

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

In re:

GRITSTONE BIO, INC.,<sup>1</sup>

Debtor.

Chapter 11

Case No. 24-12305 (KBO)

**Related Docket No. 423**

**DECLARATION OF VASSILIKI (“CELIA”) ECONOMIDES IN SUPPORT OF  
CONFIRMATION OF GRITSTONE BIO, INC.’S FIRST MODIFIED CHAPTER 11  
PLAN OF REORGANIZATION**

I, Vassiliki (“Celia”) Economides, pursuant to section 1726 of title 28 of the United States Code, hereby declare that the following is true to the best of my knowledge, information, and belief:

1. I am the Interim Chief Executive Officer and Chief Financial Officer of the above-captioned debtor and debtor in possession (the “Debtor” or the “Company”) and have served in those capacities since January 1, 2025. Prior to that time, I served as Chief Financial Officer and an Executive Vice President to the Debtor 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

<sup>1</sup> 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.



Organization and worked at a healthcare-focused hedge fund and in financial services focusing on the biotech sector.

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

4. In my capacities at the Company, I am familiar with the Debtor's business, financial affairs, and day-to-day operations. I submit this Declaration in support of confirmation of *Gritstone bio, Inc. 's First Modified Chapter 11 Plan of Reorganization* (as modified, amended, or supplemented from time to time, the "Plan").

5. Except as otherwise noted, I have personal knowledge of the matters set forth herein. All facts set forth in the Declaration are based on my personal knowledge; my discussions with the Debtor's senior management, employees and other personnel, and their counsel and other advisors; my review of relevant documents and information; and/or my opinion based on my experience and knowledge of the Debtor's operations and financial condition. In making the 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, and/or for my benefit in preparing the 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.

6. In connection with the Debtor's restructuring efforts, with the assistance of the Debtor's advisors, I led the Debtor in undertaking a comprehensive business and financial planning exercise encompassing all aspects of the Company's business. This process was supported by key functional leaders in the Company and members of their respective teams, and by outside advisors, including Pachulski, Stang Ziehl & Jones LLP, Pricewaterhouse Coopers, and

Raymond James & Associates (“Raymond James”) as the Company’s investment banker. With the assistance of Raymond James and the Company’s other professional advisors, the Company conducted a robust marketing process to identify one or more parties interested in pursuing a sale of the Debtor’s assets. On November 14, 2024, the Bankruptcy Court entered an order approving certain bidding, auction and related procedures [Docket No. 181]; the bid deadline was December 4, 2024. By the bid deadline, the Debtor received several qualified bids. The auction occurred on December 9, 10, 11 and 12, 2024 (the “Auction”).

7. SPC Sale: At the Auction, Seattle Project Corp. (“SPC”) was chosen as the successful bidder for substantially all of the Debtor’s assets excluding the Retained IP, the Hercules Assets, and certain other assets (the “SPC Assets”), based on SPC’s final bid of \$21.25 million (subject to the terms of the parties’ Asset Purchase Agreement). The sale (the “SPC Sale”) of the SPC Assets to SPC was approved by the Court after a hearing held on December 20 (the “Sale Hearing”), pursuant to an order entered on December 23, 2024 [Docket No. 293]. The SPC Assets constitute DIP Senior Collateral (as defined in the DIP Orders) and the DIP Lenders’ liens have attached to the proceeds (both cash and non-cash) attributable to the SPC Assets pursuant to the SPC Sale (deposited into the Segregated Account (as defined in the DIP Orders)). The sale of the SPC Asset closed on December 30, 2024.

8. Hercules Sale: Also at the Auction, Hercules Capital, Inc., as agent (“Hercules”) was chosen by the Debtor as the successful bidder for the Debtor’s machinery and equipment (the “Hercules Assets”) in the form of a credit bid in the amount of \$3 million. After the Sale Hearing, the sale of the Hercules Assets (the “Hercules Sale”) to Hercules was approved by the Court pursuant to an order entered on December 20, 2024 [Docket No. 288]. The sale of the Hercules Assets closed on December 27, 2024.

9. FSI Sale: Finally, at the Auction, the Debtor designated Future Solutions Investments, LLC (“FSI”), the DIP Agent (on behalf of itself and the DIP Lenders), as the successful bidder for certain of the Debtor’s intellectual property (the “Retained IP”), in the form of a credit bid in the amount of \$1.5 million. The Court entered an order on December 20, 2024 approving the selection of the successful bid subject to confirmation and consummation of the Plan [Docket No. 286].

10. These sales form the basis around which a global settlement was reached on the terms of a reorganization Plan among the Company, the DIP Lenders, the Prepetition Lenders and the Committee. Pursuant to the terms of the global resolution, the Company will reorganize around the retained IP thereby preserving important scientific initiatives with a partial debt-for-equity swap from the DIP Lenders. The Prepetition Lender would receive a partial distribution on its secured claim and a deficiency claim for the balance of its claim subject to the terms of the Plan. A Liquidating Trust for the benefit of unsecured creditors would be established and funded.

11. I believe this outcome maximizes recoveries for creditors in this case and preserves valuable scientific advances.

#### Financial Projections / Feasibility of the Plan

12. The DIP Agent, on behalf of the Reorganized Debtor and in consultation with the Debtor, prepared the Financial Projections [Docket No. 427] based on, among other things, the anticipated future financial condition and results of operations of the Reorganized Debtor. The Financial Projections cover the anticipated post-emergence period from April 1, 2025, through December 31, 2027 (the “Projection Period”). The Financial Projections assume that the Plan will be consummated in accordance with its terms and that all transactions contemplated by the Plan will be consummated by March 31, 2025.

13. The Financial Projections provide a foundation for the Plan (subject to the assumptions contained therein and subject to uncertainties and risk given the nature of the Debtor's business).

14. I believe that the assumptions used in connection with the Financial Projections were prepared in good faith and are reasonable under the circumstances (although such assumptions are inherently subject to uncertainty and risk given the nature of the Debtor's business).

15. Based on the Financial Projections, I believe the Debtor will be able to meet its obligations under the Plan and emergence from Chapter 11.

Releases, Exculpation and Injunction

16. The Plan contains consensual third-party releases and exculpation and injunction provisions all of which are essential to confirmation of the Plan. These provisions are warranted under the circumstance of this case.

17. Each of the Released Parties, as stakeholders and key participants in the Chapter 11 Case, share a common goal with the Debtor in seeing the Plan succeed.

18. The Released Parties have made a substantial contribution to the Chapter 11 Case, which include, among other things, negotiating, formulating, and executing the Plan, as well as providing other material support to the Debtor. The DIP Lenders provided the Debtor with postpetition financing facilitating the Debtor's operations while in chapter 11 and the runway to execute an efficient wind-down of certain segments of its business. Further, the Released Parties played an active role throughout the duration of the Chapter 11 Case, including in negotiating the global settlement embodied in the Plan that has garnered support from the Debtor's key stakeholders.

Additionally, as part of the Plan Settlements, the Prepetition Lenders have agreed to limit their recovery to the distribution and treatment set forth in the Plan.

19. The Third-Party Release is essential to the disposition of the Chapter 11 Case. Without such release, and the active participation of the Released Parties in this Chapter 11 Case, none of the value-maximizing transactions that have been consummated over the course of the case would have been possible. Certain key stakeholders notably went to great lengths to negotiate settlements, participate in the formulation of a chapter 11 plan, and even forgo part of their own recoveries. These stakeholders had to make considerable contributions and concessions in taking these steps toward formulating the Plan. The consideration for this support is the Third-Party Release.

20. The holders of Claims in the Voting Classes have overwhelmingly voted in favor of the Plan.

21. The Third-Party Release, like all elements of the Plan, was negotiated by sophisticated parties represented by able counsel and are the result of arm's-length negotiations. The Third-Party Release provides the Released Parties with a level of finality that is key to an orderly and value-maximizing disposition of the Estate, a result which would be impossible without the contributions and significant concessions of the Released Parties.

22. Accordingly, I believe the Third-Party Release and the exculpation and injunction provisions are appropriate.

23. The key constituents have negotiated the global resolution contained in the Plan in good faith.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Dated: March 21, 2025

/s/ Vassiliki Economides

Vassiliki Economides  
Chief Financial Officer