

HCLTech to Buy German Auto Tech Co ASAP for €251 million

Indian IT co forays into connected mobility, autonomous driving and ER&D space in Germany

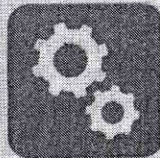
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Bengaluru: HCLTech will acquire a 100% stake in German automotive engineering services provider ASAP Group for 251 million euros and the transaction is expected to close by September 2023 subject to regulatory approvals, the IT major informed the stock exchanges on Thursday.

HCLTech chief executive C Vijayakumar told ET that the company had been scouting for an acquisition in



MICHAEL NIESEN
Chief Executive, ASAP Group



We are confident the combination of HCLTech and ASAP's engineering and technology performance will bring best-in-class to the automotive industry

Rolling in

ASAP is focused on areas like autonomous driving, e-mobility and connectivity

Firm employs **1,600 people** across nine locations in Germany

ASAP serves automotive OEMs and tier-1 suppliers in Germany

The transaction is expected to close by September 2023, says HCLTech



this space for over two years.

"A lot of the spend is happening across modern technologies like connected mobility, autonomous driving etc and the ER&D space in Germany. This area has a lot of software requirements beyond electrical, electronic or mechanical expertise. And we were not really playing in that ar-

ea," he said.

ASAP is focused on future-oriented automotive technologies in areas such as autonomous driving, e-mobility, and connectivity.

Employing 1,600 people across nine locations in Germany, ASAP serves automotive original equipment

manufacturers (OEMs) and tier-1 suppliers in Germany. This comes after Infosys announced a digital transformation deal with Nordic-based Danske Bank valued at \$454 million for a period of five years on June 26. As part of the deal, the Bengaluru-based software exporter acquired the lender's IT centre in Bengaluru that employs 1,400 people. Infosys will also take over the bank's IT centre in Bengaluru for 13.6 Danish Krone (or ₹16.3 crore) as a part of the deal.

Experts had told ET that given the macro-uncertainty gripping the world, several companies may be available for acquisitions at an attractive price.

Vijayakumar, however, said that the decision is more strategic in nature. In 2022, HCLTech acquired Hungarian data engineering company Starschema for \$42.5 million, Swiss digital banking platform Confinale for \$54 million and Bengaluru-based cloud ERP provider Quest Informatics for \$2 million.