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XINJIANG GUANGHUI INDUSTRY INVESTMENT (GROUP) CO., LTD.

(新疆廣匯實業投資(集團)有限責任公司)

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

(the “Company”)

**Offer to Exchange (the “Exchange Offer”) Any and All of the Outstanding
7.875% Senior Notes Due 2020 (ISIN: XS1581385900; Common Code: 158138590)**

		Exchange Consideration per US\$1,000 of applicable Existing Notes tendered for exchange	
Description of Debt Securities	Outstanding Amount	ISIN/Common Code	
7.875% Senior Notes Due 2020 (the “Existing Notes”)	US\$300,000,000	XS1581385900 / 158138590	US\$1,015 in principal amount of New Notes (as defined below), Accrued Interest (as defined below), the Cash Rounding Amount (as defined below) and the Additional Cash Incentive (as defined below)

See the section entitled “Summary of Terms of The Exchange Offer — Exchange Consideration.”

On February 27, 2020, the Company commenced the Exchange Offer with respect to the Existing Notes held by eligible holders who are located outside the United States (“Eligible Holders”). The Company is offering to exchange any and all of its outstanding Existing Notes held by Eligible Holders in accordance with the terms and subject to the conditions set forth in the Exchange Offer Memorandum and as summarized under the “Summary of Terms of The Exchange Offer” section below.

The Exchange Offer is subject to certain conditions as described in the Exchange Offer Memorandum, including an affirmative determination by the Company that effecting the Exchange Offer is in its best interests.

The Company is conducting a separate concurrent offering (the “Concurrent New Money Issuance”) to issue and sell additional New Notes. Any Concurrent New Money Issuance will be on terms and conditions acceptable to the Company at its sole discretion. There is no assurance that such Concurrent New Money Issuance will be consummated.

Upon issuance, any additional New Notes sold in the Concurrent New Money Issuance will be on the same terms and form a single series with the corresponding New Notes issued under the Exchange Offer. The Concurrent New Money Issuance is not part of the Exchange Offer and is conducted pursuant to a separate offering memorandum. Haitong International Securities Company Limited, The Hongkong and Shanghai Banking Corporation Limited and Tensant Securities Limited are acting as the joint global coordinators, joint bookrunners and joint lead managers in connection with the Concurrent New Money Issuance. The Company expects to announce the pricing terms of the Concurrent New Money Issuance as soon as practicable following any such pricing or, if the Company decides not to proceed with the Concurrent New Money Issuance (or any portion thereof), the Company will announce such decision as soon as practicable following such decision being made. Pricing of the Concurrent New Money Issuance is expected to occur as soon as practicable after the Exchange Expiration Deadline (as defined below). However, there can be no assurance that the Concurrent New Money Issuance will price at all. If the Concurrent New Money Issuance is not consummated with respect to any or all of the New Notes, the final interest rate of such New Notes will be announced as soon as practicable following the confirmation that the Concurrent New Money Issuance with respect to such New Notes will not be consummated. Other relevant details of the New Notes will also be confirmed together with the final interest rate.

The Exchange Offer is not being made within, and the Exchange Offer Memorandum is not for distribution in, the United States. The Exchange Offer Memorandum is not an offer of securities for sale in the United States or any other jurisdiction where it is unlawful to offer such securities, including the New Notes and any guarantees with respect thereto, for sale. Securities may not be offered, sold or delivered in the United States absent registration or an exemption from registration. The New Notes and any related guarantees have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”), and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the New Notes are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the Securities Act.

Summary of Terms of The Exchange Offer

Upon the terms and subject to the conditions set forth in the Exchange Offer Memorandum, the Company is offering to exchange any and all of its outstanding Existing Notes for the Exchange Consideration (as defined below). As of the date of the Exchange Offer Memorandum, US\$300,000,000 of the Existing Notes are outstanding.

Eligible Holders of the Existing Notes validly accepted and exchanged in the Exchange Offer will, from and including the Settlement Date (as defined below), waive any and all rights with respect to the Existing Notes (other than the right to receive the Exchange Consideration) and will release and discharge the Company from any and all claims such holders may have, now or in the future, arising out of or related to such Existing Notes, including any and all accrued and unpaid interest thereon.

Instructions to exchange any of the Existing Notes may only be submitted in a minimum principal amount of US\$200,000 and integral multiples of US\$1,000 in excess thereof. Any New Notes to be issued to any Eligible Holder in the Exchange Offer will be in a minimum principal amount of US\$200,000 and integral multiples of US\$1,000 in excess thereof. Any fractional amounts of New Notes will be paid in US dollars in cash. To the extent that any Eligible Holder elects to exchange only a portion of its Existing Notes, any retained portion must be in a minimum principal amount of US\$200,000. Eligible Holders are responsible for ensuring that their instructions will result in the New Notes they are entitled to receive being at least equal to the minimum principal amount of US\$200,000. Instructions that would result in a principal amount of New Notes below US\$200,000 will be rejected.

Any Existing Notes validly accepted and exchanged by the Company in the Exchange Offer will be cancelled upon consummation of the Exchange Offer.

Purpose of the Exchange Offer

The principal purpose of the Exchange Offer is to refinance the Existing Notes and improve the Company's debt structure to enable it to extend its debt maturity profile, develop more steadily, strengthen its balance sheet and improve cash flow management.

Exchange Consideration

For each US\$1,000 principal amount of outstanding Existing Notes that is validly tendered prior to the Exchange Expiration Deadline (as defined below) and accepted for exchange, an Eligible Holder of the Existing Notes will receive the consideration below (the "Exchange Consideration"):

(A) US\$1,015 in aggregate principal amount of the Company's US\$ denominated Senior Notes due 2021 (the "New Notes"),

(B) accrued and unpaid interest up to, but not including, the Settlement Date (rounded to the nearest US\$0.01, with US\$0.005 rounded upwards) ("Accrued Interest"),

(C) subject to the requirement that any New Notes issued to any Eligible Holder be in a minimum principal amount of US\$200,000 and integral multiples of US\$1,000 in excess thereof, in the event that such Eligible Holder is entitled to receive any New Notes in a principal amount that is not an integral multiple of US\$1,000, cash (rounded to the nearest US\$0.01, with US\$0.005 rounded upwards) in lieu of any fractional amount of the New Notes equal to the principal amount of the New Notes not issued (after rounding downward the amount of the New Notes to the nearest multiple of US\$1,000) (the "Cash Rounding Amount"), and

(D) additional cash consideration of US\$30 (the "Additional Cash Incentive").

The New Notes are expected to have a tenor of 18 months and will mature in 2021, which tenor will be subject to the final determination at the Company's sole discretion and announced as soon as practicable after the Exchange Expiration Deadline.

Key Timeline of the Exchange Offer

The exchange expiration deadline of the Exchange Offer (the "Exchange Expiration Deadline") is 4:00 p.m., London time on March 11, 2020, unless extended or earlier terminated at the Company's sole discretion. Exchange instructions are irrevocable once submitted except in the limited circumstances described in the Exchange Offer Memorandum.

A separate Instruction must be submitted on behalf of each beneficial owner of the Existing Notes.

The anticipated settlement date of the Exchange Offer (the "Settlement Date") will occur on or about March 19, 2020, unless the Exchange Offer is extended or earlier terminated.

The announcement of the minimum yield of the New Notes will be made on or about March 2, 2020. The final interest rate and final yield of the New Notes is expected to be set as soon as practicable after the pricing of the Concurrent New Money Issuance on or about March 12, 2020.

For a detailed statement of the terms and conditions of the Exchange Offer, Eligible Holders should refer to the Exchange Offer Memorandum.

D.F. King has been appointed as the Information and Exchange Agent. To contact D.F. King in London, +44 20 7920 9700 and in Hong Kong, +852 3953 7208 or via email at xinjiang@dfkingltd.com.

The Exchange Offer Memorandum will be distributed in electronic format to Eligible Holders via the Exchange Website: <https://sites.dfkingltd.com/xinjiang>. Any requests for additional copies of the Exchange Offer Memorandum should be directed to D.F. King at the above contact points.

The joint dealer managers for the Exchange Offer are:

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