A Sub-Fund of Morgan Stanley Investment Funds

Global Opportunity Fund

GLOBAL OPPORTUNITY

Important Information

- The Fund primarily invests in high quality growing companies on a global basis.
- Investment involves risks. Key risks for this fund include Risk of Investment in Equity, Exchange Rate Risk, Emerging Market Risk, 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 ending 30 September 2025, the Fund's A shares returned 2.39% (net of fees)[1], while the benchmark returned 3.62%.

In the quarter ended 30 September 2025, the Fund's A shares returned -.015% and the benchmark returned 7.62%.

Year-to-date (YTD), the Fund's A shares returned 15.50% and the benchmark returned 18.44%.

Global Opportunity 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 All Country World Index (ACWI) this quarter due to unfavourable stock selection despite favourable sector allocation.

Market Review

Global equity markets advanced in the third quarter, demonstrating remarkable resilience amid ongoing macroeconomic, geopolitical and trade policy uncertainty. In the U.S., the S&P 500 Index and Nasdaq Composite shrugged off tariff announcements to hit record highs on strong corporate earnings results and easing monetary policy by the Federal Reserve. Similarly, European equities benefited from interest rate cuts by the European Central Bank while in Asia, stocks in Korea, Japan and Taiwan hit record highs and China also performed strongly.

The rally in information technology and communication services companies continued to be driven by enthusiasm for generative artificial intelligence (AI). Defensive sectors characterised by high dividend yields and sensitivity to interest rates, including consumer staples and real estate, underperformed.

Portfolio Review

Stock selection in consumer discretionary, communication services and financials were the greatest overall detractors from the relative performance of the portfolio. Top individual detractors included Danish freight forwarder DSV A/S, Latin American ecommerce platform MercadoLibre, Swedish audio streaming platform Spotify Technology SA, cloud software platform ServiceNow and Chinese consumer super-app Meituan.

The portfolio's underweight allocations to consumer staples and health care, and overweight allocation to the consumer discretionary sector, were the greatest overall contributors to the relative performance of the portfolio during the period. Top individual contributors included Canadian ecommerce solution Shopify, food delivery platform DoorDash, Chinese online travel agent Trip.com, Taiwan Semiconductor Manufacturing Co., Ltd. and Latin American virtual bank Nu Holdings Ltd.

Shares of DSV declined on fears of global trade volumes slowing as a result of geopolitical uncertainty, including from the implementation of tariffs, as well as risk of weaker pricing as additional capacity enters the market. DSV A/S is a leading global asset light freight forwarder with a unique blend of people, processes and information technology services. DSV enjoys leading positions in air and sea logistics globally as a result of strategic acquisitions that have diversified the firm out of the core road forwarding business and enabled it to grow in scale, network and sophistication in digital capabilities, on top of industry consolidation trends. We believe the company's information technology platform, people and processes allow it to operate efficiently in the value-added activities in forwarding that have been more immune from digital disruptions and volatile market pricing. The company also maintains a shareholder-friendly capital allocation policy that combines share buybacks with stable dividends in the absence of value-accretive merger and acquisition (M&A) activity.

[1] Source: Morgan Stanley Investment Management Limited. Data as of 30 September 2025.

Shares of MercadoLibre underperformed after reporting second quarter earnings below expectations driven by a contraction in operating margins as the company increases investments in marketing and lowers free shipping thresholds in Brazil. We believe that MercadoLibre is investing in the future of its ecommerce and fintech ecosystem to sustain long-term growth. MercadoLibre is the largest ecommerce platform in Latin America, with a presence in 19 countries including Brazil, Argentina and Mexico; 94 million active buyers on its online marketplaces; and 64 million fintech active users of its Mercado Pago digital payments platform.[2] We believe MercadoLibre can increasingly benefit by monetising the uniqueness of its platform in Latin America, which has a population of more than 663 million and one of the fastest-growing internet penetration rates in the world.[3]

Shares of Shopify rallied after reporting second quarter earnings results and issuing forward guidance that exceed expectations. Management also commented that merchants “remained resilient” and noted that negative tariff impacts “did not materialise”. We believe that Shopify is unique due to its scale and network effects. Shopify is a one-stop, omni-channel commerce software provider for millions of brands and merchants that provides website, checkout, payment and shipping services. The company has a creative business model nurtured through partnerships with customers and application developers. Shopify integrates with social networking platforms and marketplaces, which enables scale that can help increase its take-rate as a percentage of gross merchandise volume and increase margins over time. The company’s “Shop Pay” product increases speed at checkout and enables higher checkout conversion rates for merchants while “Shopify Plus” serves large enterprise customers including well-known global brands. In 2023, the Canadian retail software platform shifted strategy by exiting its asset-heavy logistics services and reducing its workforce. Current investments in research and development aim to incorporate generative artificial intelligence features into its ecommerce software tools, such as “Shopify Magic” that automatically generates listings and images. We believe that Shopify can benefit from growth of both online and offline commerce given its product diversity and quality and low penetration of global retail sales.

Strategy and Outlook

Equity markets in the third quarter were driven by continued enthusiasm around artificial intelligence and expectations of more accommodative monetary policy. These factors fueled strong performance in the information technology and communication services sectors. The resulting “risk-on” environment supported growth-oriented stocks, particularly those of more speculative and unprofitable companies. In contrast, quality and value segments lagged as more defensive sectors, such as consumer staples and real estate, underperformed.

Historically, our portfolio has tended to underperform during rotational market environments dominated by macroeconomic or industry-driven shifts, where top-down factors outweigh bottom-up fundamental analysis. During the quarter, the portfolio’s lack of exposure to five of the so-called “Magnificent Seven” (e.g., not owning Alphabet, Apple, Microsoft, NVIDIA and Tesla) accounted for nearly half (42%) of the Portolio's relative underperformance.

While the third quarter's underperformance is disappointing, our conviction in the portfolio’s holdings remains strong. The fundamentals of our companies are robust, with revenues expected to grow at a 14% compound annual rate over the next three years.[4] Moreover, 100% of our holdings are projected to generate positive free cash flow, with an attractive 4.7% free cash flow yield based on 2027 consensus estimates.[4]

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

Fund Facts

Launch date	30 November 2010
Base currency	U.S. dollars
Benchmark	MSCI All Country World 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	15.50	26.03	50.26	-42.46	-0.06	54.01	34.82	-7.36	48.44	-0.56	18.62
MSCI All Country World Net Index	18.44	17.49	22.20	-18.36	18.54	16.25	26.60	-9.41	23.97	7.86	-2.36

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

2 Source: Company data as of 31 March 2025.
3 Source: United Nations Population Division, December 2024.
4 Source: Factset. Data as of 30 September 2025.

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. Luxemburg 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.

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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 **MSCI All Country World Net Index (ACWI)** is a free float-adjusted market capitalization weighted index designed to measure the equity market performance of developed and emerging markets. The term "free float" represents the portion of shares outstanding that are deemed to be available for purchase in the public equity markets by investors. 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 invest directly in an index.

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The **Standard & Poor's 500® Index (S&P 500®)** measures the performance of the large cap segment of the U.S. equities market, covering approximately 80% of the U.S. equities market. The Index includes 500 leading companies in leading industries of the U.S. economy.

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