

## International Development on Insolvency Law From Around the World

### DNA testing company “23 and Me” files for bankruptcy in the USA

According to media reports, the \$50 million company has filed for Chapter 11 bankruptcy protection to sell itself. Its co-founder and CEO Anne Wojcicki resigned after multiple failed takeover bids. 23andMe, whose saliva-based test kits help customers learn about their ancestry, had cut about 40%, or 200 employees, of its workforce and stopped development of all its therapies as part of a restructuring program announced in November last year. The company's last offer was for \$0.41 per share, an 84% cut from an offer in the previous month since her private equity partner in that bid had walked after the board's rejection.

**For more details, please visit:** <https://www.investing.com/news/stock-market-news/dna-testing-firm-23andme-files-for-chapter-11-bankruptcy-to-sell-itself-3943486>

### Indonesia textiles giant Sritex in talks with investors to lease assets following bankruptcy

PT Sri Rejeki Isman (Sritex), the leading textile firm in Indonesia is reportedly in talks with potential investors to take over assets under a lease scheme. The company was declared bankrupt at the end of last year as it struggled to service its debts, which reached \$1.6 billion in June. It stopped operations on March 1 after failing in its appeal against the bankruptcy ruling, said media reports. About 10,000 Sritex workers were facing layoffs due to bankruptcy, several local media outlets reported. The lease option might also create an opportunity for Sritex's workers to be rehired, said the Company.

**For more details, please visit:** <https://www.reuters.com/markets/deals/indonesia-textiles-giant-sritex-talks-with-investors-lease-assets-following-2025-03-03/>

### U.S. carmaker Tesla will acquire parts of the insolvent German high-tech parts maker Manz AG

This acquisition will reportedly include more than 300 employees at its site in Reutlingen city in the southwest. According to media reports, the deal marks



a wider presence by Tesla in Germany, where it runs a manufacturing site near Berlin, even after CEO Elon Musk endorsed the far-right party AfD, which mainstream parties have refused to work with due to its extreme positions. Tesla sold almost 60% fewer cars in Germany in January than a year earlier, as the U.S. electric vehicle maker faces a test of popularity amid Musk's U.S. political involvement.

**For more details, please visit:** <https://www.reuters.com/business/autos-transportation/struggling-e-truck-maker-nikola-files-chapter-11-bankruptcy-protection-2025-02-19/>

### US Electric Vehicle (EV) maker Nikola files for Bankruptcy

Nikola, an EV Startup, has filed for Chapter 11 bankruptcy protection and would pursue a sale of its assets, said media reports. The latest electric-vehicle maker is reportedly to stumble after grappling with tepid demand, rapid cash burn and funding challenges. The company went public during the pandemic and started out making battery-powered semi-trucks and pivoted them to electric trucks that use hydrogen. The stock reportedly fell about 38% on Wednesday, valuing the company at less than \$50 million which was about \$27 billion in 2020.

**For more details, please visit:** <https://www.reuters.com/technology/us-ev-startups-under-spotlight-nikola-files-bankruptcy-2025-02-19/>

## Craft retailer Joann seeks court permission for closure of 500 stores amid bankruptcy

According to media reports, Craft retailer Joann has sought the court's permission to close 500 stores across the United States as part of its ongoing bankruptcy process. In January, Joann filed for Chapter 11 protection in Delaware as inventory shortages and increased competition forced the retailer into bankruptcy for the second time in less than a year. "A careful analysis of store performance and future strategic fit for the company determined which stores should remain operating as usual at this time," said Joann. The retailer, founded in 1943 and known for selling sewing, arts and crafts, as well as home décor products, currently has 800 stores in 49 states, with 19,000 employees.

**For more details, please visit:** <https://www.reuters.com/en/craft-retailer-joann-seeks-court-permission-closure-500-stores-amid-bankruptcy-2025-02-12/>

## Business start-ups rise as insolvency-related activity falls across Yorkshire and Humber: Report

According to the research, there has been 35% increase in new business startups in these two regions of the United Kingdom in January, with insolvency related activity falling by 30% in the same month. The reported increase in business start-ups in Yorkshire and the Humber, from 3,235 new businesses established in December, to 4,375 in January, comes after a 16% fall in the number of new start-ups at the end of last year. Insolvency-related activity, which includes liquidator and administrator appointments and creditors' meetings, also fell, following a small rise, of 5%, in December 2024.

**For more details, please visit:** <https://www.therhamadvertiser.co.uk/community/business-start-ups-rise-by-a-third-as-insolvency-related-activity-falls-across-yorkshire-and-humber-4983015>

## Brazil's Agribusiness Bankruptcies rose by 38.5% in 2025

Brazil's agribusiness sector saw 295 companies under court-supervised reorganization in Q4 2024, a 38.49% rise from the previous year, according to a report. Poor governance, financial mismanagement, and commodity price fluctuations have driven the crisis, with soybean producers (34%), cattle ranching (20%), and sugarcane

growers (15%) most affected. Agrogalaxy was among the biggest bankruptcy cases, with fertilizer distributors also struggling. Goiás led in filings (53), followed by Rio Grande do Sul (50), São Paulo (47), and Mato Grosso (46), said the Report.

**For more details, please visit:** <https://valorinternational.globo.com/agribusiness/news/2025/02/03/bankruptcies-in-brazils-agribusiness-expected-to-rise-in-2025.ghml>

## Container Store gets USA court's approval for bankruptcy restructuring

While approving the bankruptcy restructuring for Container Store (Company) the Court has allowed the retailer to cut \$88 million in debt. The court also overruled the objections of the U.S. Justice Department's bankruptcy watchdog to the deal's legal protections for the company's officers, directors, and lenders, finding that the company had obtained consent from its creditors. The Company, which filed for bankruptcy in December due to \$243 million in debt, will exit from bankruptcy as a private company owned by lenders including investment firms Golub Capital and Glendon Capital Management. They sell storage solutions, shelving, and custom closets.

**For more details, please visit:** <https://www.reuters.com/legal/litigation/container-store-gets-court-approval-bankruptcy-restructuring-2025-01-24/>

## Planetary Insolvency: Global GDP could face 50 per cent loss between 2070 and 2090 due to climate shocks, Report

The global economy could face 50% loss in gross domestic product (GDP) between 2070 and 2090 from the catastrophic shocks of climate change unless immediate action by political leaders is taken to decarbonize and restore nature, according to a new report. This report has hugely increased the estimate of risk to global economic wellbeing from climate change impacts such as fires, flooding, droughts, temperature rises and nature breakdowns. The report was published after data from the EU's Copernicus Climate Change Service (C3S) showed climate breakdown drove the annual global temperature above the internationally agreed 1.5-degree Celsius target for the first time in 2024, supercharging extreme weather.

**For more details, please visit:** <https://www.businessgreen.com/news/4396351/planetary-insolvency-gdp-cent-hit-unless-world-acts-curb-emissions-report-warns>

## Autonomous lifts LA fire insured loss estimate to \$25bn, warns of potential FAIR Plan insolvency

Analysts at Autonomous have increased their insured loss estimate for the ongoing Los Angeles wildfires by 92% to \$25 billion, forecasting a significant loss of up to \$8 billion for California's FAIR Plan. As the fires continue to burn and affect over 40,000 acres, with more than 12,000 structures reported to have been either damaged or destroyed, Autonomous has updated its insurance industry loss estimate from the \$13 billion published late January 08, 2025. Now, the firm is estimating insured losses of \$18 billion from the affluent Pacific Palisades neighbourhood fires, which according to officials damaged or destroyed over 5,300 structures.

For more details, please visit: <https://www.reinsurancene.ws/autonomous-lifts-la-fire-insured-loss-estimate-to-25bn-warns-of-potential-fair-plan-insolvency/>

## Business Bankruptcies in Canada Soar to 15-Year high amid

Economic Pressures Business bankruptcies in Canada hit a 15-year high in Q3 2024, with 1,312 filings, marking a significant rise since the 2009 financial crisis. Ontario and Quebec saw year-over-year increases of 67% and 40%, respectively. The surge follows the withdrawal of pandemic-era financial support, with 25% of small businesses failing to repay loans under the "Canadian Emergency Business Account" program. Insolvencies spanned multiple sectors, with construction up 37% and food services rising 32%. Oil and gas bankruptcies reached a three-year high due to declining prices. Analysts cite weak economic conditions, high inflation, and elevated interest rates as drivers, though the Bank of Canada's recent rate cut to 3.25% may offer some relief.

For more details, please visit: <https://shorturl.at/u1FBI>


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**EXECUTIVE DEVELOPMENT PROGRAM**  
**GROUP INSOLVENCY**  
**(For IPs)**

**HIGHLIGHTS**

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