

DWMC

AdvisorShares Dorsey Wright Small Company ETF

The AdvisorShares Dorsey Small Company ETF (Ticker: DWMC) is an actively managed strategy that seeks long-term capital appreciation using a technical, systematically-driven investment approach to invest in exchange-listed, micro- and small-cap equities with sufficient liquidity that have a market capitalization of less than \$2 billion.

Investment Philosophy

Nasdaq Dorsey Wright serves as the DWMC portfolio manager and believes that financial markets continue to provide the best available opportunities for investors to build and preserve long-term wealth. However, to capitalize on the opportunities in the financial markets, an investor should have a systematic investment strategy. DWMC follows Dorsey Wright's core philosophy of relative strength investing, using a proprietary systematically-driven methodology that involves buying securities that have appreciated in price more than other equities within its investment universe and holding those securities until they exhibit sell signals.

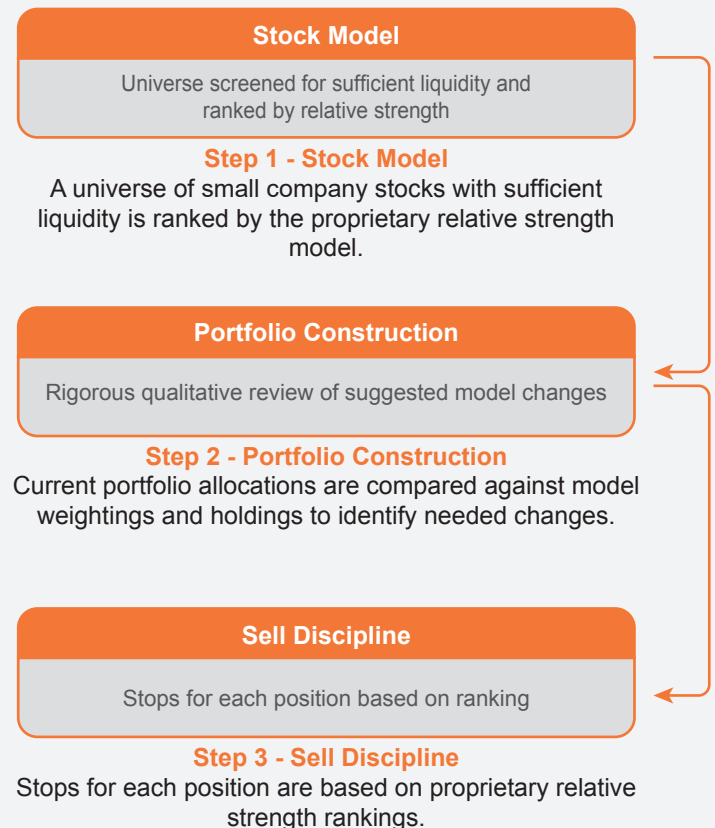
Why Relative Strength?

The portfolio manager relies on relative strength to manage portfolios because of its adaptive nature and its long-term track record. Relative strength is simple in concept, yet powerful in application. Relative strength is simply the comparison of price performance within a universe of securities. It relates to Newton's Law of Motion, which suggests that objects that are in motion tend to stay in motion until an extended force acts upon them. So, in the financial world this means that stocks with good fundamentals, in a market that in general is supporting higher prices, tend to continue to do well. Analyzing securities by their relative strength provides a way to identify the current leaders. It is those market leaders that DWMC seeks to own.

Relative strength also allows the ability to identify the laggards. Successful investing also requires avoiding big losers. One of the characteristics of the investment universe of micro-cap equities used for DWMC is that there is a significant amount of dispersion, meaning there are a lot of stocks that have tremendous performance and others that have dreadful performance. That is great for any relative strength strategy. The portfolio manager believes that relative strength is equally good at identifying long-term winners and losers.

Investment Process

The portfolio manager employs the following three-step process in managing DWMC:



Effective June 10, 2023, the Fund's name changed from AdvisorShares Dorsey Wright Micro-Cap ETF to AdvisorShares Dorsey Wright Small Company ETF.

For more information, call AdvisorShares at 1.877.843.3831 or visit www.advisorshares.com.



Before investing you should carefully consider the Fund’s investment objectives, risks, charges and expenses. This and other information is in the prospectus, a copy of which may be obtained by visiting the Fund’s website at www.AdvisorShares.com. Please read the prospectus carefully before you invest. Foreside Fund Services, LLC, Distributor.

The Fund is subject to a number of risks that may affect the value of its shares, including the possible loss of principal. Stock prices of micro- and small-cap companies are significantly more volatile, and more vulnerable to adverse business and economic developments, than those of larger companies. Micro- and small-cap stocks may also be thinly traded, making it difficult for the Fund to buy and sell them. As with any fund, there is no guarantee that the Fund will achieve its investment objective.

Additionally micro-cap companies are followed by relatively few securities analysts and there tends to be less publicly-available information about them. Micro-capitalization companies may have limited operational histories and new or unproven product lines or may have product lines that are still in development.

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