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27 February 2023

Hercules Site Services plc

("Hercules" or the "Company")

Placing to raise £1.7 million

Hercules Site Services plc (AIM: HERC), a leading technology enabled labour supply company for the UK infrastructure sector, announces that it has raised £1.7 million (before expenses) by way of a placing (the "**Placing**") of 3,777,778 new ordinary shares of £0.001 in the capital of the Company ("**Placing Shares**") at a price of 45p per share (the "**Placing Price**") (30-day VWAP* at 59.2p).

Highlights

- The net proceeds of the Placing will be used to provide working capital to support organic growth in the Company's labour supply division, as Hercules continues to deliver key infrastructure, civil engineering, utilities, groundworks, highway and railway projects across the UK.
- The Placing received support from new and existing investors, including two of the Company's largest shareholders.

Brusk Korkmaz, Chief Executive Officer of Hercules, commented:

"After achieving record revenues and positive year-on-year growth in 2022, Hercules continues to build momentum and deliver on its strategy. Turnover growth has been in the region of 50% per annum for two years now, and we believe a third year of similar growth lies ahead. This is because we are well positioned to benefit from the buoyant conditions in the infrastructure sector and trading at the start of 2023 has commenced positively.

"We recently introduced two new income streams in the Labour Supply business, being the supply of security personnel, and white-collar placements, and both have received their first contracts and are progressing well. With a strong 2023 pipeline in place, these funds will support further organic growth in our Labour Supply division, which represented over 67% of our revenue in 2022."

Use of Placing Proceeds

The Labour Supply business is growing rapidly and the Company has experienced a strong start to trading in FY 2023. With this in mind, the net proceeds of the Placing will be used to provide working capital to support the continued organic growth of the Company's Labour Supply division.

Hercules is currently engaged by the Balfour Beatty Vinci joint venture helping to deliver HS2 Phase 1 (Northern section), which is part of the largest infrastructure project in Europe.

Related Party Transaction

Premier Miton Group plc ("Miton"), a substantial shareholder (as defined in the AIM Rules for Companies) has subscribed for 355,555 shares in the Placing. The Directors (all of whom are regarded as being independent of Miton), having consulted with SP Angel Corporate Finance LLP, the Company's nominated adviser, consider that the participation by Miton is fair and reasonable in so far as shareholders are concerned.

Admission and Total Voting Rights

Application will be made for admission of the Placing Shares to trading on AIM ("**Admission**"). It is expected that Admission will be on or around 3 March 2023. The Placing Shares will rank pari passu in all respects with the Company's existing ordinary shares. Following Admission, the total number of ordinary shares in the Company in issue will be 62,427,984. This figure may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in the Company under the FCA's Disclosure and Transparency Rules.

**Volume Weighted Average Price at market close on 24 February 2023*

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For further information and enquiries, please contact:

Hercules Site Services plc

Brusk Korkmaz (CEO)
Paul Wheatcroft (CFO)

c/o SEC Newgate

SP Angel (Nominated Adviser and Broker)

Matthew Johnson / Adam Cowl / Harry Davies-Ball (Corporate Finance)
Grant Barker / Rob Rees (Sales and Broking)

+44 (0) 20 3470 0470

SEC Newgate (Financial PR)

Elisabeth Cowell / Ian Silvera / Matthew Elliott

+44 (0) 20 3757 6882

Hercules@secnewgate.co.uk

About Hercules Site Services plc

Hercules is a leading tech enabled labour supply company for the UK infrastructure sector. Founded in 2008, Hercules has an established track record of profitability and fast-growth and has built a blue-chip customer base which includes Balfour Beatty, Costain, Kier, Skanska, Dyer & Butler and Volker Fitzpatrick. The Company has been appointed to provide labour for a range of high-profile infrastructure projects, such as HS2, due to its agile, innovative, digital first approach and complete service offering. It is well-placed to benefit from any government increase in infrastructure spending and its experienced management team has identified multiple opportunities for growth.

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