Hubei Sanonda Co., Ltd.

Independent Opinion of the Independent Directors on the Relevant Issues

In accordance with the *Company Law of the People's Republic of Chin*a, *Guidance on Establishing the Independent Director System in Listed Companies*, and other laws, regulations and normative documents, as well as the *Articles of Association* and *Independent Director System*, we, as the independent directors of Hubei Sanonda Co., Ltd.(hereinafter referred to as "Company"), give our independent opinion on the relevant matters from the standpoint of independent judgment:

1. Explanations and Independent Opinion on the Utilization of the Company Funds by the Controlling Shareholder or Other Related Parties, and the Status of External Guarantee

(1) Utilization of the Company funds by the controlling shareholder or other related parties

In the first half-year of 2018, the controlling shareholder or other related parties did not utilize the funds of the Company.

Funds transferred between the Company and its controlling shareholder or other related parties in the first half-year of 2018 were related to the normal operation process. The transactions were valid with fair price and didn't harm the interests of the Company and its shareholders.

(2) External guarantee

The Company exercises strict control over providing guarantees to others according to the related laws and regulations as well as the *Articles of Association*. As of June 30, 2018, the actual balance of external guarantee was RMB1,164.5million, accounting for 5.41% of the net assets of the latest period

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(2017 audited financial report) of the Company.

We are of the opinion that, in the first half-year of 2018, all of the Company's external guarantees were implemented according to the legal procedures; the external guarantee decision procedures were legal, reasonable and fair; the external guarantees didn't harm the interests of the Company and its shareholders.

2. **Independent Opinion on the Status of the Deposit and Actual Usage of the Raised Funds in the First Half-Year of 2018**

In accordance with the *Regulatory Guidelines for Listed Companies No.2—Regulatory Requirements for Management and Use of Raised Funds of Listed Companies* (Announcement of CSRC [2012] No.44, as well as the *Guidelines of the Shenzhen Stock Exchange for Standardized Operation of Companies Listed on the Main Board* issued by Shenzhen Stock Exchange, the Board of Director prepared a *Special Report on the Deposit and Actual Usage of the Raised Funds in the First Half-Year of 2018* (hereinafter referred to as the " Report").

After examination of the *Report*, we are of the opinion that the Report truly reflects the deposit, usage and management status of the raised funds. The related information on the deposit and usage of the raised funds disclosed by the Company is timely, authentic, accurate and complete. The deposit, usage and management of the raised funds are in line with relevant laws, regulations, and the *Rules on the Usage and Management of Raised Funds of Hubei Sanonda Co., Ltd.* The Company did not change the purpose of the raised funds and the deposit, usage and management does not harm the interests of shareholders.

3. **Independent Opinion on the Investment in Derivative Financial Instruments and Related Risk Controls**

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The derivative investments carried by the Company are for hedging and avoiding the risk of market fluctuations. The investments respond to the Company's routine business demands and are in accordance with the relevant laws and regulations. Additionally, the Company has adopted Currency Risk Hedging Policy to strengthen the risk management and control which benefit the Company's ability to protect against market risk. The derivative investments do not harm the interest of the Company and its shareholders.

4. **Independent Opinion on the Risk Appraisal Report of ChemChina Financial Co., Ltd.**

For securing the safety of the funds of the Company deposited in ChemChina Financial Co., Ltd., the Company evaluated the business, qualifications, and the status of the risk of ChemChina Financial Co., Ltd., and issued a Risk Appraisal Report. We are of the opinion that:

(1) ChemChina Financial Co., Ltd. holds valid Finance License, Business License. China Banking Regulatory Commission strictly supervises the business scope, business procedures, internal risk control system of ChemChina Financial Co., Ltd.

(2) We did not find that ChemChina Financial Co., Ltd. has any significant defect in its risk management. Currently, the risk of the Company's related-party deposit in ChemChina Financial Co., Ltd. is controllable.

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(The signature page of Independent Opinion on the Relevant Issues)

Independent Director Signature:

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Tang Yunwei	Xi Zhen

August 27, 2018

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