

*“It is through this lens of history that we should view the conflicts of today, and so give us hope for tomorrow.” Queen Elizabeth II*

21 October 2022

Dear fellow MMIT shareholder,

The year 2022 continues to be a period of significant and market relevant uncertainties which have resulted in a broad “risk-off” environment leading to a historical relative undervaluation of many emerging markets. While the team at MCP has finally been able to travel again and meet with management teams in person, all team members were in London at the time of Her Majesty’s, Queen Elizabeth II funeral, as the MCP Investor Day 2022 had been scheduled for that exact date. Therefore, we were able take part in this extraordinary event and witness a whole nation and the world coming together to pay their respects to an incredible woman, who had devoted her long life to the service of the people.

Queen Elizabeth II was born in 1926. That same year, the predecessor of the S&P 500 index, the Composite Stock Index began tracking 90 companies on a daily basis. By 1957 it had expanded to 500 stocks and was renamed S&P 500 Stock Composite Index. In the chart below we follow the Index through several significant events during the Queen’s lifetime. She was born shortly before the Great Depression, lived through the horrors of World War II, witnessed the subsequent disintegration of the British Empire, the Cold War, the Iranian Revolution followed by the recession of the early 80s, on to the financial crisis of 2007–2009, the Covid pandemic and Russia’s invasion of Ukraine.

### S&P 500 throughout HM Elizabeth II’s life

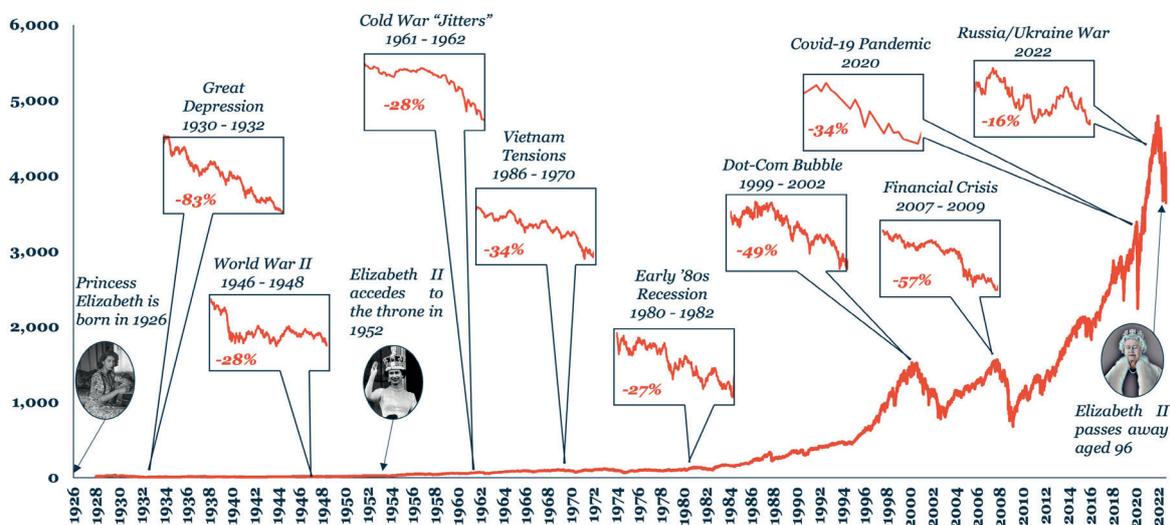


Chart 1: Source: S&P Capital IQ, FactSet, MCPAs of 30 September 2022

## Q3 2022 MANAGER COMMENTARY

The Queen’s stoicism throughout this eventful century is only matched by the determination of the index to recover after every crisis. This is a good reminder of the importance of looking at the bigger picture. No doubt, this year has been a challenging one with high inflation, a tragic war in Europe, continued Covid-19 lockdowns in China and rapidly tightening monetary policy. However, “this too shall pass”. These words, famously used by Abraham Lincoln, embody the essence of Stoicism: focus on what you can control, not on what is out of your power.

At MCP we focus on the long term. We carefully select companies which we believe will deliver sustainable returns for many years to come. Our decades of experience in investing in emerging markets guide us in managing the portfolio in times of crisis. We have kept in close contact with our holdings to understand how management teams are navigating the current macroeconomic environment. We have revisited and rallied behind every single business case, and we have seized opportunities where they have presented themselves, using the recent downturn to add some highly innovative companies to the portfolio.

Our continued focus on quality and engagement with aspects of ESG+C® have provided the portfolio with resilience in times of inflationary pressure and monetary tightening, and we have seen several companies publishing consensus-beating results in the last quarters. While this is not always reflected in the share price, given the current sentiment towards equities in general and emerging markets in particular, it strengthens our belief that the portfolio is well-positioned for the mean reversion to set in.

Q3 2022 has taken investors for another rollercoaster ride. In July and August, markets rebounded from June lows as headwinds appeared to abate. However, the August meeting of the Federal Open Market Committee saw winds turning yet again. The Fed raised the federal funds rate by 75 basis points to 3.25% and signalled a noticeably higher terminal rate than previously expected. This, on the back of growing concerns over a global slowdown, sent markets tumbling. The S&P 500 fell by 9% in September alone, making this the worst September for the index since 2002. The MSCI EM Index, which had clawed back some losses during July and August, ended the quarter at -11.5% in USD terms.

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No doubt, the near-term conditions remain challenging with high inflation, a strong US-Dollar, the commodity shock and rising interest rates. However, we are cautiously optimistic that we will see the beginning of a normalisation of these factors in the next year. There are already first signs that inflation, energy prices and the US dollar may have reached their peaks. Furthermore, the resilience of the US labour market may help the country avoid a full-blown recession. We also think that the market is too pessimistic about the long-term prospects of emerging market equities. Valuations are at a multi-decade low.

The two biggest uncertainties for emerging markets remain China’s struggling economy and the war in Ukraine. In terms of China, not everything is bleak. Inflation is relatively low, the cost of funding remains moderate, but what is missing is domestic impetus. Policy is trying to address this. We have repeatedly seen China act rationally and pragmatically, targeting growth and stability. The question remains if China can find its way out of the Zero-Covid approach. (See section below: China’s 20th Party Congress And Beyond.)

In terms of the war in Ukraine, we hope to see an end to Russia’s aggression. It seems Putin is coming under increased pressure in Ukraine, from the outside—with even China’s support

## Q3 2022 MANAGER COMMENTARY

seemingly dwindling —and possibly within his own ranks. Given the sense of irrationality in the Russian president’s behaviour, this might be more worrying than comforting. We can only hope that both sides will return to the negotiating table sooner rather than later.

We will continue to focus on generating sustainable, long-term returns for our clients. We believe that the competitiveness of our portfolio holdings and the uniqueness of their offerings will continue to act as a long-term driver of performance, and are optimistic that the demand recovery will support earnings growth into 2023 and 2024 and thereafter. Therefore, in our opinion, the best way forward and through this crisis is with some good old British Stoicism: Keep Calm and Carry On.

### Performance

During Q3 2022, MMIT’s net asset value (NAV) and share price increased 1.9% and 5.6% respectively. The top contributors to performance were US-based software company EPAM Systems (+2.3%), Indian steel pipes manufacturer APL Apollo (2.1%), and Brazilian software company TOTVS (+1.4%). The main performance detractor was Hong Kong-based EC Healthcare (-2.9%), followed by Taiwanese semiconductor companies Parade Technologies (-1.4%) and WIN Semiconductors (-0.8%). Since inception in October 2018, the Mobius Investment Trust is the best-performing EM equity investment trust listed on the London Stock Exchange.

### Investment Update

As of 30 September 2022, MMIT had invested 86.6% of capital, with 24 holdings across eleven countries. MMIT’s top ten holdings are shown below.

| Top 10 Holdings (%)       | Country     | % of MMIT portfolio |
|---------------------------|-------------|---------------------|
| <b>EPAM Systems</b>       | US          | 9.2                 |
| <b>EC Healthcare</b>      | China       | 6.0                 |
| <b>APL Apollo</b>         | India       | 6.0                 |
| <b>TOTVS</b>              | Brazil      | 5.8                 |
| <b>Safaricom</b>          | Kenya       | 5.6                 |
| <b>Persistent Systems</b> | India       | 5.4                 |
| <b>Vinamilk</b>           | Vietnam     | 5.3                 |
| <b>Sinbon Electronics</b> | Taiwan      | 4.5                 |
| <b>eMemory Technology</b> | Taiwan      | 4.3                 |
| <b>LEENO Industrial</b>   | South Korea | 3.9                 |
| <b>Total</b>              |             | <b>56.0</b>         |

In Q3, MCP decided to exit two companies after in-person meetings in Brazil. In the case of Fleury, a provider of medical diagnostic services, the investment case had changed as senior management was not able to present a clear growth path, including mixed messaging regarding the company entering the hospital industry. Combined with increased leverage in the current macroeconomic environment, this change in the investment thesis led to MCP exiting the stock.



### Portfolio Spotlight – EPAM Systems

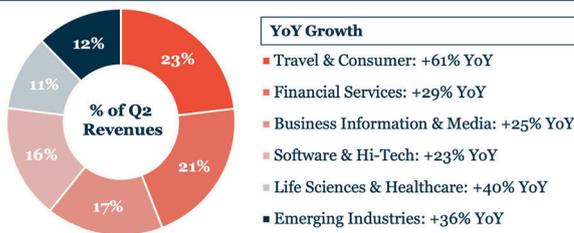
#### Key Drivers for 2022

- **Successful relocation of employees:** Since the outbreak of the Russia/Ukraine war, EPAM has started to relocate its employees in the region. This is spurring employee productivity and is testimony to EPAM's unique corporate culture.
- **Global digitalisation:** Higher budgets for IT services and outsourcing – two rapidly growing segments.
- **New deal wins:** EPAM had stopped actively seeking new customer additions to focus on managing the existing business. The company is now expected to re-focus on actively winning new customers and deals hereafter.

| Country | Sector     | Weight | Market Cap |
|---------|------------|--------|------------|
| US      | Technology | 9.2%   | \$20.8bn   |



#### Double-Digit Revenue Growth across Industry Verticals



#### Continuously Strong Earnings Expectations



Chart 2: Bloomberg, MCP MMIT weight and market cap in USD as of 30 September 2022

### Portfolio Company Spotlight: EPAM Systems

EPAM Systems is a recognised global leader in digital platform engineering and software development services. Founded in 1993 by a Belarusian engineer, the company is today headquartered in the US. EPAM serves over 600 clients, including several Fortune 500 and Forbes Global 2000 companies, and has over 500 Google Cloud certified engineers worldwide. Growing at >25% over the last five years and benefitting from strong industry tailwinds, EPAM had been on MCP's watchlist for some time.

The sudden escalation in conflict between Russia and Ukraine in February 2022 triggered a sell-off in the company's shares as over 50% of employees were at the time located in Ukraine, Belarus and Russia. The share price dropped 65% from \$668 (31 Dec 2021) to \$175 (07 Mar 2022). This short-term negativity provided an attractive investment opportunity in a quality company for the long-term. MCP was quick to react, buying at a 35x LTM EPS (vs. a 5y average of 57x).

In the meantime, EPAM committed \$100m to relocate at-risk employees and has already relocated most of its workforce in the affected areas. As a result of their proactiveness, EPAM didn't lose customers and reported stronger than estimated results for Q2 2022.

EPAM has a strong balance sheet with over \$1bn net cash, a geographically diverse workforce, a strong presence in its target markets and a skilled management team. Putting long-term employee welfare ahead of short-term profits by implementing a large-scale relocation program, we are confident that EPAM will remain a great place to work. In fact, the company earned recognition among Newsweek's list of Top 100 Most Loved Workplaces for the second consecutive year.

### Engagement and ESG Update

Throughout the last three months, we have continued to see some encouraging progress on engagement and had the pleasure to re-connect with a range of portfolio companies in person. Following a trip to Brazil in June, MCP's investment team met with Persistent Systems' leadership in London in July and is currently on the ground in Turkey to meet with portfolio companies and local experts.

*“In Q3, MCP continued to engage on a range of issues including the publication of sustainability reports with clear long-term ESG targets.”*

In Q3, MCP continued to engage on a range of issues including the publication of sustainability reports with clear long-term ESG targets, the improvement of board diversity and independence, the enhancement of investor relations and the optimisation of balance sheets. About half of MCP's 161 ongoing engagement points fall into the “governance” category. In this important area, MCP has been emphasising auditor quality with every single holding – looking back at the various accounting scandals and (short) activist campaigns which have occurred over the years, this has become a “non-negotiable” element for us as emerging markets investors.

The share of female board members across MCP's portfolio companies now stands at 18%. Having emphasised the importance of diverse boards in our engagement calls this year, we have seen a strong willingness to improve and are therefore confident that this figure will continue to improve.

Furthermore, three additional portfolio companies started submitting their data to the Carbon Disclosure Project (CDP). SINBON Electronics, a Taiwanese provider of connectivity solutions, won the Silver Award in the 2022 TSAA Taiwan Corporate Sustainability Awards, recognising the outstanding work the company has been doing on social responsibility aspects. SINBON had recently reorganised its Corporate Social Responsibility Committee to include a Sustainability Officer, who will lead sustainable development and execute all ESG-related projects.

### The 20th Party Congress of the Communist Party of China and beyond

The Communist Party of China (CCP) opened their 20th Party Congress in Beijing yesterday in grand ceremony. The almost two-hour-long speech of President Xi, who is expected to be re-elected at the end of this week, touched on important issues including the Zero-Covid policy and the relationship with Taiwan and was closely watched by international investors.

Since 1977, the Congress takes place every five years. It is the most important event on the Party's agenda because the new composition of the top-level leadership is announced. Beijing's political, economic and foreign policy priorities for the next five years and beyond is also established.

Two thousand three hundred representatives participate in this major political event. They are nominated and elected from 38 provincial and regional units, central government bureaus, state-owned enterprises, and the public financial system. The Congress is a tightly scripted event, as every decision, statement and personnel appointment is decided ahead of time following extensive closed-door negotiations<sup>2</sup>.

## Q3 2022 MANAGER COMMENTARY

At the centre of attention is the highly anticipated announcement of President Xi's third term in office. Xi was elected president of China in 2013 and was initially supposed to step down by the end of 2022, as the maximum tenure for a president is two five-year terms. However, in March 2018, the Congress amended China's constitution to roll back presidential term limits, paving the way for Xi to remain in power beyond 2022. Some observers anticipate that Xi, currently 69 years old, could stay in office for another three terms and retire in 2037 at the age of 84, given that 2035 marks the first milestone for many of Xi's political goals to achieve "socialist modernisation" by 2050<sup>3</sup>.

Despite having a single ruling party, informal factions built upon personal relationships divide power inside the Party<sup>4</sup>. Several observations indicate that Xi has strengthened his position within the Party since becoming president, especially as factional rivals have been removed in a series of anti-corruption measures<sup>5</sup>. At the 19th Party Congress, the Xi Jinping Thought was added to the fundamental doctrines of the CCP and the country's constitution, following the Mao Zedong Thought and the Deng Xiaoping Theory, making Xi the third name to appear in the principles<sup>6</sup>.

The Xi Jinping Thought has also been part of the ethics and politics curricula in primary, middle and high school since the autumn of 2021<sup>7</sup>. Xi also broke an unspoken tradition of the Party established in 1992 during the Deng Xiaoping era – the incumbent president always internally nominates the presidential successor, and the previous president's nominee ought to be appointed to the Standing Committee of the Politburo (PSC), China's highest decision-making body, for a "grooming term" prior to the transition of power. It is believed that the continuing influence of the current president's faction can be constrained by skipping one presidential shift (ten years) in the appointment of the presidential candidate. At the 19th Party Congress, when Xi ought to have appointed former president Hu's nominees, he did not do so. One of the two politicians believed to have been nominated by Hu – Sun Zhengcai – was given a life sentence as a result of the anti-corruption movement in 2018, and the other – Hu Chunhua, also the current vice premier of China and a member of the Politburo – is an anticipated nominee to succeed Li Keqiang as premier. However, Hu Chunhua did not receive a seat on the PSC in 2017's Party Congress, and Xi could try to block his promotion to become the premier despite his qualifications.

The standing committee of the Political Bureau (PSC) consists of the country's highest-ranking leaders and is the most important decision-making body regarding major policy issues. Changes in the composition of the PSC are anticipated to be announced at the 20th Party Congress, and the announcement will have profound implications on China's political stability and Xi's ability to push through his policy programs. The PSC currently has seven members, including President Xi. Power is divided as follows: Xi and his allies Li Zhanshu and Zhao Leji have three of the seven seats. Premier Li Keqiang and Chairman of the Political Consultative Conference Wang Yang are believed to not belong to Xi's circle and are often more associated with the former president Hu Jintao. The two remaining members seem to have a neutral standing among factions<sup>8</sup>. There is no official rule which limits the number of terms for PSC members, but, according to the unwritten Party tradition since President Jiang Zeming, any member who turns 68 by the time of the Party Congress must retire from the PSC but can stay for another term if he is only 67 by the time of the event<sup>9</sup>. By this rule, except for Xi, two incumbent members – Han Zheng (68) and Li Zhanshu (72) – ought to retire.

The following scenarios would indicate an increase in Xi's power within the Party: 1) Xi is able to place his allies in the two positions to gain a majority; 2) Xi breaks the unspoken tradition and extends Li Zhanshu's term; 3) Xi adds additional members to PSC to dilute Li Keqiang's and Wang Yang's relative power in the PSC. Eight of the other 18 Politburo members will also retire

based on the age rule, and the extent of Xi’s ability to replace these seats with allies will also reflect on his influence within the Party. The people replacing these seats will enter China’s most senior leadership councils and have a direct impact on policy.

### The CCP and China’s Government

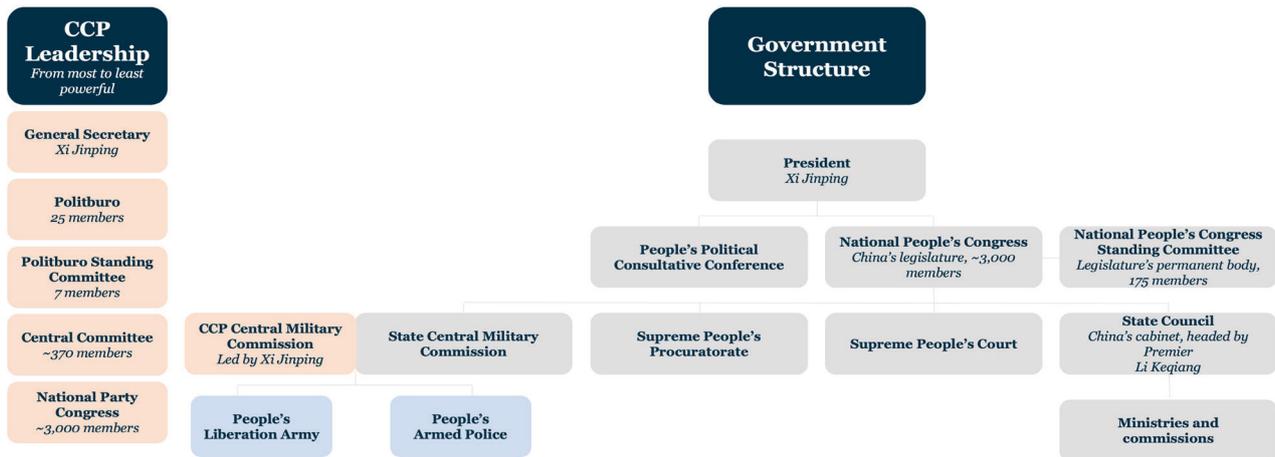


Chart 3: Source: U.S.- China Business Council; CFR research

The 20th Party Congress will reflect on the progress made since the 19th Party Congress in 2017 and set policy goals and priorities for the next five years and beyond. Details regarding specific policies will roll out following these directions, as departmental- and provincial-level government create their own five-year plans aligning to the top-level goals. In the last Party Congress, Xi announced that China had successfully achieved the goal set by paramount leader Deng Xiaoping in 1979, of building a moderately prosperous society<sup>10</sup>. In contrast to previous leaders’ emphasis on a “peaceful and quiet rise”, Xi has taken a more assertive approach, envisioning China becoming a “fully developed, rich and powerful” nation with international influence by 2049 and entitling himself as the leader of this movement<sup>11</sup>.

The CCP has worked to achieve this by modernising its military, pursuing extensive land reclamation efforts on disputed islands in the South China Sea, investing billions of dollars in countries worldwide through its massive Belt and Road Initiative, and taking on a more active role in international institutions<sup>12</sup>. In the 13th Chapter of Xi Jinping Thought related to economic growth, Xi highlights that China is in the economic transition from volume and export-driven growth to qualitative, innovation- and efficiency improvement-driven growth, at a mid-to-high expansion rate.

The government also plays a crucial role in resource allocation of the economy, while it encourages the vitality of both state-owned enterprises and the private sector. In terms of foreign policy, China continues the Belt and Road Initiative, encourages Chinese companies to invest overseas, and believes that globalisation is inevitable. Xi also reinforces the effectiveness of China’s “one country, two policy” strategy on governing Macau and Hong Kong, and is determined on “one China policy” on the issue of Taiwan<sup>13</sup>. Critique and scepticism around China’s Covid policy and worsening China-US relations are identified as two crucial challenges for Xi and his leadership<sup>14</sup>.

### What do we think will happen if President Xi is re-elected?

- **Zero-Covid:** The Chinese government chose to prioritise lives over economic activities and growth, a policy that was effective in the first year of the Covid-19 outbreak but now causes the economy to lag its Asian and global peers. We should not anticipate a drastic pivot away from the current Zero-Covid policy immediately following the conference. However, some publicised policy suggestions and official announcements indicate that a gradual and a successive international reopening could be expected<sup>15</sup>. We have seen first signs. Recently, Hong Kong removed the travel quarantine rules for international travellers after months of lockdown.

*“We believe, it is unlikely at this stage that China would intentionally harm its long-term economic prospects through military action against Taiwan.”*

- **China–Taiwan Relations:** The expected continuation of Xi’s regime increases the key man risk, as Xi could view China’s reunification with Taiwan as a personal political goal. However, we view a Chinese military invasion at the current stage as unlikely because the negative consequences would impact China’s long-term economic prospects -a price too high to pay. China is still dependent on Taiwan’s semiconductor know-how and manufacturing capacity, and a military action against Taiwan could damage capacity and interrupt production, negatively impacting global supply chains. Furthermore, China could face wide-ranging international sanctions and lose foreign investment. Finally, Taiwan is not Ukraine. It is a fortified island with strengthening military intelligence and defence capabilities, which have been bolstered by growing US commitment to the territory. Today, Taiwan and China are more economically integrated than ever before. Since travel restrictions were fully relaxed in 2008, and investment restrictions were lifted the year after, the two regions developed significant cross trade from US\$11bn in 2001 to over US\$166bn today. We are monitoring the situation very carefully and are in close contact with our companies and experts on the ground in China and Taiwan.
- **Economic policy:** As indicated in the 14th five-year plan of the CCP, we expect China will continue its transition phase under a re-elected President Xi with a focus on improving factor productivity and technology independence. In Xi Jinping Thought, the President pointed out that China needs to focus on supply-side problems, including overcapacity on low-end supply and scarcity of high-end supply, as well as dependency on foreign high-tech equipment and technology. The recently announced US export controls on advanced semiconductor chips and manufacturing equipment will very likely accelerate the ongoing efforts of the Chinese government to decrease its dependence on technology imports. In the short term, we expect the government’s pragmatic focus on reigniting growth, supporting internal demand and ensuring stability to continue.

### How do we invest in China?

While no emerging market investor can afford to ignore China, we invest very conservatively in the country. A complex regulatory environment, corporate governance issues and a retail-driven market (70% of equity trading value) are among some of the biggest challenges in investing in China, especially for the A-share market. Currently, we prefer to get exposure to China’s growing demand for products such as semiconductors, consumer electronics, premium health care and renewable energy through investments in Taiwan, South Korea and Hong Kong. These financial

markets are more mature and provide better governance and transparency.

A good example is one of our largest investments, Hong Kong-based EC Healthcare, which operates private medical, aesthetics and veterinary clinics in Hong Kong and China. The company profits from an experienced management team and good governance as well as access to China's growing market for quality health care. MCP used the recent weakness in the share price, which had been impacted by the Hong Kong lockdown to add to the position. EC Healthcare is Hong Kong's largest non-hospital medical service provider, and is rapidly expanding organically and through M&As. The company is well positioned to benefit from the border reopening and the recovery of medical and aesthetics tourism. The company recently announced that the group expects to achieve a record-high semi-annual sales volume for the half-year period from April to September 2022.

We are delighted that EC Healthcare will be presenting their business, outlook and progress on ESG factors at the MCP Investor Day 2022 (for Professional Investors only) on Monday, 14 November at 11am (GMT) at the Royal Society of Chemistry, Burlington House, Piccadilly, London W1J 0BA. We would be delighted to welcome you on this occasion. Please find more information on the event on our website: [www.mobiuscapitalpartners.com](http://www.mobiuscapitalpartners.com)

We would like to thank our shareholders for your continued support. Please email Anna von Hahn at [anna@mobiuscapitalpartners.com](mailto:anna@mobiuscapitalpartners.com) should you have any questions.

Best wishes,

The Mobius Capital Partners Team

### Footnotes

1. As per SFDR definition, a sustainable investment is an economic activity that contributes to an environmental or social objective.
2. Cunningham, M. (2022, March 7). Looking Ahead to China's 20th Party Congress. Retrieved from The Heritage Foundation: <https://www.heritage.org/asia/report/looking-ahead-chinas-20th-party-congress>
3. Thomas, N. (2020, October 26). China Politics 2025: Stronger as Xi Goes. Retrieved from Macro Polo: <https://macropolo.org/analysis/china-forecast-politics-2025-stronger-as-xi-jinping-goes/>
4. A common generalisation divides factions into the “elites” and the “populists”. The “elites” are descendants of former Party members and typically come from political centres such as Beijing and Shanghai. They are generally believed to place greater focus on economic development. Xi Jinping, son of Xi Zhongxun, who once served as deputy prime minister of China and was an early comrade-in-arms of Mao Zedong, belongs to the “elites”. Xi's predecessor, former President Hu Jintao, was a “populist”, also known as “tuanpai”. Politicians from this faction places higher emphasis on social equality and have commonly started their political career from the Chinese Communist Youth League - the party's nation-wide organisation for youth aged 14–28 to study and a training ground for party cadres (Lai, 2012). Party elders are considered to be influential due to their mentor-protégé relationships with incumbent leaders, forming clans such as the “Shanghai clique” or the “Beijing clique”
5. Some examples include the life imprisonments of Zhou Yongkang, a former member of the 17th PSC in 2015, Sun Zhengcai, former member of the Politburo and highly anticipated candidate to the PSC in 2018, Ling Jihua, former principal political advisor to Hu in 2016, and, famously, Bo Xilai, former Mayor of Dalian and Minister of Commerce.
6. Buckley, C. (2017, October 24). China Enshrines 'Xi Jinping Thought,' Elevating Leader to Mao-Like Status. Retrieved from New York Times: <https://www.nytimes.com/2017/10/24/world/asia/china-xi-jinping-communist-party.html>
7. Ministry of Education of the P.R China. (2021, July 8). Retrieved from Ministry of Education of the People's Republic of China: [http://www.moe.gov.cn/jyb\\_xwfb/gzdt\\_gzdt/s5987/202107/t20210708\\_543195.html](http://www.moe.gov.cn/jyb_xwfb/gzdt_gzdt/s5987/202107/t20210708_543195.html)
8. These include the principal adviser Wang Huning, who has advised Xi and his two presidential predecessors Jiang and Hu; and Han Zheng, who was previously the Party Secretary of Shanghai and is believed to be associated with former president Jiang Zeming.
9. Fang, B. (2022, August 20). Retrieved from VOA: <https://www.voachinese.com/a/xi-jinping-standing-committee-members-20th-party-congress/6709178.html>
10. The moderately prosperous society is defined by sixteen quantified standards related to income, minimum average housing size, infrastructure, forest coverage, literacy rate, education spending, protein consumption, and life expectancy (Central Compilation and Translation Press, 2021).
11. Xinhua Net . (2017, October 23). Retrieved from Xinhua Net: [http://www.xinhuanet.com/politics/19cpnc/2017-10/23/c\\_129724802.htm](http://www.xinhuanet.com/politics/19cpnc/2017-10/23/c_129724802.htm)
12. Albert, E., Maizland, L., & Xu, B. (2021, June 23). The Chinese Communist Party. Retrieved from Council on Foreign Relations: <https://www.cfr.org/background/chinese-communist-party>
13. Xinhua net. (2021). Retrieved from Xinhua Net: <http://www.xinhuanet.com/politics/xjpsxkj/>
14. Cunningham, M. (2022, March 7). Looking Ahead to China's 20th Party Congress. Retrieved from The Heritage Foundation: <https://www.heritage.org/asia/report/looking-ahead-chinas-20th-party-congress>
15. Sources include the Suggestions on the revival of international tourism under the normalization of epidemic prevention and control, which advocates for a re-opening of touristic regions to international travellers, March 2022; and the 14th Five-year plan publicised by the Civil Aviation Administration of China in 2021 that classifies 2021–2022 as a recovery phase and 2023–2025 as an expansion and growth phase, attached with specific quantified milestones.

## Q3 2022 MANAGER COMMENTARY

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