hGears Group delivers results in line with expectations in the first nine months of 2026

HIGHLIGHTS IN THE FIRST 9 MONTHS OF 2026

- Insolvency proceedings under self-administration at hGears Schramberg GmbH opened on 1 November; hGears AG, Padua and Suzhou not affected
- Adjusted Group revenues of EUR 66.5 million, 4.8% below the prior-year figure of EUR 69.8 million
- [e]-Mobility stable, while e-Tools and particularly e-Bike were impacted by weak demand
- Adjusted gross profit of EUR 29.9 million, gross profit margin of 44.9%
- Adjusted EBITDA of EUR 0.1 million impacted by lower volumes and negative currency effects
- Free Cash Flow of EUR 0.6 million, supported by the self-administration proceedings at hGears Schramberg GmbH; cash and cash equivalents at EUR 4.6 million
- Guidance for the 2026 financial year confirmed

Schramberg, 11 November 2026 – The hGears Group generated adjusted Group revenues of EUR 66.5 million in the first nine months of 2026 (previous year: EUR 69.8 million) and adjusted EBITDA of EUR 0.1 million (previous year: EUR 0.9 million). The business performance was in line with management's expectations.

Due to continued volume declines in the e-Bike business area, hGears Schramberg GmbH, which was particularly affected by this development, filed for insolvency proceedings under self-administration on 7 September 2026. The proceedings were opened on 1 November 2026. Management remains in office, while business operations and thus the ability to supply customers continue without interruption. Customers and suppliers are supporting the process. hGears AG and the subsidiaries in Padua and Suzhou are not affected.

The [e]-Mobility business area increased sales by 3.1% to EUR 36.2 million in the first nine months of 2026 (previous year: EUR 35.2 million), supported by its focus on sports and luxury vehicles as well as the launch of new projects. In the e-Bike business area, sales declined from EUR 8.2 million in the prior-year period to EUR 6.5 million due to persistently difficult market conditions and customer exits. In e-Tools, the positive development in power tools only partly offset weaker demand for gardening tools, resulting in sales of EUR 23.5 million (previous year: EUR 26.2 million). Adjusted gross profit amounted to EUR 29.9 million (previous year: EUR 31.8 million), with an adjusted gross profit margin of 44.9% (previous year: 45.6%). Lower volumes, an adverse product mix and higher energy and raw material costs weighed on profitability. Structural and efficiency measures partly cushioned these effects. Personnel expenses were EUR 1.6 million, or 6.7%, below the prior-year level. Adjusted EBITDA amounted to EUR 0.1 million (previous year: EUR 0.9 million) and was impacted by negative net currency effects of around EUR 0.4 million.

Free Cash Flow improved by EUR 1.2 million to EUR 0.6 million (previous year: EUR -0.6 million). Positive effects from operating activities and the self-administration proceedings in Schramberg were offset by higher cash outflows for investments in new

projects. As of 30 September 2026, cash and cash equivalents amounted to EUR 4.6 million, net debt to EUR 20.2 million and the equity ratio to 27.0%. Securing liquidity remains a top priority.

Sven Arend, CEO of hGears:

"The development in the first nine months of 2026 was in line with our expectations despite the continued challenging market environment. In the opened self-administration proceedings, we are focusing on the restructuring and continuation of business operations at hGears Schramberg GmbH. Our focus is therefore on the restructuring in Schramberg on the one hand and on securing the Group's liquidity on the other."

OVERVIEW OF 9M 2026 FIGURES

Group figures (in EUR million)	**9M 2026**	**9M 2025**	Δ
Adjusted revenues	66.5	69.8	-4.8 %
Adjusted gross profit	29.9	31.8	-6.1 %
Adjusted gross margin	44.9%	45.6%	-70 bps
Adjusted EBITDA	0.1	0.9	-89 %
Adjusted EBITDA margin	0.1%	1.3%	-120 bps
Sales by business area (in EUR million)	**9M 2026**	**9M 2025**	Δ
e-Bike	6.5	8.2	-21.1 %
[e]-Mobility	36.2	35.2	+3.1 %
e-Tools	23.5	26.2	-10.1 %

Please note: Figures may be rounded

OUTLOOK

Based on the current market development and taking into account the insolvency proceedings under self-administration at hGears Schramberg GmbH, which were opened on 1 November 2026, the Management Board confirms the guidance for the 2026 financial year:

- Group revenues of EUR 80–90 million
- Adjusted EBITDA of EUR -3 million to EUR 0 million
- Free Cash Flow of EUR -5 million to EUR -2 million

Contact

hGears AG
Christian Weiz
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. The products include gears, shafts and other mission-critical components that are used in electric drive systems for e-bikes and in electric and hybrid vehicles (EHV). In the e-bike sector, hGears AG is a leading European company in the supply of high-precision gear parts and components. The company is thus well positioned to benefit from the end markets for e-bikes and EHVs. hGears has three different business areas for which it develops and manufactures high-precision components: e-Bike, [e]-Mobility (primarily for premium and luxury cars, EHVs and powersports vehicles) and e-Tools.

hGears combines over 65 years of experience in advanced steel machining and state-of-the-art sintered metal production. This makes it one of the few companies in the world that can offer its customers both processes. 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 Tier 1 suppliers and original equipment manufacturers (OEMs). The company benefits from long-standing, stable and sustainable relationships with its customers, with many key customers being supplied for more than 20 years.

hGears AG is headquartered in Schramberg (Germany) and operates worldwide with production facilities in Schramberg (Germany), Padova (Italy) and Suzhou (China). Visit hGears on the Internet at: www.hgears.com