

17 June 2025

**Hercules plc**  
("Hercules" or "the Company")

**Interim Results**

*Growth demonstrating clear evidence of progress*

Hercules plc (AIM: HERC), a leading technology enabled labour supply company for the UK infrastructure and construction sectors, is pleased to announce its unaudited interim results for the six months ended 31 March 2025 ("H1 2025").

**Continuing Operations – Financial Highlights:**

- Record revenue, and growing adjusted EBITDA and PBT in H1 2025 driven by labour supply division:
  - Record revenue achieved, increased 18% to £54.6m (H1 2024: £46.2m)
  - 24% increase in Adjusted\* EBITDA to £2.6m (H1 2024: £2.1m)
  - 55% increase in Adjusted\*\* pre-tax profit to £1.7m (H1 2024: £1.1m)
  - 19% increase in Adjusted\*\* EPS to 2.11p (H1 2024: 1.77p)
- Cash of £9.8m as of 31 March 2025 (H1 2024: £1.7m)
- Interim dividend of 0.6p declared (H1 2024: 0.6p)

**Operational highlights:**

- Suction Excavator subsidiary sold, for a total gross cash consideration of £2.3m. The divestment materially reduced the Company's debt and lease liabilities by approximately £9m
- Labour supply division has seen a 31% year-on-year increase in revenue
- Across all labour supply sites operative numbers continued to see steady growth
- Civil Projects division has won £12m of project contracts since the start of FY 2025
- New clients gained with a high level of tenders completed in the period
- The Company is already supplying labour to the early works phase of the Sizewell C nuclear plant. Following the Government's recent approval announcement, the Board believes Hercules will continue to support the project through its main construction phase, expected to span up to 20 years, with an estimated total cost of £30 billion
- The Hercules Academy has trained over 1,500 people since launch and is delivering in line with expectations

**Outlook:**

- With solid operational momentum, a healthy pipeline, and a positive outlook across the infrastructure sector, with committed spend between £700bn - £750bn for the next 10 years, the Board is confident in meeting market expectations for the full year

**Post-period Highlights:**

- Secured a place on the Wessex Water Civils Support Framework
- In May, the Company announced that it had changed its name to Hercules plc
- In June, successfully completed the acquisition of the business and assets of Quality Transport Training Ltd (QTT)

*\*Adjusted EBITDA definition – earnings before interest, tax, depreciation, amortisation, profit/loss on sale of fixed assets, exceptional items and Research & Development expenditure.*

*\*\*Adjusted pre-tax, post-tax profit & EPS definition – same adjustments as for EBITDA but also excluding extraordinary impairment and goodwill amortisation.*

**Brusk Korkmaz, Chief Executive Officer, commented:** “Hercules is going from strength to strength, achieving further growth in the first half of FY 2025. We delivered record revenue and increased pre-tax profit and Adjusted EBITDA versus the same period last year, demonstrating clear evidence of our progress.

“During the period, we increased our supply of skilled operatives across key infrastructure projects, such as Sizewell C, while securing new labour supply frameworks that will support our long-term growth.

“Our progress is a testament to the strength of our management team, whose ambition and focus is driving the business forward. Progress we expect to continue as the UK carries out substantial construction and infrastructure upgrades within the nuclear, power and energy distribution, aviation, water, and rail sectors.

“With solid operational momentum, a healthy pipeline, and a positive outlook across the infrastructure sector, we remain confident in meeting market expectations for the full year.”

### **Investor Presentation**

CEO Brusk Korkmaz and CFO Paul Wheatcroft will deliver a live presentation regarding the Company's Interim Results via the Investor Meet Company platform today at 11.00am (BST).

The presentation is open to all existing and potential shareholders. Questions can be submitted via the Investor Meet Company dashboard at any time during the live presentation. Although the Company may not be able to answer every question it receives, it will address the most prominent within the confines of information already disclosed to the market. Responses to the Q&A from the live presentation will be published at the earliest opportunity on the Investor Meet Company platform.

Investor feedback can also be submitted directly to management post-event to ensure the Company can understand the views of all interested parties.

Investors can sign up to Investor Meet Company for free and add to meet Hercules plc via:

<https://www.investormeetcompany.com/hercules-plc/register>

Investors who already follow Hercules plc on the Investor Meet Company platform will automatically be invited.

### **For further information and enquiries, please contact:**

#### **Hercules plc**

Brusk Korkmaz (CEO)

Paul Wheatcroft (CFO)

c/o SEC Newgate

+44 (0) 20 3470 0470

#### **SP Angel (Nominated Adviser and Broker)**

Matthew Johnson / Adam Cowl (Corporate Finance)

Grant Barker / Rob Rees (Sales and Broking)

#### **SEC Newgate (Financial Communications)**

Robin Tozer / Ian Silvera / Nina Renata Pop

+44 (0) 20 3757 6882

[Hercules@secnewgate.co.uk](mailto:Hercules@secnewgate.co.uk)

*The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 which has been incorporated into UK law by the European Union (Withdrawal) Act 2018.*

## **Chairman's statement**

### **Further Growth and Strategic Progress**

Hercules has achieved further growth in the first half of FY 2025. Revenue for the period increased by 18% year-on-year to £54.6m, a record. Growth has been driven organically across all areas of the business, underpinned by a further acceleration in labour supply activity across our cornerstone infrastructure projects, such as HS2 and Sizewell C. Furthermore, in June, we were pleased to announce the successful acquisition of the business and assets of Quality Transport Training Ltd (QTT).

Given the development of the Company, the Board felt the time was right to simplify our brand. From May, we officially changed the Company's name to Hercules to reflect a business which is focused on labour supply and expanding our blue and white-collar labour supply services in the UK construction and infrastructure sectors.

### **Favourable Market Conditions**

The outlook for the infrastructure sector remains positive, supported by strong market fundamentals and a resilient nationwide project pipeline.

With macroeconomic indicators suggesting a gradual improvement in the UK economy, including the prospect of lower interest rates, we anticipate increased momentum as the UK carries out substantial construction and infrastructure upgrades within the nuclear, power and energy distribution, aviation, water, and rail sectors.

While the sector continues to experience a shortage of skilled operatives, our ability to meet client requirements remains unaffected. Leveraging our proprietary digital platform, we can efficiently source, match, and deploy operatives locally. This positions Hercules to capitalise on increased market demand. Meanwhile, our complementary construction services are gaining traction, and our pipelines across both divisions remain robust.

### **Financial Results Show Progress in Line with Expectations**

Revenue for the period grew by 18% to £54.6m (H1 2024: £46.2m). Gross profit increased 11% to £7.8m (H1 2024: £7.0m).

Adjusted EBITDA was £2.6m (H1 2024: £2.1m). In line with expectations, H1 2025 delivered growth in profits compared to H1 2024, with further labour supply growth, particularly on the HS2 project, driving profitability. In addition, the growth in administrative expenses was controlled well, only increasing by 6% to £5.2m (H1 2024: £4.9m).

Adjusted EPS increased by 19% to 2.11p per share (H1 2024 1.77p).

Cash was £9.8m as of 31 March 2025 (H1 2024: £1.7m).

### **Disposal of Suction Excavator subsidiary**

In February, we successfully divested our Suction Excavator subsidiary, delivering on the strategy set out by the Company in the announcement dated 6 January 2025. The subsidiary was sold to SNC Holdings (NW) Limited for a total gross cash consideration of £2.3m. The divestment materially reduced the Company's debt and lease liabilities by approximately £9m. The Suction Excavator business accounted for 88% of Hercules' borrowings but less than 5% of its revenue (as of 30 September 2024).

The Company expects free cash flow to increase following the disposal, enabling the Company to dedicate greater resources to delivering its strategy to capitalise on the high-growth opportunities

available to Hercules' core Labour Supply business. Cash generated from the disposal and associated debt reduction will support the Company's ongoing acquisition strategy.

In FY 2024, the Suction Excavator subsidiary generated revenue of £6.0m and a loss before tax of £0.4m (on a consolidated basis, the business had revenue of £5.055m and an adjusted loss of £1.3m). As at 30 September 2024 the subsidiary had a gross asset book value of £11.8m and net asset value of £2.2m.

### **Labour Supply Growth**

Labour supply remains the cornerstone of our business, and this division has seen a 31% year-on-year increase in revenue. Growth continues to be driven by the multi-year HS2 Phase 1 (Northern Section) contract, one of Europe's largest infrastructure projects. At the time of publication, we have approximately 630 operatives deployed on-site (31 May 2024: 550), with weekly increases in line with rising demand. Our scalable digital platform is central to supporting this growth efficiently.

We are seeing continued momentum in our rail division, launched in October 2023. We are engaging with additional Tier 1 clients as our presence in the sector builds. Performance is in line with initial expectations, and we anticipate further growth through FY 2025.

Looking ahead, we are laying the groundwork to support major long-term infrastructure programmes. In anticipation of extensive works at Sizewell C, we have established a regional office in Saxmundham, near Ipswich, to support delivery. With this project expected to span up to 20 years, it represents a significant long-term opportunity. We note the Government's recent acquisition of the Wylfa nuclear site in North Wales, another strategic development likely to offer future growth potential.

### **Construction Services**

#### *Civil Projects*

There are well-documented issues within the water treatment sector within the UK. Despite this, and as anticipated, the usual changeover from the AMP (Asset Management Programme) 5-year plan (year 5 of AMP7 ended March 2025, AMP 8 now started) has been slow and this has led to a reduction in civil projects revenue of 31% in H1 2025.

Activity levels have remained good, but the size of project has reduced as the current focus is on investigation and preparatory works. The industry's rush to complete AMP7 increased workload significantly in FY 2024, contributing to the size of the reduction in H1 now. However, given the AMP8 budget is £104bn, a doubling from AMP7 (AMP7 was £51bn), a significant upturn in work is expected from Easter 2026 and the team is busy helping clients with budget pricing.

In April, we secured a place on the Wessex Water Civils Support Framework. Hercules successfully tendered for a position on the new framework agreement for additional civils resources, which will include both our Labour Supply and Civil Projects divisions, to support Wessex Water with internal programme delivery and capital maintenance activities. Wessex Water has identified a need for investment of £3.65bn in 2025-30 which is more than double their previous spend of £1.5bn.

#### *Hercules Academy*

We launched the Hercules Academy at the end of January 2024, and it has trained over 1,500 people so far. The Academy, which is in Nuneaton in the West Midlands, is close to the HS2 northern section sites. Nuneaton is designated as a deprived area and we aim to attract clients, competitors, further education colleges as well individuals who wish to join the construction industry.

Given the skills shortage in the UK this is a long-term strategic project for Hercules, to help us maintain our reputation with our blue-chip clients well into the future.

The last six months have been the best period so far for the Academy as delivery has ramped up across all types of training. The team has been working hard delivering funded Skills Bootcamps with City & Guilds as well as attracting new entrants into the industry with the help of Local Authority funding.

The Academy has been well received by our clients and several discussions have progressed in the period for future collaborations. It continues to expand its training offer across the sector with clients and stakeholders to address skills shortages throughout the UK.

In June, we acquired the business and assets of QTT. The acquisition will increase the capacity of the Hercules Academy. QTT has a proven track record of supporting unemployed individuals into work through fully funded training programmes, often in partnership with local authorities, probation services, and employers. QTT also has a contract to run a number of skills bootcamps with the Department for Education, which will be transferred to Hercules.

QTT's employees will transfer to the Hercules Academy where they will help expand significantly the number of courses available and broaden the curriculum of the Academy. The addition of the QTT team and the integration of QTT's assets means the Company will be able to scale its training operations more quickly to support the UK's growing infrastructure project pipeline with a skilled, job-ready workforce.

### **Interim Dividend**

Reflecting our solid financial performance and commitment to shareholder returns, the Board has declared an interim dividend of 0.6p per share (2024: 0.6p). The dividend will be paid on 22 August 2025 to shareholders on the register as of 18 July 2025, with the shares going ex-dividend on 17 July 2025.

### **Outlook**

The Company has maintained a strong momentum in H1 2025, winning and delivering a growing volume of work. Given the market backdrop and our operational platform, we are confident in delivering on our strategy in the second half of the year. Our performance is typically weighted to H2, and we are encouraged by the progress to date.

Key strategic initiatives, including the continued development of our construction academy, the sustained expansion of our rail division, and increasing commercial traction from our first acquisition, Future Build, further supports our confidence in meeting full-year market expectations.

### **Henry Pitman**

Non-executive Chairman  
17 June 2025

**Consolidated Statement of Comprehensive Income**  
**6 Months Ended 31 March 2025**

	Unaudited 6 months to 31-Mar-25	Audited Year ended 30-Sep-24	*Restated Unaudited 6 months to 31-Mar-24
	£m	£m	£m
<b>Continuing operations</b>			
Revenue	54.6	101.9	46.2
Cost of sales	(46.8)	(86.9)	(39.2)
<b>Gross profit</b>	<b>7.8</b>	<b>15.0</b>	<b>7.0</b>
Recurring administrative expenses	(5.2)	(10.3)	(4.9)
<b>Adjusted EBITDA Subtotal</b>	<b>2.6</b>	<b>4.7</b>	<b>2.1</b>
Depreciation	(0.6)	(1.0)	(0.3)
Loss on sale of fixed assets	-	(0.2)	(0.2)
<b>Operating Profit</b>	<b>1.6</b>	<b>3.3</b>	<b>1.3</b>
Finance costs	(0.5)	(1.1)	(0.4)
<b>Profit before tax</b>	<b>1.1</b>	<b>2.2</b>	<b>0.9</b>
Taxation	-	(0.6)	-
<b>Net profit for the period</b>	<b>1.1</b>	<b>1.6</b>	<b>0.9</b>
<b>Discontinued operations</b>			
Loss for the period	(1.2)	(3.3)	(0.7)
<b>Total (loss)/profit for the period</b>	<b>(0.1)</b>	<b>(1.7)</b>	<b>0.2</b>
<b>Continuing operations</b>			
<b>Adjusted net profit</b>	<b>1.7</b>	<b>2.2</b>	<b>1.1</b>
Adjusted earnings per share	2.11p	3.47p	1.77p

\*Restated for continuing operations

**Consolidated Statement of Financial Position**  
**31 March 2025**

	Unaudited 31-Mar-25	Audited 30-Sep-24	Unaudited 31-Mar-24
	£m	£m	£m
<b>Non-current assets</b>			
Tangible	7.9	7.4	21.1
Intangible	2.2	2.3	-
	<u>10.1</u>	<u>9.7</u>	<u>21.1</u>
<b>Current assets</b>			
Inventories	-	-	0.1
Trade and other receivables	22.1	19.5	17.3
Current tax recoverable	-	-	0.1
Cash and cash equivalents	9.8	6.4	1.7
<b>Total current assets</b>	<u>31.9</u>	<u>25.9</u>	<u>19.2</u>
Disposal group assets	-	11.8	-
<b>Total Assets</b>	<u>42.0</u>	<u>47.5</u>	<u>40.3</u>
<b>Equity and liabilities</b>			
Share capital	0.1	0.1	0.1
Share premium	12.8	10.7	5.2
Share based payment reserve	0.1	0.1	0.1
Retained earnings	0.3	0.8	3.0
<b>Total equity</b>	<u>13.3</u>	<u>11.7</u>	<u>8.4</u>
<b>Non-current liabilities</b>			
Deferred tax liabilities	0.7	0.8	0.2
Deferred contingent consideration	1.0	1.0	-
Lease liabilities	0.7	1.3	11.7
<b>Total non-current liabilities</b>	<u>2.4</u>	<u>3.1</u>	<u>11.9</u>
<b>Current liabilities</b>			
Trade and other payables	12.7	11.7	10.6
Borrowings	8.9	7.3	6.0
Lease liabilities	4.7	4.1	3.4
<b>Total current liabilities</b>	<u>26.3</u>	<u>23.1</u>	<u>20.0</u>
Disposal group liabilities	-	9.6	-
<b>Total liabilities</b>	<u>28.7</u>	<u>35.8</u>	<u>31.9</u>
<b>Total equity and liabilities</b>	<u>42.0</u>	<u>47.5</u>	<u>40.3</u>

**Consolidated Statement of Changes in equity**  
**6 Months Ended 31 March 2025**

	Share capital (Unaudited) £m	Retained earnings (Unaudited) £m	Total equity (Unaudited) £m
At 1 October 2023 as previously stated	5.2	3.5	8.7
New share capital	-	-	-
Share premium	0.2	-	0.2
Dividend paid	-	(0.7)	(0.7)
Total comprehensive profit for the period	-	0.2	0.2
Balance at 31 March 2024	<u>5.4</u>	<u>3.0</u>	<u>8.4</u>

	Share capital (Unaudited) £m	Retained earnings (Unaudited) £m	Total equity (Unaudited) £m
At 1 October 2024 as previously stated	10.8	0.9	11.7
New share capital	-	-	-
New share premium	2.1	-	2.1
Dividend paid	-	(0.9)	(0.9)
Total comprehensive profit for the period	-	0.4	0.4
Balance at 31 March 2025	<u>12.9</u>	<u>0.4</u>	<u>13.3</u>



**Consolidated Statement of Cash Flow**  
**6 Months Ended 31 March 2025**

	Unaudited 6 months to 31-Mar-25 £m	Audited Year ended 30-Sep-24 £m	Unaudited 6 months to 31-Mar-24 £m
<b>Cash flows from operating activities:</b>			
Profit/(loss) for the period	(0.1)	1.6	0.2
Taxation charge	-	0.6	-
Finance costs	0.5	1.1	0.8
Depreciation	0.6	1.1	0.8
Loss on disposal of property, plant & equipment	0.8	0.2	0.1
Decrease in trade and other receivables	0.1	1.4	5.3
Decrease/(increase) in payables	(0.2)	1.5	(1.3)
(Increase) in inventories	-	-	(0.1)
<b>Net cash from continuing operations</b>	<b>1.7</b>	<b>7.5</b>	<b>5.8</b>
Net cash generated from (used in) discontinued operations	0.6	(1.4)	-
<b>Net cash generated from operating activities</b>	<b>2.3</b>	<b>6.1</b>	<b>5.8</b>
<b>Cash flows from investing activities:</b>			
Purchase of property, plant and equipment	(1.2)	(0.3)	(1.5)
Net proceeds on disposal of property, plant and equipment	1.9	0.1	0.5
Acquisition of subsidiaries	-	(1.2)	-
Interest received	0.1	0.1	0.1
<b>Net investing cashflows generated from/(used in) continuing operations</b>	<b>0.8</b>	<b>(1.3)</b>	<b>-</b>
Net investing cashflows used in discontinued operations	(0.1)	(0.1)	-
<b>Net cash generated from/(used in) investing activities</b>	<b>0.7</b>	<b>(1.4)</b>	<b>(0.9)</b>
<b>Cash flows from financing activities:</b>			
Interest paid	(0.8)	(0.9)	(0.8)
Dividends paid	(0.9)	(1.1)	(0.7)
Payment of lease liabilities	(0.1)	(1.5)	(1.8)
Net cash flows (to)/from invoice discounting facility	0.7	(2.7)	(4.0)
Net proceeds from issues of shares	2.0	5.8	-
<b>Net financing cashflows generated from/(used in) continuing operations</b>	<b>0.9</b>	<b>(0.4)</b>	<b>(7.3)</b>
Net financing cashflows used in discontinued operations	(0.8)	(1.7)	-
<b>Net cashflows generated from/(used in) financing activities</b>	<b>0.1</b>	<b>(2.1)</b>	<b>(7.3)</b>
Net increase/(decrease) in cash and equivalents	3.1	2.6	(2.4)

Cash and equivalents at start of the period	6.7	4.1	4.1
<b>Cash and equivalents at end of the period</b>	<b>9.8</b>	<b>6.7</b>	<b>1.7</b>
Cash and equivalents in discontinued operations	-	(0.3)	-
<b>Cash and equivalents in continuing operations at end of period</b>	<b>9.8</b>	<b>6.4</b>	<b>1.7</b>

## Notes

### 1. Notes to the Financial Information

#### Basis of preparation & accounting policies

The interim financial information for the six months ended 31 March 2025 is unaudited and was approved by the Board of Directors on 16 June 2025.

The interim financial statements do not include all the information required for full annual financial statements and should be read in conjunction with the financial statements for the year ended 30 September 2024.

The interim financial information for the six months ended 31 March 2025, including comparative financial information has been prepared on the basis of the accounting policies set out in the last annual report and accounts.

The preparation of the interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may subsequently differ from those estimates.

In preparing the interim financial statements, the significant judgements made by management in applying the Company's accounting policies and key sources of estimation uncertainty were the same, in all material respects, as those applied to the financial statements for the year ended 30 September 2024.

#### Going Concern assumption

The Company meets its day to day working capital requirements through its cash balance.

Consequently, after making enquires, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis of accounting in preparing the interim financial statements.

#### Information extracted from the Company's 2024 Annual Report

The financial information for the year ending 30 September 2024, as set out in this report, do not constitute statutory accounts but is derived from the statutory accounts for that financial year.

The statutory accounts for the year ended 30 September 2024 were prepared under IFRS and have been delivered to the Registrar of Companies. The auditors reported on those accounts. Their report was unqualified, did not draw attention to any matters by way of emphasis and did not include a statement under Section 498(2) or 498(3) of the Companies Act 2006.

## **2. Earnings per share**

The calculation of adjusted earnings per share is based upon the adjusted profit after tax for the respective period. The weighted average number of ordinary shares used in the calculation of basic earnings per share is based upon the number of ordinary shares in issue in each respective period.

## **3. Significant Capital Purchases**

None within this period.

## **4. Share capital**

79,619,628 ordinary shares were in issue as of 31 March 2025 (31 March 2024: 63,422,415)

## **5. Availability of interim results**

The interim results will not be sent to shareholders but will be available at the Company's registered office at Hercules Court, Lakeside Business Park, Broadway Lane, South Cerney, Cirencester GL7 5XZ and on the Company's website: [www.herculesplc.com](http://www.herculesplc.com)