



Target Hospitality Announces Seat on \$4 Billion Multi-Year U.S. Government Strategic Sourcing Vehicle

2025-05-21

THE WOODLANDS, Texas, May 21, 2025 /PRNewswire/ -- Target Hospitality Corp. ("Target Hospitality", "Target" or the "Company") (Nasdaq: TH), one of North America's largest providers of vertically integrated modular accommodations and value-added hospitality services, today announced it has been awarded a seat on a multi-year, \$4.0 Billion, Emergency Detention and Related Services Strategic Sourcing Vehicle ("SSV").

The SSV establishes the contracting vehicle necessary to support the Department of Homeland Security ("DHS") and U.S. Immigration and Customs Enforcement ("ICE") response to certain Executive Orders issued on January 20, 2025. The SSV is intended to support DHS and ICE's initiatives focused on expanding emergency detention capabilities and related facility services. The SSV has a total contract value up to \$4.0 billion with a period of performance through May 16, 2027.

The SSV award is an important step and provides Target the opportunity to directly participate in potential future contract awards supporting critical U.S. government immigration initiatives. Target believes its existing capabilities uniquely align with certain DHS and ICE initiatives supported by the SSV, positioning the Company to actively pursue a portion of these opportunities. Importantly, these opportunities extend beyond Target's existing asset portfolio and establish multiple avenues to expand its government end-market service offering while enhancing and broadening its contract portfolio.

"This award is instrumental in our continued pursuit of strategic growth initiatives and significantly expands Target's opportunity set. The U.S. government is evaluating a variety of solutions to meet its immigration policy objectives, and we believe Target is uniquely positioned to support a range of these mission critical services. While we are actively re-marketing our existing assets, the SSV award provides the ability to simultaneously directly pursue additional growth opportunities supporting U.S. government immigration initiatives," stated Brad Archer, President and Chief Executive Officer.

About Target Hospitality

Target Hospitality is one of North America's largest providers of vertically integrated modular accommodations and value-added hospitality services in the United States. Target builds, owns and operates a customized and growing network of communities for a range of end users through a full suite of value-added solutions including premium food service management, concierge, laundry, logistics, security and recreational facilities services.

Cautionary Statement Regarding Forward Looking Statements

Certain statements made in this press release (including the financial outlook contained herein) are "forward

looking statements" within the meaning of the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995. When used in this press release, the words "estimates," "projected," "expects," "anticipates," "forecasts," "plans," "intends," "believes," "seeks," "may," "will," "should," "future," "propose" and variations of these words or similar expressions (or the negative versions of such words or expressions) are intended to identify forward-looking statements. These forward-looking statements are not guarantees of future performance, conditions or results, and involve a number of known and unknown risks, uncertainties, assumptions and other important factors, many of which are outside our control, that could cause actual results or outcomes to differ materially from those discussed in the forward-looking statements. Important factors, among others, that may affect actual results or outcomes include: operational, economic, including inflation, political and regulatory risks; our ability to effectively compete in the specialty rental accommodations and hospitality services industry, including growing the HFS – South, Government and Workforce Hospitality Solutions segments; effective management of our communities; natural disasters and other business disruptions, including outbreaks of epidemic or pandemic disease; the duration of any future public health crisis, related economic repercussions and the resulting negative impact to global economic demand; the effect of changes in state building codes on marketing our buildings; changes in demand within a number of key industry end-markets and geographic regions; changes in end-market demand requirements that could lead to cancelation of contracts for convenience in the Government segment; our reliance on third party manufacturers and suppliers; failure to retain key personnel; increases in raw material and labor costs; the effect of impairment charges on our operating results; our future operating results fluctuating, failing to match performance or to meet expectations; our exposure to various possible claims and the potential inadequacy of our insurance; unanticipated changes in our tax obligations; our obligations under various laws and regulations; the effect of litigation, judgments, orders, regulatory or customer bankruptcy proceedings on our business; our ability to successfully acquire and integrate new operations; global or local economic and political movements, including any changes in policy under the Trump administration or any future administration; federal government budgeting and appropriations; our ability to effectively manage our credit risk, liquidity and collect on our accounts receivable; our ability to fulfill Target Hospitality's public company obligations; any failure of our management information systems; our ability to refinance debt on favorable terms and meet our debt service requirements and obligations; and risks related to our outstanding debt obligations. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Investor Contact

Mark Schuck

(832) 702 – 8009

ir@targethospitality.com

View original content: <https://www.prnewswire.com/news-releases/target-hospitality-announces-seat-on-4-billion-multi-year-us-government-strategic-sourcing-vehicle-302461012.html>

SOURCE Target Hospitality