



First Trust International Capital Strength ETF • FINT

Interim Management Report of Fund Performance
June 30, 2024

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INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE

June 30, 2024

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

This interim management report of fund performance contains financial highlights but does not contain the complete unaudited interim 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 website 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.

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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. Securities invested in by the First Trust ETF include common shares of public companies and American Depositary Receipts ("ADRs"), Global Depositary Receipts ("GDRs") and European Depositary Receipts ("EDRs") that are traded on global exchanges or markets.

The First Trust ETF uses a multi-step, bottom-up 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 global exchanges or markets, excluding United States and Canadian securities.

Next, the portfolio advisor evaluates 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 period 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 June 30, 2024, was \$10,433,042 or \$26.08 per unit. The First Trust ETF's net asset value as of December 31, 2023, was \$6,279,441 or \$25.12 per unit.

For the six-month period ended June 30, 2024, the First Trust ETF paid total cash distributions of \$0.0200 per unit. In addition, the First Trust ETF declared cash distributions of \$0.2000 per unit for record date of June 28, 2024 with payment date of July 8, 2024.

Investment Performance

For the six-month period ended June 30, 2024, the First Trust ETF returned 4.72% compared to MSCI EAFE Index (the "benchmark") return of 9.31%. Unlike the benchmark, the First Trust ETF's return is net of fees and expenses.

The First Trust ETF underperformed the benchmark for the period. Overall, allocation effect was positive while selection effect was a negative contributor to relative performance. Selections within the Industrials sector, an overweight allocation to the Information Technology sector, and an underweight allocation to the Utilities sector were the largest positive contributors to relative performance. Negative contributions to relative performance came from

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stock selections within the Consumer Staples, Energy, Health Care, and Materials sectors as well as an underweight allocation to the Financials sector.

The top-performing stocks by total return for the period were Novo Nordisk A/S, ASML Holding N.V., and SAP SE. These stocks returned +40.56%, +37.64%, and +33.38%, respectively, in CAD, including dividends. The bottom-performing stocks by total return for the period were JD Sports Fashion Plc, Neste Oyj, and Reckitt Benckiser Group Plc. These stocks returned -36.56%, -31.63%, and -19.45% respectively, in CAD, including dividends.

The First Trust ETF held 40 equity positions for the six-month period ended June 30, 2024 and made no net change to the number of positions from the beginning of the period. Portfolio changes were made in January 2024 (seven positions added, seven positions eliminated), in April 2024 (six positions added, six positions eliminated).

The top ten equity holdings of the First Trust ETF as of June 30, 2024 accounted for 27.35% of total NAV and the top ten equity holdings of the First Trust ETF as of December 31, 2023 accounted for 28.45% of total NAV. Information Technology, Consumer Discretionary, and Health Care (in order) were the top three sector weightings at the end of the period, and Information Technology, Consumer Discretionary, and Health Care (in order) were also the top three sector weightings at the beginning of the period. Relative to its benchmark over the period, the First Trust ETF was overweight the Communication Services, Consumer Discretionary, Energy, Health Care, Information Technology, and Real Estate sectors and underweight the Consumer Staples, Financials, Industrials, Materials, and Utilities sectors. The sector weighting of the First Trust ETF changed somewhat over the reporting period, primarily as the result of our bottom-up, multi-step quantitative and fundamental stock selection strategy.

Portfolio changes were made in January and April of 2024. There was no net change to the total number of portfolio positions over the period. In January, two positions, Brenntag SE and JD Sports Fashion Plc, were eliminated for failing to meet the initial screening criteria, while five positions, Carlsberg A/S, Equinor ASA, STMicroelectronics N.V., Thales S.A. and Zurich Insurance Group AG were removed at the manager's discretion. Seven positions, Andritz AG, BHP Group Limited, GSK plc, Industria de Diseño Textil, S.A., Intermediate Capital Group plc, Renesas Electronics Corporation, and Siemens Aktiengesellschaft were established in place of them. In April, three positions, Mercedes-Benz Group AG, Keyence Corporation, and Straumann Holding AG were eliminated for failing to meet the initial screening criteria, while three positions, BHP Group Limited, Roche Holding AG, and Neste Oyj were removed at the manager's discretion. Six positions, Adyen N.V., Atlas Copco AB, DBS Group Holdings Ltd, Novartis AG, Sampo Holdings, Inc., and Tenaris S.A. were established in place of them.

Recent Developments

Global financial conditions have improved through the first half of 2024 but are not quite back to pre-pandemic levels. According to the International Monetary Fund ("the IMF"), global growth was estimated at 3.2% in 2023 and is expected to continue at a similar pace in 2024 and 2025. Global inflation is expected to drop from an annual average rate of 6.8% in 2023 to 5.9% in 2024 and 4.5% in 2025, with developed advanced economies improving at a faster pace than emerging economies. Central banks of these advanced economies remain committed in their efforts to restore price stability and rein in inflation. The Bank of Japan has met four times through the first half of the year, with the only policy change occurring during the March meeting. Policymakers voted 7-2 to end the era of negative interest rates as the short-term interest rate was increased to a range of 0 - 0.10%, marking the first rate hike in 17 years. The European Central Bank ("the ECB") kept interest rates unchanged during the first three meetings of the year before cutting interest rates by 0.25% at their latest meeting in June. The key bank rate now sits at 3.75% as policymakers believe that inflation has eased enough to begin loosening their policy. The Bank of England Monetary Policy Committee ("the MPC") made no changes to the Bank Rate through the first four meetings, holding the Bank Rate steady at 5.25%. Rate cuts are expected at some point in the summer, though the MPC has made it clear that it will be closely monitoring any new inflation and economic data before making any further decisions.

The benchmark returned 9.31% through the first six months of the year, as seven out of the eleven GICS sectors posted positive returns. Consumer Staples, Materials, Real Estate, and Utilities were the only sectors to post a negative return. The largest positive contributors to total return were the Financials, Health Care, Industrials, and Information Technology sectors, which make up approximately 58% of the benchmark. By country, Japan, the United

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Kingdom and the Netherlands (42.43% of the benchmark) accounted for more than half of the benchmark's positive contribution to return for the period. Hong Kong equities were the largest negative contributor to total return for the period, though they only accounted for 2.06% of the benchmark. The Index continued its momentum from 2023 where it gained 15.07%. Despite elevated inflation, the ongoing conflicts in Ukraine and the Middle East, and restrictive monetary policy, the global economy has remained resilient. While significant progress has been made in stabilizing the economy and taming inflation, global growth expectations remain below the historical average.

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.

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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, 2024, 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

FINT	2024	2023	2022	2021	2020	2019
Net asset value, beginning of period/year ⁽¹⁾	\$25.12	\$22.76	\$27.08	\$24.09	\$20.71	\$16.79
Increase (Decrease) from operations:						
Total revenue	0.49	0.82	0.90	0.79	0.46	0.68
Total expenses	(0.23)	(0.31)	(0.28)	(0.32)	(0.27)	(0.26)
Realized gains (losses) for the period/year	(0.09)	0.43	(2.86)	2.38	0.81	(1.74)
Unrealized gains (losses) for the period/year	0.78	1.96	(2.17)	(0.02)	3.76	4.95
Total increase (decrease) from operations ⁽²⁾	\$0.95	\$2.90	\$(4.41)	\$2.83	\$4.76	\$3.63
Distributions:						
From income (excluding dividends)	(0.22)	(0.42)	(0.29)	-	-	(0.19)
From dividends	-	-	-	-	-	-
From capital gains	-	-	-	-	(1.14)	-
Return of capital	-	(0.08)	-	-	(0.06)	(0.06)
Total annual distributions ⁽³⁾	\$(0.22)	\$(0.50)	\$(0.29)	\$ -	\$(1.20)	\$(0.25)
Net asset value, end of period/year ⁽⁴⁾	\$26.08	\$25.12	\$22.76	\$27.08	\$24.09	\$20.71

(1) This information is provided as at June 30, 2024 and December 31 of the period/years shown and is prepared under IFRS.

(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

FINT	2024	2023	2022	2021	2020	2019
Net asset value (000's)	\$10,433	\$6,279	\$6,828	\$9,477	\$6,023	\$2,071
Number of units outstanding	400,000	250,000	300,000	350,000	250,000	100,000
Management expense ratio ⁽¹⁾	0.74%	0.75%	0.74%	0.74%	0.75%	0.77%
Management expense ratio before waivers or absorption	0.75%	0.76%	0.76%	0.76%	0.78%	0.79%
Trading expense ratio ⁽²⁾	0.31%	0.10%	0.15%	0.21%	0.33%	0.30%
Portfolio turnover rate ⁽³⁾	39.52%	45.00%	61.18%	65.09%	55.67%	101.25%

(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.

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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.

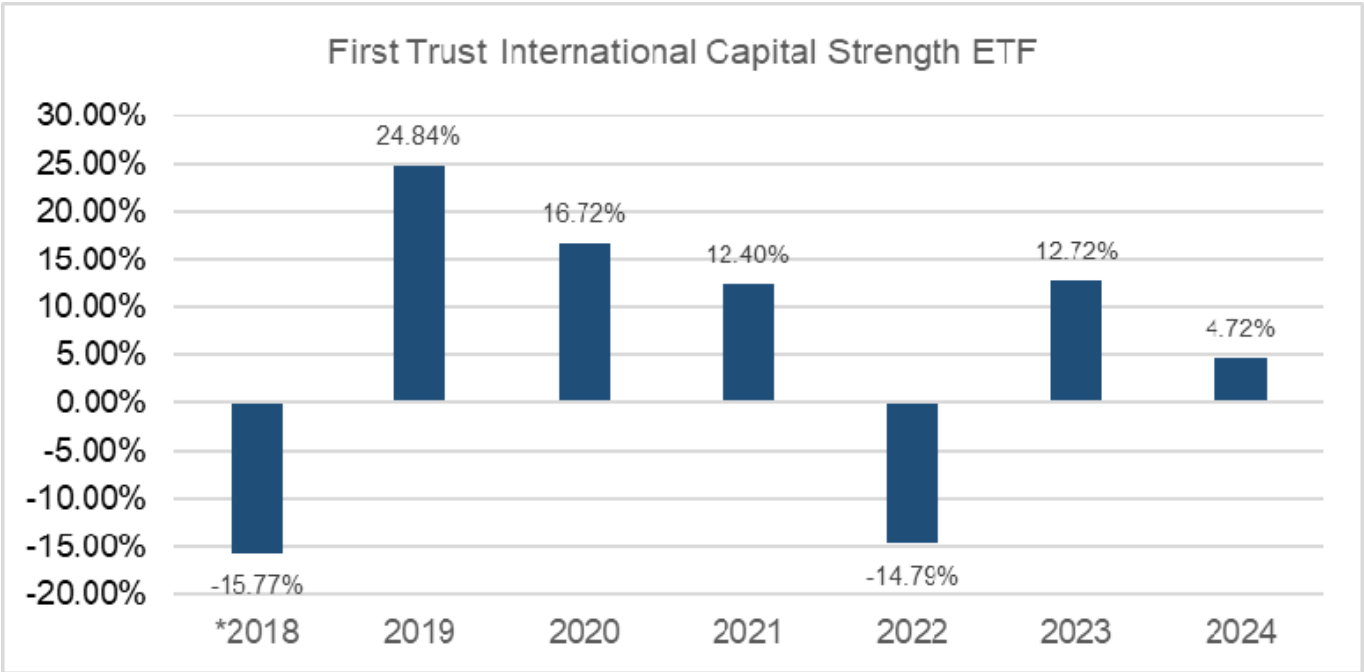
Past Performance

General

The past performance information shown assumes that all distributions made by the First Trust ETF in the period/year 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, 2024, 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

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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, 2024. 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
ASML Holding NV	2.83%
ABB Ltd., Registered	2.77%
Andritz AG	2.75%
Renesas Electronics Corp.	2.75%
Novo Nordisk AS, Class 'B'	2.74%
SAP SE	2.73%
Chugai Pharmaceutical Co. Ltd.	2.70%
Novartis AG, Registered	2.70%
CSL Ltd.	2.69%
Kia Corp.	2.69%
Nintendo Co. Ltd.	2.65%
Industria de Diseno Textil SA	2.65%
SOMPO Holdings Inc.	2.63%
Samsung Electronics Co. Ltd.	2.59%
Intermediate Capital Group PLC	2.59%
Deutsche Boerse AG	2.58%
Infineon Technologies AG	2.58%
Atlas Copco AB, Class 'B'	2.58%
Schneider Electric SE	2.55%
AstraZeneca PLC	2.51%
Sony Group Corp.	2.50%
DBS Group Holdings Ltd.	2.49%
Nestlé SA, Registered	2.48%
Yamaha Motor Co. Ltd.	2.46%
BAE Systems PLC	2.43%
Total	65.62%

Portfolio Breakdown

The table below sets out the percentage (based on total net asset value) of the First Trust ETF's portfolio as at June 30, 2024.

Sector Weightings	% of ETF Total Net Asset Value
Information Technology	20.69%
Health Care	18.13%
Consumer Discretionary	17.49%
Industrials	15.34%
Financials	10.07%
Consumer Staples	7.08%
Materials	6.99%
Communication Services	2.29%
Energy	2.22%
Cash and Cash Equivalents	0.16%
Other Assets, Less Liabilities	-0.47%
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, 2024.

Country Weightings	% of ETF Total Net Asset Value
Japan	22.56%
United Kingdom	16.71%
Switzerland	10.34%
Germany	10.31%
France	9.32%
Korea	5.28%
Netherlands	5.24%
Sweden	4.99%
Austria	2.75%
Denmark	2.74%
Australia	2.69%
Spain	2.64%
Singapore	2.49%
Luxembourg	2.24%
Total	100.31%

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