First Trust Portfolios Canada

First Trust AlphaDEX™ U.S. Industrials Sector Index ETF • FHG, FHG.F

Interim Management Report of Fund Performance
June 30, 2026

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INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE
June 30, 2026

First Trust AlphaDEX^{TM} U.S. Industrials Sector Index 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 AlphaDEX™ U.S. Industrials Sector Index 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 AlphaDEX™ U.S. Industrials Sector Index ETF** (the "First Trust ETF") is to replicate, to the extent possible, the performance of the StrataQuant® Industrials Index ("Index"), net of expenses.

The investment strategy of the First Trust ETF is to invest in and hold the constituent securities of the Index in the same proportion as they are reflected in the Index or securities intended to replicate the performance of such Index. The Index results from applying the AlphaDEX™ methodology to the Russell 1000® Index, a market index representing the large and mid-capitalization segment of the U.S. equity universe, and then selecting the constituent securities for the Index from those qualifying stocks included in the Industrials Sector.

The Manager may use a sampling methodology in selecting investments for the First Trust ETF. As an alternative or in conjunction with investing in and holding constituent securities, the First Trust ETF may also invest in other securities to obtain exposure to the constituent securities of the applicable Index in a manner that is consistent with the investment objective and investment strategy of the First Trust ETF.

In this case, the First Trust ETF may also obtain exposure to the applicable Index by holding securities of a US-listed index ETF, First Trust Industrials/Producer Durables AlphaDEX® Fund (NYSE Arca ticker: FXR), of an affiliate of the Manager, which replicates or substantially replicates the applicable Index.

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. The First Trust ETF provides exposure to the industrials sector of the U.S. equity market in either a non-U.S. currency hedged and U.S. currency hedged manner.

Results of Operations

General

The First Trust ETF's total net asset value as of June 30, 2026, was $62,784,700 or $67.58 per Unit ("FHG") and $39.33 per Hedged Unit ("FHG.F"). The First Trust ETF's total net asset value as of December 31, 2025, was $47,776,117 or $57.54 per FHG and $34.95 per FHG.F.

For the six-month period ended June 30, 2026, the First Trust ETF paid total cash distributions per unit of $0.0750 for FHG and $0.0350 for FHG.F. In addition, the First Trust ETF declared cash distributions per unit of $0.2100 for FHG and $0.1400 for FHG.F 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, FHG returned 17.92% compared to the Russell 1000® Industrials Index total return of 17.16% while FHG.F returned 13.07% compared to the Russell 1000® Industrials Index (USD) total return of 13.15%. Unlike the indices, the First Trust ETF's returns are net of fees and expenses.

As of June 30, 2026, the Industrials sector accounted for 12.26% of the weight of the Russell 1000® Index. The Russell 1000® Industrials Index outperformed the Russell 1000® Index, which returned 14.19%. The Russell 1000® Industrials Index (USD) outperformed the Russell 1000® Index (USD), which returned 10.33%.

As of June 30, 2026, the portfolio held 145 equity securities. The top ten equity holdings accounted for 13.70% of the total NAV. The AlphaDEX™ stock selection process is a rules-based process and can result in industry weightings that differ from that of the indices.

The First Trust ETF outperformed the benchmark due to sector allocation. An underweight position in Industrial Support Services and an overweight position in Construction and Materials mostly contributed to the outperformance.

Stock selection partially offset the outperformance, especially within the Industrial Engineering and General Industrials sectors.

The U.S. dollar appreciated 3.55% against the Canadian dollar from December 31, 2025, to June 30, 2026. FHG.F hedges its exposure to the U.S. dollar.

The Underlying Fund’s top five stocks by contribution to return were Comfort Systems USA, Inc., MasTec, Inc., Caterpillar Inc., GE Vernova Inc., and Quanta Services, Inc. The Underlying Fund’s bottom five stocks by contribution to return were Genpact Limited, Accenture plc, Fiserv, Inc., PayPal Holdings, Inc., and Graphic Packaging Holding Company.

Recent Developments

U.S. stocks finished the period near all-time highs, lifted by earnings growth and continued optimism surrounding the development of artificial intelligence. The Russell 1000® Index returned 10.33% during the period, including dividends. The U.S. dollar appreciated relative to the Canadian dollar, meaning the index gained 14.19% over the same period measured in Canadian dollars. U.S. stocks sold off early in the period at the onset of the war in Iran, which disrupted global energy markets and sent oil prices soaring. The market rebounded sharply, lifted by a historic run in semiconductor stocks fueled by strong demand for AI infrastructure. The U.S. Federal Reserve left interest rates unchanged during the period despite expectations for rate cuts at the beginning of the year, pledging to deliver price stability amid rising inflation in the U.S. Overall, the Russell 1000® Index finished the period trading at a 25.3 P/E multiple with a 1.08% dividend yield, near where it stood at the end of 2025.

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 AlphaDEX™ U.S. Industrials Sector Index ETF
Management Report of Fund Performance
For the six-month period ended June 30, 2026

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

FHG	2026	2025	2024	2023	2022	2021
Net asset value, beginning of period/year[1]	$57.54	$56.47	$45.43	$37.06	$42.29	$34.22
Increase (Decrease) from operations:						
Total revenue	0.58	0.77	1.19	0.76	0.71	0.57
Total expenses	(0.30)	(0.55)	(0.51)	(0.42)	(0.38)	(0.38)
Realized gains (losses) for the period/year	3.62	3.40	4.78	3.54	(1.70)	3.28
Unrealized gains (losses) for the period/year	6.15	(3.61)	5.47	5.50	(4.48)	3.88
Total increase (decrease) from operations[2]	$10.05	$0.01	$10.93	$9.38	$(5.85)	$7.35
Distributions:						
From income (excluding dividends)	(0.27)	(0.22)	(0.62)	(0.35)	(0.50)	(0.15)
From dividends	-	-	-	-	-	-
From capital gains	-	(2.90)	(0.93)	-	-	(1.94)
Return of capital	-	(0.01)	-	-	-	-
Total annual distributions[3]	$(0.27)	$(3.13)	$(1.55)	$(0.35)	$(0.50)	$(2.09)
Net asset value, end of period/year[4]	$67.58	$57.54	$56.47	$45.43	$37.06	$42.29

FHG.F	2026	2025	2024	2023	2022	2021
Net asset value, beginning of period/year [1]	$34.95	$33.47	$29.56	$23.85	$29.42	$23.87
Increase (Decrease) from operations:						
Total revenue	0.34	0.49	0.73	0.47	0.48	0.43
Total expenses	(0.18)	(0.32)	(0.31)	(0.26)	(0.25)	(0.26)
Realized gains (losses) for the period/year	0.99	1.55	1.15	2.15	(3.63)	2.39
Unrealized gains (losses) for the period/year	3.41	(9.27)	2.77	5.49	(2.67)	2.52
Total increase (decrease) from operations[2]	$4.56	$(7.55)	$4.34	$7.85	$(6.07)	$5.08
Distributions:						
From income (excluding dividends)	(0.18)	(0.23)	(0.44)	(0.27)	(0.26)	(0.16)
From dividends	-	-	-	-	-	-
From capital gains	-	-	-	-	-	(2.38)
Return of capital	-	-	-	-	-	-
Total annual distributions[3]	$(0.18)	$(0.23)	$(0.44)	$(0.27)	$(0.26)	$(2.54)
Net asset value, end of period/year [4]	$39.33	$34.95	$33.47	$29.56	$23.85	$29.42

(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

FHG	2026	2025	2024	2023	2022	2021
Net asset value (000's)	$60,818	$46,029	$36,706	$22,717	$20,386	$46,520
Number of units outstanding	900,000	800,000	650,000	500,000	550,000	1,100,000
Management expense ratio (1)	0.78%	0.78%	0.77%	0.78%	0.78%	0.78%
Management expense ratio before waivers or absorption	0.78%	0.79%	0.79%	0.80%	0.80%	0.79%
Trading expense ratio(2)	0.03%	0.03%	0.02%	0.03%	0.03%	0.02%
Portfolio turnover rate(3)	44.86%	129.25%	83.75%	175.30%	121.71%	121.92%

FHG.F	2026	2025	2024	2023	2022	2021
Net asset value (000's)	$1,967	$1,747	$1,673	$1,478	$3,577	$4,414
Number of units outstanding	50,000	50,000	50,000	50,000	150,000	150,000
Management expense ratio (1)	0.76%	0.76%	0.76%	0.75%	0.77%	0.76%
Management expense ratio before waivers or absorption	0.77%	0.77%	0.77%	0.76%	0.79%	0.77%
Trading expense ratio(2)	0.03%	0.03%	0.02%	0.03%	0.03%	0.02%
Portfolio turnover rate(3)	44.86%	129.25%	83.75%	175.30%	121.71%	121.92%

(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 0.70% 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.

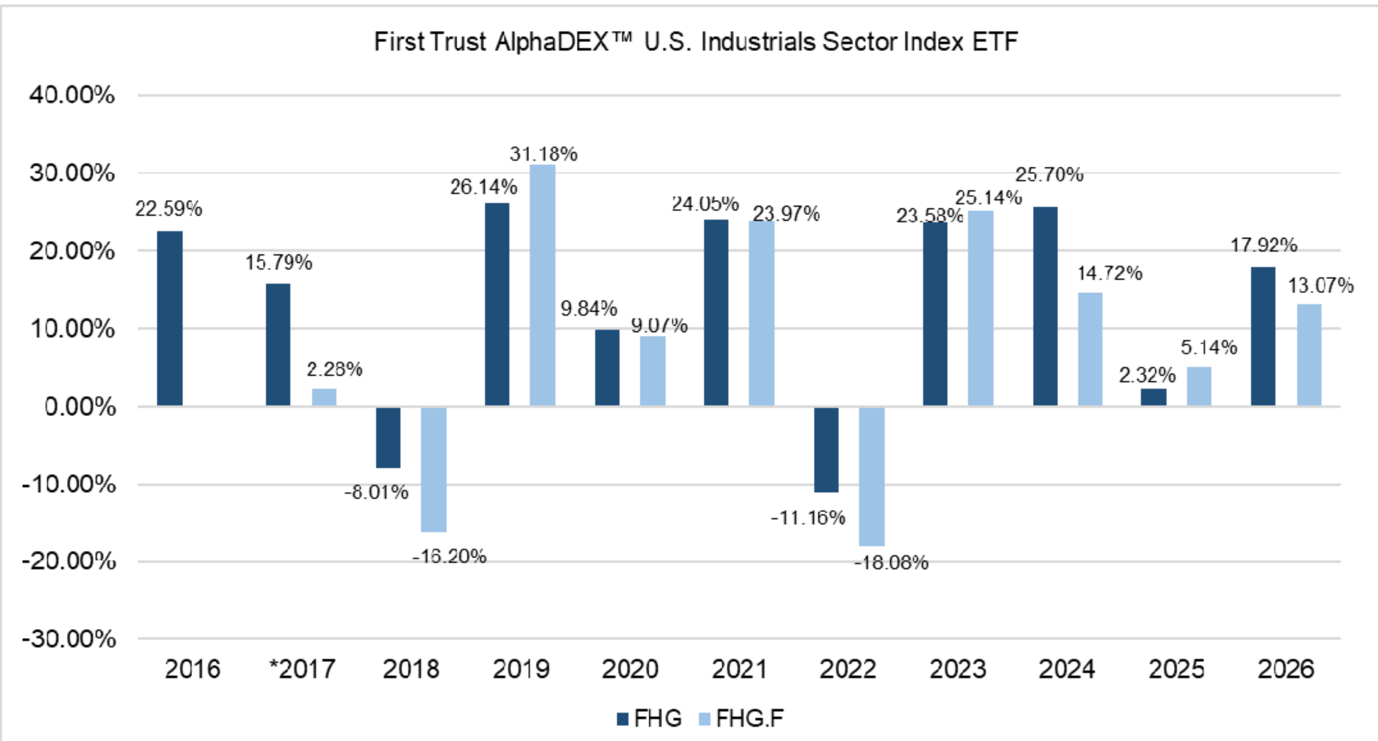
Past Performance

General

The past performance information shown assumes that all distributions made by the First Trust ETF in the 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, per class, for the six-month period ended June 30, 2026, for the years ended December 31, and for the period from commencement of operations to December 31, 2017 for FHG.F 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.



**FHG.F Commencement: December 8, 2017*

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
Caterpillar Inc.	1.55%
Comfort Systems USA Inc.	1.48%
Fortune Brands Innovations Inc.	1.46%
GE Vernova Inc.	1.40%
Quanta Services Inc.	1.35%
MasTec Inc.	1.33%
Rocket Lab Corp.	1.31%
Crane Holdings Co.	1.30%
Mohawk Industries Inc.	1.28%
United Rentals Inc.	1.28%
Eagle Materials Inc.	1.24%
Silgan Holdings Inc.	1.24%
Smurfit Westrock PLC	1.21%
Synchrony Financial	1.17%
EMCOR Group Inc.	1.17%
Schneider National Inc.	1.15%
FTAI Aviation Ltd.	1.14%
Euronet Worldwide Inc.	1.14%
Trex Co. Inc.	1.14%
Acuity Brands Inc.	1.11%
Stanley Black & Decker Inc.	1.10%
Graphic Packaging Holding Co.	1.10%
XPO Logistics Inc.	1.09%
Oshkosh Corp.	1.08%
Sonoco Products Co.	1.08%
Total	30.90%

Portfolio Breakdown

The table below sets out the percentage (based on total net asset value) of the First Trust ETF's portfolio, by industry, as at June 30, 2026.

Industry Weightings	% of ETF Total Net Asset Value
Construction and Materials	22.39%
Industrial Support Services	19.52%
Industrial Transportation	15.35%
General Industrials	14.16%
Electronic and Electrical Equipment	10.33%
Industrial Engineering	9.17%
Aerospace and Defense	8.97%
Cash and Cash Equivalents	0.42%
Other Assets, Less Liabilities	-0.31%
Total	100.00%

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