Press release

Parasol Media (GED Capital) integrates the Basque lighting company Argilun to increase its range of services for audiovisual production companies

- This is Parasol Media's third add-on since GED's acquisition of Cinelux in 2022
- The integration of Argilun enhances the commitment to the fiction business in the Basque Country, a region with growing relevance in the number of productions in recent years, as a result of the tax incentive programs promoted for production companies
- This transaction is in line with GED's Buy&Build strategy to strengthen its portfolio companies as leaders in their industries through sector consolidation

Madrid, June 19th, 2024.

GED, a private equity group specialising in the Spanish middle-market segment, has signed the acquisition and integration of the Basque audiovisual lighting company Argilun, within its portfolio company Parasol Media. With the purchase of Argilun, the resulting group expects to have a turnover of over €35 million in 2024, doubling the €15 million when GED acquired Cinelux, the origin of today's Parasol, in 2022.

With more than 30 years of history, Argilun is the leading lighting services provider for the audiovisual industry in the Basque Country. The company focuses its services on clients such as fiction and advertising production companies, both national and international. Argilun has carried out more than 100 films, including *20,000 Species of Bees* and *Giant,* as well as remarkable series *such as* El *Internado - Las Cumbres* or *Cristóbal Balenciaga.*

Tax incentives for audiovisual production companies

The acquisition is part of a favourable environment for audiovisual productions, as this market is expected to grow by an average of over 10% in the next few years. In the case of the Basque Country, the production of film shootings is being promoted throughout the region using tax incentive programs for production companies. These programs are being promoted independently in Bizkaia, Gipuzkoa and Alava. Bizkaia has managed to generate €58.5 million in 2023 and host 151 shootings, quadrupling the size of this activity since 2021. These incentive programs follow the success of other communities, such as the Canary Islands.

Leader in audiovisual services

Parasol Media is the leading company supplying image services (lighting, video/LED screens and generators) for the Spanish domestic audiovisual industry. The project was born in February 2022, after the purchase of Cinelux by GED from the Nazca fund and David Garcia, having exponential growth from then on. The company has grown organically with the opening of new branches, expansion of its warehouses by

15,000m2 and investment of more than €15 million in new equipment, as well as inorganically with the purchase in 2023 of the companies Energy Services and Snake.

The resulting lighting asset park is the largest in Spain, consisting of more than 16,000 spotlights, 3,000m2 of LED screens and 175 electrical generators. Parasol employs 270 people.

In recent years, Parasol Media has been committed to promoting its Kinolux brand, focusing on the production of audiovisual fiction works. In this sense, it has opened offices and warehouses in Tenerife and Bizkaia, in addition to those already in Madrid, Barcelona and La Coruña. Additionally, at the beginning of 2024, it opened a regional branch in Lisbon (Portugal), in order to increase the geographical expansion plan at the international level.

This transaction is part of GED Capital's Buy&Build strategy, with which the firm aims to drive its portfolio companies to become leaders in their respective industries, through growth and sector consolidation initiatives. GED Capital relies on levers of value creation and qualitative transformation to achieve this, such as organic and inorganic growth, professionalization of management teams, digitalization, improvement of financial profile, etc.

Enrique Centelles Satrústegui, Managing Partner of GED Private Equity, said: "Parasol Media has been able to consolidate high levels of growth of over 25% every year, beating a sector that, already at our inception, we identified as high growth. We continue to see high potential and will continue to focus on consolidation".

Transaction advisors:
Acquisition: Addleshaw Goddard (legal, labour and tax) and Baker Tilly (due diligence).

About GED

GED is an independent asset manager founded in 1996 that operates in the middle-market segment. It currently manages more than 1 billion euros through different Private Equity, Infrastructure and Venture Capital vehicles. GED has a universe of over 500 domestic and foreign investors, including mainly pension funds, funds of funds, insurance companies, family offices and financial institutions

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