Registered number: 08424622

XO1 LIMITED

UNAUDITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 2 JANUARY 2022

CONTENTS

COMPANY INFORMATION

Directors	N Scott L Aerts (resigned on 19 April 2022) D Geelan (appointed on 19 April 2022)
Registered number	08424622
Registered office	50-100 Holmers Farm Way High Wycombe Buckinghamshire HP12 4EG

DIRECTORS' REPORT
FOR THE YEAR ENDED 2 JANUARY 2022

The directors present their report and the unaudited financial statements for the 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 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 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 the 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 to 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 othre jurisdictions.

Directors' confirmations

In 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 continue to consider options for the company given the cessation of the XO1 research programme.

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

Financial risk management

The company's operations expose it to a variety of financial risks that include the effects of changes in liquidity risk, foreign exchange risk and interest rate cash flow risk.

Liquidity risk

The company is funded with the Johnson & Johnson group of companies. Its funding requirements are reviewed regularly by both the board of directors and the treasury department of Johnson & Johnson to ensure the company has sufficient available funds for operations and planned expansions.

Results and dividend

The income statement for the financial year is set out on page 4.

The company's result for the financial year amounted to £*Nil (2020: £Nil)*.

There are no proposed dividends awaiting approval at 2 January 2022 *(2020: £Nil)*.

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:

N Scott
L Aerts (resigned on 19 April 2022)
D Geelan (appointed on 19 April 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.

Events since the year end

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

Small companies note

The directors have taken exemption from the requirement to prepare a Strategic Report under Section 414(8) of the Companies Act 2006.

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

DAVID GEELAN

Digitally signed by DAVID GEELAN
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Date: 2022.09.29 21:49:22 +01'00'
Adobe Acrobat version: 2020.013.20064

D Geelan

Director

Date:

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*
Revenue		—	*1*
Administrative expenses		—	*(1)*
Operating result		—	—
Result before tax		—	—
Income tax expense	7	—	—
Result for the financial year		—	—

The company has no other comprehensive income for the financial year ended 2 January 2022 or the financial year ended 3 January 2021 other than the results above and therefore no separate statement of comprehensive income has been prepared.

All amounts relate to continuing operations.

The notes on pages 7 to 12 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 2 JANUARY 2022

	Note		**2 January 2022**		*3 January 2021*
			£000		*£000*
Non current assets					
Intangible assets			—		—
			—		—
Current assets					
Trade and other receivables	8	2,065		*2,065*	
		2,065		*2,065*	
Net current assets			2,065		*2,065*
Net assets			2,065		*2,065*
Capital and reserves					
Called-up share capital	9		1		*1*
Share premium			7,140		*7,140*
Accumulated losses			(5,076)		*(5,076)*
Total equity			2,065		*2,065*

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

DAVID GEELAN

D Geelan

Director

Date:

The notes on pages 7 to 12 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 2 JANUARY 2022

	Called-up share capital	Share premium	Accumulated losses	Total equity
	£000	£000	£000	£000
At 29 December 2019	1	7,140	(5,076)	2,065
Result for the financial year	—	—	—	—
Total comprehensive income for the financial year	—	—	—	—
At 3 January 2021	1	7,140	(5,076)	2,065
Result for the financial year	—	—	—	—
Total comprehensive income for the financial year	—	—	—	—
Balance at 2 January 2022	1	7,140	(5,076)	2,065

1. General information

XO1 LIMITED (is a wholly owned private company limited by shares incorporated and domiciled in the United Kingdom. The address of its registered office is: 50-100 Holmers Farm Way, High Wycombe, HP12 4EG. The company's principal activity is pharmaceutical research and development, though we note that the entity is currently dormant.

Janssen Pharmaceuticals Inc., 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 XO1 LIMITED 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 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 closet 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, unless otherwise stated in the notes to the financial statements 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 profit and loss account in a manner appropriate to the nature of the company's business.

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 ultimately may differ from those estimates.

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 UK-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

2.1 Basis of preparation (continued)

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

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers
- 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.

(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. Accounting policies (continued)

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 derecognised 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 is met. Subsequent to initial recognition these are measured at amortised cost using the effective interest method.

b) Financial assets at fair value through profit or 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 (FVPL):

- 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.

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 Trade and other receivables

Trade and other receivables are amounts due from customers for merchandise sold or 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 at fair value less provisions for impairments.

2. Accounting policies (continued)

2.6 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at 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. 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.

2.7 Ordinary shares

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.

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. Management considers that there are no 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.

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.

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

4. Auditor's remuneration

Until prior financial year when the financial statements of the company were audited, auditor's remuneration were paid by other group affiliates. The management of the company decided to file unaudited accounts for the current financial year.

The remuneration of the auditor's or its associates is further analysed as follows :

	Financial year ended 2 January 2022 £000	*Financial year ended 3 January 2021 £000*
Audit of entity financial statements (including expenses)	—	9
	—	9

5. Employees

The company did not have any employees during the financial year (*2020: none*).

6. Directors' emoluments

The directors during the financial year were employed by other companies in the Johnson & Johnson group and their remuneration has been borne by those companies (*2020: £Nil)*.

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

7. Income tax expense

Factors affecting tax charge for the year

The tax assessed for the period is the same as (*2020 - the same as*) 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*
Result before tax	—	—
Result before tax multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	—	—
Effects of:		
Expenses not deductible for tax purposes	—	—
Total tax charge for the 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.

8. Trade and other receivables

	2 January 2022 £000	*3 January 2021 £000*
Amounts owed by group undertakings	**2,065**	*2,065*
	2,065	*2,065*

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

9. Called-up share capital

	2 January 2022 £000	*3 January 2021 £000*
Allotted, called up and fully paid		
125,276 (*2020 - 125,276*) allotted, called-up and fully paid shares of £0.01 each	**1**	*1*

10. Events since the year end

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