

BUSINESS CLIMATE SURVEY FOR SWEDISH COMPANIES IN CHINA 2021

A REPORT FROM TEAM SWEDEN IN CHINA



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FOREWORD

Last year was a turbulent year for the entire world. Supply and demand-side challenges within a number of industries combined with travel and transport restrictions took their toll on world trade. Despite a global downturn, Swedish exports to China increased by more than 9% compared to 2019. A large share of the Swedish companies present in China also showed good financial results.

Many markets are stabilizing as a result of improved pandemic control, which facilitates trade. However, there are still a number of uncertainties in the market. Some of them are caused by local regulations or practices which are distorting free trade and creating an unlevel playing field. Others are a consequence of macroeconomic turbulence and geopolitical tensions. It is probably safe to say that many uncertainties are here to stay, and learning how to operate in a challenging and changing environment will be crucial for survival. At the same time, factors which limit access and fair play should be highlighted and addressed to ensure that the business climate develops in the right direction.

While it is impossible to predict the future, it is still important to track key indicators and understand how the business environment impacts companies on a micro level. The best way of monitoring this is to ask business representatives what they experience in the market and what trends they are observing. This is what Team Sweden has been doing since 2000, and we are proud to present yet another Business Climate Survey for Swedish companies in mainland China. This survey is not only tracking development within the local market, but also compares and contrasts perspectives with similar surveys carried out in all other key markets where Swedish companies are present.

We hope that this survey can help Swedish companies in China to better relate to what their peers are experiencing elsewhere, and also provide company representatives in Sweden with insights into the business environment in China. Should you have any questions on the report or if you would want to further discuss your opportunities and challenges in the market, do not hesitate to reach out to Team Sweden in China.



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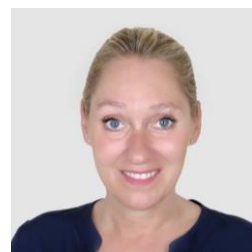
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EXECUTIVE SUMMARY

2020 was a challenging year for companies across industries and geographies with the pandemic having impacted both the supply and demand-sides in many value chains. This has also taken its toll on Swedish companies operating in China, but the exact effects and the magnitude of the impact vary depending on the nature of the business and the configuration of supply and sales channels. On an aggregate level, the negative effect was less than predicted in the midst of the storm. 75% of the participants in last year's survey believed that the 2020 results would be negatively impacted by the pandemic, but when concluding the year, slightly less than 50% of the responding 97 Swedish companies¹ observed a real negative impact. It should however be noted that there are a few outliers on the negative side who were severely hit. Worth pointing out is also the absolute financial performance, where only a quarter of the respondents were experiencing a loss or break-even in 2020 despite COVID-19. This will still impact the ability to invest and accelerate out of the downturn.

Looking ahead, there is a brighter view of 2021. Around two thirds of the respondents forecast revenue and profit increases during the year, and here the outliers are on the positive side, with 20% of the companies expecting sales to go up by more than 20%. But it is important to keep in mind that those are increases from a weakened baseline from last year. It is also noteworthy that the sales increases for Swedish companies are at or slightly below the expected turnover increases within their respective sectors, indicating that the respondents follow the market growth, but do not see large opportunities to increase their market shares.

When it comes to the current business climate, this has increased significantly since last year, and is now at a level slightly higher than the pre-pandemic climate reported in the 2019 survey. It is also higher than in several other Asian markets, which could be a result of the rapid business recovery in China. All sectors do not feel the same positive climate however, and particularly the service sector is falling behind where factors such as travel limitations most likely are contributing and which will hopefully be resolved in a near future. More troublesome is the outlook, where only 39% of the respondents believe that the business climate will become more favorable over the coming three years. The industry with the most pessimistic outlook is the consumer sector, with only 21% expecting an improvement and 43% believing that the climate will deteriorate.

The outlook is impacted by a number of factors, both domestically and internationally. On the domestic side the respondents are, just like last year, ranking access to skilled labor as the top challenge for their business in China. This challenge is further reinforced by a shrinking expat ratio accelerated by permit and travel challenges during the pandemic as well as the planned introduction of new taxation regulations for foreign employees, which 37% of the companies believe will reduce the likelihood of them hiring foreigners. Another domestic challenge which has rapidly increased in magnitude is government policies that disadvantage foreign companies, which now is the second largest issue with 27% of the respondents listing it as a key challenge. This contradicts efforts to increase market access and level the playing field, and will be a key matter of attention in order to support the foreign business community.

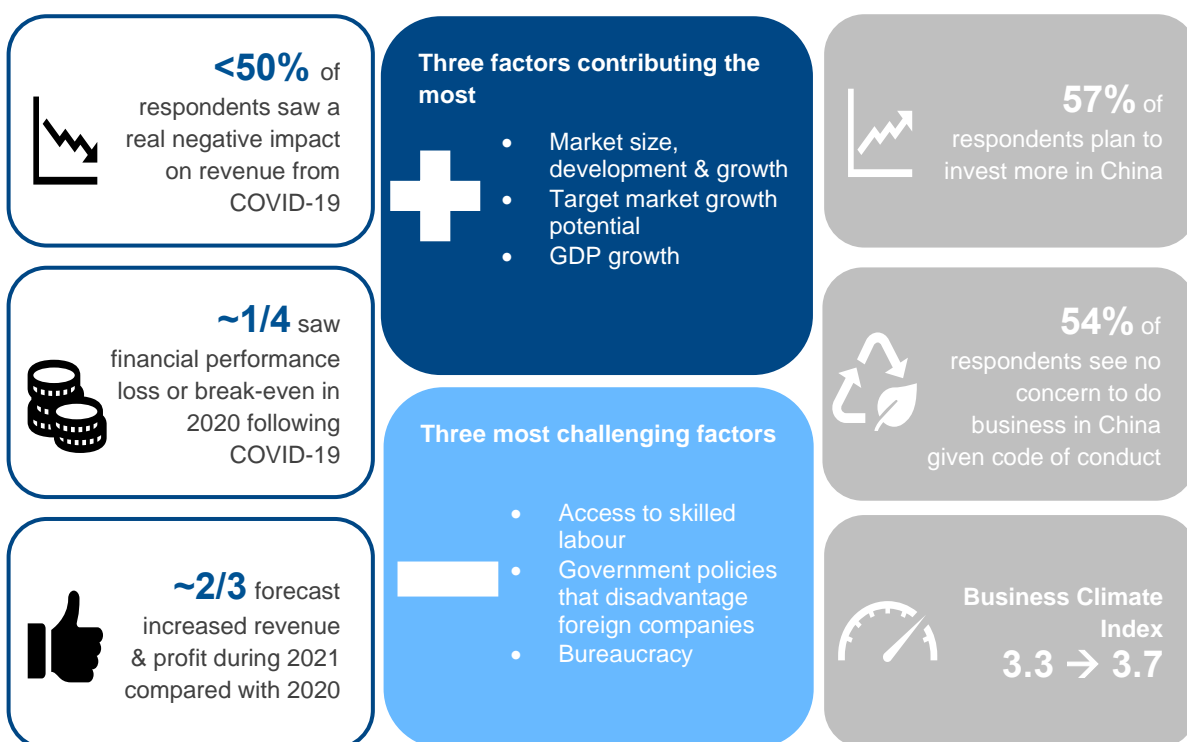
Swedish companies operating on a foreign market are also subject to trade tensions and shifting policies and almost half of the respondents perceive that their operations have been affected. A few of them see a positive impact, for example by restrictions towards their competitors. But the largest share of the impact is on the negative side, through factors such as increased tariffs and export controls. Trade restrictions and tariffs between the world's largest economies are likely to remain for some time and it will as such be key to monitor how these impact Swedish companies, who might risk getting stuck in the middle through their international value chains.

Another key topic for Swedish companies is sustainability, and many organizations have spent significant efforts on developing strong codes of conduct to guide their business in Sweden and in international markets. Most of the respondents feel that the Chinese market is compatible with their codes of conduct, but 28% express some level of concern about their ability to do business in the market given their corporate principles. The respondents reported

¹ See chapter "About the Report" for more information about the survey respondents.
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a reduction in the perceived risk of encountering human rights violations and/or labor right abuse. However, the report did not explore the underlying reasons for these replies. Regarding the environment, increased ambitions in China have yet to trickle down to impact customers' purchasing decision as respondents only saw a slight improvement from last year.

All in all, the Chinese market offers strong growth opportunities for a number of the respondents, while they at the same time are facing domestic and international business challenges. It will be key for companies to continuously monitor the market and regulatory trends and react to a changing business environment in an agile manner. So far, when it comes to concrete adjustments of their China presence there seems to be a limited impact, with only 4% considering supply chain alterations out of China and 1% withdrawing from the market. In fact, more than half of the respondents plan to increase their investments in China over the coming 12 months. Many Swedish companies have been in China for a long period of time, and they plan to stay. But their ability to operate and grow will require continued progress within a number of fields.



BUSINESS PERFORMANCE

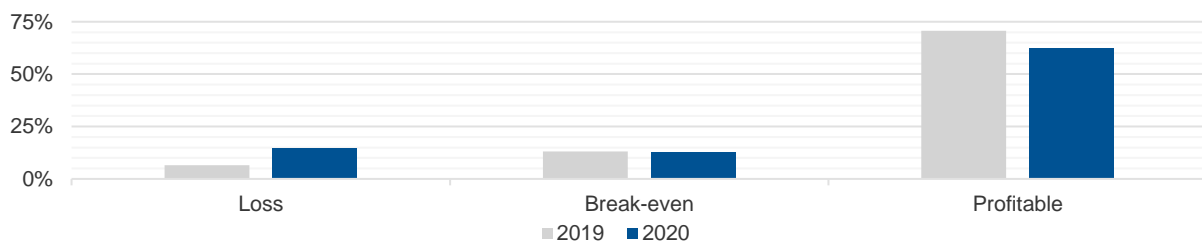
Only close to a quarter of Swedish companies saw financial break-even or loss despite COVID-19

Similar to last year's study, Swedish companies have seen an overall profitable financial performance in 2020 with 63% of all respondents reporting a profitable business for the year. However, even so an increase of Swedish companies reporting break-even or even a loss for the year can be seen, increasing from 20% to 27% of all respondents between 2019 and 2020. This can most likely be explained by the impact of COVID-19 on China and the world with following uncertainties in the market.

The biggest improvement in overall financial performance can be seen among both medium sized as well as industrial companies, where 78% (65%) and 76% (65%) of respondents respectively reported a profitable business. However, on the other side of the spectrum, large companies and professional services companies experienced the hardest setback with only 57% (81%) and 65% (88%) reporting a profitable performance in 2021, a sharp decline from last year's survey.

SWEDISH COMPANIES' FINANCIAL PERFORMANCE IN CHINA, 2019 AND 2020

Question: How would you describe your company's financial performance in China in 2020? [Single choice]



Note: The number of respondents for this question was 96. "Don't know/Not applicable" responses are included but not shown in figure (10% of respondents). Years refer to performance years and not survey years.

Source: Team Sweden Business Climate Survey in China, 2020 and 2021

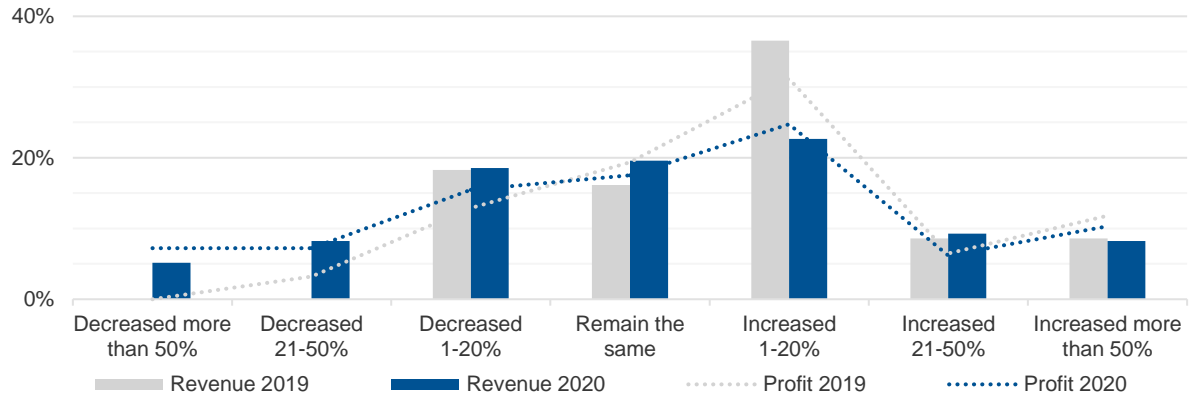
Despite a majority of Swedish companies still showing a profitable financial performance in 2020, 32% of all respondents state that they saw a decrease in revenue between 2019 and 2020, compared with 18% in last year's survey. The same trend can be seen regarding the profit evolution among Swedish companies, where 30% (16%) of all respondents indicated a decline in profit.

Even so, Swedish companies have been hit differently where despite 32% and 30% of all respondents seeing a decline in revenue and profit respectively, 40% (54%) and 41% (49%) of Swedish companies still saw an increase in revenue and profit between the same years, primarily driven by Industrial companies where 54% and 51% of all respondents saw an increase in revenue and profit respectively.

On the other side of the spectrum, professional services companies were hit the hardest with 11% of responding professional services companies seeing a decline in revenue by more than 50%. Small companies were primarily affected among the different sizes, with only 14% of respondents stating an increase of revenue and profit, whilst 50% and 43% have seen a decrease in revenue and profit respectively. This is in stark contrast compared to last year's survey where 62% and 46% of all small companies saw an increase in revenue and profit respectively compared with the year previous. However, given the few respondents within the group (11 responses in 2021 and 10 in 2020) this should be seen as an indication for a potentially larger sensitivity among small Swedish companies in the Chinese market.

SWEDISH COMPANIES' REVENUE AND PROFIT DEVELOPMENT, 2020

Question: How was your revenue / profit in China 2020 compared with 2019? [Single choice]



Note: The number of respondents for these questions were 97 and 97. "Don't know/Not applicable" responses are included but not shown in figure (8% and 11% of respondents for revenue and profit respectively).
Source: Team Sweden Business Climate Survey in China, 2020 and 2021

Share of sales as online sales continue to remain low

China has a fast-developing online market that represents around 34% of global retail e-commerce value in 2020². It is therefore noteworthy that roughly three quarters of the respondents had no online sales at all in 2020, a slight increase from last year's survey. However, this varies significantly by sector and size, where 45% of consumer companies and 38% of large companies report an online sales share above 0%. Worth noting however is that within the consumer sector only 36% of respondents have marketing and/or sales functions in China, whilst 86% of respondents have sourcing and trading operations in the country.

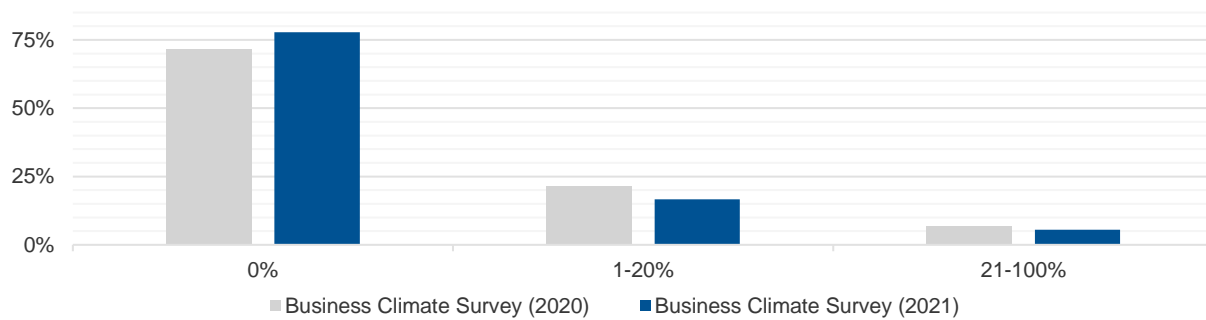
Growing online sales market in China, but few Swedish companies leverage the opportunities

Swedish industrial companies still have a low share of their sales being online sales similarly as in last year's survey, with only 12% stating an online sales despite 89% of all industrial respondents having marketing and/or sales functions and 57% having after-sale and/or support in China. This is something worth reflecting on in a market where also many B2B transactions are happening in online marketplaces today.

While the online universe is different in China compared to Europe and many other countries given that the e-commerce sector keeps on booming locally across several industries, Swedish companies that already have a sales function in China have the opportunity to leverage this to accelerate their sales. However, based on the current figures this appears as an area that remains underdeveloped despite this promising opportunity.

SWEDISH COMPANIES' ONLINE SALES 2020

Question: What percentage of sales came from your online sales in 2020? (from 0-100%) [Free text]



Note: The number of respondents for this question was 90.
Source: Team Sweden Business Climate Survey in China, 2020 and 2021

² Euromonitor International (Retailing: Euromonitor from trade sources/national statistics), 2021
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COVID-19 impact was overall less negative than anticipated, with careful optimism for a recovery in 2021

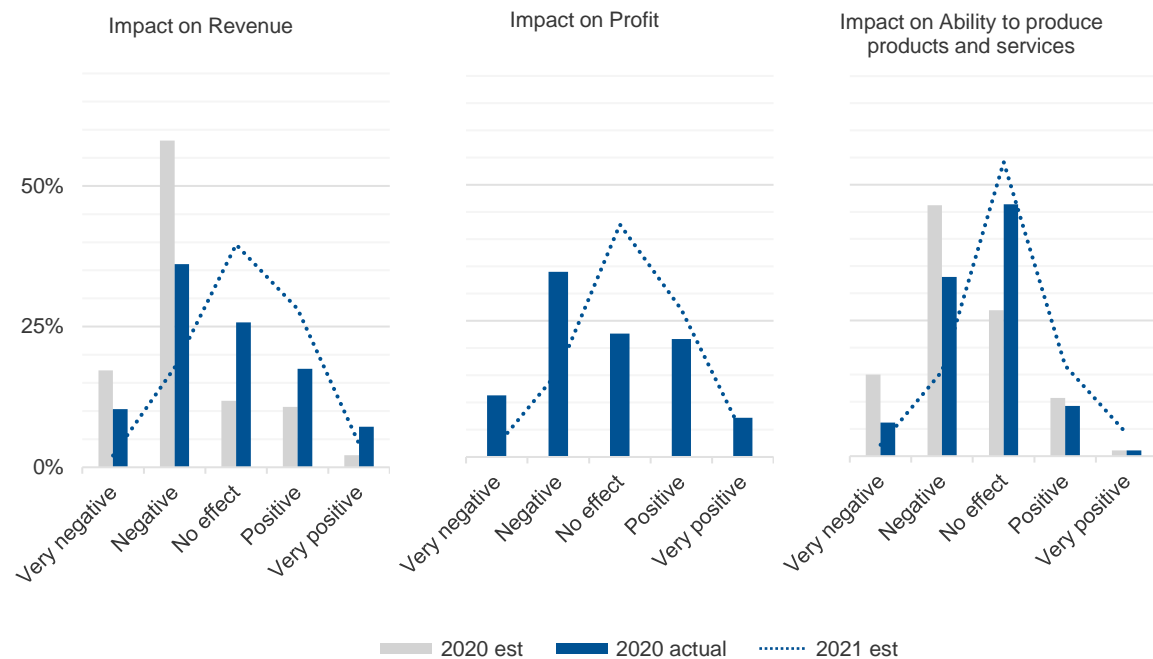
2020 was a year that impacted many through the global pandemic and the expectations of COVID-19 on business was globally negative. The same could be seen for China in last year's survey, where a vast majority of respondents expected a negative sales impact for 2020 as a result of COVID-19. While the revenue impact turned out negative, it saw a slightly better outcome than expected with only 46% of respondents reporting a negative impact compared to 75% that expected so, and where 25% even experienced a positive revenue impact compared to the 13% expected.

From a size perspective it is clear that COVID-19 hit companies of different sizes differently with only medium sized companies standing out with a less negative profit impact caused by COVID-19 with 26% reporting negative impact, compared with small (50%) and large (53%) companies. Less differences can be seen across the various sectors, where consumer (50%), industrial (46%) and professional services (43%) all saw a similarly negative impact on their profit.

Regarding Swedish companies' perceived impact on ability to produce products and services the impact was even less, with only 39% of respondents seeing a negative impact and almost half of the respondents experiencing no effect.

IMPACT OF COVID-19 ON SWEDISH COMPANIES' OPERATIONS IN CHINA

Questions: What was the impact of COVID-19 in 2020 / expected for 2021 on your Revenue / Profit / Ability to produce products and services? [Single choice]



Note: The number of respondents for these questions were 97 for all except for the question regarding expected impact on ability to produce products and services where the number of respondents were 96. "Don't know/Not applicable" responses are included but not shown in figure (3% and 8% for revenue and profit actual and 2021 estimate, 4% and 7% for ability to produce products and services actual and 2021 estimate).
Source: Team Sweden Business Climate Survey in China, 2020 and 2021

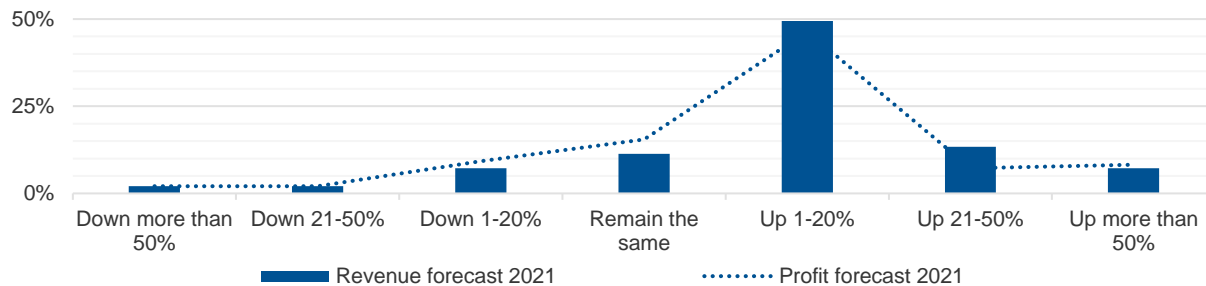
Looking ahead, Swedish companies are carefully optimistic for the rest of 2021, where roughly a fifth of the respondents expect a continued negative impact on revenue, profit and ability to produce products and services and 31% of respondents even stating a positive or very positive impact on profit. Impact on ability to produce products and services is expected to remain little impacted by COVID-19, where 54% expect it to have no impact.

Slight uplift in forecasted revenue and profit for 2021 with positive expectations on industry turnover across sectors

Close to and slightly more than two thirds of Swedish companies expect a profit and revenue growth in 2021 compared with 2020. This shows a positive outlook from Swedish companies on the rest of the year, where small and professional services companies are the most optimistic in their forecast with 13% and 14% of respondents respectively expecting a revenue increase of 50% or more in the coming 12 months. Worth noting however is that the percentage increase depends on the baseline, and hence smaller companies likely will have an easier time to grow quickly. Nevertheless, this is still an important indication of an optimistic outlook for Swedish SMEs in the Chinese market.

REVENUE AND PROFIT FORECAST

Question: What is the revenue / profit forecast of your operations in China for 2021 compared with 2020? [Single choice]



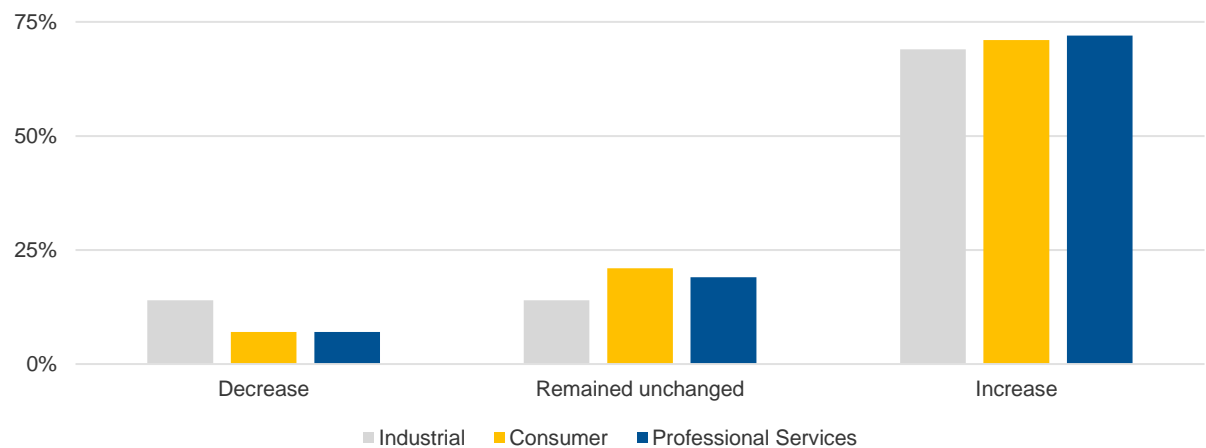
Note: The number of respondents for these questions were 97. "Don't know/Not applicable" responses are included but not shown in figure (7% and 9% of respondents for revenue and profit forecast respectively).

Source: Team Sweden Business Climate Survey in China, 2021

In line with Swedish companies' own revenue expectations for 2021, Swedish companies also have a very optimistic outlook for turnover across all three sectors with more than two thirds expecting the turnover within each industry/business sector to increase the coming 12 months. This is a substantial increase from last year's survey where 40% of respondents expected an increase in their industry/business sector.

TURNOVER EXPECTATIONS PER SECTOR

Question: Compared to the development in the past 12 months, what are your expectations for the coming 12 months for your industry/business sector in China regarding turnover? [Single choice]



Note: The number of respondents for these questions were 92 (14, 35, 43 respectively). "Don't know/Not applicable" responses are included but not shown in figure (0% of respondents).

Source: Team Sweden Business Climate Survey in China, 2021

BUSINESS CLIMATE

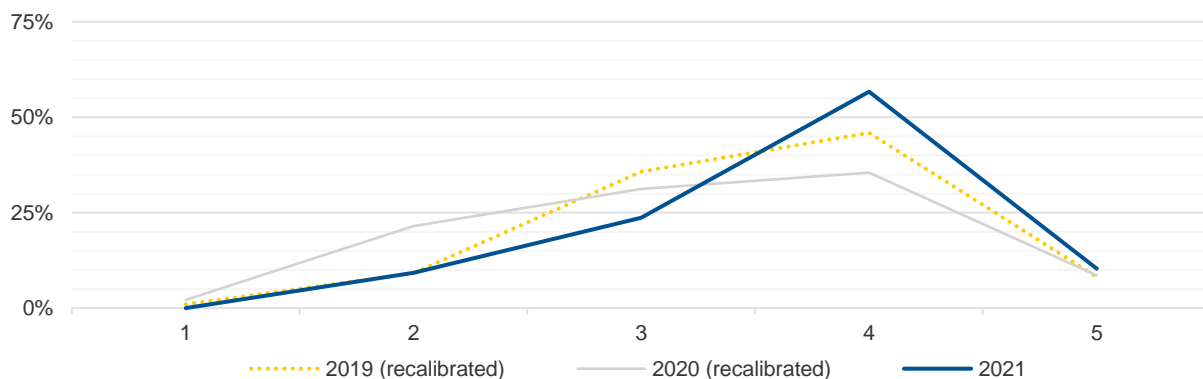
Favorable and improved business climate in China, with limited expectations of improvements the coming 3 years

The business climate represents the core of this survey, and each respondent is asked to assess the current climate from very poor to very good. The assessment is subjective and can be impacted by a number of factors – many of them explored through other questions throughout the survey. Even so, the business climate assessment provides a valuable indication of how the perceived business climate is developing over time. This year, the climate index ended up at 3.7, an increase from both 2019 and 2020 when it was 3.5 and 3.3 respectively (recalibrated³). Noteworthy is also that the business climate in China is perceived as better than the APAC overall scoring of 3.5.

Large companies experience less of a preferable business climate than the other sizes, with an index of 3.4 compared to 3.8 and 3.9 for small and medium sized companies respectively. The professional services sector remains the most pessimistic, with an index of 3.5 compared with consumer (3.8) and industrial companies (3.5).

CURRENT BUSINESS CLIMATE IN CHINA

Question: How do you perceive the current business climate in China? [Single choice, 1-5]



3.5
2019 (recalibrated²)

3.3
2020 (recalibrated²)

3.7
2021

Note: The number of respondents for this question was 97. "Don't know/Not applicable" responses are included but not shown in figure (0% of respondents). For 2021 a 5-grade scale was used instead of the 10-grade scale used in previous years. To make the numbers comparable a conversion scale has been used mapping previous year's results according to: 1-2=1; 3-4=2; 5-6=3; 7-8=4; 9-10=5

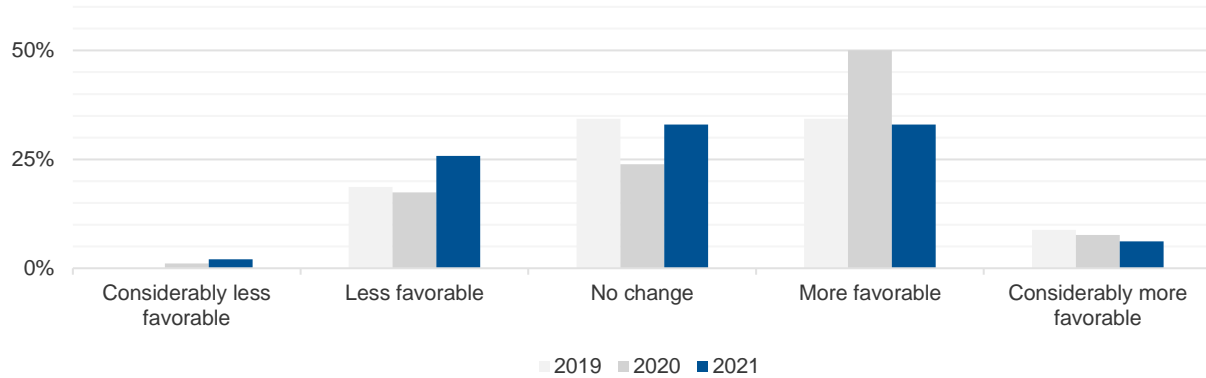
Source: Team Sweden Business Climate Survey in China, 2019, 2020 and 2021

Swedish companies are also less optimistic in terms of how they expect the business climate to evolve compared to last year's survey, with only 39% seeing the climate as more favorable or considerably more favorable the coming 3 years compared to 58% from last survey. Consumer companies are the least optimistic with only 21% of the respondents expecting the business climate to improve the coming 3 years and 43% of respondents even expecting it to become less favorable.

³ Unlike previous years, this year's report used a 5-grade scale instead of a 10-grade scale in line with the global study resulting in previous years' result having to be recalculated to a 5-grade scale to be comparable (done through a 2-to-1 mapping, where e.g. 1 and 2 were mapped to 1, 3 and 4 mapped to 2, etc.).

FUTURE BUSINESS CLIMATE IN CHINA

Question: How do you perceive the future business climate in China for the coming three years? [Single choice]



Note: The number of respondents for this question was 97.
 Source: Team Sweden Business Climate Survey in China, 2019, 2020 and 2021

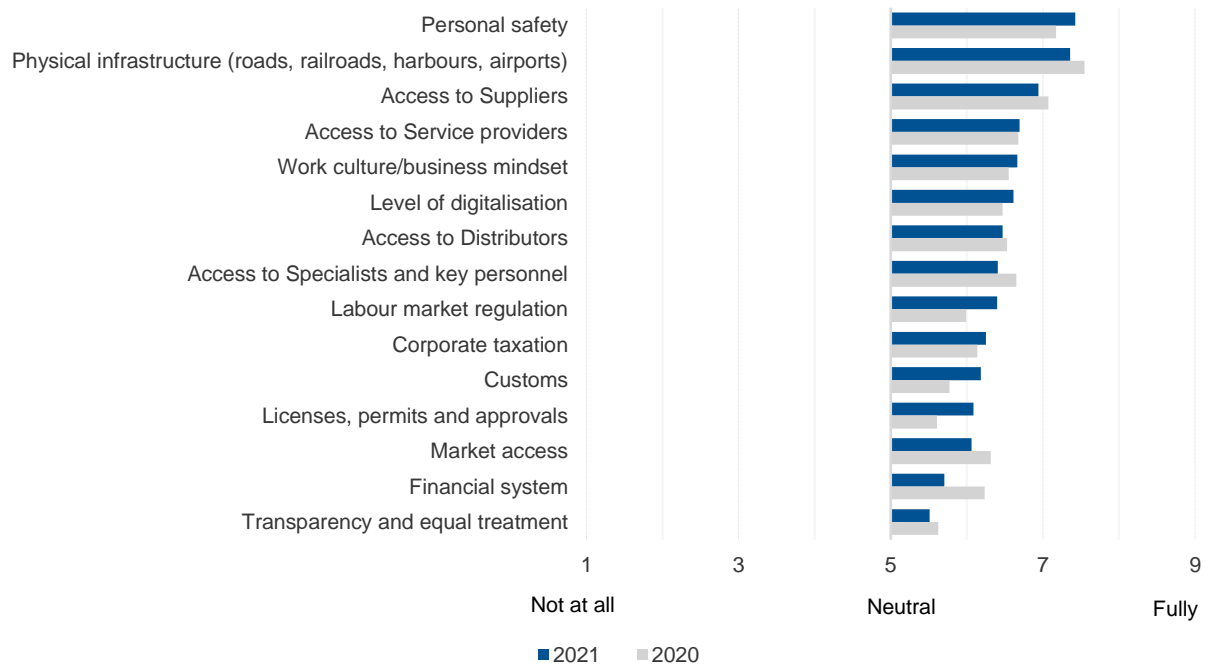
Favorable market enabling conditions for Swedish companies, with personal safety and infrastructure on top

The perception of Swedish companies on the market conditions in China are favorable, with a positive perception across all dimensions investigated in this year’s survey. Notably, personal safety has increased to become the most fulfilled need among Swedish companies, overtaking physical infrastructure that has been moved to the second position. Physical infrastructure still remains largely fulfilled, most likely as a consequence of the investments the Chinese government has made the past decade in high quality infrastructure connecting different parts of the country as well as the rest of Asia and the world through long-term plans such as the Belt and Road Initiative.

Licenses, permits and approvals and Customers have both seen a sharp improvement compared to last year’s survey but are still ranked in the bottom 5 of the conditions rated by Swedish companies, whilst the financial system has seen a decrease compared with last year dropping to second to last.

MARKET FULFILLMENT

Question: Please rate from 1-9 how the below conditions meet the needs of your company’s business in China?



Note: The number of respondents for these questions were between 94 and 97. Weighted average exclude “Don’t know/Not applicable” responses (between 2% (market access) and 34% (access to distributors) of respondents).
 Source: Team Sweden Business Climate Survey in China, 2020 and 2021

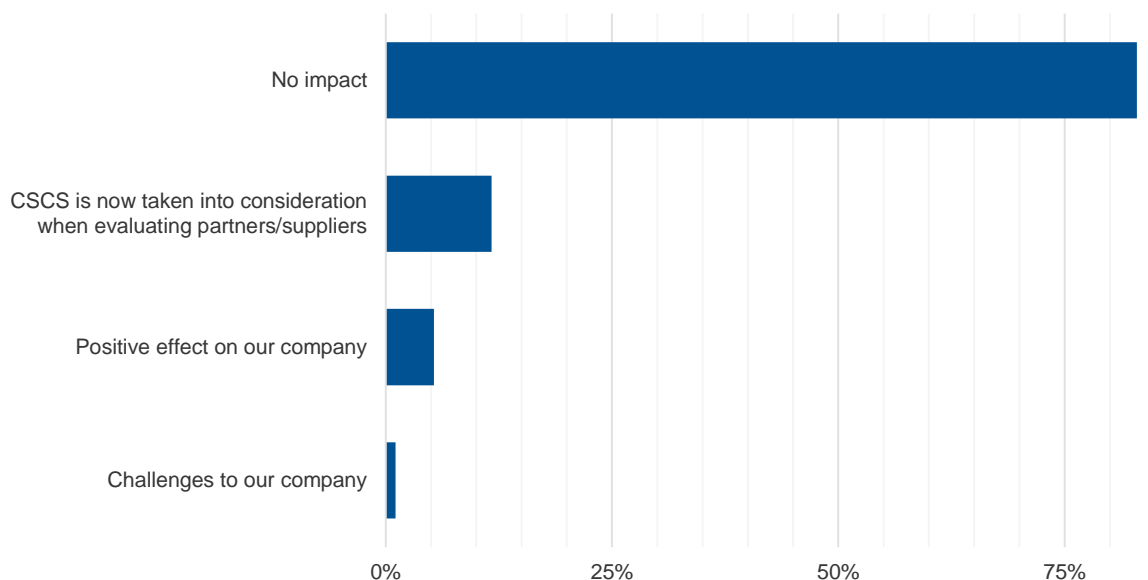
Little perceived impact from the Corporate Social Credit System on Swedish companies

China has adopted its new credit system to help regulate the activities and behavior for those who conduct business in China, gathering data from numerous authorities to assess an organization’s trustworthiness, where the outcome comes with benefits and penalties across authorities depending on the performance. However, the Corporate Social Credit System is perceived to affect Swedish companies very little following the same trend seen in last year’s study, with an absolute majority of Swedish companies experiencing little to no impact on their business.

Noteworthy is that only 1% of all respondents see the Corporate Social Credit System as having negative impact on their business, whilst a slightly larger share of Swedish companies see positive benefits from the system when evaluating partners (12%) or even as having a positive impact due to their profiles (5%). Seeing the emphasis put by authorities on the system and its rapid deployment, it will be key for all firms operating in China, both domestic and foreign, to understand how to interpret and use the system to the best of their ability.

IMPACT OF CORPORATE SOCIAL CREDIT SYSTEM ON SWEDISH COMPANIES IN CHINA

Question: How has the Corporate Social Credit System impacted your company in China? [Multiple choice]



Note: The number of respondents for this question was 94.
 Source: Team Sweden Business Climate Survey in China, 2021

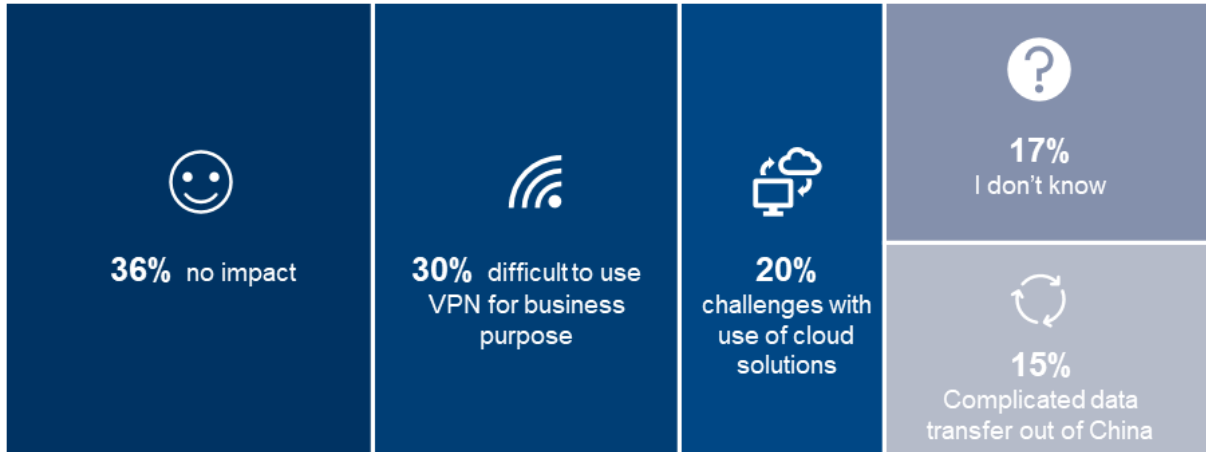
Cyber Security Regulations impact a majority of Swedish companies, impact depends on company size

The Chinese cybersecurity regulations were enacted first in 2017 as a means to increase data protection, data localization, and cybersecurity in the interest of national security. This results in all companies operating in the Chinese market having to adhere to stricter regulations, affecting a majority of Swedish companies, primarily large companies where only roughly a quarter feel no impact.

Swedish companies are primarily affected through difficulties in using VPNs for business purposes and challenges using cloud solutions. Noteworthy is that small companies stand out compared to both medium and large companies being challenged more with the use of VPN solutions for business purposes than the others whilst being less challenged in the use of cloud solutions. This could indicate a benefit for larger companies that can leverage company-wide VPN solutions that help surpass the local restrictions to be able to conduct business in a global manner, whilst smaller companies are reliant on third-party solutions that might be less effective. Nevertheless, Swedish companies need to understand how best to adapt to the new cyber security regulations given the new normal, global digital communications and the increased use of cloud solutions across industries.

IMPACT FROM CYBERSECURITY REGULATIONS ON SWEDISH COMPANIES IN CHINA

Question: What impact have you felt from the Chinese cybersecurity regulation? [Multiple choice]



Note: The number of respondents for this question was 96.
 Source: Team Sweden Business Climate Survey in China, 2021

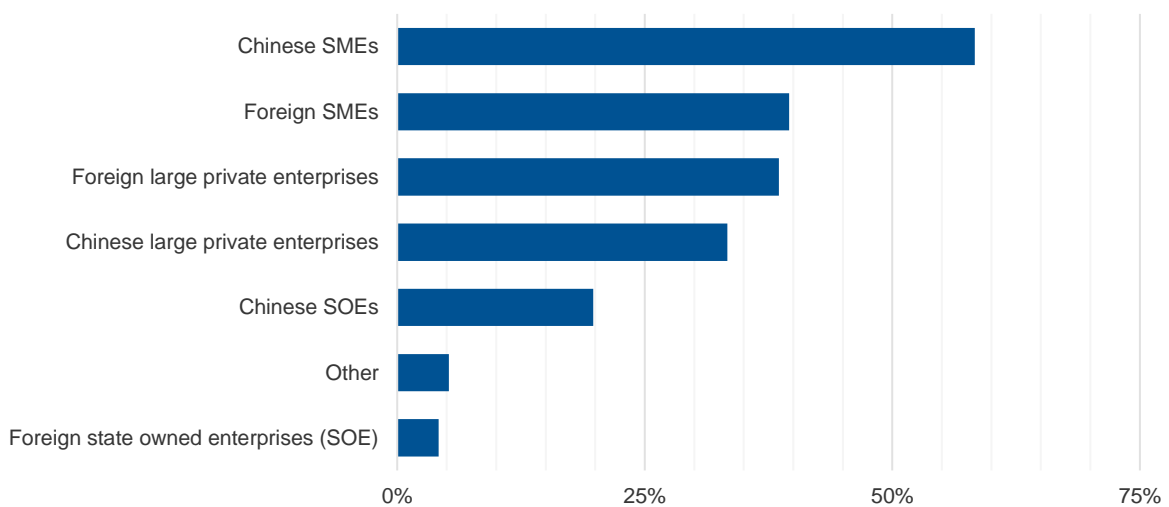
Chinese small and medium sized enterprises remain as top competitors to Swedish companies in China

Chinese small and medium sized enterprises (SMEs) remain as the main perceived competitors to Swedish firms in China, ranked as one of the top 3 by more than half of the respondents. Foreign SMEs as well as foreign large private enterprises are perceived as the second and third most common competitor categories, indicating a landscape in which foreign competitors compete for the same part of the market. Similar to last year's survey, Chinese state-owned enterprises, both domestic and foreign, ended up ranked last of the options with only 20% and 4% of Swedish companies respectively seeing them as part of their top 3 competitors.

Noteworthy is that although the majority of respondents (52%) are unaware of if their competitors are receiving subsidies and/or development financing, 24% state that their competitors do, presenting Swedish companies with a disadvantage on the local market.

MAIN COMPETITORS IN CHINA

Question: Who are your main competitors in China? [Multiple choice, max 3 alternatives]



Note: The number of respondents for this question was 97.
 Source: Team Sweden Business Climate Survey in China, 2021

Disadvantages from local polices and access to skilled labor key challenging factors for Swedish companies

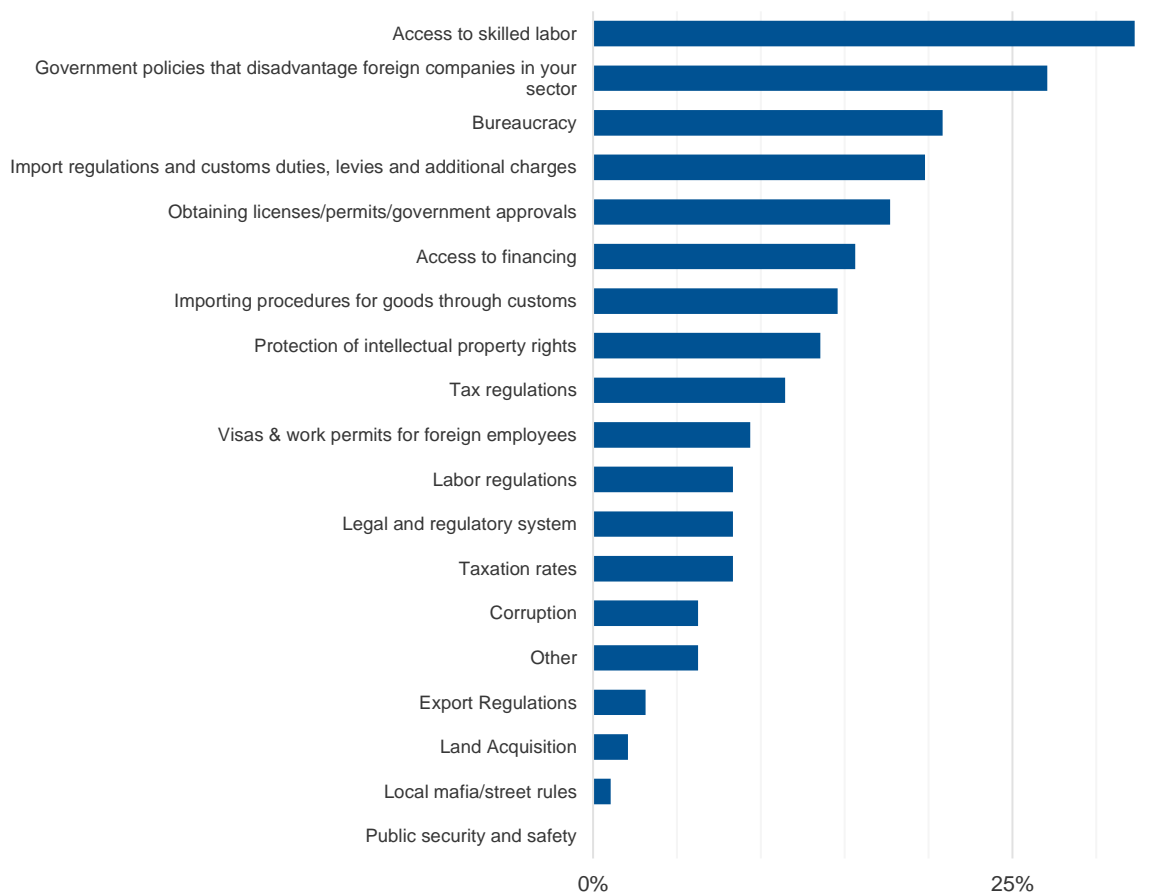
Access to skilled labor remains as the most challenging factor impacting Swedish companies' business. Based on what can be observed from local peers and international companies, there is not an inherent lack of talent in the market, but rather that competition is fierce. As such companies need to fight to both attract, retain, and develop the right talent.

COVID-19 has also caused barriers to the flow of talent across borders with respect to travel visa, relocation difficulties and an overall uncertainty in the market. Even so, visas and work permits for foreign employees are not seen as a main challenge, but still influence the flow of talent where companies compete against each other in other countries and other regional hubs.

Notably, 27% of respondents state that one of the main challenges facing them on the market is governmental policies that disadvantage foreign companies, ranked it as the second most challenging factor for Swedish companies. This indicates that Swedish and other foreign companies perceive that they are in an inherently disadvantageous position on the market compared to the local competition, creating a perceived uneven playing field.

MOST CHALLENGING FACTORS SWEDISH COMPANIES FACE IN CHINA

Question: Which factors do you consider most challenging for your business in China? [Multiple choice, max 3 alternatives]




Note: The number of respondents for this question was 96.
Source: Team Sweden Business Climate Survey in China. 2021

Bureaucracy remains as one of the most challenging factors impacting Swedish companies in China following last year's trend which is worrisome as the intent of many new laws and mechanisms is to make business easier. But an overly bureaucratic system can counteract the simplicity and reduce momentum and willingness to invest, which negatively could impact foreign investment and trade. However, on a positive note following the trend seen in last year's survey, the impact of the Chinese legal and regulatory system appears to be seen as less of an issue for Swedish companies in China.

Business opportunities driven by market size and growth, GDP growth of increasing importance following COVID-19

In the short-term, nearly all Swedish firms in China expect externally stimulated opportunities to arise from the size and development of the market as well as broad macroeconomic developments in line with the findings from last year’s survey. Notable is that GDP growth has seen a sharp increase in importance, with 39% of respondents picking it as one of the 3 most important factors compared with 23% from last year, most likely a consequence of COVID-19 disrupting the world in 2020 and many global markets declining significantly. This indicates that Swedish companies now see GDP growth as more critical than before to create stimuli for growing their business, and China being one of the markets recovering fastest from the pandemic. Target market growth potential remains the second highest ranked driver indicating that the increase in importance seen in last year’s survey remains.



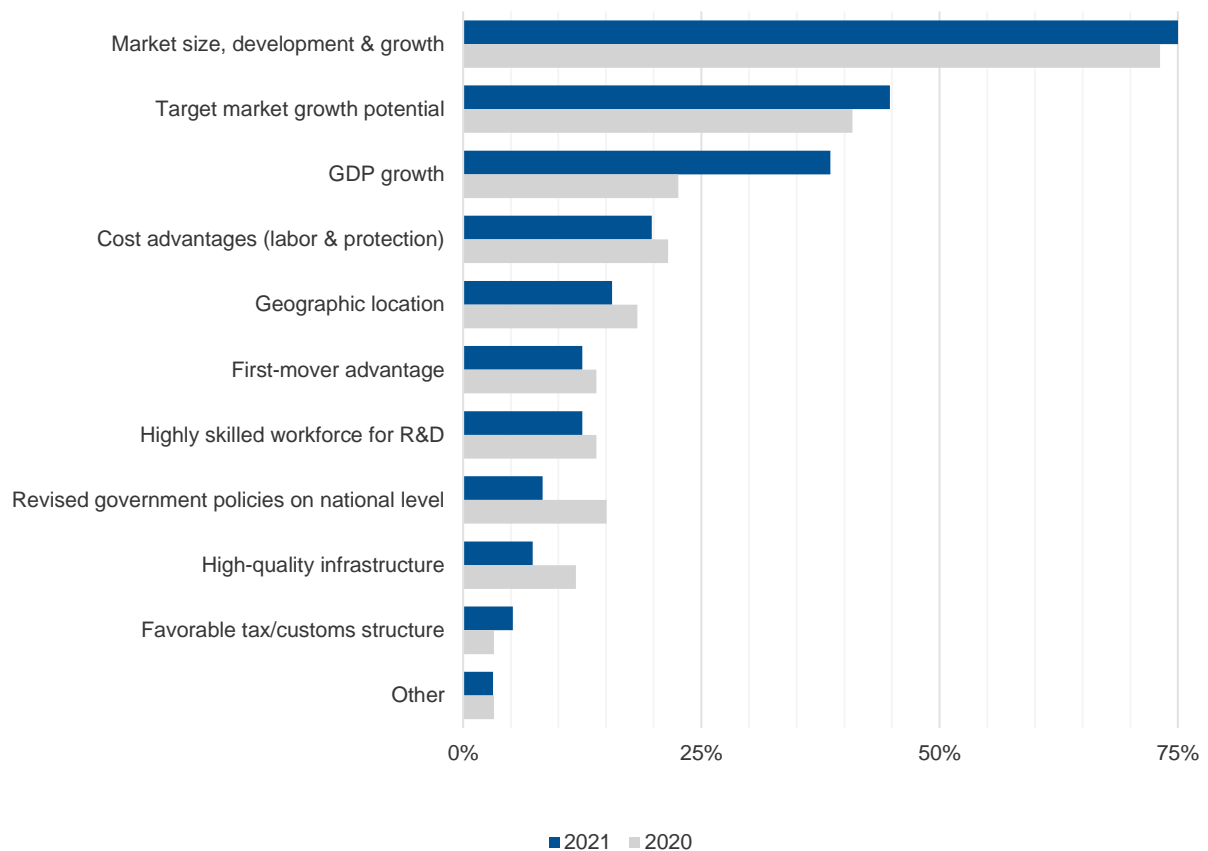
39%
(23%)

of respondents see GDP growth as a key factor contributing to opportunities short term

High-quality infrastructure is ranked third lowest overall but is at the same time seen as the second most important driver for opportunities for consumer companies, with 36% selecting it as top 3 (compared to 0% and 2% for industrial and professional services companies respectively). At the same time, Swedish companies see that the physical infrastructure of China already is at a high standard today, having rated it as the second most fulfilled condition as seen earlier in this chapter, indicating an already strong infrastructure base. As such, this could indicate that Swedish companies don’t see high-quality infrastructure as a further driver given its already strong position.

DRIVERS FOR BUSINESS OPPORTUNITIES IN CHINA

Question: What are the key external factors contributing to opportunities for your company in china in the short term? [multiple choice, max 3 alternatives]



Note: The number of respondents for this question was 96.
Source: Team Sweden Business Climate Survey in China, 2020 and 2021

MARKET OUTLOOK

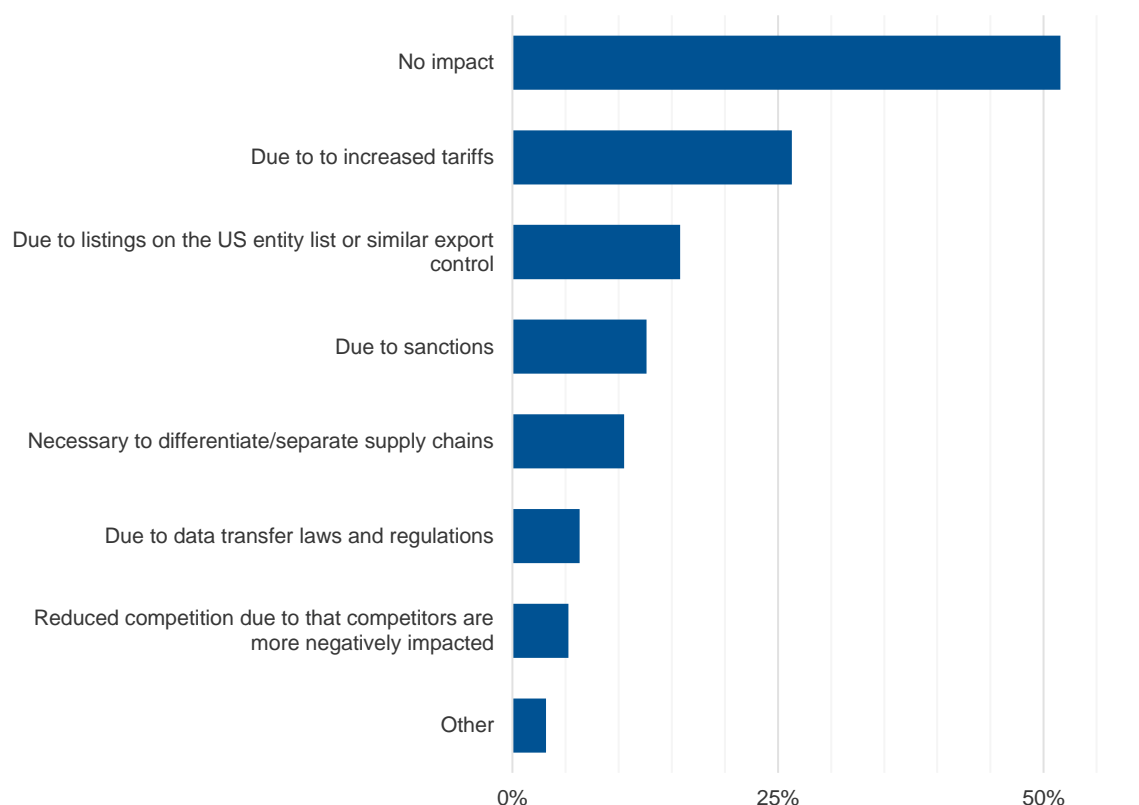
Varying degree of impact from changing international trade policies where increased tariffs affect companies the most

Changing international trade policies are impacting markets across the globe. Where last year's survey concluded that a majority of Swedish companies then felt impact from increased trade tensions between USA and China at the time, only 24% did not feel any impact whatsoever. In contrast to last year's survey, Swedish companies this year perceive less impact from shifting international trade policies on their operations, with 52% of respondents stating no impact. Notably, only 35% of responding industrial companies felt no impact.

Even so, almost half of the respondents were affected in one way or another. The most common reasons for the impact being increased tariffs, the US entity list (and similar export controls) and sanctions. Medium sized as well as industrial companies were seen to be impacted the most by increased tariffs from shifting international trade policies (43% and 44% of each respectively).

IMPACT OF SHIFTING INTERNATIONAL TRADE POLICIES

Question: Do shifting international trade policies affect your company's operations? If yes, why? [Multiple choice]

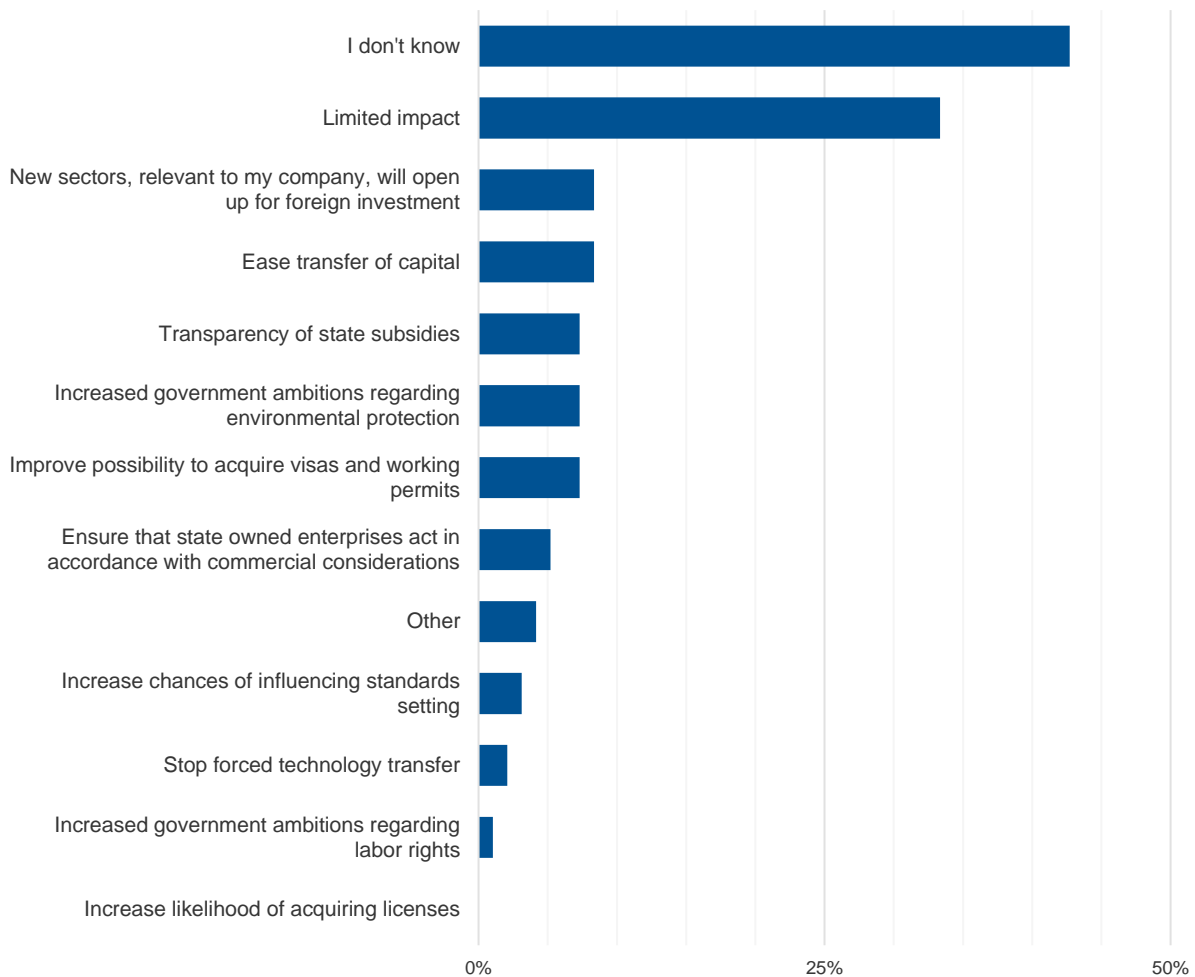


Note: The number of respondents for this question was 95.
Source: Team Sweden Business Climate Survey in China, 2021

At the same time, the Comprehensive Agreement on Investment (CAI) between the EU and China aims at creating a better balance in the EU-China trade relationship. However, this year's survey shows that Swedish companies have little understanding of, or see little benefit of, CAI with 43% responding "I don't know" and 33% "Limited Impact". Medium sized companies expect the highest business impact of the CAI, primarily through eased transfer of capital, transparency of state subsidies and increased government ambitions regarding environmental protection.

IMPACT OF THE EU-CHINA COMPREHENSIVE AGREEMENT ON INVESTMENT (CAI)

Question: How do you anticipate the EU-China Comprehensive Agreement on Investment (CAI) to impact your business in China? [Multiple choice]



Note: The number of respondents for this question was 96.
 Source: Team Sweden Business Climate Survey in China, 2021

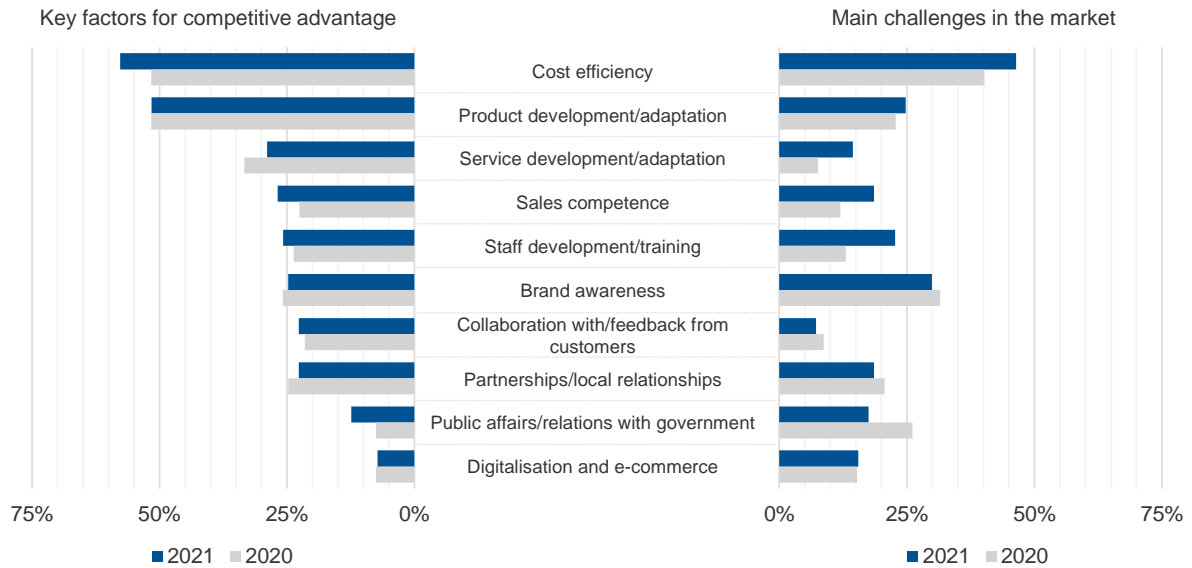
Cost efficiency and product development/adaptation key for competitiveness, moderate benefits from brand Sweden

Similar to last year's survey, Swedish companies see cost competitiveness as the key factor for maintaining competitiveness in the Chinese market, especially among medium sized and large companies where 65% of respondents saw it as the primary factor. At the same time, cost competitiveness is also seen as the biggest challenge among Swedish companies on the market, increasing the need for Swedish companies to continue working on their cost optimization agenda.

Product development/adaptation remains the second most important factor for competitiveness on the market, indicating the need to ensure that products are made and adapted for the local context. As such, it's essential for Swedish companies to truly understand the customers' needs and the local market context in China and not expect products made for other geographies to automatically be successful in China. Interestingly enough, service development and adaptation has seen a decrease in importance, potentially due to it by nature being a more adaptive type of sales and offering.

COMPETITIVENESS AND MAIN CHALLENGES ON THE MARKET

Question: To date, which of the following areas have been most important in maintaining competitiveness in the market? [Multiple choice, max 3 alternatives]
 Question: What are your company's main challenges in China? [Multiple choice, max 3 alternatives]



Note: The number of respondents for this question was 97 for both questions.
Source: Team Sweden Business Climate Survey in China, 2020 and 2021

Public affairs/relations with government has seen a small increase in importance, mainly driven by an increase in importance among small companies where 20% report it as one of the top 3 aspects for maintaining competitiveness (compared to 9% and 6% for medium and large companies respectively). However, notably enough, public affairs and relations with government has seen a sharp drop as a challenging factor since last year with only 18% of respondents seeing it as one of the main challenges compared to last year's 26%.

Brand awareness remains the second most challenging factor after its surge up the ranks in last year's survey, continuing to signal a need for Swedish companies to pay attention to brand positioning among an increasingly important group of both strong local and foreign brands.

Leveraging the country of origin is continuing to be a valid strategy for Swedish companies in China with the Swedish brand providing a moderate boost on the market, with a result of 3.3 in line with last year. This is especially true for small and medium sized Swedish companies where 45% and 48% of respondents rate it as a 4 or 5 on a 5-grade scale. The Swedish brand is however perceived to have less impact for large and professional services companies, with only 29% and 32% respectively rating it as a 4 or 5, compared with an average of 40%.

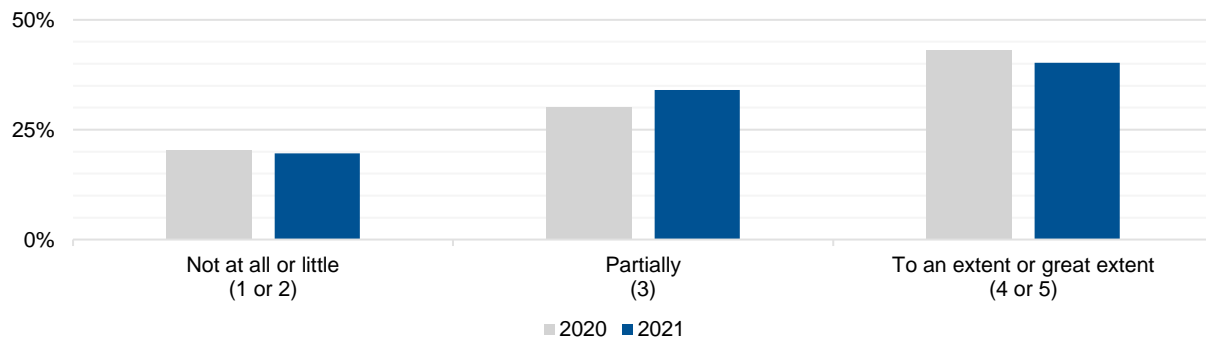


3.3
(3.3)

average seen contribution from "Brand Sweden" on business in China

IMPACT OF BRAND SWEDEN

Question: To what extent would you estimate that the "Swedish brand" contributes to your business in China? [Single choice]



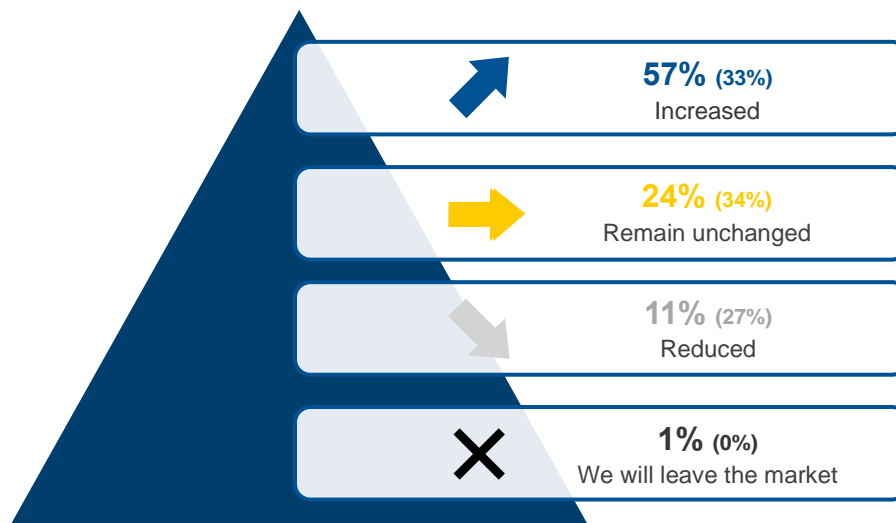
Note: The number of respondents for this question was 97. "Don't know/Not applicable" responses are included but not shown in figure (6% of respondents).
Source: Team Sweden Business Climate Survey in China, 2020 and 2021

Swedish companies are looking to increase investments the coming 12 months following COVID-19

A majority of Swedish companies in China are looking to increase their investments the coming 12 months compared to the last 12 months. This trend is primarily driven by medium sized and industrial companies, where 74% and 63% of respondents state that they will increase investments the coming 12 months respectively. This is likely impacted by the COVID-19 implications on business during last year as well as uncertainty delaying investments as result of trade conflict etc., but it indicates a change in mentality and a positive outlook from Swedish companies on the market situation. This can also be seen with only 11% stating that they will reduce investments, and only one company planning to leave the market.

INVESTMENTS PLANS THE COMING 12 MONTHS COMPARED WITH THE 12 LAST

Question: What are your company's investment plans for the coming 12 months in China, compared to the past 12 months? Investments will be... [Single choice]



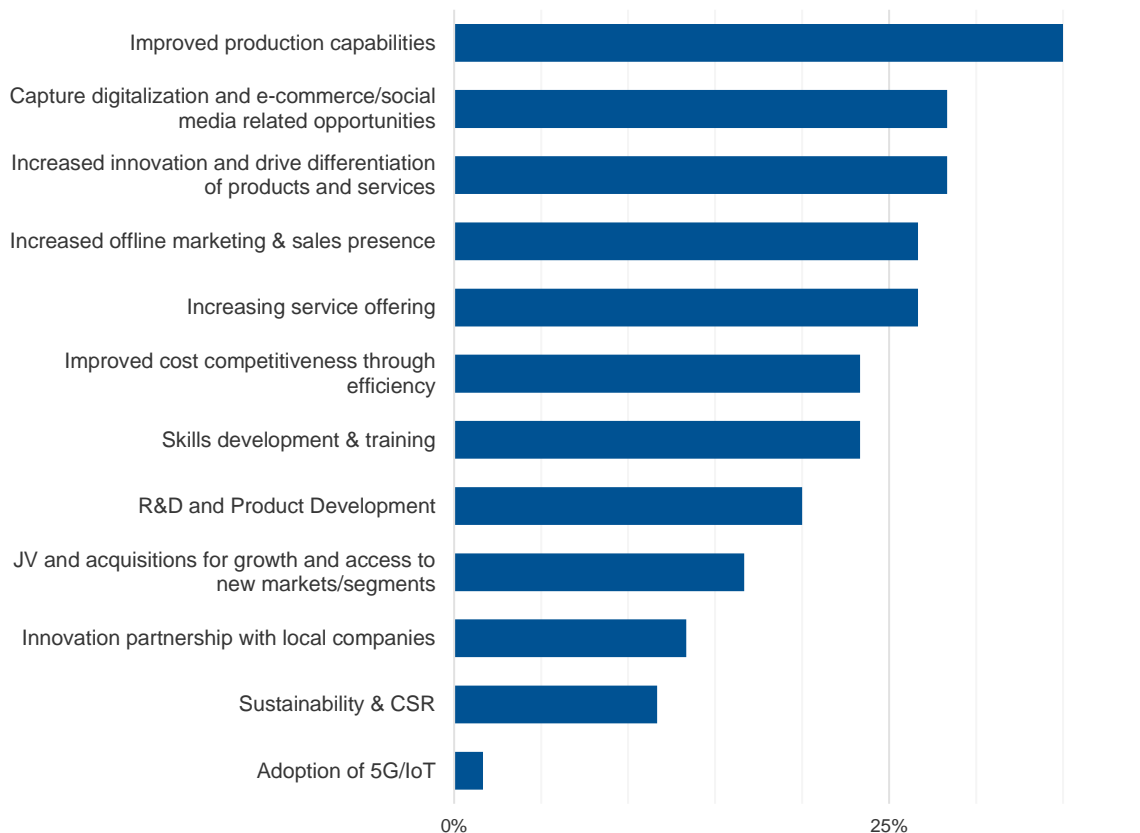
Note: The number of respondents for this question was 97. "Don't know/Not applicable" responses are included but not shown in figure (7% of respondents).
Source: Team Sweden Business Climate Survey in China, 2020 and 2021

Swedish companies are primarily looking to invest in improved production capabilities, driven mostly by industrial companies where 64% of respondents state it as one of the top 3 areas for increased investments, compared with 35% overall. Adoption of 5G/IoT is very low on Swedish companies' agendas, with only one professional services company looking to increase investments in the area.

Investments to increase innovation and/or drive differentiation of products and services remain a top priority for Swedish companies in China but has dropped 2 positions compared to last year's survey. Instead, investments into capabilities to capture digitalization and e-commerce/social media related opportunities has seen increased importance ranked as top 3 by 28% of the respondents, where primarily small and consumer companies are looking to invest, with 42% and 50% respondents respectively selecting it as one of top 3.

INVESTMENT AREAS IN FOCUS BY SWEDISH COMPANIES

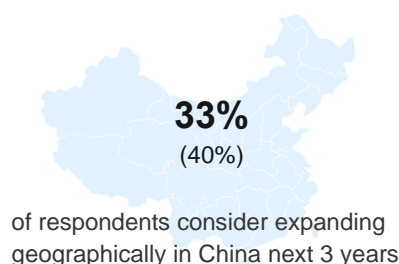
Question: If your answer was "increase" in the above question, which are the most strategic areas you plan to increase your investments in? [Multiple choice, max 3 alternatives]



Note: The number of respondents for this question was 60.
Source: Team Sweden Business Climate Survey in China, 2021

Limited plans for geographic expansion focused mainly on coastal regions – mostly driven by medium sized firms

Swedish companies are today primarily located along the east coast regions of China and have overall limited expansion plans in China with only a third of respondents considering it, a decrease compared with 40% in last year’s survey. Only medium sized companies stand out, with 52% of the respondents looking to expand their business to other parts of China, in line with the findings from last year indicating a continued appetite for medium sized companies to expand. However, unlike last year’s survey, no major differences can be seen among the different sectors, where neither group show a great appetite for expanding their footprint.

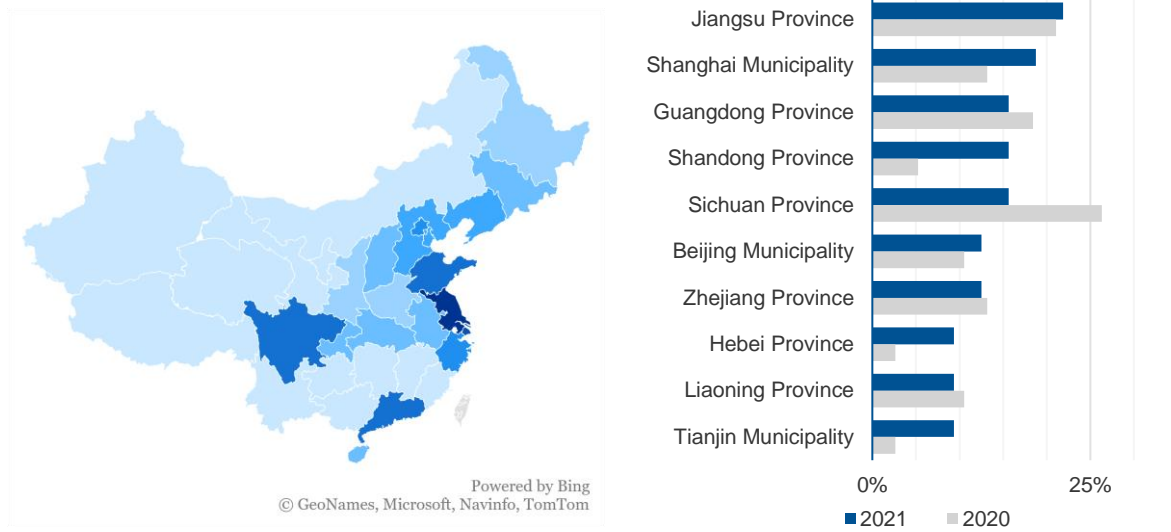


Sichuan was ranked as the most popular region to expand to by Swedish companies in last year’s survey but has seen a decrease in popularity to this year dropping to the 5th most popular region. Sichuan is primarily in focus by consumer companies where 40% of respondents have it in their plans, compared to 14% and 8% for industrial and professional services companies respectively.

Jiangsu and Guangdong remain popular destinations for expansion and Shanghai and Shandong have seen greatly increased popularity in 2021. This further emphasizes the value Swedish companies see in the well-developed eastern coastal regions, where the footprint is further strengthened instead of expanded towards the inland. Notably is that Zhejiang is in focus only by medium sized companies, where 31% have it in their plans.

GEOGRAPHIC EXPANSION FOCUS IN MAINLAND CHINA

Question: If you are considering expanding your business to other parts of China within the next 3 years, in which of the following are you considering expanding your business? [Multiple choice]



Note: The number of respondents for this question was 32. Top 10 provinces shown in graph, whilst map outlines heatmap of all responses.
Source: Team Sweden Business Climate Survey in China, 2020 and 2021

Supply chain alterations focus on solidifying and diversifying supplier base in China

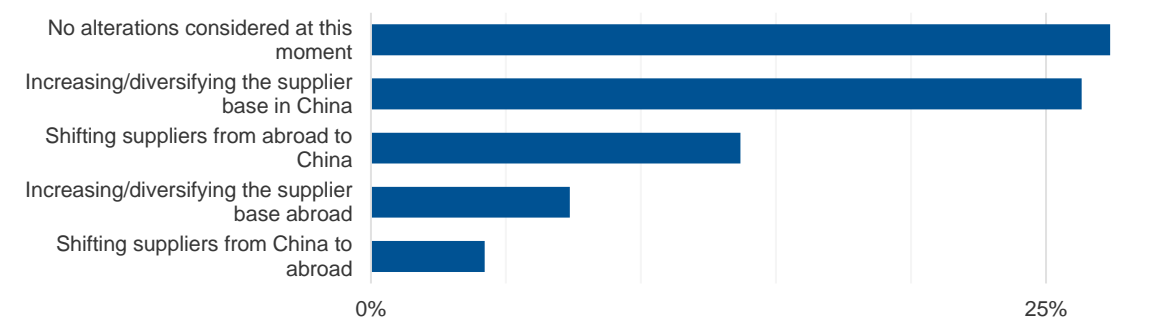
Following COVID-19, many companies are reviewing their supplier bases as well as sub-suppliers to their main suppliers in order to mitigate risks and be prepared for future disruptions. At the outset of the pandemic, when China was the first and among the worst hit locations, many Swedish companies reported that they would alter their supply chains or even shift their own work to other locations to limit the impact, but these plans were quickly adjusted once the rest of the world also was affected extensively, and China rather started to recover.

We can now see that although 27% of respondents state that they don't consider any alterations at the moment, 26% are considering altering their supply chain to increase or diversify their supplier base in China, potentially even also shifting supplier base from abroad to China (14%). The interest in altering the supply chain to increase or diversify the supplier base in China can be seen primarily among consumer companies that primarily operate in sourcing and trading, where 50% are considering increasing/diversifying their supplier base in China.

This shows that despite the global debate regarding companies that potentially look to move their supply chains out of China, Swedish companies are instead considering to further strengthen and diversifying their supply chains locally, seeing China as a critical supplier base, both for their domestic market and for sales abroad. Only 4% (10%) of the respondents are considering shifting from China to abroad.

PLANS FOR SUPPLY CHAIN ALTERATIONS

Question: What supply chain alterations are you considering? [Single choice]



Note: The number of respondents for this question was 75. "Don't know/Not applicable" responses are included in calculations but not shown in figure (33% of respondents).
Source: Team Sweden Business Climate Survey in China, 2020 and 2021

Sustainability

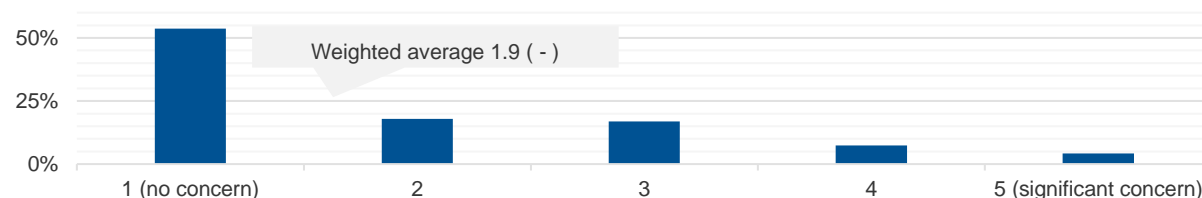
Some concerns raised regarding the impact on ability to do business in China given companies' code of conduct

54% of the companies participating in the survey express no concern for their ability to do business in China given their company's code of conduct. When asked to assess the impact on a scale from 1 (no concern) to 5 (significant concern), the average ends up at 1.9, which indicates that there is some impact, however only 4% express significant concern. Even so, some respondents indicate that there are differences in mindset and understanding of the code of conduct between the headquarter and the China organization.

The difference in cultural background is indicated by a few respondents as contributing to a large gap in mindset and understanding when it comes to code of conduct and compliance, where training, continuous communication and zero-tolerance against wrong-doing are imperative for improving the situation.

IMPACT OF CODE OF CONDUCT ON ABILITY TO DO BUSINESS IN CHINA

Question: To what extent are you concerned about your ability to do business in China, given your company's code of conduct? [Single choice]



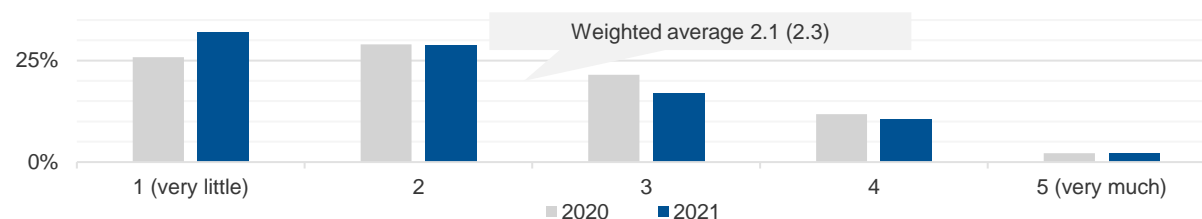
Note: The number of respondents for this question was 96. "Don't know/Not applicable" responses are included but not shown in figure (0% of respondents).
Source: Team Sweden Business Climate Survey in China, 2021

Limited perceived impact from corruption on ability to do business in China, even though observed in the market

Anti-corruption has been high on the Chinese government's agenda for the past decade, and Swedish companies have over the years indicated that the situation has improved with less challenges experienced from corruption. This can also be seen in this year's survey, where the weighted average came out at 2.1, an improvement from 2.3 in last year's survey and also better than the APAC average of 2.2. This indicates that Swedish companies' perception of corruption in China has improved since last year, but also that the level of corruption in China is lower than the regional average. These findings are in line with the findings from Transparency International in their corruption perception index from 2020 where China is ranked 78 ahead of India (86), Thailand (104), Indonesia (102) and Vietnam (104), but behind countries such as Malaysia (57) and Korea (33)⁴. However, corruption is according to some respondents still widespread even if their companies themselves are not participating in it.

IMPACT OF CORRUPTION ON ABILITY TO DO BUSINESS IN CHINA

Question: To what extent do you perceive that corruption in China affects your business? [Single choice]



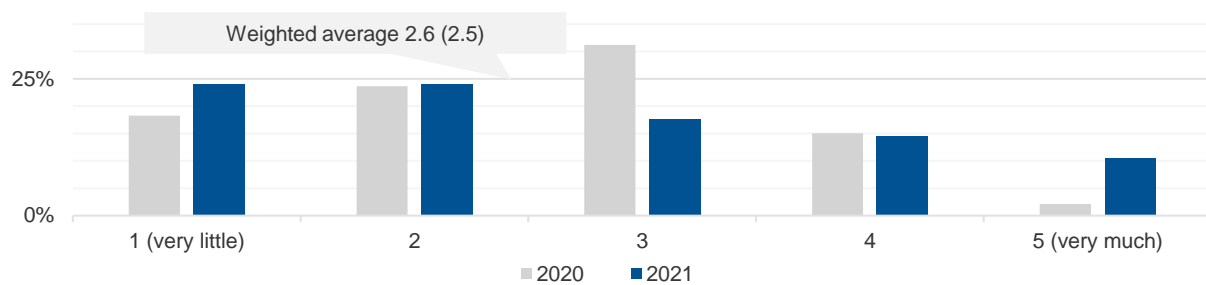
Note: The number of respondents for this question was 94. "Don't know/Not applicable" responses are included but not shown in figure (10% of respondents).
Source: Team Sweden Business Climate Survey in China, 2020 and 2021

Despite China’s ambitious environmental and climate targets, the impact on purchasing decisions is limited

Curbing greenhouse gas emissions has recently climbed China’s political agenda. In September 2020, the Chinese government announced that it aims to reach peak carbon emissions by year 2030 and achieve carbon neutrality by year 2060. When Swedish firms were asked whether customers consider environmental aspects in their purchasing decisions, the importance however remained less pronounced where 48% of respondents report little to very little impact, but where at the same time 10% state very high impact. The weighted average has increased slightly this year to 2.6 (2.5), indicating a small step towards increased importance of environmental aspects affecting customers’ purchasing decisions. These findings are slightly below those for the APAC region (2.8) as a whole and the global average (3.0). Overall, these findings indicate that there still is some way to go until political agendas are converted into business priorities.

IMPACT OF ENVIRONMENTAL ASPECTS IN CHINESE CUSTOMERS’ PURCHASING DECISIONS

Question: In your view, to what extent do customers in your industry in China consider environmental aspects of a product or service in their purchasing decision? [Single choice]



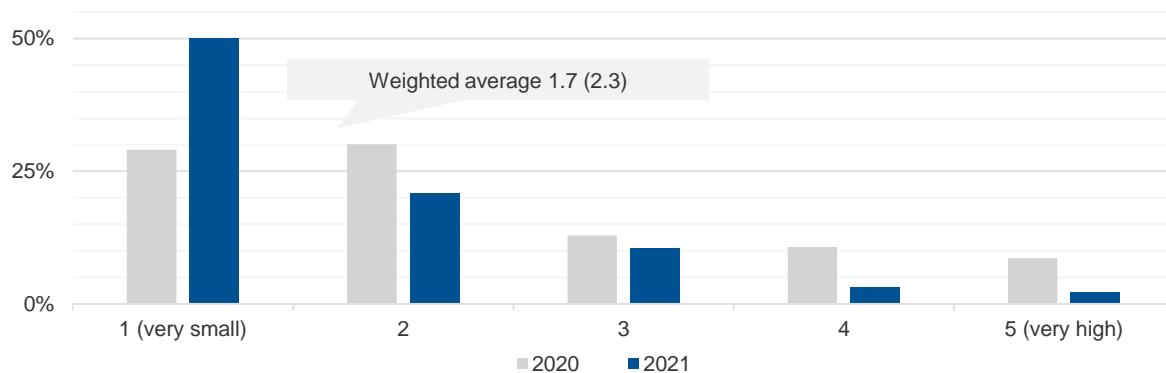
Note: The number of respondents for this question was 96. "Don't know/Not applicable" responses are included but not shown in figure (9% of respondents). Source: Team Sweden Business Climate Survey in China, 2020 and 2021

Some perceived risk of encountering human rights violations in China, consumer companies most concerned

The respondents have reported a reduction in the perceived risk of encountering human rights violations or labor right abuses when conducting business compared to last year’s survey. 71% of the respondents perceived small or very small risks, and 5% perceived the risk to be high or very high. Consumer companies saw the highest risk among the three respondent groups, with 14% expressing high or very high risk. The weighted average improved from 2.3 last year to 1.7 this year, lower than the regional average of 1.9. The respondents did not specify how this perceived improvement has taken place. At the same time, it is worthwhile to mention that many governments, civil society groups, and United Nations officials have expressed growing concerns regarding this topic.

RISK OF ENCOUNTERING HUMAN RIGHTS VIOLATIONS AND / OR LABOR RIGHTS ABUSE IN CHINA

Question: How do you perceive the risk of encountering human rights violations and/or labour rights abuse when conducting business in China? [Single choice]



Note: The number of respondents for this question was 96. "Don't know/Not applicable" responses are included but not shown in figure (14% of respondents). Source: Team Sweden Business Climate Survey in China, 2020 and 2021

SWEDISH COMPANIES IN CHINA

Increased focus on sales and after-sales in China, sales primarily serve the local market and neighboring countries

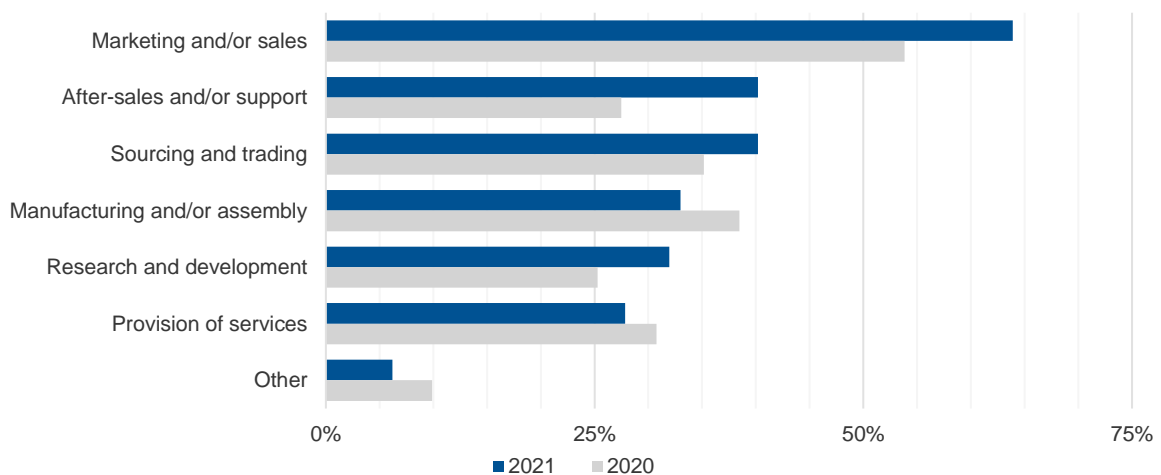
China is an important market for many Swedish and global companies, both with a strong domestic market as well as a geographically strategic position in the region. Marketing and sales remain Swedish companies' most frequently used functions in China with 64% of respondents operating it in China, an increase from 54% from 2020 but decrease from 70% in 2019. Notable is that after-sales and/or support has had an increase in popularity among Swedish companies in China, making it the second most used function this year together with sourcing and trading.

This shift can partly be explained by the shifting respondent base (e.g. more industrial firms than professional service companies), but it still indicates an increased focus from Swedish companies operating in China towards marketing, sales, and service functions for the local market. For many sectors the Chinese market is growing faster relative to the rest of the world, and firms that are not actively focusing on addressing and building a position risk lagging behind competitors on the market and not being able to capitalize on the growth. Hence the focus for Swedish companies in this area shows an understanding of the importance for this locally.

Noteworthy is that Swedish consumer companies responding to this survey primarily focus on sourcing and trading in China (86% of respondents), while only 36% of consumer respondents stating that they have marketing and/or sales and only 14% after-sales and/or support functions in China.

OPERATIONS CARRIED OUT IN CHINA BY SWEDISH COMPANIES

Question: What operations do you carry out in China? [Multiple choice]



Note: The number of respondents for this question was 97. "Don't know/Not applicable" responses are included but not shown in figure (1% of respondents).
Source: Team Sweden Business Climate Survey in China, 2020 and 2021

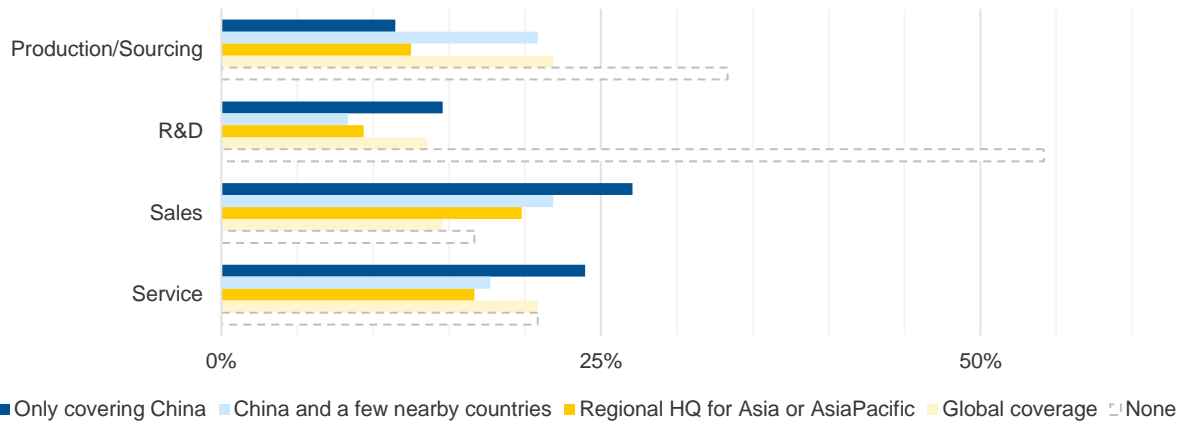
Manufacturing and/or assembly has seen the biggest decline among the respondents driven by a reduction mostly among the industrial companies (down from 74% to 51% of industrial respondents). At the same time, industrial companies also are the most focused on marketing and/or sales in China among the three sectors, with 89% of all industrial respondents having the function in China compared with 36% for consumer and 55% for professional service companies respectively.

Differences in the role of the China organization and operations can be seen across varying business functions for Swedish companies. A majority of Swedish companies can be observed not leveraging China for R&D purposes, whilst production and sourcing are done in China both to cover nearby countries as well as global coverage.

Swedish companies' sales function in China is primarily focused on China and neighboring countries according to almost half of the respondents, and also act as a regional HQ for roughly a fifth. Only 15% of respondents state that sales functions in China is for global coverage, indicating a more regional importance of the China organization from a sales perspective.

ROLE OF CHINA FOR SWEDISH COMPANIES' OPERATIONS

Question: What is the role of China from a regional perspective for your company? [Single choice]



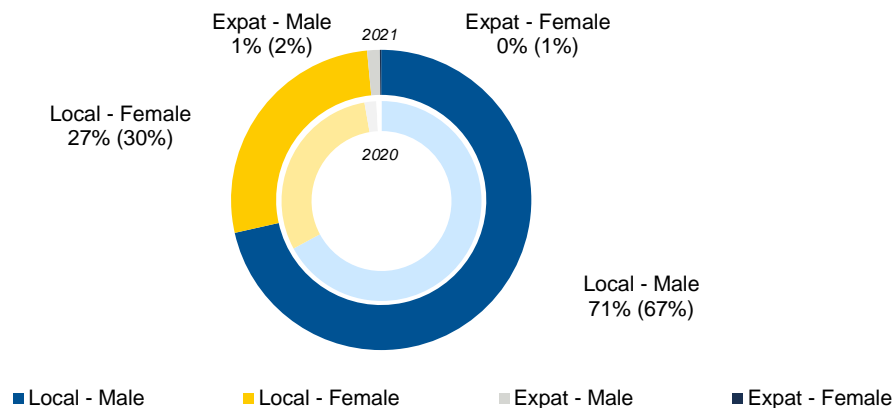
Note: The number of respondents for this question was 96.
Source: Team Sweden Business Climate Survey in China, 2021

Gender inequality among Swedish companies in China, and share of expats is back down towards 1%

The gender imbalance has increased further among Swedish companies in China, from 36% and 30% female employees in 2019 and 2020 respectively to only 27% female employees this year. This is especially noteworthy among expats, where the ratio has decreased from 31% females to only 10% this year. This drastic shift in share of expats being female could be explained by the changing response base and overall low number of expats overall. Nevertheless, there is still some way to go for Swedish companies in China to reach a gender balance, where notably Swedish small and medium sized as well as consumer companies are the most balanced today with 44%, 42% and 53% of employees being female.

AVERAGE EMPLOYEE SPLIT AMONG SWEDISH COMPANIES IN CHINA

Question: Estimate how many male / female local / expat employees your company has in China [Free text]

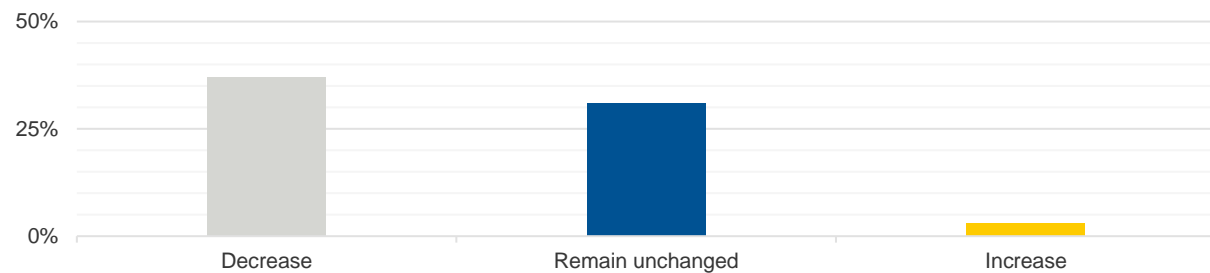


Note: The number of respondents for this question was 95.
Source: Team Sweden Business Climate Survey in China, 2020 and 2021

The proportion of expatriates remain at very low levels and has for 2021 been estimated at 1.5% of the total local workforce (2.7% 2020 and 0.4% 2019). The decrease compared to last year could partly be explained by a shifting respondent base between the surveys and not all respondents answering the question⁵, as well as the impact of COVID-19 which restricted international travel and likely postponed hiring due to increased uncertainty and bureaucracy. At the same time, the changes in taxation regulation of benefits for foreign employees are expected to negatively influence the share of expats in China, where 37% of Swedish companies highlight that it will reduce the likelihood for them to hire foreigners, primarily driven by large companies where 50% see this as a negative impact. One of the respondents to this year’s survey added to this that they expect the cost of relocating experts from Sweden to China to increase drastically given the expected new tax regulations, housing, and school fees.

LIKELIHOOD OF HIRING FOREIGNERS FOLLOWING CHANGED TAX REGULATIONS OF BENEFITS

Question: How will the likelihood to hire foreigners be impacted by the changes in taxation regulation of benefits for foreign employees, if affected at all? [Single choice]



Note: The number of respondents for this question was 97. “Don’t know/Not applicable” responses are included but not shown in figure (29% of respondents).
Source: Team Sweden Business Climate Survey in China, 2020 and 2021

⁵ Decreased estimated number of employees in China despite increased number of respondents
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CONCLUDING REMARKS

2020 turned out to be a globally challenging and unique year due to the pandemic affecting both businesses and individuals alike. Despite this, a majority of respondents in this year's survey were affected less negatively than anticipated when surveyed last year regarding their outlook for the year, and highlight a slight optimistic view for the remainder of 2021, with positive expectations across all three sectors and tailwinds from a quicker recovery than globally. One area of opportunity that has emerged as especially promising is the increased focus on sustainability connected to China's environmental commitments long-term, which align well with Swedish strengths and the heritage of our firms but previously hasn't been valued fully. However, the ability to translate this into concrete business opportunities remain to be seen the coming years. There's also further room for companies to leverage digital channels to a wider extent, both for sales and marketing purposes.

However, Swedish companies operating in China are impacted by events back in the home market, on a global level as well as locally in China, with an increased need for agility when unforeseen events unfold affecting areas ranging from supply chains to digital presence, access to talent and understanding policy and regulatory changes. Due to the pandemic as well as changes in regulations for foreigners there has also been a drop in expats, which could bring a challenge for headquarters staying up-to-date regarding the swift changes to the ongoing reality in the Chinese market and maintaining in close dialogue with the local team. As China is a key market for Swedish companies with regards to both potential and as a cornerstone from a sourcing and regional hub point of view, it is important to continue balancing the operational adjustments with longer term strategies to stay relevant.

Team Sweden in China is committed to continue supporting Swedish companies in the Chinese market, representing core values such as a fair, transparent, and sustainable business climate, as well as maintaining the trust and value of the Swedish brand. Our aim is to support the Swedish businesses in the areas highlighted as promising as well as in need of improvement, and welcome further dialogue about the opportunities and challenges that the market presents and welcome you to reach out to us for further discussions.

ABOUT THE REPORT

The Business Climate Survey for Swedish Companies in China 2021 is a joint initiative by the following organizations within Team Sweden in China: the Embassy of Sweden in Beijing, the Consulate General of Sweden in Shanghai, Business Sweden, and the Swedish Chamber of Commerce in China.

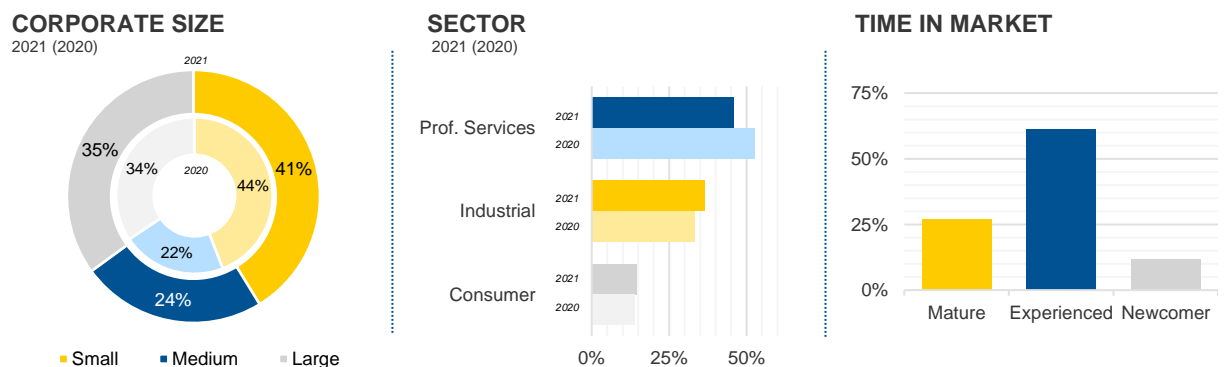
The Business Climate Surveys are published regularly in several markets across the world. In China, the survey has been carried out bi-annually since 2000, with an increased frequency to annually from 2019 with the purpose to further understand the performance of Swedish companies, challenges and opportunities that they are facing as well as their outlook in the Chinese market, focusing on mainland China.

The participating companies in this survey are either headquartered in Sweden, have Swedish shareholders or owners, are part of a Swedish conglomerate, or have other significant affiliation to Sweden. With participation of high-level representatives from almost one hundred Swedish companies, the survey gives a comprehensive perspective on how Swedish companies view the business climate and their own performance in China, one of Sweden's most important markets.

Most of the questions in the survey are similar to previously conducted surveys in order to allow for comparison over time. Nevertheless, some new questions have been added to this year's survey and some alterations have been made to response options to follow the evolving market. The survey has also been synchronized with Business Climate Surveys carried out by Team Sweden in other markets around the world to enable comparability where relevant.

Respondents represent a mix of sizes and industries

The 2021 survey was conducted among member companies of the Swedish Chamber of Commerce during two weeks of April 2021. The response rate was 51% (51%), with 97 (93) out of 191 (183) eligible companies responding to the survey. The absolute majority of respondents have been present in the Chinese market more than 5 years, with only 12% of respondents having established operations in China 2016 or after. The firms are categorized in the report based on size (global employees) as well as sectors.



Note: The number of respondents for this question was 97, 96 and 93. Corporate size refer to global employees where Large >1000, Medium 250-1000, and Small 0-249. Time in market refer to year established in the Chinese market, with mature (<2000), experienced (2001-2015), and newcomer (2016-)

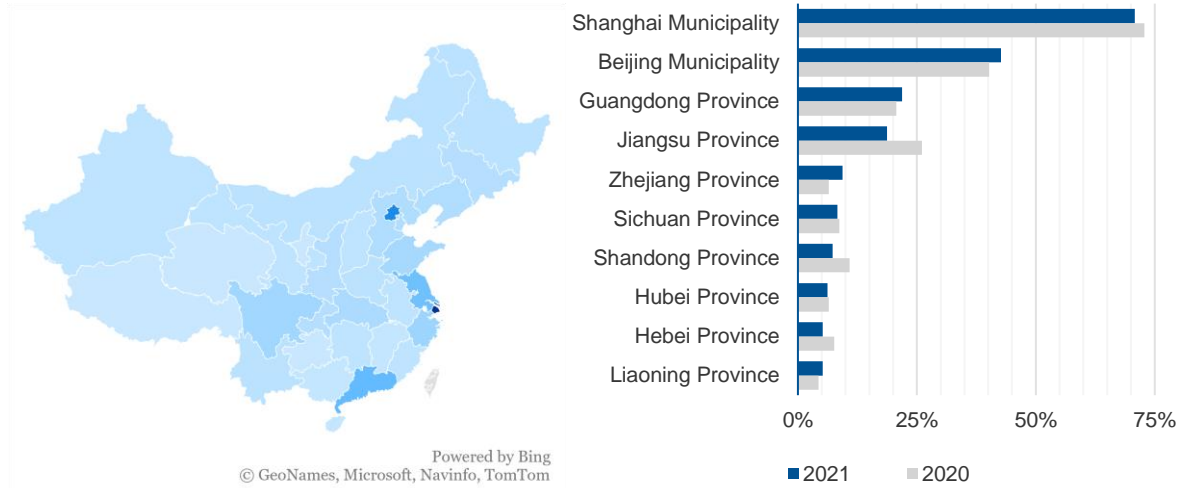
Source: Team Sweden Business Climate Survey in China, 2020 and 2021

The respondent base was overall similar as last year but saw a slight change with regards to sectors, where the share of professional services companies is smaller this year (46% compared with 53%) for the benefit of industrial companies (37% compared with 33%). 4% of respondents are not mapped to any specific sector but are included in calculations not connected to sector-wise comparison. With regards to specific sub-industries, business services and industrial equipment are the two main areas of focus for this year's respondents, totaling 27% of all respondents, whilst the automotive sector has seen a decline from 12% 2020 to 6% of all respondents 2021.

Similar to previous years' studies, the majority of Swedish companies who responded to the Business Climate Survey remain in the developed coastal regions of China such as Shanghai, Beijing, Guangdong and Jiangsu, whereas the inland regions of China still show limited presence from Swedish companies. Sector and size of companies follow the same pattern as the overall population with some variations, where some regions are more popular than others for specific sectors (e.g. Jiangsu where 67% of all companies reporting footprint are industrial companies). Wholly Foreign-Owned Enterprise (WFOE) remains the most common type of establishment among Swedish companies in China, used by around 80% of respondents.

SWEDISH COMPANIES' FOOTPRINT IN MAINLAND CHINA

Question: Where in China is your company currently present? (Factory/sales office/service office/retail shop/distribution centre, etc.) [Multiple choice]



Note: The number of respondents for this question was 96. Top 10 provinces shown in graph, whilst map outlines heatmap of all responses.
Source: Team Sweden Business Climate Survey in China, 2020 and 2021

AUTHORS

EMBASSY OF SWEDEN IN BEIJING

The mission of the Embassy of Sweden in Beijing is to promote and protect Swedish interests in China as well as to further strengthen the Swedish-Chinese relationship. Main areas of bilateral exchange, reporting and other activities include political affairs, economic and trade affairs, science and innovation, press and culture, migration, and consular services.



CONSULATE GENERAL OF SWEDEN IN SHANGHAI

The Consulate General of Sweden in Shanghai represents Sweden in Shanghai and the provinces of Anhui, Jiangsu and Zhejiang. The Consulate General works to strengthen relations between Sweden and the region, promote Swedish trade interests and further exchanges in culture and education. The Consulate General also issues visas for travel to Sweden and provides consular Service to Swedish citizens.



BUSINESS SWEDEN

Business Sweden is commissioned by the Swedish government to help Swedish companies grow global sales and international companies invest and expand in Sweden. Business Sweden offers strategic and hands-on support to Swedish companies with global ambitions. With offices across the globe, we have a strong presence in each of our key regions: Europe, Middle East & Africa, Americas and Asia-Pacific.



SWEDCHAM CHINA

The Swedish Chamber of Commerce in China is the information, networking, and facilitator platform for Swedish businesses in Mainland China. Founded in 1998, it now brings together 220 Swedish related companies and associates around issues of common interest through public events, reports, executive dialogues, educational courses, and collaborations with relevant partners in China and Sweden.



Team Sweden

 瑞典 Sverige			
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