

Morgan Stanley Investment Funds

NextGen Emerging Markets Fund

(Accumulation Share Class)

Investment Objective

Long term growth of your investment.

Investment Approach

We look for the next generation investment ideas in emerging and frontier markets. We focus on overlooked consumer markets in the early stages of the digital revolution, which offers significant business opportunities for innovative companies, and a path towards more sustainable development. Based on a rigorous and repeatable investment process, we run a concentrated portfolio of dynamic companies with the capacity to generate attractive and sustainable returns to investors over the long-term.

Investment Team

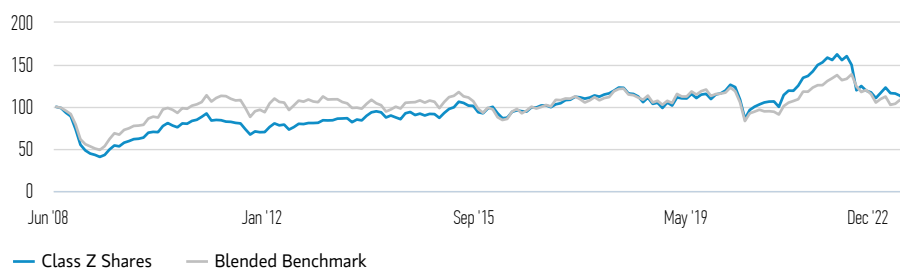
	JOINED FIRM	YEARS OF INDUSTRY EXPERIENCE
Steven Quattri, Executive Director	2011	19

Team members may be subject to change at any time without notice. Effective 6 December 2022 Jorge Chirino is no longer serving as Portfolio Manager on the Fund. Effective May 16, 2022, Eric Carlson and Paul Psaila no longer serves as a Portfolio Managers on the Portfolio.

Class Z Shares (% net of fees) vs. Index in EUR

Performance of 100 EUR Invested Since Inception (Cash Value)

Past performance is not a reliable indicator of future results.

**Investment Performance (% net of fees) in EUR**

	Cumulative (%)				Annualised (% p.a.)				INCEPTION
	1 M	3 M	YTD	1 YR	3 YR	5 YR	10 YR		
Class Z Shares	-5.19	-7.71	-33.04	-33.04	-5.27	-2.08	2.48	0.49	
MSCI Frontier Emerging Markets Net Index	-5.32	0.20	-12.81	-12.81	-4.40	-1.85	--	--	
Blended Benchmark	-5.32	0.20	-23.06	-23.06	-5.86	-2.85	-0.90	0.18	

Calendar Year Returns (%)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Class Z Shares	-33.04	34.42	-5.54	24.35	-14.83	15.73	11.42	6.40	-7.06	11.23
MSCI Frontier Emerging Markets Net Index	-12.81	12.21	-10.70	16.19	-10.29	11.37	8.14	--	--	--
Blended Benchmark	-23.06	26.97	-14.60	17.64	-11.81	9.40	23.53	-10.93	-3.41	-9.26

Effective May 16, 2022, the Morgan Stanley Investment Funds Emerging Europe Middle East and Africa Fund was renamed to Morgan Stanley Investment Funds NextGen Emerging Markets Fund, with an expanded investment universe to include equity securities of companies operating in emerging market countries, which include frontier emerging market countries, and an updated investment approach to reflect top-down allocations are made at the macro and thematic levels. Please see the prospectus for more details.

All performance data is calculated NAV to NAV, net of fees, and does not take account of commissions and costs incurred on the issue and redemption of units. The sources for all performance and Index data is Morgan Stanley Investment Management.

The value of the investments and the income from them can go down as well as up and an investor may not get back the amount invested.

EMERGING MARKETS EQUITY TEAM

Share Class	CLASS Z
Currency	Euro
ISIN	LU0360482631
Bloomberg	MORSEBZ LX
Inception date	25 June 2008
Net asset value	€ 26.83

Fund Facts

Launch date	16 October 2000
Base currency	Euro
Primary benchmark	MSCI Frontier Emerging Markets Net Index
Custom benchmark	Blended Benchmark
Total net assets	€ 45.12 million
Structure	Luxembourg SICAV
SFDR Classification [†]	Article 8

Charges (%)

	CLASS Z
Max Entry Charge	1.00
Ongoing Charges	1.26
Management Fee	1.10

Entry Charge is a maximum possible figure. In some cases you might pay less, you can find this out from your financial adviser. Ongoing Charges reflect the payments and expenses incurred during the fund's operation and are deducted from the assets of the fund over the period. It includes fees paid for investment management (Management Fee), trustee/custodian, and administration charges. For more information please see the Charges and Expenses section of the prospectus.

Subscriptions (USD)

	CLASS Z
Minimum initial investment	0
Minimum subsequent investment	0

Statistics (3 Year Annualised)

	CLASS Z	INDEX
Alpha (%)	0.43	--
Beta	0.97	1.00
Excess Return (%)	0.59	--
Information ratio	0.04	--
R squared	0.72	1.00
Sharpe ratio	-0.20	-0.25
Volatility (Standard deviation) (%)	25.23	22.03
Tracking error (%)	13.37	--
Up-capture ratio (%)	84.53	100.00
Down-capture ratio (%)	88.51	100.00

Risk/Return statistics shown are calculated versus the Blended Benchmark when an Index is used in the calculation.

Characteristics

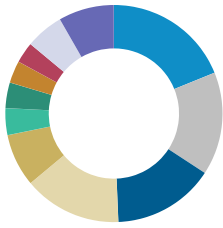
	FUND	INDEX
Active share (%)	95.57	--
Number of holdings	26	123
5 year EPS growth (%)	13.64	6.22
Price/earnings (NTM) ^{††}	13.35	9.67
Return on equity (%)	21.91	15.92
Net Debt/EBIT	26.04	44.41
Turnover (%) [#]	42	--

^{††} NTM = Next Twelve Months.

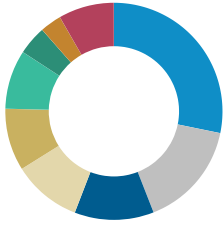
[#] Portfolio turnover is sourced from the Fund's latest Annual/Semi-annual report. View the [latest report](#) for a description of methodology.

Market Cap Weights (% of Total Net Assets) ¹	FUND	INDEX
> \$20B	13.16	--
\$7-20B	21.81	11.57
\$3.5-7B	16.55	19.71
\$1-3.5B	18.92	47.39
< \$1B	29.56	21.32

Top Countries (% of Total Net Assets) ¹	FUND	INDEX
Poland	18.77	--
Vietnam	15.25	13.37
United States	15.06	--
Indonesia	14.49	--
South Africa	7.84	--
Kenya	3.97	2.65
Kazakhstan	3.79	4.29
Pakistan	3.30	0.28
Brazil	3.10	--
Other	5.64	79.41
Cash	8.23	--



Sector Allocation (% of Total Net Assets) ^{1,2}	FUND	INDEX
Information Technology	28.07	--
Consumer Discretionary	15.74	1.36
Financials	11.75	38.00
Consumer Staples	10.18	8.31
Communication Services	9.23	7.80
Materials	8.75	8.90
Energy	4.31	3.39
Health Care	3.18	3.31
Cash	8.23	--



Top Holdings (% of Total Net Assets) ³	FUND	INDEX
FPT Corp	5.42	--
LPP SA	5.32	--
LiveChat Software S.A.	5.31	--
11 Bit Studios S.A.	5.27	--
PT Bank Mandiri Tbk	4.66	--
Capitec Bank Holdings Ltd	4.63	--
Industri Jamu dan Farmasi Sido Muncul Tbk PT	4.58	--
Vietnam Dairy Products JSC	4.42	1.60
Mobile World Investment Corp	4.29	--
EPAM Systems Inc	4.28	--
Total	48.18	--

[†] This Fund is classified as an Article 8 product under the Sustainable Finance Disclosure Regulation. Article 8 products are those which promote environmental or social characteristics and which integrate sustainability into the investment process in a binding manner.

¹ May not sum to 100% due to the exclusion of other assets and liabilities.

² For additional information regarding sector classification/definitions please visit www.msci.com/gics and the glossary at www.morganstanley.com/im.

³ These securities and percentage allocations are only for illustrative purposes and do not constitute, and should not be construed as, investment advice or recommendations with respect to the securities or investments mentioned.

Please refer to the Prospectus for full risk disclosures, available at www.morganstanleyinvestmentfunds.com. All data as of 31.12.2022 and subject to change daily.

Applications for shares in the 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 official language of your local jurisdiction at morganstanleyinvestmentfunds.com or free of charge from the Registered Office of Morgan Stanley Investment Funds, European Bank and Business Centre, 6B route de Trèves, L-2633 Senningerberg, R.C.S. Luxembourg B 29 192.

Information in relation to sustainability aspects of the Fund and the summary of investor rights is available at the aforementioned website.

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 relevant UCITS rules.

DEFINITIONS

Active Share is a measure of the percentage of stock holdings in a manager's portfolio that differ from the benchmark index (based on holdings and weight of holdings). Active Share scores range from 0%-100%. A score of 100% means you are completely different from the benchmark. Active Share calculation may consolidate holdings with the same economic exposure. **Alpha** (Jensen's) is a risk-adjusted performance measure that represents the average return on a portfolio or investment above or below that predicted by the capital asset pricing model (CAPM) given the portfolio's or investment's beta and the average market return. Prior to 6/30/2018 Alpha was calculated as the excess return of the fund versus benchmark. **Beta** is a measure of the relative volatility of a fund to the market's upward or downward movements. A beta greater than 1.0 identifies an issue or fund that will move more than the market, while a beta less than 1.0 identifies an issue or fund that will move less than the market. The Beta of the Market is always equal to 1. **Bloomberg** stands for "Bloomberg Global Identifier (BBGID)". This is a unique 12 digit alphanumeric code designed to enable the identification of securities, such as the Morgan Stanley

Share Class Z Risk and Reward Profile

Lower Risk

Higher Risk



Potentially Lower Rewards

Potentially Higher Rewards

The risk and reward category shown is based on historic data.

- Historic figures are only a guide and may not be a reliable indicator of what may happen in the future.
- As such this category may change in the future.
- The higher the category, the greater the potential reward, but also the greater the risk of losing the investment. Category 1 does not indicate a risk free investment.
- The fund is in this category because it invests in shares of companies from emerging markets and the fund's simulated and/or realised return has experienced high rises and falls historically.
- The Fund may be impacted by movements in the exchange rates between the fund's currency and the currencies of the fund's investments.

This rating does not take into account other risk factors which should be considered before investing, these include:

- The Fund relies on other parties to fulfill certain services, investments or transactions. If these parties become insolvent, it may expose the fund to financial loss.
- Sustainability factors can pose risks to investments, for example: impact asset values, increased operational costs.
- There may be an insufficient number of buyers or sellers which may affect the fund's ability to buy or sell securities.
- Investment in China A-Shares via Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect programs may also entail additional risks, such as risks linked to the ownership of shares.
- There are increased risks of investing in emerging markets as political, legal and operational systems may be less developed than in developed markets. Due to the nature of the markets in which the fund invests, there might be circumstances where the safekeeping and custody arrangements of the fund are not as secure as those of more developed markets.
- Past performance is not a reliable indicator of future results. Returns may increase or decrease as a result of currency fluctuations. The value of investments and the income from them can go down as well as up and investors may lose all or a substantial portion of his or her investment.
- The value of the investments and the income from them will vary and there can be no assurance that the Fund will achieve its investment objectives.
- Investments may be in a variety of currencies and therefore changes in rates of exchange between currencies may cause the value of investments to decrease or increase. Furthermore, the value of investments may be adversely affected by fluctuations in exchange rates between the investor's reference currency and the base currency of the investments.

Investment Funds sub-funds at share class level, on a Bloomberg Terminal. The Bloomberg Terminal, a system provided by Bloomberg L.P., enables analysts to access and analyse real-time financial market data. Each Bloomberg code starts with the same BBG prefix, followed by nine further characters that we list here in this guide for each share class of each fund. **Cash & Equivalents** are defined as the value of assets that can be converted into cash immediately. These include commercial paper, open FX transactions, Treasury bills and other short-term instruments. Such instruments are considered cash equivalents because they are deemed liquid and not subject to significant risk of changes in values. **Earnings per share (EPS)** growth is the weighted average of earnings per share growth for all securities in the portfolio projected for the past three fiscal years. Earnings per share for a company is defined as total earnings divided by shares outstanding. **Excess Return** or value added (positive or negative) is the portfolio's return relative to the return of the benchmark. **Information ratio** is the portfolio's alpha or excess return per unit of risk, as measured by tracking error, versus the portfolio's benchmark. **ISIN** is the international securities identification number (ISIN), a 12 digit code consisting of numbers and letters that distinctly identifies securities. **NAV** is the Net Asset Value per share of the Fund (NAV), which represents the value of the assets of a fund less its liabilities. **Net Debt to EBIT** ratio shows you how able a company is to pay interest and capital on its net debt outstanding. Calculation = (Long-term debt + Short term debt - Cash) / Earnings before interest and taxes (EBIT). **Number of holdings** provided are a typical range, not a maximum number. The portfolio may exceed this from time to time due to market conditions and outstanding trades. **Price/earnings (NTM)** This forward P/E ratio estimates a company's likely earnings per share for the next 12 months. **R squared** measures how well an investment's returns correlate to an index. An R squared of 1.00 means the portfolio performance is 100% correlated to the index's, whereas a low r-squared means that the portfolio performance is less correlated to the index's. **Return on equity (ROE)** is the amount of net income returned as a percentage of shareholders equity. Return on equity measures a corporation's

profitability by revealing how much profit a company generates with the money shareholders have invested. **Sharpe ratio** is a risk-adjusted measure calculated as the ratio of excess return to standard deviation. The Sharpe ratio determines reward per unit of risk. The higher the Sharpe ratio, the better the historical risk-adjusted performance. **Tracking error** is the standard deviation of the difference between the returns of an investment and its benchmark. **Turnover** is a measure of how frequently assets within a fund are bought and sold by the managers. Turnover is calculated by taking either the total amount of new securities purchased or the amount of securities sold - whichever is less - over a particular period, divided by the total net asset value of the fund. **Upside/downside market capture** measures annualized performance in up/down markets relative to the market benchmark. **Volatility (Standard deviation)** measures how widely individual performance returns, within a performance series, are dispersed from the average or mean value.

INDEX INFORMATION

The **Blended Index** performance shown is calculated using the **MSCI EM Europe, Middle East Gross Index** from inception through 31 December 2000, the **MSCI EM Europe Middle East Net Index** through 16 April 2008, the **MSCI Emerging Europe, Middle East and Africa Net Index** through 15 May 2022 and the **MSCI Frontier Emerging Markets Net Index** thereafter.

The **MSCI EM Europe, Middle East Index** captures large and mid-cap representation across 8 Emerging Markets (EM) countries in Europe and Middle East.

The **MSCI Emerging Markets Europe, Middle East and Africa Net Index** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of the emerging market countries of Europe, the Middle East & Africa.

The **MSCI Frontier Emerging Markets Net Index** is a free float adjusted market capitalization index designed to serve as a benchmark covering all countries from the MSCI Frontier Markets Index and the lower size spectrum of the MSCI Emerging Markets Index.

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

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Dubai: MSIM Ltd (Representative Office, Unit Precinct 3-7th Floor-Unit 701 and 702, Level 7, Gate Precinct Building 3, Dubai International Financial Centre, Dubai, 506501, United Arab Emirates. Telephone: +97 (0)14 709 7158).

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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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