

# Invesco EQV Asia Pacific Equity Fund™

## Quarterly Performance Commentary

Mutual Fund Retirement Share Classes  
Data as of Dec. 31, 2022



### Investment objective

The fund seeks long-term growth of capital.

### Portfolio management

Steve Cao, Brent Bates, Mark Jason, Michael Shaman

### Fund facts

Nasdaq	A: ASIAX	Y: ASIYX
		R6: ASISX
Total Net Assets	\$496,961,275	
Total Number of Holdings	40	

Top holdings	% of total net assets
Yum China HK	5.95
Broadcom	5.12
Swire Properties	4.10
HDFC Bank ADR	4.06
Central Pattana	4.01
JD.com ADR	3.99
Tongcheng Travel	3.89
Taiwan Semiconductor	3.66
Wuliangye Yibin 'A'	3.49
BDO Unibank	3.44

Top contributors	% of total net assets
1. Broadcom	5.12
2. Yum China	5.95
3. HDFC Bank	4.06
4. Tongcheng Travel	3.89
5. Central Pattana	4.01

Top detractors	% of total net assets
1. Emami	1.28
2. Telkom Indonesia	1.16
3. Alibaba	0.00
4. Chongqing Fuling Zhacai	1.51
5. Keppel REIT	0.47

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 posted gains for the fourth quarter after better inflation data sparked a rally in October and November. However, investor sentiment worsened in December after central banks signaled continued interest rate hikes into 2023 as inflation remained above target levels.
- + International stocks outperformed US stocks, led

by results in Europe and the UK.

- + Emerging market equities also posted gains for the fourth quarter, boosted by China, which eased its zero-COVID policy and started to reopen even as COVID infections surged.
- + A weaker US dollar was also beneficial for emerging market equities.

### Positioning and outlook

- + We added one new holding during the quarter, **ASPEED Technology** (0.50% of total net assets), a fabless integrated circuit design company in Taiwan. We exited four holdings: Chinese ecommerce company **Alibaba**, Chinese yeast company **Angel Yeast**, Chinese optical lenses manufacturer **Sunny Optical Technology** and South Korean internet conglomerate **NAVER** (all 0.00%

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 EQV Asia Pacific Equity Fund Class A shares at net asset value (NAV) outperformed its benchmark index during the quarter. (Please see the investment results table on page 2 for fund and index performance.)

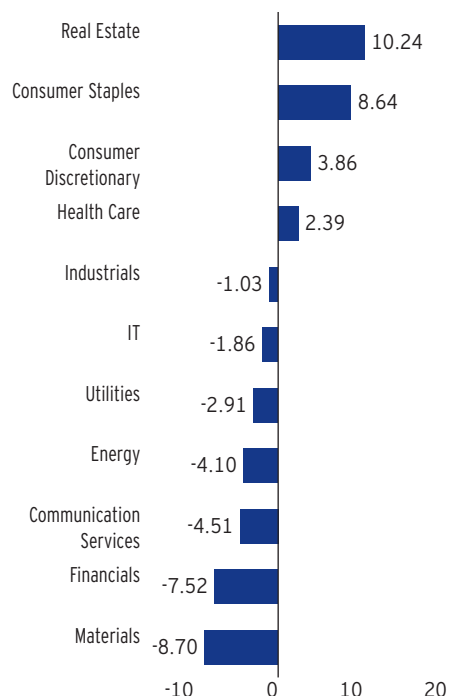
### Contributors to performance

- + Strong stock selection in the information technology sector was the largest contributor to relative outperformance. **LEENO Industrial** (1.86% of total net assets), a Taiwan-based company that develops and manufactures high-end testing pins and sockets (consumables), was a notable contributor.
- + The fund's consumer discretionary holdings outperformed those of the benchmark sector, adding to relative results. Chinese online travel agency **Tongcheng Travel** added to both absolute and relative returns.
- + Stock selection in industrials also contributed to relative performance.
- + On a geographic basis, stock selection in India and the Philippines added to relative results. An underweight in India, an overweight in the Philippines and exposure in the US were also advantageous.
- + Semiconductor products manufacturer **Broadcom** was among the fund's largest individual contributors. **Broadcom** reported better-than-expected results in early December with the backlog in semiconductor orders continuing to build.

### Detractors from performance

- + Fund holdings in consumer staples underperformed those of the benchmark index, detracting from relative return. An overweight in the sector also hampered relative results. Within the sector, **Chongqing Fuling Zhacai**, a pickled mustard products maker in China, was a notable detractor.
- + Stock selection and an underweight in the communication services sector detracted from relative results. Indonesian telecommunications company **Telkom Indonesia** detracted from both absolute and relative results.
- + Given the rising equity market, the fund's cash position hampered relative performance. As a reminder, cash is by-product of our bottom-up stock selection process.
- + Fund holdings in Indonesia outperformed those of the benchmark index, but an underweight in the country negatively affected relative results. Stock selection and an underweight in Australia also hampered relative performance.
- + **Emami**, a Fast-Moving Consumer Goods (FMCG) company that focuses on India-centric products (e.g., cooling oil), was the fund's largest individual detractor. **Emami** posted disappointing quarterly results due to weak rural consumption and aggressive advertising and promotional spending.

**The fund's positioning versus the MSCI AC Asia Pacific Ex-Japan Index (% underweight/overweight)**



Valuation statistics	fund	index
12-Month Forward P/E	17.60	12.37
12-Month Trailing P/E	20.74	13.44
Price/Book (Wtd. Har. Avg.)	2.31	1.70
1-Year ROE (Wtd. Avg.)	17.60	15.85
12-Month Fwd. Growth Rate (Wtd. Avg.) (%)	15.74	14.22
3-Year EPS Growth Rate (Wtd. Avg.) (%)	9.68	9.33
5-Year Dividend Growth Rate (Wtd. Avg.) (%)	12.83	10.48
Weighted Average Market Cap (\$MM)	73,160	86,306
Weighted Median Market Cap (\$MM)	19,454	31,874

Source: FactSet Research Systems Inc.

**Investment results**

Average annual total returns (%) as of Dec. 31, 2022

	Class A Shares	Class Y Shares	Class R6 Shares	Style-Specific Index
	Inception: 11/03/97	Inception: 10/03/08	Inception: 04/04/17	
<b>Period</b>	<b>NAV</b>	<b>NAV</b>	<b>NAV</b>	<b>MSCI AC Asia Pacific Ex-Japan Index</b>
Inception	8.06	9.19	-	-
10 Years	4.78	5.04	5.03	3.55
5 Years	2.11	2.36	2.53	0.13
3 Years	1.74	2.00	2.15	-0.63
1 Year	-10.83	-10.60	-10.51	-17.48
Quarter	12.40	12.44	12.51	12.10

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. Class A shares at NAV are available only to certain investors and have no sales charge; therefore, performance is at NAV. Class Y shares have no sales charge; therefore, performance is at NAV. Returns less than one year are cumulative; all others are annualized. Performance shown prior to the inception date of Class R6 shares is that of Class A shares and includes the 12b-1 fees applicable to Class A shares. Class R6 shares have no sales charge; therefore, performance is at NAV. 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	1.39	1.39	Dom Common Stock 5.12
Class Y Shares	1.14	1.14	Intl Common Stock 89.23
Class R6 Shares	0.98	0.98	Cash 5.84
Per the current prospectus			Other -0.19

A negative in Cash or Other, as of the date shown, is normally due to fund activity that has accrued or is pending settlement.

For more information you can visit us at [www.invesco.com/us](https://www.invesco.com/us)

■ On February 28, 2022, Invesco Asia Pacific Growth Fund was renamed Invesco EQV Asia Pacific Equity Fund. Please see prospectus for more information.

Class A shares at NAV and Class Y shares are available only to certain investors. Class R6 shares are primarily intended for retirement plans that meet certain standards and for institutional investors. See the prospectus for more information.

Asset allocation/diversification does not guarantee a profit or eliminate the risk of loss.

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.

**Please keep in mind that high, double-digit returns are highly unusual and cannot be sustained.**

The MSCI All Country (AC) Asia Pacific ex-Japan Index is an unmanaged index considered representative of Asia Pacific region stock markets, excluding Japan. An investment cannot be made directly in an index.

**12-month forward and trailing P/E** are calculated using weighted harmonic averaging, which helps avoid extreme results that may occur due to small relative numbers in the denominator. It doesn't exclude extreme values; instead, it reduces the effect of outliers on the aggregate calculation. The **price/book ratio** is the market price of a stock divided by the book value per share. **Return on equity (ROE)** is net income divided by net worth. The **median 12-Month Fwd. Growth Rate** is the percent change between the next twelve months' mean EPS estimate and the previous twelve months' actuals. The **three-year EPS growth rate** is a weighted average of each stock's growth rate in earnings per share (EPS). EPS is total earnings divided by the number of shares outstanding. The **five-year dividend growth rate** is the weighted average of each stock's annualized percentage rate of growth in dividend yield over five years. The three-year EPS and five-year dividend growth rates are not forecasts of fund performance.

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**About risk**

To the extent the fund invests a greater amount in any one sector or industry, there is increased risk to the fund if conditions adversely affect that sector or industry.

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.

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](https://www.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.