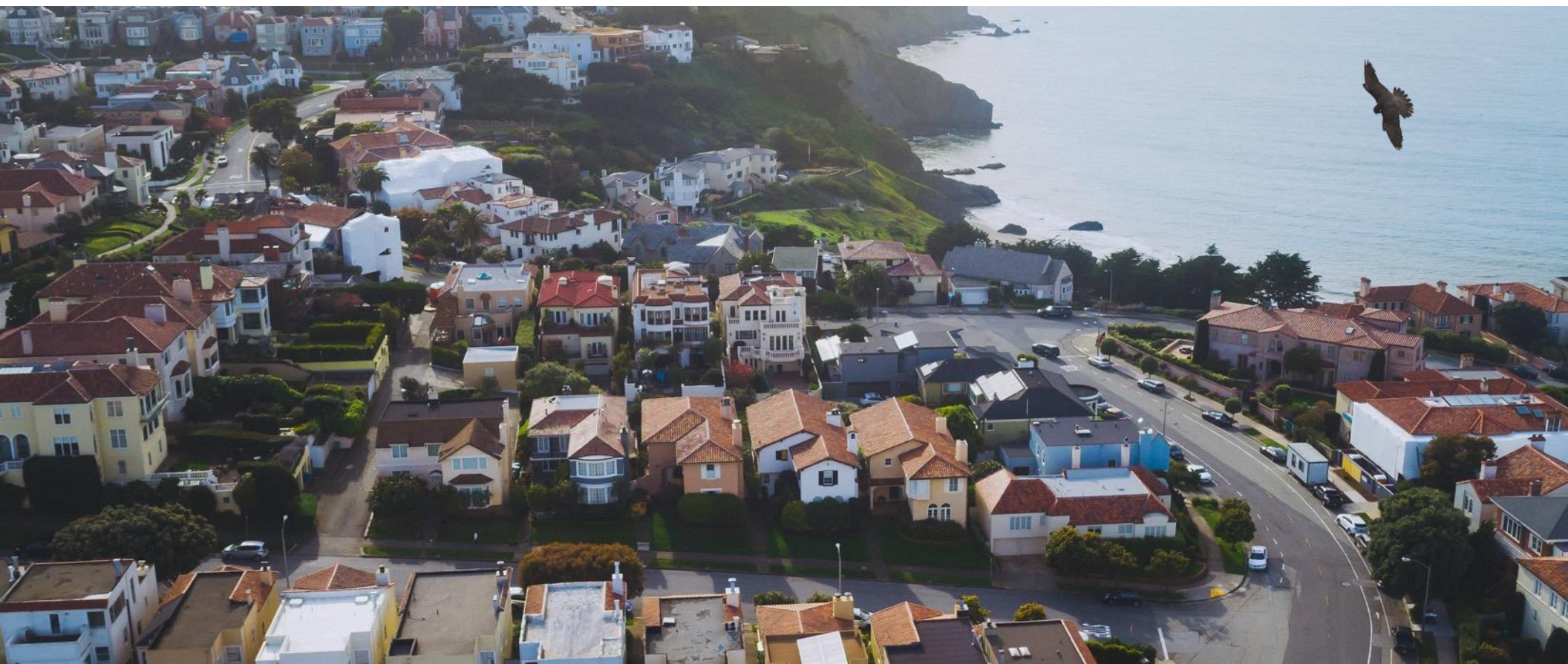


Ellington Financial



Presentation to Debt & Preferred Equity Investors

August 2024

Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements involve numerous risks and uncertainties. Our actual results may differ from our beliefs, expectations, estimates, and projections and, consequently, you should not rely on these forward-looking statements as predictions of future events. Forward-looking statements are not historical in nature and can be identified by words such as "believe," "expect," "anticipate," "estimate," "project," "plan," "continue," "intend," "should," "would," "could," "goal," "objective," "will," "may," "seek" or similar expressions or their negative forms, or by references to strategy, plans, or intentions. Forward-looking statements are based on our beliefs, assumptions and expectations of our future operations, business strategies, performance, financial condition, liquidity and prospects, taking into account information currently available to us. These beliefs, assumptions, and expectations are subject to risks and uncertainties and can change as a result of many possible events or factors, not all of which are known to us. If a change occurs, our business, financial condition, liquidity, results of operations and strategies may vary materially from those expressed or implied in our forward-looking statements.

The following factors are examples of those that could cause actual results to vary from our forward-looking statements: changes in interest rates and the market value of our investments, market volatility, changes in mortgage default rates and prepayment rates, our ability to borrow to finance our assets, changes in government regulations affecting our business, our ability to maintain our exclusion from registration under the Investment Company Act of 1940, our ability to maintain our qualification as a real estate investment trust, or "REIT," and other changes in market conditions and economic trends, such as changes to fiscal or monetary policy, heightened inflation, slower growth or recession, and currency fluctuations. Furthermore, forward-looking statements are subject to risks and uncertainties, including, among other things, those described under Item 1A of our Annual Report on Form 10-K, which can be accessed through our website at www.ellingtonfinancial.com or at the SEC's website (www.sec.gov). Other risks, uncertainties, and factors that could cause actual results to differ materially from those projected may be described from time to time in reports we file with the SEC, including reports on Forms 10-Q, 10-K and 8-K. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

Modeling

Some statements in this presentation may be derived from proprietary models developed by Ellington Management Group, L.L.C. ("Ellington"). Some examples provided may be based upon the hypothetical performance of such models. Models, however, are inherently imperfect and subject to a number of risks, including that the underlying data used by the models is incorrect, inaccurate, or incomplete, or that the models rely upon assumptions that may prove to be incorrect. The utility of model-based information is highly limited. The information is designed to illustrate Ellington's current view and expectations and is based on a number of assumptions and limitations, including those specified herein. Certain models make use of discretionary settings or parameters which can have a material effect on the output of the model. Ellington exercises discretion as to which settings or parameters to use in different situations, including using different settings or parameters to model different securities. Actual results and events may differ materially from those described by such models.

Example Analyses

The example analyses included herein are for illustrative purposes only and are intended to illustrate Ellington's analytic approach. They are not and should not be considered a recommendation to purchase or sell any security or a projection of our future results or performance. The example analyses are only as of the date specified and do not reflect changes since that time.

Projected Yields and Spreads

Projected yields and spreads discussed herein are based upon Ellington models and rely on a number of assumptions, including as to prepayment, default and interest rates and changes in home prices. Such models are inherently imperfect and there is no assurance that any particular investment will perform as predicted by the models, or that any such investment will be profitable. Projected yields are presented for the purposes of (i) providing insight into the strategy's objectives, (ii) detailing anticipated risk and reward characteristics in order to facilitate comparisons with other investments, (iii) illustrating Ellington's current views and expectations, and (iv) aiding future evaluations of performance. They are not a guarantee of future performance. They are based upon assumptions regarding current and future events and conditions, which may not prove to be accurate. There can be no assurance that the projected yields will be achieved. Investments involve risk of loss.

Financial Information

All financial information included in this presentation is as of June 30, 2024 unless otherwise indicated. We undertake no duty or obligation to update this presentation to reflect subsequent events or developments.

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Hybrid mortgage REIT with diversified investment portfolio and income stream: residential and commercial mortgage, consumer / corporate loans, as well as multiple proprietary loan origination businesses; ability to shift capital allocation across various asset classes

Reduced volatility of book value and more consistent economic returns relative to peers: dynamic hedging strategies, diversification, risk and liquidity management, and active portfolio management

Strong history of navigating severe market disruptions: maintained book value stability and generated profits through the 2008 financial crisis, the 2013 taper tantrum, and the turbulence caused by the COVID-19 pandemic

Diversified sources of financing: long-term, non-mark-to-market financing facilities and securitizations

Demonstrated discipline accessing capital markets: common stock, preferred stock, and unsecured debt

Attractive credit rating: senior unsecured notes and preferred stock, rated “A-” and “BBB+” respectively

Strong alignment of interests: approx. \$54 million invested in EFC by management and directors, along with partners / affiliates of Ellington

\$3.7bn

Diversified Investment
Portfolio

8.3%

Annualized Total Return
Since Inception

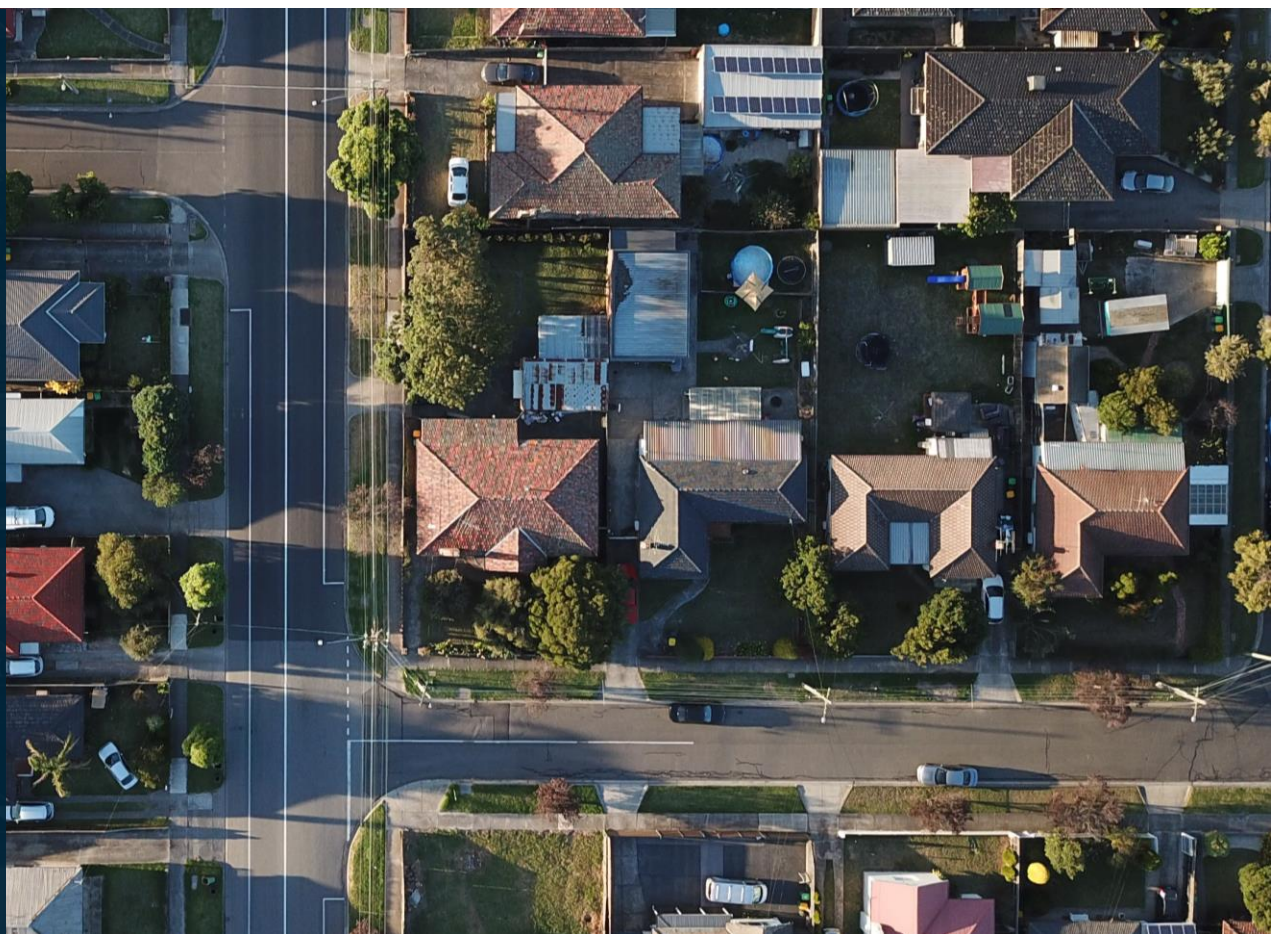
\$1.6 bn

Total Equity

\$1.2 bn

Common Equity

The Ellington Platform



Ellington Profile

As of 6/30/2024

Founded:	1994
Employees:	>160
Investment Professionals:	>60
Global offices:	3

\$12.9

Billion in
assets under
management⁽¹⁾

9

Employee-partners
own
the firm⁽²⁾

29

Years of average
industry experience
of senior portfolio
managers

5%

Management's
ownership of EFC,
representing
strong alignment⁽³⁾

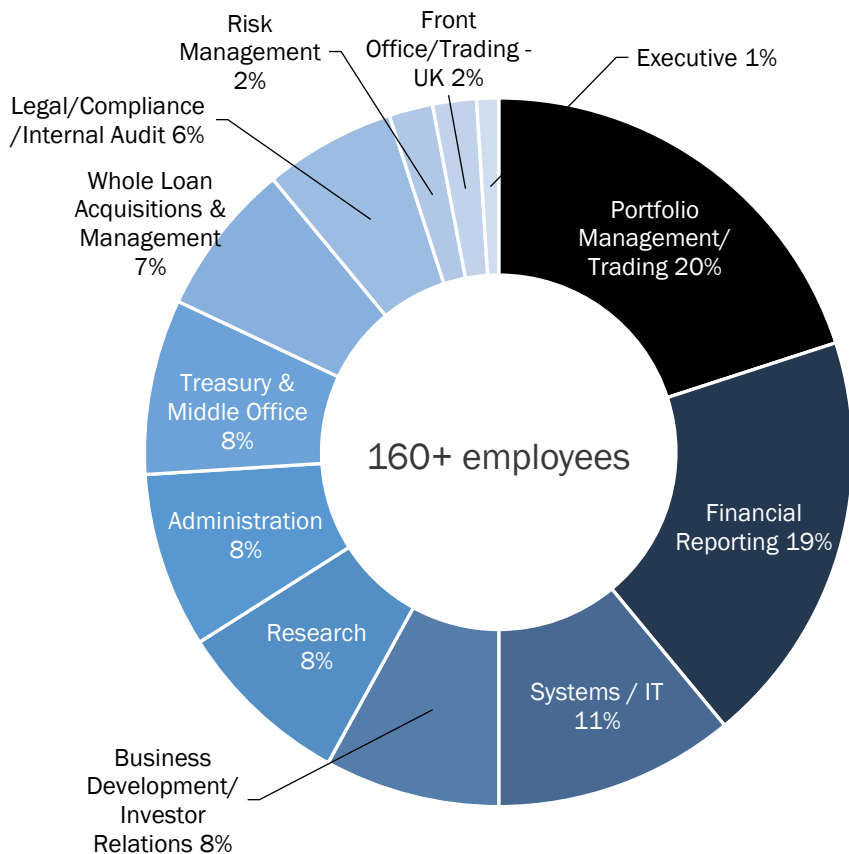
Ellington and its Affiliated Management Companies

- Our external manager Ellington Financial Management LLC is part of the Ellington family of SEC-registered investment advisors⁽⁴⁾
- Ellington Management Group and its affiliates manage Ellington Financial Inc. (EFC), Ellington Credit Company (EARN), multi-investor hedge funds, separately managed accounts, and opportunistic private funds
- Time-tested infrastructure and proprietary resources in trading, research, risk management, and operational support

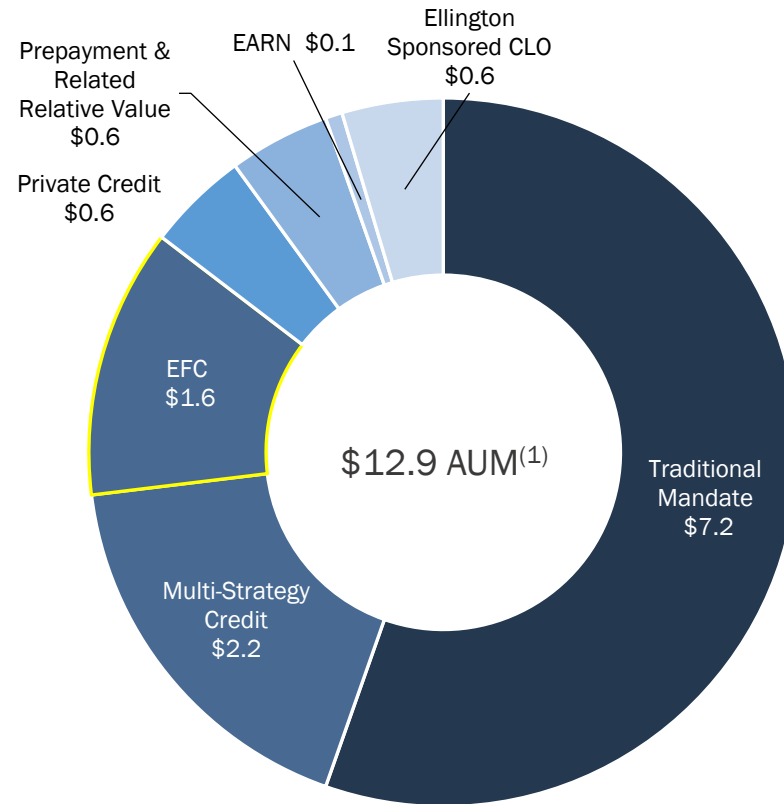
Industry-Leading Research & Trading Expertise

- Sophisticated proprietary models for prepayment and credit analysis
- Approximately 20% of employees dedicated to research and technology
- Structured credit trading experience and analytical skills developed since the firm's founding 29 years ago
- Ellington's portfolio managers are among the most experienced in the MBS sector

Headcount by Department



Strategy Breakdown (\$bn)

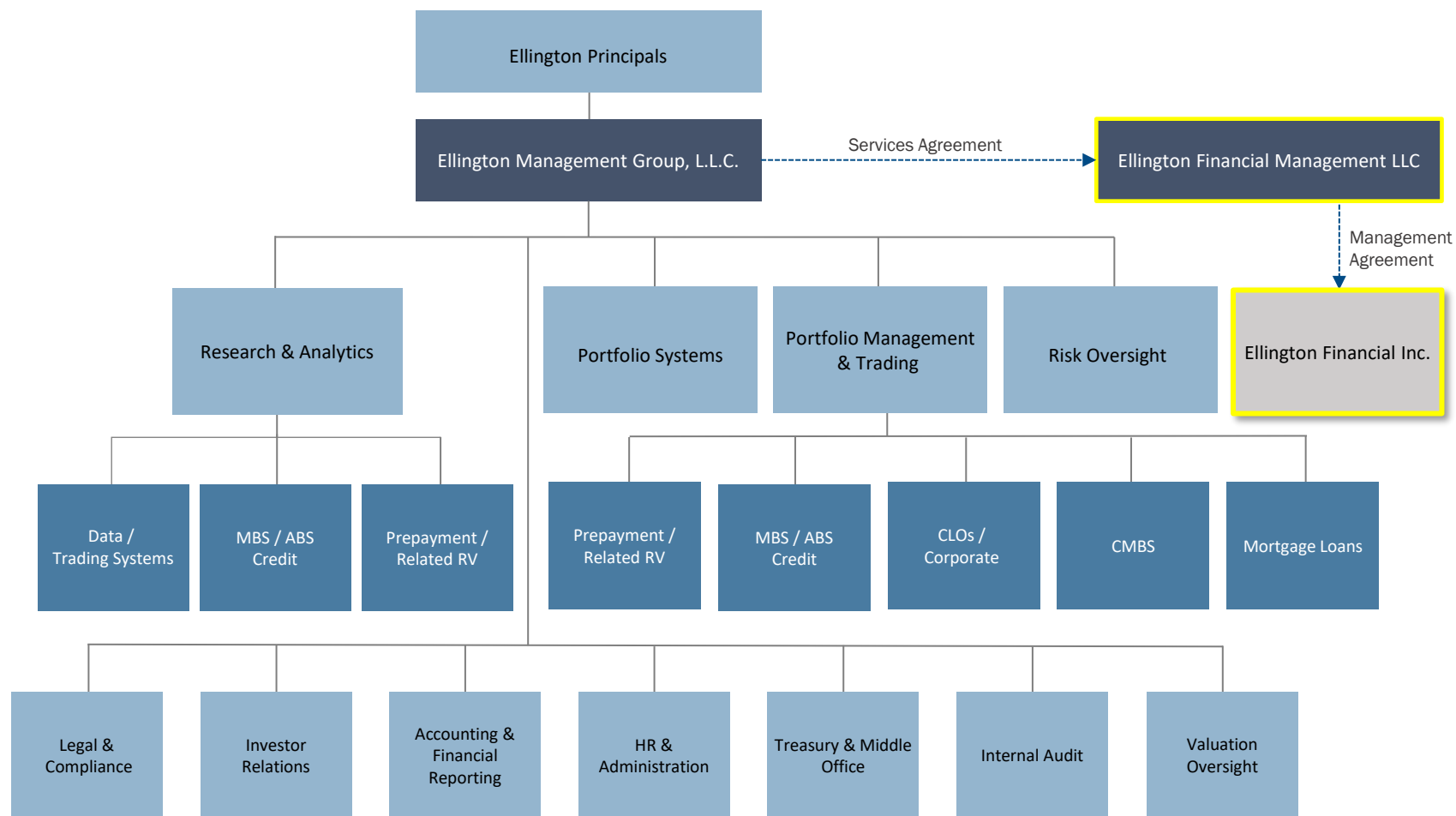


- Ellington manages approximately \$1.7 billion of permanent capital through EFC and EARN as of 6/30/24
 - EFC represents approximately 12% of overall Ellington AUM
- Management owns approximately 5% of EFC's common shares and convertible securities⁽²⁾
- Since 12/31/19, EFC total equity⁽¹⁾ has increased by ~81%

	Years of Experience ⁽³⁾	Years at Ellington ⁽³⁾	
Michael Vranos Co-Chief Investment Officer ⁽¹⁾	41	29	<ul style="list-style-type: none"> • Founder and CEO of Ellington • Oversees portfolio construction and implementation of hedging strategies at Ellington • Former head of RMBS trading and origination at Kidder Peabody • B.A. in Mathematics from Harvard University (magna cum laude, Phi Beta Kappa)
Laurence Penn Chief Executive Officer ⁽²⁾	40	29	<ul style="list-style-type: none"> • Vice Chairman of Ellington, CEO of EFC and EARN • Former Co-head of CMO origination and trading at Lehman Brothers • B.A. in Mathematics from Harvard University (summa cum laude, Phi Beta Kappa) • Masters in Mathematics from Cambridge University
Mark Tecotzky Co-Chief Investment Officer	37	18	<ul style="list-style-type: none"> • Vice Chairman and Co-Head of Credit Strategies of Ellington • Former senior mortgage trader at Credit Suisse • B.S. from Yale University • Received a National Science Foundation fellowship to study at MIT
JR Herlihy Chief Financial Officer	21	13	<ul style="list-style-type: none"> • CFO of EFC and COO of EARN • Managing Director of EMG and former Co-Chief Investment Officer of Ellington Housing Inc. • Formerly Vice President of acquisitions at GTIS Partners LP • B.A. in Economics and History from Dartmouth College (summa cum laude, Phi Beta Kappa)

Ellington employs over 160 people; approximately 20% are dedicated to research and technology

Ellington has over 160 employees supporting approximately \$12.9 billion⁽¹⁾ in assets under management



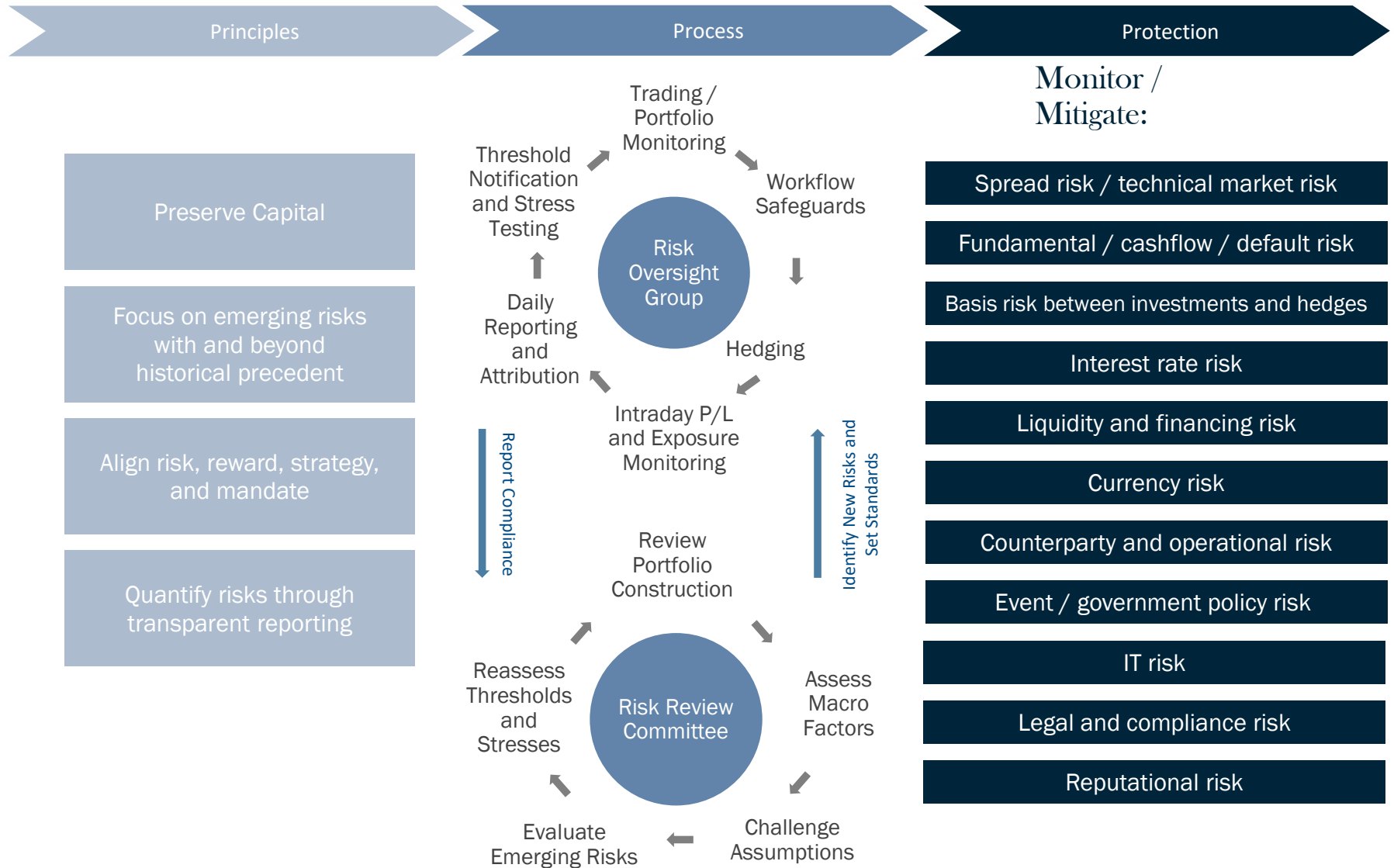
Sophisticated infrastructure supports rigorous management of credit, interest rate, liquidity, and other risks



- CEO, Portfolio Management (PM) Committee and Risk Oversight Committee set top-down portfolio and strategy targets / limits
- Sector specialized PMs access niche, high risk-adjusted returning opportunities through deep networks
- Proprietary data sources, pricing models and data analytics utilized to analyze collateral and set purchase / sales price targets

- Exposures assessed relative to industry, capital structure, loan terms and other limits as well as across a range of stress tests and scenarios
- PMs determine proper trade hedges, where applicable, with the Risk Oversight Committee and Research
- Senior PMs review larger investments
- Senior PMs / PMs execute the trade

- Trade suitability and allocation based on liquidity and maximum drawdown parameters
- Automated allocation systems, overseen by Compliance and Risk Oversight teams
- Middle Office and Operations manage portfolio holdings, settlements and financing; Risk Oversight generates and reviews position- and fund-level risk reports
- Investment theses and structures, including portfolio hedges, continuously reviewed and revised by PMs and Risk Oversight



Compliance Program

- Chief Compliance Officer and dedicated team
- Compliance Committee
- Compliance Manual and Code of Ethics
- Internal culture (“tone at the top”)
- Annual training
- Third-party mock regulatory examinations
- Firm-wide notices and intranet service

Extensive Surveillance Infrastructure

- Oversight integrated with proprietary portfolio management system (automated diagnostics and full data transparency)
- Personal trading and certification system
- Email and Bloomberg message review process
- Other external sources (whistleblower service, etc.)

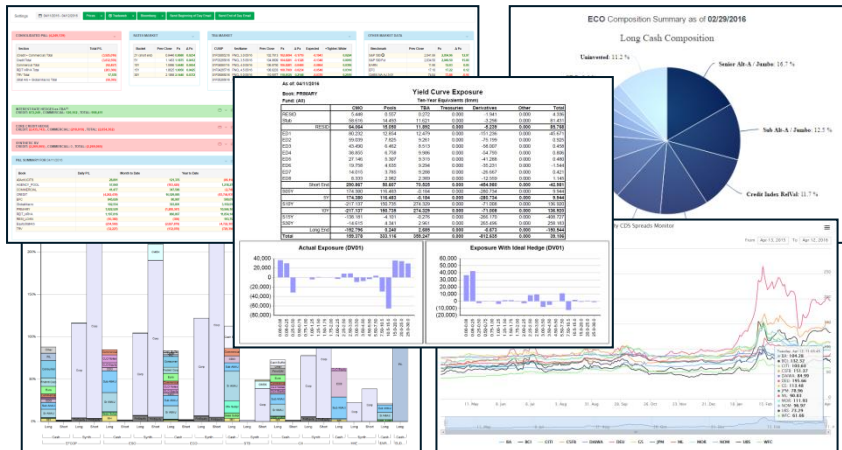
Internal Audit Program

- Head of Internal Audit - oversee CNM LLC
- Sarbanes-Oxley testing oversight
- Review of infrastructure exceeding requirements of Sarbanes-Oxley (“out of scope testing”)
- Intrusion testing
- Disaster recovery plan formulation and testing

- Modeling, research and infrastructure have been at the heart of Ellington's business model since it was founded
 - 20% of Ellington's employees are in research and technology
- Loan-level models provide deep insight into value and risk across a wide range of instruments
 - Rely on analysis of terabytes of data not in public domain

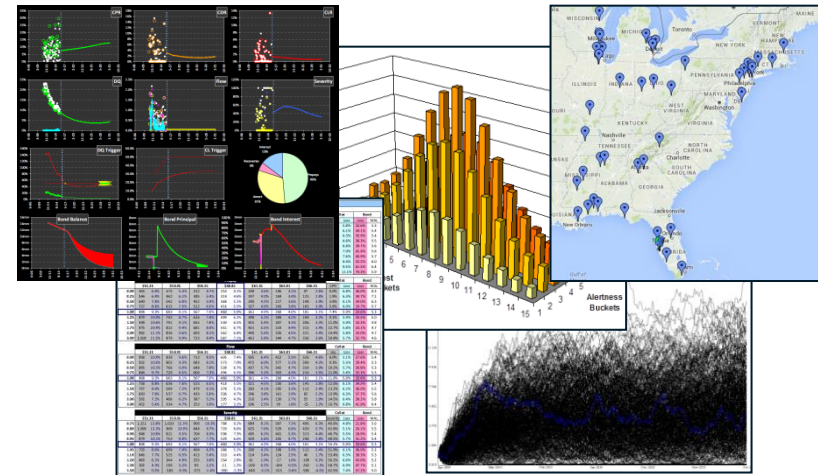
Risk and Portfolio Monitoring

Risk exposure monitoring, automatic refresh of valuations and risk measures, daily reports and intra-day monitors



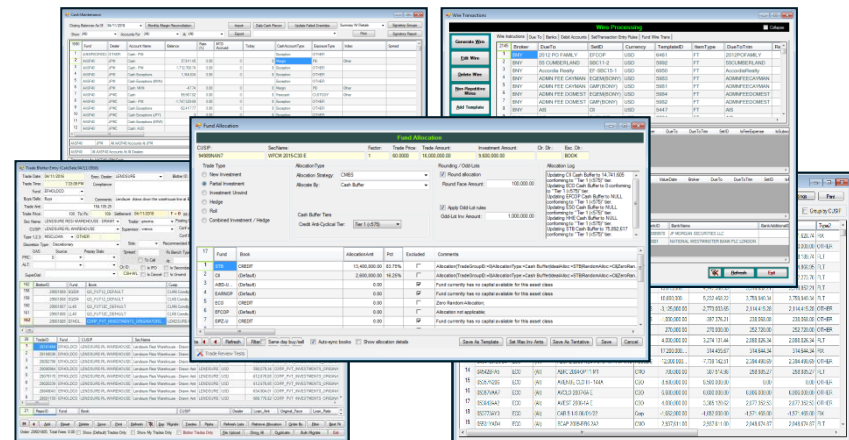
Trading and Research

Borrower behavior models, collateral surveillance, relative valuation monitoring within and among sectors



Operations and Compliance

Automated trade allocation, compliance monitoring, threshold monitoring, trade blotter, cash management, accounting systems



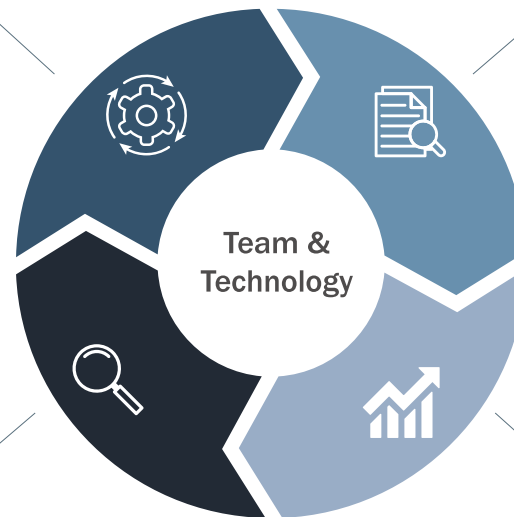
Robust infrastructure provides a constant, dynamic feedback loop between Research, Trading, Portfolio Management, and Oversight disciplines

Operations & Governance

- Automated trade allocation
- Threshold monitoring
- Trade blotter
- Cash management
- Accounting systems
- Compliance monitoring
- Disaster recovery
- Risk management
- Financial reporting

Risk Oversight

- Real-time monitoring capabilities
 - Credit risk scenarios and exposures
 - Historic / future shock scenarios
 - Geographic exposure
 - Natural disaster exposure
 - Tenant credit updates
 - Collateral changes
 - Interest rate scenarios
 - Liquidity
 - Operational, legal, and reputational risks



Data, Research & Trading

- Source, clean, link, aggregate and analyze data to build predictive models:
 - Loan-level analysis
 - Collateral surveillance
 - Relative valuation monitoring within and among sectors
 - Cash flow, credit, interest rate and prepayment models
 - Consumer behavior and financial data
- Automated refresh of valuations
- Real-time position modeling / tracking

Portfolio Management

- System maintains information on tens of thousands of financial instruments across over 40 instrument types
- Full range of fixed income, equities and their derivatives

Ellington is committed to corporate social responsibility. We recognize the importance of environmental, social and governance (“ESG”) factors, and believe that the implementation of ESG policies will benefit our employees, support long-term stockholder performance, and make a positive impact on the environment and society as a whole. Our Manager has a standing ESG Committee to address a variety of issues, including its impact on the environment, increasing the diversity of its workforce, employee engagement, and community involvement.



Environmental

- Our offices are conveniently located near mass transportation.
- We provide financial support and incentives to our employees who use public transit.
- To reduce energy usage, we use Energy Star® certified desktops, monitors and printers; and utilize motion sensor lighting and cooling to reduce energy usage in non-peak hours.
- To reduce waste and promote a cleaner environment, we use green cleaning supplies and kitchen products; recycle electronics, ink cartridges, and packaging; provide recycling containers to employees; and use water coolers to reduce waste.
- We have reduced the number of single use cups and plastic water bottles in our offices.



Social

- We invest in home mortgage loans, which support homeownership and stability within communities.
- Ellington and senior members of management sponsor numerous charitable causes, including several devoted to diversity and children in need. We also support employee charitable contributions through matching gift programs, hosting food drives, and other community events.
- Our employees have access to robust health and wellness programs. Ellington also supports various events that support health and wellness.
- We provide opportunities for personal growth with training, including facilitating a lunch & learn series, and reimbursing professional continuing education. We also support professional development through mentorship programs and affinity groups, such as a women’s networking group.
- We are committed to enhancing gender, racial, and ethnic diversity throughout our organization, as stated in our Manager’s Diversity and Inclusion Policy. We have engaged a women-owned recruiting firm focused exclusively on women and minority recruiting on college campuses.
- We are in compliance with applicable employment codes and guidelines, including ADA, Equal Opportunity Employment, Non-Discrimination, Anti-Harassment and Non-Retaliation codes.

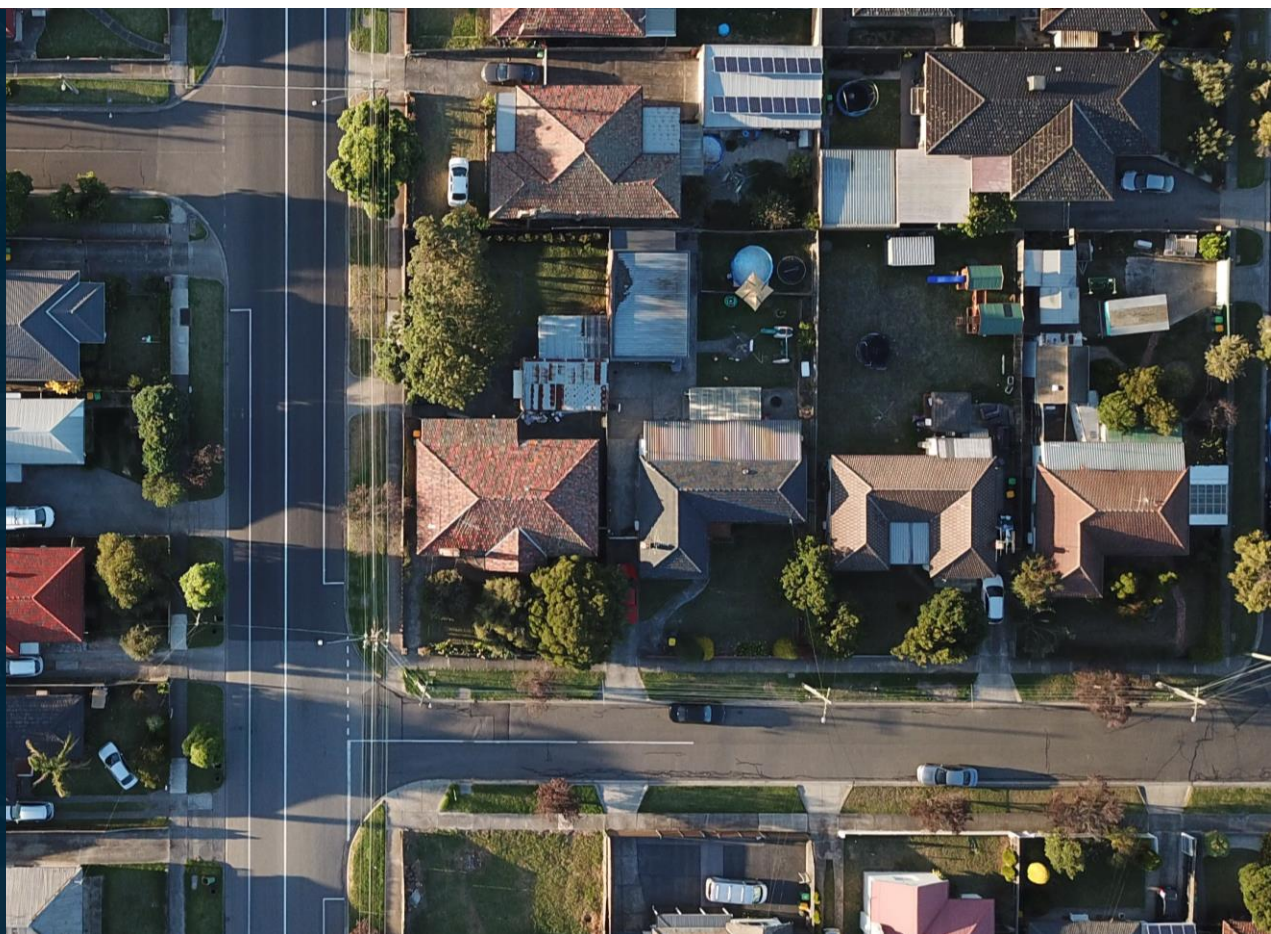


Governance

- Our Manager has a Responsible Investment policy incorporating ESG factors into its investment processes for applicable strategies.
- We operate under a Code of Business Conduct and Ethics.
- EFC has a separate independent Chairman, and the majority of Board members are independent.
- We hold annual elections of Directors.
- We are committed to significant disclosure and transparency, including an established monthly book value disclosure and dividend policy.
- We have an established Whistleblower policy to encourage transparency and accountability.
- Robust process for stockholder engagement.
- Strong alignment through 5% co-investment⁽¹⁾

Ellington Financial

Ellington Financial Inc.
(NYSE: EFC)

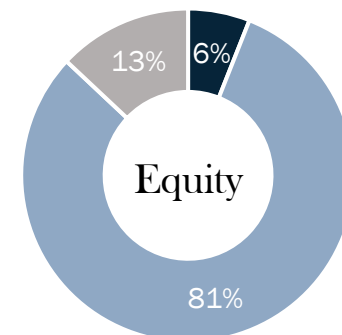


Portfolio Summary as of June 30, 2024 ⁽¹⁾

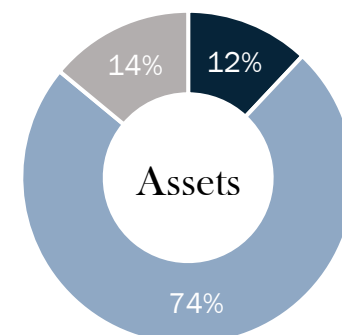
Ellington Financial

Credit	Allocated Equity ⁽²⁾	Fair Value (\$ in \$1,000s)	Average Price (%) ⁽³⁾⁽⁷⁾	WAVG Life ⁽⁵⁾⁽⁷⁾	WAVG Mkt Yield ⁽⁶⁾⁽⁷⁾
Residential Transition Loans and Other Residential Mortgage Loans and REO ⁽⁸⁾		\$ 1,234,796	99.5	0.9	10.6%
Non-QM Loans and Retained Non-QM RMBS ⁽⁹⁾⁽¹⁰⁾⁽¹²⁾		440,767	82.8	6.3	9.3%
Commercial Mortgage Loans and REO, and CMBS ⁽⁸⁾⁽¹¹⁾		405,756	92.0	1.4	11.1%
Forward MSR-related investments		158,031	N/A	7.8	9.8%
Non-Agency RMBS		143,690	86.4	6.0	9.2%
Consumer Loans and ABS backed by Consumer Loans ⁽¹²⁾		85,802	— ⁽⁴⁾	1.5	11.8%
CLOs ⁽¹²⁾		75,719	77.9	4.8	16.4%
Home Equity Line of Credit and Closed-End Second Lien Loans		62,737	103.9	4.0	8.0%
Debt and Equity Investments in Loan Origination Entities ⁽¹³⁾		37,381	N/A	N/A	N/A
Corporate Debt and Equity and Corporate Loans		32,100	82.0	2.0	15.8%
Non-Dollar MBS, ABS, CLO and Other ⁽⁹⁾⁽¹²⁾⁽¹⁴⁾		25,390	93.0	1.9	16.3%
Other loans and ABS ⁽¹⁵⁾		23,533	77.3	3.4	18.5%
Total - Credit	81%	\$ 2,725,701	93.6	2.5	10.7%
Agency					
Fixed-Rate Specified Pools		413,686	93.2	6.7	5.3%
Reverse Mortgage Pools		33,853	105.0	4.8	5.1%
IOs		10,162	N/A	5.8	10.5%
Total - Agency	6%	\$ 457,701	94.1	6.6	5.4%
Longbridge⁽¹⁶⁾					
Proprietary reverse mortgage loans ⁽⁹⁾		291,571			
Unsecuritized HECM loans ⁽¹⁷⁾		103,668			
HMBS MSR Equivalent ⁽¹⁸⁾		94,600			
Reverse MSRs and Unsecuritized REO		30,913			
Total - Longbridge	13%	\$ 520,752			
Debt-to-Equity Ratio by Strategy and Overall					
		Recourse	Total		
Credit ⁽²⁰⁾		1.5x	2.8x		
Agency ⁽²⁰⁾		4.3x	4.3x		
Longbridge ⁽²⁰⁾		1.1x	44.4x		
Overall		1.6x ⁽¹⁹⁾	8.3x ⁽²¹⁾		

Equity and Asset Allocation by Strategy



■ Agency ■ Credit ■ Longbridge



- **Residential transition loans and other residential mortgage loans and REO⁽⁸⁾** consist of residential transition loans (\$1,159.7mm), other residential loans (\$54.9mm), and REO (\$20.2mm)
- **Non-QM loans and retained non-QM RMBS⁽⁹⁾⁽¹⁰⁾⁽¹²⁾** consist of non-QM loans (\$278.3mm) and retained non-QM tranches (\$162.5mm)
- **Debt and Equity Investments in Loan Origination Entities⁽¹³⁾** consist of LendSure (\$21.5mm) and other loan origination entities (\$15.9mm)

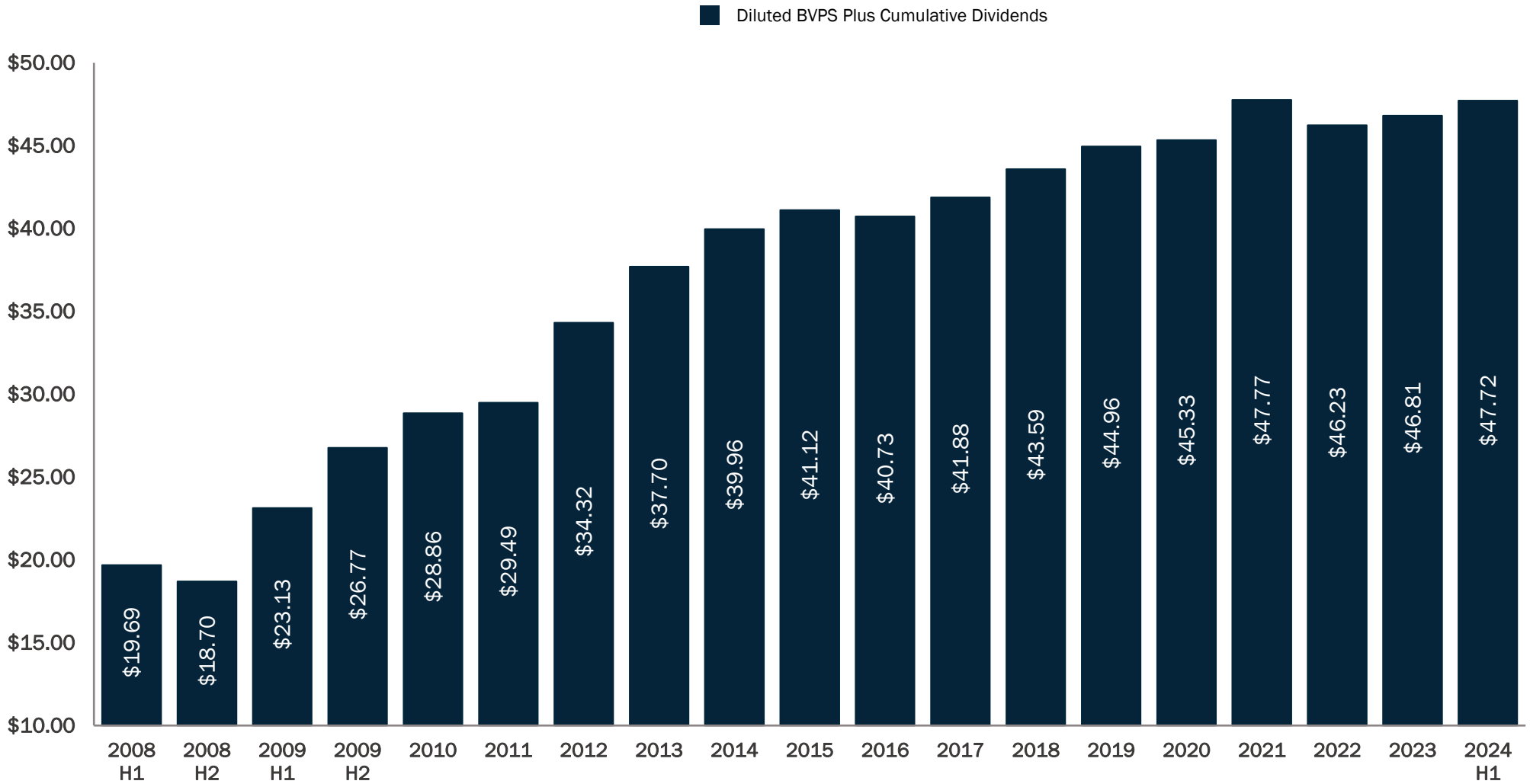
Ellington Financial's vertically integrated, proprietary loan origination businesses are designed to:

- Lock in a steady flow of high-quality loan originations
- Leverage Ellington's core strengths of data analysis and modeling to help shape the underwriting criteria of the loans
- Generate highly attractive ROE profiles
- Represent significant potential upside to book value
- Fill lending void left by banks facing strict post-global financial crisis regulations

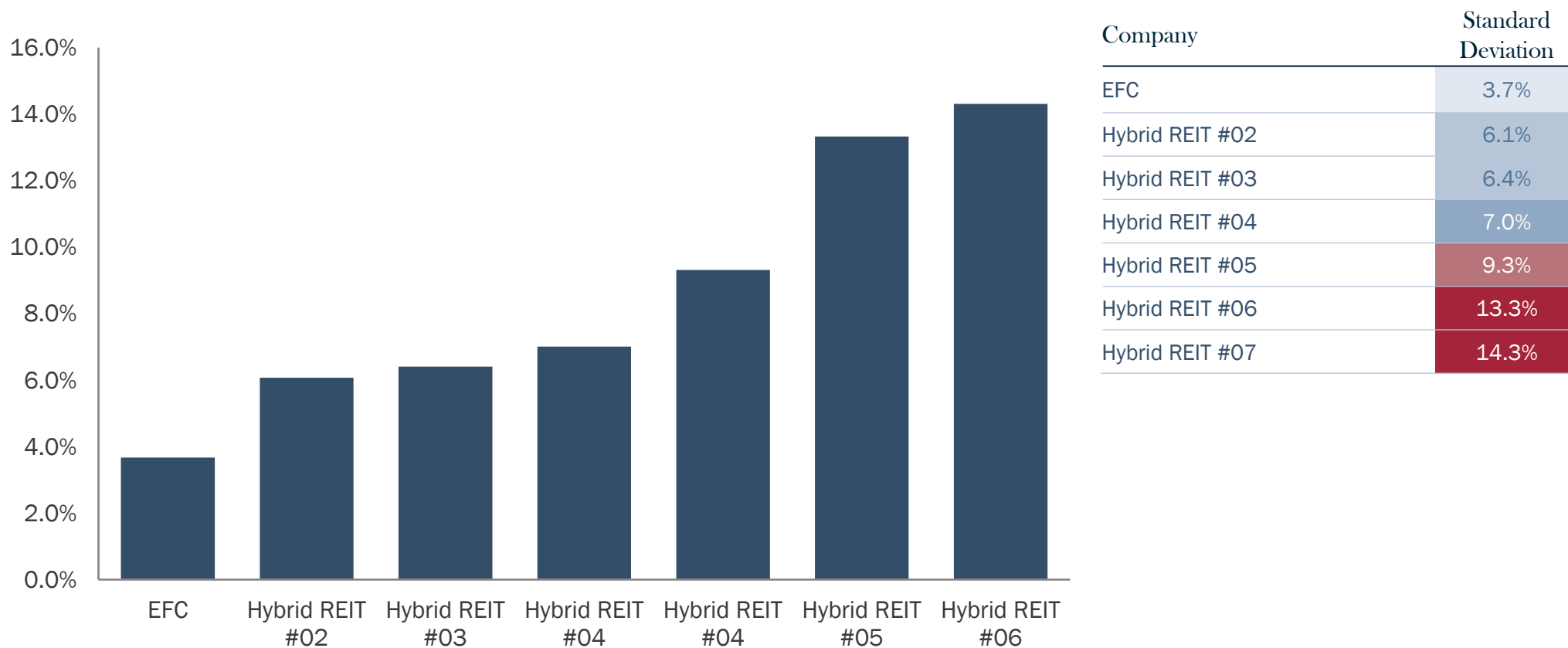
	1	2	3	4	5	
	Non-QM Loans ⁽¹⁾	Commercial Mortgage Loans ⁽²⁾	Residential Transition Loans	Consumer Loans	Reverse Mortgage Loans ⁽¹⁾⁽³⁾⁽⁴⁾⁽⁵⁾	
Strategic Originator Investment(s)	√	√	√	√	√	
Joint Ventures and/or Flow Agreements	√	√	√	√	√	
In-House Origination Team	-	√	√	-	√	
Servicing Platform and Workout Capabilities	√	√	√	√	√	
						Total
Loans Acquired During Q2 2024 (\$mm)	\$194.9	\$105.0	\$317.4	\$7.8	\$304.5	\$929.6
Total Loan Fair Value at 6/30/2024 (\$mm)	\$440.8	\$546.7	\$1,159.7	\$69.9	\$395.2	\$2,612.3

EFC has successfully preserved book value over market cycles, while producing strong results for investors

- EFC life-to-date diluted net asset value-based total return from inception in August 2007 through Q2 2024 is approximately 282.0%, or 8.3% annualized⁽¹⁾



Standard Deviation of Quarterly Economic Returns of Hybrid REITs, Q1-2011 - Q2-2024⁽¹⁾⁽²⁾



- EFC has produced the most consistent quarterly returns among its peer group with significantly lower earnings volatility, thanks to EFC's dynamic hedging strategies, diversification and active portfolio management

Resilient Profit Generation Over Market Cycles⁽¹⁾⁽²⁾

(\$ in thousands)	Six-Month Period Ended June 30	Years Ended									
		2024	2023 ⁽³⁾	2022	2021	2020	2019	2018	2017	2016	
Long: Credit	\$ 98,438 6.3%	\$103,239 7.7%	\$(74,934) -6.0%	\$188,562 18.1%	\$53,736 6.2%	\$73,919 11.1%	\$61,201 10.0%	\$61,136 9.6%	\$36,203 5.3%		
Credit Hedge and Other	(4,479) -0.3%	(7,095) -0.5%	3,227 0.3%	(1,887) -0.2%	8,027 0.9%	(11,237) -1.7%	8,020 1.3%	(11,997) -1.9%	(40,548) -5.9%		
Interest Rate Hedge: Credit	5,776 0.4%	(3,824) -0.3%	34,397 2.7%	4,738 0.5%	(7,938) -0.9%	(1,345) -0.2%	115 0.0%	(851) -0.1%	(371) -0.1%		
Long: Agency	(18,827) -1.2%	2,768 0.2%	(181,913) -14.5%	(17,885) -1.7%	45,957 5.3%	48,175 7.2%	(5,979) -1.0%	10,246 1.6%	17,166 2.5%		
Interest Rate Hedge and Other: Agency	21,109 1.4%	8,297 0.6%	150,395 12.0%	17,031 1.6%	(33,672) -3.9%	(25,309) -3.8%	3,144 0.5%	(5,218) -0.8%	(8,226) -1.2%		
Longbridge	12,962 0.8%	9,695 0.7%	14,492 1.2%	- -	- -	- -	- -	- -	- -		
Gross Profit (Loss)	\$114,979 7.4%	\$113,080 8.4%	\$(54,336) -4.3%	\$190,559 18.3%	\$66,110 7.6%	\$84,203 12.7%	\$66,501 10.9%	\$53,316 8.4%	\$4,224 0.6%		

COVID
Pandemic

(\$ in thousands)	Years Ended								
	2015	2014	2013	2012	2011	2010	2009	2008	
Long: Credit	\$46,892 6.1%	\$77,636 11.4%	\$109,536 18.5%	\$129,830 30.0%	\$1,505 0.4%	\$70,840 21.9%	\$101,748 36.3%	(64,565) -26.2%	
Credit Hedge and Other	10,671 1.4%	(1,197) -0.2%	(19,286) -3.3%	(14,642) -3.4%	19,895 5.2%	(7,958) -2.5%	10,133 3.6%	78,373 31.8%	
Interest Rate Hedge: Credit	(4,899) -0.6%	(9,479) -1.4%	8,674 1.5%	(3,851) -0.9%	(8,171) -2.1%	(12,150) -3.8%	(1,407) -0.5%	(3,446) -1.4%	
Long: Agency	23,629 3.1%	61,126 9.0%	(14,044) -2.4%	37,701 8.7%	63,558 16.5%	21,552 6.7%	22,171 7.9%	4,763 1.9%	
Interest Rate Hedge and Other: Agency	(17,166) -2.2%	(47,634) -7.0%	19,110 3.2%	(20,040) -4.6%	(54,173) -14.0%	(14,524) -4.5%	(8,351) -3.0%	(6,414) -2.6%	
Longbridge	- -	- -	- -	- -	- -	- -	- -	- -	
Gross Profit (Loss)	\$59,127 7.7%	\$80,452 11.8%	\$103,990 17.6%	\$128,998 29.8%	\$22,614 5.9%	\$57,760 17.8%	\$124,294 44.4%	\$8,711 3.5%	

Taper Tantrum

Credit
Crisis

Note: Percentages of average total equity during the period.

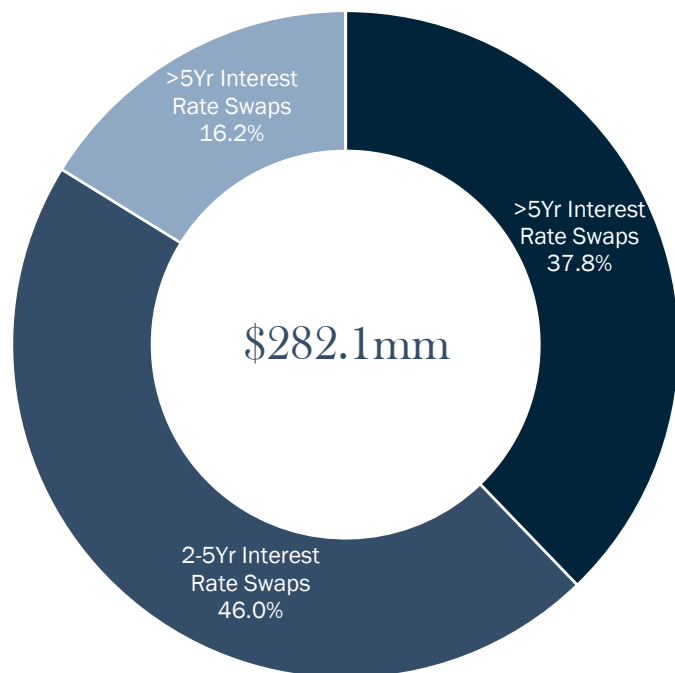
Interest Rate Sensitivity Analysis⁽¹⁾

As of 6/30/2024 (\$ in thousands)	Estimated Change in Fair Value			
	50 Basis Point Decline in Interest Rates		50 Basis Point Increase in Interest Rates	
	Δ Fair Value	% of Total Equity	Δ Fair Value	% of Total Equity
Agency RMBS - Fixed Pools and IOs excluding TBAs	\$ 10,242	0.65%	\$ (10,937)	-0.69%
Long TBAs	3,376	0.21%	(3,781)	-0.24%
Short TBAs	(5,830)	-0.37%	6,734	0.43%
Agency RMBS-ARM Pools	128	0.01%	(150)	-0.01%
Non-Agency RMBS, CMBS, Other ABS, MSRs, Mortgage and Other Loans	25,558	1.62%	(29,510)	-1.88%
Interest Rate Swaps	(22,733)	-1.44%	21,912	1.39%
U.S. Treasury Securities	7,130	0.45%	(6,855)	-0.44%
Eurodollar and Treasury Futures	(9,204)	-0.58%	8,933	0.57%
Corporate Securities and Other	873	0.06%	(873)	-0.05%
Repurchase Agreements, Reverse Repurchase Agreements, and Senior Notes Outstanding	(2,929)	-0.19%	2,895	0.18%
Total	\$ 6,611	0.42%	\$ (11,632)	-0.74%
Less: Estimated Change in Fair Value attributable to Preferred Stock	(3,862)		3,802	
Estimated Change in Fair Value attributable to Common Stock	\$ 2,749		\$ (7,830)	
As % of Common Equity	0.23%		-0.64%	

- EFC's dynamic interest rate hedging, along with the short duration of many of our loan portfolios, is designed to reduce our exposure to fluctuations in interest rates.

We deploy a dynamic and adaptive hedging strategy to preserve book value

Agency Interest Rate Hedging Portfolio 6/30/24:
Short \$282.1mm 10-yr Equivalents⁽¹⁾



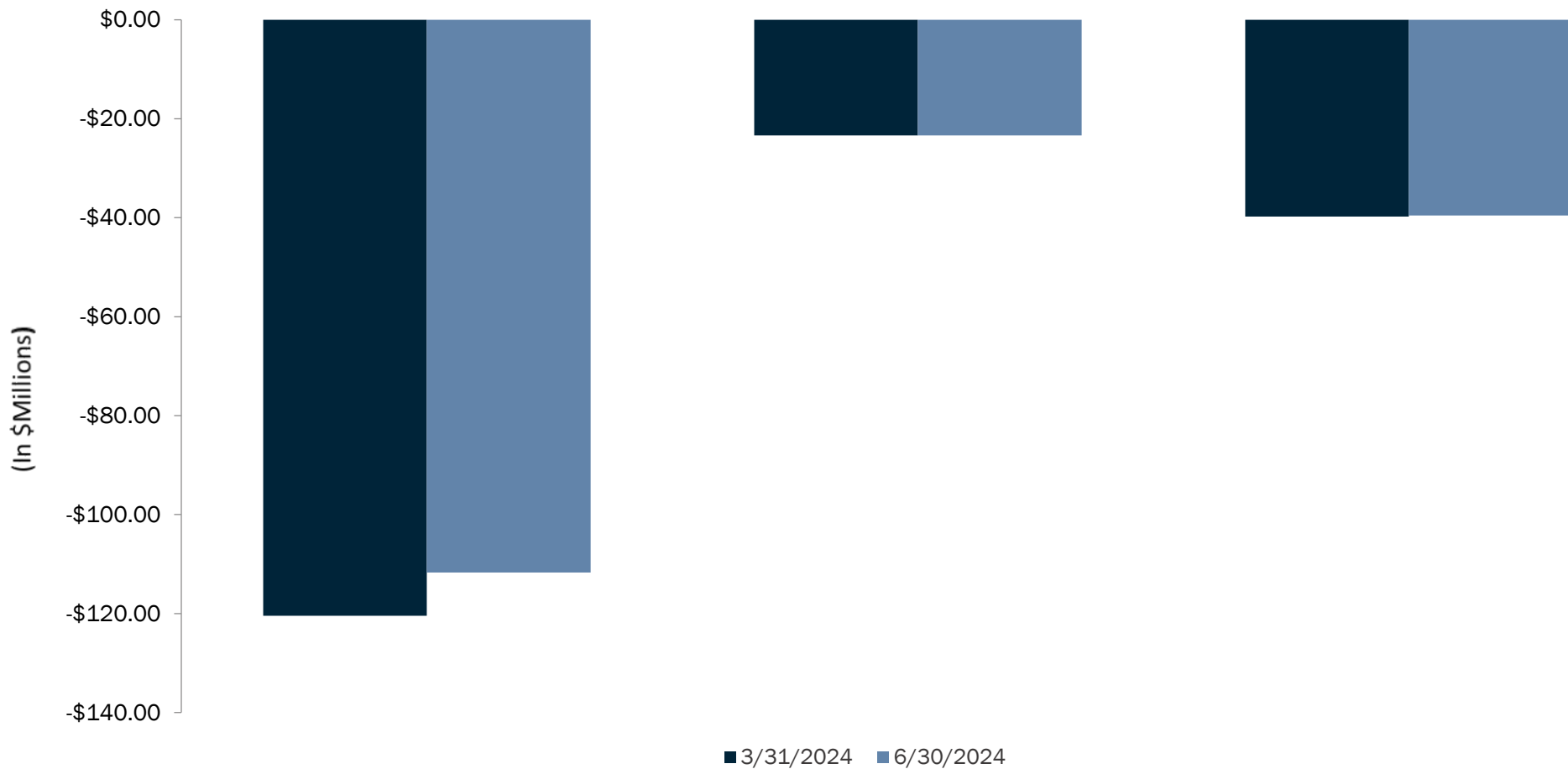
Net Agency Pool Exposure Based on Fair Value⁽²⁾



- We hedge along the entire yield curve to protect against volatility, defend book value and more thoroughly control interest rate risk
- EFC often carries significantly lower net effective mortgage exposure than our “headline” Agency leverage suggests
- Use of TBA short positions as hedges helps drive outperformance in volatile quarters
 - When interest rates spike, TBA short positions not only extend with specified pool assets, but they tend to extend more than specified pool assets, which dynamically and automatically hedges a correspondingly larger portion of our specified pool portfolio
- We also hedge interest rate risk with swaps, U.S. Treasury securities, and other instruments

Credit Hedging Portfolio⁽¹⁾⁽²⁾

Instrument Category	Corporate CDS Indices/ Tranches/ Options/ Single Names	European Sovereign Debt	CMBX
Units	HY CDX OTR Bond Equivalent Value ⁽³⁾⁽⁴⁾	Market Value	Bond Equivalent Value ⁽⁴⁾



- EFC's dynamic credit hedging strategy seeks to reduce book value volatility

Recourse Borrowings (\$ in thousands)	As of 6/30/24		Three-Month Period Ended 6/30/24	
	Outstanding Borrowings	Weighted Average Borrowing Rate	Average Borrowings	Average Cost of Funds
Credit ⁽¹⁾	\$ 1,569,544	7.42%	\$ 1,587,562	7.73%
Agency RMBS	383,409	5.48%	448,932	5.56%
Borrowings — Credit and Agency RMBS	\$ 1,952,953	7.04%	\$ 2,036,494	7.25%
U.S. Treasury Securities	246,613	5.46%	219,145	5.53%
Borrowings — including U.S. Treasury Securities	\$ 2,199,566	6.86%	\$ 2,255,639	7.08%
Senior Notes, at par	282,681	6.00%	282,681	6.00%
Subordinated Notes	\$ 15,000	8.32%	\$ 15,000	8.31%
Longbridge-Related Recourse Borrowings	319,635	8.59%	293,765	8.71%
Total Recourse Borrowings⁽²⁾	\$ 2,816,882	6.98%	\$ 2,847,085	7.15%

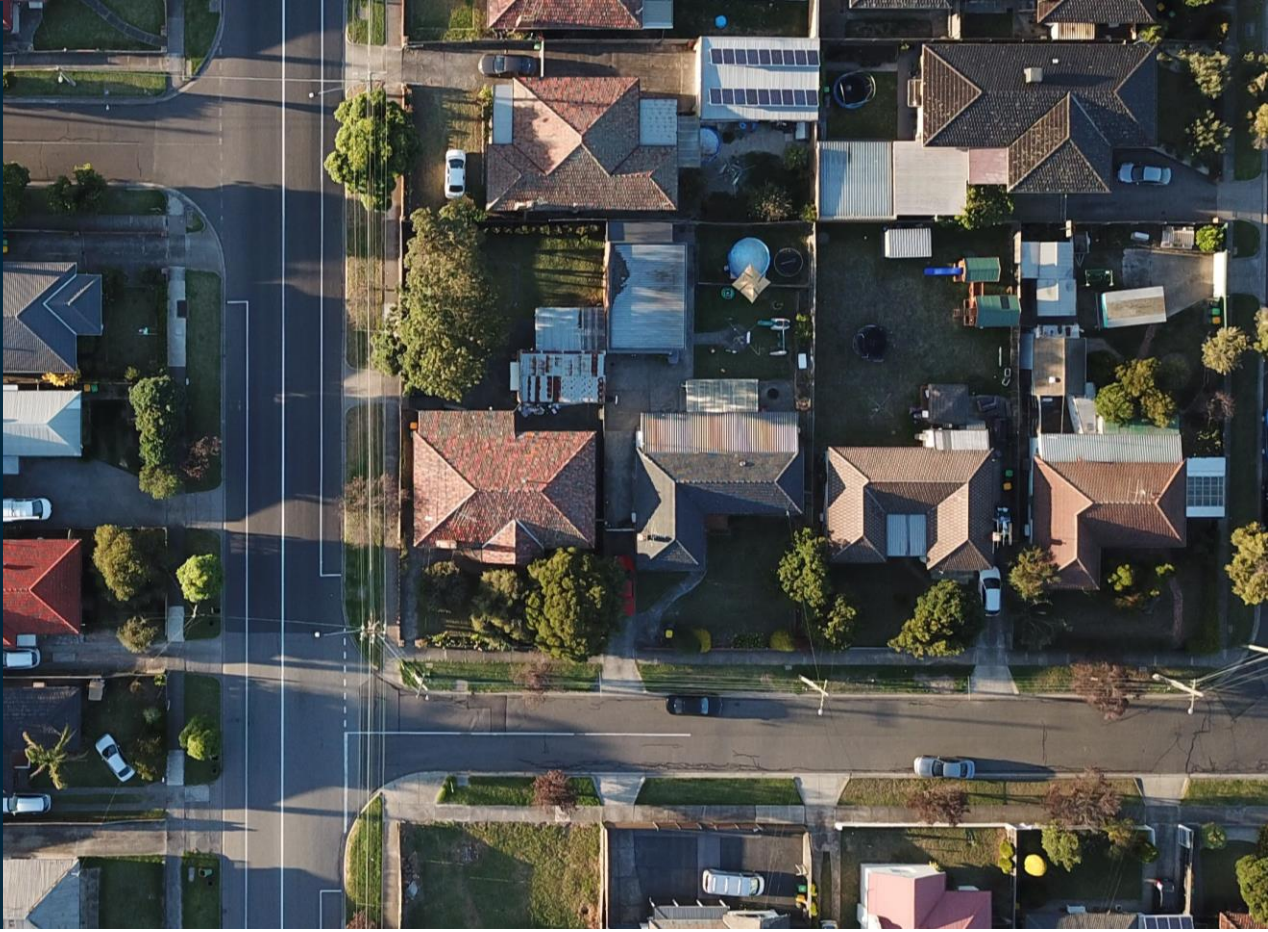
Recourse and Non-Recourse Leverage Summary⁽³⁾

As of 6/30/2024

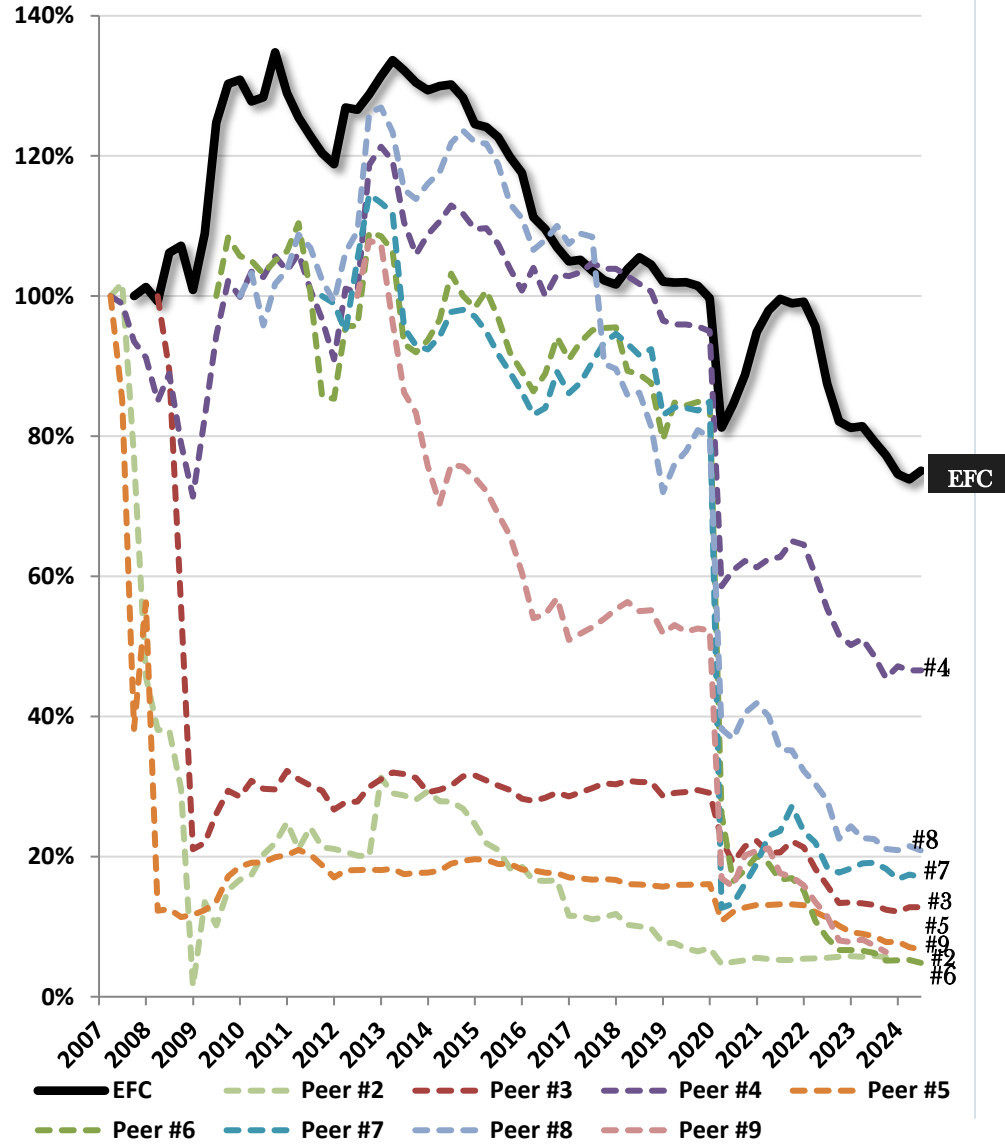
Recourse Borrowings	\$ 2,816,882	Recourse Debt-to-Equity Ratio ⁽⁴⁾	1.8:1
Non-Recourse HMBS-Related Obligations	\$ 8,832,058	<i>Net of Unsettled Purchases/Sales</i>	1.6:1
Non-Recourse Consolidated Securitizations	\$ <u>1,585,838</u>		
Total Borrowings	\$ 13,234,778	Total Debt-to-Equity Ratio ⁽⁵⁾	8.3:1
Total Equity	\$ 1,573,859	<i>Net of Unsettled Purchases/Sales</i>	8.2:1

Asset Type	Fair Value (\$000s) ⁽¹⁾	
Residential transition loans and other residential mortgage loans and REO	\$	101,855
Agency RMBS		84,484
Non-QM loans and retained non-QM RMBS		84,192
Home Equity Line of Credit and Closed-End Second Lien Loans		62,737
Structured Products - Credit (CLOs, CMBS, Non-Agency RMBS)		49,619
Commercial Mortgage Loans and REO		44,502
Debt and Equity Investments in Loan Origination Entities		37,381
Reverse mortgage loans and MSR		37,214
Consumer Loans and ABS		16,096
Other		47,054
Total	\$	565,134

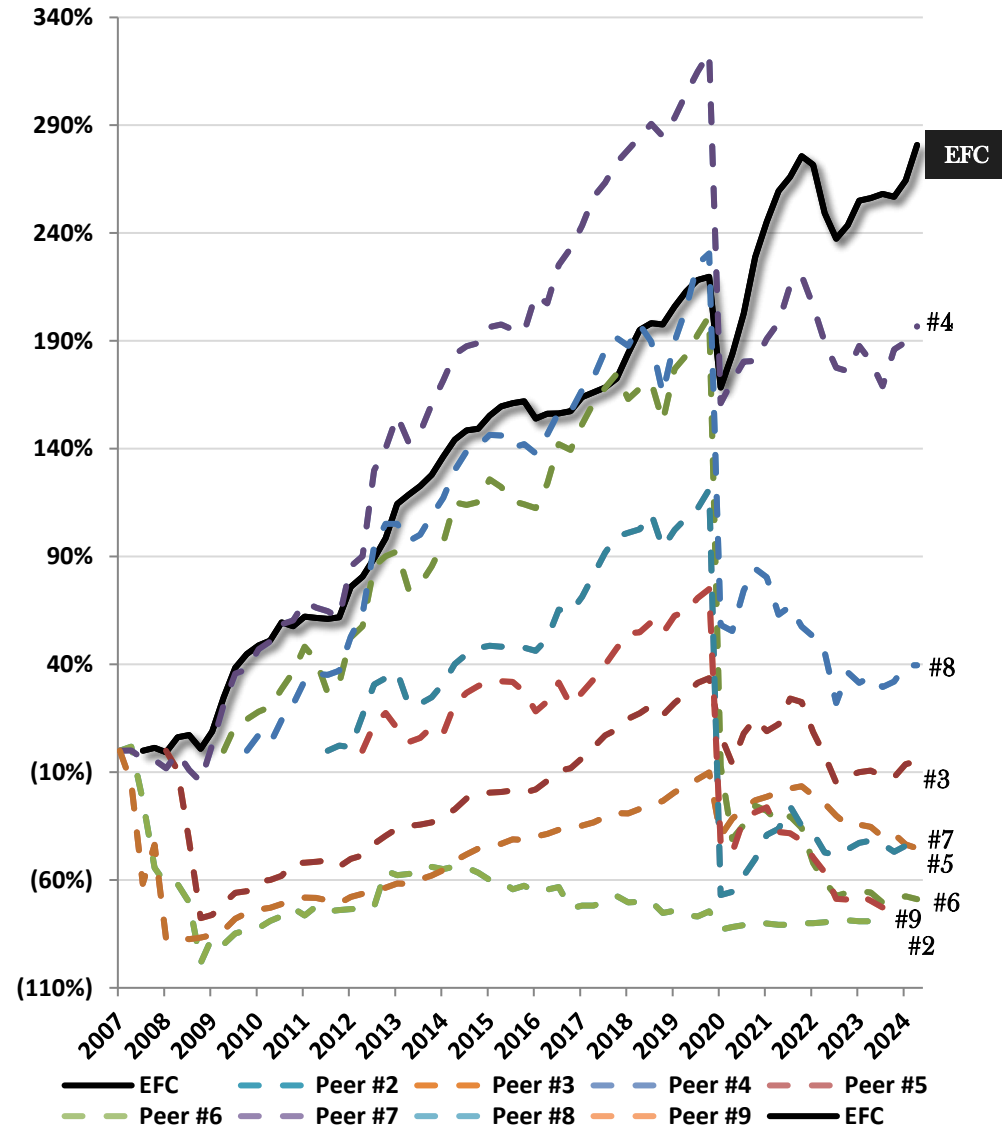
Supplemental Information



Percentage of Book Value per Share Since Inception

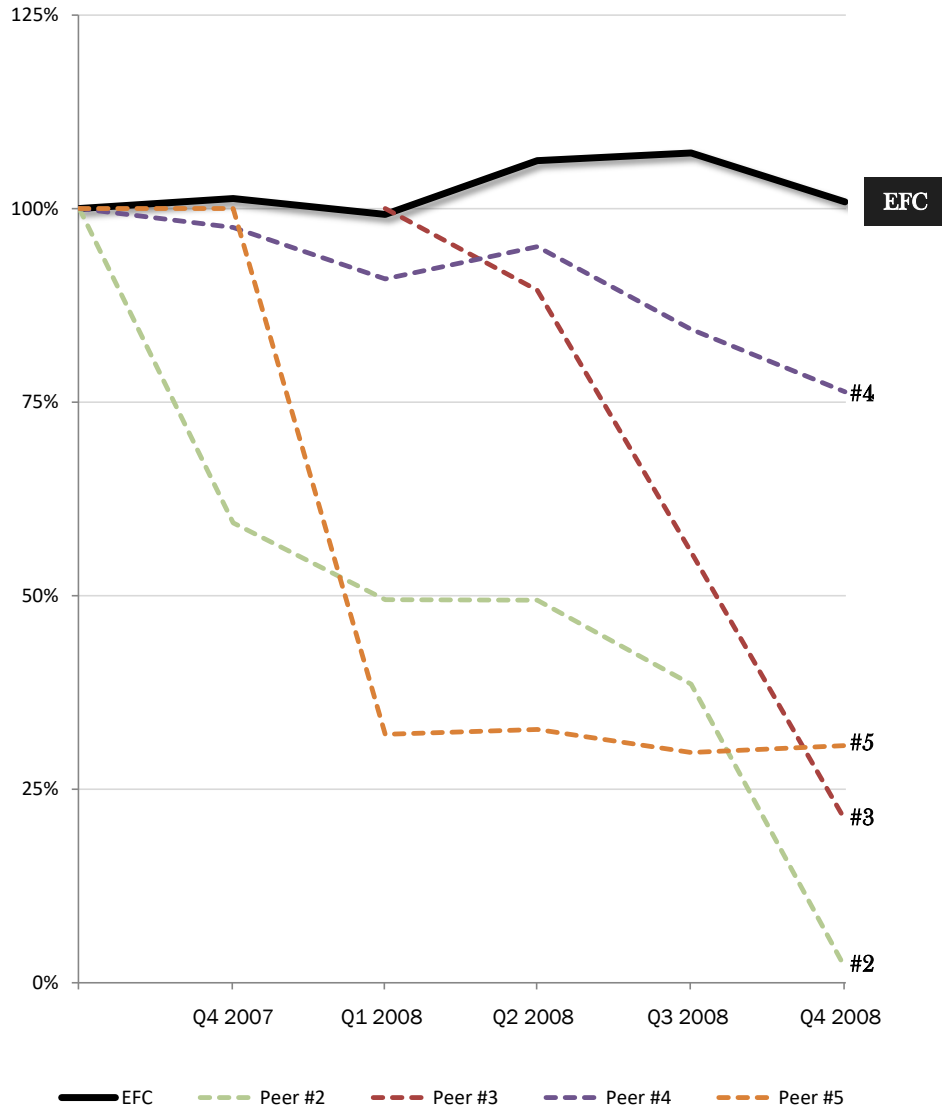


Cumulative Total Economic Return Since Inception

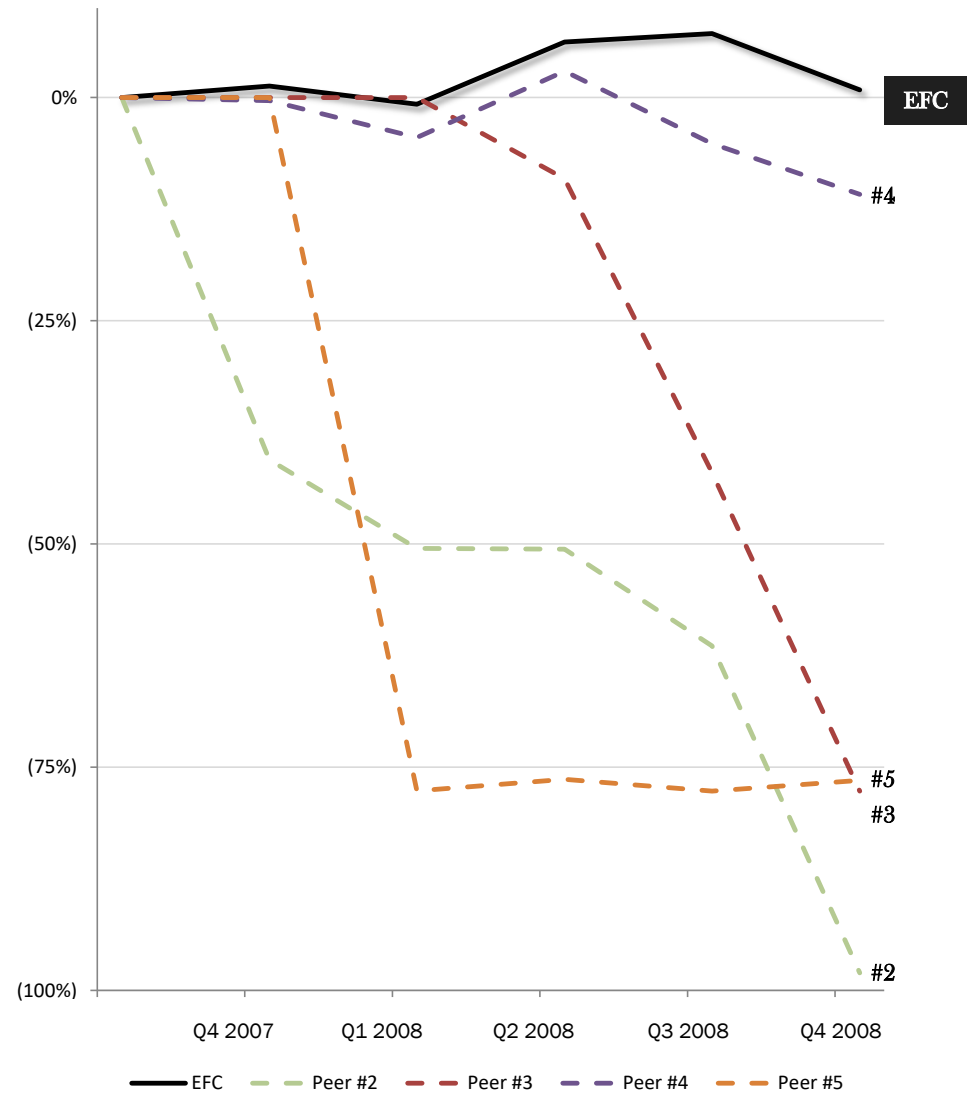


Note: EFC peers are other hybrid mortgage REITs. Above charts have been normalized for stock splits.

Percentage of 9/30/07 Book Value per Share, 9/30/07-12/31/08

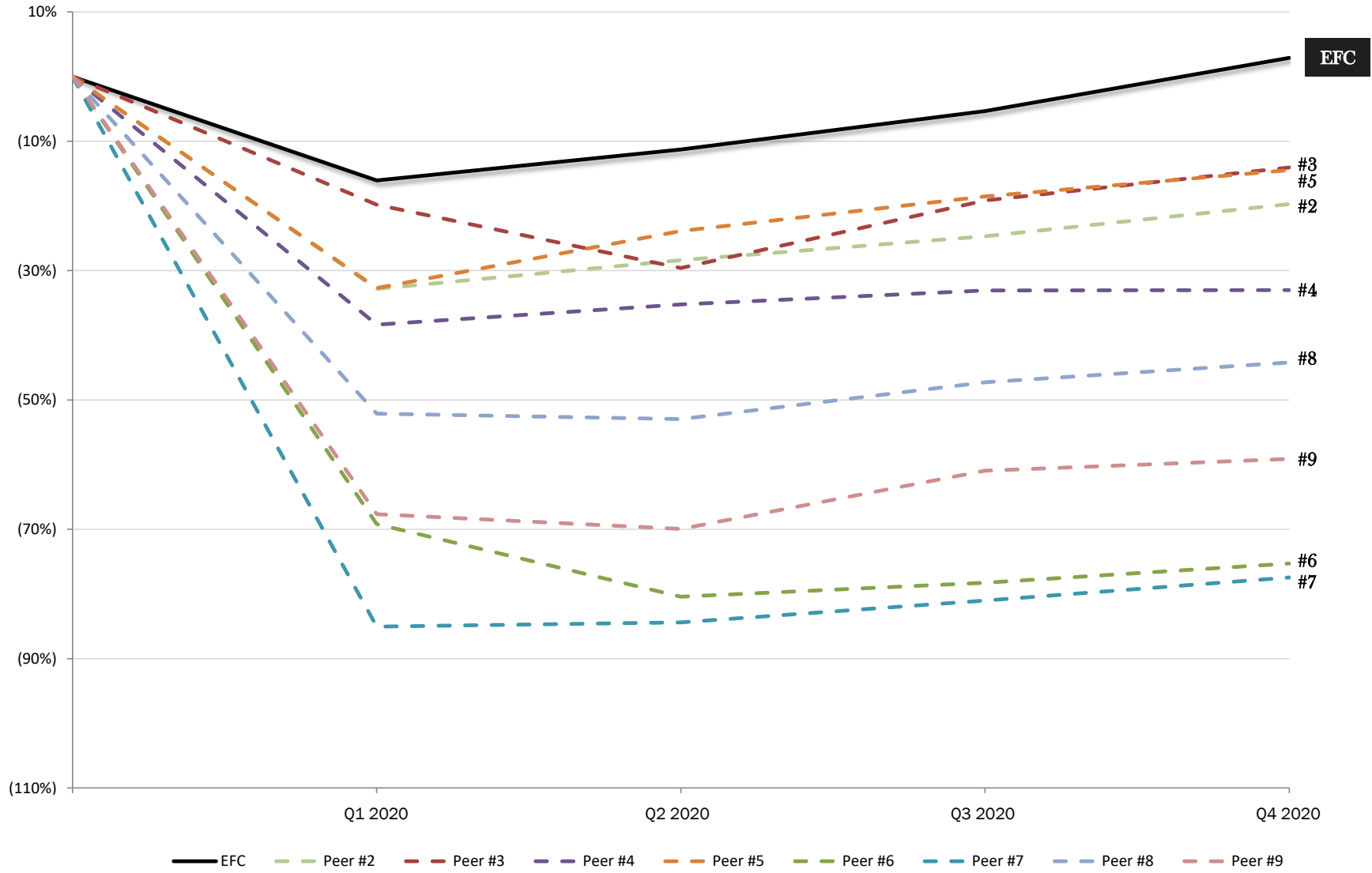


Cumulative Total Economic Return 9/30/07-12/31/08



Note: EFC peers are other hybrid mortgage REITs. Above charts have been normalized for stock splits.

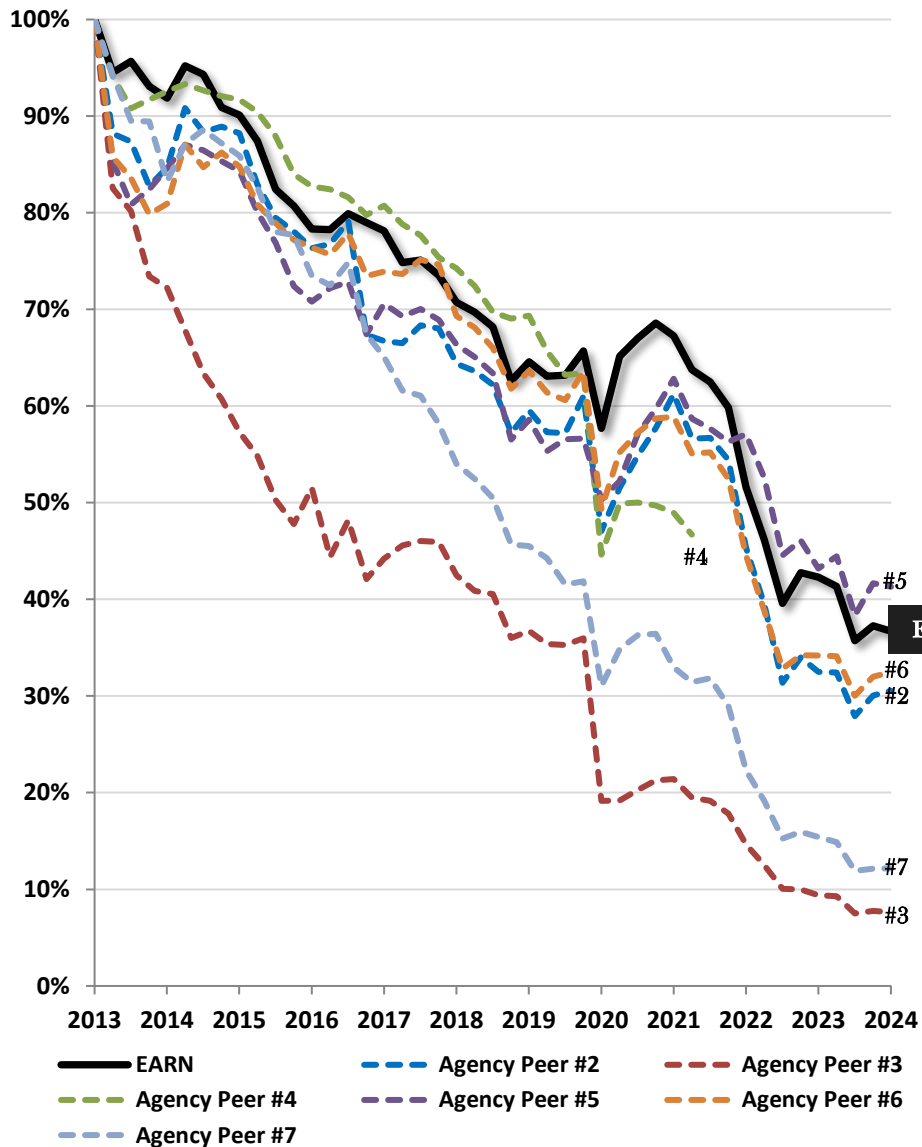
Hybrid REITs' 2020 Cumulative Total Economic Return



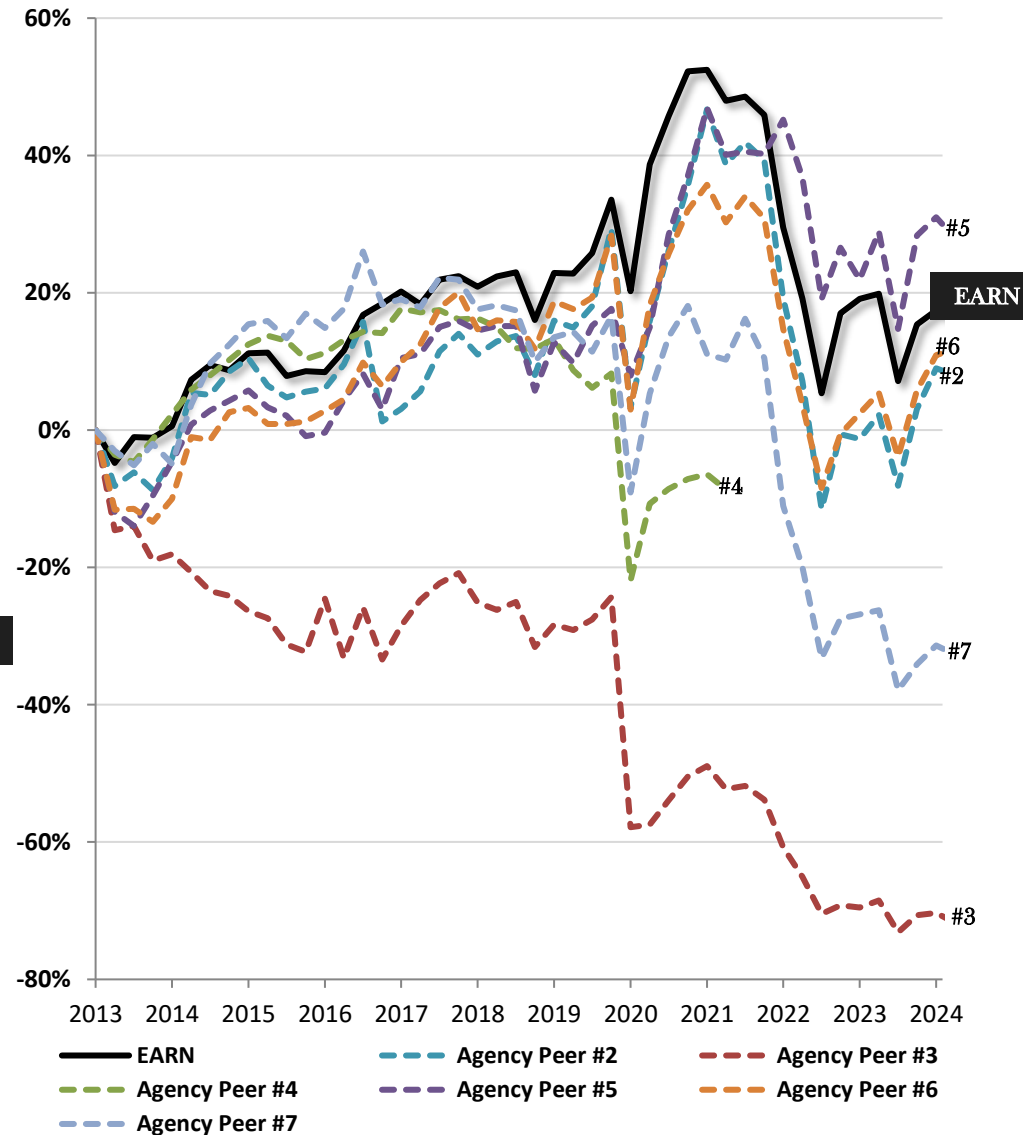
Note: EFC peers are other hybrid mortgage REITs. Above charts have been normalized for stock splits.

The Ellington platform also has deep expertise in managing Agency assets, as demonstrated by the performance of Ellington Credit Company (NYSE: EARN)

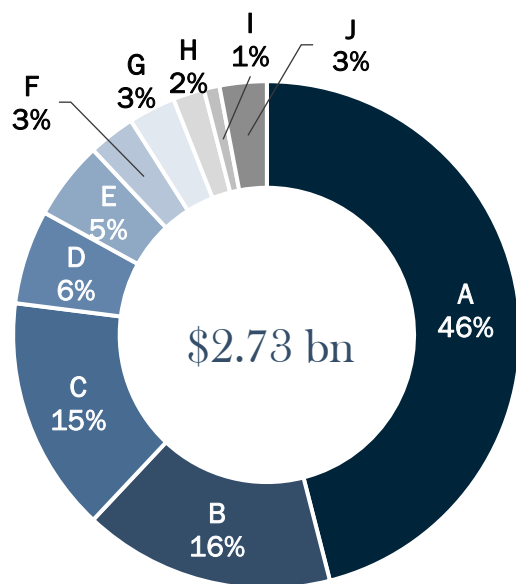
Percentage of 3/31/2013 Book Value per Share



Cumulative Total Economic Return Since 3/31/2013

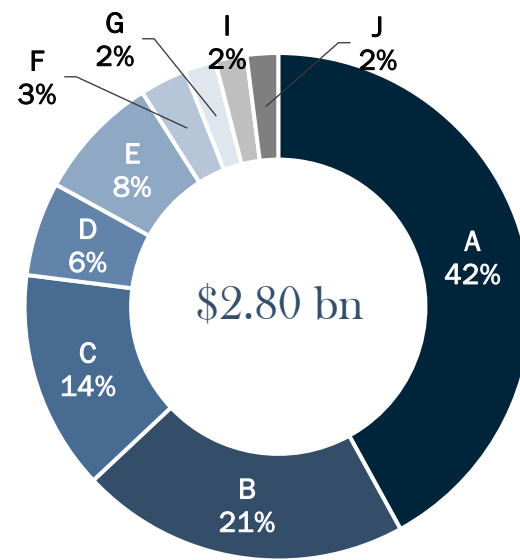


Note: Peers depicted are mortgage REITs focused on Agency MBS. Charts have been normalized for stock splits. Performance data is through March 31, 2024, corresponding with the strategic transformation of EARN's investment strategy to focus on corporate collateralized loan obligations ("CLOs") announced on April 1, 2024.



As of 6/30/2024⁽¹⁾

- A: Residential Transition Loans and other Residential Mortgage Loans & REO⁽²⁾
- B: Non-QM Loans and Retained Non-QM RMBS⁽³⁾⁽⁴⁾⁽⁵⁾
- C: CMBS & Commercial Loans & REO⁽²⁾⁽⁶⁾
- D: Forward MSR-Related Investments
- E: Non-Agency RMBS
- F: Consumer Loans & ABS backed by Consumer Loans⁽³⁾
- G: CLOs⁽³⁾
- H: HELOCs and Close-End Second Lien Loans
- I: Debt and Equity Investments in Loan Originators⁽⁷⁾
- J: Other⁽³⁾⁽⁸⁾⁽⁹⁾



As of 3/31/2024⁽¹⁾

The size of our long credit portfolio decreased to \$2.73 billion as of June 30, 2024, from \$2.80 billion as of March 31, 2024.

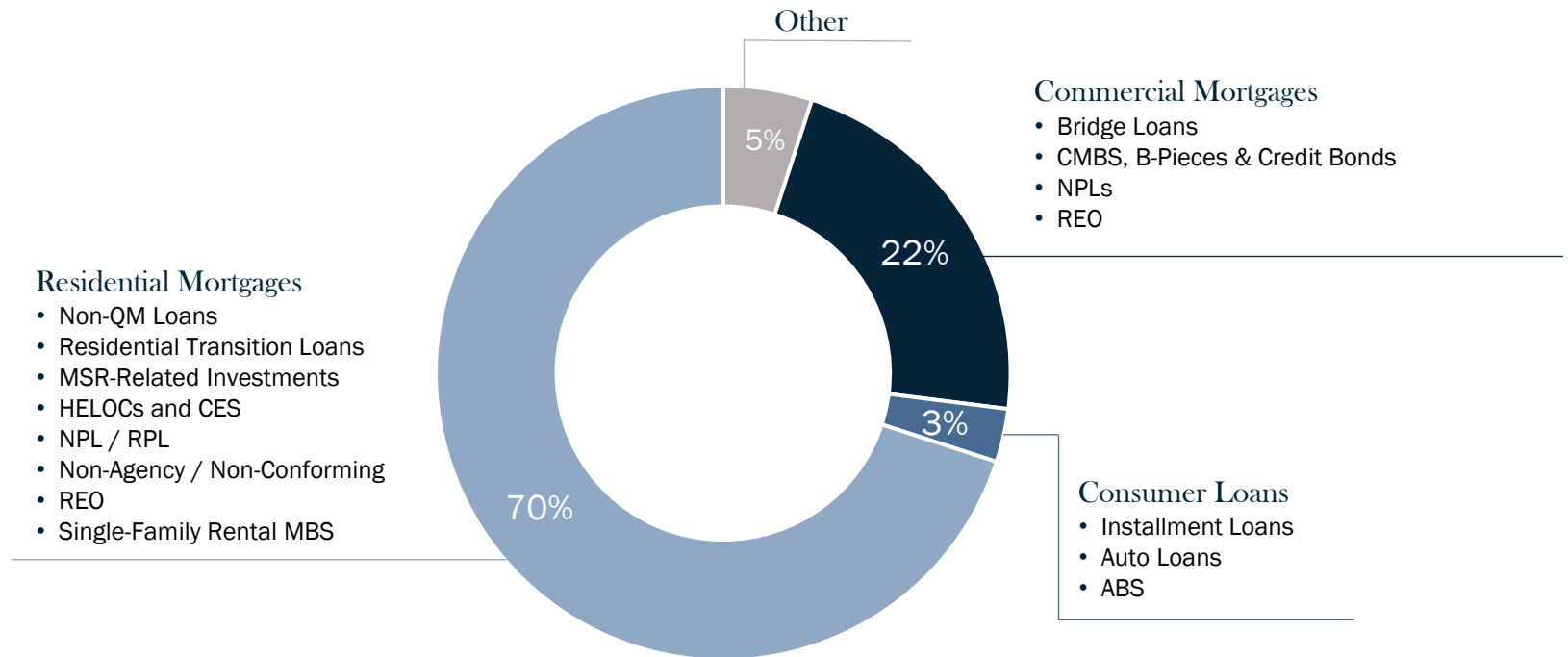
The decline was driven by the cumulative impact of a non-QM securitization completed during the second quarter and net sales of non-Agency and retained non-QM RMBS, and non-QM loans.

Net purchases of commercial mortgage bridge loans, re-performing and non-performing residential mortgage loans, CMBS and CLOs partially offset the decline.

We also purchased home equity lines of credit, or "HELOCs," and closed-end second lien loans in the second quarter.

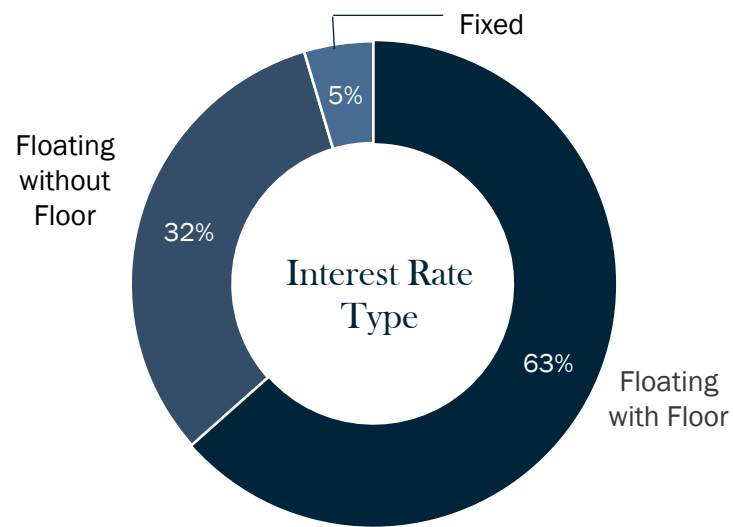
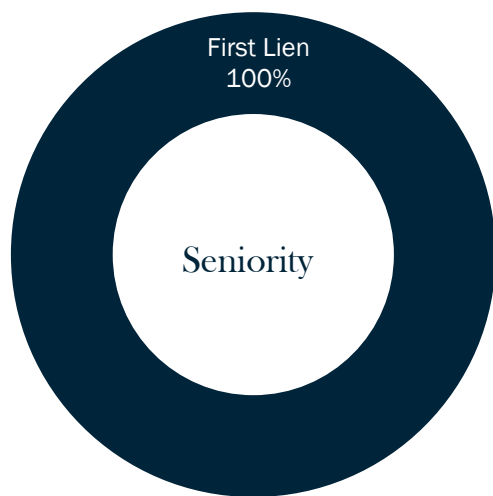
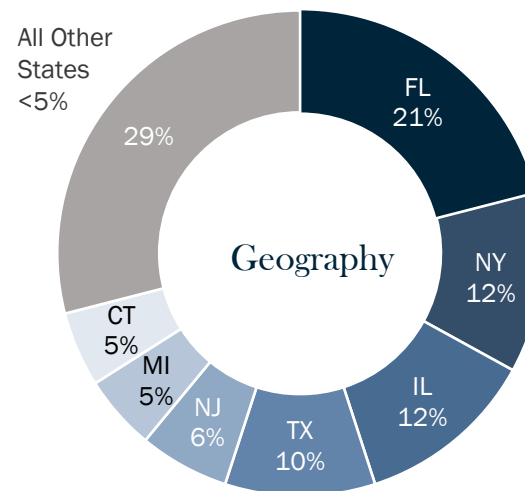
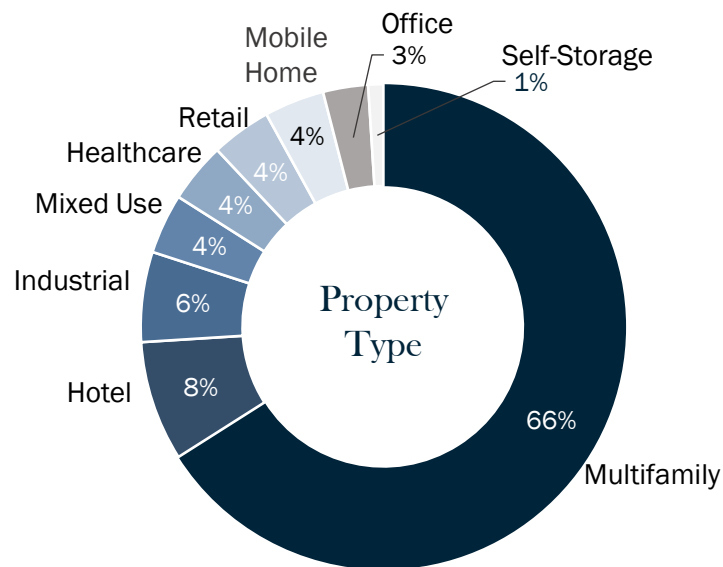
*For consolidated securitization trusts, only includes retained tranches.

Diversified sources of return to perform over market cycles



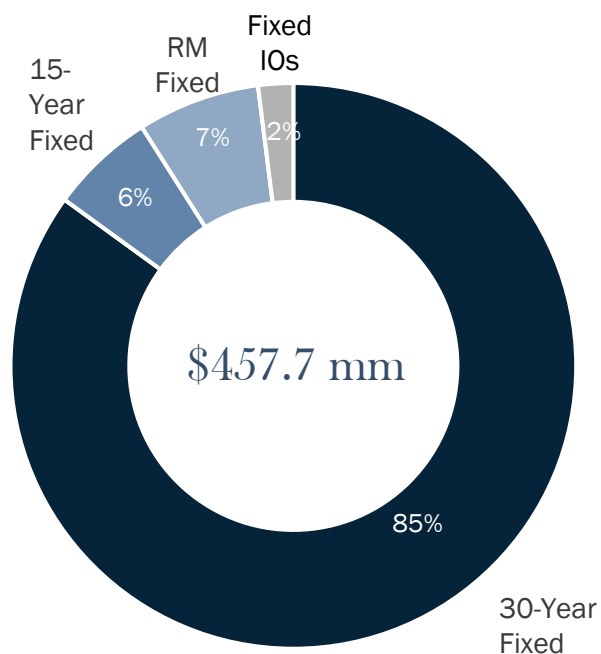
- Our flexible approach allocates capital to the sectors where we see the best relative value as market conditions change.⁽¹⁾
- We believe that our analytical expertise, research and systems provide an edge that will generate attractive risk-adjusted returns over market cycles.

Note: Percentages shown reflect share of total fair market value of credit portfolio⁽²⁾⁽³⁾



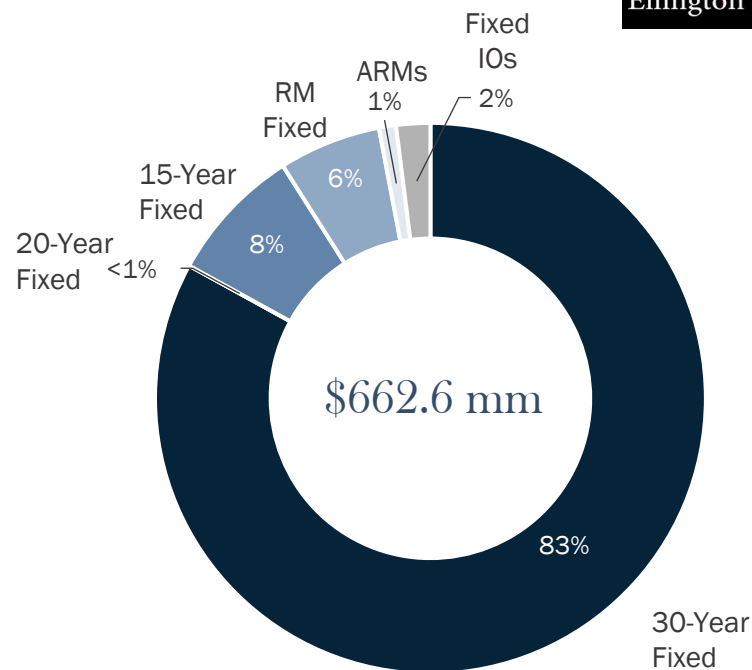
- Commercial mortgage loan portfolio is diversified geographically and across property types, with a tactical focus on multi-family.
- All investments are first liens.
- Vast majority are floating-rate loans, most of which benefit from interest-rate floors.

Long Agency Portfolio



As of 6/30/2024⁽¹⁾

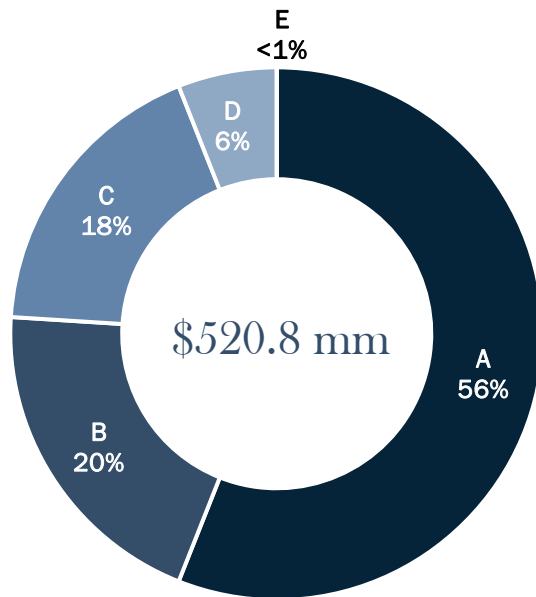
Category	Fair Value ⁽¹⁾ (\$ in MMs)	Wtd. Avg. Coupon ⁽²⁾
30-Year Fixed	\$ 385.2	4.17%
20-Year Fixed	-	-
15-Year Fixed	28.5	2.76%
RM Fixed	33.9	6.15%
Subtotal - Fixed	\$ 447.5	4.21%
ARMs	-	-
Fixed IOs	10.2	-
Total	\$ 457.7	



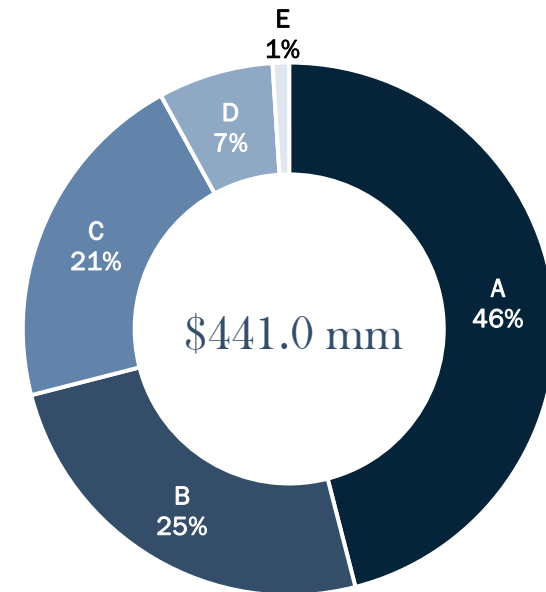
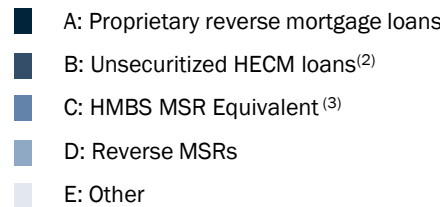
As of 3/31/2024⁽¹⁾

Category	Fair Value ⁽¹⁾ (\$ in MMs)	Wtd. Avg. Coupon ⁽²⁾
30-Year Fixed	\$ 556.0	4.02%
20-Year Fixed	2.0	2.29%
15-Year Fixed	51.8	2.57%
RM Fixed	36.9	5.98%
Subtotal - Fixed	\$ 646.7	3.99%
ARMs	5.0	-
Fixed IOs	10.8	-
Total	\$ 662.6	

• Our long Agency portfolio decreased by 31% quarter over quarter, driven primarily by net sales



As of 6/30/2024⁽¹⁾



As of 3/31/2024⁽¹⁾

- Longbridge originates reverse mortgage loans, including home equity conversion mortgage loans, or "HECMs," which are insured by the FHA and which are eligible for inclusion in GNMA-guaranteed HECM-backed MBS, or "HMBS."
 - Upon securitization, the HECMs remain on our balance sheet under GAAP, and Longbridge retains the mortgage servicing rights associated with the HMBS.
 - In addition, Longbridge originates proprietary reverse mortgage loans, which are not insured by the FHA, and has typically retained the associated MSRs.
-
- In Q2, Longbridge's portfolio increased by 18%, driven primarily by proprietary reverse mortgage loan originations.
 - Longbridge originated \$304.5 million across HECM and prop, 80% through its wholesale and correspondent channel and 20% through its retail channel.
 - Longbridge generated positive results for the quarter, driven by net interest income and net gains on proprietary reverse mortgage loans, along with positive results from servicing.
 - Tighter yield spreads on more seasoned HMBS led to improved execution on tail securitizations, which drove the positive results from servicing.
 - In HECM originations, higher volumes were mostly offset by a decline in gain-on-sale margins, driven by wider yield spreads of newly originated HMBS.

*For consolidated proprietary reverse mortgage loan securitization trusts, only includes retained tranches.

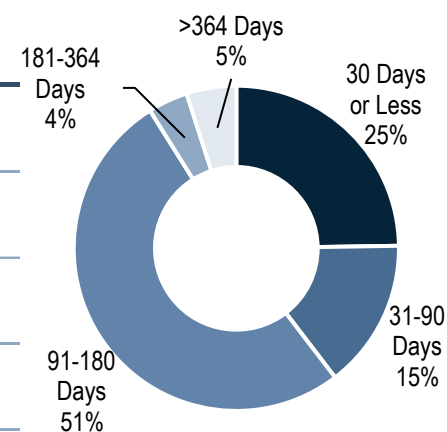
Repo Borrowings⁽¹⁾

(\$ in thousands)

Repo Borrowings as of June 30, 2024

Remaining Days to Maturity	Credit	Agency	U.S. Treasury	Reverse Mortgage Loans	Total	% of Total Borrowings
30 Days or Less	\$ 15,360	\$ 308,855	\$ 246,613	\$ -	\$ 570,828	24.8%
31-90 Days	241,683	72,575	-	26,901	341,159	14.8%
91-180 Days	1,079,445	1,979	-	104,967	1,186,391	51.6%
181-364 Days	99,631	-	-	-	99,631	4.3%
>364 Days	103,967	-	-	-	103,967	4.5%
Total Borrowings	\$1,540,086	\$ 383,409	\$246,613	\$ 131,868	\$2,301,976	100.0%
Weighted Average Remaining Days to Maturity	130	23	1	84	95	

Borrowings by Days to Maturity



- Repo borrowings with 23 counterparties, with the largest representing approximately 23% of total repo borrowings
- Weighted average remaining days to maturity of 95, a decrease of 14 days from March 31, 2024
- Maturities are staggered to mitigate liquidity risk

Condensed Consolidated Statement of Operations (Unaudited)

	Six-Month Period Ended	Year Ended
<i>(In thousands, except per share amounts)</i>	June 30, 2024	December 31, 2023
Net Interest Income		
Interest income	\$ 201,990	\$ 370,172
Interest expense	(137,338)	(262,451)
Total net interest income	\$ 64,652	\$ 107,721
Other Income (Loss)		
Realized gains (losses) on securities and loans, net	(40,176)	(93,993)
Realized gains (losses) on financial derivatives, net	9,791	40,054
Realized gains (losses) on real estate owned, net	(3,249)	(5,229)
Unrealized gains (losses) on securities and loans, net	45,844	171,296
Unrealized gains (losses) on financial derivatives, net	38,267	(15,060)
Unrealized gains (losses) on real estate owned, net	203	2,177
Unrealized gains (losses) on other secured borrowings, at fair value, net	(14,040)	(51,554)
Unrealized gains (losses) on unsecured borrowings, at fair value	3,696	146
Net change from reverse mortgage loans, at fair value	352,202	503,831
Net change related to HMBS obligations, at fair value	(305,654)	(451,598)
Bargain purchase gain	-	28,175
Other, net	15,161	40,954
Total other income (loss)	102,045	169,199
Expenses		
Base management fee to affiliate, net of fee rebates	11,541	20,419
Investment related expenses:		
Servicing expense	11,470	20,364
Debt issuance costs related to Other secured borrowings, at fair value	3,113	-
Other	9,740	16,860
Professional fees	5,407	21,164
Compensation and benefits	30,996	78,434
Other expenses	14,373	30,469
Total expenses	86,640	187,710
Net Income (Loss) before Income Tax Expense (Benefit) and Earnings from Investments in Unconsolidated Entities	80,057	89,210
Income tax expense (benefit)	202	457
Earnings (losses) from investments in unconsolidated entities	14,268	(855)
Net Income (Loss)	\$ 94,123	\$ 87,898
Net Income (Loss) Attributable to Non-Controlling Interests	1,382	3,814
Dividends on Preferred Stock	13,479	23,182
Net Income (Loss) Attributable to Common Stockholders	\$ 79,262	\$ 60,902
Net Income (Loss) per Common Share		
Basic and Diluted	\$ 0.94	\$ 0.89
Weighted average shares of common stock outstanding	84,756	68,252
Weighted average shares of common stock and convertible units outstanding	85,574	69,063

Condensed Consolidated Balance Sheet (Unaudited)

<i>(in thousands, except share and per share amounts)</i>	June 30, 2024	December 31, 2023 ⁽¹⁾
Assets		
Cash and cash equivalents	\$ 198,513	\$ 228,927
Restricted cash	6,098	1,618
Securities, at fair value	1,127,684	1,518,377
Loans, at fair value	12,846,106	12,306,636
Loan commitments, at fair value	5,623	2,584
Forward MSR-related investments, at fair value	158,031	163,336
Mortgage servicing rights, at fair value	29,538	29,580
Investments in unconsolidated entities, at fair value	163,182	116,414
Real estate owned	25,248	22,085
Financial derivatives – assets, at fair value	162,165	143,996
Reverse repurchase agreements	85,671	173,145
Due from brokers	22,036	51,884
Investment related receivables	195,557	480,249
Other assets	67,201	77,099
Total Assets	\$ 15,092,653	\$ 15,315,930
Liabilities		
Securities sold short, at fair value	51,858	154,303
Repurchase agreements	2,301,976	2,967,437
Financial derivatives – liabilities, at fair value	44,064	61,776
Due to brokers	74,946	62,442
Investment related payables	38,977	37,403
Other secured borrowings	217,225	245,827
Other secured borrowings, at fair value	1,585,838	1,424,668
HMBS-related obligations, at fair value	8,832,058	8,423,235
Unsecured borrowings, at fair value	269,069	272,765
Base management fee payable to affiliate	5,811	5,660
Dividend payable	15,158	11,528
Interest payable	17,174	22,933
Accrued expenses and other liabilities	64,640	90,341
Total Liabilities	\$ 13,518,794	\$ 13,780,318
Equity		
Preferred stock, par value \$0.001 per share, 100,000,000 shares authorized; 14,757,222 and 14,757,222 shares issued and outstanding, and \$368,931 and \$368,931 aggregate liquidation preference, respectively	\$ 355,551	\$ 355,551
Common stock, par value \$0.001 per share, 300,000,000 and 200,000,000 shares authorized; 85,041,913 and 83,000,488 shares issued and outstanding, respectively ⁽²⁾	85	83
Additional paid-in-capital	1,541,002	1,514,797
Retained earnings (accumulated deficit)	(343,853)	(353,360)
Total Stockholders' Equity	\$ 1,552,785	\$ 1,517,071
Non-controlling interests	21,074	18,541
Total Equity	\$ 1,573,859	\$ 1,535,612
Total Liabilities and Equity	\$ 15,092,653	\$ 15,315,930
Supplemental Per Share Information:		
Book Value Per Common Share ⁽³⁾	\$ 13.92	\$ 13.83

Reconciliation of Net Income (Loss) to Adjusted Distributable Earnings⁽¹⁾

	Six-Month Period Ended June 30, 2024			
<i>(in thousands, except per share amounts)</i>	Investment Portfolio	Longbridge	Corporate/Other	Total
Net Income (Loss)	\$ 112,677	\$ 12,963	\$ (31,517)	\$ 94,123
Income tax expense (benefit)	-	-	202	202
Net income (loss) before income tax expense (benefit)	\$112,677	\$ 12,963	\$ (31,315)	\$ 94,325
Adjustments:				
Realized (gains) losses, net ⁽²⁾	64,127	-	2,679	66,806
Unrealized (gains) losses, net ⁽³⁾	(76,607)	1,890	(2,784)	(77,501)
Unrealized (gains) losses on MSRs, net of hedging (gains) losses ⁽⁴⁾	-	(14,337)	-	(14,337)
Negative (positive) component of interest income represented by Catch-up Amortization Adjustment	577	-	-	577
Non-capitalized transaction costs and other expense adjustments ⁽⁵⁾	2,004	4,248	822	7,074
(Earnings) losses from investments in unconsolidated entities	(14,268)	-	-	(14,268)
Adjusted Distributable Earnings from investments in unconsolidated entities ⁽⁶⁾	4,088	-	-	4,088
Total Adjusted Distributable Earnings	\$ 92,598	\$ 4,764	\$ (30,598)	\$ 66,764
Dividends on preferred stock	-	-	13,479	13,479
Adjusted Distributable Earnings attributable to non-controlling interests	702	20	503	1,225
Adjusted Distributable Earnings Attributable to Common Stockholders	\$ 91,896	\$ 4,744	\$ (44,580)	\$ 52,060
Adjusted Distributable Earnings Attributable to Common Stockholders, per share	\$ 1.08	\$ 0.06	\$ (0.53)	\$ 0.61



Diversified investment portfolio across residential mortgage, commercial mortgage, consumer loan, and corporate loan sectors



Proprietary portfolio of high-yielding, short-duration loans



Dynamic interest-rate and credit hedging designed to reduce volatility of book value and earnings



Strategic debt and equity investments in multiple loan originators, including reverse mortgage originator and servicer Longbridge Financial



Diversified sources of financing, including long term non mark-to-market financing facilities and securitizations



Strong alignment with 5% co-investment⁽¹⁾

Slide 6 – About Ellington Management Group

- (1) \$12.9 billion in assets under management includes approximately \$0.6 billion in Ellington-managed CLOs. For these purposes, the Ellington-managed CLO figure represents the aggregate outstanding balance of CLO notes and market value of CLO equity, excluding any notes and equity held by other Ellington-managed funds and accounts. Assets under management includes information as of June 30, 2024.
- (2) Does not include partners formerly employed by Ellington who may have residual capital balances but who no longer have voting rights in the partnership.
- (3) Management and directors' ownership includes common shares, operating partnership units, and LTIP units held by officers and directors of EFC, and partners and affiliates of Ellington (including families and family trusts of the foregoing). Based on book value per share.
- (4) Registration with the SEC does not imply that the firm or any of its principals or employees possess a particular level of skill or training in the investment advisory or any other business.

Slide 7 – Ellington Management Group

- (1) \$12.9 billion in assets under management includes approximately \$0.6 billion in Ellington-managed CLOs. For these purposes, the Ellington-managed CLO figure represents the aggregate outstanding balance of CLO notes and market value of CLO equity, excluding any notes and equity held by other Ellington-managed funds and accounts. Assets under management includes information as of June 30, 2024.
- (2) Management and directors' ownership includes common shares, operating partnership units, and LTIP units held by officers and directors of EFC, and partners and affiliates of Ellington (including families and family trusts of the foregoing).

Slide 8 – Access to Experienced Management

- (1) Holds a seat on the Board of Trustees of EARN.
- (2) Holds a seat on the Board of Directors/Trustees of EFC and EARN.
- (3) As of June 30, 2024.

Slide 9 – Our Infrastructure Is A Competitive Advantage

- (1) \$12.9 billion in assets under management includes approximately \$0.6 billion in Ellington-managed CLOs. For these purposes, the Ellington-managed CLO figure represents the aggregate outstanding balance of CLO notes and market value of CLO equity, excluding any notes and equity held by other Ellington-managed funds and accounts. Assets under management includes information as of June 30, 2024.

Slide 15 – Commitment to ESG

- (1) Management and directors' ownership includes common shares, operating partnership units, and LTIP units held by officers and directors of EFC, and partners and affiliates of Ellington (including families and family trusts of the foregoing).

Slide 17 – Portfolio Summary as of June 30, 2024

- (1) Includes REO at the lower of cost or fair value. Excludes hedges and other derivative positions.
- (2) Of deployed capital, 81% allocated to credit, 6% to agency, and 13% to Longbridge.
- (3) Average price excludes interest only, principal only, equity tranches and other similar securities and non-exchange traded corporate equity. All averages in this table are weighted averages using fair value, except for average price which uses current principal balance.
- (4) Average price of consumer loans and ABS backed by consumer loans is proprietary.
- (5) Weighted average life assumes “projected” cashflows using Ellington’s proprietary models. Excludes interest only, principal only, equity tranches.
- (6) Estimated yields at market prices are management’s estimates derived from Ellington’s proprietary models based on prices and market environment as of June 30, 2024 and include the effects of future estimated losses. The above analysis should not be considered a recommendation to purchase or sell any security or class of securities. Results are based on forward-looking models, which are inherently imperfect, and incorporate various simplifying assumptions. Therefore, the table is for illustrative purposes only and the actual performance of our portfolio may differ from the data presented, and such differences might be significant and adverse.
- (7) REO and equity investments in loan origination entities are excluded from total average calculations.
- (8) In accordance with U.S. GAAP, REO is not considered a financial instrument and as a result is included at the lower of cost or fair value.
- (9) For our consolidated securitization trusts, excludes tranches that were sold to third parties, but that are consolidated for GAAP purposes.
- (10) Retained non-QM RMBS represents RMBS issued by non-consolidated Ellington-sponsored non-QM loan securitization trusts, and interests in entities holding such RMBS.
- (11) Includes equity investments in unconsolidated entities holding small balance commercial mortgage loans and REO. Including our allocable portion of the fair value of small-balance commercial loans and REO of the equity investments in unconsolidated entities, our total CMBS and Commercial Mortgage Loans and REO was \$620.8 million.
- (12) Includes equity investments in securitization-related vehicles.
- (13) Includes corporate loans to certain loan origination entities in which we hold an equity investment.
- (14) Includes an equity investment in an unconsolidated entity holding European RMBS.
- (15) Includes equity investment in an unconsolidated entity which held certain other loans for securitization.
- (16) This information does not include financial derivatives or loan commitments.
- (17) As of June 30, 2024, includes \$5.1 million of active HECM buyout loans, \$9.9 million of inactive HECM buyout loans, and \$4.3 million of other inactive HECM loans.
- (18) HMBS assets are consolidated for GAAP reporting purposes, and HMBS-related obligations are accounted for on our balance sheet as secured borrowings. The fair value of HMBS assets less the fair value of the HMBS-related obligations approximate fair value of the HMBS MSR Equivalent.
- (19) Excludes U.S. Treasury securities and repo borrowings at certain unconsolidated entities that are recourse to us. Including such borrowings, our debt-to-equity ratio, adjusted for unsettled purchases and sales, based on total recourse borrowings was 1.9:1 as of June 30, 2024.
- (20) Excludes repo borrowings on U.S. Treasury securities and borrowings at certain unconsolidated entities that are recourse to us. In determining the debt-to-equity ratio for an individual strategy, equity usage for such strategy is based on an internal calculation that reflects the actual amount of capital posted to counterparties in connection with such strategy’s positions (whether in the form of haircut, initial margin, prime brokerage requirements, or otherwise) plus additional capital allocated to support such strategy’s positions, net of adjustments for readily financeable assets and securities that may be sold to increase liquidity on short notice. We refer to the excess of its total equity over the total risk capital of its strategies as its “risk capital buffer”. If the debt-to-equity ratios for individual strategies were computed solely based on the actual amount of capital posted to counterparties, such ratios would typically be higher. The debt-to-equity ratio does not account for liabilities other than debt financings.
- (21) Overall debt-to-equity ratio is computed by dividing EFC’s total debt by EFC’s total equity. The debt-to-equity ratio does not account for liabilities other than debt financings. Excludes repo borrowings on U.S. Treasury securities.

Slide 18 – Proprietary Loan Origination Businesses

- (1) For our consolidated non-QM and proprietary reverse mortgage securitization trusts, excludes loans in consolidated securitization trusts that were sold to third parties.
- (2) Includes our allocable portion of the fair value of certain small-balance commercial loans, based on our ownership percentage, held in entities in which we and certain affiliates of Ellington have equity interests. Our equity investments in such entities are included in Investments in unconsolidated entities, at fair value on the Condensed Consolidated Balance Sheet.
- (3) We originate reverse mortgage loans through Longbridge, a majority owned subsidiary as of 10/3/2022.
- (4) For reverse mortgage loans, Total Loan Fair Value at Quarter-End includes \$103.7 million in Unsecuritized HECM loans and \$291.6 million in Proprietary reverse mortgage loans.
- (5) Loans acquired during the quarter represent initial borrowing amounts on newly originated reverse mortgage loans. Amounts exclude HECM tail loans.

Slide 19 – Total Return Since Inception

- (1) Total return is based on \$18.61 net diluted book value per share at inception in August 2007 and is calculated assuming the reinvestment of dividends at diluted book value per share and assumes all convertible units were converted into common shares at their issuance dates.

Slide 20 – Stable Economic Return

- (1) Source: Company filings.
- (2) Economic return is computed by adding back dividends to ending book value per share and comparing that amount to book value per share as of the beginning of the quarter.

Slide 21 – Resilient Profit Generation Over Market Cycles

- (1) Gross profit excludes expenses other than interest expense and other investment related expenses. Figures in “%” columns are as a percentage of average total equity for the period which includes common and preferred equity as well as non-controlling interests.
- (2) Interest expense on senior notes, unrealized gain/(loss), net and interest rate hedges and other activity, net related to corporate/other are allocated to credit and Agency based on average capital.
- (3) Gross profit excludes the bargain purchase gain and transaction expenses associated with the Arlington merger, as well as net gains on our hedges and expenses related to the terminated merger with Great Ajax, including the initial markdown on the Great Ajax common shares we purchased in connection with that termination.

Slide 22– Interest Rate Sensitivity Analysis

- (1) The table reflects the estimated effects on the value of our portfolio, both overall and by category, of hypothetical, immediate, 50 basis point downward and upward parallel shifts in interest rates, based on the market environment as of June 30, 2024. The preceding analysis does not include sensitivities to changes in interest rates for instruments which we believe that the effect of a change in interest rates is not material to the value of the overall portfolio and/or cannot be accurately estimated. In particular, this analysis excludes certain corporate securities and derivatives on corporate securities and reflects only sensitivity to U.S. interest rates. Furthermore, the fair value of each of the instruments comprising our portfolio is impacted by many other factors, each of which may or may not be correlated, or may only be loosely correlated, with interest rates. Depending on the nature of the instrument, these additional factors may include credit spreads, yield spreads, option-adjusted spreads, real estate prices, collateral adequacy, borrower creditworthiness, inflation, unemployment, general macroeconomic conditions, and other factors. Our analysis makes many simplifying assumptions as to the response of each of these additional factors affecting fair value to a hypothetical immediate shift in interest rates, including, for many if not most such additional factors, that such factor is unaffected by such shift in interest rates. Results are based on forward-looking models, which are inherently imperfect, and incorporate various simplifying assumptions. Therefore, the table is for illustrative purposes only and actual changes in interest rates would likely cause changes in the actual value of our portfolio that would differ from those presented, and such differences might be significant and adverse.

Slide 23 – Agency Interest Rate Hedging Portfolio

- (1) Agency interest rate hedges are shown in normalized units of risk, with each group of positions measured in “10-year equivalents; “10-year equivalents” for a group of positions represent the amount of 10-year U.S. Treasury securities that would be expected to experience a similar change in market value under a standard parallel move in interest rates.
- (2) We define our net Agency pool assets-to-equity ratio as the net aggregate market value of our Agency pools of \$447.5 million and our long and short TBA positions of \$(154) million, divided by the equity allocated to our Agency strategy of \$83 million, as of June 30, 2024. In determining the debt-to-equity ratio for an individual strategy, equity usage for such strategy is based on an internal calculation that reflects the actual amount of capital posted to counterparties in connection with such strategy’s positions (whether in the form of haircut, initial margin, prime brokerage requirements, or otherwise) plus additional capital allocated to support such strategy’s positions, net of adjustments for readily financeable assets and securities that may be sold to increase liquidity on short notice. We refer to the excess of its total equity over the total risk capital of its strategies as its “risk capital buffer”. If the debt-to-equity ratios for individual strategies were computed solely based on the actual amount of capital posted to counterparties, such ratios would typically be higher. The debt-to-equity ratio does not account for liabilities other than debt financings.

Slide 24 – Credit Hedging Portfolio

- (1) The Credit Hedging Portfolio excludes both legs of certain relative value trades which we believe do not affect the overall hedging position of the portfolio. Consequently, the amounts shown here may differ materially from those that would be shown were all positions in the included instruments displayed.
- (2) There can be no assurance that instruments in the Credit Hedging Portfolio will be effective portfolio hedges.
- (3) Corporate derivatives displayed in HY CDX OTR Equivalents represent the net, on-the-run notional equivalents of Markit CDX North American High Yield Index (the “HY Index”) of those derivatives converted to equivalents based on techniques used by the Company for estimating the price relationships between them and the HY Index. These include estimations of the relationships between different credits and even different sectors (such as the US high yield, European high yield, and US investment grade debt markets). The Company’s estimations of price relationships between instruments may change over time. Actual price relationships experienced may differ from those previously estimated.
- (4) Bond Equivalent Value represents the investment amount of a corresponding position in the reference obligation or index constituents, calculated assuming a price equal to the difference between (i) par and (ii) the tear up price. Corporate CDS Indices, Tranches, Options and Single Names are converted to HY CDX OTR Equivalents prior to being displayed as Bond Equivalent Values.

Slide 25 – Diversified Sources of Financing

- (1) Includes Other secured borrowings. Excludes Other secured borrowings, at fair value related to consolidated securitizations which are non-recourse borrowings.
- (2) Excludes Other secured borrowings, at fair value and HMBS-related obligations, at fair value which are non-recourse borrowings.
- (3) All of our non-recourse borrowings are secured by collateral. In the event of default under a non-recourse borrowing, the lender has a claim against the collateral but not any of the Operating Partnership’s other assets. In the event of default under a recourse borrowing, the lender’s claim is not limited to the collateral (if any).
- (4) Excludes U.S. Treasury securities and repo borrowings at certain unconsolidated entities that are recourse to us. Including such borrowings, our debt-to-equity ratio, adjusted for unsettled purchases and sales, based on total recourse borrowings was 1.9:1 as of June 30, 2024.
- (5) Overall debt-to-equity ratio is computed by dividing EFC’s total debt by EFC’s total equity. The debt-to-equity ratio does not account for liabilities other than debt financings. Excludes repo borrowings on U.S. Treasury securities.

Slide 26– EFC Portfolio – Schedule of Unencumbered Assets as of June 30, 2024

- (1) Includes REO at the lower of cost or fair value. Excludes hedges and other derivative positions.

Slide 32 – Long Credit Portfolio

- (1) Includes REO at the lower of cost or fair value. Excludes hedges and other derivative positions. For our consolidated securitization trusts, excludes tranches that were sold to third parties, but that are consolidated for GAAP purposes. Including such tranches, our total long credit portfolio was \$4.140 billion as of June 30, 2024 and \$4.203 billion as of March 31, 2024.
- (2) REO is not considered a financial instrument and as a result is included at the lower of cost or fair value.
- (3) Includes equity investments in securitization-related vehicles.
- (4) For our consolidated non-QM loan securitization trusts, excludes tranches that were sold to third parties, but that are consolidated for GAAP purposes.
- (5) Retained non-QM RMBS represents RMBS issued by non-consolidated Ellington-sponsored non-QM loan securitization trusts, and interests in entities holding such RMBS.
- (6) Includes equity investments in unconsolidated entities holding small balance commercial mortgage loans and REO. Including our allocable portion of the fair value of small-balance commercial loans and REO of the equity investments in unconsolidated entities, our total CMBS and Commercial Mortgage Loans and REO were \$620.8 million as of June 30, 2024 and \$533.9 million as of March 31, 2024.
- (7) Includes corporate loans to certain loan origination entities in which we hold an equity investment.
- (8) Includes an equity investment in an unconsolidated entity holding European RMBS.
- (9) Includes equity investments in an unconsolidated entity which held certain other loans for eventual securitization.

Slide 33 – Diversified Credit Portfolio

- (1) Subject to maintaining our qualification as a REIT.
- (2) Excludes hedges and other derivative positions.
- (3) For our consolidated securitization trusts, only retained tranches are included (i.e., excludes tranches sold to third parties).

Slide 34 – Commercial Mortgage Loan Portfolio – Detail as of 6/30/24

- (1) Percentages are of unpaid principal balance.
- (2) Includes our allocable portion of certain small-balance commercial loans, based on our ownership percentage, held in entities in which we and certain affiliates of Ellington have equity interests. Our equity investments in such entities are included in Investments in unconsolidated entities, at fair value on the Condensed Consolidated Balance Sheet.

Slide 35 – Long Agency Portfolio

- (1) Agency long portfolio includes \$447.5 million of long Agency securities and \$10.2 million of interest only securities as of June 30, 2024 and \$651.7 million of long Agency securities and \$10.8 million of interest only securities as of March 31, 2024.
- (2) Represents weighted average net pass-through rate. Excludes interest only securities.

Slide 36 – Longbridge Portfolio

- (1) This information does not include financial derivatives or loan commitments.
- (2) As of June 30, 2024, includes \$5.1 million of active HECM buyout loans, \$9.9 million of inactive HECM buyout loans, and \$4.3 million of other inactive HECM loans. As of March 31, 2024, includes \$9.3 million of active HECM buyout loans, \$9.4 million of inactive HECM buyout loans, and \$4.5 million of other inactive HECM loans.
- (3) HMBS assets are consolidated for GAAP reporting purposes, and HMBS-related obligations are accounted for on our balance sheet as secured borrowings. The fair value of HMBS assets less the fair value of the HMBS-related obligations approximate fair value of the HMBS MSR Equivalent.

Slide 37 – Repo Borrowings

- (1) Included in the table, using the original maturity dates, are any repos involving underlying investments we sold prior to June 30, 2024 for settlement following June 30, 2024 even though we may expect to terminate such repos early. Not included are any repos that we may have entered into prior to June 30, 2024, for which delivery of the borrowed funds is not scheduled until after June 30, 2024. Remaining maturity for a repo is based on the contractual maturity date in effect as of March. Some repos have floating interest rates, which may reset before maturity.

Slide 39 – Condensed Consolidated Balance Sheet (Unaudited)

- (1) Derived from audited financial statements as of December 31, 2023.
- (2) Common shares issued and outstanding at June 30, 2024, includes 2,103,725 shares of common stock issued under our ATM program and excludes 62,300 common shares repurchased during the six-month period ended June 30, 2024.
- (3) Based on total stockholders' equity less the aggregate liquidation preference of our preferred stock outstanding.

Slide 40 – Reconciliation of Net Income (Loss) to Adjusted Distributable Earnings

- (1) We calculate Adjusted Distributable Earnings as U.S. GAAP net income (loss) as adjusted for: (i) realized and unrealized gain (loss) on securities and loans, REO, mortgage servicing rights, financial derivatives (excluding periodic settlements on interest rate swaps), any borrowings carried at fair value, and foreign currency transactions; (ii) incentive fee to affiliate; (iii) Catch-up Amortization Adjustment (as defined below); (iv) non-cash equity compensation expense; (v) provision for income taxes; (vi) certain non-capitalized transaction costs; and (vii) other income or loss items that are of a non-recurring nature. For certain investments in unconsolidated entities, we include the relevant components of net operating income in Adjusted Distributable Earnings. The Catch-up Amortization Adjustment is a quarterly adjustment to premium amortization or discount accretion triggered by changes in actual and projected prepayments on our Agency RMBS (accompanied by a corresponding offsetting adjustment to realized and unrealized gains and losses). The adjustment is calculated as of the beginning of each quarter based on our then-current assumptions about cashflows and prepayments, and can vary significantly from quarter to quarter. Non-capitalized transaction costs include expenses, generally professional fees, incurred in connection with the acquisition of an investment or issuance of long-term debt. For the contribution to Adjusted Distributable Earnings from Longbridge, we adjust Longbridge's contribution to our net income in a similar manner, but we include in Adjusted Distributable Earnings certain realized and unrealized gains (losses) from Longbridge's origination business ("gain-on-sale income"). Adjusted Distributable Earnings is a supplemental non-GAAP financial measure. We believe that the presentation of Adjusted Distributable Earnings provides information useful to investors, because: (i) we believe that it is a useful indicator of both current and projected long-term financial performance, in that it excludes the impact of certain current-period earnings components that we believe are less useful in forecasting long-term performance and dividend-paying ability; (ii) we use it to evaluate the effective net yield provided by our investment portfolio, after the effects of financial leverage and by Longbridge, to reflect the earnings from its reverse mortgage origination and servicing operations; and (iii) we believe that presenting Adjusted Distributable Earnings assists investors in measuring and evaluating our operating performance, and comparing our operating performance to that of our residential mortgage REIT and mortgage originator peers. Please note, however, that: (I) our calculation of Adjusted Distributable Earnings may differ from the calculation of similarly titled non-GAAP financial measures by our peers, with the result that these non-GAAP financial measures might not be directly comparable; and (II) Adjusted Distributable Earnings excludes certain items that may impact the amount of cash that is actually available for distribution. In addition, because Adjusted Distributable Earnings is an incomplete measure of our financial results and differs from net income (loss) computed in accordance with U.S. GAAP, it should be considered supplementary to, and not as a substitute for, net income (loss) computed in accordance with U.S. GAAP. Furthermore, Adjusted Distributable Earnings is different from REIT taxable income. As a result, the determination of whether we have met the requirement to distribute at least 90% of our annual REIT taxable income (subject to certain adjustments) to our stockholders, in order to maintain our qualification as a REIT, is not based on whether we distributed 90% of our Adjusted Distributable Earnings. The following table reconciles, for the six-month period ended June 30, 2024, our Adjusted Distributable Earnings to the line on our Consolidated Statement of Operations entitled Net Income (Loss), which we believe is the most directly comparable U.S. GAAP measure.
- (2) Includes realized (gains) losses on securities and loans, REO, financial derivatives (excluding periodic settlements on interest rate swaps), and foreign currency transactions which are components of Other Income (Loss) on the Condensed Consolidated Statement of Operations.
- (3) Includes unrealized (gains) losses on securities and loans, REO, financial derivatives (excluding periodic settlements on interest rate swaps), borrowings carried at fair value, MSR-related investments, and foreign currency transactions which are components of Other Income (Loss) on the Condensed Consolidated Statement of Operations.
- (4) Represents net change in fair value of the HMBS MSR Equivalent and Reverse MSRs attributable to changes in market conditions and model assumptions. This adjustment also includes net (gains) losses on certain hedging instruments, which are components of realized and/or unrealized gains (losses) on financial derivatives, net on the Condensed Consolidated Statement of Operations.
- (5) For the six-month period ended June 30, 2024, includes \$3.1 million of debt issuance costs related to the securitization of reverse mortgage loans, \$2.0 million of non-capitalized transaction costs, \$0.6 million of merger and other business transition-related expenses, \$0.6 million of non-cash equity compensation expense, and \$0.8 million of various other expenses.
- (6) Includes net interest income and operating expenses for certain investments in unconsolidated entities.

Slide 41 – Investment Highlights of EFC

- (1) Management and directors' ownership includes common shares, operating partnership units, and LTIP units held by officers and directors of EFC, and partners and affiliates of Ellington (including families and family trusts of the foregoing).

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