

STRUCTURE AND CONDITIONS OF THE GLOBAL OFFERING

THE STRUCTURE OF THE GLOBAL OFFERING

The Global Offering consists of:

- the International Placing; and
- the Hong Kong Public Offering.

ICBCI and J.P. Morgan (Asia Pacific) are the Joint Global Coordinators.

An aggregate of 30,000,000 New Shares have been initially allocated to the Hong Kong Public Offering for subscription, subject to re-allocation as mentioned below and under the Listing Rules. An aggregate of 220,000,000 New Shares and 50,000,000 existing Shares are initially offered under the International Placing for subscription, subject to re-allocation as mentioned below and under the Listing Rules and the exercise of the Over-allotment Option.

Investors are free to select to apply for the Hong Kong Offer Shares or the International Placing Shares, but they may only receive Shares under the Hong Kong Public Offering **OR** the International Placing but not both. Our Directors and the Joint Global Coordinators will take all reasonable steps to identify any multiple applications under the Hong Kong Public Offering and the International Placing which are not allowed and are bound to be rejected.

In order to facilitate settlement of the over-allocations in the International Placing and for the purpose of stabilisation of the market price of the Share (if any), J.P. Morgan may borrow from Bournam up to 45,000,000 Shares held by Bournam, equivalent to the maximum number of Shares to be issued on the exercise of the Over-allotment Option in full, pursuant to the Stock Borrowing Agreement.

The terms of the Stock Borrowing Agreement will be in compliance with the requirements set out in Rule 10.07(3) of the Listing Rules and will therefore not be subject to the restriction of Rule 10.07(1)(a) of the Listing Rules. The principal terms of the Stock Borrowing Agreement are set out below:

- such stock borrowing arrangement with Bournam will only be effected by J.P. Morgan for settlement of the over-allocations in the International Placing and for the purpose of stabilisation of the market price of the Shares;
- the maximum number of Shares borrowed from Bournam will be limited to the maximum number of Shares which may be issued upon the full exercise of the Over-allotment Option;
- the same number of Shares so borrowed will be returned to Bournam or its nominees (as the case maybe) on or before the third Business Day following the earlier of (i) the last day on which the Over-allotment Option may be exercised; or (ii) the day on which the Over-allotment Option is exercised in full and the relevant Over-allotment Shares have been issued;
- the arrangement under the Stock Borrowing Agreement will be effected in compliance with all the applicable laws, rules and regulatory requirements; and
- no payment will be made to Bournam by J.P. Morgan under the Stock Borrowing Agreement.

STRUCTURE AND CONDITIONS OF THE GLOBAL OFFERING

PRICE PAYABLE UPON APPLICATION FOR THE HONG KONG OFFER SHARES

Investors of the Hong Kong Offer Shares will be required to pay the maximum indicative Offer Price of HK\$6.15 plus 1% brokerage, 0.005% Stock Exchange trading fee and 0.004% transaction levy imposed by the SFC amounting to a total of HK\$6,212.06 for each board lot of 1,000 Shares. If the final Offer Price is less than the maximum indicative Offer Price, arrangements will be made to refund any excess amount to the investors, **WITHOUT INTEREST**.

CONDITIONS OF THE GLOBAL OFFERING

Acceptance of applications for the Hong Kong Offer Shares will be conditional upon:

- the Listing Committee granting the listing of, and permission to deal in, on the Main Board, our Shares in issue, the Offer Shares and any Shares which may fall to be issued pursuant to the exercise of the Over-allotment Option and any options that may be granted under the Share Option Scheme;
- the agreement on the Offer Price between our Company and the Joint Global Coordinators (on behalf of the Underwriters) on the Price Determination Date; and
- the obligations of the Underwriters under the Underwriting Agreements becoming unconditional (including, if relevant, as a result of a waiver of any condition(s)) and not being terminated in accordance with the respective terms and conditions of the Underwriting Agreements),

in each case, on or before the dates and times specified in the Underwriting Agreements (unless and to the extent such conditions are validly waived on or before such dates and times) and in any event not later than the date which is 30 days after the date of this prospectus.

If any of the above conditions has not been fulfilled or waived prior to the time(s) and date(s) specified, the Global Offering will lapse and the Stock Exchange will be notified immediately. Notice of lapse of the Global Offering will be caused to be published by our Company in the South China Morning Post (in English) and Hong Kong Economic Times (in Chinese), and on our website at www.pck.com.cn and the website of the Stock Exchange at www.hkex.com.hk on the next day following such lapse. In such event, all application money will be refunded, **WITHOUT INTEREST**. The terms on which the application money will be refunded are set forth under the paragraph headed "Refund of your money" in the Application Forms. In the meantime, all application money received from the Hong Kong Public Offering will be held in a separate bank account (or separate bank accounts) with the receiving bankers of the Hong Kong Public Offering.

THE INTERNATIONAL PLACING

Our Company is initially offering 220,000,000 New Shares and the Selling Shareholder is offering 50,000,000 Sale Shares, both at the final Offer Price, representing in aggregate 90% of the initial number of the Offer Shares, for subscription by way of the International Placing, subject to re-allocation as mentioned below and under the Listing Rules and the exercise of the Over-allotment Option.

Investors subscribing for or purchasing the International Placing Shares are also required to pay 1% brokerage, 0.004% transaction levy imposed by the SFC and 0.005% Stock Exchange trading fee.

It is expected that the International Placing Underwriters, or selling agents nominated by them, on behalf of our Company and the Selling Shareholder, will conditionally place the International Placing Shares at the Offer Price with selected professional, institutional and/or individual investors in Hong Kong and certain other jurisdictions. The International Placing Shares will be offered in Hong Kong and other jurisdictions outside the United States in offshore transactions, as defined in, and in reliance on, Regulation S, and in the United States to QIBs, as defined in and in reliance on, Rule 144A. Such professional and institutional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and/or corporate entities which regularly invest in shares and other securities.

STRUCTURE AND CONDITIONS OF THE GLOBAL OFFERING

Private investors applying through banks or other institutions who seek International Placing Shares in the International Placing may also be allocated the International Placing Shares. The International Placing shall be subject to the restrictions on the offer of the Offer Shares set out in the section headed “Information about this Prospectus and the Global Offering”.

All decisions concerning the allocation of the International Placing Shares to prospective placees pursuant to the International Placing will be made on the basis of, and by reference to, a number of factors including the level and timing of demand, the total size of the relevant investor’s invested assets or equity assets in the relevant sector and whether or not the relevant investor is expected or likely to buy further Shares, or hold or sell our Shares, after the Listing Date. Such allocation is intended to result in a distribution of the International Placing Shares on a basis which would lead to the establishment of a solid Shareholder base for the benefit of our Company. In addition, our Company and the Joint Global Coordinators will use their best endeavours to observe the minimum public float requirement under the Listing Rules when making allocations of the International Placing Shares to investors who are anticipated to have a sizeable demand for such Shares.

In connection with the International Placing, our Company intends to grant the Over-allotment Option to the International Placing Underwriters, exercisable by J.P. Morgan (for itself and on behalf of the International Placing Underwriters) at any time from the Listing Date up to the 30th day after the last day for lodging of applications under the Hong Kong Public Offering, subject to the terms of the International Placing Underwriting Agreement. Pursuant to the Over-allotment Option, our Company may be required to allot and issue, at the final Offer Price, up to additional 45,000,000 New Shares, representing 15% of the initial number of the Offer Shares, to cover over-allocations in the International Placing. If the Over-allotment Option is exercised in full, the Offer Shares will represent 4.3% of our Company’s enlarged issued share capital following completion of the Global Offering. In the event that the Over-allotment Option is exercised, a press announcement will be made by our Company.

The total number of the International Placing Shares to be allotted and issued may change as a result of re-allocation mentioned below and any re-allocation of the unsubscribed Hong Kong Offer Shares to the International Placing as mentioned under the paragraph headed “The Hong Kong Public Offering” below.

THE HONG KONG PUBLIC OFFERING

Our Company is initially offering 30,000,000 New Shares under the Hong Kong Public Offering, at the Offer Price, representing 10% of the initial number of the Offer Shares, for subscription by way of a public offer in Hong Kong, subject to the reallocation as mentioned below. The Hong Kong Public Offering is lead managed by the Joint Lead Managers of the Hong Kong Public Offering and is fully underwritten by the Hong Kong Offer Underwriters (subject to our Company and the Joint Global Coordinators agreeing to the final Offer Price). Applicants for the Hong Kong Offer Shares are required to pay on application the maximum indicative Offer Price plus 1% brokerage, 0.004% transaction levy imposed by the SFC and 0.005% Stock Exchange trading fee.

The Hong Kong Public Offering is open to all members of the public in Hong Kong. An applicant for the Hong Kong Offer Shares will be required to give an undertaking and confirmation in the Application Form that he or she or it has not taken up and will not indicate an interest to take up any International Placing Shares nor otherwise participated in the International Placing. Applicants should note that if such undertaking and/or confirmation given by the applicant is breached and/or is untrue (as the case may be), such applicant’s application under the Hong Kong Public Offering is bound to be rejected. The Hong Kong Public Offering will be subject to the conditions stated under the paragraph headed “Conditions of the Global Offering” above.

If the Hong Kong Offer Shares are not fully subscribed, the Joint Global Coordinators (on behalf of the Hong Kong Offer Underwriters) will have an absolute discretion to re-allocate all or any unsubscribed Hong Kong Offer Shares to the International Placing in such number as it considers appropriate.

The total number of the Hong Kong Offer Shares to be allotted and issued may change as a result of the re-allocation as mentioned below.

STRUCTURE AND CONDITIONS OF THE GLOBAL OFFERING

Basis of allocation of the Hong Kong Offer Shares

For allocation purpose only, the number of the Hong Kong Offer Shares (after taking into account any re-allocation referred to below) will be divided equally into two pools: pool A and pool B. The Hong Kong Offer Shares in pool A will be allocated on an equitable basis to applicants who have applied for the Hong Kong Offer Shares in the value of HK\$5 million (excluding transaction levy imposed by the SFC, the Stock Exchange trading fee and the brokerage payable thereon) or less. The Hong Kong Offer Shares available in pool B will be allocated on an equitable basis to applicants who have applied for the Hong Kong Offer Shares in the value of more than HK\$5,000,000 (excluding transaction levy imposed by the SFC, the Stock Exchange trading fee and the brokerage payable thereon) and up to the total initial value of pool B.

Investors should be aware that allocation ratios for applications in the two pools, as well as the allocation ratios for applications in the same pool, are likely to be different. Where one of the pools is under-subscribed, the unsubscribed Hong Kong Offer Shares will be transferred to satisfy the demand in the other pool and be allocated accordingly. Applicants can only receive an allocation of Hong Kong Offer Shares from any one pool but not from both pools. Any application made for more than 100% of the Hong Kong Offer Shares initially available under pool A or pool B is bound to be rejected.

RE-ALLOCATION BETWEEN THE INTERNATIONAL PLACING AND THE HONG KONG PUBLIC OFFERING

If the number of Shares validly applied for under the Hong Kong Public Offering represents 15 times or more but less than 50 times the initial number of the Hong Kong Offer Shares, then the number of Shares to be re-allocated to the Hong Kong Public Offering from the International Placing will increase to 90,000,000 Shares, representing 30% of the total number of the Offer Shares initially available under the Global Offering (assuming the Over-allotment Option is not exercised).

If the number of Shares validly applied for under the Hong Kong Public Offering represents 50 times or more but less than 100 times the initial number of the Hong Kong Offer Shares, then the number of Shares to be re-allocated to the Hong Kong Public Offering from the International Placing will increase so that the total number of Shares available under the Hong Kong Public Offering will increase to 120,000,000 Shares, representing 40% of total number of the Offer Shares initially available under the Global Offering (assuming the Over-allotment Option is not exercised).

If the number of Shares validly applied for under the Hong Kong Public Offering represents 100 times or more the initial number of the Hong Kong Offer Shares, then the number of Shares to be re-allocated to the Hong Kong Public Offering from the International Placing will increase so that the total number of Shares available under the Hong Kong Public Offering will increase to 150,000,000 Shares, representing 50% of the total number of the Offer Shares initially available under the Global Offering (assuming the Over-allotment Option is not exercised).

In each such case, the additional Shares re-allocated to the Hong Kong Public Offering will be allocated equally between pool A and pool B and the number of the International Placing Shares will be correspondingly reduced.

STABILISATION IN HONG KONG

Stabilisation is a practice used by underwriters in some markets to facilitate the distribution of securities. To stabilise, the underwriters may purchase newly issued securities in the secondary market during a specified period of time to retard and, if possible, prevent a decline in the initial public offer prices of the securities. In Hong Kong and certain other jurisdictions, activities aimed at reducing the market price are prohibited, and the price at which stabilisation is effected is not permitted to exceed the initial offering price.

STRUCTURE AND CONDITIONS OF THE GLOBAL OFFERING

In connection with the Global Offering, J.P. Morgan as stabilising manager (the “**Stabilising Manager**”) or any person acting for it, on behalf of the Underwriters, may over-allocate or effect any other transactions with a view to stabilising or maintaining the market price of our Shares at a level higher than that which might otherwise prevail for a limited period after the Listing Date. This stabilising activity may include the exercise of the Over-allotment Option or market purchase of our Shares in the secondary market or selling our Shares to liquidate a position held as a result of the purchase. Any such market purchase will be effected in compliance with all applicable laws and regulatory requirements. However, there is no obligation on the Stabilising Manager or any person acting for it to conduct any such stabilising activity which, if commenced, will be conducted at the absolute discretion of the Stabilising Manager. Such stabilising activity may be discontinued at any time, and is required to be brought to an end after a limited period.

The number of Shares which can be over-allocated will not exceed the number of Shares which may be issued upon the exercise of the Over-allotment Option, being 45,000,000 Shares, representing 15% of the number of the Offer Shares initially available under the Global Offering (assuming the Over-allotment Option is not exercised). The stabilisation price will not exceed the Offer Price or other pricing limits stipulated by the Securities and Futures (Price Stabilising) Rules (Chapter 571W of the Laws of Hong Kong).

As a result of effecting transactions to stabilise or maintain the market price of our Shares, the Stabilising Manager or any person acting for it may maintain a long position in our Shares. The size of the long position and the period for which the Stabilising Manager or any person acting for it will maintain the long position is at the absolute discretion of the Stabilising Manager. In the event that the Stabilising Manager or any person acting for it liquidates this long position, it may have an adverse impact on the market prices of our Shares.

Stabilising action by the Stabilising Manager or any person acting for it is not permitted to support the price of our Shares for longer than the stabilising period, which begins from the Listing Date and ends on the 30th day after the last day for lodging of applications under the Hong Kong Public Offering. The stabilising period is expected to expire on Thursday, 4 March 2010 and after this date, the demand for our Shares, and the market price, may fall.

Any stabilising action taken by the Stabilising Manager or any person acting for it may not necessarily result in the market price of our Shares staying at or above the Offer Price either during or after the stabilising period.

Stabilisation is allowed for initial public offering transactions the total value of the relevant securities offered thereunder at the offer price is not less than HK\$100 million and is an offer to members of the public in Hong Kong the subject matter of a prospectus (as defined in the Companies Ordinance) and the securities offered are uniform in all respects with the securities for the time being traded or admitted to trading on a recognised stock exchange (as defined in the SFO) or by means of relevant authorised trading services.

LISTING DATE

Assuming that the Global Offering becomes unconditional, it is expected that dealings in our Shares on the Main Board will commence at 9:30 a.m. (Hong Kong time) on Wednesday, 10 February 2010.