

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

GRITSTONE BIO, INC.,¹

Debtor.

Chapter 11

Case No. 24-12305 (KBO)

Related to Docket No. 19

**AMENDED DECLARATION OF VASSILIKI (“CELIA”) ECONOMIDES IN SUPPORT
OF THE DEBTOR’S CASH COLLATERAL MOTION**

I, Vassiliki (“Celia”) Economides, hereby declare under penalty of perjury that the following is true to the best of my knowledge, information, and belief:

1. I am the Chief Financial Officer (“**CFO**”) and an Executive Vice President (“**EVP**”) of the above-captioned debtor and debtor in possession, Gritstone bio, Inc., formerly known as Gritstone Oncology, Inc. (the “**Debtor**”), and have served in these capacities since June 2021.

2. Previously, I served as Senior Vice President, Strategy and External Affairs at Kezar Life Sciences, Inc., a public company targeting immune-mediated diseases and cancer. Prior to joining Kezar in 2019, I served as Vice President, Corporate Affairs at Aurinia Pharmaceuticals, Inc., a public company that delivered the first FDA-approved oral treatment (an immunotherapy) for lupus nephritis. Previously, I served as Director of Global Medical Affairs and Director of Clinical Operations at BioMarin Pharmaceutical, Inc., after the company’s acquisition of Prosensa where I led Investor Relations and Corporate Communications. Earlier in my career, I led Investor Relations and Program Development at the Biotechnology Innovation Organization and worked at a healthcare-focused hedge fund and in financial services focusing on the biotech sector.

¹ The Debtor’s mailing address is 4698 Willow Road, Pleasanton, CA 94588, and the last four digits of the Debtor’s federal tax identification number is 9534.



3. I received a B.A. from McGill University and an M.P.H. in Health Policy and Management from Columbia University.

4. On October 10, 2024 (the “**Petition Date**”), the Debtor commenced a case (the “**Chapter 11 Case**”) by filing a petition for relief under chapter 11 of Title 11 of the United States Code (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the District of Delaware (the “**Court**”).

5. I submit this declaration in support of the *Debtor’s Motion for Interim and Final Orders (A) Authorizing the Debtor’s Use of Cash Collateral; (B) Granting Adequate Protection to the Prepetition Secured Parties; (C) Scheduling Final Hearing; and (D) Granting Related Relief* [Docket No. 19] (the “**Motion**”).² I am over the age of 18, competent to testify, and authorized to submit this declaration on behalf of the Debtor.

6. As a result of my roles as CFO and EVP, I am familiar with the Debtor’s businesses, financial affairs, and day-to-day operations. Except as otherwise noted, I have personal knowledge of the matters set forth herein. All facts set forth in this declaration are based on my personal knowledge, my discussions with other members of the Debtor’s senior management and the Debtor’s employees, my review of relevant documents, and/or my opinion based on my experience and knowledge of the Debtor’s operations and financial condition. In making this declaration, I have relied in part on information and materials that the Debtor’s personnel and advisors have gathered, prepared, verified, and provided to me, in each case under my ultimate supervision, at my direction,

² Capitalized terms have the meanings ascribed to them in the definitions set forth in the Motion.

and/or for my benefit in preparing this declaration. If I were called to testify as a witness in this matter, I could and would testify competently to the facts set forth herein.

NEED FOR CASH COLLATERAL ACCESS

7. The Debtor has an urgent and immediate need for the use of Cash Collateral. The Debtor has not obtained postpetition financing and, without the use of Cash Collateral, the Debtor will not be able to preserve its assets or to effectuate an orderly reorganization and sale process that will maximize value for creditors.

8. The Debtor has a workforce of employees who possess the requisite knowledge to maintain the Debtor's going concern value and continued business operations. Without immediate access to Cash Collateral, the Debtor would be forced to terminate staff, abandon certain assets, and cease operations, causing immediate and irreparable harm to this estate. Specifically, the Debtor has an ongoing Phase 2 clinical trial evaluating its individualized immunotherapy that needs to be funded. The trial is treating patients with metastatic colorectal cancer where the prognosis is very poor – most patients die within two to three years of their diagnosis. In order to preserve and maximize the value of the Debtor's assets, I urge the Court to approve the Motion.

9. Absent access to Cash Collateral, the repercussions to the Debtor's restructuring efforts will be catastrophic and likely irreparable, ending its ability to maximize value from its ongoing sale process for the benefit of all constituents. The Debtor needs to fund, among other things, payroll obligations, payments to vendors for ongoing goods, services, and rent, and other administrative obligations, including funding the ongoing clinical trial referenced above.

10. The Budget was prepared by staff under my direction and control. I believe that the Budget sets forth a reasonable projection of the administrative expenses and other payments that the Debtor will be required to fund in the coming weeks.

11. The Motion proposes a paydown of \$4 million initially and then an additional \$2 million payable to the Prepetition Secured Parties. The Debtor projects having sufficient cash in the Budget in order to fund its sale process through December 2024, even after taking into account such proposed paydowns. I understand that such paydowns are a necessary component of obtaining the Prepetition Secured Parties' consent to the proposed form of Interim Order. The proposed paydowns are a negotiated resolution with the Prepetition Secured Parties who initially insisted on a greater paydown.

12. The Debtor's cash use during the interim period is approximately \$4.7 million. There is \$2.1 million in projected receipts reflected in the Budget on account of the return of an insurance payment that was paid twice on the day before the Petition Date. The \$4 million proposed interim paydown to the Prepetition Secured Parties is less than a dollar for dollar correlation to the \$4.7 million in proposed cash collateral use for operations during the interim period, which includes projected postpetition disbursements for accounts payable, payroll and benefits, insurance, rent, and restructuring fees and expenses.

13. If the Motion is not approved, the Debtor's only alternative would be a piecemeal liquidation that would substantially impair recoveries by creditors and negatively impact recoveries from the Debtor's going concern business operations. Hence, I believe that the relief sought in the Motion should be granted.

14. The urgent need to preserve the Debtor's business, and avoid immediate and irreparable harm to the Debtor's estate, makes it imperative that the Debtor is authorized to use Cash Collateral as soon as possible in order to continue its business and administer this Chapter 11 Case. Without the ability to use Cash Collateral, the Debtor would be unable to meet its postpetition obligations or fund its working capital needs, thus causing irreparable harm to the value of the Debtor's estate and effectively ending the Debtor's reorganization and going concern sale efforts.

15. I have reviewed the proposed form of Interim Order granting the Motion, which order was negotiated in good faith and at arms' length with the Prepetition Secured Parties. I believe that the terms of the Interim Order are fair and reasonable from the perspective of the Debtor's estate under the circumstances.

16. Based on the foregoing, I urge the Court to grant the Motion.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that, to the best of my knowledge and after reasonable inquiry, the foregoing is true and correct.

Dated: October 15, 2024

/s/ Vassiliki Economides

Vassiliki Economides
Chief Financial Officer