

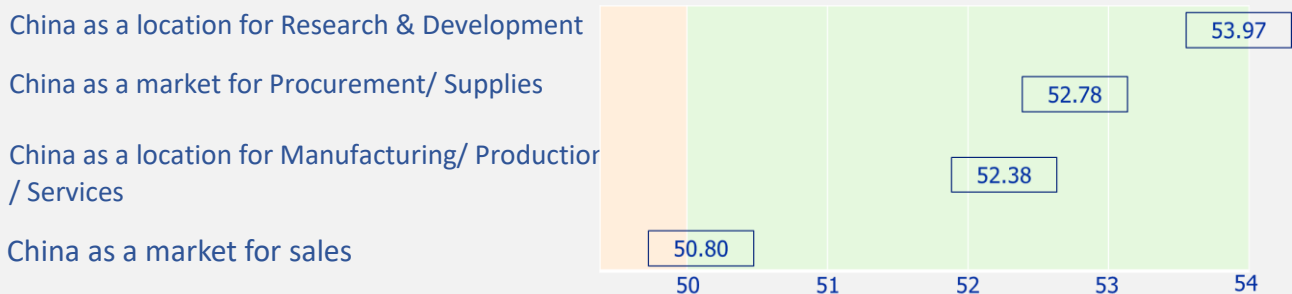
FINNISH COMPANIES SHORT-TERM OUTLOOK ON CHINA

June 14th, 2023

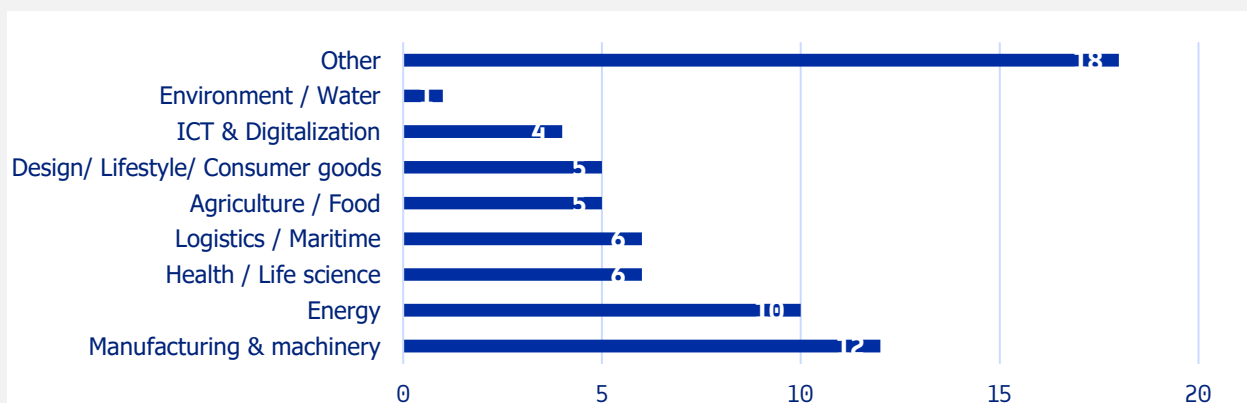


Survey conducted by Team Finland China from June 1st to 7th, 2023. 67 out of 365 surveyed Finnish companies responded about their past three months' view of the development of China business environment. The findings reveal an average positive perception rate of 52.48% suggesting a positive outlook for China as a business destination. Experience on the development in sales is however close to neutral, indicating uncertainty of the recovery of China's economy.

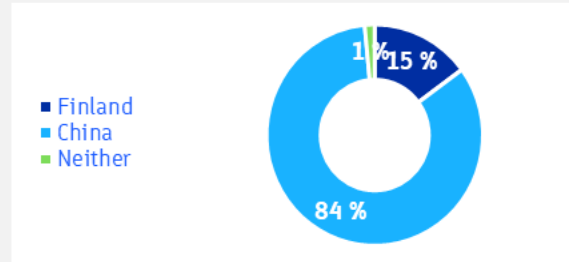
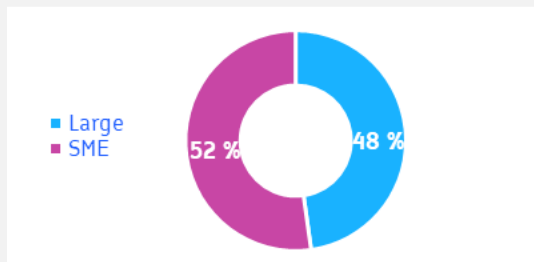
These results indicate a generally positive perception of China as a business destination, particularly for R&D, procurement, and manufacturing. In terms of sales, approximately 50.8% indicate a relatively neutral sentiment regarding China's sales potential among the surveyed businesses.



Industry Sectors Responding to the Survey

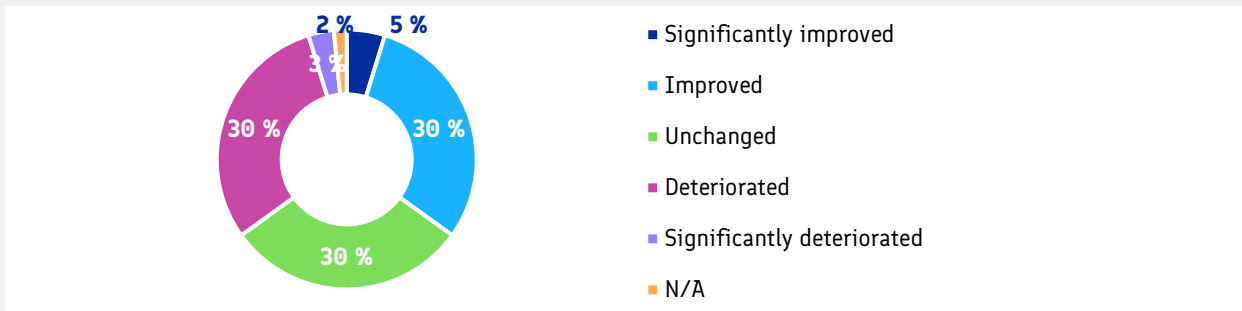


The survey respondents consisted of 52% SMEs and 48% large companies. 84% of the business representatives who participated in the questionnaire are actively working in China.



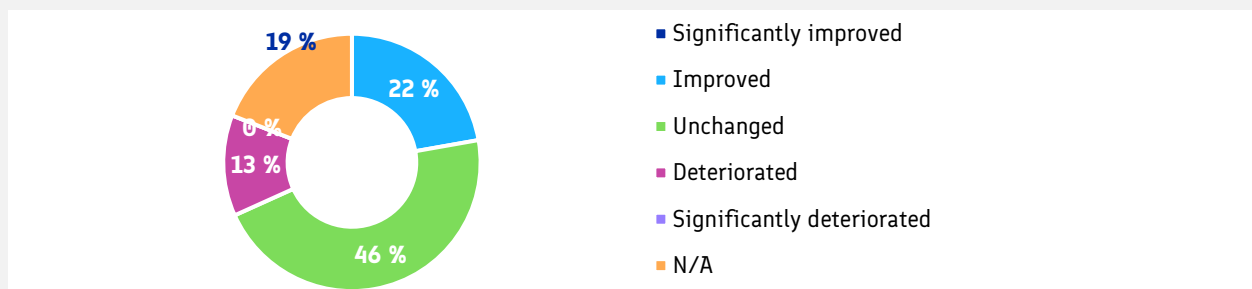
The survey results reveal a mixed outlook across different business activities in China. In terms of the market for sales in China or export to China, 30% of companies reported no change, 30% reported improvement, and 30% reported deterioration. This suggests that for some business segments China, the market outlook may have become worse during the past three months.

CHINA AS A MARKET FOR SALES



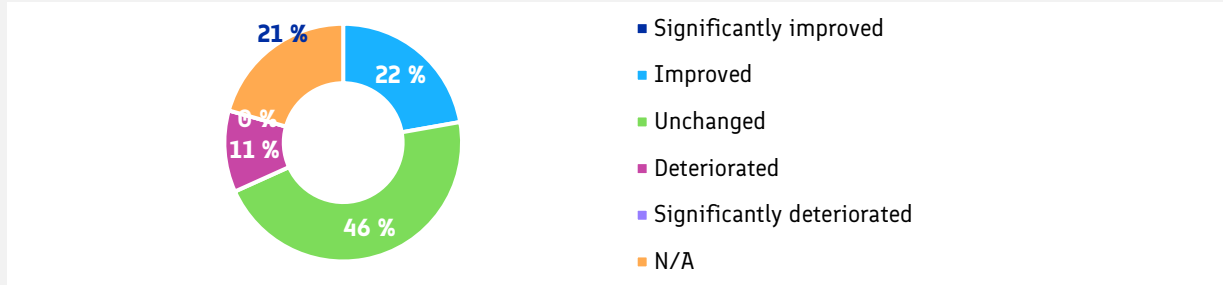
Regarding the location for manufacturing/production/services, 46% of companies reported no change, 22% reported improvement, and 13% reported deterioration. This indicates a relatively stable environment for manufacturing activities, with a notable proportion experiencing positive developments.

CHINA AS A LOCATION FOR MANUFACTURING/PRODUCTION/SERVICES



In the market for procurement/supplies, 46% of companies reported no change, 22% reported improvement, and 11% reported deterioration. This suggests a steady procurement landscape with rather small percentage of responses experienced a decline.

CHINA AS A MARKET FOR PROCUREMENT/SUPPLIES



For research and development (R&D), 45% of companies reported no change, 19% reported significant improvement or improvement, and only 6% reported deterioration. This shows positive development for the R&D environment in China over the past three months.

CHINA AS A MARKET FOR RESEARCH & DEVELOPMENT

