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**QINGHAI PROVINCIAL INVESTMENT
GROUP CO., LTD.**

(青海省投資集團有限公司)

(incorporated with limited liability in the People's Republic of China)

**ANNOUNCEMENT REGARDING
US\$300,000,000 6.40 PER CENT. BONDS DUE 2021 (THE “BONDS”)**

Reference is made to the announcements of Qinghai Provincial Investment Group Co., Ltd. (the “**Issuer**”) dated 5 March 2019 and 16 January 2020 (the “**Previous Announcements**”). As set out in the Previous Announcements, the Issuer has issued the Bonds, the US\$300,000,000 7.25 per cent. bonds due 22 February 2020 (the “**2020 Bonds**”) and the US\$250,000,000 7.875 per cent. bonds due 22 March 2021 (the “**2021 Bonds**”).

Non-payment of principal and interest on the 2020 Bonds

Pursuant to the terms and conditions of the 2020 Bonds, the 2020 Bonds will mature on 22 February 2020 (the “**2020 Bonds Maturity Date**”), and accordingly, the Issuer is required to pay the principal amount and accrued interest on the 2020 Bonds on such date. As the Issuer is experiencing significant financial and liquidity issues and has a limited ability to obtain further financing to repay its outstanding debts, it will not be able to make such payment of principal and interest on the 2020 Bonds Maturity Date (the “**2020 Bonds Relevant Event**”).

Cross-default under the Bonds and the 2021 Bonds

The occurrence of the 2020 Bonds Relevant Event will trigger a cross-default under the respective terms and conditions of the Bonds and the 2021 Bonds.

Further Information

Holders of the Bonds requiring further information in connection with the Bonds may contact the Issuer at yeshenggui@163.com.

By Order of the Board
**QINGHAI PROVINCIAL
INVESTMENT GROUP CO., LTD.**
Mr. Cheng Guoxun
Director

21 February 2020