

Press Release Friday, April 13, 2018

Police report and demand for price reduction due to faulty reporting of contractual obligation regarding certified teachers

AcadeMedia's subsidiary Hermods has had a deficiency with regard to the contractual proportion of certified teachers which has been reported earlier. The City of Malmö has now filed a formal police report and communicated a demand for price reduction due to the faulty reporting and claim of at least SEK 4.7 million in price reduction.

On March 19 and 21st 2018 AcadeMedia informed that an internal review had found that the reported information to the City of Malmö on the teacher certification levels was faulty and that this could result in a material price reduction. AcadeMedia has commissioned external experts to review both the actual contractual compliance as well as the legal implications of this.

– This is very serious and we understand that the City of Malmö chooses to make a formal police report. When we discovered this contractual deficiency we immediately started an internal and external investigation and we are doing our utmost to collaborate with the City of Malmö, says Paula Hammerskog.

The City of Malmö has now made a demand for a price reduction of at least SEK 4.7 million for the period of August to October 2017. AcadeMedia continues to estimate that the size of the price reduction could be material but will depend on various factors in the contract.

– We will now review the demands from City of Malmö with regard to price reduction. It is too early to conclude if this is a reasonable claim, says Paula Hammerskog.

In line with prior communication Hermods sfi-contract with the City of Malmö has had a total turnover of slightly more than SEK 100 million during the period from initiation in August 2014 until February 2018.

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About AcadeMedia

AcadeMedia creates opportunities for people to develop. The 15,600 employees at our 640 preschools, compulsory schools, upper secondary schools and adult education centres share a common focus on quality and development. Our 173,000 children and students are provided with a high quality education, giving them the best conditions to attain both learning



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