

CHAIN Biotechnology Limited

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Background

In April 2026, Hilco was retained to market and dispose of the intellectual property, associated biological assets and tangible assets of CHAIN Biotechnology Limited (In Liquidation) ("CHAIN" or the "Company") on behalf of the Joint Liquidators of the Company, Rebecca Dacre and Kyle Ashford of Forvis Mazars.

CHAIN was a specialist biotechnology company focused on the development of engineered bacterial technologies for therapeutic applications. Through its research and development activities, the Company had built a portfolio of patented technologies, proprietary scientific know-how, and engineered bacterial strains with potential applications in areas including cancer treatment and the targeted delivery of therapeutic substances within the body.

Following the Company's entry into Liquidation, the challenge was to identify where residual commercial value remained within a highly technical and specialised portfolio and, crucially, whether that value could be realised, given that the underlying business was no longer trading. Hilco approached the assignment on an asset-by-asset basis, assessing the commercial application of the individual patent families and associated biological materials and identifying the strategic parties most likely to attribute value to each element.

Our Role, the Process & the Outcome

At the outset, Hilco worked closely with Forvis Mazars and the Company's former technical staff to understand and catalogue the intellectual property portfolio, including the relationship between the registered patent rights, underlying technical know-how and the engineered bacterial

strains developed in support of the technologies. The Company's portfolio presented a particular challenge because the commercial value of the assets was interconnected: the patent families could not be considered in isolation from the biological materials and know-how required to continue their development, and certain engineered strains had greater relevance to more than one part of the technology portfolio.

Hilco developed a targeted international marketing strategy focused on pharmaceutical, biotechnology, therapeutics, and other strategic industry parties capable of understanding and advancing the underlying technologies. Rather than positioning CHAIN's intellectual property as a single indivisible portfolio, we maintained flexibility around individual technology families and combinations of associated assets, which became important as the process progressed and competing interests emerged from parties with different focuses and end objectives. Hilco used the overlap between their requirements to create competitive tension before entering into further negotiations to establish whether the respective interests could be accommodated through separate transactions.

Rather than accepting one proposal and leaving assets unrealised, Hilco continued negotiations with two parties and ultimately identified a structure through which the portfolio could be divided into two commercially coherent asset packages. The final allocation included certain strains being divided between both purchasers, with the remainder transferring alongside the relevant technology portfolio. By thinking creatively about how the portfolio could be divided and sold, Hilco was able to maximise the overall return for creditors through two separate transactions.

The outcome demonstrated the benefit of taking a flexible approach to the sale. Rather than seeking a single buyer for the entire portfolio, Hilco was able to match different parts of the technology with the parties that valued them most and complete two separate transactions, maximising the overall return from the assets.

The Assets

Through our review and marketing process, we identified and packaged a specialist biotechnology portfolio comprising the following key assets:

- The CHAIN Biotech Brand: The CHAIN and CHAIN Biotech brand names and associated goodwill.
- Trade Marks: Rights in the Company's unregistered CHAIN and CHAIN Biotech trade marks and logos.
- Patents & Know-How: Two principal patent families covering the delivery of 3-hydroxybutyrate using engineered bacteria and the Company's CADD platform for the oral delivery of therapeutic vaccines, together with associated proprietary technical know-how, experimental data, laboratory protocols and process methodologies.
- Domain Name & Website Content: The chainbiotech.com domain name and associated website content.
- Social Media Accounts: Rights in the Company's LinkedIn and Twitter accounts.
- Strain Collection: The Company's proprietary collection of engineered bacterial strains developed in connection with its CADD platform.
- Tangible Assets: A range of laboratory and office equipment used in the development and testing of the Company's technology.

The interconnected nature of the portfolio meant that allocation between purchasers required careful consideration. Certain bacterial strains were relevant to both technology families, requiring Hilco, Forvis Mazars, the former technical team, and the prospective purchasers to establish a workable division of the assets.

Observations & Key Take-Aways

This case demonstrates the importance of maintaining a flexible approach throughout a sales process. Understanding the relationship between the assets, the motivations of interested parties, and how those interests may complement one another can create unexpected opportunities for value realisation. While a single transaction may often represent the most straightforward route to a sale, taking a more considered approach to a process and how the assets may be best monetised can look beyond the initial bid structures and considering alternative ways to package and allocate the assets enabled Hilco to accommodate the requirements of two different purchasers and maximise the overall return for creditors.

The CHAIN case also highlights the importance of considering the wider assets that support registered intellectual property. Patents do not necessarily exist in isolation, and the associated know-how, research materials and biological assets can be important to their ongoing development and commercial value. Identifying these relationships early and retaining sufficient flexibility in how they are ultimately sold can be critical to achieving the best outcome.

“With intellectual property assets, the value often lies in understanding how the assets fit together, what different buyers actually value, and where there is scope to structure a better transaction. In this case, that insight allowed us to move beyond the initial competing bids and create two complementary carve-out sales, maximising the overall return for creditors.”

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