

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K

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

Date of Report (Date of earliest event reported):
August 7, 2024

CHIMERA INVESTMENT CORPORATION
(Exact name of registrant as specified in its charter)

| | | |
|---|-----------------------------|--------------------------------------|
| <u>Maryland</u> | <u>1-33796</u> | <u>26-0630461</u> |
| (State or Other Jurisdiction of Incorporation) | (Commission File Number) | (IRS Employer Identification No.) |

630 Fifth Avenue, STE 2400
New York, New York
(Address of principal executive offices)
10111
(Zip Code)

Registrant's telephone number, including area code: (888) 895-6557

Securities registered pursuant to Section 12(b) of the Act:

| <u>Title of Each Class</u> | <u>Trading Symbol(s)</u> | <u>Name of Each Exchange on Which Registered</u> |
|---|--------------------------|--|
| Common Stock, par value \$0.01 per share | CIM | New York Stock Exchange |
| 8.00% Series A Cumulative Redeemable Preferred Stock | CIM PRA | New York Stock Exchange |
| 8.00% Series B Fixed-to-Floating Rate Cumulative Redeemable Preferred Stock | CIM PRB | New York Stock Exchange |
| 7.75% Series C Fixed-to-Floating Rate Cumulative Redeemable Preferred Stock | CIM PRC | New York Stock Exchange |
| 8.00% Series D Fixed-to-Floating Rate Cumulative Redeemable Preferred Stock | CIM PRD | New York Stock Exchange |
| 9.000% Senior Notes due 2029 | CIMN | New York Stock Exchange |

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02. Results of Operations and Financial Condition

On August 7, 2024, the registrant issued a press release announcing its financial results for the quarter ended June 30, 2024. A copy of the press release is furnished as Exhibit 99.1 to this report.

On August 7, 2024, the registrant posted investor presentation information on the News & Events - Press Releases section of its website (www.chimerareit.com). A copy of the investor presentation information is furnished as Exhibit 99.2 to this report and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

99.1 [Press Release, dated August 7, 2024, issued by Chimera Investment Corporation](#)

99.2 [Investor Presentation Q2 2024](#)

104 Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Chimera Investment Corporation

By: /s/ Subramaniam Viswanathan

Name: Subramaniam Viswanathan

Title: Chief Financial Officer

Date: August 7, 2024



PRESS RELEASE

NYSE: CIM

CHIMERA INVESTMENT CORPORATION
630 Fifth Ave, Ste 2400
New York, New York 10111

Investor Relations
888-895-6557
www.chimerareit.com

FOR IMMEDIATE RELEASE

CHIMERA INVESTMENT CORPORATION REPORTS 2ND QUARTER 2024 EARNINGS

NEW YORK - (BUSINESS WIRE) - Chimera Investment Corporation (NYSE:CIM) today announced its financial results for the second quarter ended June 30, 2024.

Financial Highlights⁽¹⁾:

- 2ND QUARTER GAAP NET INCOME OF \$0.41 PER DILUTED COMMON SHARE
- 2ND QUARTER EARNINGS AVAILABLE FOR DISTRIBUTION⁽²⁾ OF \$0.37 PER DILUTED COMMON SHARE
- GAAP BOOK VALUE OF \$21.27 PER COMMON SHARE AT JUNE 30, 2024, AND ECONOMIC RETURN⁽³⁾ OF 1.4% AND 8.4% FOR THE QUARTER, AND SIX MONTHS ENDED JUNE 30, 2024, RESPECTIVELY.

“This quarter we continued to access the capital markets and acquire accretive assets including loans leading to our first securitization of the year this July,” said Phillip J. Kardis, President and CEO. “Our ability to successfully deploy proceeds during the first half of the year enabled us to increase our dividend and generate an 8.4% economic return⁽³⁾ for the first half of the year.”

(1) All per share amounts, common shares outstanding and restricted shares for all periods presented reflect the Company's 1-for-3 reverse stock split, which was effective after the close of trading on May 21, 2024.

(2) Earnings available for distribution per adjusted diluted common share is a non-GAAP measure. See additional discussion on page 5.

(3) Our economic return is measured by the change in GAAP book value per common share plus common stock dividend.

Other Information

Chimera Investment Corporation is a publicly traded real estate investment trust, or REIT, that is primarily engaged in the business of investing directly or indirectly through its subsidiaries, on a leveraged basis, in a diversified portfolio of mortgage assets, including residential mortgage loans, Non-Agency RMBS, Agency CMBS, Agency RMBS, and other real estate related securities.

CHIMERA INVESTMENT CORPORATION CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

(dollars in thousands, except share and per share data)

(Unaudited)

| | June 30, 2024 | December 31, 2023 |
|--|----------------------|----------------------|
| Cash and cash equivalents | \$ 162,304 | \$ 221,684 |
| Non-Agency RMBS, at fair value (net of allowance for credit losses of \$24 million and \$19 million, respectively) | 1,051,971 | 1,043,806 |
| Agency MBS, at fair value | 503,295 | 102,484 |
| Loans held for investment, at fair value | 11,232,975 | 11,397,046 |
| Accrued interest receivable | 70,254 | 76,960 |
| Other assets | 106,210 | 87,018 |
| Derivatives, at fair value | 4,872 | — |
| Total assets ⁽¹⁾ | \$ 13,131,881 | \$ 12,928,998 |
| Liabilities: | | |
| Secured financing agreements (\$3.9 billion and \$3.6 billion pledged as collateral, respectively, and includes \$333 million and \$374 million at fair value, respectively) | \$ 2,699,299 | \$ 2,432,115 |
| Securitized debt, collateralized by Non-Agency RMBS (\$239 million and \$249 million pledged as collateral, respectively) | 72,121 | 75,012 |
| Securitized debt at fair value, collateralized by Loans held for investment (\$10.2 billion and \$10.7 billion pledged as collateral, respectively) | 7,078,991 | 7,601,881 |
| Long term debt | 62,424 | — |
| Payable for investments purchased | 464,038 | 158,892 |
| Accrued interest payable | 39,039 | 38,272 |
| Dividends payable | 61,256 | 54,552 |
| Accounts payable and other liabilities | 13,445 | 9,355 |
| Total liabilities ⁽¹⁾ | \$ 10,490,613 | \$ 10,370,079 |
| Stockholders' Equity: | | |
| Preferred Stock, par value of \$0.01 per share, 100,000,000 shares authorized: | | |
| 8.00% Series A cumulative redeemable: 5,800,000 shares issued and outstanding, respectively (\$145,000 liquidation preference) | \$ 58 | \$ 58 |
| 8.00% Series B cumulative redeemable: 13,000,000 shares issued and outstanding, respectively (\$325,000 liquidation preference) | 130 | 130 |
| 7.75% Series C cumulative redeemable: 10,400,000 shares issued and outstanding, respectively (\$260,000 liquidation preference) | 104 | 104 |
| 8.00% Series D cumulative redeemable: 8,000,000 shares issued and outstanding, respectively (\$200,000 liquidation preference) | 80 | 80 |
| Common stock: par value \$0.01 per share; 166,666,667 shares authorized, 80,472,871 and 80,453,552 shares issued and outstanding, respectively | 805 | 804 |
| Additional paid-in-capital | 4,375,538 | 4,370,130 |
| Accumulated other comprehensive income | 174,102 | 185,668 |
| Cumulative earnings | 4,351,164 | 4,165,046 |
| Cumulative distributions to stockholders | (6,260,713) | (6,163,101) |
| Total stockholders' equity | \$ 2,641,268 | \$ 2,558,919 |
| Total liabilities and stockholders' equity | \$ 13,131,881 | \$ 12,928,998 |

(1) The Company's consolidated statements of financial condition include assets of consolidated variable interest entities, or V IEs, that can only be used to settle obligations and liabilities of the VIE for which creditors do not have recourse to the primary beneficiary (Chimera Investment Corporation). As of June 30, 2024, and December 31, 2023, total assets of consolidated VIEs were \$10,036,554 and \$10,501,840, respectively, and total liabilities of consolidated VIEs were \$7,505,465 and \$7,349,109, respectively.

Net Income (Loss)
(dollars in thousands, except share and per share data)
(unaudited)

| | For the Quarters Ended | | For the Six Months Ended | |
|--|------------------------|----------------|--------------------------|---------------|
| | June 30, 2024 | March 31, 2024 | June 30, 2024 | June 30, 2023 |
| Net interest income: | | | | |
| Interest income ⁽¹⁾ | \$ 186,717 | \$ 186,574 | \$ 373,291 | \$ 386,109 |
| Interest expense ⁽²⁾ | 119,422 | 121,468 | 240,889 | 250,796 |
| Net interest income | 67,295 | 65,106 | 132,402 | 135,313 |
| Other investment gains (losses): | | | | |
| Net unrealized gains (losses) on derivatives | 11,955 | 5,189 | 17,144 | 9,443 |
| Realized gains (losses) on derivatives | (17,317) | — | (17,317) | (40,957) |
| Periodic interest cost of swaps, net | 6,971 | 5,476 | 12,448 | 6,977 |
| Net gains (losses) on derivatives | 1,609 | 10,665 | 12,275 | (24,537) |
| Net unrealized gains (losses) on financial instruments at fair value | 11,231 | 76,765 | 87,995 | 71,546 |
| Net realized gains (losses) on sales of investments | — | (3,750) | (3,750) | (27,022) |
| Gains (losses) on extinguishment of debt | — | — | — | 6,348 |
| Other investment gains (losses) | 1,001 | 4,686 | 5,687 | (303) |
| Total other gains (losses) | 13,841 | 88,366 | 102,207 | 26,032 |
| Other expenses: | | | | |
| Compensation and benefits | 7,011 | 9,213 | 16,226 | 18,168 |
| General and administrative expenses | 6,276 | 5,720 | 11,993 | 12,247 |
| Servicing and asset manager fees | 7,470 | 7,663 | 15,134 | 16,825 |
| Transaction expenses | — | 67 | 67 | 14,865 |
| Total other expenses | 20,757 | 22,663 | 43,420 | 62,105 |
| Income (loss) before income taxes | 56,695 | 129,462 | 186,157 | 93,416 |
| Income taxes | 31 | 8 | 39 | 26 |
| Net income (loss) | \$ 56,664 | \$ 129,454 | \$ 186,118 | \$ 93,390 |
| Dividends on preferred stock | 22,751 | 18,438 | 41,188 | 36,875 |
| Net income (loss) available to common shareholders | \$ 33,913 | \$ 111,016 | \$ 144,930 | \$ 56,515 |
| Net income (loss) per share available to common shareholders: | | | | |
| Basic | \$ 0.42 | \$ 1.37 | \$ 1.78 | \$ 0.73 |
| Diluted | \$ 0.41 | \$ 1.36 | \$ 1.76 | \$ 0.72 |
| Weighted average number of common shares outstanding: | | | | |
| Basic | 81,334,509 | 81,239,381 | 81,326,944 | 77,270,123 |
| Diluted | 82,281,890 | 81,718,214 | 82,301,992 | 78,230,253 |

(1) Includes interest income of consolidated VIEs of \$144,027 and \$146,917 for the quarters ended June 30, 2024 and March 31, 2024, respectively, and \$290,943 and \$289,576 for the six months ended June 30, 2024 and 2023, respectively.

(2) Includes interest expense of consolidated VIEs of \$69,692 and \$73,123 for the quarters ended June 30, 2024 and March 31, 2024, respectively, and \$142,815 and \$132,776 for the six months ended June 30, 2024 and 2023, respectively.

CHIMERA INVESTMENT CORPORATION
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(dollars in thousands, except share and per share data)
(Unaudited)

| | For the Quarters Ended | | For the Six Months Ended | |
|--|------------------------|------------------|--------------------------|------------------|
| | June 30, 2024 | June 30, 2023 | June 30, 2024 | June 30, 2023 |
| Comprehensive income (loss): | | | | |
| Net income (loss) | \$ 56,664 | \$ 36,024 | \$ 186,118 | \$ 93,390 |
| Other comprehensive income: | | | | |
| Unrealized gains (losses) on available-for-sale securities, net | (11,345) | (14,081) | (11,566) | (19,984) |
| Reclassification adjustment for net realized losses (gains) included in net income | — | — | — | 1,313 |
| Other comprehensive income (loss) | (11,345) | (14,081) | (11,566) | (18,671) |
| Comprehensive income (loss) before preferred stock dividends | \$ 45,319 | \$ 21,943 | \$ 174,552 | \$ 74,719 |
| Dividends on preferred stock | \$ 22,751 | \$ 18,438 | \$ 41,188 | \$ 36,875 |
| Comprehensive income (loss) available to common stock shareholders | \$ 22,568 | \$ 3,505 | \$ 133,364 | \$ 37,844 |

Earnings available for distribution

Earnings available for distribution is a non-GAAP measure and is defined as GAAP net income excluding unrealized gains or losses on financial instruments carried at fair value with changes in fair value recorded in earnings, realized gains or losses on the sales of investments, gains or losses on the extinguishment of debt, changes in the provision for credit losses, other gains or losses on equity investments, and transaction expenses incurred. Transaction expenses are primarily comprised of costs only incurred at the time of execution of our securitizations and certain structured secured financing agreements and include costs such as underwriting fees, legal fees, diligence fees, bank fees and other similar transaction related expenses. These costs are all incurred prior to or at the execution of the transaction and do not recur. Recurring expenses, such as servicing fees, custodial fees, trustee fees and other similar ongoing fees are not excluded from earnings available for distribution. We believe that excluding these costs is useful to investors as it is generally consistent with our peer groups treatment of these costs in their non-GAAP measures presentation, mitigates period to period comparability issues tied to the timing of securitization and structured finance transactions, and is consistent with the accounting for the deferral of debt issue costs prior to the fair value election option made by us. In addition, we believe it is important for investors to review this metric which is consistent with how management internally evaluates the performance of the Company. Stock compensation expense charges incurred on awards to retirement eligible employees is reflected as an expense over a vesting period (generally 36 months) rather than reported as an immediate expense.

Earnings available for distribution is the Economic net interest income, as defined previously, reduced by compensation and benefits expenses (adjusted for awards to retirement eligible employees), general and administrative expenses, servicing and asset manager fees, income tax benefits or expenses incurred during the period, as well as the preferred dividend charges.

We view Earnings available for distribution as one measure of our investment portfolio's ability to generate income for distribution to common stockholders. Earnings available for distribution is one of the metrics, but not the exclusive metric, that our Board of Directors uses to determine the amount, if any, of dividends on our common stock. Other metrics that our Board of Directors may consider when determining the amount, if any, of dividends on our common stock include (among others) REIT taxable income, dividend yield, book value, cash generated from the portfolio, reinvestment opportunities and other cash needs. In addition, Earnings available for distribution is different than REIT taxable income and 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 qualification as a REIT is not based on Earnings available for distribution. Therefore, Earnings available for distribution should not be considered as an indication of our REIT taxable income, a guaranty of our ability to pay dividends, or as a proxy for the amount of dividends we may pay. We believe Earnings available for distribution as described above helps us and investors evaluate our financial performance period over period without the impact of certain transactions. Therefore, Earnings available for distribution should not be viewed in isolation and is not a substitute for net income or net income per basic share computed in accordance with GAAP. In addition, our methodology for calculating Earnings available for distribution may differ from the methodologies employed by other REITs to calculate the same or similar supplemental performance measures, and accordingly, our Earnings available for distribution may not be comparable to the Earnings available for distribution reported by other REITs.

The following table provides GAAP measures of net income and net income per diluted share available to common stockholders for the periods presented and details with respect to reconciling the line items to Earnings available for distribution and related per average diluted common share amounts. Earnings available for distribution is presented on an adjusted dilutive shares basis.

| | For the Quarters Ended | | | | |
|--|---|-------------------|-------------------|--------------------|------------------|
| | June 30, 2024 | March 31, 2024 | December 31, 2023 | September 30, 2023 | June 30, 2023 |
| | (dollars in thousands, except per share data) | | | | |
| GAAP Net income (loss) available to common stockholders | \$ 33,913 | \$ 111,016 | \$ 12,104 | \$ (16,268) | \$ 17,586 |
| Adjustments: | | | | | |
| Net unrealized (gains) losses on financial instruments at fair value | (11,231) | (76,765) | (6,815) | 43,988 | (6,954) |
| Net realized (gains) losses on sales of investments | — | 3,750 | 3,752 | 460 | 21,758 |
| (Gains) losses on extinguishment of debt | — | — | 2,473 | — | (4,039) |
| Increase (decrease) in provision for credit losses | 3,684 | 1,347 | 2,330 | 3,217 | 2,762 |
| Net unrealized (gains) losses on derivatives | (11,955) | (5,189) | 15,871 | (17) | (17,994) |
| Realized (gains) losses on derivatives | 17,317 | — | — | — | 6,822 |
| Transaction expenses | — | 67 | 425 | 90 | 8,456 |
| Stock Compensation expense for retirement eligible awards | (419) | 1,024 | (391) | (392) | (388) |
| Other investment (gains) losses | (1,001) | (4,686) | 986 | (2,381) | 421 |
| Earnings available for distribution | \$ 30,308 | \$ 30,564 | \$ 30,735 | \$ 28,697 | \$ 28,430 |
| GAAP net income (loss) per diluted common share | \$ 0.41 | \$ 1.36 | \$ 0.16 | \$ (0.21) | \$ 0.23 |
| Earnings available for distribution per adjusted diluted common share | \$ 0.37 | \$ 0.37 | \$ 0.40 | \$ 0.38 | \$ 0.36 |

The following tables provide a summary of the Company's MBS portfolio at June 30, 2024 and December 31, 2023.

| | June 30, 2024 | | | | | |
|-----------------|--|---------------------------------------|-----------------------------|-------------------------|---|--|
| | Principal or Notional Value at Period-End (dollars in thousands) | Weighted Average Amortized Cost Basis | Weighted Average Fair Value | Weighted Average Coupon | Weighted Average Yield at Period-End ⁽¹⁾ | |
| Non-Agency RMBS | | | | | | |
| Senior | \$ 1,040,018 | \$ 45.39 | 61.91 | 5.7 % | 17.5 % | |
| Subordinated | 616,431 | 55.44 | 53.80 | 4.0 % | 7.5 % | |
| Interest-only | 2,756,508 | 5.65 | 2.77 | 0.5 % | 5.2 % | |
| Agency RMBS | | | | | | |
| CMO | 438,082 | 99.99 | 99.83 | 6.4 % | 6.5 % | |
| Interest-only | 387,105 | 5.08 | 3.94 | 0.2 % | 5.0 % | |
| Agency CMBS | | | | | | |
| Project loans | 48,567 | 101.28 | 89.89 | 3.7 % | 3.6 % | |
| Interest-only | 471,729 | 1.46 | 1.50 | 0.6 % | 8.6 % | |

(1) Bond Equivalent Yield at period end.

December 31, 2023

| | Principal or Notional Value at Period-End (dollars in thousands) | Weighted Average Amortized Cost Basis | Weighted Average Fair Value | Weighted Average Coupon | Weighted Average Yield at Period-End ⁽¹⁾ |
|-----------------|--|---|--------------------------------|----------------------------|--|
| Non-Agency RMBS | | | | | |
| Senior | \$ 1,073,632 | \$ 45.69 | \$ 62.98 | 5.7 % | 17.3 % |
| Subordinated | 583,049 | 50.92 | 47.49 | 3.3 % | 6.7 % |
| Interest-only | 2,874,680 | 5.49 | 3.16 | 0.5 % | 4.2 % |
| Agency RMBS | | | | | |
| Interest-only | 392,284 | 4.90 | 3.83 | 0.1 % | 5.7 % |
| Agency CMBS | | | | | |
| Project loans | 86,572 | 101.44 | 91.46 | 4.0 % | 3.8 % |
| Interest-only | 478,239 | 1.62 | 1.73 | 0.5 % | 8.2 % |

(1) Bond Equivalent Yield at period end.

At June 30, 2024 and December 31, 2023, the secured financing agreements collateralized by MBS and Loans held for investment had the following remaining maturities and borrowing rates.

June 30, 2024

December 31, 2023

(dollars in thousands)

| | Principal | Weighted Average Borrowing Rates | Range of Borrowing Rates | Principal | Weighted Average Borrowing Rates | Range of Borrowing Rates |
|----------------------|--------------|-------------------------------------|--------------------------|--------------|-------------------------------------|--------------------------|
| Overnight | \$ — | N/A | N/A | \$ — | N/A | NA |
| 1 to 29 days | \$ 612,741 | 6.32% | 5.46% - 8.19% | \$ 272,490 | 7.35% | 6.30% - 8.22% |
| 30 to 59 days | 159,668 | 7.09% | 5.48% - 7.82% | 495,636 | 6.68% | 5.58% - 7.87% |
| 60 to 89 days | 424,549 | 6.71% | 5.74% - 7.65% | 305,426 | 7.17% | 5.93% - 7.85% |
| 90 to 119 days | 49,574 | 7.30% | 6.49% - 7.65% | 54,376 | 7.46% | 6.59% - 7.80% |
| 120 to 180 days | 93,370 | 7.08% | 6.73% - 7.68% | 105,727 | 7.09% | 6.72% - 7.80% |
| 180 days to 1 year | 782,989 | 8.87% | 6.59% - 12.50% | 39,620 | 7.06% | 6.66% - 7.39% |
| 1 to 2 years | 243,305 | 8.35% | 8.35% - 8.35% | 808,601 | 9.36% | 8.36% - 12.50% |
| 2 to 3 years | — | —% | N/A | — | —% | N/A |
| Greater than 3 years | 353,490 | 5.08% | 5.08% - 7.09% | 362,215 | 5.11% | 5.10% - 7.15% |
| Total | \$ 2,719,686 | 7.22% | | \$ 2,444,091 | 7.51% | |

The following table summarizes certain characteristics of our portfolio at June 30, 2024 and December 31, 2023.

| | June 30, 2024 | | December 31, 2023 | |
|--|---------------|--|-------------------|--|
| GAAP Leverage at period-end | 3.8:1 | | 4.0:1 | |
| GAAP Leverage at period-end (recourse) | 1.0:1 | | 1.0:1 | |

| | June 30, 2024 | December 31, 2023 | June 30, 2024 | December 31, 2023 |
|---|----------------|-------------------|---------------|-------------------|
| Portfolio Composition | Amortized Cost | | Fair Value | |
| Non-Agency RMBS | 7.6 % | 7.5 % | 8.2 % | 8.3 % |
| Senior | 3.8 % | 4.0 % | 5.0 % | 5.4 % |
| Subordinated | 2.6 % | 2.3 % | 2.6 % | 2.2 % |
| Interest-only | 1.2 % | 1.2 % | 0.6 % | 0.7 % |
| Agency RMBS | 3.5 % | 0.2 % | 3.5 % | 0.1 % |
| CMO | 3.4 % | — % | 3.4 % | — % |
| Interest-only | 0.1 % | 0.2 % | 0.1 % | 0.1 % |
| Agency CMBS | 0.4 % | 0.7 % | 0.4 % | 0.7 % |
| Project loans | 0.3 % | 0.6 % | 0.3 % | 0.6 % |
| Interest-only | 0.1 % | 0.1 % | 0.1 % | 0.1 % |
| Loans held for investment | 88.5 % | 91.6 % | 87.9 % | 90.9 % |
| Fixed-rate percentage of portfolio | 92.1 % | 96.5 % | 91.7 % | 95.9 % |
| Adjustable-rate percentage of portfolio | 7.9 % | 3.5 % | 8.3 % | 4.1 % |

Economic Net Interest Income

Our Economic net interest income is a non-GAAP financial measure that equals GAAP net interest income adjusted for net periodic interest cost of interest rate swaps and excludes interest earned on cash. For the purpose of computing economic net interest income and ratios relating to cost of funds measures throughout this section, interest expense includes net payments on our interest rate swaps, which is presented as a part of Net gains (losses) on derivatives in our Consolidated Statements of Operations. Interest rate swaps are used to manage the increase in interest paid on secured financing agreements in a rising rate environment. Presenting the net contractual interest payments on interest rate swaps with the interest paid on interest-bearing liabilities reflects our total contractual interest payments. We believe this presentation is useful to investors because it depicts the economic value of our investment strategy by showing all components of interest expense and net interest income of our investment portfolio. However, Economic net interest income should not be viewed in isolation and is not a substitute for net interest income computed in accordance with GAAP. Where indicated, interest expense, adjusting for any interest earned on cash, is referred to as Economic interest expense. Where indicated, net interest income reflecting net periodic interest cost of interest rate swaps and any interest earned on cash, is referred to as Economic net interest income.

The following table reconciles the Economic net interest income to GAAP net interest income and Economic interest expense to GAAP interest expense for the periods presented.

| | GAAP Interest Income | GAAP Interest Expense | Periodic Interest Cost of Interest Rate Swaps | Economic Interest Expense | GAAP Net Interest Income | Periodic Interest Cost of Interest Rate Swaps | Other ⁽¹⁾ | Economic Net Interest Income |
|--|----------------------------|-----------------------------|---|---------------------------------|--------------------------------|---|----------------------|---------------------------------------|
| For the Quarter Ended June 30, 2024 | \$ 186,717 | \$ 119,422 | \$ (6,971) | \$ 112,451 | \$ 67,295 | \$ 6,971 | \$ (1,872) | \$ 72,394 |
| For the Quarter Ended March 31, 2024 | \$ 186,574 | \$ 121,468 | \$ (5,476) | \$ 115,992 | \$ 65,106 | \$ 5,476 | \$ (2,581) | \$ 68,001 |
| For the Quarter Ended December 31, 2023 | \$ 191,204 | \$ 126,553 | \$ (5,296) | \$ 121,257 | \$ 64,651 | \$ 5,296 | \$ (1,651) | \$ 68,296 |
| For the Quarter Ended September 30, 2023 | \$ 195,591 | \$ 132,193 | \$ (4,894) | \$ 127,299 | \$ 63,398 | \$ 4,894 | \$ (2,301) | \$ 65,991 |
| For the Quarter Ended June 30, 2023 | \$ 196,859 | \$ 131,181 | \$ (4,159) | \$ 127,022 | \$ 65,678 | \$ 4,159 | \$ (2,884) | \$ 66,953 |

(1) Primarily interest income on cash and cash equivalents

The table below shows our average earning assets held, interest earned on assets, yield on average interest earning assets, average debt balance, economic interest expense, economic average cost of funds, economic net interest income, and net interest rate spread for the periods presented.

| | For the Quarter Ended | | | | | |
|---|------------------------|-------------------|-----------------------|------------------------|-------------------|-----------------------|
| | June 30, 2024 | | | March 31, 2024 | | |
| | (dollars in thousands) | | | (dollars in thousands) | | |
| | Average Balance | Interest | Average Yield/Cost | Average Balance | Interest | Average Yield/Cost |
| Assets: | | | | | | |
| Interest-earning assets ⁽¹⁾: | | | | | | |
| Agency RMBS ⁽³⁾ | \$ 459,668 | \$ 2,719 | 6.2 % | \$ 19,363 | \$ 325 | 6.7 % |
| Agency CMBS | 50,383 | 598 | 4.7 % | 60,345 | 715 | 4.7 % |
| Non-Agency RMBS | 973,309 | 30,527 | 12.5 % | 961,903 | 28,935 | 12.0 % |
| Loans held for investment | 11,265,266 | 151,001 | 5.4 % | 11,643,716 | 154,018 | 5.3 % |
| Total | \$ 12,748,626 | \$ 184,845 | 5.9 % | \$ 12,685,327 | \$ 183,993 | 5.8 % |
| Liabilities and stockholders' equity: | | | | | | |
| Interest-bearing liabilities ⁽²⁾: | | | | | | |
| Secured financing agreements collateralized by: | | | | | | |
| Agency RMBS ⁽³⁾ | \$ 376,644 | \$ 1,858 | 5.6 % | \$ — | \$ — | — % |
| Agency CMBS | 36,275 | 501 | 5.5 % | 44,632 | 661 | 5.9 % |
| Non-Agency RMBS | 657,235 | 11,288 | 6.9 % | 681,101 | 11,736 | 6.9 % |
| Loans held for investment | 1,679,210 | 26,170 | 6.2 % | 1,696,221 | 28,106 | 6.6 % |
| Securitized debt | 7,926,792 | 71,943 | 3.6 % | 8,207,251 | 75,489 | 3.7 % |
| Long term debt ⁽³⁾ | 65,000 | 691 | 9.8 % | — | — | — % |
| Total | \$ 10,741,156 | \$ 112,451 | 4.2 % | \$ 10,629,205 | \$ 115,992 | 4.4 % |
| Economic net interest income/net interest rate spread | | \$ 72,394 | 1.7 % | | \$ 68,001 | 1.4 % |
| Net interest-earning assets/net interest margin | \$ 2,007,470 | | 2.3 % | \$ 2,056,122 | | 2.1 % |
| Ratio of interest-earning assets to interest bearing liabilities | 1.19 | | | 1.19 | | |

(1) Interest-earning assets at amortized cost

(2) Interest includes periodic net interest cost on swaps

(3) These amounts have been adjusted to reflect the daily outstanding averages for which the financial instruments were held during the period

The table below shows our Net Income and Economic net interest income as a percentage of average stockholders' equity and Earnings available for distribution as a percentage of average common stockholders' equity. Return on average equity is defined as our GAAP net income (loss) as a percentage of average equity. Average equity is defined as the average of our beginning and ending stockholders' equity balance for the period reported. Economic Net Interest Income and Earnings available for distribution are non-GAAP measures as defined in previous sections.

| | Return on Average Equity | Economic Net Interest Income/Average Equity (Ratios have been annualized) | Earnings available for distribution/Average Common Equity |
|--|--------------------------|---|--|
| For the Quarter Ended June 30, 2024 | 8.57 % | 11.06 % | 7.08 % |
| For the Quarter Ended March 31, 2024 | 19.90 % | 10.45 % | 7.31 % |
| For the Quarter Ended December 31, 2023 | 4.84 % | 10.81 % | 7.70 % |
| For the Quarter Ended September 30, 2023 | 0.34 % | 10.40 % | 7.14 % |
| For the Quarter Ended March 31, 2023 | 5.51 % | 10.24 % | 6.75 % |

The following table presents changes to Accretible Discount (net of premiums) as it pertains to our Non-Agency RMBS portfolio, excluding premiums on interest-only investments, during the previous five quarters.

| For the Quarters Ended (dollars in thousands) | | | | | |
|--|---------------|----------------|-------------------|--------------------|---------------|
| Accretible Discount (Net of Premiums) | June 30, 2024 | March 31, 2024 | December 31, 2023 | September 30, 2023 | June 30, 2023 |
| Balance, beginning of period | \$ 130,624 | \$ 139,737 | \$ 147,252 | \$ 145,322 | \$ 157,253 |
| Accretion of discount | (11,142) | (8,179) | (12,840) | (9,022) | (10,620) |
| Purchases | 919 | 1,848 | — | (9) | — |
| Sales | — | — | — | — | — |
| Elimination in consolidation | — | — | — | — | — |
| Transfers from/(to) credit reserve, net | 5,480 | (2,782) | 5,325 | 10,961 | (1,311) |
| Balance, end of period | \$ 125,881 | \$ 130,624 | \$ 139,737 | \$ 147,252 | \$ 145,322 |

Disclaimer

In this press release references to “we,” “us,” “our” or “the Company” refer to Chimera Investment Corporation and its subsidiaries unless specifically stated otherwise or the context otherwise indicates. This press release includes “forward-looking statements” within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. Actual results may differ from expectations, estimates and projections and, consequently, readers should not rely on these forward-looking statements as predictions of future events. Words such as “expect,” “target,” “assume,” “estimate,” “project,” “budget,” “forecast,” “anticipate,” “intend,” “plan,” “may,” “will,” “could,” “should,” “believe,” “predicts,” “potential,” “continue,” and similar expressions are intended to identify such forward-looking statements. These forward-looking statements involve significant risks and uncertainties that could cause actual results to differ materially from expected results, including, among other things, those described in our most recent Annual Report on Form 10-K, and any subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, under the caption “Risk Factors.” Factors that could cause actual results to differ include, but are not limited to: our business and investment strategy; our ability to accurately forecast the payment of future dividends on our common and preferred stock, and the amount of such dividends; our ability to determine accurately the fair market value of our assets; availability of investment opportunities in real estate-related and other securities, including our valuation of potential opportunities that may arise as a result of current and future market dislocations; effect of a pandemic or other national or international crisis on real estate market, financial markets and our Company, including the impact on the value, availability, financing and liquidity of mortgage assets; changes in the value of our investments, including negative changes resulting in margin calls related to the financing of our assets; changes in interest rates and mortgage prepayment rates;

prepayments of the mortgage and other loans underlying our mortgage-backed securities, or RMBS, or other asset-backed securities, or ABS; rates of default, delinquencies or decreased recovery rates on our investments; general volatility of the securities markets in which we invest; our ability to maintain existing financing arrangements and our ability to obtain future financing arrangements; our ability to effect our strategy to securitize residential mortgage loans; our ability to consummate proposed transactions; interest rate mismatches between our investments and our borrowings used to finance such purchases; effects of interest rate caps on our adjustable-rate investments; the degree to which our hedging strategies may or may not protect us from interest rate volatility; the impact of and changes to various government programs; impact of and changes in governmental regulations, tax law and rates, accounting guidance, and similar matters; market trends in our industry, interest rates, the debt securities markets or the general economy; estimates relating to our ability to make distributions to our stockholders in the future; our understanding of our competition; availability of qualified personnel; our ability to maintain our classification as a real estate investment trust, or, REIT, for U.S. federal income tax purposes; our ability to maintain our exemption from registration under the Investment Company Act of 1940, as amended, or 1940 Act; our expectations regarding materiality or significance; and the effectiveness of our disclosure controls and procedures.

Readers are cautioned not to place undue reliance upon any forward-looking statements, which speak only as of the date made. Chimera does not undertake or accept any obligation to release publicly any updates or revisions to any forward-looking statement to reflect any change in its expectations or any change in events, conditions or circumstances on which any such statement is based. Additional information concerning these and other risk factors is contained in Chimera's most recent filings with the Securities and Exchange Commission (SEC). All subsequent written and oral forward-looking statements concerning Chimera or matters attributable to Chimera or any person acting on its behalf are expressly qualified in their entirety by the cautionary statements above.

Readers are advised that the financial information in this press release is based on Company data available at the time of this presentation and, in certain circumstances, may not have been audited by the Company's independent auditors.



Investor Presentation
Q2'24

DISCLAIMER



This presentation includes “forward-looking statements” within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. Actual results may differ from expectations, estimates and projections and, consequently, readers should not rely on these forward-looking statements as predictions of future events. Words such as “goal,” “expect,” “target,” “assume,” “estimate,” “project,” “budget,” “forecast,” “anticipate,” “intend,” “plan,” “may,” “will,” “could,” “should,” “believe,” “predicts,” “potential,” “continue,” and similar expressions are intended to identify such forward-looking statements. These forward-looking statements involve significant risks and uncertainties that could cause actual results to differ materially from expected results, including, among other things, those described in our most recent Annual Report on Form 10-K, and any subsequent Quarterly Reports on Form 10-Q and Current Report on Form 8-K, under the caption “Risk Factors.” Factors that could cause actual results to differ include, but are not limited to: our business and investment strategy; our ability to accurately forecast the payment of future dividends on our common and preferred stock, and the amount of such dividends; our ability to determine accurately the fair market value of our assets; availability of investment opportunities in real estate-related and other securities, including our valuation of potential opportunities that may arise as a result of current and future market dislocations; our expected investments; changes in the value of our investments, including negative changes resulting in margin calls related to the financing of our assets; changes in inflation, interest rates and mortgage prepayment rates; prepayments of the mortgage and other loans underlying our mortgage-backed securities, or MBS, or other asset-backed securities, or ABS; rates of default, delinquencies, forbearance, deferred payments, or decreased recovery rates on our investments; general volatility of the securities markets in which we invest; our ability to maintain existing financing arrangements and our ability to obtain future financing arrangements; our ability to effect our strategy to securitize residential mortgage loans; interest rate mismatches between our investments and our borrowings used to finance such purchases; effects of interest rate caps on our adjustable-rate investments; the degree to which our hedging strategies may or may not protect us from interest rate volatility; the impact of and changes to various government programs; the impact of and changes in governmental regulations, tax law and rates, accounting guidance, and similar matters; market trends in our industry, interest rates, the debt securities markets or the general economy; estimates relating to our ability to make distributions to our stockholders in the future; our understanding of our competition; qualified personnel; our ability to maintain our classification as a real estate investment trust, or, REIT, for U.S. federal income tax purposes; our ability to maintain our exemption from registration under the Investment Company Act of 1940, as amended, or 1940 Act; our expectations regarding materiality or significance; and the effectiveness of our disclosure controls and procedures.

Readers are cautioned not to place undue reliance upon any forward-looking statements, which speak only as of the date made. Chimera does not undertake or accept any obligation to release publicly any updates or revisions to any forward-looking statement to reflect any change in its expectations or any change in events, conditions or circumstances on which any such statement is based. Additional information concerning these, and other risk factors is contained in Chimera’s most recent filings with the Securities and Exchange Commission (SEC). All subsequent written and oral forward-looking statements concerning Chimera or matters attributable to Chimera or any person acting on its behalf are expressly qualified in their entirety by the cautionary statements above.

This presentation may include industry and market data obtained through research, surveys, and studies conducted by third parties and industry publications. We have not independently verified any such market and industry data from third-party sources. This presentation is provided for discussion purposes only and may not be relied upon as legal or investment advice, nor is it intended to be inclusive of all the risks and uncertainties that should be considered. This presentation does not constitute an offer to purchase or sell any securities, nor shall it be construed to be indicative of the terms of an offer that the parties or their respective affiliates would accept.

We use our website (www.chimerareit.com) as a channel of distribution of company information. The information we post on our website may be deemed material. Accordingly, investors should monitor our website, in addition to following our press releases, SEC filings and public conference calls and webcasts. In addition, you may automatically receive email alerts and other information about Chimera when you enroll your email address by visiting our website, then clicking on “News and Events” and selecting “Email Alerts” to complete the email notification form. Our website and any alerts are not incorporated into this document.

All information in this presentation is as of June 30, 2024, unless stated otherwise. Readers are advised that the financial information in this presentation is based on company data available at the time of this presentation and, in certain circumstances, may not have been audited by the company’s independent auditors.

CHIMERA IS A CREDIT-FOCUSED HYBRID MORTGAGE REIT



We strive to provide attractive risk-adjusted returns and long-term value, using securitization, asset selection and leverage, for our shareholders.

- We are a Real Estate Investment Trust (REIT) founded in 2007.
- We have been internally managed since August 2015.
- Our hybrid approach allows us to maintain flexibility in portfolio allocation and liability management.
- Our equity capital is approximately \$2.6 billion, including approximately \$1.7 billion common stock and \$930 million preferred stock.
- We have declared dividends of \$6.3 billion to common and preferred stockholders since inception.
- Our portfolio contains residential mortgage loans and mortgage-backed securities.
- Our residential mortgage loan portfolio is comprised of Reperforming Loans (RPLs), Non-QM Loans, Investor Loans, Business Purpose Loans (BPLs), and Prime Jumbo Loans and it represents a significant part of our business and growth strategy.
- We use leverage to enhance our returns and to finance the acquisition of mortgage assets through several funding sources including repurchase agreements (repo), warehouse lines, unsecured debt, and, most importantly, asset securitization.
- Our total leverage ratio is 3.8x and recourse leverage ratio is 1.0x.

Q2'24 OVERVIEW



Our book value per share for Q2'24 was \$21.27 compared to \$21.32 per share in Q1'24, resulting in an economic return of 1.4% for the quarter.

- Raised common stock dividend to \$0.35 per share from \$0.33 per share.
- Completed the issuance and sale of \$65 million⁽¹⁾ principal amount of 9.0% Senior Unsecured Notes due in 2029.
- Remained very active with our portfolio during the quarter.
 - ✓ Committed to purchasing \$486 million⁽²⁾ of RPLs, which settled into a rated securitization in July 2024.
 - ✓ Purchased \$377 million of Agency CMO floaters.
 - ✓ Purchased \$65 million of guaranteed senior floating rate SLST securities.
 - ✓ Purchased \$16 million of high-yielding subordinated tranches of new issue mortgage securitizations backed by small balance commercial properties.
- Interest rate hedges provide flexibility for the management of our NIM.
 - ✓ \$1.5 billion of interest rate swaps, at a weighted average pay-fixed rate of 3.56%, protect approximately 74% of our floating rate liabilities.
 - ✓ \$500 million of interest rate swaptions, at a weighted average pay-fixed rate of 3.45%.
 - ✓ Shorted 5-year Treasury futures with a notional of \$308 million to hedge execution risk and closed our position upon pricing of July 2024 securitization.

(1) After deducting the debt issuance cost of \$2.6 million, the Company received approximately \$62 million.

(2) Post paydowns and kickouts, settled on and securitized \$468 million of RPLs.

Information is unaudited, estimated and subject to change.



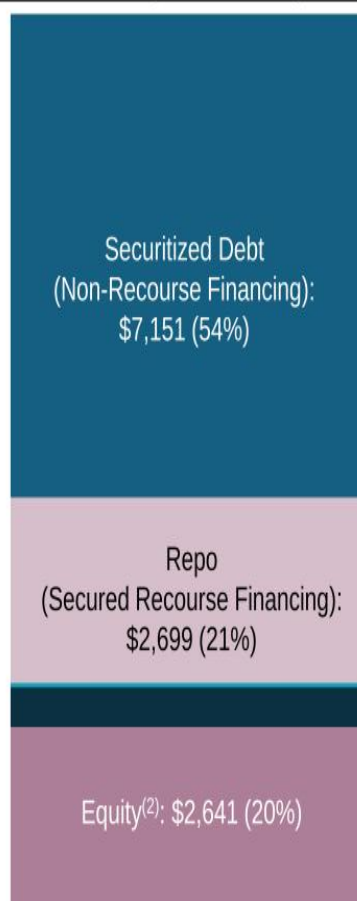
Q2'24 TOTAL PORTFOLIO | GAAP BALANCE SHEET

Our capital is mainly allocated to residential mortgage loans, financed with non-recourse and repo (secured recourse) financing.

Q2'24 GAAP Balance Sheet (\$ in Millions)⁽¹⁾

Total Assets (\$ in Millions): \$13,132

Total Liabilities (\$ in Millions): \$10,491



(1) At Fair Value.

(2) Includes \$930 million of Preferred Equity.

Information is unaudited, estimated and subject to change.

CAPITAL STRUCTURE OVERVIEW



We use several funding sources to finance our investments including repurchase agreements (repo), warehouse lines, unsecured debt and, most importantly, asset securitization.

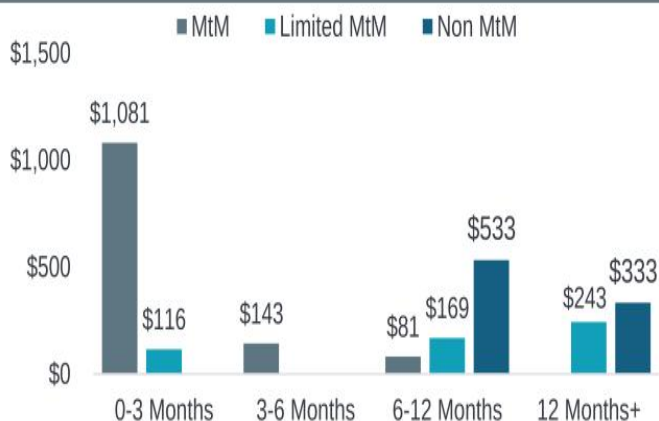
Capital Structure (\$ in Millions)



Floating Rate Sensitivity (\$ in Millions)

| | |
|---------------------------------|---------|
| Floating Rate Repo | \$2,015 |
| Floating Rate Preferred Equity | \$525 |
| Total Floating Rate Sensitivity | \$2,540 |
| Interest Rate Hedges | \$1,500 |
| Hedge Percentage | 59% |
| Net Floating Rate Exposure | \$1,040 |

Q2'24 Expected Repo Maturities (\$ in Millions)



Preferred Details (\$ in Millions)

| Series | Notional | Coupon | Floating Info |
|--------|----------|-----------------------|------------------------|
| A | \$145 | 8.00% | Fixed |
| B | \$325 | 11.35% ⁽¹⁾ | SOFR + Tenor Adj + 579 |
| C | \$260 | 7.75% | Float as of Sept'25 |
| D | \$200 | 10.94% ⁽²⁾ | SOFR + Tenor Adj +538 |
| | \$930 | 9.73% | |

(1) Series B coupon is equal to three-month CME Term SOFR (plus a LIBOR to SOFR Tenor spread adjustment of 0.26%) plus a spread of 5.79%.

(2) Series D coupon is equal to three-month CME Term SOFR (plus a LIBOR to SOFR Tenor spread adjustment of 0.26%) plus a spread of 5.38%.

(3) After deducting the debt issuance cost of \$2.6 million, the Company received approximately \$62 million.
Information is unaudited, estimated and subject to change.

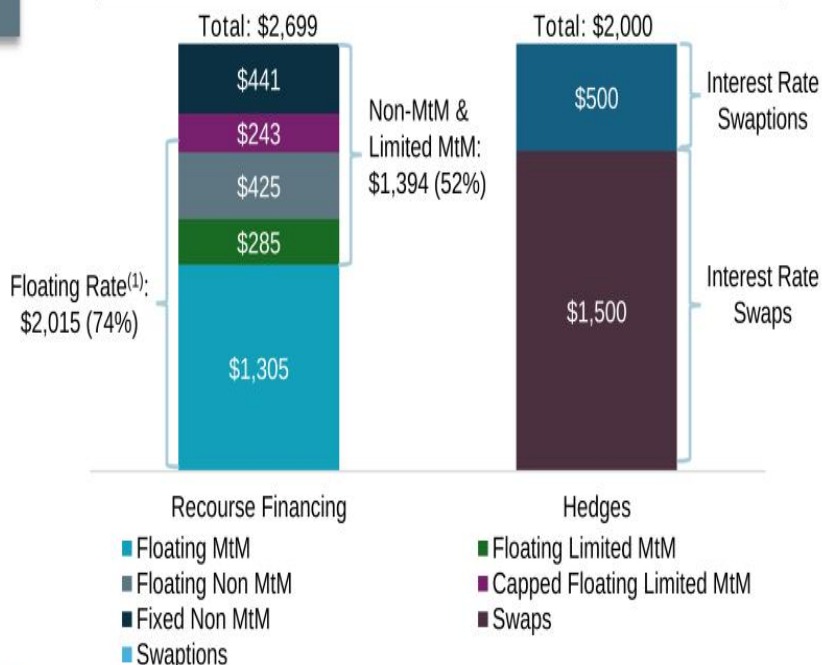
SECURED RECOURSE FINANCING & INTEREST RATE HEDGING



Q2'24

- \$2.7 billion in repo liabilities
- \$1.3 billion of MtM financing
- 1.0x recourse leverage
- 52% of repos are Non-MtM and Limited MtM
- \$1.5 billion of interest rate swaps hedge 74% of our floating rate liabilities⁽¹⁾
 - Weighted average pay-fixed rate of 3.56%
- \$500 million of 1x1 interest rate swaptions
 - Weighted average pay-fixed rate of 3.45%
- Shorted 5-year Treasury futures with a notional of \$308 million to hedge execution risk and closed our position upon pricing of July 2024 securitization.

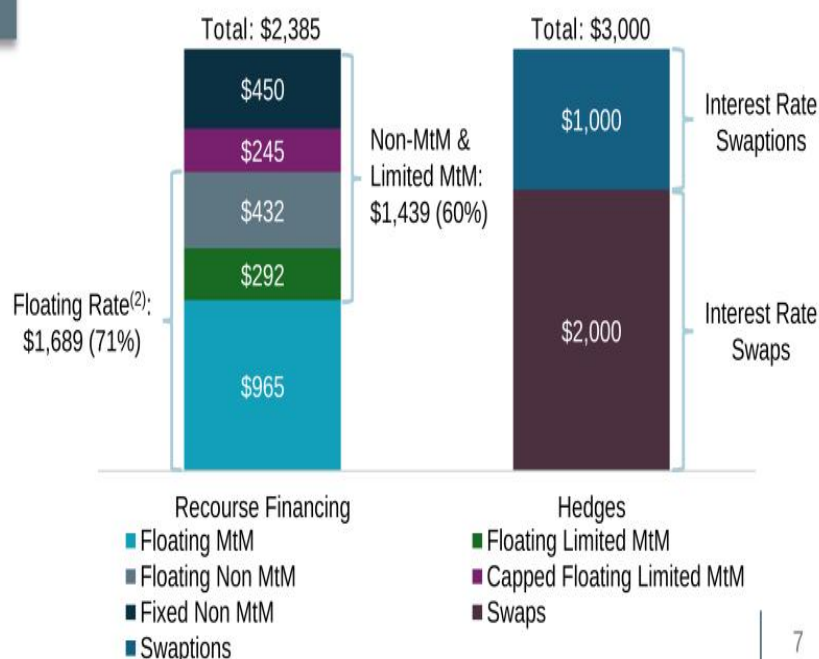
Q2'24 Secured Recourse Financing & Interest Rate Hedges (\$ in Millions)



Q1'24

- \$2.4 billion in repo liabilities
- \$965 million of MtM financing
- 0.9x recourse leverage
- 60% of repos are Non-MtM and Limited MtM
- \$2 billion of interest rate swaps hedge 118% of our floating rate liabilities⁽²⁾
 - Weighted average pay-fixed rate of 3.36%
- \$1 billion of 1x1 interest rate swaptions
 - Weighted average pay-fixed rate of 3.61%

Q1'24 Secured Recourse Financing & Interest Rate Hedges (\$ in Millions)



(1) Excludes \$243 million of capped floating rate financing.

(2) Excludes \$245 million of capped floating rate financing.
Information is unaudited, estimated and subject to change.



RESIDENTIAL MORTGAGE LOANS OVERVIEW

Our Residential Mortgage Loan Process

- We acquire residential mortgage loans from banks, non-bank financial institutions and government sponsored agencies.
- We finance purchases of mortgage loans via warehouse facilities and repurchase agreements (recourse financing).
- We securitize mortgage loans by selling senior securities and retains subordinate and interest-only securities (long-term non-recourse financing).
- We finance retained securities via repurchase agreements (secured recourse financing) to enhance return on investment.

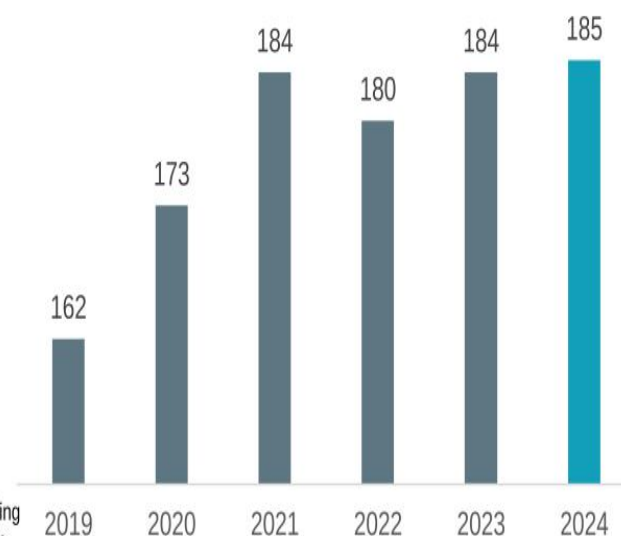
Our loan portfolio is very seasoned, with 78% of loans originated prior to 2008.

Loan Origination Year (\$ in Billions)



■ UPB Originated Prior to 2008 ■ UPB Originated After 2008

Weighted Average Loan Age (Months)



Q2'24 Key Loan Statistics

| | |
|--|-------------------------------|
| Total Current Unpaid Principal Balance (UPB) | \$11.8 Billion ⁽¹⁾ |
| Total Number of Loans | 109,132 |
| Weighted Average Loan Size | \$108K |
| Weighted Average Coupon | 5.98% |
| WA FICO | 666 |
| Weighted Average Loan Age (WALA) | 185 Months |
| Weighted Average Original Loan-to-Value (LTV) | 79% |
| Amortized Loan-to-Value (LTV) | 65% |
| HPI Updated Loan-to-Value (LTV) ⁽²⁾ | 46% |
| 60+ Days Delinquent | 8.7% |

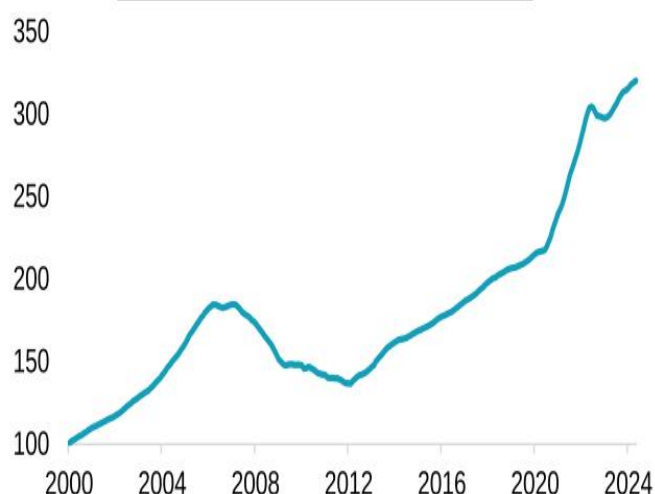
Source: Bloomberg and IntexCalc. (1) Includes \$573MM of Residential Mortgage Loans held financing trusts, \$619MM of Non-QM and Prime Jumbo securitizations, and \$468MM of RPLs that settled in the July 2024 securitization. (2) HPI LTV data as of April 2024. Information is unaudited, estimated and subject to change.



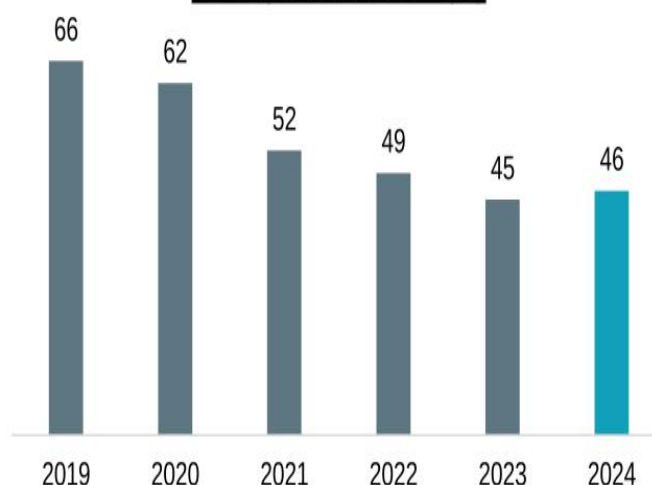
RESIDENTIAL MORTGAGE LOANS OVERVIEW

Our loan portfolio has benefitted from historical levels of home equity due to home price appreciation.

S&P Case Shiller National HPI⁽¹⁾



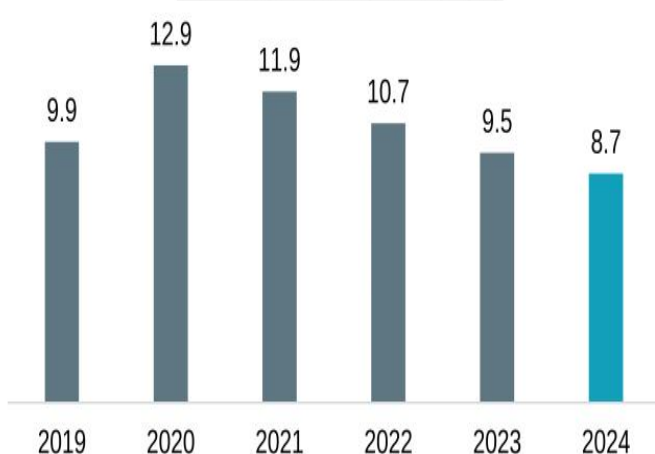
HPI Updated LTV⁽¹⁾ (%)



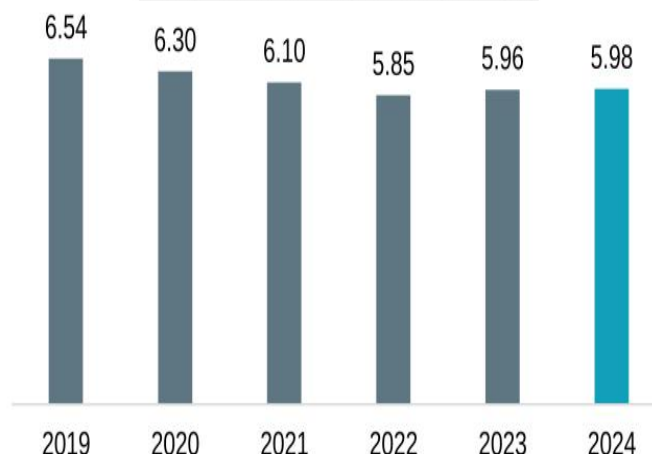
Delinquencies on our loan portfolio have been low – currently at lowest level since 2019.

Our loan portfolio has a weighted average coupon of 5.98%.

60+ Day Delinquency (%)



Weighted Average Coupon (%)



Source: Bloomberg and IntexCalc.

(1) HPI LTV data as of April 2024.

Information is unaudited, estimated and subject to change.

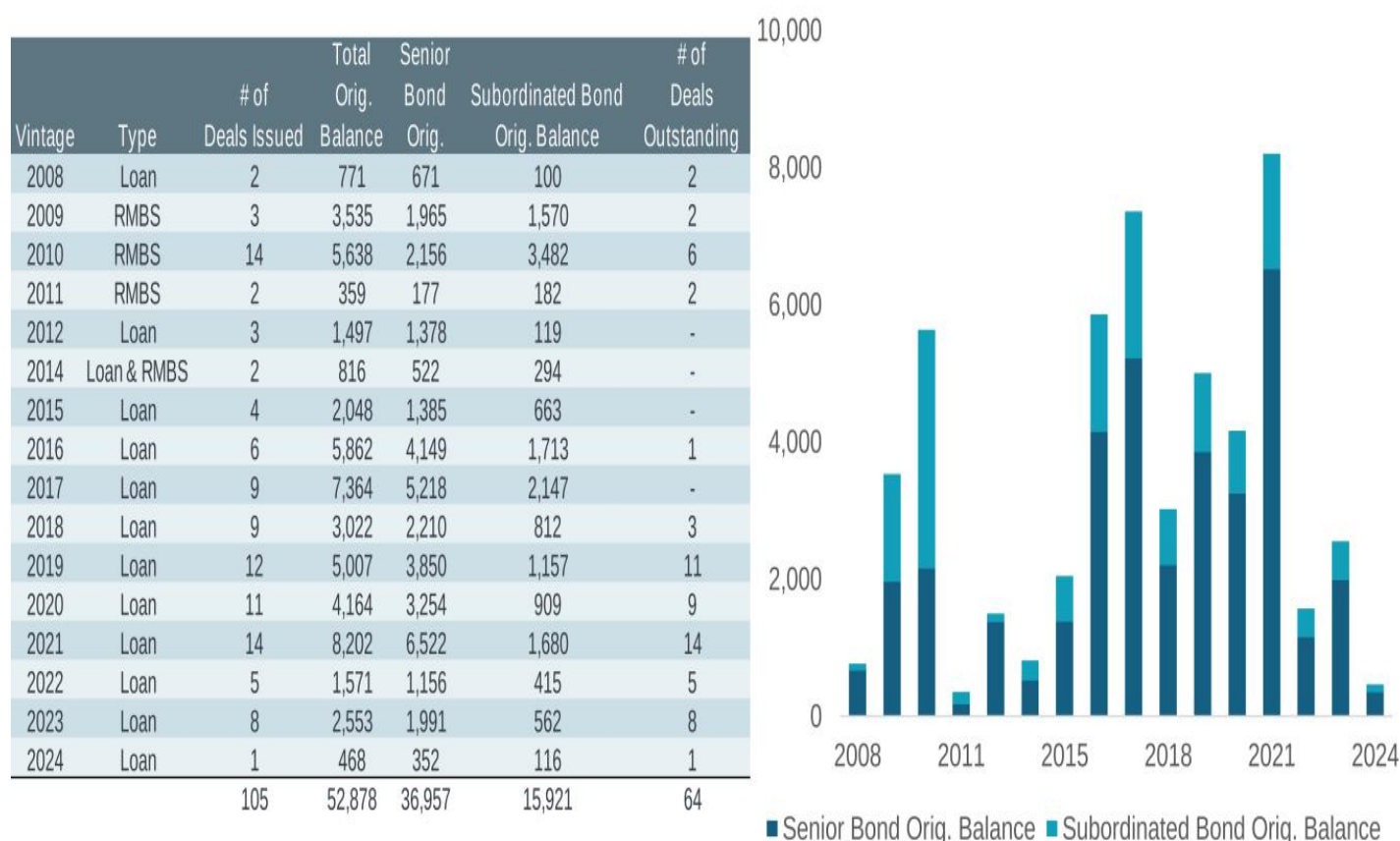


SECURITIZATION ACTIVITY

We have completed 105 deals and securitized \$53 billion of residential mortgage assets, including Legacy Non-Agency RMBS, Seasoned Reperforming Loans, Agency Eligible Investor Loans, Non-QM DSCR loans, and Prime Jumbo loans, since inception.

- We currently have RMBS & Loan issuance with an unpaid principal balance of approximately \$14 billion outstanding.
- Re-securitization is an additional source for future capital re-deployment.

Securitization History (\$ in Millions)



Information is unaudited, estimated and subject to change.



Q2'24 RPL SECURIZATION CREDIT PERFORMANCE

Reperforming Loans are a cornerstone of our portfolio. Residential Credit fundamentals and performance have been stable, given home price appreciation and the fully seasoned nature of our loans.

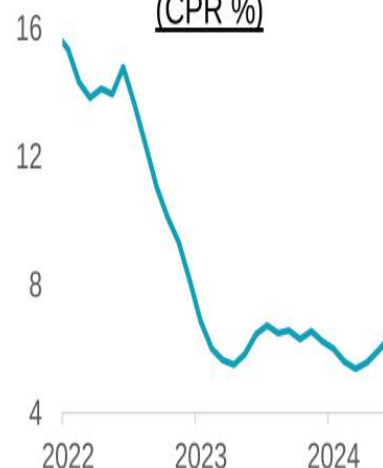
Q2'24 Key Loan Statistics

| | |
|--|----------------|
| Total Original Unpaid Principal Balance (UPB) | \$16.1 Billion |
| Total Current Unpaid Principal Balance (UPB) | \$10.1 Billion |
| Total Number of Loans | 104,156 |
| Weighted Average Loan Size | \$97K |
| Weighted Average Coupon | 5.99% |
| Weighted Average FICO | 654 |
| Weighted Average Loan Age (WALA) | 209 Months |
| Amortized Loan-to-Value (LTV) | 64% |
| HPI Updated Loan-to-Value (LTV) ⁽¹⁾ | 43% |
| 60+ Days Delinquent | 8.4% |

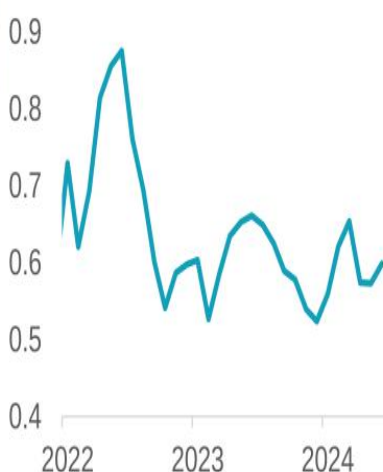
60+ Day Delinquency (%)



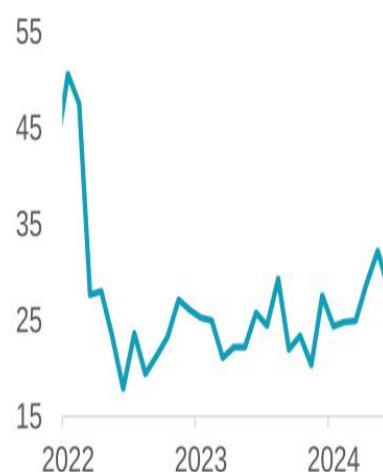
3 Month Prepayment Rate (CPR %)



3 Month Default Rate (%)



3 Month Loss Severity (%)



Source: Bloomberg and IntexCalc.

(1) HPI LTV data as of April 2024.

Information is unaudited, estimated and subject to change.

SUMMARY



| | |
|-----------------------|--|
| Capital | <ul style="list-style-type: none"> Completed the issuance and sale of \$65 million⁽¹⁾ principal amount of 9.0% Senior Unsecured Notes due in 2029. Following the July securitization, we expect to continue to acquire and securitize mortgage loans as well as further implement our call optimization strategy on our securitizations. The timing of these re-securitizations is impacted by many factors, including credit performance, prepayment speeds, interest rates, and market volatility. |
| Portfolio Investments | <ul style="list-style-type: none"> Committed to purchasing \$486 million⁽²⁾ of RPLs, which settled into a rated securitization in July 2024. Purchased \$377 million market value of Agency CMO Floaters. Purchased \$65 million market value of guaranteed floating rate SLST securities. Invested approximately \$16 million in high-yielding subordinated tranches of new issue mortgage securitizations backed by small balance commercial properties. |
| Credit Performance | <ul style="list-style-type: none"> We believe credit performance on our existing loan portfolio remains strong. The weighted average HPI LTV of our loan portfolio is 46%⁽³⁾. 185 months of seasoning. |
| Financing & Liquidity | <ul style="list-style-type: none"> Recourse leverage is 1.0x as of Q2'24. Ended the quarter with \$162 million in cash and \$486 million in unencumbered assets. |
| Interest Rate Hedging | <ul style="list-style-type: none"> Current hedges are positioned to deal with an uncertain rate environment. \$1.5 billion of 1-year interest rate swaps protect 74% of our floating rate repos⁽⁴⁾. \$500 million of 1x1 interest rate swaptions gives us flexibility in case the Fed holds rates higher through 2025. Shorted a notional of \$308 million of 5-year Treasury futures to hedge execution risk and closed our position upon pricing of July 2024 securitization. |

(1) After deducting the debt issuance cost of \$2.6 million, the Company received approximately \$62 million.

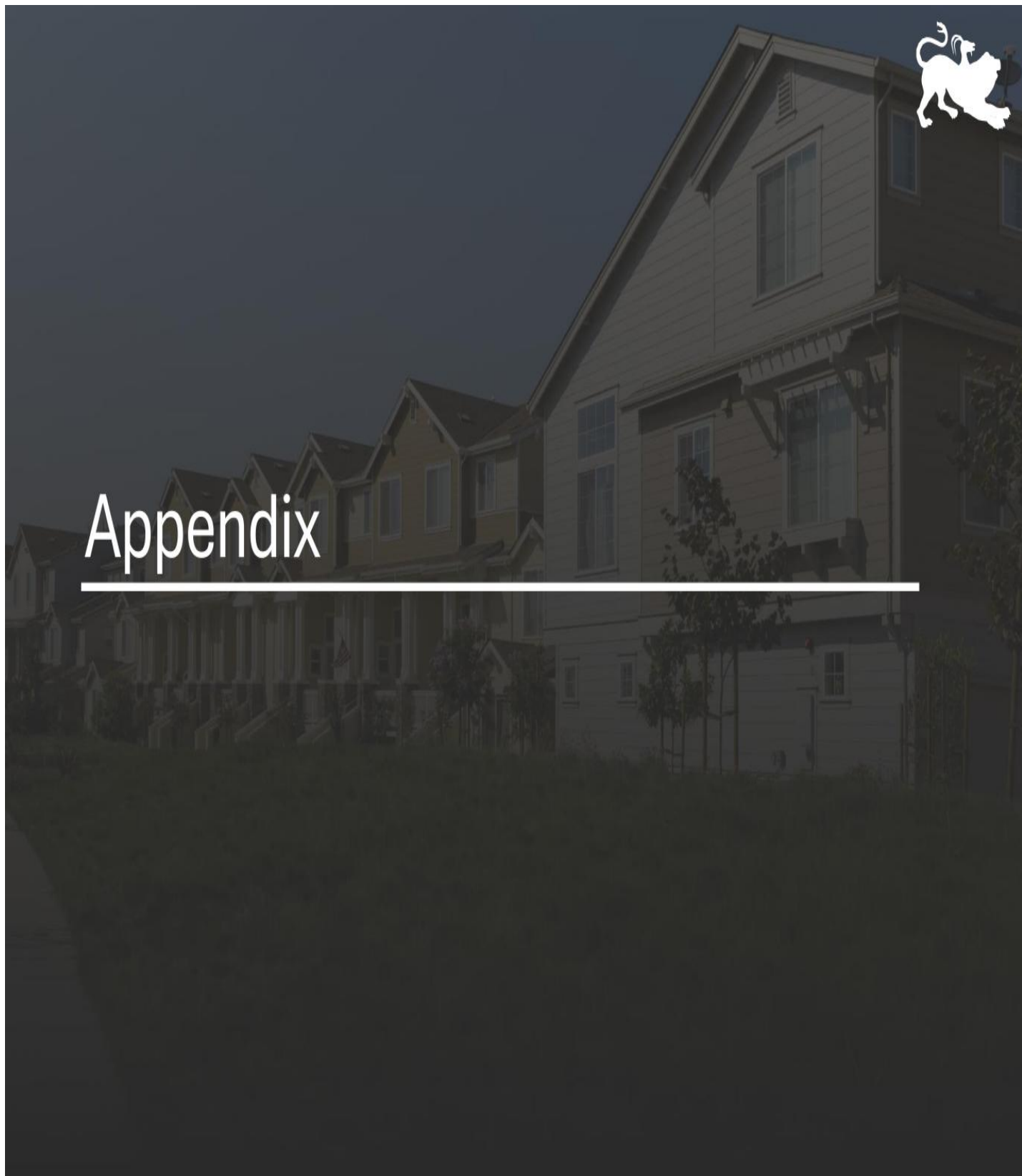
(2) Post paydowns and kickouts, settled on and securitized \$468 million of RPLs.

(3) HPI LTV data as of April 2024. (4) Excludes \$243 million of capped floating rate financing.

Information is unaudited, estimated and subject to change.



Appendix



FINANCIAL METRICS



GAAP Earnings Per Share

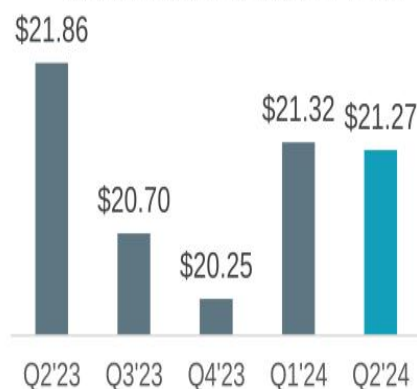


Earnings Available For Distribution
(EAD) Per Share⁽¹⁾



GAAP Book Value Per Share

Q2'24 Economic Return: 1.4%



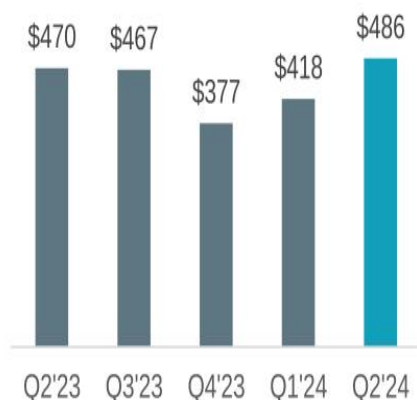
Recourse Leverage



Cash (\$ in Millions)



Unencumbered Assets Market
Value (\$ in Millions)



(1) Earnings available for distribution per adjusted diluted common share is a non-GAAP measure. See additional discussion in the Appendix section of this presentation. Information is unaudited, estimated and subject to change.



EARNINGS AVAILABLE FOR DISTRIBUTION

Earnings available for distribution is a non-GAAP measure and is defined as GAAP net income excluding unrealized gains or losses on financial instruments carried at fair value with changes in fair value recorded in earnings, realized gains or losses on the sales of investments, gains or losses on the extinguishment of debt, changes in the provision for credit losses, other gains or losses on equity investments, and transaction expenses incurred. Transaction expenses are primarily comprised of costs only incurred at the time of execution of our securitizations and certain structured secured financing agreements and include costs such as underwriting fees, legal fees, diligence fees, bank fees and other similar transaction related expenses. These costs are all incurred prior to or at the execution of the transaction and do not recur. Recurring expenses, such as servicing fees, custodial fees, trustee fees and other similar ongoing fees are not excluded from earnings available for distribution. We believe that excluding these costs is useful to investors as it is generally consistent with our peer groups treatment of these costs in their non-GAAP measures presentation, mitigates period to period comparability issues tied to the timing of securitization and structured finance transactions, and is consistent with the accounting for the deferral of debt issue costs prior to the fair value election option made by us. In addition, we believe it is important for investors to review this metric which is consistent with how management internally evaluates the performance of the Company. Stock compensation expense charges incurred on awards to retirement eligible employees is reflected as an expense over a vesting period (generally 36 months) rather than reported as an immediate expense.

Earnings available for distribution is the Economic net interest income, as defined previously, reduced by compensation and benefits expenses (adjusted for awards to retirement eligible employees), general and administrative expenses, servicing and asset manager fees, income tax benefits or expenses incurred during the period, as well as the preferred dividend charges.

We view Earnings available for distribution as one measure of our investment portfolio's ability to generate income for distribution to common stockholders. Earnings available for distribution is one of the metrics, but not the exclusive metric, that our Board of Directors uses to determine the amount, if any, of dividends on our common stock. Other metrics that our Board of Directors may consider when determining the amount, if any, of dividends on our common stock include (among others) REIT taxable income, dividend yield, book value, cash generated from the portfolio, reinvestment opportunities and other cash needs. In addition, Earnings available for distribution is different than REIT taxable income and 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 qualification as a REIT is not based on Earnings available for distribution. Therefore, Earnings available for distribution should not be considered as an indication of our REIT taxable income, a guaranty of our ability to pay dividends, or as a proxy for the amount of dividends we may pay. We believe Earnings available for distribution as described above helps us and investors evaluate our financial performance period over period without the impact of certain transactions. Therefore, Earnings available for distribution should not be viewed in isolation and is not a substitute for net income or net income per basic share computed in accordance with GAAP. In addition, our methodology for calculating Earnings available for distribution may differ from the methodologies employed by other REITs to calculate the same or similar supplemental performance measures, and accordingly, our Earnings available for distribution may not be comparable to the Earnings available for distribution reported by other REITs.

(1) At Fair Value.
Information is unaudited, estimated and subject to change.

EARNINGS AVAILABLE FOR DISTRIBUTION



The following table provides GAAP measures of net income and net income per diluted share available to common stockholders for the periods presented and details with respect to reconciling the line items to Earnings available for distribution and related per average diluted common share amounts. Earnings available for distribution is presented on an adjusted dilutive shares basis.

| | For the Quarters Ended | | | | |
|---|---|-------------------|----------------------|-----------------------|------------------|
| | June 30, 2024 | March 31, 2024 | December 31, 2023 | September 30, 2023 | June 30, 2023 |
| | (dollars in thousands, except per share data) | | | | |
| GAAP Net income (loss) available to common stockholders | \$ 33,913 | \$ 111,016 | \$ 12,104 | \$ (16,268) | \$ 17,586 |
| Adjustments: | | | | | |
| Net unrealized (gains) losses on financial instruments at fair value | (11,231) | (76,765) | (6,815) | 43,988 | (6,954) |
| Net realized (gains) losses on sales of investments | — | 3,750 | 3,752 | 460 | 21,758 |
| (Gains) losses on extinguishment of debt | — | — | 2,473 | — | (4,039) |
| Increase (decrease) in provision for credit losses | 3,684 | 1,347 | 2,330 | 3,217 | 2,762 |
| Net unrealized (gains) losses on derivatives | (11,955) | (5,189) | 15,871 | (17) | (17,994) |
| Realized (gains) losses on derivatives | 17,317 | — | — | — | 6,822 |
| Transaction expenses | — | 67 | 425 | 90 | 8,456 |
| Stock Compensation expense for retirement eligible awards | (419) | 1,024 | (391) | (392) | (388) |
| Other investment (gains) losses | (1,001) | (4,686) | 986 | (2,381) | 421 |
| Earnings available for distribution | \$ 30,308 | \$ 30,564 | \$ 30,735 | \$ 28,697 | \$ 28,430 |
| GAAP net income (loss) per diluted common share | \$ 0.41 | \$ 1.36 | \$ 0.16 | \$ (0.21) | \$ 0.23 |
| Earnings available for distribution per adjusted diluted common share | \$ 0.37 | \$ 0.37 | \$ 0.40 | \$ 0.38 | \$ 0.36 |

Information is unaudited, estimated and subject to change.

NET ASSET BREAKDOWN



Net Asset Breakout

| | Q2 2024 | | | | Q1 2024 | | | |
|--|----------------------|-----------------------|--------------------|-----------------------|--------------------|-----------------------|--------------------|-----------------------|
| | Direct Holdings | Securitization Trusts | Financing Trusts | Total | Direct Holdings | Securitization Trusts | Financing Trusts | Total |
| Investments: | | | | | | | | |
| Non-Agency RMBS, at fair value | 813,042,952 | 238,927,634 | - | 1,051,970,586 | 815,376,991 | 244,485,608 | - | 1,059,862,600 |
| Agency MBS, at fair value | 503,294,692 | - | - | 503,294,692 | 65,999,086 | - | - | 65,999,086 |
| Residential Mortgage Loans ⁽¹⁾ | | | | | | | | |
| RPL | - | 9,629,946,326 | (0) | 9,629,946,326 | - | 9,888,274,493 | - | 9,888,274,493 |
| Investor | - | 601,750,384 | - | 601,750,384 | - | 616,561,118 | - | 616,561,118 |
| RTL | - | - | 139,511,597 | 139,511,597 | - | - | 164,754,502 | 164,754,502 |
| Jumbo Prime | - | - | 399,186,679 | 399,186,679 | - | - | 404,928,654 | 404,928,654 |
| Total Investment Assets | 1,316,337,643 | 10,470,624,344 | 538,698,276 | 12,325,660,264 | 881,376,078 | 10,749,321,219 | 569,683,156 | 12,200,380,452 |
| Securitized debt, collateralized by: | | | | | | | | |
| Non-Agency RMBS | - | 72,120,773 | - | 72,120,773 | - | 73,161,678 | - | 73,161,678 |
| Residential Mortgage Loans | | | | | | | | |
| RPL | - | 6,626,493,313 | - | 6,626,493,313 | - | 6,869,295,399 | - | 6,869,295,399 |
| Investor | - | 452,497,909 | - | 452,497,909 | - | 467,049,240 | - | 467,049,240 |
| Secured financing agreements, secured by: | | | | | | | | |
| Non-Agency RMBS | 532,073,000 | 116,293,000 | - | 648,366,000 | 547,967,500 | 120,614,000 | - | 668,581,500 |
| Agency RMBS | 412,458,000 | - | - | 412,458,000 | 36,433,998 | - | - | 36,433,998 |
| Residential Mortgage Loans | | | | | | | | |
| RPL | - | 1,192,889,940 | - | 1,192,889,940 | - | 1,207,869,820 | - | 1,207,869,820 |
| RTL | - | - | 112,481,919 | 112,481,919 | - | - | 132,212,258 | 132,212,258 |
| Jumbo Prime | - | - | 333,103,156 | 333,103,156 | - | - | 339,580,706 | 339,580,706 |
| Total Investment Liabilities | 944,531,000 | 8,460,294,935 | 445,585,075 | 9,850,411,010 | 584,401,498 | 8,737,990,137 | 471,792,964 | 9,794,184,600 |
| Net Assets | 371,806,643 | 2,010,329,409 | 93,113,202 | 2,475,249,254 | 296,974,579 | 2,011,331,081 | 97,890,192 | 2,406,195,852 |

(1) Q2 2024 excludes approximately \$463 million of Loans held for investment as of June 30, 2024, which were purchased prior to the reporting date and settled subsequent to that reporting period.

There were no Loans held for investment as of March 31, 2024 which were purchased prior to the reporting date and settled subsequent to that reporting date.

Information is unaudited, estimated and subject to change.

NET INTEREST SPREAD



The table below shows our average earning assets held, interest earned on assets, yield on average interest earning assets, average debt balance, economic interest expense, economic average cost of funds, economic net interest income, and net interest rate spread for the periods presented.

| | For the Quarter Ended | | | | | |
|--|------------------------|------------|--------------------|------------------------|------------|--------------------|
| | June 30, 2024 | | | March 31, 2024 | | |
| | (dollars in thousands) | | | (dollars in thousands) | | |
| | Average Balance | Interest | Average Yield/Cost | Average Balance | Interest | Average Yield/Cost |
| Assets: | | | | | | |
| Interest-earning assets ⁽¹⁾ : | | | | | | |
| Agency RMBS ⁽³⁾ | \$ 459,668 | \$ 2,719 | 6.2 % | \$ 19,363 | \$ 325 | 6.7 % |
| Agency CMBS | 50,383 | 598 | 4.7 % | 60,345 | 715 | 4.7 % |
| Non-Agency RMBS | 973,309 | 30,527 | 12.5 % | 961,903 | 28,935 | 12.0 % |
| Loans held for investment | 11,265,266 | 151,001 | 5.4 % | 11,643,716 | 154,018 | 5.3 % |
| Total | \$ 12,748,626 | \$ 184,845 | 5.9 % | \$ 12,685,327 | \$ 183,993 | 5.8 % |
| Liabilities and stockholders' equity: | | | | | | |
| Interest-bearing liabilities ⁽²⁾ : | | | | | | |
| Secured financing agreements collateralized by: | | | | | | |
| Agency RMBS ⁽³⁾ | \$ 376,644 | \$ 1,858 | 5.6 % | \$ — | \$ — | — % |
| Agency CMBS | 36,275 | 501 | 5.5 % | 44,632 | 661 | 5.9 % |
| Non-Agency RMBS | 657,235 | 11,288 | 6.9 % | 681,101 | 11,736 | 6.9 % |
| Loans held for investment | 1,679,210 | 26,170 | 6.2 % | 1,696,221 | 28,106 | 6.6 % |
| Securitized debt | 7,926,792 | 71,943 | 3.6 % | 8,207,251 | 75,489 | 3.7 % |
| Long term debt ⁽³⁾ | 65,000 | 691 | 9.8 % | — | — | — % |
| Total | \$ 10,741,156 | \$ 112,451 | 4.2 % | \$ 10,629,205 | \$ 115,992 | 4.4 % |
| Economic net interest income/net interest rate spread | | \$ 72,394 | 1.7 % | | \$ 68,001 | 1.4 % |
| Net interest-earning assets/net interest margin | \$ 2,007,470 | | 2.3 % | \$ 2,056,122 | | 2.1 % |
| Ratio of interest-earning assets to interest bearing liabilities | 1.19 | | | 1.19 | | |

(1) Interest-earning assets at amortized cost

(2) Interest includes periodic net interest cost on swaps

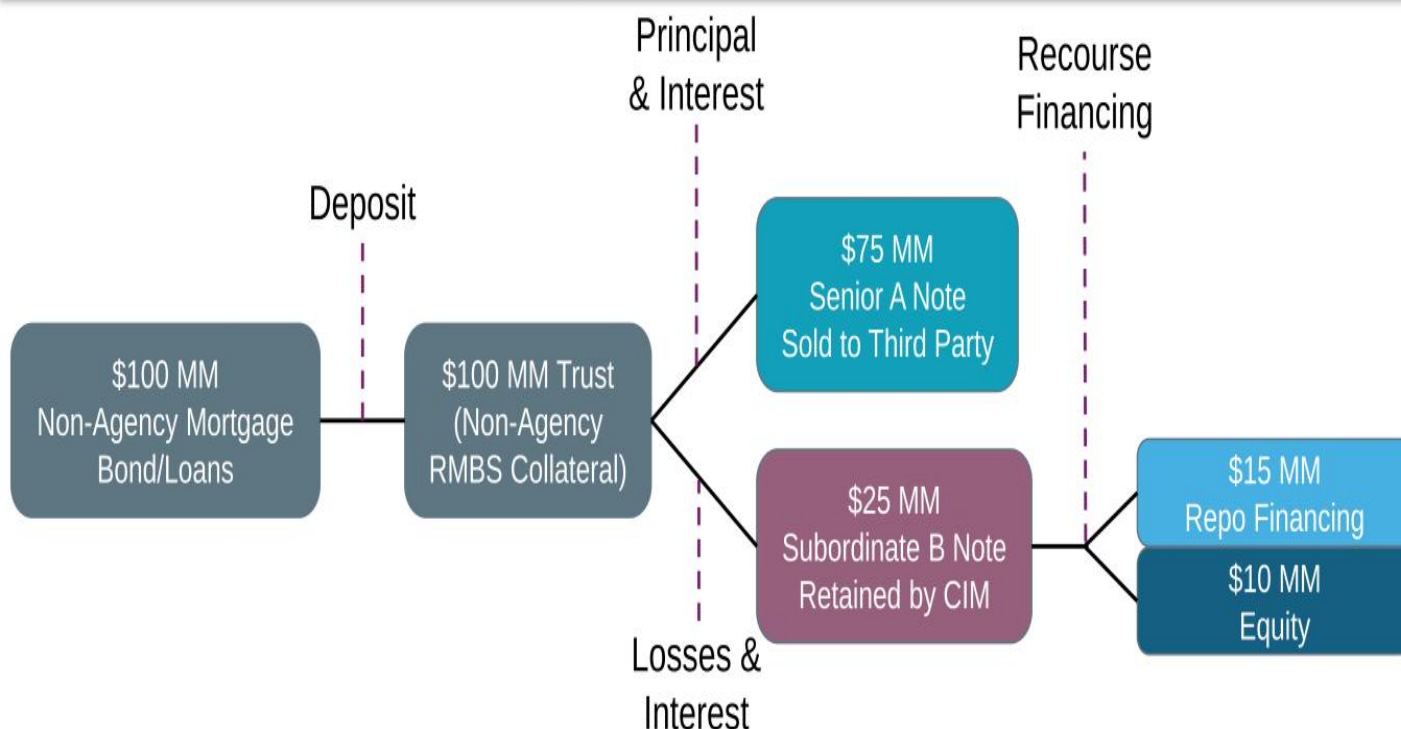
(3) These amounts have been adjusted to reflect the daily outstanding averages for which the financial instruments were held during the period

Information is unaudited, estimated and subject to change.

SECURITIZATION PROCESS



Chimera has created term-funding through securitization.⁽¹⁾ In the example below, CIM buys \$100MM Non-Agency mortgage bonds or loans from a dealer for securitization.



- CIM deposits the bond or loans into a trust.
- The trust issues bonds backed by the cashflow of the underlying bond or loans.

- The Senior A note receives all principal from the collateral and interest on its \$75MM bond until the bond is paid off.
- The Subordinate B note receives interest on its \$25MM bond, absorbs losses and starts to receive principal only after the Senior A note is paid in full.

- 60% of the Subordinate B note is financed through a repurchase agreement.
- The remaining 40% of the Subordinate B note is equity.
- 1.5x Recourse Leverage.

(1) The hypothetical diagram below shows the typical structure of our securitization transactions.
Information is unaudited, estimated and subject to change.

- 3x Non-Recourse Leverage.

CONSOLIDATED LOAN SECURITIZATIONS



| VINTAGE | DEAL | ORIGINAL FACE (\$ Thousands) | | | REMAINING FACE (\$ Thousands) | | | WEIGHTED AVERAGE COUPON (WAC) | | FIRST CALL DATE |
|---------|----------------|------------------------------|--------------|-------------|-------------------------------|-------------|-------------|-------------------------------|-----------------------|-------------------------|
| | | TOTAL | SOLD | RETAINED | TOTAL | SOLD | RETAINED | Outstanding Bonds Sold | Underlying Collateral | |
| 2023 | CIM 2023-I2 | 238,530 | 202,750 | 35,780 | 213,493 | 177,713 | 35,780 | 6.71% | 7.17% | Jul-26 |
| 2023 | CIM 2023-R4 | 393,997 | 343,368 | 50,629 | 355,479 | 304,836 | 50,629 | 5.03% | 5.56% | Apr-28 |
| 2023 | CIM 2023-NR2 | 66,661 | 48,328 | 18,333 | 56,378 | 39,185 | 17,193 | 6.00% | 5.23% | Currently Callable |
| 2023 | CIM 2023-R3 | 450,834 | 394,479 | 56,355 | 404,433 | 348,053 | 56,355 | 4.50% | 5.09% | Apr-25 |
| 2023 | CIM 2023-I1 | 236,161 | 205,578 | 30,583 | 207,332 | 176,748 | 30,583 | 6.36% | 7.42% | Apr-26 |
| 2023 | CIM 2023-R2 | 447,384 | 364,841 | 82,543 | 388,542 | 305,987 | 82,543 | 5.50% | 6.03% | Mar-28 |
| 2023 | CIM 2023-NR1 | 134,016 | 97,161 | 36,855 | 103,192 | 65,964 | 37,228 | 6.00% | 6.08% | Currently Callable |
| 2023 | CIM 2023-R1 | 585,718 | 512,503 | 73,215 | 505,306 | 432,541 | 72,765 | 5.40% | 6.01% | Jan-25 |
| 2022 | CIM 2022-NR1 | 144,912 | 105,061 | 39,851 | 122,765 | 84,576 | 38,189 | 5.00% | 4.85% | Currently Callable |
| 2022 | CIM 2022-R3 | 369,891 | 327,168 | 42,723 | 309,515 | 266,886 | 42,694 | 4.57% | 5.05% | Sep-27 |
| 2022 | CIM 2022-I1 | 219,442 | 122,997 | 96,445 | 191,936 | 95,491 | 96,445 | 4.35% | 4.70% | Currently Callable |
| 2022 | CIM 2022-R2 | 508,202 | 440,865 | 67,337 | 418,831 | 351,706 | 67,125 | 3.82% | 4.55% | May-27 |
| 2022 | CIM 2022-R1 | 328,226 | 294,090 | 34,136 | 257,769 | 223,495 | 34,115 | 3.05% | 4.21% | Feb-27 |
| 2021 | CIM 2021-NR4 | 167,596 | 125,747 | 41,849 | 111,822 | 67,615 | 44,207 | 2.82% | 5.77% | Currently Callable |
| 2021 | CIM 2021-R6 | 353,797 | 336,284 | 17,513 | 214,321 | 196,803 | 17,513 | 1.64% | 6.11% | Sep-26 |
| 2021 | CIM 2021-R5 | 450,396 | 382,836 | 67,560 | 338,139 | 271,096 | 67,044 | 2.00% | 5.55% | Aug-24 |
| 2021 | CIM 2021-R4 | 545,684 | 463,831 | 81,853 | 341,025 | 259,330 | 81,695 | 2.00% | 6.42% | Currently Callable |
| 2021 | CIM 2021-R3 | 859,735 | 730,775 | 128,960 | 495,089 | 366,081 | 128,960 | 1.95% | 6.47% | Apr-25 |
| 2021 | CIM 2021-NR3 | 117,373 | 82,161 | 35,212 | 62,529 | 23,898 | 38,632 | 5.57% | 6.85% | Currently Callable |
| 2021 | CIM 2021-R2 | 1,497,213 | 1,272,631 | 224,582 | 782,589 | 557,361 | 224,582 | 2.07% | 7.14% | Mar-25 |
| 2021 | CIM 2021-NR2 | 240,425 | 180,318 | 60,107 | 134,812 | 62,833 | 71,979 | 5.57% | 7.12% | Currently Callable |
| 2021 | CIM 2021-R1 | 2,098,584 | 1,783,797 | 314,787 | 1,137,541 | 821,416 | 314,787 | 1.94% | 7.06% | Feb-25 |
| 2021 | CIM 2021-NR1 | 232,682 | 162,877 | 69,805 | 118,960 | 38,006 | 80,954 | 5.57% | 7.65% | Currently Callable |
| 2020 | CIM 2020-R7 | 653,192 | 562,023 | 91,169 | 371,198 | 280,837 | 90,361 | 2.44% | 6.23% | Currently Callable |
| 2020 | CIM 2020-R6 | 418,390 | 334,151 | 84,239 | 263,045 | 179,212 | 83,833 | 2.25% | 4.97% | Currently Callable |
| 2020 | CIM 2020-R5 | 338,416 | 257,027 | 81,389 | 167,367 | 86,094 | 81,273 | 2.43% | 5.28% | Clean-up Call |
| 2020 | CIM 2020-R3 | 438,228 | 328,670 | 109,558 | 255,096 | 146,806 | 108,290 | 4.00% | 5.32% | Currently Callable |
| 2020 | CIM 2020-R2 | 492,347 | 416,761 | 75,586 | 290,018 | 216,382 | 73,895 | 2.67% | 4.27% | Clean-up Call |
| 2020 | CIM 2020-R1 | 390,761 | 317,608 | 73,153 | 247,695 | 175,217 | 72,478 | 2.90% | 5.00% | Currently Callable |
| 2019 | SLST 2019-1 | 1,217,441 | 941,719 | 275,722 | 759,867 | 531,809 | 219,142 | 3.50% | 4.28% | Currently Callable |
| 2019 | CIM 2019-R5 | 315,039 | 252,224 | 62,815 | 158,746 | 96,247 | 61,981 | 2.98% | 5.67% | Clean-up Call |
| 2019 | CIM 2019-R4 | 320,802 | 256,641 | 64,161 | 169,126 | 106,689 | 62,436 | 3.00% | 6.51% | Currently Callable |
| 2019 | CIM 2019-R3 | 342,633 | 291,237 | 51,396 | 152,749 | 102,515 | 50,234 | 2.63% | 7.10% | Currently Callable |
| 2019 | CIM 2019-R2 | 464,327 | 358,172 | 106,155 | 283,112 | 178,940 | 104,173 | 3.49% | 5.00% | Clean-up Call |
| 2019 | CIM 2019-R1 | 371,762 | 297,409 | 74,353 | 213,965 | 141,493 | 72,472 | 3.25% | 5.16% | Currently Callable |
| 2018 | CIM 2018-R3 | 181,073 | 146,669 | 34,404 | 57,254 | 25,171 | 31,904 | 4.42% | 7.02% | Currently Callable |
| 2016 | CIM 2016-FRE1 | 185,811 | 115,165 | 70,646 | 69,575 | 12,158 | 57,417 | 4.27% | 5.91% | Currently Callable |
| 2008 | PHMC 2008-CIM1 | 619,710 | 549,142 | 70,568 | 6,581 | 4,890 | 1,669 | 6.77% | 4.77% | Do Not Hold Call Rights |
| TOTAL | | \$17,437,391 | \$14,405,064 | \$3,032,327 | \$10,737,192 | \$7,822,081 | \$2,903,554 | 3.43% | 5.83% | |

Information is unaudited, estimated and subject to change.



