



First Trust International Capital Strength ETF • FINT

Annual Management Report of Fund Performance
December 31, 2025

(Page intentionally left blank)

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

December 31, 2025

First Trust International Capital Strength ETF (the “First Trust ETF”)

This annual management report of fund performance contains financial highlights but does not contain the complete audited annual financial statements of the First Trust ETF. All references to dollars contained herein are to Canadian dollars.

Securityholders may also contact us to request a copy of the First Trust ETF’s proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosures relating to the First Trust ETF by calling 1-877-622-5552, by writing to us at FT Portfolios Canada Co., 40 King Street West, Suite 5102, Scotia Plaza, Box 312, Toronto, Ontario M5H 3Y2 or by visiting our web site at www.firsttrust.ca or SEDAR at www.sedarplus.ca.

Forward-looking Statements

This document may contain forward-looking statements relating to anticipated future events, results, circumstances, performance or expectations that are not historical facts but instead represent beliefs regarding future events. By their nature, forward-looking statements are based on assumptions and are subject to inherent risks and uncertainties. There is significant risk that forward-looking statements will not prove to be accurate. Readers of this document should not place undue reliance on forward-looking statements as a number of factors could cause actual future results, conditions, actions or events to differ materially from the expectations, estimates or intentions expressed or implied in the forward-looking statements. These factors include but are not limited to market and general economic conditions, interest rates, foreign currency exchange rates, the extent of industry sector exposure, the performance of the securities of the issuers held in the portfolio and regulatory developments and the risks detailed in the First Trust ETF’s prospectus. The Manager does not undertake and specifically disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

First Trust International Capital Strength ETF

Management Report of Fund Performance

For the year ended December 31, 2025

Investment Objective and Strategy

The fundamental investment objective of **First Trust International Capital Strength ETF** (the "First Trust ETF") is to provide unitholders with long term capital appreciation by investing primarily in equity securities of developed market companies, excluding the U.S. and Canada, that are traded on global exchanges, with a focus on fundamental strength and growth.

The First Trust ETF seeks to achieve its investment objective by investing primarily in securities of developed market companies, excluding the U.S. and Canada that are included in the Nasdaq DM ex-US Index, with a focus on fundamental strength and growth. Securities invested in by the First Trust ETF include common shares of public companies and American Depository Receipts ("ADRs"), Global Depository Receipts ("GDRs") and European Depository Receipts ("EDRs") that are traded on global exchanges or markets.

The First Trust ETF uses a multi-step quantitative selection process to identify its investible universe of securities, and fundamental analysis to make final portfolio selections. The selection process, described below, is designed to identify issuers that have certain objectives and easily determinable attributes that, in the portfolio advisor's opinion, makes them capital strength issuers.

The first step in the portfolio advisor's selection process is to identify the universe of securities from which the portfolio advisor will select the portfolio. The portfolio advisor begins by identifying securities of issuers that, primarily, are traded on global exchanges or markets.

Next, the portfolio advisor screens issuers based on multiple quantitative metrics, including, but not limited to, market capitalization, cash on hand, return on equity and long-term debt to market value of equity. These factors are designed to identify those issuers which exhibit strong fundamental characteristics at the time of purchase and to eliminate those that do not meet the investment criteria.

After establishing the investment universe, the portfolio advisor examines other factors, including valuation and future growth prospects, to determine securities it may purchase for the First Trust ETF. The portfolio advisor then uses fundamental analysis to select securities that meet the First Trust ETF's investment objectives, trade at attractive valuations and in the opinion of the portfolio advisor, are likely to exceed market expectations of future cash flows.

Risk

The risks associated with an investment in the First Trust ETF remain as discussed in the First Trust ETF's most recent prospectus. There have been no significant changes during the reporting year that affected the overall level of risk associated with the First Trust ETF.

Results of Operations

General

The First Trust ETF's net asset value as of December 31, 2025, was \$13,103,917 or \$32.76 per unit. The First Trust ETF's net asset value as of December 31, 2024, was \$11,769,630 or \$26.15 per unit.

For the year ended December 31, 2025, the First Trust ETF paid total cash distributions of \$0.5330 per unit. In addition, the First Trust ETF declared cash distributions of \$0.2100 per unit for record date of December 31, 2025, with payment date of January 8, 2026.

Investment Performance

For the year ended December 31, 2025, the First Trust ETF returned 27.92% compared to MSCI EAFE Index (the "benchmark") return of 25.07%. Unlike the benchmark, the First Trust ETF's return is net of fees and expenses.

The First Trust ETF outperformed the benchmark for the year. Selection effect was a positive contributor to relative performance while allocation effect was negative. Selections within the Information Technology and Materials sectors were the largest positive contributors to relative performance. Selections within the Financials and Communication

First Trust International Capital Strength ETF

Management Report of Fund Performance

For the year ended December 31, 2025

Services sectors and an underweight allocation to the Financials sector were the largest negative contributors to relative performance.

The top-performing stocks by total return for the reporting year were Advantest Corp., Anglogold Ashanti PLC, and Poste Italiane SpA. These stocks returned 104.97%, 84.51%, and 58.04%, respectively. The bottom-performing stocks by total return for the reporting year were Novo Nordisk A/S, CSL Limited, and Recruit Holdings Co., Ltd. These stocks returned -35.02%, -31.63%, and -29.36%, respectively.

The First Trust ETF held 40 equity positions for the year ended December 31, 2025, and made no net change to the number of positions from the beginning of the year. Portfolio changes were made in February 2025 (two positions added, two positions eliminated), May 2025 (three positions added, three positions eliminated), August 2025, three positions added, three positions eliminated), and November 2025 (six positions added, six positions eliminated).

The top ten equity holdings of the First Trust ETF as of December 31, 2025 accounted for 28.36% of total NAV and the top ten equity holdings of the First Trust ETF as of December 31, 2024 accounted for 28.62% of total NAV. Industrials, Health Care, and Information Technology (in order) were the top three sectors at the end of the year, and Information Technology, Industrials, and Consumer Discretionary (in order) were the top three sectors at the beginning of the year. Relative to its benchmark over the year, the First Trust ETF was overweight the Communication Services, Health Care, Industrials, and Information Technology sectors and underweight the Consumer Discretionary, Consumer Staples, Energy, Financials, Materials, Real Estate, and Utilities sectors. The sector weighting of the First Trust ETF changed somewhat over the reporting year, primarily as the result of our bottom-up, multi-step quantitative and fundamental stock selection strategy.

Portfolio changes were made in February, May, August, and November, though there was no net change to the total number of portfolio positions over the year. In February, one position, Konecranes Plc, was removed for failing to meet the initial screening criteria, and one position, Daito Trust Construction Co. Ltd., was removed at the portfolio manager's discretion. Two positions, Hanwha Aerospace Co., Ltd. and Poste Italiane S.p.A., were established in place of them. In May, one position, TotalEnergies SE, was removed for failing to meet the initial screening criteria, and two positions, Atlas Copco AB and Intermediate Capital Group plc, were removed at the portfolio manager's discretion. Three positions, AngloGold Ashanti plc, Technip Energies N.V., and WH Group Limited, were established in place of them. In August, one position, Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München, was removed for failing to meet the initial screening criteria, and two positions, Novo Nordisk A/S and Publicis Groupe S.A., were removed at the portfolio manager's discretion. Three positions, Airbus SE, Argenx SE, and 3i Group plc, were established in place of them. In November, three positions, Infineon Technologies AG, Sampo Holdings, Inc., and DBS Group Holdings Co., Ltd., were removed for failing to meet the initial screening criteria, and three positions, Recruit Holdings Co., Ltd., CLS Limited, and Industria de Diseño Textil, S.A., were removed at the portfolio manager's discretion. Six positions, BHP Group Limited, SK Hynix Inc., Yangzijiang Shipbuilding (Holdings) Ltd., Prysmian S.p.A., GSK plc, and Genmab A/S were established in place of them.

Recent Developments

The global economy proved more resilient than expected in 2025 amidst heightened political uncertainty, global trade tensions, and persistent price pressures. According to the World Bank, global growth is estimated to have averaged 2.7% for the year, 0.4% above June projections, as major economies experienced stronger-than-expected growth. Inflation has moderated in most countries and continues to trend closer to central bank targets. Global headline inflation is estimated at 3.2% for the year and is expected to continue trending lower, reflecting the impact of softening labor markets, subdued demand for goods, and falling energy prices. Global financial conditions have generally eased as many central banks pivoted to monetary easing. The European Central Bank ("the ECB") met eight times throughout the year, reducing its key interest rate by 0.25% at each of the first four meetings before pausing its rate-cutting campaign in July due to uncertainty from potential U.S. tariffs. The deposit facility rate – the rate through which the ECB's Governing Council steers the monetary policy stance – began the year at 3.00% and ended the year at 2.00%. The Bank of England's Monetary Policy Committee ("the MPC") met eight times during the year, cutting the Bank Rate – the most important interest rate in the UK - on four separate occasions. The Bank Rate began the year at 4.50% and ended the year at 3.75%. The Bank of Japan ("the BOJ") met eight times throughout the year, raising

First Trust International Capital Strength ETF Management Report of Fund Performance For the year ended December 31, 2025

the short-term policy rate by 0.25% at the January and December meetings. Japan's policy interest rate began the year at 0.25% and ended the year at 0.75%, marking the highest level since 1995.

The benchmark returned 25.07% in 2025 as all eleven GICS sectors finished the year with a positive return. The largest positive contributors to total return were the Financials and Industrials sectors, which account for 42.37% of the benchmark. The Real Estate and Energy sectors were the largest drags on performance based on contribution to total return. By country, Japan, United Kingdom, and Germany (46.86% of the benchmark) were the largest positive contributors to total return. Denmark and New Zealand were the largest drags on performance based on contribution to total return and were the only two countries with a negative return for the year.

We continue to find attractive long-term candidates from within our selection universe of "international capital strength" companies. The First Trust ETF is positioned to provide exposure to the world's most developed nations, excluding the United States and Canada.

Related Party Transactions

FT Portfolios Canada Co. is the Manager of the First Trust ETF and is a Canadian affiliate of First Trust Advisors L.P., the investment advisor (the "Advisor") of the First Trust ETF.

Pursuant to terms of the declaration of trust of the First Trust ETF, the Manager provides or arranges for all management, administrative and other services required by the First Trust ETF. The Manager receives a management fee from the First Trust ETF. For further details, please see "Management Fees".

The Manager has retained the Advisor to provide certain services to the First Trust ETF pursuant to an investment advisory agreement. The Advisor receives advisory fees from the Manager out of the management fee.

First Trust International Capital Strength ETF Management Report of Fund Performance For the year ended December 31, 2025

Financial Highlights

The following tables show selected key financial information about the First Trust ETF and are intended to help you understand the First Trust ETF's financial performance for the five years ended December 31. This information is derived from the First Trust ETF's audited annual financial statements.

Net Asset Value per Unit

FINT	2025	2024	2023	2022	2021
Net asset value, beginning of year ⁽¹⁾	\$26.15	\$25.12	\$22.76	\$27.08	\$24.09
Increase (Decrease) from operations:					
Total revenue	0.96	0.64	0.82	0.90	0.79
Total expenses	(0.37)	(0.35)	(0.31)	(0.28)	(0.32)
Realized gains (losses) for the year	2.96	(0.38)	0.43	(2.86)	2.38
Unrealized gains (losses) for the year	3.84	1.10	1.96	(2.17)	(0.02)
Total increase (decrease) from operations ⁽²⁾	\$ 7.39	\$1.01	\$2.90	\$(4.41)	\$2.83
Distributions:					
From income (excluding dividends)	(0.65)	(0.37)	(0.42)	(0.29)	-
From dividends	-	-	-	-	-
From capital gains	(0.01)	-	-	-	-
Return of capital	-	-	(0.08)	-	-
Total annual distributions ⁽³⁾	\$(0.66)	\$(0.37)	\$(0.50)	\$(0.29)	\$ -
Net asset value, end of year ⁽⁴⁾	\$32.76	\$26.15	\$25.12	\$22.76	\$27.08

(1) This information is provided as at December 31 of the years shown and is prepared under IFRS® Accounting Standards as issued by the International Accounting Standards Board ("IASB").

(2) Net asset value and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the year.

(3) Distributions were paid in cash or reinvested in additional units of the First Trust ETF, or both. Non-cash distributions are reinvested in additional units of the First Trust ETF and subsequently consolidated. Neither the number of units held by the unitholder, nor the net asset per unit of the First Trust ETF change as a result of any non-cash distributions.

(4) This table is not intended to be a reconciliation of beginning to ending net asset value per unit.

Ratios and Supplemental Data

FINT	2025	2024	2023	2022	2021
Net asset value (000's)	\$13,104	\$11,770	\$6,279	\$6,828	\$9,477
Number of units outstanding	400,000	450,000	250,000	300,000	350,000
Management expense ratio ⁽¹⁾	0.76%	0.74%	0.75%	0.74%	0.74%
Management expense ratio before waivers or absorption	0.77%	0.75%	0.76%	0.76%	0.76%
Trading expense ratio ⁽²⁾	0.13%	0.22%	0.10%	0.15%	0.21%
Portfolio turnover rate ⁽³⁾	55.33%	66.72%	45.00%	61.18%	65.09%

(1) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated year and is expressed as an annualized percentage of daily average net asset value during the year.

(2) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the year.

(3) The First Trust ETF's portfolio turnover rate indicates how actively the First Trust ETF's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the First Trust ETF buying and selling all of the securities in its portfolio once in the course of the year. The higher a First Trust ETF's portfolio turnover rate in a year, the greater the trading cost payable by the First Trust ETF in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between high turnover rate and the performance of a First Trust ETF.

**First Trust International Capital Strength ETF
 Management Report of Fund Performance
 For the year ended December 31, 2025**

Management Fees

The First Trust ETF will pay the Manager a management fee of 0.70% based on the average daily NAV of the First Trust ETF. The management fee, plus applicable taxes including HST, will be accrued daily and paid monthly in arrears. The Manager may, from time to time in its discretion, waive all or a portion of the management fee charged at any given time.

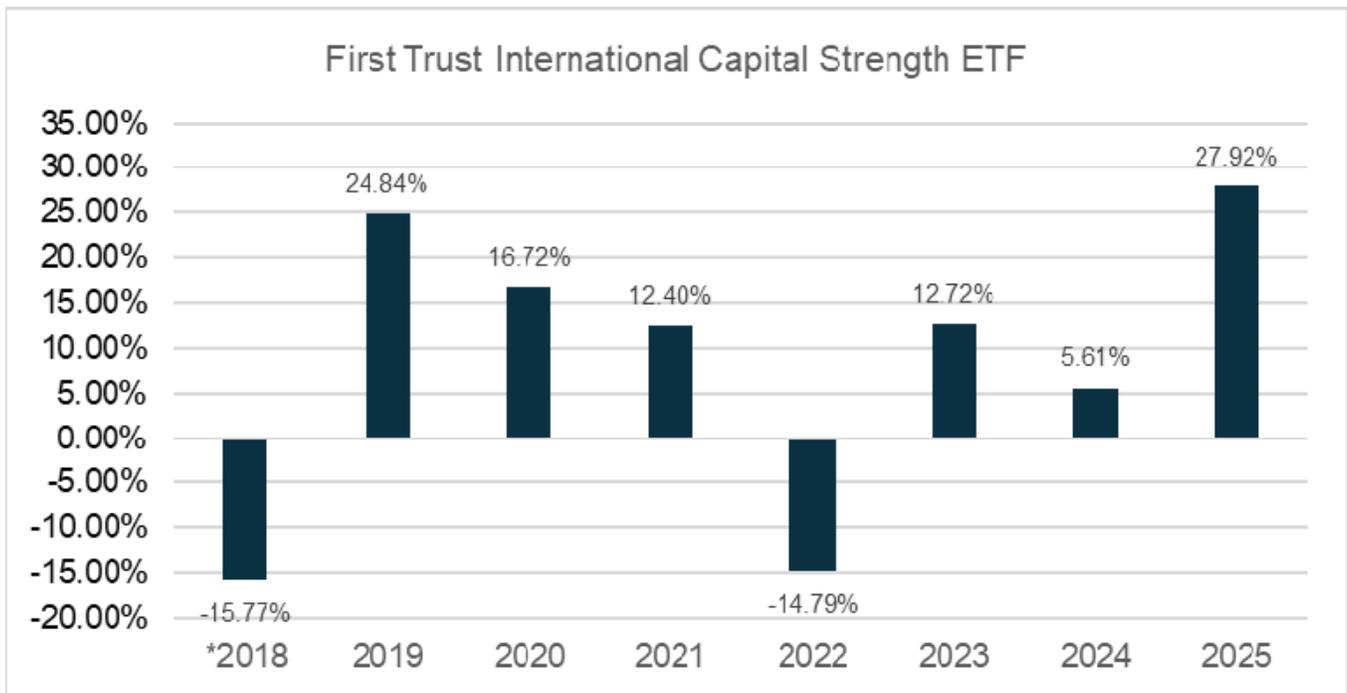
Past Performance

General

The past performance information shown assumes that all distributions made by the First Trust ETF in the period/years shown were reinvested in additional securities of the First Trust ETF. The performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance. How the First Trust ETF has performed in the past does not necessarily indicate how it will perform in the future.

Year by Year Returns

The bar chart below shows the First Trust ETF's performance for the years ended December 31 and for the period from commencement of operations to December 31, 2018 and illustrates how the investment fund's performance has changed from year to year. The chart also shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the last day of each financial year.



*First Trust ETF Commencement: May 17, 2018

First Trust International Capital Strength ETF

Management Report of Fund Performance

For the year ended December 31, 2025

Annual Compound Returns

The table below shows the First Trust ETF's annual compound total return since inception and for the years ended December 31, 2025. The annual compound return is compared to the returns of the relevant benchmark; however, the First Trust ETF's return is net of fees and expenses. See Results of Operations section of this report for further information regarding the current year performance of the First Trust ETF relative to the benchmark.

Returns	1-Year	3-Year	5-Year	10-Year	Since Inception
First Trust International Capital Strength ETF	27.92%	15.05%	7.84%	-	7.93%
MSCI EAFE Index	25.07%	17.68%	10.53%	-	8.35%

MSCI EAFE Index is designed to represent the performance of large and mid-cap securities across 21 developed markets, including countries in Europe, Australasia and the Far East, excluding the U.S. and Canada. The Index is available for a number of regions, market segments/sizes and covers approximately 85% of the free float-adjusted market capitalization in each of the 21 countries.

Summary of Investment Portfolio

The table below sets out the percentage (based on total net asset value) of the First Trust ETF's top 25 holdings as at December 31, 2025. This summary of portfolio holdings may change due to ongoing portfolio transactions of the First Trust ETF. Daily and quarterly updates are available at www.firsttrust.ca.

Top 25 Holdings	% of ETF Total Net Asset Value
Roche Holding AG Genussscheine	3.13%
Anglogold Ashanti PLC	3.13%
Volvo AB, Series 'B'	2.87%
Chugai Pharmaceutical Co. Ltd.	2.81%
Rio Tinto PLC	2.79%
AstraZeneca PLC	2.78%
Novartis AG, Registered	2.73%
Capgemini SE	2.72%
WH Group Ltd.	2.71%
Genmab AS	2.69%
BHP Group Ltd.	2.62%
LVMH Moet Hennessy Louis Vuitton SE	2.60%
Andritz AG	2.59%
GSK PLC	2.59%
Reckitt Benckiser Group PLC	2.57%
Deutsche Boerse AG	2.55%
Poste Italiane SPA	2.55%
Tokyo Electron Ltd.	2.53%
SK Hynix Inc.	2.52%
argenx SE	2.50%
Kia Corp.	2.50%
ABB Ltd., Registered	2.47%
Yangzijiang Shipbuilding Holdings Ltd.	2.46%
ASML Holding NV	2.46%
Siemens AG, Registered	2.42%
Total	66.29%

**First Trust International Capital Strength ETF
Management Report of Fund Performance
For the year ended December 31, 2025**

Portfolio Breakdown

The table below sets out the percentage (based on total net asset value) of the First Trust ETF's portfolio, by sector, as at December 31, 2025.

Sector Weightings	% of ETF Total Net Asset Value
Industrials	26.64%
Information Technology	21.07%
Health Care	19.24%
Financials	9.32%
Materials	8.53%
Consumer Staples	7.76%
Consumer Discretionary	7.34%
Cash and Cash Equivalents	0.06%
Other Assets, Less Liabilities	0.04%
Total	100.00%

The table below sets out the percentage (based on total net asset value) of the First Trust ETF's portfolio excluding cash, by country, as at December 31, 2025.

Country Weightings	% of ETF Total Net Asset Value
United Kingdom	20.34%
Japan	13.84%
France	12.25%
Switzerland	8.33%
Netherlands	7.46%
Germany	7.23%
South Korea	7.22%
Australia	4.96%
Italy	4.95%
Sweden	2.87%
Hong Kong	2.71%
Denmark	2.69%
Austria	2.59%
China	2.46%
Total	99.90%

(Page intentionally left blank)

FT Portfolios Canada Co.

40 King Street West, Suite 5102
Scotia Plaza, Box 312
Toronto, Ontario M5H 3Y2

www.firsttrust.ca