

A Sub-Fund of Morgan Stanley Investment Funds

Asia Opportunity Fund

GLOBAL OPPORTUNITY

Important Information

- The Fund primarily invests in high quality established and emerging companies located in Asia (excluding Japan).
- Investment involves risks. Key risks for this fund include Risk of Investment in Equity, Concentration Risk, Risk associated with Investments in the PRC, Risk associated with Investments in China A-Shares via Stock Connect, Emerging Market Risk and Exchange Rate Risk.
- There is a risk that you may potentially lose your entire investment in this Fund.
- The investment decision is yours but you should not invest unless the intermediary who sells it to you has advised you that it is suitable for you and has explained why, including how buying it would be consistent with your investment objectives. You should not make any investment decision solely based on this document. Please read the relevant offering document carefully for further fund details including risk factors.

Performance Review

In the one month period ending 30 November 2025, the Fund's A shares returned -5.60% (net of fees)¹, while the benchmark returned -2.84%.

Year-to-date (YTD), the Fund's A shares returned 5.30% and the benchmark returned 28.76%.

The Global Opportunity team creates a high conviction, concentrated portfolio of undervalued, high quality businesses. The long-term investment horizon and high active share approach can result in periods of performance deviation from the benchmark. The Fund underperformed the MSCI Asia ex Japan Index YTD due to unfavourable stock selection and sector allocation.

Market Review

Asia ex Japan equities advanced year-to-date. The information technology, communication services, materials and industrials sectors outperformed the benchmark, while the utilities, consumer staples, real estate and health care sectors underperformed the benchmark.

Portfolio Review

Fund underperformance YTD was due to stock selection in consumer discretionary and financials, and a sector underweight position in information technology. Stock selection in communication services and sector underweight allocations to utilities and energy contributed positively to relative performance.

Top detractors YTD included:

- Underweight position in Taiwan Semiconductor Manufacturing Co.
- Chinese consumer services super-app Meituan
- Indian travel agency MakeMyTrip
- A Chinese autonomous driving company
- Chinese online lending platform Qifu Technology

Top contributors YTD included:

- Korean ecommerce company Coupang
- Chinese live-streaming platform Kuaishou Technology
- Korean search engine Naver Corp
- Southeast Asian super app Grab Holdings
- Chinese property management company China Resources Mixc Lifestyle

Outlook

2025 has marked the largest underperformance of quality stocks in over 20 years, trailing the MSCI All Country World Index (ACWI) by 408 bps globally.² The rotation has benefited shares of lower quality cyclicals characterised by slower growth, lower profitability and higher debt, in a market driven by exuberance for artificial intelligence (AI) and more accommodative monetary policy.

¹ Source: Morgan Stanley Investment Management. Data as of 30 November 2025.

² The MSCI All Country World (ACWI) Quality Index aims to capture the performance of quality growth stocks by identifying stocks with high quality scores based on three main fundamental variables: high return on equity, stable year-over-year earnings growth and low financial leverage. Year-to-date as of 30 November 2025, the MSCI ACWI Quality Index returned 17.00% and the MSCI ACWI returned 21.08%. Source: MSCI.

This dynamic has been more pronounced in Asia ex Japan as quality underperformed the Asia ex Japan region by 1,159 bps,³ driven by a rotation into lower quality businesses, particularly in industries where we are underweight, including semiconductors and AI hardware, metals and mining, machinery and heavy industrials. These industries are inherently more cyclical and driven by shorter-term trends, which align less well with our long-term, fundamentals-based investment approach. Our portfolio has historically underperformed in similar rotational market environments, where top-down factors outweigh bottom-up fundamentals.

Despite a more challenging market environment to navigate, our investment philosophy remains unchanged. We have high conviction in our portfolio holdings, supported by strong execution stories and robust fundamentals. Our portfolio is now trading at an attractive absolute valuation level of 5.8% free cash flow yield, and our companies are expected to grow revenues 11.7% compounded annually over the next three years, versus that of the benchmark at 8.9%.⁴

For further information, please contact your Morgan Stanley Investment Management representative.

Fund Facts

Launch date	31 March 2016
Base currency	U.S. dollars
Benchmark	MSCI All Country Asia Ex Japan Net Index

Calendar Year Returns (%)

Past performance is not a reliable indicator of future results.

	YTD	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Class A Shares	5.30	20.28	-7.90	-22.62	-21.10	50.38	40.37	-15.50	73.30	--	--
MSCI All Country Asia Ex Japan Net Index	28.76	11.96	5.98	-19.67	-4.72	25.02	18.17	-14.37	41.72	--	--

Investment involves risks. All performance data is calculated NAV to NAV, net of fees, and assume the reinvestment of all dividends and income. The sources for all performance and index data is Morgan Stanley Investment Management ('MSIM Ltd'). Please refer to the relevant offering documents for fund details, including risk factors.

Applications for shares in the Sub-Fund should not be made without first consulting the current Prospectus and the Key Information Document ("KID") or Key Investor Information Document ("KIID"), which are available in English and in the language of countries authorized for fund distribution and is available online at [Morgan Stanley Investment Funds Webpages](#) or free of charge from the Registered Office at European Bank and Business Centre, 6B route de Trèves, L-2633 Senningerberg, R.C.S. Luxembourg B 29 192.

The summary of investor rights is available in the aforementioned languages and website location under the General Literature section.

Information in relation to sustainability aspects of the Fund is available in English online at: [Sustainable Finance Disclosure Regulation](#).

If the management company of the relevant Fund decides to terminate its arrangement for marketing that Fund in any EEA country where it is registered for sale, it will do so in accordance with the UCITS rules.

IMPORTANT INFORMATION

This material has been prepared solely for informational purposes and does not constitute an offer or a recommendation to buy or sell any particular security or to adopt any specific investment strategy. Investors should be aware that a diversified strategy does not protect against a loss in a particular market.

All investments involve risks, including the possible loss of principal. The material contained herein has not been based on a consideration of any individual client circumstances and is not investment advice, nor should it be construed in any way as tax, accounting, legal or regulatory advice. To that end, investors should seek independent legal and financial advice, including advice as to tax consequences, before making any investment decision.

The use of leverage increases risks, such that a relatively small movement in the value of an investment may result in a disproportionately large movement, unfavourable as well as favourable, in the value of that investment and, in turn, the value of the Fund. Investment in the Fund concerns the acquisition of units or shares in a fund, and not in a given underlying asset such as building or shares of a company, as these are only the underlying assets owned.

Morgan Stanley Investment Management 'MSIM', the asset management division of Morgan Stanley (NYSE: MS), has not authorised financial intermediaries to use and to distribute this material, unless such use and distribution is made in accordance with applicable law and regulation. MSIM shall not be liable for, and accepts no liability for, the use or misuse of this material by any such financial intermediary.

The whole or any part of this material may not be directly or indirectly reproduced, copied, modified, used to create a derivative work, performed, displayed, published, posted, licensed, framed, distributed or transmitted or any of its contents disclosed to third parties without the Firm's express

³ Year-to-date as of 30 November 2025, the MSCI All Country (AC) Asia ex Japan Quality Index returned 17.17% and the MSCI AC Asia ex Japan Index returned 28.76%. The MSCI AC Asia ex Japan Quality Index is based on MSCI AC Asia ex Japan, its parent index, which measures the equity market performance of Asia excluding Japan. The index aims to capture the performance of quality growth stocks by identifying stocks with high quality scores based on three main fundamental variables: high return on equity, stable year-over-year earnings growth and low financial leverage. Source: MSCI.

⁴ Based on 2027 consensus estimates. Source: FactSet, Morgan Stanley Investment Management. Data as of 30 November 2025.

written consent. This material may not be linked to unless such hyperlink is for personal and non-commercial use. All information contained herein is proprietary and is protected under copyright and other applicable law.

This material may be translated into other languages. Where such a translation is made, this English version remains definitive; any discrepancies with another language, the English version prevails.

This material has been prepared on the basis of publicly available information, internally developed data and other third-party sources believed to be reliable. However, no assurances are provided regarding the reliability of such information and MSIM, the Firm has not sought to independently verify information taken from public and third-party sources.

Charts and graphs provided herein are for illustrative purposes only and subject to change.

INDEX INFORMATION

The **MSCI All Country Asia Ex Japan Index** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of Asia, excluding Japan. The performance of the Index is listed in U.S. dollars and assumes reinvestment of net dividends. The index is unmanaged and does not include any expenses, fees or sales charges. It is not possible to directly invest in an index.

The index is unmanaged and does not include any expenses, fees or sales charges. It is not possible to invest directly in an index.

Any index referred to herein is the intellectual property (including registered trademarks) of the applicable licensor. Any

product based on an index is in no way sponsored, endorsed, sold or promoted by the applicable licensor and it shall not have any liability with respect thereto. The Sub-Fund is actively managed, and the management of the fund is not constrained by the composition of the Benchmark.

DISTRIBUTION

This material is only intended for and will be only distributed to persons resident in jurisdictions where such distribution or availability would not be contrary to local laws or regulations. It is the responsibility of any person in possession of this material and any persons wishing to make an application for Shares in pursuant to the Prospectus to inform themselves and observe all applicable laws and regulations of any relevant jurisdictions.

MSIM and its affiliates have arrangements in place to market each other's products and services. Each MSIM affiliate is regulated as appropriate in the jurisdiction it operates. MSIM's affiliates are: Eaton Vance Advisers International Ltd, Calvert Research and Management, Eaton Vance Management, Parametric Portfolio Associates LLC, Atlanta Capital Management LLC and Parametric SAS.

Hong Kong: This material has been issued by Morgan Stanley Asia Limited for use in Hong Kong. The contents of this document have not been reviewed by the Securities & Futures Commission of Hong Kong. For investment returns denominated in foreign currency: "The investment returns are denominated in foreign currency. US/HK dollar-based investors are therefore exposed to fluctuations in the US/HK dollar vs foreign currency exchange rate."