

AdvisorShares Launches Psychedelics ETF (Ticker: PSIL)

AdvisorShares Psychedelics ETF delivers focused exposure to invest in a new medical frontier

NEWS PROVIDED BY

AdvisorShares →

Sep 16, 2021, 08:27 ET

BETHESDA, Md., Sept. 16, 2021 /PRNewswire/ -- AdvisorShares, a leading sponsor of actively managed exchange-traded funds (ETFs), today announced the launch of the AdvisorShares Psychedelics ETF (Ticker: PSIL). PSIL begins its trading as the first U.S.-listed actively managed ETF to deliver dedicated investment exposure to psychedelics and this emerging equity theme.

PSIL seeks long-term capital appreciation by investing in the fast-evolving psychedelics space, offering exposure to those biotechnology, pharmaceutical and life sciences companies which the portfolio manager views as leading the way in this nascent industry. Ongoing and growing research has shown various psychedelic substances offer promising medical and therapeutic potential for treating mental health issues and neurological disorders. PSIL concentrates its portfolio on companies which derive the majority of their net revenue or devote the majority of their assets to psychedelic drugs.

"We believe that by investing in select companies in the psychedelics space can provide a compelling long-term investment opportunity, however, this is also an area of the marketplace in its early innings," said **Dan Ahrens, chief operating officer of AdvisorShares and portfolio manager of PSIL**. "We feel that our active management and specialized approach can potentially help investors capture the early growth potential of psychedelics and its prominent promise on therapeutics and medical fields."



Ahrens has an established expertise and track record of actively managing complex areas of the equity markets including as the portfolio manager of AdvisorShares Pure US Cannabis ETF (Ticker: MSOS), AdvisorShares Pure Cannabis ETF (Ticker: YOLO) and the AdvisorShares Vice ETF (Ticker: VICE). He is also portfolio manager for the AdvisorShares Hotel ETF (Ticker: BEDZ) and AdvisorShares Restaurant ETF (Ticker: EATZ) which both launched in June 2021.

"We believe that delivering this strategy in an ETF structure with daily transparency, intraday liquidity and operational efficiency provides an ideal way for advisors and investors to access this burgeoning market," added **Noah Hamman, chief executive officer of AdvisorShares**. "As we continue to navigate highly specialized areas of the marketplace, we also remain steadfastly committed to providing ongoing investment education for our ETF shareholders, prospective investors and the investment community at large."

AdvisorShares regularly hosts live webinars featuring portfolio managers and leading industry experts. You may learn more and register at the AdvisorShares Event Center for upcoming events sessions on different investment strategies including on psychedelics and PSIL.

About AdvisorShares

AdvisorShares is a leading provider of actively managed ETFs. For financial professionals and investors requesting more information, call 1-877-843-3831 or visit www.advisorshares.com. Follow @AdvisorShares on Twitter and Facebook for more insights.

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

There is no guarantee that the Fund will achieve its investment objective. An investment in the Fund is subject to risk, including the possible loss of principal amount invested.

Psychedelic drugs, also known as hallucinogens, are a group of substances, including psilocybin, that are used to change and enhance sensory perceptions, thought processes, and energy levels. Psychedelic medicines, therapeutics, and healthcare treatments may be

used in the treatment of illnesses such as depression, addiction, anxiety and post-traumatic stress disorder. Psychedelic medicine companies include life sciences companies having significant business activities in, or significant exposure to, the psychedelics industry including producers or distributors of psychedelic medicines, biotechnology companies engaged in research and development of psychedelic medicines, and companies that are part of the supply chain for psychedelics.

Psychedelics Companies Risk. Psychedelics companies are subject to various laws and regulations that may differ at the state/local and federal level. These laws and regulations may significantly affect a psychedelics company's ability to secure financing, impact the market for psychedelics and business sales and services, and set limitations on psychedelics use, production, transportation, and storage. There can be no guarantees that such approvals or administrative actions will happen or be favorable for psychedelics companies, and such actions may be subject to lengthy delays, and may require length and expensive clinical trials. Additionally, therapies containing controlled substances may generate public controversy. Political and social pressures and adverse publicity could lead to delays in approval of, and increased expenses for, companies and any future therapeutic candidates they may develop. All of these factors and others may prevent psychedelics companies from becoming profitable, which may materially affect the value of certain Fund investments. In addition, psychedelics are subject to the risks associated with the biotechnology and pharmaceutical industries.

In Canada, certain psychedelic drugs, including psilocybin, are classified as Schedule III drugs under the Controlled Drugs and Substances Act ("CDSA") and, as such, medical and recreational use is illegal under Canadian federal laws. In the United States, certain psychedelic drugs, including psilocybin, are classified as Schedule I drugs under the Controlled Substances Act ("CSA") and the Controlled Substances Import and Export Act (the "CSIEA") and, as such, medical and recreational use is illegal under the U.S. federal laws. There is no guarantee that psychedelic drugs or psychedelic-inspired drugs will ever be approved as medicines in either jurisdiction.

In the United States, scheduling determinations by the Drug Enforcement Agency ("DEA") are dependent on Food and Drug Administration ("FDA") approval of a substance or a specific formulation of a substance. Unless and until psilocybin, psilocin, or other psychedelics-based products receive FDA approval, such products may be prohibited from sale, which could limit

the growth opportunities for certain portfolio companies of the Fund. Even if approved by the FDA, the manufacture, importation, exportation, domestic distribution, storage, sale, and legitimate use of such products will continue to be subject to a significant degree of regulation by the DEA.

Security prices of small cap companies may be more volatile than those of larger companies and therefore the Fund's share price may be more volatile than those of funds that invest a larger percentage of their assets in securities issued by larger-cap companies. These risks are even greater for micro-cap companies. Liquidity in finance refers to the ease with which a security or an asset can be converted into cash at market price.

Foreside Fund Services, LLC, distributor.

CONTACT: Ryan Graham, 862-777-4274, rgraham@jconnelly.com

SOURCE AdvisorShares