



NOTE takes over Mitecs activities in Boraas, Sweden

Mitec, that is officially quoted on the Toronto stock exchange, has announced that they have signed a declaration of intent to hand over their activities in Boraas to NOTE, the Swedish contract manufacturer. This was informed when the negotiations to sell the activities to Partnertech had been broken off.

The Canadian company Mitec Telecom Inc, that develops wireless network products, conducts, since some years, manufacturing of electronics in Boraas through their fully owned subsidiary Beve Electronics AB. Beve, with approximately 170 employees and slightly more than SEK 200 m. in turnover, has a world leading competence within production of microwave electronics, with clients within the defence industry, medical and telecom trades. Since March this year Beve is under reconstruction.

In the beginning of June Mitec signed a declaration of intent to sell Beve to Swedish Partnertech, a transaction that was discontinued last week. A so called business transaction of the entrails are now carried out with NOTE instead.

"NOTE suggested a business transaction of the entrails previously this spring, but we made the judgement that a transaction through a transfer of shares were technical less complicated. Since this is not possible any more, the contents of the activities will be sold", says Rajiv Pancholy, President of Mitec, and continues: "This is a good solution for clients, suppliers and employees. NOTE is a stable group that has showed continues growth and they will manage the activities well."

Erik Stenfors, President of NOTE AB: "We made the judgement that the activities must be altered to develop. Our idea is to let the transaction of the entrails be the launch for yet another NOTE Center of Excellence, with the positioning towards microwave technique. We already have three such competence centers in Sweden."

The agreement is estimated to be ready to sign during August, at this stage NOTE will publish the strategy for the Boraas activities more in details. In the agreement it is also included an important part regarding global co-operation between Mitec and NOTE. Advisor has been CDI, Corporate Development International.

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About NOTE

NOTE is one of the leading suppliers in Sweden of EMS (Electronics Manufacturing Services) with a turnover of approximately SEK. 900 m. , with presence in Kista in the northern part of Stockholm, Norrtelje, Torsby, Gothenburg and Lund. NOTE has been on the Swedish newspaper Svenska Dagbladets list over the fastest growing companies for the last five years.

About Mitec Telecom

Mitec lead the development of wireless network productss for the telecom industry . The group is based in Montreal Canada, with units in USA, Sweden, Great Britain, China and Thailand. Mitec is a public company published on the Tornoto Stock Exchange.