



# Target Hospitality Receives S&P Credit Upgrade to B+ Supported by Positive Outlook on Humanitarian Contract

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THE WOODLANDS, Texas, April 10, 2023 /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, announced that on April 6, 2023, S&P Global Ratings upgraded the Company's credit rating to B+ and its Senior Secured Notes due 2024 ("Senior Notes") rating to BB-, representing a one and two notch upgrade, respectively.

These upgrades reflect the sustained earnings momentum Target has achieved through its focused strategic diversification efforts and continued progress towards a multi-year contract award for the Expanded Humanitarian Community, which the Company previously announced on July 6, 2022.

Further, Target has achieved its strategic objective to materially strengthen its balance sheet through focused capital discipline and a commitment to reducing total indebtedness. Inclusive of the Company's \$125 million partial redemption of its Senior Notes on March 15, 2023, Target has reduced total cumulative debt by more than \$350 million since 2020.

These accomplishments have substantially de-risked Target's capital structure, increased the intrinsic value of the Company, and established a foundation to continue accelerating value creation.

## 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.

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