



**CHINA BRIEFING**  
by **ascentium**

Issue 211 • May 2026 | [www.china-briefing.com](http://www.china-briefing.com)

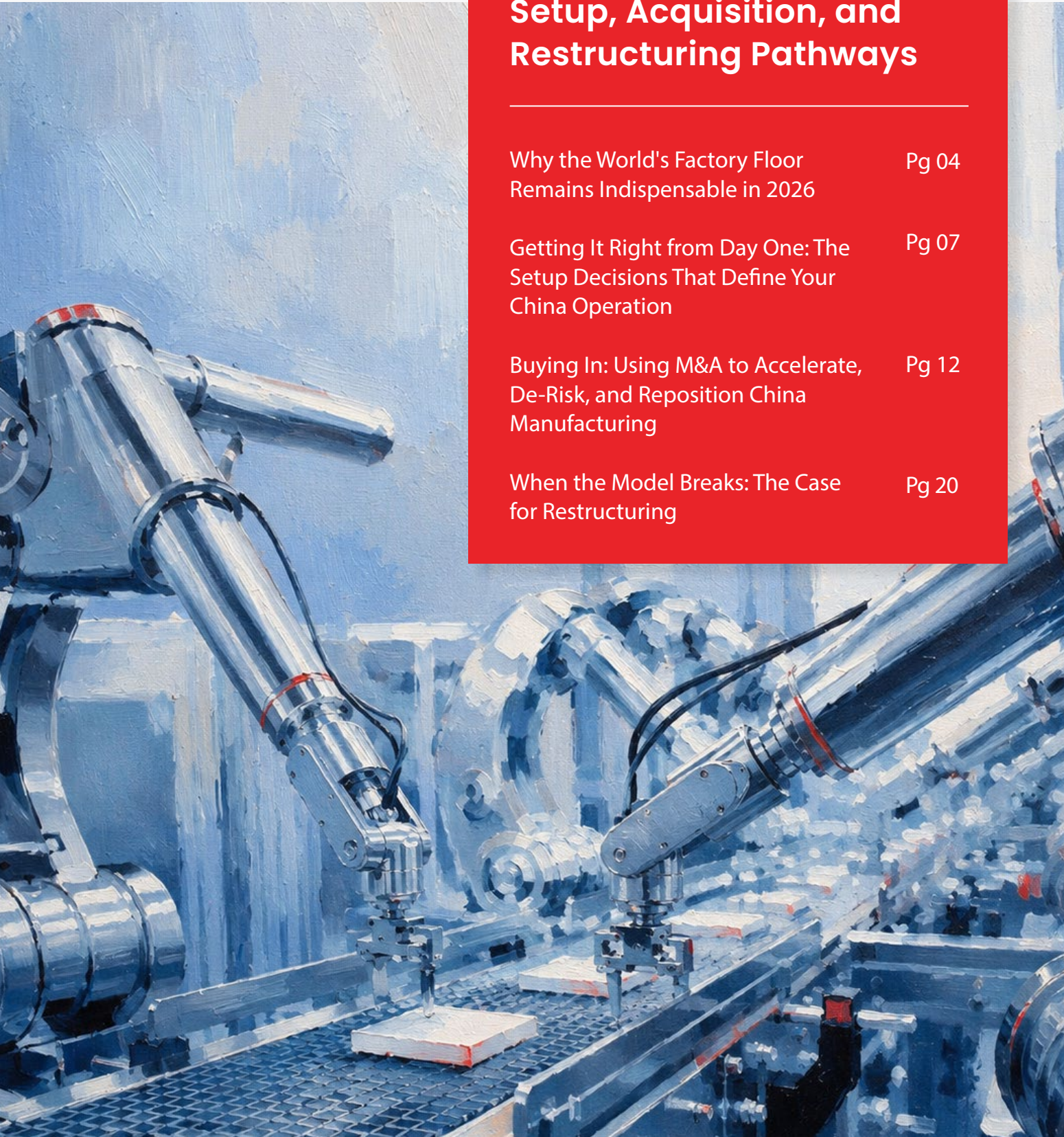
## Optimizing Your China Manufacturing Operations: Setup, Acquisition, and Restructuring Pathways

Why the World's Factory Floor Remains Indispensable in 2026 Pg 04

Getting It Right from Day One: The Setup Decisions That Define Your China Operation Pg 07

Buying In: Using M&A to Accelerate, De-Risk, and Reposition China Manufacturing Pg 12

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# Introduction



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Over the past few years, there is a version of the China story that has become popular in boardrooms and op-ed columns. In this version, the strategic logic of manufacturing in China has been fundamentally broken, undone by tariffs, geopolitical tension, regulatory complexity, and a domestic market that no longer delivers the returns of the previous decade. The recommendation, implicit or explicit, is to move on.

Nevertheless, we do not share that view. What we do share is the recognition that China's manufacturing landscape has changed, and that companies operating with the assumptions of 2015 or even 2019 are likely operating at a disadvantage today.

This publication is written for executives who want to think more clearly about what China actually represents in 2026: not as a geopolitical flashpoint, and not through the lens of nostalgia for simpler times, but as an operational and commercial reality. China still accounts for approximately 30 percent of global manufacturing output. Its supplier ecosystems, tooling depth, and logistics infrastructure remain unmatched for complex, high-volume production. The challenges are real – regulatory, structural, and political – but they are manageable for companies that approach them with the right preparation and the right partners.

The four chapters that follow are designed to serve different stages of the decision journey. We have tried to write with the same directness we bring to client conversations: acknowledging the complexity but always orienting toward what can actually be done. We hope you find it useful.

With kind regards,

Adam Livermore



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## Credits

Publisher - Asia Briefing  
Media Ltd.

Editor - Qian Zhou

Contributors - Allan Xu

Designer - Miguel Enrico  
Anciano

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