



## **Natural Gas Services Group, Inc. Announces Closing of \$20 Million Credit Facility with Texas Capital Bank**

May 12, 2021

### **Facility Provides for an Expansion Feature of an Additional \$30 Million Under Certain Conditions**

Midland, TX, May 12, 2021 (GLOBE NEWSWIRE) -- Natural Gas Services Group, Inc. (NYSE:NGS) (the "Company" or "NGS"), a leading provider of gas compression equipment and services to the natural gas and oil industry, today announced the closing of a new \$20 million senior secured revolving credit facility with Texas Capital Bank, N.A. as lender and administrative agent. NGS may, subject to certain conditions and limitations, increase the revolving credit commitments outstanding under the revolving credit facility in an aggregate principal amount not to exceed an additional \$30 million. Together with its existing cash position, the facility provides the Company with a solid liquidity position to meet its working capital needs as well as pursue a wide variety of strategic, value-creating initiatives.

"With the recent challenges many of our oilfield peers have experienced in obtaining or renewing credit facilities, we are extremely pleased with our new credit relationship with Texas Capital Bank," said Stephen C. Taylor, Chairman, President and Chief Executive Officer of Natural Gas Services Group, Inc. "The cost of our new credit facility is among the lowest in our industry. In addition, the flexibility of the base facility combined with the expansion feature provides NGS with ample capital to meet our internal growth needs as well as explore opportunities to add value to our core businesses. These favorable terms are supported by our strong balance sheet and consistent history of generating cash from operations."

The obligations under the revolving credit facility are secured by a first lien on substantially all of the Company's assets and are guaranteed by our subsidiaries. Outstanding loans will bear interest at a sliding scale based on our leverage ratio from LIBOR plus 1.25% to LIBOR plus 1.75% per annum. (The Company may also choose to borrow based on Texas Capital Bank's "Base Rate" (generally, the prime rate) plus a margin of 0.25% to 0.75%). Additionally, the facility contains a fee for the unused revolving credit commitments of 0.25% per annum. At closing, the Company had no outstanding balance borrowed under the facility. The facility has an initial term of five years, maturing in May, 2026.

"The five-year term of the facility also provides for both stability and flexibility in our capital structure which affords NGS a competitive advantage into the future," added Taylor. "We look forward to our new relationship with Texas Capital Bank and are especially excited to partner with a Texas-based bank that continues to be eager to lend to energy companies, especially those with deep Texas roots."

Enerecap Partners advised Natural Gas Services Group in arranging and negotiating the credit facility. Jones & Keller, LLP served as legal counsel to the Company. A summary of the credit facility as well as the Credit Agreement and supporting documents can be found in the Company's Quarterly Report to be filed with the U.S. Securities and Exchange Commission on or about May 14, 2021.

### **About Natural Gas Services Group, Inc. (NGS)**

NGS is a leading provider of gas compression equipment and services to the energy industry. The Company manufactures, fabricates, rents, sells and maintains natural gas compressors and combustion systems for oil and natural gas production and plant facilities. NGS is headquartered in Midland, Texas, with fabrication facilities located in Tulsa, Oklahoma and Midland, Texas, and service facilities located in major oil and natural gas producing basins in the U.S. Additional information can be found at [www.ngsqi.com](http://www.ngsqi.com).

### **Cautionary Note Regarding Forward-Looking Statements**

Except for historical information contained herein, the statements in this release are forward-looking and made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements involve known and unknown risks and uncertainties, which may cause NGS's actual results in future periods to differ materially from forecasted results. Those risks include, among other things, the loss of market share through competition or otherwise; the introduction of competing technologies by other companies; a prolonged, substantial reduction in oil and gas prices which could cause a decline in the demand for NGS's products and services; and new governmental safety, health and environmental regulations and social initiatives which could require NGS to make significant capital expenditures or reduce our customers' demand for our products and services. Any forward-looking statements included in this press release are only made as of the date of this press release, and NGS undertakes no obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances. A discussion of these factors is included in the Company's most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission.

For More Information, Contact:

Alicia Dada, Investor Relations  
(432) 262-2700  
[Alicia.Dada@ngsqi.com](mailto:Alicia.Dada@ngsqi.com)  
[www.ngsqi.com](http://www.ngsqi.com)



Source: Natural Gas Services Group, Inc.