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

FORM 8-K

Current Report
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report: February 2, 2026

Two Harbors Investment Corp.
(Exact name of registrant as specified in its charter)

Maryland	**001-34506**	**27-0312904**
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(I.R.S. Employer Identification No.)
1601 Utica Avenue South, Suite 900	**St. Louis Park, MN**	**55416**
(Address of Principal Executive Offices)		(Zip Code)

(612) 453-4100
Registrant's telephone number, including area code

(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))

Securities Registered Pursuant to Section 12(b) of the Act:

Title of Each Class:	Trading Symbol(s)	Name of Exchange on Which Registered:
Common Stock, par value $0.01 per share	TWO	New York Stock Exchange
8.125% Series A Cumulative Redeemable Preferred Stock	TWO PRA	New York Stock Exchange
7.625% Series B Cumulative Redeemable Preferred Stock	TWO PRB	New York Stock Exchange
7.25% Series C Cumulative Redeemable Preferred Stock	TWO PRC	New York Stock Exchange
9.375% Senior Notes Due 2030	TWOD	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

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 February 2, 2026, Two Harbors Investment Corp. (“Two Harbors”) issued a press release announcing its financial results for the fiscal quarter ended December 31, 2025. A copy of the press release and the 2025 Fourth Quarter Earnings Call Presentation are attached hereto as Exhibits 99.1 and 99.2, respectively, and are incorporated herein by reference.

The information in Item 2.02 of this Current Report, including Exhibits 99.1 and 99.2 attached hereto, is furnished pursuant to Item 2.02 of Form 8-K and shall not be deemed to be “filed” for any other purpose, including for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section. The information in Item 2.02 of this Current Report, including Exhibits 99.1 and 99.2, shall not be deemed incorporated by reference into any filing of the registrant under the Securities Act of 1933 or the Exchange Act, whether made before or after the date hereof, regardless of any general incorporation language in such filings (unless the registrant specifically states that the information or exhibit in this Item 2.02 is incorporated by reference).

FORWARD-LOOKING STATEMENTS

This Form 8-K may contain “forward-looking statements,” including certain plans, expectations, goals, projections and statements about the benefits and synergies of the proposed transaction between Two Harbors and UWM Holding Corporation ("UWM") (the "Acquisition"); pro forma descriptions of the combined company and its operations, integration and transition plans, synergies and anticipated future performance; future opportunities for the combined company; Two Harbors’ and UWM’s plans, objectives, expectations and intentions, the expected timing of completion of the proposed Acquisition, the issuance of common and preferred stock of UWM in connection with the proposed Acquisition; the filing by UWM with the Securities and Exchange Commission (“SEC”) of a registration statement on Form S-4 (the “Registration Statement”) and a proxy statement / prospectus included therein; the ability of the parties to complete the proposed Acquisition considering the various closing conditions; and other statements that are not historical facts. Such statements are subject to numerous assumptions, risks, and uncertainties. Statements that do not describe historical or current facts, including statements about beliefs and expectations, are forward-looking statements. The forward-looking statements are intended to be subject to the safe harbor provided by Section 27A of the Securities Act of 1933, as amended (the “Securities Act”) and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical fact, included in this communication that address activities, events or developments that Two Harbors or UWM expects, believes or anticipates will or may occur in the future are forward-looking statements. Words such as “project,” “predict,” “believe,” “expect,” “anticipate,” “potential,” “create,” “estimate,” “plan,” “continue,” “intend,” “could,” “foresee,” “should,” “could,” “may,” “foresee,” “will,” “guidance,” “look,” “outlook,” “goal,” “future,” “assume,” “forecast,” “build,” “focus,” “work,” or the negative of such terms or other variations thereof and words and terms of similar substance used in connection with any discussion of future plans, actions, or events identify forward-looking statements. However, the absence of these words does not mean that the statements are not forward-looking. Pro forma, projected and estimated numbers are used for illustrative purposes only, are not forecasts and may not reflect actual results. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. Two Harbors’ and UWM’s ability to predict results or the actual effect of future events, actions, plans or strategies is inherently uncertain. Although Two Harbors and UWM believe the expectations reflected in any forward-looking statements are based on reasonable assumptions, the companies can give no assurance that their expectations will be attained and therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward looking statements.

There are a number of risks and uncertainties that could cause actual results to differ materially from the forward-looking statements included in this communication. These include, among other things: the expected timing and likelihood of completion of the proposed Acquisition; the ability to successfully integrate the businesses; the occurrence of any event, change or other circumstances that could give rise to the termination of the proposed Acquisition; the potential failure to receive, on a timely basis or otherwise, the required approvals of the proposed Acquisition, including stockholder approval by Two Harbors’ stockholders, and the potential failure to satisfy the other conditions to the consummation of the proposed Acquisition in a timely manner or at all; risks relating to the value of the UWM securities to be issued in the proposed Acquisition; risks related to disruption of management’s attention from ongoing business operations due to the proposed Acquisition; the risk that any announcements relating to the proposed Acquisition could have adverse effects on the market price of common stock of UWM or Two Harbors; the risk that the proposed Acquisition and its announcement could have an adverse effect on the ability of Two Harbors and UWM to retain and hire key personnel and the effect on the operating results and businesses of Two Harbors and UWM generally; the outcome of any legal proceedings relating to the proposed Acquisition, including stockholder litigation in connection with the proposed Acquisition; the risk that restrictions during the pendency of the proposed Acquisition may impact Two Harbors’ or UWM’s ability to pursue certain business opportunities or strategic transactions; that Two Harbors or UWM may be adversely affected by other economic, business or competitive factors; changes in future loan production; the availability of suitable investment opportunities; changes in interest rates; changes in the yield curve; changes in prepayment rates; the availability and terms of financing; general economic conditions; market conditions; conditions in the market for mortgage-related investments; legislative and regulatory changes that could adversely affect the business of Two Harbors or UWM. All such factors are difficult to predict and are beyond the control of Two Harbors and UWM, including those detailed in Two Harbors' annual reports on Form 10-K, quarterly reports on Form 10-Q and periodic reports on Form 8-K that are available on Two Harbors' website at www.twoinv.com/investors and on the SEC's website at www.sec.gov, and those detailed in UWM's annual reports on Form 10-K, quarterly reports on Form 10-Q and periodic reports on Form 8-K that are available on UWM's website at investors.uwm.com/ and on the SEC's website at www.sec.gov.

Each of the forward-looking statements of Two Harbors or UWM are based on assumptions that Two Harbors or UWM, as applicable, believes to be reasonable but that may not prove to be accurate. Any forward-looking statement speaks only as of the date on which such statement is made, and neither Two Harbors nor UWM undertakes any obligation to correct or update any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by applicable law. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof.

IMPORTANT ADDITIONAL INFORMATION AND WHERE TO FIND IT

In connection with the proposed Acquisition, UWM has filed with the SEC the Registration Statement that includes a preliminary proxy statement of Two Harbors and that also constitutes a prospectus of UWM. The proposed Acquisition will be submitted to the stockholders of Two Harbors for their approval. Two Harbors and UWM may also file other documents with the SEC regarding the proposed Acquisition. UWM may not sell the common or preferred stock referenced in the preliminary proxy statement / prospectus until the Registration Statement filed with the SEC becomes effective. The preliminary proxy statement / prospectus and this communication are not offers to sell UWM securities, are not soliciting an offer to buy UWM securities in any state where the offer and sale is not permitted and are not a solicitation of any vote or approval. The definitive proxy statement / prospectus will be sent to the stockholders of Two Harbors. This document is not a substitute for the Registration Statement and proxy statement / prospectus that will be filed with the SEC or any other documents that Two Harbors or UWM may file with the SEC or send to stockholders of Two Harbors in connection with the proposed Acquisition. INVESTORS AND SECURITYHOLDERS OF TWO HARBORS ARE ADVISED TO READ THE REGISTRATION STATEMENT AND THE PROXY STATEMENT / PROSPECTUS REGARDING THE PROPOSED ACQUISITION (INCLUDING ALL OTHER RELEVANT DOCUMENTS THAT ARE FILED OR WILL BE FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THESE DOCUMENTS) CAREFULLY AND IN THEIR ENTIRETY BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED ACQUISITION AND RELATED MATTERS. Investors and securityholders may obtain a free copy of the Registration Statement and the proxy statement / prospectus and all other documents filed or that will be filed with the SEC by Two Harbors or UWM on the SEC's website at www.sec.gov. Copies of documents filed with the SEC by Two Harbors will be made available free of charge on Two Harbors' website at www.twoinv.com/investors or by directing a request to: Two Harbors Investment Corp., 1601 Utica Avenue South, Suite 900, St. Louis Park, MN 55416, Attention: Investor Relations. Copies of documents filed with the SEC by UWM will be made available free of charge on UWM's website at investors.uwm.com/ or by directing a request to: UWM Holdings Corporation, 585 South Boulevard E. Pontiac, Michigan, 48341, Attention: Investor Relations.

PARTICIPANTS IN THE SOLICITATION

Two Harbors, UWM and their directors, executive officers and certain other members of management and employees of Two Harbors and UWM may be deemed to be "participants" in the solicitation of proxies from the stockholders of Two Harbors in connection with the proposed Acquisition. Securityholders can find information about Two Harbors and its directors and executive officers and their ownership of common stock of Two Harbors in Two Harbors' annual report on Form 10-K for the fiscal year ended December 31, 2024 and in its definitive proxy statement relating to its 2025 annual meeting of stockholders filed with the SEC on April 2, 2025 (the "Two Harbors 2025 Proxy"). Please refer to the sections captioned "Compensation Discussion and Analysis", "Summary Compensation Table", "Stock Ownership" and "Proposal 2: Advisory Vote Relating to Executive Compensation" in the Two Harbors 2025 Proxy. Any changes in the holdings of Two Harbors' securities by its directors or executive officers from the amounts described in the Two Harbors 2025 Proxy have been reflected in Statements of Change in Ownership on Form 4 filed with the SEC subsequent to the filing date of the Two Harbors 2025 Proxy and are available on the SEC's website at www.sec.gov. Information regarding UWM's directors and executive officers is available in UWM's Annual Report on Form 10-K for the fiscal year ended December 31, 2024 and in its definitive proxy statement relating to its 2025 annual meeting of stockholders filed with the SEC on April 25, 2025 (the "UWM 2025 Proxy"). Please refer to the sections captioned "Compensation Discussion and Analysis", "Executive Compensation", "Stock Ownership" and "Proposal 3 – Advisory Vote on Executive Officer Compensation" in the UWM 2025 Proxy. Any changes in the holdings of

UWM's securities by its directors or executive officers from the amounts described in the UWM 2025 Proxy have been reflected in Statements of Change in Ownership on Form 4 filed with the SEC subsequent to the filing date of the UWM 2025 Proxy and are available on the SEC's website at www.sec.gov. Additional information regarding the interests of such individuals in the proposed Acquisition will be included in the proxy statement / prospectus relating to the proposed Acquisition when it is filed with the SEC. Free copies of these documents may be obtained as described in the preceding paragraph.

NO OFFER OR SOLICITATION

This communication is for informational purposes only and is not intended to, and shall not, constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	**Description**
99.1	Press Release of Two Harbors Investment Corp., dated February 2, 2026.
99.2	2025 Fourth Quarter Earnings Call Presentation.
104	Cover Page Interactive Data File, formatted in Inline XBRL.

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.

TWO HARBORS INVESTMENT CORP.

By: /s/ REBECCA B. SANDBERG
Rebecca B. Sandberg
Chief Legal Officer and Secretary

Date: February 2, 2026

TWO Reports Fourth Quarter 2025 Financial Results

Announced Definitive Merger Agreement with UWM Holdings Corporation (UWMC)

NEW YORK, February 2, 2026 - TWO (Two Harbors Investment Corp., NYSE: TWO), an MSR-focused real estate investment trust (REIT), today announced its financial results for the quarter ended December 31, 2025.

Quarterly Summary

- Entered into a definitive merger agreement with UWMC pursuant to which UWMC will acquire TWO in an all-stock transaction.
    - TWO stockholders will receive a fixed exchange ratio of 2.3328 shares of UWMC Class A Common Stock for each share of TWO common stock. This represents an $11.94 per share value based on UWMC's closing price as of December 16, 2025, and a premium of 21% the volume weighted average price of TWO's common stock for the 30 days ending December 16, 2025.
    - The all-stock transaction is intended to be tax-free to TWO's stockholders.
    - Prior to the closing of the merger, TWO intends to pay regular quarterly dividends in the ordinary course consistent with past practice for all completed quarterly periods. TWO does not intend to pay a partial dividend for the quarter in which the closing occurs in the event the closing does not occur as of quarter-end.
    - TWO preferred stock will be converted into equivalent shares of UWMC preferred stock.
    - The transaction is expected to close in the second quarter of 2026, subject to approval of TWO's stockholders and the satisfaction of other closing conditions, including customary regulatory approvals.
- Reported book value of $11.13 per common share, and declared a fourth quarter common stock dividend of $0.34 per share, representing a 3.9% quarterly economic return on book value.(1)
- Generated comprehensive income of $50.4 million, or $0.48 per weighted average basic common share.
- Added $399.1 million in unpaid principal balance (UPB) of MSR through flow-sale acquisitions and recapture, and sold $9.6 billion MSR UPB on a subservicing-retained basis.
- As of December 31, 2025, MSR portfolio had a weighted average gross coupon rate of 3.55% and a 60+ day delinquency rate of 0.87%, and had experienced a 3-month CPR of 6.4%.
- Funded $93.8 million UPB in loans and brokered an additional $58.5 million UPB in second lien loans.

Annual Summary

- Declared dividends of $1.52 per common share.
- Generated a (12.6)% economic return on book value.(1)
    - Excluding the $375 million settlement expense to resolve litigation with the company's former external manager, generated a 12.1% economic return on book value.(1)
- Total stockholder return of 2.8%.(2)
- Added $7.9 billion in UPB of MSR through bulk and flow-sale acquisitions and recapture, and sold $28.7 billion MSR UPB on a subservicing-retained basis.
- Funded $221.1 million UPB in loans and brokered an additional $198.7 million UPB in second lien loans.

Post Quarter-End Update

- Convertible senior notes of $261.9 million in UPB were repaid in full on their January 15, 2026 maturity date.

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(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) Total stockholder return is calculated for the period December 31, 2024 through December 31, 2025. Total stockholder return is defined as stock price appreciation including reinvestment of dividends. Source: Bloomberg.

"The acquisition of TWO by UWMC joins us with the country's number one mortgage originator and doubles the size of the MSR portfolio to a pro-forma $400 billion," said Bill Greenberg, TWO's President and Chief Executive Officer. "This transaction creates, I believe, a very powerful strategic alignment of two high-quality organizations, and positions the combined company for accelerated growth and meaningful upside for shareholders. "

"Our portfolio performed well in the fourth quarter, as RMBS returns benefited from lower realized and implied volatility as well the re-emergence of the GSE's as a source of demand. Our MSR portfolio performed as it was designed to do and earned its carry," stated Nick Letica, TWO's Chief Investment Officer. "With the significant mortgage spread tightening realized in the fourth quarter and continuing into this quarter, spreads and volatility are back to pre-COVID levels, which makes the risk of owning RMBS more two-sided going forward and highlights the benefits of owning a portfolio of hedged MSR which is less sensitive to those spread movements"

Operating Performance

The following table summarizes the company's GAAP and non-GAAP earnings measurements and key metrics for the fourth quarter of 2025 and third quarter of 2025:

Operating Performance (unaudited)
(dollars in thousands, except per common share data)

	Three Months Ended December 31, 2025			**Three Months Ended September 30, 2025**		
Earnings Attributable to Common Stockholders	**Earnings**	**Per weighted average basic common share**	**Annualized return on average common equity**	**Earnings**	**Per weighted average basic common share**	**Annualized return on average common equity**
Comprehensive Income (Loss)	$ 50,429	$ 0.48	17.2 %	$ (80,207)	$ (0.77)	(26.5)%
GAAP Net Loss	$ (1,325)	$ (0.02)	(0.5)%	$ (141,245)	$ (1.36)	(46.6)%
Earnings Available for Distribution[1]	$ 27,435	$ 0.26	9.4 %	$ 37,154	$ 0.36	12.3 %
Operating Metrics						
Dividend per common share	$ 0.34			$ 0.34		
Annualized dividend yield[2]	13.0 %			13.8 %		
Book value per common share at period end	$ 11.13			$ 11.04		
Economic return on book value[3]	3.9 %			(6.3)%		
Operating expenses, excluding non-cash LTIP amortization and certain operating expenses[4]	$ 43,699			$ 38,748		
Operating expenses, excluding non-cash LTIP amortization and certain operating expenses, as a percentage of average equity[4]	9.7 %			8.5 %		

(1) Earnings Available for Distribution, or EAD, is a non-GAAP measure. Please see page 12 for a definition of EAD and a reconciliation of GAAP to non-GAAP financial information.
(2) Dividend yield is calculated based on annualizing the dividends declared in the given period, divided by the closing share price as of the end of the period.
(3) 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.
(4) Excludes non-cash equity compensation expense of $3.4 million for the fourth quarter of 2025 and $1.5 million for the third quarter of 2025 and certain operating expenses of $4.2 million for the fourth quarter of 2025 and $4.1 million for the third quarter of 2025. Certain operating expenses predominantly consists of transaction expenses incurred in connection with the company's proposed merger with UWMC and the company's litigation with its former external manager.

Portfolio Summary

As of December 31, 2025, the company's portfolio was comprised of $9.0 billion of Agency RMBS, MSR and other investment securities as well as their associated notional debt hedges. Additionally, the company held $4.2 billion bond equivalent value of net long to-be-announced securities (TBAs).

The following tables summarize the company's investment portfolio as of December 31, 2025 and September 30, 2025:

Investment Portfolio Composition	As of December 31, 2025			As of September 30, 2025		
(dollars in thousands)	(unaudited)			(unaudited)		
Agency RMBS	$	6,579,141	73.1 %	$	6,477,694	71.1 %
Mortgage servicing rights[(1)]		2,421,910	26.9 %		2,626,706	28.9 %
Other		3,259	— %		3,284	— %
Aggregate Portfolio		9,004,310			9,107,684	
Net TBA position[(2)]		4,199,576			4,384,749	
Total Portfolio	$	13,203,886		$	13,492,433	

(1) Based on the prior month-end's principal balance of the loans underlying the company's MSR, increased for current month purchases.
(2) Represents bond equivalent value of TBA position. Bond equivalent value is defined as notional amount multiplied by market price. Accounted for as derivative instruments in accordance with GAAP.

Portfolio Metrics Specific to Agency RMBS	As of December 31, 2025		As of September 30, 2025	
	(unaudited)		(unaudited)	
Weighted average cost basis[(1)]	$	101.61	$	101.68
Weighted average experienced three-month CPR		7.9 %		8.0 %
Gross weighted average coupon rate		6.1 %		6.1 %
Weighted average loan age (months)		26		28

(1) Weighted average cost basis includes Agency principal and interest RMBS only and utilizes carrying value for weighting purposes.

Portfolio Metrics Specific to MSR[(1)]	As of December 31, 2025		As of September 30, 2025	
(dollars in thousands)	(unaudited)		(unaudited)	
Unpaid principal balance	$	162,450,487	$	175,820,641
Gross coupon rate		3.6 %		3.6 %
Current loan size	$	324	$	328
Original FICO[(2)]		760		759
Original LTV		73 %		73 %
60+ day delinquencies		0.9 %		0.9 %
Net servicing fee		25.3 basis points		25.4 basis points
	Three Months Ended December 31, 2025		Three Months Ended September 30, 2025	
	(unaudited)		(unaudited)	
Fair value losses	$	(65,213)	$	(104,896)
Servicing income	$	133,160	$	155,713
Servicing costs	$	3,705	$	4,270
Change in servicing reserves	$	(322)	$	(508)

(1) Metrics exclude residential mortgage loans in securitization trusts for which the company is the named servicing administrator. Portfolio metrics, other than UPB, represent averages weighted by UPB.
(2) FICO represents a mortgage industry accepted credit score of a borrower.

Serviced Mortgage Assets	As of December 31, 2025 Number of Loans	As of December 31, 2025 Unpaid Principal Balance	As of September 30, 2025 Number of Loans	As of September 30, 2025 Unpaid Principal Balance
(dollars in thousands)	(unaudited)		(unaudited)	
Mortgage servicing rights	675,215	$ 162,450,487	720,038	$ 175,820,641
Subservicing[1]	178,356	40,492,124	135,706	30,203,608
Servicing administrator[2]	514	272,820	519	278,371
Mortgage loans held-for-sale[3]	38	13,336	41	12,300
Total serviced mortgage assets	854,123	$ 203,228,767	856,304	$ 206,314,920

(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.

Other Investments and Risk Management Metrics	As of December 31, 2025	As of September 30, 2025
(dollars in thousands)	(unaudited)	(unaudited)
Net long TBA notional[1]	$ 4,206,715	$ 4,407,629
Futures notional	$ (4,357,800)	$ (5,048,200)
Interest rate swaps notional	$ 12,579,986	$ 24,881,904

(1) Accounted for as derivative instruments in accordance with GAAP.

Financing Summary

The following tables summarize the company's secured and unsecured financing arrangements and related metrics as of December 31, 2025 and September 30, 2025:

December 31, 2025	Balance	Weighted Average Borrowing Rate	Weighted Average Months to Maturity	Number of Distinct Counterparties
(dollars in thousands, unaudited)				
Repurchase agreements collateralized by securities	$ 6,601,446	4.13 %	1.78	16
Repurchase agreements collateralized by MSR	650,000	6.76 %	6.34	3
Repurchase agreements collateralized by mortgage loans	4,094	5.88 %	2.72	1
Total repurchase agreements	7,255,540	4.36 %	2.19	18
Revolving credit facilities collateralized by MSR and related servicing advance obligations	919,371	6.77 %	21.30	3
Warehouse lines of credit collateralized by mortgage loans	9,406	6.00 %	2.63	1
Unsecured senior notes	111,055	9.38 %	55.50	n/a
Unsecured convertible senior notes	261,810	6.25 %	0.49	n/a
Total borrowings	$ 8,557,182			

September 30, 2025	Balance	Weighted Average Borrowing Rate	Weighted Average Months to Maturity	Number of Distinct Counterparties
(dollars in thousands, unaudited)				
Repurchase agreements collateralized by securities	$ 6,363,146	4.29 %	2.90	16
Repurchase agreements collateralized by MSR	738,000	7.35 %	9.40	3
Repurchase agreements collateralized by mortgage loans	3,504	6.28 %	2.83	1
Total repurchase agreements	7,104,650	4.61 %	3.58	18
Revolving credit facilities collateralized by MSR and related servicing advance obligations	945,371	7.23 %	17.03	3
Warehouse lines of credit collateralized by mortgage loans	8,452	6.38 %	2.70	1
Unsecured senior notes	110,866	9.38 %	58.52	n/a
Unsecured convertible senior notes	261,370	6.25 %	3.52	n/a
Total borrowings	$ 8,430,709			

Borrowings by Collateral Type	As of December 31, 2025	As of September 30, 2025
(dollars in thousands)	(unaudited)	(unaudited)
Agency RMBS	$ 6,601,446	$ 6,363,146
Mortgage servicing rights and related servicing advance obligations	1,569,371	1,683,371
Other - secured	13,500	11,956
Other - unsecured(1)	372,865	372,236
Total	8,557,182	8,430,709
TBA cost basis	4,185,465	4,391,419
Net payable (receivable) for unsettled RMBS	(177,891)	(133,405)
Total, including TBAs and net payable (receivable) for unsettled RMBS	$ 12,564,756	$ 12,688,723
Debt-to-equity ratio at period-end(2)	4.8 :1.0	4.8 :1.0
Economic debt-to-equity ratio at period-end(3)	7.0 :1.0	7.2 :1.0

Cost of Financing by Collateral Type(4)	Three Months Ended December 31, 2025	Three Months Ended September 30, 2025
	(unaudited)	(unaudited)
Agency RMBS	4.27 %	4.55 %
Mortgage servicing rights and related servicing advance obligations(5)	7.63 %	7.90 %
Other - secured	6.60 %	6.91 %
Other - unsecured(1)(5)	7.96 %	7.96 %
Annualized cost of financing	5.04 %	5.38 %
Interest rate swaps(6)	(0.13) %	(0.24) %
U.S. Treasury futures(7)	(0.14) %	(0.15) %
TBAs(8)	4.00 %	4.25 %
Total annualized cost of financing(8)	4.41 %	4.59 %

(1) Unsecured borrowings under senior notes and convertible senior notes.
(2) Defined as total borrowings to fund Agency and non-Agency investment securities, MSR and related servicing advances and mortgage loans held-for-sale, divided by total equity.
(3) 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) Excludes any repurchase agreements collateralized by U.S. Treasuries.
(5) Includes amortization of debt issuance costs.
(6) The cost of financing on interest rate swaps held to mitigate interest rate risk associated with the company's outstanding borrowings includes interest spread income/expense and amortization of upfront payments made or received upon entering into interest rate swap agreements and is calculated using average borrowings balance as the denominator.
(7) 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.
(8) The implied financing benefit/cost of dollar roll income on TBAs is 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. For the third quarter of 2025, the implied cost of financing of TBAs, and thus the total annualized cost of financing, has been updated to conform to the current period presentation.

Conference Call

TWO will host a conference call on February 3, 2026 at 9:00 a.m. ET to discuss its fourth quarter 2025 financial results and related information. To participate in the teleconference, please call toll-free (800) 330-6710 approximately 10 minutes prior to the above start time and provide the Conference Code 2449958. The conference call will also be webcast live and accessible online in the News & Events section of the company's website at www.twoinv.com. For those unable to attend, a replay of the webcast will be available on the company's website approximately four hours after the live call ends.

About TWO

Two Harbors Investment Corp., or TWO, a Maryland corporation, is a real estate investment trust that invests in mortgage servicing rights, residential mortgage-backed securities, and other financial assets. TWO is headquartered in St. Louis Park, MN.

Forward-Looking Statements

This press release may contain "forward-looking statements," including certain plans, expectations, goals, projections and statements about the benefits and synergies of the proposed transaction between TWO and UWMC; pro forma descriptions of the combined company and its operations, integration and transition plans, synergies and anticipated future performance; future opportunities for the combined company; TWO's and UWMC's plans, objectives, expectations and intentions, the expected timing of completion of the proposed transaction, the issuance of UWMC common stock and preferred stock in connection with the proposed transaction; the filing by UWMC with the Securities and Exchange Commission ("SEC") of a registration statement on Form S-4 (the "Registration Statement") and a proxy statement / prospectus included therein; the ability of the parties to complete the proposed transaction considering the various closing conditions; and other statements that are not historical facts. Such statements are subject to numerous assumptions, risks, and uncertainties. Statements that do not describe historical or current facts, including statements about beliefs and expectations, are forward-looking statements. The forward-looking statements are intended to be subject to the safe harbor provided by Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical fact, included in this press release that address activities, events or developments that TWO or UWMC expects, believes or anticipates will or may occur in the future are forward-looking statements. Words such as "project," "predict," "believe," "expect," "anticipate," "potential," "create," "estimate," "plan," "continue," "intend," "could," "foresee," "should," "could," "may," "foresee," "will," "guidance," "look," "outlook," "goal," "future," "assume," "forecast," "build," "focus," "work," or the negative of such terms or other variations thereof and words and terms of similar substance used in connection with any discussion of future plans, actions, or events identify forward-looking statements. However, the absence of these words does not mean that the statements are not forward-looking. Pro forma, projected and estimated numbers are used for illustrative purposes only, are not forecasts and may not reflect actual results. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. TWO's and UWMC's ability to predict results or the actual effect of future events, actions, plans or strategies is inherently uncertain. Although TWO and UWMC believe the expectations reflected in any forward-looking statements are based on reasonable assumptions, the companies can give no assurance that their expectations will be attained and therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward looking statements.

There are a number of risks and uncertainties that could cause actual results to differ materially from the forward-looking statements included in this press release. These include, among other things: the state of credit markets and general economic conditions; the rates of default or decreased recovery on the mortgages underlying TWO's target assets; declines in home prices; TWO's ability to establish, adjust and maintain appropriate hedges for the risks in its portfolio; the availability and cost of TWO's target assets; the availability and cost of financing; changes in the competitive landscape within TWO's industry; TWO's ability to manage various operational risks and costs associated with its business, including the risks associated with operating a mortgage loan servicer and originator; interruptions in or impairments to TWO's communications and information technology systems; TWO's ability to acquire MSR and to maintain its MSR portfolio; TWO's exposure to legal and regulatory claims; TWO's ability to maintain its REIT qualification; limitations imposed on TWO's business due to its REIT status and its exempt status under the Investment Company Act of 1940; the expected timing and likelihood of completion of the proposed transaction between TWO and UWMC; the ability to successfully integrate the businesses; the occurrence of any event, change or other circumstances that could give rise to the termination of the proposed transaction; the potential failure to receive, on a timely basis or otherwise, the required approvals of the proposed transaction, including stockholder approval by TWO's stockholders, and the potential failure to satisfy the other conditions to the consummation of the proposed transaction in a timely manner or at all; risks relating to the value of the UWMC securities to be issued in the proposed transaction; risks related to disruption of management's attention from ongoing business operations due to the proposed transaction; the risk that any announcements relating to the proposed transaction could have adverse effects on the market price of common stock of UWMC or TWO; the risk that the proposed transaction and its announcement could have an adverse effect on the ability of TWO and UWMC to retain and hire key personnel and the effect on the operating results and businesses of TWO and UWMC generally; the outcome of any legal proceedings relating to the proposed transaction; including stockholder litigation in connection with the proposed transaction; the risk that restrictions during the pendency of the proposed transaction may impact TWO's or UWMC's ability to pursue certain business opportunities or strategic transactions; that TWO or UWMC may be adversely affected by other economic, business or competitive factors; changes in future loan production; the availability of suitable investment opportunities; changes in interest rates; changes in the yield curve; changes in prepayment rates; the availability and terms of financing; conditions in the market for mortgage-related investments; legislative and regulatory changes that could adversely affect the business of TWO or UWMC. All such factors are difficult to predict and are beyond the control of TWO and UWMC, including those detailed in TWO's annual reports on Form 10-K, quarterly reports on Form 10-Q and periodic reports on Form 8-K that are available on TWO's website at www.twoinv.com/investors and on the SEC's website at www.sec.gov, and those detailed in UWMC's annual reports on Form 10-K, quarterly reports on Form 10-Q and periodic reports on Form 8-K that are available on UWMC's website at https://investors.uwm.com/ and on the SEC's website at www.sec.gov.

Each of the forward-looking statements of TWO or UWMC are based on assumptions that TWO or UWMC, as applicable, believes to be reasonable but that may not prove to be accurate. Any forward-looking statement speaks only as of the date on which such statement is made, and neither TWO nor UWMC undertakes any obligation to correct or update any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by applicable law. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof.

IMPORTANT ADDITIONAL INFORMATION AND WHERE TO FIND IT

In connection with the proposed transaction, UWMC has filed with the SEC the Registration Statement that includes a preliminary proxy statement of TWO and also constitutes a prospectus of UWMC. The proposed transaction will be submitted to the stockholders of TWO for their approval. TWO and UWMC may also file other documents with the SEC regarding the proposed transaction. UWMC may not sell the common or preferred stock referenced in the preliminary proxy statement / prospectus until the Registration Statement filed with the SEC becomes effective. The preliminary proxy statement / prospectus and this press release are not offers to sell UWMC securities, are not soliciting an offer to buy UWMC securities in any state where the offer and sale is not permitted and are not a solicitation of any vote or approval. The definitive proxy statement / prospectus will be sent to the stockholders of TWO. This document is not a substitute for the Registration Statement and proxy statement / prospectus that will be filed with the SEC or any other documents that TWO or UWMC may file with the SEC or send to stockholders of TWO in connection with the proposed transaction. **INVESTORS AND SECURITYHOLDERS OF TWO ARE ADVISED TO READ THE REGISTRATION STATEMENT AND THE PROXY STATEMENT / PROSPECTUS REGARDING THE PROPOSED TRANSACTION (INCLUDING ALL OTHER RELEVANT DOCUMENTS THAT ARE FILED OR WILL BE FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THESE DOCUMENTS) CAREFULLY AND IN THEIR ENTIRETY BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION AND RELATED MATTERS**. Investors and securityholders may obtain a free copy of the Registration Statement and the proxy statement / prospectus and all other documents filed or that will be filed with the SEC by TWO or UWMC on the SEC's website at www.sec.gov. Copies of documents filed with the SEC by TWO will be made available free of charge on TWO's website at www.twoinv.com/investors or by directing a request to: Two Harbors Investment Corp., 1601 Utica Avenue South, Suite 900, St. Louis Park, MN 55416, Attention: Investor Relations. Copies of documents filed with the SEC by UWMC will be made available free of charge on UWMC's website at investors.uwm.com or by directing a request to: UWM Holdings Corporation, 585 South Boulevard E. Pontiac, Michigan, 48341, Attention: Investor Relations.

PARTICIPANTS IN THE SOLICITATION

TWO, UWMC and their directors, executive officers and certain other members of management and employees of TWO and UWMC may be deemed to be "participants" in the solicitation of proxies from the stockholders of TWO in connection with the proposed transaction. Securityholders can find information about TWO and its directors and executive officers and their ownership of TWO common stock in TWO's annual report on Form 10-K for the fiscal year ended December 31, 2024 and in its definitive proxy statement relating to its 2025 annual meeting of stockholders filed with the SEC on April 2, 2025 (the "TWO 2025 Proxy"). Please refer to the sections captioned "Compensation Discussion and Analysis", "Summary Compensation Table", "Stock Ownership" and "Proposal 2: Advisory Vote Relating to Executive Compensation" in the TWO 2025 Proxy. Any changes in the holdings of TWO's securities by its directors or executive officers from the amounts described in the TWO 2025 Proxy have been reflected in Statements of Change in Ownership on Form 4 filed with the SEC subsequent to the filing date of the TWO 2025 Proxy and are available on the SEC's website at www.sec.gov. Information regarding UWMC's directors and executive officers is available in UWMC's Annual Report on Form 10-K for the fiscal year ended December 31, 2024 and in its definitive proxy statement relating to its 2025 annual meeting of stockholders filed with the SEC on April 25, 2025 (the "UWMC 2025 Proxy"). Please refer to the sections captioned "Compensation Discussion and Analysis", "Executive Compensation", "Stock Ownership" and "Proposal 3 – Advisory Vote on Executive Officer Compensation" in the UWMC 2025 Proxy. Any changes in the holdings of UWMC's securities by its directors or executive officers from the amounts described in the UWMC 2025 Proxy have been reflected in Statements of Change in Ownership on Form 4 filed with the SEC subsequent to the filing date of the UWMC 2025 Proxy and are available on the SEC's website at www.sec.gov. Additional information regarding the interests of such individuals in the proposed transaction will be included in the proxy statement / prospectus relating to the proposed transaction when it is filed with the SEC. Free copies of these documents may be obtained as described in the preceding paragraph.

NO OFFER OR SOLICITATION

This press release is for informational purposes only and is not intended to, and shall not, constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act.

Non-GAAP Financial Measures

In addition to disclosing financial results calculated in accordance with United States generally accepted accounting principles (GAAP), this press release and the accompanying investor presentation present non-GAAP financial measures, such as earnings available for distribution and related per basic common share measures. The non-GAAP financial measures presented by the company provide supplemental information to assist investors in analyzing the company's results of operations and help facilitate comparisons to industry peers. However, because these measures are not calculated in accordance with GAAP, they should not be considered a substitute for, or superior to, the financial measures calculated in accordance with GAAP. The company's GAAP financial results and the reconciliations from these results should be carefully evaluated. See the GAAP to non-GAAP reconciliation table on page 12 of this release.

Contact

Margaret Karr, Head of Investor Relations, TWO, (612) 453-4080, Margaret.Karr@twoinv.com

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TWO HARBORS INVESTMENT CORP.
CONSOLIDATED BALANCE SHEETS
(dollars in thousands, except share data)

	December 31, 2025 (unaudited)	December 31, 2024
ASSETS		
Available-for-sale securities, at fair value (amortized cost $6,516,016 and $7,697,027, respectively; allowance for credit losses $1,609 and $2,866, respectively)	$ 6,514,471	$ 7,371,711
Mortgage servicing rights, at fair value	2,421,910	2,994,271
Mortgage loans held-for-sale, at fair value	13,630	2,334
Cash and cash equivalents	842,319	504,613
Restricted cash	219,633	313,028
Accrued interest receivable	29,229	33,331
Due from counterparties	379,259	386,464
Derivative assets, at fair value	87,549	10,114
Reverse repurchase agreements	157,120	355,975
Other assets	194,097	232,478
Total Assets	$ 10,859,217	$ 12,204,319
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities:		
Repurchase agreements	$ 7,255,540	$ 7,805,057
Revolving credit facilities	919,371	1,020,171
Warehouse lines of credit	9,406	2,032
Senior notes	111,055	—
Convertible senior notes	261,810	260,229
Derivative liabilities, at fair value	4,254	24,897
Due to counterparties	215,814	648,643
Dividends payable	48,932	58,725
Accrued interest payable	81,914	85,994
Other liabilities	163,194	176,062
Total Liabilities	9,071,290	10,081,810
Stockholders' Equity:		
Preferred stock, par value $0.01 per share; 100,000,000 shares authorized and 24,870,817 shares issued and outstanding ($621,770 liquidation preference)	601,467	601,467
Common stock, par value $0.01 per share; 175,000,000 shares authorized and 104,806,311 and 103,680,321 shares issued and outstanding, respectively	1,048	1,037
Additional paid-in capital	5,948,478	5,936,609
Accumulated other comprehensive loss	(87)	(320,524)
Cumulative earnings	1,194,485	1,648,785
Cumulative distributions to stockholders	(5,957,464)	(5,744,865)
Total Stockholders' Equity	1,787,927	2,122,509
Total Liabilities and Stockholders' Equity	$ 10,859,217	$ 12,204,319

TWO HARBORS INVESTMENT CORP.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(dollars in thousands, except per share amounts)
Certain prior period amounts have been reclassified to conform to the current period presentation

	Three Months Ended December 31,		Year Ended December 31,	
	2025	2024	2025	2024
	(unaudited)		(unaudited)	
Net interest expense:				
Interest income	$ 89,919	$ 103,774	$ 411,998	$ 450,152
Interest expense	105,408	138,668	490,943	607,806
Net interest expense	(15,489)	(34,894)	(78,945)	(157,654)
Net servicing income:				
Servicing income	145,062	167,568	626,723	681,648
Servicing costs	3,383	4,575	12,728	20,069
Net servicing income	141,679	162,993	613,995	661,579
Other (loss) income:				
Loss on investment securities	(14,432)	(8,009)	(96,178)	(40,038)
(Loss) gain on servicing asset	(65,213)	82,520	(242,232)	(62,674)
Gain (loss) on derivative instruments	21,165	144,468	(91,484)	106,854
Gain on mortgage loans held-for-sale	1,557	558	4,705	1,482
Other (loss) income	(714)	850	5,199	1,199
Total other (loss) income	(57,637)	220,387	(419,990)	6,823
Expenses:				
Compensation and benefits	25,961	21,800	95,326	89,753
Other operating expenses	25,299	19,085	90,162	76,241
Litigation settlement expense	—	—	375,000	—
Total expenses	51,260	40,885	560,488	165,994
Income (loss) before income taxes	17,293	307,601	(445,428)	344,754
Provision for income taxes	5,576	30,872	8,872	46,586
Net income (loss)	11,717	276,729	(454,300)	298,168
Dividends on preferred stock	(13,042)	(11,784)	(52,791)	(47,136)
Gain on repurchase and retirement of preferred stock	—	—	—	644
Net (loss) income attributable to common stockholders	$ (1,325)	$ 264,945	$ (507,091)	$ 251,676
Basic (loss) earnings per weighted average common share	$ (0.02)	$ 2.54	$ (4.88)	$ 2.41
Diluted (loss) earnings per weighted average common share	$ (0.02)	$ 2.37	$ (4.88)	$ 2.37
Comprehensive income (loss):				
Net income (loss)	$ 11,717	$ 276,729	$ (454,300)	$ 298,168
Other comprehensive income (loss):				
Unrealized gain (loss) on available-for-sale securities	51,754	(266,565)	320,437	(144,095)
Other comprehensive income (loss)	51,754	(266,565)	320,437	(144,095)
Comprehensive income (loss)	63,471	10,164	(133,863)	154,073
Dividends on preferred stock	(13,042)	(11,784)	(52,791)	(47,136)
Gain on repurchase and retirement of preferred stock	—	—	—	644
Comprehensive income (loss) attributable to common stockholders	$ 50,429	$ (1,620)	$ (186,654)	$ 107,581

TWO HARBORS INVESTMENT CORP.
INTEREST INCOME AND INTEREST EXPENSE
(in thousands)

	Three Months Ended December 31,		Year Ended December 31,	
	2025	**2024**	**2025**	**2024**
	(unaudited)		(unaudited)	
Interest income:				
Available-for-sale securities	$ 81,964	$ 92,644	$ 374,987	$ 393,527
Mortgage loans held-for-sale	203	49	526	78
Other	7,752	11,081	36,485	56,547
Total interest income	89,919	103,774	411,998	450,152
Interest expense:				
Repurchase agreements	81,084	112,510	388,341	468,492
Revolving credit facilities	16,080	21,597	75,691	108,623
Warehouse lines of credit	129	55	424	66
Term notes payable	—	—	—	12,426
Senior notes	2,884	—	7,264	—
Convertible senior notes	4,532	4,506	17,949	18,199
Other	699	—	1,274	—
Total interest expense	105,408	138,668	490,943	607,806
Net interest expense	$ (15,489)	$ (34,894)	$ (78,945)	$ (157,654)

TWO HARBORS INVESTMENT CORP.

RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL INFORMATION

(dollars in thousands, except share data)

Certain prior period amounts have been reclassified to conform to the current period presentation

	Three Months Ended	
	December 31, 2025	**September 30, 2025**
	(unaudited)	(unaudited)
Reconciliation of comprehensive income (loss) to Earnings Available for Distribution:		
Comprehensive income (loss) attributable to common stockholders	$ 50,429	$ (80,207)
Adjustment for other comprehensive income attributable to common stockholders:		
Unrealized gain on available-for-sale securities	(51,754)	(61,038)
Net loss attributable to common stockholders	$ (1,325)	$ (141,245)
Adjustments to exclude reported realized and unrealized (gains) losses:		
Realized loss on securities	15,018	16,012
Unrealized (gain) loss on securities	(578)	266
Reversal of provision for credit losses	(8)	(91)
Realized and unrealized loss on mortgage servicing rights	65,213	104,896
Realized and unrealized gain on derivative instruments	(13,121)	(55,692)
Other losses (gains)	2,590	(2,304)
Other adjustments:		
MSR amortization(1)	(69,700)	(78,902)
TBA dollar roll income(2)	12,409	10,371
U.S. Treasury futures income(3)	4,471	5,006
Change in servicing reserves	(322)	(508)
Non-cash equity compensation expense	3,352	1,544
Certain operating expenses(4)	4,209	4,066
Litigation settlement expense	—	175,065
Net provision for (benefit from) income taxes on non-EAD	5,227	(1,330)
Earnings available for distribution to common stockholders(5)	$ 27,435	$ 37,154
Weighted average basic common shares	104,239,402	104,144,560
Earnings available for distribution to common stockholders per weighted average basic common share	$ 0.26	$ 0.36

(1) MSR amortization 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.
(2) TBA dollar roll income is the economic equivalent to holding and financing Agency RMBS using short-term repurchase agreements.
(3) 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.
(4) Certain operating expenses predominantly consists of transaction expenses incurred in connection with the company's proposed merger with UWMC and the company's litigation with its former external manager.
(5) EAD is a non-GAAP measure that we define as comprehensive income (loss) attributable to common stockholders, excluding realized and unrealized gains and losses on the aggregate investment portfolio, gains and losses on repurchases of preferred stock, provision for (reversal of) credit losses, reserve expense for representation and warranty obligations on MSR, non-cash compensation expense related to restricted common stock, certain operating expenses and litigation settlement expense. As defined, EAD includes net interest income, accrual and settlement of interest on derivatives, dollar roll income on TBAs, U.S. Treasury futures income, servicing income, net of estimated amortization on MSR and certain cash related operating expenses. EAD provides supplemental information to assist investors in analyzing the company's results of operations and helps facilitate comparisons to industry peers. EAD is one of several measures our board of directors considers to determine the amount of dividends to declare on our common stock and should not be considered an indication of our taxable income or as a proxy for the amount of dividends we may declare.


two
Fourth Quarter 2025 Financial Highlights
Book Value per Share
$11.13
Comprehensive Income per Share
$0.48
Economic Return on Book Value(1)
3.9%
Common Stock Dividend
$0.34
Investment Portfolio(2)
$13.2b
Quarter-End Economic Debt-to-Equity(3)
7.0x
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. Includes $9.0 billion in settled positions and $4.2 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.
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.

two

An MSR-Focused REIT

Fourth Quarter Earnings Call Presentation

February 3, 2026

Safe Harbor Statement

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 entry into a merger agreement with UWM Holdings Corporation and the ability to realize the potential benefits and synergies of the proposed transaction; 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 $11.13	Comprehensive Income per Share $0.48	Economic Return on Book Value[1] 3.9%
Common Stock Dividend $0.34	Investment Portfolio[2] $13.2b	Quarter-End Economic Debt-to-Equity[3] 7.0x

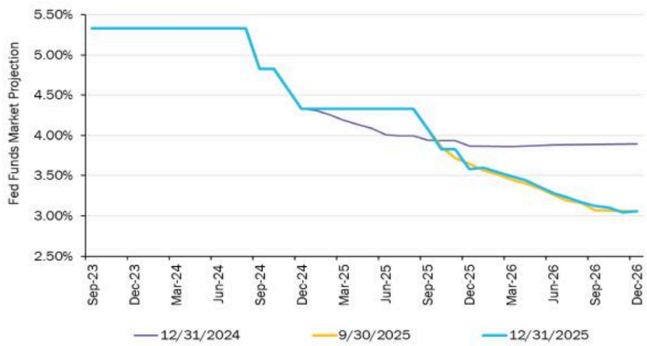
Note: Financial data throughout this presentation is as of or for the quarter ended December 31, 2025, unless otherwise noted. Per share metrics utilize basic common shares as the denominator. The End Notes are an integral part of this presentation. See slides 30 through 35 at the back of this presentation for information related to certain financial metrics and defined terms used herein.

Markets Overview

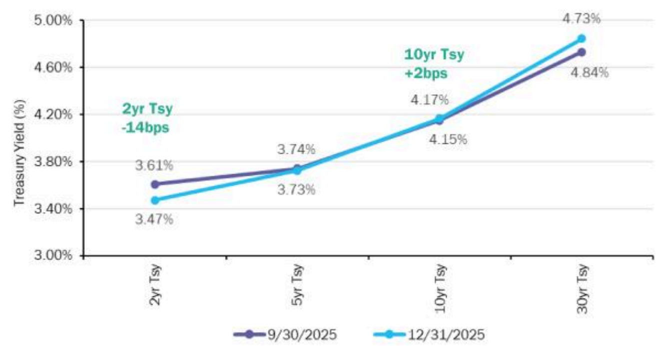
Positive Performance Across RMBS + MSR Strategy

- The Federal Reserve delivered two 25 basis point cuts to its benchmark rate, in line with market expectations
- By the end of the quarter, the yield curve had reached its steepest level since January 2022
  - 2-year U.S. Treasury yields declined by 14 basis points to 3.47%
  - 10-year U.S. Treasury yields rose by 2 basis points to 4.17%

I. FED FUND RATE EXPECTATIONS[1]



II. QUARTERLY YIELD CURVE CHANGE[1]

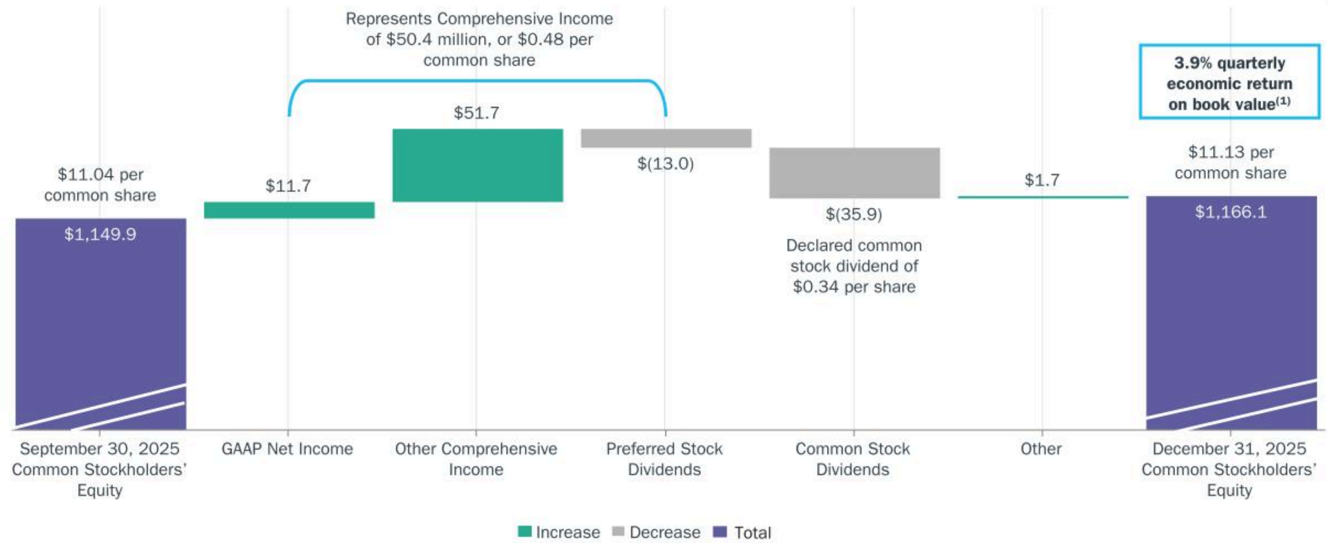


RoundPoint Operations Update

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	**$203 billion** Serviced UPB	**854,123** Loans Serviced	**$162 billion** Owned Servicing UPB **$40 billion** Subserviced UPB
Direct-to-Consumer Originations Highlights	**$38 million UPB** in Originations Pipeline[1]	**$94 million UPB** Funded First and Second Liens	**$58 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

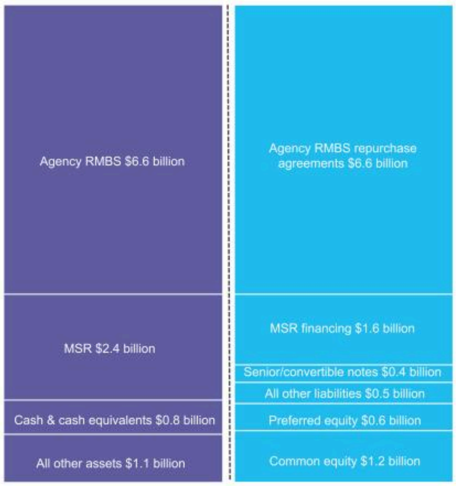
($ in millions, except per share data)



Comprehensive Income (Loss) Summary

Financing Profile

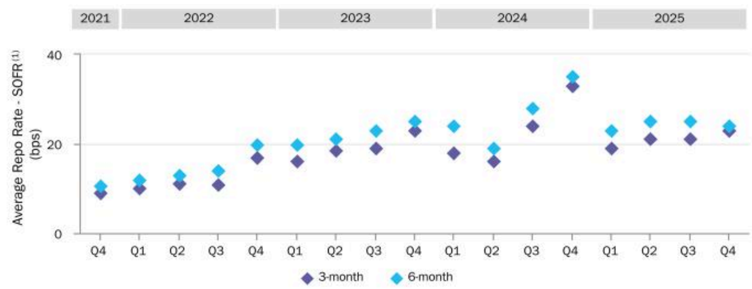
BALANCE SHEET AS OF DECEMBER 31, 2025



- Post quarter-end, convertible senior notes of $261.9 million in UPB were repaid in full on their January 15, 2026 maturity date

AGENCY RMBS

- $6.6 billion of outstanding repurchase agreements with 16 counterparties
- Weighted average days to maturity of 54 days



MORTGAGE SERVICING RIGHTS

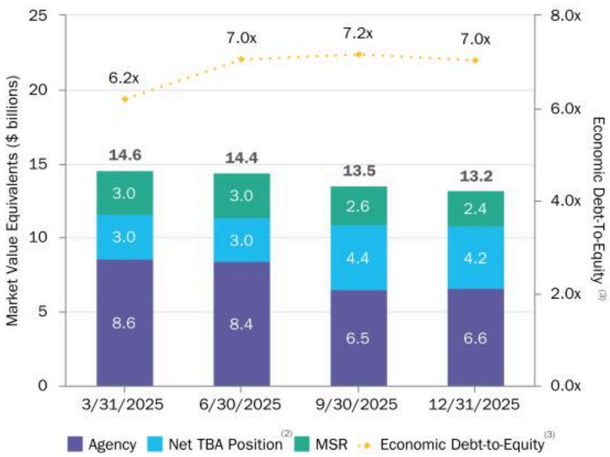
- $1.5 billion of outstanding borrowings under bilateral MSR asset financing facilities
- $1.1 billion of unused MSR asset financing capacity; $102.1 million committed and $950.0 million uncommitted
- $71.5 million outstanding borrowings and $78.5 million of unused, committed capacity for servicing advance receivables

Portfolio Composition and Risk Positioning

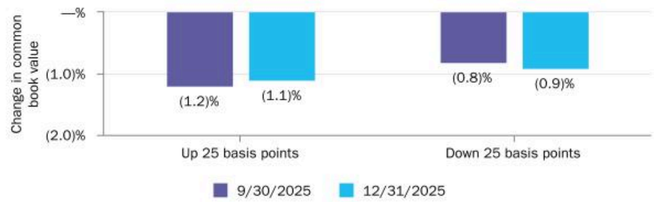
I. PORTFOLIO COMPOSITION[1]

At December 31, 2025, $13.2 billion portfolio

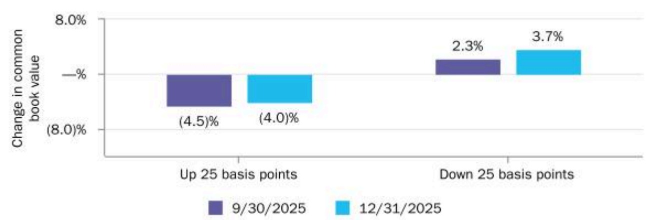
Includes $9.0 billion settled positions



II. INTEREST RATE EXPOSURE[4]



III. MORTGAGE SPREAD EXPOSURE[5]



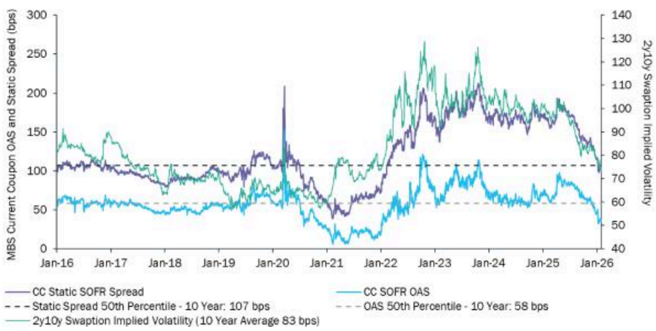
Note: Sensitivity data as of December 31, 2025. The above scenarios are provided for illustration purposes only and are not necessarily indicative of TWO's financial condition and operating results, nor are they necessarily indicative of the financial condition or results of operations that may be expected for any future period or date. See Slide 17 the Appendix for more information on our risk positioning.

Agency RMBS Investment Landscape

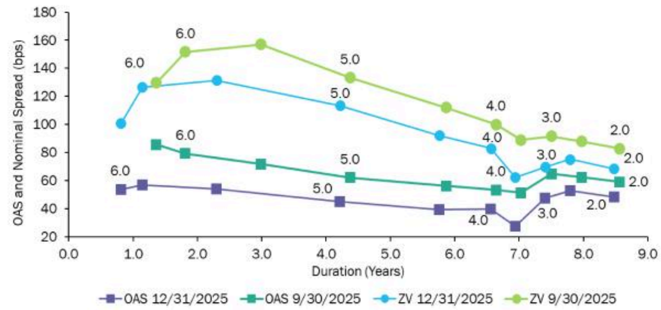
STRONG QUARTER FOR RMBS WITH LOW REALIZED VOLATILITY

- Realized and implied volatility continued to decline to pre-COVID levels, with 2-year/10-year swaption implied volatility down to 79 basis points, 4 basis points below its 10-year average, and the yield curve steepened
- RMBS spreads tightened in response, with current coupon nominal and option-adjusted spreads tighter by 30 and 23 basis points, respectively
  - Post quarter-end, spreads have tightened further given the mandate for the GSEs to buy $200 billion of RMBS with the explicit goal of tightening mortgage spreads
- Mortgage spreads have returned to pre-COVID levels and some measures (like OAS relative to Treasuries) are historically tight, though coordinated support from the Administration should limit their widening potential and may keep them in a tighter range

I. RMBS SPREADS[1]



II. NOMINAL SPREAD CURVE IS STEEP, OAS CURVE FLAT[2]

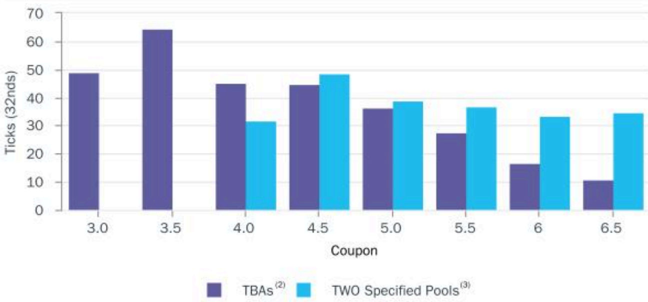


Agency RMBS Portfolio

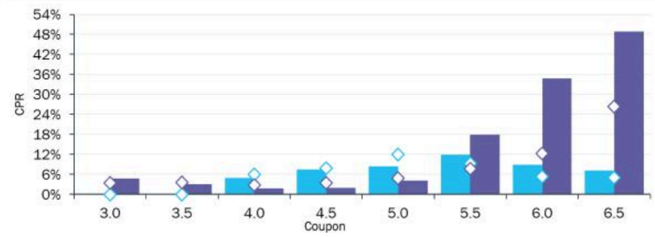
QUARTERLY HIGHLIGHTS

- Hedged performance for Agency RMBS across the stack was positive in the fourth quarter
- For the coupons that TWO owned, specified pools outperformed TBAs led by 4.5s and 5.0s, where we have our largest pool exposure
- Agency RMBS pass-through position was largely stable quarter over quarter, with over 90% of pool holdings in prepayment protected securities
- Higher coupon speeds increased reflecting the drop in mortgage rates in the third quarter to around 6.25%, where they stabilized in the fourth quarter
- Weighted average specified pool portfolio prepayment speeds increased to 8.6%, compared to 8.3% in the third quarter[1]

I. RMBS QUARTERLY PERFORMANCE



II. SPECIFIED POOL PREPAYMENT SPEEDS[1]



Market Value[4] ($ billions)	$—	$—	$—	$1.07	$1.44	$0.80	$1.79	$0.54

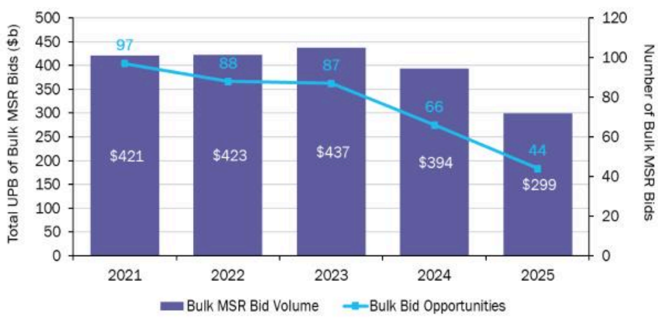
TBAs (Q4-2025)[5] TWO Specified Pools (Q4-2025)
TBAs (Q3-2025)[5] TWO Specified Pools (Q3-2025)

MSR Investment Landscape

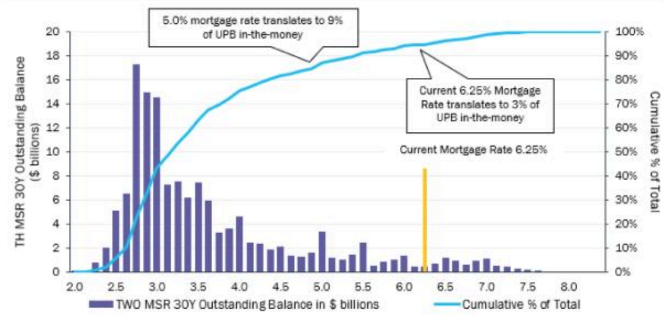
MSR MARKET CONTINUES TO BE WELL SUPPORTED

- Demand remains strong for MSR amongst the origination and investor communities
- The housing market remains slow, with weak winter seasonals; no near-term material change in turnover rates anticipated
- With rates around 6.25%, about 3% of the UPB of TWO's MSR portfolio has 50 basis points or more of a rate incentive to refinance
- The Administration is focused on policies to stimulate the housing market and increase homeownership; anticipate home prices will continue to rise in the low single digits (annualized) and for housing turnover to continue to trend about 5% higher year-on-year
- Actual prepayment speeds continue to run below model speeds

I. BULK MSR BID VOLUME[(1)]



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



MSR Portfolio

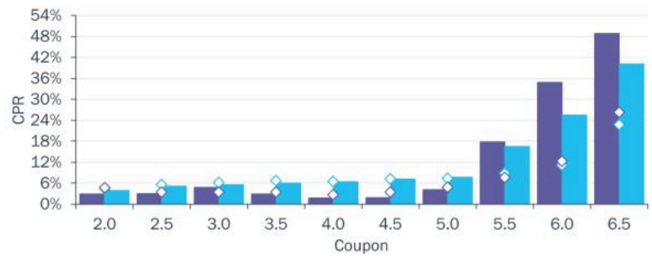
QUARTERLY HIGHLIGHTS

- Price multiple consistent quarter-over-quarter at 5.8x
- Added $399.1 million UPB through flow acquisitions and recapture
- Sold $9.6 billion UPB of MSR on a subservicing-retained basis
- Weighted average 3-month CPR increased to 6.4% CPR from 6.0% in Q3, reflecting housing turnover rates
- 60+ day delinquencies remain low at 0.9%

I. MSR PORTFOLIO CHARACTERISTICS[1]

	12/31/2025	9/30/2025
Fair value ($ millions)	$ 2,422	$ 2,627
Price multiple	5.8x	5.8x
UPB ($ millions)	$ 163,773	$ 177,216
Gross coupon rate	3.55%	3.59%
Current loan size ($ thousands)	$ 325	$ 329
Original FICO[2]	760	760
Original Loan-to-Value (LTV)	73%	73%
60+ day delinquencies	0.9%	0.9%
Net servicing fee (bps)	25.3	25.4
Loan age (months)	64	60
3-month CPR	6.4%	6.0%

II. 30-YEAR MSR PREPAYMENT SPEEDS



UPB[3] ($ billions)	$62.5	$26.9	$17.2	$9.8	$8.2	$6.4	$4.0	$3.2	$3.6	$1.7

Return Potential and Outlook

ATTRACTIVE RETURN OPPORTUNITIES FOR UNIQUELY POSITIONED PORTFOLIO

As of December 31, 2025	PORTFOLIO MARKET VALUE ($ millions)	INVESTED CAPITAL ALLOCATED[1]	STATIC RETURN ESTIMATE[2]		
SERVICING					
MSR	2,422				
RMBS[3]	5,055				
Total	**7,477**	**65%**	**10%**	-	**13%**
SECURITIES					
RMBS[3]	4,859				
Other Securities	943				
Total	**5,802**	**35%**	**10%**	-	**14%**
	INVESTED CAPITAL ($ millions)		TWO's STATIC RETURN ESTIMATE[4]		
Total Portfolio Before Corporate and Tax Expenses			**10.3%**	-	**13.5%**
Corporate and Tax Expenses[5]			(3.3)%	-	(3.3)%
Total Return to Invested Capital			**6.9%**	-	**10.2%**
INVESTED CAPITAL					
Senior Notes	115			9.4%	
Preferred Equity[6]	622			8.7%	
Common Equity	**1,166**		**5.8%**	-	**11.1%**
Total Invested Capital	**1,903**				
PROSPECTIVE QUARTERLY STATIC RETURN PER BASIC COMMON SHARE[7]:				**$0.16 - $0.31**	

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.

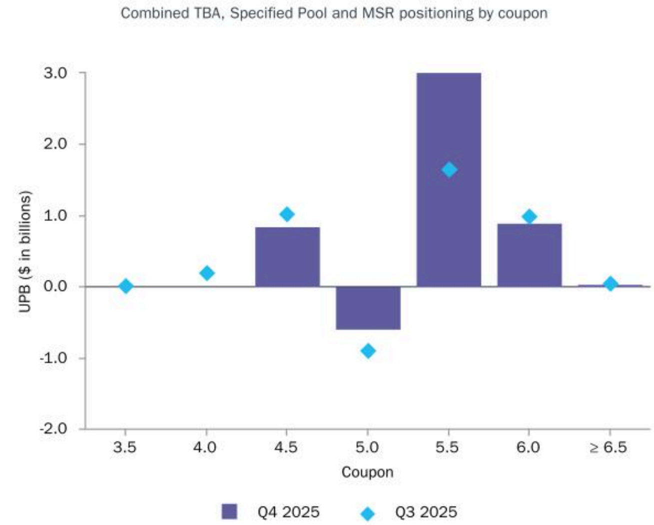
Appendix

Effective Coupon Positioning

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%	$ 92.48	$ —	$ —	$ —	$ —	—
4.0%	$ 94.94	—	—	—	—	—
4.5%	$ 97.68	(120)	1,090	(128)	842	90
5.0%	$ 99.81	2,853	1,429	(4,889)	(607)	99
5.5%	$ 101.44	2,788	787	—	3,575	121
6.0%	$ 102.68	(833)	1,732	—	899	137
≥ 6.5%	$ 104.56	(481)	508	—	27	142
Total		**$ 4,207**	**$ 5,546**	**$ (5,017)**	**$ 4,736**	**116**

II. QUARTER-OVER-QUARTER CHANGE IN POSITIONING



Risk Positioning

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]	2.7 %	0.7 %	(3.1)%	0.3 %
0	-25	Bull Flattener[4]	5.0 %	(5.0)%	(1.2)%	(1.2)%
-50	-50	Parallel Shift[5]	14.3 %	(9.6)%	(8.7)%	(4.0)%
-25	-25	Parallel Shift[5]	7.8 %	(4.4)%	(4.3)%	(0.9)%
0	0	Base	— %	— %	— %	— %
+25	+25	Parallel Shift[5]	(9.0)%	3.8 %	4.1 %	(1.1)%
+50	+50	Parallel Shift[5]	(19.2)%	6.4 %	7.9 %	(4.9)%
+25	0	Bear Flattener[3]	(2.8)%	(1.0)%	2.8 %	(1.0)%
0	+25	Bear Steepener[4]	(6.3)%	4.8 %	1.3 %	(0.2)%

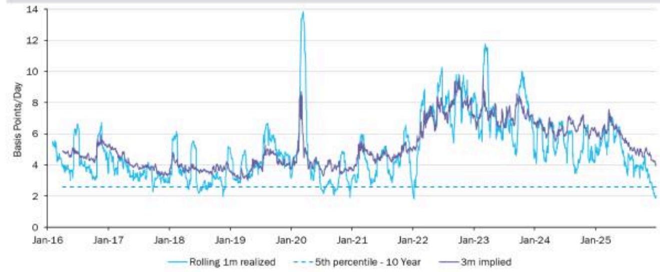
Book Value Exposure to Current Coupon Spread[6]			
	% Change in Common Book Value		
Parallel Shift in Spreads (basis points)	Agency P&I RMBS/TBA	MSR/Agency IO RMBS[1]	Combined
-25	7.4 %	(3.7)%	3.7 %
0	— %	— %	— %
+25	(8.5)%	4.5 %	(4.0)%

Note: Sensitivity data as of December 31, 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.

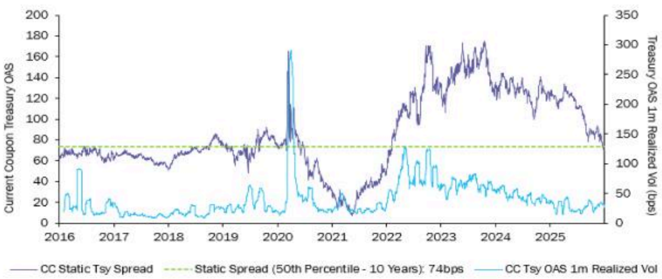
Markets Overview

I. QUARTERLY MORTGAGE PERFORMANCE[1]

II. DAILY VOLATILITY OF 10-YEAR SWAP RATE[2]



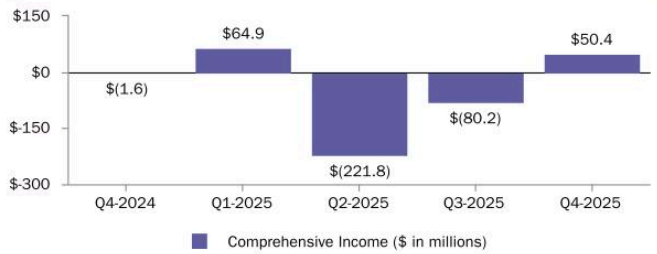
III. MORTGAGE SPREAD VOLATILITY[3]



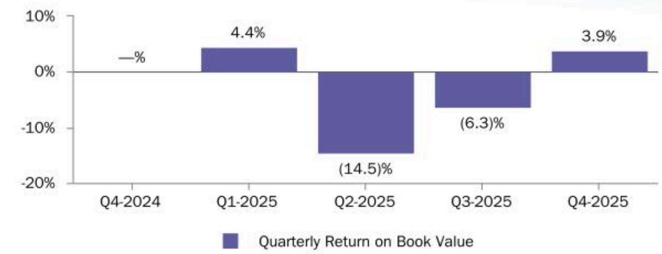
IV. TWO MSR SPEEDS AND EXISTING HOME SALES[4]

Financial Performance

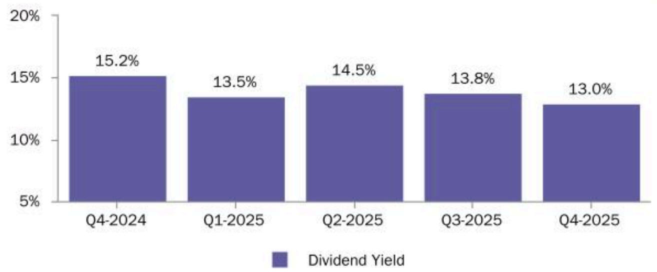
I. COMPREHENSIVE INCOME (LOSS)



II. QUARTERLY ECONOMIC RETURN ON BOOK VALUE[1]



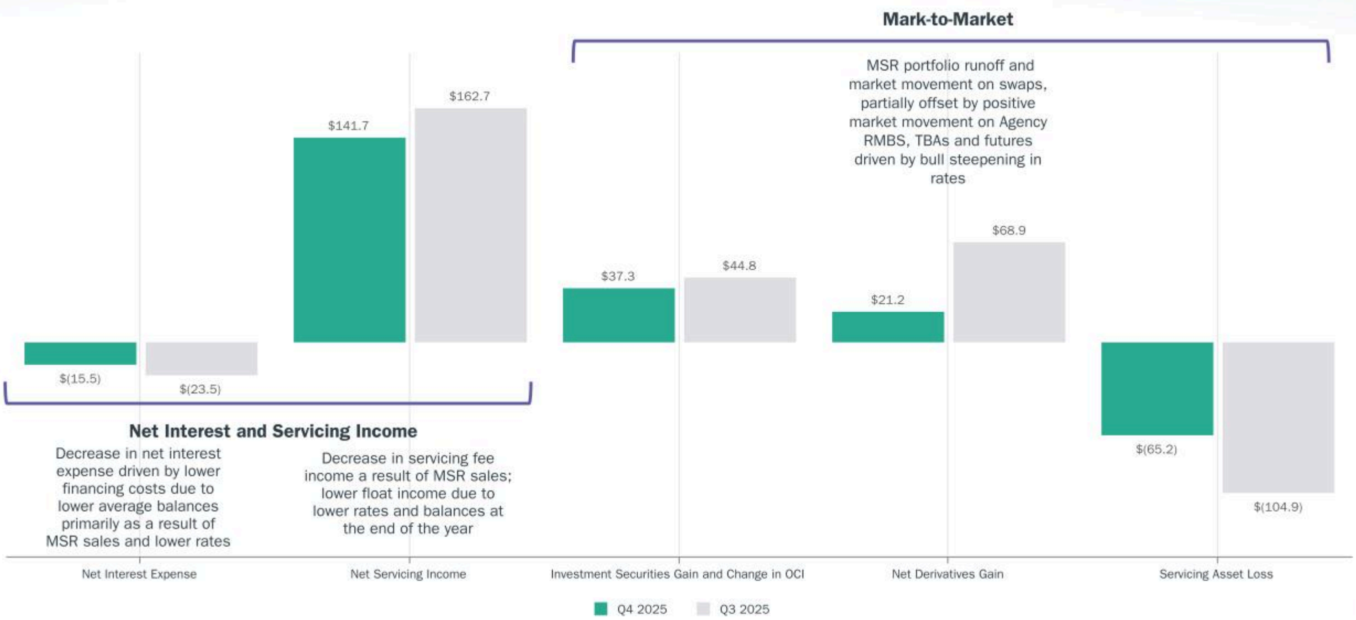
III. DIVIDEND YIELD[2]



IV. BOOK VALUE AND DIVIDEND PER COMMON SHARE[2]

Net Interest, Servicing and Mark-to-Market Detail

($ in millions, except per share data)



Q4-2025 Portfolio Yields and Financing Costs

($ thousands) Portfolio Asset Type	Measure	Average Amortized Cost	Income[1]	Average Yield
Available-for-sale securities	GAAP	$ 6,589,521	$ 81,964	4.98%
Mortgage loans held-for-sale	GAAP	12,868	203	6.31%
Adjustments to include other portfolio items:				
Mortgage servicing rights[2][3]	Non-GAAP	1,521,757	42,132	11.07%
Agency derivatives[2][4]	Non-GAAP	102,738	3,877	15.09%
TBAs[2][5]	Non-GAAP	4,154,734	53,999	5.20%
Total portfolio	Non-GAAP	$ 12,381,618	$ 182,175	5.89%

Financing Collateral Type	Measure	Average Outstanding Balance	Expense[6]	Average Cost
Borrowings collateralized by available-for-sale securities	GAAP	$ 6,384,948	$ 68,104	4.27%
Borrowings collateralized by mortgage loans held-for-sale	GAAP	12,976	214	6.60%
Adjustments to include other financing items:				
Borrowings collateralized by mortgage servicing rights and advances	GAAP	1,471,382	28,085	7.63%
Borrowings collateralized by Agency derivatives[4]	GAAP	76,191	890	4.67%
Senior notes[7]	GAAP	110,991	2,884	10.39%
Convertible senior notes[8]	GAAP	261,663	4,532	6.93%
Interest rate swaps[2][9]	Non-GAAP		(4,167)	(0.13)%
U.S. Treasury futures[2][10]	Non-GAAP		(4,471)	(0.14)%
TBAs[2][5]	Non-GAAP	4,154,734	41,590	4.00%
Total financing	Non-GAAP	$ 12,472,885	$ 137,661	4.41%

Net Spread	Measure			Average Yield, less Cost
Net spread on AFS securities and mortgage loans held-for-sale	GAAP			0.71%
Net spread on total portfolio	Non-GAAP			1.48%

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							
4.5%	1,090	1,074	8.1 %	100.0 %	$ 1,090	5.2 %	42
5.0%	1,429	1,442	8.0 %	100.0 %	1,451	5.7 %	42
5.5%	787	804	13.0 %	99.7 %	796	6.4 %	41
6.0%	1,732	1,790	9.8 %	82.9 %	1,777	6.9 %	8
≥ 6.5%	508	532	17.0 %	89.8 %	528	7.3 %	9
	5,546	5,642	10.2 %	93.6 %	5,642	6.2 %	28
Other P&I[3]	853	852	0.7 %	— %	851	5.2 %	12
IOs and IIOs[4]	1,549	85	14.4 %	— %	96	6.7 %	50
Total Agency RMBS	$ 7,948	$ 6,579		80.3 %	$ 6,589		

($ millions)	Notional Amount	Bond Equivalent Value[5]	Through-the-Box Speeds[6]
TBA Positions			
4.5%	$ (120)	$ (117)	1.9 %
5.0%	2,853	2,846	4.1 %
5.5%	2,788	2,827	17.8 %
6.0%	(833)	(856)	34.8 %
≥ 6.5%	(481)	(500)	48.8 %
Net TBA Position	$ 4,207	$ 4,200	

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%	248,086	$ 73,206	2.8%	$ 350	59	768	72%	0.5%	3.9%	25.0
3.25% - 3.75%	115,500	27,960	3.4%	310	73	753	74%	0.9%	5.4%	25.1
3.75% - 4.25%	77,384	14,415	3.9%	247	101	752	75%	1.2%	5.8%	25.3
4.25% - 4.75%	46,149	7,767	4.4%	242	98	739	77%	1.8%	6.3%	25.2
4.75% - 5.25%	32,883	7,472	5.0%	347	62	748	79%	1.9%	6.6%	25.2
> 5.25%	56,820	17,506	6.2%	411	31	750	80%	1.8%	16.9%	27.0
	576,822	148,326	3.6%	334	65	759	74%	0.9%	6.3%	25.3
15-Year Fixed										
≤ 2.25%	17,461	3,747	2.0%	257	56	776	60%	0.2%	4.3%	25.0
2.25% - 2.75%	30,400	5,291	2.4%	217	60	772	60%	0.2%	5.4%	25.0
2.75% - 3.25%	24,800	2,537	2.9%	154	84	765	62%	0.3%	7.3%	25.2
3.25% - 3.75%	13,113	917	3.4%	112	102	755	64%	0.5%	10.4%	25.2
3.75% - 4.25%	5,927	368	3.9%	109	98	739	66%	0.8%	9.7%	25.4
> 4.25%	5,164	746	5.3%	292	37	750	64%	1.2%	21.6%	27.5
	96,865	13,606	2.7%	211	66	769	61%	0.3%	6.9%	25.2
Total ARMs	1,528	518	5.2%	452	44	766	72%	0.4%	30.9%	25.2
Total Portfolio	675,215	$ 162,450	3.6%	$ 324	65	760	73%	0.9%	6.4%	25.3

Mortgage Servicing Rights UPB Roll-forward

$ millions	Q4-2025	Q3-2025	Q2-2025	Q1-2025	Q4-2024
UPB at beginning of period	$ 175,821	$ 198,823	$ 196,773	$ 200,317	$ 202,052
Bulk purchases of mortgage servicing rights	—	—	6,385	—	2,063
Flow purchases of mortgage servicing rights	330	664	170	155	376
Originations/recapture of mortgage servicing rights	69	34	34	20	43
Sales of mortgage servicing rights	(9,552)	(19,112)	—	—	3
Scheduled payments	(1,423)	(1,647)	(1,637)	(1,624)	(1,647)
Prepaid	(2,739)	(2,964)	(2,914)	(2,110)	(2,545)
Other changes	(56)	23	12	15	(28)
UPB at end of period	$ 162,450	$ 175,821	$ 198,823	$ 196,773	$ 200,317

Serviced Mortgage Assets

	12/31/2025			9/30/2025		
	Number of Loans		Unpaid Principal Balance ($ millions)	Number of Loans		Unpaid Principal Balance ($ millions)
Mortgage servicing rights	675,215	$	162,450	720,038	$	175,821
Subservicing[1]	178,356		40,492	135,706		30,204
Servicing administrator[2]	514		273	519		278
Mortgage loans held-for-sale[3]	38		14	41		12
Total serviced mortgage assets	854,123	$	203,229	856,304	$	206,315

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	$ 2,251.0	$ —	$ —	$ —	$ 261.8	$ 2,512.8	29.4 %
30 to 59 days	1,744.7	—	0.7	—	—	1,745.4	20.4 %
60 to 89 days	1,693.7	—	8.7	—	—	1,702.4	19.9 %
90 to 119 days	916.1	—	—	—	—	916.1	10.7 %
120 to 364 days	650.0	71.5	—	—	—	721.5	8.4 %
One to three years	—	567.7	—	—	—	567.7	6.6 %
Three to five years	—	280.2	—	111.1	—	391.3	4.6 %
	$ 7,255.5	$ 919.4	$ 9.4	$ 111.1	$ 261.8	$ 8,557.2	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	$ 6,505.4	$ —	$ —	n/a	n/a	$ 6,505.4	69.1 %
Mortgage servicing rights, at fair value	959.0	1,458.6	—	n/a	n/a	2,417.6	25.7 %
Mortgage loans held-for-sale, at fair value	3.7	—	9.6	n/a	n/a	13.3	0.1 %
Restricted cash	108.4	—	0.4	n/a	n/a	108.8	1.1 %
Due from counterparties	206.5	—	—	n/a	n/a	206.5	2.2 %
Derivative assets, at fair value	67.2	—	—	n/a	n/a	67.2	0.7 %
Other assets (includes servicing advances)	—	100.1	—	n/a	n/a	100.1	1.1 %
	$ 7,850.2	$ 1,558.7	$ 10.0	n/a	n/a	$ 9,418.9	100.0 %

Futures

Type & Maturity	Notional Amount ($M)	Carrying Value ($M)[1]	Weighted Average Months to Expiration
U.S. Treasury futures			
2 year	$ (1,448.0)	$ —	3.0
5 year	(1,047.4)	—	3.0
10 year	(115.7)	—	2.6
20 year	283.3	—	2.6
Eris SOFR swap futures			
5 year	(1,200.0)	—	62.6
10 year	(830.0)	—	122.6
Total futures	$ (4,357.8)	$ —	36.0

Interest Rate Swaps

Maturities		Notional Amount ($M)	Average Fixed Pay Rate	Average Receive Rate	Average Maturity (Years)
Payers					
≤ 1 year	$	1,968.9	4.087 %	3.870 %	—
> 1 and ≤ 3 years		2,956.6	3.412 %	3.870 %	1.9
> 3 and ≤ 5 years		1,761.4	3.589 %	3.870 %	3.9
> 5 and ≤ 7 years		1,112.8	3.680 %	3.870 %	6.1
> 7 and ≤ 10 years		441.6	3.877 %	3.870 %	9.0
> 10 years		670.4	3.855 %	3.870 %	14.3
	$	8,911.7	3.686 %	3.870 %	3.7

Maturities		Notional Amount ($M)	Average Pay Rate	Average Fixed Receive Rate	Average Maturity (Years)
Receivers					
≤ 1 year	$	—	— %	— %	—
> 1 and ≤ 3 years		—	— %	— %	—
> 3 and ≤ 5 years		1,857.3	3.870 %	3.471 %	4.6
> 5 and ≤ 7 years		203.6	3.870 %	3.712 %	6.2
> 7 and ≤ 10 years		740.0	3.870 %	3.768 %	9.8
> 10 years		867.4	3.870 %	3.656 %	17.8
	$	3,668.3	3.870 %	3.588 %	8.9

Tax Characterization of Dividends in 2025

Full Year 2025 Distribution Summary

- Generated REIT taxable loss of $(76.3) million, before dividend distributions and net operating loss deductions
    - Current year taxable loss created net operating loss, which can be carried forward indefinitely to offset future taxable income
- 2025 distributions for tax purposes totaled $221.1 million
  - Consisted of distributions to common shares of $169.5 million and distributions to preferred shares of $51.5 million
  - Q4 2024 common stock distribution payable to shareholders on January 29, 2025 with a record date of January 3, 2025 was treated as a 2025 distribution for tax purposes
  - Q4 2025 common stock distribution payable to shareholders on January 29, 2026 with a record date of January 5, 2026 will be treated as a 2026 distribution for tax purposes
  - No convertible note deemed distributions occurred in 2025
- 2025 common distributions were characterized for tax purposes as 0% taxable ordinary dividends and 100% nontaxable distributions (i.e., return of capital)(1)
- 2025 preferred distributions were characterized for tax purposes as 0% taxable ordinary dividends and 100% nontaxable distributions (i.e., return of capital)(1)

End Notes

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. Includes $9.0 billion in settled positions and $4.2 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 22 and 23.
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.

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 as of December 31, 2025.

PAGE 6 - Book Value Summary
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.

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 20 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 Q4 2022 and Q4 2025 (as of December 31, 2025).

PAGE 9 - Portfolio Composition and Risk Positioning
1. For additional detail on the portfolio, see slides 11 and 13, and Appendix slides 22 and 23.
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. Data as of January 29, 2026.
2. Spreads produced using prepayment speeds generated with The Yield Book® Software using internally calibrated prepayment dials. Data as of December 31, 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 December 31, 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 December 31, 2025.
2. TWO MSR 30-year fixed-rate UPB as of December 31, 2025 factor date; Freddie Mac's Primary Mortgage Market Survey (PMMS) as of December 31, 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. Includes Agency pools and TBA positions. TBA contracts accounted for as derivative instruments in accordance with GAAP.
4. Estimated return on invested capital reflects static return assumptions using quarter-end portfolio valuations.
5. Total expenses includes operating expenses and tax expenses within the company's taxable REIT subsidiaries.
6. Preferred equity coupon represents the 5-year yield along the forward curve to account for floating rate resets.
7. 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 16 - Effective Coupon Positioning
1. Represents UMBS TBA market prices as of December 31, 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 17 - 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 Flattener 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 Flattener/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 18 - 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 December 31, 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 19 - 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.

PAGE 21 - 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 22 - 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 $67.9 million of Agency derivatives and $16.9 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 23 - 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 25 - 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 26 - Financing
1. As of December 31, 2025, outstanding borrowings had a weighted average of 4.9 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 27 - 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.

PAGE 29 - Tax Characterization of Dividends in 2025
1. The U.S. federal income tax treatment of holding TWO stock to any particular stockholder will depend on the stockholder's particular tax circumstances. You are urged to consult your tax advisor regarding the U.S. federal, state, local and foreign income and other tax consequences to you, in light of your particular investment or tax circumstances, of acquiring, holding and disposing of TWO stock. TWO does not provide tax, accounting or legal advice. Any tax statements contained herein were not intended or written to be used and cannot be used for the purpose of avoiding U.S., federal, state or local tax penalties. Please consult your advisor as to any tax, accounting or legal statements made herein.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