

A Sub-Fund of Morgan Stanley Investment Funds
US Insight Fund

COUNTERPOINT GLOBAL

Investors should note that, relative to the expectations of the Autorité des Marchés Financiers, this UCITS presents disproportionate communication on the consideration of extra-financial criteria in its management.

Performance Review

In the three month period ending 31 December 2025, the Fund's Z shares returned -11.86% (net of fees)¹, while the benchmark returned 1.14%.

The portfolio underperformed the Russell 3000 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.
- Ethereum development company, Bitmine Immersion Technologies Inc.
- Autonomous trucking driving company, Aurora Innovation Inc.

Top contributors QTD include:

- Drug development and discovery company, Roivant Sciences Ltd.
- Commerce solutions platform, Shopify Inc.
- Biopharmaceutical royalties acquirer, Royalty Pharma Plc
- Payments technology services platform, Affirm Holdings Inc.
- clinical-stage biopharmaceutical company, Arbutus Biopharma Corp.

Market Review

Growth Equities, as measured by Russell 3000 Growth Index, advanced quarter to date. Health Care, Communication Services and Financials led benchmark gains, while Utilities, Materials and Energy 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.

Portfolio Activity

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

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.

¹ Source: Morgan Stanley Investment Management Limited. Data as of 31 December 2025.

Detractor Cloudflare offers a global cloud platform that provides security, performance, and reliability services to the applications of its customers. The company's cloud platform has a proprietary architecture that allows it to scale rapidly to meet customer demands, and its services are easily deployed and enable customers to run their applications without managing expensive and complex network hardware internally. We believe the company benefits primarily from intellectual property and efficient scale related competitive advantages. Cloudflare is poised to capitalize as companies seek high performance, low cost, and secure access to the internet, and developers build an increasing number of applications on Cloudflare's Workers platform. Its shares underperformed, amid broader weakness in high-growth software and heightened concerns following several highly publicized network outages, despite solid execution, accelerating growth metrics, and guidance that exceeded expectations.

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

Top 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 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.

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.

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	28 November 2014
Base currency	U.S. dollars
Benchmark	Russell 3000 Growth 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 Z Shares	15.49	15.49	42.27	53.66	-61.75	-6.51	118.97	16.58	-9.85	20.57	33.45
Blended Benchmark	18.15	18.15	32.46	41.21	-28.97	25.85	38.26	24.87	-8.58	13.19	18.40

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 shares. The sources for all performance and index data is Morgan Stanley Investment Management ('MSIM Ltd'). **Please visit our website www.morganstanley.com/im to see the latest performance returns for the fund's other share classes.**

Share Class Z Risk and Reward Profile

- The fund may be impacted by movements in the exchange rates between the fund's currency and the currencies of the fund's investments.
- 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.

- 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.

Please refer to the Prospectus for full risk disclosures, available at www.morganstanleyinvestmentfunds.com. All data as of 31.12.2025 and subject to change daily.

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](http://www.morganstanleyinvestmentfunds.com) 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

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INDEX INFORMATION

The **Blended Index** performance shown is calculated using the **Russell 3000® Value Index** from inception through 30th August 2019 and the **Russell 3000® Growth Index** thereafter.

The **Russell 3000® Growth Index** measures the performance of the broad growth segment of the U.S. equity universe. It includes those Russell 3000® Index companies with higher

price-to-book ratios and higher forecasted growth values. The Russell 3000® Index measures the performance of the largest 3000 U.S. companies representing approximately 98% of the investable U.S. equity market.

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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A blended benchmark has been used because there has been a change in benchmark during the reporting period shown.

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Market Law") as amended, and under the *Reglamento del Mercado de Inversionistas Institucionales* approved by *Resolución SMV N°021-2013-SMV/01* as amended by the *Resolución de Superintendente N°126-2020-SMV/02* (the "Reglamento 1") and *Resolución de Superintendente N°035-2021-SMV/02* (the "Reglamento 2"), and are being offered to institutional investors only (as defined in article 8 of the Securities Market Law) under the special public offering directed exclusively to the institutional investors under the *Reglamento 1 and Reglamento 2*, then the interests in the Fund will be registered in the Section "*Del Mercado de Inversionistas Institucionales*" of the Securities Market Public Registry (*Registro Público del Mercado de Valores*) maintained by the *Superintendencia del Mercado de Valores (SMV)*, and the offering of the Fund interests in Peru only to institutional investors will be subject to the supervision of the SMV, as well as any transfers of the Fund interests shall be subject to the limitations contained in the Securities Market Law and the regulations issued thereunder mentioned before, under which the Fund interests may only be transferred between institutional investors under Article 27 of the *Reglamento 1 and Reglamento 2*. If neither the Fund nor the interests in the Fund have been and will not be registered in Peru under *Decreto Legislativo 862* and under *Decreto Legislativo 861* referenced above, nor they will be subject to a public offering directed to institutional investors under the *Reglamento 1*, and will be offered to institutional investors only (as defined in article 8 of the Securities Market Law) pursuant to a private placement, according to article 5 of the Securities Market Law, the interests in the Fund will not be registered in the Securities Market Public Registry maintained by the *SMV*, and the offering of the Fund interests in Peru to institutional investors nor the Fund will be subject to the supervision of the SMV, and any transfers of the Fund interests shall be subject to the limitations contained in the Securities Market Law and the regulations issued thereunder mentioned before, under which the Fund interests may only be transferred between institutional investors.