AdvisorShares Psychedelics ETF

PSIL | NYSE Arca, Inc.

Annual Shareholder Report | JUNE 30, 2026

This annual shareholder report contains important information about AdvisorShares Psychedelics ETF (the "Fund") for the period of July 1, 2025 to June 30, 2026. You can find additional information about the Fund at https://www.advisorshares.com/about/literature-center. You can also request this information by contacting us at 1-877-843-3831.

What were the Fund’s costs for the period?

(based on a hypothetical $10,000 investment)

Fund	Cost of $10K Investment	Cost Paid as % of $10K Investment
AdvisorShares Psychedelics ETF	$143	0.99%

Management's Discussion of Fund Performance

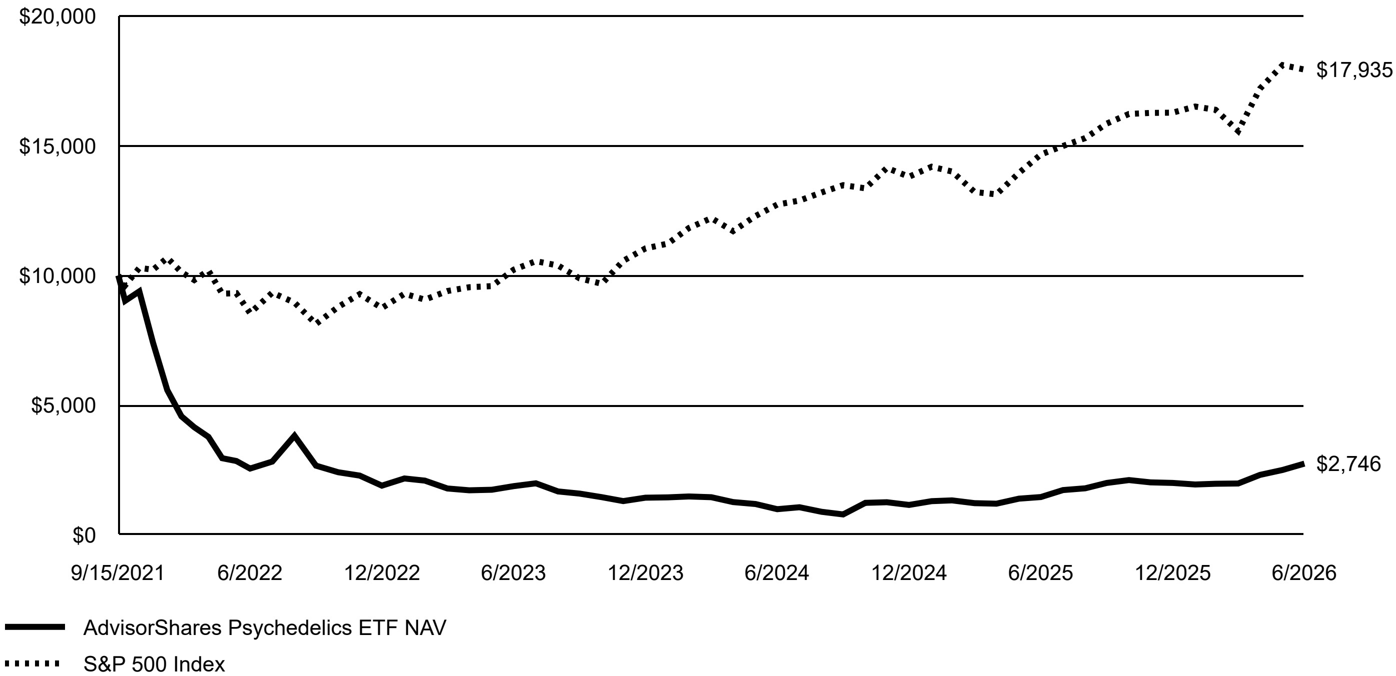
PSIL delivered strong positive returns for the fiscal year ended June 30, 2026, as renewed investor interest, clinical progress, and a more supportive policy environment contributed to improved sentiment across the psychedelic therapeutics sector. On April 18, 2026, President Trump signed an executive order directing the Department of Health and Human Services to expedite research, expand clinical trial participation, and prioritize regulatory review of psychedelic therapies for serious mental illness. Six days later, on April 24, 2026, the FDA issued National Priority Vouchers to three companies developing psychedelic-based therapies, a mechanism intended to compress standard drug review timelines to approximately one to two months. Positive Phase 3 clinical trial data for certain psilocybin-based therapies also contributed to improved sentiment during the period, while the Department of Veterans Affairs expanded its involvement in clinical trials evaluating psychedelic-assisted treatments.

These developments marked a departure from the prior FDA rejection of an MDMA-based therapy application in 2024, as subsequent trial designs sought to address the specific deficiencies identified in that earlier review. Notwithstanding this regulatory momentum, psilocybin, MDMA, and related compounds remained Schedule I controlled substances under federal law throughout the fiscal year, and no psychedelic compound had received FDA approval as of June 30, 2026.

The sector continued to be composed primarily of early-stage and micro-cap companies engaged in clinical research and development, a profile that contributes to substantial volatility tied to individual trial results, regulatory announcements, and shifts in investor sentiment. State and local decriminalization efforts, along with state-level medical psilocybin program development, also continued to evolve during the period.

Fund Performance

GROWTH OF AN ASSUMED $10,000 INVESTMENT



AVERAGE ANNUAL TOTAL RETURN

Fund/Index	1 year	Since Inception 9/15/2021
AdvisorShares Psychedelics ETF NAV	88.38%	-23.65%
S&P 500 Index	22.32%	12.97%

The fund's past performance is not a good predictor of how the fund will perform in the future. The graph and table do not reflect the deduction of taxes that a shareholder would pay on fund distributions or redemption of fund shares. 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. Fund NAV returns are calculated using the Fund's daily 4:00 p.m. NAV. Returns shown include the reinvestment of all dividends and other distributions. Index returns do not include expenses. Returns less than one year are not annualized. The performance table and graph do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. For the Fund's most recent month end performance, please call 1-877-843-3831.

Key Fund Statistics

The following table outlines key fund statistics as of 6/30/2026.

Fund net assets	$44,429,873
Total advisory fees paid	$124,571
Total number of portfolio holdings	32
Period portfolio turnover rate	64%

Portfolio Composition

The table below shows the investment makeup of the Fund as of 6/30/2026.

Sector	**% of Net Assets**
Healthcare - Services	2.6%
Pharmaceuticals	34.0%
Biotechnology	59.3%
Money Market Funds	7.1%
Assets Less Liabilities	(3.0)%
Total	100.0%

Availability of Additional Information

If you wish to find additional information about the Fund such as the prospectus, financial information, portfolio holdings and proxy voting, please see the website address or contact number included at the beginning of this shareholder report.