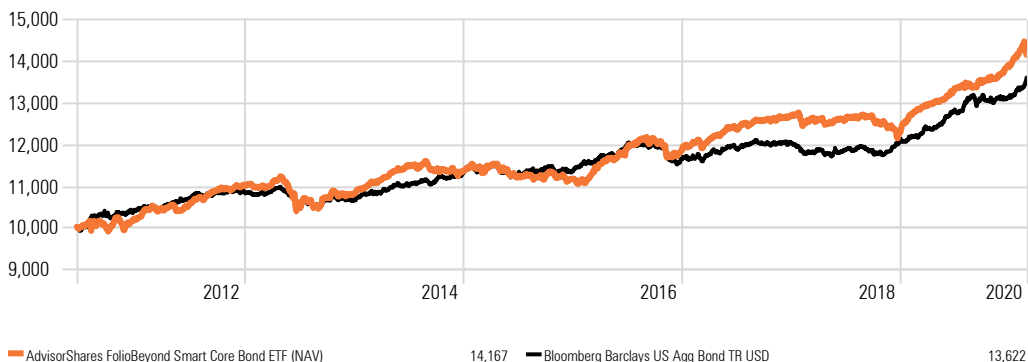


### Investment Strategy

FWDB is an actively managed core bond ETF using a quantitative investing strategy to assess over 20 distinct bond classes to construct its portfolio. The systematic model evaluates a variety of factors, including value, momentum, correlation effects and implied volatility levels, to identify the fixed income allocation. Exposure to the desired fixed income sectors will be via liquid ETFs. FWDB's goal is to outperform the Bloomberg Barclays U.S. Aggregate Bond Index over time while targeting a similar level of risk as the index.

### Investment Growth

Time Period: 6/21/2011 to 2/29/2020

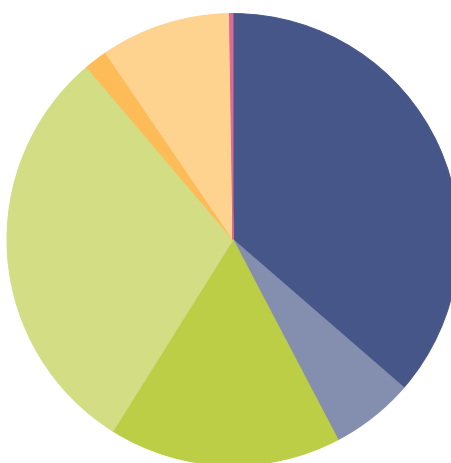


### Snapshot

Ticker	FWDB
Morningstar Rating 3 Yr	★★★★
Morningstar Rating 5 Yr	★★★★
Morningstar Rating Overall	★★★★
Morningstar Risk Rating Overall	Average
Morningstar Category	US Fund Multisector Bond
# in Category	270
Inception Date	6/20/2011
Management Fee	0.50
Prospectus Net Expense Ratio*	1.31
Prospectus Gross Expense Ratio	1.85
Assets Under Management	7,981,037

Overall Morningstar rating is derived from a weighted average of the fund's 3-, 5-, and 10-year (if applicable) risk-adjusted returns as of the date of this report. Category consists of 270 funds in 3 year and 225 in 5 year.

### Asset Allocation



High Yield Corporates	36.36
Treasury/ Government Agency	5.95
Bank Loan	16.60
High Yield Municipals	29.90
Mortgage REIT	1.66
MBS/CMBS	9.28
Cash & Equivalent	0.25
<b>Total</b>	<b>100.00</b>

30 Day Unsubsidized SEC Yield	4.07	Prospectus Net Expense Ratio*	1.31
30 Day Subsidized SEC Yield	4.61	Prospectus Gross Expense Ratio	1.85

### Trailing Returns Month-End (Annualized over 1 year)

As of Date: 2/29/2020

	1 Month	3 Month	6 Month	1 Year	3 Year	5 Year	Since Inception
AdvisorShares FolioBeyond Smart Core Bond ETF (NAV)	-0.10	3.44	5.87	10.24	5.33	4.29	4.09
AdvisorShares FolioBeyond Smart Core Bond ETF (Market)	-0.06	3.51	5.96	10.47	5.38	4.29	4.11
Bloomberg Barclays US Agg Bond TR USD	1.80	3.69	3.39	11.68	5.01	3.58	3.62
Multisector Bond	-0.28	1.55	2.04	7.11	4.18	3.49	4.12

### Trailing Returns Quarter-End (Annualized over 1 year)

As of Date: 12/31/2019

	1 Year	3 Year	5 Year	Since Inception
AdvisorShares FolioBeyond Smart Core Bond ETF (NAV)	12.80	5.37	4.05	3.91
AdvisorShares FolioBeyond Smart Core Bond ETF (Market)	12.95	5.43	4.04	3.94
Bloomberg Barclays US Agg Bond TR USD	8.72	4.03	3.05	3.24
Multisector Bond	9.61	4.62	3.69	4.12

Performance data quoted represents past performance and is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. Returns less than one year are not annualized. For the Fund's most recent month end performance, please visit [www.advisorshares.com](http://www.advisorshares.com). \*The Advisor has contractually agreed to keep net expenses from exceeding 0.95% of the Fund's daily net assets for at least a year from the date of the Prospectus and for an indefinite period thereafter subject to annual reapproval of the agreement by the Board of Trustees.

On April 1, 2019, the AdvisorShares Madrona Global Bond ETF (the "Predecessor Fund") was renamed the AdvisorShares FolioBeyond Smart Core Bond ETF. The Predecessor Fund had different portfolio managers and investment strategy than the FolioBeyond Smart Core Bond ETF. Performance prior to April 2, 2019 reflects the Fund's performance prior to the change in manager an investment strategy and may not be indicative of the Fund's performance under the new manager and revised investment strategy. Performance since April 2, 2019 reflects actual FolioBeyond Smart Core Bond ETF performance.

Duration is the change of a fixed income security that will result from a 1% change in interest rates, and is based on the yield to worst date. 30-Day SEC Yield (Standardized Yield) is an annualized yield that is calculated by dividing the investment income earned by the Fund less expenses over the most recent 30-day period by the current maximum offering price. The Subsidized Yield reflects fee waivers and/or expense reimbursements recorded by the Fund during the period. Without waivers and/or reimbursements, yields would be reduced. The Unsubsidized Yield does not adjust for any fee waivers and/or expense reimbursements in effect. If the Fund does not incur any fee waivers and/or expense reimbursements during the period, the 30-Day Subsidized Yield and 30-Day Unsubsidized Yield will be identical.

### Calendar Year Returns

	6/21/2011 - 12/31/2011	2012	2013	2014	2015	2016	2017	2018	2019	YTD
AdvisorShares FolioBeyond Smart Core Bond ETF (NAV)	2.31	7.83	-1.94	5.13	-1.65	6.01	7.08	-3.15	12.80	2.13
AdvisorShares FolioBeyond Smart Core Bond ETF (Market)	2.19	8.07	-2.05	5.45	-1.75	5.87	6.73	-2.80	12.95	2.08
Bloomberg Barclays US Agg Bond TR USD	4.42	4.21	-2.02	5.97	0.55	2.65	3.54	0.01	8.72	3.76
Multisector Bond	-0.20	11.58	2.13	3.49	-2.24	7.10	6.15	-1.60	9.61	0.71

### Risk

	FWDB	Bloomberg Barclays US Agg Bond	Multisector Bond
Alpha	2.01	0.00	2.71
Beta	0.47	1.00	0.23
Std Dev	3.88	3.81	2.49
Information Ratio (arith)	0.17		0.20
Sortino Ratio (arith)	1.48	1.34	2.28
Sharpe Ratio (arith)	1.29	1.13	2.03
Down Capture Ratio	38.80	100.00	12.54
Correlation	0.46	1.00	0.35
Tracking Error	4.00	0.00	3.75
R2	21.11	100.00	12.28

### Top 10 Holdings

Holdings are subject to change.	Value (mil)	Weight %
VanEck Vectors High-Yield Municipal ETF	1.68	20.94
SPDR® Blmbg BarclaysST HY Bd ETF	1.68	20.92
iShares iBoxx \$ High Yield Corp Bd ETF	1.06	13.27
iShares 20+ Year Treasury Bond ETF	1.00	12.50
SPDR® Nuveen BB Hi Yld Muncpl Bd ETF	0.73	9.06
iShares 0-5 Year High Yield Corp Bd ETF	0.72	8.97
iShares Mortgage Real Estate Capped ETF	0.57	7.11
Invesco Senior Loan ETF	0.54	6.72

**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](http://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. ETNs have a maturity date and generally, are backed only by the creditworthiness of the issuer. The value of an ETN may be influenced by time to maturity, level of supply and demand for the ETN, volatility and lack of liquidity in the underlying market (e.g., the commodities market), changes in applicable interest rates, and changes in the issuer's credit rating and economic, legal, political or geographic events that affect the market. Other Fund risks include market risk, equity risk, early closing risk, liquidity risk and trading risk. The Fund will be subject to the risks associated the Underlying ETFs' or ETP's investments such as commodity risk, concentration risk, credit risk, fixed income risk, high yield risk, income risk, interest rate risk, and investment risk.

Shares are bought and sold at market price (closing 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.

The Morningstar Rating™ for funds, or "star rating," is calculated for managed products with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive five stars, the next 22.5% receive four stars, the next 35% receive three stars, the next 22.5% receive two stars, and the bottom 10% receive one star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three- and five-year Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns.

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The Bloomberg Barclays U.S. Agg Bond TR USD Index is an unmanaged index considered representative of the performance of the U.S. investment grade bond market. One cannot invest directly in an index. Multisector-bond Category portfolios seek income by diversifying their assets among several fixed-income sectors, usually U.S. government obligations, U.S. corporate bonds, foreign bonds, and high-yield U.S. debt securities. These portfolios typically hold 35% to 65% of bond assets in securities that are not rated or are rated by a major agency such as S&P or Moody's at the level of BB (considered speculative for taxable bonds) and below. Alpha measures the risk-adjusted premium an investment earns above its benchmark. Beta measures the volatility of a security or a portfolio in comparison to the entire market. Standard Deviation measures the dispersion of a set of data from its mean and is calculated as the square root of variance. Information Ratio measures the active return of the manager's portfolio divided by the amount of risk that the manager takes relative to the benchmark. Sortino Ratio measures the excess return over the risk-free rate divided by the downside semi-variance, and so it measures the return to "bad" volatility. Sharpe Ratio measures the average return minus the risk-free return divided by the standard deviation of return on an investment. Down Capture Ratio measures an investment manager's overall performance in down-markets. Correlation measures how two securities move in relation to each other. Tracking Error measures how closely a portfolio follows the index to which it is benchmarked. R2 measures the percentage of a fund or security's movements that can be explained by movements in a benchmark index.