



Ellington Financial Inc. Announces Pricing of Public Offering of 8.625% Series C Fixed-Rate Reset Cumulative Redeemable Preferred Stock

February 2, 2023

OLD GREENWICH, Conn.--(BUSINESS WIRE)--Feb. 2, 2023-- Ellington Financial Inc. (NYSE: EFC) (the "Company") announced today that it has priced an underwritten public offering of 4,000,000 shares of 8.625% Series C Fixed-Rate Reset Cumulative Redeemable Preferred Stock (the "Series C Preferred Stock"), with a liquidation preference of \$25.00 per share, for gross proceeds of \$100 million before deducting underwriting discounts and estimated offering expenses. The Company has granted the underwriters an option for 30 days to purchase up to an additional 600,000 shares of the Series C Preferred Stock solely to cover over-allotments. The Company intends to apply to list the Series C Preferred Stock on the New York Stock Exchange under the symbol "EFC PR C". The offering is expected to close on or about February 6, 2022, subject to customary closing conditions. Piper Sandler & Co. is acting as the sole book-running manager for the offering.

The Company expects to use the net proceeds of the offering to acquire its targeted assets. The Company may also use the net proceeds for working capital and general corporate purposes.

The shares of Series C Preferred Stock will be offered under the Company's existing shelf registration statement on Form S-3, which became effective upon filing with the Securities and Exchange Commission on January 24, 2023. The offering is being made only by means of a prospectus supplement and accompanying base prospectus, which will be filed with the Securities and Exchange Commission. Copies of the prospectus supplement and the accompanying base prospectus related to the offering may be obtained from Piper Sandler & Co. at 1251 Avenue of the Americas, 6th Floor, New York, NY 10020, or by calling toll-free 866-805-4128, or by email at fsg-dcm@psc.com.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy the offered securities or any other securities, nor shall there be any sale of the offered securities or any other securities in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or other jurisdiction.

About Ellington Financial

Ellington Financial invests in a diverse array of financial assets, including residential and commercial mortgage loans, residential and commercial mortgage-backed securities, consumer loans and asset-backed securities backed by consumer loans, collateralized loan obligations, non-mortgage and mortgage-related derivatives, debt and equity investments in loan origination companies, and other strategic investments. Ellington Financial is externally managed and advised by Ellington Financial Management LLC, an affiliate of Ellington Management Group, L.L.C.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements involve numerous risks and uncertainties. Actual results may differ from the Company's beliefs, expectations, estimates, and projections and, consequently, you should not rely on these forward-looking statements as predictions of future events. Forward-looking statements are not historical in nature and can be identified by words such as "believe," "expect," "anticipate," "estimate," "project," "plan," "continue," "intend," "should," "would," "could," "goal," "objective," "will," "may," "seek," or similar expressions or their negative forms, or by references to strategy, plans, or intentions. Examples of forward-looking statements in this press release include, without limitation, statements regarding the completion of the Company's offering of shares of Series C Preferred Stock, the anticipated use of proceeds, and the listing of the shares of Series C Preferred Stock on the New York Stock Exchange. The Company's results can fluctuate from month to month and from quarter to quarter depending on a variety of factors, some of which are beyond the Company's control and/or are difficult to predict, including, without limitation, changes in interest rates and the market value of the Company's investments, changes in mortgage default rates and prepayment rates, the Company's ability to borrow to finance its assets, changes in government regulations affecting the Company's business, the Company's ability to maintain its exclusion from registration under the Investment Company Act of 1940, the Company's ability to maintain its qualification as a real estate investment trust, or "REIT," other changes in market conditions and economic trends, and changes resulting from the economic effects related to the COVID-19 pandemic and associated responses to the pandemic. Forward-looking statements are based on the Company's beliefs, assumptions and expectations of the Company's future performance, taking into account all information currently available to it. Due to known and unknown risks, including the risk that the assumptions on which the forward-looking statements are based prove to be inaccurate, actual results may differ materially from expectations or projections. No assurance can be given that the offering discussed above will be completed on the terms described or at all, that the net proceeds of the offering will be used as indicated, or that the application to list the shares of Series C Preferred Stock on the New York Stock Exchange will be approved. Completion of the offering on the terms described, the application of the net proceeds of the offering, and approval of the New York Stock Exchange listing application, are subject to numerous possible events, factors, risks and uncertainties, including, among other things, those described under Item 1A of the Company's Annual Report on Form 10-K and its Quarterly Report on Form 10-Q for the quarter ended September 30, 2022, which can be accessed at the SEC's website (www.sec.gov). Other risks, uncertainties, and factors that could cause actual results to differ materially from those projected or implied may be described from time to time in reports that the Company files with the SEC, including reports on Forms 10-Q, 10-K and 8-K. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

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