

ESPIRA Investments Acquires a 50% Stake in JK Education Group in Order to Support Further Growth

Private equity fund ESPIRA has acquired a 50% stake in JK Education group. The entry of ESPIRA will provide JK Education with a strong financial partner that has critical experience supporting the growth of companies, and will further accelerate the development of JK's private schools. JK currently operates three schools, which include the American Academy in Prague, the American Academy in Brno and the Prague Humanities Gymnasium ("Pražské humanitní gymnázium"). The ESPIRA partnership will also strengthen the positioning of the JK Education agency in Central Europe, which facilitates study at elite high schools and universities around the world, especially in the US, and which is the largest agency of this kind in the Central European region.

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The investment team of the private equity fund ESPIRA has been interested in the education sector for some time and is pleased that Ondřej Kania, the co-founder of JK Education group, has decided to partner with ESPIRA for the group's further expansion. ESPIRA acquired a 50% stake in the group from the company's second co-founder, Tomáš Jízdny. The JK Education team believes there are large growth opportunities for its core business, as they continue to see strong demand from parents seeking high quality education for their children that provides them with the skills required to pursue successful careers internationally. The primary goal of JK Education is to prepare students for life in the 21st century by providing them with excellent foreign language skills, strengthening their interest in learning, nurturing their creativity, developing their communication and teamwork skills, as well as instilling a sense of self-reliance and responsibility.

JK Education is one of the Czech Republic's top education groups and expects to maintain strong year-on-year growth of student enrolments, both in schools it operates in the local market as well as through its agency that assists in placing students in top schools around the world. The key growth strategy pillars of JK are: i) organic enrolment growth in existing schools, ii) opening new schools in other CEE markets, and iii) selectively pursuing complementary add-on acquisitions. An important near-term expansion initiative for JK is the plan to open an additional American style school in Bratislava in 2019. The group is on track to reach CZK 70 million revenues in 2018, almost double compared to 2017.

With ESPIRA as a partner, JK Education will now be able to offer to a larger number of students throughout the region new opportunities for high-quality education and placement assistance to elite high schools in the US, Canada, UK and Switzerland, which are keen to attract exchange students from the Czech Republic, Slovakia, Poland and Hungary.

"The personal story and the ambitious approach of Ondřej Kania is impressive and this was a key attraction for us to JK Education. He doesn't know the word "impossible". Ondřej has an in-depth knowledge of the educational systems in the US, Switzerland and Finland, which was critical in developing the successful program at his schools. His expertise in education is unique in the Czech Republic and having a passionate entrepreneur with a strong vision with track-record of dynamic growth is very important for us", says Andrea Ferancová Bartoňová, a founding partner of ESPIRA Investments.

"After five years of developing the business on our own, we have come to the stage when it is advantageous to link with a strong partner to help us achieve growth on a European scale. From many alternatives we chose to partner with ESPIRA, as we share a common philosophy in approach to business. In addition, the ESPIRA team brings strong managerial and development expertise, and they also care about the company and our mission, just like me. I look forward to our cooperation", said Ondřej Kania, co-owner and CEO of JK Education.

"For ESPIRA, education is an attractive sector because it has large long-term growth potential as well as potential to generate positive social impact. The private education sector in Central Europe is still underdeveloped compared to Western Europe, hence we see an opportunity to address unmet demand for private education via our partnership with JK. Once we discovered that women play a significant role in the management of JK Education group, it spurred our interest even more as supporting companies with gender diversity in leadership is an element of our investment strategy", stated Emilia Mamajova, a founding partner of ESPIRA Investments.

With respect to the exit of Tomáš Jízdny, the group's second co-founder, Ondrej Kania said the following: "On behalf of the company, I would like to thank Tomáš for his significant role in the development of JK Education. We wish him much success going forward in both his personal life as well as in new business endeavours."

Both parties have agreed not to disclose financial details of the transaction.

ESPIRA Investments

ESPIRA Investments is a private equity firm that invests in small and medium-sized businesses in Central Europe. An element of ESPIRA's strategy includes investing in companies managed by balanced teams of men and women. ESPIRA looks for entrepreneurs who successfully lead their business and maintain enthusiasm for further growth. The ESPIRA's philosophy is to be a value-add partner for entrepreneurs providing not only capital but also managerial support enabling them to fulfil their business dreams.

Investors in ESPIRA's fund include the European Investment Fund, the founding partners of ESPIRA, family offices, well-respected local entrepreneurs and a mix of local and international individual investors.

JK Education

JK Education was founded in 2013 (then as J&K Consulting) as an agency sending Czech high school students to foreign private boarding schools (especially in the United States, Canada and Western Europe). Two years later, the agency started to organize foreign high school fairs in the Czech Republic, which became the only events of its kind. Currently the company operates school fairs in four countries including the Czech Republic, Slovakia, Poland and Hungary, and JK has successfully placed hundreds of students at top-tier foreign schools from these countries.

JK Education also operates three private high schools in the Czech Republic: American Academy in Prague, American Academy in Brno and the Prague Humanities Grammar School ("Pražské humanitní gymnázium"). Curricula draw on the best of the American and Finnish education systems, such as selection of courses, project-based and topic-focused lessons, assigning students to classes not by age, but by the level of difficulty of the subject, classes with a small number of students and an individualized approach.

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