

Angel Oak Mortgage, Inc. – NYSE: AOMR

Angel Oak Mortgage, Inc. (AOMR) is a mortgage REIT that seeks to generate attractive risk-adjusted returns while driving long-term capital appreciation by investing primarily in high-quality, non-QM loans. AOMR is supported by the infrastructure, scale, and expertise of the Angel Oak ecosystem, which provides a robust pipeline of high-quality loans tailored to meet AOMR's desired profile. The team utilizes the securitization market to secure term financing on a regular, programmatic basis to continue to grow its target asset portfolio of loans in the fast-growing non-QM market segment.

Since its IPO in June 2021, AOMR has:

- Purchased over \$2 billion of residential mortgage loans
- Closed three securitizations totaling over \$1.2 billion¹
- Grown its target asset portfolio 113%

THE ANGEL OAK ECOSYSTEM

ANGEL OAK MORTGAGE LENDING

- Lending platform started in 2011
 - Over \$14 billion cumulative non-QM production
- #1 non-bank originator of non-QM loans²
- Iterative relationships between portfolio management and sourcing
- 800+ employees

ANGEL OAK CAPITAL ADVISORS

- Founded in 2009
- Alternative credit manager with market leadership in mortgage credit and structured credit
 - \$11+ billion mortgage-related AUM
- 80+ employees

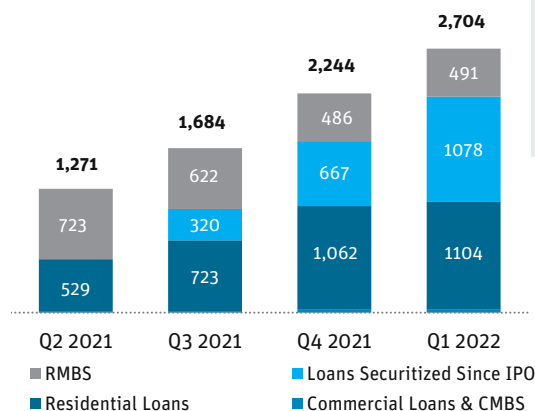


RESIDENTIAL NON-QM TARGET ASSET PORTFOLIO CHARACTERISTICS³

AOMR specializes in high-quality non-QM loans with strong credit and performance characteristics

Weighted Average Loan Coupon	5.1%
Weighted Average Credit Score ⁷	734
Weighted Average Loan to Value % ⁶	70.7%
Average 90+ Day Delinquency	2.3%

TARGET ASSET BALANCE GROWTH⁸ (\$ millions)



As of 3/31/22.

¹Unpaid balance of loan collateral underlying securitizations. ²Expanded credit originations and credit securitization issuance as reported by Inside Mortgage Finance since 2017 through Q3 2020; Does not include investor cash flows for securitization ranking. ³All values as of 3/31/22 and Stock Price as of 6/3/22 unless otherwise noted. ⁴Distributable Earnings Per Share is a non-GAAP measure. Please see appendix for a reconciliation of Distributable Earnings to GAAP net income. ⁵Weighted as % of total unpaid loan balance as of 3/31/22. ⁶Loan-to-Value ratio at time of loan origination weighted as percentage of total unpaid balance as of 3/31/22. Loan-to-Value ratio is calculated as the outstanding principal amount of a loan plus any financing that is pari passu with or senior to such loan at the time of acquisition, divided by the applicable real estate value at acquisition of such loan. The real estate value reflects the results of third-party appraisals obtained by the selling mortgage companies prior to the loan closing. ⁷Credit score at time of loan origination weighted as percentage of total unpaid balance as of 3/31/22. ⁸Target assets include Residential Loans, Loans in Securitization Trust, Residential Mortgage-Backed Securities (RMBS), and Commercial Loans & Commercial Mortgage-Backed Securities (CMBS).



Angel Oak
MORTGAGE REIT

KEY FINANCIAL INFORMATION³

Book Value per Common Share	\$16.80
Annualized Dividends/Common Share	\$1.80
GAAP EPS	(\$1.77)
Distributable EPS ⁴	\$1.49
Recourse Debt to Equity Ratio	3.4x

STOCK INFORMATION

Price [^]	\$14.72
Dividend Yield [^]	12.2%
Price [^] /Book Value [*]	87.6%
Target Dividend Frequency	Quarterly

[^]As of 6/3/22. ^{*}As of 3/31/22.

MOST RECENT SECURITIZATION (AOMT 2022-1)

Total Balance	\$537.6MM
Weighted Average LTV ⁶	70.6%
Weighted Average Credit Score ⁷	744
Weighted Average Loan Coupon ⁵	4.48%
Weighted Average Cost of Capital	3.06%

ANALYST COVERAGE

Wells Fargo	B. Riley Securities
Bank of America	UBS
Oppenheimer	Wolfe Research

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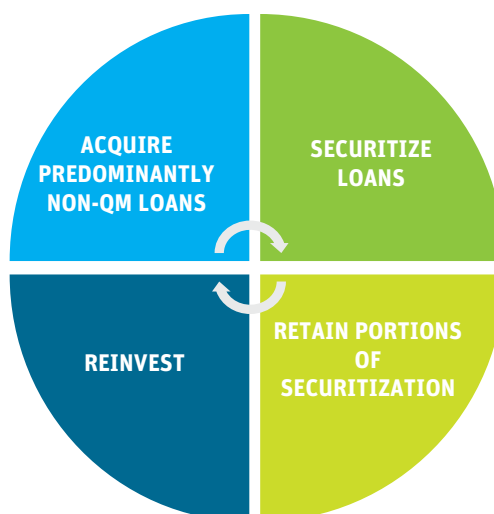
AOMR INVESTMENT STRATEGY

ACQUISITION

- AOMR's relationship with Angel Oak Companies enables AOMR to purchase high-quality loans tailored to its desired profile
- Non-QM loans offer an attractive risk-adjusted return in a growing market segment

REINVESTMENT

- Utilize structural term leverage from securitizations, portfolio returns, and loan financing facilities to purchase high-quality non-QM loans
- Utilize the breadth and depth of Angel Oak to act upon key market opportunities and risks



SECURITIZATION

- Securitization enables us to:
 - Secure a fixed cost of funding
 - Replace largely mark-to-market financial leverage with term structural leverage

TRANCHE RETENTION

- Typically retain the bottom 5-10% of market value of the securitization
- Retention of subordinated and interest-only tranches can drive higher returns without additional financial leverage

THE AOMR MODEL

Loan Acquisition	Source and purchase high-quality, non-QM loans leveraging the infrastructure, scale, and expertise of the Angel Oak ecosystem.	Quarterly Dividend	Intend to declare quarterly dividends that balance shareholder income and long-term book value appreciation.
Securitization Financing	Target to average one securitization per quarter to lock in funding term and rates and provide capital for additional loan purchases.	Holistic Portfolio Management	Effectively identify, assess, and act upon key opportunities and risks in appropriate markets.
Growing Book Value	Seek to consistently grow asset base of loans and securities to drive increasing returns.	Long-Term Focus	AOMR is a business, not a trade – management will make key decisions in the best long-term interest of our shareholders.

This document shall not constitute an offer to sell or the solicitation of an offer to buy any securities of AOMR.

This document contains certain forward-looking statements that are subject to various risks and uncertainties, including, without limitation, statements relating to the performance of AOMR's investments and its financing needs and arrangements. Forward-looking statements are generally identifiable by use of forward-looking terminology such as "may," "will," "should," "potential," "intend," "expect," "endeavor," "seek," "anticipate," "estimate," "believe," "could," "project," "predict" and "continue," or by the negative of these words and phrases or other similar words or expressions. Forward-looking statements are: based on certain assumptions; discuss future expectations; describe existing or future plans and strategies; contain projections of results of operations, liquidity and/or financial condition; or state other forward-looking information. AOMR's ability to predict future events or conditions, their impact or the actual effect of existing or future plans or strategies is inherently uncertain, in particular due to the uncertainties created by the COVID-19 pandemic, including the projected impact of the COVID-19 pandemic on AOMR's business, financial results and performance. Although AOMR believes that such forward-looking statements are based on reasonable assumptions, actual results and performance in the future could differ materially from those set forth in or implied by such forward-looking statements. You are cautioned not to place undue reliance on these forward-looking statements, which reflect AOMR's views only as of the date of this document. Additional information concerning factors that could cause actual results and performance to differ materially from these forward-looking statements is contained from time to time in AOMR's filings with the Securities and Exchange Commission. Except as required by applicable law, neither AOMR nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. AOMR does not undertake any obligation to update any forward-looking statements contained in this document as a result of new information, future events or otherwise.

Appendix

For the Quarter Ended March 31, 2022
(in thousands)

Net income allocable to common stockholder(s)	\$	(43,545)
Adjustments:		
Net unrealized (gains) losses on derivatives		(15,326)
Net unrealized (gains) losses on residential loans in securitization trust and non-recourse securitization obligation		30,210
Net unrealized (gains) losses on residential loans		64,587
Net unrealized (gains) losses on commercial loans		496
Non-cash equity compensation expense		871
Distributable Earnings	\$	<u>37,293</u>
Weighted average diluted shares outstanding		24,642,961
Basic shares outstanding		25,085,796
GAAP Earnings per Share	\$	(1.77)
Distributable Earnings per Share	\$	1.49



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