

UNITED STATES BANKRUPTCY COURT
 _____ DISTRICT OF DELAWARE _____

In Re. PHASEBIO PHARMACEUTICALS, INC.

Case No. 22-10995

 Debtor(s)

§
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§
§

Jointly Administered

Monthly Operating Report

Chapter 11

Reporting Period Ended: 11/30/2022

Petition Date: 10/23/2022

Months Pending: 1

Industry Classification:

2	8	3	4
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Reporting Method: Accrual Basis

Cash Basis

Debtor's Full-Time Employees (current):

34

Debtor's Full-Time Employees (as of date of order for relief):

49

Supporting Documentation (check all that are attached):

(For jointly administered debtors, any required schedules must be provided on a non-consolidated basis for each debtor)

- Statement of cash receipts and disbursements
- Balance sheet containing the summary and detail of the assets, liabilities and equity (net worth) or deficit
- Statement of operations (profit or loss statement)
- Accounts receivable aging
- Postpetition liabilities aging
- Statement of capital assets
- Schedule of payments to professionals
- Schedule of payments to insiders
- All bank statements and bank reconciliations for the reporting period
- Description of the assets sold or transferred and the terms of the sale or transfer

Brendan J. Schlauch

 Signature of Responsible Party

12/21/2022

 Date

/s/ Brendan J. Schlauch

 Printed Name of Responsible Party

Richards, Layton & Finger, P.A.
 One Rodney Square, 920 North King Street
Wilmington, DE 19801
 Address

STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore, Paperwork Reduction Act exemption 5 C.F.R. § 1320.4(a)(2) applies.

Debtor's Name PHASEBIO PHARMACEUTICALS, INC.

Case No. 22-10995

Part 1: Cash Receipts and Disbursements		Current Month	Cumulative
a.	Cash balance beginning of month	\$2,662,983	
b.	Total receipts (net of transfers between accounts)	\$1,319	\$2,492,361
c.	Total disbursements (net of transfers between accounts)	\$1,123,386	\$1,540,579
d.	Cash balance end of month (a+b-c)	\$1,540,917	
e.	Disbursements made by third party for the benefit of the estate	\$442,529	\$422,529
f.	Total disbursements for quarterly fee calculation (c+e)	\$1,565,915	\$1,963,108
Part 2: Asset and Liability Status		Current Month	
(Not generally applicable to Individual Debtors. See Instructions.)			
a.	Accounts receivable (total net of allowance)	\$0	
b.	Accounts receivable over 90 days outstanding (net of allowance)	\$0	
c.	Inventory (Book <input type="radio"/> Market <input type="radio"/> Other <input checked="" type="radio"/> (attach explanation))	\$0	
d.	Total current assets	\$7,082,148	
e.	Total assets	\$16,844,337	
f.	Postpetition payables (excluding taxes)	\$599,010	
g.	Postpetition payables past due (excluding taxes)	\$0	
h.	Postpetition taxes payable	\$22	
i.	Postpetition taxes past due	\$0	
j.	Total postpetition debt (f+h)	\$599,032	
k.	Prepetition secured debt	\$0	
l.	Prepetition priority debt	\$493,056	
m.	Prepetition unsecured debt	\$30,153,243	
n.	Total liabilities (debt) (j+k+l+m)	\$31,245,330	
o.	Ending equity/net worth (e-n)	\$-14,400,993	
Part 3: Assets Sold or Transferred		Current Month	Cumulative
a.	Total cash sales price for assets sold/transferred outside the ordinary course of business	\$0	\$0
b.	Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business	\$0	\$0
c.	Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b)	\$0	\$0
Part 4: Income Statement (Statement of Operations)		Current Month	Cumulative
(Not generally applicable to Individual Debtors. See Instructions.)			
a.	Gross income/sales (net of returns and allowances)	\$0	
b.	Cost of goods sold (inclusive of depreciation, if applicable)	\$0	
c.	Gross profit (a-b)	\$0	
d.	Selling expenses	\$0	
e.	General and administrative expenses	\$908,729	
f.	Other expenses	\$170,203	
g.	Depreciation and/or amortization (not included in 4b)	\$0	
h.	Interest	\$23,333	
i.	Taxes (local, state, and federal)	\$21,120	
j.	Reorganization items	\$0	
k.	Profit (loss)	\$-1,122,066	\$-1,535,802

Debtor's Name PHASEBIO PHARMACEUTICALS, INC.

Case No. 22-10995

Part 5: Professional Fees and Expenses

			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
a.	Debtor's professional fees & expenses (bankruptcy) <i>Aggregate Total</i>		\$0	\$0	\$0	\$0
	<i>Itemized Breakdown by Firm</i>					
	Firm Name	Role				
i	Richards, Layton & Finger, P.A	Local Counsel	\$0	\$0	\$0	\$0
ii	Cooley LLP	Lead Counsel	\$0	\$0	\$0	\$0
iii	SierraConstellation Partners, LL	Financial Professional	\$0	\$0	\$0	\$0
iv	Miller Buckfire, LLC	Financial Professional	\$0	\$0	\$0	\$0
v	Omni Management Group, Inc.	Other	\$0	\$0	\$0	\$0
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Debtor's Name PHASEBIO PHARMACEUTICALS, INC.

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			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative	
b.	Debtor's professional fees & expenses (nonbankruptcy) <i>Aggregate Total</i>						
	<i>Itemized Breakdown by Firm</i>						
		Firm Name	Role				
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Debtor's Name PHASEBIO PHARMACEUTICALS, INC.

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Debtor's Name PHASEBIO PHARMACEUTICALS, INC.

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c.	All professional fees and expenses (debtor & committees)					

Part 6: Postpetition Taxes	Current Month	Cumulative
a. Postpetition income taxes accrued (local, state, and federal)	\$0	\$0
b. Postpetition income taxes paid (local, state, and federal)	\$0	\$0
c. Postpetition employer payroll taxes accrued	\$0	\$0
d. Postpetition employer payroll taxes paid	\$24,036	\$37,149
e. Postpetition property taxes paid	\$0	\$0
f. Postpetition other taxes accrued (local, state, and federal)	\$11,000	\$11,000
g. Postpetition other taxes paid (local, state, and federal)	\$21,120	\$21,120

Part 7: Questionnaire - During this reporting period:

- a. Were any payments made on prepetition debt? (if yes, see Instructions) Yes No
- b. Were any payments made outside the ordinary course of business without court approval? (if yes, see Instructions) Yes No
- c. Were any payments made to or on behalf of insiders? Yes No
- d. Are you current on postpetition tax return filings? Yes No
- e. Are you current on postpetition estimated tax payments? Yes No
- f. Were all trust fund taxes remitted on a current basis? Yes No
- g. Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions) Yes No
- h. Were all payments made to or on behalf of professionals approved by the court? Yes No N/A
- i. Do you have:
 - Worker's compensation insurance? Yes No
 - If yes, are your premiums current? Yes No N/A (if no, see Instructions)
 - Casualty/property insurance? Yes No
 - If yes, are your premiums current? Yes No N/A (if no, see Instructions)
 - General liability insurance? Yes No
 - If yes, are your premiums current? Yes No N/A (if no, see Instructions)
- j. Has a plan of reorganization been filed with the court? Yes No
- k. Has a disclosure statement been filed with the court? Yes No
- l. Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930? Yes No

Debtor's Name PHASEBIO PHARMACEUTICALS, INC.

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Part 8: Individual Chapter 11 Debtors (Only)

- a. Gross income (receipts) from salary and wages \$0
- b. Gross income (receipts) from self-employment \$0
- c. Gross income from all other sources \$0
- d. Total income in the reporting period (a+b+c) \$0
- e. Payroll deductions \$0
- f. Self-employment related expenses \$0
- g. Living expenses \$0
- h. All other expenses \$0
- i. Total expenses in the reporting period (e+f+g+h) \$0
- j. Difference between total income and total expenses (d-i) \$0
- k. List the total amount of all postpetition debts that are past due \$0
- l. Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)? Yes No
- m. If yes, have you made all Domestic Support Obligation payments? Yes No N/A

Privacy Act Statement

28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." See 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http://www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

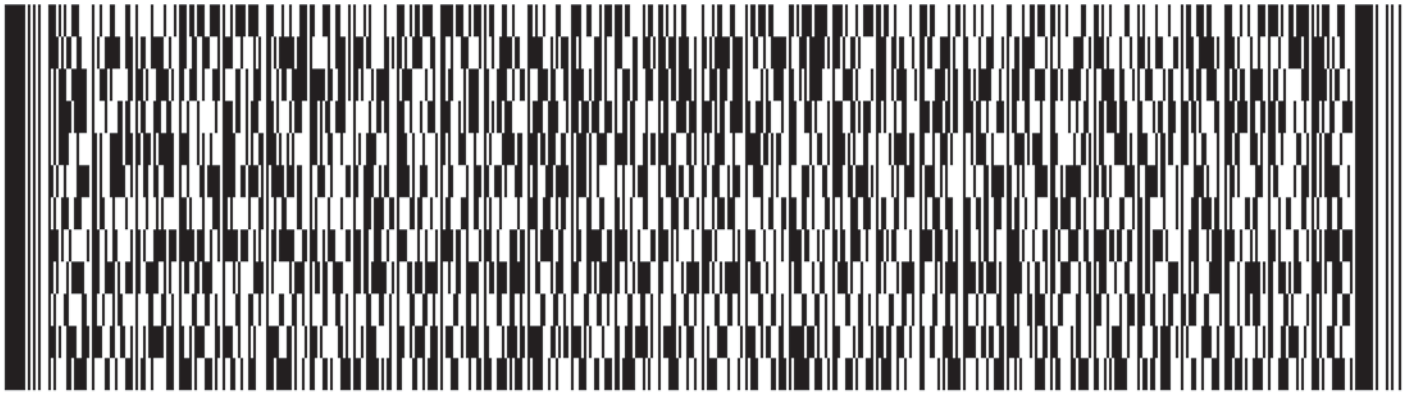
I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.

/s/ Lawrence R. Perkins
 Signature of Responsible Party
Chief Restructuring Officer
 Title

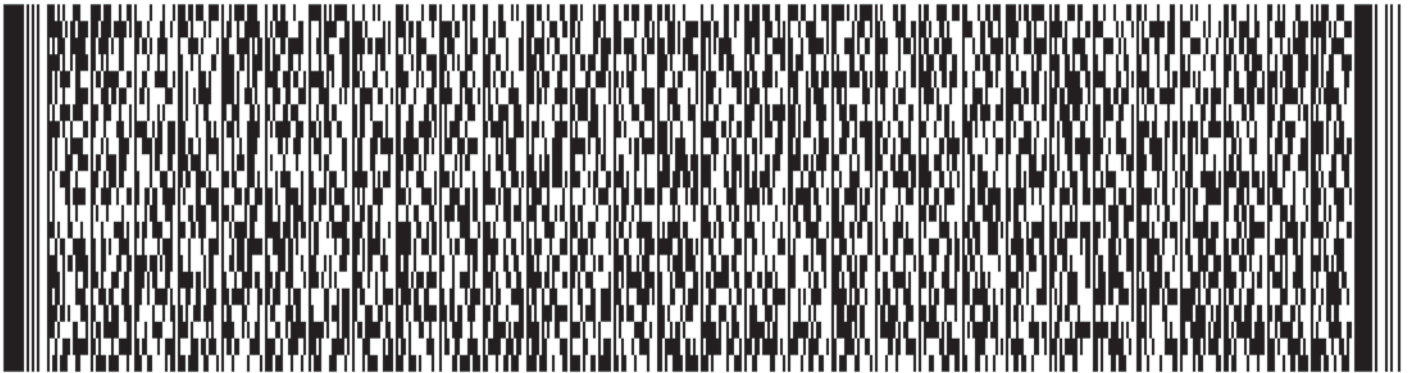
Lawrence R. Perkins
 Printed Name of Responsible Party
12/21/2022
 Date

Debtor's Name PHASEBIO PHARMACEUTICALS, INC.

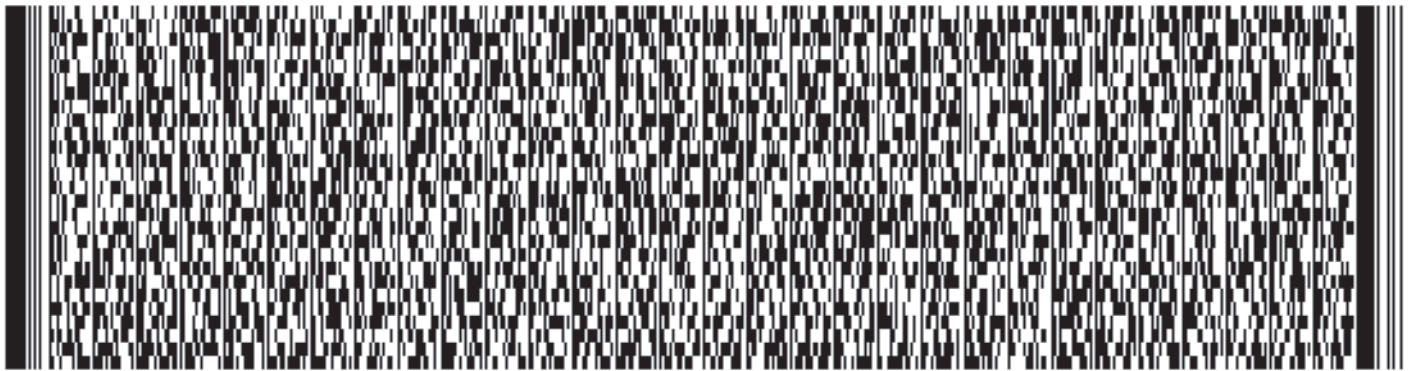
Case No. 22-10995



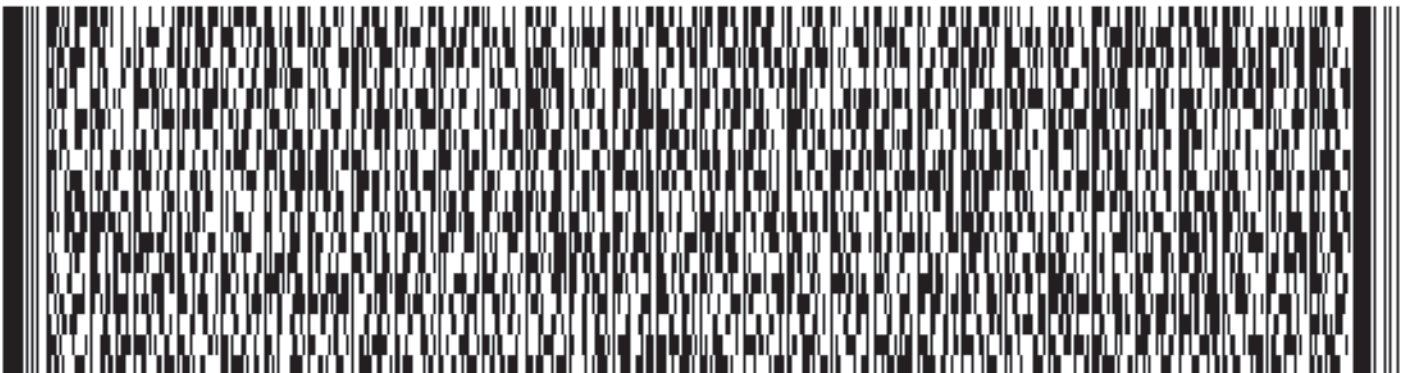
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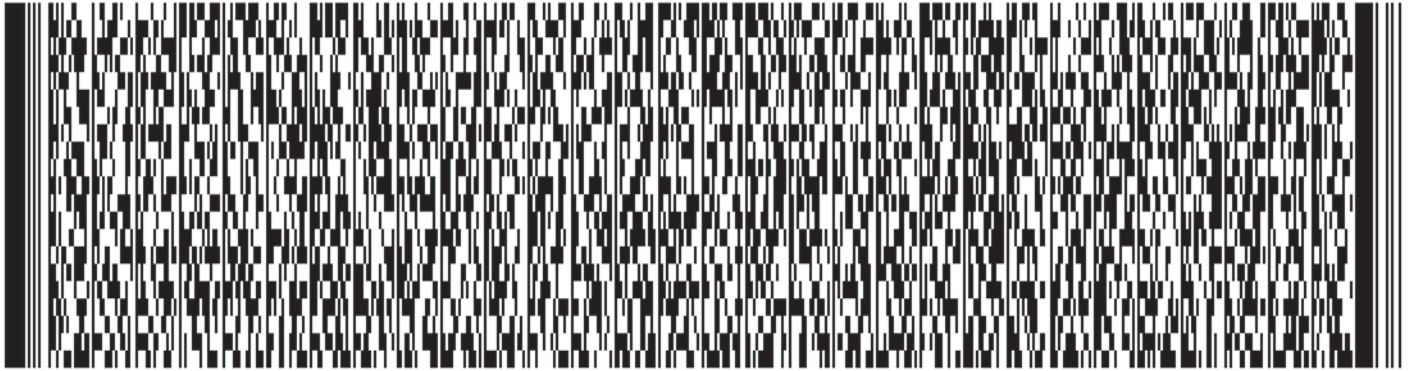
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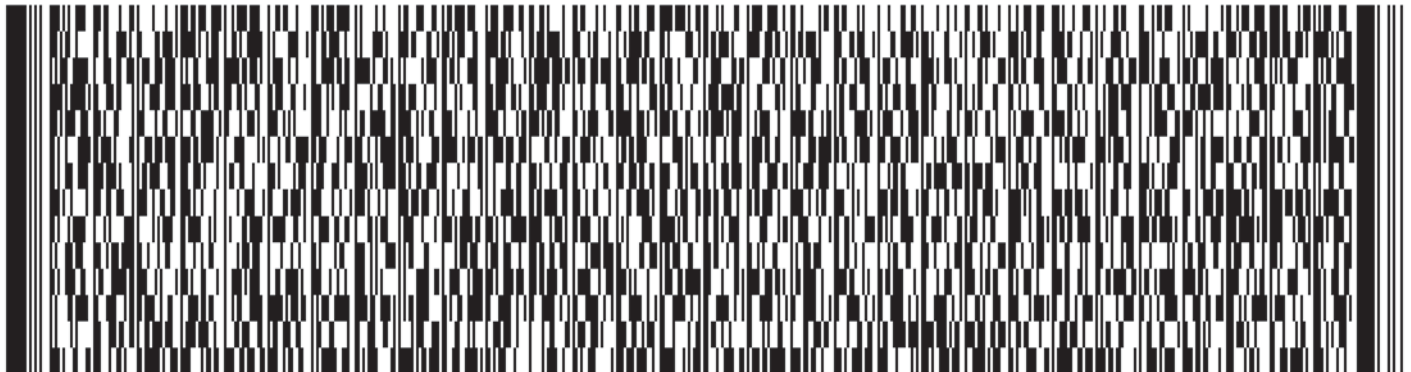
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Debtor's Name PHASEBIO PHARMACEUTICALS, INC.

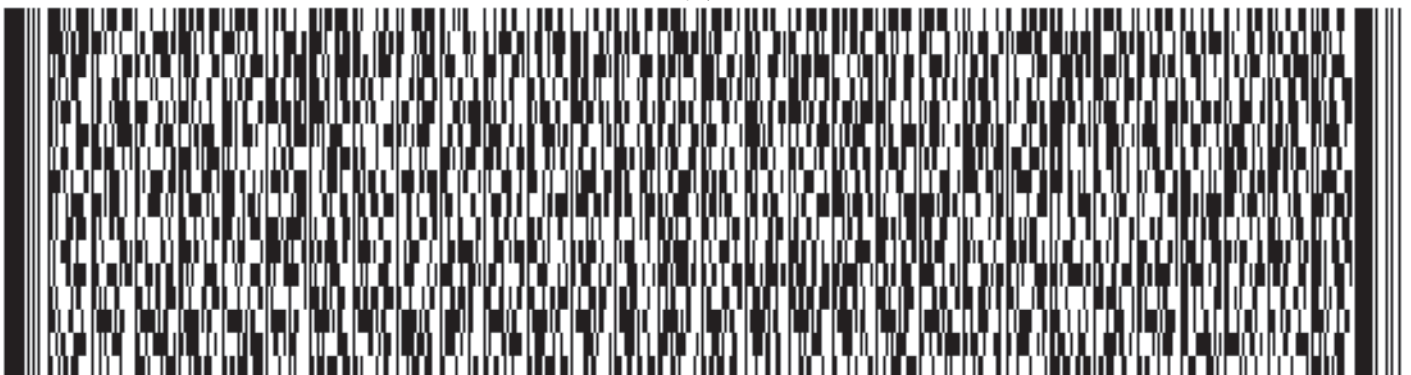
Case No. 22-10995



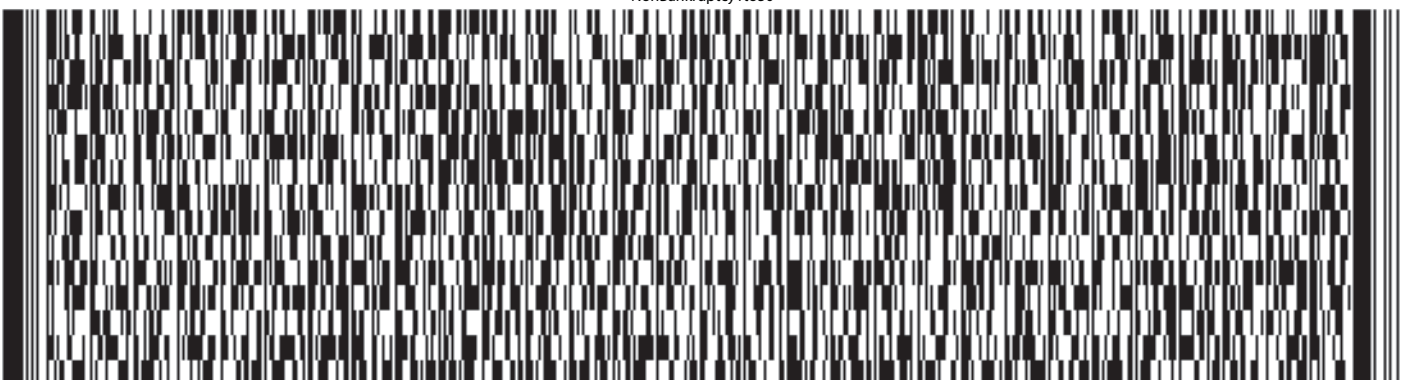
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Bankruptcy51to100



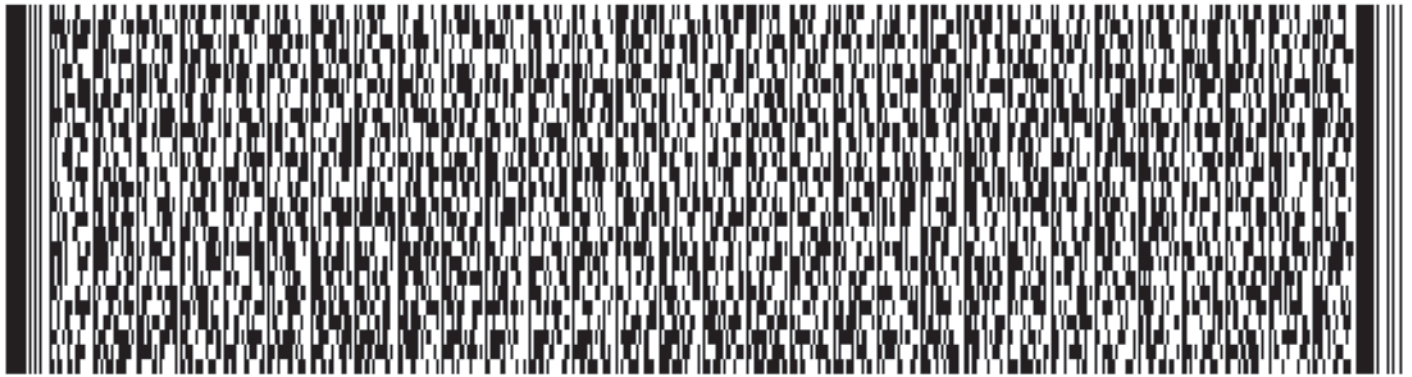
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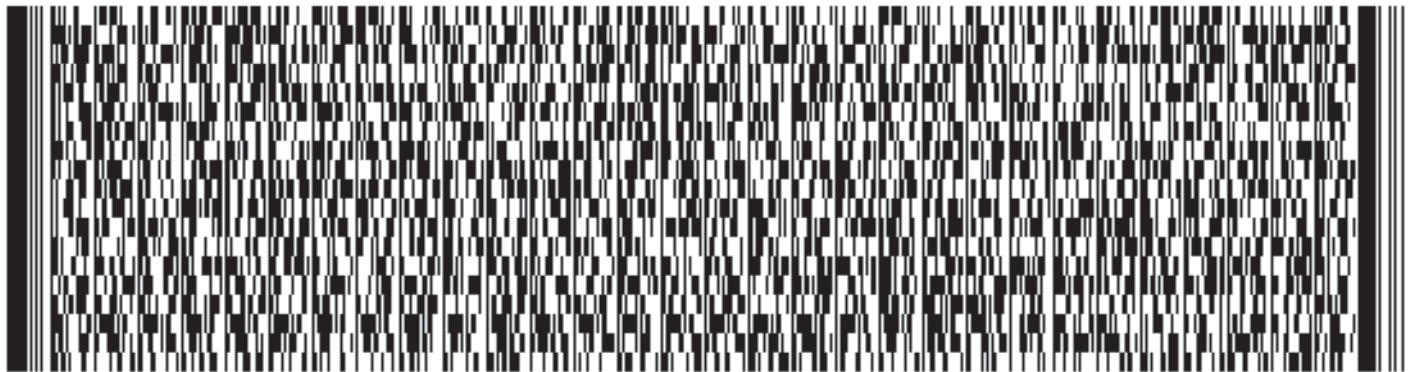
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Debtor's Name PHASEBIO PHARMACEUTICALS, INC.

Case No. 22-10995



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

In re:)	
)	Chapter 11
)	
PHASEBIO PHARMACEUTICALS, INC.)	Case No. 22-10995 (LSS)
)	
Debtor.¹)	
)	
)	

**GLOBAL NOTES AND STATEMENT OF LIMITATIONS,
METHODOLOGY AND DISCLAIMERS REGARDING
NOVEMBER 30, 2022 MONTHLY OPERATING REPORT**

The debtor and debtor in possession (the “Debtor”) in the above-captioned chapter 11 case (the “Chapter 11 Case”) has prepared and filed the attached November 30, 2022 Monthly Operating Report (the “MOR”) in the United States Bankruptcy Court for the District of Delaware (the “Court”). The Debtor has prepared the MOR with the assistance of its advisors and professionals solely for the purpose of complying with the reporting requirements applicable in the Chapter 11 Case and is in a format consistent with the instructions provided by the Office of the United States Trustee for the District of Delaware. The financial information contained herein is unaudited, limited in scope, and is not prepared in accordance with accounting principles generally accepted in the United States of America nor in accordance with federal or state securities laws or other applicable non-bankruptcy law or in lieu of complying with any periodic reporting requirements thereunder.

In preparing the MOR, the Debtor relied on financial data available from the limited books and records available to it at the time of such preparation, as well as certain filings from the docket in the Chapter 11 Case. Although the Debtor made commercially reasonable efforts to ensure the accuracy and completeness of the MOR, inadvertent errors or omissions may exist.² For the avoidance of doubt, the Debtor hereby reserves its right to amend and supplement the MOR as may be necessary or appropriate.

Each signatory to the MOR has necessarily relied upon the efforts, statements, advice, and representations of personnel of the Debtor and its advisors and professionals. Each signatory has

¹ The last four digits of the Debtor’s federal tax identification numbers is 5697. The Debtor’s principal office is located at 1 Great Valley Parkway, Suite 30, Malvern, PA 19355.

² The Debtor, and its agents, advisors, attorneys, and other professionals, as applicable, do not guarantee or warrant the accuracy or completeness of the data that is provided in the MOR.

not (and could not have) personally verified the accuracy of each such statement, representation, and answer contained in the MOR.

Part 1: Cash Receipts and Disbursements. The MOR presents the Debtor's receipts and disbursements for the period from November 1, 2022 through November 30, 2022. In November, under the Co-Development Agreement dated January 9, 2020, SFJ Pharmaceuticals X, Ltd. directly paid vendors an approximate amount of \$422,529 for the benefit of the estate.

Part 2: Asset and Liability Status. The amounts identified in Part 2 of the MOR are derived from the Debtor's unaudited and estimated accrual-based Balance Sheet as of November 30, 2022. Certain Balance Sheet accounts such as operating leases, deferred sublicense revenues and Development Derivative are presented in Exhibit E: Balance Sheet. Postpetition payables includes accounts payable and unamortized debt issuance costs. Please refer to the notes above for information about presentation and limitations that may exist in the MOR.

Part 3: Assets Sold or Transferred. No such transactions or activities during the period from November 1, 2022 through November 30, 2022.

Part 4: Income Statement (Statement of Operations). This MOR presents the Debtor's best estimate of its cash-basis Statements of Operations for the period from November 1, 2022 through November 30, 2022. Please refer to the notes above for information about presentation and limitations that may exist in the MOR.

Part 5: Professional Fees and Expenses. The Debtor did not make any payments to any restructuring professionals (whether retained or anticipated to be retained) during the period from November 1, 2022 through November 30, 2022.

Part 6: Postpetition Taxes. The Debtor collects, withholds, and incurs withholding, income, and property taxes, as well as other business and regulatory fees and assessments (collectively, the "Taxes and Fees"). The Debtor remits the Taxes and Fees to various federal, state, and local governments (collectively, the "Authorities"). The Debtor pays the Taxes and Fees to the Authorities on a periodic basis, remitting them monthly, semi-monthly, quarterly, semi-annually, or annually depending on the nature and incurrence of a particular Tax or Fee. On November 15, 2022, the Court entered an order [Docket No. 139] authorizing, but not directing, the Debtor to, among other things, pay Taxes and Fees that arise or accrue in the ordinary course of business on a postpetition basis consistent with prepetition practices. The Debtor believes that it is current with respect to any outstanding, postpetition amounts due.

Exhibit E: Balance Sheet. This MOR presents the Debtor's best estimates of its accrual-based Balance Sheet at November 30, 2022. Certain prepaid accounts, accruals, and Development Derivative calculations require information from third parties that were not readily available at the time of preparation of this MOR. Further, estimates for the inputs to appropriately measure the Development Derivative at fair value cannot be made given the Debtor's current situation. Accrued Clinical and MFG, and Other include Debtor Professional Fees incurred but unpaid as of November 30, 2022. Please refer to the notes above for information and limitations that may exist in the MOR.

In re: PhaseBio Pharmaceuticals, Inc.
Case No. 22-10995
Statement of Cash Receipts and Disbursements Summary
Reporting Period: November 1 to November 30, 2022
(amounts in \$)

	PhaseBio Pharmaceuticals, Inc.
Cash Beginning of Month	\$ 2,662,983.28
Receipts	
Collections of Accounts Receivable	-
DIP Loan Proceeds	-
Inter-Company Cash Transfers	-
Cash Collateral Proceeds	-
Sale of Assets	-
Employee Benefit Refunds	-
Other	1,319.24
Total Receipts	1,319.24
Disbursements	
Payroll & Taxes	737,438.11
Employee Benefits	140,794.41
Rent	46,632.62
Insurance	-
Essential Vendors	139,456.00
Other Operating Disbursements	35,731.08
Interest & Fees	23,333.33
Other	-
Professional Fees	-
U.S. Trustee Quarterly Fees	-
Court Costs	-
Total Disbursements	1,123,385.55
Net Cash Flow (Receipts Less Disbursements)	(1,122,066.31)
Cash - End of Month	\$ 1,540,916.97

In re: PhaseBio Pharmaceuticals, Inc.

Case No. 22-10995

Statement of Operations

Reporting Period: November 1 to November 30, 2022

(amounts in \$)

Cash-Basis

	PhaseBio Pharmaceuticals, Inc.
Gross Sales	\$ -
Cost of goods sold	-
Gross profit	-
Selling expenses	-
General and administrative expenses	908,728.93
Other expenses	170,203.29
Depreciation and/or amortization (not included in 4b)	-
Interest & Fees	23,333.33
Taxes (local, state, and federal)	21,120.00
Reorganization items	-
Miscellaneous (Income) / Expense	(1,319.24)
Profit (loss)	\$ (1,122,066.31)

In re: PhaseBio Pharmaceuticals, Inc.**Case No. 22-10995****Balance Sheet****Reporting Period: November 1 to November 30, 2022***(amounts in \$)*

	PhaseBio Pharmaceuticals, Inc.
Cash	\$ 1,534,570
Prepays	5,547,578
Fixed Assets	8,395,345
Right of Use Asset - Operating	1,309,569
Deposits	57,276
Total Assets	16,844,337
Accounts Payable	23,601,820
Payroll Liabilities	913,100
Current Portion of JMB Loan	11,086,295
Current Portion of Deferred Sublicense Revenue	849,036
Accrued Clinical and MFG, and Other	17,839,108
Accrued Interest	140,000
Short Term Operating Lease Liability	501,407
Long Term Portion of JMB Debt	-
Long Term Operating Lease Liability	879,227
Long Term Portion of Deferred Sublicense Revenue	7,409,687
Development Derivative	108,828,082
Total Liabilities	172,047,762
Common Stock	50,175
APIC - Common Stock	303,195,368
Treasury Stock	(24,178)
Retained Earnings	(391,793,997)
Net Income	(66,630,794)
Total Equity	(155,203,425)
Total Liabilities and Equity	16,844,337

In re: PhaseBio Pharmaceuticals, Inc.
Case No. 22-10995
Schedule of Payments to Insiders
Reporting Period: November 1 to November 30, 2022

The Debtor hereby submits this attestation regarding payments to insiders during November 2022.

All payments made to insiders were on account of ordinary course salaries and authorized travel and expense reimbursements in the post petition period and/or in accordance with interim and final orders authorizing the Debtor to pay, among other things, prepetition wages, salaries, employee benefits, and other compensation (Docket Nos. 48 & 141).

No non-cash transfers were made during this reporting period.

/s/ Lawrence Perkins
Signature of Authorized Individual

December 21, 2022
Date

Lawrence Perkins
Printed Name of Authorized Individual

Chief Restructuring Officer
Title of Authorized Individual

In re: PhaseBio Pharmaceuticals, Inc.

Case No. 22-10995

All bank statements and bank reconciliations for the reporting period

Reporting Period: November 1 to November 30, 2022

The Debtor hereby submits this attestation regarding bank account reconciliations in lieu of providing copies of bank statements, bank reconciliations and journal entries during November 2022.

The Debtor's standard practice is to ensure that bank reconciliations are completed before closing the books each reporting period. I attest that each of the Debtors' bank accounts has been reconciled in accordance with their standard practices.

/s/ Lawrence Perkins

Signature of Authorized Individual

December 21, 2022

Date

Lawrence Perkins

Printed Name of Authorized Individual

Chief Restructuring Officer

Title of Authorized Individual

In re: PhaseBio Pharmaceuticals, Inc.
Case No. 22-10995
Schedule of Pre-Petition Payments
Reporting Period: November 1 to November 30, 2022

The Debtor hereby submits this attestation regarding pre-petition payments during November 2022.

All payments made by Debtor during the month of November 2022 (and included in the disbursements reported herein) were authorized under First Day Orders granted by the Court.

Due to the voluminous and commercially sensitive nature of these payments, the individual detail of these payments is not included in this document but will be made available to the Office of the United States Trustee upon request.

/s/ Lawrence Perkins
Signature of Authorized Individual

December 21, 2022
Date

Lawrence Perkins
Printed Name of Authorized Individual

Chief Restructuring Officer
Title of Authorized Individual

In re: PhaseBio Pharmaceuticals, Inc.
Case No. 22-10995
Schedule of Post-Petition Borrowing Activity
Reporting Period: November 1 to November 30, 2022

The Debtor hereby submits this attestation regarding post-petition borrowing activity during November 2022.

The Debtor did not initiate any borrowing during this reporting period. All postpetition borrowing was authorized by the interim and final orders authorizing the Debtor to, among other things, obtain postpetition financing (Docket Nos. 57 & 142).

/s/ Lawrence Perkins
Signature of Authorized Individual

December 21, 2022
Date

Lawrence Perkins
Printed Name of Authorized Individual

Chief Restructuring Officer
Title of Authorized Individual