

Corporate Contact:

Andreas Michalopoulos
Director, Deputy Chief Executive Officer,
Chief Financial Officer, Treasurer and Secretary
Telephone: +30-216-600-2400
Email: amichalopoulos@pshipping.com
Website: www.pshipping.com

Investor and Media Relations:

Edward Nebb
Comm-Counsellors, LLC
Telephone: + 1-203-972-8350
Email: enebb@optonline.net

**PERFORMANCE SHIPPING INC. ANNOUNCES THE SALE AND DELIVERY
OF VESSEL TO HER NEW OWNER**

ATHENS, GREECE, August 20, 2020 – Performance Shipping Inc. (NASDAQ: PSHG), (the “Company”), a global shipping company specializing in the ownership of vessels, today announced that on 19 August 2020, through a separate wholly-owned subsidiary, it signed a Memorandum of Agreement to sell the 2001-built Panamax container vessel, the M/V Domingo, to an unaffiliated third party for a sale price of US\$5.6 million before commissions. The vessel was successfully delivered to her new owner today.

Performance Shipping Inc.’s fleet now consists of four (4) Aframax tanker vessels.

Commenting on the transaction, Mr. Andreas Michalopoulos, the Company’s Deputy Chief Executive Officer, Chief Financial Officer and Treasurer stated:

“We are thrilled to announce the sale of the last remaining container ship in our fleet, which marks the completion of our shift from the container vessel industry into a pure tanker owning company. Since the start of our diversification in June 2019, we have sold four (4) container ships for US\$53.4 million before commissions and acquired four (4) Aframax tankers for an aggregate gross purchase price of US\$112 million. The sale of the M/V Domingo increases our cash position to approximately US\$38 million. This will enable us to take advantage of growth opportunities, which will help us increase our presence in the Aframax tanker market and move one step closer towards achieving our goal of becoming a leading publicly traded tanker company.”

About the Company

Performance Shipping Inc. is a global provider of shipping transportation services through its ownership of vessels. The Company’s current fleet of vessels is employed primarily on spot charters with leading charterers.

Cautionary Statement Regarding Forward-Looking Statements

Matters discussed in this press release may constitute forward-looking statements. The Private Securities Litigation Reform Act of 1995 provides safe harbor protections for forward-looking statements in order to encourage companies to provide prospective

information about their business. Forward-looking statements include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts.

The Company desires to take advantage of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and is including this cautionary statement in connection with this safe harbor legislation. The words "believe," "anticipate," "intends," "estimate," "forecast," "project," "plan," "potential," "may," "should," "expect," "pending" and similar expressions identify forward-looking statements.

The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, our management's examination of historical operating trends, data contained in our records and other data available from third parties. Although we believe that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond our control, we cannot assure you that we will achieve or accomplish these expectations, beliefs or projections.

In addition to these important factors, other important factors that, in our view, could cause actual results to differ materially from those discussed in the forward-looking statements include the strength of world economies and currencies, general market conditions, including fluctuations in charter rates and vessel values, changes in demand for our vessels, changes in our operating expenses, including bunker prices, dry-docking and insurance costs, the market for our vessels, availability of financing and refinancing, changes in governmental rules and regulations or actions taken by regulatory authorities, potential liability from pending or future litigation, general domestic and international political conditions, the length and severity of the novel coronavirus (COVID-19) pandemic and its impact on the demand for seaborne transportation of petroleum and other types of products, potential disruption of shipping routes due to accidents or political events, vessel breakdowns and instances of off-hires and other factors. Please see our filings with the Securities and Exchange Commission for a more complete discussion of these and other risks and uncertainties.