

# Invesco Developing Markets Fund

Emerging markets (EM) has evolved from a beta play on global growth to a source of innovation and alpha generation in a rapidly changing and uncertain world.<sup>1</sup> By and large, balance sheets at the government and corporate levels are in good shape and EM valuations are at a steep discount to the developed world. The net result is an opportunity to potentially own undervalued companies across a broad spectrum of areas with compelling growth prospects.

## Why EM now?

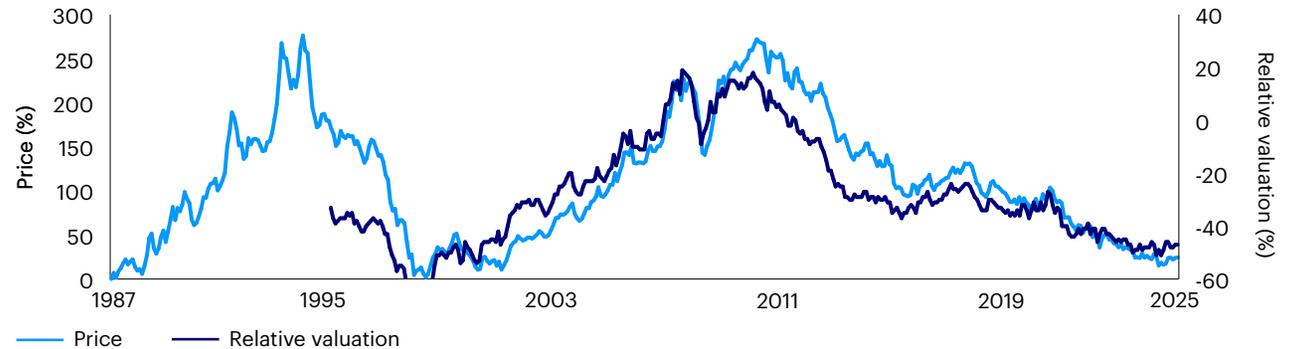
- 1** A **weakening US dollar** amid shifting global sentiment and US policy may signal lasting EM tailwinds.
- 2** Decade-low mining investments and rising strategic demand are emerging as a driver for EM commodity earnings.
- 3** China's policy shift toward domestic demand and private sector revival potentially sets the stage for a cyclical recovery.
- 4** Recent reforms in South Korea, including enhanced board duties, reflect growing momentum toward improved corporate governance standards.
- 5** **EM equities trade at historically low valuations versus developed markets**, presenting a compelling setup for long-term investors.

### 1 Stable to weakening US dollar



Source: Bloomberg. Data as of December 31, 2025.

### 5 EM performance and valuation relative to developed markets



Source: MSCI, LSEG as of December 31, 2025. Rebased on December 31, 1987.

1. Emerging markets are typically in a period of rapid growth but have less developed economies, lower incomes, and less mature capital markets, while developed markets typically have mature, stable economies with high GDP per capita, advanced infrastructure, and liquid financial markets. Beta is a measure of systematic risk with respect to a benchmark. Alpha is a measure of the difference between a portfolio's actual returns and its expected performance, given its level of risk as measured by beta.

# Invesco Developing Markets Fund

EQUITY: INTERNATIONAL AND GLOBAL

A: ODMAX R6:ODVIX Y: ODVYX

This fund seeks to provide investors exposure to compelling companies across emerging markets. Through a highly active approach, the team aims to deliver repeatable excess returns by buying companies for significantly less than they are worth due to temporary dislocations and the market's under-appreciation of their long-term prospects.

## Why invest in this fund?

- 1 Contrarian**  
 We look for bottom-up ideas in unloved parts of the market
- 2 Valuation-driven**  
 We aim to buy companies for less than our estimate of 'fair value'
- 3 Long term**  
 3-5 year time horizon
- 4 Balance sheet strength**  
 We favor conservative balance sheets

## About the fund



### Actively managed

High active share (>70%) and multiple alpha sources<sup>1</sup>



### Investment edge

Capitalize on market greed and fear using a robust stock selection framework



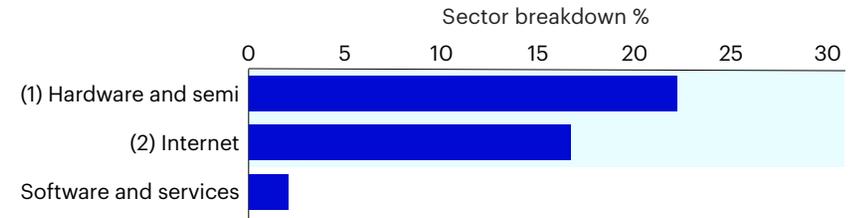
### Experienced team

Independent thinkers who challenge conventional wisdom — and each other — led by seasoned veterans with 30 years of industry experience

## Key areas we like

### Technology/Internet

1. **Nuts and bolts** that power tech innovation in artificial intelligence, servers and mobile: Taiwan and Korea
2. Major creators of **online games**, dominant in China and going global



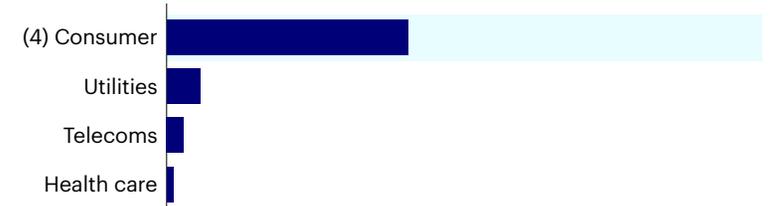
### Financials

3. Super-capitalized **banks** in India and the Association of Southeast Asian Nations (ASEAN) offer growth, yield and downside support



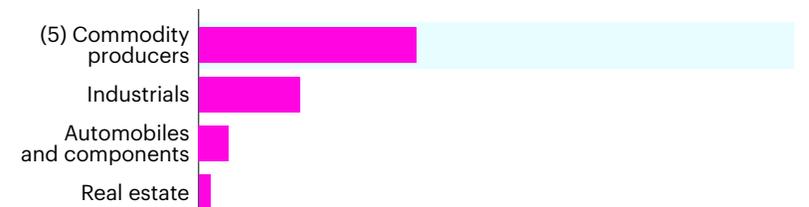
### Defensives

4. Oversold Chinese **consumer** stocks with strong balance sheets may be poised for rebound from dividends, re-rating and earnings per share (EPS) upgrades



### Cyclicals

5. Out of favor, bottom of the capital cycle turnaround stories in lowest cost producers of **oil, copper, cement** and disrupters in transport/logistics



Source: Invesco, MSCI. Data as of December 31, 2025. Holdings are subject to change and are not buy/sell recommendations. Holdings are dollar weighted based on total net assets.

1. Source: Invesco. Data as of December 31, 2025. Active share is the proportion of stock holdings in a mutual fund's composition that is different from the composition found in its benchmark. High active share does not guarantee outperformance.

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**In general**, stock values fluctuate, sometimes widely, in response to activities specific to the company as well as general market, economic and political conditions. **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 investments. **Growth stocks** tend to be more sensitive to changes in their earnings and can be more volatile. **Stocks** of small and medium-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** may hold illiquid securities that it may be unable to sell at the preferred time or price and could lose its entire investment in such securities. **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 investment** techniques and risk analysis used by the portfolio managers may not produce the desired results.

Environmental, Social, and Governance (ESG) considerations may vary across investments and issuers, and not every ESG factor may be identified or evaluated for investment. The Fund will not be solely based on ESG considerations; therefore, issuers may not be considered ESG-focused companies. ESG factors may affect the Fund's exposure to certain companies or industries and may not work as intended. The Fund may underperform other funds that do not assess ESG factors or that use a different methodology to identify and/or incorporate ESG factors. ESG is not a uniformly defined characteristic and as a result, information used by the Fund to evaluate such factors may not be readily available, complete or accurate, and may vary across providers and issuers. There is no guarantee that ESG considerations will enhance Fund performance.

Forward-looking statements are not guarantees of future results. They involve risks, uncertainties and assumptions, there can be no assurance that actual results will not differ materially from expectations.

Invesco does not offer tax advice. Please consult your tax professional for information regarding your own personal tax situation.

As with any comparison, investors should be aware of the material differences between active and passive strategies. Unlike passive strategies, active strategies have the ability to react to market changes and the potential to outperform a stated benchmark. Other differences include, but are not limited to, expenses, management style and liquidity. Investors should consult their financial professional before investing.

Investing in securities of Chinese companies involves additional risks, including, but not limited to: the economy of China differs, often unfavorably, from the U.S. economy in such respects as structure, general development, government involvement, wealth distribution, rate of inflation, growth rate, allocation of resources and capital reinvestment, among others; the central government has historically exercised substantial control over virtually every sector of the Chinese economy through administrative regulation and/or state ownership; and actions of the Chinese central and local government authorities continue to have a substantial effect on economic conditions in China.

Following Russia's invasion of Ukraine in February 2022, various countries, including the U.S., NATO and the European Union, issued broad-ranging economic sanctions against Russia and Belarus. As a result, responses to military actions (and further potential sanctions related to continued military activity), the potential for military escalation and other corresponding events, have had, and could continue to have, severe negative effects on regional and global economic and financial markets, including increased volatility, reduced liquidity, and overall uncertainty. Russia may take additional counter measures or retaliatory actions (including cyberattacks), which could exacerbate negative consequences on global financial markets. The duration of ongoing hostilities, corresponding sanctions and related events cannot be predicted. As a result, the value of an investment in the Fund and its performance may be negatively impacted, particularly as it relates to Russia exposure.

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. 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.

**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).**