

hGears AG Group: Preliminary 2022 results in line with the Management Board's guidance

FULL YEAR 2022 PRELIMINARY RESULTS

- Preliminary 2022 group revenues EUR 135.3 million
- Preliminary 2022 adjusted EBITDA EUR 15.3 million
- Preliminary 2022 negative free cash flow EUR 8.3 million

Schramberg, 7 March 2023 – hGears Group has today released preliminary key financial numbers for its fiscal year 2022.

The Group generated revenue of EUR 135.3 million in 2022, within the guided range of EUR 134 - 138 million. Some of the Group's customers were impacted by COVID-19-related shutdowns in early 2022, which, alongside supply chain constraints in the course of the year, had an effect on customers' production, while temporary overstocking led to some order postponements and cancellations towards the end of the year.

During 2022 the company made use of pass-through clauses for raw materials and energy. However, the pass-through clauses could only partially compensate for the inflationary pressures on the non-transferable costs, e.g. for tools, supplies and services. As a result, the Group achieved an adjusted EBITDA of EUR 15.3 million, also within the guided range of EUR 14 – 17 million.

Finally, hGears Group achieved a negative free cash flow of EUR 8.3 million, in line with the guided negative high single-digit million amount, after ongoing investments in capacities that enable the ramp-up of new projects.

On Thursday, March 30, 2023, at 7:30 am CET, the company will publish its full Annual Report 2022 and host subsequently a live webcast with the management team.

Contact

Christian Weiz
Head of Investor Relations

hGears AG
Brambach 38
78713 Schramberg

T: +49 (7422) 566 222
E: christian.weiz@hgears.com

About hGears

hGears is a global manufacturer of mission-critical high-precision gears and components with a focus on products for e-mobility applications. The Company's strategic focus is on the e-Mobility business area, where products include gears, shafts, and other mission-critical components to be used in electrical drive applications for e-bikes and electric and hybrid vehicles. In the e-bikes segment, hGears is the European market leader in the supply of high-precision gears and components, and its parts are contained in approximately two and a half million of the total five million e-bikes sold in Europe in 2021. This puts the Company in a good position to capitalize on the dynamically growing end-markets for e-bikes and electric and hybrid vehicles. hGears has three distinct business areas for which it develops and manufactures high-precision components: e-Mobility, e-Tools, and Conventional (i.e. premium and luxury cars, motorcycles and industrial applications).

hGears combines over 60 years of experience in advanced machined steel metal processing and state-of-the-art powder metal production. It is one of the few companies offering customers both processes worldwide. hGears works together with its customers in a "co-development" role to design components and find technologically optimal solutions to satisfy the customer's specifications. hGears' blue-chip customer base includes several major suppliers (Tier 1) as well as original equipment manufacturers (OEMs). The Company benefits from long, stable and sustainable relationships with its customers and has worked with many key customers for over 15 years.

hGears is headquartered in Schramberg, Germany, and operates globally with production facilities in Schramberg, Germany, Padua, Italy, and Suzhou, China. Find us on the web: www.hgears.com