

Better World Fund (£)

31 January 2020

Open Ended

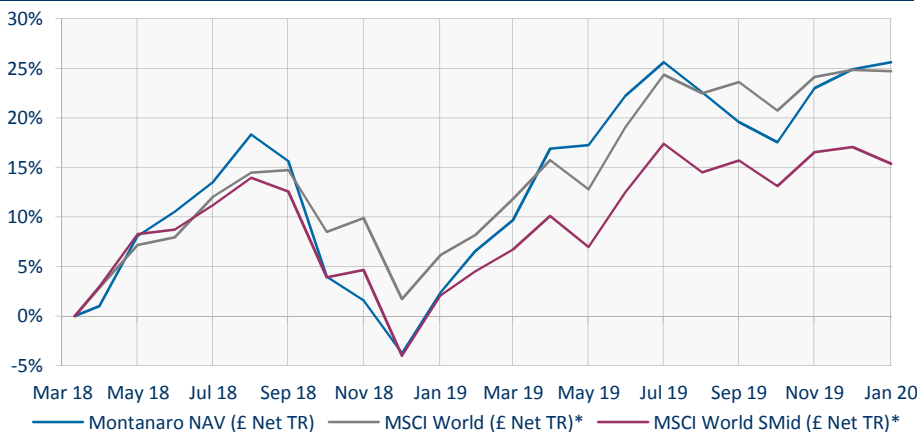
Fund Objective

The Fund will seek to invest in high quality companies whose products, services or behaviour are deemed to make a positive impact on society and which emphasise sound environmental, social and governance (ESG) practices. In particular, the Investment Manager will seek to identify profitable and well managed businesses operating in markets that offer attractive structural growth opportunities. The Fund may not invest in companies with material revenue exposure to the manufacturing or supply of weapons, tobacco, gambling, adult entertainment, alcohol, exploration and production oil & coal companies, or any other areas deemed not to meet the Investment Manager's ethical standards.

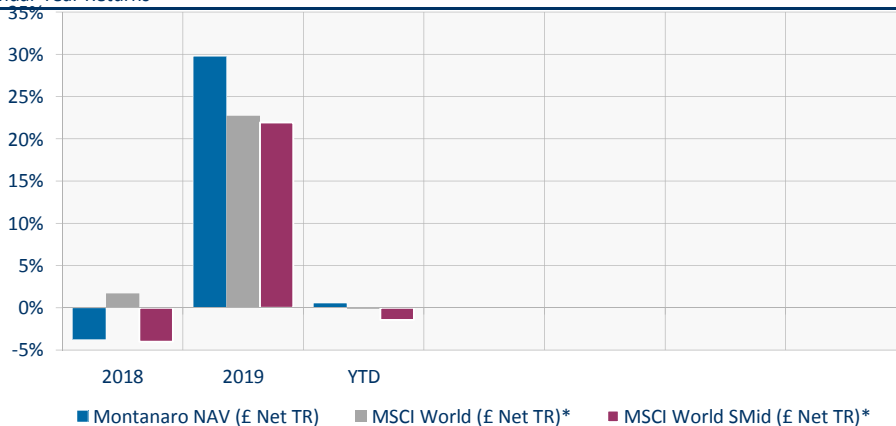
Performance

	YTD	1M	3M	6M	12M	3Y	5Y	Launch
Fund (TR)‡	0.6%	0.6%	6.9%	0.0%	22.7%			25.6%
MSCI World (TR)*	-0.1%	-0.1%	3.3%	0.3%	17.5%			24.7%
MSCI W. SMid (TR)*	-1.4%	-1.4%	2.0%	-1.7%	13.1%			15.4%
Fund	0.6%	0.6%	6.9%	0.0%	22.5%			25.3%
MSCI World*	-0.2%	-0.2%	2.9%	-0.5%	15.2%			20.5%
MSCI W. SMid*	-1.5%	-1.5%	1.7%	-2.3%	11.2%			12.0%

Cumulative Performance Since Inception



Calendar Year Returns



Source: Montanaro, Bloomberg. NAV to NAV, unrounded.

‡ Dividends reinvested at ex-date.

*Please note the MSCI World & MSCI World SMid indexes are shown for comparison purposes only.

About Montanaro

Montanaro, an independent specialist asset manager, was established in 1991 to research and invest in quoted Small & MidCap companies. Funds under management are currently £2.7 billion.

Fund Facts

Co-Fund Managers	Charles Montanaro Mark Rogers
Contact	Ed Heaven
Fund Launch	10 April 2018
Currency	GBP
Class	Distribution
IA Sector	Global
Benchmark	None
Ticker	MONBWFG ID
ISIN	IE00BYWFFF02
Sedol	BYWFFF0
Net Assets	£163 million
NAV	£1.253
No. of Holdings	50
Median Mkt Cap	£4042 million
Cash	1.6%
Legal Status	Irish OEIC
Listing	Irish Stock Exchange
Valuation Time	Daily 4pm Dublin time
Minimum Investment	£1,000
Dealing Time	12pm Dublin time
Dividend Date	Expected Q1
Management Fee	Annual 0.85%
Authorised for marketing in	Ireland, UK, Iceland, Sweden, Finland, France, Netherlands, Italy
Fund ESG Score	6.4

The Fund ESG Score is the weighted average of Montanaro's proprietary company ESG Checklist scores (0-10; 10 is best).

Ratings



Montanaro is signatory to:



Important Information

All investments are subject to risk and the value of shares and the income from them can fall as well as rise due to stock market and currency movements. You may not get back as much as you originally invested.

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Top 10 Holdings

Sartorius Stedim Biotech	4.2%
Ansys Inc	3.5%
Halma	3.2%
Qualys Inc	3.2%
Nemetschek	3.1%
Cochlear Ltd	3.0%
Ryman Healthcare	3.0%
Cyberark Software	2.9%
Adyen	2.8%
Belimo Holding	2.8%
	31.6%

Risk Analysis

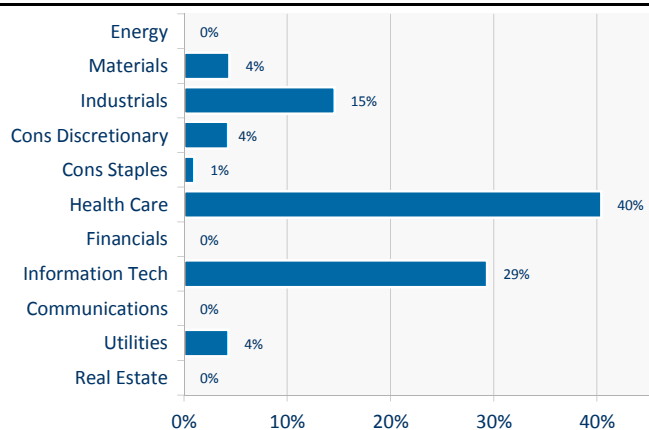
Insufficient data available for Risk Analysis

Portfolio Analysis

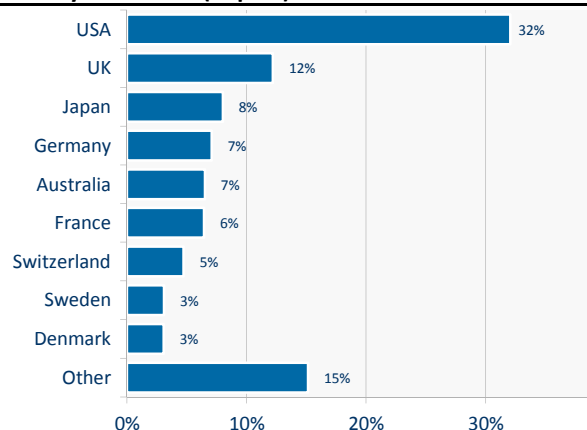
Price / Earnings 20F	30.6
EPS Growth 20F	10.8%
Dividend Yield 20F	1.0%
Dividend Growth 20F	4.2%
Return on Equity 20F	16.9%
EV/EBITDA 20F	23.2
EBIT Margin 20F	26.1%
Net Debt/Equity 20F	-9.1%

Source: Factset consensus estimates

Sector Allocation



Country Allocation (Top 10)



Monthly Commentary

Equity markets began the year in high spirits before volatility increased towards the end of the month. This was largely due to the outbreak of the coronavirus, although another notable geopolitical event – namely the flare up between the US and Iran – was a further reason for the strong performance of safe haven assets in January. Against this backdrop, it was little surprise that SmallCap delivered negative returns. Markets cannot always go up and after such a strong fourth quarter, a pullback was somewhat welcome.

In this context, the NAV of the sterling share class increased by 0.6% in January while the MSCI World SMidCap Index declined by 1.5%.

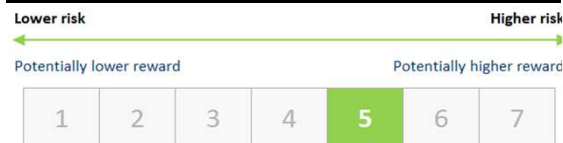
The strongest contribution during the month came from **CyberArk**, the Cybersecurity pioneer, which benefited from strong growth expectations. **Sartorius Stedim**, the developer of equipment used in the manufacture of biologic drugs, rose as the company announced strong Q4 results and a confident outlook for 2020. **Adyen**, the global leader in safe and secure online payments, benefited from a number of new client wins.

The weakest contribution came from **Grand Canyon**, the education service provider, which came under attack from US short-sellers. **Mani**, the medical devices company specialising in high quality surgical equipment, weakened following a fire at their Vietnam factory. **Belimo**, the manufacturer of actuators increasing the energy efficiency of buildings, declined as softer than expected sales numbers failed to support a lofty valuation.

The US yield curve inverted once again in January as investors fretted over the unknown consequences of the viral outbreak in Wuhan, China. Although at the time of writing this has not yet developed into a full blown pandemic, this is the type of “unknown” that can easily spook markets.

For now, omens of recession are few and far between. Economic data remains steady and Central Banks supportive. A concerted policy response in China seems likely if the coronavirus does have a meaningful impact on growth (for context, growth in China rebounded quickly following the SARS outbreak of 2003). In uncertain times, investors tend to favour the reliability of quality companies and this was in evidence in January. We would not be surprised if this persists in the months ahead. Quality is our investment style and one that we never waver from.

Risk and Reward Profile



These numbers rate how the Fund may perform and the risk of losing some or all of your investment. In general the potential for higher returns also implies a higher level of risk. However, the lowest category (1) does not mean a risk free investment.

This risk rating is based on historical data which may not be a reliable indication of the future risks and rewards of the fund. The risk rating of the fund may change over time.

Past performance is not a reliable indicator of future results. All investments are subject to risk and the value of shares and the income from them can fall as well as rise due to stock market and currency movements. You may not get back as much as you originally invested.

For further information please see the Risk and Reward section of the Key Investor Information Document (KIID).

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