First Trust Portfolios Canada®

First Trust Canadian Capital Strength ETF • FST

Interim Management Report of Fund Performance
June 30, 2026

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INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE
June 30, 2026

First Trust Canadian Capital Strength ETF
(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 Canadian Capital Strength ETF
Management Report of Fund Performance
For the six-month period ended June 30, 2026

Investment Objective and Strategy

The fundamental investment objective of **First Trust Canadian Capital Strength ETF** (the “First Trust ETF”) is to provide unitholders with long term capital appreciation by investing primarily in securities traded on a Canadian exchange or market.

To achieve its investment objectives, the First Trust ETF will primarily invest in securities of issuers that are included in the S&P/TSX Composite Index that are based in Canada or have significant business operations in the Canadian market, with a focus on fundamental strength and growth. Securities invested in by the First Trust ETF include common shares of public companies that are traded on a Canadian exchange or market.

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 selecting securities of issuers that, primarily, are traded on a Canadian exchange or market.

Next, the portfolio advisor screens issuers based on multiple quantitative metrics, including, but not limited to, 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 period that affected the overall level of risk associated with the First Trust ETF.

Results of Operations

General

The First Trust ETF’s total net asset value as of June 30, 2026, was $222,680,876 or $76.02 per unit. The First Trust ETF’s total net asset value as of December 31, 2025, was $198,842,258 or $71.55 per unit.

For the six-month period ended June 30, 2026, the First Trust ETF paid total cash distribution of $0.3600 per unit. In addition, the First Trust ETF declared cash distributions of $0.1800 per unit for record date of June 30, 2026, with payment date of July 8, 2026.

Investment Performance

For the six-month period ended June 30, 2026, the First Trust ETF returned 6.77% compared to S&P/TSX Composite® Index (the “benchmark”) return of 11.16%. Unlike the benchmark, the First Trust ETF’s returns are net of fees and expenses.

The First Trust ETF underperformed the benchmark for the period. Allocation effect and selection effect were both negative contributors to relative performance. Stock selections within the Industrials sector, an underweight allocation to the Financials sector, and an overweight allocation to the Information Technology sector were the largest drags on relative performance. Stock selections within the Information Technology sector and an underweight allocation to the Materials sector were the largest positive contributors to relative performance for the period.

The top-performing stocks for the reporting period, based on total return, were Finning International Inc., Aritzia, Inc., and Canadian Imperial Bank of Commerce. These stocks returned 35.57%, 33.27%, and 33.22%, respectively. The bottom-performing stocks, based on total return, were WSP Global Inc., CGI Inc., and Shopify, Inc. These stocks returned -28.97%, -28.51%, and -26.58%, respectively.

The First Trust ETF held 25 equity positions for the period ended June 30, 2026, and made no net change to the number of positions from the beginning of the year. Portfolio changes were made in January 2026 (one position added, one position eliminated) and May 2026 (three positions added, three positions eliminated). The top ten equity holdings of the First Trust ETF on June 30, 2026, accounted for 45.44% of total NAV and the top ten equity holdings of the First Trust ETF on December 31, 2025, accounted for 43.51% of total NAV. Financials, Industrials, and Consumer Discretionary (in order) were the top three sector weightings at the end of June 2026. Financials, Industrials, and Consumer Discretionary (in order) were also the top three sector weightings at the beginning of the year. Relative to its benchmark over the reporting period, the First Trust ETF on average was overweight the Consumer Discretionary, Consumer Staples, Industrials, and Information Technology sectors while underweight the Communication Services, Energy, Financials, Health Care, 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.

As noted above, portfolio changes were made in January and May, though there was no net change to the total number of portfolio positions over the year. In January, one position, Sun Life Financial Inc., was removed at the portfolio manager’s discretion. One position, Russel Metals Inc., was established to replace it. In May, two positions, CGI Inc. and Loblaw Companies Limited, were removed at the portfolio manager’s discretion and one position, National Bank of Canada, was removed for failing to meet the initial screening criteria. Three positions, Cenovus Energy Inc., Linamar Corporation, and The Toronto-Dominion Bank, were established to replace them.

Recent Developments

The Canadian economy continues to adjust to structural changes as U.S. tariffs force businesses to reconfigure supply chains while artificial intelligence is leading to an increase in automation and digitalization. The conflict in the Middle East has also had an impact, as higher commodity prices are weighing on household purchasing power and weakening foreign demand for non-energy exports. Surging oil prices have caused a spike in near-term inflation, as the most recent May reading came in at 3.2%, the highest headline rate since December 2023. After cutting the policy interest rate four times in 2025, policymakers have held rates steady at the first four monetary policy meetings of the year, and the policy rate remains at 2.25%. The Bank of Canada (“the BoC”) has noted that given the high level of uncertainty surrounding the conflict in the Middle East and U.S. trade policy, it is difficult to predict the timing or direction of future policy rate changes. Nevertheless, the BOC remains firmly committed to maintaining price stability and anchoring inflation around the 2% target as they navigate through this period of global upheaval.

The benchmark gained 11.16% through the first half of 2026 after returning 31.68% on a total return basis in 2025. Energy and Financials were the top performing sectors for the period, returning 23.67% and 23.17%, respectively. The conflict in Iran has caused a surge in oil prices, benefitting the Oil, Gas, & Consumable Fuels industry which has gained 23.66% on the year. Within the Financials sector, all six of Canada’s Big Six banks have outperformed the benchmark through the first half of the year, and the banking industry has been the main driver of performance within the sector. Information Technology was by far the worst performing sector, falling -17.57% for the period. Shopify Inc. has dragged the sector lower as shares have been under pressure due to the broad selloff in software names and concerns about decelerating growth. We believe there are plenty of long-term attractive opportunities in Canada and expect the Canadian equity market will provide ample returns for investors with longer time horizons. We continue to find attractive long-term candidates from within our selection universe of “capital strength” companies.

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.

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, 2026, 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

FST	2026	2025	2024	2023	2022[(a)]	2021
Net asset value, beginning of period/year [(1)]	$71.55	$55.81	$44.80	$40.54	$41.02	$34.44
Increase (Decrease) from operations:						
Total revenue	0.61	1.25	1.24	1.05	1.33	0.99
Total expenses	(0.25)	(0.42)	(0.34)	(0.29)	(0.27)	(0.27)
Realized gains (losses) for the period/year	5.83	9.22	5.22	0.01	3.96	4.28
Unrealized gains (losses) for the period/year	(1.41)	6.67	5.52	4.23	(3.41)	2.53
Total increase (decrease) from operations[(2)]	$4.78	$16.72	$11.64	$5.00	$1.61	$7.53
Distributions:						
From income (excluding dividends)	(0.36)	-	-	-	-	-
From dividends	-	(0.60)	(0.65)	(0.67)	(0.75)	(0.56)
From capital gains	-	(0.12)	-	(0.06)	(0.08)	(0.20)
Return of capital	-	-	-	-	-	-
Total annual distributions[(3)]	$(0.36)	$(0.72)	$(0.65)	$(0.73)	$(0.83)	$(0.76)
Net asset value, end of period/year [(4)]	$76.02	$71.55	$55.81	$44.80	$40.54	$41.02

(a) As of February 28, 2022, the First Trust ETF no longer offered FST.A and the Manager successfully redesignated FST.A to FST of the First Trust ETF.
(1) This information is provided as at June 30, 2026 and December 31 of the period/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

FST	2026	2025	2024	2023	2022[(a)]	2021
Net asset value (000's)	$222,681	$198,842	$104,878	$66,262	$57,933	$20,223
Number of units outstanding	2,929,209	2,779,209	1,879,209	1,479,209	1,429,209	492,993
Management expense ratio [(1)]	0.66%	0.65%	0.65%	0.66%	0.67%	0.66%
Management expense ratio before waivers or absorption	0.67%	0.66%	0.66%	0.67%	0.69%	0.68%
Trading expense ratio[(2)]	0.01%	0.01%	0.01%	0.01%	0.01%	0.03%
Portfolio turnover rate[(3)]	38.98%	78.23%	51.01%	32.45%	70.32%	56.13%

(a) As of February 28, 2022, the First Trust ETF no longer offered FST.A and the Manager successfully redesignated FST.A to FST of the First Trust ETF.
(1) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) 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.

Management Fees

The First Trust ETF will pay the Manager a management fee of 0.60% 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.

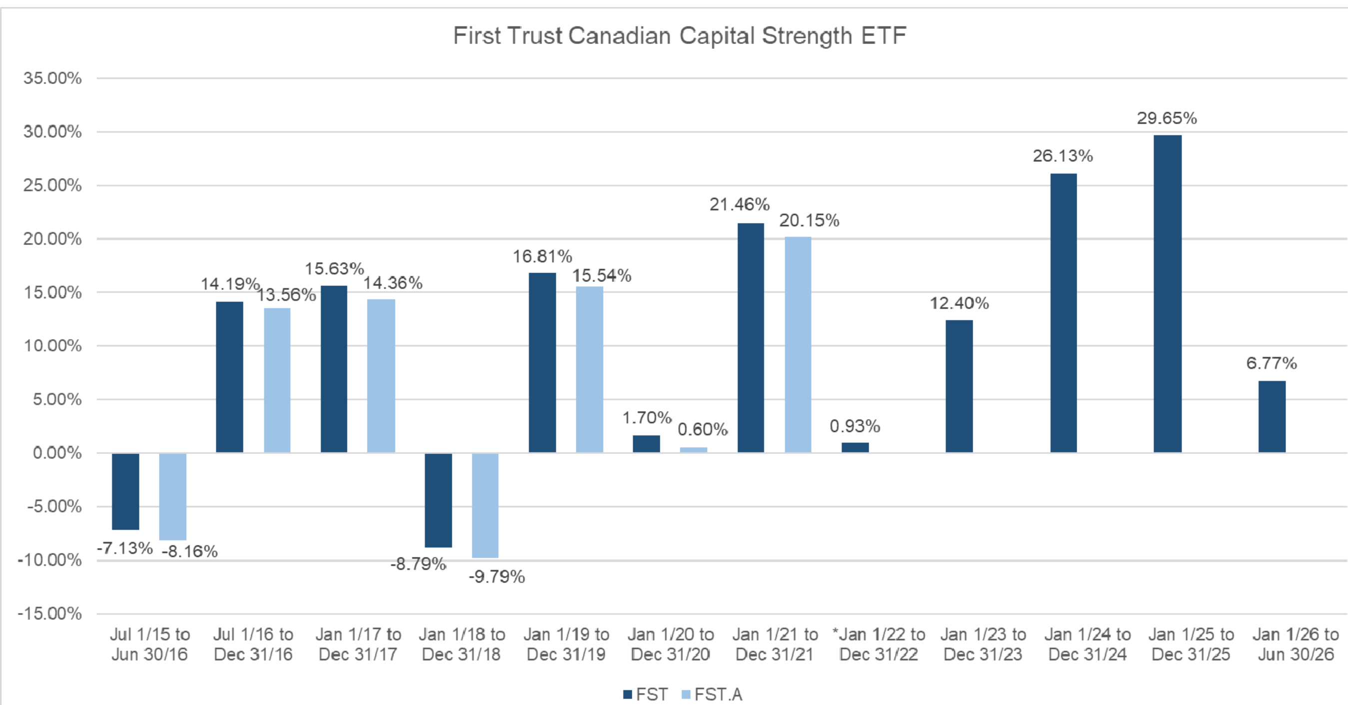
Past Performance

General

The past performance information shown assumes that all distributions made by the First Trust ETF in the periods/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, 2026, for the years ended December 31, for the six-month period ended December 31, 2016, and for the fiscal year ended June 30, 2016 and illustrate 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 FST.A and the Manager successfully redesignated FST.A to FST of the First Trust ETF.*

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, 2026. 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
Royal Bank of Canada	4.89%
Toronto-Dominion Bank (The)	4.79%
Alimentation Couche-Tard Inc.	4.58%
Russel Metals Inc.	4.57%
Linamar Corp.	4.51%
Aritzia Inc.	4.49%
Dollarama Inc.	4.42%
CCL Industries Inc., Class 'B'	4.42%
Manulife Financial Corp.	4.40%
Canadian Imperial Bank of Commerce	4.37%
Constellation Software Inc.	4.34%
Pembina Pipeline Corp.	4.18%
Finning International Inc.	4.08%
Shopify Inc., Class 'A'	3.76%
AtkinsRealis Group Inc.	3.70%
Gildan Activewear Inc.	3.67%
Celestica Inc.	3.66%
Agnico Eagle Mines Ltd.	3.61%
Canadian Natural Resources Ltd.	3.52%
Cenovus Energy Inc.	3.50%
Kinross Gold Corp.	3.42%
TMX Group Ltd.	3.35%
Suncor Energy Inc.	3.31%
Stantec Inc.	3.18%
WSP Global Inc.	3.08%
Total	99.80%

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, 2026.

Sector Weightings	% of ETF Net Asset Value
Financials	21.80%
Industrials	18.61%
Consumer Discretionary	17.09%
Energy	14.51%
Information Technology	11.76%
Materials	11.45%
Consumer Staples	4.58%
Cash and Cash Equivalents	0.37%
Other Assets, Less Liabilities	-0.17%
Total	100.00%

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