9M 2026 results & Analyst Meeting

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Disclaimer

This report contains forward-looking statements. These statements are based on current experience, estimates and projections of the Management Board and the information available at the time this report was prepared. They are not guarantees of future performance and results and are subject to risks and uncertainties that are beyond hGears' ability to control or predict, such as future market conditions, regulatory changes, or the behavior of other market participants, for instance. These and other factors can cause the actual results, performance and financial position to deviate significantly from the estimates stated herein. hGears does not assume any obligation to update the forward-looking statements contained in this report. Certain numerical data, financial information and market data, including percentages, in this document have been rounded according to established commercial standards. Furthermore, in tables and charts, these rounded figures may not add up exactly to the totals contained in the respective tables and charts.

Current state of the hGears Group



hGears Schramberg GmbH continues operations under self-administration

- hGears Schramberg GmbH, which was heavily affected by the persisting downturn in e-Bike, filed for insolvency proceedings under self-administration on 7 September 2026. The proceedings opened on 1 November 2026
- The proceedings apply only to hGears Schramberg GmbH. hGears AG and its subsidiaries in Padua and Suzhou are not subject to these proceedings
- Management remains in place. Production continues and customer deliveries are being maintained
- A restructuring concept has been developed to right-size the plant
- Current customer orders and forecasts support the continuation of existing business

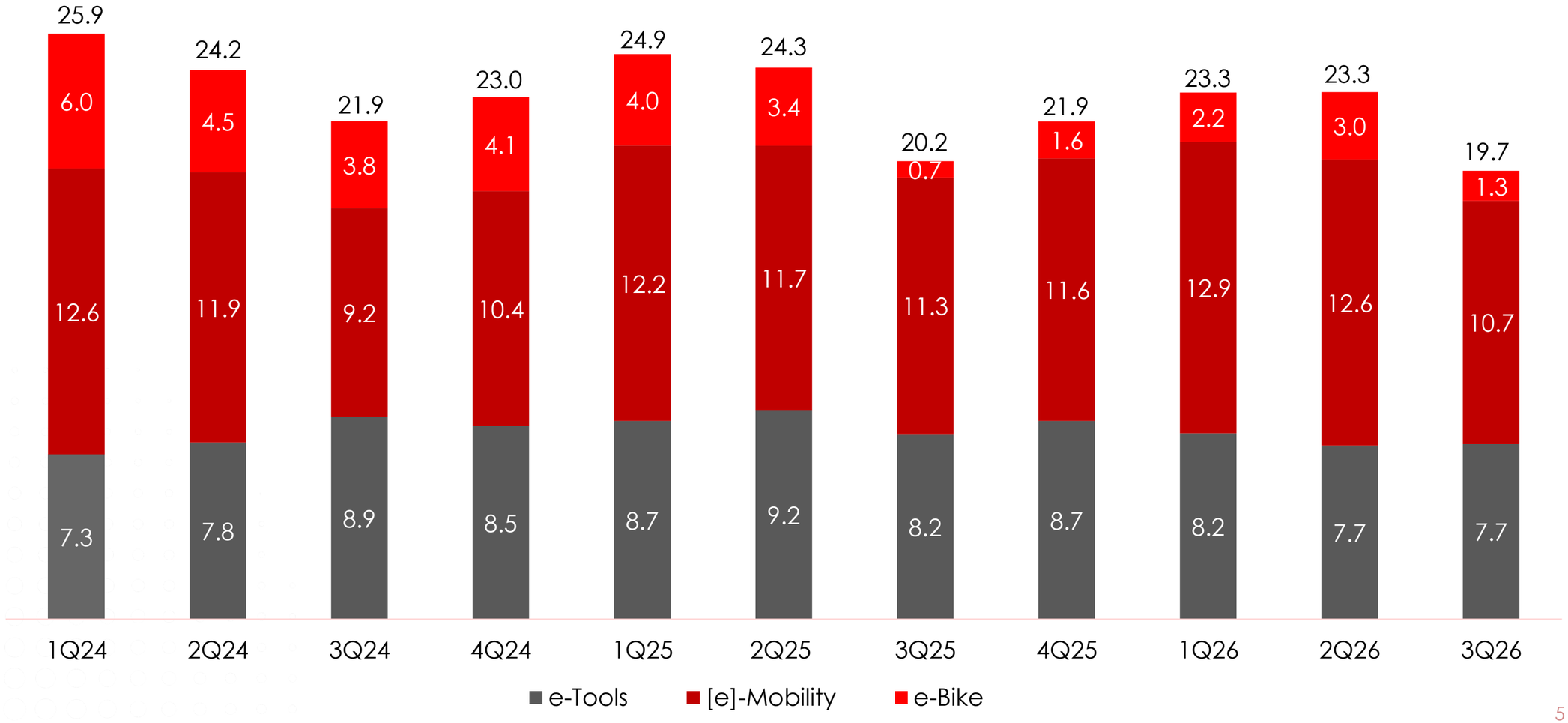
9M 2026 Highlights



- 9M26 performance was in line with management's expectations
- [e]-Mobility remained resilient and continued to stabilize Group performance
- e-Bike sales declined amid weak market conditions and customer exits
- In e-Tools growth in power tools partly offset weaker demand for gardening tools
- Lower volumes, adverse product mix, higher energy and raw material costs, and negative currency effects weighed on profitability. Structural and efficiency measures partly cushioned the impact
- Positive effects from the Schramberg self-administration proceedings supported the cash flow
- 2026 guidance confirmed

Quarterly sales development

Adj. Sales (in EUR million)



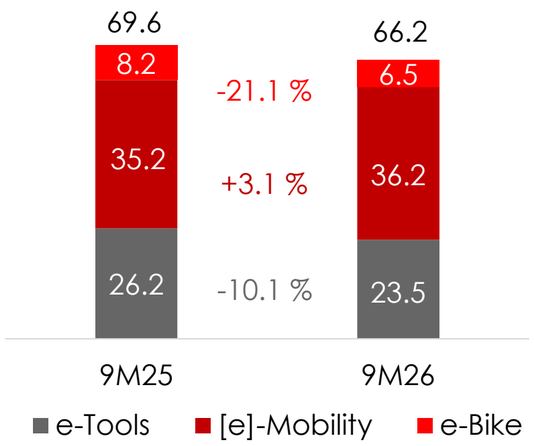


Financial Review

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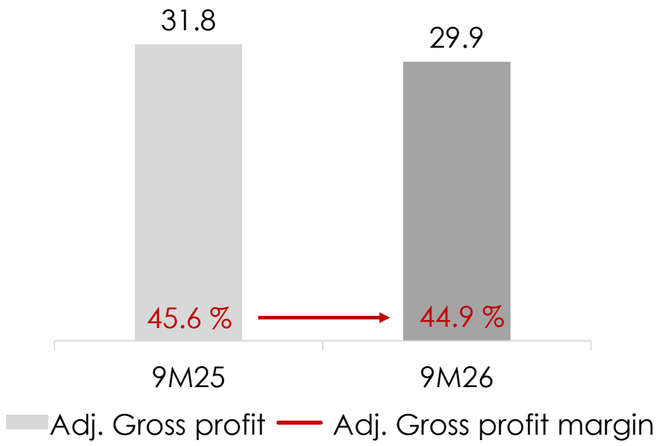
Cost measures cushioning ongoing top-line decline and adverse mix

Adj. Sales (in EUR million)



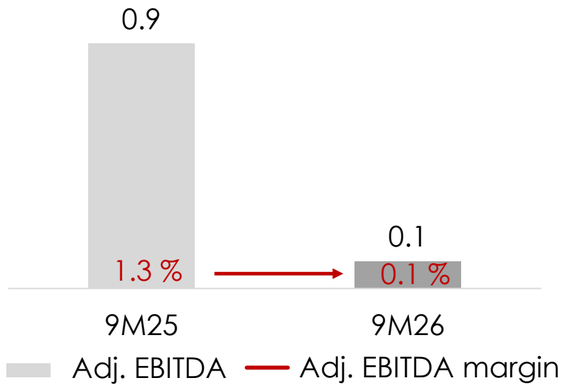
- e-Bike
  - Continued weak market conditions and customer exits weighed on demand
- [e]-Mobility
  - Growth supported by sports and luxury vehicles, with initial contributions from brake-by-wire project launches
- e-Tools
  - Power tools only partly offsetting weakness in gardening tools

Adj. Gross Profit (in EUR million)



- Lower volumes and adverse product mix weighed on gross profit
- Higher energy prices increased costs by around EUR 0.2 million
- Lower outsourced production and other material costs, including tools, partly offset the pressure

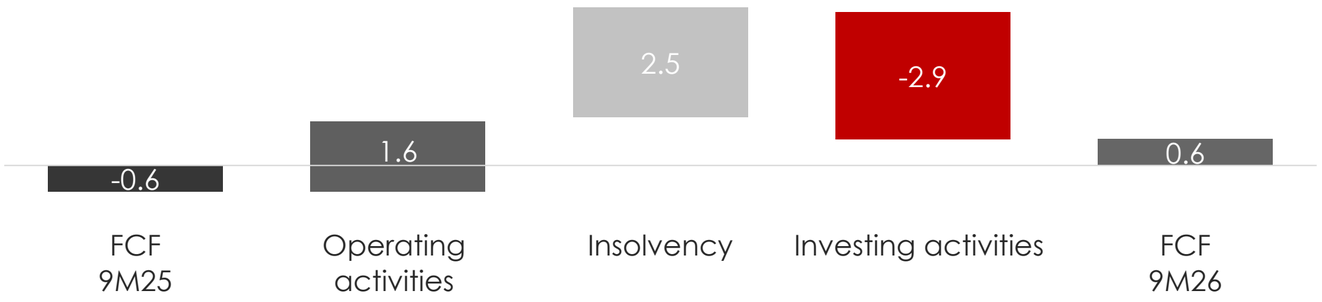
Adj. EBITDA (in EUR million)



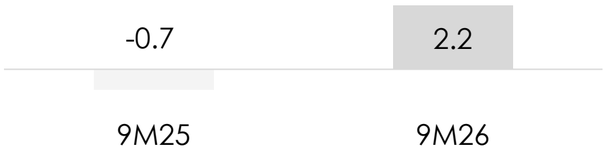
- Personnel expenses decreased by EUR 1.6 million year on year, down 6.7 %
- Net FX effects shifted from a EUR 0.1 million gain in 9M25 to a EUR 0.4 million loss in 9M26
- Implemented structural adjustments and cost-savings supported profitability

Positive free cash flow supported by insolvency-related cash effects

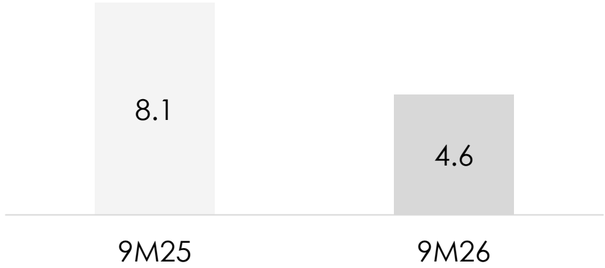
Free Cash Flow bridge (in EUR million)



Capital expenditure (in EUR million)



Net Working capital (in EUR million)



Free Cash Flow bridge

- Free cash flow improved by EUR 1.2 million, to EUR 0.6 million year-over-year
- Operating activities added EUR 1.6 million
- Insolvency proceedings contributed EUR 2.5 million
- Investment in new projects increased investing outflows by EUR 2.9 million

Capital expenditure

- CAPEX was 2.6 % of LTM revenues, below the targeted maintenance level of 3.0 %
- 9M25 investing cash flow included proceeds from the sale-and-leaseback transaction

Working capital

- Net working capital decreased largely due to the insolvency proceedings at hGears Schramberg GmbH

Impact of Schramberg’s insolvency proceedings on Group cash flow

9M26 Cash Flow (in EUR million)

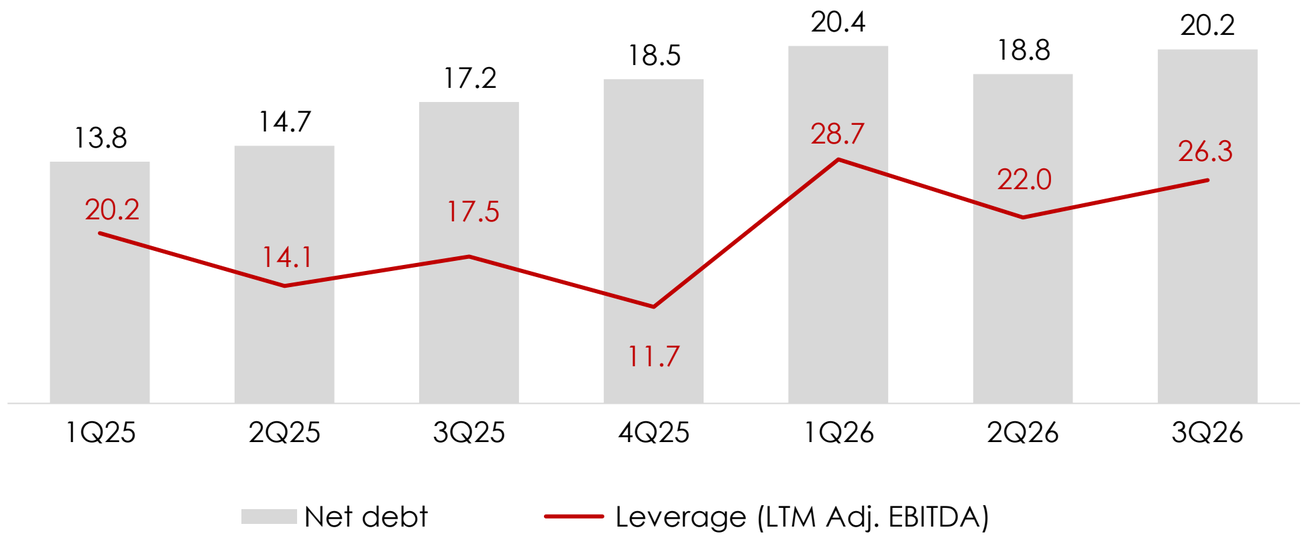


Cash flow bridge

- Operating activities generated a cash inflow of EUR 0.3 million, mainly supported by reduced receivables
- The EUR 2.5 million Schramberg-related cash effect comprised EUR 1.8 million of overdue supplier liabilities and EUR 0.7 million in wages paid by the Federal Employment Agency
- Financing outflows of EUR 4.9 million mainly related to payments under leasing contracts and loans

Liquidity remained adequate despite higher net debt and leverage

Net Debt (in EUR million) and Leverage



- Liquidity
  - Operating cash flow, active working capital management and Schramberg-related cash effects supported liquidity during 9M26
  - Liquidity remains adequate to support ongoing operations
- Net Debt & Leverage
  - Net debt increased to EUR 20.2 million from EUR 18.8 million at the end of Q2
  - Leverage rose to 26.3x, mainly reflecting the low level of LTM adjusted EBITDA
- Equity ratio
  - Equity ratio decreased to 27.0 % from 31.9 % at year-end 2025

Liquidity headroom (in EUR million)

Items	31 December 2025	30 September 2026
Cash and cash equivalents	8.7	4.6
Unused credit lines	1.7	0.0
Available liquidity	10.4	4.6



Outlook & Closing Remarks

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2026 guidance confirmed

Guidance 2026

Revenue

EUR 80 - 90 million

Adjusted EBITDA

EUR -3 million to EUR 0 million

Free Cash Flow

EUR -5 million to EUR -2 million



Q&A

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