

This statement provides you with key information about this product.
This statement is a part of the offering document.
You should not invest in this product based on this statement alone.

QUICK FACTS

Management Company	MSIM Fund Management (Ireland) Limited
Investment Manager	Morgan Stanley Investment Management Limited located in the United Kingdom
Sub-investment Managers	Morgan Stanley Asia Limited located in Hong Kong (internal delegation), Morgan Stanley Investment Management Company located in Singapore (internal delegation) & Morgan Stanley Investment Management Inc. located in the United States of America (internal delegation)
Depository	J.P. Morgan SE, Luxembourg Branch
Ongoing Charges over a year (*)	Classes A, A (EUR): 1.89% Class AH (EUR): 1.92%
Dealing frequency	Daily, each dealing day ¹
Dividend Policy	No dividends will be distributed (income/capital gains will be reinvested) for classes A, A (EUR) and AH (EUR).
Base currency	USD
Financial year end of this sub-fund	31 December
Min. investment	No minimum initial and additional investment amounts

(*): The ongoing charges figure is based on the total expenses charged to each class of the sub-fund as at 31 December 2024, calculated net of any fee waivers and expressed as a percentage of average net assets for the year. This figure is based on the information in the audited financial statements for the year ended 31 December 2024 and may vary from year to year.

WHAT IS THIS PRODUCT ?

Morgan Stanley Investment Funds Asia Opportunity Fund is a sub-fund of Morgan Stanley Investment Funds (the “SICAV”) which is constituted in the form of a mutual fund. It is domiciled in Luxembourg and its home regulator is the Commission de Surveillance du Secteur Financier (CSSF).

¹ The term "dealing day" formerly used "Luxembourg Business Day" as reference and refers to any day which the sub-fund accepts requests for transactions in its shares. There is no change to the dealing frequency of this sub-fund. For a complete list of dates that are not considered as dealing days, please go to morganstanleyinvestmentfunds.com, then click on "General Literature" and "MS INVF Holiday Calendar" or refer to the Prospectus for further details.

OBJECTIVES AND INVESTMENT STRATEGY

Objective

To seek long-term capital appreciation, measured in U.S. Dollars.

Strategy

At least 70% of the sub-fund's value will be invested in equity securities, including depositary receipts (including American Depositary Receipts (ADRs), Global Depositary Receipts (GDRs)), of issuers located in Asia (excluding Japan) and China A-Shares via Stock Connect. When determining where an issuer is located, the Investment Manager will have regard to a number of factors, including but not limited to the issuer's country of incorporation and the countries from which the issuer derives its revenue.

The sub-fund may also invest up to 30% of its value in equity securities not meeting the criteria of the sub-fund's primary investments, debt securities convertible into common shares, preference shares, warrants and other equity related securities.

The sub-fund may invest up to 10% of its value in units/shares of other collective investment schemes, including the other sub-funds of the SICAV and open-ended ETFs which are eligible investments for UCITS under the Luxembourg law of December 17, 2010 on undertakings, and in shares of special purpose acquisition companies (SPACs).

The Investment Manager emphasizes a bottom-up stock selection process, seeking attractive investments on an individual company basis. The Investment Manager typically favors companies it believes have sustainable competitive advantages that can be monetized through growth. The investment process integrates analysis of sustainability with respect to disruptive change, financial strength, environmental and social externalities, and governance (also referred to as ESG). The Investment Manager generally considers selling a portfolio holding when it determines that the holding no longer satisfies its investment criteria.

The Investment Manager views incorporating ESG-related potential risks and opportunities within the investment process as important to ensure long-term stewardship of capital. Over extended time horizons, the Investment Manager believes that ESG risks are more likely to materialize, and externalities not borne by the company are more likely to be priced into the value of securities. Since ESG risks could potentially impact the risk and reward profile of investment opportunities, the Investment Manager typically engages company management in constructive discussions on a range of ESG issues the Investment Manager deems materially important. The Investment Manager also applies certain investment restrictions. Please refer to the ESG-related disclosures in the Prospectus for further details on the sub-fund's sustainability approach, including the sub-fund's SFDR environmental and social characteristics, investment restrictions, and use and limitations of ESG data.

The Investment Manager does not make any country or market allocations in the stock selection process. The exposure to a particular country or market is only a result of the bottom-up stock selection process, and such exposure may change subject to the performance of individual companies, which will in turn be affected by market conditions. On this basis, the sub-fund may from time to time invest more than 30% of its value in China A-Shares via Stock Connect but the sub-fund is not constrained by any country or market allocations.

With a view to enhancing returns and/or as part of the investment strategy, the sub-fund may make use of exchange traded and over-the-counter options, futures and other derivatives for reducing risks (hedging) and costs, and for investment purposes. The sub-fund does not invest extensively or primarily in financial derivatives instruments for investment purposes.

For the purpose of cash management, the sub-fund may hold ancillary liquid assets (i.e., bank deposits at sight, such as cash held in current accounts with a bank accessible at any time) up to 20% of its net assets (please refer to the sub-fund's investment objectives and strategies and SFDR-related disclosures in the Prospectus for further details). Such restriction may, under exceptionally unfavorable market conditions, temporarily be exceeded for a period of time strictly necessary up to 100% of its net assets, in order to take measures to mitigate risks relative to such exceptional unfavorable market conditions, in the best interest of the shareholders.

Unless otherwise specified, the sub-fund may hold cash equivalents (as defined in the Prospectus) up to 30% of its net assets for treasury purposes and/or up to 100% of its net assets in case of unfavorable market conditions. These include money market instruments or money market funds which may be managed by the Investment Manager, the Sub-investment Managers or advisers affiliated either to the Investment Manager or the Sub-investment Managers (please refer to the Prospectus for further details).

The sub-fund measures its performance against the MSCI All Country Asia ex-Japan Index (the “**Benchmark**”). The sub-fund is actively managed and is not designed to track the Benchmark. Therefore, the management of the sub-fund is not constrained by the composition of the Benchmark.

*The website has not been reviewed by the SFC.

USE OF DERIVATIVES / INVESTMENT IN DERIVATIVES

The sub-fund's net derivative exposure may be up to 50% of the sub-fund's net asset value.

WHAT ARE THE KEY RISKS ?

Investment involves risks. Please refer to the offering document including the section headed “Risk Descriptions” for details including the risk factors.

1. General Investment Risk

The sub-fund’s investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the sub-fund may suffer losses. There is no guarantee of the repayment of principal.

2. Equities risk

Equities can lose value rapidly, and typically involve higher market risks than bonds or money market instruments. If a company goes through bankruptcy or a similar financial restructuring, its equities may lose most or all of their value. The price of an equity varies according to supply and demand and market expectations about the company’s future profitability, which may be driven by factors such as consumer demand, product innovation, actions of competitors, and how or whether a company chooses to address ESG factors.

3. Concentration risk

The sub-fund’s investments are concentrated in the Asia (excluding Japan) region, including the PRC, it can be more risky than a fund that invests more broadly. Focusing on Asia (excluding Japan) region, including the PRC, makes the sub-fund more sensitive to the factors that determine market value for the area of focus. These factors may include economic, financial, or market conditions as well as social, political, economic, environmental, or other conditions. The result can be both higher volatility and a greater risk of loss.

4. Country risk – China

The legal rights of investors in China are uncertain, government intervention is common and unpredictable, some of the major trading and custody systems are unproven, and all types of investments are likely to have comparatively high volatility and greater liquidity and counterparty risks.

Shanghai-and Shenzhen-Hong Kong Stock Connect programs

Creditors of the nominee or custodian could assert that the assets in accounts held for the sub-fund are actually assets of the nominee or custodian. If a court should uphold this assertion, creditors of the nominee or custodian could seek payment from the assets of the relevant sub-fund. Because Hong Kong Securities Clearing Company Limited (HKSCC) does not guarantee the title to Stock Connect securities it holds as nominee and has no obligation to enforce title or other rights associated with ownership on behalf of beneficial owners (such as the sub-fund), neither the title to such securities or their associated rights (such as participation in corporate actions or shareholder meetings) is assured. If the SICAV or the sub-fund suffers losses resulting from the performance or insolvency of HKSCC, the SICAV would have no direct legal recourse against HKSCC, because Chinese law does not recognise any direct legal relationship between HKSCC and either the SICAV or the depository.

If China Securities Depository and Clearing Corporation Limited (ChinaClear) defaults, HKSCC’s contractual liabilities will be limited to assisting participants with claims. The sub-fund’s attempts to recover lost assets could involve considerable delays and expenses, and may not be successful. In a suspension in trading through the programme, the sub-fund’s ability to invest in China A-shares or access to PRC markets will be adversely affected. Stock Connect trades are settled in RMB and investors must have timely access to a reliable supply of RMB in Hong Kong, which cannot be guaranteed.

China A-shares

Available through the Stock Connect programs, these securities may offer limited liquidity due to limitations in trading, or be more volatile and unstable (for instance, due to the risk of suspension of a particular equity or government intervention). These securities are also subject to trading fees, levies and stamp duties that may increase unpredictably, and can only be traded when both the PRC and Hong Kong markets are open for trading.

5. Convertible bonds risk

Because convertible bonds are structured as bonds whose repayment of principal is typically in the form of a pre-determined number of equity shares (rather than cash), they carry both equity risk and the risks typical of bonds, such as credit, interest rate, default and prepayment risk, as well as liquidity risk.

6. Emerging markets risk

The Asia (excluding Japan) region includes emerging markets which are less established, and more volatile, than developed markets. They involve higher risks, particularly market, credit, illiquid security, counterparty, legal and currency risks, and are more likely to experience risks that in developed markets are associated with unusual market conditions.

7. Credit risk

A bond or money market instrument from any type of issuer could fall in price, and become more volatile and less liquid, if the security's credit rating or the issuer's financial health deteriorates, or the market believes it might. The downgrading of a rated debt security could decrease the value and liquidity of the security, particularly in a thinly traded market, and also increase the price volatility.

8. Currency risk

To the extent that the sub-fund holds assets that are denominated in currencies other than the base currency, or any share class currency, any changes in currency exchange rates could reduce investment gains or income, or increase investment losses, in some cases significantly. Exchange rates can change rapidly and unpredictably, and it may be difficult for the sub-fund to unwind its exposure to a given currency in time to avoid losses. The value of your investment will be impacted by changes in the currency exchange rates between the sub-fund's base currency (U.S. Dollars) and the currencies in which the underlying securities are denominated.

9. Depositary receipt risk

Depositary receipts are certificates that represent shares in companies trading outside the markets in which the depositary receipts are traded. These certificates are held on deposits by financial institutions. Besides usual risks of equities, they carry illiquid securities and counterparty risks. Depositary receipts can trade below the value of their underlying securities. Owners of depositary receipts may lack some of the rights (such as voting rights) they would have if they owned the underlying securities directly. Some of above instruments may create additional counterparty risks. Depositary receipts are also subject to the risks of the underlying securities.

10. Derivatives risk

Small movements in the value of an underlying asset can create large changes in the value of a derivative, making derivatives highly volatile in general and exposing the sub-fund to potential losses significantly greater than the cost of the derivative. Derivatives are complex investments that are subject to the risks of the underlying asset(s) – typically in modified and greatly amplified form – as well as their own risks.

11. Hedging risk

Any attempts to use hedging to reduce or eliminate certain risks may not work as intended, and to the extent that they do work, they will generally eliminate potentials for gain along with risks of loss.

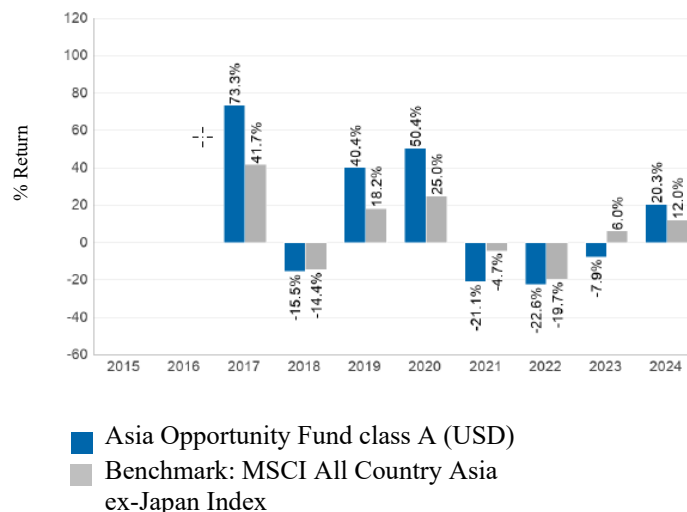
The sub-fund may use hedging with respect to any designated share classes, to hedge the currency exposure of the share class. Hedging involves costs, which reduce investment performance. With any share class that involves hedging both at the sub-fund level and the share class level, there will be two layers of costs.

At times, and particularly in emerging markets, it may be impractical or economically unfeasible for the sub-fund or a share class to enter into hedging positions, leaving it exposed to currency risk.

12. Special Purpose Acquisition Company (SPAC) risk

In addition to small- and mid-cap equity risk and illiquid security risk, special purpose acquisition companies (SPACs) may fail to make an acquisition before their dissolution deadline or may make a suboptimal acquisition in order to avoid dissolution. Because a SPAC has no prior operating history to disclose when it issues its shares, investors have no way of knowing in advance the past, current or likely future financial performance of the company to be acquired. The SPAC structure itself is comparatively new, and the performance of a SPAC is more highly dependent on the good faith of the issuer than most other types of equities. SPACs have many of the risks of initial public offerings (IPOs). They carry a distinct risk of above-average volatility, and may fluctuate significantly over short periods of time.

HOW HAS THE FUND PERFORMED ?



Past performance information is not indicative of future performance. Investors may not get back the full amount invested.

The computation basis of the performance is based on the calendar year end, NAV-to-NAV, with dividend reinvested.

These figures show by how much the sub-fund increased or decreased in value during the calendar year being shown.

The sub-fund was launched in 2016. This share class was launched in 2016.

Performance data has been calculated in USD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.

The sub-fund measures its performance against the MSCI All Country Asia ex-Japan Index.

IS THERE ANY GUARANTEE ?

This sub-fund does not have any guarantees. You may not get back the full amount of money you invest.

WHAT ARE THE FEES AND CHARGES ?

Charges which may be payable by you

You may have to pay the following fees when dealing in the shares of the sub-fund.

Fee			What you pay
Subscription Fee (Sales Charge)			Up to 5.25% of the amount you buy for classes A, A (EUR), AH (EUR).
Switching Fee (Conversion Fee)			Usually nil, but up to 2% of the conversion value where the Management Company determine the trading activity of the investor has adversely affected other shareholders.
Redemption Fee			Usually nil, but up to 2% of the redemption value where the Management Company determine the trading activity of the investor has adversely affected other shareholders.
Contingent Charges	Deferred	Sales	Nil for classes A, A (EUR), AH (EUR).

Ongoing fees payable by the Fund

The following expenses will be paid out of the sub-fund. They affect you because they reduce the return you get on your investments.

	Annual Rate
Management Fee	1.60% of the average daily net assets for classes A, A (EUR), AH (EUR).
Depositary Fee	In addition to the Depositary Fee being paid out of the Administration Fee, the sub-fund will separately pay additional emerging market custody fees of 0.05% of the average daily net assets applicable to investments in emerging markets, as set out in the Prospectus.
Performance Fee	Not applicable
Administration Fee	Currently 0.19% of the average daily net assets, which is capped at the maximum annual rate of 0.25% as set out in the Prospectus.

All fees and charges will remain in force for an unlimited period and may be changed by the Management Company as set out in the Prospectus subject to obtaining the prior approval of the Securities and Futures Commission and provision of one month's prior notice to investors where there is an increase in fees and charges.

OTHER FEES

You may have to pay other fees when dealing in the shares of the sub-fund.

ADDITIONAL INFORMATION

- You generally buy, exchange and sell shares of the sub-fund at the sub-fund's next-determined net asset value (NAV) after the transfer agent receives your request in good order on or before 1pm (Central European Time) on the relevant dealing day. The distributors may impose earlier cut-off deadlines.
- If the sub-fund or a class of shares of the sub-fund is being held by investors of Hong Kong, the net asset value per share of the sub-fund is calculated and published daily on www.morganstanleyinvestmentfunds.com* in USD.
- Investors may obtain the past performance information of other share classes offered to Hong Kong investors from www.morganstanleyinvestmentfunds.com*.

*The website has not been reviewed by the SFC.

IMPORTANT

If you are in doubt, you should seek professional advice.

The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.