

hGears AG Group: Annual General Meeting approves all agenda items

HIGHLIGHTS OF THE ANUAL GENERAL MEETING 2023

- hGears held its second Annual General Meeting as a listed company
- 72.45 percent of the share capital were represented at the 2023 AGM
- All proposed resolutions have been approved
- CEO Sven Arend looks back on a solid financial year in challenging conditions

Schramberg, 14 June 2023 – At the Annual General Meeting in Frankfurt am Main on 13 June 2023, the shareholders of hGears AG approved all items on the agenda. The event was held in a virtual format but allowed shareholders to ask live questions to ensure that they were able to make full use of their shareholder rights. 72.45 percent of the share capital were represented at the Annual General Meeting. The proposals for the resolutions put to the vote were adopted by a large majority of the shareholders. Furthermore, the Annual General Meeting approved the actions of the Management Board and the Supervisory Board with 99.99 percent and 95.18 percent of the votes respectively and approved the compensation report with 79.96 percent.

In the 2022 financial year, hGears again navigated through a challenging environment in which the Corona pandemic and supply chain constraints lasted longer than expected. The Russian attack on Ukraine led to raw material prices and inflation rates at record levels, ultimately resulting in a steep increase in interest rates, burdening economies and causing recession fears. Despite these challenges, the company managed to keep group revenues at the previous year's level. While the Conventional business area proved very resilient, e-Tools and e-Mobility were confronted with high inventory levels in their channels, causing a slow start in 2023. The Management confirmed its full-year 2023 adjusted guidance, which expects revenues of EUR 115 – 123 million, an adjusted EBITDA of EUR 5 – 9 million and a negative free cash flow of EUR 9 – 12 million, while reiterating the mid-term targets of 180 – 200 million for Group revenue, of which 55 – 60% are accounted for by e-Mobility.

For a detailed summary of the individual voting results, please refer to the heading "Annual General Meeting" in the Investor Relations section on our website (www.hgears.com).

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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 almost every second e-bike sold in Europe. 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