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PERFORMANCE SHIPPING INC. ANNOUNCES DELIVERY OF THE LR2 AFRAMAX TANKER, M/T P. LONG BEACH

ATHENS, Greece, December 15, 2022 - Performance Shipping Inc. (NASDAQ: PSHG) (“we” or the “Company”), a global shipping company specializing in the ownership of tanker vessels, announced that, through a separate wholly-owned subsidiary, it has taken delivery of the M/T P. Long Beach (formerly “Fos Hamilton”), a 2013-built LR2 Aframax oil product tanker vessel of 105,408 dwt that the Company entered into an agreement to purchase in November 2022.

As previously announced, the M/T P. Long Beach was acquired for a total purchase price of US\$43.75 million and partially financed through the recently announced term loan facility with Alpha Bank S.A.

The M/T P. Long Beach is equipped with an eco-electronic engine and fitted with a ballast water treatment system (BWTS). The vessel is the fourth vessel delivered to the Company during the course of this year, bringing the Company’s current fleet to a total of eight (8) Aframax tanker vessels.

Commenting on this delivery, Andreas Michalopoulos, the Company’s Chief Executive Officer, stated:

“The delivery of our second LR2 Aframax tanker, the M/T P. Long Beach, marks the completion of our previously announced vessel acquisitions and demonstrates the latest step towards our fleet expansion goal. In a short span of six months, our fleet has nearly doubled in size and now consists of eight modern, high specification Aframax tankers. With our two newly acquired LR2 Aframax tankers, we have established a solid position in the refined petroleum product sector, which we believe currently enjoys strong fundamentals and prospects. In addition to our secured revenues of approximately US\$85 million, we intend to enhance the earnings of our expanded and renewed fleet in the spot market, mainly through pool agreements, allowing us to further supplement our cash flow going forward.”

“Despite our efforts to increase the Company's earnings potential, and what we believe to be sustainably strong fundamental conditions in the charter market, the market valuation of our common shares remains extremely low. Specifically, we reported net income attributable to

common stockholders of US\$10.4 million during the third quarter alone, which, if annualized and compared to our current equity market capitalization, would represent a price-to-earnings ratio of approximately 0.35x. In addition, the free cash balance at the end of the third quarter was approximately US\$26 million representing approximately 1.78x our current market capitalization, which is only about 10% of our current estimated net asset value.”

About the Company

Performance Shipping Inc. is a global provider of shipping transportation services through its ownership of tanker vessels. The Company employs its fleet on spot voyages, through pool arrangements and on time charters.

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, but are not limited to, statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts, including with respect to the delivery of the vessels we have agreed to acquire.

The words “believe,” “anticipate,” “intends,” “estimate,” “forecast,” “project,” “plan,” “potential,” “will,” “may,” “should,” “expect,” “targets,” “likely,” “would,” “could,” “seeks,” “continue,” “possible,” “might,” “pending” and similar expressions, terms or phrases may 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, but are not limited to: the strength of world economies, fluctuations in currencies and interest rates, general market conditions, including fluctuations in charter rates and vessel values, changes in demand in the tanker shipping industry, changes in the supply of vessels, changes in worldwide oil production and consumption and storage, changes in our operating expenses, including bunker prices, crew costs, drydocking and insurance costs, our future operating or financial results, availability of financing and refinancing including with respect to vessels we agree to acquire, 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 epidemics and pandemics, including the ongoing outbreak of the novel coronavirus (COVID-19) and its impact on the demand for

seaborne transportation of petroleum and other types of products, 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 or events, including “trade wars”, armed conflicts including the war in Ukraine, the imposition of new international sanctions, acts by terrorists or acts of piracy on ocean-going vessels, potential disruption of shipping routes due to accidents, labor disputes or political events, vessel breakdowns and instances of off-hires and other important factors. Please see our filings with the U.S. Securities and Exchange Commission for a more complete discussion of these and other risks and uncertainties.