



An MSR-Focused REIT

Third Quarter Earnings Call Presentation

October 28, 2025



FORWARD-LOOKING STATEMENTS

This presentation of Two Harbors Investment Corp., or TWO, 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 Annual Report on Form 10-K for the year ended 2024, and any subsequent Quarterly Reports on Form 10-Q, under the caption “Risk Factors.” Factors that could cause actual results to differ include, but are not limited to: the state of credit markets and general economic conditions; changes in interest rates and the market value of our assets; changes in prepayment rates of mortgages underlying our target assets; the rates of default or decreased recovery on the mortgages underlying our target assets; declines in home prices; our ability to establish, adjust and maintain appropriate hedges for the risks in our portfolio; the availability and cost of our target assets; the availability and cost of financing; changes in the competitive landscape within our industry; our ability to effectively execute and to realize the benefits of strategic transactions and initiatives we have pursued or may in the future pursue; our ability to manage various operational risks and costs associated with our business, including the risks associated with operating a mortgage loan servicer and originator; interruptions in or impairments to our communications and information technology systems; our ability to acquire mortgage servicing rights (MSR) and to maintain our MSR portfolio; our exposure to legal and regulatory claims; legislative and regulatory actions affecting our business; our ability to maintain our REIT qualification; and limitations imposed on our business due to our REIT status and our exempt status under the Investment Company Act of 1940.

Readers are cautioned not to place undue reliance upon any forward-looking statements, which speak only as of the date made. TWO 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 TWO’s most recent filings with the Securities and Exchange Commission (SEC). All subsequent written and oral forward-looking statements concerning TWO or matters attributable to TWO 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.

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.

Quarterly Financials Overview



Book Value per Share \$11.04	Comprehensive Loss per Share \$(0.77)	Economic Return on Book Value ⁽¹⁾ (6.3)%
	Litigation Settlement Expense per Share ⁽²⁾ \$(1.68)	Economic Return on Book Value, Excluding Litigation Settlement Expense ⁽¹⁾⁽²⁾ 7.6%
Common Stock Dividend \$0.34	Investment Portfolio ⁽³⁾ \$13.5b	Quarter-End Economic Debt-to-Equity ⁽⁴⁾ 7.2x

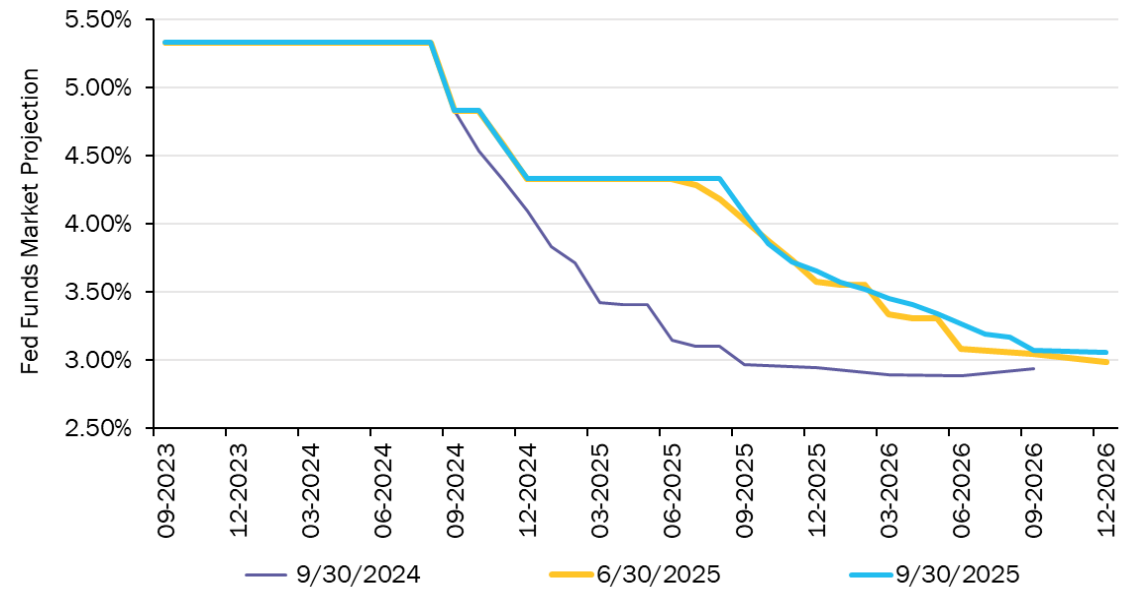
Note: Financial data throughout this presentation is as of or for the quarter ended September 30, 2025, unless otherwise noted. Per share metrics utilize basic common shares as the denominator. Reported metrics that exclude the company's "litigation settlement expense" eliminate the impact of the litigation settlement expense of \$175.1 million, or \$1.68 per weighted average basic common share, recorded for the quarter ended September 30, 2025 related to the settlement agreement with the company's former external manager. The \$175.1 million litigation settlement expense recorded for the third quarter is the difference between the \$375.0 million cash payment made to the company's former external manager, less the related loss contingency accrual recorded in the second quarter of \$199.9 million. The End Notes are an integral part of this presentation. See slides 30 through 34 at the back of this presentation for information related to certain financial metrics and defined terms used herein.



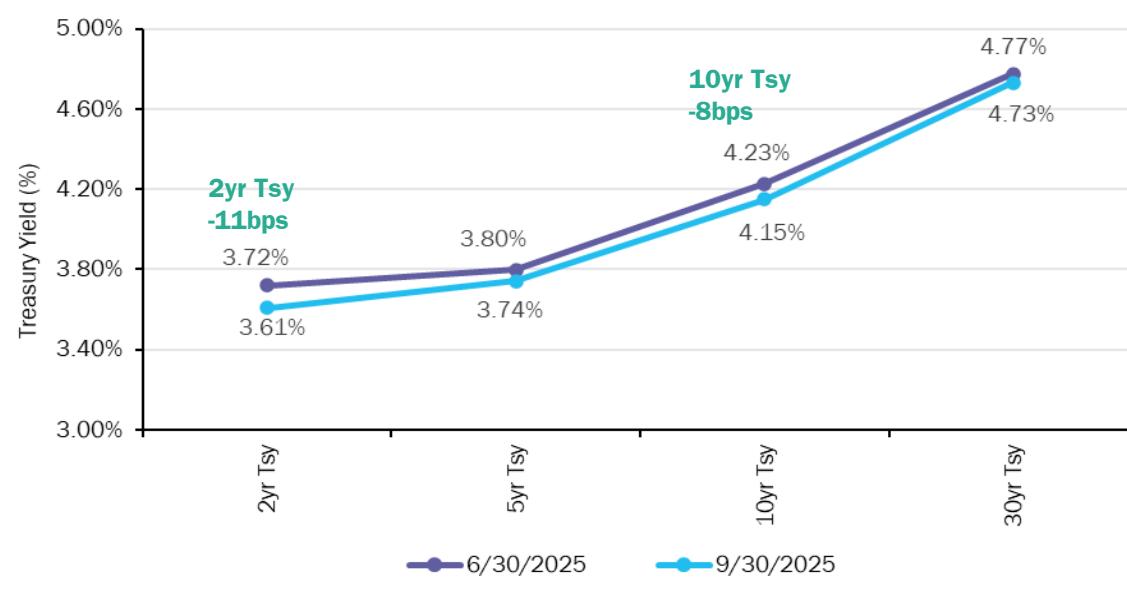
Positive Performance Across Fixed Income

- The Federal Reserve delivered a widely-anticipated 25 basis point cut to its benchmark rate in response to emerging downside risks in the labor market
- Another 50 basis points of cuts by year-end is expected by market participants and aligns with the Federal Reserve’s guidance
- Net changes across the yield curve were small over the quarter; 2-year yields declined by 11 basis points to 3.61% and 10-year yields declined by 8 basis points to 4.15%

I. FED FUND RATE EXPECTATIONS⁽¹⁾



II. QUARTERLY YIELD CURVE CHANGE⁽¹⁾





**TWO + RoundPoint
Benefits**

Cost Efficiencies

Focused on additional operational efficiencies to deliver lower cost-to-service per loan

Additional Income

Subservicing, direct-to-consumer originations, and ancillary products offer new sources of income

Hedges Portfolio

Direct-to-consumer protects value of TWO's MSR portfolio when interest rates decline and refinancing activity increases more than expected

**Servicing Platform
Highlights**

\$206 billion
Serviced UPB

856,304
Loans Serviced

\$176 billion
Owned Servicing UPB
\$30 billion
Subserviced UPB

**Direct-to-Consumer Originations
Highlights**

Over \$52 million UPB
in Originations Pipeline⁽¹⁾

\$49.8 million UPB
Funded First and Second Liens

\$60.1 million UPB
Brokered Second Lien Loans

**Technology Drives
Efficiencies and Experience**

AI in the Contact Center

Deploying speech recognition, transcription and analysis help increase operational efficiency

Automated Interactions

Expanding to leverage AI for automated interactions via virtual agents, improve quality assurance, and streamline risk reviews

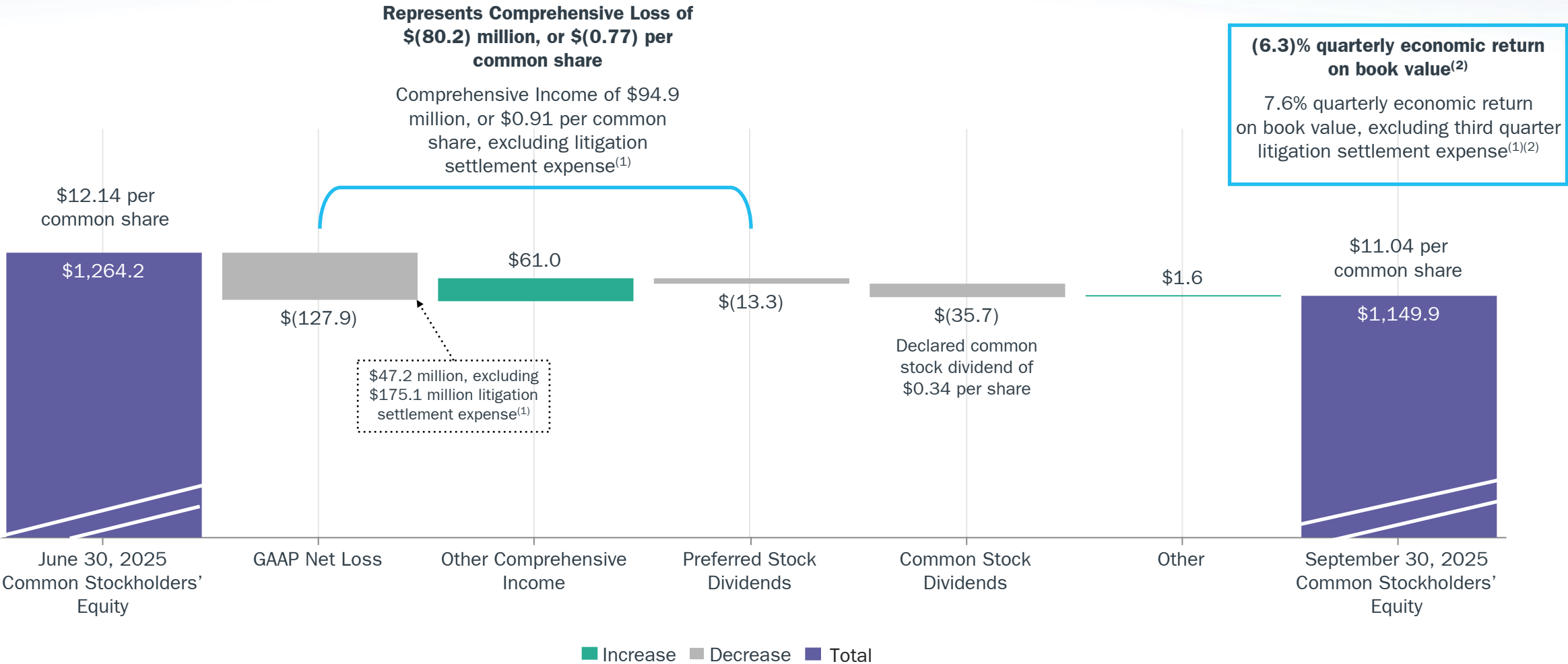
**AI-Driven Agent Assistance
and Knowledge Bases**

Reduced call time and improved experiences through first call resolution, more accurate responses

Book Value Summary



(\$ in millions, except per share data)



Note: Reported metrics that exclude the company's "litigation settlement expense" eliminate the impact of the litigation settlement expense of \$175.1 million, or \$1.68 per weighted average basic common share, recorded for the quarter ended September 30, 2025 related to the settlement agreement with the company's former external manager. The \$175.1 million litigation settlement expense recorded for the third quarter is the difference between the \$375.0 million cash payment made to the company's former external manager, less the related loss contingency accrual recorded in the second quarter of \$199.9 million.

Comprehensive Income (Loss) Summary



(\$ in millions, except per share data)



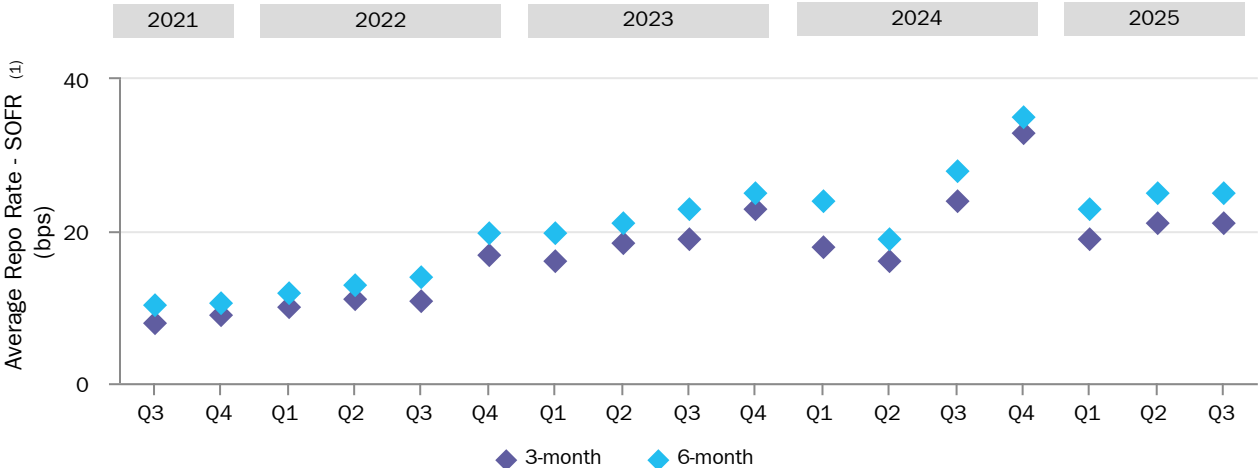


BALANCE SHEET AS OF SEPTEMBER 30, 2025

Agency RMBS \$6.5 billion	Agency RMBS repurchase agreements \$6.4 billion
MSR \$2.6 billion	MSR financing \$1.7 billion
	Senior/convertible notes \$0.4 billion
	All other liabilities \$0.7 billion
Cash & cash equivalents \$0.8 billion	Preferred equity \$0.6 billion
All other assets \$1.0 billion	Common equity \$1.1 billion

AGENCY RMBS

- \$6.4 billion of outstanding repurchase agreements with 16 counterparties
- Weighted average days to maturity of 88 days



MORTGAGE SERVICING RIGHTS

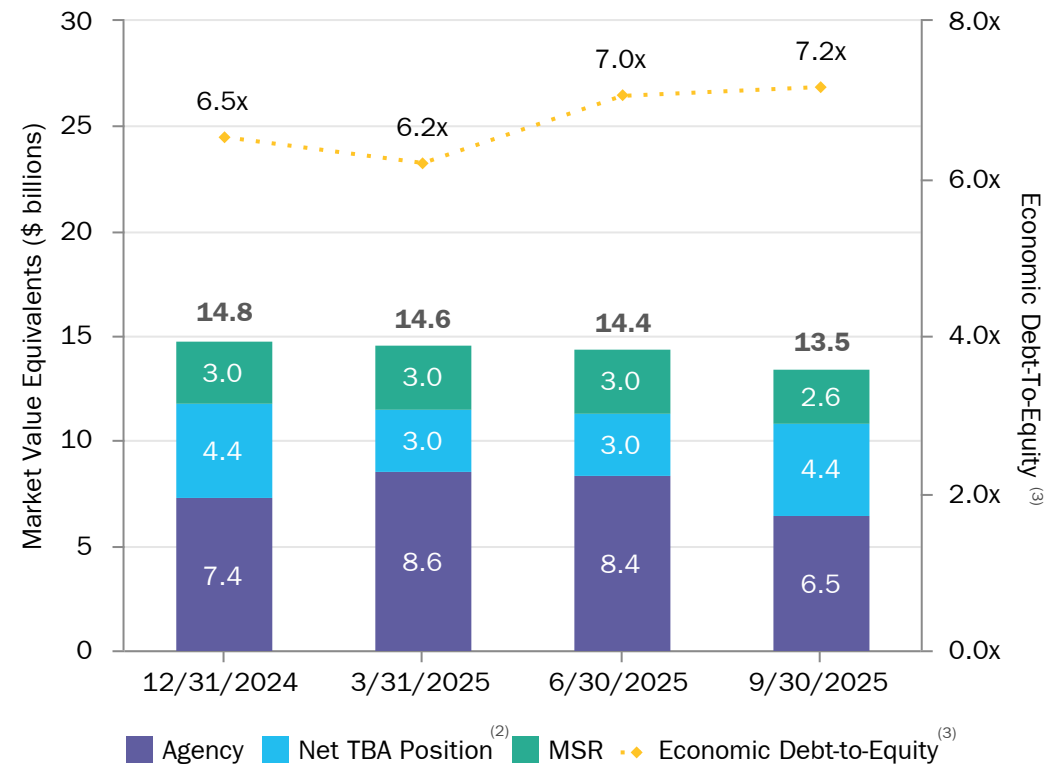
- \$1.6 billion of outstanding borrowings under bilateral MSR asset financing facilities
- \$939 million of unused MSR asset financing capacity; \$127 million committed and \$812 million uncommitted
- \$73 million outstanding borrowings and \$78 million of unused, committed capacity for servicing advance receivables

Portfolio Composition and Risk Positioning

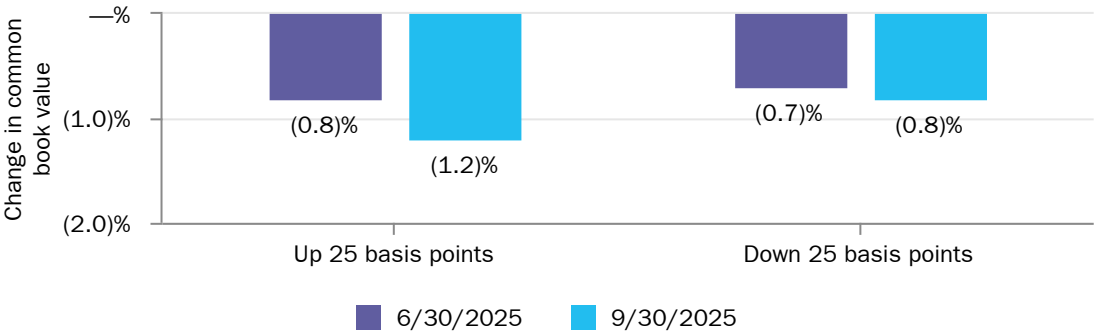


I. PORTFOLIO COMPOSITION⁽¹⁾

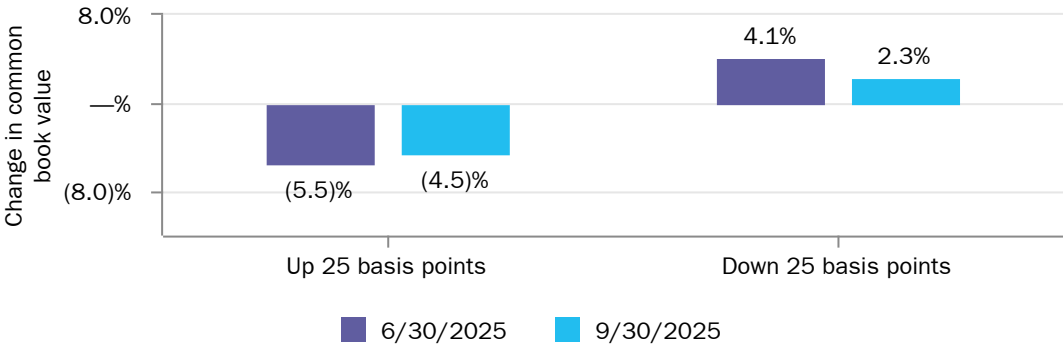
At September 30, 2025, \$13.5 billion portfolio
Includes \$9.1 billion settled positions



II. INTEREST RATE EXPOSURE⁽⁴⁾



III. MORTGAGE SPREAD EXPOSURE⁽⁵⁾

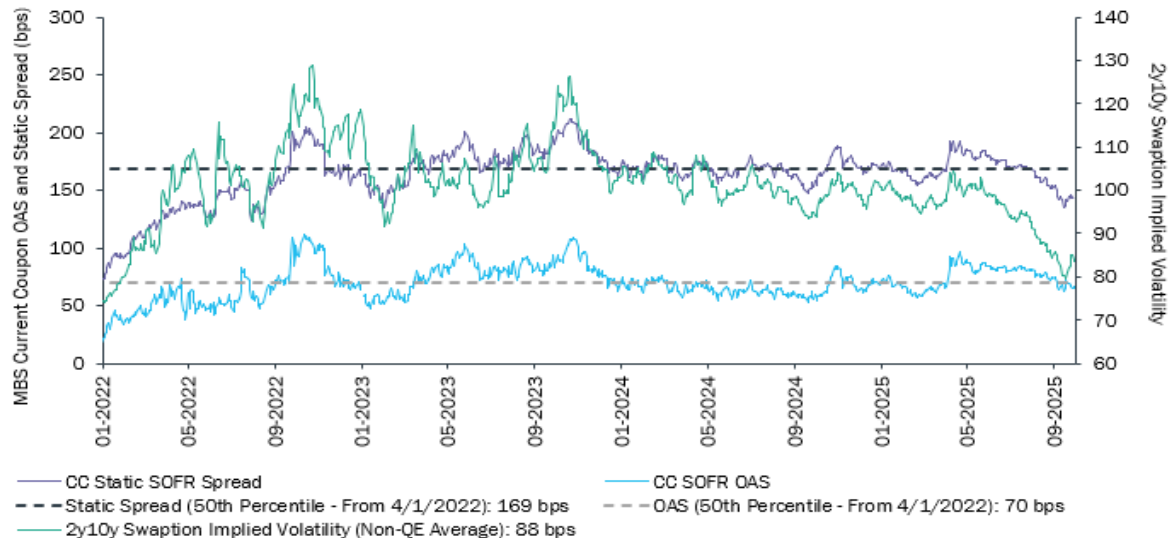


Note: Sensitivity data as of September 30, 2025. The above scenarios are provided for illustration purposes only and are not necessarily indicative of TWO's financial condition and operating results, nor are they necessarily indicative of the financial condition or results of operations that may be expected for any future period or date. See Slide 18 in the Appendix for more information on our risk positioning.

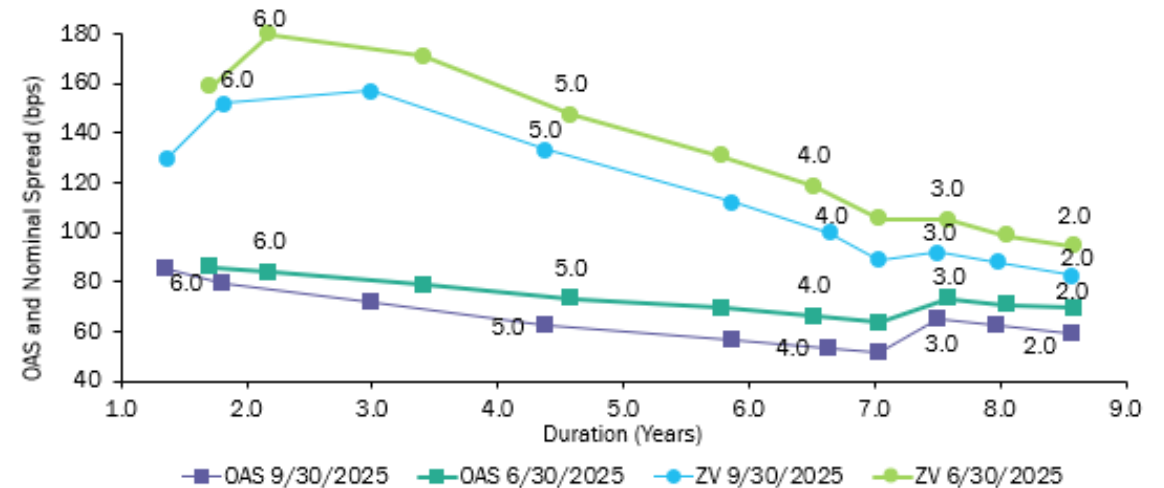
POSITIVE PERFORMANCE OF RMBS DRIVEN BY LOWER VOLATILITY AND EXPECTED FED CUTS

- Agency RMBS spreads tightened over the quarter as implied volatility normalized to longer-term averages, falling to the lowest level since early 2022
- Current coupon nominal and option-adjusted spreads (OAS) to swaps tightened by 26 and 14 basis points, respectively
- Spreads across the coupon curve shifted down, mostly in parallel, and spread volatility remained low
- Compared to earlier periods with similar implied volatility levels, nominal spreads are wider despite the tightening in Q3
- Mortgage spread volatility remained near the lows of this cycle, with demand from money managers and REITs absorbing supply

I. RMBS SPREADS⁽¹⁾



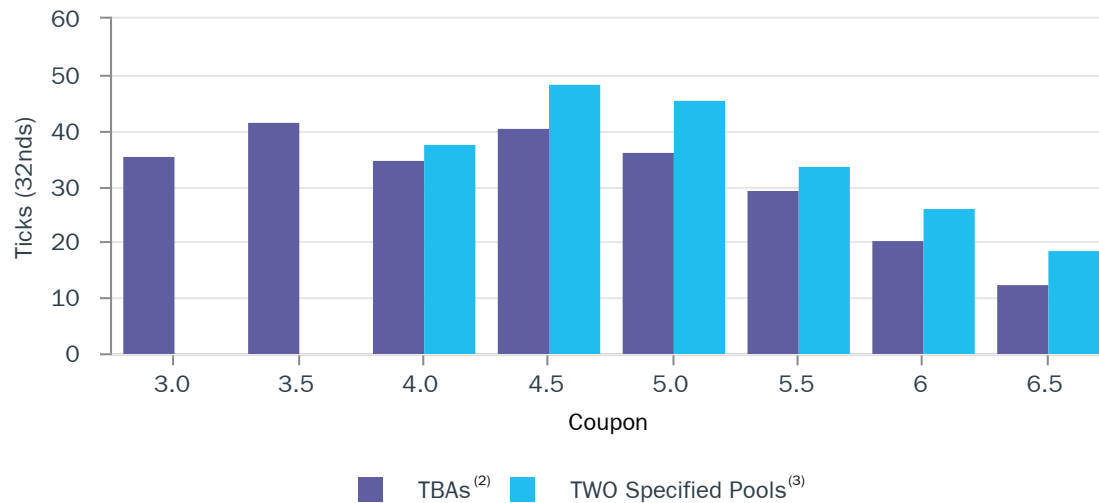
II. NOMINAL SPREAD CURVE IS STEEP, OAS CURVE FLAT⁽²⁾



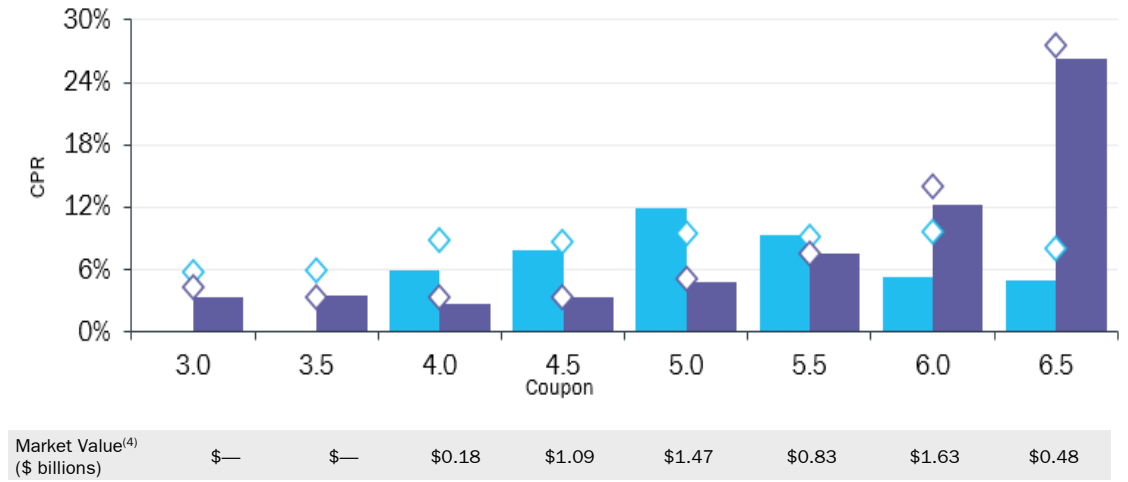
QUARTERLY HIGHLIGHTS

- Hedged performance for Agency RMBS, across the coupon stack, was positive in the third quarter
- For the coupons that TWO owned, specified pools outperformed TBAs, led by 4.5s and 5.0s⁽¹⁾
- Rotated lower in coupon by reducing position in 6-6.5% by approximately \$1.8 billion and increasing 5-5.5% position by approximately \$1.6 billion
- Primary mortgage rates dropped to their lowest levels of 2025, resulting in increased prepayments in higher coupon securities
- Weighted average specified pool portfolio prepayment speeds decreased to 8.3%, compared to 8.6% in the second quarter⁽¹⁾

I. RMBS QUARTERLY PERFORMANCE



II. SPECIFIED POOL PREPAYMENT SPEEDS⁽¹⁾



Market Value⁽⁴⁾
(\$ billions)

\$— \$— \$0.18 \$1.09 \$1.47 \$0.83 \$1.63 \$0.48

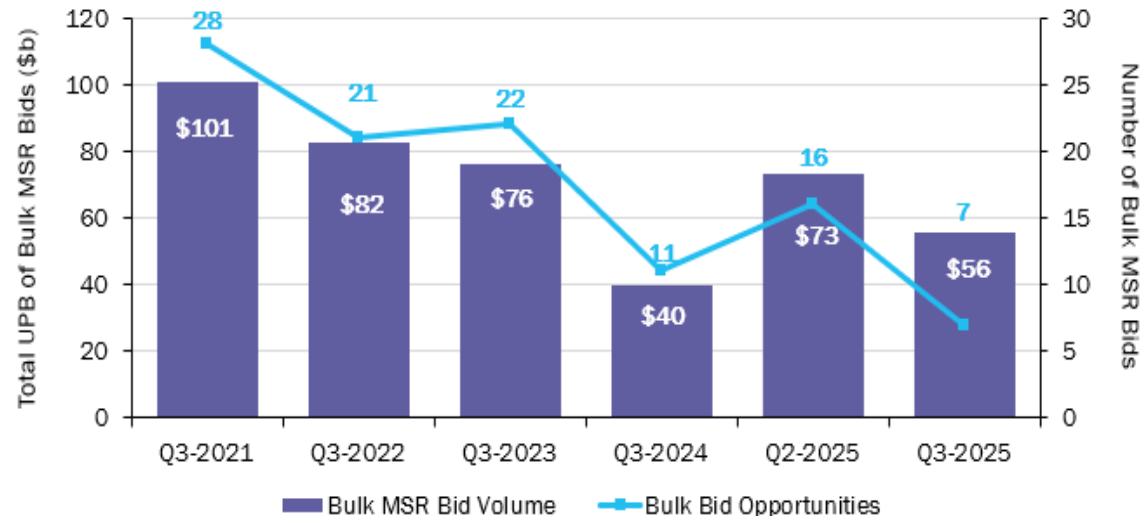
TBAs (Q3-2025)⁽⁵⁾ TWO Specified Pools (Q3-2025)

TBAs (Q2-2025)⁽⁵⁾ TWO Specified Pools (Q2-2025)

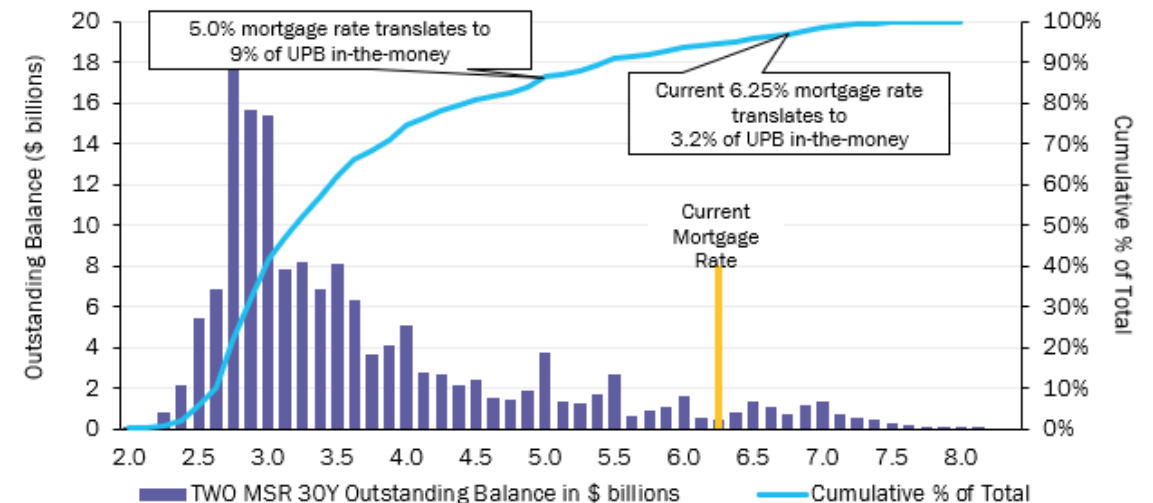
MSR MARKET CONTINUES TO BE WELL SUPPORTED

- MSR market is well supported with bank and non-bank portfolios continuing to aggressively bid on bulk packages
- Quarterly bulk volume remains lower than in prior years
- With rates around 6.25%, about 3.2% of the UPB of TWO's MSR portfolio has 50 basis points or more of a rate incentive to refinance
- Actual prepayment speeds continue to run below model speeds, a tailwind for this strategy

I. BULK MSR BID VOLUME⁽¹⁾



II. COMPOSITION OF TWO MSR VS. CURRENT RATES⁽²⁾



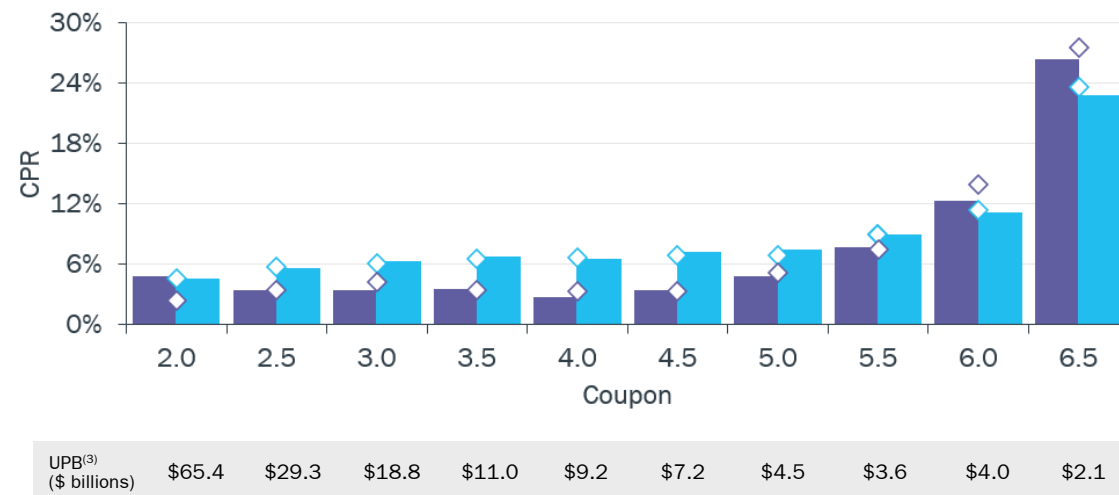
QUARTERLY HIGHLIGHTS

- Price multiple down slightly quarter-over-quarter to 5.8x from 5.9x in Q2
- Settled \$698.2 million UPB through flow acquisitions and recapture
- Sold \$19.1 billion UPB of MSR on a servicing-retained basis; post quarter-end committed to sell an additional \$10 billion UPB of MSR
- Weighted average 3-month CPR increased to 6.0% CPR from 5.8% in Q2, reflecting its low gross weighted average coupon mortgage rate
- 60+ day delinquencies remain low at 0.9%

I. MSR PORTFOLIO CHARACTERISTICS⁽¹⁾

	9/30/2025	6/30/2025
Fair value (\$ millions)	\$ 2,627	\$ 3,016
Price multiple	5.8x	5.9x
UPB (\$ millions)	\$ 177,216	\$ 200,363
Gross coupon rate	3.59%	3.53%
Current loan size (\$ thousands)	\$ 329	\$ 331
Original FICO ⁽²⁾	760	760
Original Loan-to-Value (LTV)	73%	73%
60+ day delinquencies	0.9%	0.8%
Net servicing fee (bps)	25.4	25.4
Loan age (months)	60	57
3-month CPR	6.0%	5.8%

II. 30-YEAR MSR PREPAYMENT SPEEDS



UPB⁽³⁾ (\$ billions)

■ TBAs (Q3-2025)⁽⁴⁾
■ TWO MSR (Q3-2025)

◆ TBAs (Q2-2025)⁽⁴⁾
◆ TWO MSR (Q2-2025)

Return Potential and Outlook



ATTRACTIVE RETURN OPPORTUNITIES FOR UNIQUELY POSITIONED PORTFOLIO

As of September 30, 2025	PORTFOLIO MARKET VALUE (\$ millions)	INVESTED CAPITAL ALLOCATED ⁽¹⁾	STATIC RETURN ESTIMATE ⁽²⁾		
SERVICING					
MSR ⁽³⁾	2,474				
RMBS ⁽⁴⁾	5,500				
Total	7,974	68%	11%	-	14%
SECURITIES					
RMBS ⁽⁴⁾	4,642				
Other Securities	672				
Total	5,314	32%	15%	-	19%
	INVESTED CAPITAL (\$ millions)		TWO's STATIC RETURN ESTIMATE ⁽⁵⁾		
Total Portfolio Before Corporate and Tax Expenses			12.4%	-	15.8%
Corporate and Tax Expenses ⁽⁶⁾			(3.2)%	-	(3.2)%
Total Return to Invested Capital			9.1%	-	12.6%
UNALLOCATED CAPITAL					
Convertible Notes	262		6.3%		
INVESTED CAPITAL					
Senior Notes	115		9.4%		
Preferred Equity ⁽⁷⁾	622		8.4%		
Common Equity	1,150		9.5%	-	15.2%
Total Invested Capital	1,887				
PROSPECTIVE QUARTERLY STATIC RETURN PER BASIC COMMON SHARE ⁽⁸⁾ :			\$0.26 - \$0.42		

Note: This slide presents estimates for illustrative purposes only, using TWO's base case assumptions (e.g., spreads, prepayment speeds, financing costs, leverage and expenses), and does not contemplate market-driven value changes, active portfolio management, or certain operating expenses. Actual results may differ materially.

Our size, expertise, and investment strategy differentiate us from other mREIT peers and investors in MSR.

Market Presence:

Our scale, expertise and ability to leverage our own servicer allows us to find attractive incremental investments in hedged MSR.

Investment Strategy:

Our portfolio is focused on hedged MSR. Ongoing enhancements at RoundPoint uniquely position us to share our return profile beyond just owning Agency RMBS.

Market Environment:

Our MSR is hundreds of basis points out of the money from being able to refinance, keeping prepayment risk low and generating stable cashflows over a wide range of market scenarios.

Financing and Liquidity:

We have a strong balance sheet and diversified financing for both MSR and Agency RMBS.



Appendix

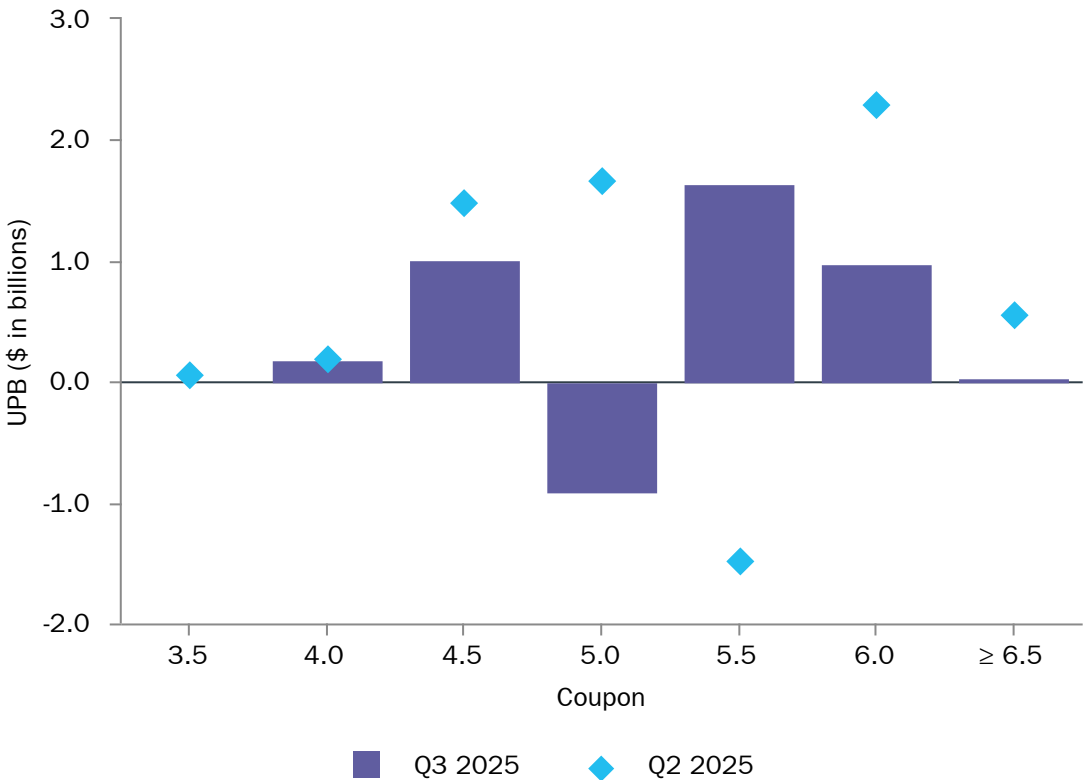


I. EFFECTIVE COUPON POSITIONING

Coupon (%)	TBA Market Price ⁽¹⁾	TBA Notional (\$m)	Specified Pools Par Value (\$m) ⁽²⁾	MSR/ Agency IO UPB (\$m) ⁽³⁾	Combined (\$m)	ZV to SOFR Spreads for Specified Pools ⁽⁴⁾
3.5%	\$ 91.41	\$ —	\$ —	\$ —	\$ —	—
4.0%	\$ 94.27	—	189	—	189	97
4.5%	\$ 97.03	(100)	1,117	—	1,017	111
5.0%	\$ 99.20	2,609	1,467	(5,000)	(924)	120
5.5%	\$ 100.85	2,917	815	(2,120)	1,612	146
6.0%	\$ 102.16	(601)	1,586	—	985	165
≥ 6.5%	\$ 103.97	(417)	458	—	41	173
Total		\$ 4,408	\$ 5,632	\$ (7,120)	\$ 2,920	138

II. QUARTER-OVER-QUARTER CHANGE IN POSITIONING

Combined TBA, Specified Pool and MSR positioning by coupon



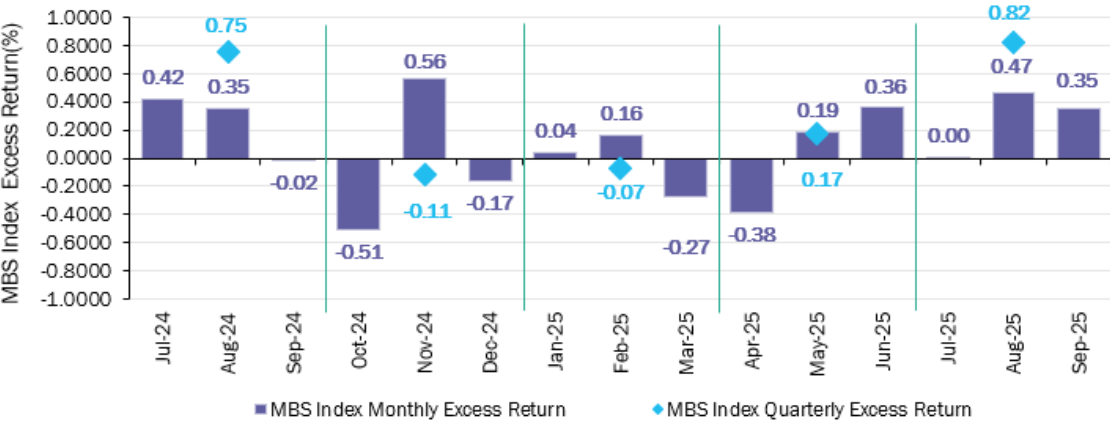
Book Value Exposure to Changes in Rates						
			% Change in Common Book Value			
2-Year Rate (basis points)	10-Year Rate (basis points)		Agency P&I RMBS/TBA	MSR/Agency IO RMBS ⁽¹⁾	Other ⁽²⁾	Combined
-25	0	Bull Steepener ⁽³⁾	3.0 %	0.8 %	(3.1)%	0.7 %
0	-25	Bull Flatteners ⁽⁴⁾	5.8 %	(4.9)%	(2.4)%	(1.5)%
-50	-50	Parallel Shift ⁽⁵⁾	16.4 %	(9.2)%	(11.2)%	(4.0)%
-25	-25	Parallel Shift ⁽⁵⁾	8.8 %	(4.1)%	(5.5)%	(0.8)%
0	0	Base	— %	— %	— %	— %
+25	+25	Parallel Shift ⁽⁵⁾	(9.9)%	3.5 %	5.3 %	(1.2)%
+50	+50	Parallel Shift ⁽⁵⁾	(20.9)%	6.5 %	10.2 %	(4.2)%
+25	0	Bear Flatteners ⁽³⁾	(2.8)%	(1.0)%	2.8 %	(1.0)%
0	+25	Bear Steepener ⁽⁴⁾	(7.1)%	4.5 %	2.4 %	(0.2)%

Book Value Exposure to Current Coupon Spread ⁽⁶⁾			
		% Change in Common Book Value	
Parallel Shift in Spreads (basis points)		Agency P&I RMBS/TBA	MSR/Agency IO RMBS ⁽¹⁾
-25		7.6 %	(5.3)%
0		— %	— %
+25		(8.7)%	4.2 %

Note: Sensitivity data as of September 30, 2025. The above scenarios are provided for illustration purposes only and are not necessarily indicative of TWO's financial condition and operating results, nor are they necessarily indicative of the financial condition or results of operations that may be expected for any future period or date.



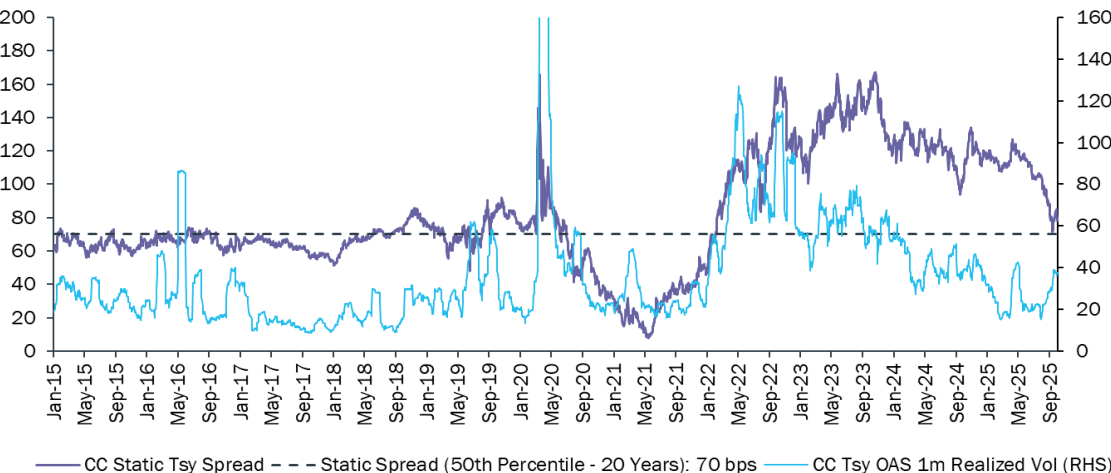
I. QUARTERLY MORTGAGE PERFORMANCE⁽¹⁾



II. ACTUAL VS. IMPLIED VOLATILITY⁽²⁾



III. MORTGAGE SPREAD VOLATILITY⁽³⁾



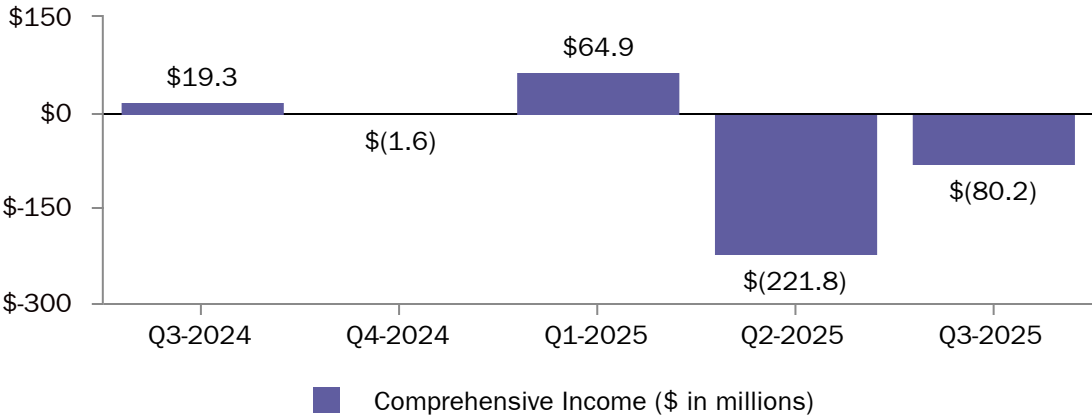
IV. TWO MSR SPEEDS AND EXISTING HOME SALES⁽⁴⁾



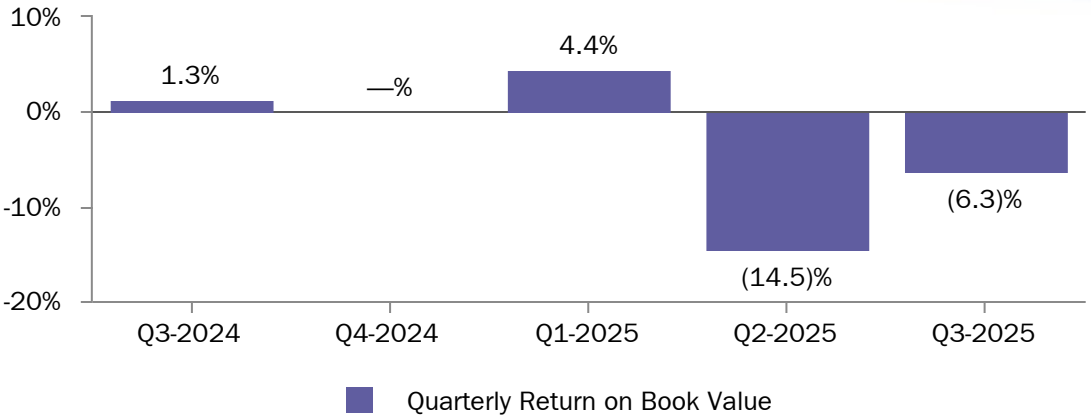
Financial Performance



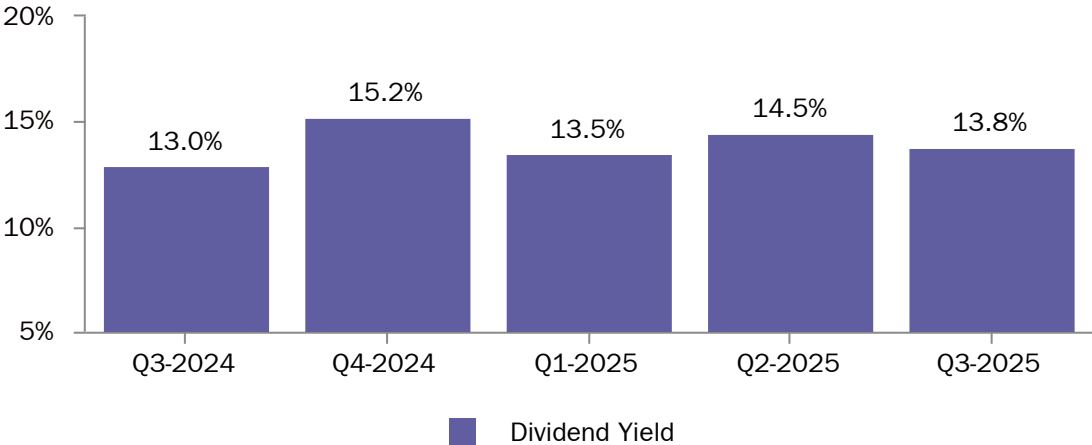
I. COMPREHENSIVE INCOME (LOSS)



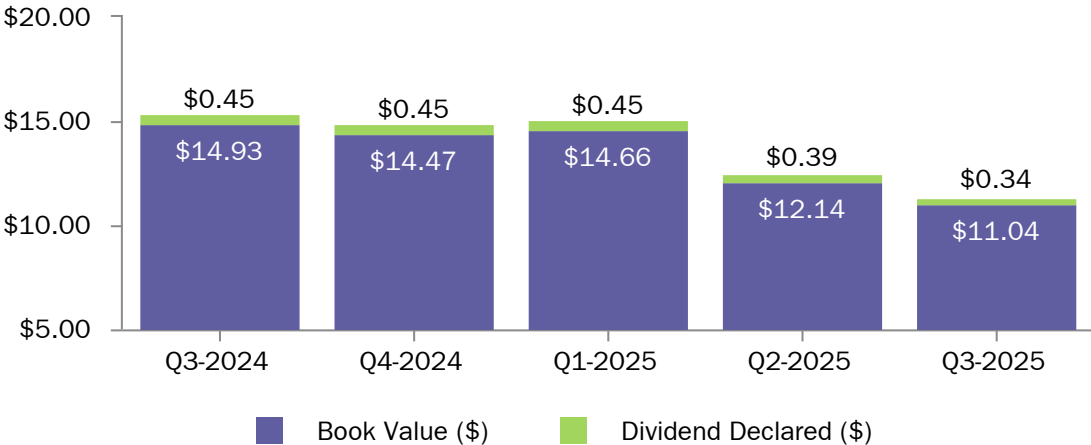
II. QUARTERLY ECONOMIC RETURN ON BOOK VALUE⁽¹⁾



III. DIVIDEND YIELD⁽²⁾



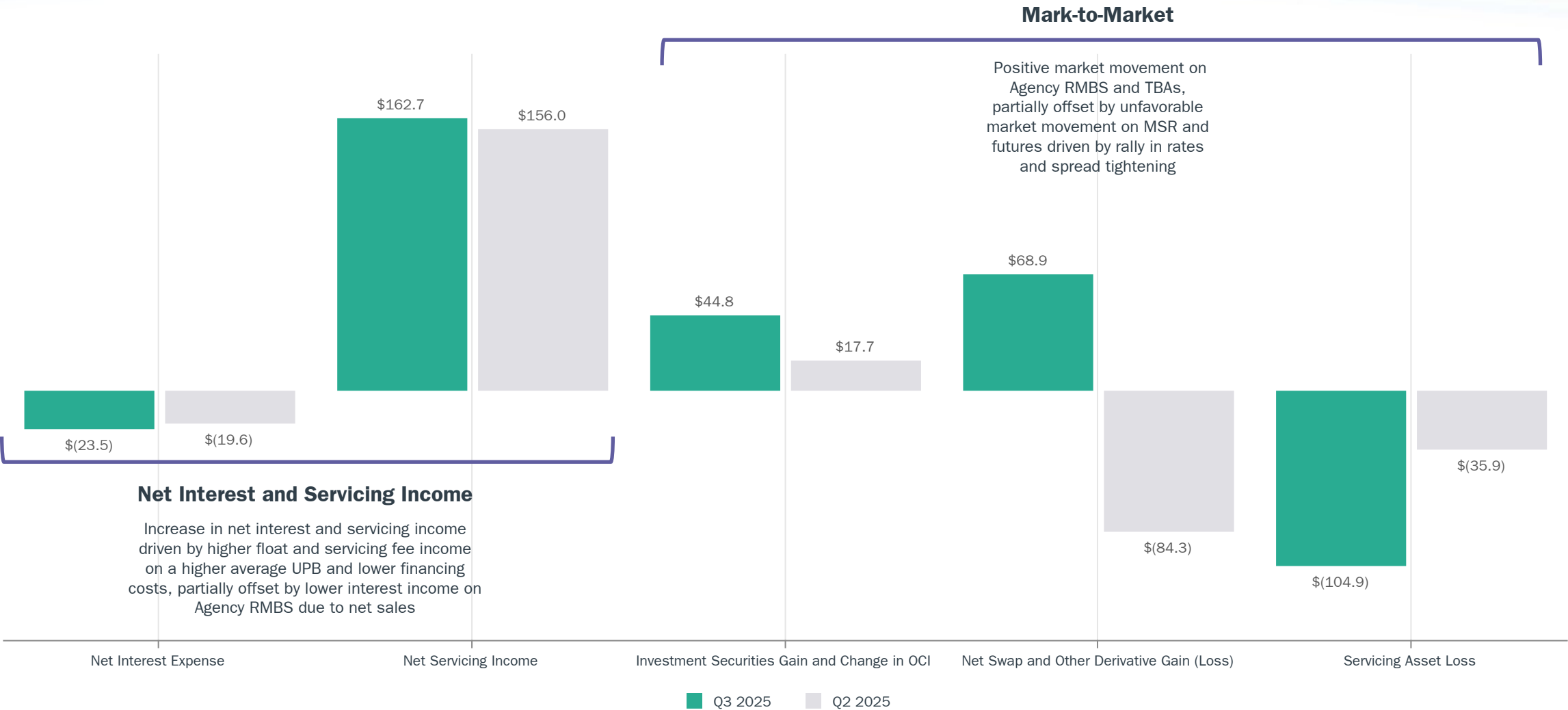
IV. BOOK VALUE AND DIVIDEND PER COMMON SHARE⁽²⁾



Net Interest, Servicing and Mark-to-Market Detail



(\$ in millions, except per share data)



Q3-2025 Portfolio Yields and Financing Costs



(\$ thousands)				
Portfolio Asset Type	Measure	Average Amortized Cost	Income ⁽¹⁾	Average Yield
Available-for-sale securities	GAAP	\$ 6,751,460	\$ 83,763	4.96%
Mortgage loans held-for-sale	GAAP	7,280	125	6.87%
<i>Adjustments to include other portfolio items:</i>				
Mortgage servicing rights ⁽²⁾⁽³⁾	Non-GAAP	1,796,979	52,416	11.67%
Agency derivatives ⁽²⁾⁽⁴⁾	Non-GAAP	111,159	5,079	18.28%
TBAs ⁽²⁾⁽⁵⁾	Non-GAAP	4,623,799	37,975	3.29%
Total portfolio	Non-GAAP	\$ 13,290,677	\$ 179,358	5.40%
Financing Collateral Type	Measure	Average Outstanding Balance	Expense ⁽⁶⁾	Average Cost
Borrowings collateralized by available-for-sale securities	GAAP	\$ 6,451,062	\$ 73,310	4.55%
Borrowings collateralized by mortgage loans held-for-sale	GAAP	7,218	125	6.93%
<i>Adjustments to include other financing items:</i>				
Borrowings collateralized by mortgage servicing rights and advances	GAAP	1,752,926	34,625	7.90%
Borrowings collateralized by Agency derivatives ⁽⁴⁾	GAAP	87,905	1,084	4.93%
Senior notes ⁽⁷⁾	GAAP	110,804	2,884	10.41%
Convertible senior notes ⁽⁸⁾	GAAP	261,221	4,517	6.92%
Interest rate swaps ⁽²⁾⁽⁹⁾	Non-GAAP		(8,127)	(0.24)%
U.S. Treasury futures ⁽²⁾⁽¹⁰⁾	Non-GAAP		(5,006)	(0.15)%
TBAs ⁽²⁾⁽⁵⁾	Non-GAAP	4,623,799	27,604	2.39%
Total financing	Non-GAAP	\$ 13,294,935	\$ 131,016	3.94%
Net Spread	Measure			Average Yield, less Cost
Net spread on AFS securities and mortgage loans held-for-sale	GAAP			0.42%
Net spread on total portfolio	Non-GAAP			1.46%

Agency RMBS Portfolio



	Par Value (\$ millions)	Market Value (\$ millions)	Weighted Average CPR ⁽¹⁾	% Prepay Protected ⁽²⁾	Amortized Cost Basis (\$ millions)	Gross Weighted Average Coupon	Weighted Average Age (Months)
30-Year Fixed							
4.0%	\$ 189	\$ 181	3.4 %	100.0 %	\$ 195	4.5 %	107
4.5%	1,117	1,091	7.8 %	100.0 %	1,117	5.2 %	39
5.0%	1,467	1,468	9.0 %	100.0 %	1,490	5.8 %	39
5.5%	815	828	10.5 %	99.7 %	825	6.4 %	38
6.0%	1,586	1,632	6.7 %	80.9 %	1,626	6.9 %	5
≥ 6.5%	458	478	5.1 %	88.2 %	476	7.3 %	7
	5,632	5,678	7.8 %	93.5 %	5,729	6.2 %	29
Other P&I ⁽³⁾							
	649	647	0.1 %	— %	646	5.2 %	14
IOs and IIOs ⁽⁴⁾							
	2,540	153	10.0 %	— %	159	6.8 %	42
Total Agency RMBS	\$ 8,821	\$ 6,478		81.9 %	\$ 6,534		

(\$ millions)	Notional Amount	Bond Equivalent Value ⁽⁵⁾	Through-the-Box Speeds ⁽⁶⁾
TBA Positions			
4.0%	\$ —	\$ —	2.7 %
4.5%	(100)	(97)	3.4 %
5.0%	2,609	2,588	4.8 %
5.5%	2,917	2,940	7.6 %
6.0%	(601)	(615)	12.3 %
≥ 6.5%	(417)	(431)	26.3 %
Net TBA Position	\$ 4,408	\$ 4,385	

Mortgage Servicing Rights Portfolio⁽¹⁾



	Number of Loans	Unpaid Principal Balance (\$ millions)	Gross Coupon Rate	Current Loan Size (\$ thousands)	Loan Age (months)	Original FICO ⁽²⁾	Original LTV	60+ Day Delinquencies	3-Month CPR	Net Servicing Fee (bps)
30-Year Fixed										
≤ 3.25%	258,318	\$ 76,737	2.8%	\$ 352	56	768	72%	0.5%	4.6%	25.1
3.25% - 3.75%	124,093	30,364	3.4%	313	69	753	74%	1.0%	5.8%	25.2
3.75% - 4.25%	82,509	15,950	3.9%	258	94	752	75%	1.2%	6.4%	25.3
4.25% - 4.75%	49,860	8,784	4.4%	255	90	739	77%	1.9%	6.5%	25.2
4.75% - 5.25%	36,003	8,407	5.0%	352	57	748	79%	1.7%	7.1%	25.2
> 5.25%	63,670	19,903	6.2%	416	29	751	80%	1.5%	10.1%	27.2
	614,453	160,145	3.7%	338	61	759	74%	0.9%	5.9%	25.4
15-Year Fixed										
≤ 2.25%	18,397	4,057	2.0%	264	53	776	60%	0.3%	4.8%	25.0
2.25% - 2.75%	32,584	5,821	2.4%	223	57	772	59%	0.2%	6.1%	25.0
2.75% - 3.25%	26,702	2,870	2.9%	161	80	765	62%	0.3%	8.2%	25.2
3.25% - 3.75%	14,064	1,058	3.4%	122	96	755	64%	0.4%	9.8%	25.2
3.75% - 4.25%	6,503	440	3.9%	121	90	741	66%	0.8%	10.9%	25.3
> 4.25%	5,643	845	5.3%	297	34	750	64%	1.2%	16.4%	27.4
	103,893	15,091	2.7%	216	63	768	61%	0.3%	7.2%	25.2
Total ARMs	1,692	585	5.2%	457	41	766	72%	0.6%	14.0%	25.2
Total Portfolio	720,038	\$ 175,821	3.6%	\$ 328	61	759	73%	0.9%	6.0%	25.4

Mortgage Servicing Rights UPB Roll-forward



<i>\$ millions</i>	Q3-2025	Q2-2025	Q1-2025	Q4-2024	Q3-2024
UPB at beginning of period	\$ 198,823	\$ 196,773	\$ 200,317	\$ 202,052	\$ 209,390
Bulk purchases of mortgage servicing rights	—	6,385	—	2,063	2,573
Flow purchases of mortgage servicing rights	664	170	155	376	715
Originations/recapture of mortgage servicing rights	34	34	20	43	17
Sales of mortgage servicing rights	(19,112)	—	—	3	(6,248)
Scheduled payments	(1,647)	(1,637)	(1,624)	(1,647)	(1,641)
Prepaid	(2,964)	(2,914)	(2,110)	(2,545)	(2,779)
Other changes	23	12	15	(28)	25
UPB at end of period	<u>\$ 175,821</u>	<u>\$ 198,823</u>	<u>\$ 196,773</u>	<u>\$ 200,317</u>	<u>\$ 202,052</u>

Serviced Mortgage Assets



	9/30/2025		6/30/2025	
	Number of Loans	Unpaid Principal Balance (\$ millions)	Number of Loans	Unpaid Principal Balance (\$ millions)
Mortgage servicing rights	720,038	\$ 175,821	805,261	\$ 198,823
Subservicing ⁽¹⁾	135,706	30,204	59,361	11,106
Servicing administrator ⁽²⁾	519	278	529	286
Mortgage loans held-for-sale ⁽³⁾	41	12	32	10
Other assets	—	—	1	—
Total serviced mortgage assets	856,304	\$ 206,315	865,184	\$ 210,225

Financing



\$ millions							
Outstanding Borrowings and Maturities ⁽¹⁾	Repurchase Agreements	Revolving Credit Facilities	Warehouse Lines of Credit	Senior Notes	Convertible Notes	Total Borrowings	Percent (%)
Within 30 days	\$ 2,236.0	\$ —	\$ —	\$ —	\$ —	\$ 2,236.0	26.5 %
30 to 59 days	710.8	—	—	—	—	710.8	8.4 %
60 to 89 days	3.5	—	8.4	—	—	11.9	0.1 %
90 to 119 days	967.5	—	—	—	261.4	1,228.9	14.6 %
120 to 364 days	3,016.8	72.5	—	—	—	3,089.3	36.7 %
One to three years	170.0	872.9	—	—	—	1,042.9	12.4 %
Three to five years	—	—	—	110.9	—	110.9	1.3 %
	\$ 7,104.6	\$ 945.4	\$ 8.4	\$ 110.9	\$ 261.4	\$ 8,430.7	100.0 %

Collateral Pledged for Borrowings	Repurchase Agreements ⁽²⁾	Revolving Credit Facilities ⁽²⁾	Warehouse Lines of Credit	Senior Notes	Convertible Notes	Total Collateral Pledged	Percent (%)
Available-for-sale securities, at fair value	\$ 6,193.7	\$ —	\$ —	n/a	n/a	\$ 6,193.7	66.3 %
Mortgage servicing rights, at fair value	1,069.1	1,550.5	—	n/a	n/a	2,619.6	28.0 %
Mortgage loans held-for-sale, at fair value	3.7	—	8.7	n/a	n/a	12.4	0.1 %
Restricted cash	18.0	—	0.4	n/a	n/a	18.4	0.2 %
Due from counterparties	293.7	—	—	n/a	n/a	293.7	3.1 %
Derivative assets, at fair value	128.9	—	—	n/a	n/a	128.9	1.4 %
Other assets (includes servicing advances)	—	82.8	—	n/a	n/a	82.8	0.9 %
	\$ 7,707.1	\$ 1,633.3	\$ 9.1	n/a	n/a	\$ 9,349.5	100.0 %

Futures



Type & Maturity	Notional Amount (\$M)	Carrying Value (\$M) ⁽¹⁾	Weighted Average Months to Expiration
U.S. Treasury futures			
2 year	\$ (1,613.4)	\$ —	3.0
5 year	(1,159.4)	—	3.0
10 year	(502.7)	—	2.6
20 year	257.3	—	2.6
Eris SOFR swap futures			
5 year	(1,200.0)	—	62.6
10 year	(830.0)	—	122.6
SOFR futures			
< 1 year	—	—	—
> 1 and < 2 years	291.8	—	20.5
> 2 and < 3 years	(291.8)	—	26.5
Total futures	\$ (5,048.2)	\$ —	32.7

Interest Rate Swaps



Maturities	Notional Amount (\$M)	Average Fixed Pay Rate	Average Receive Rate	Average Maturity (Years)
Payers				
≤ 1 year	\$ 3,803.1	4.050 %	4.240 %	0.5
> 1 and ≤ 3 years	3,296.3	3.473 %	4.240 %	2.1
> 3 and ≤ 5 years	3,108.3	3.576 %	4.240 %	4.4
> 5 and ≤ 7 years	2,111.1	3.752 %	4.240 %	6.3
> 7 and ≤ 10 years	1,641.2	3.892 %	4.240 %	9.6
> 10 years	1,214.3	3.967 %	4.240 %	17.9
	<u>\$ 15,174.3</u>	3.762 %	4.240 %	4.8

Maturities	Notional Amount (\$M)	Average Pay Rate	Average Fixed Receive Rate	Average Maturity (Years)
Receivers				
≤ 1 year	\$ —	— %	— %	—
> 1 and ≤ 3 years	1,923.5	4.240 %	3.875 %	1.5
> 3 and ≤ 5 years	3,428.1	4.240 %	3.413 %	4.8
> 5 and ≤ 7 years	1,303.9	4.240 %	3.525 %	6.6
> 7 and ≤ 10 years	1,698.8	4.240 %	3.811 %	9.8
> 10 years	1,353.2	4.240 %	3.732 %	19.4
	<u>\$ 9,707.5</u>	4.240 %	3.634 %	7.3

PAGE 3 - Quarterly Financials Overview

1. Economic return on book value is defined as the increase (decrease) in common book value from the beginning to the end of the given period, plus dividends declared to common stockholders in the period, divided by common book value as of the beginning of the period.
2. During the quarter ended September 30, 2025, the company recognized litigation settlement expense of \$175.1 million related to the settlement agreement with the company's former external manager, which is the difference between the \$375.0 million cash payment made to the company's former external manager, less the related loss contingency accrual recorded in the second quarter of \$199.9 million.
3. Includes \$9.1 billion in settled positions and \$4.4 billion net TBA position, which represents the bond equivalent value of the company's TBA position. Bond equivalent value is defined as notional amount multiplied by market price. TBA contracts accounted for as derivative instruments in accordance with GAAP. For additional detail on the portfolio, see slides 11 and 13, and Appendix slides 23 and 24.
4. Economic debt-to-equity is defined as total borrowings to fund Agency and non-Agency investment securities, MSR and related servicing advances and mortgage loans held-for-sale, plus the implied debt on net TBA cost basis and net payable (receivable) for unsettled RMBS, divided by total equity.

PAGE 4 - Markets Overview

1. Source: Bloomberg, as of the dates noted.

PAGE 5 - RoundPoint Operations Update

1. Number represents approximate pull-through adjusted UPB in originations pipeline.

PAGE 6 - Book Value Summary

1. During the quarter ended September 30, 2025, the company recognized litigation settlement expense of \$175.1 million related to the settlement agreement with the company's former external manager, which is the difference between the \$375.0 million cash payment made to the company's former external manager, less the related loss contingency accrual recorded in the second quarter of \$199.9 million.
2. Economic return on book value is defined as the increase (decrease) in common book value from the beginning to the end of the given period, plus dividends declared to common stockholders in the period, divided by common book value as of the beginning of the period.

PAGE 7 - Comprehensive Income (Loss) Summary

1. Mark-to-Market Gains and Losses represents the sum of investment securities gain (loss) and change in accumulated other comprehensive income (OCI), net swap and other derivative gains (losses), and servicing asset gains (losses). See Appendix slide 21 for more detail.
2. During the quarter ended September 30, 2025, the company recognized litigation settlement expense of \$175.1 million related to the settlement agreement with the company's former external manager, which is the difference between the \$375.0 million cash payment made to the company's former external manager, less the related loss contingency accrual recorded in the second quarter of \$199.9 million.

PAGE 8 - Financing Profile

1. Source: Bloomberg. Represents the average spread between repurchase rates and the Secured Overnight Financing Rate (SOFR) over trailing three-month and six-month periods between Q3 2021 and Q3 2025 (as of September 30, 2025).

PAGE 9 - Portfolio Composition and Risk Positioning

1. For additional detail on the portfolio, see slides 11 and 13, and Appendix slides 23 and 24.
2. Net TBA position represents the bond equivalent value of the company's TBA position. Bond equivalent value is defined as notional amount multiplied by market price. TBA contracts are accounted for as derivative instruments in accordance with GAAP.
3. Economic debt-to-equity is defined as total borrowings to fund Agency and non-Agency investment securities, MSR and related servicing advances and mortgage loans held-for-sale, plus the implied debt on net TBA cost basis and net payable (receivable) for unsettled RMBS, divided by total equity.
4. Interest rate exposure represents estimated change in common book value for theoretical parallel shift in interest rates.
5. Spread exposure represents estimated change in common book value for theoretical parallel shifts in spreads.

End Notes (continued)



PAGE 10 - Agency RMBS Investment Landscape

1. Source: J.P. Morgan DataQuery. Data is model-based and represents universal mortgage-backed securities (UMBS) generic TBA spreads as of the dates noted. In 2023, J.P. Morgan updated their model affecting only 2023 data.
2. Spreads produced using prepayment speeds generated with The Yield Book® Software using internally calibrated prepayment dials. Data as of September 30, 2025. ZV Spread stands for zero volatility spread.

PAGE 11 - Agency RMBS Portfolio

1. Specified pools include securities with implicit or explicit prepayment protection, including lower loan balances (securities collateralized by loans less than or equal to \$300K of initial principal balance), higher LTVs (securities collateralized by loans with greater than or equal to 80% LTV), certain geographic concentrations, loans secured by investor-owned properties, and lower FICO scores, as well as securities without such protection, including large bank-serviced and others.
2. Represents UMBS generic TBA performance during the quarter.
3. Specified pool performance excludes (1) certain coupons in which we were not invested for the full duration of the quarter and (2) certain coupons with de minimis balances.
4. Specified pool market value by coupon as of September 30, 2025.
5. Three-month prepayment speeds of delivered TBA contracts; average of J.P. Morgan, Bank of America, and Citi data.

PAGE 12 - MSR Investment Landscape

1. Source: RiskSpan and TWO's internal estimates as of September 30, 2025.
2. TWO MSR 30-year fixed-rate UPB as of September 30, 2025 factor date; Freddie Mac's Primary Mortgage Market Survey (PMMS) as of September 30, 2025. MSR portfolio based on the prior month-end's principal balance of the loans underlying the company's MSR, increased for current month purchases and excluding unsettled MSR on loans for which the company is the named servicer as well as MSR on loans recently settled for which transfer to the company is not yet complete.

PAGE 13 - MSR Portfolio

1. MSR portfolio based on the prior month-end's principal balance of the loans underlying the company's MSR, increased for current month purchases. Portfolio metrics, other than fair value and UPB, represent averages weighted by UPB.
2. FICO represents a mortgage industry accepted credit score of a borrower.
3. MSR portfolio based on the prior month-end's principal balance of the loans underlying the company's MSR, increased for current month purchases and excluding unsettled MSR on loans for which the company is the named servicer as well as MSR on loans recently settled for which transfer to the company is not yet complete.
4. Three-month prepayment speeds of delivered TBA contracts; average of J.P. Morgan, Bank of America, and Citi data.

PAGE 14 - Return Potential and Outlook

1. Capital allocated represents management's internal allocation. Certain financing balances and associated interest expenses are allocated between investments based on management's assessment of leverage ratios and required capital or liquidity to support the investment.
2. Market return estimates reflect static assumptions using quarter-end spreads and market data.
3. MSR balances are reduced by \$10.0 billion UPB relative to the quarter end position to reflect MSR position after the sale settling October 31, 2025.
4. Includes Agency pools and TBA positions. TBA contracts accounted for as derivative instruments in accordance with GAAP.
5. Estimated return on invested capital reflects static return assumptions using quarter-end portfolio valuations.
6. Total expenses includes operating expenses and tax expenses within the company's taxable REIT subsidiaries.
7. Preferred equity coupon represents the 5-year yield along the forward curve to account for floating rate resets.
8. Prospective quarterly static return estimate per basic common share reflects portfolio performance expectations given current market conditions and represents the comprehensive income attributable to common stockholders (net of dividends on preferred stock).

End Notes (continued)



PAGE 17 - Effective Coupon Positioning

1. Represents UMBS TBA market prices as of September 30, 2025.
2. Specified pools include securities with implicit or explicit prepayment protection, including lower loan balances (securities collateralized by loans less than or equal to \$300K of initial principal balance), higher LTVs (securities collateralized by loans with greater than or equal to 80% LTV), certain geographic concentrations, loans secured by investor-owned properties, and lower FICO scores, as well as securities without such protection, including large bank-serviced and others.
3. MSR/Agency IO represents an internally calculated exposure of a synthetic TBA position and the current coupon equivalents of our MSR, including the effect of unsettled MSR, and Agency IO RMBS.
4. Spreads generated with The Yield Book® Software using internally calibrated dials.

PAGE 18 - Risk Positioning

1. MSR/Agency IO RMBS includes the effect of unsettled MSR.
2. Other includes all other derivative assets and liabilities and borrowings. Other excludes TBAs, which are included in the Agency P&I RMBS/TBA category.
3. Bull Steepener/Bear Flatteners is a shift in short-term rates that represents estimated change in common book value for theoretical non-parallel shifts in the yield curve. Analysis uses a +/- 25 basis point shift in 2-year rates while holding long-term rates constant.
4. Bull Flatteners/Bear Steepener is a shift in long-term rates that represents estimated change in common book value for theoretical non-parallel shifts in the yield curve. Analysis uses a +/- 25 basis point shift in 10-year rates while holding short-term rates constant.
5. Parallel shift represents estimated change in common book value for theoretical parallel shift in interest rates.
6. Book value exposure to current coupon spread represents estimated change in common book value for theoretical parallel shifts in spreads.

PAGE 19 - Markets Overview

1. Source: Bloomberg, US MBS Index Monthly Treasury Excess Return data as of dates noted.
2. Source: Bloomberg, as of dates noted.
3. Source: J.P. Morgan DataQuery.
4. Monthly prepay speeds from National Association of Realtors via Bloomberg and RiskSpan as of September 30, 2025. MSR portfolio based on the prior month-end's principal balance of the loans underlying the company's MSR, increased for current month purchases and excluding unsettled MSR on loans for which the company is the named servicer as well as MSR on loans recently settled for which transfer to the company is not yet complete.

PAGE 20 - Financial Performance

1. Economic return on book value is defined as the increase (decrease) in common book value from the beginning to the end of the given period, plus dividends declared to common stockholders in the period, divided by the common book value as of the beginning of the period.
2. Historical dividends may not be indicative of future dividend distributions. The company ultimately distributes dividends based on its taxable income per common share, not GAAP earnings. The annualized dividend yield on the company's common stock is calculated based on the closing price of the last trading day of the relevant quarter.

End Notes (continued)



PAGE 22 - Q3-2025 Portfolio Yields and Financing Costs

1. Includes interest income, net of premium amortization/discount accretion, on Agency and non-Agency investment securities, servicing income, net of estimated amortization and servicing expenses, on MSR, and the implied asset yield portion of dollar roll income on TBAs. Amortization on MSR refers to the portion of change in fair value of MSR primarily attributed to the realization of expected cash flows (runoff) of the portfolio, which is deemed a non-GAAP measure due to the company's decision to account for MSR at fair value. TBA dollar roll income is the non-GAAP economic equivalent to holding and financing Agency RMBS using short-term repurchase agreements.
2. As reported elsewhere in the company's filings with the Securities and Exchange Commission, MSR, Agency derivatives, TBA, interest rate swap agreements and U.S. Treasury futures are reported at fair value in the company's consolidated financial statements in accordance with GAAP, and the GAAP presentation and disclosure requirements for these items do not define or include the concepts of yield or cost of financing, amortized cost, or outstanding borrowings.
3. Amortized cost on MSR for a given period equals the net present value of the remaining future cash flows (obtained by applying original prepayment assumptions to the actual unpaid principal balance at the start of the period) using a discount rate equal to the original pricing yield. Original pricing yield is the discount rate which makes the net present value of the cash flows projected at purchase equal to the purchase price. MSR amortized cost is deemed a non-GAAP measure due to the company's decision to account for MSR at fair value.
4. Represents inverse interest-only Agency RMBS which are accounted for as derivative instruments in accordance with GAAP.
5. Both the implied asset yield and implied financing benefit/cost of dollar roll income on TBAs are calculated using the average cost basis of TBAs as the denominator. TBA dollar roll income is the non-GAAP economic equivalent to holding and financing Agency RMBS using short-term repurchase agreements. TBAs are accounted for as derivative instruments in accordance with GAAP.
6. Includes interest expense and amortization of deferred debt issuance costs on borrowings under repurchase agreements (excluding those collateralized by U.S. Treasuries), revolving credit facilities, senior notes and convertible senior notes, interest spread income/expense and amortization of upfront payments made or received upon entering into interest rate swap agreements, and the implied financing benefit/cost portion of dollar roll income on TBAs. TBA dollar roll income is the non-GAAP economic equivalent to holding and financing Agency RMBS using short-term repurchase agreements.
7. Unsecured senior notes.
8. Unsecured convertible senior notes.
9. The cost of financing on interest rate swaps held to mitigate interest rate risk associated with the company's outstanding borrowings is calculated using average borrowings balance as the denominator.
10. The cost of financing on U.S. Treasury futures held to mitigate interest rate risk associated with the company's outstanding borrowings is calculated using average borrowings balance as the denominator. U.S. Treasury futures income is the economic equivalent to holding and financing a relevant cheapest-to-deliver U.S. Treasury note or bond using short-term repurchase agreements.

PAGE 23 - Agency RMBS Portfolio

1. Weighted average actual one-month CPR released at the beginning of the following month based on RMBS held as of the preceding month-end.
2. Determination of the percentage of prepay protected 30-year fixed Agency RMBS includes securities with implicit or explicit prepayment protection, including lower loan balances (securities collateralized by loans less than or equal to \$300K of initial principal balance), higher LTVs (securities collateralized by loans with greater than or equal to 80% LTV), certain geographic concentrations, loans secured by investor-owned properties, and lower FICO scores.
3. Other P&I includes 15-year fixed, Hybrid ARMs, CMO and DUS pools.
4. IOs and IIOs represent market value of \$132.8 million of Agency derivatives and \$20.2 million of interest-only Agency RMBS. Agency derivatives are inverse interest-only Agency RMBS, which are accounted for as derivative instruments in accordance with GAAP.
5. Bond equivalent value is defined as the notional amount multiplied by market price. TBA contracts accounted for as derivative instruments in accordance with GAAP.
6. Three-month prepayment speeds of delivered TBA contracts; average of J.P. Morgan, Bank of America, and Citi data.

PAGE 24 - Mortgage Servicing Rights Portfolio

1. MSR portfolio excludes residential mortgage loans for which the company is the named servicing administrator. Portfolio metrics, other than fair value and UPB, represent averages weighted by UPB.
2. FICO represents a mortgage industry-accepted credit score of a borrower.

End Notes (continued)



PAGE 26 - Serviced Mortgage Assets

1. Off-balance sheet mortgage loans owned by third parties and subserviced by the Company.
2. Off-balance sheet mortgage loans owned by third parties for which the Company acts as servicing administrator (subserviced by appropriately licensed third-party subservicers).
3. Originated or purchased mortgage loans held-for-sale at period-end.

PAGE 27 - Financing

1. As of September 30, 2025, outstanding borrowings had a weighted average of 5.8 months to maturity.
2. Repurchase agreements and revolving credit facilities secured by MSR and/or other assets may be over-collateralized due to operational considerations.

PAGE 28 - Futures

1. Exchange-traded derivative instruments (futures and options on futures) require the posting of an “initial margin” amount determined by the clearing exchange, which is generally intended to be set at a level sufficient to protect the exchange from the derivative instrument’s maximum estimated single-day price movement. The company also exchanges “variation margin” based upon daily changes in fair value, as measured by the exchange. The exchange of variation margin is considered a settlement of the derivative instrument, as opposed to pledged collateral. Accordingly, the receipt or payment of variation margin is accounted for as a direct reduction to the carrying value of the exchange-traded derivative asset or liability.

