

Press release

SIPEX: Turnover of 313 million lei in 2023, up by 7.4%, driven by the B2B channel

Ploiești, March 18th, 2023: [SIPEX](#), one of the largest distributors of construction and finishes materials from Romania, listed on the Bucharest Stock Exchange, on the AeRO market (stock symbol [SPX](#)), with a 26-year presence in this segment, announces the preliminary financial results for the year 2023.

The company achieved a turnover of 313.4 million lei, a 7.4% increase compared to 2022. The results were supported by the growth of 18.7% of the sales from the B2B channel, resulting from product portfolio diversification and the involvement in infrastructure projects that generated higher volumes. The net profit obtained is 11.1 million lei.

Irinel Gheorghe, CEO SIPEX:

"2023 was a year marked by significant challenges in the global and local economic context, impacting the construction sector. At SIPEX, we focused our efforts on increasing turnover and maintaining market share. Through the sales strategy adopted, we expanded our customer base and increased sales volumes in both B2B and retail channels. By consolidating the B2B segment, it now represents 40% of our turnover."

The company's development strategy continued in the assumed directions, and we adapted to market changes. SIPEX expanded its product portfolio through strategic partnerships and acquired land for a future production facility, for which we are currently analyzing financing options.

SIPEX's strategy is built around the following directions:

- ✓ Diversification of the product portfolio.
- ✓ Development and expansion of the existing locations and the opening of new distribution centers.
- ✓ Adjustment of the personnel policy with a focus on employee retention.

SIPEX operates with an integrated business model, organized into three business lines: sales and distribution of construction and finishes materials, services (technical consultancy), and sales of finished colored products.

Distribution is carried out through three channels:

- Traditional Retail - stores of various sizes, excluding DIY (Do It Yourself) stores, with sales through dedicated agents.
- Business to Business (corporate) - construction companies, developers, state or private institutions, craftsman teams, and individuals who build or renovate their properties. Since 2019,

the company has had a dedicated channel for this segment, www.sipexcomenzi.ro, aimed at simplifying the sales process to existing partners and reducing operational costs by providing self-service facilities.

- Company-Owned Online Store - with a mobile, tablet, and laptop application. The application allocates orders to the nearest work points, ensuring the delivery is made in the shortest possible time.

The detailed report with the preliminary financial results can be found https://www.sipex.ro/wp-content/uploads/2024/03/SIPEX_Preliminary-annual-financial-results-2023.pdf

About SIPEX

Throughout its 26 years of activity, SIPEX has built long-term partnerships, employs approximately 300 people, owns 12 logistic centers, and operates a fleet of 191 vehicles. The company's operating and sales points are in: Braşov, Bucharest, Cluj, Craiova, Iaşi, Ilfov (Pantelimon), Focşani, Piatra Neamţ, Prahova (Ariceştii Rahtivani), Râmnicu Vâlcea, Suceava, and Timişoara.

SIPEX was listed on the Bucharest Stock Exchange, on the AeRO market on June 3, 2022, following a private placement through which it raised 10.6 million lei from 54 investors. Starting from March 20, 2023, SIPEX's shares have been included in the BETAeRO index.

More details on www.sipex.ro

Facebook: <https://www.facebook.com/SolutiiConstructii>

Youtube: <https://www.youtube.com/channel/UCesBfyMkFufDmRj7iCirDFw>

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