



# Target Hospitality Renews and Expands Contracts with Four Key Customers

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- Broadens existing top tier customer relationships underpinned by unparalleled and growing Permian Basin lodging network
- Contract renewals encompass multi-year term extensions, multiple renewal options, multi-basin coverage and exclusivity
- Four key customers represented about 20% of estimated 2019 revenue attributable to the energy end market
- Contract commitments include incremental fixed room night volume

THE WOODLANDS, Texas--(BUSINESS WIRE)-- Target Hospitality Corp. (Nasdaq: TH) ("Target Hospitality" or the "Company") (NASDAQ: TH), the largest provider of vertically-integrated specialty rental accommodations with premium catering and value-added hospitality services in the U.S., today announced the extension and renewal of contracts with four major oil field services companies. These four major oil field services companies represented approximately 20% of Target Hospitality's estimated 2019 revenue attributable to the energy end market.

The four key contract renewals represent a meaningful portion of the Company's total revenue, provide increased visibility on recurring revenues from its blue-chip customer base, add incremental fixed room night volume, and further broaden the commercial terms that include exclusivity. The contract renewals also expand coverage to include all 20 communities within the Company's Permian Basin lodge network for these customers. With these contract renewals and expansions, legacy agreements convert into comprehensive multi-basin network agreements with full suite of Target Hospitality's turnkey offerings.

Brad Archer, Target Hospitality's President and Chief Executive Officer, stated, "We are continuing to see the benefits of investments we have made in our communities and in growing our network. Our strategy of partnering with our customers through our growing network and Target 12 value proposition is working. These renewals reaffirm the strength and loyalty of our top tier customers and the trust they put in us to deliver world class accommodations and hospitality services for their employees."

"Our customers need greater operational flexibility and efficiency in their spending today than ever before, while continuing to maintain focus on safety and well-being of their employees. Our mission critical services that minimize lodge-to-site travel in a safe environment deliver on these requirements. These contracts are a win-win – our customers garner greater choice, unparalleled access, and best-in-class accommodations; in turn, we earn our clients' continued, long-term commitment for our services and visibility into our business going forward," concluded Mr. Archer.

Target Hospitality full-turnkey communities feature accommodations with private bathrooms, a state-of-the-art commercial kitchen with dining facility, on-premises laundry, and indoor and outdoor recreational areas. Guests also benefit from 24-hour culinary services, housekeeping, security, and a safety code of conduct program that

includes a “zero tolerance” drug and alcohol policy.

To see a complete list of Target Hospitality’s communities, visit [www.targethospitality.com](http://www.targethospitality.com).

### **Cautionary Statement Regarding Forward Looking Statements**

Certain statements made in this press release 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: continued customer demand and activity levels in the Permian Basin; continued expansion to new communities; operational, economic, political and regulatory risks; our ability to effectively compete in the specialty rental accommodations and hospitality services industry; effective management of our communities; natural disasters and other business disruptions; 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; our reliance on third party manufacturers and suppliers; failure to retain key personnel; and increases in raw material and labor costs. 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.

### **About Target Hospitality**

Target Hospitality is the largest provider of vertically integrated specialty rental accommodations and value-added hospitality services in the United States. Target Hospitality builds, owns and operates customized housing communities for a range of end users, and offers a full suite of cost-effective hospitality solutions including culinary, catering, concierge, laundry and security services as well as recreational facilities. Target Hospitality primarily serves the energy and government sectors, and its growing network of 25 communities with over 13,000 rooms is designed to maximize workforce productivity and satisfaction.

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