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PERFORMANCE SHIPPING INC. REPORTS FINANCIAL RESULTS FOR THE SECOND QUARTER AND SIX MONTHS ENDED JUNE 30, 2026

ATHENS, GREECE, July 29, 2026 – Performance Shipping Inc. (NASDAQ: PSHG) ("we" or the "Company"), a global shipping company specializing in the ownership of tanker vessels, today reported net income of $11.9 million and net income attributable to common stockholders of $13.9 million for the second quarter of 2026, compared to a net income of $9.1 million and net income attributable to common stockholders of $8.6 million for the same period in 2025. Earnings per share, basic and diluted, for the second quarter of 2026 were $1.12 and $0.37, respectively.

Revenue was $34.7 million ($32.9 million net of voyage expenses) for the second quarter of 2026, compared to $18.1 million ($17.6 million net of voyage expenses) for the same period in 2025. This increase was mainly attributable to the increase in ownership days following the delivery of the newbuilding vessels *P. Massport*, *P. Tokyo* and *P. Marseille* in July 2025, September 2025, and January 2026, respectively, and also of the secondhand Suezmax vessels *P. Bel Air* and *P. Beverly Hills* in December 2025, partly offset by the sale of the *P. Yanbu* in March 2025. Fleetwide, the average TCE rate for the second quarter of 2026 was $32,872, compared with an average rate of $32,295 for the same period in 2025. During the second quarter of 2026, net cash provided by operating activities was $19.7 million, compared with net cash provided by operating activities of $11.3 million for the second quarter of 2025.

Net income for the six months ended June 30, 2026, amounted to $22.1 million, compared to a net income of $38.5 million for the six months ended June 30, 2025. Net income attributable to common stockholders for the six months ended June 30, 2026 amounted to $23.7 million, while net income attributable to common stockholders for the six months ended June 30, 2025, amounted to $37.6 million.

Commenting on the results of the second quarter of 2026, Andreas Michalopoulos, the Company's Chief Executive Officer, stated:

"The Company delivered another quarter of solid financial and operational performance, reflecting our long-term chartering strategy, disciplined fleet renewal program and conservative capital allocation. As a result, we generated revenues of $68.4 million during the first half of 2026, reflecting average daily TCE rates of approximately $32,700 across our fleet, and delivered net income attributable to common stockholders of $23.7 million.

"The tanker market remains constructive, and we continue to capitalize on the supportive charter environment by securing long-term employment at attractive rates. Subsequent to quarter-end, we further enhanced the visibility of our future cash flows by extending the time charters of the M/T *Briolette* with Aramco Trading for three years at $37,700 per day and the M/T *Blue Moon* with American Eagle Tankers for an additional two years at an average rate of $40,500 per day. As of mid-2026 and as adjusted for the newly concluded charter agreements, our contracted revenue backlog exceeded half a billion dollars, with an average remaining duration of 3.4 years and significant charter coverage extending through 2030, providing strong cash flow visibility.

"By securing an average contracted time charter rate of approximately $32,500 per day through 2030, we have substantially covered our projected daily cash expenses through 2028, while maintaining an estimated spot cash break-even that gradually increases from effectively zero to approximately $14,300 per day by 2030 based on management's current estimates of future operating expenses. These contracted cash flows underscore the resilience of our business model and our ability to navigate future market conditions with confidence.

"Our balance sheet remains a key strength. The Company has no debt maturities before mid-2029, and the recent amendments to our outstanding bond, converting it into a senior unsecured obligation, further improved our financial flexibility. As of quarter end, the Company maintained cash, cash equivalents and restricted cash of approximately $106 million, with liquidity anticipated to increase further following the completed sale in July 2026 of the M/T *P. Sophia*, and the pending sale of the M/T *P. Aliki*. Our liquidity, on a pro forma basis after giving effect to the net cash proceeds from these sales, is expected to adequately fund our remaining capital expenditures related to our fully contracted newbuilding program and enable us to pursue selective acquisition opportunities."

Corporate Developments

Update on Outstanding Shares and Warrants

As of July 28, 2026, the Company had outstanding 12,432,158 common shares. In addition, the following common share purchase warrants were outstanding as of such date:

- Class A Warrants to purchase up to 567,366 common shares at an exercise price of $15.75 per common share;
- Warrants issued July 19, 2022, to purchase up to 1,033,333 common shares at an exercise price of $1.65 per common share;
- Warrants issued August 16, 2022, to purchase up to 2,122,222 common shares at an exercise price of $1.65 per common share;
- Series A Warrants issued March 3, 2023, which are exchangeable for up to 14,300 common shares; and
- Series B Warrants issued March 3, 2023, to purchase up to 4,097,000 common shares at an exercise price of $2.25 per common share.

In the second quarter of 2026, the Company redeemed all outstanding Series B Convertible Cumulative Perpetual Preferred Stock pursuant to its terms. Following such redemption and as of July 28, 2026, the Company had zero shares of its Series B Convertible Cumulative Perpetual Preferred Stock and 1,423,912 shares of its Series C Convertible Cumulative Redeemable Perpetual Preferred Stock outstanding.

Update on Recent Developments

During the second quarter of 2026 and through July 28, 2026, the Company achieved several key milestones:

- Entered into agreements to sell the two oldest vessels in the fleet, M/T P. Sophia (2009-built) and M/T P. Aliki (2010-built), for gross proceeds of $35.65 million and $42.65 million, respectively. The sale of M/T P. Sophia was completed, with the vessel delivered to her new owners in mid-July 2026, while the sale of M/T P. Aliki is expected to be completed during the third quarter of 2026.

- Entered into long-term time charter agreements with Repsol Trading S.A. for two 158,000 DWT newbuilding Suezmax tanker vessels under construction. The first vessel has been chartered for seven years at $35,000 per day and the second for five years at $36,850 per day. The vessels are expected to be delivered in October 2028 and May 2029, respectively.

- Amended the terms of its outstanding 9.875% senior bonds, releasing the existing security package and effectively converting the bonds into senior unsecured obligations of the Company.

- Extended the time charter for M/T Briolette with Aramco Trading for three years at a charter rate of $37,700 per day.

- Entered into a supplemental loan agreement with Nordea Bank Abp, extending the maturity of its existing secured loan facility to July 2030 and securing substantially improved terms, including reduced quarterly principal installments and a lower applicable margin.

- Extended the time charter for M/T Blue Moon with American Eagle Tankers, a member of the MISC Group, for an additional two years at an average rate of $40,500 per day.

- Prepaid an amount of $12.8 million to Alpha Bank in connection with the pending sale of the vessel P. Aliki by the end of the third quarter of 2026.

- Reflecting these commercial updates, the Company's estimated spot cash break-even gradually increases from effectively zero to approximately $14,300 per day by 2030 based on management's current estimates of future operating expenses.

Tanker Market Update for the Second Quarter of 2026:

• Tanker fleet supply was 729.3 million dwt, up 1.3% from 720.1 million dwt from the previous quarter and up 3.9% from Q2 2025 levels of 702.0 million dwt.

• Seaborne oil trade dynamics remain subject to ongoing geopolitical uncertainty, with disruptions across the Strait of Hormuz and continued Red Sea inefficiencies contributing to longer voyage distances, fleet repositioning, and evolving trade patterns. Looking ahead, seaborne oil trade is expected to remain resilient, supported by potential inventory replenishment and seasonally stronger demand. While seaborne oil trade in tonne-miles is expected to decrease by approximately 4.1% in 2026, a recovery of approximately 3.8% is projected for 2027.

• Tanker fleet supply in deadweight terms is estimated to grow by 4.9% in 2026 and by 6.0% in 2027.

• Newbuilding tanker contracting was 30.2 million dwt in the second quarter, resulting in a tanker orderbook-to-fleet ratio of 24.8%.

• Daily spot charter rates for Aframax tankers averaged $108,269, down 5.4% from the previous quarter average of $114,453 and up 149.2% from Q2 2025 average of $43,442.

• The value of a 10-year-old Aframax tanker at the end of the second quarter was $72.5 million, up 20.8% from $60.0 million in the previous quarter, and up 45.0% from $50.0 million in Q2 2025.

• Daily spot charter rates for Suezmax tankers averaged $146,567, down 3.6% from the previous quarter average of $152,067 and up 2215.3% from Q2 2025 average of $46,492.

• The value of a 10-year-old Suezmax tanker at the end of the second quarter was $89.0 million, up 25.4% from $71.0 million in the previous quarter, and up 43.5% from $62.0 million in Q2 2025.

• The number of tankers used for floating storage (excluding dedicated storage) stood at 113 (15.3 million dwt) in the second quarter, down 15.7% from 134 (18.4 million dwt) at the end of the previous quarter and down 11.0% from 127 (13.4 million dwt) in Q2 2025.

• Global oil consumption was 100.4 million bpd, down 2.4% from the previous quarter level of 102.8 million bpd, and down 3.5% from Q2 2025 levels of 104.0 million bpd.

• Global oil production was 95.3 million bpd, down 8.3% from the previous quarter level of 103.9 million bpd and down 9.3% from Q2 2025 levels of 105.0 million bpd.

• OECD commercial inventories were 2,603 million barrels, down 7.0% from the previous quarter level of 2,798 million barrels, and down 6.3% from Q2 2025 levels of 2,777 million barrels.

The above market outlook update is based on information, data, and estimates derived from industry sources. There can be no assurances that such trends will continue or that anticipated developments in tanker demand, fleet supply or other market indicators will materialize. While we believe the market and industry information included in this release to be generally reliable, we have not independently verified any third-party information or verified that more recent information is not available.

Summary of Selected Financial & Other Data

(in thousands of US Dollars, except per share data, fleet data and average daily results)	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
STATEMENT OF OPERATIONS DATA:				
Revenue	$ 34,659	$ 18,143	$ 68,431	$ 39,476
Voyage expenses	1,754	510	3,720	2,628
Vessel operating expenses	8,135	4,568	15,822	9,037
Net income	11,905	9,074	22,131	38,501
Net income attributable to common stockholders	13,884	8,617	23,652	37,586
Earnings per common share, basic	1.12	0.69	1.90	3.02
Earnings per common share, diluted	0.37	0.23	0.63	1.00
FLEET DATA				
Average number of vessels	11.0	6.0	10.9	6.5
Number of vessels	11.0	6.0	11.0	6.0
Ownership days	1,001	546	1,979	1,169
Available days	1,001	546	1,979	1,169
Operating days (1)	996	546	1,971	1,154
Fleet utilization	99.5%	100.0%	99.6%	98.7%
AVERAGE DAILY RESULTS				
Time charter equivalent (TCE) rate (2)	$ 32,872	$ 32,295	$ 32,699	$ 31,521
Daily vessel operating expenses (3)	$ 8,127	$ 8,366	$ 7,995	$ 7,731

(1) Operating days are the number of available days in a period less the aggregate number of days that our vessels are off-hire. The specific calculation counts as on-hire the days of the ballast leg of the spot voyages, as long as a charter party is in place. The shipping industry uses operating days to measure the aggregate number of days in a period during which vessels actually generate revenues.

(2) Time charter equivalent rates, or TCE rates, are defined as revenue (voyage, time charter and pool revenue), less voyage expenses during a period divided by the number of our available days during the period, which is consistent with industry standards. Voyage expenses mainly include port charges, bunker (fuel) expenses, canal charges and commissions. TCE is a non-GAAP measure. TCE rate is a standard shipping industry performance measure used primarily to compare daily earnings generated by vessels despite changes in the mix of charter types (i.e., voyage (spot) charters, time charters and bareboat charters).

(3) Daily vessel operating expenses, which include crew wages and related costs, the cost of insurance and vessel registry, expenses relating to repairs and maintenance, the costs of spares and consumable stores, lubricant costs, tonnage taxes, regulatory fees, environmental costs, lay-up expenses and other miscellaneous expenses, are calculated by dividing vessel operating expenses by ownership days for the relevant period.

Fleet Employment Profile (As of July 29, 2026)

Performance Shipping Inc.'s fleet is employed as follows:

	Vessel	Year of Build	Capacity	Builder	Charter Type	Notes
				Operating Aframax Tanker Vessels		
1	BLUE MOON	2011	104,623 DWT	Sumitomo Heavy Industries Marine & Engineering Co., LTD.	Time-Charter	
2	BRIOLETTE	2011	104,588 DWT	Sumitomo Heavy Industries Marine & Engineering Co., LTD.	Time-Charter	
3	P. ALIKI	2010	105,304 DWT	Hyundai Heavy Industries Co., LTD	Time-Charter	3
4	P. MONTEREY	2011	105,525 DWT	Hyundai Heavy Industries Co., LTD	Time-Charter	
5	P. LONG BEACH	2013	105,408 DWT	Hyundai Heavy Industries Co., LTD	Time-Charter	
6	P. MASSPORT	2025	114,036 DWT	China Shipbuilding Trading Company Limited and Shanghai Waigaoqiao Shipbuilding Company Limited	Time-Charter	
7	P. TOKYO	2025	114,014 DWT	China Shipbuilding Trading Co. Ltd. ("CSTC") and Shanghai Waigaoqiao Shipbuilding Co. Ltd.	Time-Charter	
8	P. MARSEILLE	2026	113,977 DWT	China Shipbuilding Trading Co. Ltd. ("CSTC") and Shanghai Waigaoqiao Shipbuilding Co. Ltd.	Time-Charter	
				Operating Suezmax Tanker Vessels		
9	P. BEVERLY HILLS	2019	157,286 DWT	Hyundai Samho Heavy Industries Co., Ltd	Time-Charter	
10	P. BEL AIR	2019	157,286 DWT	Hyundai Samho Heavy Industries Co., Ltd	Time-Charter	
				Newbuilding Suezmax Tanker Vessels		
11	HULL 1627	-	158,000 DWT	China Shipbuilding Trading Co. Ltd. ("CSTC") and Shanghai Waigaoqiao Shipbuilding Co. Ltd.	Time-Charter	1,2
12	HULL 1628	-	158,000 DWT	China Shipbuilding Trading Co. Ltd. ("CSTC") and Shanghai Waigaoqiao Shipbuilding Co. Ltd.	Time-Charter	1,2
				Newbuilding LR1 Tanker Vessel		
13	HULL 1624	-	75,000 DWT	Jiangsu Yangzijiang Shipbuilding Group Co., Ltd.	Time-Charter	1,2

1 As per management's current estimate, expected delivery dates for Hull 1624, to be named P. San Francisco, is January 2027, for Hull 1627 is October 2028, and for Hull 1628 is May 2029.

2 We have secured time charter contracts for Hull 1624, Hull 1627 and Hull 1628, with employment to commence upon delivery of the vessels to the Company.

3 We have entered into a memorandum of agreement for the sale of vessel P. Aliki. The vessel is expected to be delivered to its new owners during the third quarter of 2026.

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, future market conditions and the prospective financing and employment of our vessels. 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 COVID-19, and their impact on the demand for seaborne transportation of petroleum and other types of products, general domestic and international political conditions or events, including “trade wars”, armed conflicts including the war in Ukraine and the war in the Middle East, 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 US Securities and Exchange Commission for a more complete discussion of these and other risks and uncertainties.

(See financial tables attached)

PERFORMANCE SHIPPING INC.

FINANCIAL TABLES

Expressed in thousands of U.S. Dollars, except for share and per share data

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS

	For the three months ended June 30,		For the six months ended June 30,	
	2026	**2025**	**2026**	**2025**
REVENUE:				
Revenue	$ 34,659	$ 18,143	$ 68,431	$ 39,476
EXPENSES:				
Voyage expenses	1,754	510	3,720	2,628
Vessel operating expenses	8,135	4,568	15,822	9,037
Depreciation and amortization of deferred charges	5,737	3,147	12,273	6,475
General and administrative expenses	1,933	1,752	4,426	3,856
Gain on vessel's sale	-	-	-	(19,456)
Provision for / (Reversal of) credit losses	-	(3)	-	27
Foreign currency (gains) / losses	(14)	69	(62)	69
Operating income	$ 17,114	$ 8,100	$ 32,252	$ 36,840
OTHER INCOME / (EXPENSES):				
Interest and finance costs	(5,910)	(44)	(11,631)	(78)
Interest income	699	1,020	1,504	1,737
Changes in fair value of warrants' liability	2	(2)	6	2
Total other income (expenses), net	$ (5,209)	$ 974	$ (10,121)	$ 1,661
Net income	$ 11,905	$ 9,074	$ 22,131	$ 38,501
Deemed contribution from preferred stockholders	2,436	-	2,436	-
Dividends on preferred stock	(457)	(457)	(915)	(915)
Net income attributable to common stockholders	$ 13,884	$ 8,617	$ 23,652	$ 37,586
Earnings per common share, basic	$ 1.12	$ 0.69	$ 1.90	$ 3.02
Earnings per common share, diluted	$ 0.37	$ 0.23	$ 0.63	$ 1.00
Weighted average number of common shares, basic	12,432,158	12,432,158	12,432,158	12,432,158
Weighted average number of common shares, diluted	38,896,711	38,667,584	39,096,650	38,667,584

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	For the three months ended June 30,		For the six months ended June 30,	
	2026	**2025**	**2026**	**2025**
Net income	$ 11,905	$ 9,074	$ 22,131	$ 38,501
Comprehensive income	$ 11,905	$ 9,074	$ 22,131	$ 38,501

CONDENSED CONSOLIDATED BALANCE SHEET DATA

(Expressed in thousands of US Dollars)

	June 30, 2026	December 31, 2025*
ASSETS	(unaudited)	
Cash, cash equivalents and restricted cash	$ 105,933	$ 49,261
Vessels held for sale	51,477	-
Advances for vessels under construction and other vessels' costs	50,399	48,725
Vessels, net	456,362	449,689
Other fixed assets, net	312	58
Other assets	10,342	12,120
Total assets	$ 674,825	$ 559,853
LIABILITIES AND STOCKHOLDERS' EQUITY		
Long-term debt, including Bonds, net of unamortized deferred financing costs, discounts and premiums	$ 310,034	$ 222,332
Other liabilities	21,412	14,087
Total stockholders' equity	343,379	323,434
Total liabilities and stockholders' equity	$ 674,825	$ 559,853

* The balance sheet data as of December 31, 2025 has been derived from the audited consolidated financial statements at that date.

OTHER FINANCIAL DATA

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Net Cash provided by Operating Activities	$ 19,662	$ 11,309	$ 42,658	$ 26,847
Net Cash (used in) / provided by Investing Activities	$ (34,294)	$ (20,001)	$ (70,721)	$ 3,303
Net Cash (used in) / provided by Financing Activities	$ (6,007)	$ (2,798)	$ 84,735	$ (4,681)