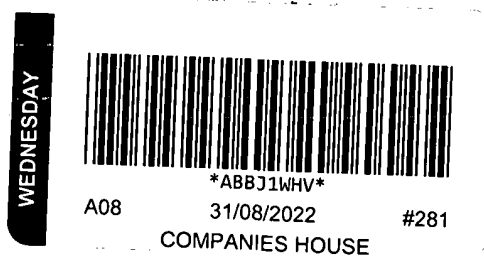


Phoenix Oil & Marine Limited
Annual report and financial statements
Registered number 04012370
31 December 2021



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Strategic report

The directors present the strategic report on the company for the year ended 31 December 2021.

Principal activities

The principal activity of the company is that of a holding company. The principal activity of the subsidiary undertaking, Dunlop Oil & Marine Limited, is the manufacture and sale of oil and marine hoses and associated equipment to a worldwide market.

Review of the business

Due to the nature of the company, financial key performance indicators are not used by the directors.

Principal risks and uncertainties

The principal risks and uncertainties affecting the company are the ability to service the inter-company loan and the carrying value of the investment in its subsidiary. These risks are closely monitored and, where appropriate and practical, the directors take steps to minimise the effects of these risks.

Future developments

Due to the nature of the company, no changes arising from future developments are anticipated.

Section 172(1) statement

The Directors of the company act in a way that considers and promotes the success of the company, and its subsidiary, in line with the requirements of s172 of the Companies Act 2006. This is done in good faith, to benefit its members as a whole.

When making decisions, the Directors take into consideration that the company is an intermediate parent holding company and consider all its stakeholders and the wider impacts of such decisions, including the impact upon its subsidiary company.

On behalf of the board



Peter Krofchak
Director

Moody Lane
Pyewipe
Grimsby
North East Lincolnshire
DN31 2SY

26 August 2022

Directors' report

The directors present the annual report and the audited financial statements of the company for the year ended 31 December 2021.

Results and proposed dividend

The profit and loss account is set out on page 7 and shows a loss for the year. The directors do not recommend the payment of a dividend (2020: £nil).

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements were:

Andreas Qual
Peter Krofchak

The directors did not have any beneficial interest in the share capital of the company.

Political contributions

The company made no political donations or incurred any political expenditure during the year.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, 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 of 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;
- state whether applicable United Kingdom accounting standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also 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.

Greenhouse gas emissions and energy consumption

As the company is an intermediary holding company, it did not consume any energy or generate any greenhouse gas emissions.

Directors' report *(continued)*

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirms that, so far as they are aware, there is no relevant audit information of which the Company's auditors are unaware; and the directors have taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent auditors

Following a competitive tender process PricewaterhouseCoopers LLP have been appointed to succeed KPMG LLP. Pursuant to section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and PricewaterhouseCoopers LLP will therefore continue in office.

On behalf of the board



Peter Krofchak
Director

Moody Lane
Pyewipe
Grimsby
North East Lincolnshire
DN31 2SY

26 August 2022

Independent auditors' report to the members of Phoenix Oil & Marine Limited

Report on the audit of the financial statements

Opinion

In our opinion, Phoenix Oil & Marine Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: Balance sheet as at 31 December 2021; Profit and loss account, Statement of comprehensive income and Statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Independent auditors' report to the members of Phoenix Oil & Marine Limited *(continued)*

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to taxation legislations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to reduce losses and amount payable to group undertakings and the manipulation of accounting estimates and judgements which could be subject to management bias. Audit procedures performed by the engagement team included:

- Discussions with management, including considerations of known or suspected instances of non-compliance with laws and regulations.
- Reviewing assumptions and judgments made by management on impairment of investment in subsidiary including challenging possible alternatives.

Independent auditors' report to the members of Phoenix Oil & Marine Limited
(continued)

- Identifying and testing journal entries relating to unusual account combinations, entries posted by unusual users, and entries including specific words.
- obtained an understanding of the control environment to prevent and detect irregularities and fraud.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Sarah O'Donnell (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham
26 August 2022

Profit and loss account
for the year ended 31 December 2021

	<i>Note</i>	2021 £000	2020 £000
Turnover		-	-
Administrative expenses		-	-
		<hr/>	<hr/>
Operating result	3	-	-
Interest payable and similar expenses	4	(32)	(39)
		<hr/>	<hr/>
Loss before taxation		(32)	(39)
Tax on loss	5	6	8
		<hr/>	<hr/>
Loss for the financial year	10	(26)	(31)
		<hr/>	<hr/>

All results are derived from continuing activities.

Statement of comprehensive income
for the year ended 31 December 2021

	<i>Note</i>	2021 £000	2020 £000
Loss for the year	10	(26)	(31)
		<hr/>	<hr/>
Other comprehensive income for the year, net of income tax		-	-
		<hr/>	<hr/>
Total comprehensive expense for the year	10	(26)	(31)
		<hr/>	<hr/>

The notes on pages 10 to 13 form part of these financial statements.

Balance sheet
at 31 December 2021

	<i>Note</i>	2021 £000	2020 £000
Fixed assets			
Investments	6	20,056	20,056
Current assets			
Debtors	7	6	8
Creditors: amounts falling due within one year	8	(5,716)	(5,692)
Net current liabilities		(5,710)	(5,684)
Total assets less current liabilities		14,346	14,372
Net assets		14,346	14,372
Capital and reserves			
Called up share capital	9	17,000	17,000
Profit and loss account		(2,654)	(2,628)
Total shareholders' funds		14,346	14,372

The financial statements on pages 7 to 13 were approved by the Board of Directors on 26 August 2022 and were signed on its behalf by:



Peter Krofchak
Director



Andreas Qual
Director

Company registered number: 04012370

Statement of changes in equity

	Called up Share capital £000	Profit and loss account £000	Total equity £000
Balance at 1 January 2020	17,000	(2,597)	14,403
Total comprehensive expense for the year			
Loss for the year	-	(31)	(31)
Other comprehensive income	-	-	-
	<hr/>	<hr/>	<hr/>
Total comprehensive expense for the year	-	(31)	(31)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2020	17,000	(2,628)	14,372
	<hr/>	<hr/>	<hr/>

	Called up share capital £000	Profit and loss account £000	Total equity £000
Balance at 1 January 2021	17,000	(2,628)	14,372
Total comprehensive expense for the year			
Loss for the year	-	(26)	(26)
Other comprehensive income	-	-	-
	<hr/>	<hr/>	<hr/>
Total comprehensive expense for the year	-	(26)	(26)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2021	17,000	(2,654)	14,346
	<hr/>	<hr/>	<hr/>

Notes

(forming part of the financial statements)

1 Accounting policies

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

Basis of preparation

Phoenix Oil & Marine Limited (the "Company") is a private company, limited by shares, incorporated and domiciled in the UK.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of international accounting standards in conformity with the requirements of the Companies Act 2006 ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company's ultimate parent undertaking, Continental AG, includes the Company in its consolidated financial statements. The consolidated financial statements of Continental AG are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Vahrenwalder Strasse 9, D-30165, Hannover, Germany.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A Cash Flow Statement and related notes;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel; and
- Disclosures of transactions with a management entity that provides key management personnel services to the company.

As the consolidated financial statements of Continental AG include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- IFRS 2 *Share Based Payments* in respect of group settled share based payments;
- Certain disclosures required by IFRS 3 *Business Combinations* in respect of business combinations undertaken by the Company; and
- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures*.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

The financial statements are prepared in Sterling and rounded to the nearest thousand, unless otherwise stated.

Notes (continued)

1 Accounting policies (continued)

Change in accounting policy

No changes to accounting policies were made in the year and there are no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2021 that have had a material impact on the company's financial statements.

Measurement convention

The financial statements are prepared on the historical cost basis. Non-current assets are stated at the lower of previous carrying amount and fair value less costs to sell.

Going concern

Notwithstanding net current liabilities of £5,710,000 as at 31 December 2021, and a loss for the year then ended of £26,000 the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds, through funding from its ultimate parent company, Continental AG, to meet its liabilities as they fall due for that period.

The company's ultimate parent company, Continental AG has indicated that it will provide financial and other support to the company to the extent necessary to enable the company to pay its liabilities as and when they fall due. Continental AG has indicated it will provide this financial and other support for the period of at least 12 months from the date of signing of these financial statements. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Foreign currency

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

Notes (continued)

1 Accounting policies (continued)

Taxation (continued)

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Investments

Investments held as fixed assets are stated at cost less any provision for impairment.

2 Information regarding directors and employees

No director received any emoluments during the current year (2020: £nil).

The average number of employees (including directors) during the year was nil (2020: nil).

3 Operating result

The auditors' remuneration of £1,281 (2020: £1,200) was borne by its subsidiary undertaking in the current and previous years.

4 Interest payable and similar expenses

	2021 £000	2020 £000
Loan from group undertakings	32	39

5 Tax on loss

The tax assessed for the year is equal to the standard rate of corporate tax in the UK of 19.00% (2020: 19.00%).

The tax credit comprises:

	2021 £000	2020 £000
Group relief	6	8

6 Investments

The Company has the following investment in subsidiaries:

	Group undertakings £000
Cost	
At 1 January 2021 and 31 December 2021	20,056
Net book value	
At 31 December 2020 and 31 December 2021	20,056

	Country of Incorporation	Class of shares held	Ownership 2021	Ownership 2020
Dunlop Oil & Marine Limited	England	Ordinary	100%	100%
Moody Lane, Pyewipe, Grimsby, DN31 2SY				

Notes (continued)

7 Debtors

	2021 £000	2020 £000
Amounts owed by group undertakings	6	8

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

8 Creditors: amounts falling due within one year

	2021 £000	2020 £000
Amounts payable to group undertakings	5,716	5,692

Amounts payable to group undertakings are unsecured, interest bearing at 0.55% (2020: 0.55%), have no fixed date of repayment and are repayable on demand.

9 Called up share capital

	2021 £000	2020 £000
<i>Authorised</i>		
20,000,000 Ordinary shares of £1 each	20,000	20,000
<i>Allotted, called up and fully paid</i>		
17,000,000 of £1 each	17,000	17,000

10 Ultimate parent company

The Company is a subsidiary undertaking of ContiTech Global Holdings Netherlands B.V. which is the parent company incorporated in The Netherlands. The ultimate parent undertaking is Continental AG which is incorporated in Germany.

The largest group in which the results of the Company are consolidated is that headed by Continental AG, incorporated in Germany. The consolidated financial statements of Continental AG are available to the public and may be obtained from Vahrenwalder Strasse 9, D-30165, Hanover, Germany.