

Invesco European Smaller Companies Fund (UK)

Z-Accumulation Shares | SEDOL: B8N46C8 | ISIN code GB00B8N46C80 | Bloomberg code IPESCZA:LN

Why invest in this fund

- Our investment approach uses a 3-pillar framework, we call this our investor DNA. It's based on finding companies with a durable advantage; which are in unloved areas of the market; and valuations less than they are worth.
- European small caps (companies with a market capitalisation of less than \$2 billion) have a history of higher earnings growth and higher revenue growth over time and offer significant diversification benefit due to their low correlation to large caps, as well as negative correlation to bond markets.
- As small caps are less well researched by the sell side (the part of the financial industry involved in creating and promoting financial instruments) the chances of 'mis-valuation' are higher.

What this fund does

The fund aims to achieve capital growth by investing primarily in smaller European companies excluding the UK. The portfolio strategy rests primarily on fundamental analysis and company valuations, seeking the most attractive investment opportunities within Continental Europe's smaller companies' universe. The focus is on stocks with robust financial positions, sound management and capable of delivering higher returns on capital.

Fund objective

The Fund aims to achieve long-term (5 years plus) capital growth. The Fund invests at least 80% of its assets in shares or other equity related securities of smaller companies incorporated, domiciled, listed or carrying out the main part of their economic activity in Europe, excluding the UK. In pursuing the Fund's investment objective, the fund manager may consider it appropriate to also invest in other transferable securities (including non European smaller companies), money market instruments, collective investment schemes (including funds managed by the Invesco group), deposits and cash.

Fund overview

Portfolio managers (Fund tenure)	James Matthews (2020), Michael Oliveros (2023)
Total net assets	£ 205.88 million
Distribution frequency	Yearly
Fund launch date	31 December 1984
Legal status	UK Authorised ICVC
Share class currency	GBP
Historic yield (%)	1.19
Investment Association sector	IA European Smaller Companies NR
Representative index	MSCI Europe ex UK Small Cap Index
ISA availability	Yes

On 31 July 2023, Michael Oliveros became a fund manager of the Invesco European Smaller Companies Fund (UK).

Top 10 holdings

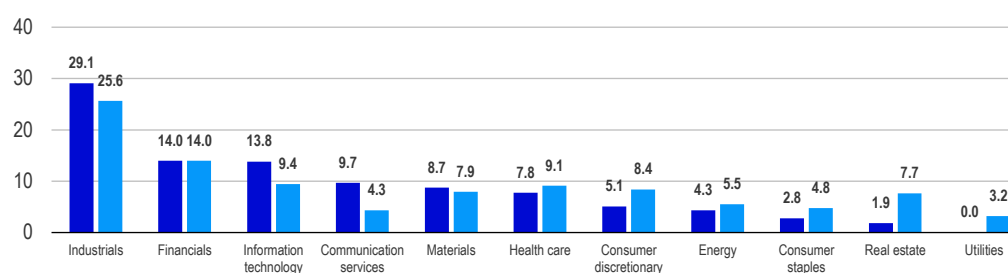
(% of total net assets)

	Fund	Index
BAWAG Group AG	3.42	0.54
Hypoport SE	3.42	0.15
Coface SA	3.20	0.17
Planisware SA	3.17	0.00
Bufab AB	3.08	0.11
D'ieteren Group	3.04	0.00
Fugro NV	2.87	0.31
CTS Eventim AG & Co KGaA	2.83	0.00
Royal Unibrew A/S	2.78	0.46
Piovan SpA	2.71	0.00

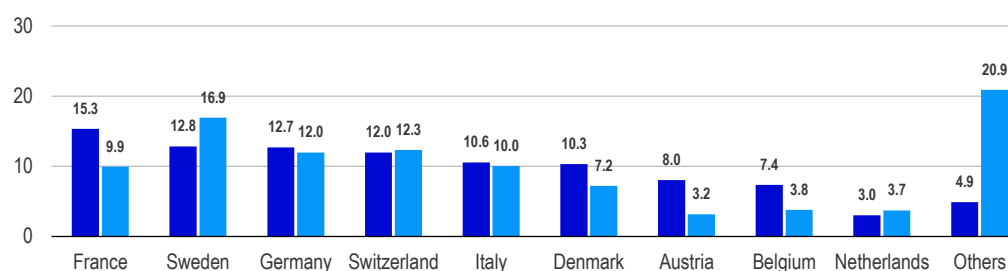
Portfolio characteristics

Total number of holdings	44
Weighted Avg Market Cap	£2,888 million

Sector breakdown (% of total net assets)



Top countries (% of total net assets)



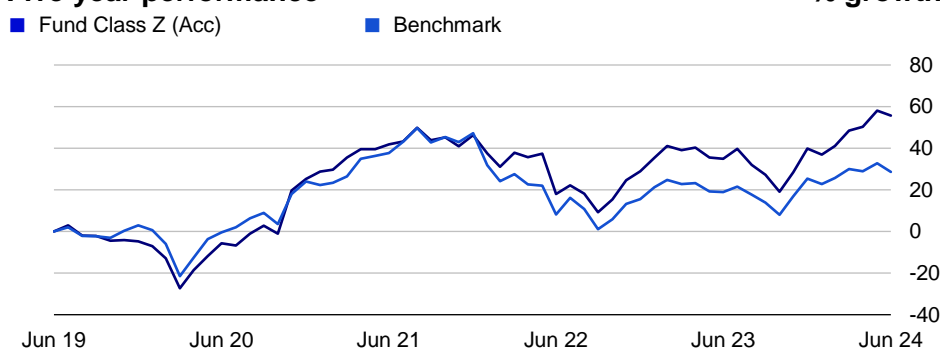
The allocation of stock is based on Country of Risk

■ Fund ■ Index

Investment risks

- The value of investments and any income will fluctuate (this may partly be the result of exchange rate fluctuations) and investors may not get back the full amount invested.
- The Fund may use derivatives (complex instruments) in an attempt to reduce the overall risk of its investments, reduce the costs of investing and/or generate additional capital or income, although this may not be achieved. The use of such complex instruments may result in greater fluctuations of the value of the Fund. The Manager, however, will ensure that the use of derivatives within the Fund does not materially alter the overall risk profile of the Fund.
- The Fund invests in smaller companies which may result in a higher level of risk than a Fund that invests in larger companies. Securities of smaller companies may be subject to abrupt price movements and may be less liquid, which may mean they are not easy to buy or sell.

Five year performance



Performance (%)

	1 year	3 years	5 years	5 years ACR*
Fund	15.37	9.73	55.64	9.25
Benchmark	8.05	-6.61	28.58	5.16

*ACR - Annual Compound Return

Standardised rolling 12-month performance (%)

	30.06.2019	30.06.2020	30.06.2021	30.06.2022	30.06.2023	30.06.2024
Fund	-5.62	50.28	-16.77	14.27	15.37	
Benchmark	-0.40	38.22	-21.47	10.06	8.05	

Past performance is not a guide to future returns

Important information

Views and opinions are based on current market conditions and are subject to change.

This is marketing material and not financial advice. It is not intended as a recommendation to buy or sell any particular asset class, security or strategy. Regulatory requirements that require impartiality of investment/investment strategy recommendations are therefore not applicable nor are any prohibitions to trade before publication. If investors are unsure if this product is suitable for them, they should seek advice from a financial adviser.

For the most up to date information on our funds, please refer to the relevant fund and share class-specific Key Investor Information Documents, the Supplementary Information Document, the financial reports and the Prospectus, which are available using the contact details shown.

The Historic Yield reflects distributions declared over the past twelve months as a percentage of the mid-market price of the fund, as at the date shown. Investors may be subject to tax on their distributions.

Market capitalisation breakdown (%)

50bn+	0.00
25bn - 49.99bn	0.00
10bn - 24.99bn	0.00
5bn - 9.99bn	9.63
2bn - 4.99bn	44.88
1bn - 1.99bn	28.05
500m - 999m	12.79
250m - 499m	0.00
100m - 249m	1.70
50m - 99m	0.00
0 - 49m	0.00
Cash	2.94
Total	100.00

Performance figures are based on the Z Accumulation share class. Performance figures for all share classes can be found in the relevant Key Investor Information Document. Fund performance figures are shown in sterling, inclusive of reinvested income and net of the ongoing charge and portfolio transaction costs to 30 June 2024 unless otherwise stated. Sector average performance is calculated on an equivalent basis. Source: Fund – Invesco, Benchmark - Lipper.

Benchmark

Investment Association European Smaller Companies Sector[^]

This is a Comparator Benchmark. Given its geographic focus the Fund's performance can be compared against the Benchmark. However, the Fund is actively managed and is not constrained by any benchmark.

[^] Many funds sold in the UK are grouped into sectors by the Investment Association (the trade body that represents UK investment managers), to facilitate comparison between funds with broadly similar characteristics.

Contact information

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Issued by Invesco Fund Managers Limited.
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Who is this fund for?

The fund might be right for you if you:

Are a private or professional investor looking for growth over the long term.

Are able to make an informed investment decision based on this document and the Key Investor Information Document (KIID).

Are willing to accept that your capital is at risk and you may not get back the amount invested.

The fund will not be right for you if you:

Require capital protection or have no appetite for risk.

Cost and charges of the Fund

For a full breakdown of the charges that apply to each share class of the fund, please refer to our ICVC Costs & Charges document www.invesco.com/uk/icvc-charges.

Glossary

ACR/ Annual Compound Return: Compound returns represent the cumulative effect that gains and losses have on invested capital over time. Annual Compound Return is the annual rate of return that would be required for an investment to grow from its starting balance to its ending balance.

Asset mix: Breakdown of all assets types held within an investment fund or portfolio.

Benchmark: A standard against which an investment fund or portfolio is measured to give an indication of relative performance.

Country of risk: Used to classify stocks, identifies the main country of operations/ exposure of a firm.

Distribution frequency: How often dividends and/or interest generated by an investment product are disbursed to investors.

Historic yield: Historic Yield reflects distributions declared over the past twelve months as a percentage of the mid-market price of the fund, as at the date shown. Investors may be subject to tax on their distributions

Holdings: The contents of an investment portfolio or fund, including any products like equities, bonds or ETFs.

ICVC: Investment Company with Variable Capital. A type of collective investment portfolio that invests in different equities, bonds and other securities.

Index: A collection of stocks chosen to represent the performance of a particular market or sector, e.g. FTSE 100 or S&P 500.

Market capitalization: How much a company is worth as determined by the stock market. Calculated as the total market value of all shares.

Portfolio characteristics: The contents of an investment portfolio or fund, including any products like equities, bonds or ETFs (Exchange Traded Funds).