THIS RELEASE MAY NOT BE RELEASED, PUBLISHED OR OTHERWISE DISTRIBUTED, IN WHOLE OR IN PART, IN OR INTO, DIRECTLY OR INDIRECTLY, THE UNITED STATES, CANADA, JAPAN, AUSTRALIA, SOUTH AFRICA OR HONG KONG OR IN ANY OTHER JURISDICTION IN WHICH THE TENDER OFFER WOULD BE PROHIBITED BY APPLICABLE LAW.

MOTHERSON SUMI SYSTEMS LIMITED LAUNCHES A VOLUNTARY RECOMMENDED PUBLIC TENDER OFFER FOR ALL SHARES AND STOCK OPTIONS IN PKC GROUP PLC

Motherson Sumi Systems Limited (“MSSL”) and PKC Group Plc (“PKC”) have on January 19, 2017 entered into a combination agreement under which they agree to combine the wiring harness businesses of MSSL and PKC (the “Combination Agreement”). In order to effect the combination MSSL will, through a directly or indirectly wholly-owned subsidiary (the “Offeror”), make a voluntary recommended public tender offer to purchase all the issued and outstanding shares and stock options in PKC that are not owned by PKC or any of its subsidiaries (the “Tender Offer”). In the Tender Offer, PKC shareholders are being offered a cash consideration of EUR 23.55 for each share in PKC and holders of stock options are being offered a cash consideration of EUR 23.55 minus the applicable subscription price for each outstanding stock option in PKC representing an aggregate equity purchase price of approximately EUR 571 million. Combining the two companies will create a leading supplier of wiring systems and components for the worldwide transportation industry.

Summary of the Tender Offer

- The offer price is EUR 23.55 in cash for each share in PKC (the “Share Offer Price”);
- The Share Offer Price represents a premium of:
  - 51.1 percent to the closing price of PKC share on Nasdaq Helsinki Ltd (“Nasdaq Helsinki”) on January 19, 2017, i.e. the last day of trading before the announcement of the Tender Offer; and
  - 53.1 percent to the three month volume-weighted average price on Nasdaq Helsinki up to and including January 19, 2017;
- The offer price is EUR 6.90 in cash for each outstanding 2012B stock option and EUR 0.27 in cash for each outstanding 2012C stock option;
- The Board of Directors of PKC has unanimously decided to recommend the shareholders and the holders of the stock options to accept the Tender Offer;
- The Tender Offer is subject to approvals by the relevant regulatory authorities, such as competition authorities, and the Offeror gaining control of more than 90 percent of the PKC shares and outstanding stock options, in the aggregate;
- The Offeror will, on or about February 6, 2017, publish a tender offer document with detailed information on the Tender Offer;
- The offer period under the Tender Offer is expected to commence on or about February 6, 2017 and to run until March 21, 2017. The Offeror reserves the right to extend the offer period from time to time in accordance with the terms and conditions of the Tender Offer.

“MSSL's offer is an attractive premium to the share price of PKC and reflects the strategic value of the business. The combination with MSSL will also strengthen further the competitive position of PKC through greater scale and breadth of capability to service its customers while providing management and employees with enhanced opportunities across the larger combined group. As such, the Board of PKC is unanimously recommending PKC shareholders vote in favor of the transaction", says Mr. Matti Ruotsala, Chairman of the board of directors of PKC.

"Wiring harnesses are ever more important to the products of our customers and hold a special place within our hearts at MSSL, because it is our company's genesis", said Vivek Chaand Sehgal, MSSL's Chairman. "The prospect of two global teams coming together and the synergies that will be brought about, is very exciting to us. It will allow us to create huge value for our customers and to service our customers in additional locations in the world", says Mr. Vivek Chaand Sehgal, MSSL's Chairman.

Background and strategic rationale

MSSL is a leading specialized automotive component solutions provider for all major global auto manufacturers. At present, MSSL has a global manufacturing base with over 145 plants spread across 26 countries. MSSL is one of the established manufacturers of wiring harnesses, rear-view mirrors, IP modules, door trims and bumpers for automotive manufacturers.

PKC is a global partner in the designing, manufacturing and integrating of electrical distribution systems, electronics and related architecture components for the commercial vehicle industry, rolling stock manufacturers and other selected segments. PKC has a market leading presence in the wiring harness for commercial vehicles in the North America and Europe markets. Apart from these geographies, PKC has a significant presence in Brazil and, through two joint venture companies, a growing presence in China. PKC has identified growth opportunities from both geographical expansion into the Asia Pacific commercial vehicle market as well as expansion into the rolling stock, agriculture and construction equipment markets.

MSSL believes it can help PKC in achieving its expansion opportunities given MSSL's strong market position in the Asia Pacific region. Based on the analysis of MSSL, all of the leading global commercial vehicle manufacturers and component suppliers are increasingly focused on establishing a presence and gaining market share in the Asian transportation market, a direction that PKC is also pursuing. Leveraging this opportunity and the capabilities of the combined company are expected to accelerate growth and profitability improvement of the combination.

While supporting PKC to accomplish its expansion opportunities, the combination between PKC and MSSL also supports MSSL in achieving its goal as a preferred solutions provider for the transportation industry globally. The combination is expected to be highly synergistic as there is minimal overlap between their existing operations in terms of both geographical presence and product segment. There are also inherent advantages with customers and suppliers in offering a larger product portfolio as well as enhanced capabilities and scale.

"Wiring harnesses are an integral part of our work at MSSL and we are continuously investing and extending our geographical presence, to be a globally preferred solutions provider to our customers", says Pankaj Mital. "We are very excited by PKC's unique ability to manage complexity, its customer focus and product portfolio in the commercial vehicle and rolling stock segments that is very complementary to that of MSSL. We believe we can together create tremendous growth opportunities and that we can strengthen the value proposition to our combined customer base around the world", says Pankaj Mital, COO at MSSL.

"The combination of PKC's market leadership and unique expertise in managing complexity with MSSL's greater scale, global reach and breadth of capability is highly complementary. Together we will be stronger and well placed to serve our customers and we look forward to working with our new colleagues. It is an exciting development for our company and employees, offering us all new opportunities to learn and become even better", says Mr. Matti Hyytiäinen, President and CEO of PKC.

The Tender Offer will preserve the identity, the management structure, the business operations and the assets of PKC.

The successful completion of the Tender Offer would create unique opportunities for existing management and employees of PKC to offer a superior value proposition to their customers, by combining synergies between the two organisations.

Upon a successful completion of the Tender Offer, the business of PKC will become a significant part of the wiring harness division of a larger listed company, MSSL.

Tender Offer

For the purpose of the combination, MSSL and PKC have on January 19, 2017 entered into the Combination Agreement, according to which the Offeror will make a public tender offer to purchase all issued and outstanding shares and stock options in PKC. For a brief description of the Combination Agreement, please see Appendix “Summary of the Combination Agreement” below.

Pursuant to the Combination Agreement, the Offeror is to acquire all issued and outstanding shares amounting to 24,125,387 shares, and all issued and outstanding stock options amounting to 457,300 stock options in PKC. Should such number of shares be tendered in the Tender Offer that MSSL obtains more than 90 percent of all shares and voting rights in PKC, the Offeror intends to initiate mandatory redemption procedure for the remaining of the shares and stock options and thereafter apply for delisting of the shares of PKC from Nasdaq Helsinki.

On the date of the announcement of the Tender Offer, MSSL does not hold any shares or voting rights in PKC.

The Offeror and PKC have undertaken to comply with the recommendation regarding the procedures to be complied with in Finnish tender offers (the “Helsinki Takeover Code”) issued by the Finnish Securities Market Association.

The Offeror reserves the right to buy shares of PKC before, during and/or after the offer period in public trading on Nasdaq Helsinki or otherwise.

Recommendation by the Board of Directors of PKC

The Board of Directors of PKC has unanimously decided to recommend the shareholders and the holders of the stock options to accept the Tender Offer and considers that the terms and conditions of the Tender Offer are fair to the shareholders and the holders of the stock options. The Board of Directors of PKC has received a fairness opinion from its financial adviser BofA Merrill Lynch that, subject to the assumptions and limitations set out therein, the consideration to be offered to the shareholders in the Tender Offer is fair from a financial point of view, to such holders. The Board of Directors will issue its formal written statement on the Tender Offer in accordance with the Finnish Securities Market Act after having received a copy of the tender offer document approved by the Finnish Financial Supervisory Authority (the “FFSA”) and in any event no later than the second (2nd) banking day after the commencement of the offer period.

Merrill Lynch International (“BofA Merrill Lynch”), a subsidiary of Bank of America Corporation, is acting exclusively for PKC in connection with the Tender Offer and for no one else and will not be responsible to anyone other than PKC for providing the protections afforded to its clients or for providing advice in relation to the Tender Offer.

Conditions for the completion of the Tender Offer

The completion of the Tender Offer is conditional on, among other things, the following conditions being met or the Offeror waiving the fulfilment thereof on or by the date on which the Offeror announces the final outcome of the Tender Offer:

(i) the valid tender of outstanding shares representing, together with any shares otherwise held or acquired by the Offeror, over ninety percent (90 percent) of PKC shares and outstanding stock options, in the aggregate;

(ii) PKC not having paid out any dividend or distributed any funds, and PKC not having made any resolutions (other than as permitted by the Combination Agreement), by the shareholders or the board of directors (by virtue of an authorization), to distribute any dividend or funds of PKC;

(iii) the Offeror having obtained all permits, consents and approvals from all applicable competition and other regulatory authorities as may be required in connection with the transactions contemplated by the Combination Agreement;

(iv) no law, regulation or regulatory decision having been issued or pending preventing, postponing or materially challenging the consummation of the Tender Offer by any court or public authority of competent jurisdiction;

(v) the board of directors of PKC having issued a recommendation to the shareholders of PKC and the holders of stock options to accept the Tender Offer and such recommendation remaining in force and not having been materially modified or amended, provided that the Offeror may not refer to this condition if the board of directors of PKC has modified or amended the recommendation due to a material breach of the Combination Agreement by the Offeror;

(vi) no fact or circumstance having occurred after the date of the Combination Agreement that has resulted in or constituted, or that can reasonably be expected to result in or constitute, a Material Adverse Change (as defined below);

(vii) no information made public by PKC or disclosed by PKC to the Offeror being materially inaccurate, incomplete, or misleading, and PKC not having failed to make public any information that should have been made public by it under applicable laws and regulations; and

(viii) the Combination Agreement still being in force.

Offer period

The offer period for the Tender Offer is expected to commence on or about February 6, 2017 and initially to expire on March 21, 2017.

The Offeror reserves the right to extend the offer period from time to time in accordance with the terms and conditions of the Tender Offer.

The detailed terms and conditions of the Tender Offer as well as instructions on how to accept the Tender Offer will be included in the tender offer document, which the Offeror expects to publish on or about February 6, 2017.

Offer price

The offer price is EUR 23.55 in cash for each issued and outstanding share in PKC. The Share Offer Price represents a premium of:

- 51.1 percent to the closing price of PKC share on Nasdaq Helsinki on January 19, 2017, i.e. the last day of trading before the announcement of the Tender Offer; and
- 53.1 percent to the three month volume-weighted average price on Nasdaq Helsinki up to and including January 19, 2017.

The offer price is EUR 6.90 in cash for each 2012B stock option and EUR 0.27 in cash for each 2012C stock option.

Financing

According to the Combination Agreement, the Offeror has sufficient financing for the Tender Offer through cash and draw down facilities not being subject to any availability or draw down conditions. Such financing will remain available for the Offer Period, including any extension. The Offeror may, however, at its discretion also use new facilities for financing the actual settlement of the Tender Offer. The completion of the Tender Offer is not conditional upon obtaining financing for the Tender Offer.

Authority approvals

MSSL will make all necessary filings to obtain regulatory approvals, including from the relevant competition authorities, as soon as possible after this announcement of the Tender Offer.

According to information currently available, it is not certain that all necessary authority approvals can be obtained by the end of the initial offer period. In case all necessary approvals have not been obtained by the end of the initial offer period, the Offeror will extend the offer period in order to receive the necessary approvals to be able to complete the Tender Offer. The Offeror currently estimates that the competition clearances can be obtained prior to the expiry of the initial offer period.

Advisers

MSSL has appointed Nordea Corporate & Investment Banking and Motilal Oswal Investment Advisors as financial advisers and White & Case LLP as legal adviser in connection with the Tender Offer.

Mr. Vivek Chaand Sehgal
Chairman, MSSL

Mr. Pankaj Mital,
COO, MSSL

Further information

M r. G. N. Gauba
CFO, MSSL
Telephone: +91-120-6679500
mediarelations@mssl.motherson.com

News conference:

Time: January 20, 2017, at 10.00 EET.

Place: Hotel Kämp, Pohjoisesplanadi 29, 00100 Helsinki, Finland

The news conference will be webcasted live on
http://qsb.webcast.fi/c/customers/customers_2017_0120_pkc_group/#/webcast

The recorded webcast will be available at the same address after the event.

News conference material can be loaded at the same place after the conference.

MSSL in brief:

MSSL, the flagship company of the Samvardhana Motherson Group was established in 1986 in joint partnership with Sumitomo Wiring Systems (Japan).

MSSL including its subsidiaries and JVs is one of the leading manufacturer of automotive wiring harnesses and mirrors for passenger cars and a leading supplier of plastic components and modules to the automotive industry.

Its broad product portfolio includes wiring harnesses, mirrors for passenger car, injection moulded products, modules including dashboards, door trims, bumpers, blow moulded components, liquid silicone rubber moulded components, injection moulding tools, extruded rubber products, precision machined metal components and waste recycling systems.

Over the years MSSL has successfully collaborated with global technology leaders to further enhance its competency to create technologically sound products in state-of-art facilities and infrastructure to ensure superior efficiencies and total customer satisfaction.

http://www.motherson.com/

PKC in brief:

PKC established its first wiring harness factory in 1969, and is a trusted and acknowledged partner in the global commercial vehicle industry. PKC designs, manufactures and integrates tailored electrical distribution systems and related architecture components, vehicle electronics, wires and cables especially for trucks and buses, light and recreational vehicles, construction equipment and agricultural and forestry equipment. In addition, PKC designs and manufactures electrical cabinets, power packs and electrical distribution systems for leading rolling stock manufacturers. PKC´s strengths, mass customisation and the excellent skill to integrate into the customer´s operating environment, provide a unique competitive advantage in the market. Product design and effective supply chain management are carried out in close cooperation with customers and in accordance with their requirements.

PKC has a market leading presence in the wiring harnesses for commercial vehicles in the North America and Europe markets. Apart from these geographies, PKC has a significant presence in Brazil and, a growing presence in China. PKC had 21,764 employees as on December 31, 2015 and reported total revenue from continuing operations of approximately €847.3 million for the 12 months ended December 31, 2015.

http://www.pkcgroup.com/

THIS RELEASE MAY NOT BE RELEASED, PUBLISHED OR OTHERWISE DISTRIBUTED, IN WHOLE OR IN PART, IN OR INTO, DIRECTLY OR INDIRECTLY, THE UNITED STATES, CANADA, JAPAN, AUSTRALIA, SOUTH AFRICA OR HONG KONG OR IN ANY OTHER JURISDICTION IN WHICH THE TENDER OFFER WOULD BE PROHIBITED BY APPLICABLE LAW.

THIS RELEASE IS NOT A TENDER OFFER DOCUMENT AND AS SUCH DOES NOT CONSTITUTE AN OFFER OR INVITATION TO MAKE A SALES OFFER. IN PARTICULAR, THIS RELEASE IS NOT AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY SECURITIES DESCRIBED HEREIN, AND IS NOT AN EXTENSION OF THE TENDER OFFER, IN THE UNITED STATES, CANADA, JAPAN, AUSTRALIA, SOUTH AFRICA OR HONG KONG. INVESTORS SHALL ACCEPT THE TENDER OFFER FOR THE SHARES AND THE STOCK OPTIONS ONLY ON THE BASIS OF THE INFORMATION PROVIDED IN A TENDER OFFER DOCUMENT. OFFERS WILL NOT BE MADE DIRECTLY OR INDIRECTLY IN ANY JURISDICTION WHERE EITHER AN OFFER OR PARTICIPATION THEREIN IS PROHIBITED BY APPLICABLE LAW OR WHERE ANY TENDER OFFER DOCUMENT OR REGISTRATION OR OTHER REQUIREMENTS WOULD APPLY IN ADDITION TO THOSE UNDERTAKEN IN FINLAND.

THE TENDER OFFER IS NOT BEING MADE DIRECTLY OR INDIRECTLY IN ANY JURISDICTION WHERE PROHIBITED BY APPLICABLE LAW AND, WHEN PUBLISHED, THE TENDER OFFER DOCUMENT AND RELATED ACCEPTANCE FORMS WILL NOT AND MAY NOT BE DISTRIBUTED, FORWARDED OR TRANSMITTED INTO OR FROM ANY JURISDICTION WHERE PROHIBITED BY APPLICABLE LAW. IN PARTICULAR, THE TENDER OFFER IS NOT BEING MADE, DIRECTLY OR INDIRECTLY, IN OR INTO, OR BY USE OF THE POSTAL SERVICE OF, OR BY ANY MEANS OR INSTRUMENTALITY (INCLUDING, WITHOUT LIMITATION, FACSIMILE TRANSMISSION, TELEX, TELEPHONE OR ELECTRONIC TRANSMISSION BY WAY OF THE INTERNET OR OTHERWISE) OF INTERSTATE OR FOREIGN COMMERCE OF, OR ANY FACILITIES OF A NATIONAL SECURITIES EXCHANGE OF, THE UNITED STATES, CANADA, JAPAN, AUSTRALIA, SOUTH AFRICA OR HONG KONG. THE TENDER OFFER CANNOT BE ACCEPTED, DIRECTLY OR INDIRECTLY, BY ANY SUCH USE, MEANS OR INSTRUMENTALITY OR FROM WITHIN THE UNITED STATES, CANADA, JAPAN, AUSTRALIA, SOUTH AFRICA OR HONG KONG. NO HOLDER AND ANY PERSON ACTING FOR THE ACCOUNT OR BENEFIT OF A HOLDER IN THE UNITED STATES, CANADA, JAPAN, AUSTRALIA, SOUTH AFRICA OR HONG KONG SHALL BE PERMITTED TO ACCEPT THE TENDER OFFER.

Appendix: Summary of the Combination Agreement

General

MSSL and PKC have on January 19, 2017 entered into the Combination Agreement pursuant to which MSSL will, either directly or through a directly or indirectly wholly-owned subsidiary, make a voluntary public tender offer for all issued and outstanding shares and stock options in PKC.

Recommendation of the Board of Directors of PKC

In the Combination Agreement, the Board of Directors of PKC has undertaken to issue a formal written statement to the shareholders of PKC and the holders of stock options to accept the Tender Offer (the "**Recommendation**") promptly after having received a copy of the approved tender offer document and in any event no later than on the second (2nd) banking day after the commencement of the offer period.

The Board of Directors of PKC has the right to decide not to issue or to modify, amend and/or cancel the Recommendation as well as to take other actions that may contradict the Recommendation if:

(i) the Board of Directors of PKC determines in good faith due to a material event, condition, circumstance, development, occurrence, change, effect or fact (other than a Competing Offer) occurring or which has come to the attention of the Board of Directors of PKC after the date of the Combination Agreement, after taking advice from its external legal counsel and financial advisor, that failure to decide to not issue or to modify, amend or cancel the Recommendation would be inconsistent with the fiduciary duties of the Board of Directors of PKC towards the shareholders of PKC and the holders of stock options under Finnish laws or regulations or the Helsinki Takeover Code (such duties referred to as the "**Fiduciary Duties**"); and

(ii) the Board of Directors of PKC has, to the extent permitted by Finnish Securities Market Act, rules and regulations of the FFSA and Nasdaq Helsinki and the Helsinki Takeover Code, kept the Offeror reasonably informed and provided the Offeror with a reasonable opportunity to discuss with the Board of Directors of PKC, the contemplated actions.

In the event a third party informs PKC of its decision or intention to offer to purchase the outstanding shares and outstanding stock options through a public tender offer ("**Competing Offer**"), the Board of Directors of PKC may at any time prior to the closing date of the Tender Offer, decide not to issue or to modify, amend or cancel the Recommendation if, prior to such modification, amendment or cancellation,:

(i) PKC has complied with its obligations under the Non-Solicitation obligation (as defined below);

(ii) the Board of Directors of PKC determines in good faith that the Competing Offer is more favorable to the shareholders of PKC and the holders of stock options than the Tender Offer (as the same may be enhanced by the Offeror during the enhance period pursuant to paragraph (iii) below), when judged as a whole, after taking advice from its external legal counsel and financial advisor, and that failure to decide to not issue or to modify, amend or cancel the Recommendation would be inconsistent with the Fiduciary Duties;

(iii) the Board of Directors of PKC has, to the extent permitted by the Finnish Securities Market Act, rules and regulations of the FFSA and Nasdaq Helsinki and the Helsinki Takeover Code, provided the Offeror not less than five (5) banking days from the date of publishing or written notice by PKC to the Offeror of the Competing Offer to enhance the Tender Offer.

Representations, Warranties and Undertakings

The Combination Agreement contains certain customary representations and warranties as well as undertakings, such as PKC conducting its business in all material respects in the ordinary course of business consistent with past practice before the completion of the Tender Offer and cooperation between the Offeror and PKC in making necessary regulatory filings, preparing the tender offer document and delisting of the shares in PKC. PKC has also undertaken not to actively solicit any proposal, offer or indication of interest for the purpose of leading to a public tender offer, merger, the sale of all or substantially all of the assets of PKC or other similar transaction that would otherwise materially harm or hinder the completion of the Tender Offer ("**Non-Solicitation**").

Conditions to Completion

The obligation of the Offeror to consummate the Tender Offer is subject to the satisfaction or, to the extent not prohibited by applicable law, the tender offer document or the Combination Agreement, waiver by the Offeror (at its sole discretion) of the conditions to completion described under "*Conditions for the Completion of the Tender Offer*" on or prior to the date of announcement of the final results of the Tender Offer or the date of the Offeror having declared the Tender Offer unconditional.

Termination

The Combination Agreement may be terminated and the transactions contemplated thereunder rescinded with immediate effect at any time prior to the closing date of the Tender Offer only as follows:

(i) by mutual consent of the parties duly authorized by their respective board of directors; or

(ii) by PKC by written notice to the Offeror upon a material breach of any representation or warranty, covenant or other undertaking by, or of any obligation of the Offeror set forth in the Combination Agreement; or

(iii) by the Offeror by written notice to PKC upon:

  (a) a material breach of any representation or warranty included in Sections 2.1.2 (*Existence and Validity*) and 2.1.3 (*Capitalization*) of the Combination Agreement; or

  (b) a material breach of any other representation or warranty included in the Combination Agreement in case such breach leads to a Material Adverse Change (as defined below); or

  (c) a material breach of any covenant or other undertaking by, or of any obligation of, PKC set forth in the Combination Agreement; or

(iv) by the Offeror by a written notice to PKC if the Board of Directors of PKC has not issued or has modified, amended or cancelled the Recommendation; or

(v) by the Offeror by written notice to PKC in case of a Material Adverse Change regarding PKC; or

(vi) by either party by written notice to the other party if the closing date of the Tender Offer has not occurred on or before December 31, 2017.

provided, however, in each of the above cases, that such right to terminate the Combination Agreement will not be available to a party whose failure to fulfil any obligation under the Combination Agreement has caused the event which would otherwise allow such party to terminate the Combination Agreement.

"**Material Adverse Change**" means, with respect to PKC, any fact or circumstance that has or is reasonably likely to have a material adverse change on the business, assets, financial condition or results of operations of PKC or its subsidiaries, taken as a whole; provided that none of the following will be deemed either alone or in the aggregate to constitute, or be taken into account in determining whether there has been a material adverse change; any change, development, event, occurrence, effect or fact arising out of or resulting from:

(a) any change in capital market conditions generally or general economic conditions, including with respect to interest rates or currency exchange rates;

(b) any change in geopolitical conditions or any outbreak or escalation of hostilities, acts of war or terrorism occurring after the date of the Combination Agreement;

(c) any hurricane, tornado, flood, earthquake or other natural or man-made disaster occurring after the date of the Combination Agreement;

(d) any change in applicable statutes, generally approved accounting principles or IFRS, which comes into force or becomes applicable after the date of the Combination Agreement;

(e) any change in general conditions in the industries in which PKC and its subsidiaries and joint ventures operate; or

(f) the failure as such of PKC to meet any internal or published projections, forecasts, estimates or predictions in respect of revenues, earnings or other financial or operating metrics before, on or after the date of the Combination Agreement, such failure not being a result of a change, development, event, occurrence, effect or fact otherwise constituting a material adverse change;

provided, in case of items (a) through (f) above, so long as such change, development, event, occurrence, effect or fact does not have a materially disproportionate effect on the PKC relative to the other industry participants;

(g) changes in the market price or trading volume of PKC's securities after the date of the Combination Agreement; and

(h) the announcement of the Tender Offer and the Offeror becoming a new controlling shareholder of PKC (including without limitation the effect of any change of control or similar clauses in contracts entered into by PKC and its subsidiaries).

The Combination Agreement will automatically expire on the closing date of Tender Offer save for the surviving sections as set forth in the Combination Agreement.

If the Combination Agreement is terminated by the Offeror (A) in accordance with section (iii) above, (B) as a result of the Board of Directors of PKC having decided not to issue a Recommendation for the Tender Offer or having materially modified or amended the Recommendation as a result of a Competing Offer, or (C) a Competing Offer has been completed, PKC will pay to the Offeror the Offeror's verified out-of-pocket costs incurred in connection with the evaluation, negotiation and preparation of the Tender Offer up to a maximum amount specified in the Combination Agreement.

If the Combination Agreement is terminated by PKC due to the Offeror failing to obtain necessary approvals from applicable competition and other regulatory authorities as set out in the Combination Agreement, the Offeror shall pay to PKC PKC's verified out-of-pocket costs incurred in connection with the evaluation, negotiation and preparation of the Tender Offer up to a maximum amount specified in the Combination Agreement. PKC is not entitled to such amount in the event the Offeror pays liquidated damages in accordance with the Combination Agreement.

In case (i) the Combination Agreement is terminated by PKC as a result of a material breach of the Combination Agreement by the Offeror as provided in section (ii) above; or (ii) the Offeror fails to consummate the Tender Offer for any reason other than the closing conditions set out under "*Conditions for the Completion of the Tender Offer*" not being fulfilled, except where such failure to consummate the Tender Offer results from the breach of the Combination Agreement by PKC entitling the Offeror to terminate the Combination Agreement pursuant to the above, the Offeror will pay to PKC EUR 20 million as liquidated damages.

In case any EU or US competition or other regulatory authority requires terms or conditions as a pre-condition for its approval and such terms or conditions are materially adverse to the Offeror, in which event the closing condition (iii) set out under "*Conditions for the Completion of the Tender Offer*" is deemed not having been satisfied, the Offeror will pay to PKC EUR 20 million as liquidated damages as sole and final remedy.

In case the Combination Agreement is terminated by the Offeror and the Tender Offer is not consummated due to a Material Adverse Change (which is not resulting from a material breach by PKC of any representation or warranty, covenant or other undertaking by, or of any obligation of PKC set forth in the Combination Agreement entitling the Offeror to terminate the Combination Agreement pursuant to section (iii) above) in which event the closing condition (vi) set out under "*Conditions for the Completion of the Tender Offer*" is deemed not having been satisfied), the Offeror shall pay to PKC EUR 5 million as liquidated damages as sole and final remedy.