

Key Information Document

Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

MS HORIZONS Global Solutions Defensive Fund (the "Sub-Fund") a sub-fund of MORGAN STANLEY HORIZON FUNDS SICAV (the "Fund") Class I USD Capitalisation – LU1965932418

PRIIP manufacturer: MUFG Lux Management Company S.A.

<https://www.mufg-investorservices.com/services/mufglm/>

For more information, call +352-44-51-80-1

The Commission de Surveillance du Secteur Financier ("CSSF") in the Grand-Duchy of Luxembourg is responsible for supervising MUFG Lux Management Company S.A. in relation to this Key Information Document.

MS HORIZONS Global Solutions Defensive Fund is authorised in the Grand-Duchy of Luxembourg and regulated by the CSSF.

This product is managed by MUFG Lux Management Company S.A., which is authorised in the Grand-Duchy of Luxembourg and supervised by the CSSF and member of MUFG Group.

Accurate as of: 1 January 2023

What is this product?

Type

- This product is a class of share of the Sub-Fund and is denominated in USD. The Fund is an investment company with a variable capital and qualifies as an Undertaking for Collective Investment in Transferable Securities ("UCITS"), subject to the Luxembourg law of 17 December 2010 related to undertakings for collective investment (the "Investment Fund Law") transposing Directive 2009/65/EC.
- As an investment fund, the return of the Sub-Fund depends on the performance of its underlying assets.

Term

This product was incorporated for an undefined period. The manufacturer may not terminate it unilaterally. Only the board of directors of the Fund or a general meeting of shareholders may decide to terminate this product.

Objectives

Investment objective:

- The investment objective of the Sub-Fund is to provide an attractive level of risk adjusted return, measured in USD, primarily through investing via a global portfolio of collective investment schemes, exchange traded funds, US government bonds, cash, money market instruments, commodity-linked investments, and through financial derivative instruments and seeks to manage risk within a target volatility range of 2% to 6%. No guarantee or representation is made that the objective of the Sub-Fund will be achieved.
- The Sub-Fund invests in fixed income securities, equities and commodity-linked investments.

Investment policy:

- The Sub-Fund will invest in collective investment schemes and exchange traded funds across a spectrum of fixed income asset classes, including developed and emerging markets, emerging market sovereign debt, emerging market corporate debt, investment grade, non-investment grade, high yield, inflation-linked and unrated securities.
- Equity investment will be through collective investment schemes and exchange traded funds in developed and emerging markets worldwide which may include closed-end Real Estate Investment Trusts (REITs) and open-ended collective investment schemes.
- The Sub-Fund may implement tactical views on commodities via exchange traded commodities (ETCs) which will not use embedded derivatives and which qualify as 'transferable securities' and/or eligible commodity linked notes.
- The Sub-Fund may hold cash, place cash on deposit, invest cash in high quality government bonds and/or invest in cash equivalents such as money market instruments.

- The Sub-fund may use financial derivative instruments for efficient portfolio management, including hedging.
- The Sub-Fund may not invest in individual stocks or bonds, with exception of US government bonds.
- The Sub-Fund has an active investment strategy and is not managed in reference to a benchmark.
- Given the objectives and risk and reward profile of this product, the recommended holding period is 5 years.

Redemption and Dealing: Investors may subscribe and redeem their shares on every full banking business day in Luxembourg.

Distribution Policy: Income generated by the Sub-Fund is reinvested and included in the value of shares.

Intended Institutional Investor

This Sub-Fund may be appropriate for investors who:

- seek capital appreciation over the medium term;
- seek a balanced investment that focuses on those asset classes the Investment Manager finds tactically most attractive; and
- accept the risks associated with this type of investment, as set out in section "Risk Profile / Risk factors" of the prospectus and section "Risk Factors" in part A of the prospectus.

Investors should understand that they may not recover the amounts that they invest. Investors should read and understand the risk factors that are associated with an investment in the Sub-Fund, as explained in the "Risk Factors" section in the prospectus. Investors should consider their long-term investment goals and financial needs when making an investment decision about this Sub-Fund. The minimum investment is USD 1,000.

Practical information

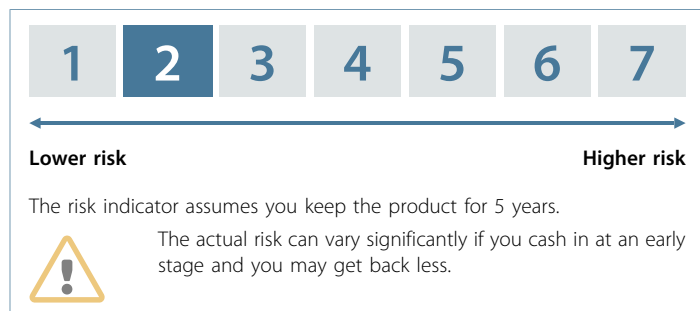
Depositary: Mitsubishi UFJ Investor Services & Banking (Luxembourg) S.A., 287-289, route d'Arlon, L-1150 Luxembourg, Grand Duchy of Luxembourg.

Further information: The prospectus of the Fund and periodic reports are prepared for the entire Fund. Assets and liabilities of each sub-fund are segregated by law, meaning that the liabilities allocated to one sub-fund may not impact the other sub-fund. If permitted by the prospectus, shareholders are entitled to convert their shares in shares of another sub-fund/class of the Fund, as described under "Conversion between sub-funds / classes of share" section of the prospectus.

Copies of the prospectus and of the last annual and semi-annual reports of the entire Fund as well as other practical information such as the latest price for the shares may be obtained free of charge, in English, at the registered office of the Fund: 287-289, route d'Arlon L-1150 Luxembourg, Grand Duchy of Luxembourg.

What are the risks and what could I get in return?

Risks



The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.

We have classified this product as 2 out of 7, which is a low risk class.

This rates the potential losses from future performance at a low level, and poor market conditions are very unlikely to impact our capacity to pay you.

Performance scenarios

The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

What you will get from this product depends on future market performance. Market developments in the future are uncertain and cannot be accurately predicted.

The unfavourable, moderate and favourable scenarios shown are illustrations using the worst, average and best performances of the product over the last 10 years, by identifying, depending on the performance scenarios and as defined in Regulation (EU) 2021/2268, all overlapping sub-intervals individually (i) equal in length to the recommended holding period which start or end in each month which are contained within that period of 10 years or (ii) equal or shorter in length to the recommended holding period, but equal to or longer than 1 year, which end at the end of that period of 10 years. Markets could develop very differently in the future.

The stress scenario shows what you might get back in extreme market circumstances.

Unfavourable: this type of scenario occurred for an investment between 31 August 2021 and 9 December 2022.

Moderate: this type of scenario occurred for an investment between 28 February 2013 and 28 February 2018.

Favourable: this type of scenario occurred for an investment between 29 January 2016 and 29 January 2021.

Recommended holding period		5 years	
Example Investment		\$ 10,000	
Scenarios		if you exit after 1 year	if you exit after 5 years (recommended holding period)
Minimum	There is no minimum guaranteed return. You could lose some or all of your investment.		
Stress	What you might get back after costs Average return each year	\$ 6,700 -33.0%	\$ 6,630 -7.9%
Unfavourable	What you might get back after costs Average return each year	\$ 8,023 -19.8%	\$ 8,219 -3.9%
Moderate	What you might get back after costs Average return each year	\$ 9,587 -4.1%	\$ 10,579 1.1%
Favourable	What you might get back after costs Average return each year	\$ 11,159 11.6%	\$ 12,103 3.9%

What happens if MUFG Lux Management Company S.A. is unable to pay out?

You are exposed to the risk that MUFG Lux Management Company S.A. might be unable to meet its obligations in connection with this product. This may materially adversely affect the value of that product and could lead to you losing some or all your investment in this product. A potential loss is not covered by an investor compensation or protection scheme.

What are the costs?

The person advising on or selling you this product may charge you other costs. If so, this person will provide you with information about these costs and how they affect your investment.

This product is in this category because it invests in a range of assets with different levels of risk and the Fund's simulated and/or realised return has experienced a low level rises and falls historically.

Be aware of currency risk. You will receive payments in a different currency, so the final return you will get depends on the exchange rate between the two currencies. This risk is not considered in the indicator shown above.

Not all risks affecting the Sub-Fund are adequately captured by the summary risk indicator.

This rating does not take into account other risk factors which should be considered before investing, including credit, derivatives, emerging markets, liquidity and operational risks.

This product does not include any protection from future market performance so you could lose some or all of your investment.

If we are not able to pay you what is owed, you could lose your entire investment.

Beside the risks included in the risk indicator, other risks may affect the Fund performance. Please refer to the Fund prospectus, available free of charge <https://www.morganstanley.com/im/mshorizon/index.html>.

Costs over time

The tables show the amounts that are taken from your investment to cover different types of costs. These amounts depend on how much you invest, how long you hold the product. The amounts shown here are illustrations based on an example investment amount and different possible investment periods. We have assumed (i) in the first year you would get back the amount that you invested (0% annual return) and, for the other holding periods, the product performs as shown in the moderate scenario and (ii) \$ 10,000 is invested.

Example Investment \$ 10,000	if you exit after 1 year	if you exit after 5 years (recommended holding period)
Total Costs	\$ 598	\$ 952
Annual cost impact*	6.0%	1.8%

* This illustrates how costs reduce your return each year over the holding period. For example it shows that if you exit at the recommended holding period, your average return per year is projected to be 2.9% before costs and 1.1% after costs.

Composition of costs

One-off costs upon entry or exit		Annual cost impact if you exit after 1 year
Entry costs	3.00% maximum of the amount you pay in when entering this investment. In case of conversion into shares of another class or another sub-fund, no conversion fee is charged but shareholders may be requested to bear the difference in subscription fee if higher.	up to \$ 300
Exit costs	2.00% of your investment before it is paid out to you.	up to \$ 200
Ongoing costs taken each year		
Management fees and other administrative or operating costs	0.96% of the value of your investment per year. This is an estimate based on actual costs over the last year.	\$ 96
Transaction costs	0.02% of the value of your investment per year. This is an estimate of the costs, calculated on an annualised basis, based on an average of the transaction costs incurred by the product over the previous three years when buying or selling the underlying investments. The actual amount will vary depending on how much we buy and sell.	\$ 2
Incidental costs taken under specific conditions		
Performance fees	0.00% . There is no performance fee for this product.	\$ 0

How long should I hold it and can I take money out early?

Recommended holding period ("RHP"): 5 years

The RHP has been defined by taking into account the above investment objective and policy and the risk and the reward profile. You can redeem your investment without penalty incurred for disinvestment prior to the end of the recommended holding period, or hold the investment longer. Redemptions must be received by the registrar and transfer agent no later than 3pm CET to be dealt with on the basis of the net asset value per share applicable on that valuation date. Redemptions received by the registrar and transfer agent after that cut-off time will be dealt with on the next valuation date. Redemptions may be made in a number of shares. Redemption payments will be affected three (3) bank business days, which are also days when the relevant foreign exchange market is open, after the redemption of the shares. Any cashing-in before the end of the recommended holding period may have a negative consequence on your investment.

How can I complain?

If you have any complaint about this product, please find the steps to be followed for lodging any complaint at <https://www.mufg-investorservices.com/services/mufglm/>. You can also send your complaint to the Fund's management company at: MUFG Lux Management Company S.A., Complaints Handling Officer, 287-289, route d'Arlon, L-1150 Luxembourg, or by e-mail to complaints_MUFGLM@lu.tr.mufg.jp. If you have a complaint about the person that advised you about this product, or who sold it to you, they will tell you where to complain.

Other relevant information

Investment Manager: Morgan Stanley Investment Management Limited, 25 Cabot Square, London, E14 4QA, United Kingdom.

Performance scenarios: You can find previous performance scenarios updated on a monthly basis at <https://mufg-lux-management-company-sa.priips-scenarios.com/LU1965932418/en/KID/>.

Past performance: You can download the past performances over the last 3 years from our website at <https://mufg-lux-management-company-sa.priips-performance-chart.com/LU1965932418/en/KID/>.