



Third Quarter Investor Presentation



November 4, 2021

Safe Harbor Disclosure

- ❖ We make forward-looking statements in this presentation that are subject to risks and uncertainties. These forward-looking statements include information about possible or assumed future results of our business, financial condition, liquidity, results of operations, cash flow and plans and objectives. When we use the words “believe,” “expect,” “anticipate,” “estimate,” “plan,” “continue,” “intend,” “should,” “may” or similar expressions, we intend to identify forward-looking statements.
- ❖ Statements regarding the following subjects, among others, may be forward-looking: market trends in our industry, interest rates, real estate values, the debt financing markets or the general economy or the demand for and availability of residential and small-balance commercial real estate loans; our business and investment strategy; our projected operating results; actions and initiatives of the U.S. government and changes to U.S. government policies and the execution and impact of these actions, initiatives and policies; the state of the U.S. economy generally or in specific geographic regions; economic trends and economic recoveries; our ability to obtain and maintain financing arrangements; changes in the value of our mortgage portfolio; changes to our portfolio of properties; impact of and changes in governmental regulations, tax law and rates, accounting guidance and similar matters; our ability to satisfy the real estate investment trust qualification requirements for U.S. federal income tax purposes; availability of qualified personnel; estimates relating to our ability to make distributions to our stockholders in the future; general volatility of the capital markets and the market price of our shares of common stock; and the degree and nature of our competition.
- ❖ The forward-looking statements included in this presentation are based on our current beliefs, assumptions and expectations of our future performance. Forward-looking statements are not predictions of future events. Our beliefs, assumptions and expectations can change as a result of many possible events or factors, not all of which are currently known to us or reasonably expected to occur at this time. If a change in our beliefs, assumptions or expectations occurs, our business, financial condition, liquidity and results of operations may vary materially from the forward-looking statements included in this presentation. Forward-looking statements are subject to risks and uncertainties, including, among other things, those resulting from the pandemic caused by the global novel coronavirus outbreak and those described under Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2020, which can be accessed through the link to our Securities and Exchange Commission (“SEC”) filings on our website (www.greatajax.com) or at the SEC’s website (www.sec.gov). Other risks, uncertainties and factors that could cause actual results to differ materially from the forward-looking statements included in this presentation may be described from time to time in reports we file with the SEC. Any forward-looking statement speaks only as of the date on which it is made. New risks and uncertainties arise over time, and it is not possible for us to predict those events or how they may affect us. Except as required by law, we are not obligated to, and do not intend to, update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Unless stated otherwise, financial information included in this presentation is as of September 30, 2021.

Business Overview

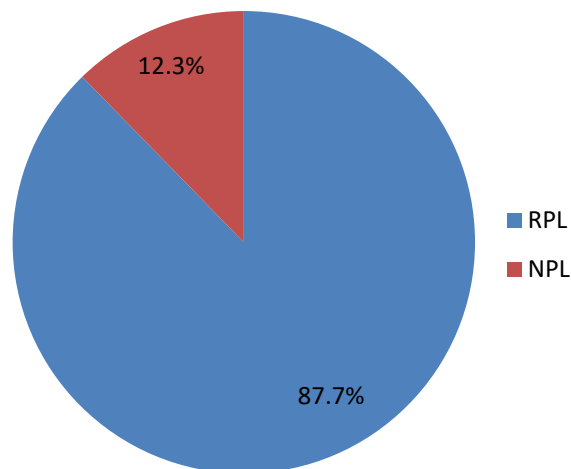
- ❖ Leverage longstanding relationships to acquire mortgage loans through privately negotiated transactions from a diverse group of customers and in joint venture investments with institutional investors
 - Acquisitions made in 345 transactions since inception. Seven transactions closed in Q3 2021
 - ❖ Use our manager's proprietary analytics to price each mortgage pool on an asset-by-asset basis
 - We own 19.8% of our manager
 - Adjust individual loan bid price to accumulate clusters of loans in attractive demographic metropolitan areas
 - ❖ Our affiliated servicer services the loans asset-by-asset and borrower-by-borrower
 - We own 8% and hold warrants to purchase up to an additional 12% of our affiliated servicer
 - Analytics and processes of our manager and servicer enable us to broaden our reach through joint ventures with third-party institutional investors
 - ❖ We use modest mark to market leverage to fund our investments in debt securities and primarily non mark to market leverage to fund our mortgage portfolio
 - ❖ We own a 23% equity interest in Gaea Real Estate Corp., an equity REIT that invests in multifamily and mixed-use properties with a focus on property appreciation and triple net lease pet clinics
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Highlights – Quarter Ended September 30, 2021

- ❖ Interest income of \$23.1 million; net interest income of \$14.4 million
 - ❖ Net income attributable to common stockholders of \$9.3 million
 - ❖ Basic earnings per common share ("EPS") of \$0.40
 - ❖ Book value per common share of \$16.00 at September 30, 2021
 - ❖ Taxable income of \$0.43 per common share
 - ❖ Formed one joint venture that acquired \$517.7 million in unpaid principal balance ("UPB") of mortgage loans with collateral values of \$968.6 million and retained \$54.7 million of varying classes of related securities issued by the joint venture to end the quarter with \$479.6 million of investments in debt securities and beneficial interests
 - ❖ Purchased \$87.5 million of non-performing loans ("NPLs"), with UPB of \$90.9 million at 64.0% of property value, and \$0.5 million of re-performing mortgage loans ("RPLs"), with UPB of \$0.5 million at 61.7% of property value to end the quarter with \$1.0 billion in net mortgage loans
 - ❖ In July 2021 we purchased \$170.7 million of RPLs and NPLs into a joint venture securitization that was created in June 2021 with a securitized prefunding structure. We own 20.0% of this joint venture. The purchase price was 97.8% of UPB and 53.2% of underlying property value
 - ❖ Collected total cash of \$82.8 million from loan payments, sales of real estate owned properties ("REO") and collections from investments in debt securities and beneficial interests
 - ❖ Held \$92.8 million of cash and cash equivalents at September 30, 2021; average daily cash balance for the quarter was \$89.2 million
 - ❖ As of September 30, 2021, approximately 76.6% of portfolio based on UPB made at least 12 out of the last 12 payments
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Portfolio Overview – as of September 30, 2021

Unpaid Principal Balance

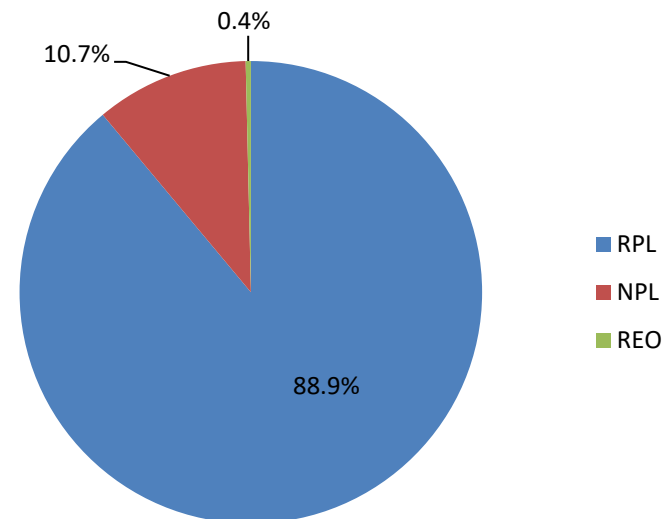


\$1,071.0 MM

RPL¹: \$939.2 MM

NPL: \$131.8 MM

Property Value



\$1.932.8 MM

RPL: \$1,719.0 MM

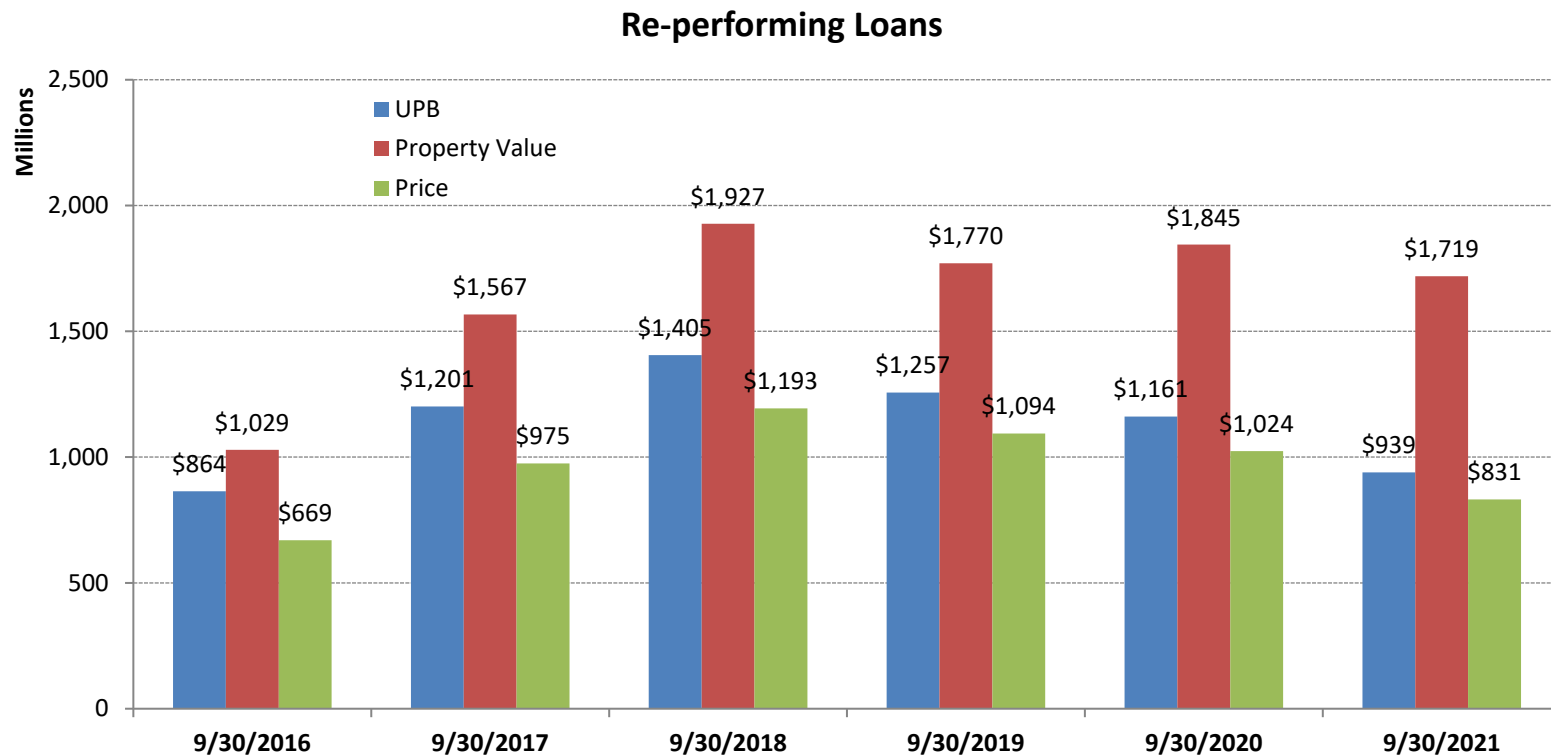
NPL: \$ 206.9 MM

REO & Rental²: \$ 7.0 MM

¹ Includes \$1.6 million UPB in joint ventures with third party institutional accredited investors that are required to be consolidated for GAAP

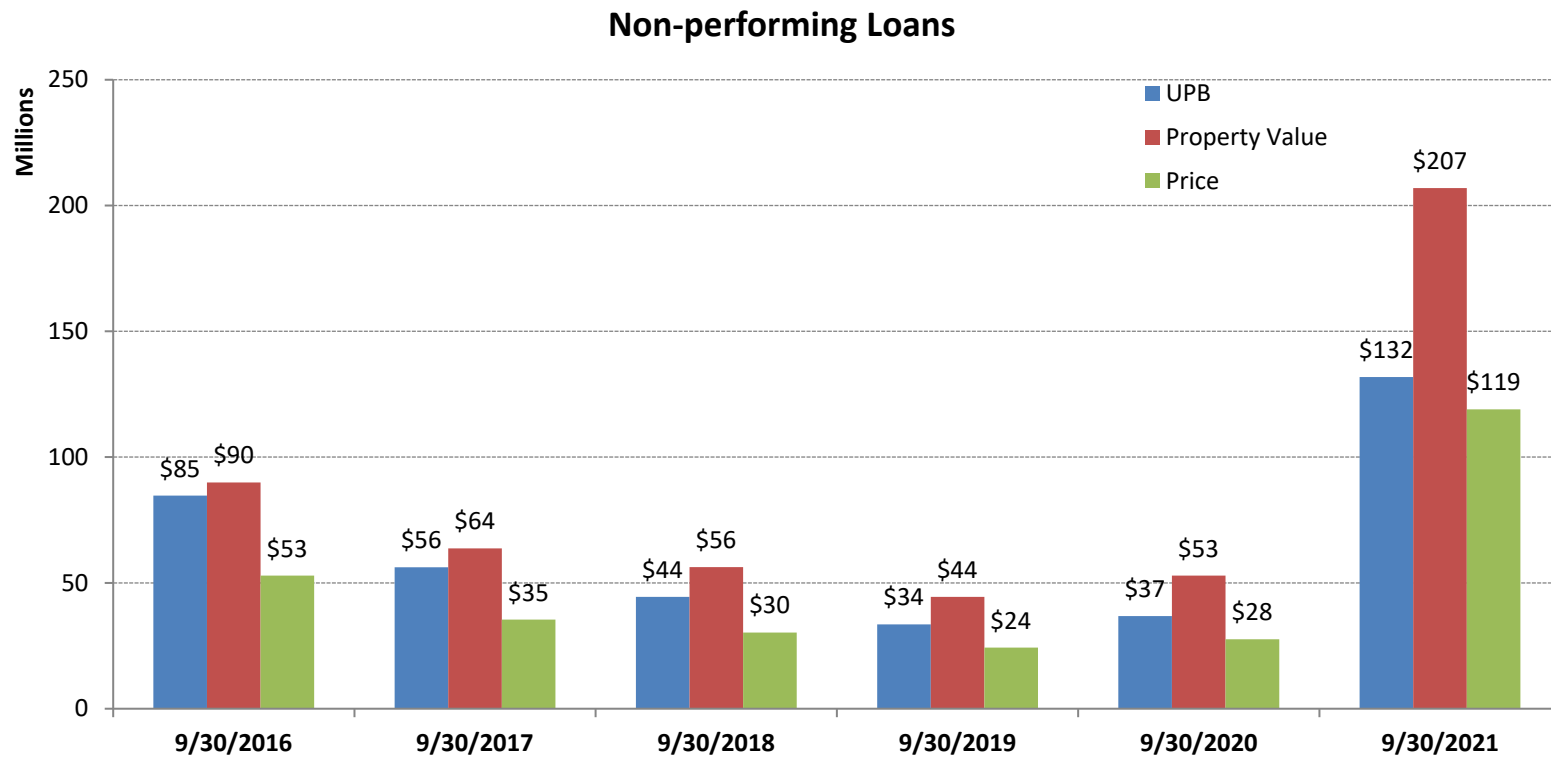
² Real estate owned ("REO") and rental property value is presented at estimated property fair value less expected liquidation costs

Portfolio Growth



- ❖ RPL UPB includes \$21.6 million of small balance commercial loans, which are performing loans. Includes \$1.6 million UPB in RPLs included in joint ventures with third party institutional accredited investors that are required to be consolidated for GAAP
- ❖ RPL status stays constant based on initial purchase status

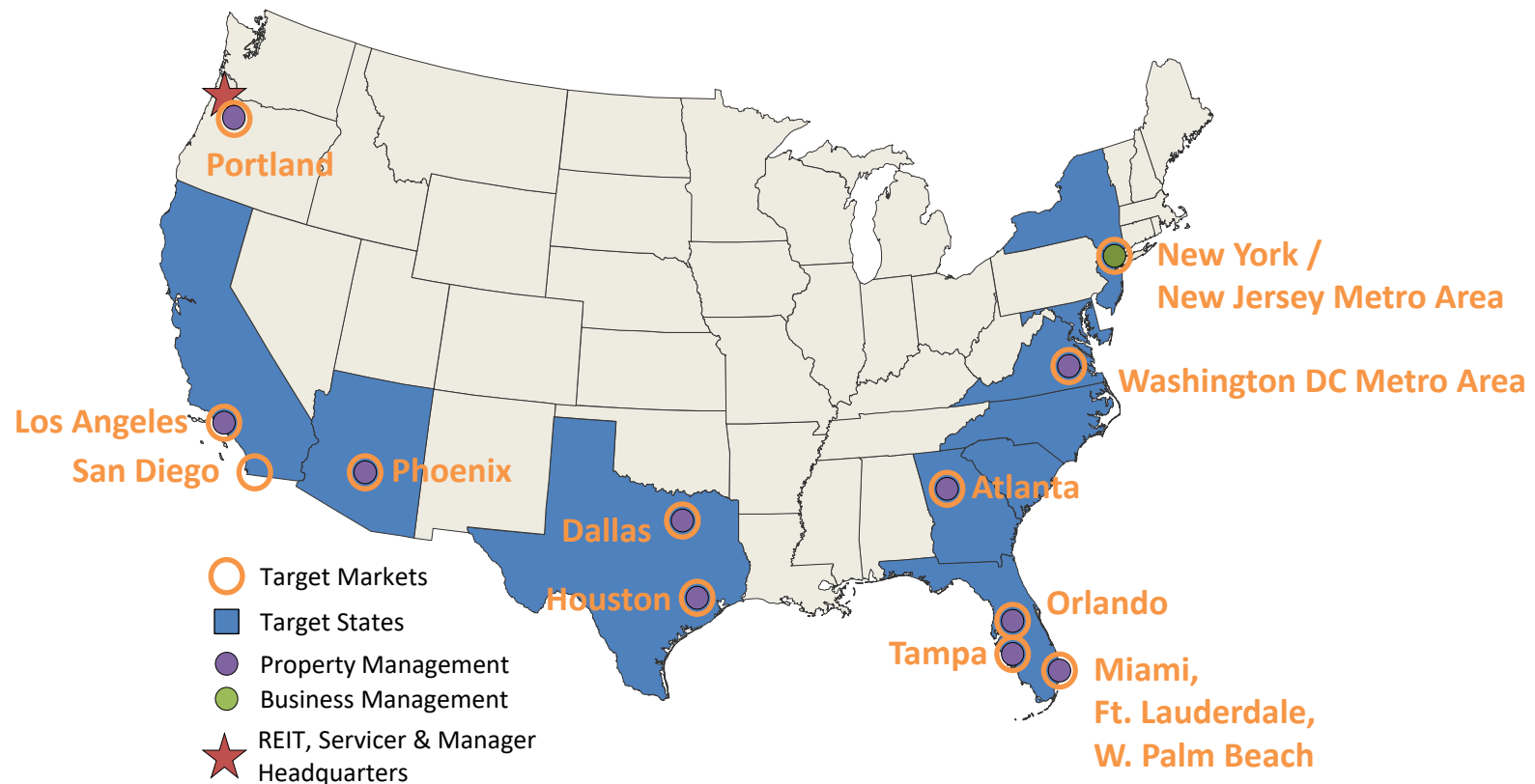
Portfolio Growth



❖ NPL status stays constant based on initial purchase status

Portfolio Concentrated in Attractive Markets

- ❖ Clusters of loans in attractive, densely populated markets
- ❖ Stable liquidity and home prices
- ❖ Over 80% of the portfolio in our target markets



Portfolio Migration

Total Pre 21Q3 Acquisitions (\$ in thousands)				
	Acquisition		Current Based on	
	Count	UPB	Count	UPB
Liquidated	-	\$ -	3,371	\$ 752,340
Conveyed to Affiliates and JVs	-	-	1,740	373,096
24for24	850	153,798	3,455	724,084
12for12	638	131,183	401	81,728
7for7	3,427	761,429	173	36,714
4f4-6f6	1,838	404,402	147	33,379
Less than 4f4	2,622	559,267	282	60,988
REO	34	8,074	32	8,591
NPL	693	159,378	501	106,611
	10,102	\$ 2,177,531	10,102	\$ 2,177,531

- ❖ 24 for 24: Loans that have made at least 24 of the last 24 payments, or for which the full dollar amount to cover at least 24 payments has been made in the last 24 months
- ❖ 12 for 12: Loans that have made at least 12 of the last 12 payments, or for which the full dollar amount to cover at least 12 payments has been made in the last 12 months
- ❖ 7 for 7: Loans that have made at least 7 of the last 7 payments, or for which the full dollar amount to cover at least 7 payments has been made in the last 7 months
- ❖ NPL: <1 full payment in the last three months

Subsequent Events

❖ Acquisitions Closed since 09/30/2021

❖ RPL

- ❖ UPB: \$2.4MM
- ❖ Collateral Value: \$3.5MM
- ❖ Price/UPB: 68.8%
- ❖ Price/Collateral Value: 47.3%
- ❖ 20 loans in 2 transactions

❖ NPL

- ❖ UPB: \$377.3K
- ❖ Collateral Value: \$435.0K
- ❖ Price/UPB: 97.4%
- ❖ Price/Collateral Value: 84.4%
- ❖ 1 loan in 1 transaction

❖ Acquisitions Under Contract^{1,2}

❖ RPL

- ❖ UPB: \$1.7MM
- ❖ Collateral Value: \$2.4MM
- ❖ Price/UPB: 96.5%
- ❖ Price/Collateral Value: 70.3%
- ❖ 4 loans in 4 transactions

❖ NPL

- ❖ UPB: \$351.7MM
- ❖ Collateral Value: \$736.2MM
- ❖ Price/UPB: 103.5%
- ❖ Price/Collateral Value: 49.5%
- ❖ 2,501 loans in 3 transactions

- ❖ A dividend of \$0.24 per share, to be paid on November 29, 2021 to common stockholders of record as of November 15, 2021

¹While these acquisitions are expected to close, there can be no assurance that these acquisitions will close or that the terms thereof may not change

²Some of the acquisitions may close through joint ventures with third party institutional accredited investors

Financial Metrics¹



	GAAP consolidated		Excluding the consolidation of 2017 D		Excluding the consolidation of 2017 D and 2018 C	
	Q3-21	Q2-21	Q1-21	Q4-20		
<i>(\$ in thousands)</i>						
Interest Income on Loans ²	\$ 15,772	\$ 15,788	\$ 17,177	\$ 16,049		
Decrease in net present value of expected credit losses on loans	\$ 908	\$ 2,740	\$ 4,264	\$ 5,403		
Interest Income on Debt Securities and Beneficial Interests ^{2,3}	\$ 7,126	\$ 6,994	\$ 5,936	\$ 6,245		
Decrease in net present value of expected credit losses on Beneficial Interests	\$ 2,770	\$ 1,993	\$ 16	\$ 1,523		
Average Loans	\$ 976,829	\$ 967,671	\$ 1,037,464	\$ 962,572		
Average Loan Yield - Ex net present value of expected credit loss adjustments	6.6%	6.7%	6.8%	6.8%		
Average Loan Yield - Net present value of expected credit loss adjustments	0.4%	1.1%	1.7%	2.3%		
Average Loan Yield - Total	7.0%	7.8%	8.4%	9.1%		
Average Debt Securities and Beneficial Interests	\$ 520,814	\$ 405,612	\$ 361,852	\$ 367,389		
Average Debt Securities and Beneficial Interests Yield - Ex net present value of expected credit loss adjustments	5.6%	7.1%	6.7%	7.0%		
Average Debt Securities and Beneficial Interests Yield - Net present value of expected credit loss adjustments	2.1%	2.0%	0.0%	1.7%		
Average Debt Securities and Beneficial Interests Yield - Total	7.7%	9.1%	6.7%	8.6%		
Average Total Asset Yield ⁴	7.3%	8.3%	8.1%	9.1%		
Total Interest Expense	\$ 8,609	\$ 8,830	\$ 9,792	\$ 9,626		
Average Securitization Debt Cost	3.0%	3.0%	3.2%	3.4%		
Average Repo Debt Cost	1.5%	1.8%	2.2%	2.6%		
Asset Level Net Interest Margin ⁴	4.8%	5.6%	5.2%	5.9%		
Total Average Debt	\$ 1,147,664	\$ 1,096,138	\$ 1,196,797	\$ 1,135,546		
Average Asset Yield	6.3%	6.8%	6.8%	6.9%		
Total Average Debt Cost	3.0%	3.3%	3.3%	3.4%		
Net Interest Margin before decrease in net present value of expected credit losses	3.2%	3.5%	3.5%	3.4%		
Net interest income after the impact of changes in the net present value of expected credit losses	1.0%	1.4%	1.2%	2.1%		
Total Net Interest Margin	4.2%	4.9%	4.7%	5.5%		
Non-Interest Operating Expenses/Avg Assets	2.0%	2.0%	2.0%	2.0%		
ROAA - Ex net REO and loan benefit/impairments, gains and credit losses	1.6%	1.6%	1.5%	1.8%		
ROAA - Net REO and loan benefit/impairments, gains and credit losses	1.0%	1.1%	1.1%	2.0%		
ROAA - Total	2.6%	2.7%	2.7%	3.8%		
ROAE - Ex net REO and loan benefit/impairments, gains and credit losses	5.4%	5.4%	4.9%	5.6%		
ROAE - Net REO and loan benefit/impairments, gains and credit losses	3.4%	3.7%	3.6%	6.0%		
ROAE - Total	8.8%	9.1%	8.5%	11.5%		
Average Leverage Ratio - Asset Backed	2.1	2.0	2.1	2.0		
Average Leverage Ratio - Convertible Debt	0.2	0.2	0.2	0.2		
Average Leverage Ratio - Total	2.3	2.2	2.4	2.2		
Ending Leverage Ratio - Asset Backed ⁵	2.0	2.1	2.0	1.9		
Ending Leverage Ratio - Convertible Debt	0.2	0.2	0.2	0.2		
Ending Leverage Ratio - Total ⁶	2.2	2.3	2.3	2.1		

¹Refer to our prior presentations for our non-GAAP reconciliations in prior periods

²Includes the impact of the credit loss expense

³Interest income on debt securities is net of servicing fee

⁴Includes the impact of the net decrease in the net present value of expected credit losses on mortgage loans and beneficial interests

⁵Excludes the impact of consolidating trusts and convertible debt as of March 31, 2021 and December 31, 2020

⁶Excludes the impact of consolidating trusts as of March 31, 2021 and December 31, 2020

Securities and Loan Repurchase Agreement Funding

Repurchase Agreement Funding Summary				
	September 30, 2021		December 31, 2020	
(\$ in thousands)	UPB	Repurchase	UPB	Repurchase
A Bonds - Joint ventures ¹	\$ 275,491	\$ 224,302	\$ 297,133	\$ 227,750
B Bonds - Joint ventures ¹	32,463	22,730	25,867	17,783
M Bonds - Joint ventures ¹	1,943	1,570	-	-
B Bonds Retained - Secured Borrowing ²	20,151	14,148	28,277	21,226
M Bonds Retained - Secured Borrowing ²	22,618	19,253	-	-
Total Repurchase Agreement Funding - Debt Securities³	\$ 352,666	\$ 282,003	\$ 351,277	\$ 266,759
 Mortgage Loans - non Mark to Market	 144,775	 103,252	 160,069	 101,117
Mortgage Loans - Mark To Market	21,232	14,085	84,337	53,256
 Total Repurchase Agreement Funding	 \$ 518,673	 \$ 399,340	 \$ 595,683	 \$ 421,132
 Unencumbered Pledgeable Assets				
Beneficial Interests	\$ 139,494		\$ 91,418	
B Bonds - Joint ventures	31,533		20,012	
B Bonds - Secured Borrowing ²	130,464		129,157	
Mortgage Loans	58,860		48,576	
Total Unencumbered Pledgeable Assets	\$ 360,351		\$ 289,163	

¹September 30, 2021 balances contain no bonds from consolidated joint ventures. December 31, 2020 includes \$57.9 million UPB of A bonds and \$10.0 million UPB of B bonds, respectively, from joint ventures that are consolidated under GAAP and are presented as mortgage loans on our consolidated balance sheet

²Securities retained from our wholly owned secured borrowings and eliminated in our consolidated balance sheet

³All debt securities repurchase agreement funding is mark to market

Consolidated Statements of Income

	Three months ended			
	September 30, 2021	June 30, 2021	March 31, 2021	December 31, 2020
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
<i>(\$ in thousands except per share amount)</i>				
INCOME:				
Interest income	\$ 23,054	\$ 23,048	\$ 24,035	\$ 24,758
Interest expense	(8,609)	(8,830)	(10,304)	(10,837)
Net interest income	14,445	14,218	13,731	13,921
Net decrease in the net present value of expected credit losses ¹	3,678	4,733	5,516	7,966
Net interest income after the impact of changes in the net present value of expected credit losses	18,123	18,951	19,247	21,887
Income from equity method investments	90	357	163	310
Other income	778	486	356	308
Total revenue, net	18,991	19,794	19,766	22,505
EXPENSE:				
Related party expense - loan servicing fees	1,743	1,699	1,833	1,880
Related party expense - management fees	2,292	2,270	2,273	2,250
Professional fees	526	763	640	721
Real estate operating expenses	(76)	88	185	209
Fair value adjustment on put option liability	2,493	2,201	1,944	1,717
Other expense	1,227	1,375	1,304	1,236
Total expense	8,205	8,396	8,179	8,013
Loss on debt extinguishment	-	161	911	-
Income before provision for income tax	10,786	11,237	10,676	14,492
Provision for income tax	102	67	34	90
Consolidated net income	10,684	11,170	10,642	14,402
Less: consolidated net (loss)/income attributable to non-controlling interests	(578)	(1,158)	1,689	1,619
Consolidated net income attributable to Company	11,262	12,328	8,953	12,783
Less: dividends on preferred stock	1,949	1,950	1,949	1,949
Consolidated net income attributable to common stockholders	\$ 9,313	\$ 10,378	\$ 7,004	\$ 10,834
Basic earnings per common share	\$ 0.40	\$ 0.45	\$ 0.30	\$ 0.47
Diluted earnings per common share	\$ 0.38	\$ 0.42	\$ 0.30	\$ 0.41
Weighted average shares - basic	22,862,429	22,825,804	22,816,978	22,838,664
Weighted average shares - diluted	30,407,649	30,198,696	22,816,978	36,105,656

¹Net decrease in the net present value of expected credit losses represents the net decrease to the allowance resulting from changes in actual and expected cash flows during the quarters ended September 30, 2021, June 30, 2021, March 31, 2021 and December 31, 2020. It represents the net increase of the present value of the expected cash flows in excess of contractual cash flows offset by any incremental provision expense on the Mortgage loan pools and Beneficial interests. The decrease is calculated at the pool level for Mortgage loans and at the security level for Beneficial interests. To the extent a pool or Beneficial interest has an associated allowance, the decrease in expected credit losses is recorded in the period in which the change occurs, otherwise it is recognized prospectively as an increase in yield.

Consolidated Balance Sheets

<i>(\$ in thousands except per share amounts)</i>	<u>September 30, 2021</u>	<u>December 31, 2020</u>
ASSETS	(unaudited)	
Cash and cash equivalents	\$ 92,843	\$ 107,147
Cash held in trust	2,534	188
Mortgage loans held-for-investment, net ^{1,2}	976,351	1,119,372
Mortgage loans held-for-sale, net	30,963	-
Real estate owned properties, net ³	6,097	8,526
Investment in securities at fair value ⁴	340,082	273,834
Investment in beneficial interests ⁵	139,494	91,418
Receivable from servicer	18,128	15,755
Investment in affiliates	27,464	28,616
Prepaid expenses and other assets	14,132	8,876
Total assets	<u>\$ 1,648,088</u>	<u>\$ 1,653,732</u>
LIABILITIES AND EQUITY		
<i>Liabilities:</i>		
Secured borrowings, net ^{1,2,6}	\$ 612,592	\$ 585,403
Borrowings under repurchase transactions	399,340	421,132
Convertible senior notes, net ⁵	103,754	110,057
Management fee payable	2,289	2,247
Put option liability	20,843	14,205
Accrued expenses and other liabilities	6,165	6,197
Total liabilities	<u>1,144,983</u>	<u>1,139,241</u>
<i>Equity:</i>		
Preferred stock, \$0.01 par value, 25,000,000 shares authorized		
Series A 7.25% Fixed-to-Floating Rate Cumulative Redemable ⁷	51,100	51,100
Series B 5.00% Fixed-to-Floating Rate Cumulative Redemable ⁸	64,044	64,044
Common stock \$0.01 par value ⁹	232	231
Additional paid-in capital	315,611	317,424
Treasury stock	(1,539)	(1,159)
Retained earnings	66,958	53,346
Accumulated other comprehensive income	3,418	375
Equity attributable to stockholders	499,824	485,361
Non-controlling interests ¹⁰	3,281	29,130
Total equity	<u>503,105</u>	<u>514,491</u>
Total equity and liabilities	<u>\$ 1,648,088</u>	<u>\$ 1,653,732</u>

Consolidated Balance Sheets Footnotes

1. Mortgage loans held-for-investment, net include \$790.9 million and \$842.2 million of loans at September 30, 2021 and December 31, 2020, respectively, transferred to securitization trusts that are variable interest entities ("VIEs"); these loans can only be used to settle obligations of the VIEs. Secured borrowings consist of notes issued by VIEs that can only be settled with the assets and cash flows of the VIEs. The creditors do not have recourse to the primary beneficiary (Great Ajax Corp.). Mortgage loans held-for-investment, net include \$13.9 million and \$13.7 million of allowance for expected credit losses at September 30, 2021 and December 31, 2020, respectively.
2. As of September 30, 2021, balances for Mortgage loans held-for-investment, net include \$1.5 million from a 50.0% owned joint venture. As of December 31, 2020, balances for Mortgage loans held-for-investment, net includes \$307.1 million and Secured borrowings, net of deferred costs includes \$250.6 million from 50.0% and 63.0% owned joint ventures, all of which we consolidate under U.S. Generally Accepted Accounting Principles ("U.S. GAAP"). The creditors do not have recourse to the primary beneficiary (Great Ajax Corp.).
3. Real estate owned properties, net, are presented net of valuation allowances of \$0.4 million and \$1.4 million at September 30, 2021 and December 31, 2020, respectively.
4. As of September 30, 2021 and December 31, 2020 Investments in securities at fair value include amortized cost basis of \$336.7 million and \$273.4 million, respectively, and net unrealized gains of \$3.4 million and \$0.4 million, respectively.
5. Investments in beneficial interests includes allowance for expected credit losses of \$0.6 million and \$4.5 million at September 30, 2021 and December 31, 2020, respectively.
6. Secured borrowings, net are presented net of deferred issuance costs of \$8.3 million at September 30, 2021 and \$5.4 million at December 31, 2020. Convertible senior notes, net are presented net of deferred issuance costs of \$2.1 million at September 30, 2021 and \$3.3 million at December 31, 2020.
7. \$25.00 liquidation preference per share, 2,307,400 shares issued and outstanding at September 30, 2021 and December 31, 2020.
8. \$25.00 liquidation preference per share, 2,892,600 shares issued and outstanding at September 30, 2021 and December 31, 2020.
9. 125,000,000 shares authorized, 23,140,131 shares issued and outstanding at September 30, 2021 and 22,978,339 shares issued and outstanding at December 31, 2020.
10. As of September 30, 2021 non-controlling interests includes \$1.8 million from a 50.0% owned joint venture, \$1.3 million from a 53.1% owned subsidiary and \$0.1 million from a 99.9% owned subsidiary. As of December 31, 2020 non-controlling interests includes \$27.4 million from the 50.0% and 63.0% owned joint ventures, \$1.5 million from a 53.1% owned subsidiary and \$0.2 million from a 99.9% owned subsidiary which we consolidates under U.S. GAAP.