

Invesco EQV European Small Company Fund

Quarterly Performance Commentary

Mutual Fund Retail Share Classes
Data as of June 30, 2022



Investment objective

The fund seeks long-term growth of capital.

Portfolio management

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Fund facts

Nasdaq	A: ESMAX	C: ESMCX Y: ESMYX
Total Net Assets	\$190,320,906	
Total Number of Holdings	44	

Top holdings

	% of total net assets
Hilan	5.12
Neurones	4.56
Infotel	4.46
Linedata Services	4.38
Fondul Proprietatea	4.32
Diploma	3.78
Gerard Perrier Industrie	3.75
Vivo Energy	3.72
Clarkson	3.64
Renew	3.52

Top contributors

	% of total net assets
1. TBC Bank	1.86
2. Conduril Engenharia	0.77
3. Vivo Energy	3.72
4. Carlo Gavazzi	1.52

Top detractors

	% of total net assets
1. Clarkson	3.64
2. Diploma	3.78
3. Hilan	5.12
4. Gerard Perrier Industrie	3.75
5. Infotel	4.46

Not a deposit; Not FDIC insured; Not guaranteed by the bank; May lose value; Not insured by any federal agency

Market overview

- + Global equity markets declined in the second quarter as record inflation, rising interest rates and recession fears led to generally weaker consumer sentiment around the globe.
- + To tame inflation, central banks in the US and the UK raised interest rates, while the European Central Bank is poised to do so in July.
- + In Europe, reduction of gas supplies from Russia due to the war in the Ukraine has driven prices higher, with mounting fear of gas shortages and rationing.
- + Against this backdrop, emerging market equities outperformed developed equity markets for the quarter.

Positioning and outlook

- + We did not initiate any new positions during the quarter but added to several existing positions, including Poland-based online chat company **LiveChat Software**, Singapore-based power supply company **XP Power** and France-based software company **Claranova** (1.52%, 1.02% and 0.89% of total net assets, respectively).
- + There were no full liquidations, but we trimmed several fund positions, including France-based companies **Gerard Perrier Industrie** and **Linedata Services**, as well as UK-based **Ultra Electronics** (2.27% of total net assets).
- + Regardless of the macroeconomic environment, we remain focused on applying our well-established, long-term, bottom-up Earning-Quality-Valuation (EQV) investment philosophy/process that seeks to identify attractively valued, high quality growth companies.

Performance highlights

- + Invesco European Small Company Fund Class A shares at net asset value (NAV) outperformed the MSCI Europe Small Cap Index. (Please see the investment results table on page 2 for fund and index performance.)

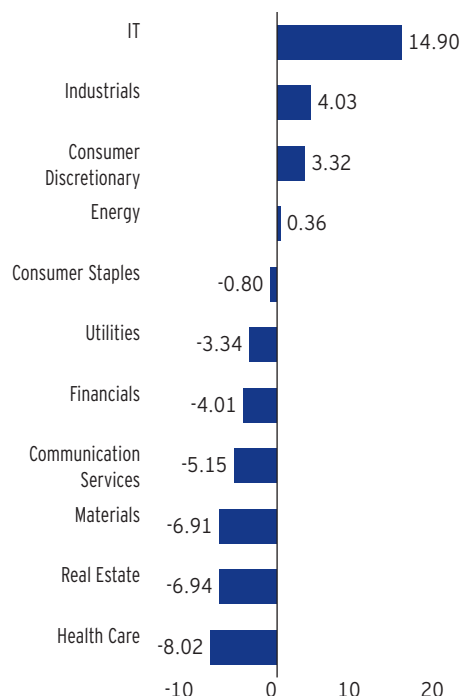
Contributors to performance

- + Strong stock selection in the information technology (IT) and consumer discretionary sectors added to relative return. Within IT, France-based **Linedata Services** (4.38% of total net assets) was a notable contributor, and within consumer discretionary, Kenya-based **Vivo Energy** was a key contributor.
- + Fund holdings in the industrials sector outperformed those of the benchmark and added to relative return.
- + From a geographic perspective, stock selection in France and the UK were among the leading contributors to relative performance. An underweight in Sweden and exposure in Romania also positively affected relative return.
- + The fund's leading individual contributor was Georgia-based **TBC Bank**, which rallied after being hard-hit by its proximity to the Russia/Ukraine conflict. As the war in Ukraine seems to be going poorly for Russia, the odds of future incursions into additional countries have decreased in our opinion.

Detractors from performance

- + Fund holdings in the financials and health care sectors underperformed those of the benchmark index, detracting from relative return. In the financials sector, UK-based **Mortgage Advice Bureau** (1.50% of total net assets) was one of the largest detractors and within health care, lack of exposure to certain better-performing benchmark stocks negatively affected relative return.
- + Additionally, lack of exposure to the utilities sector was disadvantageous.
- + Geographically, the fund's holdings in Denmark and Italy, as well as lack of exposure to Spain, negatively affected relative results.
- + UK-based industrials company **Clarkson** was fund's largest individual detractor. **Clarkson**, a leading global shipping broker, has sold off on recession fears. The company has faced recent challenges, but given its strong net cash balance sheet, we believe the business is well positioned for the future.

The fund's positioning versus the MSCI Europe Small Cap Index (% underweight/overweight)



Investment results

Average annual total returns (%) as of June 30, 2022

Period	Class A Shares		Class C Shares		Class Y Shares	Style-Specific Index
	Inception: 08/31/00	NAV	Inception: 08/31/00	NAV	Inception: 10/03/08	
	Max Load 5.50%		Max CDSC 1.00%			MSCI Europe Small Cap Index
Inception	9.14	9.42	9.14	9.14	8.47	-
10 Years	7.85	8.46	7.82	7.82	8.73	8.20
5 Years	0.68	1.82	1.07	1.07	2.08	1.65
3 Years	2.14	4.08	3.33	3.33	4.36	1.19
1 Year	-21.42	-16.84	-18.27	-17.46	-16.62	-27.45
Quarter	-16.86	-12.02	-13.05	-12.17	-11.96	-20.08

Performance quoted is past performance and cannot guarantee comparable future results; current performance may be lower or higher. Visit [invesco.com/performance](https://www.invesco.com/performance) for the most recent month-end performance. Performance figures reflect reinvested distributions and changes in net asset value (NAV). Investment return and principal value will vary, and you may have a gain or a loss when you sell shares. No contingent deferred sales charge (CDSC) will be imposed on redemptions of Class C shares following one year from the date shares were purchased. Performance shown at NAV does not include applicable CDSC or front-end sales charges, which would have reduced the performance. Class Y shares have no sales charge; therefore, performance is at NAV. Returns less than one year are cumulative; all others are annualized. Fund performance reflects any applicable fee waivers and/or expense reimbursements. Had the adviser not waived fees and/or reimbursed expenses currently or in the past, returns would have been lower. See current prospectus for more information. Index returns do not reflect any fees, expenses, or sales charges. Index source: FactSet Research Systems Inc.

Expense ratios	% net	% total	Asset mix (%)	
Class A Shares	1.34	1.34	Dom Common Stock	2.04
Class C Shares	2.09	2.09	Intl Common Stock	91.79
Class Y Shares	1.09	1.09	Cash	5.60
Per the current prospectus			Other	0.57

For more information you can visit us at www.invesco.com/us

Class Y shares are available only to certain investors. See the prospectus for more information. The fund holdings are organized according to the Global Industry Classification Standard, which was developed by and is the exclusive property and service mark of MSCI Inc. and Standard & Poor's. EQV stands for earnings, quality and valuation. Our investment process looks for companies with strong Earnings growth, they must be Quality companies that can sustain those earnings and these companies need to have attractive Valuations. The MSCI Europe Small Cap Index is an unmanaged index considered representative of small-cap European stocks. An investment cannot be made directly in an index. The S&P 500® Index is an unmanaged index considered representative of the US stock market. An investment cannot be made directly in an index.

About risk

Derivatives may be more volatile and less liquid than traditional investments and are subject to market, interest rate, credit, leverage, counterparty and management risks. An investment in a derivative could lose more than the cash amount invested.

The risks of investing in securities of foreign issuers, including emerging markets, can include fluctuations in foreign currencies, political and economic instability, and foreign taxation issues.

The performance of an investment concentrated in issuers of a certain region or country is expected to be closely tied to conditions within that region and to be more volatile than more geographically diversified funds.

Growth stocks tend to be more sensitive to changes in their earnings and can be more volatile.

To the extent an investment focuses on securities issued or guaranteed by companies in a particular industry, the investment's performance will depend on the overall condition of those industries, which may be affected by the following factors: the supply of short-term financing, changes in government regulation and interest rates, and overall economy.

Many countries in the European Union are susceptible to high economic risks associated with high levels of debt, notably due to investments in sovereign debts of European countries such as Greece, Italy and Spain.

Preferred securities may include provisions that permit the issuer to defer or omit distributions for a certain period of time, and reporting the distribution for tax purposes may be required, even though the income may not have been received. Further, preferred securities may lose substantial value due to the omission or deferment of dividend payments.

Stocks of small and mid-sized companies tend to be more vulnerable to adverse developments, may be more volatile, and may be illiquid or restricted as to resale.

The fund is subject to certain other risks. Please see the current prospectus for more information regarding the risks associated with an investment in the fund.

Before investing, investors should carefully read the prospectus and/or summary prospectus and carefully consider the investment objectives, risks, charges and expenses. For this and more complete information about the fund(s), investors should ask their financial professionals for a prospectus/summary prospectus or visit invesco.com/fundprospectus.

This does not constitute a recommendation of any investment strategy or product for a particular investor. Investors should consult a financial professional before making any investment decisions.

Note: Not all products available at all firms. Financial professionals, please contact your home office.

The opinions expressed are those of the fund's portfolio management, are based on current market conditions and are subject to change without notice. These opinions may differ from those of other Invesco investment professionals. Holdings are subject to change and are not buy/sell recommendations.

All data provided by Invesco unless otherwise noted.