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ASIA
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Risk, Resilience and Reconfiguration

Reconfiguring supply chains:
From just-in-time to just-in-case

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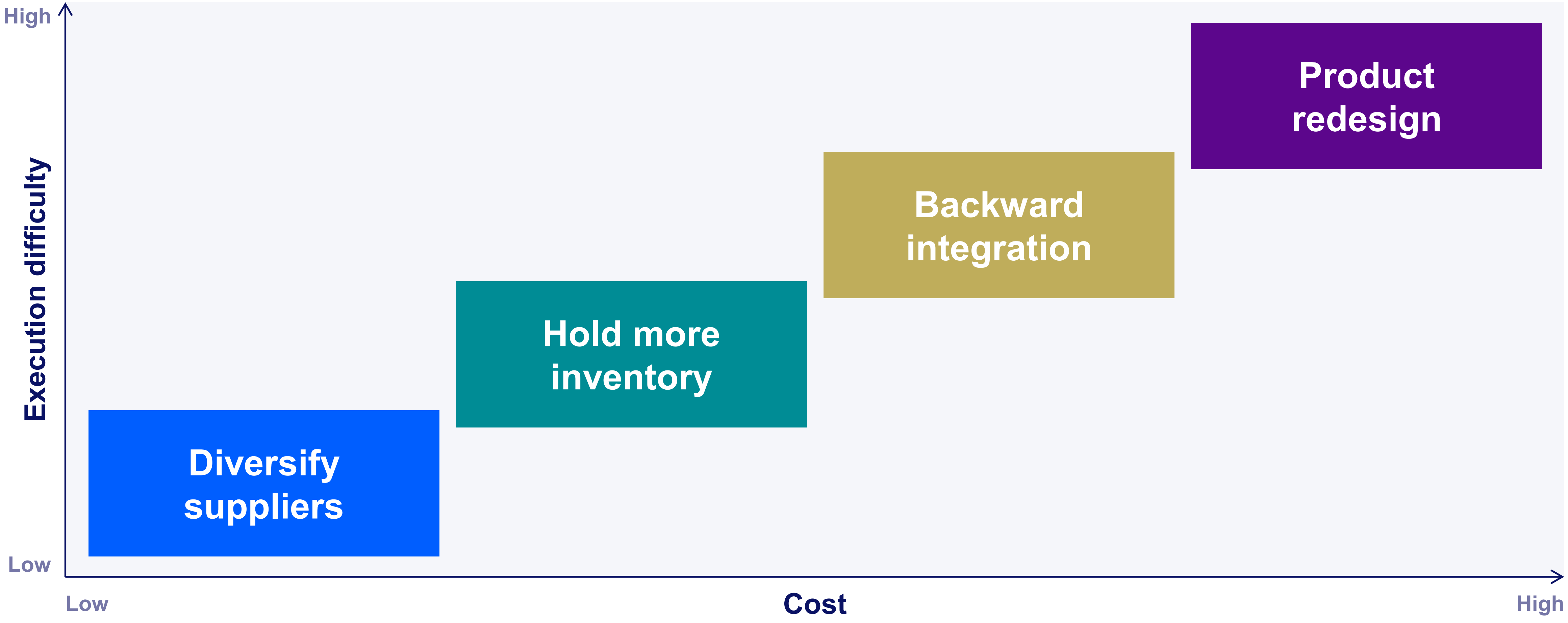
Resilient supply chains comprise multiple levers



Source: Moody's Ratings

Chinese companies are increasingly competing with multinational corporations in industrial goods

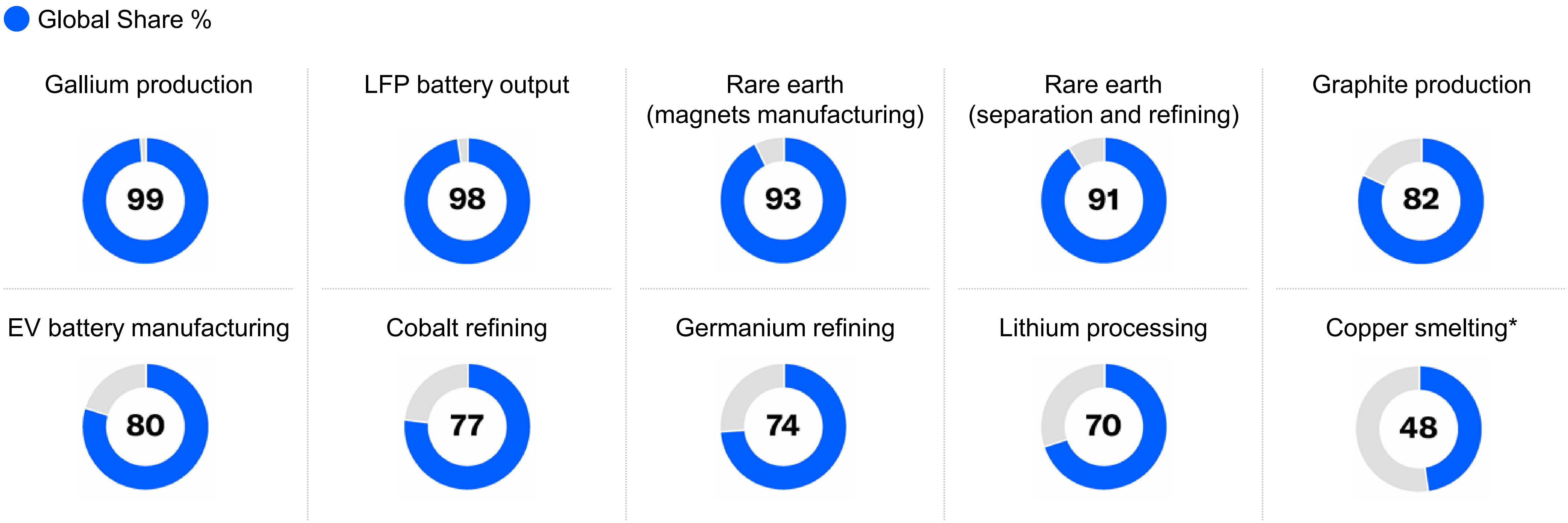
Ways Chinese companies compete with traditional multinationals

TRADITIONAL MULTINATIONALS	WAYS TO COMPETE	CHINESE COMPANIES
Premium pricing based on brand and technology	Price	Value-based pricing with cost advantage
Incremental innovation in established platforms	Technology	Rapid iteration, customization, and application engineering
Established channels in developed markets	Market access	Growing presence in China, and increasingly across emerging economies and select developed markets
Globalized with regional hubs	Supply chain	China-centric with increasing regional diversification
Premium with high cost	Services and support	Increasingly sophisticated with cost advantages

Source: Moody's Ratings

China’s dominance in processing underpins its position in global supply chains

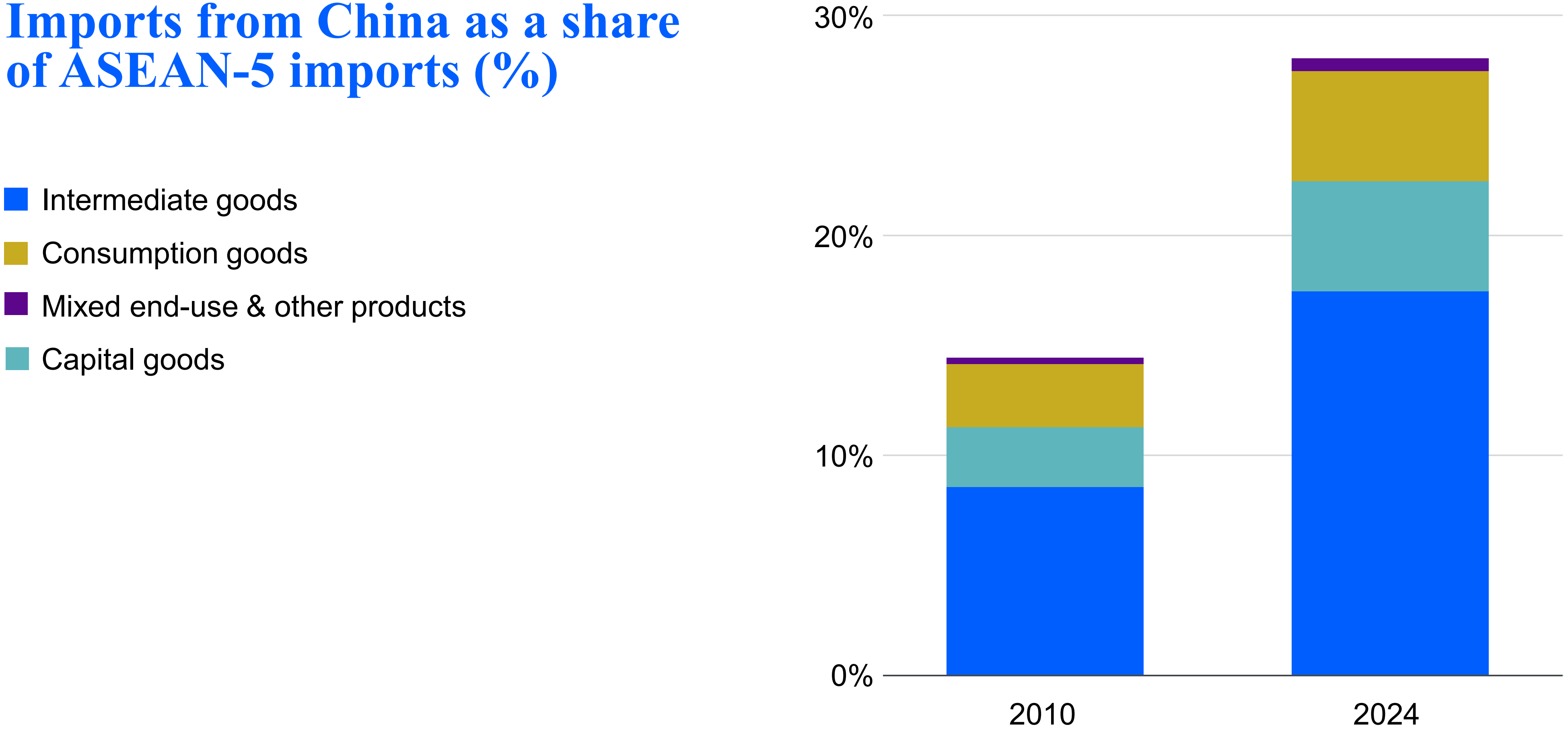
Market share, 2024



*Copper smelting data as of 2023 because of data availability.
Sources: International Energy Agency (IEA), US Geological Survey Mineral Commodity Summaries 2026, Lithium Harvest and Moody's Ratings

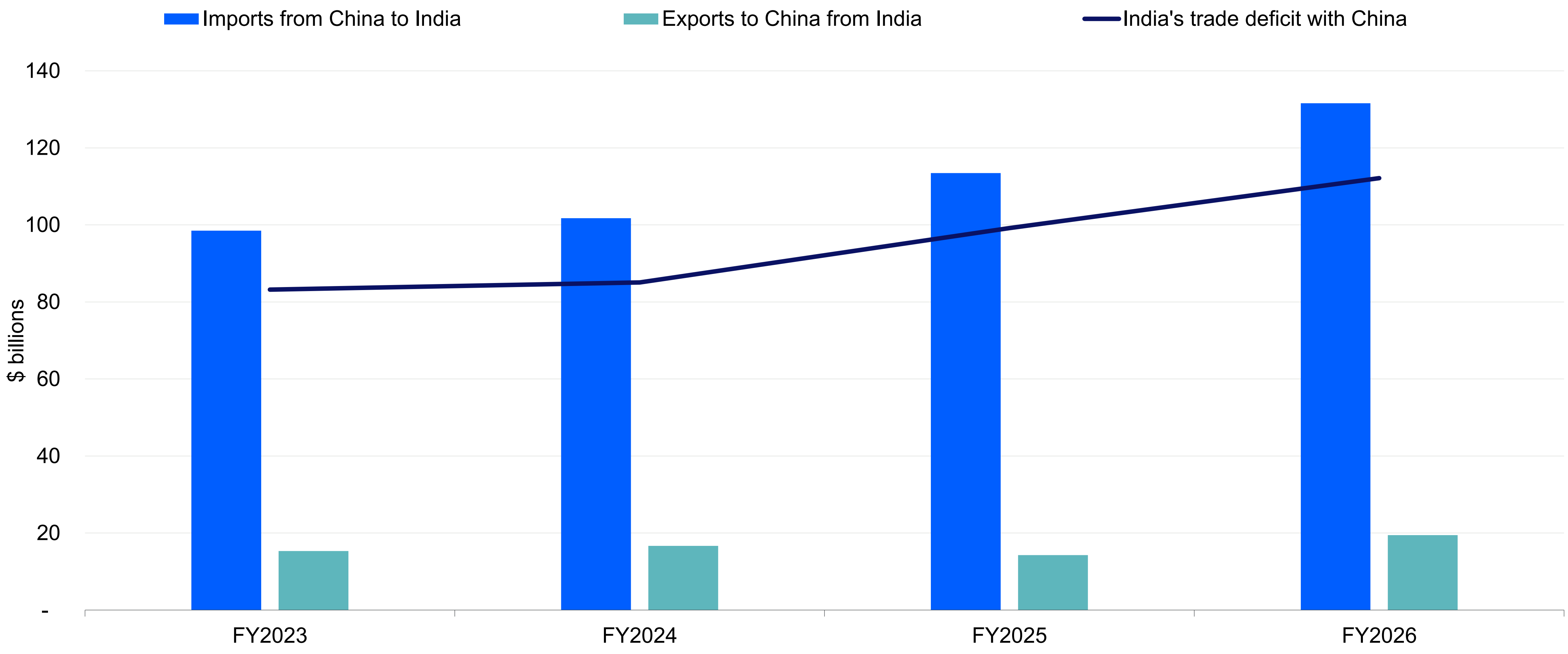
ASEAN-5 is heavily reliant on Chinese intermediate and capital goods

Imports from China as a share of ASEAN-5 imports (%)



Mixed end-use & other products include waste and scrap, petroleum products and other products based on Organisation for Economic Co-operation and Development (OECD) categories. Consumption goods include passenger cars, packed medicines, personal computers, personal phones and precious goods.
Sources: OECD Bilateral Trade in goods by end-use and Moody's Ratings

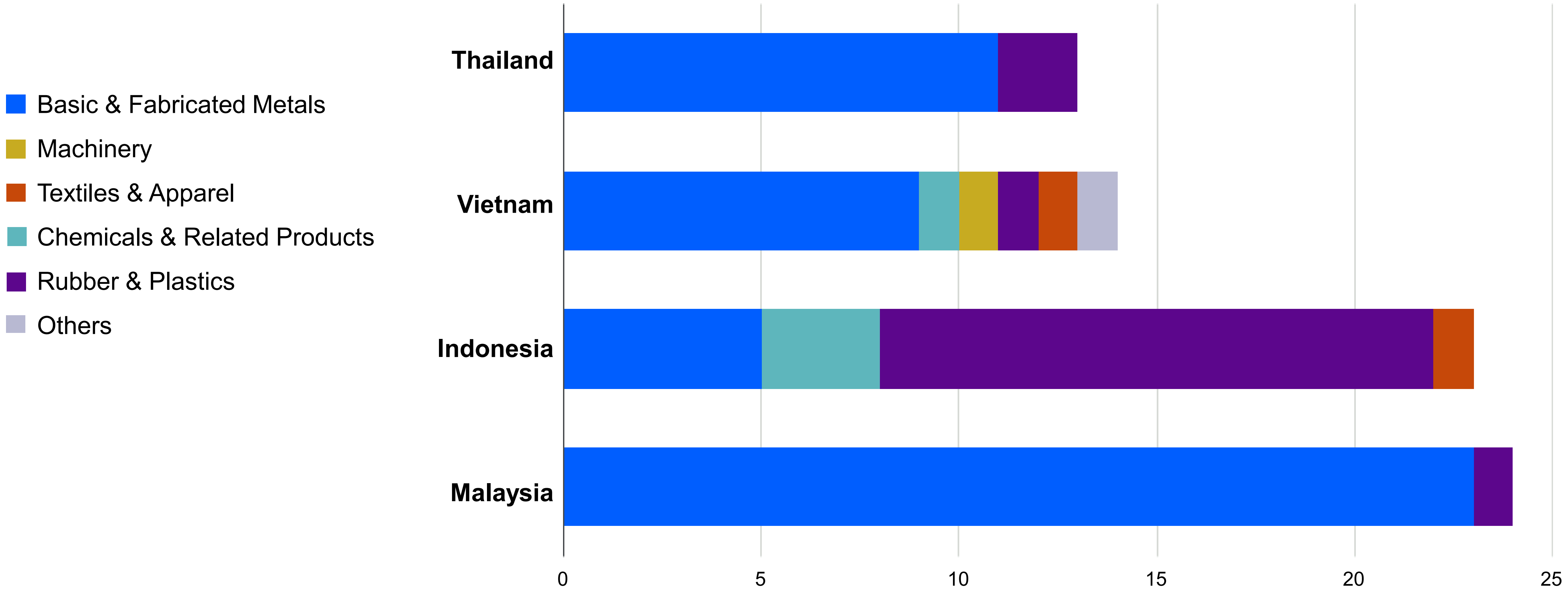
India's rising deficit reflects continued dependence on China



Note: FY22-23 refers to the fiscal year ended 31 March 2023 and so on
Source: Ministry of Trade and Commerce, India

Targeted anti-dumping actions from ASEAN-5

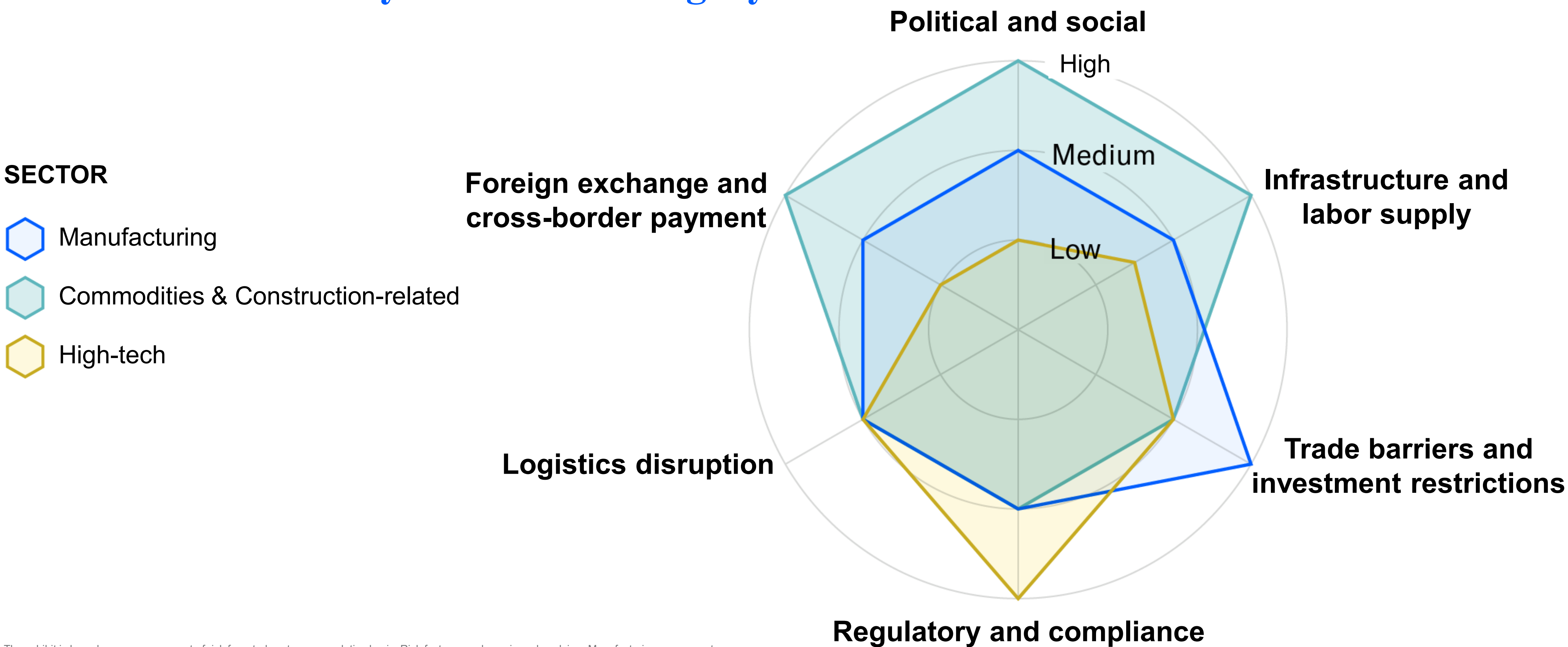
Number of measures currently in force toward China



Data as of Nov 2025. Others include miscellaneous manufactured articles.
Sources: World Trade Organization and Moody's Ratings

Overseas expansion risks vary by sector for Chinese companies

International risks by sector and category



The exhibit is based on our assessment of risk for rated sectors on a relative basis. Risk factors are dynamic and evolving. Manufacturing covers sectors such as the automobile, home appliance, chemicals and machinery industries. Commodities and construction-related covers sectors such as the oil and gas, metals and mining, cement and construction industries. High-tech covers sectors such as the semiconductor and internet industries.
Source: Moody's Ratings

Thank you.

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