

**A Sub-Fund of Morgan Stanley Investment Funds**  
**US Growth Fund**



### Important Information

- The Fund invests primarily in growth oriented equity securities of large capitalisation companies domiciled or exercising the predominant part of their economic activity in the US.
- Investment involves risks. Key risks for this fund include Risk of Investment in Equity, Derivatives Risk and Risk of Exposure to the Euro and Eurozone.
- 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 up until 31 December 2025, the Fund's A shares returned 1.65% (net of fees)<sup>1</sup>, while the benchmark returned -0.63%.

For the quarter ending 31 December 2025, the Fund A class shares returned -7.96% (net of fees) and the Russell 1000G 30% WH Tax returned 1.08%.

The portfolio underperformed the Russell 1000 Growth Index this quarter due to unfavorable stock selection.

#### Top detractors QTD include:

- Videogame platform, Roblox Corp.
- Enterprise analytics platform and Bitcoin development company, Strategy Inc.
- Autonomous trucking driving company, Aurora Innovation Inc.
- Ethereum development company, Bitmine Immersion Technologies Inc.
- Quantum computing company, IonQ, Inc.

#### Top contributors QTD include:

- Drug development and discovery company, Roivant Sciences Ltd.
- Commerce solutions platform, Shopify Inc.
- Biopharmaceutical royalties acquirer, Royalty Pharma Plc
- Building products distribution company, QXO Inc.
- Payments technology services platform, Affirm Holdings, Inc.

### Market Review

Large cap growth equities, as measured by Russell 1000G 30% WH Tax advanced quarter to date. Health Care, Communication Services and Financials led benchmark gains, while Utilities, Real Estate and Materials underperformed the benchmark.

Tariff and policy uncertainty remained elevated during the quarter, alongside a government shutdown, while additional Federal Reserve easing and continued artificial intelligence (AI)-related capital expenditures supported broader market performance. Investor sentiment grew more cautious amid rising scrutiny around AI monetization with signs of slowing momentum across select parts of the economy.

Against this backdrop, our investment approach remains unchanged. We continue to invest in high quality businesses that have sustainable competitive advantages and strong secular growth potential, and that operate in large and growing end markets where the penetration rate for their goods/services can be much higher over time. Companies we own tend to be asset light, have little financial leverage, strong pricing power, attractive unit economics, high margins, solid cash generation capability and the ability to succeed through different market/macro environments. While we have opportunistically added to some positions and initiated new ones, overall, we have made few changes as we remain confident in the long-term prospects for the businesses we own. We will continue to carefully consider and monitor fundamental variables, while managing overall portfolio risk and exposures.

<sup>1</sup> Source: Morgan Stanley Investment Management. Data as of 31 December 2025.

## Portfolio Review

QTD underperformance has been primarily driven by unfavorable stock selection in Information Technology, Communication Services and Consumer Discretionary.

Top detractor Roblox is a video game platform that serves as an interface for playing games, a game engine for creation, and the infrastructure for hosting user-generated experiences. We believe the company benefits from network effect and efficient scale related competitive advantages, supported by a large and growing ecosystem of creators and users. Roblox is well positioned to gain share within mobile gaming and to expand into PC and console platforms, which together represent a substantial portion of the overall gaming market. Its shares were pressured as investors questioned the sustainability of growth following a period of rapid user engagement, including surpassing Fortnite's record for concurrent users and further inflecting to approximately 45 million concurrent users. Uncertainty around the next wave of user-generated experiences that will drive renewed growth has emerged before, and we believe this cycle is no different.

Detractor Strategy, formerly known as MicroStrategy, is a business intelligence and data analytics software provider and bitcoin development company. The company has used cash flow from its core software business, alongside capital markets activity including equity and convertible debt issuance, to pursue a digital asset treasury strategy centered on accumulating bitcoin. Its shares were pressured, reflecting volatility in bitcoin prices and a compression in the premium at which its shares trade relative to net asset value.

Detractor Bitmine Immersion Technologies is a digital asset company focused on Ethereum (ETH) accumulation and is pursuing a capital allocation strategy similar to Strategy (formerly MicroStrategy), centered on building ETH exposure through capital markets, with future optionality from staking and related initiatives. As one of the few public companies offering direct exposure to Ethereum, Bitmine provides a differentiated vehicle to participate in the network's long-term growth as a foundational layer for stablecoins, decentralized finance, and broader crypto applications. Its shares were pressured by weakness in crypto asset prices and compression in net asset value premiums across digital asset treasury companies. Despite near-term pressure, Bitmine continued to execute on its accumulation strategy, materially increasing its ETH holdings and reinforcing its position as the largest publicly listed Ethereum holder.

Conversely, stock selection in Health Care and Industrials, as well as an average sector underweight position in Information Technology contributed to relative performance.

Contributor Roivant Sciences is a biotechnology company focused on drug development and discovery. The company identifies, develops, and commercializes promising drug candidates that have been deprioritized or overlooked by larger pharmaceutical companies but still address significant unmet medical needs. Its Machine Learning-based development platform enables faster and more cost-effective drug development and supports a diverse and robust pipeline across multiple therapeutic areas. We believe Roivant benefits from efficient scale and intellectual property-related competitive advantages, allowing it to incubate and scale a portfolio of subsidiary companies focused on advancing high-potential therapies. Its shares advanced, driven by promising results across its portfolio companies, including Immunovant and Arbutus Biopharma, as well as an increased ownership stake in Immunovant.

Contributor Shopify is a software and services company that provides merchants with world-class commerce tools, enabling them to sell directly to consumers and manage their businesses across all sales channels. The company offers an integrated commerce platform spanning online and offline sales, payments, and merchant services, and we believe it benefits from switching costs and brand-related competitive advantages as a mission-critical operating system for merchants. Its shares outperformed, supported by continued strong execution, healthy early holiday trends, and growing investor confidence in Shopify's positioning as a key infrastructure layer for agentic commerce.

Contributor Royalty Pharma is one of the largest buyers of biopharmaceutical royalties and a leading funder of innovation across academic institutions, non-profits, biotechnology, and pharmaceutical companies. We believe the company benefits from intellectual property and brand-related competitive advantages, supported by its scale, deep industry relationships, and long track record in structuring royalty transactions. By acquiring diversified royalty interests in approved or late-stage products, we believe Royalty Pharma captures the upside of pharmaceutical innovation while remaining insulated from binary research and development risk. Its shares benefited from continued strong execution, as the company delivered solid quarterly results, raised its outlook, and improved investor confidence in its developmental portfolio pipeline and future royalty opportunities.

## Strategy and Outlook

Counterpoint Global looks to own a portfolio of unique companies with diverse business drivers, strong competitive advantages and positioning, and healthy secular growth prospects whose market value we believe can increase significantly over the long-term for underlying fundamental reasons, independent of the macro or market environment. We believe having a market outlook can be an anchor. We focus on assessing company prospects over a five year investment horizon. Current portfolio positioning reflects what we believe are the best long-term investment opportunities.

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

## Fund Facts

Launch date	01 August 1992
Base currency	U.S. dollars
Benchmark	Russell 1000 Growth Net 30% Withholding Tax TR Index

## Calendar Year Returns (%)

Past performance is not a reliable indicator of future results.

	YTD	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Class A Shares	18.39	18.39	40.10	48.19	-60.59	1.12	115.52	214.0	4.78	43.06	-3.14
Russell 1000 Growth Net 30% Withholding Tax TR Index	18.35	18.35	33.09	42.30	-29.34	27.32	38.08	35.88	-1.89	29.67	6.56

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 from the Prospectus of the Fund.

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.

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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.

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## INDEX INFORMATION

The **Russell 1000 Growth Net 30% Withholding Tax TR Index** measures the performance of the large-cap growth segment of the U.S. equity universe, net 30% withholding tax TR. It includes those Russell 1000® Index companies with higher price-to-book ratios and higher forecasted growth values. The Russell 1000® Index is an index of approximately 1,000 of the largest U.S. companies based on a combination of market

capitalization and current index membership.

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

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The **Russell 1000® Growth Index** measures the performance of the large-cap growth segment of the U.S. equity universe. It includes those Russell 1000® Index companies with higher price-to-book ratios and higher forecasted growth values. The Russell 1000® Index is an index of approximately 1,000 of the largest U.S. companies based on a combination of market capitalization and current index membership.

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