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FINAL TRANSCRIPT

Baylin Technologies Inc.

Fourth Quarter Results Conference Call

Event Date/Time: March 12, 2020 — 8:00 a.m. E.T.

Length: 34 minutes

CORPORATE PARTICIPANTS

Daniel Kim
Baylin Technologies Inc. — Executive Vice President, Corporate Development

Randy Dewey
Baylin Technologies Inc. — President and Chief Executive Officer

Michael Wolfe
Baylin Technologies Inc. — Chief Financial Officer

CONFERENCE CALL PARTICIPANTS

Steven Li
Raymond James — Analyst

Gavin Fairweather
Cormark Securities — Analyst

David Kwan
PI Financial — Analyst

Kevin Krishnaratne
Paradigm Capital — Analyst

PRESENTATION

Operator

Ladies and gentlemen, thank you for standing by, and welcome to the Baylin Technologies Inc. Fourth Quarter Results Conference Call. At this time, all participants are in a listen-only mode.

After the speakers' presentation, there will be a question-and-answer session. To ask a question during this session, you will need to press *, 1 on your telephone. If you require any further assistance, please press *, 0.

I would now like to hand the conference over to your speaker today, Daniel Kim, Executive Vice President, Corporate Development of Baylin Technologies. Thank you. Please go ahead.

Daniel Kim — Executive Vice President, Corporate Development, Baylin Technologies Inc.

Good morning and welcome, everyone. Thank you for joining us this morning for the fourth quarter and full year 2019 earnings conference call for Baylin Technologies. Joining me is our President and CEO, Randy Dewey, and our CFO, Michael Wolfe. We will all be available for questions at the end of the presentation.

Before we begin our report, let me make it clear that our comments today will include statements and answers to questions that could imply future events, such as our 2020 prospects and our financial performance, and could include the use of non-GAAP and non-IFRS measures. Though it is obvious, these statements are subjects to risk, uncertainties, and assumptions. Accordingly, actual performance could differ materially from statements made today, so do not place undue reliance upon them.

We also disclaim any obligation to update forward-looking statements, except as required by law. I ask that you read our legal disclaimers and refer you to our risks and assumptions outlined in our public disclosures; in particular, in the section entitled Forward-Looking Statements and Risk Factors in our Annual Information Forms for the year ended December 31, 2019, and our other filings which are available on SEDAR.

Q4 and full year financial results were released yesterday, after market. The press release, audited financial statements, as well as the MD&A and AIF, are available on SEDAR and on our website, baylintech.com.

I would now like to turn the call over to Randy.

Randy Dewey — President and Chief Executive Officer, Baylin Technologies Inc.

Thank you, Daniel. 2019 started out with strong performance in Asia Pacific and satcom, which exceeded our plans. While Q1 and Q2 financial results tracked well, relative to our expectations, we faced a significant decrease in small cell volumes with our wireless carrier customers in Q3, resulting in a decline in Infrastructure revenue.

Revenue was also negatively impacted in Q3 by a longer than expected delay for orders from our large Embedded customer. Q3 results were further strained by the decision of a major Asia Pacific customer, to move volumes away from LDS towards FPCB, and as well outsourced the manufacturing of certain of its cell phones to a contract manufacturer in China.

Asia Pacific revenue and margins decreased significantly in Q3 compared to Q1 and 2. While improvements in Advantech Wireless' operations are continuing, and manufacturing efficiencies have been realized, profitability continues to be lower than we expect it to be at this stage. We announced last September that the short-term financial impact of these collective issues was material and that the trend would likely continue until the end of Q2 2020.

Revenue for the fourth quarter of 2019 at $30 million was 6.4 million lower than the third quarter of 2019. However, gross margins and adjusted EBITDA were higher in Q4 as compared to Q3, in part due to the cost reductions that we had made at the end of Q3 and the beginning of Q4.

Adjusted EBITDA in Q4 was 2 million compared to 1.2 million in Q3, despite the lower revenue. Asia Pacific revenue in Q4 significantly declined compared to Q3. This decrease was somewhat offset by Infrastructure, Embedded, and satcom revenue increases compared to Q3.

Over the past year-and-a-half, we have discussed the challenges that we've faced with Advantech and Alga, and the expected profitability has not yet reached the level we know is possible. As a result, we have recorded a goodwill impairment charge, and Michael will provide some further details in his review.

Like many companies doing business in China, including our customers and suppliers, the coronavirus outbreak has had an impact on our business. Our manufacturing facility in Wuxi, China was delayed in reopening after Chinese New Year. It did, however, reopen on February the 10th, following approval of the local authorities. We are currently operating at a reduced rate in the face of labour shortages, but we do expect substantially all of our employees to be back to work in the next couple of weeks. Infrastructure and Embedded Antenna sales have been negatively impacted as a result. These product lines are manufactured in our factory in China.

Asia Pacific sales have also been affected because other smartphone components from China have faced shortages. To date, satcom sales have not been affected. The virus has also resulted in a delay in the installation of a test chamber in our new Vietnamese factory, which will likely push the timing of the final plant certification. As a result, we don't expect volume production of massive MIMO antennas to begin until the third quarter of 2020.

While we are monitoring the situation very closely and are taking measures to mitigate the effect of the outbreak on our business, at this stage, it's too early to tell the full extent of the impact, given the uncertainty around the containment of the virus, both in China and elsewhere, how much our mitigation efforts will minimize the financial impact and the quantum of financial support, and tax concessions that may be received from the Chinese Government.

I would like now to turn the call over to Michael to provide you more details and commentary on our financial results. Michael?

Michael Wolf — Chief Financial Officer, Baylin Technologies Inc.

Thank you, Randy. While fourth quarter financial performance was within the range we forecasted in September, it did fall short of our expectations. Combined with weaker-than- forecasted financial results in Q3, 2019 ended up being a disappointing year from a financial perspective, despite a positive first half of the year.

Revenue for the year ended December 31, 2019, was 153 million compared to 136 million in 2018. The increase was primarily due to strong revenue from Asia Pacific and Advantech Wireless products, as well as the inclusion of Alga Microwaves revenue for a complete year. Alga was acquired in July 2018. The increase was somewhat offset by a decrease in Embedded Antenna and wireless infrastructure revenue compared to fiscal 2018.

Adjusted EBITDA for the year ended December 31, 2019, was 12.5 million compared to 15.3 million in 2018. The decrease was primarily due to sales mix. Asia Pacific revenue as a percentage of total revenue was higher than anticipated, and its products generate lower gross margins than the other products.

In addition, as Randy mentioned, a major Asia Pacific customer moved volumes away from LDS toward FPCB. FPCB antennas generate lower gross margins than LDS antennas. As a result, Asia Pacific product gross margin was lower than 2018.

The other impact was a higher operating expense of run rate in the first half of 2019 compared to 2018. As Randy mentioned, we made operating expense reductions in Q3 and Q4. At December 31, 2019, we had a cash balance of $14 million and access to approximately $23.8 million of revolving credit facilities, of which 10.9 million was utilized.

In the fourth quarter of 2019, we reduced our revolving credit facility by $4.1 million and decreased total debt by $5.6 million, primarily from the proceeds of the sale of the Alga facility in October 2019. At December 31, 2019, our net senior debt to adjusted EBITDA was 2.3 to 1.

Since the closing of the acquisitions of Advantech and Alga, we've experienced a number of challenges dealing with ongoing historic legacy issues, an industry-wide shortage of a key component, and integrating the two businesses. As a result, we've had a more prolonged path to achieving the financial performance that we believe these two businesses are capable of generating.

We've performed our annual impairment test to determine the recoverable amount of the Company's goodwill, using a discounted cash flow model. The result can vary dramatically depending on the key assumptions; in particular, the discount rate. We've concluded that the recoverable amount of the goodwill is less than the carrying value, resulting in a goodwill impairment charge of $12.9 million. Goodwill has been decreased from 31.6 million to $18.9 million.

Despite the impairment charge, we remain convinced that the Advantech and Alga acquisitions have significantly enhanced the Company's position in the wireless communication industry, and we remain confident that the financial performance expectations will be achieved.

The net loss for the year ended December 31 included the goodwill impairment charge, the Crown Capital prepayment fee, write-off of the Crown Capital deferred financing charges, and other nonrecurring expenses, offset by a fair-value adjustment of the convertible debentures. Adjusting for these items results in an adjusted net loss of $3.7 million.

I'll now turn the call back to Randy for his concluding remarks.

Randy Dewey

Thank you, Michael. 2019 financial performance clearly fell short of our expectations as well as yours. Despite the headwinds created by COVID-19, we nevertheless remain confident in our ability to deliver profitable growth.

I'd like to highlight just some of the opportunities Baylin has secured and will begin delivering in 2020. In sum, these programs highlight areas that we are gaining market share with existing customers, as well as with new customers, and demonstrate wins in a number of new programs, of which may provide significant growth opportunities outside of telecom.

First, won our first canister approval from a North American carrier—big step forward for us. Also, have RFPs for in-building as well as small cell with this new customer.

A new base station win with an existing North American carrier. We've also won and been invited into an RFP with several other large, new, non-teleco customers.

Our SATCOM division secured a military contract for a full system deployment to be delivered in 2020 and 2021. Won a new program to deliver 10,000 small cells to a North American customer, beating out an incumbent.

Secured an opportunity to deliver custom antennas for a private LTE deployment. Have successfully delivered on our previous announced 5G backhaul program for a North American carrier, and we fully expect further deployments in the back half of this year.

We have been making major inroads into automotive, securing our second contract to deliver our custom antennas in a long-life platform.

That concludes my formal remarks. With that, can we open up the call for questions, Operator?

Q&A

Operator

Thank you. As a reminder, to ask a question, you will need to press *, 1 on your telephone. To withdraw your question, press the # or hash key. Please stand by while we compile a Q&A roster.

And our first question today comes from the line of Steven Li from Raymond James. Your line is open.

Steven Li — Raymond James

Hi. Thanks. Morning, Randy. The slow start to Wuxi, China, any loss Infrastructure number that revenues in Q1 or Q2—would you expect to catch it all back in the second half?

Randy Dewey

Well, all the orders are still in place. We have not had any orders pulled. So all of it has become a timing issue for us, for sure. So those orders—and now that the factory is up and running at a fairly significant percentage, we do—as I said earlier, we will get the balance of the employees back over the next couple of weeks. Now, it's getting those orders fulfilled and getting shipments there, but we have not had any orders been dropped, so it's going to be a timing problem, not so much an order problem.

Steven Li

Okay. And also, it wasn't clear from the press release, but how much of Infrastructure and Embedded revenues originate in Wuxi? Is it most of those revenues?

Randy Dewey

One hundred percent of both are from that factory.

Steven Li

Okay. Perfect. On the Alga and Advantech impairment charge, was there lower growth expectations as well, that drove the impairment?

Michael Wolfe

No. We're still anticipating the same sort of range of percentage growth in revenues on an annual basis. We just didn't get the growth that we were expecting at the time of the acquisition, so that factored in because now we're on a lower run-rate basis. But our expectation for growth in that business unit has not changed.

Steven Li

Okay. Got it. And also, lower margins expectation, does that mean gross margin 40 percent-plus as opposed to the 50 percent historical?

Michael Wolfe

Well, it'd be—in the short term, we're still probably a little lower than we were originally expecting, but we are expecting it, over time, to get back to our original expectations.

Steven Li

Okay. And then my last question is, I also saw the Alga vendors disputing an earn-out in the MD&A. Michael and Frank, are they still with Baylin? Thank you.

Randy Dewey

Michael is. Frank is—it's no longer—he hasn't been with the Company since—

Michael Wolfe

A year ago.

Randy Dewey

—about a year ago.

Steven Li

All right. Great. Thanks, guys.

Operator

And our next question comes from the line of Gavin Fairweather from Cormark. Your line is open.

Gavin Fairweather — Cormark Securities

Hey, there. Good morning.

Michael Wolfe

Hi, Gavin.

Gavin Fairweather

Can you just give us a sense of, kind of, your throughput in terms of the Wuxi manufacturing facility in Q1?

Randy Dewey

Well, I can—

Gavin Fairweather

Like what you would have expected versus, I guess, what you would have expected in a normal environment?

Randy Dewey

It was a—it was a—we were off and running as of February 10th. In fact, we were one of the first in the area to get up and running, which was great. It's a testimony to the relationship that we have there. We've been an employer in that area for a very long time, so we were fortunate to get up and running. That was at, probably, about 50 percent level. And then since then, every week, it's been climbing. And probably within the next week to week-and-a-half, we'll be up to 100 percent of what we were expecting, so a bit of a slower start. Obviously, it had an impact for about five weeks of less overall percentages, but certainly increasing and climbing.

Gavin Fairweather

Okay. So how do you feel about your inability to kind of work, maybe a little bit faster, kind of in April, May and begin to kind of recapture some of the lost demand in Q2 versus it kind of slipping to the back half?

Randy Dewey

Well, obviously, now, it's going to be just a matter of catching up on all those orders and continuing to service that. We certainly won't catch up in the next three weeks before the quarter's end, but we—

Gavin Fairweather

Mm-hmm.

Randy Dewey

—we fully expect to catch up into Q2. Could a couple orders spill into Q3? That's possible. That's how it feels today, is that sort of level of timeline, so. But the world has a little uncertainty, certainly, around it right now so—

Gavin Fairweather

Mm-hmm.

Randy Dewey

—that's hard to say in absolute terms, but we have good contingencies in place. We have a good COVID team that's working hard on the impact of the virus globally for us.

Gavin Fairweather

Okay. That's helpful. Maybe one for Michael, just on the cost cuts. It sounds like the round that you did, kind of late last year, was done kind of at the beginning of the Q4. So should we have seen, I guess, mostly the full run rate of that in the Q4? Should we be thinking that there might be a little bit more to come in Q1?

Michael Wolfe

The bulk of it would have been realized in Q4, yeah. You're correct. There will be another small amount in Q1 that would be recognized. But as you know, it does—our quarterly operating expenses do move around—within a small range, but it does move around. So, call it, within 10 percent of Q4, depending on timing of certain expenses like marketing, et cetera.

Gavin Fairweather

Okay. Perfect. And then just on the new facility in Vietnam. Can you just give us an update on, kind of, construction and the future milestones? As well as, kind of, the capital that's been spent to date and the timing of future CapEx there?

Randy Dewey

Sure. So we've been very close to the completion of that. There's a couple of final pieces that need to be completed, but we have some travel restrictions from some of our suppliers of that equipment, particularly the chamber. The chamber engineers need to final certify that chamber, and we can't get them there quite yet. That should happen, hopefully, in the next couple weeks. We also have to get final certification of that factory, so that we can start to begin the shipment of those products to the end customer. And those engineers come from a different country, so because of the travel conditions, that's creating a bit of a delay there.

So how long that lasts is hard to predict, necessarily, but we do expect to complete that in the next eight weeks. And if so, then we are calling for a movement, I guess, of revenue—can start from Q2 to Q3. But that remains a bit in flux. If we get that done a little quicker, then maybe that starts a little faster than expected, but we're trying to be conservative because of the uncertainty.

Gavin Fairweather

Okay. And sorry. Maybe, Michael, just on the CapEx?

Michael Wolfe

Yeah. At the end of last year, we had expended about $900,000 of fixed assets. But in addition to that, we had deposits on other equipment of $2.1 million, so $3 million of cash by the end of the year, plus commitments of another $5 million, which will be over this quarter, Q1, and then a little into Q2 as well.

Gavin Fairweather

Okay. I'll re-queue. Thank you.

Operator

Again, if you'd like to ask a question, that's *, 1 on your telephone keypad.

Our next question comes from the line of David Kwan from PI Financial. Your line is open.

David Kwan — PI Financial

Morning, guys. So just on the new facility in Vietnam, I know it looks like it's a slight delay there. I assume that you guys aren't expecting that you'll be losing any business because of that.

Randy Dewey

No, no, not at all. We're certainly working very close, and this has been a project that's almost a year in the development. And that customer has been very, very supportive and standing beside us through the whole last leg of this—sort of last lap of the construction. So they're as anxious as we are to get things up and running, because they certainly had expectations of volume and supply.

So we do not expect anything, other than to continue to walk through with that customer into production and into delivery. So, yes, everybody's a bit disappointed, more than disappointed, that we've had any delay. But we expect to clear through this in the next couple months and off to the races we go.

David Kwan

Okay. Thanks, Randy. And on the SATCOM business, I think, both Alga and Advantech were doing roughly about 50 million in trailing revenue, when you guys had acquired them. Are those businesses kind of at that level now? And do you expect that you could see growth from that over the next year?

Randy Dewey

Yes. And that's very well framed. The big issue, as we've talked about, was the—we had a supply of a transistor issue that really affected us in a number of different ways. One, it affected us on shipments. We had a lot of delays, unfortunately, last year, of getting product out because of the lack of supply on that transistor. That also spilled into the ability for us to continue to work on some of the integration plans that we had, and that created a delay.

So we feel a bit disappointed that it was three—call it three to four quarters' delay on some of the plans that we had. But as of last, fourth quarter, we really finished up that work, and we're now off to the races, so to speak, as I said before. But, yes, does that kind of answer your question?

David Kwan

No. It does, definitely. Helpful, Randy. I guess, just given the headwinds that you're seeing right now, and obviously with COVID-19, some of the weakness in some of your end markets and whatnot, particularly, that I think will impact the first half results here, do you expect revenues to grow this year?

Randy Dewey

Well, obviously, the consensus has that in there. And as we said from the earlier statement, that we don't expect the impact of COVID to impact revenue. Timing, of course, is definitely impacted as a result of where things were. And as you know, we had called last September for some of the releasing of CapEx and some of the further spending to be affecting us through to the end of Q2. Obviously, that has—we're in the middle of that, and that's certainly playing out the way we had expected it.

But we expect that the impact of the virus is a temporary thing, and the timing of those orders are moved out to some degree. And we're still feeling bullish about the consensus forecast for 2020. Where things are today is versus where things are next month; things can change, of course. It's a pretty dynamic situation. But no orders have been pulled, and we are working, and there's lots of demand for us to get the products that we have, out. Whether there's further global recessionary issues that could change some of the behaviours of end customers, that's yet to be played out, of course, so we'll wait to see that.

But we have a very solid expectation. We've got a lot of very good opportunities. We've got programs that we inspect into. We've got builds that are waiting to happen. We are sitting in the midst of a lot of good momentum in the business. It's a very unfortunate timing, of course, for this type of thing to hit the world and, certainly, to hit Baylin. But we are very bullish about the future of our company. We have a lot of good things. We've done—sowed a lot of seeds over the last couple of years, and we're just waiting for the sun to come out, to be able to get us into those opportunities and move forward here.

David Kwan

Okay.

Daniel Kim

David, if I may add, just to add to Randy's answer on your previous question on the satcom industry. That industry tends to move in three- to five-year cycles, and we've come out of the trough of a bit of a slowdown. We are now seeing improved industry dynamics. So the outlook for the satcom, I would say, looks better now than it has in the past couple of years. That's one thing.

The other key for this business unit is we're starting to see a lot of money flow now into the LEO-MEO market. And this, we believe, will be a big growth driver for years to come. If you look at the players in that space—OneWeb, SpaceX, Amazon, Google—there are multiple companies now that are extremely well-funded, that are pouring a lot of money into new initiatives. So we believe that'll be another additional growth factor for that side.

And on another note—and I think this is where a lot of questions seem to be centred around, with regards to the analyst questions—how to quantify things that are happening in China with COVID. What I would direct you to is a lot of the competition has disclosed and quantified the impact of revenue impact for Q1. Some have disclosed, just saying they're missing their numbers. They're really not knowing the quantum of the impact.

But in general, from what I've seen, I would say the quantum of revenue impact in Q1 is roughly 20 to 30 percent. And so that can give you a bit of a guidepost, in terms of where we're seeing things impacting us as well.

David Kwan

No. That's helpful. That's helpful, Dan. Thanks. I guess, on the Asia-Pacific business, a couple questions there. Last year was a bit of an anomaly as it related to seasonality, the first half being much stronger than in second half. Do you expect that to return to normal, where the second half is materially stronger, for this year?

Randy Dewey

Well, that's actually typically the case. It's usually a 55–45 kind of thing for us, the first half being typically the softer half, and the second half being the stronger half. And that's the normal over many years. Last year was a reverse of that, which was kind of unusual. But we expect this year to be back to what the normal is. And then, particularly with what we just said earlier, where you've got order movements happening at the moment, so that's going to push some things into the second half of the year. So I—we really do believe that the second half of the year will be the stronger half for this year, for sure, and in light of circumstances, even more so.

Michael Wolfe

And that would be consistent with what our customers are saying as well. There is an expectation that a lot of this demand will be pushed into the second half.

David Kwan

Okay. And the other question I got is, in the notes to the financial statements, you guys had some commentary about your—I think your key customer requesting, I think, delays in shipments due to, I guess, other suppliers that you guys have talked about facing component shortages or whatnot, can you provide more colour on that? Then, how you expect that to impact, I guess, revenue for this quarter? And possibly next quarter?

Randy Dewey

Well, that was the case, and that was a bit of a fluid situation over, I would say, the last four, five weeks after Chinese New Year. But all of our suppliers and all of our end customers are up and operational. And many of them are at the same sort of levels of efficiency that we are. So we don't see those shortages continuing. We see the end of that as very near, if not already here in many, many cases. So now, it's about getting back to the order fulfillment and catching up on the orders that we have promised.

David Kwan

Okay. Two more questions. Just on the gross margins, do you expect that to continue to trend up here, in part—and I think, obviously, because of, likely, revenue mix and less contribution, I guess, coming out of Asian Pacific, after a pretty strong year last year? Do you expect that could trend back towards the 40 percent level this year?

Randy Dewey

Yeah. And certainly, last year was a mix issue with a lot higher percentage in APAC than we were expecting, which is a lower margin profile, as you know. This year, that's not the case, and we don't expect that to continue. But the strength in the other business units will be there, so we're expecting the margins will be reversing back towards the direction that they were. So despite the fact that they were down, year over year, by 1.5 points, we expect that to reverse and go in the other direction as the year plays through here.

David Kwan

Okay. And last question, just on the R&D side. Noticed the expenses dropped this quarter. I think that's primarily related to timing and heavier spending in the first half of the year in the various programs. How do you see R&D expenses playing out this year?

Michael Wolfe

It would be at similar levels to what we had for the full year. You're right. I mean, there are some, often, timing issues on that, but we're continuing to invest strongly in R&D going forward. And we're—at the levels we are, we're not expecting to decrease at all.

David Kwan

Okay. Thanks, guys.

Randy Dewey

Thank you.

Operator

Our next question comes from the line of Kevin Krishnaratne from Paradigm. Your line is open.

Kevin Krishnaratne — Paradigm Capital

Hey there, guys. Good morning. I just had one question on the telco CapEx spending. Can you talk about—you mentioned that that—the pressures will remain there until Q2. You've also mentioned the opportunity for a second carrier opportunities in Infrastructure there. So can you just talk about the timing? When you think revenues for the second carrier could come in? And how does—how would that opportunity compare to sort of what you've already done with your first customer, with regards to Infrastructure in North America?

Randy Dewey

So we are already seeing, as I mentioned earlier, some of wins and some of the deliveries that have begun in that area. So we have a more balanced, I would say, customer profile in that division this year, versus what we had last year. So we got hit last year, as we already announced, by having a bit more concentration in the one customer in that one division of our company. And with their CapEx pullback, that hit us a bit more directly.

This year, we've—because we've won a number of other carriers and are on a number of other programs, we're seeing much more balanced opportunities as such for 2020. So CapEx spending has been certainly approved, and carriers are rolling forward. The level that they will achieve this year, certainly, I guess in spite of the overall world issues, is expected to be what they had previously announced and told us. We'll wait to see how that plays out.

But we're—and we're actively shipping, and we're actively delivering to those deployments. And we're seeing a particular improvement as the Q2 and Q3 roll forward here. Those are some of the heavier seasons of deployment, so we are expecting to able to—we'll certainly give a bit more outlook in our Q1 call in May. But things are moving forward, for sure.

Kevin Krishnaratne

Okay. Thanks for that, Randy. And then, just on the Vietnam, we had anticipated that would have been completed in Q2 and then full production to start in Q3. You mentioned Q3. Do you think that that's near the beginning? Or towards the end of Q3? Just what do you think your actual timing on full production coming online in Q3 would be? Where would that fall?

Randy Dewey

Well, it's not for the fact of the factory being finished, because we are virtually there now. We have a few final things to do, but they're not the holdback. The only holdback is some of the travel restrictions between countries, to get our final approval so that we can start to manufacture. So that is the only holdback.

How long that lasts is hard to tell right now. There's been some impositions, of course, at the US level that—travelling to Europe. There's been some inter-Asia (sic) restrictions that have been imposed, and some of those could last 30 days. And so, it is a bit more of a fluid situation. I really can't tell you exactly. But we are expecting that to take place in Q2. And then we would, beginning in Q3—in hopefully the first half of Q3—with the production start-up and purchase orders and business to be flowing.

Kevin Krishnaratne

Thank you.

Operator

And we have no further questions at this time. I'll turn the call back to Randy Dewey for closing remarks.

Randy Dewey

Well, thank you very much, everybody, for the support. And we know that, certainly, this is a difficult time. We were certainly coming into 2020 with a much more bullish outlook and, unfortunately, with some of the impact of the virus … but as I said earlier, we have a very good COVID team. We're working, frankly, quite hard to make sure that we minimize the impact and that we continue to supply and service the customers and the orders that we have. Everything at this point in time, it looks like just timing issues. And we will get through those and clear those up in the next number of months.

And again, really appreciate the support from the market. We know that this has been a bit more difficult time over the last four quarters, but we are certainly looking forward to opportunities and the things that we have talked about earlier on the call, those coming through to fruition.

So again, thank you very much, and that's it.

Operator

Ladies and gentlemen, this concludes today's conference call. Thank you for participating. You may now disconnect.