



Baylin Technologies Announces Preliminary Q3 2019 Financials

Toronto, Ontario – September 18, 2019 – Baylin Technologies Inc. (TSX: BYL) (the "Company" or "Baylin").

Challenging industry dynamics have continued to soften demand from several of Baylin's primary customers. As a result, third quarter financial metrics are expected to fall below consensus expectations. Management believes this situation is transitory and is focused on several initiatives to improve its performance.

Further to the press release issued earlier today regarding the Company's decision to invest in Massive MIMO production in its new facility in Vietnam, Baylin will incur a portion of the C\$9.0 million in expenses associated with the facility build in Q3 2019. These expenses were not anticipated in the Company's 2019 budget and the revenue expected from this investment will not be realized until 2020.

Additionally, Baylin's Infrastructure Group has seen a softening in its business with its tier one telco customers experiencing a delay and/or reduction in capital expenditures until 2020 as well as a postponement of a significant base station project. The Company expects its Infrastructure Group's revenue performance will be below budget for this fiscal year.

Compounding this situation are the ongoing historical legacy issues of Advantech Wireless which are progressing slower than anticipated. Management stands by its previously stated goals for cost synergies and is seeing accelerated revenue opportunities in adjacent markets where Advantech has not traditionally participated.

As a result of these factors, the Company currently expects Q3 revenue to be in the range of C\$35-37 million and Q3 adjusted EBITDA (adjusted EBITDA is a non-GAAP measure and refers to operating income (loss) plus depreciation and amortization plus non-recurring items) to be in the range of \$1.0-1.5 million.

"While Q3 2019 results will not meet expectations, we continue to be optimistic about the acceleration of new programs, new contract wins and new major 5G Massive MIMO opportunities", stated Randy Dewey, President and CEO. "We continue to invest in high growth areas and are entering into massive new addressable markets."

Baylin will release 2019 third quarter financial results on Tuesday November 5th, 2019 after market close and will host a conference call to discuss these results on Wednesday November 6th, 2019 at 8:00 a.m. (ET). The call will be hosted by Randy Dewey, President and Chief Executive Officer; Michael Wolfe, Chief Financial Officer and Daniel Kim, EVP Corporate Development. All interested parties are invited to participate.

Conference Call Details

DATE: Wednesday November 6, 2019

TIME: 8 a.m. Eastern Standard Time

DIAL IN NUMBER: 647-427-7450

1-888-231-8191

CONFERENCE ID#: 6693762

Webcast URL (EN):

<https://wcc.on24.com/webcast/previewlobby?e=1924935&k=63E49B67E978B08F233F6D8F3C8610CA>

Source: Baylin Technologies Inc.

ABOUT BAYLIN

Baylin (TSX: BYL) is a diversified leading global wireless technology management company. Baylin focuses on research, design, development, manufacturing and sales of passive and active RF products and services. We aspire to exceed our customers' needs and anticipate the direction of the market.

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FORWARD-LOOKING STATEMENTS

Certain statements contained in this press release constitute "forward-looking statements" that involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance, objectives or achievements of the Company, or industry results, to be materially different from any future results, performance, objectives or achievements expressed or implied by such forward-looking statements. Forward-looking statements are frequently, but not always, identified by words such as "expects," "anticipates," "believes," "intends," "estimates," "predicts," "potential," "targeted," "plans," "possible" and similar expressions, or statements that events, conditions or results "will," "may," "could" or "should" occur or be achieved. The forward-looking statements in this press release include, but are not limited to, statements regarding the Company's expected revenue from the Company's investment in Massive MIMO production facilities and revenue and Adjusted EBITDA for Q3 2019 and other statements regarding the Company's plans, objectives and expectations. These statements reflect the Company's current views regarding future events and operating performance and are based on information currently available to the Company as of the date of this press release. These forward-looking statements involve a number of risks, uncertainties and assumptions and should not be read as guarantees of future performance or results and will not necessarily be accurate indications of whether or not such performance or results will be achieved. Those assumptions and risks include, but are not limited to, the Company's ability to successfully allocate capital as needed and to develop new products, as well as the fact that the Company's results of operations and business outlook are subject to significant risk, volatility and uncertainty. Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to the risk factors discussed in the Company's Annual Information Form dated March 13, 2019 which is available on the Company's profile at www.sedar.com. All of the forward-looking statements made in this press release

are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, the Company. Unless required by applicable securities law, the Company does not intend and does not assume any obligation to update these forward-looking statements.

NON-GAAP MEASURES

Measures that are not prescribed by Canadian generally accepted accounting principles (“GAAP”) and as such may not be comparable to similar measures presented by other companies. Management believes these measures are commonly employed to measure performance in its industry and are used by analysts, investors, lenders and interested parties to evaluate financial performance and the Company’s ability to incur and service debt to support its business activities.

While management believes that non-GAAP measures are helpful supplemental information, they should not be considered in isolation as an alternative to net income, cash flows generated by operating, investing or financing activities, or other financial statement data presented in accordance with GAAP.