



First Trust Value Line® Dividend Index ETF
(CAD-Hedged) • FUD

Interim Management Report of Fund Performance
June 30, 2025

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INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE

June 30, 2025

First Trust Value Line® Dividend Index ETF (CAD-Hedged) **(the “First Trust ETF”)**

This interim management report of fund performance contains financial highlights but does not contain either the interim financial report or annual financial statements of the First Trust ETF. You can get a copy of the interim financial report or annual financial statements at your request, and at no cost, 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.com.

Securityholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

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 Value Line® Dividend Index ETF (CAD-Hedged)

Management Report of Fund Performance

For the six-month period ended June 30, 2025

Investment Objective and Strategy

The fundamental investment objective of **First Trust Value Line® Dividend Index ETF (CAD-Hedged)** (the “First Trust ETF”) is to replicate, to the extent possible, the performance of the Value Line® Dividend Index (the “Index”) on a currency hedged basis, net of expenses.

The investment strategy of the First Trust ETF is to invest in and hold a proportionate share of the constituent securities of the Index, or other securities, including ETFs, mutual funds or other public investment funds or derivative instruments, to seek to replicate the performance of such Index. The First Trust ETF may also hold cash and cash equivalents or other money market instruments to fund current liabilities.

The First Trust ETF may also obtain exposure to the Index by holding securities of a U.S.-listed index ETF of an affiliate of the Manager, First Trust Value Line® Dividend Index Fund, which replicates or substantially replicates the performance of the Index.

The Index is a modified equal-dollar weighted index comprised of U.S. exchange-listed securities of companies that pay above-average dividends and have potential for capital appreciation. The Index begins with the universe of U.S. stocks, excluding all registered investment companies, limited partnerships and foreign securities not listed in the U.S., that Value Line® gives a Safety™ Ranking of #1 or #2 using the Value Line® Safety™ Ranking System. The Safety™ ranking measures the total risk of a stock relative to the other stocks in the Value Line® universe. From those stocks, Value Line® selects those companies with a higher dividend yield as compared to the indicated dividend yield of the Standard & Poor’s 500 Composite Stock Price Index. Value Line® then eliminates those companies with an equity market capitalization of less than US\$1 billion. The Index is equally weighted and rebalanced on a monthly basis. The Index’s monthly rebalance and reconstitution schedule may cause the First Trust ETF to experience a higher rate of portfolio turnover.

Risk

The Index the First Trust ETF tracks utilizes a rules-based stock selection process and can result in sector weightings that differ from the primary and secondary benchmarks, S&P 500® Index (CAD-Hedged) total return and Dow Jones U.S. Select Dividend Index Return (USD), respectively. The ability of the underlying securities to pay a dividend in the future is dependent on factors that are not controlled by fund management. A security held in the First Trust ETF may, at any time, decide to cut or eliminate its dividend payment. Given the First Trust ETF employs a currency hedging strategy to minimize the impact of changes in the USD-CAD exchange rate and considering that the portfolio remains consistent in its application of the Value Line® stock selection methodology to pick stocks for the portfolio, we conclude there was no material change to the risk profile of the First Trust ETF. Investors should refer to the most recent prospectus as it contains detailed discussion of risk relating to the investment of the First Trust ETF.

Results of Operations

General

First Trust ETF’s total net asset value as of June 30, 2025, was \$5,353,112 or \$35.76 per unit. First Trust ETF’s total net asset value as of December 31, 2024, was \$5,278,628 or \$35.26 per unit.

For the six-month period ended June 30, 2025, the First Trust ETF paid total cash distributions of \$0.4175 per unit. In addition, the First Trust ETF declared cash distributions of \$0.0700 per unit for record date of June 30, 2025, with payment date of July 8, 2025.

Investment Performance

For the six-month period ended June 30, 2025, the First Trust ETF returned 2.61% compared to the primary and secondary benchmarks’ total returns of 3.15% and 5.38% respectively. Unlike the benchmarks, the First Trust ETF’s returns are net of fees and expenses.

First Trust Value Line® Dividend Index ETF (CAD-Hedged) Management Report of Fund Performance For the six-month period ended June 30, 2025

The First Trust ETF underperformed the primary benchmark during the first half of the year. Materials and Financials added to relative performance due to an underweight position and positive selection. Materials were slightly underweight, but selection within the group added to relative outperformance. Consumer Staples names in the portfolio lagged the benchmark. The group was overweight during the first half of the year and stock selection within the sector was negative. Technology names could not keep up with the outsized returns from IBM (held about half the benchmark weight) and Seagate (not held during the period) causing relative underperformance in the sector. No Real Estate names in the benchmark resulted in relative underperformance despite the sector having the least weight in the portfolio.

The top five stocks by contribution to return were Philip Morris International Inc., National Fuel Gas Company, Sensient Technologies Corporation, The Toronto-Dominion Bank, and Johnson Controls International plc. The bottom five stocks by contribution to return were Robert Half Inc., UnitedHealth Group Incorporated, Target Corporation, The Campbell's Company, and J&J Snack Foods Corp.

The portfolio held 221 equity securities on December 31, 2024, and 237 equity securities on June 30, 2025. The top ten equity holdings accounted for 4.44% of the total NAV. Utilities, Industrials, and Consumer Staples were the top three sector weightings at the beginning of the period. Utilities, Industrials, and Financials were the top three sector weightings on June 30, 2025. Relative to the benchmark, Utilities, Industrials, and Consumer Staples were the most overweight sectors on June 30, 2025. The most underweight sectors versus the benchmark at the end of the period were Information Technology, Communication Services, and Consumer Discretionary. At the beginning of the period, Utilities, Industrials, and Consumer Staples were the most overweight sectors relative to the benchmark. The most underweight sectors at the beginning of the period were Information Technology, Consumer Discretionary, and Communication Services. The First Trust ETF maintains a focus on large-cap dividend-paying equities.

During the period, the currency hedge was beneficial to the First Trust ETF as the U.S. dollar depreciated versus the Canadian Dollar.

Recent Developments

Large cap stocks, measured by the S&P 500®, outperformed dividend stocks, measured by the Dow Jones U.S. Select Dividend Index, for the first half of the year. Notable tariff changes both proposed and implemented since inauguration have moved pockets of the market most exposed to imports and exports. The Federal Reserve (“Fed”) has continued to monitor inflation but has yet to make an interest rate cut in 2025. The Fed is currently forecasted to implement two interest rate cuts by the end of the year. Technology, specifically artificial intelligence, is driving growth for the largest companies in the S&P 500®. Nvidia returned 17% and approached a \$4 trillion dollar market capitalization while Apple declined over 17%. While neither Nvidia or Apple are held by the fund, the largest names in the S&P 500® continue to drive returns and market sentiment.

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 Value Line® Dividend Index ETF (CAD-Hedged)

Management Report of Fund Performance

For the six-month period ended June 30, 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 six-month period ended June 30, 2025, and for the five years ended December 31. This information is derived from the First Trust ETF's unaudited interim and audited annual financial statements.

Net Asset Value per Unit

FUD	2025	2024	2023	2022 ^(a)	2021	2020
Net asset value, beginning of period/year ⁽¹⁾	\$35.26	\$33.13	\$33.02	\$36.12	\$29.60	\$30.93
Increase (Decrease) from operations:						
Total revenue	0.56	1.01	1.02	0.04	0.95	0.68
Total expenses	(0.21)	(0.41)	(0.40)	(0.39)	(0.37)	(0.34)
Realized gains (losses) for the period/year	1.81	1.36	0.32	0.58	5.74	(0.59)
Unrealized gains (losses) for the period/year	(1.24)	0.82	(0.69)	(2.53)	1.16	(1.28)
Total increase (decrease) from operations ⁽²⁾	\$0.92	\$2.78	\$0.25	\$(2.30)	\$7.48	\$(1.53)
Distributions:						
From income (excluding dividends)	(0.42)	(0.53)	(0.58)	(0.52)	(0.48)	(0.49)
From dividends	-	(0.10)	(0.11)	(0.10)	(0.15)	(0.09)
From capital gains	-	(0.13)	-	-	(4.15)	-
Return of capital	-	(0.03)	(0.01)	(0.06)	-	(0.06)
Total annual distributions ⁽³⁾	\$(0.42)	\$(0.79)	\$(0.70)	\$(0.68)	\$(4.78)	\$(0.64)
Net asset value, end of period/year ⁽⁴⁾	\$35.76	\$35.26	\$33.13	\$33.02	\$36.12	\$29.60

(a) As of February 28, 2022, the First Trust ETF no longer offered FUD.A and the Manager successfully redesignated FUD.A to FUD of the First Trust ETF.

(1) This information is provided as at June 30, 2025 and 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 period/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

FUD	2025	2024	2023	2022 ^(a)	2021	2020
Net asset value (000's)	\$5,353	\$5,279	\$4,959	\$8,245	\$9,107	\$11,904
Number of units outstanding	149,693	149,693	149,693	249,693	252,160	402,160
Management expense ratio ⁽¹⁾	0.76%	0.76%	0.76%	0.77%	0.78%	0.78%
Management expense ratio before waivers or absorption	0.77%	0.78%	0.78%	0.79%	0.79%	0.80%
Trading expense ratio ⁽²⁾	0.03%	0.03%	0.02%	0.02%	0.02%	0.04%
Portfolio turnover rate ⁽³⁾	34.79%	81.56%	61.81%	59.86%	89.63%	133.59%

(a) As of February 28, 2022, the First Trust ETF no longer offered FUD.A and the Manager successfully redesignated FUD.A to FUD of the First Trust ETF.

(1) Management expense ratio is based on total expenses for the stated period/year and is expressed as an annualized percentage of daily average net asset value during the period/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 period/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 period/year. The higher a First Trust ETF's portfolio turnover rate in a period/year, the greater the trading cost payable by the First Trust ETF in the period/year, and the greater the chance of an investor receiving taxable capital gains in the period/year. There is not necessarily a relationship between high turnover rate and the performance of a First Trust ETF.

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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.

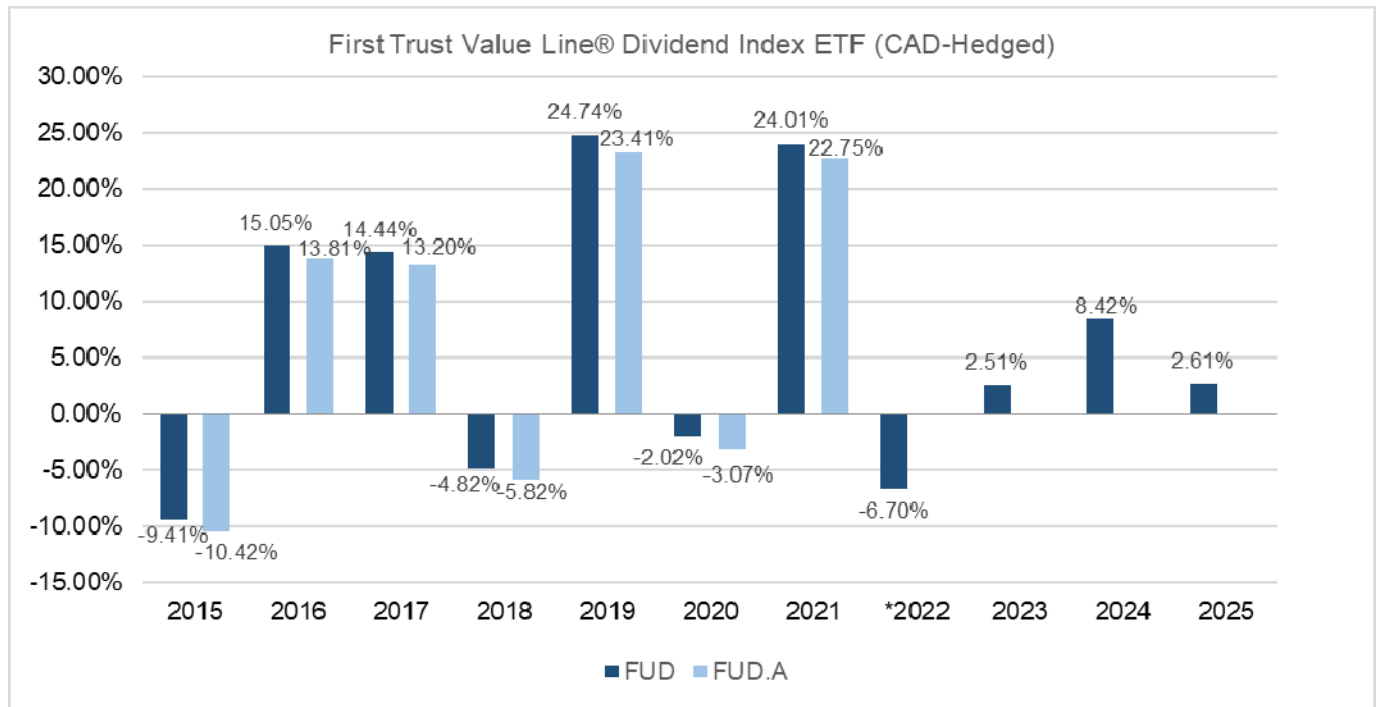
Past Performance

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 six-month period ended June 30, 2025, for the years ended December 31 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.



*As of February 28, 2022, the First Trust ETF no longer offered FUD.A and the Manager successfully redesignated FUD.A to FUD of the First Trust ETF.

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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 June 30, 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
Juniper Networks Inc.	0.46%
BlackRock Inc.	0.45%
Goldman Sachs Group Inc. (The)	0.45%
Rogers Communications Inc., Class 'B'	0.44%
Bank of Montreal	0.44%
T-Mobile US Inc.	0.44%
JPMorgan Chase & Co.	0.44%
Morgan Stanley	0.44%
SEI Investments Co.	0.44%
Caterpillar Inc.	0.44%
Genpact Ltd.	0.44%
Takeda Pharmaceutical Co. Ltd., ADR	0.44%
America Movil SAB de CV, ADR	0.44%
TC Energy Corp.	0.43%
Bank of Nova Scotia (The)	0.43%
Royal Bank of Canada	0.43%
Sun Life Financial Inc.	0.43%
Toronto-Dominion Bank (The)	0.43%
Thomson Reuters Corp.	0.43%
AT&T Inc.	0.43%
Comcast Corp., Class 'A'	0.43%
Home Depot Inc. (The)	0.43%
Colgate-Palmolive Co.	0.43%
PepsiCo Inc.	0.43%
Nasdaq Inc.	0.43%
Total	10.92%

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 June 30, 2025.

Sector Weightings	% of ETF Total Net Asset Value
Utilities	18.95%
Industrials	18.15%
Financials	18.05%
Consumer Staples	13.16%
Health Care	7.57%
Information Technology	6.35%
Materials	6.30%
Consumer Discretionary	5.02%
Communication Services	3.01%
Energy	2.49%
Cash and Cash Equivalents	0.30%
Other Assets, Less Liabilities	0.65%
Total	100.00%

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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 June 30, 2025.

Country Weightings	% of ETF Total Net Asset Value
United States	80.86%
Canada	6.81%
United Kingdom	4.59%
Switzerland	1.28%
Japan	1.28%
Ireland	1.26%
Bermuda	0.86%
India	0.84%
France	0.83%
Mexico	0.44%
Total	99.05%

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