



SABRETOOTH
ADVISORS

BKCH



EQUITY

How the AdvisorShares Sabretooth ETF Works

The investment thesis for the AdvisorShares Sabretooth ETF (Ticker: BKCH) holds that companies utilizing cloud computing and digital companies that implement emerging technology like blockchain may realize increased profitability and appreciation in stock prices over an extended time horizon. BKCH invests in U.S.-listed equities and American depositary receipts of such digital and cloud companies and does not invest in cryptocurrency. The portfolio manager views these areas as the future of technological record-keeping and information exchanging which can deliver a durable investment theme for growth equity opportunities and long-term performance.

Cloud computing has helped fuel a technological expansion by enhancing global accessibility and unveiling new ways to grow businesses, which has led to other advancements that seek to improve efficiency and security. Through the delivery of computing services via the internet – from servers, storage, databases, networking and software – cloud-centric companies provide on-demand access that drives both businesses and consumers in today’s modern world. The emergence of select digital technology provides a natural and evolving complement to cloud computing. Such technological advancements include digital ledger and blockchain. Blockchain conceptually represents a decentralized digital ledger where information is compiled independently by a number of third parties into a secured, stored block of information that’s incapable of alteration. The term blockchain is generally associated with crypto assets, such as bitcoin, but the portfolio manager believes the application of blockchain transcends cryptocurrency and can serve multiple spaces as this emerging technology can allow companies to reduce costs in multiple areas, improve efficiencies and greatly enhance information security since data is not stored on a centralized server. Such innovation can potentially bring immediate impacts in the financial and technology sectors as well as future growth opportunities in healthcare and other sectors.

Key Attributes

Concentrated Exposure to Emerging Digital and Cloud – BKCH’s portfolio manager seeks to provide a similar return stream to the performance of leaders in both the digital and cloud computing space. With a diverse cloud space and digital having a limited pool of pure play blockchain equity opportunities, BKCH seeks to concentrate a portfolio of best of breed companies and future leaders in their respective areas.

High Conviction – BKCH is designed to be nimble and offers actively managed access to a concentrated leadership of cloud-focused and blockchain-oriented, digital equity securities, which allows flexibility within its portfolio – unlike passive ETFs that are restricted by following, and automatically owning everything in, an index.

Disruptive Innovators – The stocks actively selected for BKCH have demonstrated attractive growth and earnings potential as well as leadership characteristics in their respective industries. By investing in such innovators and similar-type emerging companies, BKCH’s portfolio seeks to maintain both a leadership and a leading-edge role within a technological revolution.

Exclusive Access to Sought-After Investment Theme – BKCH delivers efficient access for investors seeking exposure to the cloud and emerging digital segments of the equity market along with added diversification benefits. Investors could otherwise face barriers from higher share prices if individually purchasing many of these company stocks as well as a limited number of pure plays especially among blockchain equities.

Fund Basics

Portfolio Manager: Sabretooth Advisors, LLC
Fund Inception: 02.06.2019
Symbol: BKCH
Exchange: NASDAQ
Options: No
Dividend Frequency: Annual
Indicative Value: BKCH.IV
Net Asset Value: BKCH.NV
Fund Type: Actively-Managed ETF
CUSIP: 00768Y511

Where Does BKCH Fit in a Traditional Portfolio?

BKCH seeks to provide a high-growth complement or satellite equity holding to a broad-based equity allocation, while mitigating specific company risk for investors seeking efficient exposure to market leaders utilizing cloud computing and emerging digital technology.

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Why Invest in BKCH?

Long-Term Growth Potential – Cloud equities have continued to become the growth engine of modern technology with companies worldwide investing in and using the space. These stocks have consistently increased their market cap among broad-based indexes due to attractive fundamentals and company management. Equities of digital companies implementing blockchain can advance commerce forward, reduce their costs and potentially outperform broad market benchmarks. Blockchain represents a technology that cuts across multiple sectors with a very diverse spectrum of companies benefitting from its uses. BKCH's portfolio manager believes that combining cutting edge securities with such growth dynamics can become long-term drivers of equity markets.

Ability to Diversify Among Leaders – The strong appetite and non-saturated market for digital and cloud expansion that exist within BKCH's investable universe creates a natural diversifying quality for the ETF's portfolio. Possible company acquisitions by underlying holdings within BKCH may exemplify how owning outliers can potentially return more than originally assumed. BKCH seeks to fill the void for those investors who don't want to rely on equity selection therefore minimizing company specific risk while maintaining an investment view on the industries within its universe.

Exposure to Future Leaders – Before digital and cloud became market hotbeds, and other terms like FANG became apropos, there were the Four Horsemen (Microsoft, Intel, Dell and Cisco), and long prior to that came the Nifty Fifty. Inevitably, if history provides any guide, new companies will emerge to assume the role of market leaders. Whether that evolves in months, years or decades, this actively managed ETF's investment process is designed to identify these new constituents and seeks to maintain their performance within the portfolio. The actively managed aspect of BKCH allows for evolution and relevance, as opposed to the constraints and staleness that can follow index-based ETFs.

About Sabretooth Advisors, LLC

Sabretooth Advisors is an RIA comprised of a seasoned group of ETF and Trading industry professionals with an average of 20 years of financial services experience. Sabretooth has an affiliation with two financial service firms (Precision Securities and Street One Financial), which provides extended outreach to the capital markets and the investment community.

About the Portfolio Manager

Scott Freeze, chief investment officer of Sabretooth Advisors, LLC

Mr. Freeze has been involved with ETFs since entering the financial services industry in the 1990s and brings over 25 years of financial services industry experience on both the buy side and sell side. Prior to joining Sabretooth, he founded Street One Financial in 2009 to serve as an Alternative Liquidity provider in the ETF space. He brings a wealth of product knowledge within in the Registered Investment Advisor channel as well as in the Authorized Participant and Market Maker space in leading Sabretooth. He has frequented as a guest on CNBC, Bloomberg, Fox Business and has been often printed in Wall Street Journal, New York Times and various industry outlets.

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.

Investing involves risk including possible loss of principal. Computer software/services companies can be significantly affected by competitive pressures, aggressive pricing, technological developments, changing domestic demand, the ability to attract and retain skilled employees and availability and price of components. Many computer software/services companies rely on a combination of patents, copyrights, trademarks and trade secret laws to establish and protect their proprietary rights in their products and technologies. There can be no assurance that the steps taken by computer software/services companies to protect their proprietary rights will be adequate to prevent misappropriation of their technology or that competitors will not independently develop technologies that are substantially equivalent or superior to such companies' technology. Stocks of technology companies and companies that rely heavily on technology, especially those of smaller, less-seasoned companies, tend to be more volatile than the overall market. Additionally, companies in the technology sector may face dramatic and often unpredictable changes in growth rates and competition for the services of qualified personnel. For other risks specific to the fund please read the prospectus.

Shares are bought and sold at market price not net asset value (NAV) and are not individually redeemed from the Fund. Market price returns are based on the midpoint of the bid/ask spread at 4:00 pm Eastern Time (when NAV is normally determined) and do not represent the return you would receive if you traded at other times.