

Invesco Small Cap Growth Fund

Q1 2026

Key takeaways

- 1 The fund outperformed its benchmark for the quarter**
The benchmark declined while the fund had a positive return.
- 2 Outperformance was driven by security selection in several sectors**
Stock selection in information technology (IT), industrials and energy added to relative return.
- 3 We monitor changing conditions and are ready to adjust positioning when appropriate**
The fund's positioning remains focused on artificial intelligence enabled (AI) hardware and industrials and selective inflation resilient sectors, with active risk management amid evolving market conditions.

Investment objective

The fund seeks long-term growth of capital.

Fund facts

Fund AUM (\$M)	1,548.77
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Portfolio managers

Juan Hartsfield, Clay Manley, Justin Sander

Manager perspective and outlook

- Invesco US Growth Team's prior constructive outlook for US equities has been at least temporarily upended by events in the Middle East.
- The supply shock to oil and other essential commodities resulting from the conflict has been forcing a bearish recalibration of economic growth and inflation expectations.
- We have prioritized risk management pending resolution of the conflict.
- Once that occurs, we look forward to a resilient economy, solid corporate profit progress, active merger and acquisition activity and high-profile initial public offerings (IPOs).
- Meanwhile, the pace of AI-related innovation and infrastructure build-out has remained robust and industrial renewal still in our view provides abundant investment opportunities.
- The fund remains positioned in hardware, electronic equipment, semiconductor and industrial stocks that we believe will continue to benefit from the AI build-out.
- The fund is underweight software because we believe AI may disrupt that area.
- We have added holdings in energy, materials and agriculture that we believe are well positioned to navigate this inflationary market environment.
- We continue to monitor geopolitical developments in the Middle East, energy and commodity prices, inflation trends, interest rate expectations and signs of sustained AI-driven capital spending. We are prepared to adjust portfolio positioning as the evidence evolves.



Top issuers

(% of total market value)

	Fund	Index
MACOM Technology Solutions Holdings Inc	3.05	0.00
TTM Technologies Inc	2.43	0.00
Advanced Energy Industries Inc	2.43	0.82
ESCO Technologies Inc	2.24	0.49
Fabrinet	2.18	1.27
Tower Semiconductor Ltd	2.12	0.00
BrightSpring Health Services Inc	2.03	0.37
API Group Corp	1.99	0.00
MKS Inc	1.99	0.00
Lattice Semiconductor Corp	1.93	0.00

As of 03/31/26. Holdings are subject to change and are not buy/sell recommendations.

Portfolio positioning

At the end of the quarter, the fund's largest absolute weights were in the IT, industrials, health care, energy and consumer discretionary sectors. Relative to the Russell 2000 Growth Index, the fund was overweight IT, industrials, energy and utilities, while underweight real estate, materials, communication services, consumer discretionary, health care, consumer staples and financials.

First quarter additions:

Tower Semiconductor is a specialty analog and mixed signal semiconductor foundry. The company historically benefits from differentiated technologies and long term customer relationships that support revenue stability.

Permian Resources is an independent oil and gas producer focused on oil weighted Permian Basin assets. The company historically benefits from scale driven operating efficiency and strong free cash flow generation that supports capital returns.

NextPower develops and operates renewable power generation assets. The company historically benefits from long term contracted revenues that support stable cash flows.

Cogent Biosciences is a clinical stage biotechnology company developing precision oncology therapies. The company historically benefits from a focused pipeline targeting genetically defined cancers.

First quarter sales:

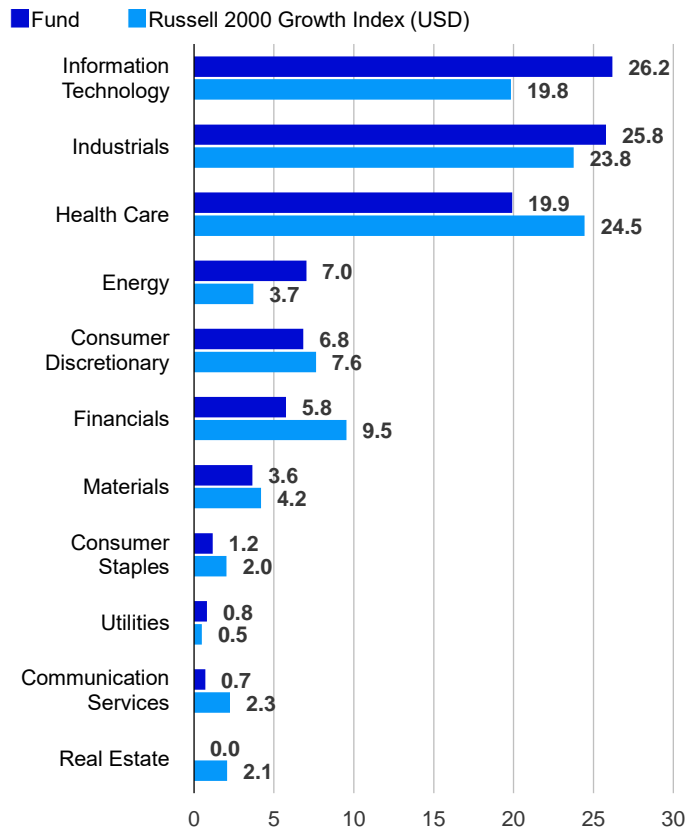
Piper Sandler is a diversified investment bank focused on advisory and capital markets. The firm appeared to face pressure as capital markets experienced uneven activity and compensation dynamics seemed to weigh on the company's results.

Rocket Lab provides small satellite launch services and space systems. The company appeared to face pressure as investors seemed to become more risk averse and concerns about capital intensity seemed to weigh on the share price.

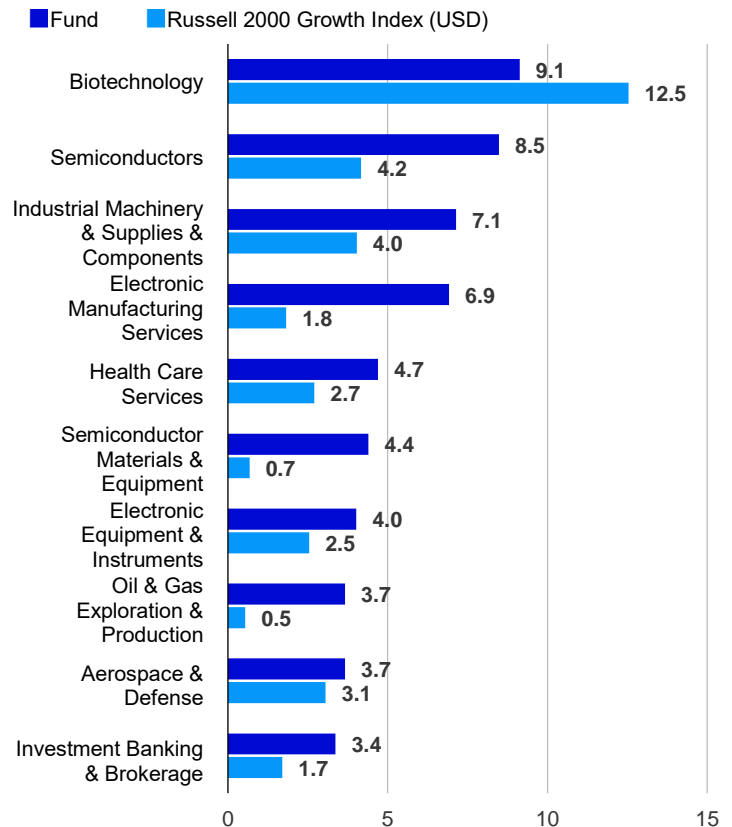
Impinj designs radio frequency identification (RFID) semiconductors for item level tracking. Extended timeframes for customer inventory absorption appeared to pressure the company's near term revenue visibility despite favorable long term adoption trends.

Ollie's Bargain Outlet operates a discount retail chain offering lower cost closeout merchandise. The company appeared to face pressure as traffic normalized and profit expansion stalled, apparently shifting investors' focus to store level economics.

Sector breakdown (% of total market value)



Top industries (% of total market value)



Top contributors (%)

Issuer	Return	Contrib. to return
Advanced Energy Industries, Inc.	54.18	0.76
TTM Technologies, Inc.	41.19	0.60
MACOM Technology Solutions Holdings, Inc.	29.65	0.59
TechnipFMC plc	55.26	0.55
Silicon Laboratories Inc.	41.69	0.50

Top detractors (%)

Issuer	Return	Contrib. to return
Impinj, Inc.	-30.44	-0.51
GeneDx Holdings Corp.	-54.17	-0.41
PennyMac Financial Services, Inc.	-30.04	-0.33
Agilysys, Inc.	-39.58	-0.28
JFrog Ltd.	-32.32	-0.28

Performance highlights

The fund outperformed the Russell 2000 Growth Index during the quarter. Stock selection in IT, industrials and energy added to relative return. Stock selection in health care, financials and consumer discretionary detracted from relative performance.

Contributors to performance:

MACOM provides high performance analog semiconductor solutions. During the quarter, stronger defense and aerospace demand and improving profit margins appeared to support better revenue visibility across data center, satellite and telecommunications markets.

TTM Technologies manufactures printed circuit boards (PCB) and radio frequency components. During the quarter, strong defense and aerospace demand and signs of stabilization in the PCB demand cycle appeared to support the company's earnings trend and multiple expansion.

TechnipFMC provides subsea engineering and production solutions. During the quarter, accelerating growth in subsea order backlog and profit margin expansion due to integrated project execution appeared to support the company's earnings and cash flow visibility.

Advanced Energy Industries supplies precision power conversion solutions. During the quarter, stabilizing semiconductor demand and cost discipline appeared to support earnings resilience despite mixed results from end markets.

Silicon Laboratories develops low power wireless connectivity solutions for Internet of Things markets. During the quarter, improving demand and operating leverage seemed to support a favorable profit margin outlook.

Detractors from performance:

Impinj designs RFID semiconductors for item tracking. Concerns about customer inventories negatively seemed to affect near term revenue visibility despite favorable long term customer growth trends.

PennyMac is a mortgage originator and servicer. During the quarter, interest rate volatility reduced mortgage origination volumes while profit margin normalization seemed to weigh on earnings expectations.

GeneDx provides genetic testing services. During the quarter, limited reimbursement clarity and elevated operating costs appeared to weigh on the company's earnings visibility and profits.

Agilysys provides software solutions for hospitality operators. During the quarter, uneven near term booking trends and a reset of elevated expectations following strong prior performance seemed to weigh on the share price.

JFrog provides a leading end-to-end software supply chain platform. During the quarter, cautious enterprise spending slowed growth, while valuation pressure seemed to weigh on the share price.

Standardized performance (%) as of March 31, 2026

		Quarter	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
Class A shares inception: 10/18/95	NAV	0.49	0.49	20.89	9.05	-1.28	9.30	9.80
	Max. Load 5.5%	-5.05	-5.05	14.25	7.01	-2.39	8.68	9.60
Class R6 shares inception: 09/24/12	NAV	0.63	0.63	21.40	9.52	-0.86	9.78	10.37
Class Y shares inception: 10/03/08	NAV	0.58	0.58	21.19	9.32	-1.03	9.57	10.68
Russell 2000 Growth Index (USD)		-2.81	-2.81	23.58	12.27	1.62	9.79	-
Total return ranking vs. Morningstar Small Growth category (Class A shares at NAV)		-	-	36% (201 of 536)	59% (316 of 522)	77% (369 of 500)	66% (262 of 399)	-

Expense ratios per the current prospectus: Class A: Net: 1.16%, Total: 1.16%; Class R6: Net: 0.75%, Total: 0.75%; Class Y: Net: 0.91%, Total: 0.91%.

Performance quoted is past performance and cannot guarantee comparable future results; current performance may be lower or higher. Visit invesco.com 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 so that you may have a gain or a loss when you sell shares. Returns less than one year are cumulative; all others are annualized. Index source: RIMES Technologies Corp. Please keep in mind that high, double-digit returns are highly unusual and cannot be sustained. Had fees not been waived and/or expenses reimbursed in the past, returns would have been lower. Performance shown at NAV does not include the applicable front-end sales charge, which would have reduced the performance.

Class Y and R6 shares have no sales charge; therefore performance is at NAV. Class Y shares are available only to certain investors. Class R6 shares are closed to most investors. Please see the prospectus for more details.

Performance highlights (cont'd)

Calendar year total returns (%)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Class A shares at NAV	11.30	24.91	-9.01	24.28	57.00	7.33	-35.60	12.66	16.19	5.69
Class R6 shares at NAV	11.85	25.49	-8.58	24.86	57.70	7.80	-35.35	13.17	16.66	6.11
Class Y shares at NAV	11.56	25.25	-8.80	24.59	57.38	7.61	-35.44	12.93	16.49	5.95
Russell 2000 Growth Index (USD)	11.32	22.17	-9.31	28.48	34.63	2.83	-26.36	18.66	15.15	13.01

Portfolio characteristics*

	Fund	Index
No. of holdings	96	1,107
Top 10 issuers (% of AUM)	22.42	10.03
Wtd. avg. mkt. cap (\$M)	10,660	5,922
Price/earnings	30.01	23.58
Price to book	4.96	4.25
Est. 3 – 5 year EPS growth (%)	16.19	13.81
ROE (%)	10.66	5.48
Long-term debt to capital (%)	34.68	33.61
Operating margin (%)	9.95	10.51

Risk statistics (5 year)*

	Fund	Index
Alpha (%)	-2.83	0.00
Beta	0.95	1.00
Sharpe ratio	-0.22	-0.08
Information ratio	-0.48	0.00
Standard dev. (%)	20.85	20.90
Tracking error (%)	6.08	0.00
Up capture (%)	82.40	100.00
Down capture (%)	99.96	100.00
Max. drawdown (%)	43.28	33.43

Quarterly performance attribution

Sector performance analysis (%)

Sector	Allocation effect	Selection effect	Total effect
Communication Services	0.04	-0.05	-0.01
Consumer Discretionary	-0.02	-0.69	-0.71
Consumer Staples	-0.02	0.06	0.04
Energy	-0.17	0.51	0.35
Financials	0.01	-1.24	-1.23
Health Care	-0.01	-0.65	-0.66
Industrials	0.47	0.76	1.23
Information Technology	-0.37	5.27	4.90
Materials	-0.24	-0.07	-0.31
Real Estate	0.02	0.00	0.02
Utilities	-0.03	-0.17	-0.20
Cash	0.17	0.00	0.17
Total	-0.14	3.74	3.59

Holdings are subject to change and are not buy/sell recommendations. Attribution methodology notes: The attribution provides analysis of the effects of several portfolio management decisions, including allocation and security selection. Securities classified as "Other" may include non-equity securities, derivatives, and securities for which a sector classification may not be appropriate. The portfolio is actively managed and portfolio holdings are subject to change. The percentage weights represented for the portfolio are dollar weighted based on market value. **Market allocation effect** shows the excess contribution due to sector/market allocation. A positive allocation effect implies that the choice of sector weights in the portfolio added value to the portfolio contribution with respect to the benchmark and vice versa. **Selection effect** shows the excess contribution due to security selection. A positive selection effect implies that the choice of stocks in the portfolio added value to the portfolio contribution with respect to the benchmark and vice versa. **Total effect** is the difference in contribution between the benchmark and portfolio. **Past performance does not guarantee future results.**

Unless otherwise specified, all information is as of 03/31/26. Unless stated otherwise, Index refers to Russell 2000 Growth Index (USD).

The fund has limited public sales of its shares to certain investors. For more information on who may continue to invest in the fund, please see the prospectus.

The Russell 2000 Growth Index is an unmanaged index considered representative of growth stocks. The Russell 2000 Growth Index is a trademark/service mark of the Frank Russell Co. Russell® is a trademark of the Frank Russell Co. An investment cannot be made directly in an index.

About Risk

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

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

The Fund's value may be affected by changes in the stock markets. Stock markets may experience significant short-term volatility and may fall or rise sharply at times. Adverse events in any part of the equity or fixed-income markets may have unexpected negative effects on other market segments. Different stock markets may behave differently from each other and U.S. stock markets may move in the opposite direction from one or more foreign stock markets.

Investments focused in a particular industry or sector are subject to greater risk, and are more greatly impacted by market volatility, than more diversified investments.

The investment techniques and risk analysis used by the portfolio managers may not produce the desired results.

Stocks of small-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.

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.

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 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.

* **Alpha** (cash adjusted) is a measure of performance on a risk-adjusted basis. **Beta** (cash adjusted) is a measure of relative risk and the slope of regression. **Sharpe Ratio** is a risk-adjusted measure calculated using standard deviation and excess return to determine reward per unit of risk. A higher Sharpe ratio indicates better risk-adjusted performance. **Information Ratio** is a measurement of portfolio returns beyond the returns of a benchmark, usually an index, compared to the volatility of those returns. **Standard deviation** measures a fund's range of total returns and identifies the spread of a fund's short-term fluctuations. **Tracking Error** is defined as the expected standard deviation of a portfolio's excess return over the benchmark index return. The **up and down capture** measures how well a manager was able to replicate or improve on periods of positive benchmark returns and how severely the manager was affected by periods of negative benchmark returns. **Maximum Drawdown** is the maximum observed loss from a high to a low of a portfolio, before a new high is attained. Maximum drawdown is an indicator of downside risk over a specified time period. **Weighted Average Market Cap** is a measure of the average size of company held in a portfolio. The percentage of the portfolio invested each company, or its weight, is multiplied by its size (market capitalization). An average of the weighted size of all companies held is then calculated. **Price/earnings** measures the price per share relative to the earnings per share of the company while excluding extraordinary items. **Price to book** measures the firm's capitalization (market price) to book value. **Est. 3-5 year EPS (Earning per share) growth** measures the earning per share growth from FY3 to FY5. **ROE** is the Return on Equity that measures the fund's annual return relative to total shareholders' equity. This ratio evaluates how quickly investments can be turned into profits. **Long-term debt to capital** measures a fund's financial leverage by calculating the proportion of long-term debt used to finance its assets relative to the amount of equity used for the same purpose. A higher ratio indicates higher leverage. **Operating margin** measures the profit a fund makes for every dollar of sales after paying the variable expenses. **Contribution to Return** measures the performance impact from portfolio holdings over a defined time period. It takes into account both weight and performance of the portfolio holdings. Contribution to Return is calculated at security level.

Morningstar

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Before investing, consider the Fund's investment objectives, risks, charges and expenses. Visit [invesco.com/fundprospectus](https://www.invesco.com/fundprospectus) for a prospectus/summary prospectus containing this information. Read it carefully before investing.