Invesco Discovery Fund

Q3 2026

Key takeaways

1 **The fund underperformed its benchmark in the third quarter**

Weaker stock selection in information technology (IT) and industrials detracted from relative return.

2 **US equity markets posted gains in the third quarter**

Returns varied across market segments as investors appeared to weigh resilient economic activity against persistent inflation, higher interest rates and geopolitical uncertainty.

3 **We remain focused on premier growth compounders**

Technology driven innovation has continued to disrupt large portions of the global economy, providing in our view substantial opportunities through investment in premier growth compounders. We remain focused on capturing those opportunities for fund shareholders.

Investment objective

The fund seeks capital appreciation.

Fund facts

Fund AUM ($M)	7,353.81

Portfolio managers

Ronald Zibelli, Asutosh Shah, Justin Livengood

Manager perspective and outlook

- Invesco US Growth Team's outlook for US equities remains constructive, supported by a resilient economy, strong corporate earnings, easing regulatory pressures and signs of cooling geopolitical tension in the Middle East. At the same time, we recognize that the landscape is not uniform, and beneath the surface, economic and profit trends appear to be becoming more bifurcated in ways that likely matter directly for investors.
- The rapid buildout of the artificial intelligence (AI) ecosystem has continued in our view to be a powerful engine, accounting for a significant share of growth in both economic activity and corporate earnings. Meanwhile, higher energy costs and elevated interest rates have weighed on more rate-sensitive and consumer-oriented market segments. We believe this divergence is creating meaningful opportunity, particularly within IT and among select industrials stocks where innovation and capital investment remain strong. However, we believe it also requires discipline in navigating areas of slower growth.
- The current environment reinforces in our view the importance of active management, especially as shifting sector dynamics may quickly reshape outcomes. We continue to focus on bringing the potential of premier growth companies to fund shareholders.

Not a Deposit Not FDIC Insured Not Guaranteed by the Bank May Lose Value
Not Insured by any Federal Government Agency

Top issuers

(% of total market value)

	Fund	Index
Ligand Pharmaceuticals Inc	2.89	0.42
JFrog Ltd	2.45	0.70
Repligen Corp	2.33	0.00
BrightSpring Health Services Inc	2.16	0.63
Halozyme Therapeutics Inc	2.06	0.00
Sanmina Corp	1.96	0.00
Twist Bioscience Corp	1.96	0.85
Viavi Solutions Inc	1.87	0.00
Chord Energy Corp	1.87	0.00
Littelfuse Inc	1.85	0.00

As of 09/30/26. Holdings are subject to change and are not buy/sell recommendations.

Portfolio positioning

At quarter end, the fund's largest overweights relative to its benchmark were in the IT and industrials sectors. The fund's largest underweights were in the consumer discretionary, real estate and health care sectors.

At the security level, we added and removed several stocks to reflect our desired positioning and upgrade the portfolio.

Buys

Semtech makes chips for data centers, wireless devices and connected devices. We initiated this position to replace other semiconductor holdings that were sold due to market capitalization considerations. Strong customer momentum in our view also supports the company's growth outlook and attractiveness within the fund.

Manhattan Associates makes software for managing supply chains and warehouses. The company's agentic AI offerings, which can autonomously handle supply chain and warehouse tasks, have seemingly gained strong customer acceptance, reinforcing our confidence in its durable demand and sustained growth.

Hanover is a diversified insurance company that underwrites personal, commercial property and casualty (P&C) and specialty insurance. The company's management team has delivered consistently strong premium growth and earnings over the past few years. Despite a softer P&C pricing environment, Hanover has maintained its level of growth in contrast to many of its peers. The company has also benefited from higher interest rates.

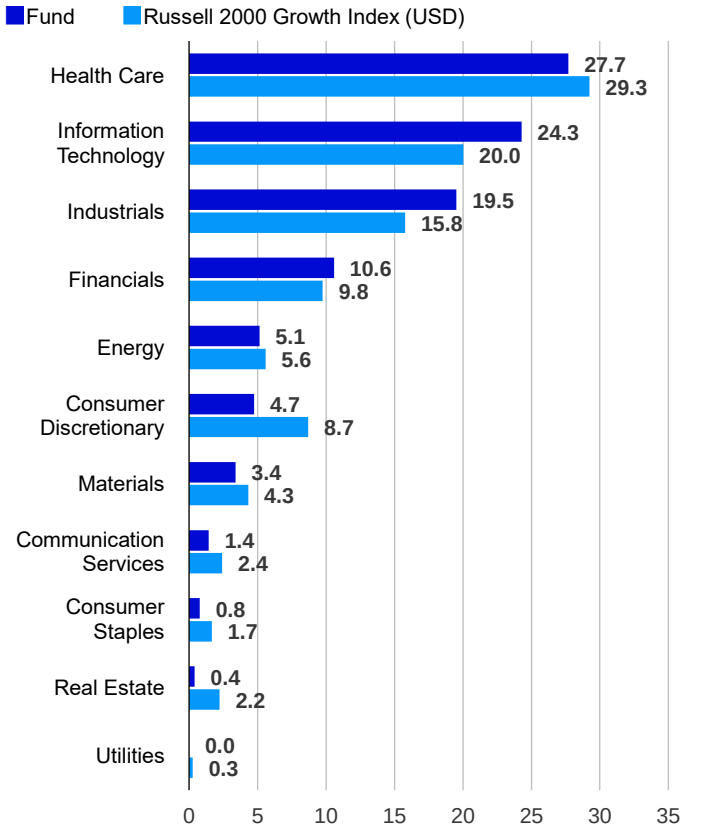
Sales

MKS supplies equipment and materials used to make semiconductors and electronics. We exited the position as part of a broader reduction in semiconductor capital equipment exposure, given that valuations became less attractive to us and near-term catalysts appear limited.

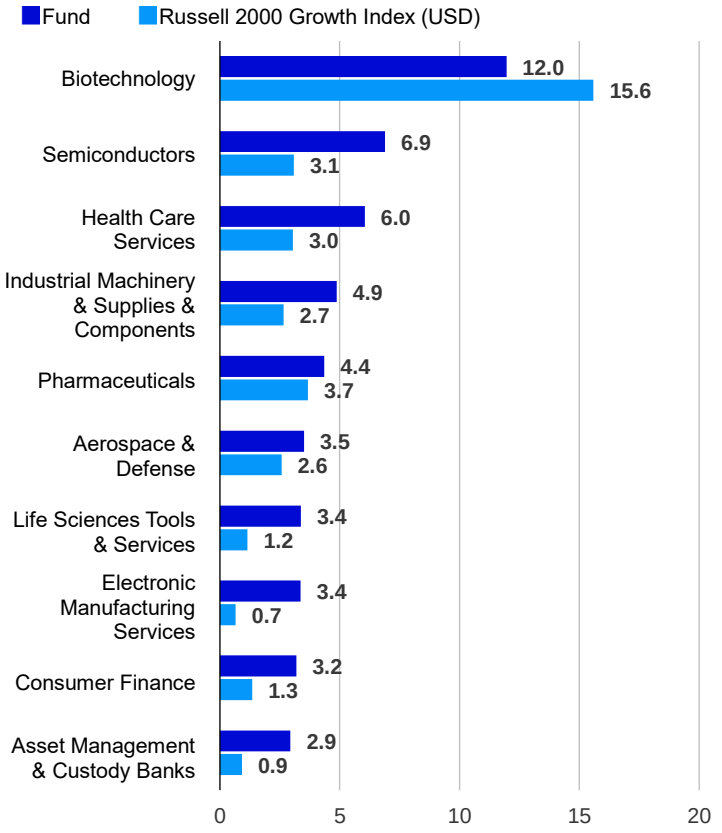
Fabrinet manufactures optical and electronic components for other companies. We sold the position because production constraints prevented the company from fully meeting customer demand and capturing the available opportunity.

Modine provides thermal management solutions. Its key markets include heat transfer, HVAC and refrigeration, data center cooling, air- and liquid-cooled systems, and other advanced thermal solutions. Supply chain constraints disrupted its data center production earlier than expected. Given the persistence of these issues, we sold the position.

Sector breakdown (% of total market value)



Top industries (% of total market value)



Top contributors (%)

Issuer	Return	Contrib. to return
Twist Bioscience Corporation	87.83	1.00
Repligen Corporation	40.89	0.56
Halozyme Therapeutics, Inc.	41.05	0.54
Semtech Corporation	29.71	0.43
WisdomTree, Inc.	43.58	0.40

Top detractors (%)

Issuer	Return	Contrib. to return
Allegro MicroSystems, Inc.	-47.79	-0.99
Argan, Inc.	-50.65	-0.75
TTM Technologies, Inc.	-34.32	-0.72
MKS Inc.	-34.06	-0.68
Enova International, Inc.	-30.58	-0.63

Performance highlights

The fund underperformed its benchmark in the third quarter. Weaker stock selection in IT and industrials detracted from relative return. Stronger stock selection in health care partially offset these results.

Contributors to performance

The largest contributors to absolute return for the quarter were **Twist Bioscience, Repligen** and **Halozyme Therapeutics.**

Twist Bioscience makes synthetic DNA products for research and drug discovery. The stock price climbed after quarterly sales beat expectations and management raised its revenue outlook. Investors also seemed to like the company's exposure to AI-enabled drug discovery.

Repligen supplies equipment used to manufacture biologic drugs. The stock price rose after quarterly results beat expectations and management raised its full-year outlook, reflecting steady demand for its bioprocessing tools.

Halozyme Therapeutics licenses a technology that lets drugs be given as quick injections instead of IV infusions. The stock price rose after management reported strong quarterly results and raised its outlook, driven by higher royalties from partners' drugs.

Detractors from performance

The largest detractors from absolute return for the quarter were **Allegro MicroSystems, Argan** and **TTM Technologies.**

Allegro MicroSystems makes sensor and power chips for cars and industrial equipment. The stock price declined as shares gave back gains from earlier in the year amid July’s pullback in semiconductor stocks.

Argan builds power plants and other energy infrastructure. The stock price fell during the quarter despite record results, as focus appeared to shift to the company’s shrinking project backlog.

TTM Technologies makes advanced circuit boards and defense electronics. The stock price declined despite record results and a raised outlook amid apparent concern about higher debt from a new bond offering and a large defense acquisition.

Standardized performance (%) as of September 30, 2026

		Quarter	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
Class A shares inception: 09/11/86	NAV	-14.65	18.49	24.35	23.33	7.15	14.82	11.26
	Max. Load 5.5%	-19.35	11.97	17.50	21.02	5.94	14.17	11.11
Class R6 shares inception: 01/27/12	NAV	-14.57	18.82	24.80	23.79	7.55	15.26	14.31
Class Y shares inception: 06/01/94	NAV	-14.61	18.71	24.65	23.62	7.40	15.09	10.19
Russell 2000 Growth Index (USD)		-9.39	10.71	12.05	17.55	4.72	9.90	-
Total return ranking vs. Morningstar Small Growth category (Class A shares at NAV)		-	-	8% (36 of 531)	9% (40 of 519)	13% (51 of 497)	7% (21 of 406)	-

Expense ratios per the current prospectus: Class A: Net: 1.03%, Total: 1.03%; Class R6: Net: 0.65%, Total: 0.65%; Class Y: Net: 0.79%, Total: 0.79%.

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. Please keep in mind that high, double-digit returns are highly unusual and cannot be sustained. As the result of a reorganization on May 24, 2019, the returns of the fund for periods on or prior to May 24, 2019 reflect performance of the Oppenheimer predecessor fund. Share class returns will differ from the predecessor fund due to a change in expenses and sales charges. Index source: RIMES Technologies Corp. 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.

Calendar year total returns (%)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Class A shares at NAV	4.22	29.12	-3.60	36.74	50.06	15.61	-31.26	17.01	22.55	16.52
Class R6 shares at NAV	4.69	29.64	-3.20	37.30	50.65	16.04	-31.01	17.46	22.99	16.96
Class Y shares at NAV	4.48	29.40	-3.36	37.06	50.40	15.88	-31.10	17.30	22.84	16.79
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	94	1,120
Top 10 issuers (% of AUM)	21.39	6.55
Wtd. avg. mkt. cap ($M)	8,659	4,395
Price/earnings	27.26	22.95
Price to book	4.78	4.30
Est. 3 – 5 year EPS growth (%)	20.33	14.11
ROE (%)	9.54	3.83
Long-term debt to capital (%)	33.10	32.19
Operating margin (%)	8.86	8.37

Risk statistics (5 year)*

	Fund	Index
Alpha (%)	2.64	0.00
Beta	0.98	1.00
Sharpe ratio	0.15	0.04
Information ratio	0.31	0.00
Standard dev. (%)	23.08	22.07
Tracking error (%)	7.77	0.00
Up capture (%)	96.14	100.00
Down capture (%)	94.90	100.00
Max. drawdown (%)	37.58	32.60

Quarterly performance attribution

Sector performance analysis (%)

Sector	Allocation effect	Selection effect	Total effect
Communication Services	-0.06	0.04	-0.02
Consumer Discretionary	-0.06	-0.08	-0.14
Consumer Staples	-0.03	0.02	-0.01
Energy	-0.12	0.01	-0.12
Financials	-0.14	0.08	-0.06
Health Care	-0.35	1.03	0.68
Industrials	-0.76	-1.96	-2.72
Information Technology	-0.56	-2.27	-2.83
Materials	0.04	0.11	0.14
Real Estate	0.07	0.02	0.09
Utilities	0.01	-0.10	-0.09
Cash	0.11	0.00	0.11
Total	**-1.86**	**-3.11**	**-4.96**

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 09/30/26. Unless stated otherwise, Index refers to Russell 2000 Growth Index (USD).

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

As of the open of business on June 28, 2013, the fund limited public sales of its shares to certain investors. For more information on who may 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

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.

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 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.

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 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 for a prospectus/summary prospectus containing this information. Read it carefully before investing.