

# **Bombardier Transportation (Investment) UK Limited**

**Directors' report, Strategic report and financial  
statements**

**For the year ended 31 December 2020**

**Registered number 09863932**





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Bombardier Transportation (Investment) UK Limited

**Directors' report, Strategic report and financial statements for the year ended 31 December 2020**




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**Company Information**


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|                   |  |                              |
|-------------------|--|------------------------------|
| Directors         | P Allmer   | (Resigned 31 August 2021)    |
|                   | A Zoratti  | (Resigned 30 June 2021)      |
|                   | D Di Perna   | (Resigned 21 December 2021)  |
|                   | D A Johnston   | (Appointed 29 January 2021)  |
|                   | S J R MacLeod  | (Appointed 22 December 2021) |
|                   | D Desjardins   | (Resigned 29 January 2021)   |
|                   | L S West   | (Resigned 29 January 2021)   |
|                   | A Tremblay   | (Appointed 21 May 2020)      |
|                   |  | (Resigned 29 January 2021)   |
|                   | A Decary   | (Resigned 11 May 2020)       |
|                   | C Emond  | (Resigned 29 January 2020)   |
|                   | J J Rawding  | (Appointed 30 December 2020) |
|                   |  | (Resigned 29 January 2021)   |
| Secretary         | M Heath  | (Appointed 6 May 2021)       |
|                   | L S West   | (Resigned 29 January 2021)   |
| Registered Office | 8 <sup>th</sup> Floor<br>The Place<br>175 High Holborn<br>London<br>WC1V 7AA     |                              |
| Registered Number | 09863932   |                              |
| Auditor           | Ernst & Young LLP<br>1 Colmore Square<br>Birmingham<br>B4 6HQ<br>United Kingdom  |                              |
| Principal Bankers | Deutsche Bank AG London<br>6 Bishopsgate<br>London<br>EC2P 2AT<br>United Kingdom |                              |
| Solicitors        | Hogan Lovells<br>Atlantic House<br>Holborn Viaduct<br>London<br>EC1A 2FG         |                              |
|                   | Pinsent Masons LLP<br>30 Crown Place<br>London<br>EC2A 4ES                       |                              |

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**Bombardier Transportation (Investment) UK Limited****Directors' report, Strategic report and financial statements for the year ended 31 December 2020**


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**Directors' Report**


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The directors present their report and the financial statements for the year ended 31 December 2020.

The loss for the year, after taxation, amounted to €3,213,249,000 (2019 loss: €15,717,000). Included in the loss for the year is a charge of €3,469,232,000 in respect of charges for impairment of investments (2019: nil).

**Events since the balance sheet date**

On 29 January 2021, Bombardier Inc., previously the company's ultimate parent undertaking closed the sale of its Transportation Business, which includes ownership of this Company, to Alstom Holdings SA.

On 8 June 2021, the Company converted 40 B Redeemable shares of EUR 0.01 each to 40 Ordinary B shares of EUR 0.01 each and converted 600,365 convertible shares of EUR 0.01 each to 600,365 Ordinary B shares of EUR 0.01 each.

**Going concern**

The Company's business activities, together with the factors likely to affect its future development and position, are discussed in the Strategic Report, and these factors have been considered when preparing the financial projections of the Company.

As of 31 December 2020, the Company had net current assets of €2.5 million (2019 – €2.5 million) and net assets of €2,862 million (2019: €5,325 million). There were current liabilities of €0.1 million (2019: €0.1 million) at the end of the period. The cash balance at year end was €2.5 million (2019: €2.5 million) and there has been an insignificant movement in this balance in the period up to the date of signing of these financial statements. The Directors have reviewed cash-flow projections to 31 December 2022 which show that the Company has sufficient cash to settle its liabilities as they fall due.

On this basis, the Directors consider that the Company has adequate funds to meet its liabilities for a period of at least twelve months from the date of approval of the financial statements, through to 31 December 2022.

**Future developments**

The Directors consider that the business will continue to operate as previously. There are no events, of which the Directors are currently aware, that will affect the manner in which the Company operates.

**Directors**

The directors, who served during the year and subsequently, are noted on the Company Information page. The Company has granted an indemnity to one or more of its directors against any liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third-party indemnity provisions remains in force as at the date of approving the Directors' Report.

**Political and charitable donations**

No political contributions or charitable donations were made during the year.

**Disclosure of information to the auditors**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the Company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

On behalf of the Board,

STRMacleod (Director)

22 December 2021

**Bombardier Transportation (Investment) UK Limited****Directors' report, Strategic report and financial statements for the year ended 31 December 2020**


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**Strategic Report**


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The directors have pleasure in presenting their Strategic Report for the year ended 31 December 2020.

**Principal activities and business review**

The principal activity of the Company is that of a holding Company. The company is the immediate parent company of Bombardier Transportation (Global Holding) UK Limited. The Bombardier Transportation Group is a global operation which operates in 40 countries, the main activities of the Group are the manufacture and servicing of railway rolling stock, rolling stock equipment and the provision of signalling and infrastructure solutions.

**Results for the year**

The loss for the year, after taxation, amounted to €3,213,249,000 (2019 loss: €15,717,000). Included in the loss for the year is a charge of €3,469,232,000 in respect of charges for impairment of investments (2019: nil). No dividends were paid during the year (2019: €nil).

**Principal risks and uncertainties**

The main risk arising from the Company's financial instruments is liquidity risk. At the balance sheet date, the Company held a derivative liability in respect to the CDPQ equity investment which was subject to periodic fair value estimation. However, this was cancelled from 29 January 2021 when Bombardier Transportation was acquired by ALSTOM Holdings SA. Other risks are disclosed below.

**Interest rate risk**

The Company's exposure to the risk of changes in market interest rates relates to its cash and short-term deposits, and overdraft and short-term borrowings, all of which have floating interest rates. The Company actively participated in the Bombardier Transportation Group's cash pooling scheme and therefore received appropriate interest rates from Group treasury.

**Liquidity risk**

The management of Bombardier Transportation's liquidity requires a constant monitoring of expected cash inflows and outflows, which is achieved through a detailed forecast of Bombardier Transportation's liquidity position, as well as long term operating and strategic plan, to ensure adequacy and efficient use of cash resources. Bombardier Transportation uses scenario analysis to stress test cash inflow projections. Liquidity adequacy is continually monitored which involves the application of judgement, taking into consideration historical volatility and seasonal needs, stress-test results, the maturity profile of indebtedness, access to capital markets, the level of customer advances, availability of letter of credit and similar facilities, working capital requirements, the availability of working capital financing initiatives and the funding of product development and other financial commitments.

**Covid-19**

Covid-19 has not had any significant impact on the activities, financial position or prospects of this Company. The UK business is recovering from the COVID-19 situation, with the requisite isolation measures imposed by the UK government as well as self-imposed restrictions in order to keep our people as safe as possible. In terms of business continuity we remain committed to supporting delivery of essential products and services to our customers on all of our projects.

On behalf of the Board,

S J R MacLeod, Director

22 December 2021

**Bombardier Transportation (Investment) UK Limited**

**Directors' report, Strategic report and financial statements for the year ended 31 December 2020**



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**Statement of Directors' Responsibilities**

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The directors are responsible for preparing the Directors' Report, Strategic Report and the financial statements in accordance with applicable UK law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 'Reduced Disclosure Framework'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless they consider that to be inappropriate.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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## Independent Auditor's Report to the Members of Bombardier Transportation (Investment) UK Ltd.

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### Disclaimer of Opinion

We were engaged to audit the financial statements of Bombardier Transportation (Investment) UK Limited for the year ended 31 December 2020 which comprise Statement of Profit and Loss and Other Comprehensive Income, the Statement of Changes in Equity, the Balance Sheet and the related notes 1 to 17, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Accounting Standards in conformity with the requirements of the Companies Act 2006.

We do not express an opinion on the accompanying financial statements of the company. Because of the significance of the matter described in the basis for disclaimer of opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

### Basis for disclaimer of opinion

As set out in note 9, the Company has recorded an impairment charge of €3,469,232,000 in relation to the carrying value of its sole investment in Bombardier Transportation (Global Holding) UK Limited to the net asset value of that entity of €2,893,296,000 as of 31 December 2020.

Following the purchase of the Company and Bombardier Transportation (Global Holding) UK Limited by Alstom SA on 29 January 2021, Bombardier Transportation (Global Holding) UK Limited's Directors entirely changed from those appointed as of 31 December 2020. The current Directors of Bombardier Transportation (Global Holding) UK Limited consider there is a lack of contemporaneous evidence available to them at the date of approving the financial statements to support the carrying value of that Company's investments as of 31 December 2020. As at the date of our audit opinion, the Company has not been able to provide appropriate evidence to support key assumptions regarding the recoverable amount of investments as of the year end date.

Consequently, we have been unable to obtain appropriate information to audit the carrying value of investments included on the Balance Sheet and the impairment charge recorded in the Statement of Profit and Loss and Other Comprehensive Income for Bombardier Transportation (Investment) UK Limited.

We were unable to confirm or verify by alternative means the carrying value of investments as of 31 December 2020 within the Balance Sheet nor the impairment charge recorded in the Statement of Profit or Loss and Other Comprehensive Income or the related disclosures for investments and impairment charge given in Note 9. As a result of these matters, we were unable to determine whether any adjustments might have been found necessary in respect of these balances and the associated impact on the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Changes in Equity and the Balance Sheet.

### Opinions on other matters prescribed by the Companies Act 2006

Because of the significance of the matter described in the basis for disclaimer of opinion section of our report, we have been unable to form an opinion, whether based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

Notwithstanding our disclaimer of an opinion on the financial statements, in the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, performed subject to the pervasive limitation described above, we have not identified material misstatements in the strategic report or directors' report.

Arising from the limitation of our work referred to above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records have been kept.

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## **Independent Auditor's Report to the Members of Bombardier Transportation (Investment) UK Ltd**

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We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made.

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our responsibility is to conduct an audit of the company's financial statements in accordance with International Standards on Auditing (UK) and to issue an auditor's report. However, because of the matter described in the basis for disclaimer of opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

However, because of the matter described in the Basis for disclaimer of opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements.

The primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (FRS 101 and the Companies Act 2006) and compliance with the relevant direct and indirect tax regulations in the United Kingdom. In addition, the Company has to comply with laws and regulations relating to its operations, including health and safety, environmental and data protection

We understood how Bombardier Transportation (Investment) UK Limited is complying with those frameworks by making enquiries of management to understand how the company creates awareness of relevant laws and regulations and how it maintains and communicates its policies and procedures in these areas and report any instance of non-compliance. This included the issuance of, and adherence to, a Group Policy manual, training courses provided to relevant individuals and availability of a whistleblowing hotline. We reviewed the minutes of board meetings and made enquiries of management and those charged with governance to identify any matters which could have a material impact on the company.

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**Independent Auditor's Report to the Members of Bombardier Transportation (Investment) UK Ltd**

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- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by understanding the culture and controls present at the company and whether this had a strong emphasis on the prevention and detection of fraud. We also performed enquiries of management and those charged with governance to obtain an understanding of the company's business and accounting practices. We determined that the impairment considerations regarding the carrying value of investments had the highest risk of material misstatement, we obtained management's assessment of the recoverable amount of investments and calculation of any impairment charge. However, because of the matter described in the Basis for disclaimer of opinion section of our report, we were unable to complete our intended audit procedures.
- We enquired of senior management and those charged with governance as to their awareness of non-compliance with laws and regulations, enquiry of the Group's internal legal counsel and review of board minutes. A review of payments to detect unrecorded liabilities, contrary evidence and available correspondence with third parties did not identify any noncompliance.

**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:  
  
3F8AC67DD4154E5...

Helen McLeod-Jones (Senior statutory auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor

Birmingham

22 December 2021

**Bombardier Transportation (Investment) UK Limited**

Directors' report, Strategic report and financial statements for the year ended 31 December 2020




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**Statement of Profit or Loss and Other Comprehensive Income**


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For the years ended 31 December 2020 and 31 December 2019

|                                       | Note | 2020<br>€'000      | 2019<br>€'000   |
|---------------------------------------|------|--------------------|-----------------|
| Administrative expenses               |      | (21)               | (138)           |
| Operating loss                        |      | (21)               | (138)           |
| Impairment of fixed asset investments | 9    | (3,469,232)        | -               |
| Changes in fair value                 | 5    | 256,000            | (15,600)        |
| Loss before taxation                  |      | (3,213,253)        | (15,738)        |
| Taxation on Loss                      | 8    | 4                  | 21              |
| <b>Loss after taxation</b>            |      | <b>(3,213,249)</b> | <b>(15,717)</b> |

In the current year the Company had no discontinued operations.

There were no gains or losses recognised in the current year other than those disclosed in the Statement of Profit or Loss and Other Comprehensive Income, therefore the loss on ordinary activities after tax is the total comprehensive losses.

The notes on pages 11 to 26 form part of these financial statements.

**Bombardier Transportation (Investment) UK Limited****Directors' report, Strategic report and financial statements for the year ended 31 December 2020****Statement of Changes in Equity**

For the years ended 31 December 2020 and 31 December 2019.

|   | <b>Note</b> | <b>Share Capital<br/>Account<br/>€'000</b> | <b>Share Premium<br/>Account<br/>€'000</b> | <b>Retained<br/>Earnings<br/>€'000</b> | <b>Total<br/>Equity<br/>€'000</b> |
|---|-------------|--|--|--|-----------------------------------|
| <b>At 31 December 2018</b>                          |             | <b>20</b>                                  | <b>4,856,038</b>                           | <b>335,060</b>                         | <b>5,191,118</b>                  |
| Total comprehensive loss for the year               | <b>13</b>   | -  | -  | (15,717)                               | (15,717)                          |
| Issue of share capital and associated share premium | <b>13</b>   | -  | 150,000                                    | -                                      | 150,000                           |
| <b>At 31 December 2019</b>                          |             | <b>20</b>                                  | <b>5,006,038</b>                           | <b>319,343</b>                         | <b>5,325,401</b>                  |
| Total comprehensive loss for the year               | <b>13</b>   | -  | -  | (3,213,249)                            | (3,213,249)                       |
| Issue of share capital and associated share premium | <b>13</b>   | -  | 750,000                                    | -                                      | 750,000                           |
| <b>At 31 December 2020</b>                          |             | <b>20</b>                                  | <b>5,756,038</b>                           | <b>(2,893,906)</b>                     | <b>2,862,152</b>                  |

The notes on pages 11 to 26 form part of these financial statements.

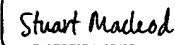
**Bombardier Transportation (Investment) UK Limited****Directors' report, Strategic report and financial statements for the year ended 31 December 2020****BOMBARDIER**  
the evolution of mobility**Balance Sheet**

As at 31 December 2020 and 31 December 2019

|  | Note | 2020<br>€'000    | 2019<br>€'000    |
|--|------|------------------|------------------|
| <b>Assets</b>                                |      |                  |                  |
| <b>Non-current assets</b>                    |      |                  |                  |
| Investments                                  | 9    | 2,893,296        | 5,612,528        |
|  |      | <b>2,893,296</b> | <b>5,612,528</b> |
| <b>Current assets</b>                        |      |                  |                  |
| Debtors due within one year                  | 10   | 99               | 94               |
| Cash and cash equivalents                    |      | 2,490            | 2,510            |
|  |      | <b>2,589</b>     | <b>2,604</b>     |
| <b>Total assets</b>                          |      | <b>2,895,885</b> | <b>5,615,132</b> |
| <b>Current liabilities</b>                   |      |                  |                  |
| Creditors due within one year                | 11   | (133)            | (131)            |
|  |      | <b>(133)</b>     | <b>(131)</b>     |
| <b>Total assets less current liabilities</b> |      | <b>2,895,752</b> | <b>5,615,001</b> |
| <b>Non-current liabilities</b>               |      |                  |                  |
| Creditors due after more than one year       | 11   | (33,600)         | (289,600)        |
|  |      | <b>(33,600)</b>  | <b>(289,600)</b> |
| <b>Total liabilities</b>                     |      | <b>(33,733)</b>  | <b>(289,731)</b> |
| <b>Net assets</b>                            |      | <b>2,862,152</b> | <b>5,325,401</b> |
| <b>Equity</b>                                |      |                  |                  |
| Called up share capital                      | 12   | 20               | 20               |
| Share premium account                        | 13   | 5,756,038        | 5,006,038        |
| Profit and loss account                      | 13   | (2,893,906)      | 319,343          |
| <b>Total Equity</b>                          |      | <b>2,862,152</b> | <b>5,325,401</b> |

The notes on pages 11 to 26 form part of these financial statements.

These financial statements were approved and authorised for issue by the Board of directors on the date shown below and were signed on its behalf by:

DocuSigned by:  
  
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 S J R MacLeod  
 Director  
 22 December 2021

Company Registration No: 09863932

**Bombardier Transportation (Investment) UK Limited**

**Directors' report, Strategic report and financial statements for the year ended 31 December 2020**



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**Notes to the Financial Statements**

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**Notes to the Financial Statements**

At 31 December 2020

**1. Authorisation of financial statements and compliance with FRS 101**

The financial statements of Bombardier Transportation (Investment) UK Limited (the "Company") for the year ended 31 December 2020 were authorised and issued by the Board of directors as indicated on page 10. Bombardier Transportation (Investment) UK Limited is incorporated and domiciled in England and Wales. The Company is privately held limited by shares.

These financial statements are presented in Euro and all values are rounded to the nearest thousand Euro, except where otherwise stated. The Company will receive dividends in Euro from the Bombardier Transportation group in order to pay dividends, also in Euro. As such this indicator determined that the functional currency of this Company should be Euro.

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ('FRS 101') and in accordance with applicable accounting standards.

The Company has taken advantage of the exemption provided by Financial Reporting Standard 101 from the requirement to provide a cash flow statement.

**2. Accounting policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

**2.1 Basis of preparation**

The Company prepares its accounts in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

The financial statements have been prepared under the historical cost convention, in accordance with applicable International Financial Reporting Standards with the exception of the financial derivative which is prepared on a fair value basis.

FRS 101 requires that the Statement of Profit or Loss and Balance Sheet are presented in the format requirements of the Companies Act 2006, rather than the requirements of International Accounting Standard (IAS) 1 - Presentation of Financial Statements

The Company has taken advantage of the exemption from the requirement to prepare consolidated accounts by virtue of Section 401 of the Companies Act 2006. These financial statements therefore present information about Bombardier Transportation (Investment) UK Limited as an individual undertaking and not about its Group. The Company accounts are wholly consolidated as part of Bombardier Inc. financial statements and are available from Corporate Office, 800 Rene-Levesque Blvd, West Montreal, Quebec, Canada, H2B 1YB.

**Bombardier Transportation (Investment) UK Limited**

**Directors' report, Strategic report and financial statements for the year ended 31 December 2020**




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**Notes to the Financial Statements**


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**2.1 Basis of preparation (continued)**

A summary of the disclosure exemptions adopted under FRS 101 are presented below. Equivalent disclosures for share based payments and financial instruments are included in the Bombardier Inc. consolidated financial statements allowing the exemptions to be applied.

| Area                                 | Disclosure exemption   |
|--------------------------------------|--|
| Cash flow statements                 | Complete exemption from preparing a cash flow statement  |
| Financial instrument disclosures     | Exemption from the disclosure requirements of IFRS 7 (Financial Instruments) and related IFRS 13 disclosures<br>Disclosures in respect of management's objectives, policies and processes for managing capital (IAS1.134 to 136) |
| Comparative information              | Exemption from comparative for movements on share capital, tangibles, intangibles and investment property  |
| Related party disclosures            | Exemption from the disclosure requirements of IAS 24 paragraph 17  |
| Presentation of financial statements | Exemption from statement of compliance with IFRS, cashflow information and capital management policy   |

**Going Concern**

The Company's business activities, together with the factors likely to affect its future development and position, are discussed in the Strategic Report, and these factors have been considered when preparing the financial projections of the Company.

As of 31 December 2020, the Company had net current assets of €2.5 million (2019 – €2.5 million) and net assets of €2,862 million (2019: €5,325 million). There were current liabilities of €0.1 million (2019: €0.1 million) at the end of the period. The cash balance at year end was €2.5 million (2019: €2.5 million) and there has been an insignificant movement in this balance in the period up to the date of signing of these financial statements. The Directors have reviewed cash-flow projections to 31 December 2022 which show that the Company has sufficient cash to settle its liabilities as they fall due.

On this basis, the Directors consider that the Company has adequate funds to meet its liabilities for a period of at least twelve months from the date of approval of the financial statements, through to 31 December 2022.

**2.2 International Financial Reporting Standards issued but not effective.**

In terms of FRS 101, the company is exempt from disclosure regarding the impact of accounting standards issued but not yet effective.

**2.3 Income recognition**

Income from dividends is recognised when the Company's right to receive payment is established.

**2.4 Investments**

Investments are stated at historical cost less any provision for impairment. In accordance with International Accounting Standard 36, the Directors consider the carrying value of investments for impairment. Any reductions in value arising from the impairment of investments are charged to the Statement of Profit or Loss and Other Comprehensive Income. When the directors consider that an impairment of an investment has been reversed this is credited to the Statement of Profit or Loss and Other Comprehensive Income.

**Bombardier Transportation (Investment) UK Limited**

**Directors' report, Strategic report and financial statements for the year ended 31 December 2020**




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**Notes to the Financial Statements**


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**2.5 Use of estimates and judgement**

The application of the Company's accounting policies requires management to make judgement, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for income and expenses during the year.

Management's best estimates concerning the future are based on the facts and circumstances available at the time estimates are made, however, the nature of estimation means that actual outcomes could differ from those estimates.

The following identifies significant areas where management's judgements and estimates have the most significant effect on amounts recognised in the financial statements.

**CDPQ equity and derivative liability components** – The fair value of the convertible shares at issuance was assigned to its respective equity and derivative liability components so that no gain or loss arose from recognising each component separately, the fair value of the derivative liability was established first and the residual amount was allocated to the equity component.

The liability component is remeasured quarterly using the Company's best estimate of the present value of the settlement amount. The Company uses an internal valuation model based on stochastic simulations to estimate the fair value of the conversion option embedded in the Company's convertible shares. The fair value of the embedded conversion option is based on the difference in value between the convertible shares' accrued liquidation preference based on the minimum return entitlement; and the fair value of the common shares on an as converted basis.

This value is dependent on Bombardier Transportation segment meeting the performance incentives agreed upon with the CDPQ and the timing of exercise of the conversion rights and the applicable conversion rate.

The simulation model generates multiple Bombardier Transportation performance scenarios over the expected term of the option, using the best estimate of Bombardier Transportation's expected results over the remaining term of the instrument and a standard deviation derived from historic results.

Fair value of the shares on an as-converted basis is calculated using an EBIT multiple, which is based on market data, to determine the enterprise value. The discount rate used is also determined using market data. The Company uses internal assumptions to determine the term of the instrument and the future performance of Transportation, derived from the budget and strategic plan.

**Investment impairment** - Impairment of non-current assets is considered in accordance with IAS 36 Impairment of Assets. Where the asset does not generate cash flows that are independent of other assets, impairment is considered for the cash-generating unit to which the asset belongs. (Intangible assets not yet available for use are tested for impairment annually.) Other intangible assets, property, plant and equipment and investments are assessed for any indications of impairment annually. If any indication of impairment is identified, an impairment test is performed to estimate the recoverable amount.

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**Notes to the Financial Statements**

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**2.5. Use of estimates and judgement (continued)**

If the recoverable amount of an asset (or cash-generating unit) is estimated to be below the carrying value, the carrying value is reduced to the recoverable amount and the impairment loss recognised as an expense. The recoverable amount is the higher of value in use or fair value less costs to sell, if this is readily available. The value in use is the present value of future cash flows using a pre-tax discount rate that reflects the time value of money and the risk specific to the asset.

During the year, the Directors conducted an impairment test of its investments. The recoverable amount of the investments was calculated based on the net asset value of its immediate subsidiary undertaking, Bombardier Transportation (Global Holding) UK Limited as 31 December 2020. As a consequence, a charge for impairment amounting to €3,469,232,000 was recorded.

**2.6 Taxation**

Taxation, comprised of current and deferred tax, is charged or credited to the profit and loss account unless it relates to items in other comprehensive income or directly in equity. In such cases, the related tax is also recognised in other comprehensive income or directly in equity.

Current tax liabilities are measured at the amount expected to be paid, based on tax rates and laws that are enacted or substantively enacted at the balance sheet date. Deferred tax is accounted for using the balance sheet liability method and is calculated using rates of taxation enacted or substantively enacted at the balance sheet date which are expected to apply when the asset or liability is settled.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are only recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

**2.7 Exceptional items**

The Company presents as exceptional items those material items of income and expense which, because of the nature and expected infrequency of the events giving rise to them, merit separate presentation to allow shareholders to understand better the elements of financial performance in the year.

**2.8 Financial Assets and Liabilities****2.8.1 Financial assets**

Financial assets are recognised when the Company becomes party to the contracts that give rise to them and are classified as financial assets at fair value through profit or loss; or as loans and receivables, as appropriate. The Company determines the classification of its financial assets at initial recognition and re-evaluates this designation at each financial year-end.



**Bombardier Transportation (Investment) UK Limited****Directors' report, Strategic report and financial statements for the year ended 31 December 2020**


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**Notes to the Financial Statements**


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**2.8 Financial Assets and Liabilities (continued)**

All regular way purchases and sales of financial assets are recognised on the trade date, being the date that the Company commits to purchase or sell the asset. Regular way transactions require delivery of assets within the timeframe generally established by regulation or convention in the market place. The subsequent measurement of financial assets depends on their classification, as follows:

Financial assets classified as held for trading and other assets designated as such on inception are included in this category. Financial assets are classified as held for trading if they are acquired for sale in the short term. Derivatives are also classified as held for trading unless they are designated as hedging instruments. Financial assets are carried in the balance sheet at fair value with gains or losses recognised in the statement of profit or loss in other finance income/expense.

**2.8.2 Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, do not qualify as trading assets and have not been designated as either fair value through profit and loss or available for sale. Such assets are carried at amortised cost using the effective interest method if the time value of the money is significant. Gains and losses are recognised in income when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

**2.8.3 Financial liabilities**

Financial liabilities are recognised when the Company becomes party to the contracts that give rise to them and are classified as financial liabilities at fair value through profit or loss.

**3. Changes in accounting policies**

There have been no changes in the accounting policies during the year which impact the financial statements.

**4. Dividends**

There was no dividend income received during the year ended 31 December 2020 (2019: Nil).

**5. Changes in fair value**

|  | 2020           | 2019            |
|--|----------------|-----------------|
|  | €'000          | €'000           |
| Change in fair value of derivative liabilities | 256,000        | (15,600)        |
| <b>Total change in fair value</b>              | <b>256,000</b> | <b>(15,600)</b> |

Changes in fair value represents the movement in the fair value estimate of the derivative created from the convertible shares issued to CDPO.

**Bombardier Transportation (Investment) UK Limited**

**Directors' report, Strategic report and financial statements for the year ended 31 December 2020**




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**Notes to the Financial Statements**


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**6. Staff costs and directors' emoluments****a) Staff costs**

There are no staff nor staff costs in the Company, other than those Directors and Directors' emoluments per note 6b. The Directors are stated on page 1.

**b) Directors' emoluments**

|  | <b>2020</b>  | <b>2019</b>  |
|--|--------------|--------------|
|  | <b>€'000</b> | <b>€'000</b> |
| Aggregate emoluments in respect of qualifying services | <b>214</b>   | <b>148</b>   |

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The principal element of the Directors remuneration is borne by other group entities.

**7. Auditor remuneration**

|   | <b>2020</b>  | <b>2019</b>  |
|---|--------------|--------------|
|   | <b>€'000</b> | <b>€'000</b> |
| Fee payable to the company's auditors and their associates in respect of: |              |              |
| - Audit of the company's annual financial statements                      | <b>23</b>    | <b>23</b>    |
| <b>Total auditor remuneration</b>   | <b>23</b>    | <b>23</b>    |

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**8. Taxation****a) Analysis of taxation**

|  | <b>2020</b>  | <b>2019</b>  |
|--|--------------|--------------|
|  | <b>€'000</b> | <b>€'000</b> |
| Current income taxation:               |              |              |
| Current year tax credit                | <b>(4)</b>   | <b>(22)</b>  |
| Adjustments in respect of prior period | <b>-</b>     | <b>1</b>     |
| <b>Taxation on loss</b>                | <b>(4)</b>   | <b>(21)</b>  |

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**b) Reconciliation of the total tax credit**

|   |                    |                 |
|---|--------------------|-----------------|
| Loss before taxation  | <b>(3,213,253)</b> | <b>(15,738)</b> |
| Loss before taxation multiplied by standard rate of corporation taxation in the UK of 19.00% (2019: 19.00%) | <b>(610,518)</b>   | <b>(2,990)</b>  |
| <b>Effects of:</b>  |                    |                 |
| Investment impairment not deductible for taxation purposes  | <b>659,154</b>     | <b>-</b>        |
| (Income not Taxable)/Expenses not deductible for taxation purposes  | <b>(48,640)</b>    | <b>2,968</b>    |
| Adjustments in respect of prior period  | <b>-</b>           | <b>1</b>        |
| <b>Total tax credit for the year</b>  | <b>(4)</b>         | <b>(21)</b>     |

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On 12 March 2020 the Chancellor announced that the tax rate would remain at 19% from 1 April 2020, this change was substantively enacted on 17 March 2020. On 3 March 2021 the Chancellor announced that the rate would increase from 19% to 25% with effect from 1 April 2023. The increased tax rates announced were not substantively enacted at the year-end, and therefore has no impact on the tax liability recognised.

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**Bombardier Transportation (Investment) UK Limited**

**Directors' report, Strategic report and financial statements for the year ended 31 December 2020**




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**Notes to the Financial Statements**


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**9. Investments**

|                            | <b>Investments in subsidiary undertakings</b> | <b>Total</b>     |
|----------------------------|---|------------------|
|                            | <b>€'000</b>                                  | <b>€'000</b>     |
| <b>Cost</b>                |   |                  |
| At 31 December 2019        | 5,612,528                                     | 5,612,528        |
| Additions                  | 750,000                                       | 750,000          |
| <b>At 31 December 2020</b> | <b>6,362,528</b>                              | <b>6,362,528</b> |
| <b>Impairment</b>          |   |                  |
| At 31 December 2019        | -   | -                |
| Charged during the year    | 3,469,232                                     | 3,469,232        |
| <b>At 31 December 2020</b> | <b>3,469,232</b>                              | <b>3,469,232</b> |
| <b>Carrying amount</b>     |   |                  |
| At 31 December 2019        | 5,612,528                                     | 5,612,528        |
| <b>At 31 December 2020</b> | <b>2,893,296</b>                              | <b>2,893,296</b> |

**Changes to the value of investments in 2020:**

During the year the company made total capital injections of €750,000,000 into Bombardier Transportation (Global Holding) UK Limited in consideration for issuance of 75 ordinary share at €1 nominal value per share (total of €75) and €749,999,925 of share premium.

| <b>9. Investments</b>                                 |                                |                      |                    |                           |
|---|--------------------------------|----------------------|--------------------|---------------------------|
| <b>Name of company</b>                                | <b>Country of registration</b> | <b>Voting rights</b> | <b>Shares held</b> | <b>Nature of business</b> |
| <b>Investments directly held:</b>                     |                                |                      |                    |                           |
| Bombardier Transportation (Global Holding) UK Limited | UK                             | 100%                 | Ordinary           | Holding Company           |
| <b>Investments indirectly held:</b>                   |                                |                      |                    |                           |
| Bombardier Transportation Belgium NV                  | Belgium                        | 100%                 | Ordinary           | Trade and Finance         |
| Bombardier Transportation (Germany) S.L. & Co. KG     | Germany                        | 100%                 | Limited Partner    | Holding company           |
| Bombardier Transportation Global Holding SE           | Netherlands                    | 100%                 | Ordinary           | Holding company           |
| Bombardier European Investments, S.L.U.               | Spain                          | 100%                 | Ordinary           | Holding company           |
| Bombardier Transportation (Global) USA Inc.           | USA                            | 100%                 | Ordinary           | Holding company           |
| Bombardier USA LLC                                    | USA                            | 100%                 | Ordinary           | Holding company           |
| Bombardier Transportation Rail Argentina S.A.         | Argentina                      | 70%                  | Ordinary           | Local project support     |

**Bombardier Transportation (Investment) UK Limited****Directors' report, Strategic report and financial statements for the year ended 31 December 2020****Notes to the Financial Statements**

| <b>9. Investments</b>  |                                |                      |                    |   |
|--|--------------------------------|----------------------|--------------------|---|
| <b>Name of company</b>   | <b>Country of registration</b> | <b>Voting rights</b> | <b>Shares held</b> | <b>Nature of business</b>                                 |
| Bombardier Transportation (Customer Support) Australia Pty Ltd                     | Australia                      | 100%                 | Ordinary           | Operation and maintenance services                        |
| Bombardier Transportation Australia Pty Ltd  | Australia                      | 100%                 | Ordinary           | Design and supply of rail transit and signalling systems  |
| EDI Rail - Bombardier Transportation Pty Ltd                                       | Australia                      | 50%                  | Ordinary           | Local project support                                     |
| NGR Holding Company Pty Ltd.   | Australia                      | 10%                  | Ordinary           | Local project support                                     |
| Bombardier Rail Signalling Services Pty Ltd.                                       | Australia                      | 100%                 | Ordinary           | Design and supply of rail signalling systems              |
| Bombardier Transportation (V/Line) Australia Pty Ltd                               | Australia                      | 100%                 | Ordinary           | Maintenance and repair of equipment and rolling stock     |
| EDI Rail - Bombardier Transportation (Maintenance) Pty Limited                     | Australia                      | 50%                  | Ordinary           | Holding company   |
| NGR Project Company Pty Ltd.   | Australia                      | 10%                  | Ordinary           | Local project support                                     |
| V/Line Maintenance Pty Ltd   | Australia                      | 100%                 | Ordinary           | Maintenance and repair of equipment and rolling stock     |
| NGR Hold Trust   | Australia                      | 10%                  | Partnership Units  | Holding company   |
| NGR Project Trust  | Australia                      | 10%                  | Partnership Units  | Local project support                                     |
| Bombardier Transportation Austria GmbH   | Austria                        | 100%                 | Ordinary           | Manufacturing of light rail vehicles                      |
| RTA Rail Tec Arsenal Fahrzeugversuchsanlage GmbH                                   | Austria                        | 30%                  | Ordinary           | Operation of a test facility                              |
| Bombardier Transportation Brasil Ltda.   | Brazil                         | 100%                 | Ordinary           | Manufacture and servicing of rolling stock and equipment. |
| 10412767 Canada Inc.   | Canada                         | 100%                 | Ordinary           | Dormant company   |
| 10412805 Canada Inc.   | Canada                         | 100%                 | Ordinary           | Dormant company   |
| Bombardier TransEd GP Inc.   | Canada                         | 100%                 | Ordinary           | Local project support                                     |
| Bombardier TransEd GP Manitoba Inc.  | Canada                         | 100%                 | Ordinary           | Local project support                                     |
| Bombardier TransEd Holdings LP   | Canada                         | 100%                 | Ordinary           | Local project support                                     |
| Bombardier Transportation Canada Inc.  | Canada                         | 100%                 | Ordinary           | Operation, maintenance and servicing                      |
| Bombardier Transportation Canada Participation Inc.                                | Canada                         | 100%                 | Ordinary           | Holding company   |
| 10397962 Canada Inc.   | Canada                         | 100%                 | Ordinary           | Dormant company   |
| Bombardier Western Pacific Enterprises Electrical Installation General Partnership | Canada                         | 51%                  | Ordinary           | Electrical installation                                   |
| TransEd O&M Partners General Partnership   | Canada                         | 60%                  | Partnership Units  | Local project support                                     |
| TransEd Partners General Partnership   | Canada                         | 10%                  | Partnership Units  | Local project support                                     |
| Bombardier Transportation (Management) Canada Inc.                                 | Canada                         | 100%                 | Ordinary           | Holding company   |
| Bombardier Transportation (Capital) Canada Inc.                                    | Canada                         | 100%                 | Ordinary           | Holding company   |
| Bombardier Transportation Treasury Canada Inc.                                     | Canada                         | 100%                 | Ordinary           | Group Treasury Company                                    |
| Bombardier Transportation (Chile) S.A.   | Chile                          | 100%                 | Ordinary           | Local project support                                     |
| Bombardier Investment Management and Consulting (Beijing) Co., Limited             | China                          | 100%                 | Ordinary           | Holding company   |

**Bombardier Transportation (Investment) UK Limited**

**Directors' report, Strategic report and financial statements for the year ended 31 December 2020**

**Notes to the Financial Statements**

| <b>9. Investments</b>   |                                |                      |                    |  |
|---|--------------------------------|----------------------|--------------------|--|
| <b>Name of company</b>  | <b>Country of registration</b> | <b>Voting rights</b> | <b>Shares held</b> | <b>Nature of business</b>  |
| Bombardier NUG Propulsion System Co. Ltd.   | China                          | 50%                  | Ordinary           | Manufacture, sales and servicing of propulsion drive and control systems |
| Bombardier NUG Signalling Solutions Company Limited   | China                          | 50%                  | Ordinary           | Design, manufacture and installation of signalling control systems       |
| Bombardier Railway Transportation Equipment (Shanghai) Co., Ltd.                                  | China                          | 100%                 | Ordinary           | Maintenance and servicing  |
| Bombardier Sifang (Qingdao) Transportation Ltd.   | China                          | 50%                  | Ordinary           | Vehicle design, manufacture, sales and servicing.                        |
| Bombardier Transportation (Engineering Service) Beijing Co., Ltd.                                 | China                          | 100%                 | Ordinary           | Technology development, consultancy and training services.               |
| Bombardier Transportation China Ltd.  | China                          | 100%                 | Ordinary           | Local project support  |
| Bombardier Transportation Consulting (Shanghai) Co., Ltd.   | China                          | 100%                 | Ordinary           | Consultancy services   |
| *Bombardier Transportation Equipment (Suzhou) Co., Ltd.   | China                          | 50%                  | Ordinary           | Design and manufacture of traction motors                                |
| Bombardier Transportation Railway Equipment (Qingdao) Co., Ltd.                                   | China                          | 100%                 | Ordinary           | Manufacture and sale of parts and equipment                              |
| Changchun Bombardier Railway Vehicles Company Ltd.  | China                          | 50%                  | Ordinary           | Vehicle design, manufacture, sales and servicing.                        |
| CRRC Puzhen Bombardier Transportation Systems Limited   | China                          | 50%                  | Ordinary           | Manufacture and servicing of rolling stock and equipment.                |
| Shentong Bombardier (Shanghai) Rail Transit Vehicle Maintenance Company Limited                   | China                          | 50%                  | Ordinary           | Maintenance and servicing  |
| Bombardier Transportation Colombia SAS  | Colombia                       | 100%                 | Ordinary           | Local Project Support  |
| Bombardier Transportation Czech Republic a.s.   | Czech Republic                 | 98%                  | Ordinary           | Carbody manufacturing  |
| Bombardier Transportation Denmark A/S   | Denmark                        | 100%                 | Ordinary           | Rail control solutions and services                                      |
| Bombardier Transportation Gulf DMCC   | Dubai - UAE                    | 100%                 | Ordinary           | Regional hubco providing project support                                 |
| Bombardier Transportation Gulf LLC  | Dubai - UAE                    | 100%                 | Ordinary           | Regional hubco providing project support                                 |
| Bombardier Transportation Egypt, LLC  | Egypt                          | 100%                 | Ordinary           | Manufacture and servicing of rolling stock and equipment.                |
| Bombardier Transportation Ethiopia PLC.   | Ethiopia                       | 100%                 | Ordinary           | Local project support  |
| Bombardier Transportation Finland Oy  | Finland                        | 100%                 | Ordinary           | Rail control solutions   |
| Bombardier Transport France S.A.S.  | France                         | 100%                 | Ordinary           | Vehicle engineering and manufacture                                      |
| Centre d'Essais Ferroviaires en Région Nord -Pas-de-Calais (C.E.F) S.A.                           | France                         | 1%                   | Ordinary           | Technological services   |
| France Metro Caracas (FRAMECA) S.A.   | France                         | 7%                   | Ordinary           | Technological services   |
| Valutec S.A.  | France                         | 1%                   | Ordinary           | Technological services   |
| Société Concessionnaire du Transport sur Voie Réservée de l'Agglomération Caennaise (S.T.V.R) S.A | France                         | 32%                  | Ordinary           | Passenger transportation   |

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| <b>9. Investments</b>   |                                |                      |                    |  |
|---|--------------------------------|----------------------|--------------------|--|
| <b>Name of company</b>  | <b>Country of registration</b> | <b>Voting rights</b> | <b>Shares held</b> | <b>Nature of business</b>                                  |
| Société d'économie mixte locale Le Phénix Théâtre de Valenciennes S.A | France                         | 0%                   | Ordinary           | Performing Arts  |
| Bombardier Transportation (Bahntechnologie) Holding Germany GmbH      | Germany                        | 100%                 | Ordinary           | Holding company  |
| Bombardier Transportation (Propulsion & Controls) Germany GmbH        | Germany                        | 100%                 | Ordinary           | Design, manufacture and distribution of drive systems.     |
| Bombardier Transportation Signal Germany GmbH                         | Germany                        | 100%                 | Ordinary           | Rail control solutions                                     |
| Partner für Berlin Holding Gesellschaft für Hauptstadt-Marketing mbH  | Germany                        | 1%                   | Ordinary           | Local project support                                      |
| Bombardier Transportation (Locomotives) Germany GmbH                  | Germany                        | 100%                 | Ordinary           | Development, production and sale of vehicles and equipment |
| Bombardier Transportation GmbH  | Germany                        | 100%                 | Ordinary           | Design, manufacture and installation of equipment          |
| IFB Institut für Bahntechnik GmbH                                     | Germany                        | 13%                  | Ordinary           | Consultancy services                                       |
| InoSig GmbH   | Germany                        | 50%                  | Ordinary           | Rail control solutions                                     |
| Bombardier Transportation Hungary kft.                                | Hungary                        | 100%                 | Ordinary           | Manufacturing  |
| Bombardier Transportation India Private Limited                       | India                          | 100%                 | Ordinary           | Engineering and manufacturing                              |
| Bombardier Transportation Israel Ltd.                                 | Israel                         | 100%                 | Ordinary           | Local project support                                      |
| Bombardier Transportation (Holdings) Italy S.p.A.                     | Italy                          | 100%                 | Ordinary           | Holding company  |
| Bombardier Transportation Italy S.p.A.                                | Italy                          | 100%                 | Ordinary           | Vehicle design, manufacture, sales and servicing.          |
| Bombardier Saudi Arabia Ltd.  | Kingdom of Saudi Arabia        | 100%                 | Ordinary           | To perform local work on Saudi contracts                   |
| Bombardier Transportation Baltics SIA                                 | Latvia                         | 100%                 | Ordinary           | Development, manufacture and sale of signalling systems    |
| Bombardier Transportation Luxembourg Finance S.A.                     | Luxembourg                     | 100%                 | Ordinary           | Holding company  |
| Bombardier Transportation Luxembourg Investments S.A.                 | Luxembourg                     | 100%                 | Ordinary           | Holding company  |
| Bombardier Transportation Financial Services S.à r.l.                 | Luxembourg                     | 100%                 | Ordinary           | Group treasury company                                     |
| Bombardier Transportation Luxembourg Capital S.à r.l.                 | Luxembourg                     | 100%                 | Ordinary           | Holding company  |
| Bombardier (Malaysia) Sdn. Bhd.                                       | Malaysia                       | 100%                 | Ordinary           | Local project support                                      |
| Bombardier (Mauritius) Ltd.   | Mauritius                      | 100%                 | Ordinary           | Local project support                                      |
| Bombardier Holding (Mauritius) Ltd.                                   | Mauritius                      | 100%                 | Ordinary           | Holding company  |
| Bombardier Transportation Mexico, S.A. de C.V.                        | Mexico                         | 100%                 | Ordinary           | Vehicle manufacture  |
| BT Ensembles México, S. de R.L. de C.V.                               | Mexico                         | 100%                 | Ordinary           | Manufacturing and maintenance services                     |
| BT México Controladora, S. de R.L. de C.V.                            | Mexico                         | 100%                 | Ordinary           | Holding company  |
| BT Personal México, S. de R.L. de C.V.                                | Mexico                         | 100%                 | Ordinary           | Management of personnel                                    |
| Bombardier Transport Maroc S.A.S                                      | Morocco                        | 100%                 | Ordinary           | Production and servicing of equipment                      |

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| <b>9. Investments</b>   |                                |                      |                    |  |
|---|--------------------------------|----------------------|--------------------|--|
| <b>Name of company</b>  | <b>Country of registration</b> | <b>Voting rights</b> | <b>Shares held</b> | <b>Nature of business</b>  |
| Bombardier Holdings Netherlands B.V.  | Netherlands                    | 100%                 | Ordinary           | Holding company  |
| Bombardier Transportation (Participations) Netherlands B.V.                     | Netherlands                    | 100%                 | Ordinary           | Holding company  |
| Bombardier Transportation Netherlands B.V.                                      | Netherlands                    | 100%                 | Ordinary           | Rail control solutions   |
| Bombardier Transportation Norway AS   | Norway                         | 100%                 | Ordinary           | Rail control solutions   |
| Bombardier Transportation (Shared Services) Philippines, Inc.                   | Philippines                    | 100%                 | Ordinary           | Finance shared service centre  |
| Bombardier Transportation Philippines, Inc.                                     | Philippines                    | 100%                 | Ordinary           | Vehicle and equipment design, manufacture, sales and servicing.      |
| Bombardier Transportation (Rail Engineering) Polska Sp. z o.o.                  | Poland                         | 60%                  | Ordinary           | Rail control solutions   |
| Bombardier Transportation (ZWUS) Polska Sp. z o.o.                              | Poland                         | 100%                 | Ordinary           | Rail control solutions   |
| Bombardier Transportation Polska Sp. Z o.o.                                     | Poland                         | 100%                 | Ordinary           | Carbody manufacturing  |
| Krakowskie Zaklady Automatyki S. A.   | Poland                         | 12%                  | Ordinary           | Rail engineering   |
| Bombardier Transportation Portugal S.A.   | Portugal                       | 100%                 | Ordinary           | Local project support  |
| Normetro ACE Agrupamento do Metropolitano do Porto                              | Portugal                       | 25%                  | Ordinary           | Local project support  |
| Bombardier Transportation Shared Services Romania S.R.L.                        | Romania                        | 100%                 | Ordinary           | Administrative shared service centre                                 |
| First Locomotive Company LLC  | Russian federation             | 15%                  | Ordinary           | Manufacture of rolling stock   |
| Limited Liability Company Bombardier Transportation (Rus)                       | Russian federation             | 100%                 | Ordinary           | Design, manufacture, sales and marketing of vehicles and equipment.  |
| Bombardier Transportation (Holdings) Singapore Pte. Ltd.                        | Singapore                      | 100%                 | Ordinary           | Design, installation, operation and maintenance of transport systems |
| Bombardier (Singapore) Pte. Ltd.  | Singapore                      | 100%                 | Ordinary           | Design, installation, operation and maintenance of transport systems |
| Bombardier Transportation (Rolling Stock) South Africa Proprietary Limited (RF) | South Africa                   | 100%                 | Ordinary           | Dormant company  |
| Bombardier Transportation South Africa (Pty.) Ltd.                              | South Africa                   | 74%                  | Ordinary           | Local project support  |
| Bombela Electrical and Mechanical Works (Pty) Ltd.                              | South Africa                   | 90%                  | Ordinary           | Design, manufacture and installation of railway components           |
| Bombela Maintenance (Pty) Ltd.  | South Africa                   | 90%                  | Ordinary           | Maintenance and repair of rolling stock                              |
| Bombela TKC (Proprietary) Limited   | South Africa                   | 25%                  | Ordinary           | Rail system delivery management                                      |
| Isithimela Rail Services (Pty) Ltd  | South Africa                   | 50%                  | Ordinary           | Construction of track works  |

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| <b>9. Investments</b>                                  |                                |                      |  |   |
|--|--------------------------------|----------------------|--|---|
| <b>Name of company</b>                                 | <b>Country of registration</b> | <b>Voting rights</b> | <b>Shares held</b>                       | <b>Nature of business</b>   |
| Bombardier Transportation Korea Ltd.                   | South Korea                    | 100%                 | Ordinary                                 | Product sales and servicing   |
| Bombardier European Holdings, S.L.U.                   | Spain                          | 100%                 | Ordinary                                 | Engineering and manufacturing   |
| Bombardier Transportation (Investments) Spain, S.L.    | Spain                          | 100%                 | Ordinary                                 | Holding company   |
| Bombardier Transportation (Participations) Spain, S.L. | Spain                          | 100%                 | Ordinary                                 | Holding company   |
| BTREN Mantenimiento Ferroviario S.A.                   | Spain                          | 51%                  | Ordinary                                 | Local project support   |
| Bombardier Transportation (Nordic Holdings) Sweden AB  | Sweden                         | 100%                 | Ordinary                                 | Holding company   |
| Bombardier Transportation (Signal) Sweden AB           | Sweden                         | 100%                 | Ordinary                                 | Rail control solutions  |
| Bombardier Transportation (Signal) Sweden HB           | Sweden                         | 67%                  | General Partner                          | Rail control solutions  |
| Bombardier Transportation Sweden AB                    | Sweden                         | 100%                 | Ordinary                                 | Engineering and manufacturing   |
| BA (Holdings) Sweden AB                                | Sweden                         | 100%                 | Ordinary                                 | Holding company   |
| Bombardier Transportation (Holdings) Switzerland AG    | Switzerland                    | 100%                 | Ordinary                                 | Holding company   |
| Bombardier Transportation (Switzerland) AG             | Switzerland                    | 100%                 | Ordinary                                 | Engineering and manufacturing   |
| Consenec AG  | Switzerland                    | 5%                   | Ordinary                                 | Consultancy and management services   |
| First Locomotive Holding AG                            | Switzerland                    | 15%                  | Ordinary                                 | Holding company   |
| Bombardier Transportation Taiwan Ltd.                  | Taiwan                         | 100%                 | Ordinary                                 | Parts and servicing   |
| Bombardier Transportation Holdings (Thailand) Ltd.     | Thailand                       | 100%                 | Ordinary Preference                      | Regional hubco providing project support                                    |
| Bombardier Transportation Signal (Thailand) Ltd.       | Thailand                       | 100%                 | Ordinary Preference                      | Design, manufacture and installation of signalling control systems          |
| Bombardier Transportation Ulasim Dis Ticaret Ltd. Sti. | Turkey                         | 100%                 | Ordinary                                 | Local project support   |
| Bombardier Transportation (Gautrain) UK Ltd.           | UK                             | 100%                 | Ordinary                                 | Provision of infrastructure and rolling stock                               |
| Bombardier Transportation (Holdings) UK Ltd.           | UK                             | 100%                 | Ordinary Redeemable, Ordinary Preference | Holding company   |
| Bombardier Transportation (Rolling Stock) UK Ltd.      | UK                             | 100%                 | Ordinary                                 | Maintenance and repair of rolling stock                                     |
| Bombardier Transportation (Signal) UK Ltd.             | UK                             | 100%                 | Ordinary                                 | Dormant company   |
| Bombardier Transportation UK Ltd.                      | UK                             | 100%                 | Ordinary                                 | Design, manufacture and maintenance of rolling stock and signalling systems |
| Bombardier Transportation UK Pension Trustee Limited   | UK                             | 100%                 | Ordinary                                 | Corporate pension trustee   |



**Bombardier Transportation (Investment) UK Limited**

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**Notes to the Financial Statements**

| <b>9. Investments</b>  |                                |                      |                     |  |
|--|--------------------------------|----------------------|---------------------|--|
| <b>Name of company</b>                                       | <b>Country of registration</b> | <b>Voting rights</b> | <b>Shares held</b>  | <b>Nature of business</b>                              |
| Bombardier Transportation VP Pension Trustee Limited         | UK                             | 100%                 | Ordinary            | Corporate pension trustee                              |
| Crossfleet Limited   | UK                             | 100%                 | Ordinary            | Provision of infrastructure and rolling stock          |
| Infrasig Ltd.  | UK                             | 100%                 | Ordinary            | Vehicle to perform work under ETCS framework agreement |
| Prorail Limited  | UK                             | 100%                 | Ordinary            | Dormant company  |
| SETML Transportation Limited                                 | UK                             | 100%                 | Ordinary            | Dormant company  |
| South Eastern Train Maintenance Ltd.                         | UK                             | 100%                 | Ordinary            | Maintenance and repair of rolling stock                |
| WhereIsMyTransport Ltd                                       | UK                             | 2%                   | Ordinary Preference | Business and domestic software development             |
| Bombardier Transportation Ukraine, Limited Liability Company | Ukraine                        | 100%                 | Ordinary            | Engineering services                                   |
| Bombardier Transit Corporation                               | USA                            | 100%                 | Ordinary            | Sales and marketing                                    |
| Bombardier Transportation (Holdings) USA Inc.                | USA                            | 100%                 | Ordinary            | Holding company  |
| Bombardier Transportation Capital USA LLC                    | USA                            | 100%                 | Ordinary            | Holding company  |
| Bombardier Transportation Investments USA LLC                | USA                            | 100%                 | Ordinary            | Holding company  |
| Auburn Technology, Inc.                                      | USA                            | 100%                 | Ordinary            | Component assembly                                     |
| Bombardier Mass Transit Corporation                          | USA                            | 100%                 | Ordinary            | Manufacturing of mass vehicle transit systems          |
| Bombardier Transit Systems Corporation                       | USA                            | 100%                 | Ordinary            | Servicing  |
| Bombardier Transportation Monorail Systems, Inc.             | USA                            | 100%                 | Ordinary            | Sales and maintenance                                  |
| Bombardier Transportation Services USA Corporation           | USA                            | 100%                 | Ordinary            | Equipment maintenance                                  |
| Massachusetts Bay Commuter Railroad Company, LLC             | USA                            | 20%                  | Ordinary            | Local project support                                  |
| Southern New Jersey Rail Group L.L.C.                        | USA                            | 100%                 | Ordinary            | Local project support                                  |
| LAX Integrated Express Solutions Holdco, LLC                 | USA                            | 10%                  | Ordinary            | Holding Company  |
| LAX Integrated Express Solutions, LLC                        | USA                            | 10%                  | Ordinary            | Local project support                                  |

**10. Debtors**

|                                    | <b>2020</b>  | <b>2019</b>  |
|------------------------------------|--------------|--------------|
|                                    | <b>€'000</b> | <b>€'000</b> |
| <b>Debtors due within one year</b> |              |              |
| Amounts owed by Group undertakings | <b>12</b>    | <b>12</b>    |
| Group relief receivable            | <b>87</b>    | <b>82</b>    |
| <b>Total debtors</b>               | <b>99</b>    | <b>94</b>    |

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|   | 2020<br>€'000 | 2019<br>€'000  |
|---|---------------|----------------|
| <b>a) Creditors due within one year</b> |               |                |
| Amounts owed to Group undertakings      | -             | 18             |
| Accruals and deferred income            | 133           | 114            |
|   | 133           | 132            |
| <b>b) Creditors due after one year</b>  |               |                |
| Derivative financial liabilities        | 33,600        | 289,600        |
|   | 33,600        | 289,600        |
| <b>Total creditors</b>                  | <b>33,733</b> | <b>289,732</b> |

**12. Share capital**

|  | 2020<br>No.      | 2020<br>€'000 | 2019<br>No.      | 2019<br>€'000 |
|--|------------------|---------------|------------------|---------------|
| <b>Authorised, Allotted, called up and fully paid:</b> |                  |               |                  |               |
| Ordinary shares of €0.01 each                          | 1,400,770        | 14            | 1,400,770        | 14            |
| Class B redeemable shares of €0.01 each                | 40               | -             | -                | -             |
| Convertible shares of €0.01 each                       | 600,365          | 6             | 600,330          | 6             |
| <b>Total share capital</b>                             | <b>2,001,175</b> | <b>20</b>     | <b>2,001,100</b> | <b>20</b>     |

The company has received total capital contributions totalling €750 million from CDPQ (€210 million on 31 March 2020), BT Rail I S.E.C. (€70 million on 31 March 2020), BT Rail II S.E.C. (€70 million on 31 March 2020) and Bombardier Holding UK Limited (€300 million on 26 June 2020 and €100 million on 11 September 2020) for which it has issued 35 convertible shares and 40 class B redeemable ordinary shares. Convertible shares have been issued to CDPQ (31 March 2020: 21 shares), BT Rail I S.E.C. (7 shares) and BT Rail II S.E.C. (7 shares) whilst class B redeemable shares have been issued to Bombardier Holding UK Limited (26 June 2020: 30 shares and 11 September 2020: 10 shares).

The terms of the Class B redeemable shares are as follows:

- i) the Company may redeem the redeemable ordinary shares at any time following a minimum of three months' notice period to the holders of the redeemable ordinary shares;
- ii) upon the redemption date, the holders of the redeemable ordinary shares shall deliver the certificates for the shares to the Company's registered office, in exchange for the amount due to said holders;
- iii) the amount redeemable on each share shall be the amount paid, including any premium; and
- iv) the receipt, by the holders of the redeemable ordinary shares, of the amount payable on redemption shall constitute an absolute discharge to the Company in respect of such redemption.

Subsequent to the capital contributions made in 2020, the equity ownership percentage of Bombardier Inc. and of CDPQ in Bombardier Transportation Division as at 31 December 2020 is 65.88% and 34.12% respectively.

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|   | Share capital<br>account<br>€'000 | Share premium<br>account<br>€'000 | Unrealised<br>loss<br>€'000 | Profit and loss<br>account<br>€'000 | Total<br>€'000   |
|---|-----------------------------------|-----------------------------------|-----------------------------|-------------------------------------|------------------|
| <b>As at 31 December 2018</b>                       | <b>20</b>                         | <b>4,856,038</b>                  | <b>(167,503)</b>            | <b>502,563</b>                      | <b>5,191,118</b> |
| Issue of share capital and associated share premium | -                                 | 150,000                           | -                           | -                                   | 150,000          |
| Loss for the year after taxation                    | -                                 | -                                 | (15,600)                    | (117)                               | (15,717)         |
| <b>As at 31 December 2019</b>                       | <b>20</b>                         | <b>5,006,038</b>                  | <b>(183,103)</b>            | <b>502,446</b>                      | <b>5,325,401</b> |
| Issue of share capital and associated share premium | -                                 | 750,000                           | -                           | -                                   | 750,000          |
| Loss for the year after taxation                    | -                                 | -                                 | 256,000                     | (3,469,249)                         | (3,213,249)      |
| <b>As at 31 December 2020</b>                       | <b>20</b>                         | <b>5,756,038</b>                  | <b>72,897</b>               | <b>(2,966,803)</b>                  | <b>2,862,152</b> |

The total cumulative unrealised and realised gains and losses in the profit and loss account for the year ended 31 December 2020 is a loss of €2,893,906,000 (2019: gain of €319,343,000). The convertible shares issued to CDPQ in 2016 contain no obligation for the Company to deliver cash or other financial assets to CDPQ. Judgement was used to conclude that the CDPQ's convertible share investment in the company is considered a compound instrument comprised of an equity component, representing the discretionary dividends and liquidation preference, and a liability component that reflects a derivative to settle the instrument by delivering a variable number of common shares of the Company, as opposed to the entire instrument being characterised as a liability. The Company presents convertible shares in its equity and derivative component as a liability. Transaction costs in relation to the convertible share instrument calculated at 1% of the original derivative value were reclassified from profit and loss account to share premium account.

During 2020 shareholders of the Company passed three resolutions to increase share capital. The following total additional shares were allotted with a share premium of €750,000,000:

- 40 B Redeemable shares with a par value of €0.40 ;and
- 35 convertible shares with a par value €0.35.

Revised Statements of Capital (Share Capital) were filed with Companies House on 30 March 2020; 26 June 2020 and 11 September 2020 accordingly.

**14. Dividends**

No dividends were paid during the financial year (2019: Nil).

**15. Events since the balance sheet date**

On 29 January 2021, Bombardier Inc., previously the company's ultimate parent undertaking closed the sale of its Transportation Business, which includes ownership of this Company, to Alstom Holdings SA.

On 8 June 2021, the Company converted 40 B Redeemable shares of EUR 0.01 each to 40 Ordinary B shares of EUR 0.01 each and converted 600,365 convertible shares of EUR 0.01 each to 600,365 Ordinary B shares of EUR 0.01 each.

**Bombardier Transportation (Investment) UK Limited**

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**Notes to the Financial Statements**

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**16. Related parties**

The Company has not disclosed transactions with other wholly owned group companies, as it has taken advantage of the exemption conferred by Financial Reporting Standard No. 101.

**17. Parent company**

At the balance sheet date, the Company's immediate parent company was Bombardier UK Holding Limited which is incorporated in the UK. From 29 January 2021, the Company's immediate parent company is ALSTOM Holdings SA which is incorporated in France.

Until 29 January 2021, the Company's ultimate parent company and controlling party was Bombardier Inc., which is incorporated in Canada and which is both the smallest and the largest group of undertakings for which group accounts are drawn up and of which the Group is a member. Group accounts for Bombardier Inc. for the year ended 31 December 2020 are available from Corporate Office, 800 Rene-Levesque Blvd, West Montreal, Quebec, Canada H2B 1YB.

Subsequent to this date, the company's ultimate parent undertaking and ultimate controlling party is ALSTOM SA, a company incorporated in France. Its address is 48, rue Albert Dhalenne, 93842 Saint-Ouen, France.