

## Review Display System Ltd Brexit Preparation Statement

Jan 2019

Whilst it is still very difficult at this time to be exact because of the lack of detailed information from both our Government and the EU, we have conducted a review of our business processes to identify possible areas that might be impacted by Brexit, and the possible disruptive effect to our normal continued business flow with both UK and non-UK companies.

This document will be updated on a regular basis as firm business processes are confirmed by the relevant governing bodies.

We have identified the following areas which might incur change that could affect the flow of product from Review Display Systems Ltd and how we might reduce the impact seen by our customers:

**Duty Tariff changes:** The change in tariff charges could affect the unit price of the goods as it is landed both in our warehouse and at your dock. Since the EU does not manufacture any LCD display product, our view is that most of this product should not be subject to Tariff issues unless a government looks to increase revenue through increased tariff charges. This is also the same for most of our embedded products. Any increase in costs though duty charges should be known in advance of the March 19 and customers will be contacted and advised at time of shipment.

**Delays in custom clearance:** this could affect both in-bound and out-bound shipments to the UK which could increase delivery times into RDS and increase delivery times to EU customers. Our current product range is currently subject to long lead times from 10 to 22 wks in some cases, this already requires careful management of shipments and order placement. Having sight of advance shipments means that we can put additional stock holding plans into action in the first quarter of 2019 ahead of the March 19 date.

All our customers will be contacted prior to the March 19th date with a view to defining an agreed supply plan to suit both parties.

**Staff from the EU :** RDS does not have a requirement for a low level work force such a pickers and packers so the reduction in availability of this type of employee is not of concern. We do however have a couple of skilled EU employees and we will be working with them to cover off any skills gap that could be left should they wish to return to an EU country.

**Finance:** RDS Ltd reviewed our banking and finance position and switched to HSBC from RBS to allow improved access to a worldwide banking group rather than just a UK based operation.

Next review date will be March 2019.

Managing Director