Registered number: 00203555

JOHNSON & JOHNSON MANAGEMENT LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 2 JANUARY 2022

CONTENTS

COMPANY INFORMATION

Directors	S Didier (resigned 31 December 2022, appointed 24 November 2020) G A Devonshire (resigned 31 December 2022, appointed 18 January 2021) E K Haskell (appointed 12 July 2021) C Vaughan-Read (resigned 31 December 2022, appointed 23 August 2021) H Murphy (appointed 31 December 2022) C C Heudecker (appointed 31 December 2022) S Easton (appointed 31 December 2022)
Registered number	00203555
Registered office	Pinewood Campus Nine Mile Ride Wokingham Berkshire RG40 3EW
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 3 Forbury Place 23 Forbury Road Reading Berkshire RG1 3JH
Bankers	The Royal Bank of Scotland plc Corporate Banking Office PO Box 450 5-10 Great Tower Street London EC3P 3HX
Solicitors	Linklaters LLP One Silk Street London EC2Y 8HQ

STRATEGIC REPORT
FOR THE FINANCIAL YEAR ENDED 2 JANUARY 2022

The directors present their Strategic report on the company for the financial year ended 2 January 2022.

Principal activities

The principal activity of the company is to act as a holding company for Johnson & Johnson group companies primarily within Europe.

Business review

Overall the directors are satisfied with the performance of the company during the financial year and its financial position at the financial year end.

During the financial year, the company paid interim dividends totaling £6,004,074,000 *(2020: £6,295,048,000)*. There are no proposed dividends awaiting approval as at 2 January 2022 *(2020:£ nil)* (Note 15).

During the financial year the company received dividends totaling to £6,019,063,000 (*2020: £6,306,484,000*).

The results and dividend section of the Directors' report and the income statement on page 12 show the results for the financial year, and the statement of financial position on page 13 shows the company's financial position at the end of the financial year.

During the previous financial year the company acquired a number of additional investments in group entities which were acquired at a fair value of £32,870,034,000 in exchange for £25,000,000 cash and £1,000,000 shares. These investments were then immediately sold to Cilag Holding AG, a subsidiary of the Company and the cost of investment was transferred to Cilag Holding AG.

The company has undertaken a review in as to whether there was an impairment trigger during the year, and due to the dividends paid up through Cilag Holding AG, there was determined to be an impairment trigger for the investment of £92,787,818,000 in this entity and a full impairment review was performed.

Cilag Holding AG is an intermediate holding company for a large portfolio of J&J Companies, which means that the overall value of the investment held by this company is the aggregate of the investments in the subsidiary group and a portfolio effect applies to this valuation.

Valuations were performed by Ernst & Young LLP either using Discounted Cash Flow (DCF) approach for trading entities or, Net Asset Value (NAV) approach for holding companies. On completion of this exercise an impairment of £421,177,000 was recorded through the income statement. An equal amount was transferred from the merger reserve to retained earnings to offset the impact of the impairment.

Future outlook

Both the level of business and the year-end financial position remain satisfactory. The directors expect increased activity in respect of dividend receipts and payments as a result of the acquisition of Janssen Pharmaceutical and its subsidiaries during the prior year.

On 12th November 2021, Johnson & Johnson announced its intention to separate the Consumer Health business to create a new publicly traded company, with a new name. The New Consumer Health Company should be better positioned to deliver for patients and consumers, pursue more targeted business strategies and accelerate growth as an independent company. The separation process is expected to be completed in 18-24 months, subject to legal requirements, regulatory approvals and other customary conditions and approvals. This change will have an impact on Company's investment portfolio.

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks.

The principal risks to the company relate to the value of its investments in subsidiary companies, foreign exchange fluctuation, and adverse changes in interest rates. The risks and uncertainties are managed at regular board meetings, and where applicable, actions, including the engagement of treasury specialists, are taken to mitigate the risks.

STRATEGIC REPORT(CONTINUED)
FOR THE FINANCIAL YEAR ENDED 2 JANUARY 2022

Section 172 Statement

Section 172 ("section 172") of the Companies Act 2006 ("Act") states that a director of a company must act in a way he or she considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to the:

(a) likely consequences of the decision in the long term;
(b) interests of the company's employees;
(c) need to foster the company's business relationships with suppliers, customers, and others;
(d) impact of the company's operations on the community and the environment;
(e) desirability of the company maintaining a reputation for high standards of business conduct; and
(f) need to act fairly between members of the company.

These requirements are limited for this Company (Johnson & Johnson Management Limited) as it is holding company with no employees, suppliers, or customers.

The Company is part of the Johnson & Johnson sub-group of companies in the UK and is ultimately owned by Johnson & Johnson. It is a member of the wider Johnson & Johnson international group of companies ("Group"). The Company has a culture of high standards of business conduct, which the directors ensure is maintained throughout the Company's operations and ultimately underpinned by Our Credo. It is the Group's values and principles as set out in Our Credo, together with the duties and responsibilities which the directors are subject to by virtue of the Act and other applicable law and regulation, which guide the directors' decision-making.

Decision making processes

The Company's management is structured to align to the Company's objectives and strategy and those of the wider Group. Authority for day-to-day management of the Company is delegated to individual operational and functional managers who have clear processes to follow when considering decisions, including principal decisions which impact the Company's key stakeholders. Common with other international groups, certain of these operational and functional managers have a wider Group remit. Responsibility for decision making on certain matters is delegated to the key operational and functional management within the Group except where they cannot be delegated under the Act.

For the wider Group, all employees, including the Company's operational and functional managers, are required to comply with the ethical values and principles set out in Our Credo which is further supported by the Company's Code of Business Conduct. Each employee is expected to keep up to date with these ethical values and principles and they are supported in doing so through business led training. Certain employees, determined according to the risk profile of their role, undertake annual advanced compliance training covering Anti-Bribery, Anti-Trust, Anti-Fraud, and Anti-Theft. The training provided enables the directors to be committed to operating the business to the highest ethical, moral and legal standards when making decisions and putting the Group's core ethical values of integrity, honesty and respect for the law into practice in their daily duties.

Director meetings are held as required where the directors consider the Company's activities and make and approve decisions, as appropriate. As part of the wider Group's governance framework, information submitted to the directors to support decision-making must be prepared to a high standard of accuracy and integrity and provide sufficient information to enable directors to discharge their duties effectively. The governance process provides a framework to ensure everyone involved in and contributing to the decision-making process understands the duties which the directors are subject to and the factors which they are required to have regard to.

Stakeholders from within the wider Johnson & Johnson Group are consulted on key business decisions where appropriate and their input on Company strategy and objectives sought.

The directors acknowledge that the views of, and effects on, the Company's key stakeholders in regard to key business decisions are of critical importance to the continued success of the Company. Where a principal decision is to be made, an impact evaluation will be undertaken, the results of which will be documented for recommendation to the directors.

As part of the Johnson & Johnson group of companies, stakeholders and specialist functional groups from the Johnson & Johnson Group are consulted on key business decisions. For example, Johnson & Johnson Corporate functions such as Treasury or Tax provide advice and recommendations around dividend payments, statutory reporting obligations, acquisition and divestitures. Where appropriate, the Company will seek specialist advice. Two key issues addressed by the board in the previous financial year included the additional investments and the dividend paid up through Cilag Holding AG. Through discussions with J&J treasury and tax teams as well as consulting external advisors, the dividend was determined to be an impairment trigger and a full impairment review was performed.

Stakeholder considerations

Our Credo, written more than 75 years ago, identifies and embraces the diversity of stakeholders to whom the Group is responsible, and serves as our guide to creating long-term value for our Company and for society. Ongoing and proactive engagement with these groups provides valuable insight into our stakeholders' perspectives which in turn enables us to consider their interests in Company decision-making processes.

Payment terms to the Company's suppliers complies with the wider Group's fair payment policies.

Environment and communities

The directors believe that human health is inextricably linked to environmental health and recognize the need to protect the environment and natural resources. Environmental and sustainability initiatives are managed and delivered centrally through wider Group initiatives including the Group's 2018 New Plastics Economy Global Commitment, Healthy Lives Mission, We Sustain Sustainability Accelerator Grants challenge, and We Sustain Environmental sustainability employee program. The Group has made a series of public commitments in respect to advancing climate resilience, water and waste management, and improving product sustainability.

In 2016, the Group announced its commitment to support the United Nations Sustainable Development Goals and in 2020 the Group launched its 4th generation science based climate commitments, setting out renewed goals to source 100% of the Group's electricity needs from renewable resource by 2025, achieve carbon neutrality in Group operations by reducing absolute Scope 1 and 2 emissions 60% from 2016 levels and by reducing absolute upstream value chain (Scope 3) emissions 20% from 2016 levels in each case by 2030.

Shareholder

The Company is a wholly owned subsidiary of another Johnson & Johnson Group entity. A key principle applied by the directors is to always consider whether the decision they are about to take leads to a positive long-term increase in the value of the Company for the benefit of its immediate Group shareholder, and ultimately Johnson & Johnson.

This report was approved by the board and signed on its behalf.

E K Haskell

Elizabeth Haskell

Digitally signed by Elizabeth Haskell
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Director

Date: 3/3/23

DIRECTORS' REPORT
FOR THE FINANCIAL YEAR ENDED 2 JANUARY 2022

The directors present their annual report and the audited financial statements for the financial year ended 2 January 2022.

The company's reporting period ends on the Sunday closest to 31 December, being 2 January 2022 for the current year (52 weeks) and 3 January 2021 for the prior year (53 weeks).

Statement of directors' responsibilities

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

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, 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 of the profit or loss of the company for that period. In preparing the 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 a going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors 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.

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.

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdiction.

Directors' confirmations

In the case of each director in office at the date the Directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- they have taken all the steps that they ought to have been taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Future outlook

The directors' expectations for the future of the business are set out in the Strategic report included within the annual report and financial statements.

DIRECTORS' REPORT (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 2 JANUARY 2022

Results and dividends

The income statement for the financial year is set out on page 12.

The company's profit for the financial year, amounted to £5,597,520,000 (*2020: profit £1,505,055,000*).

During the financial year the company paid interim dividends totaling £6,004,074,000 (*2020: £6,295,048,000*). There are no proposed dividends awaiting approval at 2 January 2022 (*2020: £nil*) (Note 15).

During the financial year the company received dividends totaling to £6,019,063,000 (*2020: £6,306,484,000*).

Going concern

The company has prepared the financial statements on a going concern basis. The company's ability to settle its liabilities as they arise is dependent upon the ability of its subsidiary undertakings to generate sufficient distributable profits and cash to pay dividends to the company.

In arriving at their conclusion that the company has adequate financial resources to continue on a going concern basis, the Directors were mindful that the company had an unrestricted cash balance of £50,000 as at 2 January 2022 and the major part of company's current liabilities related to intercompany payables under a cash pooling arrangement.

As explained in note 11 to the financial statements, the company holds investments in a number of subsidiary undertakings operating in the pharmaceutical and consumer products markets, all of which are impacted by COVID-19 to a varying extent. The Directors believe that the company has the benefit of a diversified portfolio and that the investments are generally expected to continue to generate predictable cash inflows for at least the next 12 months that would fully cover the projected operating costs and distributions.

Directors

The directors who served during the financial year and up to the date of signing the financial statements, unless otherwise stated, are given below:

S Didier (resigned 31 December 2022, appointed 24 November 2020)

K Sidey (resigned 12 July 2021)

V Dawkins (appointed 24 November 2020, resigned 23 August 2021)

G A Devonshire (resigned 31 December 2022, appointed 18 January 2021)

E K Haskell (appointed 12 July 2021)

C Vaughan-Read (resigned 31 December 2022, appointed 23 August 2021)

H Murphy (appointed 31 December 2022)

C C Heudecker (appointed 31 December 2022)

S Easton (appointed 31 December 2022)

Directors' indemnity Insurance

The ultimate parent company has granted an indemnity to one or more of the Company's directors against liability in respect of proceedings brought by third parties, subject to conditions set out in the Companies Act 2006.

Such qualifying third party indemnity provision was in force throughout the financial year and remains in force as at the date of approving the directors' report.

Financial risk management

The policies set by the parent entity and subsidiaries ("the Group") (see note 11) are implemented by the company's finance department. The department has a policy and procedures manual that sets out specific guidelines to manage liquidity risk, interest rate cash flow risk and foreign exchange risk and circumstances where it would be appropriate to use financial instruments to manage these.

The company acts as the lead company ("Group Leader") for all UK based affiliate companies who enter into one or more In-House Treasury Cash Pool arrangements administrated by J.C. General Services CVBA, a company incorporated under Belgian law with registered office at Turnhoutseweg 30, 2340 Beerse, Belgium. The centralised financial management provided in relation to the In-House Treasury Cash Pool is intended to, among other things, enable the Cash Pool participants, by acting collectively, to have access to the broadest range of credit options at arm's length conditions, while optimising the use and investment of the liquidities available within the In-House Treasury Cash Pool.

All investments with J.C. General Services CVBA are made on behalf of the UK group companies by Johnson & Johnson Management Limited. Transactions between Johnson & Johnson Management Limited and UK group affiliates to fund these investments are treated as separate arrangements.

Liquidity risk

The company actively maintains short-term debt finance that is designed to ensure the company has sufficient available funds for operations and planned expansions.

Interest rate cash flow risk

The company has both interest bearing assets and interest bearing liabilities. Interest bearing assets include cash balances and the company's intercompany balances which earn interest at a variable rate. The company has a policy of maintaining debt at a fixed rate to ensure certainty of future interest cash flows. The directors will revisit the appropriateness of this policy should the company's operations change in size or nature.

Foreign exchange risk

The company makes sales and purchases in foreign currencies. The company manages its foreign exchange risk by hedging its significant exposures through a group hedging scheme.

Event since the year ended

On 30 June 2022 dividends were received in the amount of $ 5,500,000,000 from Cilag Holding AG. The company paid dividends to the immediate parent entity JJHC LLC in the amount of $ 5,500,000,000 on 30 June 2022.

On 15 December 2022 dividends were received in the amount of £511,051,000 from GH Biotech. The company paid dividends to the immediate parent entity JJHC LLC in the amount of £511,051,000 on 15 December 2022.

On 15 December 2022 dividends were received in the amount of £151,633,000 from Johnson & Johnson Medical Limited and in the amount of £492,542,505 from Johnson & Johnson UK Treasury. The company paid dividends to the immediate parent entity JJHC LLC in the amount of £555,500,000 on 15 December 2022. Alongside Company retained a portion of the dividend received in the amount of £88,676,000 in Company cash.

On 15 December 2022, the Company transfered its holding in JJ Malaysia (J&J SDN. BHD.) to Janssen Pharma NV through a cash transaction.

The Consumer separation has required several restructuring changes including the distribution of JNTL (UK) HoldCo Limited to immediate parent entity JJHC LLC for £7,795,258,616.

There have been no other significant events affecting the company since the year end.

DIRECTORS' REPORT (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 2 JANUARY 2022

Independent auditors

PricewaterhouseCoopers LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place in accordance with section 487 of the Companies Act 2006 for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

This report was approved by the board and signed on its behalf.

E K Haskell

Elizabeth Haskell

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Director
Date: 3/3/23

Independent auditors' report to the members of Johnson & Johnson Management Limited

Report on the audit of the financial statements

Opinion

In our opinion, Johnson & Johnson Management Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 2 January 2022 and of its profit for the 52 week period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including 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 and Financial Statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 2 January 2022; the Income Statement and the Statement of Changes in Equity for the period 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.

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 period ended 2 January 2022 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, 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 UK taxation legislation and Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. 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 to management bias in significant accounting estimates or judgments to manipulate results and adjustments between the trial balance and financial statements. Audit procedures performed by the engagement team included:

- Obtaining an understanding of the legal and regulatory framework applicable to the company and how the company is complying with that framework
- Enquiry of management and directors' around known or suspected instances of non-compliance with laws and regulations and fraud.
- Review of minutes of meetings with the Board of Directors.
- Identifying and testing journal entries.
- Assessing reasonableness of accounting estimates, and incorporating elements of unpredictability to the nature of extent of audit procedures performed by us.
- Auditing material financial statement line items relating to laws and regulations that have direct impact on the accounts.

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.

Miles Saunders

Miles Saunders (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Reading
3 March 2023

INCOME STATEMENT
FOR THE FINANCIAL YEAR ENDED 2 JANUARY 2022

	Note	**Financial year ended 2 January 2022 £000**	*Financial year ended 3 January 2021 £000*
Administrative expenses		**(260)**	*(184)*
Other expenses		**(150)**	*—*
Operating loss		**(410)**	*(184)*
Income from shares in group undertakings	6	**6,019,063**	*6,306,484*
Impairment of investments in subsidiaries	7	**(421,177)**	*(4,801,086)*
Profit on ordinary activities before interest and taxation		**5,597,476**	*1,505,214*
Interest receivable and similar income	8	**49**	*376*
Interest payable and similar expenses	9	**(5)**	*(535)*
Profit before income tax		**5,597,520**	*1,505,055*
Income tax expense	10	**—**	*—*
Profit for the financial year		**5,597,520**	*1,505,055*

The company has no other comprehensive income for 2021 or 2020 other than the results above and therefore no separate statement of other comprehensive income has been prepared.

All amounts relate to continuing operations.

The notes on pages 15 to 36 form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION AS AT 2 JANUARY 2022

	Note	2 January 2022 £000	2 January 2022 £000	*3 January 2021 £000*	*3 January 2021 £000*
Non current assets					
Investments	11		**93,315,443**		*93,736,620*
			93,315,443		*93,736,620*
Current assets					
Trade and other receivables	12	**348,250**		*397,799*	
Cash and cash equivalents		**50**		*50*	
		348,300		*397,849*	
Trade and other payables: amounts falling due within one year	13	**(507,315)**		*(571,487)*	
Net current liabilities			**(159,015)**		*(173,638)*
Total assets less current liabilities			**93,156,428**		*93,562,982*
Trade and other payables: amounts falling due after more than one year	14		**(64)**		*(64)*
Net assets			**93,156,364**		*93,562,918*
Capital and reserves					
Called up share capital	16		**22,754**		*22,754*
Share premium account	17		**14,100**		*14,100*
Capital contribution	17		**17,562**		*17,562*
Merger reserve	17		**92,450,267**		*92,871,444*
Retained earnings	17		**651,681**		*637,058*
Total equity			**93,156,364**		*93,562,918*

The financial statements on pages 12 to 36 were approved and authorised for issue by the board and were signed on its behalf by:

E K Haskell
Director

Elizabeth Haskell

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Date: 3/3/23

The notes on pages 15 to 36 form an integral part of these financial statements.

STATEMENT OF CHANGE IN EQUITY
FOR THE FINANCIAL YEAR ENDED 2 JANUARY 2022

	Called up share capital	Share premium account	Capital contribution	Merger reserve	Retained earnings	Total equity
	£000	£000	£000	£000	£000	£000
At 29 December 2019	**21,754**	**14,100**	**17,562**	**64,828,496**	**625,965**	**65,507,877**
Profit for the financial year	—	—	—	—	**1,505,055**	**1,505,055**
Total comprehensive income for the financial year	—	—	—	—	**1,505,055**	**1,505,055**
Issue of share capital	**1,000**	—	—	—	—	**1,000**
Dividends paid (note 15)	—	—	—	—	**(6,295,048)**	**(6,295,048)**
Subsidiary acquisition	—	—	—	**32,844,034**	—	**32,844,034**
Transfer to retained earnings	—	—	—	**(4,801,086)**	**4,801,086**	—
At 3 January 2021	**22,754**	**14,100**	**17,562**	**92,871,444**	**637,058**	**93,562,918**
Profit for the financial year	—	—	—	—	**5,597,520**	**5,597,520**
Total comprehensive income for the financial year	—	—	—	—	**5,597,520**	**5,597,520**
Dividends paid (note 15)	—	—	—	—	**(6,004,074)**	**(6,004,074)**
Transfer to retained earnings	—	—	—	**(421,177)**	**421,177**	—
At 2 January 2022	**22,754**	**14,100**	**17,562**	**92,450,267**	**651,681**	**93,156,364**

The notes on pages 15 to 36 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 2 JANUARY 2022

1. General information

Johnson & Johnson Management Limited ("the Company") is a private company limited by shares and is incorporated and domiciled in the United Kingdom. The address of its registered office is: Pinewood Campus, Nine Mile Ride, Wokingham, Berkshire, England, RG40 3EW. The company acts as a holding company for Johnson & Johnson group companies principally held in Europe.

JJHC LLC, a company incorporated in the United States of America, is the company's immediate parent company.

Johnson & Johnson, incorporated in the United States of America, is the company's ultimate parent undertaking.

Johnson & Johnson prepares group financial statements and is both the smallest and largest group for which group financial statements are drawn up and of which the company is a member. Copies of the consolidated financial statements may be obtained from the Secretary, Johnson & Johnson, One Johnson & Johnson Plaza, New Brunswick, New Jersey 08933, USA.

As the company is a wholly owned subsidiary of JJHC LLC and of its ultimate parent, Johnson & Johnson, it is exempt by virtue of section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

As the company is a wholly owned subsidiary of Johnson & Johnson, the group financial statements of which are publicly available, advantage is also taken of the exemption from disclosing transactions with group companies and from presenting a cash flow statement.

These financial statements are the company's separate financial statements for the financial year beginning 4 January 2021 and ending 2 January 2022.

The company's reporting period ends on the Sunday closest to 31 December, being 2 January 2022 for the current year (52 weeks) and 3 January 2021 for the prior year (53 weeks).

2. Accounting policies

2.1 Basis of preparation

The financial statements have been prepared on the going concern basis in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared on the historical cost convention and in accordance with the Companies Act 2006. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

As permitted by the Companies Act 2006, the directors have adapted the prescribed format of the income statement in a manner appropriate to the nature of the company's business.

2. Accounting policies (continued)

2.1 Basis of preparation (continued)

Going concern

The company has prepared the financial statements on a going concern basis. The company's ability to settle its liabilities as they arise is dependent upon the ability of its subsidiary undertakings to generate sufficient distributable profits and cash to pay dividends to the company.

In arriving at their conclusion that the company has adequate financial resources to continue on a going concern basis, the Directors were mindful that the company had an unrestricted cash balance of £50,000 as at 2 January 2022 and the major part of company's current liabilities related to intercompany payables under a cash pooling arrangement.

As explained in note 11 to the financial statements, the company holds investments in a number of subsidiary undertakings operating in pharmaceutical, consumer products market, all of which are impacted by COVID-19 to a varying extent. The Directors believe that the company has a benefit of a diversified portfolio and that the investments are generally expected to continue to generate predictable cash inflows for at least the next 12 months that would fully cover the projected operating costs and distributions.

The preparation of financial statements in conformity with FRS 101 requires the use of certain accounting estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. It also requires management to exercise its judgement in the process of applying the company's accounting policies. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3 (Critical accounting estimates and judgements).

FRS 101 sets out a reduced disclosure framework for a 'qualifying entity' as defined in FRS 101 which addresses the financial reporting requirements and disclosure exemptions in the financial statements of qualifying entities that otherwise apply the recognition, measurement, and disclosure requirements of EU-adopted IFRS.

The company is a qualifying entity for the purposes of FRS 101. Details of the company's parent and from where its consolidated financial statements prepared in accordance with a Generally Accepted Accounting Practice considered to be an equivalent to IFRS may be obtained are set out in note 1 to the financial statements.

2. Accounting policies (continued)

2.1 Basis of preparation (continued)

The company has, where applicable, taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D,111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

The remaining exemptions available under the Framework are not applicable to the company at this time.

2.2 New standards, amendments and IFRIC interpretations

There are no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 2 January 2022 that have a material impact on the company's financial statements.

2.3 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). The financial statements are presented in Pounds Sterling (£) which is also the company's functional currency.

2. Accounting policies (continued)

2.3 Foreign currency translation (continued)

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

2.4 Financial instruments

The company classifies its financial assets in the following categories: at amortised cost and at fair value through profit or loss. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Financial assets are de-recognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership.

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset.

Transaction costs of financial assets carried at FVPL are expensed in profit or loss. Financial liabilities are measured at amortised cost.

(a) Financial assets at amortised cost

The company classifies its financial assets as at amortised cost if the recognition criteria are met. Subsequent to initial recognition these are measured at amortised cost using the effective interest method.

(b) Financial assets at fair value through profit and loss

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' and are categorised as fair value through profit or loss.

The following financial assets are classified at fair value through profit or loss (FVTPL):

- Debt investments that do not qualify for measurement at amortised cost
- Equity investments that are held for trading, and
- Equity investments for which the entity has not elected to recognised fair value gains and losses through OCI.

2. Accounting policies (continued)

2.4 Financial instruments (continued)

(c) Financial liabilities at amortised cost

Financial liabilities are measured at amortised cost.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Trade payables are presented as amounts falling due within one year unless payment is not due within 12 months after the reporting period.

2.5 Impairment of financial asset

Assets carried at amortised cost

The company assesses on a forward-looking basis the expected credit loss associated with its financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables – see note 2.7.

2.6 Investment in subsidiaries

Investments in subsidiaries are held at cost less accumulated impairment losses.

Impairment

The company assesses at the end of each financial year whether there are any indicators that an investment is impaired. This process involves consideration of internal sources of information, including dividend distributions, foreign exchange movements, plans, or events expected to take place in the near future. Where an impairment indicator is identified, an assessment is made to impair the carrying value of investment to the higher of fair value less costs to sell or its value in use. When an impairment loss is recognised, if applicable, the impairment will be recognised within the current year income statement.

2. Accounting policies (continued)

2.7 Trade and other receivables

Trade and other receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

The company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The group has therefore concluded that the expected loss rates for trade receivables are a reasonable.

2.8 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held with banks, and other short-term highly liquid investments with original maturities of three months or less.

2.9 Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Accruals and deferred income comprise expenses relating to the current year, which will not be invoiced until after the date of the statement of financial position, and income received in advance relating to the following year.

2.10 Dividend income

Dividend income is recognised when the right to receive payment is established.

2.11 Dividend distributions

Dividend distributions to the company's shareholders are recognised as a liability in the company's financial statements in the period in which the dividends are approved by the company's shareholders.

2.12 Other operating income

Other operating income represents income receivable from fellow group companies for services provided. It is recognised when the related expenses are incurred by the company.

2. Accounting policies (continued)

2.13 Called up share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.14 Merger reserve

The merger reserve is used instead of the share premium account in circumstances where companies are able to claim group reconstruction relief available under section 611 of Companies Act 2006. Where the investment is realised either through sale or impairment, then the merger reserve becomes realised and is transferred to the profit and loss reserve.

2.15 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the date of the statement of financial position. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; or arise from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates that have been enacted or substantively enacted by the date of the statement of financial position and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.16 Interest income/(expense)

Interest income/(expense) is recognised using the effective interest rate method. In calculating interest income/(expense), the effective interest rate is applied to the gross carrying amount of the asset, when the asset is not impaired or to the amortised cost of the liability for interest expense. For financial assets that have been impaired after initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer impaired the interest income calculation reverts to the gross carrying amount.

3. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.1. Critical accounting estimates and assumptions

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

(a) Valuation of investments

The company's investments are valued at cost or fair value when they are acquired through the issues of shares less accumulated impairment losses. As defined by IAS 36, the company assesses at the end of each reporting period, whether there are any indicators that a financial asset is impaired. This process involves consideration of internal and external sources of information, including dividend distributions, foreign exchange movements, plans or events expected to take place in the near future. Where an impairment indicator is identified, an assessment is made to impair the carrying value of investment to the higher of fair value less costs to sell or its value in use. When an impairment loss is recognised, if applicable, the impairment will be recognised initially against merger relief reserves, with any balance recognised within the merger reserve (note 17). The impairment estimates include assumptions as part of the Discounted Cash Flow model using an aggregated forecasted revenue of £23,185,043,000, discount rate of 8% and total capital invest of £93,075,672,000.

Please refer to note 11 for details regarding how estimates are made for the valuation and the sensitivity of these estimates.

3.2. Critical judgements in applying the entity's accounting policies

The company's management considers that there are no significant judgements impacting the financial statements.

4. Auditors' remuneration

Remuneration for the statutory audit and other services carried out for the company by the company's auditors is as follows:

	Financial year ended 2 January 2022 £000	*Financial year ended 3 January 2021 £000*
Audit of entity financial statements (including expenses)	**139**	*88*

5. Employees

The company does not have any employees, and there were no staff costs incurred during the financial year (*2020: £nil*). The directors did not receive any emoluments in respect of their services to the company for the financial year (*2020: £nil*).

6. Income from shares in group undertakings

	Financial year ended 2 January 2022 £000	*Financial year ended 3 January 2021 £000*
Dividend income	**6,019,063**	*6,306,484*
	6,019,063	*6,306,484*

On 25 March 2021 and 30 June 2021 dividends were received in the amount of £3,118,446,000 and £2,885,628,000 respectively from Cilag Holding AG. *(2020: £6,306,484,000).* On 18 November 2021 dividends were received in the amount of £14,989,000 from Johnson & Johnson Sdn Bhd.

7. Impairment of investments in subsidiaries

	Financial year ended 2 January 2022 £000	*Financial year ended 3 January 2021 £000*
Impairment in subsidiaries (note 11)	**421,177**	*4,801,086*
	421,177	*4,801,086*

During the financial year the company recognised an impairment in investments amounting to £421,177,000 (*2020: £4,801,086,000*).

The impairment in 2021 was calculated based on independent valuations from Ernst & Young LLP who holds a recognised and relevant professional qualification and, has relevant experience in fair market valuation calculations of investments in subsidiaries to carry out a valuation. The impairment relates to the investment in Cilag Holding AG.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 2 JANUARY 2022

8. Interest receivable and similar income

	Financial year ended 2 January 2022 £000	*Financial year ended 3 January 2021 £000*
Interest receivable from group undertakings	**49**	*376*
	49	*376*

9. Interest payable and similar charges

	Financial year ended 2 January 2022 £000	*Financial year ended 3 January 2021 £000*
Dividends paid on preference shares classed as debt	**5**	*5*
Interest payable to group undertakings	**—**	*530*
	5	*535*

10. Income tax expense

	Financial year ended 2 January 2022 £000	*Financial year ended 3 January 2021 £000*
Total current tax	**—**	*—*

Factor affecting tax charge for the financial year

The tax assessed for the year is the lower than (*2020 - lower than*) the standard rate of corporation tax in the UK of 19% (*2020 - 19%*). The differences are explained below:

	Financial year ended 2 January 2022 £000	*Financial year ended 3 January 2021 £000*
Profit before income tax	**5,597,520**	*1,505,055*
Profit multiplied by standard rate of corporation tax in the UK of 19% (*2020 - 19%*)	**1,063,529**	*285,960*
Effects of:		
Expenses not deductible for tax purposes	**80,025**	*912,208*
Income not taxable	**(1,143,622)**	*(1,198,232)*
Effects of group relief/other relief	**68**	*64*
Total tax expense for the financial year	**—**	*—*

Factors that may affect future tax charges

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. This new rate was substantively enacted on 24 May 2021. At 31 December 2021, the relevant UK deferred tax assets and liabilities of the company were carried at this increased 25% rate.

11. Investments

	Investments in subsidiary companies £000
Cost	
At 3 January 2021	**93,736,620**
Additions	—
At 2 January 2022	**93,736,620**
Impairment	
At 3 January 2021	—
Impairment during the year	**421,177**
At 2 January 2022	**421,177**
Net book value	
At 2 January 2022	**93,315,443**
At 3 January 2021	*93,736,620*

The company has undertaken a review whether there was an impairment trigger during the current year and due to the dividends paid up through Cilag Holding AG, it was determined to be an impairment trigger for the investment of £92,787,818,000 in this entity and a full impairment review was performed.

Cilag Holding AG is an intermediate holding company for a large portfolio of J&J Companies, which means that the overall value of the investment held by this company is the aggregate of the investments in the subsidiary group and a portfolio effect applies to this valuation.

Valuations were performed by Ernst & Young LLP who hold a recognised and relevant professional qualification and, have relevant experience in fair market valuation calculations of investments in subsidiaries to carry out a valuation, either using Discounted Cash Flow (DCF) approach for trading entities or, Net Asset Value (NAV) approach for holding companies. On completion of this exercise an impairment of £421,177,000 (*2020: 4,801,086,000*) was recognised in the income statement and subsequently reclassed to the merger reserve. The recoverable amount is calculated based on fair value market value and discounted cash flow with the discount rate of 8%.

Following this impairment the investment in Cilag Holding AG in 2021 the company holds an investment of £92,366,641,000.

The directors of Johnson & Johnson Management Limited engaged Ernst & Young LLP who holds a recognised and relevant professional qualification and has recognised and relevant professional qualification and has recent experience in fair market valuation calculations of investments in subsidiaries to carry out a valuation of Cilag Holding AG and the subsidiary companies as of 2 January 2022.

11. Investments (continued)

The company holds a significant number of investments, valued using a DCF: 10 (*2020*: *10*) and, so disclosures of the key assumptions have not been made for all investments rather they are included for the more material investments.

A sensitivity analysis that will help the users of the financial statements to assess the outcome of reasonably possible alternative assumptions is provided below:

Sensitivity analysis:

% Change	+1.0%		-1.0%	
	Value (a)	Difference (b)	Value (a)	Difference (b)
Factor	£000	£000	£000	£000
WACC	100,976,120	(13,979,280)	135,001,160	20,045,760
Long Term Growth	108,449,320	15,034,320	82,908,560	(10,506,440)
Revenue Growth	120,846,040	5,890,640	109,416,440	(5,538,960)
EBIT Margin	118,516,160	3,560,760	111,306,720	(3,648,680)
Tax Rate	113,592,640	(1,362,760)	116,098,360	1,142,960
WACC & LTGR	90,337,800	(3,077,200)	96,624,080	3,209,080

Notes

a) Aggregate equity value across six legal entities within Cilag GmbH International, Johnson & Johnson Vision Care Ireland Unlimited Company, DePuy Ireland Unlimited Company, Janssen Pharmaceutical Sciences Unlimited Company, Actelion Pharmaceuticals Ltd and Ethicon Women's Health & Urology SarL.

(b) The remaining entities within the portfolio are valued using the most appropriate method to the entity being either net asset value basis or value in use basis.

11. Investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Johnson & Johnson Medical Limited	Scotland; Baird House, 4, Lower Gilmore Bank, Edinburgh , Scotland , EH3 9QP	Ordinary shares of £1	100 %
Johnson & Johnson Limited	England, 50-100 Holmers Farm Way, High Wycombe, England, HP12 4EG	Ordinary shares of £1	100 %
Johnson & Johnson Consumer Services EAME Limited	England, 50-100 Holmers Farm Way, High Wycombe, England, HP12 4EG	Ordinary shares of £1	100 %
Johnson & Johnson Innovation Limited	England, 50-100 Holmers Farm Way, Buckinghamshire, HP12 4UL	Ordinary shares of £1	100 %
Johnson & Johnson Finance Limited	England; Pinewood Campus, Nine Mile Ride, Wokingham, Berkshire, RG40 3EW	Ordinary shares of £1	100 %
Johnson & Johnson UK Treasury Company Limited	England; Pinewood Campus, Nine Mile Ride, Wokingham, Berkshire, RG40 3EW	Ordinary shares of £1	100 %
Johnson & Johnson Sdn Bhd	Malaysia; Lot 3 & 5, Jalan Tandang, 46050 Petaling Jaya, Selangor, Singapore	Ordinary shares of £1	100 %
Johnson & Johnson (Ireland) Ltd	Ireland; Airton Road, Tallaght, Dublin 24	Ordinary shares of £1	100 %
GH Biotech Holdings Limited*	Ireland; Barnahely, Ringakiddy, Co Cork	Ordinary Shares	19 %
Cilag Holding AG	Switzerland; Gubelstrasse 34, 6300 Zug	Ordinary shares	100 %

* Companies with percentages below 20% are categorised as associated.

The principal activities of the investments are the development, manufacture and sale of healthcare, pharmaceutical products, consumer products and holding companies,. All of the above companies operate principally in their country of incorporation.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 2 JANUARY 2022

11. Investments (continued)

The indirect subsidiary investments of the company at 2 January 2022 were as follows:

Name of Company	Country of incorporation	Class of shares	Holding (%)
Janssen Cilag SPA	Algeria	Ordinary shares	68%
Janssen Cilag Farmaceutica S.A.	Argentina	Ordinary shares	98%
Johnson & Johnson Medical S.A.	Argentina	Ordinary shares	90%
Johnson & Johnson de Argentina S.A.C. e.I.	Argentina	Ordinary shares	100%
Janssen-Cilag Pharma GmbH	Austria	Ordinary shares	96%
Johnson & Johnson Medical	Austria	Ordinary shares	100%
Johnson & Johnson Consumer NV	Belgium	Ordinary shares	100%
Johnson & Johnson Medical NV	Belgium	Ordinary shares	100%
GMED Healthcare BV	Belgium	Ordinary shares	100%
Johnson & Johnson do Brasil	Brazil	Ordinary shares	100%
Janssen-Cilag Farmaceutica Ltda.	Brazil	Ordinary shares	100%
Johnson & Johnson Industrial Ltda.	Brazil	Ordinary shares	100%
JNJ Global Business Services	Czech Republic	Ordinary shares	100%
Janssen-Cilag s.r.o.	Czech Republic	Ordinary shares	100%
3Dintegrated ApS	Denmark	Ordinary shares	100%
C Consumer Products ApS	Denmark	Ordinary shares	100%
McNeil Denmark ApS	Denmark	Ordinary shares	100%
Vania Expansion	France	Ordinary shares	100%
Innomedic Gesellschaft für innovative Medizintechnik und Informatik mbH	Germany	Ordinary shares	100%
Synthes Tuttlingen GmbH	Germany	Ordinary shares	100%
Depuy Halas S.A	Greece	Ordinary shares	100%
Janssen-Cilag Kft.	Hungary	Ordinary shares	100%
Cilag Holding Treasury Unlimited	Ireland	Ordinary shares	100%
Janssen Pharmaceutical Unlimited	Ireland	Ordinary shares	100%
Johnson & Johnson International Financial Services Unlimited Company	Ireland	Ordinary shares	100%
DePuy Ireland Unlimited Company	Ireland	Ordinary shares	27%
Janssen Pharmaceutical Sciences Unlimited Company	Ireland	Ordinary shares	100%
Johnson & Johnson European Treasury Unlimited Company	Ireland	Ordinary shares	100%
Johnson & Johnson Vision Care Ireland Unlimited Company	Ireland	Ordinary shares	100%
Neuravi Limited	Ireland	Ordinary shares	100%
Vision Care Finance Unlimited	Ireland	Ordinary shares	100%
Actelion Treasury Unlimited Company	Ireland	Ordinary shares	100%

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 2 JANUARY 2022

11. Investments (continued)

Name of Company	Country of incorporation	Class of shares	Holding (%)
Janssen Development Finance Unlimited company	Ireland	Ordinary shares	100%
Janssen Biologics (Ireland) Ltd	Ireland	Ordinary shares	100%
Jansen R&D Ireland Unlimited company	Ireland	Ordinary shares	100%
Janssen Sciences Ireland Unlimited company	Ireland	Ordinary shares	100%
McNeil Healthcare (Ireland) Limited	Ireland	Ordinary shares	100%
Johnson & Johnson (Ireland) Limited	Ireland	Ordinary shares	100%
Janssen Irish Finance Unlimited Company	Ireland	Ordinary shares	100%
Orthospin Ltd.	Israel	Ordinary shares	100%
Carlo Erba OTC S.r.l	Italy	Ordinary shares	100%
Johnson & Johnson - Societa' Per Azioni	Italy	Ordinary shares	100%
Johnson & Johnson SDN. BHD.	Malaysia	Ordinary shares	100%
EES Holdings de Mexico, S. de R.L. de C.V.	Mexico	Ordinary shares	100%
J.JC Acquisition Company B.V.	Netherlands	Ordinary shares	47%
Janssen Biologics B.V.	Netherlands	Ordinary shares	100%
Janssen Vaccines & Prevention B.V.	Netherlands	Ordinary shares	100%
Janssen-Cilag B.V.	Netherlands	Ordinary shares	100%
Johnson & Johnson Medical B.V.	Netherlands	Ordinary shares	100%
Global Investment Participation B.V.	Netherlands	Ordinary shares	100%
Berna Rhein B.V.	Netherlands	Ordinary shares	100%
ChromaGenics B.V.	Netherlands	Ordinary shares	100%
Johnson & Johnson Consumer B.V.	Netherlands	Ordinary shares	100%
JNTL Holdings B.V.	Netherlands	Ordinary shares	100%
JNTL Ireland HoldCo 2 B.V.	Netherlands	Ordinary shares	100%
Janssen-Cilag Polska, Sp. z o.o.	Poland	Ordinary shares	100%
Janssen Vaccines Corp.	Republic of Korea	Ordinary shares	100%
McNeil Iberica S.L.U.	Spain	Ordinary shares	100%
McNeil Sweden AB	Sweden	Ordinary shares	100%
Cilag GmbH International	Switzerland	Ordinary shares	100%
Cilag AG	Switzerland	Ordinary shares	100%
Ethicon Sarl	Switzerland	Ordinary shares	100%

11. Investments (continued)

Name of Company	Country of incorporation	Class of shares	Holding (%)
Janssen Holding GmbH	Switzerland	Ordinary shares	100%
Janssen Cilag AG	Switzerland	Ordinary shares	100%
Synthes Holding AG	Switzerland	Ordinary shares	100%
Ethicon Women's Health & Urology Sarl	Switzerland	Ordinary shares	100%
Actelion Ltd	Switzerland	Ordinary shares	100%
OMJ Holding GmbH	Switzerland	Ordinary shares	100%
FMS Future Medical System SA	Switzerland	Ordinary shares	100%
Medos International Sarl	Switzerland	Ordinary shares	100%
Medos Sarl	Switzerland	Ordinary shares	100%
Synthes GmbH	Switzerland	Ordinary shares	100%
Synthes Produktions GmbH	Switzerland	Ordinary shares	100%
Actelion Pharmaceuticals Ltd	Switzerland	Ordinary shares	100%
Johnson & Johnson AG	Switzerland	Ordinary shares	100%
Cilag Holding AG	Switzerland	Ordinary shares	100%
Synthes Holding Limited	United Arab Emirates	Ordinary shares	100%
Synthes Medical Surgical Equipment & Instruments Trading LLC	United Arab Emirates	Ordinary shares	99%
McNeil Products Limited	United Kingdom	Ordinary shares	100%
McNeil Healthcare (UK) Limited	United Kingdom	Ordinary shares	99%
OGX Beauty Limited	United Kingdom	Ordinary shares	100%
Finsbury Orthopaedics Limited	United Kingdom	Ordinary shares	100%
Finsbury (Development) Limited	United Kingdom	Ordinary shares	100%
Finsbury (Instruments) Limited	United Kingdom	Ordinary shares	100%
DePuy International Limited	United Kingdom	Ordinary shares	100%
Finsbury Medical Limited	United Kingdom	Ordinary shares	100%
Finsbury Orthopaedics International Limited	United Kingdom	Ordinary shares	100%
Johnson & Johnson Consumer Services EAME Ltd.	United Kingdom	Ordinary shares	100%
Johnson & Johnson Finance Limited	United Kingdom	Ordinary shares	100%
Johnson & Johnson Innovation Limited	United Kingdom	Ordinary shares	100%

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 2 JANUARY 2022

Name of Company	Country of incorporation	Class of shares	Holding (%)
Johnson & Johnson Limited	United Kingdom	Ordinary shares	100%
Johnson & Johnson Medical Limited	United Kingdom	Ordinary shares	100%
Johnson & Johnson UK Treasury Company Limited	United Kingdom	Ordinary shares	100%
Ethicon LLC	United States	Ordinary shares	100%
Janssen -Cilag Manufacuring, LLC	United States	Ordinary shares	100%
Ethicon Endo-Surgery, LLC	United States	Ordinary shares	100%
Janssen Ortho LLC	United States	Ordinary shares	100%
McNeil Healthcare LLC	United States	Ordinary shares	100%
Ortho Biologics LLC	United States	Ordinary shares	100%

* Companies with percentages below 20% are categorised as associated.

The principal activities of the investments are the development, manufacture and sale of healthcare and pharmaceutical products, consumer products and holding companies as some of the acquired entities are in medical devices business. All of the above companies operate principally in their country of incorporation.

12. Trade and other receivables

	2 January 2022 £000	*3 January 2021 £000*
Amounts owed by group undertakings	**348,250**	*397,580*
Corporation tax receivable	**—**	*218*
	348,250	*397,798*

Amounts owed by group undertakings are non-interest bearing *(2020: 0.50%)*, are unsecured and are repayable on demand.

13. Trade and other payables: amounts falling due within one year

	2 January 2022 £000	*3 January 2021 £000*
Trade creditors	**102**	*102*
Amounts owed to group undertakings	**507,096**	*571,260*
Accrued preference share dividends	**42**	*37*
Other creditors	**75**	*88*
	507,315	*571,487*

Amounts owed to group undertakings includes an amount invested with the In-House Treasury Cash Pool.

The company acts as the Group Leader for all UK based affiliate companies who enter into one or more In-House Treasury Cash Pool arrangements administrated by J.C. General Services CVBA, a company incorporated under Belgian law with registered office at Turnhoutseweg 30, 2340 Beerse, Belgium. The centralised financial management provided in relation to the In-House Treasury Cash Pool is intended to, among other things, enable the Cash Pool participants, by acting collectively, to have access to the broadest range of credit options at arm's length conditions, while optimising the use and investment of the liquidities available within the In-House Treasury Cash Pool.

All investments with J.C. General Services CVBA are made on behalf of the UK group companies by Johnson & Johnson Management Limited. Transactions between Johnson & Johnson Management Limited and UK group affiliates to fund these investments are treated as separate arrangements.

Amounts owed to group undertakings are non-interest bearing (*2020: 0.53%*), are unsecured and are repayable on demand.

14. Trade and other payables: amounts falling due after more than one year

	2 January 2022 £000	*3 January 2021 £000*
Loan and other borrowings	**64**	*64*
	64	*64*

Loans and other borrowings relates to preference shares (Note 16) which are considered to mature in more than five years. The preference shares are non-voting and have preferential rights to return of capital on a winding up in addition to the payment of arrears of dividends.

15. Dividends paid

	Financial year ended 2 January 2022 £000	*Financial year ended 3 January 2021 £000*
Interim dividends paid £276 (*2020: £ 292*) per ordinary £1 share	**6,004,074**	*6,295,048*
	6,004,074	*6,295,048*

The company paid dividends to the immediate parent entity JJHC LLC in the amount of £3,118,446,000 and £2,885,628,000 on 25 March 2021 and 30 June 2021 respectively.

16. Share capital

	2 January 2022 £000	*3 January 2021 £000*
Shares classified as equity		
Authorised		
21,753,339 (*2020 - 21,753,339*) ordinary shares of £1 each	**22,754**	*22,754*
Allotted, called up and fully paid		
21,753,339 (*2020 - 21,753,339*) ordinary shares of £1 each	**22,754**	*22,754*

16. Share capital (continued)

	2 January 2022	*3 January 2021*
	£000	£000
Shares classified as debt		
Authorised		
90,000 (*2020 - 90,000*) 8.25% convertible preference shares of £1 each	**90**	*90*
Allotted, called up and fully paid		
64,000 (2020 - *64,000*) 8.25% convertible preference shares of £1 each	**64**	*64*

17. Other reserves

	Merger Reserve
	£000
3 January 2021	92,871,444
Impairment in Investments transfer from retained earnings	(421,177)
2 January 2022	92,450,267

During the financial year the company recognised an impairment in investments amounting to £421,177,000 (*2020: £4,801,086,000*). The impairment was calculated based on independent valuations from Ernst & Young LLP who holds a recognised and relevant professional qualification and, has relevant experience in fair market valuation calculations of investments in subsidiaries to carry out a valuation. The impairment relates to the investment in Cilag Holding AG.

Share premium

Share premium relates to the share premium arising on share issues. The share premium account records the amount above the nominal value received for share sold, less transaction costs.

Capital contribution

Capital contribution represents contributions from the parent and fellow group undertakings.

Retained earnings

Profit and loss account represents accumulated profits for the financial year and prior years less dividend paid.

18. Events since the financial year end

On 30 June 2022 dividends were received in the amount of $ 5,500,000,000 from Cilag Holding AG. The company paid dividends to the immediate parent entity JJHC LLC in the amount of $ 5,500,000,000 on 30 June 2022.

On 15 December 2022 dividends were received in the amount of £511,051,000 from GH Biotech. The company paid dividends to the immediate parent entity JJHC LLC in the amount of £511,051,000 on 15 December 2022.

On 15 December 2022 dividends were received in the amount of £151,633,000 from Johnson & Johnson Medical Limited and in the amount of £492,542,505 from Johnson & Johnson UK Treasury. The company paid dividends to the immediate parent entity JJHC LLC in the amount of £555,500,000 on 15 December 2022. Alongside Company retained a portion of the dividend received in the amount of £88,676,000 in Company cash.

On 15 December 2022, the Company transfered its holding in JJ Malaysia (J&J SDN. BHD.) to Janssen Pharma NV through a cash transaction.

The Consumer separation has required several restructuring changes including the distribution of JNTL (UK) HoldCo Limited to immediate parent entity JJHC LLC for £7,795,258,616.

There have been no other significant events affecting the company since the year end.