

MORGAN STANLEY TRIPLE INDEX CAPITAL PROTECTED AUTOCALL

DECEMBER 2023 FACTSHEET



TARGET RETURN: USD = 8.50% p.a.

INVESTMENT DESCRIPTION

A 6 year investment linked to the performance of Australian, UK and US Indices.

If on any semi-annual observation date (including the Final Observation date), starting at 36 months, all of the Underlyings are at or above the Autocall Trigger, the investment will autocall. Initial capital plus the Coupon Rate for each semi-annual period which has elapsed is paid and the investment will end.

The Product is 100% Capital Protected so full capital will be returned to investors at maturity irrespective of the performance of the Underlying.

BENEFITS

- Autocall feature potentially shortens the investment term and is triggered by minimal market growth.
- Snowballing coupon.
- 100% Capital Protected at maturity.
- Early maturity provides an opportunity to re-assess client's wealth strategy.
- Daily pricing.

RISKS

- The return is limited to the pre-defined investment terms.
- The coupon payment is conditional upon the Underlying performance.
- Investors will be exposed to the credit risk of the Issuer. If the Issuer becomes insolvent or cannot make the payments on the Product for any other reason, investors could lose some or all of their investment. A decline in the Issuer's credit quality is likely to reduce the market value of the Product and therefore the price an investor may receive for the Product if they were to sell them in the market.
- Should investors need to sell their investment before maturity, the trading price will likely mean they get back less than they invested.

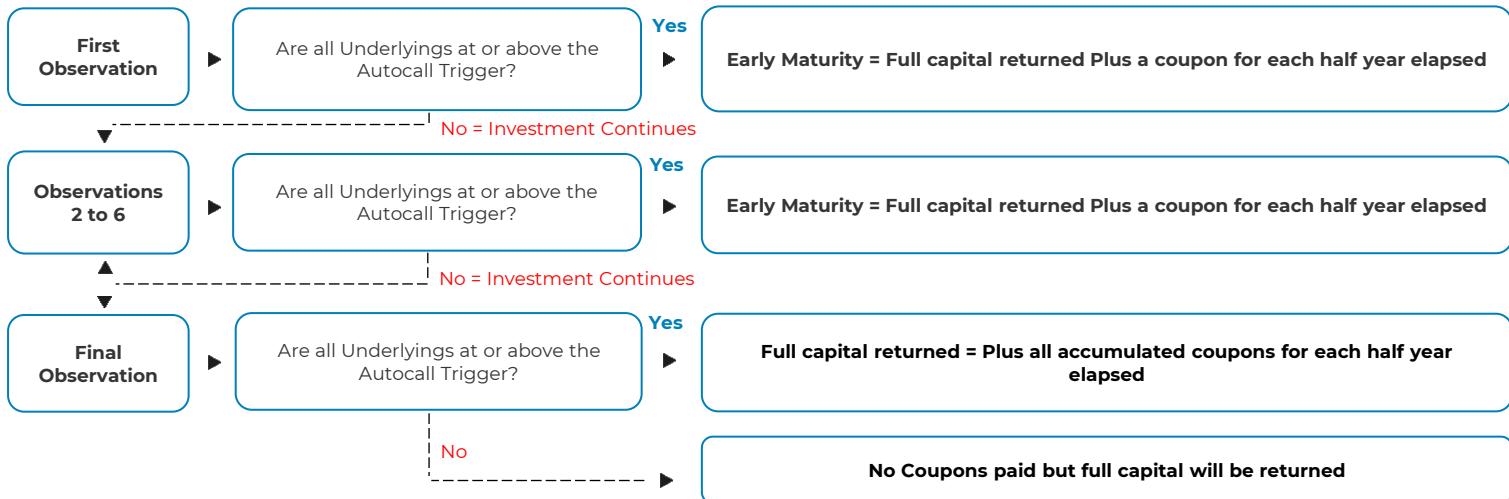
PRODUCT FACTS & FEATURES

| | |
|--------------------------------|---|
| Issuer: | Morgan Stanley B.V. |
| Guarantor: | Morgan Stanley |
| Credit Ratings: | Fitch A+, Moody's A1, S&P A- |
| Source: | Morgan Stanley 22.11.2023 |
| Maximum Term: | 6 years |
| Investment Structure: | Classic Autocall |
| Autocall Opportunities: | Semi-Annual (First Observation at 36 months) |
| Autocall Trigger: | 100% of initial level |
| Coupon Rate: | USD: 4.25% Semi-Annually (8.50% p.a.) |
| Capital Risk: | None |
| Capital Protection: | 100% Capital Protected at maturity |
| Underlying Basket | Bloomberg Code |
| Australia: S&P/ASX 200 | AS51 Index |
| UK: FTSE 100 | UKX Index |
| US: S&P 500 | SPX Index |

KEY INFORMATION

| | |
|----------------------------------|---|
| Subscription Period: | 22 Nov 2023 – 13 Dec 2023 (4.30pm UK Time) |
| Issue Price: | 100% |
| Strike Date: | 14 December 2023 |
| Issue Date: | 21 December 2023 |
| 1st Autocall Observation: | 14 December 2026 |
| Final Observation: | 14 December 2029 |
| Maturity Date: | 21 December 2029 |
| Denominations: | 1,000 then lots of 1,000 |
| ISIN: | USD = XS2722303315 |

HOW THE INVESTMENT WORKS



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OBSERVATION DATES (some dates may vary if a bank holiday or non-business day occurs)

| | Observation Date | Payment Date | Autocall Trigger |
|--------------------------|------------------|------------------|------------------------|
| Observation 1 | 14 December 2026 | 21 December 2026 | 100% |
| Observation 2 | 15 June 2027 | 22 June 2027 | 100% |
| Observation 3 | 14 December 2027 | 21 December 2027 | 100% |
| Observation 4 | 14 June 2028 | 22 June 2028 | 100% |
| Observation 5 | 14 December 2028 | 21 December 2028 | 100% |
| Observation 6 | 14 June 2029 | 22 June 2029 | 100% |
| Final Observation | 14 December 2029 | 21 December 2029 | 100% |
| Final Observation | 14 December 2029 | 21 December 2029 | 100% Capital Protected |

IDAD was established in 2002 and our approach from the outset, is what we call the "IDAD Difference". The selection of the investments we offer is not decided in terms of profitability alone and when developing investment products, we favour evidence over dogma. We are happy to work with advisers and product providers alike to deliver a range of investment options to suit differing client wealth strategies. We're proud of our approach to business as well as the investments delivered as a result of the "IDAD Difference". We are committed to building upon our reputation for bringing benefits to all involved in the investment process, but most importantly to the clients.

Morgan Stanley, a bank holding company, provides diversified financial services on a worldwide basis. The Company operates a global securities business which serves individual and institutional investors and investment banking clients. Morgan Stanley also operates a global asset management business.

Source: Bloomberg 22.11.2023

RATIONALE

Structured products are becoming increasingly popular for investors due to the wide variety of payoffs and levels of protection that can be achieved by the different types of structures that are available.

Autocalls have been one of the most popular structures over the years. With a classic autocall, returns are paid if all Underlyings are at or above the Autocall Trigger on an observation date.

The Underlyings detailed overleaf have been selected in order to support the anticipated delivery of the coupons.

The autocall payoff can bring an early return of capital allowing the opportunity for a re-assessment of investment strategy. The value of this feature cannot be underestimated as it brings with it the opportunity to secure capital value, as well as the chance to take advantage of future market trends.

The Product is 100% Capital Protected so full capital will be returned to investors at maturity irrespective of the performance of the Underlying.

SUITABILITY

This product may be suitable for investors who:

- Are seeking the opportunity for higher returns than current cash rates at the time this product was launched.
- Are seeking growth rather than income.
- Are seeking 100% Capital Protection.
- Understand the impact of global economic issues and how they will affect the product.
- Understand the criteria which will determine the coupon payments.
- Are looking to invest for the medium to long term, being happy to remain invested until maturity.
- Can afford to have their cash invested for the full term of the Product.
- Wish to use this investment as part of a well-diversified portfolio.
- Understand that the returns are pre-defined and that they will forgo any growth in the Underlyings which exceeds the fixed level available with this investment product.
- Understand the risk to capital in the event of a counterparty default.
- Should they need to sell their investment, accept that the trading price will likely mean they get back less than they invested.

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THE UNDERLYINGS

The **S&P/ASX 200** measures the performance of the 200 largest index-eligible stocks listed on the ASX by float-adjusted market capitalization. Representative liquid and tradable, it is widely considered Australia's preeminent benchmark index. The index is float-adjusted. The index was launched in April 2000.

The **FTSE 100 Index** is a capitalization-weighted index of the 100 most highly capitalized companies traded on the London Stock Exchange. The equities use an investability weighting in the index calculation. The index was developed with a base level of 1000 as of December 30, 1983. * Please see UKEDA100 Index and FTTP100 Index for the official FTSE 100 Index Dividend Yield and P/E Ratio*

The **S&P 500®** is widely regarded as the best single gauge of large-cap U.S. equities and serves as the foundation for a wide range of investment products. The index includes 500 leading companies and captures approximately 80% coverage of available market capitalization.

Source: Bloomberg 22.11.2023

MOVEMENT IN THE UNDERLYINGS OVER A 12 YEAR PERIOD

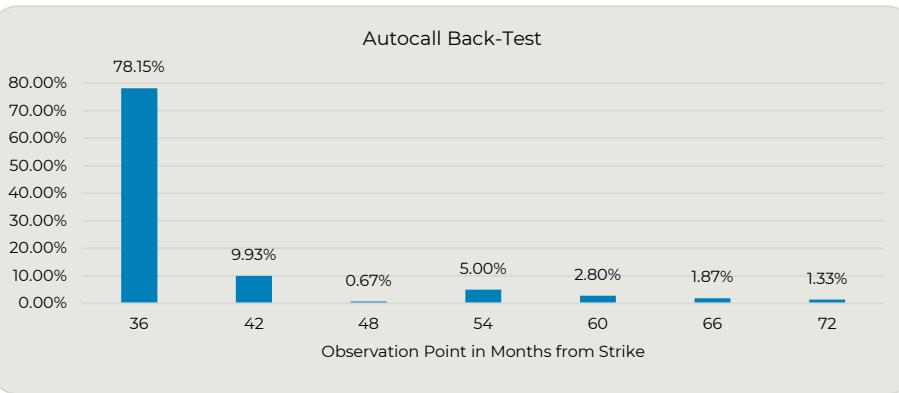


12 YEAR BACK-TESTING

Back-testing shows how the investment would have performed historically using data from previous potential strike dates and observations. Although past performance is not an indication of future performance, it can give a factual insight into how the investment would have performed historically.

This 12 year back-test shows the historical data for a full 6 years of 6 year products that could reach the full term.

Of the 1,501 product scenarios tested, 0.27% would reach the full term without autocalling and none of these would have breached the Capital Protection Barrier.



| | |
|--------------------------------------|------------|
| Total Number Tested: | 1,501 |
| % Autocalled: | 99.73% |
| % Not Autocalled: | 0.27% |
| % That Returned Full Capital: | 100% |
| Average Historic Return USD: | 8.48% p.a. |

Past performance is not a reliable indicator of future performance and should not be used to assess the future returns or risks

Source: Bloomberg 22.11.2023, Data period: 25.10.2011 to 25.10.2023 - Assumptions shown are net of any initial fees or costs and describe the potential historic return that a client would have received based on the terms of this Product.

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PLACING TRADES

Trade orders should be sent to orders@idad.com

All trades will be settled direct with IDAD's Euroclear a/c 44382

SECONDARY MARKET

The Issuing bank will endeavour to provide quotes under normal market conditions for trading purposes upon request, subject to a Bid-Offer spread of 1%. On the secondary market, traded prices will include any accrued interest ("dirty prices"). Sale trades will settle 2 days after the trade date.

Trading details as above.

SELLING RESTRICTIONS FOR SECURITIES

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UK Retail Restrictions: None

EEA: The requirements for a public offer in any member state of the European Economic Area ("EEA Member State") are not fulfilled. Consequently, the Securities may not be publicly offered in any of the EEA Member States except as explicitly provided under the prospectus exemptions of Directive 2003/71/EC (as amended by Directive 2010/73/EU, to the extent implemented in a relevant EEA Member State ("2010 Amending Directive"), the "EU Directive") with respect to *inter alia* (i) an offer of securities addressed solely to qualified investors as defined in the EU Directive, and/or (ii) an offer of securities addressed to fewer than 100, or, if the EEA Member State has implemented the relevant provisions of the 2010 Amending Directive, 150 natural or legal persons per EEA Member State other than qualified investors, and/or (iii) an offer of securities addressed to investors who acquire securities for a total consideration of at least EUR 50,000, or, if the EEA Member State has implemented the relevant provisions of the 2010 Amending Directive, EUR 100,000, and/or (iv) an offer of securities whose denomination per unit amounts to at least EUR 50,000 or, if the Relevant Member State has implemented the relevant provisions of the 2010 Amending Directive, EUR 100,000.

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Fees of up to 0.275% p.a. for the maximum term of the investment may be paid by the Issuer to cover marketing, distribution and advice costs. The fees have been fully accounted for in the calculation of the Product's structure. For example, this means that an investment of \$10,000 will have any income/growth payments and capital protection based on the full \$10,000.

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