

REGISTRATION DOCUMENT



Performance Shipping Inc.

The information in this registration document (the “**Registration Document**”) relates to the listing of senior secured bonds with a face value of USD 125,000 each under ISIN NO0013607028 (the “**Bonds**”) issued on 17 July 2025 and in the subsequent tap issue on 27 January 2026 by Performance Shipping Inc. (the “**Issuer**” or the “**Company**”, taken together with its consolidated subsidiaries, the “**Group**”) and to be listed on Oslo Stock Exchange on or about 1 April 2026 (the “**Listing**”).

For the definitions of capitalised terms used throughout this Registration Document, see Section 8 “Definitions”. *Investing in the Bonds involves risks; see Section 1 “Risk Factors” beginning on page 4.*

25 March 2026

IMPORTANT INFORMATION

This Registration Document is valid for a period of up to 12 months following its approval by the Financial Supervisory Authority of Norway (Norwegian: *Finanstilsynet*) (the “**Norwegian FSA**”). This Registration Document should be read together with the Securities Note dated 25 March 2026 (the “**Securities Note**”), which together with this Registration Document make up a prospectus (the “**Prospectus**”).

The Prospectus has been prepared in order to provide information about the Issuer and its business in relation to the Listing of the Bonds and to comply with the Norwegian Securities Trading Act of 29 June 2007 no. 75 (as amended from time to time, the “**Norwegian Securities Trading Act**”) and related secondary legislation, including Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2014/71/EC, as amended and as implemented in Norway under Section 7-1 of the Norwegian Securities Trading Act (the “**EU Prospectus Regulation**”). The Prospectus has been prepared solely in the English language. Prospective investors must make their own assessment as to the suitability of investing in the Bonds.

The information contained herein is current as at the date hereof and subject to change, completion and amendment without notice. New information that is significant for the Issuer or its subsidiaries may be disclosed after the Registration Document has been made public, but prior to listing of the Bonds. Such information will be published as a supplement to the Registration Document pursuant to the Prospectus Regulation. On no account must the publication or the disclosure of the Registration Document give the impression that the information herein is complete or correct on a given date after the date on the Registration Document, or that the business activities of the Issuer may not have been changed after the date of the Registration Document. No person is or has been authorized by the Issuer to give any information or to make any representation not contained in or not consistent with this Registration Document or any other information supplied in connection with the Bonds, and if given or made, such information or representation must not be relied upon as having been authorized by the Issuer.

Only the Issuer, and the managers Clarksons Securities AS and Pareto Securities AS (the “**Managers**”), are authorized to provide information regarding matters described in this Registration Document. Any information provided by other persons is not authorized by the Issuer or the Managers and should not be relied upon in connection with this Registration Document.

The Managers and/or affiliated companies and/or officers, directors and employees may hold a position in, make a market in or provide banking or financial advisory services in respect of the instruments referred to in this Registration Document. The Managers corporate finance departments may act as manager or co-manager for the Issuer in private and/or public placement and/or resale not publicly available or commonly known.

Unless otherwise stated, this Registration Document is subject to Norwegian law. In the event of any dispute regarding this Registration Document, Norwegian law will apply.

In certain other jurisdictions, the distribution of this Registration Document may be limited by law, for example, in Canada, Japan, and in the United Kingdom. Verification and approval of this Registration Document by the Norwegian FSA implies that this Registration Document may be used in any EEA country. No other measures have been taken to obtain authorisation to distribute this Registration Document in any jurisdiction where such action is required. Persons that receive this Registration Document are ordered by the Issuer and the Managers to obtain information on and comply with such restrictions.

Copies of this Registration Document are not being mailed or otherwise distributed or sent in or into or made available in the United States other than on the Issuer’s web page. Persons receiving this document (including custodians, nominees, and trustees) must not distribute or send such documents or any related documents in or into the United States.

Other than in compliance with applicable United States securities laws, no offers or sales of securities are being made or will be made, directly or indirectly, in the United States. The Bonds will not be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

This Registration Document is not an offer to sell or a request to buy bonds. The content of this Registration Document does not make up legal, financial, or tax advice. Bondholders should seek their own legal, financial, and/or tax advice.

Copies of this Registration Document can be obtained by contacting the Issuer.

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1. RISK FACTORS

1.1 General

Prospective investors should consider, among other things, the risk factors set out in the Prospectus, including those set out in both this Registration Document and the Securities Note before making an investment decision in the Bonds. The risks and uncertainties described in the Registration Document are risks of which the Issuer is aware and that the Issuer considers being material to its business. If any of these risks were to occur, the Issuer's business, financial condition, operating results, and/or cash flows could be materially adversely affected, and the Issuer could be unable to pay interest, principal, or other amounts on or in connection with the Bonds. Prospective investors should also read the detailed information set out in the Securities Note and reach their own views prior to making any investment decision.

The Guarantors are wholly-owned subsidiaries of the Issuer and integral parts of the Group. The risk factors described in this Section 1 relating to the Group apply equally to the Guarantors unless the context provides otherwise.

Investing in Bonds issued by the Issuer involves inherent risks. An investment in the Bonds is suitable only for investors who understand the risk factors associated with this type of investment and who can afford a loss of all or part of their investment.

The risks and uncertainties described below are not intended to be exhaustive and are not the only ones faced by the Group. Additional risks and uncertainties, including risks that the Group currently believes are less material or likely, or that are not presently known to the Group, may also have a material adverse effect on the value of any investment.

The primary risk factors in connection with an investment in the Bonds are described below in a limited number of categories, with each risk factor placed in the most appropriate category based on the nature of the risk it represents. The most material risk factor in each category is presented first under that category, where the materiality has been determined based on potential negative impact and likelihood of occurrence. Subsequent risks in the same category are presented in no particular order.

In addition to the risk factors set out below, prospective investors should read and consider risk factors described in the Issuer's annual report on Form 20-F for the fiscal year ended 31 December 2024 which is incorporated by reference into this Registration Document, see Section 7.5.

1.2 RISKS RELATED TO THE GROUP'S INDUSTRY

The tanker industry is cyclical and volatile

Cyclicity in the tanker shipping industry may adversely affect the Group's business, financial condition and results of operations.

Historically, the tanker shipping market has been highly cyclical, with periods of high demand, limited supply, and elevated charter rates alternating with periods of low demand, excess supply, and depressed rates. These fluctuations are primarily driven by changes in global economic growth, supply and demand for oil and petroleum products, trade patterns, as well as shifts in the availability of newbuilds and existing tanker vessels, and the corresponding need for tanker capacity to transport oil and petroleum products. During periods of low demand and excess supply, competition increases, and the Group's vessels may earn substantially less for extended periods. If the supply of tanker vessels grows without a matching increase in transportation demand, freight and charter rates could decline. Prolonged low utilization could reduce demand for the Group's services and materially and adversely affect its business, operations, financial condition, and prospects.

Compliance with safety and other vessel requirements imposed by classification societies may be very costly and may adversely affect the Group's business

The hull and machinery of every commercial vessel must be classed by a classification society authorized by its country of registry. The classification society certifies that a vessel is safe and seaworthy in accordance with the applicable rules and regulations of the country of registry of the vessel and the IMO's International Convention for the Safety of Life at Sea of 1974, or SOLAS. A vessel must undergo annual surveys, intermediate surveys, and special surveys. In lieu of a special survey, a vessel's machinery may be on a continuous survey cycle under which the machinery would be surveyed periodically over a five-year period. If any vessel does not maintain its class and/or fails any annual survey, intermediate survey, or special

survey, the vessel will be unable to trade between ports and will be unemployable. If this were to happen to one or more of the Group's vessels, it could negatively impact the Group's results of operations.

The Group is subject to laws and regulations, including environmental laws and regulations, which may require significant expenditures, cause operational difficulties, reduce the vessels' resale value or lifespan, or subject the Group to claims, fines, penalties or sanctions

The Group's operations are subject to numerous laws and regulations, including environmental laws and regulations, in the jurisdictions in which the Group's vessels operate or are registered. Such laws and regulations include those governing the management and disposal of hazardous substances and wastes, the cleanup of oil spills and other contamination, air emissions (including greenhouse gases), water discharges and ballast water management. Compliance with these laws and regulations may require significant capital expenditure, for example, to install costly equipment. It can also increase operational expenditure by introducing new maintenance and inspection requirements, the development of contingency arrangements for potential environmental violations, and the expansion of insurance coverage. It can also create operational difficulties if the Group is unable to access certain ports without first meeting compliance standards. Moreover, new laws and regulations may affect the resale value or useful lifespan of the Group's vessels.

Additionally, on 25 July 2023, the European Council of the European Union adopted the Fuel EU Maritime Regulation 2023/1805 ("FuelEU") under the FuelEU Initiative of its "Fit-for-55" package which sets limitations on the acceptable yearly greenhouse gas intensity of the energy used by covered vessels. Among other things, FuelEU requires that greenhouse gas intensity of fuel used by covered vessels is reduced by 2% starting 1 January 2025, with additional reductions contemplated every five years (up to 80% by 2050). Shipping companies may enter into pooling mechanisms with other shipping companies in order to achieve compliance, bank surplus emissions and borrow compliance balances from future years. A FuelEU Document of Compliance is required to be kept on board a vessel to show compliance by 30 June 2026. The FuelEU scheme have significant impacts on the management of the vessels calling to EU ports, by increasing the complexity and monitoring of, and costs associated with the operation of vessels and affecting the relationships with the groups time charterers, which could have a material adverse impact on the Group's business, financial condition, and results of operations.

The Group could also become subject to personal injury or property damage claims relating to the release of hazardous substances associated with its existing or historic operations. Violations of, or liabilities under, environmental requirements can result in substantial penalties, fines, and other sanctions, including, in certain instances, the seizure or detention of the Group's vessels.

Political instability, terrorist or other attacks, piracy, war, and international hostilities may affect the Group's results of operations and financial condition

The Group is exposed to risks relating to political instability, terrorist or other attacks, war, piracy and international hostilities countries and regions in which the Group's vessels are employed or registered. Such conditions or actions can disrupt supply chains, create economic and market volatility, and result in sanctions or other governmental actions that may affect the Group's business. For example, the recent political transition in Venezuela in January 2026, including the establishment of a US maritime blockade and subsequent changes to the country's oil export regime, has resulted in significant disruptions to global crude oil trade flows. The redirection of Venezuelan crude oil exports from Asian markets (particularly China) to US and potentially European refineries has created both opportunities and uncertainties for tanker operators, with shifts in voyage distances, changing trade patterns, and potential reallocation of tonnage between mainstream and sanctioned vessel fleets. Additionally, the geopolitical tensions surrounding Venezuela's oil industry and the involvement of major powers introduce regulatory and sanctions-related risks that could affect the Group's ability to serve certain routes or counterparties.

Similarly, the ongoing conflict involving Iran has created heightened tensions in the Middle East, including disruptions to the Strait of Hormuz, a critical shipping lane for global crude oil exports, which may result in, amongst others, rerouting of vessel traffic, increased war risk insurance premiums, and greater operational uncertainty for tanker operators. The full extent to which the ongoing conflict may affect the Group's operations and financial condition remains uncertain. As of the date of this Prospectus, one of the Group's vessels, the P. Aliko, is operating in the Persian Gulf under a time charter to Pakistan National Shipping Corporation and is currently awaiting passage through the Strait of Hormuz. While the relevant charter party continues to perform normally, the charter party may be adversely affected if current disruptions persist, and the Group may be affected in other ways. Such disruptions may lead to reduced demand for shipping services, volatility in energy prices, financial instability among the Group's counterparties, and increased operational costs.

The Group conducts business in China, where the legal system is unpredictable and has inherent uncertainties that could limit the legal protections available to the Issuer

The Group has three newbuild contracts with shipyards in China. Further, from time to time, some of the Group's vessels may be chartered to Chinese customers and, on the charterers' instructions, these vessels may call on Chinese ports. Such contracts, charters and voyages may be subject to regulations in China that may require the Group to incur new or additional compliance or other administrative costs and may require that the Group pay to the Chinese government new taxes or other fees. Applicable laws and regulations in China may not be well-publicized and known to the Issuer or to its counterparties in advance of the Issuer or the Issuer's counterparties becoming subject to them, and the implementation of such laws and regulations may be inconsistent and they may change, potentially affecting the Group's vessels under construction or the Group's operating vessels, if chartered to Chinese customers or calling to Chinese ports, and could have a material adverse impact on the Group's business, financial condition, and results of operations.

Failure to comply with the U.S. Foreign Corrupt Practices Act of 1977, or FCPA, could result in fines, criminal penalties, and an adverse effect on the Group's business

Although the Group's business is conducted in accordance with applicable anti-corruption laws, it may operate in a number of countries throughout the world, including countries known to have a reputation for corruption. The Group's affiliated entities or their respective officers, directors, employees, and agents may take actions determined to be in violation of anticorruption laws. In addition, actual or alleged violations could damage the Group's reputation and ability to do business. Furthermore, detecting, investigating, and resolving actual or alleged violations is expensive and can consume significant time and attention of the Group's senior management. Any such violation could result in substantial fines, sanctions, civil and/or criminal penalties, curtailment of operations in certain jurisdictions, and might adversely affect the Group's business, earnings or financial condition.

Maritime claimants could arrest or attach one or more the Group's vessels, which could interrupt the Group's business or have a negative effect on the Group's cash flows

Crew members, suppliers of goods and services to a vessel, shippers of cargo, lenders, and other parties may be entitled to a maritime lien against a vessel for unsatisfied debts, claims, or damages. In many jurisdictions, a maritime lien holder may enforce its lien by arresting or attaching a vessel through foreclosure proceedings. The arrest or attachment of one or more of the Group's vessels could interrupt the Group's business or require it to pay large sums of funds to have the arrest or attachment lifted, which would have a negative effect on the Group's cash flows.

In addition, in some jurisdictions, such as South Africa, under the "sister-ship" theory of liability, a claimant may arrest both the vessel that is subject to the claimant's maritime lien and any "associated" vessel, which is any vessel owned or controlled by the same owner. Claimants could try to assert "sister-ship" liability against one vessel in the Group's fleet for claims relating to another of the Group's ships.

Suspended U.S. and Chinese maritime sanctions may be reinstated and could materially adversely affect the Issuer's operations and financial results

On 17 April 2025, the Office of the United States Trade Representative announced measures under Section 301 of the Trade Act of 1974 targeting China's maritime, logistics and shipbuilding sectors. The measures introduced port-related service fees on Chinese-owned, -operated or -built vessels, as well as on companies with newbuilding orders at Chinese shipyards, calling U.S. ports. The measures were scheduled to take effect on 14 October 2025.

In response, on 10 October 2025, the Ministry of Transport of China announced that it would impose "Special Port Fees" as reciprocal countermeasures against U.S.-linked vessels calling at Chinese ports. The Chinese measures apply to U.S.-owned, -operated, -flagged or -built vessels, and to vessels in which U.S. entities hold 25% or more ownership or voting rights, but explicitly exempt Chinese-built vessels, as well as vessels entering Chinese shipyards for repair. The Special Port Fees were scheduled to take effect from the same date as the U.S. measures.

On 1 November 2025, it was announced that the United States would suspend, for one year effective from 10 November 2025, implementation of its Section 301 maritime measures, and that China would suspend or remove its corresponding Special Port Fees. While the suspension temporarily halts these measures, it remains conditional and may be reinstated depending on future political or trade developments. Any reinstatement could disrupt global shipping patterns, increase port costs, and materially adversely affect the Issuer's operations and financial results.

The Group has three newbuild vessels under construction at a Chinese shipyards. Further, the Group has already entered into, and may enter into (i) additional sale and leaseback transactions with Chinese financial institutions and (ii) contracts for the purchase of secondhand vessels constructed in China or shipbuilding contracts for vessels to be constructed in Chinese shipyards. Given the potential magnitude of these proposed port-related fees and the many uncertainties surrounding their implementation, it is not possible at this time to fully predict the ultimate financial impact. However, if measures similar to those that have been proposed are implemented, port fees for the Group's vessels or vessels it charters and the Group's operating costs for voyages calling at U.S. ports could materially increase. Although port fees are typically borne by the charterer, if port fees are assessed due to the Group's ownership of the relevant vessel, charterers may demand that the Group bear these costs or otherwise reduce the applicable charter rate which could significantly reduce the Group's profitability, negatively impact the Group's ability to compete effectively, and materially and adversely affect the Group's operations and financial results.

In general, governments have, and may continue to, turn to trade barriers to protect their domestic industries against foreign imports, thereby depressing shipping demand. Under the current U.S. administration, there is significant and increasing uncertainty about the future relationship between the United States, China, and other exporting countries, including with respect to trade policies, treaties, government regulations, and tariffs. Protectionist developments, or the perception that they may occur, may have a material adverse effect on global economic conditions, and may significantly reduce global trade.

A shift in consumer demand from crude oil towards other energy sources or changes to trade patterns for crude oil and refined petroleum products may have a material adverse effect on the Group's business

A significant shift in the consumer demand from crude oil towards other energy resources, such as wind energy, solar energy, hydrogen energy, or nuclear energy, will potentially affect the demand for the Group's vessels. Such transition could lower charter rates, reduce vessel utilization and diminish the Group's earnings, thereby adversely affecting the Group's future performance, profit margins, results of operations, cash flows, and overall financial position.

Changes in trading and distribution patterns for oil due to shifts in production sources, consumption locations, or pricing may reduce the ton-mile demand for the Group's tanker vessels. A decline in the ton-mile demand could lower the Group's utilization rates and revenues, ultimately affecting the Issuer's liquidity and financial strength. If these changes become more pronounced, the Issuer's profitability and ability to secure favorable charter opportunities could suffer, presenting a significant risk to the Issuer's future results of operations.

1.3 RISKS RELATED TO THE ISSUER AND THE GROUP

Volatility in charter rates for tanker vessels may adversely affect the Group's performance, results of operations, cash flows, and financial position

Charter rates for tanker vessels are cyclical and volatile. In general, volatility in charter rates depends, among other factors, on (i) supply and demand for tankers, (ii) the demand for crude oil and petroleum products, (iii) the inventories of crude oil and petroleum products in the United States and in other industrialized nations, (iv) oil refining volumes, (v) oil prices, and (vi) any restrictions on crude oil production imposed by the Organization of the Petroleum Exporting Countries, or OPEC, and non-OPEC oil producing countries. These factors are outside the Issuer's control.

Currently, all of the Group's vessels are employed on short, medium and long-term time charters, while historically the Group's Aframax vessels have also operated under voyage charters or pool arrangements with exposure to the prevailing Aframax spot rates. As a result, the Group may be subject to volatility in both time charter rates and Aframax-spot rates. Although the time charter rates are fixed under the time charter parties, they may change in the event of charterer default, renegotiation of hire rates, or upon expiry of the charters. A decline in charter rates may adversely affect the Group's performance, results of operations, cash flows, and financial position.

Fluctuations in vessel value may adversely affect the Group's financial condition, or result in the incurrence of a loss upon disposal of a tanker vessel, impairment losses, or increases in the cost of acquiring additional tanker vessels, as well as covenant breaches

Tanker vessel values are subject to fluctuations. This is due to factors like general economic and market conditions affecting the shipping industry; competition from other shipping companies; the types and sizes of available tanker vessels; the availability of other modes of transportation; increases in the supply of tanker vessel capacity; the cost of newbuilds; governmental or other regulations; and the need to upgrade secondhand and previously owned tanker vessels as a result of charterer requirements, technological advances in vessel design or equipment or otherwise, including as a result of

compliance with more stringent emissions regulations. In addition, as tanker vessels grow older, they generally decline in value. Due to the cyclical nature of the vessel value, if the Group were to sell any of its tanker vessels at a time when prices are depressed, the Group could incur a loss, which could adversely affect the Group's business, results of operations, cash flow, and financial condition. Moreover, if the book value of a tanker vessel is impaired due to unfavorable market conditions, the Group may incur a loss that could adversely affect the Group's operating results.

Conversely, elevated tanker vessel values may significantly increase the market price at which vessels are available for purchase, independent of the Group's strategic preferences or timing. This could result in the Group paying a materially higher price than anticipated for any given vessel, compressing returns on investment and adversely affecting the Group's results of operations, cash flows, financial condition, and ability to fulfil debt obligations. Furthermore, the Group is subject to financial covenants under its financing arrangements, which are linked to the market value of its tanker vessels. In the event of a reduction in the market value of the vessels, the Group may breach these covenants. In case of a breach, not remedied or waived, the financing parties could accelerate the debt and foreclose on the Group's fleet, which may have a material adverse effect on the results of operations and financial condition.

An increase in operating costs could adversely affect the Group's results of operation, cash flows and financial condition

Vessel operating expenses includes the costs of crew, provisions, deck and engine stores, insurance, and maintenance and repairs, in addition to fuel and bunkers. Many of these costs are unpredictable and depend on a variety of factors beyond the Group's control. Increases in any of these costs could have a material adverse effect on the Group's business, results of operations, cash flows, financial condition. The cost for fuel and bunkers is significant, if not the largest, expense in the Group's shipping operations when vessels are operated on the spot market under voyage charters. While the Group does not directly bear the cost of fuel and bunkers under the Group's time charters, these costs are a significant factor in negotiating charter rates. An increase in the price of fuel beyond the Group's expectations may adversely affect the Group's profitability at the time of charter negotiation. The price and supply of fuel is unpredictable and rising fuel prices may reduce the profitability and competitiveness of the Group's business.

The Group's business, operating results, financial condition, and growth will depend on the Group's ability to successfully charter its vessels, for which the Group will face substantial competition

The process of obtaining new charters is highly competitive and generally involves an intensive screening process and competitive bids and often extends for several months. Charters are awarded based on factors such as the operator's ability to ensure safe, cost-effective vessel operations, maintaining a skilled crew, demonstrating financial strength, and deliver a competitive bid.

Competition for tanker vessel transportations services is intense with state-sponsored and major shipping companies often possessing greater resources to operate larger fleets and offer more competitive rates. Consequently, the Group may struggle to attract new customers or secure profitable charters. If charter rates are depressed when the Group's vessels become available, the Group could face reduced or volatile earnings, and future rates may not support profitable operations.

The failure of the Group's counterparties to meet their obligations under any vessel purchase agreements or charter agreements could cause the Group to suffer losses or otherwise adversely affect the Group's business

The Group intends to employ its vessels under short- to medium and long-term time or voyage-charters and pool arrangements, which exposes the Group to counterparty risks. Whether the Group's counterparties under a vessel purchase agreement or charter agreement complies with its obligations depends on a number of factors beyond the Group's control, such as economic and shipping market conditions and their financial condition. If the Group enters into agreements to acquire vessels, and if the seller fails to deliver or the Group must cancel a purchase agreement, the Group's business may be materially affected.

Delays or defaults by the shipyards in the construction of newbuilds could increase the Group's expenses and diminish the net income and cash flows

The Group has contracts for three newbuild vessels and may enter into future contracts for additional newbuild vessels. Vessel construction projects face inherent risks of delay from issues like equipment material shortages, late deliveries, design changes, financial or operating challenges at the shipyard or among vendors, unanticipated change orders, lack of required permits, labor disputes, adverse weather or other force majeure events. Such delays could negatively affect the

Group's financial position, results of operations, and cash flows. Moreover, delayed completion of projects defer revenue from that vessel, while the Group continues to incur costs including supervision expenses.

If the Group does not identify suitable vessels for acquisition or disposal, or successfully integrate any acquired vessels, the Group may not be able to grow or effectively manage its growth

The Group's business strategy is dependent on identifying, acquiring, and disposing of suitable vessels at reasonable prices and at acceptable delivery times. There are periods when the Group may seek to grow its fleet through selective acquisitions, however, changing market and regulatory conditions may limit the availability of suitable vessels due to customer preferences or non-compliance with existing or future rules, regulations, and conventions. Additional vessels of the age and quality desirable to the Group may not be available for purchase at prices the Group is prepared to pay, and the Group may not be able to dispose of vessels at reasonable prices, if at all.

Even where suitable vessels are identified, the Group may not be able to secure appropriate financing, effectively manage associated costs, or respond adequately to changing market and customer requirements. Acquiring additional vessels entails numerous risks, including undisclosed liabilities, challenges in integrating newly acquired assets, and increased demand on the Group's management and staff. The Group's current operating and financial systems, as well as the number of employees performing services for the Group, may not be adequate as the Group implements its plans to expand the size of its fleet, and the Group may not be able to effectively hire more employees or improve those systems in a timely manner.

The Group may not achieve its targeted growth, and any delays or failures in executing its expansion plans, including failure to successfully identify, purchase, develop, and integrate new vessels, could result in significant unanticipated expenses and losses. Furthermore, the operating of secondhand vessels and the aging of the Group's fleet could impose additional operational and financial burdens. These factors, individually or in combination, could materially and adversely affect the Group's business, financial condition, and results of operations.

The Group's purchasing and operating secondhand vessels, and the aging of the Group's fleet may result in increased operating costs and vessels off-hire, which could adversely affect the Group's earnings

While the Group will typically inspect secondhand vessels before purchase, this does not provide the same knowledge about their condition that the Group would have had if these vessels had been built for and operated exclusively by the Group. Accordingly, the Group may not discover defects or other problems with such vessels before purchase. Any such hidden defects or problems, when detected, may be expensive to repair, and if not detected, may result in accidents or other incidents for which the Group may become liable to third parties. In addition, when purchasing secondhand vessels, the Group does not receive the benefit of any builder warranties if the vessels that are bought are older than one year.

In general, the costs to maintain a vessel in good operating condition increase with the age of the vessel. Older vessels are typically less fuel efficient than more recently constructed vessels due to improvements in engine technology. Potential charterers may also choose not to charter older vessels. Governmental regulations and safety and other equipment standards related to the age of vessels may require expenditures for alterations or the addition of new equipment to some of the Group's vessels and may restrict the type of activities in which these vessels may engage. As its vessels age, market conditions may not justify those expenditures or enable the Group to operate the vessels profitably during the remainder of their useful lives. As a result, regulations and standards could have a material adverse effect on the Group's business, financial condition, results of operations, and cash flows.

The Issuer is currently subject to litigation and may be subject to similar or other litigation in the future

The Issuer has been, and currently remain, exposed to litigation that could result in substantial expenses, divert management attention, and adversely affect the Group's business. A purported class action lawsuit under the Securities Exchange Act of 1934, as amended, originally brought in 2017 and dismissed in November 2024, may be refiled or otherwise reactivated. In addition, the Issuer was named as defendant, along with certain of the Group's officers, directors, and related entities, in litigation alleging fiduciary duty violations in connection with the exchange offer commenced in December 2021, which was dismissed in 2024 but subsequently refiled in the Republic of the Marshall Islands. Although the Issuer believes these claims lack merit, the Issuer cannot predict their outcomes, and an adverse result could lead to significant damages, hinder the Issuer's ability to secure financing, and negatively impact its overall financial condition. For further information, please see Item 8 "Financial information - Legal Proceedings" (page 97) of the Issuer's Form 20-F report for 2024. The Issuer's Form 20-F report is incorporated by reference in section 7.5.

While the Issuer plans to defend these cases vigorously, litigation is inherently uncertain and could be costly. Legal actions, whether meritorious or not, can divert resources, raise expenses, and disrupt operations. Even if the Issuer ultimately prevails, prolonged lawsuits may damage the Issuer's reputation or impede the Issuer's strategic initiatives. Additional litigation may arise in the normal course of business, posing similar or greater risks.

The Issuer's insurance coverage may not fully offset the legal costs or liabilities incurred, especially where self-insured retentions or policy exclusions apply. An adverse outcome or hefty legal expenses beyond the Issuer's coverage could materially affect cash flow, results of operations, and financial position.

The Group generates all of its revenues in U.S. dollars and incur a portion of its expenses in other currencies and, therefore, exchange rate fluctuations could have an adverse impact on the Group's results of operations

The Group generates most of its revenues in U.S. dollars but incur a portion of its expenses in other currencies, particularly the Euro. If the U.S. dollar weakens against those currencies, the Group's expenses would rise in dollar terms, reducing net income. Prolonged currency fluctuations could thus greatly increase costs and adversely affect cash flows and financial condition.

While the Group has historically not hedged its currency exposure, the Group may use financial derivatives in the future to manage this risk. Such instruments carry risks, including potential losses that exceed the nominal amount invested and the risk that the counterparty may fail to meet its obligations, either of which could materially harm the Group's results of operations.

The Issuer may have to pay tax on United States source income, which would reduce the Issuer's earnings

Under the United States Internal Revenue Code of 1986, 50% of the gross shipping income of a vessel owning or chartering corporation, such as the Issuer and its subsidiaries, that is attributable to transportation that begins or ends, but that does not both begin and end, in the United States may be subject to a 4% United States federal income tax without allowance for deduction, unless that corporation qualifies for exemption from tax under Section 883 of the code, or Section 883, and the applicable Treasury Regulations promulgated thereunder.

Although the Group currently take the position that it qualifies for the Section 883 exemption, changes in circumstances or law could cause the Group to lose this benefit. Such a loss would subject a portion of the Group's U.S.-source shipping income to U.S. federal income tax, reducing our net earnings and adversely affecting our financial performance. The Group may not remain exempt in any given taxable year.

If the Issuer is not entitled to this exemption for any taxable year, an effective 2% U.S. federal income tax would be imposed on the Group's U.S.-source shipping income. This additional tax burden could have a negative impact on the Group's profitability.

The Issuer may be subject to increased premium payments, or calls, because the Issuer obtains some of its insurance through protection and indemnity associations

The Issuer may be subject to increased premium payments, or calls, in amounts based on the Issuer's claim records as well as the claim records of other members of the protection and indemnity associations in the International Group of P&I Clubs, or the International Group, which is comprised of 13 mutual protection and indemnity associations and insures approximately 90% of the world's commercial tonnage and through which the Issuer receives insurance coverage for tort liability, including pollution-related liability, as well as actual claims. Amounts the Issuer may be required to pay as a result of such calls will be unavailable for other purposes.

The international nature of the Group's operations may make the outcome of any bankruptcy proceedings difficult to predict

The Issuer is a Marshall Islands corporation with worldwide operations. Although the Marshall Islands has adopted the UNCITRAL Model Law on Cross-Border Insolvency, no comprehensive local bankruptcy code exists there. If the Issuer or its subsidiaries becomes subject to insolvency, reorganization, or similar proceedings in multiple jurisdictions, the conflicting bankruptcy laws could create uncertainties, procedural complications, and higher costs. U.S. bankruptcy courts may not assert or maintain jurisdiction over the Group's foreign assets or operations, and other jurisdictions may not recognise U.S. court decisions. These legal complexities could adversely affect creditors' rights and disrupt our business in a cross-border insolvency scenario.

IMO 2020 regulations may cause the Group to incur substantial costs related to compliance, scrubber installations, and fuel procurement

The IMO 2020 Regulations impose a 0.50% global sulphur cap on emissions, requiring the use of low-sulphur fuels or other compliance methods. Failure to comply with or manage associated costs could harm the Group's operations and financial condition, and additional mandates may require expensive emission control systems, which could adversely affect the Group's business, results of operations, cash flows, and financial condition. While the Group does not directly bear the cost of fuel and bunkers under the Group's time charters, these costs are a significant factor in negotiating charter rates, and an increase in the price of fuel beyond the Group's expectations may adversely affect the Group's profitability at the time of charter negotiation. Uncertainties in the supply of high-sulphur fuel, along with unpredictable pricing differences between high- and low-sulphur fuels, may prevent the Group from realising anticipated benefits from scrubber installations, potentially reducing its efficiency and profitability. The cost of fuel and bunkers is significant, if not the largest, expense in the Group's shipping operations when vessels are operated on the spot market under voyage charters. The Group's cargo insurance may not fully cover losses arising from operational risks associated with IMO 2020 compliance, and any significant uninsured or under-insured loss or liability could materially affect the Group's business, financial condition, cash flows, and available cash.

Insurance may be difficult to obtain or, if obtained, may not be adequate to cover the Group's losses that may result from operations due to the inherent operational risks of the shipping industry

Operating ocean-going vessels exposes the Group to a wide range of potential incidents, including mechanical failures, collisions, fires, human errors, acts of war, piracy, terrorism, cargo loss or damage, property damage, and crew injuries. Any such event could result in significant losses, including reduced revenues, higher costs, lower cash flows, and liabilities for environmental damage or personal injury. While the Group aims to maintain insurance coverage for many of these risks, the Group's policies may not be sufficiently comprehensive, and the Group's insurers may not pay claims. A major uninsured or under-insured loss could severely impact the Group's business, financial condition, and available cash.

The Group may not be able to secure or maintain adequate insurance at commercially acceptable rates, and the Group's coverage may not fully protect it from all operational risks. If the Group's insurers refuse or fail to pay claims, or if the Group's actions or inactions render its policies voidable, the Group could be liable for substantial losses. Any significant uninsured or under-insured liability could materially and adversely affect the Group's business, results of operations, and financial condition. The Group depends on affiliated management entities to procure and maintain certain insurance policies for its fleet. Such coverage may not be sufficient, and claims may not be paid in full. If these insurance arrangements prove inadequate or if the Group's insurers dispute or deny coverage, the Group may incur substantial costs. Any such outcome could materially and adversely affect the Group's earnings, cash flows, and financial position.

Insurance market conditions can change abruptly in response to global events, including terrorist acts or other threats. If premiums rise significantly or coverage becomes restricted, the Group may be forced to accept reduced protection or forego certain types of insurance. Such limitations could raise the Group's exposure to financial risk and adversely affect its operations and financial performance.

The Group obtains certain coverage through protection and indemnity associations (P&I clubs), which may impose additional premium calls based on the Issuer's claim records or those of other members. Significant calls could increase the Group's costs unexpectedly, and there is a risk that a P&I club may lack sufficient resources to cover large claims. Such developments could severely affect the Group's liquidity and negatively impact its financial condition.

2 PERSON RESPONSIBLE

2.1 Person responsible for the information

Person responsible for the information in this Registration Document:

*Performance Shipping Inc.
373 Syngrou Avenue, 175 64 Palaio Faliro,
Athens, Greece*

2.2 Declaration by person responsible

Performance Shipping Inc. confirms that to the best of their knowledge, the information contained in the Registration Document is in accordance with the facts and that the Registration Document makes no omissions likely to affect its import.

25 March 2026

Andreas Nikolaos Michalopoulos
CEO
Performance Shipping Inc.

3 BUSINESS OVERVIEW

This Section summarises the business of the Group as of this Registration Document. You should read this Section together with the other parts of this Registration Document, in particular Section 1 “Risk Factors”.

3.1 Introduction

The Issuer is a global shipping company specializing in the ownership of tanker vessels, incorporated in the Republic of the Marshall Islands and has its principal executive office at 373 Syngrou Avenue, 175 64 Palaio Faliro, Athens, Greece. The Issuer is the parent company of the Group. Each of the Group’s vessels are owned by a special purpose vehicle (each a “SPV”) being wholly owned by the Issuer. The Issuer’s Common Shares (as defined below) are listed on the US Nasdaq Capital Market (the “Nasdaq”) under the ticker “PSHG”.

The Issuer, as the holding company of the Group, sets the general overall direction for the Group and interfaces with various financial markets. As the Issuer is a holding company without independent business operations, the Issuer is therefore dependent upon the operating subsidiaries within the Group to upstream dividends, distributions, or intercompany loans from subsidiaries to be able to meet its financial obligations.

As of the date of this Registration Document the Issuer, through its subsidiaries, operates a total of eleven vessel tankers, comprising nine Aframax tankers and two Suezmax tankers. The fleet has an approximately average age of 9.5 years and a total deadweight tonnage (DWT) of 1,287,118. Please refer to Section 3.3.3 “The Fleet” for further information on the Group’s fleet.

The SPVs, Bock Shipping Company Inc. and Maloelap Shipping Company Inc. (each a “Guarantor” and together the “Guarantors”), are ship-owning SPVs incorporated on Marshall Islands. Maloelap Shipping Company Inc. owns the vessel “P. Sophia”, which has been sold pursuant to a Memorandum of Agreement dated 17 February 2026 and is expected to be delivered to its new owners in mid-2026¹, and Bock Shipping Company Inc. owns the vessel “P. Monterey”. These vessels are the only material asset in each of the Guarantors. For more information regarding the Guarantors, please refer to Section 6.1.2 “The Guarantors”, and for more information regarding the vessels owned by the Guarantors, please refer to Section 3.3.3 “The Fleet”.

Sources of Industry and Market Data

The Group confirms that where information has been sourced from a third party, such information has been accurately reproduced and that as far as the Group is aware and is able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. Where information sourced from third parties have been presented, the source of such information has been identified.

3.2 History and Development

The Issuer (formerly named Diana Containerships Inc.) was established on 7 January 2010 in the Republic of the Marshall Islands and started its operations by owning and operating containerships through wholly owned subsidiaries. In January 2011, the Issuer’s Common Shares were listed on the Nasdaq Global Market, subsequently moving to the Nasdaq Global Select Market in January 2013, before transitioning to the Nasdaq Capital Market on 6 March 2020, where it remains listed today. The ticker symbol was “DCIX” until 30 March 2020, when it changed to “PSHG”.

Since 2010, the Issuer has gradually transitioned to operating an all-tanker fleet, having successfully exited the containership sector in August 2020. The Group has considerably built up its fleet through the construction of newbuilding vessels and strategic acquisitions.

Please refer to the chart below for important events in the Group’s history:

<u>Year</u>	<u>Event</u>

¹ Please refer to Section 4.4 in this Registration Document and the Risk Factor “The sale of M/T P. Sophia constitutes a Mandatory Redemption Event which may affect the outstanding amount of Bonds and the security package” in the Securities Note for more information regarding the consequences of the sale under the Bond Terms.

- 2010
 - In January 2010 the Issuer was incorporated as “Diana Containerships Inc.” and started its operation by owning and operating containerships through wholly owned subsidiaries.
 - From 2010 to 2020, the Group was focusing on the ownership and operation of container vessels, while it exited the containership sector in August 2020.
- 2011
 - The Group was listed on Nasdaq Global Market.
- 2013
 - The Group moved its listing to Nasdaq Global Select Market.
- 2019
 - In February 2019, the Issuer changed its name from “Diana Containerships Inc.” to “Performance Shipping Inc.”.
 - In August 2019, the Group acquired its first tanker vessel, the *Blue Moon*, a 2011-built Aframax tanker of 104,623 dwt for a USD 30.0 million MOA price. Further, in November 2019, the Group acquired the vessel *Briolette*, a 2011-built Aframax tanker of 104,588 dwt for a USD 30.0 million MOA price.
- 2020
 - The Group transitioned its listing to the Nasdaq Capital Market. The ticker symbol changed from “DCIX” to “PSHG”.
- 2022
 - In June 2022, the Group acquired the tanker vessel P. Sophia, a 2009-built Aframax tanker of 105,071 dwt for USD 27.6 million.
 - In August 2022, the Group acquired the tanker vessel P. Alike, a 2010-built LR2 Aframax oil product tanker of 105,304 dwt, for USD 36.5 million.
 - In September 2022, the Group acquired the tanker vessel P. Monterey, a 2011-built Aframax tanker vessel of 105,525 dwt, for USD 35 million.
 - In November 2022, the Group acquired the tanker vessel P. Long Beach, a 2013-built LR2 Aframax tanker vessel of 105,408 dwt, for USD 43.75 million.
 - In November 2022, the Group signed a loan agreement with Alpha Bank S.A to support the acquisition of the vessel P. Alike by providing a secured term loan of USD 18.3 million, which was drawn down upon the vessel’s delivery in November 2022.
 - In December 2022, the Group signed a loan agreement with Alpha Bank S.A to support the acquisition of the vessel P. Long Beach by providing a secured term loan of USD 22.0 million, which was drawn down upon the vessel’s delivery in December 2022.
- 2023
 - In March 2023, the Group announced it had signed a shipbuilding contract with China Shipbuilding Trading Company Limited and Shanghai Waigaoqiao Shipbuilding Company Limited for the construction of a 114,000 DWT LNG ready LR2 Aframax product/crude oil tanker for a contract price of USD 62.6 million, net of commissions to third parties. The newbuilding vessel was delivered in 2025, and was named P. Massport.
 - In August 2023, the Group refinanced its existing loan facility with Nordea Bank Abp, filial i Norge (“Nordea”) by entering into a new revolving credit facility with Nordea of up to USD 20.0 million.
 - In December 2023, the Company announced it had signed two shipbuilding contracts with China Shipbuilding Trading Co. Ltd. and Shanghai Waigaoqiao Shipbuilding Co. Ltd. for the construction of two 114,000 DWT LNG-ready LR2 Aframax product/crude oil tanker vessels expected to be delivered in January and April of 2026, at a purchase price of USD 64.845 million per vessel. The two newbuilding vessels were delivered in 2025 and 2026, and were named P. Tokyo and P. Marseille, respectively.
 - In December 2023, the Group completed the approximately USD 44.6 million voluntary prepayment of all of its then existing loans with Piraeus Bank S.A. and released the security over its vessels P. Monterey, P. Yanbu and P. Sophia.
- 2024
 - In May 2024, the Group announced it had signed a shipbuilding contract with Jiangsu Yangzijiang Shipbuilding Group Co., Ltd., Jiangsu New Yangzi Shipbuilding Co., Ltd., and Jiangsu Yangzi Xinfu Shipbuilding Co., Ltd. for the construction of a scrubber fitted 75,000

DWT LR1 chemical/product oil tanker for a contract price of USD 54.1 million excluding extras and net of commission to third parties. The Group expects to take delivery of the vessel by January 2027.

- In July 2024, the Group entered into a sale and leaseback agreement with an unaffiliated third party for one of the newbuild LR2 Aframax tanker vessels, the P. Massport. The bareboat financing amount totals USD 44.3 million and as part of this agreement, the vessel was sold and chartered back on a bareboat basis for an eight-year period from delivery at bareboat charter rates. The Group has continuous options to repurchase the vessel at predetermined rates following the second anniversary of the bareboat charter.
- In October 2024, the Group entered into a sale and leaseback agreement with an unaffiliated third party for one of the newbuild LR2 Aframax tanker vessels, the P. Tokyo. The bareboat financing amount totals approximately USD 45.39 million. As part of this agreement, the vessel was sold and then chartered back on a bareboat basis for a ten-year period starting from delivery from the shipyard. The Group has continuous options to repurchase the vessel at predetermined rates following the second anniversary of the bareboat charter.

2025

- In March 2025, the Group entered into a sale and leaseback agreement with an unaffiliated third party for one of the newbuild LR2 Aframax tanker vessels, the P. Marseille. The bareboat financing amount totals USD 45 million and as part of this agreement, the vessel was sold and chartered back on a bareboat basis for an eight-year period from delivery at bareboat charter rates. The Group has continuous options to repurchase the vessel at predetermined rates following the second anniversary of the bareboat charter.
- In July 2025 the Group successfully issued the Bonds.
- In October 2025 the Group acquired the Suezmax vessels M/T Eco Bel Air and the M/T Eco Beverly Hills, which were renamed P. Bel Air and P. Beverly Hills, respectively.
- 15 December 2025, the Issuer announced that it has taken delivery of the M/T P. Bel Air.
- 22 December 2025, this Issuer announced that it has taken delivery of the M/T P. Beverly Hills.

2026

- 13 January 2026, the Issuer announced successful placement of a USD 50 million Tap Issue (as defined below) in the Bond.
- 14 January 2026, the Issuer announced delivery of newbuild M/T P. Marseille.
- 9 February 2026, the Issuer, through Maloelap Shipping Company Inc., has contracted to sell the vessel P. Sophia, for a purchase price of USD 35.65 million and delivery to its new owners by mid-2026.
- On 2 March 2026, the Group announced that it, through two separate wholly-owned subsidiaries, signed two shipbuilding contracts with China Shipbuilding Trading Co. Ltd. and Shanghai Waigaoqiao Shipbuilding Co. Ltd. for the construction of two 158,000 DWT newbuilding Suezmax tanker vessels, at a contract price of USD 81.5 million per vessel, with expected deliveries in October 2028 and May 2029, respectively.

3.3 The Group's Business

3.3.1 Overview of the Group's Principal Activities

The Issuer is an international provider in the seaborne transportation of crude oil and refined petroleum products. The principal activities of the Issuer include the operation of a fleet comprising nine Aframax tankers and two Suezmax tankers, as well as three newbuild tanker vessels on order: one LR1 tanker vessel with scheduled delivery in early 2027, and two Suezmax tanker vessels with expected deliveries in October 2028 and May 2029, respectively. The ships are strategically deployed across global shipping routes to optimise efficiency and meet the dynamic demands of the oil and gas industry.

The Group has a balanced fleet deployment strategy comprising of time-charter employment contracts ensuring cash flow visibility, as well as selective spot market exposure, often through pool arrangements. Time charters involve leasing vessels with period exposure via short-, medium- or long-term charters with a duration up to 60 months. Please refer to the below for further details on the different operations that the Group participate in.

The Group intend to operate a fleet of modern, high specification tanker vessels that include high cargo-carrying capacity and competitive fuel efficiency.

3.3.2 Overview of the Guarantors' Principal Activities

Each of the Guarantors is a wholly-owned ship-owning subsidiary of the Issuer, incorporated in the Republic of the Marshall Islands. The sole principal activity of each Guarantor is the ownership and operation of a single tanker vessel: Bock Shipping Company Inc. owns and operates M/T P. Monterey, a 2011-built Aframax tanker of 105,525 DWT, and Maloelap Shipping Company Inc. owns M/T P. Sophia, a 2009-built Aframax tanker of 105,071 DWT, which has been sold pursuant to a Memorandum of Agreement dated 17 February 2026 and is expected to be delivered to its new owners in mid-2026. Each vessel is employed on a time charter basis, with the Guarantors generating revenue through charter hire income from their respective vessels. Other than vessel ownership and operation, the Guarantors do not conduct any other business activities. The vessels constitute the only material assets of each Guarantor.

3.3.3 The Fleet

As of the date of this Registration Document, the Group's fleet consists of eleven wholly owned tankers, comprising nine Aframax tankers and two Suezmax tankers.

No.	Vessel	Type	Owner	Dwt	Builder	Year Built	Flag	Charter type
1	P. Marseille*	Aframax	Guadeloupe Shipping Company Inc.	113,976	China Shipbuilding Trading Co. Ltd. and Shanghai Waigaoqiao Shipbuilding Co. Ltd.	2026	Marshall Islands	Time charter
2	P. Tokyo*	Aframax	Sri Lanka Shipping Company Inc.	114,014.4	Shanghai Waigaoqiao Shipbuilding Company Limited	2025	Marshall Islands	Time charter
3	P. Massport*	Aframax	Nakaza Shipping Company Inc.	114,035.7	Shanghai Waigaoqiao Shipbuilding Company Limited	2025	Marshall Islands	Time charter
4	P. Long Beach	Aframax	Arbar Shipping Company Inc.	105,408	Hyundai Heavy Industries Co., Ltd.	2013	Marshall Islands	Time charter
5	P. Monterey	Aframax	Bock Shipping Company Inc.	105,525.2	Hyundai Heavy Industries Co., Ltd.	2011	Portugal	Time charter
6	P. Aliko	Aframax	Garu Shipping	105,304	Hyundai Heavy	2010	Marshall Islands	Time charter

			Company Inc.		Industries Co., Ltd.			
7	P. Sophia**	Aframax	Maloelap Shipping Company Inc.	105,071	Hyundai Heavy Industries Co., Ltd.	2009	Marshall Islands	Time-charter
8	Briolette	Aframax	Tarawa Shipping Company Inc.	104,588	Sumitomo Heavy Industries Marine & Engineering C., Ltd.	2011	Marshall Islands	Time charter
9	Blue Moon	Aframax	Taburao Shipping Company Inc.	104,623	Sumitomo Heavy Industries Marine & Engineering C., Ltd.	2011	Marshall Islands	Time charter
10	P. Beverly Hills	Suezmax	Barbados Shipping Company Inc.	157,286	Hyundai Samho Heavy Industries Co., Ltd.	2019	Portugal	Time charter
11	P. Bel Air	Suezmax	Grenada Shipping Company Inc.	157,286	Hyundai Samho Heavy Industries co., Ltd.	2019	Portugal	Time charter

* These vessels operate under sale and lease-back agreements with third parties.

** P. Sophia has been sold pursuant to a Memorandum of Agreement dated 17 February 2026. The vessel remains in the fleet pending delivery to its new owners, which is expected to occur in mid-2026 subject to customary closing conditions.

Also, one LR1 chemical/product oil tanker vessel is scheduled to be delivered in January 2027. The issuer has secured time charter contract for the vessel to commence upon delivery. Additionally, the issuer announced the construction of two newbuild Suezmax tanker vessels, with expected deliveries in October 2028 and May 2029.

Below is an overview of the new vessels to be delivered to the Group.

No.	Vessel	Type	Owner	Dwt	Builder	Year Built	Flag	Charter type
1	Hull H1624 (to be named P. San Francisco)	LR1	Saint Barth Shipping Company Inc.	75,000	Jiangsu Yangzijiang Shipbuilding Group Co., Ltd.	-	-	Time charter (planned to commence when delivered)

2	Hull H1627	Suezmax	Saint Lucia Shipping Company Inc.	158,000	Shanghai Waigaoqiao Shipbuilding Co. Ltd.	-	-	-
3	Hull H1628	Suezmax	Martinique Shipping Company Inc.	158,000	China Shipbuilding Trading Co. Ltd.	-	-	-

As part of its strategy, the Issuer targets continued fleet renewal and expansion through selective acquisitions of vessels to grow sector presence.

3.3.4 Commercial Trading of the Fleet

The Group have historically chartered the vessels to customers primarily through short-term and medium-term time charters, on spot voyages and pool arrangements.

The main factors affecting vessel charter rates are primarily the supply and demand for tanker shipping. The shorter the charter period, the greater the vessel charter rate is affected by the current supply to demand balance and by the current phase of the market cycle (high point or low point). For longer charter periods, vessel charter rates tend to be more stable and less cyclical because the period may cover not only a particular phase of a market cycle but a full market cycle or several market cycles. Other factors affecting charter rates include the age and characteristics of the ships (fuel consumption, speed), the price of new-built and secondhand ships (buying as an alternative to chartering ships), and market conditions.

The Group remain responsible for paying the chartered vessel's operating expenses, including the cost of crewing, insuring, repairing and maintaining the vessel, the costs of spares and consumable stores, tonnage taxes, environmental costs, and other miscellaneous expenses. The Group also pay commissions to unaffiliated shipbrokers for the arrangement of the relevant charter and have historically paid for a limited period of time management fees and commissions to third-party managers.

Time Charters

Time Charters involves the use of the vessel for a number of months or years for a trip between specific delivery and redelivery positions and therefor provide the Group with a fixed and stable cash flow for a known period of time. Time charters also help mitigate the seasonality variations in demand and, as a result, charter rates, which the charter rates historically has shown to be weaker in the second and third quarters of the year. As of the date of this Registration Document, all of the Group's vessels were operating on time charter agreements with minimum durations ranging between 5 and 60 months.

The charterer covers all voyage related costs, including the cost of bunkers (fuel oil) and port and canal charges, while the owner receives monthly charter hire payments on a per day basis and pays all operating expenses and capital costs of the vessel.

Spot Market

A spot market voyage charter is generally a contract to carry a specific cargo from a load port to a discharge port for an agreed freight per ton of cargo or a specified total amount. The owner covers the repositioning cost of the ship as well as all expenses, namely voyage (which are unique to a particular charter), operating, and capital costs of the ship. Spot charter rates are volatile and fluctuate on a seasonal and year-to-year basis. Fluctuations derive from imbalances in the availability of cargoes for shipment and the of number of vessels available at any given time to transport these cargoes. Vessels operating in the spot market generate revenue that is less predictable but may enable the Group to capture increased profit margins during periods of improvements in tanker rates.

The spot exposure is often through pool arrangements, via voyage charters and short-term charters with a duration of less than 12 months. As of the date of this Registration Document, none of the Group's vessels operates through a pool arrangement.

Commercial Pools

In commercial pools, the vessel's owner earns a portion of total revenues generated by the pool, net of expenses incurred by the pool. The amount allocated to each pool participant vessel, is determined in accordance with an agreed-upon formula, which is determined by the margins awarded to each vessel in the pool based on the vessel's age, design and other performance characteristics. Engaging in a commercial pool with other shipowners help to increase vessel utilisation and thereby revenues. By operating a large number of vessels as an integrated transportation system, commercial pools offer customers greater flexibility and a higher level of service while achieving scheduling efficiencies. Pools employ experienced commercial managers and operators who have close working relationships with customers and brokers, while technical management is performed by each shipowner. The size and scope of these pools enable them to enhance utilisation rates for pool vessels by securing backhaul voyages and contracts of affreightment, thus generating higher effective TCE revenues than might otherwise be obtainable in the spot market.

The Group primarily uses pool arrangements to gain exposure to the spot market via voyage charters and short-term charters with a duration of less than 12 months, but the pool may also arrange time charter agreements. As of the date of the Registration Document, none of the Group's vessels operates through a pool arrangement.

Revenue Backlog and Charter Coverage

As of the date of this Registration Document, the Group has secured revenue backlog (for the period beginning 1 January 2026 and onwards) of approximately USD 350 million from time charter contracts with Tier-1 quality counterparts including Gunvor, Exxon and Aramco.

As of the date of this Registration Document, all Group's vessels are on time charters.

The average contracted rate is approximately USD 32,700 per day for the full year 2026.

The Group's fully delivered cash break-even rate is approximately USD 21,400 per day, which is significantly below historical average charter rates and current contracted rates.²

Operational efficiency

The Group operates as a cost-efficient and reliable operator, supported by an experienced commercial and technical management team through its wholly owned subsidiary Performance Shipping Management Inc. The Group maintains high quality and maintenance standards across its fleet through in-house technical and commercial management capabilities.

3.3.5 Customers

The Group's customer base includes national, regional and international companies, such as ST Shipping Transport, Aramco Trading Company, Marathon Shipping, Exxon Mobil, AET Tankers, Repsol and Clearlake. The Group believes in developing strong relationships with the end-users of its services, which allows it to better satisfy their needs with appropriate and capable vessels. When negotiating its vessels' employment, the Group considers a prospective charterer's financial condition, creditworthiness, reliability and track record to be important factors.

3.3.6 Competition

The Group operates in markets that are highly competitive and based primarily on supply and demand. The Group competes for charters on the basis of price, vessel location, size, age, and condition of the vessel, as well as on its reputation and that of its commercial manager. The Group competes primarily with other independent tanker vessel-owners and with major oil companies that own and operate their own vessels. The Group's competitors may have more resources and may operate vessels that are newer, and therefore more attractive to charterers, than the Group's vessels. Ownership of tanker

² Based on 1-year TC rate for Aframax tankers over the last three years (Clarksons Shipping Intelligence Network)

vessels is highly fragmented and is divided among publicly listed companies, state-controlled owners, and private shipowners.

3.3.7 Management Agreements

The day-to-day commercial and technical management of the Group's fleet, as well as the provision of administrative services relating to the Group's fleet's operations, have been carried out since 1 March 2013, by Performance Shipping Management Inc. (ex Unitized Ocean Transport Limited), the Group's in-house fleet manager.

Pursuant to an Administrative Services Agreement, the Issuer pays its in-house fleet manager a fixed monthly administrative fee of USD 10,000 in exchange for providing the Issuer with accounting, administrative, financial reporting, and other services necessary for the operation of its business. In addition, in exchange for providing the Issuer with day-to-day commercial and technical services, the Issuer pays its fleet manager a commission of 2.00% of the Issuer's gross revenues, a fixed management fee of USD 15,000 per month for each vessel in operation, and a fixed monthly fee of USD 7,500 for any vessels under construction or laid-up. For as long as part of the management services were assigned to third-party managers, the Issuer paid to its fleet manager a reduced monthly management fee within the range of USD 1,000 to USD 5,000, and a commission of 1.00% or 2.00% of the Issuer's gross revenues, depending on the level of involvement of the third-party managers.

3.3.8 Material Contracts

The Group or the Guarantors have not entered into any material contracts in the period covered by the Consolidated Financial Statements that are outside the Issuer's ordinary course of business, which could result in any member of the Group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligation to security holders in respect of the Bonds.

3.4 Related Party Transactions

Pure Brokerage and Shipping Corp.

Pure Brokerage and Shipping Corp. ("**Pure**"), a company controlled by Aliko Paliou, the Issuer's Chairperson of the board of directors, provides the Group with brokerage services since 15 June 2020, pursuant to a Brokerage Services Agreement for a fixed monthly fee of USD 3,000 for each of the Group's owned tanker vessels. Additionally, Pure receives from the Group a fixed commission of 1.25% on gross freight and hire income generated by the vessels, subject to the specific terms of each employment contract, and may also receive sale and purchase brokerage commissions of 1.0% per transaction. For the year ended 31 December 2024, commissions and brokerage fees paid to Pure Brokerage amounted to USD 1.1 million and USD 0.3 million, respectively.

4 Financial information concerning the Group's assets and liabilities, financial position and profits and losses

This section should be read together with the Consolidated Financial Statements of the Issuer which are incorporated in their entirety into this Registration Document by reference, cf. Section 7.5.

4.1 Introduction

The Issuer's consolidated financial statements as of 31 December 2024 and 2023 and for each of the three years in the period ended 31 December 2024 (the "**Consolidated Financial Statements**") have been prepared in accordance with U.S. GAAP, and are fully incorporated into this Registration Document by reference, as outlined in Section 7.5. The U.S. GAAP are deemed equivalent to accounting standards adopted under Regulation (EC) No 1606/2002.

The Issuer's Consolidated Financial Statements incorporated by reference into this Registration Document have been audited by Ernst & Young (Hellas) Certified Auditors Accountants S.A., independent auditors, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("**PCAOB**").

4.2 The Guarantors' Financial Statements

In accordance with Annex 21, cf. Annex 7, item 11.1.1 to the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019, as amended and implemented in Norway in accordance with Section 7-1 of the Norwegian Securities Trading Act and supplementing the Prospectus Regulation (the "**CDR**"), the Issuer is required to include audited historical financial information covering the latest two financial years for all the Guarantors in the Prospectus.

In connection with the Prospectus approval process, the Issuer applied to the Norwegian FSA for an exemption from the requirement to include historical financial information, including stand-alone financial statements, for the two guarantors, Bock Shipping Company Inc. and Maloelap Shipping Company Inc., pursuant to Article 18(1)(c) and Article 18(2) of the Prospectus Regulation.

The Norwegian FSA granted the exemption from the requirement to include historical financial information (Annex 7, items 11.1.1-11.2.1) for the Guarantors. The basis for the exemption is that the Issuer's consolidated financial statements provide investors with information about the guarantors' financial position and results, and that the Guarantors' unaudited financial information (management accounts), together with the Issuer's consolidated financial statements, compensates for the lack of audited stand-alone financial statements.

The Guarantors unaudited financial information (management accounts) is included as Appendix A to this Registration Document.

4.3 Legal and Arbitration Proceedings

The Company, its Chief Executive Officer, Chairperson of the Board, five former directors of the Company, and two entities affiliated with the Company's Chief Executive Officer and Chairperson of the Board were named as defendants in a lawsuit commenced on 27 October 2023 in New York State Supreme Court, County of New York, by a purported shareholder of the Company, Sphinx Investment Corp., the plaintiff. The complaint alleged, amongst other things, violations of fiduciary duties by the named defendants in connection with an exchange offer commenced by the Company in December 2021. In January 2024, the defendants filed motions to dismiss the lawsuit. In August 2024, the Supreme Court of the State of New York granted the Company's motions to dismiss the litigation filed by Sphinx on 27 October 2023, on the basis that New York lacked personal jurisdiction over the defendants. Subsequently, in August 2024, Sphinx initiated legal proceedings in the High Court of the Republic of the Marshall Islands against the same defendants that had been named in the New York lawsuit. The complaint filed in the High Court is substantially similar to the complaint previously filed in New York. The defendants filed motions to dismiss the complaint in the High Court of the Republic of the Marshall Islands. The parties have completed briefing on those motions to dismiss and the case has been stayed pending resolution of the appeal of a related case to the Supreme Court of the Republic of the Marshall Islands, which resolved in the defendants' favor in February 2026. The Company, although it cannot predict its outcome, believes that the lawsuit is without merit and will vigorously defend against the lawsuit.

Other than as set out above, the Group or the Guarantors are not, as of the date of this Registration Document, aware of any governmental, legal, or arbitration proceedings during the preceding twelve months, including any such proceedings which are pending or threatened, which are of such importance that they have had in the recent past, or may have, a significant effect on the Issuer's or the Group's financial position or profitability.

4.4 Recent Developments

The Group has secured USD 172.4 million in sale and leaseback financing for four LR1/LR2 newbuilding vessels through Japanese and Chinese lease providers:

- On March 16, 2026, the Group entered into a sale and leaseback agreement with an unaffiliated third party for its newbuild LR1 Aframax tanker vessel. The bareboat financing amount totals USD 37.8 million and as part of this agreement, the vessel will be sold and chartered back on a bareboat basis for a ten-year period from delivery at bareboat charter rates equivalent to 120 monthly instalments of USD 5,451 per day and a balloon payment of approximately USD 18.1 million payable together with the last instalment, with an implied interest rate of Term SOFR plus 2.00% per annum. The Group has continuous options to repurchase the vessel at predetermined rates following the second anniversary of the bareboat charter.
- On 6 March 2025, the Group announced it has entered into a sale and leaseback agreement with an unaffiliated third party for the third of its newbuild LR2 Aframax tanker vessels. The bareboat financing amount totals USD 45 million and, as part of this agreement, the vessel will be sold and chartered back on a bareboat basis for an eight-year period from delivery at bareboat charter rates equivalent to 96 monthly instalments of USD 6,850 per day and a balloon payment of approximately USD 25 million payable together with the last instalment, with an implied interest rate of Term SOFR plus 2.05% per annum. The Group has continuous options to repurchase the vessel at predetermined rates following the second anniversary of the bareboat charter.
- On 24 October 2024, the Group announced it has entered into a sale and leaseback agreement with an unaffiliated third party for the second of its newbuild LR2 Aframax tanker vessels. The bareboat financing amount totals approximately USD 45.39 million. As part of this agreement, the vessel will be sold and then chartered back on a bareboat basis for a ten-year period starting from delivery, at bareboat charter rates equivalent to 120 monthly installments at a fixed rate of USD 211,500.00 plus a variable rate calculated monthly at an implied interest rate of SOFR plus 2.1% per annum. Additionally, a balloon payment of approximately USD 20 million will be due together with the last installment for the repurchase of the vessel. The Group has continuous options to repurchase the vessel at predetermined rates following the second anniversary of the bareboat charter.
- On 16 July 2024, the Group announced it has entered into a sale and leaseback agreement with an unaffiliated third party for the first of its newbuild LR2 Aframax tanker vessels. The bareboat financing amount totals USD 44.25 million and as part of this agreement, the vessel will be sold and chartered back on a bareboat basis for an eight-year period from delivery at bareboat charter rates equivalent to 96 monthly instalments of USD 7,132 per day and a balloon payment of approximately USD 23.7 million payable together with the last instalment, with an implied interest rate of Term SOFR plus 2.425% per annum. The Group has continuous options to repurchase the Vessel at predetermined rates following the second anniversary of the bareboat charter.

On 13 March 2025, the Group entered into a Memorandum of Agreement to sell the 2011-built, 105,400 dwt Aframax tanker vessel, P. Yanbu, to an unaffiliated third party for a gross sale price of USD 39 million (gain of USD 19.5 million). The vessel was delivered to her new owner on 24 March 2025.

On 2 July 2025, the Group announced that it had successfully placed the Bonds. See the Securities Note for further information.

On 18 August 2025, the Group announced that it had entered a one-year time-charter with Pakistan National Shipping Corporation for the M/T P. Aliko at USD 30,000 per day.

On 9 October 2025, the Group announced the expansion of its fleet through separate wholly owned subsidiaries which have entered into Memoranda of Agreement with an unaffiliated third party for the purchase of the M/T P. Bel Air (formerly Eco Bel Air) and the M/T P. Beverly Hills (formerly Eco Beverly Hills), both 157,286 dwt Suezmax tankers built in 2019 by Hyundai Samho Heavy Industries in South Korea. The vessels feature devices for wake optimisation such as rudder bulbs and pre-swirl ducts for energy efficiency, eco-design featuring lower consumption electronic engines, and are scrubber-fitted. The purchase price is USD 75,438,000 per vessel, net of brokerage commissions. The purchase price is financed through a combination of Bond proceeds and cash reserves from the Issuer. The vessels were delivered to the Issuer in December 2025, and immediately commenced employment with Repsol Trading S.A., a highly reputable charterer. Upon delivery, the vessels have been renamed M/T P. Bel Air and M/T P. Beverly Hills, respectively.

On 4 November 2025, the Group announced that it had entered a two-year time-charter contract with SeaRiver Maritime, a subsidiary of ExxonMobil Corporation, for the M/T P. Long Beach at USD 30,500 per day.

On 6 November 2025, the Group announced that it had entered three-year time-charter agreements with Repsol Trading SA for the M/T P. Beverly Hills and M/T P. Bel Air at a rate of USD 36,500 per day per vessel.

On 13 January 2026, the Issuer announced that it had successfully placed a USD 50 million tap issue in Bonds (the “**Tap Issue**”), paying a fixed coupon of 9.875% per annum, payable semi-annually in arrears. Following the tap issue, the total outstanding amount under the Bonds is USD 150 million. The tap issue was priced at 103.00% of par value and was initiated by a reverse inquiry. The Tap Issue was closed on 27 January 2026. The regulation of use of proceeds under the Tap issue is for general corporate purposes according to the terms of the Tap Issue.

On 14 January 2026, the Issuer announced the successful naming and delivery of the M/T P. Marseille, the third vessel in the Group’s current newbuilding program, constructed at Shanghai Waigaoqiao Shipbuilding Co. Ltd. (SWS) in the People’s Republic of China. The M/T P. Marseille is a 114,000 DWT LNG-ready Tier III product/crude oil tanker. All three newbuilding LR2 vessels have secured five-year time charter contracts with Clearlake Shipping Pte Ltd, a subsidiary of the Gunvor Group, one of the world’s largest independent commodities trading houses. Following delivery to the Group, the M/T P. Marseille was delivered to the charterer and has commenced operations under its five-year time charter contract, with options for a sixth and seventh year at a base rate plus profit-sharing.

On 17 February 2026, the Issuer announced that it had signed a Memorandum of Agreement to sell its 2009-built, 105,071 dwt Aframax tanker vessel, M/T P. Sophia, to an unaffiliated third party for a gross sale price of USD 35.65 million. The vessel is expected to be delivered to her new owners in mid-2026, subject to customary closing conditions. The sale of M/T P. Sophia constitutes a Mandatory Redemption Event under the Bond Terms. Accordingly, the Net Disposal Proceeds received upon delivery of the vessel must be applied, at the Issuer’s election, towards (A) transfer to a pledged and blocked Reinvestment Account, to be applied towards the acquisition of additional vessels over which equivalent Transaction Security shall be granted, and/or (B) redemption of Bonds at a price equal to 101.00 per cent of the Nominal Amount of the Bonds redeemed. Please refer to the Risk Factor “The sale of M/T P. Sophia constitutes a Mandatory Redemption Event which may affect the outstanding amount of Bonds and the security package” as set out in the Securities Note.

On 2 March 2026, the Company, through two separate wholly-owned subsidiaries, signed two shipbuilding contracts with China Shipbuilding Trading Co. Ltd. and Shanghai Waigaoqiao Shipbuilding Co. Ltd. for the construction of two 158,000 DWT newbuilding Suezmax tanker vessels. The vessels are expected to be delivered in October 2028 and May 2029, respectively, at a contract price of USD 81.5 million per vessel. The vessels will be Tier III, scrubber-fitted and compliant with the latest fuel-efficiency and environmental standards.

4.5 Significant Change in the Group’s Financial Position

Other than the issuance of the Bonds and the Tap Issue and as set out in section 4.4, there has been no other significant change in the financial position of the Group or the Guarantors since the end of the last financial period for which audited financial information or unaudited interim financial information has been published, as of the date of this Registration Document.

4.6 Trend Information

There has been no material adverse change in the prospects of the Issuer or the Guarantors since 31 December 2024, and no significant change in the financial performance of the Group or the Guarantors since 31 December 2025, in each case to the date of this Registration Document.

5 THE BOARD OF DIRECTORS, EXECUTIVE MANAGEMENT AND SUPERVISORY BODIES

This Section contains information about the Board of Directors, Executive Management and Supervisory Bodies of the Issuer.

5.1 Overview

The Board of Directors of the Issuer is responsible for the overall management of the respective company. Under the Republic of the Marshall Islands law, the Board of Directors are responsible for, among other things, oversight of the general and day-to-day management of the company's business; ensuring proper organisation, preparing plans and budgets for its activities; ensuring that the activities, accounts and asset management are subject to adequate controls and to undertake investigations necessary to ensure compliance with its duties. The Board of Directors may delegate such matters as it seems fit to the executive management.

The executive management of the Issuer are responsible for the day-to-day management of the Issuer's operations as designated by the Board of Directors. Among other responsibilities, the CEO is responsible for keeping the issuer's accounts in accordance with existing legislation and regulations and for managing the issuer's assets responsibly.

The Issuer's registered business address, 373 Syngrou Avenue, 175 64 Palaio Faliro, Athens, Greece, serves as c/o address for the members of the Board of Directors, the executive management and the audit committee in relation to their position in the Issuer.

5.2 Board of Directors

The Issuer's Board of Directors comprises the following members as of this Prospectus:

<u>Name</u>	<u>Position</u>	<u>Principal Activity</u>
Aliki Paliou	Chairperson of the Board	Director, Vice President and Treasurer of Performance Shipping Management Inc.
Andreas Nikolaos Michalopoulos	Director	Managing Director of Performance Shipping Management Inc.
Loisa Ranunkel	Director	Political and Commercial Risk Insurance Broker
Alex Papageorgiou	Director	Investment Professional
Mihalis Boutaris	Director	Vice-President of Kir-Yianni/ Secretary of the Yiannis Boutaris Foundation

The board of directors of the Guarantors comprises the following members as of this Prospectus.

For Maloelap Shipping Company Inc.:

<u>Name</u>	<u>Position</u>	<u>Principal Activity</u>
Aliki Paliou	President	Director, Vice President and Treasurer of Performance Shipping Management Inc.
Andreas Nikolaos Michalopoulos	Treasurer	Managing Director of Performance Shipping Management Inc.
Christianna Valantasi	Secretary	Executive Assistant to Managing Director of Performance Shipping Management Inc.

For Bock Shipping Company Inc.:

<u>Name</u>	<u>Position</u>	<u>Principal Activity</u>
Aliki Paliou	President	Director, Vice President and Treasurer of Performance Shipping Management Inc.
Victoria Makri	Treasurer	Operator of Performance Shipping Management Inc.
Andreas Nikolaos Michalopoulos	Secretary	Managing Director of Performance Shipping Management Inc.

5.3 Executive Management

The Group's executive management team is employed either in the Issuer's wholly owned subsidiary Performance Ship Management Inc., which, amongst other things, provides management services to the Group, or employed directly by the Issuer through a consultancy agreement. The Group's executive management comprises the following members as of this Prospectus:

<u>Name</u>	<u>Position</u>	<u>Principal Activity</u>
Andreas Nikolaos Michalopoulos	CEO	Managing Director of Performance Shipping Management Inc.
Anthony Argyropoulos	CFO	Founder and Managing Director of Seaborne Capital Advisors, a financial advisory firm focused on the shipping and maritime industries.

Several members of the Board of Directors and Executive Management have shares in the Issuer. The Group's CFO, Anthony Argyropoulos, held stock options to purchase up to 8,000 of the Common Shares until January 2026, when the stock options expired. See further below for additional information regarding the Board of Directors' and the Executive Management's shareholding.

5.4 Audit Committee

The Issuer has an audit committee ("Audit Committee") consisting of two of the independent directors of the Board. The Audit Committee is responsible for reviewing our accounting controls, recommending to the board of directors the engagement of our independent auditors, and pre-approving audit and audit-related services and fees. Each member has been determined by our board of directors to be "independent" under Nasdaq rules and the rules and regulations of the SEC. As directed by its written charter, the Audit Committee is responsible for reviewing all related party transactions for potential conflicts of interest and all related party transactions are subject to the approval of the Audit Committee.

Alex Papageorgiou serves as the Chairman of the Audit Committee and as an Audit Committee financial expert as such term is defined under SEC rules. Mihalis Boutaris serves as a member of the Audit Committee.

5.5 Disclosure of Conflicts of Interests

The following members of the Board of Directors are considered not independent from the Issuers and its largest shareholders:

- Andreas Nikolaos Michalopoulos; and
- Aliki Paliou

Aliki Paliou, Chair of the Board of Directors, beneficially owns 1,314,792 Series C Preferred Shares as of 23 March 2026, and through the beneficial ownership of such Series C Preferred Shares controls approximately 88% of the voting power of the Issuer's capital stock. As a result, Ms. Paliou has the power to exert considerable influence over the Issuer's actions through her ability to control the outcome of any matter submitted to a vote of the Issuer's shareholders, including the election of the Issuer's directors and other significant corporate actions. The Series C Preferred Shares bear superior voting rights to the Issuer's common shares, are entitled to vote on all matters on which the Issuer's shareholders are entitled to vote, and are convertible into common shares. The superior voting rights of the Issuer's Series C Preferred Shares may limit the Issuer's common shareholders' ability to influence corporate matters. The interests of the holders of the Series C Preferred Shares may conflict with the interests of the Issuer's common shareholders and, as a result, the holders of the Issuer's capital stock may approve actions that the common shareholders do not view as beneficial.

Andreas Michalopoulos, the CEO, is married to Aliki Paliou, the chairperson of the Board of Directors and the largest shareholder. Mr. Michalopoulos owns and controls Mitzela Corp., which holds approximately 7.7% of the Issuer's share capital on a fully diluted basis, including 56,342 Series C Preferred Shares (approximately 4% of the outstanding Series C Preferred Shares, convertible into 1,038,538 Common Shares) and 420 Common Shares.

The CFO of the Company, Anthony Argyopoulos, participates in business activities not associated with the Issuer as he is also the founder of Seaborne Capital Advisors, an Athens Greece based financial advisory firm focused on the shipping and maritime industries. Mr. Argyopoulos therefore does not devote all of his time to the Issuer's business, which may create conflicts of interest and hinder the Issuer's ability to operate successfully.

Except as disclosed above, the Group or the Guarantors are not aware of any actual or potential conflicts of interest between the obligations of the Board of Directors or senior management to the Issuer and their personal interests or other responsibilities.

5.6 Corporate Governance

The Issuer has certified to Nasdaq that its corporate governance practices are in compliance with, and are not prohibited by, the laws of the Republic of the Marshall Islands. Therefore, the Issuer is exempt from many of Nasdaq's corporate governance practices other than the requirements regarding the disclosure of a going concern audit opinion, submission of a listing agreement, notification to Nasdaq of non-compliance with Nasdaq corporate governance practices, prohibition on disparate reduction or restriction of shareholder voting rights, and the establishment of an audit committee satisfying Nasdaq Listing Rule 5605(c)(3) and ensuring that such audit committee's members meet the independence requirement of Listing Rule 5605(c)(2)(A)(ii).

The practices the Issuer follows in lieu of Nasdaq's corporate governance rules applicable to U.S. domestic issuers are as follows:

- As a foreign private issuer, the Issuer is not required to have an audit committee comprised of at least three members. The Issuer's audit committee is comprised of two members;
- As a foreign private issuer, the Issuer is not required to adopt a formal written charter or board resolution addressing the nominations process. The Issuer does not have a nominations committee, nor has it adopted a board resolution addressing the nominations process;
- As a foreign private issuer, the Issuer is not required to hold regularly scheduled board meetings at which only independent directors are present;
- In lieu of obtaining shareholder approval prior to the issuance of designated securities, the Issuer will comply with provisions of the Marshall Islands Business Corporations Act, which allows the board of directors to approve share issuances.

6 INFORMATION ABOUT THE ISSUER AND THE GUARANTORS

The following is a summary of certain corporate information and other information relating to the Issuer and the Guarantors.

6.1 Incorporation; Registration Number; Registered Office and Other Company Information

6.1.1 The Issuer

The Issuer is a corporation incorporated under the laws of the Republic of the Marshall Island and under the Marshall Island Business Corporations Act. The legal and commercial name of the Issuer is Performance Shipping Inc. and the Issuer's business registration number is 38911. The Issuer's LEI-code is 529900TDUX3CQLRVFO49. The Issuer was incorporated on 7 January 2010.

The head office and registered address of the Issuer is 373 Syngrou Avenue, 175 64 Palaio Faliro, Athens, Greece, its telephone number is +30 216 600 2400 and its website is <https://pshipping.com/>. The information on the website does not form part of the prospectus unless that information is incorporated by reference into the Prospectus.

6.1.2 The Guarantors

The obligations of the Issuer and the other obligors under the Bonds are guaranteed by the following two subsidiaries of the Issuer:

- a) Bock Shipping Company Inc., a corporation duly incorporated on 26 September 2022 and validly existing under the laws of the Republic of Marshall Islands, having its registered address at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands, MH96960, with registration number 116344 and LEI code 529900SLXYR1EFDA2175.
- b) Maloelap Shipping Company Inc., a corporation duly incorporated on 8 June 2022 and validly existing under the laws of the Republic of Marshall Islands, having its registered address at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands, MH96960, with registration number 114826 and LEI code 529900R4I2D85LH9WT50.

The guarantees are provided pursuant to a guarantee agreement dated September 2025 entered into between the Issuer, the Guarantors and Nordic Trustee AS as security agent (for the benefit of the secured parties under the Bond Agreement) (the "Guarantee").

The Guarantee is a customary Norwegian law governed on-demand guarantee (Nw. *selvskyldnergaranti*). Each Guarantor guarantees the due payment and performance of the obligations of the Issuer and the other Guarantor under the Bond Agreement and other finance documents. Each Guarantor and is liable as a primary obligor jointly and severally with the Issuer and the other Guarantor, not as secondary obligor. If an amount is not paid when due, the security agent may demand payment directly from any Guarantor without first pursuing or exhausting remedies against the Issuer, the other Guarantor or any security.

Each Guarantor's total liability under the Guarantee is limited to USD 200,000,000 plus accrued interest and any fees, costs and expenses payable under the Bond Agreement and other finance documents.

The Guarantors do not have any veto rights in respect of amendments to the Bond Agreement. Amendments may be agreed in accordance with the Bond Terms without the consent of the Guarantors and without affecting the validity or enforceability of the Guarantee.

6.2 Organisational Structure

The Issuer is the parent company of the Group. The Group comprises of the Issuer as well as the following 19 wholly owned subsidiaries, including the two Guarantors, which are owned directly by the Issuer:

No	Name	Role	Jurisdiction
1	Bock Shipping Company Inc.*	Vessel owner (P. Monterey)	Marshall Islands

2	Maloelap Shipping Company Inc.*	Vessel owner (P. Sophia)***	Marshall Islands
3	Performance Shipping USA LLC	Agent and authorised representative in USA	Delaware, USA
4	Performance Shipping Management Inc. (ex Unitized Ocean Transport Limited)	Technical and Commercial Manager	Marshall Islands
5	Taburao Shipping Company Inc.	Vessel owner (Blue Moon)	Marshall Islands
6	Tarawa Shipping Company Inc.	Vessel owner (Briquette)	Marshall Islands
7	Arno Shipping Company Inc.	–	Marshall Islands
8	Garu Shipping Company Inc.	Vessel owner (P.Aliki)	Marshall Islands
9	Arbar Shipping Company Inc.	Vessel owner (P. Long Beach)	Marshall Islands
10	Nakaza Shipping Company Inc.	Vessel owner (P. Massport)**	Marshall Islands
11	Sri Lanka Shipping Company Inc.	Vessel owner (P. Tokyo)**	Marshall Islands
12	Guadeloupe Shipping Company Inc.	Vessel owner (P. Marseille)**	Marshall Islands
13	Saint Barth Shipping Company Inc.	Vessel owner (YZJ2024-1624 (LR1))	Marshall Islands
14	Mustique Shipping Company Inc.	–	Marshall Islands
15	Toka Shipping Company Inc.	Dormant	Marshall Islands
16	Rongelap Shipping Company Inc.	Dormant	Marshall Islands
17	Grenada Shipping Company Inc.	Vessel owner (P. Bel Air)	Marshall Islands
18	Barbados Shipping Company Inc.	Vessel owner (P. Beverly Hills)	Marshall Islands
19	Saint Lucia Shipping Company Inc.	Vessel owner (H1627 Suezmax)	Marshall Islands
20	Martinique Shipping Company Inc.	Vessel owner (H1628 Suezmax)	Marshall Islands

* Guarantor

** These vessels operate under sale and lease-back agreements with third parties.

*** P. Sophia has been sold pursuant to a Memorandum of Agreement dated 17 February 2026. The vessel remains in the fleet pending delivery to its new owners, which is expected to occur in mid-2026 subject to customary closing conditions. Please refer to Section 4.4 in this Registration Document and the Risk Factor “The sale of M/T P. Sophia constitutes a Mandatory Redemption Event which may affect the outstanding amount of Bonds and the security package” in the Securities Note for more information regarding the consequences of the sale under the Bond Terms.

The Issuer is dependent on its subsidiaries’ operational activities and their ability to generate cash flow.

6.3 The Issuer’s and the Guarantors’ Shares and Share Capital

6.3.1 The Issuer

As of 23 March 2026, the Issuer has (i) 500 million registered shares authorized with a par value of USD 0.01 per share (the “Common Shares”), of which 12,432,158 shares are issued and outstanding, and (ii) 25 million preferred shares authorized,

also with a par value of USD 0.01 per share (the “Preferred Shares”), of which 50,726 Series B Preferred Shares and 1,423,912 Series C Preferred Shares are outstanding.

The Common Shares are listed on the Nasdaq Capital Market under the ticker “PSHG”. None of the Preferred Shares are currently listed on any stock exchange or in any trading market.

The Common Shares hold one vote on all matters submitted to a vote of shareholders. Subject to preferences that may be applicable to any outstanding Preferred Shares, holders of Common Shares are entitled to receive rateably all dividends, if any, declared by the Board of Directors of the Issuer out of funds legally available for dividends. Holders of the Common Shares do not have conversion, redemption or pre-emptive rights to subscribe to any of the Issuer’s securities. The rights, preferences and privileges of holders of Common Shares are subject to the rights of the holders of Preferred Shares, including the Issuer’s existing classes of Preferred Shares and any Preferred Shares the Issuer may issue in the future.

The Series B Preferred Shares hold no voting rights. The Company pays a 4.00% annual dividend on the Series B Preferred Shares on a quarterly basis, either in cash or, at the Company’s option, through the issuance of additional common shares valued at the volume-weighted average price of the common stock for the 10 trading days prior to the dividend payment date.

Each holder of the Series C Preferred Shares is entitled to a number of votes equal to the number of Common Shares into which such holder’s Series C Preferred Shares would then be convertible, multiplied by 10. Dividends on each Series C Preferred Shares shall be cumulative and shall accrue at a rate equal to 5.00% per annum of the Series C liquidation preference per Series C Preferred Share from the dividend payment date immediately preceding issuance, and can be paid either in cash or, at the Company’s option, through the issuance of additional common shares.

The Issuer’s amended and restated articles of incorporation authorize the Issuer’s board of directors to establish one or more series of preferred shares and to determine, with respect to any series of preferred shares, the terms and rights of that series, including the designation of the series; the number of shares of the series, the preferences and relative, participating, option or other special rights, if any, and any qualifications, limitations or restrictions of such series, and the voting rights, if any, of the holders of the series.

In addition to the Common Shares and the Preferred Shares, the Issuer has issued the following warrants (the “Warrants”) as of the date of this Registration Document:

Warrant Class/Series	Number Outstanding	Issuance Date	Exercise Period	Exercise Price	Expiry Date	Potential Dilution (Shares)
Class A Warrants	567,366	1 June 2022	Five years from issuance	USD 15.75 per share	January 2028	567,366 Common Shares
July 2022 Warrants	1,033,333	19 July 2022	Five and a half years from issuance	USD 1.65 per share (as adjusted)	January 2028	1,033,333 Common Shares
August 2022 Warrants	2,122,222	16 August 2022	Five years from issuance	USD 1.65 per share (as adjusted)	August 2027	2,122,222 Common Shares
Series A Warrants	14,300	3 March 2023	Five years from issuance	USD 2.25 per share (or exchange for no cash)	March 2028	14,300 Common Shares
Series B Warrants	4,097,000	3 March 2023	Five years from issuance	USD 2.25 per share	March 2028	4,097,000 Common Shares
TOTAL	7,834,221	—	—	—	—	7,834,221 Common Shares

Each Warrant is immediately exercisable upon issuance and remains exercisable for five years (except for the July 2022 Warrants which is exercisable for five and a half years). Holders may exercise in whole or in part by delivering an exercise notice and paying the exercise price.

If all outstanding Warrants were exercised, the Issuer would issue up to approximately 7,834,221 additional Common Shares. With 12,432,158 Common Shares outstanding, this represents potential dilution of approximately 61% to existing common shareholders.

Key Features Common to All Warrant Series

All warrant series share several important characteristics:

- **Beneficial ownership limitation:** All series include a 4.99% blocker, with an option for the holder to set this blocker to 9.99%. Increases above 4.99% up to 9.99% require at least 61 days' prior notice to be effective. This means warrant holders cannot exercise warrants if doing so would result in them beneficially owning more than 4.99% (or 9.99% if elected with proper notice) of the Company's outstanding common shares.
- **Fundamental transaction protections:** Upon certain reorganisations, mergers, sales of substantially all assets, or acquisitions of control, holders are entitled to receive on exercise the consideration they would have received if they had exercised immediately before the transaction, with successor assumption obligations and an obligation of the company or successor, at the holder's request, to purchase any unexercised portion in accordance with the warrant terms.
- **No shareholder rights:** Warrant holders have no voting, dividends or other shareholder rights until exercise and issuance of the underlying common shares. This means warrant holders cannot vote at shareholder meetings, receive dividends, or participate in other shareholder benefits unless and until they exercise their warrants and become actual common shareholders.
- **Not exchange-listed:** Warrants are transferable subject to law; none of the series is listed on a national securities exchange, and an active trading market is not expected. Whilst warrant holders can transfer their warrants (subject to securities law restrictions), the lack of exchange listing means there is no established public market for trading these warrants.
- **Exercise Price Adjustments:** The exercise price of the Warrants may be adjusted in the event of certain stock dividends and distributions, stock splits, stock combinations, reclassifications or similar events affecting the Issuer's Common Shares and also upon any distributions of assets, including cash, stock or other property to the Issuer's stockholders. The July 2022 and August 2022 Warrants contain anti-dilution provisions that were triggered by subsequent issuances, reducing their exercise prices to the floor of USD 1.65 per share. Any future issuance of common shares or convertible securities below applicable conversion/exercise prices may trigger further adjustments.
- **Cashless exercise feature of Class A Warrants:** The Class A Warrants contain a cashless exercise provision, whereby if at the time of exercise there is no effective registration statement then the warrants can be exercised by means of a cashless exercise.

6.3.2 The Guarantors

Guarantor entity	Share capital	Number of shares	Nominal value per share
Bock Shipping Company Inc.	USD 5	500	USD 0.01
Maloelap Shipping Company Inc.	USD 5	500	USD 0.01

Each Guarantor has a single share class, and all shares carry the same rights in relation to the respective Guarantor. At the relevant Guarantor's shareholder meetings, each share carries one vote.

6.4 Major Shareholders

As of the date of this Prospectus, the Company has 8 shareholders of record. The vast majority of the Issuer's outstanding Common Shares are held through The Depository Trust Company ("DTC"), the central securities depository for the United States, which acts as nominee and registered holder on behalf of the beneficial owners of the publicly traded shares of the Company. As DTC is registered as a single shareholder of record, the number of registered shareholders does not reflect the actual number of beneficial owners of the Common Shares. Shareholders representing 0.01% of the outstanding Common Shares hold their shares outside of DTC in certificated or direct registration form. As of 23 March 2026, the Issuer has three large shareholders holding five per cent or more of the Common Shares, as further set out below.

Shareholder	Number of Common Shares	Number of Series B Preference Shares	Number of Series C Preference Shares	Number of Common Shares on a fully diluted basis	Percentage Owned (Based on 12,432,158 outstanding common shares)	Number of votes (Percentage on a fully diluted basis)
Mango Shipping Corp. (1)	280	0	1,314,792 (approx. 92% of the outstanding Series C Preferred Shares), convertible into 24,235,236 Common Shares	24,235,516	66.1%	88%
Sphinx Investment Corp.	1,033,859	0	0	1,033,859	8.3%	0.37%
Mitzela Corp. (2)	420	0	56,342 (approx. 4% of outstanding Series C Preferred Shares), convertible into 1,038,538 Common Shares	1,038,958	7.7%	3.78%

(1) Mango Shipping Corp. is a company owned and controlled by the Chairperson of the Board Aliko Paliou. See more under section 5.5(*Conflicts of interests*).

(2) Mitzela Corp. is a company owned and controlled by Andreas Nikolaos Michalopoulos, the CEO of the Issuer.

(1)(2) Aliko Paliou and Andreas Nikolaos Michalopoulos are married, as mentioned in section 5.5.

Aliko Paliou, the Chairperson of the Issuer's Board of Directors and the spouse of the Issuer's Chief Executive Officer, controls a majority of voting power over matters on which the Issuer's shareholders are entitled to vote. Aliko Paliou may be deemed to indirectly beneficially own 1,314,792 shares of the Issuer's Series C Preferred Shares, and through the beneficial ownership of such Series C Preferred Shares currently controls approximately 88% of the voting power of the Issuer's capital stock. The Series C Preferred Shares are convertible into common shares of the Issuer and Aliko Paliou would

indirectly beneficially own approximately 66% of the Issuer's outstanding common shares if the Series C Preferred Shares indirectly owned by her were converted in full.

Certain legal obligations and governance policies and other measures implemented by the Issuer mitigate the risk of abuse of such control, including (among others):

Fiduciary Duties: Under Marshall Islands law, which adopts Delaware law in this respect, the Chairperson and the Chief Executive Officer, as well as controlling shareholders under certain circumstances, are subject to fiduciary duty obligations, including a duty of loyalty, which mitigate against the risk of self-dealing or other abuses of managerial positions or control over a corporation.

Majority Independent Board: Under Marshall Islands law, again following principles of Delaware law, all corporate powers shall be exercised by or under the authority of the Board. In particular, the Board has managerial control and exercises authority over the officers, including the Chief Executive Officer. The Issuer maintains a majority independent Board, meaning that the majority of directors are considered "independent" under the rules of the Nasdaq stock exchange.

Independent Audit Committee: The Issuer maintains an Audit Committee consisting of independent directors.

Independent Compensation Committee: The Issuer maintains a Compensation Committee consisting of independent directors which, among other things, approves all compensation of the senior executive officers including the Chief Executive Officer.

Independent Director Approval of Related-Party Transactions: The Issuer's amended and restated bylaws provide that vessel acquisitions and disposals from or to a related party and long term time charter employment with any charterer that is a related party will require the unanimous approval of the independent members of the Board and that all other material related party transactions shall be subject to the approval of a majority of the independent members of the Board.

Special Independent Committees: Although not required under Marshall Islands and Delaware law, the Company routinely follows the best practice of empowering an ad hoc special committee of the Board composed of exclusively independent and disinterested directors to negotiate and approve significant related party transactions or in any significant matter where there is a potential conflict of interest. Such special committees are empowered to engage their own legal counsel and other advisors.

All of the above is disclosed in the Company's existing public filings with the U.S. Securities and Exchange Commission.

7 ADDITIONAL INFORMATION

7.1 Independent Auditors

The consolidated financial statements of Performance Shipping Inc. as of 31 December 2024 and 2023 and for each of the three years in the period ended 31 December 2024, incorporated by reference in this Registration Document, have been audited by Ernst & Young (Hellas) Certified Auditors Accountants S.A., independent auditors, as stated in their report incorporated by reference herein.

Ernst & Young (Hellas) Certified Auditors Accountants S.A., independent auditors, is located at 8B Chimarras Street, 151 25 Maroussi, Greece, and registered as a corporate body with the public register for company auditors-accountants kept with the Body of Certified Auditors Accountants ("SOEL"), Greece with registration number 107.

Ernst & Young (Hellas) Certified Auditors Accountants S.A. has served as the Group's auditor since 2010.

The independent auditor's report to the Consolidated Financial Statements is incorporated by reference, cf. Section 7.5. Other than this report, neither Ernst & Young (Hellas) Certified Auditors Accountants S.A. nor any other auditor has audited or reviewed any accounts of the Group or produced any report on any other information provided in this Prospectus.

7.2 Legal Advisors

Advokatfirmaet BAHR AS is acting as legal adviser to the Issuer in connection with the Listing.

7.3 The approval of this Prospectus by the Norwegian Financial Supervisory Authority

- (a) the Registration Document has been approved by the Norwegian FSA, as the competent authority under Regulation (EU) 2017/1129;
- (b) the Norwegian FSA only approves this Registration Document as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129;
- (c) such approval should not be considered as an endorsement of the issuer that is the subject of this Registration Document.

The Norwegian FSA as competent authority under the EU Prospectus Regulation has reviewed the Registration Document. The Norwegian FSA approved this Registration Document on 25 March 2026 but has not verified or approved the accuracy or completeness of the information included in the Registration Document. The approval given by the Norwegian FSA only relates to the information included in the Registration Document under pre-defined disclosure requirements imposed by the EU Prospectus Regulation. The Norwegian FSA has made no form of verification or approval relating to corporate matters described in or referred to in the Registration Document. On no account must the publication or the disclosure of this Registration Document give the impression that the information is complete or correct on a given date after the date of this Registration Document, or that the business activities of the Issuer or its subsidiaries may not have been changed.

7.4 Documents on Display

For twelve months from this Registration Document, copies of the following documents will be available for inspection at the Issuer's registered office during normal business hours from Monday through Friday each week (except public holidays):

- The Articles of Incorporation of the Issuer and each of the Guarantors.
- All reports and other documents referred to in the Registration Document.
- The Issuer's audited consolidated financial statements, including the independent auditor's report, as of 31 December 2024 and 2023 and for each of the three years in the period ended 31 December 2024.
- The Issuer's unaudited consolidated financial statements for the six-month period ended 30 June 2025.

The documents referred to in the third and fourth bullet above can also be inspected at the website of the Issuer: <https://www.pshipping.com/>

7.5 Incorporation by reference - Cross Reference Table

This Registration Document should be read in connection with the information contained in the following cross-reference table, which are incorporated by reference in, and form part of, this Prospectus.

	Reference Document	Page of Reference Document
Audited historical financial information as of 31 December 2024 and 2023 and for each of the three years in the period ended 31 December 2024	Issuer's Consolidated Financial Statements: https://www.pshipping.com/sites/default/files/2025-04/AS%20FILED%20-%20PERFORMANCE%20SHIPPING%20INC.%20-%2020F%20-2024.pdf	Page 121-154 (F1 to F-34)
2025 4 th Unaudited Quarter Report (for the three months and the year ended 31 December 2025)	2025 4 th Unaudited Quarterly Report: PSHG Earnings Release 31.12.2025_pdf	
Independent Auditors' Report	https://pshipping.com/sites/default/files/2025-04/AS%20FILED%20-%20PERFORMANCE%20SHIPPING%20INC.%20-%2020F%20-2024.pdf	Page 122-123 (F-1 to F-3)
Risk factors set out in 2024 Annual Report - 20F	2024 Annual Report - 20-F: https://www.pshipping.com/sites/default/files/2025-04/AS%20FILED%20-%20PERFORMANCE%20SHIPPING%20INC.%20-%2020F%20-2024.pdf	Page 6-49

8 DEFINITIONS

Capitalised terms used throughout this Registration Document means as defined below, unless the context require otherwise.

Aframax.....	Aframax size tankers.
Bonds.....	The debt instruments issued by the Issuer under the Bond Agreement.
Bond Agreement.....	The bond terms dated 15 July 2025 and entered into between Performance Shipping Inc. as Issuer and Nordic Trustee AS AS bond trustee on behalf of the Bondholders regarding the Bond Issue.
Bond Issue	The bond issue constituted by the Bonds.
Bondholder	A holder of Bonds.
Common Shares.....	The Issuer's common shares.
Consolidated Financial Statements	The Issuer's Financial Statements of year ended 31 December 2023 and 2024.
DTC.....	The Depository Trust Company.
EU Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2014/71/EC, as amended and as implemented in Norway in accordance with Section 7-1 of the Norwegian Securities Trading Act.
Group	The Issuer together with its consolidated subsidiaries.
Guarantee	The guarantees provided by the Guarantors in respect of the Issuer's obligations under the Bond Terms, pursuant to a guarantee agreement dated September 2025 entered into between the Issuer, the Guarantors and Nordic Trustee AS as security agent for the benefit of the secured parties under the Bond Terms.
Guarantors	Bock Shipping Company Inc. and Maloelap Shipping Company Inc.
IFRS.....	International Financial Reporting Standards as adopted by the EU based on Regulation (EC) No 1606/2002.
Issue.....	The Bond Issue.
Issuer.....	Performance Shipping Inc.
Listing.....	The listing of the Bonds on Oslo Stock Exchange.
LR1	Long Range I tankers.
LR2	Long Range II tankers.
Managers	Clarksons Securities AS and Pareto Securities AS.
Nasdaq.....	US Nasdaq Capital Market.
Norwegian FSA.....	The Norwegian Financial Supervisory Authority (Nw. <i>Finanstilsynet</i>).
Norwegian Securities Trading Act.....	The Norwegian Securities Trading Act of 29 June 2007 no. 75, as amended.
Oslo Stock Exchange	Oslo Børs (a stock exchange operated by Oslo Børs ASA).
PCAOB.....	Public Company Accounting Oversight Board (United States).
Performance Shipping	Performance Shipping Inc.
Performance Shipping Management Inc. .	The Issuer's in-house fleet manager (formerly Unitized Ocean Transport Limited).
Preferred Shares	The Issuer's preferred shares.
Prospectus.....	This Registration Document, together with the Securities Note.
Registration Document	This Registration Document, dated 25 March 2026.
Securities Note	Document describing the terms of the Bond Issue.
Series B Preferred Shares	The Issuer's Series B Convertible Cumulative Perpetual Preferred Stock.
Series C Preferred Shares	The Issuer's Series C Convertible Cumulative Perpetual Preferred Stock.
SPV	A special purpose vehicle.
Suezmax	Suezmax tanker.
Tap Issue	The USD 50 million tap issue under the Bonds announced by the Issuer on 13 January 2026.
U.S. GAAP	Generally Accepted Accounting Principles (United States).

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APPENDIX A - UNAUDITED MANAGEMENT ACCOUNTS OF THE GUARANTORS

UNAUDITED BALANCE SHEETS (in US Dollars)
As of December 31, 2025, December 31, 2024 and December 31, 2023

	P. MONTEREY - BOCK SHIPPING COMPANY INC.			P. SOPHIA - MALOELAP SHIPPING COMPANY INC.		
	31/12/2025	31/12/2024	31/12/2023	31/12/2025	31/12/2024	31/12/2023
ASSETS						
CURRENT ASSETS:						
Cash and cash equivalents	287	200	1,500,253	930	274,204	1,049,383
Trade accounts receivable, net	37,020	362,607	33,586	1,721,103	1,135,733	1,554,208
Due from related parties*	-	-	-	4,773,025	-	-
Inventories	71,581	48,189	86,279	45,945	74,315	111,233
Prepaid expenses and other assets	182,051	138,825	164,673	154,985	114,344	131,223
Total current assets	290,939	549,821	1,784,791	6,695,988	1,598,596	2,846,047
FIXED ASSETS:						
Vessels	35,148,578	35,148,578	35,148,578	28,012,050	28,012,050	27,781,817
Accumulated depreciation	(6,404,682)	(4,323,018)	(2,235,651)	(6,099,870)	(4,339,197)	(2,594,043)
Vessels' Net Book Value	28,743,896	30,825,560	32,912,927	21,912,180	23,672,853	25,187,774
Deferred charges, net, non-current	-	-	-	619,516	1,074,226	-
Total assets	29,034,835	31,375,381	34,697,718	29,227,684	26,345,675	28,033,821
LIABILITIES AND STOCKHOLDERS' EQUITY						
CURRENT LIABILITIES:						
Current portion of long-term debt	-	-	-	-	-	-
Accounts payable-trade	244,874	238,610	188,356	179,087	639,731	163,510
Due to related parties*	7,522,361	14,491,417	23,762,874	-	1,811,123	9,382,035
EU allowances & FuelEU liability, current	155,304	329,021	-	-	68,842	-
Accrued liabilities	126,110	43,130	136,412	140,275	164,299	66,416
Total current liabilities	8,048,649	15,102,178	24,087,642	319,362	2,683,995	9,611,961
Long-term debt, net of unamortized deferred fin. costs	-	-	-	-	-	-
STOCKHOLDERS' EQUITY:						
Common stock	-	-	-	-	-	-
Additional paid-in capital	6,334,672	6,334,672	6,334,672	2,977,320	2,977,320	2,977,320
Retained earnings	14,651,514	9,938,531	4,275,404	25,931,002	20,684,360	15,444,540
Total stockholders' equity*	20,986,186	16,273,203	10,610,076	28,908,322	23,661,680	18,421,860
Total liabilities and stockholders' equity	29,034,835	31,375,381	34,697,718	29,227,684	26,345,675	28,033,821

* eliminated in the Group's consolidation

UNAUDITED STATEMENTS OF OPERATIONS (in US Dollars)

For the years ended December 31, 2025, December 31, 2024 and December 31, 2023

	P. MONTEREY - BOCK SHIPPING COMPANY INC.			P. SOPHIA - MALOELAP SHIPPING COMPANY INC.		
	31/12/2025	31/12/2024	31/12/2023	31/12/2025	31/12/2024	31/12/2023
REVENUES:						
Revenues	10,382,187	12,042,395	11,680,000	10,900,089	11,717,736	17,928,530
Other	-	-	-	-	-	-
Total Revenues, net	10,382,187	12,042,395	11,680,000	10,900,089	11,717,736	17,928,530
EXPENSES:						
Voyage expenses	612,059	863,822	571,171	407,922	784,375	620,155
Vessel operating expenses	2,789,977	2,791,513	2,548,449	2,850,429	3,248,477	2,375,210
Depreciation and amortization of deferred charges	2,081,664	2,087,368	2,081,664	2,215,382	1,805,834	1,737,250
Management fees to the Manager *	180,000	180,000	180,000	180,000	180,000	180,000
Provision for doubtful receivables	-	-	-	-	-	-
Foreign currency losses / (gains)	3,307	(6,412)	2,660	(1,386)	(6,289)	2,614
Operating income	4,715,180	6,126,104	6,296,056	5,247,742	5,705,339	13,013,301
OTHER INCOME (EXPENSES):						
Interest and finance costs, net	(2,197)	(5,212)	(1,992,225)	(1,100)	(8,135)	(1,743,149)
Interest Income	-	758	68,397	-	270	35,901
Other, net	-	-	(134,368)	-	-	(118,255)
Total other income (expenses), net	(2,197)	(4,454)	(2,058,196)	(1,100)	(7,865)	(1,825,503)
Net Income	4,712,983	6,121,650	4,237,860	5,246,642	5,697,474	11,187,798

*eliminated in the Group's consolidation

REGISTERED OFFICE AND ADVISORS

Performance Shipping Inc.
373 Syngrou Avenue, 175 64 Palaio Faliro,
Athens, Greece.
Tel: +30 216 600 2400
<https://pshipping.com>

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Norway

Pareto Securities AS
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Norway

Legal Advisor to the Issuer
(as to Norwegian law)
Advokatfirmaet BAHR AS
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NO-0252 Oslo
Norway

Independent Auditors
Ernst & Young (Hellas) Certified Auditors Accountants S.A.
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151 25 Maroussi,
Greece