

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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FORM 8-K

CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): January 23, 2014

Xenetic Biosciences, Inc.

(Exact name of registrant as specified in its charter)

<u>Nevada</u>	<u>333-178082</u>	<u>45-2952962</u>
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

99 Hayden Avenue, Suite 230  
Lexington MA 02421  
(Address of principal executive offices)

Registrant's telephone number, including area code: 781-778-7722

16445 North 91st St., Suite 103, Scottsdale, Arizona 85260  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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## Section 1 – Registrant’s Business and Operations

### Item 1.01 Entry into a Material Definitive Agreement

On January 23, 2014, we acquired all of the issued and outstanding capital stock of Xenetic Biosciences PLC, a company incorporated in England and Wales under the Companies Act of 1985 (“Xenetic UK”). Our acquisition of Xenetic UK (the “Acquisition”) was performed pursuant to a Scheme of Arrangement under Part 26 of the Companies Act 2006 of England and Wales (the “Scheme”), as approved by an Order of the High Court of Justice, Chancery Division, in London (the “Court”). Under the Scheme, as approved and ordered by the Court, we acquired all issued and outstanding shares of capital stock of Xenetic UK in exchange for the issuance of 56 new shares of our common stock for every 175 shares of Xenetic UK previously issued and outstanding. This transaction resulted in Xenetic UK becoming our wholly-owned subsidiary.

Xenetic UK is a biopharmaceutical company developing next-generation biologic drugs and novel oncology therapeutics. Xenetic UK’s proprietary drug technology platforms include PolyXen® for creating next generation biologic drugs by extending the efficacy, safety and half-life of biologic drugs and OncoHist® for the development of novel oncology drugs focused on orphan indications. Xenetic UK’s lead product candidates include ErepoXen®, an improved, polysialylated form of erythropoietin (EPO) for the treatment of anemia in pre-dialysis patients with chronic kidney disease and OncoHist®, a recombinant human histone H1.3 molecule which Xenetic UK is developing for the treatment of refractory Acute Myeloid Leukemia (AML). Xenetic UK is developing a novel series of polysialylated blood coagulation factors through its license agreement with Baxter International Inc. Xenetic is also developing a broad pipeline of clinical candidates for next generation biologics and novel oncology therapeutics in a number of orphan disease indications.

As a result of the Acquisition:

- The holders of all of the capital stock of Xenetic UK issued and outstanding immediately prior to the closing of the Acquisition exchanged their shares for a total of 132,545,504 newly-issued shares of our common stock;
- An Agreement of Conveyance, Transfer and Assignment of Subsidiaries and Assumption of Obligations, previously executed November 12, 2013 (the “Hive Out Agreement”), became effective immediately after closing of the Acquisition. Under the terms of the Hive Out Agreement, 10,000,000 shares of common stock held by our former controlling shareholder, Oxbridge Technology Partners SA (“Oxbridge”), were canceled and returned to treasury. In exchange, Oxbridge acquired all issued and outstanding shares of both of our former operating subsidiaries, Shift It Media Co. and General Aircraft, Inc. (the “Former Subsidiaries”). In addition, Oxbridge has assumed any liabilities connected with the Former Subsidiaries and has indemnified us for any losses arising out of such liabilities. Finally, the Hive Out Agreement required a payment to Oxbridge of \$430,000, which was made shortly after the closing of the Acquisition. As a result of the Hive Out Agreement, our assets, liabilities, and continuing operations are now exclusively those of Xenetic UK; and
- Immediately following the Acquisition and closing of the Hive Out Agreement, there were 136,045,504 shares of our common stock issued and outstanding.

As of the date of the Scheme through the Acquisition, there are no material relationships between us or any of our affiliates and Xenetic UK, other than with regard to the Acquisition.

The foregoing description of the Acquisition and Hive Out Agreement does not purport to be complete and is qualified in its entirety by reference to the complete text of the Court Order, Scheme of Arrangement and Hive Out Agreement, which are filed as Exhibits 2.1, 2.2, and 10.1, respectively, hereto and incorporated herein by reference.

## **Section 2 – Financial Information**

### **Item 2.01 Completion of Acquisition or Disposition of Assets**

As used in this Current Report on Form 8-K, all references to the “Company,” “Xenetic,” “we,” “our” and “us” or similar terms, refer to Xenetic Biosciences, Inc., including its predecessors and its subsidiaries, following the effectiveness of the Scheme and the Hive Out Agreement, except where the context makes clear that the reference is only to Xenetic UK. Information about the Company and the principal terms of the Acquisition are set forth below.

#### **Acquisition and Disposition**

On January 23, 2014, in accordance with the Scheme and the Order of the Court, we acquired all of the issued and outstanding shares of Xenetic UK, which resulted in Xenetic UK becoming our wholly-owned subsidiary. In exchange for all of the issued and outstanding shares of Xenetic UK, the shareholders of Xenetic UK received a total of 132,545,504 newly-issued shares of our common stock.

On January 23, 2014, immediately upon closing of the Acquisition and pursuant to the Hive Out Agreement, we transferred ownership of the Former Subsidiaries to Oxbridge in exchange for \$430,000 and Oxbridge returning 10,000,000 shares of our common stock, which shares were canceled and returned to treasury. In addition, Oxbridge has assumed any liabilities connected with the Former Subsidiaries and has indemnified us for any losses arising out of such liabilities.

There were 13,500,000 shares of our common stock outstanding before giving effect to the stock issuances in the Acquisition and the cancellation of 10,000,000 shares by Oxbridge in connection with the Hive Out Agreement. Following these events, our issued and outstanding common shares were as follows:

#### Shares Held by:

132,545,504 Xenetic UK shareholders

3,500,000 Existing shareholders

**136,045,504**

Prior to the Acquisition, there were no material relationships between us and Xenetic UK, or any of their respective affiliates, directors or officers, or any associates of their respective officers or directors, other than as disclosed in this Current Report.

#### **General Changes Resulting from the Acquisition**

Following the Acquisition and Hive Out Agreement, we intend to carry on the business of Xenetic UK as our sole line of business. Our former sole officer and director, Ari Nagler, has resigned and our new officers and directors have been appointed, as discussed in Item 5.02, below. We have relocated our principal executive offices to 99 Hayden Ave., Suite 230, Lexington MA 02421. Our telephone number is now 781-778-7722

Shareholder approval of the Acquisition and its related transactions was effected by means of the Scheme. On December 17, 2013, Xenetic UK announced the results of a Court Meeting and the General Meeting conducted in the UK for the purpose of considering and, if thought fit, passing various resolutions necessary to effect the Scheme and other matters set out in the notices of the relevant meetings. All shareholders of Xenetic UK had the right to appear at the Court Meeting and the General Meeting. At the Court Meeting, a majority in number of Xenetic UK shareholders who voted (either in person or by proxy), representing 99.9% per cent by value of all Xenetic UK shares held by such Xenetic UK shareholders voting at the General Meeting, voted in favor of the resolution to approve the Scheme. At the General Meeting, the special resolution to facilitate the implementation of the Scheme was duly passed on a poll by the requisite majority of the votes cast in person or by proxy and represented 71.56% of all shareholders on the register at the date of the Meeting.

On January 23, 2014, the Court approved the Scheme and confirmed the associated reduction of capital for Xenetic UK. As part of its ruling, the Court considered the fairness of the transaction and determined that the terms and conditions of the issuance of new shares of our common stock in exchange for the issued and outstanding shares of Xenetic UK were fair. Accordingly, the new shares of our common stock issued as part of the Acquisition are “Exempted Securities” under Section 3(a)(10) of the Securities Act.

### **Section 3 – Securities and Trading Markets**

#### **Item 3.02. Unregistered Sales of Equity Securities**

Reference is made to the disclosure set forth under Item 2.01 of this Current Report on Form 8-K, which disclosure is incorporated herein by reference. As discussed above, the Court considered the fairness of the transaction represented by the Scheme and determined that the terms and conditions of the issuance of new shares of our common stock in exchange for the issued and outstanding shares of Xenetic UK were fair. Accordingly, the new shares of our common stock issued as part of the Acquisition were exempted under the terms of Section 3(a)(10) of the Securities Act.

### **Section 5 – Corporate Governance and Management**

#### **Item 5.01 Changes in Control of Registrant**

The information provided in Item 2.01 of this Current Report on Form 8-K is incorporated in this Item 5.01 by reference.

Prior to the issuance of 132,545,504 shares of our common stock to the former shareholders of Xenetic UK, a majority of our shares was held by Oxbridge. Upon the Acquisition and Hive Out Agreement, our current largest shareholder is now Synbio LLC with 43.46% of our issued and outstanding common stock.

In addition, Serum Institute of India and related parties, which include Poonawalla Investment and Industries (PIIL) and Chanda Investments Pvt, beneficially own an aggregate of 13,843,984 of the Company’s equity, representing 10.18% of the total shares in issue as at the date of this report.

The election of directors and other matters immediately following the effectiveness of the Acquisition was governed by the terms of the Scheme (see Items 2.01 and 5.02 herein for a more detailed description of the appointment/election of our directors following the Acquisition).

## Item 5.02 Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers

On January 23, 2014, Ari Nagler resigned as our former sole officer and director. There was no known disagreement with Mr. Nagler regarding our operations, policies, or practices during his time with the Company.

On January 23 and 24, 2014, we appointed new directors and executive officers as follows:

<u>Name</u>	<u>Age</u>	<u>Position(s) and Office(s) Held</u>
Sir Brian Richards, CBE, BSc, PhD, DSc	82	Director Chief Executive Officer,
M Scott Maguire, MBA	50	Director Chief Financial Officer,
Colin William Hill, ACMA	68	Director
Firdaus Jal Dastoor, FCS	61	Director
Artur Isaev	43	Director

Set forth below is a brief description of the background and business experience of each of our current executive officers and directors.

**Sir Brian Richards, CBE, BSc, PhD, DSc:** Sir Brian Richards was appointed to the board of directors and became the non-executive Chairman of Xenetic UK in June 2005. He has extensive experience of chairing boards of public companies and is currently the non-executive Chairman of Alizyme plc, Cozart plc, VASTox plc and MAN Mali (Guernsey) Limited. Sir Brian previously served as executive Chairman of British Biotechnology Limited, a company he co-founded, and has had non-executive chairmanships or directorships of several biopharmaceutical companies including Peptide Therapeutics (later Acambis plc), Oxford Biomedica plc and CeNeS Pharmaceuticals plc.

**M Scott Maguire, MBA:** Mr Maguire joined Xenetic UK as Chief Executive Officer in April 2004. His background is in life science and healthcare investment banking and he has advised many US and European companies on capital raisings and commercial development over his 22 year career. Mr Maguire began his banking career with Merrill Lynch in 1987 in New York and after receiving his MBA in 1993, he joined the healthcare division of W.R. Grace National Medical Care where he helped develop the international healthcare division. In 1996 he co-founded the Arthur Andersen global healthcare corporate finance practice based in London. Mr. Maguire is currently director of Healthcare Capital Partners Limited, a healthcare corporate finance and proprietary investment boutique he co-founded in 2002 and a non-executive director of Renal Services Ltd, a company focused on dialysis service provision in the UK.

**Colin William Hill, ACMA, CGMA:** Mr Hill was appointed Chief Financial Officer at Xenetic UK in June 2007. Prior to joining Xenetic he was Finance Director (2001-2003) and non-executive Chairman (2003) at Greenchip Investments plc. Mr Hill has been a member of the Chartered Institute of Management Accountants since 1968 and spent 15 years in industry specialising in corporate turnaround and development work before becoming a freelance consultant in 1981. Since that time, he has focused on due diligence relating to corporate finance assignments in small and medium enterprises and public companies with small market capitalizations in the UK, USA, and overseas. Between 1998 and 2008 Mr Hill was Group Finance Director of Arlington Group plc, a company listed on AIM.

**Firdaus Jal Dastoor, FCS:** Mr. Dastoor was appointed non-executive Director at Xenetic in July 2007. He is a Fellow Member of The Institute of Company Secretaries of India and began his career as a company secretary. He was Company Secretary of the Poonawalla Group until 1994. He then took on assignments involved in business development strategies and operations. Mr Dastoor is on the board of several companies operating in the field of engineering products, life sciences and biotech, international trade, financial services and quality standards certifications. Currently, he is a Group Director of the Poonawalla Group of Companies in charge of Finance and Corporate Affairs.

**Artur Isaev:** Mr. Artur Isaev, born in 1970, is a General Director and a majority shareholder of Human Stem Cells Institute OJSC, Russia's public biotech company, headquartered in Moscow. Mr. Isaev has a degree in Medicine and MBA. He started his business career as a top manager in a brokerage, investment and auditing companies. In 2003 he founded Human Stem Cells Institute and from the very beginning has occupied the post of its General Director. Mr. Isaev is a vice-president of a nongovernmental Organization of Experts in Cell Technologies and Regenerative Medicine.

There are no understanding or arrangement between any of the directors and any other person pursuant to which each person was selected as a director. None of the officers or directors have any family relationship with any other director, executive officer or person nominated or chosen by us to become a director or executive officer.

**Item 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.**

On January 23, 2014, the Company's Board of Directors approved changing the fiscal year end date of the Company to a calendar year end date of December 31. The Company's report covering the transition period will be filed on its next Form 10-K or in the amendment to this form 8K along with the Xenetic UK financials.

**Section 9 – Financial Statements and Exhibits**

**Item 9.01 Financial Statements and Exhibits**

(a) Financial statements of businesses acquired. Financial statements will be filed by amendment to this Current Report on Form 8-K pursuant to Item 9.01(a)(4) no later than 71 days after the date on which this Current Report on Form 8-K is required to be filed.

(b) Pro forma financial information. Pro forma financial information will be filed by amendment to this Current Report on Form 8-K pursuant to Item 9.01(b)(2) no later than 71 days after the date on which this Current Report on Form 8-K is required to be filed.

(d) Exhibits. The following exhibits are filed herewith:

**Exhibit Description**

**No.**

- |      |   |
|------|---|
| 2.1  | <a href="#"><u>Order of the High Court of Justice, Chancery Division, entered January 23, 2014</u></a>        |
| 2.2  | Scheme of Arrangement <sup>(1)</sup>  |
| 10.1 | Agreement of Conveyance, Transfer and Assignment of Subsidiaries and Assumption of Obligations <sup>(2)</sup> |

(1) Incorporated by reference to the Current Report on Form 8-K filed with the SEC on November 25, 2013 as Exhibit 9.1.

(2) Incorporated by reference to the Annual Report on Form 10-K filed with the SEC on November 27, 2013 as Exhibit 9.3.

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**Xenetic Biosciences, Inc.**

/s/ M. SCOTT MAGUIRE

M. Scott Maguire  
President, Chief Executive Officer

Date: January 29, 2014







IN THE MATTER OF XENETIC BIOSCIENCES PLC  
AND  
IN THE MATTER OF THE COMPANIES ACT 2006

ORDER

UPON THE APPLICATION by Part 8 Claim Form dated 22 October 2013 of Xenetic Biosciences Plc (the "**Company**") whose registered office is situated at London Bioscience Innovation Centre, 2 Royal College Street, London NW1 ONH.

AND UPON HEARING Counsel for the Company.

AND UPON READING the said Claim Form and the evidence.

AND UPON General Sales & Leasing, Inc. appearing by Counsel for the Company, being also its respective Counsel for this purpose, submitting to be bound by the scheme of arrangement hereinafter sanctioned and undertaking to the Court to be bound thereby and to execute or procure to be executed all such documents and to do or procure to be done all such acts or things as may be necessary or desirable to be executed or done by it or on its behalf for the purpose of giving effect to the said scheme of arrangement.

THE COURT HEREBY SANCTIONS the scheme of arrangement as set forth in Schedule 1 hereto in accordance with the provisions of the Companies Act 2006 (the "**Act**").

THE COURT HEREBY ORDERS that the reduction of the capital of the Company resolved on and effected by a special resolution passed at a general meeting of the Company held on 17 December 2013 be and the same is hereby confirmed in accordance with the provisions of the Act.

AND THE COURT HEREBY APPROVES the statement of capital set forth in Schedule 2 hereto.

AND IT IS ORDERED that this Order be produced by the Company to the Registrar of Companies and that the Company deliver an office copy hereof to him together with a copy of the said statement of capital.

AND THIS COURT DIRECTS pursuant to Section 650 of the Act that the Registrar of Companies do register this Order insofar as it confirms the reduction of capital of the Company notwithstanding the fact that the effect of this order is to reduce the issued share capital of the Company below the authorised minimum.

AND IT IS ORDERED that notice of the registration by the Registrar of Companies of this Order and of the said statement of capital be published by the Company in "The Times" newspaper within 21 days after such registration.

**SCHEDULE**  
**SCHEME OF ARRANGEMENT**

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**PART 4**

**THE SCHEME OF ARRANGEMENT**

**IN THE HIGH COURT OF JUSTICE  
CHANCERY DIVISION COMPANIES COURT  
No 7321 of 2013**

IN THE MATIER OF XENETIC BIOSCIENCES PLC  
and  
IN THE MATIER OF THE COMPANIES ACT 2006

**SCHEME OF ARRANGEMENT**  
(under Part 26 of the Companies Act 2006) between

**XENETIC BIOSCIENCES PLC**  
and  
**THE HOLDERS OF SCHEME SHARES**  
(as hereinafter defined)

**PRELIMINARY**

(A) In this Scheme, the following expressions have the meanings stated, unless they are Inconsistent with the subject or context:

"business day"	a day on which London Stock Exchange pie Is open for the transaction of business;
"Code"	the City Code on Takeovers and Mergers of the United Kingdom;
"Companies Act"	the Companies Act 2006, as amended;
"Company" or "Xenetic"	Xenetic Biosciences pie, incorporated in England and Wales with company registration number 03213174;
"Court"	the High Court of Justice in England and Wales;
"Court Hearing"	the hearing by the Court at which the Court order is made;
"Court Meeting"	the meeting of the Scheme Shareholders (and any adjournment thereon convened pursuant to an order of the Court under Part 26 of the Companies Act for the purpose of considering and, <i>W</i> thought fit, approving this Scheme;
"Court Order"	the order of Court sanctioning this Scheme under Part 26 of the Companies Act and confirming the reduction of the Company's capital by the cancellation of the Scheme Shares under section 648 of the Companies Act;
"Effective Date"	the date on which this Scheme becomes effective In accordance with clause 5 of this Scheme;
"Group"	Xenetic and Its subsidiaries;
"GSL"	General Sales & Leasing, Inc. a company incorporated in the state of Nevada, US;

<b>"GSL Consideration Shares"</b>	the New GSL Shares to be issued credited as fully paid to Scheme Shareholders pursuant to the Scheme and the Equivalent Document (expected to be up to a maximum of 130,520,137 New GSL shares assuming Xenetic does not Issue further shares);
<b>"GSL Group"</b>	GSL and its subsidiaries;
<b>"GSL Shares"</b>	Common Stock of GSL with a par value of US\$0.001 per share;
<b>"GMT"</b>	Greenwich Mean Time;
<b>"Holder"</b>	a registered holder of Shares Including a person entitled by transmission;
<b>"New GSL Shares"</b>	new GSL Shares of Common Stock with a par value of US\$0.01 proposed to be Issued and credited as fully paid pursuant to the share consolidation of GSL (before the Scheme becomes Effective);
<b>"New Shares"</b>	the new ordinary shares of 0.5 pence each In the capital of the Company to be Issued In accordance with clause 1.2 of this Scheme;
<b>"Reduction of Capital"</b>	the reduction of the share capital of the Company by the cancellation and extinguishing of the Scheme Shares, provided for In clause 1.1 of this Scheme;
<b>"Scheme"</b>	this scheme of arrangement under Part 26 of the Companies Act between the Company and the Scheme Shareholders in its present form or with or subject to any modification, addition or condition agreed between the Company and GSL and approved or Imposed by the Court;
<b>"Scheme Record Time"</b>	6.00 p.m. GMT on the business day before the Court Hearing;
<b>"Scheme Shareholders"</b>	holders of Scheme Shares;
<b>"Scheme Shares"</b>	the aggregate of: <ul style="list-style-type: none"> <li>i. the Shares in Issue at the date of this Scheme;</li> <li>ii. the Shares ( any) Issued after the date of this Scheme and prior to the Voting Record Time; and</li> <li>iii. the Shares (if any) issued on or after the Voting Record Time and prior to the Scheme Record Time either on terms that the original Holder or any subsequent Holder thereof shall be bound by this Scheme or in respect of which the Holder thereof shall have agreed In writing to be bound by this Scheme,</li> </ul> <p style="margin-left: 40px;">in each case other than any Shares which are registered in the name of or beneficially owned by GSL or any member of the GSL Group;</p>
<b>"Shares"</b>	ordinary shares of 0.5 pence each in the capital of the Company;
<b>"Statement of Capital"</b>	the statement of capital (approved by the Court) showing as altered by the Court Order in so far as it confirms the Reduction of Capital, the information required by section 649 of the Companies Act with respect to Xenetic's share capital;

"subsidiary"  
"Voting Record Time"

has the meaning ascribed to it in the Companies Act; and  
6.00 p.m. GMT on the day which is two working days before the date of  
the Court Meeting or, if the Court Meeting is adjourned, 6.00 p.m. GMT on  
the day which is two working days before the date of such adjourned  
meeting.

(B) References to "clauses" are to clauses of this Scheme and references to time are to London time. Any reference to any provision of any legislation shall include any amendment, modification, re-enactment or extension thereof.

(C) GSL has agreed to be represented by Xenetic's counsel at the Court Hearing, to consent to the Scheme and to undertake to the Court to be bound thereby and to execute and do, or procure to be executed and done, all such documents, acts and things as may be necessary or desirable to be executed or done by It or on its behalf for the purpose of giving effect to this Scheme.

(D) As at the date of this document GSL does not hold, and no member of the GSL Group holds, any Shares.

(E) The provisions of this Scheme are subject to the Court confirming the Reduction of Capital and, accordingly, they may not be implemented until a certified copy of the Court Order (together with a statement of capital has been delivered to, and registered by, the Registrar of Companies).

## THE SCHEME

### 1 Cancellation of the Scheme Shares

1.1 The share capital of the Company shall be reduced by cancelling and extinguishing all of the Scheme Shares.

1.2 Subject to and forthwith upon the said Reduction of Capital taking effect, and notwithstanding anything to the contrary in the Company's articles of association, the reserve arising in the books of account of the Company as a result of the said Reduction of Capital shall be capitalised and applied in paying up in full at par such number of New Shares as shall be equal to the number of Scheme Shares cancelled pursuant to clause 1.1 of this Scheme, which shall be allotted and issued credited as fully paid (free from all liens, charges, equitable interests and encumbrances) to GSL and/or its nominee(s).

### 2 Consideration for cancellation of the Scheme Shares

2.1 In consideration of the cancellation of the Scheme Shares pursuant to clause 1.1 of this Scheme and the allotment and issue to GSL and/or its nominee(s) of the New Shares, GSL shall, contingently upon the Reduction of Capital provided for in clause 1.1 of this Scheme taking effect (and subject as hereinafter provided) in accordance with clause 5 of this Scheme, issue to each holder of Scheme Shares (as appearing in the register of members of the Company at the Scheme Record Time):

**for every 176 Scheme Shares: 56 GSL Consideration Shares**

2.2 The provisions of this clause 2 of the Scheme shall be subject to any prohibition or condition imposed by law.

### 3 Certificates and cancellation

With effect from and including the Effective Date, all certificates representing Scheme Shares shall cease to have effect as documents of title or to be valid for any purpose and each holder of Scheme Shares shall be bound at the request of the Company to deliver up the same to the Company or to any person nominated by the Company for cancellation or to destroy the same.

#### **4 Settlement**

**4.1** In the case of Scheme Shares which at the Scheme Record Time are held in certificated form, any GSL Consideration Shares to which Shareholders are entitled pursuant to the Scheme will be issued on the Effective Date. Certificates for the GSL Consideration Shares will be despatched by post no later than 14 days after the Effective Date in prepaid envelopes addressed to the persons thereto entitled at their respective addresses, as appearing in the register of members of Xenetic at the Scheme Record Time (or, in the case of joint holders, to the address of that joint holder whose name stands first in the said register in respect of such joint holding).

Pending the despatch of certificates for GSL Consideration Shares, temporary documents of title will not be issued and transfers of GSL Consideration Shares in certificate form will be certified against the register of GSL. Every holder of Xenetic Shares will be bound at the request of Xenetic to deliver up to Xenetic the existing certificate(s) for cancellation or to destroy the certificate(s). Euroclear will also be instructed to cancel the entitlements to Xenetic Shares cancelled as part of the Scheme.

**4.2** In the case of Scheme Shares which at the Scheme Record Time are held in uncertificated form, GSL will procure that Scheme Shareholders will be issued any GSL Consideration Shares to which he or she is entitled in certificated form in the same way as set out in clause 4.1 above.

**4.3** The provisions of this clause 4 of this Scheme shall take effect subject to any prohibition or condition imposed by law or regulation.

#### **5 The Effective Date**

**5.1** This Scheme and Reduction of Capital, which it includes, shall become effective in accordance with its terms as soon as the following shall have occurred, in the following order, that:

- (a) a copy of the Court Order sanctioning this Scheme shall have been delivered to the Registrar of Companies; and
- (b) a copy of the Court Order (insofar as it relates to the Capital Reduction) and the Statement of Capital shall have been delivered to the Registrar of Companies.

**5.2** Unless this Scheme shall become effective on or before 5.00 p.m. London time on 30 June 2014 (or such later date, if any as GSL and the Company may agree and the Court may allow), this Scheme shall never become effective.

#### **6. Modification**

GSL and the Company may jointly consent, on behalf of all persons affected, to any modification of, or addition to, this Scheme or to any condition approved or imposed by the Court.

Dated: 21 November 2013

**SCHEDULE**  
**STATEMENT OF CAPITAL**

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<b>In accordance with section 644 &amp; 649 of the Companies Act 2006</b>	<b>SH19 Statement of Capital</b>			
	<b>A fee is payable with form.</b> Please see 'How to pay' on the last page.			
	<b>What this form is for</b> You may use this form as a statement of capital for a private limited company reducing its capital supported by a solvency statement; or for a private or public limited company reducing its capital supported by a court order.	<b>What this form is NOT for</b> You cannot use this form to complete a statement of capital for a company re-registering for unlimited to limited.	For further information, please refer to our guidance at <a href="http://www.companieshouse.gov.uk">www.companieshouse.gov.uk</a>	
<b>1</b>	<b>Company Details</b>			
Company number	03213174		Filling in this form Please complete in typescript or in bold black capitals.  All fields are mandatory unless specified or indicated by *	
Company name in full	XENETIC BIOSCIENCES PLC			
<b>Statement of capital</b>				
	<b>Section 2</b> (also <b>Section 3</b> and <b>Section 4</b> if appropriate) should reflect the company's share capital as reduced by resolution.			
<b>2</b>	<b>Statement of capital</b> (Share capital in pound sterling (£))			
Please complete the table below to show any class of shares held in pound sterling. If all your issued capital is in sterling, only complete <b>Section 2</b> and then go to <b>Section 5</b> .				
Class of shares (E.g. Ordinary/Preference ect.)	Amount paid up on each share (1)	Amount (if any) unpaid on each share (1)	Number of shares (2)	Aggregate nominal value (3)
SEE CONTINUATION PAGE				
<b>Totals</b>				€
<b>3</b>	<b>Statement of capital</b> (share capital in other currencies)			
Please complete the table below to show any class of shares held in other currencies. Please complete a separate table for each currency.				
Currency				
Class of shares (E.g. Ordinary/Preference ect.)	Amount paid up on each share (1)	Amount (if any) unpaid on each share (1)	Number of shares (2)	Aggregate nominal value (3)
SEE CONTINUATION PAGE				
<b>Totals</b>				
(1) Including both the nominal value and any share premium. (2) Total number of issued shares in this class. (3) Number of shares issued multiplied by nominal value of each share.			Continuation page Please use a Statement of Capital continuation page if necessary	

<b>SH19 Statement of Capital</b>				
Currency				
Class of shares (E.g. Ordinary/Preference ect.)	Amount paid up on each share (1)	Amount (if any) unpaid on each share (1)	Number of shares (2)	Aggregate nominal value (3)
SEE CONTINUATION PAGE				
<b>Totals</b>				
(1) Including both the nominal value and any share premium. (2) Total number of issued shares in this class. (3) Number of shares issued multiplied by nominal value of each share.			Continuation page Please use a Statement of Capital continuation page if necessary	
<b>4</b>	<b>Statement of Capital (Totals)</b>		(4) Total aggregate nominal value Please list total aggregate values in different currencies separately. For example: £100+€100+\$10 ect.	
	Please give the total number of shares and total aggregate nominal value of issued share capital			
Total number of shares				
Total aggregate nominal value (4)				
<b>5</b>	<b>Statement of capital (Prescribed particulars of rights attached to shares)</b>			
	Please give the prescribed particulars of rights attached to shares of each class of share shown in the statement of capital share tables in <b>Section 2</b> and <b>Section 3</b> .		<b>(5) Prescribed particulars of rights attached to shares</b> The particulars are: a. Particulars of any voting rights, including rights that arise only in certain circumstances; b. Particulars of any rights, as respects dividends, to participate in a distribution; c. Particulars of any rights, as respects capital, to participate in a distribution (including on winding up); and d. Whether the shares are to be redeemed or are liable to be redeemed at the option of the company or the shareholder and any terms or conditions relating to redemption of these shares.  A separate table must be used for each class of share.  Please use a Statement of capital continuation page if necessary.	
Class of share	£0.005 Ordinary			
Prescribed particulars (5)	The shares have attached to them full voting, dividend and capital distribution (including on winding up) rights, they do not confer any rights of redemption.			
Class of share				
Prescribed particulars (5)				

	<b>SH19 Statement of Capital</b>	
Class of share		<p><b>(1) Prescribed particulars of rights attached to shares</b></p> <p>The particulars are:</p> <ul style="list-style-type: none"> <li>a. Particulars of any voting rights, including rights that arise only in certain circumstances;</li> <li>b. Particulars of any rights, as respects dividends, to participate in a distribution;</li> <li>c. Particulars of any rights, as respects capital, to participate in a distribution (including on winding up); and</li> <li>d. Whether the shares are to be redeemed or are liable to be redeemed at the option of the company or the shareholder and any terms or conditions relating to redemption of these shares.</li> </ul> <p>A separate table must be used for each class of share.</p> <p>Please use a Statement of capital continuation page if necessary.</p>
Prescribed particulars (1)		
Class of share		
Prescribed particulars (1)		
<b>6</b>	<b>Signature</b>	
	I am signing this form on behalf of the company.	<p><b>(2) Societas Europaea</b></p> <p>If the form is being filed on behalf of a Societas Europaea (SE), please delete 'director' and insert details of which organ of the SE the person signing had membership</p> <p><b>(3) Person authorized</b></p> <p>Under either section 270 or 274 of the Companies Act 2006</p>
Signature	<u>/s/ Pinsent Masons LLP</u>	
	This form may be signed by: Director (2), Secretary, Person authorized (3), manager	

<b>Presenter information</b>		<b>Important information</b>
You do not have to give and contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.		<b>Please note that all information on this form will appear on the public record.</b>
<b>Contact Name</b>	Maria Nefeli Bernitsa	<b>€ How to Pay</b>
<b>Company Name</b>	Pinsent Masons LLP	<b>A fee of £10 is payable to Companies House to reduce the share capital by Court Order or by Solvency Statement</b>  Make cheques or postal order payable to 'Companies House.'
<b>Address</b>	30 Crown Place	<b>Where to Send</b>
<b>Post Town</b>	London	<b>You may return this form to any Companies House address, however for expediency we advise you to return it to the appropriate address below:</b>  <b>For companies registered in England and Wales:</b> The Registrar of Companies, Companies House, Crown Way, Cardiff, Wales, CF14 3UZ. DX 33050 Cardiff.  <b>For companies registered in Scotland:</b> The Registrar of Companies, Companies House, Fourth floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, Scotland, Eh3 9FF. DX ED235 Edinburgh 1 Or LP – 4 Edinburgh (Legal Post).  <b>For Companies registered in Northern Ireland:</b> The Registrar of Companies, Companies House, Second Floor, The Linenhall, 32-38 Linenhall Street, Belfast, Northern Ireland, Bt2 8BG, DX 481 N.R. Belfast 1.
<b>Country/Region</b>		
<b>Postal Code</b>	EC2A 4ES	
<b>Country</b>		
<b>DX</b>	157620 Broadgate 3	
<b>Telephone</b>	020 7418 7050	
<b>Checklist</b>		
We may return forms completed incorrectly or with information missing.		
<b>Please make sure that you have the remembered the following:</b> <input type="checkbox"/> The company name and number match the information held on the public Register. <input type="checkbox"/> You have completed the relevant sections of the statement of capital. <input type="checkbox"/> You have signed the form. <input type="checkbox"/> You have enclosed the correct fee.		
		<b>Further Information</b>
		For further information, please see the guidance note on the website at <a href="http://www.companieshouse.gov.uk">www.companieshouse.gov.uk</a> or email <a href="mailto:enquires@companieshouse.gov.uk">enquires@companieshouse.gov.uk</a>  This form is available in an alternative format. Please visit the forms page on the website at <a href="http://www.companieshouse.gov.uk">www.companieshouse.gov.uk</a>

<b>In accordance with section 644 &amp; 649 of the Companies Act 2006</b>	<b>SH19 – Continuation page Statement of Capital</b>			
	<b>Statement of capital</b>			
Please complete the table below to show any class held in other companies. Please complete a separate table for each currency.				
<b>Currency</b>	<b>GBP</b>			
Class of shares (E.g. Ordinary/Preference ect.)	Amount paid up on each share (1)	Amount (if any) unpaid on each share (1)	Number of shares (2)	Aggregate nominal value (3)
Ordinary	0.01	0.00	1	0.005
<b>Totals</b>			1	0.005
(1) Including both the nominal value and any share premium. (2) Total number of issued shares in this class. (3) Number of shares issued multiplied by nominal value of each share.				

**IN THE HIGH COURT OF JUSTICE  
CHANCERY DIVISION  
COMPANIES COURT**

**IN THE MATTER OF XENTIC  
BIOSCIENCES PLC  
AND  
THE MATTER OF THE COMPANIES  
ACT 2006**

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**ORDER**

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**Pinsnet Masons LLP  
30 Crown Place  
London  
EC2A 4ES**

**Ref RCM/639114.07005  
Solicitors to the Company**

