

# Video game giant Embracer sells 'Borderlands' maker to Take-Two

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'Borderlands' is a first-person shooter game set in a space Western.

Swedish video game group Embracer said Thursday it was selling Gearbox Entertainment, the developer of the popular first-person shooter franchise "Borderlands", to US company Take-Two for \$460 million.

Embracer chief executive Lars Wingefors said the sale, to be completed by the end of June, was "an important step in transforming Embracer into the future with notably lower net debt and improved free cash flow."

The sale would reduce the company's net debt by around \$300-327 million, the group said in a statement.

Gearbox will join a Take-Two line-up that includes the likes of "Grand Theft Auto" maker Rockstar Games and 2K, the [studio](#) behind "NBA 2K".

Embracer, which also owns the "Tomb Raider" license, acquired Gearbox in February 2021 in a deal potentially worth up to \$1.4 billion as part of an acquisition spree that lasted several years.

The Swedish firm said it was now divesting Gearbox Software, Gearbox Montreal, Gearbox Studio Quebec and game titles including the space Western "Borderlands", "Tiny Tina's Wonderlands", "Homeworld", "Risk of Rain", "Brothers in Arms", and "Duke Nukem".

Embracer will retain selected companies, including Gearbox Publishing San Francisco, as well as the publishing rights to the "Remnant" franchise, "Hyper Light Breaker" and other unannounced game releases.

All of its retained assets will be integrated into other parts of Embracer Group, it said.

In June 2023, the Swedish firm announced a vast restructuring program which included the closing of studios and cancelling game projects.

The restructuring program was meant to transform the company "from our current heavy-investment mode to a highly cash-flow generative

business," Wingefors said when it was announced.

Earlier this month, Embracer announced it was ceasing all Russian operations with the sale of US-based subsidiary Saber Interactive, which controls several game development studios in Russia and Eastern Europe.

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