



## 2025 Annual Financial Statements

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First Trust Senior Loan ETF (CAD-Hedged) • FSL  
First Trust Canadian Capital Strength ETF • FST  
First Trust Global Risk Managed Income Index ETF • ETP  
First Trust Value Line® Dividend Index ETF (CAD-Hedged) • FUD  
First Trust NASDAQ® Clean Edge® Green Energy ETF • QCLN  
First Trust Indxx NextG ETF • NXTG  
First Trust Nasdaq Cybersecurity ETF • CIBR  
First Trust Dow Jones Internet ETF • FDN, FDN.F  
First Trust AlphaDEX™ U.S. Health Care Sector Index ETF • FHH, FHH.F  
First Trust NYSE Arca Biotechnology ETF • FBT  
First Trust AlphaDEX™ U.S. Industrials Sector Index ETF • FHG, FHG.F  
First Trust AlphaDEX™ U.S. Technology Sector Index ETF • FHQ, FHQ.F  
First Trust Cloud Computing ETF • SKYY  
First Trust Morningstar Dividend Leaders ETF (CAD-Hedged) • FDL  
First Trust Indxx Innovative Transaction and Process ETF • BLCK  
First Trust International Capital Strength ETF • FINT  
First Trust Vest U.S. Equity Buffer ETF – August • AUGB.F  
First Trust Vest U.S. Equity Buffer ETF – November • NOVB.F  
First Trust Vest U.S. Equity Buffer ETF – February • FEBB.F  
First Trust Vest U.S. Equity Buffer ETF – May • MAYB.F  
First Trust JFL Fixed Income Core Plus ETF • FJFB  
First Trust JFL Global Equity ETF • FJFG  
First Trust Vest Fund of Buffer ETFs (Canada) ETF • BUFR  
First Trust SMID Cap Rising Dividend Achievers ETF • SDVY, SDVY.F  
First Trust Vest SMID Rising Dividend Achievers Target Income ETF • SDVD  
First Trust Long/Short Equity ETF • FTLS

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As at December 31, 2025

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# MANAGEMENT REPORT

## Management's Responsibility for Financial Reporting

First Trust Senior Loan ETF (CAD-Hedged)  
First Trust Canadian Capital Strength ETF  
First Trust Global Risk Managed Income Index ETF  
First Trust Value Line® Dividend Index ETF (CAD-Hedged)  
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First Trust Vest Fund of Buffer ETFs (Canada) ETF  
First Trust SMID Cap Rising Dividend Achievers ETF  
First Trust Vest SMID Rising Dividend Achievers Target Income ETF  
First Trust Long/Short Equity ETF

**(collectively referred to as the “First Trust ETFs”)**

The accompanying annual financial statements have been prepared by FT Portfolios Canada Co. the Manager of the First Trust ETFs and approved by the Board of Directors of the Manager. The First Trust ETFs' Manager is responsible for the information and representations contained in these financial statements and other sections of the Annual Reports. The First Trust ETFs' Manager maintains appropriate procedures to ensure that relevant and reliable information is produced. These annual financial statements have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (“IASB”). The significant accounting policies which management believes are appropriate for the First Trust ETFs are described in Notes 2 and 3 to the financial statements.



Andrew Roggensack  
Director



David G. McGarel  
Director

## Independent Auditor's Report

To the Unitholders of

First Trust Senior Loan ETF (CAD-Hedged);  
First Trust Canadian Capital Strength ETF;  
First Trust Global Risk Managed Income Index ETF;  
First Trust Value Line® Dividend Index ETF (CAD-Hedged);  
First Trust Nasdaq® Clean Edge® Green Energy;  
First Trust Indxx NextG ETF;  
First Trust Nasdaq Cybersecurity ETF;  
First Trust Dow Jones Internet ETF;  
First Trust AlphaDEX™ U.S. Health Care Sector Index ETF;  
First Trust NYSE Arca Biotechnology ETF;  
First Trust AlphaDEX™ U.S. Industrials Sector Index ETF;  
First Trust AlphaDEX™ U.S. Technology Sector Index ETF;  
First Trust Cloud Computing ETF;  
First Trust Morningstar Dividend Leaders ETF (CAD-Hedged);  
First Trust Indxx Innovative Transaction and Process ETF;  
First Trust International Capital Strength ETF;  
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First Trust Vest U.S. Equity Buffer ETF – February;  
First Trust Vest U.S. Equity Buffer ETF – May;  
First Trust JFL Fixed Income Core Plus ETF;  
First Trust JFL Global Equity ETF;  
First Trust Vest Fund of Buffer ETFs (Canada) ETF;  
First Trust SMID Cap Rising Dividend Achievers ETF;  
First Trust Vest SMID Rising Dividend Achievers Target Income ETF; and  
First Trust Long/Short Equity ETF  
(each individually, the “ETF”)

ETF	Statements of Financial Position as at:	Statements of Comprehensive Income, Changes in Net Assets Attributable to Holders of Redeemable Units and Cash Flows for:
First Trust Senior Loan ETF (CAD-Hedged); First Trust Canadian Capital Strength ETF; First Trust Global Risk Managed Income Index ETF; First Trust Value Line® Dividend Index ETF (CAD-Hedged); First Trust Nasdaq® Clean Edge® Green Energy; First Trust Indxx NextG ETF; First Trust Nasdaq Cybersecurity ETF; First Trust Dow Jones Internet ETF; First Trust AlphaDEX™ U.S. Health Care Sector Index ETF; First Trust NYSE Arca Biotechnology ETF; First Trust AlphaDEX™ U.S. Industrials Sector Index ETF; First Trust AlphaDEX™ U.S. Technology Sector Index ETF; First Trust Cloud Computing ETF; First Trust Morningstar Dividend Leaders ETF (CAD-Hedged); First Trust Indxx Innovative Transaction and Process ETF; First Trust International Capital Strength ETF; First Trust Vest U.S. Equity Buffer ETF – August; First Trust Vest U.S. Equity Buffer ETF – November; First Trust Vest U.S. Equity Buffer ETF – February; First Trust Vest U.S. Equity Buffer ETF – May; First Trust Vest Fund of Buffer ETFs (Canada) ETF; First Trust JFL Fixed Income Core Plus ETF; and First Trust JFL Global Equity ETF	December 31, 2025 and 2024	The years ended December 31, 2025 and 2024
First Trust SMID Cap Rising Dividend Achievers ETF	December 31, 2025 and 2024	The year ended December 31, 2025 and the period from September 9, 2024 to December 31, 2024
First Trust Vest SMID Rising Dividend Achievers Target Income ETF	December 31, 2025 and 2024	The year ended December 31, 2025 and the period from November 5, 2024 to December 31, 2024
First Trust Long/Short Equity ETF	December 31, 2025	The period from July 21, 2025 to December 31, 2025

## Opinion

We have audited the financial statements of the ETF, which comprise the statements of financial position as at the dates listed above, and the statements of income, comprehensive income, changes in net assets attributable to holders of redeemable units and cash flows for the years or period listed above, and notes to the financial statements, including material accounting policy information (collectively referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the ETF as at the dates listed above, and its financial performance and its cash flows for the years or period listed above in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IASB”).

## Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards (“Canadian GAAS”). Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the ETF in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Other Information

Management is responsible for the other information. The other information comprises the Management Report of Fund Performance

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Management Report of Fund Performance prior to the date of this auditor’s report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor’s report. We have nothing to report in this regard.

## Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the ETF’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the ETF or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the ETF's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the ETF's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ETF's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the ETF to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Michael Darroch.

*Deloitte LLP*

Chartered Professional Accountants  
Licensed Public Accountants  
March 13, 2026

# First Trust Senior Loan ETF (CAD-Hedged)

## STATEMENTS OF FINANCIAL POSITION As at December 31, 2025 and December 31, 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	61,819,062	55,466,222
Cash	351,719	376,569
Accrued dividend receivable	531,905	526,150
Derivative assets	500,861	-
	63,203,547	56,368,941
<b>Liabilities</b>		
Accrued liabilities	14,192	14,570
Distributions payable to holders of redeemable units	324,554	358,411
Derivative liabilities	-	842,103
	338,746	1,215,084
<b>Total net assets attributable to holders of redeemable units</b>	<b>62,864,801</b>	<b>55,153,857</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		
<b>Units</b>	<b>62,864,801</b>	<b>55,153,857</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	<b>3,818,282</b>	<b>3,258,282</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>16.46</b>	<b>16.93</b>

## STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Revenues</b>		
Dividends	3,832,778	3,725,630
Other income	-	-
<b>Other changes in fair value of investments and derivatives</b>		
Net realized gain (loss) on sale of investments	246,281	517,512
Net realized gain (loss) on derivatives	221,679	(2,957,747)
Net realized gain (loss) on foreign exchange	533	71,473
Net change in unrealized appreciation (depreciation) of investments	(3,295,963)	3,751,460
Net change in unrealized appreciation (depreciation) of derivatives	1,342,964	(1,536,499)
	2,348,272	3,571,829
Foreign exchange gain (loss) on cash	1,083	(33,476)
	2,349,355	3,538,353
<b>Expenses [note 7]</b>		
Management fees	87,655	72,768
HST expense	7,410	6,924
Independent Review Committee fees	5,697	6,487
Transaction costs [note 3 and note 9]	1,243	1,873
Interest expense	629	7,535
	102,634	95,587
Expenses waived by the manager	(5,697)	(6,487)
	96,937	89,100
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>2,252,418</b>	<b>3,449,253</b>
<b>Withholding taxes</b>	<b>901</b>	<b>42,896</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>2,251,517</b>	<b>3,406,357</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>		
<b>Units</b>	<b>2,251,517</b>	<b>3,406,357</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>0.64</b>	<b>1.19</b>

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust Senior Loan ETF (CAD-Hedged)

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	55,153,857	35,988,400
<b>Increase (Decrease) in net assets attributable to holders of redeemable unit</b>	2,251,517	3,406,357
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from issuance of units	12,483,795	25,098,493
Reinvested distributions	-	-
Redemption of units	(3,152,033)	(5,798,039)
	9,331,762	19,300,454
<b>Distributions to holders of redeemable units from:</b>		
Net investment income	(3,734,219)	(3,447,747)
Capital gains	(138,116)	-
Return of capital	-	(93,607)
	(3,872,335)	(3,541,354)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	7,710,944	19,165,457
<b>Net assets attributable to holders of redeemable units, end of year</b>	62,864,801	55,153,857

See accompanying notes which are an integral part of these financial statements.

# First Trust Senior Loan ETF (CAD-Hedged)

## STATEMENTS OF CASH FLOW

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	2,251,517	3,406,357
Adjustments for:		
Net realized (gain) loss on sale of investments	(246,281)	(517,512)
Net change in unrealized (appreciation) depreciation of investments and derivatives	1,952,999	(2,214,961)
Dividends receivable	(5,755)	(156,130)
Other liabilities	(378)	2,025
Purchases of investments	(15,261,170)	(27,523,614)
Proceeds from the sale of investments	5,858,648	11,279,120
	(5,450,420)	(15,724,715)
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	12,483,795	25,098,493
Amount paid on redemptions of units	(3,152,033)	(5,798,039)
Distributions paid to unitholders	(3,906,192)	(3,415,954)
	5,425,570	15,884,500
<b>Increase (Decrease) in cash for the year</b>	(24,850)	159,785
<b>Cash, beginning of year</b>	376,569	216,784
<b>Cash, end of year</b>	351,719	376,569
Dividends received, net of withholding taxes	3,826,122	3,526,604

See accompanying notes which are an integral part of these financial statements.

First Trust Senior Loan ETF (CAD-Hedged)  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

**A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust Senior Loan ETF (CAD-Hedged)** (the “First Trust ETF”) seeks to provide unitholders with a high level of current income by investing primarily in a diversified portfolio of senior floating rate loans and debt securities, with capital appreciation as a secondary objective. The First Trust ETF will primarily invest in a portfolio of senior floating rate loans which are generally rated at or below BB+ by Standard & Poor’s, or Ba1 or less by Moody’s Investor Services, Inc., or a similar rating by designated credit rating organization (as defined in NI 81- 102) and debt securities by holding securities of First Trust Senior Loan Fund, a U.S. listed exchange-traded fund (the “Underlying Fund”). The First Trust ETF will generally seek to hedge substantially all of its U.S. dollar currency exposure back to the Canadian dollar.

**B. FAIR VALUE MEASUREMENT (NOTE 5) -** The following fair value hierarchy tables present information about the First Trust ETF assets and liabilities measured at fair value on a recurring basis for the years ended December 31, 2025 and 2024:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2025			
	Level 1	Level 2	Level 3	Total
Equities	61,819,062	–	–	61,819,062
Derivative assets	–	500,861	–	500,861
Derivative liabilities	–	–	–	–
<b>Total</b>	<b>61,819,062</b>	<b>500,861</b>	<b>–</b>	<b>62,319,923</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2024			
	Level 1	Level 2	Level 3	Total
Equities	55,466,222	–	–	55,466,222
Derivative assets	–	–	–	–
Derivative liabilities	–	(842,103)	–	(842,103)
<b>Total</b>	<b>55,466,222</b>	<b>(842,103)</b>	<b>–</b>	<b>54,624,119</b>

There have been no transfers from one Level to another for the years ended December 31, 2025 and 2024.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting periods.

**C. REDEEMABLE UNITS (NOTE 6) -** The First Trust ETF issued (redeemed) the following units during years ended December 31, 2025 and 2024:

Redeemable Units	Units
Outstanding units – January 1, 2024	2,118,282
Redeemable units issued	1,480,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(340,000)
<b>Outstanding units – December 31, 2024</b>	<b>3,258,282</b>
Redeemable units issued	750,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(190,000)
<b>Outstanding units –December 31, 2025</b>	<b>3,818,282</b>

First Trust Senior Loan ETF (CAD-Hedged)  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7)** - Below are the current annual management fees charged to the First Trust ETF:

Annual Management Fee <sup>1</sup>
Units
0.15%

<sup>1</sup>The First Trust ETF's management fee will also bear the management fee of the underlying fund.

**E. TAXATION (NOTE 8)**

**Tax loss carryforwards** - The net capital and non-capital tax loss carryforwards as at December 31, 2025 and 2024, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2025	2024	2025	2024
9,775,191	9,966,276	-	-

**F. COMMISSIONS (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2025 and 2024 are as follows:

Transaction Cost (\$)	
2025	2024
1,243	1,873

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2025 and 2024, including amounts owing as at December 31, 2025 and 2024 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2025	2024	2025	2024
87,655	72,768	8,061	7,039

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at December 31, 2025 and 2024, the First Trust ETF's market risk is affected by changes in actual market prices, foreign currency movements, and interest rates, if applicable. If the following index had increased (decreased) by 5% at December 31, 2025 and 2024, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2025		As at December 31, 2024	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
Morningstar® LSTA® US Leveraged Loan Index (CAD Hedged)	2,414,008	(2,414,008)	2,972,793	(2,972,793)

First Trust Senior Loan ETF (CAD-Hedged)  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2025 and 2024:

Currency	As at December 31, 2025		As at December 31, 2024	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	(225,441)	(0.36)	(340,009)	(0.62)

As at December 31, 2025, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$(2,254) (December 31, 2024 - \$(3,400)). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

**Concentration Risk** - The table below summarizes the First Trust ETF's concentration risk for the years ended December 31, 2025 and 2024:

Holding	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2025	As at December 31, 2024
Exchange-Traded Fund	98.34	100.57
Total	98.34	100.57

First Trust Senior Loan ETF (CAD-Hedged)  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2025

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Exchange Traded Funds—98.34%</b>				
First Trust Senior Loan Fund	981,682	60,927,138	61,819,062	98.34
		<b>60,927,138</b>	<b>61,819,062</b>	<b>98.34</b>
<b>Total investments</b>		<b>60,927,138</b>	<b>61,819,062</b>	<b>98.34</b>
Transaction costs		(2,483)		
Unrealized appreciation on derivatives - see Schedule 1			500,861	0.80
Other assets, less liabilities			544,878	0.86
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>60,924,655</b>	<b>62,864,801</b>	<b>100.00</b>

Schedule 1

Counterparty	Credit Rating of Counterparty*	Settlement Date	Currency Sell	Amount Sold	Currency Buy	Amount Bought	Forward Rate	Current Rate	Appreciation (Depreciation) \$
CIBC World Markets Inc., Toronto	A-1	2026-01-30	USD	45,653,873	CAD	63,090,000	0.724	0.729	500,861
									<b>500,861</b>

\* Commercial paper rating per Standard and Poor's Commercial Paper Guide

# First Trust Canadian Capital Strength ETF

<b>STATEMENTS OF FINANCIAL POSITION</b>		<b>As at December 31, 2025 and December 31, 2024</b>	
	<b>December 31 2025 (\$)</b>	<b>December 31 2024 (\$)</b>	
<b>Assets</b>			
Investments (non-derivative financial assets)	198,479,936	104,687,581	
Cash	653,561	332,406	
Accrued dividend receivable	257,926	187,123	
Other assets	65,130	43,848	
	<b>199,456,553</b>	<b>105,250,958</b>	
<b>Liabilities</b>			
Accrued liabilities	114,038	62,491	
Distributions payable to holders of redeemable units	500,257	310,070	
	<b>614,295</b>	<b>372,561</b>	
<b>Total net assets attributable to holders of redeemable units</b>	<b>198,842,258</b>	<b>104,878,397</b>	
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>			
<b>Units</b>	<b>198,842,258</b>	<b>104,878,397</b>	
<b>Redeemable units outstanding [note 6]</b>			
<b>Units</b>	<b>2,779,209</b>	<b>1,879,209</b>	
<b>Net assets attributable to holders of redeemable units per unit</b>			
<b>Units</b>	<b>71.55</b>	<b>55.81</b>	

<b>STATEMENTS OF COMPREHENSIVE INCOME</b>		<b>For the years ended December 31, 2025 and 2024</b>	
	<b>December 31 2025 (\$)</b>	<b>December 31 2024 (\$)</b>	
<b>Revenues</b>			
Dividends	2,993,033	1,999,051	
<b>Other changes in fair value of investments</b>			
Net realized gain (loss) on sale of investments	22,139,590	8,425,865	
Net realized gain (loss) of foreign exchange	2,261	74	
Net change in unrealized appreciation (depreciation) of investments	16,026,159	8,909,376	
	<b>41,161,043</b>	<b>19,334,366</b>	
Foreign exchange gain (loss) on cash	(2,002)	2,604	
	<b>41,159,041</b>	<b>19,336,970</b>	
<b>Expenses [note 7]</b>			
Management fees	907,165	496,808	
HST expense	75,723	42,678	
Transaction costs [note 3 and note 9]	18,292	7,883	
Independent Review Committee fees	14,495	11,162	
	<b>1,015,675</b>	<b>558,531</b>	
Expenses waived by manager	(14,495)	(11,162)	
	<b>1,001,180</b>	<b>547,369</b>	
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>40,157,861</b>	<b>18,789,601</b>	
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>			
<b>Units</b>	<b>40,157,861</b>	<b>18,789,601</b>	
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>			
<b>Units</b>	<b>16.72</b>	<b>11.64</b>	

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust Canadian Capital Strength ETF

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	104,878,397	66,262,389
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	40,157,861	18,789,601
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from redeemable units issued	103,565,181	34,197,482
Reinvested distributions	-	-
Redemption of redeemable units	(47,911,150)	(13,302,985)
	55,654,031	20,894,497
<b>Distributions to holders of redeemable units from:</b>		
Net investment income	(1,531,362)	(1,068,090)
Capital gains	(316,669)	-
Return of capital	-	-
	(1,848,031)	(1,068,090)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	93,963,861	38,616,008
<b>Net assets attributable to holders of redeemable units, end of year</b>	198,842,258	104,878,397

See accompanying notes which are an integral part of these financial statements

# First Trust Canadian Capital Strength ETF

## STATEMENTS OF CASH FLOW

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	40,157,861	18,789,601
Adjustments for:		
Net realized (gain) loss on sale of investments	(22,139,590)	(8,425,865)
Net change in unrealized (appreciation) depreciation of investments	(16,026,159)	(8,909,376)
Dividends receivable	(70,803)	(69,508)
Other assets	(21,282)	(9,316)
Other liabilities	51,547	25,132
Purchases of investments	(173,875,130)	(63,202,594)
Proceeds from the sale of investments	118,248,524	41,877,226
	<b>(53,675,032)</b>	<b>(19,924,700)</b>
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	103,565,181	34,197,482
Amount paid on redemptions of units	(47,911,150)	(13,302,985)
Distributions paid to unitholders	(1,657,844)	(935,525)
	<b>53,996,187</b>	<b>19,958,972</b>
<b>Increase (Decrease) in cash for the year</b>	<b>321,155</b>	<b>34,272</b>
<b>Cash, beginning of year</b>	<b>332,406</b>	<b>298,134</b>
<b>Cash, end of year</b>	<b>653,561</b>	<b>332,406</b>
Dividends received, net of withholding taxes	2,922,230	1,929,543

See accompanying notes which are an integral part of these financial statements.

# First Trust Canadian Capital Strength ETF

## Notes to Financial Statements - Specific Information

### For the year ended December 31, 2025

**A. INVESTMENT OBJECTIVE (NOTE 1) - First Trust Canadian Capital Strength ETF** (the "First Trust ETF") seeks to provide unitholders with long term capital appreciation by investing primarily in securities traded on a Canadian exchange or market.

**B. FAIR VALUE MEASUREMENT (NOTE 5) -** The following fair value hierarchy tables present information about the First Trust ETF assets and liabilities measured at fair value on a recurring basis for the years ended December 31, 2025 and 2024:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2025			
	Level 1	Level 2	Level 3	Total
Equities	198,479,936	–	–	198,479,936
Warrants	–	–	–*	–**
<b>Total</b>	<b>198,479,936</b>	<b>–</b>	<b>–</b>	<b>198,479,936</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2024			
	Level 1	Level 2	Level 3	Total
Equities	104,687,581	–	–	104,687,581
Warrants	–	–	–*	–**
<b>Total</b>	<b>104,687,581</b>	<b>–</b>	<b>–</b>	<b>104,687,581</b>

\* Investment valued at 0.

\*\* See Schedule of Portfolio Investments for industry breakout

There have been no transfers from one Level to another for the years ended December 31, 2025 and 2024.

The First Trust ETF did not hold any significant Level 3 instruments at the beginning of, during, or at the end of either reporting periods. Level 3 investments are valued by the Pricing Committee of First Trust Advisors LP., the First Trust ETF's advisor, and are footnoted in the Schedule of Portfolio Investments. All Level 3 values are based on unobservable inputs.

**C. REDEEMABLE UNITS (NOTE 6) -** The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2025 and 2024:

Redeemable Units	Units
Outstanding units – January 1, 2024	1,479,209
Redeemable units issued	650,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(250,000)
Outstanding units – December 31, 2024	1,879,209
Redeemable units issued	1,750,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(850,000)
Outstanding units – December 31, 2025	2,779,209

First Trust Canadian Capital Strength ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7)** - Below are the current annual management fees charged to the First Trust ETF:

Annual Management Fee
Units
0.60%

**E. TAXATION (NOTE 8)**

**Tax loss carryforwards** - The net capital and non-capital tax loss carryforwards as at December 31, 2025 and 2024, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2025	2024	2025	2024
10,764,992	17,700,044	-	-

**F. COMMISSIONS (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2025 and 2024 are as follows:

Transaction Cost (\$)	
2025	2024
18,292	7,883

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2025 and 2024, including amounts owing as at December 31, 2025 and 2024 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2025	2024	2025	2024
907,165	496,808	101,002	55,386

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at December 31, 2025 and 2024, the First Trust ETF's market risk is affected by changes in actual market prices, foreign currency movements, and interest rates, if applicable. If the following index had increased (decreased) by 5% at December 31, 2025 and 2024 with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2025		As at December 31, 2024	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P/TSX Composite® Index	10,041,534	(10,041,534)	5,306,847	(5,306,847)

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First Trust Canadian Capital Strength ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

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**Concentration Risk** - The table below summarizes the concentration risk for the years ended December 31, 2025 and 2024:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2025	As at December 31, 2024
Financials	24.93	24.79
Information Technology	14.40	18.85
Industrials	14.09	18.96
Consumer Discretionary	13.06	11.37
Materials	12.86	6.95
Energy	12.04	14.77
Consumer Staples	8.44	4.13
Total	99.82	99.82

# First Trust Canadian Capital Strength ETF

## Notes to Financial Statements - Specific Information

### For the year ended December 31, 2025

#### SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2025

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Consumer Discretionary—13.06%</b>				
Aritzia Inc.	79,176	7,778,303	9,291,304	4.67
Dollarama Inc.	42,017	5,875,799	8,619,367	4.34
Gildan Activewear Inc.	93,861	6,435,558	8,052,335	4.05
		<b>20,089,660</b>	<b>25,963,006</b>	<b>13.06</b>
<b>Consumer Staples—8.44%</b>				
Alimentation Couche-Tard Inc.	108,935	7,928,674	8,165,768	4.11
Loblaw Cos. Ltd.	138,769	6,395,165	8,610,616	4.33
		<b>14,323,839</b>	<b>16,776,384</b>	<b>8.44</b>
<b>Energy—12.04%</b>				
Canadian Natural Resources Ltd.	171,811	7,084,830	7,987,494	4.02
Pembina Pipeline Corp.	144,749	7,545,913	7,568,925	3.80
Suncor Energy Inc.	137,652	6,910,668	8,385,760	4.22
		<b>21,541,411</b>	<b>23,942,179</b>	<b>12.04</b>
<b>Financials—24.93%</b>				
Canadian Imperial Bank of Commerce	66,464	5,916,439	8,270,115	4.16
Manulife Financial Corp.	169,520	6,314,940	8,448,877	4.25
National Bank of Canada	49,225	7,148,933	8,496,727	4.27
Royal Bank of Canada	37,472	5,802,277	8,768,073	4.41
Sun Life Financial Inc.	90,154	6,798,249	7,724,395	3.88
TMX Group Ltd.	150,720	8,279,317	7,872,106	3.96
		<b>40,260,155</b>	<b>49,580,293</b>	<b>24.93</b>
<b>Industrials—14.09%</b>				
AtkinsRealis Group Inc.	77,831	7,683,221	6,895,826	3.47
Finning International Inc.	102,259	4,458,736	7,605,002	3.82
Stantec Inc.	49,427	5,830,069	6,401,785	3.22
WSP Global Inc.	28,619	6,649,378	7,112,394	3.58
		<b>24,621,404</b>	<b>28,015,007</b>	<b>14.09</b>
<b>Information Technology—14.40%</b>				
Celestica Inc.	16,282	2,281,186	6,610,655	3.32
CGI Inc.	63,403	8,268,295	8,038,232	4.04
Constellation Software Inc.	2,100	7,971,704	6,932,940	3.49
Constellation Software Inc., Warrants <sup>a,b,c</sup>	880	—	—	—
Shopify Inc., Class 'A'	31,899	4,365,413	7,049,679	3.55
		<b>22,886,598</b>	<b>28,631,506</b>	<b>14.40</b>
<b>Materials—12.86%</b>				
Agnico Eagle Mines Ltd.	34,071	5,613,927	7,930,366	3.99
CCL Industries Inc., Class 'B'	98,552	7,169,854	8,544,458	4.30
Kinross Gold Corp.	235,301	4,735,847	9,096,737	4.57
		<b>17,519,628</b>	<b>25,571,561</b>	<b>12.86</b>
<b>Total investments</b>		<b>161,242,695</b>	<b>198,479,936</b>	<b>99.82</b>
Transaction costs		(9,275)		
Other assets, less liabilities			<b>362,322</b>	<b>0.18</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>161,233,420</b>	<b>198,842,258</b>	<b>100.00</b>

a. Non-income producing security

b. This security has been determined to be illiquid by First Trust Advisors LP., the First Trust ETF's advisor

c. This security's value was determined using significant unobservable inputs (see Note 3v – Significant accounting policies, financial instruments, fair value measurement in the Notes to Financial Statements)

# First Trust Global Risk Managed Income Index ETF

## STATEMENTS OF FINANCIAL POSITION As at December 31, 2025 and December 31, 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	16,475,685	11,358,163
Cash	10,451	76,031
Accrued dividend receivable	56,972	45,429
Receivable for portfolio securities sold	2,012,072	-
Other assets	6,019	6,148
	18,561,199	11,485,771
<b>Liabilities</b>		
Accrued liabilities	8,936	4,000
Payable for portfolio securities purchased	2,003,957	-
Distributions payable to holders of redeemable units	54,049	63,129
	2,982,464	67,129
<b>Total net assets attributable to holders of redeemable units</b>	<b>15,578,735</b>	<b>11,418,642</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		
<b>Units</b>	<b>15,578,735</b>	<b>11,418,642</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	<b>850,811</b>	<b>650,811</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>18.31</b>	<b>17.55</b>

## STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Revenues</b>		
Dividends	752,064	623,182
<b>Other changes in fair value of investments</b>		
Net realized gain (loss) on sale of investments	618,127	244,094
Net change in unrealized appreciation (depreciation) of investments	65,667	755,262
	1,435,858	1,622,538
<b>Expenses [note 7]</b>		
Management fees	110,046	89,244
Transaction costs [note 3 and note 9]	7,372	1,572
HST expense	5,052	3,843
Independent Review Committee fees	1,764	2,052
Interest expense	-	30
	124,234	96,741
Expenses waived by manager	(36,669)	(30,256)
	87,565	66,485
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>1,348,293</b>	<b>1,556,053</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>		
<b>Units</b>	<b>1,348,293</b>	<b>1,556,053</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>1.32</b>	<b>1.78</b>

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust Global Risk Managed Income Index ETF

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	11,418,642	16,469,377
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	1,348,293	1,556,053
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from issuance of units	34,567,929	-
Reinvested distributions	-	-
Redemption of units	(31,025,402)	(6,056,705)
	3,542,527	(6,056,705)
<b>Distributions to holders of redeemable units from:</b>		
Net investment income	(726,686)	(549,916)
Capital gains	(4,041)	(167)
Return of capital	-	-
	(730,727)	(550,083)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	4,160,093	(5,050,735)
<b>Net assets attributable to holders of redeemable units, end of year</b>	15,578,735	11,418,642

See accompanying notes which are an integral part of these financial statements

# First Trust Global Risk Managed Income Index ETF

## STATEMENTS OF CASH FLOW For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	1,348,293	1,556,053
Adjustments for:		
Net realized (gain) loss on sale of investments	(618,127)	(244,094)
Net change in unrealized (appreciation) depreciation of investments	(65,667)	(755,262)
Dividends receivable	(11,543)	19,437
Other assets	129	597
Other liabilities	4,936	(1,666)
Purchases of investments	(41,341,218)	(1,687,606)
Proceeds from the sale of investments	36,899,375	7,780,508
	(3,783,822)	6,667,967
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	34,567,929	-
Amount paid on redemptions of units	(30,109,880)	(6,056,705)
Distributions paid to unitholders	(739,807)	(536,995)
	3,718,242	(6,593,700)
<b>Increase (Decrease) in cash for the year</b>	(65,580)	74,267
<b>Cash, beginning of year</b>	76,031	1,764
<b>Cash, end of year</b>	10,451	76,031
Dividends received, net of withholding taxes	740,521	642,619

See accompanying notes which are an integral part of these financial statements.

**First Trust Global Risk Managed Income Index ETF**  
**Notes to Financial Statements - Specific Information**  
**For the year ended December 31, 2025**

**A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust Global Risk Managed Income Index ETF** (the “First Trust ETF”) seeks to replicate, to the extent possible, the performance of the NASDAQ Global Risk Managed Income Index<sup>SM</sup> (the “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 the Index.

**B. FAIR VALUE MEASUREMENT (NOTE 5) -** The following fair value hierarchy tables present information about the First Trust ETF assets and liabilities measured at fair value on a recurring basis for the years ended December 31, 2025 and 2024:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2025			
	Level 1	Level 2	Level 3	Total
Equities	16,475,685	–	–	16,475,685
<b>Total</b>	<b>16,475,685</b>	<b>–</b>	<b>–</b>	<b>16,475,685</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2024			
	Level 1	Level 2	Level 3	Total
Equities	11,358,163	–	–	11,358,163
<b>Total</b>	<b>11,358,163</b>	<b>–</b>	<b>–</b>	<b>11,358,163</b>

There have been no transfers from one Level to another for the years ended December 31, 2025 and 2024.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting periods.

**C. REDEEMABLE UNITS (NOTE 6) -** The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2025 and 2024:

Redeemable Units	Units
Outstanding units – January 1, 2024	1,000,811
Redeemable units issued	–
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(350,000)
Outstanding units – December 31, 2024	650,811
Redeemable units issued	1,900,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(1,700,000)
Outstanding units – December 31, 2025	850,811

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7) -** Below are the current annual management fees charged to the First Trust ETF:

Annual Management Fee <sup>1</sup>
Units
0.41%

<sup>1</sup>Pays a management fee up to a maximum of 0.60%. The First Trust ETF's management fee will also bear the weighted management fee of the underlying funds.

First Trust Global Risk Managed Income Index ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

**E. TAXATION (NOTE 8)**

**Tax loss carryforwards** - The net capital and non-capital tax loss carryforwards as at December 31, 2025 and 2024, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2025	2024	2025	2024
1,443,579	1,519,806	–	–

**F. COMMISSIONS (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2025 and 2024 are as follows:

Transaction Cost (\$)	
2025	2024
7,372	1,572

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2025, and 2024, including amounts owing as at December 31, 2025 and 2024 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2025	2024	2025	2024
110,046	89,244	8,936	4,000

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at December 31, 2025 and 2024, the First Trust ETF's market risk is affected by changes in actual market prices, foreign currency movements, and interest rates, if applicable. If the following index had increased (decreased) by 5% at December 31, 2025 and 2024, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Reference Index	As at December 31, 2025		As at December 31, 2024	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
NASDAQ Global Risk Managed Income Index <sup>SM</sup>	591,992	(591,992)	541,244	(541,244)

**Concentration Risk** - The table below summarizes the concentration risk for the years ended December 31, 2025 and 2024:

Holdings	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2025	As at December 31, 2024
Bonds	68.93	61.76
Equities	31.70	20.24
REITs and Preferred Shares	5.13	17.47
Total	105.76	99.47

# First Trust Global Risk Managed Income Index ETF

## Notes to Financial Statements - Specific Information

### For the year ended December 31, 2025

#### SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2025

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Exchange Traded Funds—105.76%</b>				
BMO Emerging Markets Bond Hedged to CAD Index ETF	129,225	1,619,656	1,619,189	10.39
BMO Equal Weight REITs Index ETF	25,570	578,425	563,563	3.62
BMO Equal Weight Utilities Index ETF	16,532	423,577	416,111	2.67
BMO High Yield US Corporate Bond Hedged to CAD Index ETF	246,943	2,795,475	2,755,884	17.68
BMO Mid-Term US IG Corporate Bond Index ETF	31,316	578,991	579,346	3.72
Global X Canadian Select Universe Bond Index Corporate Class ETF	12,905	638,869	644,475	4.14
iShares Canadian Corporate Bond Index ETF	46,785	944,646	946,460	6.08
iShares Canadian Government Bond Index ETF	29,834	580,994	573,410	3.68
iShares Convertible Bond Index ETF (CAD - Hedged)	86,730	1,556,380	1,544,661	9.92
iShares Core Canadian Long Term Bond Index ETF	34,951	670,311	649,739	4.17
iShares Core S&P / TSX Composite High Dividend Index ETF	26,252	804,795	849,515	5.45
iShares Global Monthly Dividend Index ETF (CAD-Hedged)	18,179	422,040	445,930	2.86
iShares Global Real Estate Index ETF	7,764	237,329	235,172	1.51
iShares S&P/TSX Canadian Preferred Share Index ETF	161,920	2,122,683	2,242,592	14.40
iShares S&P/TSX Capped Financials Index ETF	3,578	232,875	279,800	1.80
Vanguard Canadian Short-Term Bond Index ETF	60,858	1,425,217	1,425,903	9.15
Vanguard FTSE Canadian High Dividend Yield Index ETF	9,243	512,824	572,789	3.68
Vanguard U.S. Dividend Appreciation Index ETF	1,275	125,502	131,146	0.84
		<b>16,270,589</b>	<b>16,475,685</b>	<b>105.76</b>
<b>Total investments</b>		<b>16,270,589</b>	<b>16,475,685</b>	<b>105.76</b>
Transaction costs		(1,383)		
Other assets, less liabilities			(896,950)	(5.76)
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>16,269,206</b>	<b>15,578,735</b>	<b>100.00</b>

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

## STATEMENTS OF FINANCIAL POSITION

As at December 31, 2025 and December 31, 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	5,409,075	5,343,470
Cash	13,803	24,307
Accrued dividend receivable	8,791	8,742
Derivative assets	41,691	-
Other assets	482	491
	5,473,842	5,377,010
<b>Liabilities</b>		
Accrued liabilities	3,381	3,343
Distributions payable to holders of redeemable units	10,479	10,104
Derivative liabilities	-	84,935
	13,860	98,382
<b>Total net assets attributable to holders of redeemable units</b>	<b>5,459,982</b>	<b>5,278,628</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		
<b>Units</b>	<b>5,459,982</b>	<b>5,278,628</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	<b>149,693</b>	<b>149,693</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>36.47</b>	<b>35.26</b>

## STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Revenues</b>		
Dividends	168,969	150,522
<b>Other changes in fair value of investments and derivatives</b>		
Net realized gain (loss) on sale of investments	246,432	478,287
Net realized gain (loss) on derivatives	11,693	(276,174)
Net realized gain (loss) on foreign exchange	1,153	708
Net change in unrealized appreciation (depreciation) of investments	(184,943)	335,313
Net change in unrealized appreciation (depreciation) of derivatives	126,626	(211,246)
	369,930	477,410
Foreign exchange gain (loss) on cash	188	465
	370,118	477,875
<b>Expenses [note 7]</b>		
Management fees	37,701	36,380
HST expense	3,392	3,206
Transaction costs [note 3 and note 9]	1,491	1,461
Independent Review Committee fees	527	708
	43,111	41,755
Expenses waived by manager	(527)	(708)
	42,584	41,047
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>327,534</b>	<b>436,828</b>
<b>Withholding taxes</b>	<b>20,438</b>	<b>20,897</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>307,096</b>	<b>415,931</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>		
<b>Units</b>	<b>307,096</b>	<b>415,931</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>2.05</b>	<b>2.78</b>

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

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

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	5,278,628	4,959,249
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	307,096	415,931
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from issuance of units	-	-
Reinvested distributions	215,558	20,957
Redemption of units	-	-
	215,558	20,957
<b>Distributions to holders of redeemable units from:</b>		
Net investment income	(117,012)	(93,004)
Capital gains	(215,558)	(20,027)
Return of capital	(8,730)	(4,478)
	(341,300)	(117,509)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	181,354	319,379
<b>Net assets attributable to holders of redeemable units, end of year</b>	5,459,982	5,278,628

See accompanying notes which are an integral part of these financial statements.

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

## STATEMENTS OF CASH FLOW For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	307,096	415,931
Adjustments for:		
Net realized (gain) loss on sale of investments	(246,432)	(478,287)
Net change in unrealized (appreciation) depreciation of investments and derivatives	58,317	(124,067)
Dividends receivable	(49)	1,427
Other assets	9	570
Other liabilities	38	116
Purchases of investments	(3,789,641)	(4,580,262)
Proceeds from the sale of investments	3,785,525	4,866,146
	114,863	101,574
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	-	-
Amount paid on redemptions of units	-	-
Distributions paid to unitholders	(125,367)	(94,681)
	(125,367)	(94,681)
<b>Increase (Decrease) in cash for the year</b>	(10,504)	6,893
<b>Cash, beginning of year</b>	24,307	17,414
<b>Cash, end of year</b>	13,803	24,307
Dividends received, net of withholding taxes	148,482	131,052

See accompanying notes which are an integral part of these financial statements.

First Trust Value Line® Dividend Index ETF (CAD-Hedged)  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

**A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust Value Line® Dividend Index ETF (CAD-Hedged)** (the “First Trust ETF”) seeks to replicate, to the extent possible, the performance of the Value Line® Dividend Index on a currency hedged basis (the “Index”), net of expenses. The investment strategy of the First Trust ETF is to invest in and hold the Constituent Securities (as defined in the Prospectus) of the Index in the same proportion as they are reflected in the Index or securities intended to replicate the performance of the Index.

**B. FAIR VALUE MEASUREMENT (NOTE 5) -** The following fair value hierarchy tables present information about the First Trust ETF assets and liabilities measured at fair value on a recurring basis for the years ended December 31, 2025 and 2024:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2025			
	Level 1	Level 2	Level 3	Total
Equities	5,409,075	–	–	5,409,075
Derivative assets	–	41,691	–	41,691
Derivative liabilities	–	–	–	–
<b>Total</b>	<b>5,409,075</b>	<b>41,691</b>	<b>–</b>	<b>5,450,766</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2024			
	Level 1	Level 2	Level 3	Total
Equities	5,343,470	–	–	5,343,470
Derivative assets	–	–	–	–
Derivative liabilities	–	(84,935)	–	(84,935)
<b>Total</b>	<b>5,343,470</b>	<b>(84,935)</b>	<b>–</b>	<b>5,258,535</b>

There have been no transfers from one Level to another for the years ended December 31, 2025 and 2024.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting periods.

**C. REDEEMABLE UNITS (NOTE 6) -** The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2025 and 2024:

Redeemable Units	Units
Outstanding units – January 1, 2024	149,693
Redeemable units issued	–
Redeemable units issued on reinvestments	–
Redeemable units redeemed	–
Outstanding units – December 31, 2024	149,693
Redeemable units issued	–
Redeemable units issued on reinvestments	–
Redeemable units redeemed	–
Outstanding units – December 31, 2025	149,693

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7) -** Below are the current annual management fees charged to the First Trust ETF:

Annual Management Fee
Units
0.70%

First Trust Value Line® Dividend Index ETF (CAD-Hedged)  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

**E. TAXATION (NOTE 8)**

**Tax loss carryforwards** - There are no net capital and non-capital tax loss carryforwards as at December 31, 2025 and 2024.

**F. COMMISSIONS (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2025 and 2024 are as follows:

Transaction Cost (\$)	
2025	2024
1,491	1,461

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2025 and 2024, including amounts owing as at December 31, 2025 and 2024 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2025	2024	2025	2024
37,701	36,380	3,256	3,222

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at December 31, 2025 and 2024, the First Trust ETF's market risk is affected by changes in actual market prices, foreign currency movements, and interest rates, if applicable. If the following index had increased (decreased) by 5% at December 31, 2025 and 2024, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2025		As at December 31, 2024	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® CAD-Hedged Index	177,995	(177,995)	165,221	(165,221)
Dow Jones U.S. Select Dividend™ Index USD	227,681	(227,681)	213,521	(213,521)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2025 and 2024:

Currency	As at December 31, 2025		As at December 31, 2024	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	53,266	0.98	79,434	1.50
Euro	296	-	-	-
Total	53,562	0.98	79,434	1.50

As at December 31, 2025, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$536 (December 31, 2024 - \$794). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

First Trust Value Line® Dividend Index ETF (CAD-Hedged)  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

**Concentration Risk** - The table below summarizes the concentration risk for the years ended December 31, 2025 and 2024:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2025	As at December 31, 2024
<i>Canada</i>		
Financials	2.94	2.76
Communication Services	1.31	1.38
Energy	0.85	0.46
Utilities	0.85	0.46
Industrials	0.85	0.92
Materials	0.42	0.91
<i>United States</i>		
Financials	18.37	8.72
Utilities	17.69	18.84
Industrials	13.23	16.90
Consumer Staples	10.00	13.73
Health Care	5.02	5.93
Information Technology	4.97	7.33
Materials	4.58	5.46
Consumer Discretionary	2.88	4.13
Communication Services	2.14	2.29
Energy	1.28	1.38
<i>International</i>		
United Kingdom	4.62	3.20
Ireland	2.08	1.81
Japan	1.25	1.45
Switzerland	0.85	0.91
France	0.84	0.46
India	0.79	0.44
Belgium	0.43	–
Mexico	0.42	0.47
Bermuda	0.41	–
Denmark	–	0.45
Taiwan	–	0.44
Total	99.07	101.23

First Trust Value Line® Dividend Index ETF (CAD-Hedged)  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2025

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>CANADIAN EQUITIES</b>				
<b>Communication Services—1.31%</b>				
BCE Inc.	735	25,169	24,030	0.44
Rogers Communications Inc., Class 'B'	455	24,223	23,563	0.43
TELUS Corp.	1,321	27,509	23,879	0.44
		<b>76,901</b>	<b>71,472</b>	<b>1.31</b>
<b>Energy—0.85%</b>				
Pembina Pipeline Corp.	451	23,245	23,560	0.43
TC Energy Corp.	305	20,728	23,029	0.42
		<b>43,973</b>	<b>46,589</b>	<b>0.85</b>
<b>Financials—2.94%</b>				
Bank of Montreal	129	15,699	22,980	0.42
Bank of Nova Scotia (The)	229	15,031	23,162	0.43
Canadian Imperial Bank of Commerce	181	11,887	22,510	0.41
Manulife Financial Corp.	458	19,669	22,807	0.42
Royal Bank of Canada	98	12,582	22,933	0.42
Sun Life Financial Inc.	269	18,205	23,039	0.42
Toronto-Dominion Bank (The)	180	14,731	23,273	0.42
		<b>107,804</b>	<b>160,704</b>	<b>2.94</b>
<b>Industrials—0.85%</b>				
Canadian National Railway Co.	170	24,553	23,065	0.42
Enbridge Inc.	357	18,183	23,437	0.43
		<b>42,736</b>	<b>46,502</b>	<b>0.85</b>
<b>Materials—0.42%</b>				
Thomson Reuters Corp.	126	28,917	22,809	0.42
		<b>28,917</b>	<b>22,809</b>	<b>0.42</b>
<b>Utilities—0.85%</b>				
Emera Inc.	345	21,302	23,316	0.43
Fortis Inc.	326	18,246	23,241	0.42
		<b>39,548</b>	<b>46,557</b>	<b>0.85</b>
		<b>339,879</b>	<b>394,633</b>	<b>7.22</b>
<b>UNITED STATES EQUITIES</b>				
<b>Communication Services—2.14%</b>				
AT&T Inc.	688	19,689	23,457	0.43
Comcast Corp., Class 'A'	572	29,325	23,467	0.43
T-Mobile US Inc.	85	26,931	23,688	0.43
VeriSign Inc.	68	22,118	22,675	0.42
Verizon Communications Inc.	418	23,607	23,368	0.43
		<b>121,670</b>	<b>116,655</b>	<b>2.14</b>
<b>Consumer Discretionary—2.88%</b>				
Genuine Parts Co.	134	21,956	22,615	0.41
Home Depot Inc. (The)	48	20,863	22,670	0.41
Lowe's Cos. Inc.	69	19,899	22,839	0.42
McDonald's Corp.	53	17,481	22,233	0.41
TJX Cos. Inc. (The)	107	18,795	22,560	0.41
Tractor Supply Co.	323	21,352	22,171	0.41
Yum! Brands Inc.	108	21,605	22,425	0.41
		<b>141,951</b>	<b>157,513</b>	<b>2.88</b>
<b>Consumer Staples—10.00%</b>				
Altria Group Inc.	285	18,396	22,555	0.41
Campbell Soup Co.	585	32,489	22,378	0.41
Church & Dwight Co. Inc.	198	25,835	22,787	0.42
Coca-Cola Co. (The)	238	18,985	22,837	0.42
Colgate-Palmolive Co.	211	22,903	22,885	0.42
Conagra Brands Inc.	968	35,989	22,999	0.42

**First Trust Value Line® Dividend Index ETF (CAD-Hedged)**  
**Notes to Financial Statements - Specific Information**  
**For the year ended December 31, 2025**

Constellation Brands Inc., Class 'A'	118	25,403	22,344	0.41
General Mills Inc.	353	28,970	22,530	0.41
Hershey Co. (The)	90	24,508	22,480	0.41
Hormel Foods Corp.	693	32,320	22,543	0.41
Ingredion Inc.	151	20,186	22,852	0.42
J.M. Smucker Co. (The)	169	26,886	22,688	0.42
Kenvue Inc.	983	22,641	23,274	0.43
Keurig Dr Pepper Inc.	592	26,052	22,760	0.42
Kimberly-Clark Corp.	168	28,299	23,264	0.43
Kraft Heinz Co. (The)	692	29,697	23,033	0.42
Marzetti Co. (The)	100	25,096	22,567	0.41
McCormick & Co. Inc.	243	25,123	22,717	0.42
Mondelez International Inc., Class 'A'	308	25,301	22,756	0.42
PepsiCo Inc.	114	23,275	22,457	0.41
Philip Morris International Inc.	105	16,831	23,116	0.42
Procter & Gamble Co. (The)	117	22,359	23,014	0.42
Reynolds Consumer Products Inc.	710	25,462	22,336	0.41
Sysco Corp.	224	23,848	22,656	0.41
		<b>606,854</b>	<b>545,828</b>	<b>10.00</b>
<b>Energy—1.28%</b>				
Chevron Corp.	112	23,421	23,429	0.43
Exxon Mobil Corp.	141	21,789	23,290	0.42
Williams Cos. Inc. (The)	284	22,546	23,431	0.43
		<b>67,756</b>	<b>70,150</b>	<b>1.28</b>
<b>Financials—18.37%</b>				
Aflac Inc.	152	22,521	23,005	0.42
Allstate Corp. (The)	80	14,967	22,856	0.42
American Homes 4 Rent, Class 'A'	531	25,858	23,395	0.43
American International Group Inc.	193	20,630	22,662	0.41
Assurant Inc.	69	15,356	22,810	0.42
AvalonBay Communities Inc.	92	25,138	22,895	0.42
Bank of New York Mellon Corp. (The)	143	12,591	22,786	0.42
BlackRock Inc.	15	17,545	22,036	0.40
Camden Property Trust	154	23,710	23,268	0.43
Cboe Global Markets Inc.	66	22,321	22,738	0.42
Cincinnati Financial Corp.	100	23,639	22,417	0.41
CME Group Inc.	61	16,608	22,864	0.42
CNA Financial Corp.	349	21,981	22,868	0.42
Commerce Bancshares Inc.	315	22,680	22,629	0.41
Equity Lifestyle Properties Inc.	273	23,568	22,711	0.42
Equity Residential	268	24,019	23,189	0.42
Goldman Sachs Group Inc. (The)	19	10,132	22,923	0.42
Hanover Insurance Group Inc. (The)	90	16,047	22,578	0.41
Hartford Financial Services Group Inc. (The)	120	21,936	22,696	0.42
Houlihan Lokey Inc.	94	18,623	22,474	0.41
Intercontinental Exchange Inc.	104	24,055	23,119	0.42
Invitation Homes Inc.	611	27,019	23,305	0.43
JPMorgan Chase & Co.	52	12,050	22,998	0.42
Marsh & McLennan Cos. Inc.	90	25,342	22,917	0.42
MetLife Inc.	205	22,232	22,212	0.41
Mid-America Apartment Communities Inc.	122	24,202	23,261	0.43
Morgan Stanley	93	13,900	22,661	0.41
Nasdaq Inc.	171	20,676	22,797	0.42
Old Republic International Corp.	362	18,806	22,677	0.41
Primerica Inc.	64	23,175	22,695	0.42
Prudential Financial Inc.	146	23,387	22,620	0.41
Public Storage	64	24,481	22,795	0.42
Raymond James Financial Inc.	101	22,120	22,262	0.41
Realty Income Corp.	295	23,145	22,824	0.42
Regency Centers Corp.	242	24,146	22,929	0.42

**First Trust Value Line® Dividend Index ETF (CAD-Hedged)**  
**Notes to Financial Statements - Specific Information**  
**For the year ended December 31, 2025**

SEI Investments Co.	198	23,531	22,290	0.41
Selective Insurance Group Inc.	195	21,751	22,394	0.41
Sun Communities Inc.	136	24,064	23,130	0.42
T. Rowe Price Group Inc.	159	24,386	22,343	0.41
Travelers Cos. Inc. (The)	57	13,588	22,693	0.41
UDR Inc.	463	23,075	23,310	0.43
VICI Properties Inc.	600	26,228	23,158	0.42
Welltower Inc.	90	21,568	22,928	0.42
WP Carey Inc.	259	22,347	22,879	0.42
		<b>929,144</b>	<b>1,002,997</b>	<b>18.37</b>
<b>Health Care—5.02%</b>				
Abbott Laboratories	133	20,247	22,871	0.42
AbbVie Inc.	73	16,540	22,894	0.42
Amgen Inc.	50	17,448	22,462	0.41
Bristol-Myers Squibb Co.	306	22,213	22,655	0.41
Cigna Corp.	61	23,826	23,044	0.42
Gilead Sciences Inc.	135	21,269	22,743	0.42
Johnson & Johnson	81	17,215	23,008	0.42
Labcorp Holdings Inc.	66	22,970	22,727	0.42
Merck & Co. Inc.	160	19,585	23,116	0.42
Pfizer Inc.	663	29,801	22,659	0.42
Quest Diagnostics Inc.	95	18,482	22,627	0.41
Zoetis Inc.	135	28,090	23,314	0.43
		<b>257,686</b>	<b>274,120</b>	<b>5.02</b>
<b>Industrials—13.23%</b>				
Becton, Dickinson and Co.	85	25,779	22,641	0.41
Caterpillar Inc.	29	10,373	22,802	0.42
CSX Corp.	457	20,642	22,738	0.42
Cummins Inc.	32	10,853	22,420	0.41
Donaldson Co. Inc.	181	17,822	22,026	0.40
Dover Corp.	84	19,578	22,510	0.41
Emerson Electric Co.	124	16,609	22,588	0.41
Expeditors International of Washington Inc.	109	17,167	22,293	0.41
Fastenal Co.	400	15,813	22,032	0.40
Franklin Electric Co. Inc.	170	22,952	22,290	0.41
General Dynamics Corp.	48	15,239	22,180	0.41
Graco Inc.	200	23,605	22,502	0.41
Honeywell International Inc.	85	22,538	22,761	0.42
Hubbell Inc.	37	20,116	22,554	0.41
IDEX Corp.	93	26,463	22,714	0.42
Illinois Tool Works Inc.	66	18,998	22,312	0.41
L3Harris Technologies Inc.	57	16,374	22,968	0.42
Landstar System Inc.	115	21,071	22,682	0.41
Lincoln Electric Holdings Inc.	68	18,357	22,366	0.41
Lockheed Martin Corp.	35	21,040	23,235	0.43
MSA Safety Inc.	104	24,683	22,859	0.42
MSC Industrial Direct Co. Inc., Class 'A'	192	24,151	22,163	0.41
Norfolk Southern Corp.	57	17,992	22,588	0.41
Northrop Grumman Corp.	29	19,093	22,697	0.42
Otis Worldwide Corp.	192	24,435	23,019	0.42
PACCAR Inc.	148	21,891	22,246	0.41
Republic Services Inc.	78	22,919	22,689	0.42
Rollins Inc.	273	20,504	22,490	0.41
RTX Corp.	90	10,987	22,655	0.41
Snap-On Inc.	48	15,932	22,703	0.42
Union Pacific Corp.	71	20,062	22,542	0.41
Waste Management Inc.	76	17,913	22,919	0.42
		<b>621,951</b>	<b>722,184</b>	<b>13.23</b>

**First Trust Value Line® Dividend Index ETF (CAD-Hedged)**  
**Notes to Financial Statements - Specific Information**  
**For the year ended December 31, 2025**

<b>Information Technology—4.97%</b>				
Amdocs Ltd.	209	22,464	23,095	0.42
Automatic Data Processing Inc.	64	19,543	22,596	0.41
Broadridge Financial Solutions Inc., ADR	73	16,435	22,361	0.41
Cisco Systems Inc.	214	14,581	22,626	0.42
Cognizant Technology Solutions Corp., Class 'A'	196	18,173	22,328	0.41
Dolby Laboratories Inc., Class 'A'	252	27,157	22,212	0.41
FactSet Research Systems Inc.	57	27,924	22,703	0.42
International Business Machines Corp.	55	16,355	22,361	0.41
Jack Henry & Associates Inc.	90	21,728	22,542	0.41
Motorola Solutions Inc.	45	23,335	23,676	0.43
Paychex Inc.	145	22,226	22,326	0.41
SS&C Technologies Holdings Inc.	188	22,907	22,558	0.41
		<b>252,828</b>	<b>271,384</b>	<b>4.97</b>
<b>Materials—4.58%</b>				
Air Products and Chemicals Inc.	68	23,840	23,055	0.42
AptarGroup Inc.	136	25,866	22,766	0.42
Avery Dennison Corp.	92	23,212	22,967	0.42
Brady Corp., Class 'A'	206	15,531	22,159	0.41
Corteva Inc.	249	21,964	22,909	0.42
Ecolab Inc.	63	22,884	22,700	0.42
NewMarket Corp.	23	14,414	21,696	0.40
Packaging Corp. of America	81	17,321	22,928	0.42
PPG Industries Inc.	162	27,550	22,782	0.42
RPM International Inc.	159	24,777	22,696	0.41
Sonoco Products Co.	387	27,460	23,181	0.42
		<b>244,819</b>	<b>249,839</b>	<b>4.58</b>
<b>Utilities—17.69%</b>				
Alliant Energy Corp.	257	18,552	22,932	0.42
Ameren Corp.	168	18,435	23,027	0.42
American Electric Power Co. Inc.	146	17,718	23,107	0.42
American States Water Co.	227	24,126	22,582	0.41
American Water Works Co. Inc.	127	24,811	22,748	0.42
Atmos Energy Corp.	100	15,283	23,008	0.42
Avista Corp.	436	22,209	23,064	0.42
Black Hills Corp.	243	20,582	23,154	0.42
California Water Service Group	386	24,736	22,956	0.42
CenterPoint Energy Inc.	442	22,108	23,260	0.43
Chesapeake Utilities Corp.	134	20,181	22,946	0.42
CMS Energy Corp.	240	20,514	23,036	0.42
Consolidated Edison Inc.	170	20,439	23,175	0.43
Dominion Energy Inc.	292	24,194	23,482	0.43
DTE Energy Co.	130	19,501	23,014	0.42
Duke Energy Corp.	144	19,588	23,166	0.42
Entergy Corp.	182	14,087	23,089	0.42
Essential Utilities Inc.	433	22,103	22,798	0.42
Eversource Energy	231	18,685	22,984	0.42
Eversource Energy	253	23,294	23,381	0.43
Exelon Corp.	384	23,502	22,974	0.42
FirstEnergy Corp.	376	22,724	23,105	0.42
IDACORP Inc.	132	18,096	22,930	0.42
MGE Energy Inc.	213	25,758	22,926	0.42
National Fuel Gas Co.	203	15,281	22,307	0.41
New Jersey Resources Corp.	360	20,437	22,789	0.42
NextEra Energy Inc.	209	22,705	23,029	0.42
NiSource Inc.	403	15,359	23,099	0.42
Northwest Natural Holding Co.	355	19,426	22,774	0.42

First Trust Value Line® Dividend Index ETF (CAD-Hedged)  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

NorthWestern Corp.	261	20,180	23,120	0.42
OGE Energy Corp.	388	23,334	22,740	0.42
ONE Gas Inc.	215	20,727	22,796	0.42
Pinnacle West Capital Corp.	191	23,653	23,253	0.43
PNM Resources Inc.	284	19,844	22,952	0.42
Portland General Electric Co.	352	22,731	23,186	0.43
PPL Corp.	482	21,139	23,168	0.42
Public Service Enterprise Group Inc.	207	18,040	22,815	0.42
Southern Co. (The)	195	18,771	23,339	0.43
Southwest Gas Holdings Inc.	208	18,594	22,845	0.42
Spire Inc.	202	18,776	22,929	0.42
WEC Energy Group Inc.	159	19,776	23,015	0.42
Xcel Energy Inc.	226	19,481	22,911	0.42
		<b>859,480</b>	<b>965,911</b>	<b>17.69</b>
		<b>4,104,139</b>	<b>4,376,581</b>	<b>80.16</b>
<b>INTERNATIONAL EQUITIES</b>				
<b>Belgium—0.43%</b>				
Anheuser-Busch InBev SA/NV, ADR	264	22,838	23,205	0.43
		<b>22,838</b>	<b>23,205</b>	<b>0.43</b>
<b>Bermuda—0.41%</b>				
Axis Capital Holdings Ltd.	153	19,891	22,489	0.41
		<b>19,891</b>	<b>22,489</b>	<b>0.41</b>
<b>France—0.84%</b>				
Sanofi SA, ADR	348	22,720	23,147	0.42
TotalEnergies SE	254	22,833	22,807	0.42
		<b>45,553</b>	<b>45,954</b>	<b>0.84</b>
<b>India—0.79%</b>				
Infosys Ltd., ADR	872	20,693	21,328	0.39
Wipro Ltd., ADR	5,534	26,850	21,572	0.40
		<b>47,543</b>	<b>42,900</b>	<b>0.79</b>
<b>Ireland—2.08%</b>				
Accenture PLC, Class 'A'	62	25,161	22,832	0.42
Eaton Corp. PLC	52	25,135	22,733	0.42
Linde PLC	39	24,621	22,824	0.42
Medtronic PLC	171	21,049	22,546	0.41
TE Connectivity PLC	72	14,390	22,483	0.41
		<b>110,356</b>	<b>113,418</b>	<b>2.08</b>
<b>Japan—1.25%</b>				
Honda Motor Co. Ltd., ADR	553	24,079	22,376	0.41
Takeda Pharmaceutical Co. Ltd., ADR	1,107	21,808	23,688	0.43
Toyota Motor Corp., ADR	76	17,428	22,329	0.41
		<b>63,315</b>	<b>68,393</b>	<b>1.25</b>
<b>Mexico—0.42%</b>				
America Movil SAB de CV, ADR	811	19,034	23,009	0.42
		<b>19,034</b>	<b>23,009</b>	<b>0.42</b>
<b>Switzerland—0.85%</b>				
Chubb Ltd.	54	21,748	23,134	0.43
Novartis AG, ADR	122	15,852	23,086	0.42
		<b>37,600</b>	<b>46,220</b>	<b>0.85</b>
<b>United Kingdom—4.62%</b>				
Amcor PLC	2,009	26,582	22,997	0.42
AstraZeneca PLC, ADR	183	18,782	23,091	0.42
British American Tobacco PLC, ADR	294	13,229	22,848	0.42
Coca-Cola Europacific Partners PLC	183	22,591	22,782	0.42
Diageo PLC, ADR	192	34,010	22,735	0.42
GSK PLC, ADR	344	18,209	23,154	0.42
HSBC Holdings PLC, ADR	212	17,881	22,891	0.42

First Trust Value Line® Dividend Index ETF (CAD-Hedged)  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

Rio Tinto PLC, ADR	209	18,938	22,958	0.42
Shell PLC, ADR	230	21,283	23,197	0.43
Unilever PLC, ADR	257	21,116	23,069	0.42
Willis Towers Watson PLC	50	21,216	22,551	0.41
		<b>233,837</b>	<b>252,273</b>	<b>4.62</b>
<b>Total investments</b>		<b>5,043,985</b>	<b>5,409,075</b>	<b>99.07</b>
Transaction costs		(1,014)		
Unrealized appreciation on derivatives - see Schedule 1			41,691	0.76
Other assets, less liabilities			9,216	0.17
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>5,042,971</b>	<b>5,459,982</b>	<b>100.00</b>

Schedule 1

Counterparty	Credit Rating of Counterparty*	Settlement Date	Currency	Amount Sold	Currency Buy	Amount Bought	Forward Rate	Current Rate	Appreciation (Depreciation)
Bank of New York Mellon (The), New York	A-1+	2026-01-30	USD	3,910,655	CAD	5,403,000	0.724	0.729	\$ 41,691
									41,691

\* Commercial paper rating per Standard and Poor's Commercial Paper Guide

# First Trust Nasdaq<sup>®</sup> Clean Edge<sup>®</sup> Green Energy ETF

## STATEMENTS OF FINANCIAL POSITION

As at December 31, 2025 and December 31, 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	4,990,619	8,920,279
Cash	6,422	15,560
Other assets	127	291
	4,997,168	8,936,130
<b>Liabilities</b>		
Accrued liabilities	742	1,335
Distributions payable to holders of redeemable units	-	11,200
	742	12,535
<b>Total net assets attributable to holders of redeemable units</b>	<b>4,996,426</b>	<b>8,923,595</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		
<b>Units</b>	<b>4,996,426</b>	<b>8,923,595</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	<b>250,000</b>	<b>560,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>19.99</b>	<b>15.93</b>

## STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Revenues</b>		
Dividends	16,200	74,323
<b>Other changes in fair value of investments</b>		
Net realized gain (loss) on sale of investments	(3,558,118)	(1,186,094)
Net realized gain (loss) on foreign exchange	11	(22)
Net change in unrealized appreciation (depreciation) of investments	3,872,991	79,348
	331,084	(1,032,445)
Foreign exchange gain (loss) on cash	(72)	330
	331,012	(1,032,115)
<b>Expenses [note 7]</b>		
Management fees	9,032	13,205
HST expense	929	1,309
Independent Review Committee fees	606	1,203
Transaction costs [note 3 and note 9]	2	31
Interest expense	9	-
	10,578	15,748
Expenses waived by manager	(606)	(1,203)
	9,972	14,545
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>321,040</b>	<b>(1,046,660)</b>
<b>Withholding taxes</b>	<b>2,430</b>	<b>4,193</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>318,610</b>	<b>(1,050,853)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>		
<b>Units</b>	<b>318,610</b>	<b>(1,050,853)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>0.83</b>	<b>(1.87)</b>

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust Nasdaq<sup>®</sup> Clean Edge<sup>®</sup> Green Energy ETF

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	8,923,595	9,530,594
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	318,610	(1,050,853)
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from issuance of units	1,266,200	2,651,207
Reinvested distributions	-	-
Redemption of units	(5,503,679)	(2,114,853)
	(4,237,479)	536,354
<b>Distributions to holders of redeemable units from:</b>		
Net investment income	(4,283)	(42,064)
Capital gains	-	-
Return of capital	(4,017)	(50,436)
	(8,300)	(92,500)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	(3,927,169)	(606,999)
<b>Net assets attributable to holders of redeemable units, end of year</b>	4,996,426	8,923,595

See accompanying notes which are an integral part of these financial statements.

# First Trust Nasdaq<sup>®</sup> Clean Edge<sup>®</sup> Green Energy ETF

## STATEMENTS OF CASH FLOW For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	318,610	(1,050,853)
Adjustments for:		
Net realized (gain) loss on sale of investments	3,558,118	1,186,094
Net change in unrealized (appreciation) depreciation of investments	(3,872,991)	(79,348)
Other assets	164	212
Other liabilities	(593)	(24)
Purchases of investments	(1,265,376)	(2,685,871)
Proceeds from the sale of investments	5,509,909	2,178,672
	4,247,841	(451,118)
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	1,266,200	2,651,207
Amount paid on redemptions of units	(5,503,679)	(2,114,853)
Distributions paid to unitholders	(19,500)	(86,500)
	(4,256,979)	449,854
<b>Increase (Decrease) in cash for the year</b>	(9,138)	(1,264)
<b>Cash, beginning of year</b>	15,560	16,824
<b>Cash, end of year</b>	6,422	15,560
Dividends received, net of withholding taxes	13,770	70,130

See accompanying notes which are an integral part of these financial statements.

**First Trust Nasdaq® Clean Edge® Green Energy ETF**  
**Notes to Financial Statements - Specific Information**  
**For the year ended December 31, 2025**

**A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust NASDAQ® Clean Edge® Green Energy ETF** (the “First Trust ETF”) seeks to replicate, to the extent possible, the performance of an index of U.S. listed companies designed to track the performance of clean energy companies engaged in manufacturing, development, distribution and installation of clean-energy technologies including, but not limited to, solar photovoltaics, wind power, advanced batteries, fuel cells, and electric vehicles, initially the NASDAQ® Clean Edge® Green Energy Index<sup>SM</sup>.

The NASDAQ® Clean Edge® Green Energy Index<sup>SM</sup> is a modified market capitalization weighted index designed to track the performance of clean energy companies that are publicly traded in the United States and includes companies engaged in manufacturing, development, distribution and installation of emerging clean-energy technologies including, but not limited to, solar photovoltaics, wind power, advanced batteries, fuel cells, and electric vehicles.

The First Trust ETF provides exposure to its new index by investing all or substantially all of its assets in an underlying U.S. index fund known as First Trust NASDAQ® Clean Edge® Green Energy Index Fund (the “Underlying Fund”), which is managed by the First Trust ETF’s portfolio advisor.

**B. FAIR VALUE MEASUREMENT (NOTE 5) -** The following fair value hierarchy tables present information about the First Trust ETF assets and liabilities measured at fair value on a recurring basis for the years ended December 31, 2025 and 2024:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2025			
	Level 1	Level 2	Level 3	Total
Equities	4,990,619	–	–	4,990,619
<b>Total</b>	<b>4,990,619</b>	<b>–</b>	<b>–</b>	<b>4,990,619</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2024			
	Level 1	Level 2	Level 3	Total
Equities	8,920,279	–	–	8,920,279
<b>Total</b>	<b>8,920,279</b>	<b>–</b>	<b>–</b>	<b>8,920,279</b>

There have been no transfers from one Level to another for the years ended December 31, 2025 and 2024.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting periods.

**C. REDEEMABLE UNITS (NOTE 6) -** The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2025 and 2024:

Redeemable Units	Units
Outstanding units – January 1, 2024	520,000
Redeemable units issued	170,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(130,000)
<b>Outstanding units – December 31, 2024</b>	<b>560,000</b>
Redeemable units issued	90,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(400,000)
<b>Outstanding units – December 31, 2025</b>	<b>250,000</b>

First Trust Nasdaq® Clean Edge® Green Energy ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7)** - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee <sup>1</sup>
Units
0.15%

<sup>1</sup> The First Trust ETF's management fee will also bear the management fee of the underlying fund.

**E. TAXATION (NOTE 8)**

**Tax loss carryforwards** - The net capital and non-capital tax loss carryforwards as at December 31, 2025 and 2024, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2025	2024	2025	2024
1,637,937	368,237	-	-

**F. COMMISSIONS (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2025 and 2024 are as follows:

Transaction Cost (\$)	
2025	2024
2	31

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2025 and 2024, including amounts owing as December 31, 2025 and 2024 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2025	2024	2025	2024
9,032	13,205	657	1,181

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at December 31, 2025 and 2024, the First Trust ETF's market risk is affected by changes in actual market prices, foreign currency movements, and interest rates, if applicable. If the following index had increased (decreased) by 5% at December 31, 2025 and 2024, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2025		As at December 31, 2024	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® Index	308,279	308,279	531,400	(531,400)

First Trust Nasdaq® Clean Edge® Green Energy ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2025 and 2024:

Currency	As at December 31, 2025		As at December 31, 2024	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	4,995,567	99.98	8,922,241	99.99

As at December 31, 2025, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$49,956 (December 31, 2024 – \$89,222). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

**Concentration Risk** – The table below summarizes the concentration risk for the years ended December 31, 2025 and 2024:

Holding	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2025	As at December 31, 2024
Exchange-Traded Fund	99.88	99.96
Total	99.88	99.96

First Trust Nasdaq® Clean Edge® Green Energy ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2025

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Exchange Traded Funds—99.88%</b>				
First Trust NASDAQ® Clean Edge® Green Energy Index Fund	81,539	5,597,457	4,990,619	99.88
		<b>5,597,457</b>	<b>4,990,619</b>	<b>99.88</b>
<b>Total investments</b>		<b>5,597,457</b>	<b>4,990,619</b>	<b>99.88</b>
Other assets, less liabilities			<b>5,807</b>	<b>0.12</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>5,597,457</b>	<b>4,996,426</b>	<b>100.00</b>

# First Trust Indxx NextG ETF

## STATEMENTS OF FINANCIAL POSITION As at December 31, 2025 and December 31, 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	1,460,787	1,668,955
Cash	1,326	7,351
Receivable for units issued	-	119,717
	1,462,113	1,796,023
<b>Liabilities</b>		
Accrued liabilities	244	276
	244	276
<b>Total net assets attributable to holders of redeemable units</b>	1,461,869	1,795,747
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		
<b>Units</b>	1,461,869	1,795,747
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	100,000	150,000
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	14.62	11.97

## STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Revenues</b>		
Dividends	25,982	23,472
<b>Other changes in fair value of investments</b>		
Net realized gain (loss) on sale of investments	138,588	97,890
Net realized gain (loss) on foreign exchange	(13)	(23)
Net change in unrealized appreciation (depreciation) of investments	152,189	182,046
	316,746	303,385
Foreign exchange gain (loss) on cash	43	127
	316,789	303,512
<b>Expenses [note 7]</b>		
Management fees	2,361	2,240
HST expense	284	268
Independent Review Committee fees	154	203
Transaction costs [note 3 and note 9]	3	3
Interest expense	1	-
	2,803	2,714
Expenses waived by manager	(154)	(203)
	2,649	2,511
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	314,140	301,001
<b>Withholding taxes</b>	3,924	3,549
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	310,216	297,452
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>		
<b>Units</b>	310,216	297,452
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	2.57	2.15

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust Indxx NextG ETF

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	1,795,747	1,374,595
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	310,216	297,452
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from issuance of units	-	695,272
Reinvested distributions	-	-
Redemption of units	(644,094)	(571,572)
	(644,094)	123,700
<b>Distributions to holders of redeemable units from:</b>		
Net investment income	-	-
Capital gains	-	-
Return of capital	-	-
	-	-
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	(333,878)	421,152
<b>Net assets attributable to holders of redeemable units, end of year</b>	1,461,869	1,795,747

See accompanying notes which are an integral part of these financial statements

# First Trust Indxx NextG ETF

<b>STATEMENTS OF CASH FLOW</b>	<b>For the years ended December 31, 2025 and 2024</b>	
	<b>December 31 2025 (\$)</b>	<b>December 31 2024 (\$)</b>
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	310,216	297,452
Adjustments for:		
Net realized (gain) loss on sale of investments	(138,588)	(97,890)
Net change in unrealized (appreciation) depreciation of investments	(152,189)	(182,046)
Other liabilities	(32)	44
Purchases of investments	(145,361)	(595,201)
Proceeds from the sale of investments	644,306	569,693
	<b>518,352</b>	<b>(7,948)</b>
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	119,717	575,555
Amount paid on redemptions of units	(644,094)	(571,572)
Distributions paid to unitholders	-	-
	<b>(524,377)</b>	<b>3,983</b>
<b>Increase (Decrease) in cash for the year</b>	<b>(6,025)</b>	<b>(3,965)</b>
<b>Cash, beginning of year</b>	<b>7,351</b>	<b>11,316</b>
<b>Cash, end of year</b>	<b>1,326</b>	<b>7,351</b>
Dividends received, net of withholding taxes	22,058	19,923

*See accompanying notes which are an integral part of these financial statements.*

# First Trust Indxx NextG ETF

## Notes to Financial Statements - Specific Information

### For the year ended December 31, 2025

**A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust Indxx NextG ETF** (the “First Trust ETF”) seeks to replicate, to the extent possible, the performance of an index of U.S. companies that have devoted or have committed to devote, material resources to the research, development and application of fifth generation and next generation digital cellular technologies as they emerge, initially the Indxx 5G & NextG Thematic Index<sup>SM</sup>.

The Indxx 5G & NextG Thematic Index<sup>SM</sup> is designed to track the performance of companies that have devoted, or have committed to devote, material resources to the research, development and application of fifth generation and next generation digital cellular technologies as they emerge. Eligible securities must have: (a) their country either in a developed or emerging market, (b) a minimum market capitalization of US\$500 million, (c) six-month average daily turnover greater than or equal to US\$2 million and US \$1 million for developed and emerging markets, respectively, (d) traded on 90% of the eligible trading days in the last 6 months (other than in instances where the security has less than 6 months of trading history, in which case the security must have traded on 90% of the trading days for the past 3 months) and (e) a minimum free float equivalent to 10% of the shares outstanding.

The First Trust ETF provides exposure to its index by investing all or substantially all of its assets in an underlying U.S. index fund known as First Trust Indxx NextG ETF (the “Underlying Fund”), which is managed by the First Trust ETF’s portfolio advisor.

**B. FAIR VALUE MEASUREMENT (NOTE 5)** - The following fair value hierarchy tables present information about the First Trust ETF assets and liabilities measured at fair value on a recurring basis for the years ended December 31, 2025 and 2024:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2025			
	Level 1	Level 2	Level 3	Total
Equities	1,460,787	–	–	1,460,787
Total	1,460,787	–	–	1,460,787
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2024			
	Level 1	Level 2	Level 3	Total
Equities	1,668,955	–	–	1,668,955
Total	1,668,955	–	–	1,668,955

There have been no transfers from one Level to another for the years ended December 31, 2025 and 2024.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting periods.

**C. REDEEMABLE UNITS (NOTE 6)** - The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2025 and 2024:

Redeemable Units	Units
Outstanding units – January 1, 2024	140,000
Redeemable units issued	60,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(50,000)
Outstanding units – December 31, 2024	150,000
Redeemable units issued	–
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(50,000)
Outstanding units – December 31, 2025	100,000

First Trust Indxx NextG ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7)** - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee <sup>1</sup>
Units
0.15%

<sup>1</sup> The First Trust ETF's management fee will also bear the management fee of the underlying fund.

**E. TAXATION (NOTE 8)**

**Tax loss carryforwards** - The net capital and non-capital tax loss carryforwards as at December 31, 2025 and 2024, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2025	2024	2025	2024
25,701	25,701	1,105,338	1,124,811

**F. COMMISSIONS (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2025 and 2024 are as follows:

Transaction Cost (\$)	
2025	2024
3	3

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2025 and 2024, including amounts owing as at December 31, 2025 and 2024 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2025	2024	2025	2024
2,361	2,240	186	214

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at December 31, 2025 and 2024, the First Trust ETF's market risk is affected by changes in actual market prices, foreign currency movements, and interest rates, if applicable. If the following index had increased (decreased) by 5% at December 31, 2025 and 2024, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2025		As at December 31, 2024	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
MSCI ACWI Index CAD	80,110	(80,110)	90,955	(90,955)

First Trust Indxx NextG ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2025 and 2024:

Currency	As at December 31, 2025		As at December 31, 2024	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	1,461,595	99.98	1,675,934	93.33

As at December 31, 2025, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$14,616 (December 31, 2024 - \$16,759). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

**Concentration Risk** – The table below summarizes the First Trust ETF's concentration risk for the years ended December 31, 2025 and 2024:

Holding	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2025	As at December 31, 2024
Exchange-Traded Fund	99.93	92.94
Total	99.93	92.94

First Trust Indxx NextG ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2025

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Exchange Traded Funds—99.93%</b>				
First Trust Indxx NextG ETF	9,876	1,022,866	1,460,787	99.93
		<b>1,022,866</b>	<b>1,460,787</b>	<b>99.93</b>
<b>Total investments</b>		<b>1,022,866</b>	<b>1,460,787</b>	<b>99.93</b>
Transaction costs		(19)		
Other assets, less liabilities			1,082	0.07
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>1,022,847</b>	<b>1,461,869</b>	<b>100.00</b>

# First Trust Nasdaq Cybersecurity ETF

## STATEMENTS OF FINANCIAL POSITION

As at December 31, 2025 and December 31, 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	102,862,001	71,879,791
Cash	298,434	102,700
Other assets	4,583	2,277
	103,165,018	71,984,768
<b>Liabilities</b>		
Accrued liabilities	15,239	10,185
Distributions payable to holders of redeemable units	199,100	-
	214,339	10,185
<b>Total net assets attributable to holders of redeemable units</b>	<b>102,950,679</b>	<b>71,974,583</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		
<b>Units</b>	<b>102,950,679</b>	<b>71,974,583</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	<b>1,810,000</b>	<b>1,360,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>56.88</b>	<b>52.92</b>

## STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Revenues</b>		
Dividends	426,360	183,422
<b>Other changes in fair value of investments</b>		
Net realized gain (loss) on sale of investments	3,358,231	344,248
Net realized gain (loss) on foreign exchange	(442)	(328)
Net change in unrealized appreciation (depreciation) of investments	2,204,612	12,992,207
	5,988,761	13,519,549
Foreign exchange gain (loss) on cash	(890)	1,826
	5,987,871	13,521,375
<b>Expenses [note 7]</b>		
Management fees	139,043	79,959
HST expense	13,630	8,134
Independent Review Committee fees	8,930	7,188
Transaction costs [note 3 and note 9]	-	31
Interest expense	-	4
	161,603	95,316
Expenses waived by manager	(8,930)	(7,188)
	152,673	88,128
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>5,835,198</b>	<b>13,433,247</b>
<b>Withholding taxes</b>	<b>64,084</b>	<b>27,408</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>5,771,114</b>	<b>13,405,839</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>		
<b>Units</b>	<b>5,771,114</b>	<b>13,405,839</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>3.59</b>	<b>11.59</b>

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust Nasdaq Cybersecurity ETF

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	71,974,583	37,747,260
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	5,771,114	13,405,839
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from issuance of units	38,562,359	24,029,889
Reinvested distributions	705,900	-
Redemption of units	(13,127,777)	(3,060,705)
	26,140,482	20,969,184
<b>Distributions to holders of redeemable units from:</b>		
Net investment income	(214,496)	-
Capital gains	(698,237)	-
Return of capital	(22,767)	(147,700)
	(935,500)	(147,700)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	30,976,096	34,227,323
<b>Net assets attributable to holders of redeemable units, end of year</b>	102,950,679	71,974,583

See accompanying notes which are an integral part of these financial statements

# First Trust Nasdaq Cybersecurity ETF

## STATEMENTS OF CASH FLOW For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	5,771,114	13,405,839
Adjustments for:		
Net realized (gain) loss on sale of investments	(3,358,231)	(344,248)
Net change in unrealized (appreciation) depreciation of investments	(2,204,612)	(12,992,207)
Other assets	(2,306)	(784)
Other liabilities	5,054	4,815
Purchases of investments	(38,535,640)	(24,021,899)
Proceeds from the sale of investments	13,116,273	3,215,078
	(25,208,348)	(20,733,406)
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	38,562,359	24,029,889
Amount paid on redemptions of units	(13,127,777)	(3,060,705)
Distributions paid to unitholders	(30,500)	(234,150)
	25,404,082	20,735,034
<b>Increase (decrease) in cash for the year</b>	195,734	1,628
<b>Cash, beginning of year</b>	102,700	101,072
<b>Cash, end of year</b>	298,434	102,700
Dividends received, net of withholding taxes	362,276	156,014

See accompanying notes which are an integral part of these financial statements

# First Trust Nasdaq Cybersecurity ETF

## Notes to Financial Statements - Specific Information

### For the year ended December 31, 2025

**A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust Nasdaq Cybersecurity ETF** (the “First Trust ETF”) seeks to replicate, to the extent possible, the performance of an index of U.S. companies in the cybersecurity industry, initially the Nasdaq CTA Cybersecurity Index™.

The Nasdaq CTA Cybersecurity Index™ is designed to track the performance of companies engaged in the cybersecurity segment of the technology and industrials sectors. It includes companies primarily involved in the building, implementation, and management of security protocols applied to private and public networks, computers, and mobile devices in order to provide protection of the integrity of data and network operations.

The First Trust ETF provides exposure to its index by investing all or substantially all of its assets in an underlying U.S. index fund known as First Trust Nasdaq Cybersecurity ETF (the “Underlying Fund”), which is managed by the First Trust ETF’s portfolio advisor.

**B. FAIR VALUE MEASUREMENT (NOTE 5)** - The following fair value hierarchy tables present information about the First Trust ETF assets and liabilities measured at fair value on a recurring basis for the years ended December 31, 2025 and 2024:

	Financial Assets (Liabilities) at Fair Value (\$)			
	As at December 31, 2025			
	Level 1	Level 2	Level 3	Total
Equities	102,862,001	–	–	102,862,001
<b>Total</b>	<b>102,862,001</b>	<b>–</b>	<b>–</b>	<b>102,862,001</b>
	Financial Assets (Liabilities) at Fair Value (\$)			
	As at December 31, 2024			
	Level 1	Level 2	Level 3	Total
Equities	71,879,791	–	–	71,879,791
<b>Total</b>	<b>71,879,791</b>	<b>–</b>	<b>–</b>	<b>71,879,791</b>

There have been no transfers from one Level to another for the years ended December 31, 2025 and 2024.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting periods.

**C. REDEEMABLE UNITS (NOTE 6)** - The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2025 and 2024:

Redeemable Units	Units
Outstanding units – January 1, 2024	910,000
Redeemable units issued	520,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(70,000)
Outstanding units – December 31, 2024	1,360,000
Redeemable units issued	670,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(220,000)
Outstanding units –December 31, 2025	1,810,000

First Trust Nasdaq Cybersecurity ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7)** - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee <sup>1</sup>
Units
0.15%

<sup>1</sup>The First Trust ETF's management fee will also bear the management fee of the underlying fund.

**E. TAXATION (NOTE 8)**

**Tax loss carryforwards** - The net capital and non-capital tax loss carryforwards as at December 31, 2025 and 2024 are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2025	2024	2025	2024
-	28,155	-	-

**F. COMMISSIONS (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2025 and 2024 are as follows:

Transaction Cost (\$)	
2025	2024
-	31

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2025 and 2024, including amounts owing as at December 31, 2025 and 2024 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2025	2024	2025	2024
139,043	79,959	13,486	9,013

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at December 31, 2025 and 2024, the First Trust ETF's market risk is affected by changes in actual market prices, foreign currency movements, and interest rates, if applicable. If the following index had increased (decreased) by 5% at December 31, 2025 and 2024, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2025		As at December 31, 2024	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® Index	5,085,764	(5,085,764)	3,825,449	(3,825,449)

First Trust Nasdaq Cybersecurity ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2025 and 2024:

Currency	As at December 31, 2025		As at December 31, 2024	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	102,937,186	99.99	71,967,168	99.99

As at December 31, 2025, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$1,029,372 (December 31, 2024 - \$719,672). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

**Concentration Risk** – The table below summarizes the First Trust ETF's concentration risk for the years ended December 31, 2025 and 2024:

Holding	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2025	As at December 31, 2024
Exchange-Traded Fund	99.91	99.87
Total	99.91	99.87

First Trust Nasdaq Cybersecurity ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2025

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Exchange Traded Funds—99.91%</b>				
First Trust Nasdaq Cybersecurity ETF	1,048,877	84,033,850	102,862,001	99.91
		<b>84,033,850</b>	<b>102,862,001</b>	<b>99.91</b>
<b>Total investments</b>		<b>84,033,850</b>	<b>102,862,001</b>	<b>99.91</b>
Other assets, less liabilities			88,678	0.09
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>84,033,850</b>	<b>102,950,679</b>	<b>100.00</b>

# First Trust Dow Jones Internet ETF

## STATEMENTS OF FINANCIAL POSITION

As at December 31, 2025 and December 31, 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	8,193,212	12,088,654
Cash	5,651	4,503
Derivative assets	7,793	-
Other assets	81	82
	8,206,737	12,093,239
<b>Liabilities</b>		
Accrued liabilities	3,275	3,876
Derivative liabilities	-	20,506
	3,275	24,382
<b>Total net assets attributable to holders of redeemable units</b>	<b>8,203,462</b>	<b>12,068,857</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
<b>Units</b>	<b>7,207,202</b>	<b>10,783,655</b>
<b>Hedged Units</b>	<b>996,260</b>	<b>1,285,202</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	<b>240,000</b>	<b>380,000</b>
<b>Hedged Units</b>	<b>50,000</b>	<b>70,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>30.03</b>	<b>28.38</b>
<b>Hedged Units</b>	<b>19.93</b>	<b>18.36</b>

## STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Revenues</b>		
<b>Other changes in fair value of investments and derivatives</b>		
Net realized gain (loss) on sale of investments	981,727	342,362
Net realized gain (loss) on derivatives	(6,743)	(58,193)
Net realized gain (loss) on foreign exchange	225	55
Net change in unrealized appreciation (depreciation) of investments	(721,892)	2,399,110
Net change in unrealized appreciation (depreciation) of derivatives	28,299	(31,044)
	281,616	2,652,290
Foreign exchange gain (loss) on cash	(363)	398
	281,253	2,652,688
<b>Expenses [note 7]</b>		
Management fees	13,951	11,624
HST expense	1,569	1,286
Independent Review Committee fees	922	1,050
Transaction costs [note 3 and note 9]	4	7
Interest expense	1	3
	16,447	13,970
Expenses waived by manager	(922)	(1,050)
	15,525	12,920
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>265,728</b>	<b>2,639,768</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
<b>Units</b>	<b>155,202</b>	<b>2,401,752</b>
<b>Hedged Units</b>	<b>110,526</b>	<b>238,016</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>0.55</b>	<b>8.04</b>
<b>Hedged Units</b>	<b>1.93</b>	<b>4.94</b>

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust Dow Jones Internet ETF

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)	December 31 2025 (\$) Hedged Units	December 31 2024 (\$) Hedged Units
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	10,783,655	6,029,206	1,285,202	426,785
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	155,202	2,401,752	110,526	238,016
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units	565,199	4,364,112	-	777,113
Reinvested distributions	-	-	-	-
Redemption of units	(4,296,854)	(2,011,415)	(399,468)	(156,712)
	(3,731,655)	2,352,697	(399,468)	620,401
<b>Distributions to holders of redeemable units from:</b>				
Net investment income	-	-	-	-
Capital gains	-	-	-	-
Return of capital	-	-	-	-
	-	-	-	-
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	(3,576,453)	4,754,449	(288,942)	858,417
<b>Net assets attributable to holders of redeemable units, end of year</b>	7,207,202	10,783,655	996,260	1,285,202
			<b>December 31 2025 (\$) Total</b>	<b>December 31 2024 (\$) Total</b>
<b>Net assets attributable to holders of redeemable units, beginning of year</b>			12,068,857	6,455,991
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>			265,728	2,639,768
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units			565,199	5,141,225
Reinvested distributions			-	-
Redemption of units			(4,696,322)	(2,168,127)
			(4,131,123)	2,973,098
<b>Distributions to holders of redeemable units from:</b>				
Net investment income			-	-
Capital gains			-	-
Return of capital			-	-
			-	-
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>			(3,865,395)	5,612,866
<b>Net assets attributable to holders of redeemable units, end of year</b>			8,203,462	12,068,857

See accompanying notes which are an integral part of these financial statements.

# First Trust Dow Jones Internet ETF

## STATEMENTS OF CASH FLOW

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	265,728	2,639,768
Adjustments for:		
Net realized (gain) loss on sale of investments	(981,727)	(342,362)
Net change in unrealized (appreciation) depreciation of investments and derivatives	693,593	(2,368,066)
Other assets	1	(16)
Other liabilities	(601)	774
Purchases of investments	(586,045)	(5,158,606)
Proceeds from the sale of investments	4,741,322	2,254,381
	4,132,271	(2,974,127)
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	565,199	5,141,225
Amount paid on redemptions of units	(4,696,322)	(2,168,127)
Distributions paid to unitholders	-	-
	(4,131,123)	2,973,098
<b>Increase (decrease) in cash for the year</b>	<b>1,148</b>	<b>(1,029)</b>
<b>Cash, beginning of year</b>	<b>4,503</b>	<b>5,532</b>
<b>Cash, end of year</b>	<b>5,651</b>	<b>4,503</b>

See accompanying notes which are an integral part of these financial statements.

# First Trust Dow Jones Internet ETF

## Notes to Financial Statements - Specific Information

### For the year ended December 31, 2025

**A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust Dow Jones Internet ETF** (the “First Trust ETF”) seeks to replicate, to the extent possible, the performance of an index of U.S. companies involved in the internet industry, initially the Dow Jones Internet Composite Index<sup>SM</sup>.

The Dow Jones Internet Composite Index<sup>SM</sup>, is a float-adjusted market capitalization weighted index designed to represent the largest and most actively traded stocks of U.S. companies in the internet industry.

The First Trust ETF provides exposure to its index by investing all or substantially all of its assets in an underlying U.S. index fund known as First Trust Dow Jones Internet Index Fund (the “Underlying Fund”), which is managed by the First Trust ETF’s portfolio advisor.

**B. FAIR VALUE MEASUREMENT (NOTE 5) -** The following fair value hierarchy tables present information about the First Trust ETF assets and liabilities measured at fair value on a recurring basis for the years ended December 31, 2025 and 2024:

	Financial Assets (Liabilities) at Fair Value (\$)			
	As at December 31, 2025			
	Level 1	Level 2	Level 3	Total
Equities	8,193,212	–	–	8,193,212
Derivative assets*	–	7,793	–	7,793
Derivative liabilities*	–	–	–	–
<b>Total</b>	<b>8,193,212</b>	<b>7,793</b>	<b>–</b>	<b>8,201,005</b>
	Financial Assets (Liabilities) at Fair Value (\$)			
	As at December 31, 2024			
	Level 1	Level 2	Level 3	Total
Equities	12,088,654	–	–	12,088,654
Derivative assets*	–	–	–	–
Derivative liabilities*	–	(20,506)	–	(20,506)
<b>Total</b>	<b>12,088,654</b>	<b>(20,506)</b>	<b>–</b>	<b>12,068,148</b>

\* The derivative assets and derivative liabilities relate to the Hedged Units only.

There have been no transfers from one Level to another for the years ended December 31, 2025 and 2024.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting periods.

**C. REDEEMABLE UNITS (NOTE 6) -** The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2025 and 2024:

Redeemable Units	Units	Hedged Units
Outstanding units – January 1, 2024	300,000	30,000
Redeemable units issued	170,000	50,000
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(90,000)	(10,000)
<b>Outstanding units – December 31, 2024</b>	<b>380,000</b>	<b>70,000</b>
Redeemable units issued	20,000	–
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(160,000)	(20,000)
<b>Outstanding units –December 31, 2025</b>	<b>240,000</b>	<b>50,000</b>

First Trust Dow Jones Internet ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7)** - Below are the current annual management fees charged to the First Trust ETF:

Annual Management Fee <sup>1</sup>	
Units	Hedged Units
0.15%	0.15%

<sup>1</sup> The First Trust ETF's management fee will also bear the management fee of the underlying fund.

**E. TAXATIONS (NOTE 8)**

**Tax loss carryforwards** – The net capital and non-capital tax loss carryforwards as at December 31, 2025 and 2024 are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2025	2024	2025	2024
289,198	289,198	11,813	19,337

**F. COMMISSION (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2025 and 2024.

Transaction Cost (\$)	
2025	2024
4	7

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2025 and 2024, including amounts owing as at December 31, 2025 and 2024 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2025	2024	2025	2024
13,951	11,624	1,057	1,559

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at December 31, 2025 and 2024, the First Trust ETF's market risk is affected by changes in actual market prices, foreign currency movements, and interest rates, if applicable. If the following index had increased (decreased) by 5% at December 31, 2025 and 2024, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2025		As at December 31, 2024	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
Units				
S&P 500® Index	442,167	(442,167)	684,908	(684,908)
Hedged Units				
S&P 500® CAD-Hedged Index	462,675	(462,675)	729,562	(729,562)

First Trust Dow Jones Internet ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2025 and 2024:

Currency	As at December 31, 2025		As at December 31, 2024	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	7,194,888	87.71	10,734,882	88.95

As at December 31, 2025, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$71,949 (December 31, 2024 - \$107,349). A portion of this currency risk exposure has been hedged. Please refer to the Schedule of Portfolio Investments for more information. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

**Concentration Risk** – The table below summarizes the First Trust ETF's concentration risk for the years ended December 31, 2025 and 2024:

Holding	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2025	As at December 31, 2024
Exchange-Traded Fund	99.88	100.16
Total	99.88	100.16

# First Trust Dow Jones Internet ETF

## Notes to Financial Statements - Specific Information

### For the year ended December 31, 2025

#### SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2025

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Exchange Traded Funds—99.88%</b>				
First Trust Dow Jones Internet Index Fund	22,176	6,027,994	8,193,212	99.88
		<b>6,027,994</b>	<b>8,193,212</b>	<b>99.88</b>
<b>Total investments</b>		<b>6,027,994</b>	<b>8,193,212</b>	<b>99.88</b>
Transaction costs		(18)		
Unrealized appreciation on derivatives - see Schedule 1			7,793	0.09
Other assets, less liabilities			2,457	0.03
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>6,027,976</b>	<b>8,203,462</b>	<b>100.00</b>

Schedule 1

Counterparty	Credit Rating of Counterparty*	Settlement Date	Currency Sell	Amount Sold	Currency Buy	Amount Bought	Forward Rate	Current Rate	Appreciation (Depreciation) \$
Bank of New York Mellon (The), New York	A-1+	2026-01-30	USD	731,031	CAD	1,010,000	0.724	0.729	7,793
									<b>7,793</b>

\* Commercial paper rating per Standard and Poor's Commercial Paper Guide

# First Trust AlphaDEX™ U.S. Health Care Sector Index ETF

## STATEMENTS OF FINANCIAL POSITION

As at December 31, 2025 and December 31, 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	9,278,016	14,294,065
Cash	13,366	12,819
Accrued dividend receivable	2,673	3,821
Derivative assets	23,172	-
Other assets	2,900	3,586
	9,320,127	14,314,291
<b>Liabilities</b>		
Accrued liabilities	6,454	9,764
Distributions payable to holders of redeemable units	4,000	-
Derivative liabilities	-	67,532
	10,454	77,296
<b>Total net assets attributable to holders of redeemable units</b>	<b>9,309,673</b>	<b>14,236,995</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
<b>Units</b>	<b>6,317,354</b>	<b>10,067,205</b>
<b>Hedged Units</b>	<b>2,992,319</b>	<b>4,169,790</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	<b>150,000</b>	<b>250,000</b>
<b>Hedged Units</b>	<b>100,000</b>	<b>150,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>42.12</b>	<b>40.27</b>
<b>Hedged Units</b>	<b>29.92</b>	<b>27.80</b>

## STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Revenues</b>		
Dividends	108,984	134,847
<b>Other changes in fair value of investments and derivatives</b>		
Net realized gain (loss) on sale of investments	1,246,191	(10,122)
Net realized gain (loss) on derivatives	1,204	(185,277)
Net realized gain (loss) on foreign exchange	(3,078)	(2,600)
Net change in unrealized appreciation (depreciation) of investments	(718,840)	1,172,154
Net change in unrealized appreciation (depreciation) of derivatives	90,703	(137,026)
	725,164	971,976
Foreign exchange gain (loss) on cash	3,675	2,363
	728,839	974,339
<b>Expenses [note 7]</b>		
Management fees	87,516	96,357
HST expense	8,287	8,749
Transaction costs [note 3 and note 9]	4,292	4,525
Independent Review Committee fees	1,233	1,892
Interest expense	26	-
	101,354	111,523
Expenses waived by manager	(1,233)	(1,892)
	100,121	109,631
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>628,718</b>	<b>864,708</b>
<b>Withholding taxes</b>	<b>14,042</b>	<b>16,239</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>614,676</b>	<b>848,469</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
<b>Units</b>	<b>452,249</b>	<b>927,618</b>
<b>Hedged Units</b>	<b>162,427</b>	<b>(79,149)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>1.95</b>	<b>3.43</b>
<b>Hedged Units</b>	<b>1.40</b>	<b>(0.74)</b>

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust AlphaDEX™ U.S. Health Care Sector Index ETF

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)	December 31 2025 (\$) Hedged Units	December 31 2024 (\$) Hedged Units
	Units	Units		
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	10,067,205	11,076,547	4,169,790	2,791,800
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	452,249	927,618	162,427	(79,149)
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units	-	-	1,407,011	2,863,856
Reinvested distributions	328,500	-	35,000	-
Redemption of units	(4,192,100)	(1,912,960)	(2,744,159)	(1,400,717)
	(3,863,600)	(1,912,960)	(1,302,148)	1,463,139
<b>Distributions to holders of redeemable units from:</b>				
Net investment income	(9,213)	(13,242)	(2,434)	(3,251)
Capital gains	(328,465)	-	(35,000)	-
Return of capital	(822)	(10,758)	(316)	(2,749)
	(338,500)	(24,000)	(37,750)	(6,000)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	(3,749,851)	(1,009,342)	(1,177,471)	1,377,990
<b>Net assets attributable to holders of redeemable units, end of year</b>	6,317,354	10,067,205	2,992,319	4,169,790
			December 31 2025 (\$) Total	December 31 2024 (\$) Total
<b>Net assets attributable to holders of redeemable units, beginning of year</b>			14,236,995	13,868,347
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>			614,676	848,469
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units			1,407,011	2,863,856
Reinvested distributions			363,500	-
Redemption of units			(6,936,259)	(3,313,677)
			(5,165,748)	(449,821)
<b>Distributions to holders of redeemable units from:</b>				
Net investment income			(11,647)	(16,493)
Capital gains			(363,465)	-
Return of capital			(1,138)	(13,507)
			(376,250)	(30,000)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>			(4,927,322)	368,648
<b>Net assets attributable to holders of redeemable units, end of year</b>			9,309,673	14,236,995

See accompanying notes which are an integral part of these financial statements.

# First Trust AlphaDEX™ U.S. Health Care Sector Index ETF

## STATEMENTS OF CASH FLOW For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	614,676	848,469
Adjustments for:		
Net realized (gain) loss on sale of investments	(1,246,191)	10,122
Net change in unrealized (appreciation) depreciation of investments and derivatives	628,137	(1,035,128)
Dividends receivable	1,148	948
Other assets	686	5,555
Other liabilities	(3,310)	635
Purchases of investments	(13,545,703)	(15,274,199)
Proceeds from the sale of investments	19,089,102	15,929,092
	5,538,545	485,494
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	1,407,011	2,863,856
Amount paid on redemptions of units	(6,936,259)	(3,313,677)
Distributions paid to unitholders	(8,750)	(41,000)
	(5,537,998)	(490,821)
<b>Increase (Decrease) in cash for the year</b>	547	(5,327)
<b>Cash, beginning of year</b>	12,819	18,146
<b>Cash, end of year</b>	13,366	12,819
Dividends received, net of withholding taxes	96,090	119,556

See accompanying notes which are an integral part of these financial statements.

First Trust AlphaDEX™ U.S. Health Care Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

**A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust AlphaDEX™ U.S. Health Care Sector Index ETF** (the “First Trust ETF”) seeks to replicate, to the extent possible, the performance of the StrataQuant® Health Care Index (“Index”), net of expenses. The investment strategy of the First Trust ETF is to invest in and hold the constituent securities of the applicable 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 Health Care Sector.

**B. FAIR VALUE MEASUREMENT (NOTE 5) -** The following fair value hierarchy tables present information about the First Trust ETF assets and liabilities measured at fair value on a recurring basis for the years ended December 31, 2025 and 2024:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2025			
	Level 1	Level 2	Level 3	Total
Equities	9,278,016	–	–	9,278,016
Derivative assets*	–	23,172	–	23,172
Derivative liabilities*	–	–	–	–
<b>Total</b>	<b>9,278,016</b>	<b>23,172</b>	<b>–</b>	<b>9,301,188</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2024			
	Level 1	Level 2	Level 3	Total
Equities	14,294,065	–	–	14,294,065
Derivative assets*	–	–	–	–
Derivative liabilities*	–	(67,532)	–	(67,532)
<b>Total</b>	<b>14,294,065</b>	<b>(67,532)</b>	<b>–</b>	<b>14,226,533</b>

\* The derivative assets and derivative liabilities relate to the Hedged Units only.

There have been no transfers from one Level to another for the years ended December 31, 2025 and 2024.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting periods.

**C. REDEEMABLE UNITS (NOTE 6) -** The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2025 and 2024:

Redeemable Units	Units	Hedged Units
Outstanding units – January 1, 2024	300,000	100,000
Redeemable units issued	–	100,000
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(50,000)	(50,000)
Outstanding units – December 31, 2024	250,000	150,000
Redeemable units issued	–	50,000
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(100,000)	(100,000)
Outstanding units – December 31, 2025	150,000	100,000

First Trust AlphaDEX™ U.S. Health Care Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7)** - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee	
Units	Hedged Units
0.70%	0.70%

**E. TAXATION (NOTE 8)**

**Tax loss carryforwards** – The net capital and non-capital tax loss carryforwards as at December 31, 2025 and 2024 are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2025	2024	2025	2024
–	311,561	–	–

**F. COMMISSIONS (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2025 and 2024 are as follows:

Transaction Cost (\$)	
2025	2024
4,292	4,525

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2025 and 2024, including amounts owing as at December 31, 2025 and 2024:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2025	2024	2025	2024
87,516	96,357	5,711	8,641

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As December 31, 2025 and 2024, the First Trust ETF's market risk is affected by changes in actual market prices, foreign currency movements, and interest rates, if applicable. If the following index had increased (decreased) by 5% at December 31, 2025 and 2024, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2025		As at December 31, 2024	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
<b>Units</b>				
Russell 1000® Health Care Index	432,900	(432,900)	661,308	(661,308)
Russell 1000® Index	356,560	(356,560)	474,804	(474,804)
S&P 500® Health Care Index	431,503	(431,503)	654,190	(654,190)
<b>Hedged Units</b>				
Russell 1000® Health Care Index USD	440,813	(440,813)	711,138	(711,138)
Russell 1000® Index USD	364,008	(364,008)	526,769	(526,769)
S&P 500® Health Care Index USD	438,951	(438,951)	705,443	(705,443)

First Trust AlphaDEX™ U.S. Health Care Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2025 and 2024:

Currency	As at December 31, 2025		As at December 31, 2024	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	6,303,134	67.71	10,151,149	71.30

As at December 31, 2025, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$63,031 (December 31, 2024 - \$101,511). A portion of this currency risk exposure has been hedged. Please refer to the Schedule of Portfolio Investments for more information. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

**Concentration Risk** – The table below summarizes the First Trust ETF's concentration risk for the years ended December 31, 2025 and 2024:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2025	As at December 31, 2024
Health Care	97.67	95.53
Information Technology	1.99	3.40
Industrials	—	1.47
Total	99.66	100.40

First Trust AlphaDEX™ U.S. Health Care Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2025

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Health Care—97.67%</b>				
Abbott Laboratories	862	143,048	148,235	1.59
AbbVie Inc.	249	81,274	78,090	0.84
Acadia Healthcare Co. Inc.	5,829	289,061	113,528	1.22
Agilent Technologies Inc.	211	36,526	39,407	0.42
Align Technology Inc.	692	138,449	148,312	1.59
Alnylam Pharmaceuticals Inc.	253	98,303	138,086	1.48
Amgen Inc.	96	41,368	43,128	0.46
Apellis Pharmaceuticals Inc.	2,551	84,756	87,954	0.94
Avantor Inc.	11,565	246,333	181,911	1.95
Baxter International Inc.	1,188	39,554	31,161	0.33
Becton, Dickinson and Co.	308	92,243	82,042	0.88
Biogen Inc.	1,030	250,620	248,802	2.67
BioMarin Pharmaceutical Inc.	2,665	218,980	217,386	2.34
Bio-Rad Laboratories Inc., Class 'A'	309	131,720	128,503	1.38
Bristol-Myers Squibb Co.	1,920	122,490	142,148	1.53
Cardinal Health Inc.	368	54,408	103,798	1.12
Centene Corp.	4,045	295,495	228,463	2.45
Chemed Corp.	129	90,303	75,756	0.81
Cigna Corp.	401	162,059	151,485	1.63
Cooper Cos. Inc. (The)	842	91,949	94,720	1.02
Corcept Therapeutics Inc.	695	68,082	33,196	0.36
Edwards Lifesciences Corp.	348	36,453	40,719	0.44
Elanco Animal Health Inc.	5,733	100,459	178,072	1.91
Elevance Health Inc.	357	190,642	171,770	1.85
Encompass Health Corp.	213	22,270	31,030	0.33
Envista Holdings Corp.	1,328	38,657	39,572	0.43
Exact Sciences Corp.	495	35,491	69,001	0.74
Exelixis Inc.	2,097	69,762	126,153	1.36
GE HealthCare Technologies Inc.	1,153	126,856	129,801	1.39
Gilead Sciences Inc.	520	79,091	87,603	0.94
Globus Medical Inc., Class 'A'	2,016	173,418	241,592	2.60
Halozyne Therapeutics Inc.	1,574	141,550	145,394	1.56
HCA Healthcare Inc.	271	112,033	173,654	1.87
Henry Schein Inc.	1,305	125,416	135,377	1.45
Hologic Inc.	855	84,706	87,416	0.94
Humana Inc.	333	126,429	117,067	1.26
IDEXX Laboratories Inc.	136	95,516	126,286	1.36
Illumina Inc.	1,216	173,334	218,909	2.35
Incyte Corp.	1,702	167,139	230,735	2.48
Insmed Inc.	1,002	138,658	239,356	2.57
Insulet Corp.	187	60,892	72,955	0.78
Ionis Pharmaceuticals Inc.	2,206	212,922	239,533	2.57
IQVIA Holdings Inc.	142	40,161	43,933	0.47
Johnson & Johnson	467	100,421	132,651	1.42
Labcorp Holdings Inc.	94	30,137	32,368	0.35
Medpace Holdings Inc.	281	208,826	216,621	2.33
Medtronic PLC	606	71,244	79,899	0.86
Merck & Co. Inc.	1,376	151,920	198,797	2.14
Molina Healthcare Inc.	754	249,311	179,597	1.93
Natera Inc.	168	18,093	52,825	0.57
Neurocrine Biosciences Inc.	822	158,098	160,018	1.72
Organon & Co.	10,811	233,759	106,393	1.14
Penumbra Inc.	107	35,190	45,661	0.49
Perrigo Co. PLC	3,888	130,751	74,284	0.80

**First Trust AlphaDEX™ U.S. Health Care Sector Index ETF**  
**Notes to Financial Statements - Specific Information**  
**For the year ended December 31, 2025**

Pfizer Inc.	5,664	210,225	193,576	2.08
QIAGEN NV	1,292	84,383	79,747	0.86
Quest Diagnostics Inc.	454	85,796	108,133	1.16
Regeneron Pharmaceuticals Inc.	257	232,746	272,274	2.92
ResMed Inc.	211	66,495	69,758	0.75
Revvity Inc.	659	102,909	87,511	0.94
Royalty Pharma PLC, Class 'A'	2,455	98,992	130,202	1.40
Sarepta Therapeutics Inc.	1,404	44,370	41,470	0.45
Sotera Health Co.	3,670	81,736	88,857	0.95
STERIS PLC	109	33,401	37,929	0.41
Teleflex Inc.	944	177,748	158,126	1.70
Tempus AI Inc.	1,788	151,429	144,916	1.56
Tenet Healthcare Corp.	426	69,474	116,193	1.25
Thermo Fisher Scientific Inc.	56	40,822	44,538	0.48
United Therapeutics Corp.	344	118,759	230,059	2.47
UnitedHealth Group Inc.	251	132,776	113,726	1.22
Universal Health Services Inc., Class 'B'	706	151,693	211,266	2.27
Waters Corp.	90	42,617	46,920	0.50
Zimmer Biomet Holdings Inc.	1,172	173,798	144,648	1.55
Zoetis Inc.	185	44,144	31,948	0.34
		<b>8,660,939</b>	<b>9,092,950</b>	<b>97.67</b>
<b>Information Technology—1.99%</b>				
Doximity Inc., Class 'A'	1,578	94,504	95,905	1.03
Veeva Systems Inc., Class 'A'	291	90,093	89,161	0.96
		<b>184,597</b>	<b>185,066</b>	<b>1.99</b>
<b>Total investments</b>		<b>8,845,536</b>	<b>9,278,016</b>	<b>99.66</b>
Transaction costs		(1,433)		
Unrealized appreciation on derivatives - see Schedule 1			23,172	0.25
Other assets, less liabilities			8,485	0.09
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>8,844,103</b>	<b>9,309,673</b>	<b>100.00</b>

Schedule 1

Counterparty	Credit Rating of Counterparty*	Settlement Date	Currency	Amount Sold	Currency Buy	Amount Bought	Forward Rate	Current Rate	Appreciation
									(Depreciation)
			Sell						\$
Bank of New York Mellon (The), New York	A-1+	2026-01-30	USD	2,173,551	CAD	3,003,000	0.724	0.729	23,172
									<b>23,172</b>

\* Commercial paper rating per Standard and Poor's Commercial Paper Guide

# First Trust NYSE Arca Biotechnology ETF

<b>STATEMENTS OF FINANCIAL POSITION</b>		
As at December 31, 2025 and December 31, 2024		
	December 31 2025 (\$)	December 31 2024 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	1,783,524	1,483,684
Cash	1,201	23,061
Other assets	240	192
	1,784,965	1,506,937
<b>Liabilities</b>		
Accrued liabilities	268	190
	268	190
<b>Total net assets attributable to holders of redeemable units</b>	<b>1,784,697</b>	<b>1,506,747</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		
<b>Units</b>	<b>1,784,697</b>	<b>1,506,747</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	<b>50,000</b>	<b>50,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>35.69</b>	<b>30.13</b>
<b>STATEMENTS OF COMPREHENSIVE INCOME</b>		
For the years ended December 31, 2025 and 2024		
	December 31 2025 (\$)	December 31 2024 (\$)
<b>Revenues</b>		
Dividends	-	10,549
<b>Other changes in fair value of investments</b>		
Net realized gain (loss) on sale of investments	70,037	240,363
Net realized gain (loss) on foreign exchange	(22)	(3)
Net change in unrealized appreciation (depreciation) of investments	252,481	(46,098)
	322,496	204,811
Foreign exchange gain (loss) on cash	(60)	20
	322,436	204,831
<b>Expenses [note 7]</b>		
Management fees	2,694	2,446
HST expense	274	291
Independent Review Committee fees	175	223
Transaction costs [note 3 and note 9]	1	1
	3,144	2,961
Expenses waived by manager	(175)	(223)
	2,969	2,738
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>319,467</b>	<b>202,093</b>
<b>Withholding taxes</b>	<b>-</b>	<b>1,570</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>319,467</b>	<b>200,523</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>		
<b>Units</b>	<b>319,467</b>	<b>200,523</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>5.49</b>	<b>3.37</b>

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust NYSE Arca Biotechnology ETF

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	1,506,747	2,104,285
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	319,467	200,523
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from issuance of units	604,690	1,709,717
Reinvested distributions	-	-
Redemption of units	(646,207)	(2,507,778)
	(41,517)	(798,061)
<b>Distributions to holders of redeemable units from:</b>		
Net investment income	-	-
Capital gains	-	-
Return of capital	-	-
	-	-
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	277,950	(597,538)
<b>Net assets attributable to holders of redeemable units, end of year</b>	1,784,697	1,506,747

See accompanying notes which are an integral part of these financial statements

# First Trust NYSE Arca Biotechnology ETF

## STATEMENTS OF CASH FLOW

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	319,467	200,523
Adjustments for:		
Net realized (gain) loss on sale of investments	(70,037)	(240,363)
Net change in unrealized (appreciation) depreciation of investments	(252,481)	46,098
Other assets	(48)	12
Other liabilities	78	(103)
Purchases of investments	(623,840)	(1,695,951)
Proceeds from the sale of investments	646,518	2,510,693
	19,657	820,909
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	604,690	1,709,717
Amount paid on redemptions of units	(646,207)	(2,507,778)
Distributions paid to unitholders	-	-
	(41,517)	(798,061)
<b>Increase (Decrease) in cash for the year</b>	(21,860)	22,848
<b>Cash, beginning of year</b>	23,061	213
<b>Cash, end of year</b>	1,201	23,061
Dividends received, net of withholding taxes	-	8,979

See accompanying notes which are an integral part of these financial statements.

# First Trust NYSE Arca Biotechnology ETF

## Notes to Financial Statements - Specific Information

### For the year ended December 31, 2025

**A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust NYSE Arca Biotechnology ETF** (the “First Trust ETF”) seeks to replicate, to the extent possible, the performance of an index of U.S. companies in the biotechnology industry, initially the NYSE® Arca® Biotechnology Index.

The NYSE® Arca® Biotechnology Index is an equal dollar weighted index designed to measure the performance of a cross section of companies in the biotechnology industry that are primarily involved in the use of biological processes to develop products or provide services.

The First Trust ETF provides exposure to its index by investing all or substantially all of its assets in an underlying U.S. index fund known as First Trust NYSE® Arca® Biotechnology Index Fund (the “Underlying Fund”), which is managed by the First Trust ETF’s portfolio advisor.

**B. FAIR VALUE MEASUREMENT (NOTE 5)** - The following fair value hierarchy tables present information about the First Trust ETF assets and liabilities measured at fair value on a recurring basis for the years ended December 31, 2025 and 2024:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2025			
	Level 1	Level 2	Level 3	Total
Equities	1,783,524	–	–	1,783,524
Total	1,783,524	–	–	1,783,524
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2024			
	Level 1	Level 2	Level 3	Total
Equities	1,483,684	–	–	1,483,684
Total	1,483,684	–	–	1,483,684

There have been no transfers from one Level to another for the years ended December 31, 2025 and 2024.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting periods.

**C. REDEEMABLE UNITS (NOTE 6)** - The First Trust ETF issued (redeemed) the following units during years ended December 31, 2025 and 2024:

Redeemable Units	Units
Outstanding units – January 1, 2024	80,000
Redeemable units issued	60,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(90,000)
Outstanding units – December 31, 2024	50,000
Redeemable units issued	20,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(20,000)
Outstanding units – December 31, 2025	50,000

First Trust NYSE Arca Biotechnology ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7)** - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee <sup>1</sup>
Units
0.15%

<sup>1</sup> The First Trust ETF's management fee will also bear the management fee of the underlying fund.

**E. TAXATION (NOTE 8)**

**Tax loss carryforwards** - The net capital and non-capital tax loss carryforwards as at December 31, 2025 and 2024 are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2025	2024	2025	2024
-	-	92,936	92,936

**F. COMMISSIONS (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2025 and 2024 are as follows:

Transaction Cost (\$)	
2025	2024
1	1

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2025 and 2024, including amounts owing as at December 31, 2025 and 2024 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2025	2024	2025	2024
2,694	2,446	237	168

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at December 31, 2025 and 2024, the First Trust ETF's market risk is affected by changes in actual market prices, foreign currency movements, and interest rates, if applicable. If the following index had increased (decreased) by 5% at December 31, 2025 and 2024, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2025		As at December 31, 2024	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® Index	76,831	(76,831)	56,804	(56,804)

First Trust NYSE Arca Biotechnology ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2025 and 2024:

Currency	As at December 31, 2025		As at December 31, 2024	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	1,784,456	99.99	1,498,801	99.47

As at December 31, 2025, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$17,845 (December 31, 2024 - \$14,988). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

**Concentration Risk** – The table below summarizes the First Trust ETF's concentration risk for the years ended December 31, 2025 and 2024:

Holding	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2025	As at December 31, 2024
Exchange-Traded Fund	99.93	98.47
Total	99.93	98.47

First Trust NYSE Arca Biotechnology ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2025

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Exchange Traded Funds—99.93%</b>				
First Trust NYSE® Arca® Biotechnology Index Fund	6,292	1,440,576	1,783,524	99.93
		<b>1,440,576</b>	<b>1,783,524</b>	<b>99.93</b>
<b>Total investments</b>		<b>1,440,576</b>	<b>1,783,524</b>	<b>99.93</b>
Transaction costs		(3)		
Other assets, less liabilities			1,173	0.07
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>1,440,573</b>	<b>1,784,697</b>	<b>100.00</b>

# First Trust AlphaDEX™ U.S. Industrials Sector Index ETF

## STATEMENTS OF FINANCIAL POSITION

As at December 31, 2025 and December 31, 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	47,719,264	38,342,845
Cash	63,680	341,618
Accrued dividend receivable	24,519	31,727
Derivative assets	13,311	-
Other assets	7,316	6,392
	47,828,090	38,722,582
<b>Liabilities</b>		
Accrued liabilities	35,973	27,027
Distributions payable to holders of redeemable units	16,000	288,650
Derivative liabilities	-	27,898
	51,973	343,575
<b>Total net assets attributable to holders of redeemable units</b>	<b>47,776,117</b>	<b>38,379,007</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
<b>Units</b>	<b>46,028,836</b>	<b>36,705,645</b>
<b>Hedged Units</b>	<b>1,747,281</b>	<b>1,673,362</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	<b>800,000</b>	<b>650,000</b>
<b>Hedged Units</b>	<b>50,000</b>	<b>50,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>57.54</b>	<b>56.47</b>
<b>Hedged Units</b>	<b>34.95</b>	<b>33.47</b>

## STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Revenues</b>		
Dividends	653,065	762,557
<b>Other changes in fair value of investments and derivatives</b>		
Net realized gain (loss) on sale of investments	2,839,416	3,051,687
Net realized gain (loss) on derivatives	7,821	(91,213)
Net realized gain (loss) on foreign exchange	436	507
Net change in unrealized appreciation (depreciation) of investments	(3,708,255)	3,523,018
Net change in unrealized appreciation (depreciation) of derivatives	41,208	(64,370)
	(166,309)	7,182,186
Foreign exchange gain (loss) on cash	(2,567)	2,421
	(168,876)	7,184,607
<b>Expenses [note 7]</b>		
Management fees	326,577	233,131
HST expense	35,591	24,114
Transaction costs [note 3 and note 9]	12,295	6,540
Independent Review Committee fees	4,581	4,487
Interest expense	75	20
	379,119	268,292
Expenses waived by manager	(4,581)	(4,487)
	374,538	263,805
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>(543,414)</b>	<b>6,920,802</b>
<b>Withholding taxes</b>	<b>88,946</b>	<b>59,971</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>(632,360)</b>	<b>6,860,831</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
<b>Units</b>	<b>4,886</b>	<b>6,643,586</b>
<b>Hedged Units</b>	<b>(637,246)</b>	<b>217,245</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>0.01</b>	<b>10.93</b>
<b>Hedged Units</b>	<b>(7.55)</b>	<b>4.34</b>

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust AlphaDEX™ U.S. Industrials Sector Index ETF

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)	December 31 2025 (\$) Hedged Units	December 31 2024 (\$) Hedged Units
	Units	Units		
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	36,705,645	22,716,691	1,673,362	1,477,967
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	4,886	6,643,586	(637,246)	217,245
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units	22,323,066	10,241,823	7,116,136	-
Reinvested distributions	2,320,000	606,450	-	-
Redemption of units	(12,810,261)	(2,493,905)	(6,393,571)	-
	11,832,805	8,354,368	722,565	-
<b>Distributions to holders of redeemable units from:</b>				
Net investment income	(189,283)	(402,208)	(11,202)	(21,820)
Capital gains	(2,320,000)	(605,945)	-	-
Return of capital	(5,217)	(847)	(198)	(30)
	(2,514,500)	(1,009,000)	(11,400)	(21,850)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	9,323,191	13,988,954	73,919	195,395
<b>Net assets attributable to holders of redeemable units, end of year</b>	46,028,836	36,705,645	1,747,281	1,673,362
			<b>December 31 2025 (\$) Total</b>	<b>December 31 2024 (\$) Total</b>
<b>Net assets attributable to holders of redeemable units, beginning of year</b>			38,379,007	24,194,658
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>			(632,360)	6,860,831
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units			29,439,202	10,241,823
Reinvested distributions			2,320,000	606,450
Redemption of units			(19,203,832)	(2,493,905)
			12,555,370	8,354,368
<b>Distributions to holders of redeemable units from:</b>				
Net investment income			(200,485)	(424,028)
Capital gains			(2,320,000)	(605,945)
Return of capital			(5,415)	(877)
			(2,525,900)	(1,030,850)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>			9,397,110	14,184,349
<b>Net assets attributable to holders of redeemable units, end of year</b>			47,776,117	38,379,007

See accompanying notes which are an integral part of these financial statements.

# First Trust AlphaDEX™ U.S. Industrials Sector Index ETF

## STATEMENTS OF CASH FLOW

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	(632,360)	6,860,831
Adjustments for:		
Net realized (gain) loss on sale of investments	(2,839,416)	(3,051,687)
Net change in unrealized (appreciation) depreciation of investments and derivatives	3,667,047	(3,458,648)
Dividends receivable	7,208	(10,837)
Other assets	(924)	(3,408)
Other liabilities	8,946	10,958
Purchases of investments	(70,891,343)	(35,591,519)
Proceeds from the sale of investments	60,646,084	28,003,896
	(10,034,758)	(7,240,414)
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	29,439,202	10,241,823
Amount paid on redemptions of units	(19,203,832)	(2,493,905)
Distributions paid to unitholders	(478,550)	(238,500)
	9,756,820	7,509,418
<b>Increase (Decrease) in cash for the year</b>	(277,938)	269,004
<b>Cash, beginning of year</b>	341,618	72,614
<b>Cash, end of year</b>	63,680	341,618
Dividends received, net of withholding taxes	571,327	691,749

See accompanying notes which are an integral part of these financial statements.

**First Trust AlphaDEX™ U.S. Industrials Sector Index ETF**  
**Notes to Financial Statements - Specific Information**  
**For the year ended December 31, 2025**

**A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust AlphaDEX™ U.S. Industrials Sector Index ETF** (the “First Trust ETF”) seeks 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 applicable 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/Producer Durables Sector.

**B. FAIR VALUE MEASUREMENT (NOTE 5) -** The following fair value hierarchy tables present information about the First Trust ETF assets and liabilities measured at fair value on a recurring basis for the years ended December 31, 2025 and 2024:

	Financial Assets (Liabilities) at Fair Value (\$)			
	Level 1	Level 2	Level 3	Total
As at December 31, 2025				
Equities	47,719,264	–	–	47,719,264
Derivative assets*	–	13,311	–	13,311
Derivative liabilities*	–	–	–	–
<b>Total</b>	<b>47,719,264</b>	<b>13,311</b>	<b>–</b>	<b>47,732,575</b>
	Financial Assets (Liabilities) at Fair Value (\$)			
	Level 1	Level 2	Level 3	Total
As at December 31, 2024				
Equities	38,342,845	–	–	38,342,845
Derivative assets*	–	–	–	–
Derivative liabilities*	–	(27,898)	–	(27,898)
<b>Total</b>	<b>38,342,845</b>	<b>(27,898)</b>	<b>–</b>	<b>38,314,947</b>

\* The derivative assets and derivative liabilities relate to the Hedged Units only.

There have been no transfers from one Level to another for the years ended December 31, 2025 and 2024.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting periods.

**C. REDEEMABLE UNITS (NOTE 6) -** The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2025 and 2024:

Redeemable Units	Units	Hedged Units
Outstanding units – January 1, 2024	500,000	50,000
Redeemable units issued	200,000	–
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(50,000)	–
<b>Outstanding units – December 31, 2024</b>	<b>650,000</b>	<b>50,000</b>
Redeemable units issued	400,000	200,000
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(250,000)	(200,000)
<b>Outstanding units – December 31, 2025</b>	<b>800,000</b>	<b>50,000</b>

First Trust AlphaDEX™ U.S. Industrials Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7)** - Below are the current annual management fees charged to the First Trust ETF:

Annual Management Fee	
Units	Hedged Units
0.70%	0.70%

**E. TAXATION (NOTE 8)**

**Tax loss carryforwards** –There are no net capital and non-capital tax loss carryforwards as at December 31, 2025.

**F. COMMISSIONS (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2025 and 2024 are as follows:

Transaction Cost (\$)	
2025	2024
12,295	6,540

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2025 and 2024, including amounts owing as at December 31, 2025 and 2024 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2025	2024	2025	2024
326,577	233,131	28,626	23,864

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at December 31, 2025 and 2024, the First Trust ETF's market risk is affected by changes in actual market prices, foreign currency movements, and interest rates, if applicable. If the following index had increased (decreased) by 5% at December 31, 2025 and 2024, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2025		As at December 31, 2024	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
<b>Units</b>				
Russell 1000® Industrials Index	2,505,857	(2,505,857)	2,030,249	(2,030,249)
Russell 1000® Index	2,434,193	(2,434,193)	1,769,272	(1,769,272)
S&P 500® Industrials Index	2,524,968	(2,524,968)	1,993,789	(1,993,789)
<b>Hedged Units</b>				
Russell 1000® Industrials Index USD	2,577,522	(2,577,522)	2,145,386	(2,145,386)
Russell 1000® Index USD	2,510,635	(2,510,635)	1,974,600	(1,974,600)
S&P 500® Industrials Index USD	2,594,243	(2,594,243)	2,103,170	(2,103,170)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2025 and 2024:

Currency	As at December 31, 2025		As at December 31, 2024	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	46,043,766	96.37	36,697,314	95.62

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First Trust AlphaDEX™ U.S. Industrials Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

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As at December 31, 2025, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$460,438 (December 31, 2024 – \$366,973). A portion of this currency risk exposure has been hedged. Please refer to the Schedule of Portfolio Investments for more information. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

**Concentration Risk** – The table below summarizes the concentration risk for the years ended December 31, 2025 and 2024:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2025	As at December 31, 2024
Industrials	68.48	66.60
Materials	14.68	12.51
Information Technology	6.85	7.90
Financials	6.39	8.47
Consumer Discretionary	3.24	1.83
Health Care	0.24	1.11
Utilities	–	1.48
Total	99.88	99.90

# First Trust AlphaDEX™ U.S. Industrials Sector Index ETF

## Notes to Financial Statements - Specific Information

### For the year ended December 31, 2025

#### SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2025

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Consumer Discretionary—3.24%</b>				
Brunswick Corp.	1,233	118,222	125,640	0.26
Ferguson Enterprises Inc.	1,439	391,112	439,716	0.92
Fortune Brands Innovations Inc.	6,053	520,914	415,568	0.87
Masco Corp.	1,108	105,123	96,509	0.20
Mohawk Industries Inc.	3,133	530,725	470,012	0.99
		<b>1,666,096</b>	<b>1,547,445</b>	<b>3.24</b>
<b>Financials—6.39%</b>				
American Express Co.	973	378,431	494,065	1.03
Block Inc., Class 'A'	5,589	569,324	499,317	1.05
Fiserv Inc.	1,815	322,995	167,333	0.35
Global Payments Inc.	4,862	663,144	516,516	1.08
Mastercard Inc., Class 'A'	137	103,452	107,348	0.23
Synchrony Financial	4,548	317,810	520,800	1.09
Western Union Co. (The)	50,555	713,488	646,014	1.35
WEX Inc.	495	110,277	101,219	0.21
		<b>3,178,921</b>	<b>3,052,612</b>	<b>6.39</b>
<b>Health Care—0.24%</b>				
Nordson Corp.	344	108,336	113,521	0.24
		<b>108,336</b>	<b>113,521</b>	<b>0.24</b>
<b>Industrials—68.48%</b>				
3M Co.	503	99,143	110,532	0.23
A. O. Smith Corp.	3,188	320,857	292,646	0.61
AAON Inc.	1,729	237,205	180,952	0.38
Acuty Brands Inc.	469	171,111	231,767	0.49
ADT Inc.	46,376	470,866	513,683	1.08
Air Lease Corp.	6,346	410,543	559,456	1.17
Allegion PLC	440	81,791	96,156	0.20
Allison Transmission Holdings Inc.	4,759	546,794	639,479	1.34
Ametek Inc.	859	212,151	242,065	0.51
Applied Industrial Technologies Inc.	619	208,638	218,154	0.46
Armstrong World Industries Inc.	2,061	386,025	540,589	1.13
Axon Enterprise Inc.	326	204,846	254,121	0.53
Boeing Co. (The)	1,084	319,198	323,041	0.68
Builders FirstSource Inc.	2,665	508,434	376,356	0.79
BWX Technologies Inc.	2,191	438,726	519,774	1.09
Carlisle Cos. Inc.	711	348,539	312,146	0.65
Caterpillar Inc.	490	296,709	385,283	0.81
CNH Industrial NV	21,567	347,556	272,928	0.57
Comfort Systems USA Inc.	490	349,181	627,684	1.31
Core & Main Inc., Class 'A'	4,347	326,984	310,078	0.65
Crane Holdings Co.	3,489	277,500	225,410	0.47
CSX Corp.	4,550	208,564	226,385	0.47
Cummins Inc.	554	241,640	388,142	0.81
Donaldson Co. Inc.	1,974	187,880	240,217	0.50
Dover Corp.	1,937	455,153	519,071	1.09
EMCOR Group Inc.	622	336,898	522,301	1.09
Emerson Electric Co.	595	111,895	108,388	0.23
ESAB Corp.	1,446	227,020	221,732	0.46
Expeditors International of Washington Inc.	1,909	312,743	390,436	0.82
FedEx Corp.	1,713	575,043	679,161	1.42
Flowserve Corp.	1,468	92,752	139,794	0.29
Fortive Corp.	6,596	474,529	499,835	1.05
FTAI Aviation Ltd.	2,421	573,279	654,121	1.37
FTI Consulting Inc.	1,448	372,127	339,516	0.71

**First Trust AlphaDEX™ U.S. Industrials Sector Index ETF**  
**Notes to Financial Statements - Specific Information**  
**For the year ended December 31, 2025**

Gates Industrial Corp. PLC	6,510	159,419	191,841	0.40
GE Vernova Inc.	657	473,394	589,367	1.23
Generac Holdings Inc.	965	201,855	180,624	0.38
General Dynamics Corp.	474	180,898	219,027	0.46
General Electric Co.	1,343	373,040	567,802	1.19
Graco Inc.	1,902	221,707	213,990	0.45
GXO Logistics Inc.	1,475	92,194	106,570	0.22
Hayward Holdings Inc.	10,686	191,157	226,606	0.47
HEICO Corp.	501	177,236	222,516	0.47
Howmet Aerospace Inc.	1,647	252,021	463,466	0.97
Hubbell Inc.	181	84,906	110,331	0.23
Huntington Ingalls Industries Inc.	813	247,033	379,478	0.79
IDEX Corp.	1,438	341,339	351,205	0.73
Illinois Tool Works Inc.	299	108,479	101,080	0.21
ITT Inc.	436	81,975	103,834	0.22
J.B. Hunt Transport Services Inc.	2,408	522,729	642,313	1.34
Kirby Corp.	4,840	616,946	731,941	1.53
Knight-Swift Transportation Holdings Inc.	10,224	639,969	733,643	1.54
L3Harris Technologies Inc.	255	77,944	102,750	0.21
Landstar System Inc.	1,318	254,250	259,956	0.54
Leonardo DRS Inc.	7,118	446,390	333,053	0.70
Lincoln Electric Holdings Inc.	331	90,977	108,872	0.23
Loar Holdings Inc.	975	108,271	91,000	0.19
Lockheed Martin Corp.	156	109,817	103,562	0.22
MasTec Inc.	1,898	455,026	566,271	1.19
Middleby Corp. (The)	2,431	475,330	496,063	1.04
MSA Safety Inc.	939	221,195	206,392	0.43
MSC Industrial Direct Co. Inc., Class 'A'	1,754	207,657	202,467	0.42
Norfolk Southern Corp.	779	276,458	308,704	0.65
Northrop Grumman Corp.	265	194,867	207,400	0.43
Old Dominion Freight Line Inc.	1,148	241,052	247,068	0.52
Oshkosh Corp.	3,114	457,270	536,958	1.12
Owens Corning	2,284	464,326	350,827	0.73
PACCAR Inc.	3,287	450,339	494,062	1.03
Parker-Hannifin Corp.	103	84,147	124,261	0.26
Pentair PLC	704	83,467	100,628	0.21
Quanta Services Inc.	975	516,125	564,816	1.18
Regal Rexnord Corp.	1,631	314,448	314,124	0.66
Robert Half International Inc.	6,886	438,839	256,699	0.54
Rocket Lab Corp.	8,431	425,658	807,261	1.69
Rockwell Automation Inc.	462	218,116	246,716	0.52
Ryder System Inc.	1,713	314,774	449,992	0.94
Saia Inc.	1,079	505,779	483,570	1.01
Schneider National Inc.	19,089	605,408	695,102	1.45
Sensata Technologies Holding PLC	7,660	231,187	350,002	0.73
Simpson Manufacturing Co. Inc.	1,930	449,740	427,738	0.90
Snap-On Inc.	933	386,657	441,291	0.92
Stanley Black & Decker Inc.	4,347	421,065	443,190	0.93
Teledyne Technologies Inc.	133	90,000	93,233	0.20
Textron Inc.	3,825	415,892	457,643	0.96
TopBuild Corp.	599	272,099	342,996	0.72
Toro Co. (The)	2,120	240,639	229,060	0.48
Trane Technologies PLC	383	205,513	204,597	0.43
Union Pacific Corp.	684	221,243	217,169	0.45
United Parcel Service Inc., Class 'B'	4,836	719,651	658,389	1.38
United Rentals Inc.	245	216,640	272,154	0.57
Vontier Corp.	7,699	391,990	392,891	0.82
W.W. Grainger Inc.	82	115,499	113,568	0.24
Wabtec Corp.	389	108,607	113,966	0.24
WESCO International Inc.	1,106	254,739	371,373	0.78

# First Trust AlphaDEX™ U.S. Industrials Sector Index ETF

## Notes to Financial Statements - Specific Information

### For the year ended December 31, 2025

Willscot Mobile Mini Holdings Corp.	7,654	231,750	197,819	0.41
XPO Logistics Inc.	1,810	324,622	337,643	0.71
Xylem Inc.	529	91,926	98,877	0.21
		<b>29,126,006</b>	<b>32,719,206</b>	<b>68.48</b>
<b>Information Technology—6.85%</b>				
Accenture PLC, Class 'A'	949	359,158	349,474	0.73
Affirm Holdings Inc.	5,527	529,313	564,632	1.18
Euronet Worldwide Inc.	4,600	603,965	480,538	1.00
Exlservice Holdings Inc.	1,772	108,819	103,221	0.22
Genpact Ltd.	9,643	557,892	619,157	1.30
Jack Henry & Associates Inc.	2,170	470,432	543,504	1.14
MKS Instruments Inc.	630	62,978	138,180	0.29
PayPal Holdings Inc.	4,819	454,381	386,144	0.81
Zebra Technologies Corp., Class 'A'	262	111,510	87,320	0.18
		<b>3,258,448</b>	<b>3,272,170</b>	<b>6.85</b>
<b>Materials—14.68%</b>				
Advanced Drainage Systems Inc.	1,687	292,307	335,353	0.70
Allegheny Technologies Inc.	959	108,816	151,056	0.32
Amcor PLC	19,752	259,530	226,102	0.47
Amentum Holdings Inc.	9,770	353,944	388,885	0.81
AptarGroup Inc.	2,418	454,928	404,764	0.85
Axalta Coating Systems Ltd.	14,114	598,757	625,915	1.31
Ball Corp.	4,641	336,916	337,419	0.71
Crown Holdings Inc.	1,673	233,064	236,447	0.49
Dow Inc.	10,205	520,583	327,481	0.69
Eagle Materials Inc.	1,387	417,054	393,462	0.82
Graphic Packaging Holding Co.	20,640	676,976	426,641	0.89
James Hardie Industries PLC	12,181	347,069	346,920	0.73
Louisiana Pacific Corp.	3,637	471,656	403,151	0.84
Martin Marietta Materials Inc.	124	91,913	105,974	0.22
Packaging Corp. of America	1,483	393,497	419,779	0.88
PPG Industries Inc.	2,226	353,260	313,046	0.66
RPM International Inc.	1,371	213,119	195,704	0.41
Sealed Air Corp.	4,571	210,084	259,929	0.54
Silgan Holdings Inc.	7,513	472,703	416,294	0.87
Sonoco Products Co.	7,499	480,256	449,176	0.94
Trex Co. Inc.	3,127	237,655	150,562	0.32
Veralto Corp.	732	109,429	100,250	0.21
		<b>7,633,516</b>	<b>7,014,310</b>	<b>14.68</b>
<b>Total investments</b>		<b>44,971,323</b>	<b>47,719,264</b>	<b>99.88</b>
Transaction costs		<b>(4,044)</b>		
Unrealized appreciation on derivatives - see Schedule 1			<b>13,311</b>	<b>0.03</b>
Other assets, less liabilities			<b>43,542</b>	<b>0.09</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>44,967,279</b>	<b>47,776,117</b>	<b>100.00</b>

Schedule 1

Counterparty	Credit Rating of Counterparty*	Settlement Date	Currency Sell	Amount Sold	Currency Buy	Amount Bought	Forward Rate	Current Rate	Appreciation
									\$
Bank of New York Mellon (The), New York	A-1+	2026-01-30	USD	1,248,543	CAD	1,725,000	0.724	0.729	13,311
									<b>13,311</b>

\* Commercial paper rating per Standard and Poor's Commercial Paper Guide

# First Trust AlphaDEX™ U.S. Technology Sector Index ETF

## STATEMENTS OF FINANCIAL POSITION As at December 31, 2025 and December 31, 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	33,065,106	30,668,908
Cash	33,964	22,197
Accrued dividend receivable	11,000	8,552
Derivative assets	46,421	-
Other assets	5,847	4,041
	33,162,338	30,703,698
<b>Liabilities</b>		
Accrued liabilities	23,070	21,401
Derivative liabilities	-	84,073
	23,070	105,474
<b>Total net assets attributable to holders of redeemable units</b>	<b>33,139,268</b>	<b>30,598,224</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
<b>Units</b>	27,343,007	25,353,455
<b>Hedged Units</b>	5,796,261	5,244,769
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	250,000	250,000
<b>Hedged Units</b>	100,000	100,000
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	109.37	101.41
<b>Hedged Units</b>	57.96	52.45

## STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Revenues</b>		
Dividends	284,043	168,914
<b>Other changes in fair value of investments and derivatives</b>		
Net realized gain (loss) on sale of investments	6,128,886	5,162,661
Net realized gain (loss) on derivatives	(27,356)	(269,448)
Net realized gain (loss) on foreign exchange	795	3,185
Net change in unrealized appreciation (depreciation) of investments	(2,180,646)	1,389,444
Net change in unrealized appreciation (depreciation) of derivatives	130,494	(197,580)
	4,336,216	6,257,176
Foreign exchange gain (loss) on cash	(499)	(1,180)
	4,335,717	6,255,996
<b>Expenses [note 7]</b>		
Management fees	238,718	192,583
HST expense	25,064	20,828
Transaction costs [note 3 and note 9]	12,066	10,835
Independent Review Committee fees	3,303	3,761
Interest expense	-	25
	279,151	228,032
Expenses waived by manager	(3,303)	(3,761)
	275,848	224,271
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>4,059,869</b>	<b>6,031,725</b>
<b>Withholding taxes</b>	<b>28,377</b>	<b>24,033</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>4,031,492</b>	<b>6,007,692</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
<b>Units</b>	3,480,000	5,337,832
<b>Hedged Units</b>	551,492	669,860
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	12.48	20.98
<b>Hedged Units</b>	5.51	6.70

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust AlphaDEX™ U.S. Technology Sector Index ETF

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)	December 31 2025 (\$) Hedged Units	December 31 2024 (\$) Hedged Units
	Units	Units	Units	Units
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	25,353,455	24,226,118	5,244,769	4,575,909
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	3,480,000	5,337,832	551,492	669,860
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units	4,169,698	-	-	-
Reinvested distributions	3,405,000	-	784,000	-
Redemption of units	(5,660,146)	(4,205,495)	-	-
	1,914,552	(4,205,495)	784,000	-
<b>Distributions to holders of redeemable units from:</b>				
Net investment income	-	-	-	-
Capital gains	(3,403,440)	(5,000)	(783,246)	(1,000)
Return of capital	(1,560)	-	(754)	-
	(3,405,000)	(5,000)	(784,000)	(1,000)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	1,989,552	1,127,337	551,492	668,860
<b>Net assets attributable to holders of redeemable units, end of year</b>	27,343,007	25,353,455	5,796,261	5,244,769
			<b>December 31 2025 (\$) Total</b>	<b>December 31 2024 (\$) Total</b>
<b>Net assets attributable to holders of redeemable units, beginning of year</b>			30,598,224	28,802,027
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>			4,031,492	6,007,692
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units			4,169,698	-
Reinvested distributions			4,189,000	-
Redemption of units			(5,660,146)	(4,205,495)
			2,698,552	(4,205,495)
<b>Distributions to holders of redeemable units from:</b>				
Net investment income			-	-
Capital gains			(4,186,686)	(6,000)
Return of capital			(2,314)	-
			(4,189,000)	(6,000)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>			2,541,044	1,796,197
<b>Net assets attributable to holders of redeemable units, end of year</b>			33,139,268	30,598,224

See accompanying notes which are an integral part of these financial statements.

# First Trust AlphaDEX™ U.S. Technology Sector Index ETF

## STATEMENTS OF CASH FLOW For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	4,031,492	6,007,692
Adjustments for:		
Net realized (gain) loss on sale of investments	(6,128,886)	(5,162,661)
Net change in unrealized (appreciation) depreciation of investments and derivatives	2,050,152	(1,191,864)
Dividends receivable	(2,448)	52,890
Other assets	(1,806)	(186)
Other liabilities	1,669	2,099
Purchases of investments	(38,669,733)	(29,929,046)
Proceeds from the sale of investments	40,221,775	34,484,042
	1,502,215	4,262,966
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	4,169,698	-
Amount paid on redemptions of units	(5,660,146)	(4,205,495)
Distributions paid to unitholders	-	(6,000)
	(1,490,448)	(4,211,495)
<b>Increase (Decrease) in cash for the year</b>	11,767	51,471
<b>Cash, beginning of year</b>	22,197	(29,274)
<b>Cash (bank indebtedness), end of year</b>	33,964	22,197
Dividends received, net of withholding taxes	253,218	197,771

See accompanying notes which are an integral part of these financial statements.

First Trust AlphaDEX™ U.S. Technology Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

**A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust AlphaDEX™ U.S. Technology Sector Index ETF** (the “First Trust ETF”) seeks to replicate, to the extent possible, the performance of the StrataQuant® Technology Index (“Index”), net of expenses. The investment strategy of the First Trust ETF is to invest in and hold the constituent securities of the applicable 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 Technology Sector.

**B. FAIR VALUE MEASUREMENT (NOTE 5) -** The following fair value hierarchy tables present information about the First Trust ETF assets and liabilities measured at fair value on a recurring basis for the years ended December 31, 2025 and 2024:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2025			
	Level 1	Level 2	Level 3	Total
Equities	33,065,106	–	–	33,065,106
Derivative assets*	–	46,421	–	46,421
Derivative liabilities*	–	–	–	–
<b>Total</b>	<b>33,065,106</b>	<b>46,421</b>	<b>–</b>	<b>33,111,527</b>

  

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2024			
	Level 1	Level 2	Level 3	Total
Equities	30,668,908	–	–	30,668,908
Derivative assets*	–	–	–	–
Derivative liabilities*	–	(84,073)	–	(84,073)
<b>Total</b>	<b>30,668,908</b>	<b>(84,073)</b>	<b>–</b>	<b>30,584,835</b>

\* The derivative assets and derivative liabilities relate to the Hedged Units only.

There have been no transfers from one Level to another for the years ended December 31, 2025 and 2024.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting periods.

**C. REDEEMABLE UNITS (NOTE 6) -** The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2025 and 2024:

Redeemable Units	Units	Hedged Units
Outstanding units – January 1, 2024	300,000	100,000
Redeemable units issued	–	–
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(50,000)	–
<b>Outstanding units – December 31, 2024</b>	<b>250,000</b>	<b>100,000</b>
Redeemable units issued	50,000	–
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(50,000)	–
<b>Outstanding units – December 31, 2025</b>	<b>250,000</b>	<b>100,000</b>

First Trust AlphaDEX™ U.S. Technology Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7)** - Below are the current annual management fees charged to the First Trust ETF:

Annual Management Fee	
Units	Hedged Units
0.70%	0.70%

**E. TAXATION (NOTE 8)**

**Tax loss carryforwards** – The net capital and non-capital tax loss carryforwards as at December 31, 2025 and 2024 are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2025	2024	2025	2024
–	457,099	–	51,700

**F. COMMISSIONS (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2025 and 2024 are as follows:

Transaction Cost (\$)	
2025	2024
12,066	10,835

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2025 and 2024, including amounts owing as at December 31, 2025 and 2024 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2025	2024	2025	2024
238,718	192,583	20,121	18,654

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at December 31, 2025 and 2024, the First Trust ETF's market risk is affected by changes in actual market prices, foreign currency movements, and interest rates, if applicable. If the following index had increased (decreased) by 5% at December 31, 2025 and 2024, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2025		As at December 31, 2024	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
<b>Units</b>				
Russell 1000® Technology Index	1,544,290	(1,544,290)	1,300,425	(1,300,425)
Russell 1000® Index	1,993,327	(1,993,327)	1,894,030	(1,894,030)
S&P 500® Information Technology Index	1,516,122	(1,516,122)	1,275,946	(1,275,946)
<b>Hedged Units</b>				
Russell 1000® Technology Index USD	1,569,144	(1,569,144)	1,353,971	(1,353,971)
Russell 1000® Index USD	2,072,861	(2,072,861)	2,048,551	(2,048,551)
S&P 500® Information Technology Index USD	1,540,976	(1,540,976)	1,323,373	(1,323,373)

First Trust AlphaDEX™ U.S. Technology Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2025 and 2024:

Currency	As at December 31, 2025		As at December 31, 2024	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	27,115,244	81.82	25,394,211	82.99

As at December 31, 2025, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$271,152 (December 31, 2024 - \$253,942). A portion of this currency risk exposure has been hedged. Please refer to the Schedule of Portfolio Investments for more information. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

**Concentration Risk** – The table below summarizes the First Trust ETF's concentration risk for the years ended December 31, 2025 and 2024:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2025	As at December 31, 2024
Information Technology	87.01	85.96
Communication Services	10.59	11.41
Financials	2.18	1.78
Industrials	–	1.08
Total	99.78	100.23

# First Trust AlphaDEX™ U.S. Technology Sector Index ETF

## Notes to Financial Statements - Specific Information

### For the year ended December 31, 2025

#### SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2025

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Communication Services—10.59%</b>				
Alphabet Inc., Class 'A'	1,739	464,331	747,088	2.26
AppLovin Corp., Class 'A'	588	70,264	543,813	1.64
DoorDash Inc., Class 'A'	1,181	186,141	367,120	1.11
Maplebear Inc.	6,556	374,206	404,750	1.22
Match Group Inc.	2,274	103,303	100,783	0.30
Meta Platforms Inc., Class 'A'	328	134,488	297,170	0.90
Pinterest Inc., Class 'A'	13,142	556,108	467,005	1.41
Reddit Inc., Class 'A'	1,838	392,044	579,904	1.75
		<b>2,280,885</b>	<b>3,507,633</b>	<b>10.59</b>
<b>Industrials—2.18%</b>				
Roper Technologies Inc.	161	119,668	98,365	0.30
Vertiv Holdings Co.	2,803	486,747	623,294	1.88
		<b>606,415</b>	<b>721,659</b>	<b>2.18</b>
<b>Information Technology—87.01%</b>				
Advanced Micro Devices Inc.	1,489	278,934	437,685	1.32
Akamai Technologies Inc.	3,181	387,183	380,941	1.15
Amdocs Ltd.	3,916	451,849	432,734	1.31
Amkor Technology Inc.	14,887	562,809	806,701	2.43
Amphenol Corp., Class 'A'	3,416	292,816	633,622	1.91
AppFolio Inc., Class 'A'	1,166	406,533	372,331	1.12
Apple Inc.	631	227,187	235,452	0.71
Applied Materials Inc.	1,177	281,344	415,165	1.25
Arrow Electronics Inc.	2,655	409,394	401,509	1.21
Astera Labs Inc.	2,159	298,670	492,980	1.49
Autodesk Inc.	505	201,112	205,176	0.62
Avnet Inc.	4,610	270,247	304,224	0.92
Bentley Systems Inc., Class 'B'	1,560	117,290	81,718	0.25
Broadcom Inc.	1,282	298,257	609,001	1.84
CACI International Inc., Class 'A'	322	168,814	235,481	0.71
Cadence Design Systems Inc.	915	423,560	392,564	1.18
CDW Corp.	504	119,515	94,218	0.28
Cirrus Logic Inc.	2,565	360,794	417,190	1.26
Clarivate Analytics PLC	83,895	456,545	384,601	1.16
CloudFlare Inc., Class 'A'	1,497	218,090	405,086	1.22
Cognizant Technology Solutions Corp., Class 'A'	6,304	596,730	718,162	2.17
Concentrix Corp.	9,161	806,250	522,824	1.58
CrowdStrike Holdings Inc., Class 'A'	491	215,916	315,908	0.95
Datadog Inc., Class 'A'	1,692	357,218	315,817	0.95
Dell Technologies Inc., Class 'C'	2,982	527,529	515,220	1.55
Dolby Laboratories Inc., Class 'A'	2,220	235,499	195,682	0.59
DoubleVerify Holdings Inc.	13,411	239,975	210,579	0.64
Dropbox Inc.	5,318	197,974	202,918	0.61
DXC Technology Co.	31,019	779,730	623,726	1.88
Elastic NV	951	113,576	98,471	0.30
EPAM Systems Inc.	2,131	476,693	599,254	1.81
F5 Inc.	249	64,704	87,239	0.26
Flex Ltd.	1,386	97,327	114,940	0.35
Gen Digital Inc.	2,830	110,455	105,615	0.32
GlobalFoundries Inc.	2,241	129,716	107,410	0.32
Globant SA	7,368	865,741	661,083	2.00
Guidewire Software Inc.	699	152,534	192,851	0.58
Hewlett Packard Enterprise Co.	13,083	266,063	431,329	1.30
HP Inc.	5,900	221,189	180,424	0.54
Intuit Inc.	118	111,064	107,286	0.32

**First Trust AlphaDEX™ U.S. Technology Sector Index ETF**  
**Notes to Financial Statements - Specific Information**  
**For the year ended December 31, 2025**

Jabil Inc.	1,480	239,789	463,194	1.40
KBR Inc.	5,096	367,729	281,180	0.85
KLA Corp.	392	438,722	653,761	1.97
Kyndryl Holdings Inc.	5,350	297,025	195,034	0.59
Lam Research Corp.	3,157	408,561	741,747	2.24
Lattice Semiconductor Corp.	2,191	222,320	221,274	0.67
Leidos Holdings Inc.	1,275	268,340	315,700	0.95
MACOM Technology Solutions Holdings Inc.	645	123,254	151,633	0.46
Marvell Technology Inc.	3,822	442,206	445,795	1.35
Micron Technology Inc.	1,440	195,040	564,105	1.70
Microsoft Corp.	465	287,257	308,664	0.93
MongoDB Inc.	1,035	406,189	596,207	1.80
Monolithic Power Systems Inc.	349	334,558	434,164	1.31
NetApp Inc.	1,356	189,830	199,314	0.60
Nutanix Inc., Class 'A'	2,160	129,143	153,246	0.46
NVIDIA Corp.	2,266	325,691	580,052	1.75
ON Semiconductor Corp.	1,629	120,894	121,073	0.37
Onto Innovation Inc.	1,243	208,994	269,322	0.81
Oracle Corp.	1,143	368,450	305,780	0.92
Palantir Technologies Inc.	2,317	90,351	565,280	1.71
Palo Alto Networks Inc.	789	172,313	199,478	0.60
Paycom Software Inc.	386	82,911	84,430	0.26
Pegasystems Inc.	5,588	365,334	458,041	1.38
Procore Technologies Inc.	2,203	223,477	219,946	0.66
PTC Inc.	1,187	336,241	283,826	0.86
Pure Storage Inc., Class 'A'	5,045	554,374	464,012	1.40
Qualcomm Inc.	1,448	292,463	339,954	1.03
RingCentral Inc.	5,669	234,444	224,715	0.68
Rubrik Inc.	2,930	354,549	307,570	0.93
Salesforce Inc.	339	128,511	123,261	0.37
Science Applications International Corp.	3,234	490,380	446,812	1.35
ServiceNow Inc.	435	109,216	91,463	0.28
Skyworks Solutions Inc.	3,131	364,245	272,502	0.82
Snowflake Inc., Class 'A'	1,424	340,810	428,742	1.29
SS&C Technologies Holdings Inc.	1,810	163,391	217,179	0.66
Strategy Inc., Class 'A'	997	344,023	207,933	0.63
Super Micro Computer Inc.	6,703	465,541	269,290	0.81
TD SYNNEX Corp.	1,471	201,828	303,318	0.92
Teradata Corp.	7,469	235,139	312,058	0.94
Teradyne Inc.	583	70,169	154,886	0.47
Texas Instruments Inc.	437	109,959	104,060	0.31
Toast Inc., Class 'A'	4,400	150,081	214,453	0.65
Twilio Inc.	802	86,190	156,576	0.47
Unity Software Inc.	6,019	213,703	364,905	1.10
Universal Display Corp.	1,119	230,696	179,360	0.54
Workday Inc., Class 'A'	334	114,288	98,462	0.30
Zoom Communications Inc.	2,921	277,579	345,955	1.04
ZoomInfo Technologies Inc., Class 'A'	7,363	107,209	102,779	0.31
Zscaler Inc.	804	218,456	248,206	0.75
		<b>25,298,689</b>	<b>28,835,814</b>	<b>87.01</b>
<b>Total investments</b>		<b>28,185,989</b>	<b>33,065,106</b>	<b>99.78</b>
Transaction costs		<b>(4,646)</b>		
Unrealized appreciation on derivatives - see Schedule 1			<b>46,421</b>	<b>0.14</b>
Other assets, less liabilities			<b>27,741</b>	<b>0.08</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>28,181,343</b>	<b>33,139,268</b>	<b>100.00</b>

First Trust AlphaDEX™ U.S. Technology Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

Schedule 1

Counterparty	Credit Rating of Counterparty*	Settlement Date	Currency Sell	Amount Sold	Currency Buy	Amount Bought	Forward Rate	Current Rate	Appreciation (Depreciation) \$
Bank of New York Mellon (The), New York	A-1+	2026-01-30	USD	4,354,340	CAD	6,016,000	0.724	0.729	46,421

\* Commercial paper rating per Standard and Poor's Commercial Paper Guide

# First Trust Cloud Computing ETF

## STATEMENTS OF FINANCIAL POSITION As at December 31, 2025 and December 31, 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	3,446,740	8,728,572
Cash	773	2,071
Other assets	51	-
	3,447,564	8,730,643
<b>Liabilities</b>		
Accrued liabilities	512	1,236
	512	1,236
<b>Total net assets attributable to holders of redeemable units</b>	<b>3,447,052</b>	<b>8,729,407</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		
<b>Units</b>	<b>3,447,052</b>	<b>8,729,407</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	<b>110,000</b>	<b>290,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>31.34</b>	<b>30.10</b>

## STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Other changes in fair value of investments</b>		
Net realized gain (loss) on sale of investments	(367,867)	51,621
Net realized gain (loss) on foreign exchange	12	(5)
Net change in unrealized appreciation (depreciation) of investments	(335,074)	964,623
	(702,929)	1,016,239
Foreign exchange gain (loss) on cash	(38)	22
	(702,967)	1,016,261
<b>Expenses [note 7]</b>		
Management fees	7,209	4,756
HST expense	823	577
Independent Review Committee fees	486	431
Interest expense	3	1
Transaction costs [note 3 and note 9]	1	-
	8,522	5,765
Expenses waived by manager	(486)	(431)
	8,036	5,334
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>(711,003)</b>	<b>1,010,927</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>		
<b>Units</b>	<b>(711,003)</b>	<b>1,010,927</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>(4.42)</b>	<b>7.89</b>

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust Cloud Computing ETF

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	8,729,407	2,659,375
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	(711,003)	1,010,927
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from issuance of units	650,251	6,556,015
Reinvested distributions	-	-
Redemption of units	(5,221,603)	(1,496,910)
	(4,571,352)	5,059,105
<b>Distributions to holders of redeemable units from:</b>		
Net investment income	-	-
Capital gains	-	-
Return of capital	-	-
	-	-
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	(5,282,355)	6,070,032
<b>Net assets attributable to holders of redeemable units, end of year</b>	3,447,052	8,729,407

See accompanying notes which are an integral part of these financial statements

# First Trust Cloud Computing ETF

<b>STATEMENTS OF CASH FLOW</b>	<b>For the years ended December 31, 2025 and 2024</b>	
	<b>December 31 2025 (\$)</b>	<b>December 31 2024 (\$)</b>
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	(711,003)	1,010,927
Adjustments for:		
Net realized (gain) loss on sale of investments	367,867	(51,621)
Net change in unrealized (appreciation) depreciation of investments	335,074	(964,623)
Other assets	(51)	-
Other liabilities	(724)	786
Purchases of investments	(650,132)	(6,554,979)
Proceeds from the sale of investments	5,229,023	1,501,949
	<b>4,570,054</b>	<b>(5,057,561)</b>
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	650,251	6,556,015
Amount paid on redemptions of units	(5,221,603)	(1,496,910)
Distributions paid to unitholders	-	-
	<b>(4,571,352)</b>	<b>5,059,105</b>
<b>Increase (Decrease) in cash for the year</b>	<b>(1,298)</b>	<b>1,544</b>
<b>Cash, beginning of year</b>	<b>2,071</b>	<b>527</b>
<b>Cash, end of year</b>	<b>773</b>	<b>2,071</b>

See accompanying notes which are an integral part of these financial statements.

# First Trust Cloud Computing ETF

## Notes to Financial Statements - Specific Information

### For the year ended December 31, 2025

**A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust Cloud Computing ETF** (the “First Trust ETF”) seeks to replicate, to the extent possible, the performance of an index of U.S. companies involved in the cloud computing industry, initially the ISE CTA Cloud Computing™ Index.

The ISE CTA Cloud Computing™ Index is a modified equal weighted index designed to track the performance of companies involved in the cloud computing industry. To be included in the index, a security must be classified as a Cloud Computing company by the Consumer Technology Association.

The First Trust ETF provides exposure to its index by investing all or substantially all of its assets in an underlying U.S. index fund known as First Trust Cloud Computing ETF (the “Underlying Fund”), which is managed by the First Trust ETF's portfolio advisor.

**B. FAIR VALUE MEASUREMENT (NOTE 5) -** The following fair value hierarchy tables present information about the First Trust ETF assets and liabilities measured at fair value on a recurring basis for the years ended December 31, 2025 and 2024:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2025			
	Level 1	Level 2	Level 3	Total
Equities	3,446,740	–	–	3,446,740
<b>Total</b>	<b>3,446,740</b>	<b>–</b>	<b>–</b>	<b>3,446,740</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2024			
	Level 1	Level 2	Level 3	Total
Equities	8,728,572	–	–	8,728,572
<b>Total</b>	<b>8,728,572</b>	<b>–</b>	<b>–</b>	<b>8,728,572</b>

There have been no transfers from one Level to another for the years ended December 31, 2025 and 2024.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting periods.

**C. REDEEMABLE UNITS (NOTE 6) -** The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2025 and 2024:

Redeemable Units	Units
Outstanding units – January 1, 2024	130,000
Redeemable units issued	220,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(60,000)
<b>Outstanding units – December 31, 2024</b>	<b>290,000</b>
Redeemable units issued	20,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(200,000)
<b>Outstanding units – December 31, 2025</b>	<b>110,000</b>

# First Trust Cloud Computing ETF

## Notes to Financial Statements - Specific Information

### For the year ended December 31, 2025

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7)** - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee <sup>1</sup>
Units
0.15%

<sup>1</sup> The First Trust ETF's management fee will also bear the management fee of the underlying fund.

#### E. TAXATION (NOTE 8)

**Tax loss carry-forwards** – The net capital and non-capital tax loss carryforwards as at December 31, 2025 and 2024 are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2025	2024	2025	2024
222,512	89,052	32,391	24,185

**F. COMMISSIONS (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2025 and 2024 are as follows:

Transaction Cost (\$)	
2025	2024
1	1

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2025 and 2024, including amounts owing as at December 31, 2025 and 2024 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2025	2024	2025	2024
7,209	4,756	447	1,063

#### H. FINANCIAL RISK MANAGEMENT (NOTE 11)

**Market risk** - As at December 31, 2025 and December 31, 2024, the First Trust ETF's market risk is affected by changes in actual market prices, foreign currency movements, and interest rates, if applicable. If the following index had increased (decreased) by 5% at December 31, 2025 and December 31, 2024, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2025		As at December 31, 2024	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® Index	206,134	(206,134)	525,947	(525,947)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2025 and 2024:

Currency	As at December 31, 2025		As at December 31, 2024	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	3,446,976	100.00	8,729,400	100.00

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First Trust Cloud Computing ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

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As at December 31, 2025, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$34,470 (December 31, 2024 - \$87,294). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

**Concentration Risk** – The table below summarizes the First Trust ETF’s concentration risk for the period ended December 31, 2025 and year ended December 31, 2024:

Holding	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2025	As at December 31, 2024
Exchange-Traded Fund	99.99	99.99
Total	99.99	99.99

**First Trust Cloud Computing ETF**  
**Notes to Financial Statements - Specific Information**  
**For the year ended December 31, 2025**

**SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2025**

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Exchange Traded Funds—99.99%</b>				
First Trust Cloud Computing ETF	19,305	3,074,479	3,446,740	99.99
		<b>3,074,479</b>	<b>3,446,740</b>	<b>99.99</b>
<b>Total investments</b>				
		<b>3,074,479</b>	<b>3,446,740</b>	<b>99.99</b>
Other assets, less liabilities			312	0.01
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>				
		<b>3,074,479</b>	<b>3,447,052</b>	<b>100.00</b>

# First Trust Morningstar Dividend Leaders ETF (CAD-Hedged)

## STATEMENTS OF FINANCIAL POSITION As at December 31, 2025 and December 31, 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	10,031,550	9,500,687
Cash	98,018	102,447
Derivative assets	77,602	-
Other assets	844	800
	10,208,014	9,603,934
<b>Liabilities</b>		
Accrued liabilities	1,464	1,393
Distributions payable to holders of redeemable units	92,400	84,000
Derivative liabilities	-	152,993
	93,864	238,386
<b>Total net assets attributable to holders of redeemable units</b>	<b>10,114,150</b>	<b>9,365,548</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		
<b>Units</b>	<b>10,114,150</b>	<b>9,365,548</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	<b>280,000</b>	<b>280,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>36.12</b>	<b>33.45</b>

## STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Revenues</b>		
Dividends	413,026	409,927
<b>Other changes in fair value of investments and derivatives</b>		
Net realized gain (loss) on sale of investments	172,011	348,519
Net realized gain (loss) on derivatives	32,657	(492,142)
Net realized gain (loss) on foreign exchange	1,809	1,102
Net change in unrealized appreciation (depreciation) of investments	303,348	1,530,692
Net change in unrealized appreciation (depreciation) of derivatives	230,595	(394,732)
	1,153,446	1,403,366
Foreign exchange gain (loss) on cash	258	1,130
	1,153,704	1,404,496
<b>Expenses [note 7]</b>		
Management fees	14,845	14,416
HST expense	1,025	1,012
Independent Review Committee fees	969	1,311
Transaction costs [note 3 and note 9]	198	428
Interest expense	91	18
	17,128	17,185
Expenses waived by manager	(969)	(1,311)
	16,159	15,874
<b>Increase (decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>1,137,545</b>	<b>1,388,622</b>
<b>Withholding taxes</b>	<b>61,983</b>	<b>61,313</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>1,075,562</b>	<b>1,327,309</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>		
<b>Units</b>	<b>1,075,562</b>	<b>1,327,309</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>3.81</b>	<b>4.53</b>

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust Morningstar Dividend Leaders ETF (CAD-Hedged)

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	9,365,548	9,347,744
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	1,075,562	1,327,309
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from issuance of units	687,120	674,071
Reinvested distributions	-	-
Redemption of units	(676,680)	(1,638,576)
	10,440	(964,505)
<b>Distributions to holders of redeemable units from:</b>		
Net investment income	(336,917)	(308,922)
Capital gains	(483)	-
Return of capital	-	(36,078)
	(337,400)	(345,000)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	748,602	17,804
<b>Net assets attributable to holders of redeemable units, end of year</b>	10,114,150	9,365,548

See accompanying notes which are an integral part of these financial statements

# First Trust Morningstar Dividend Leaders ETF (CAD-Hedged)

## STATEMENTS OF CASH FLOW For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	1,075,562	1,327,309
Adjustments for:		
Net realized (gain) loss on sale of investments	(172,011)	(348,519)
Net change in unrealized (appreciation) depreciation of investments and derivatives	(533,943)	(1,135,960)
Other assets	(44)	56
Other liabilities	71	34
Purchases of investments	(1,109,631)	(1,238,968)
Proceeds from the sale of investments	1,054,127	2,675,156
	314,131	1,279,108
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	687,120	674,071
Amount paid on redemptions of units	(676,680)	(1,638,576)
Distributions paid to unitholders	(329,000)	(327,650)
	(318,560)	(1,292,155)
<b>Increase (Decrease) in cash for the year</b>	(4,429)	(13,047)
<b>Cash, beginning of year</b>	102,447	115,494
<b>Cash, end of year</b>	98,018	102,447
Dividends received, net of withholding taxes	351,043	348,614

See accompanying notes which are an integral part of these financial statements.

**First Trust Morningstar Dividend Leaders ETF (CAD-Hedged)**  
**Notes to Financial Statements - Specific Information**  
**For the year ended December 31, 2025**

**A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust Morningstar Dividend Leaders ETF (CAD-Hedged)** (the “First Trust ETF”) to replicate, to the extent possible, the performance of an index of U.S. companies that have shown dividend consistency and dividend sustainability, initially the Morningstar® Dividend Leaders Index<sup>SM</sup>.

The Morningstar® Dividend Leaders Index<sup>SM</sup> consists of stocks listed on one of the three major exchanges, NYSE, NYSE Amex or Nasdaq, that have shown dividend consistency and dividend sustainability. Real Estate Investment Trusts (REITs) are not included.

The First Trust ETF provides exposure to its new index by investing all or substantially all of its assets in an underlying U.S. index fund known as First Trust Morningstar Dividend Leaders Index Fund (the “Underlying Fund”), which is managed by the First Trust ETF’s portfolio advisor.

**B. FAIR VALUE MEASUREMENT (NOTE 5)** - The following fair value hierarchy tables present information about the First Trust ETF assets and liabilities measured at fair value on a recurring basis for the years ended December 31, 2025 and 2024:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2025			
	Level 1	Level 2	Level 3	Total
Equities	10,031,550	–	–	10,031,550
Derivative assets	–	77,602	–	77,602
Derivative liabilities	–	–	–	–
<b>Total</b>	<b>10,031,550</b>	<b>77,602</b>	<b>–</b>	<b>10,109,152</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2024			
	Level 1	Level 2	Level 3	Total
Equities	9,500,687	–	–	9,500,687
Derivative assets	–	–	–	–
Derivative liabilities	–	(152,993)	–	(152,993)
<b>Total</b>	<b>9,500,687</b>	<b>(152,993)</b>	<b>–</b>	<b>9,347,694</b>

There have been no transfers from one Level to another for the years ended December 31, 2025 and 2024.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting periods.

**C. REDEEMABLE UNITS (NOTE 6)** - The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2025 and 2024:

Redeemable Units	Units
Outstanding units – January 1, 2024	310,000
Redeemable units issued	20,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(50,000)
<b>Outstanding units – December 31, 2024</b>	<b>280,000</b>
Redeemable units issued	20,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(20,000)
<b>Outstanding units – December 31, 2025</b>	<b>280,000</b>

First Trust Morningstar Dividend Leaders ETF (CAD-Hedged)  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7)** - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee <sup>1</sup>
Units
0.15%

<sup>1</sup>The First Trust ETF's management fee will also bear the management fee of the underlying fund.

**E. TAXATION (NOTE 8)**

**Tax loss carryforwards** - The net capital and non-capital tax loss carryforwards as at December 31, 2025 and 2024, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2025	2024	2025	2024
275,008	308,012	-	-

**F. COMMISSIONS (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2025 and 2024 are as follows:

Transaction Cost (\$)	
2025	2024
198	428

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2025 and 2024, including amounts owing as December 31, 2025 and 2024 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2025	2024	2025	2024
14,845	14,416	1,296	1,233

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at December 31, 2025 and 2024, the First Trust ETF's market risk is affected by changes in actual market prices, foreign currency movements, and interest rates, if applicable. If the following index had increased (decreased) by 5% at December 31, 2025 and 2024, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2025		As at December 31, 2024	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® CAD-Hedged Index	346,915	(346,915)	275,815	(275,815)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as December 31, 2025 and 2024:

Currency	As at December 31, 2025		As at December 31, 2024	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	54,908	0.54	179,307	1.91

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First Trust Morningstar Dividend Leaders ETF (CAD-Hedged)  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

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As December 31, 2025, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$549 (December 31, 2024 - \$1,793). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

**Concentration Risk** – The table below summarizes the First Trust ETF’s concentration risk for the years ended December 31, 2025 and 2024:

Holding	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2025	As at December 31, 2024
Exchange-Traded Fund	99.18	101.44
Total	99.18	101.44

First Trust Morningstar Dividend Leaders ETF (CAD-Hedged)  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2025

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Exchange Traded Funds—99.18%</b>				
First Trust Morningstar Dividend Leaders Index Fund	164,833	8,031,610	10,031,550	99.18
		<b>8,031,610</b>	<b>10,031,550</b>	<b>99.18</b>
<b>Total investments</b>				
		<b>8,031,610</b>	<b>10,031,550</b>	<b>99.18</b>
Transaction costs		(735)		
Unrealized appreciation on derivatives - see Schedule 1			77,602	0.76
Other assets, less liabilities			4,998	0.06
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>8,030,875</b>	<b>10,114,150</b>	<b>100.00</b>

Schedule 1

Counterparty	Credit Rating of Counterparty*	Settlement Date	Currency Sell	Amount Sold	Currency Buy	Amount Bought	Forward Rate	Current Rate	Appreciation (Depreciation) \$
Bank of New York Mellon (The), New York	A-1+	2026/01/30	USD	7,279,189	CAD	10,057,000	0.724	0.729	77,602
									<b>77,602</b>

\* Commercial paper rating per Standard and Poor's Commercial Paper Guide

# First Trust Indxx Innovative Transaction and Process ETF

## STATEMENTS OF FINANCIAL POSITION

As at December 31, 2025 and December 31, 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	1,852,397	2,176,838
Cash	11,569	10,634
Other assets	174	181
	1,864,140	2,187,653
<b>Liabilities</b>		
Accrued liabilities	266	317
Distributions payable to holders of redeemable units	10,350	-
	10,616	317
<b>Total net assets attributable to holders of redeemable units</b>	<b>1,853,524</b>	<b>2,187,336</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		
<b>Units</b>	<b>1,853,524</b>	<b>2,187,336</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	<b>45,000</b>	<b>65,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>41.19</b>	<b>33.65</b>

## STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Revenues</b>		
Dividends	39,890	50,569
<b>Other changes in fair value of investments</b>		
Net realized gain (loss) on sale of investments	334,190	90,621
Net realized gain (loss) of foreign exchange	64	(25)
Net change in unrealized appreciation (depreciation) of investments	81,204	336,274
	455,348	477,439
Foreign exchange gain (loss) on cash	(58)	69
	455,290	477,508
<b>Expenses [note 7]</b>		
Management fees	3,047	3,072
HST expense	240	235
Independent Review Committee fees	198	280
Transaction costs [note 3 and note 9]	7	9
Interest expense	4	-
	3,496	3,596
Expenses waived by manager	(198)	(280)
	3,298	3,316
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>451,992</b>	<b>474,192</b>
<b>Withholding taxes</b>	<b>5,988</b>	<b>7,570</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>446,004</b>	<b>466,622</b>
<b>Units</b>	<b>446,004</b>	<b>466,622</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>8.16</b>	<b>6.89</b>

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust Indxx Innovative Transaction and Process ETF

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	2,187,336	2,045,335
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	446,004	466,622
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from redeemable units issued	-	-
Reinvested distributions	-	-
Redemption of redeemable units	(749,116)	(291,871)
	(749,116)	(291,871)
<b>Distributions to holders of redeemable units from:</b>		
Net investment income	(30,694)	(22,716)
Capital gains	-	-
Return of capital	(6)	(10,034)
	(30,700)	(32,750)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	(333,812)	142,001
<b>Net assets attributable to holders of redeemable units, end of year</b>	1,853,524	2,187,336

See accompanying notes which are an integral part of these financial statements

# First Trust Indxx Innovative Transaction and Process ETF

## STATEMENTS OF CASH FLOW

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	446,004	466,622
Adjustments for:		
Net realized (gain) loss on sale of investments	(334,190)	(90,621)
Net change in unrealized (appreciation) depreciation of investments	(81,204)	(336,274)
Other assets	7	(19)
Other liabilities	(51)	26
Purchases of investments	(21,915)	(18,124)
Proceeds from the sale of investments	761,750	316,647
	770,401	338,257
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	-	-
Amount paid on redemptions of units	(749,116)	(291,871)
Distributions paid to unitholders	(20,350)	(44,075)
	(769,466)	(335,946)
<b>Increase (Decrease) in cash for the year</b>	935	2,311
<b>Cash, beginning of year</b>	10,634	8,323
<b>Cash, end of year</b>	11,569	10,634
Dividends received, net of withholding taxes	33,902	42,999

See accompanying notes which are an integral part of these financial statements.

**First Trust Indxx Innovative Transaction and Process ETF**  
**Notes to Financial Statements - Specific Information**  
**For the ended year December 31, 2025**

**A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust Indxx Innovative Transaction and Process ETF** (the “First Trust ETF”) seeks to replicate, to the extent possible, the performance of an innovative transaction and process index. Currently, the First Trust ETF seeks to replicate, to the extent possible, the performance of the Indxx Blockchain Index (the “Index”), provided by Indxx, LLC, net of expenses. The First Trust ETF obtains exposure to the Index by holding shares of a U.S.-listed index ETF, the First Trust Indxx Innovative Transaction & Process ETF (the “Underlying Fund”), which replicates or substantially replicates the performance of the Index. The Index includes securities of companies that are either actively using, investing in, developing or have products that are poised to benefit from blockchain technology and/or the potential for increased efficiency that it provides to various business processes. The Index seeks to include only companies that have devoted material resources to the use of blockchain technologies.

**B. FAIR VALUE MEASUREMENT (NOTE 5) -** The following fair value hierarchy table present information about the First Trust ETF assets and liabilities measured at fair value on a recurring basis for the years ended December 31, 2025 and 2024:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2025			
	Level 1	Level 2	Level 3	Total
Equities	1,852,397	–	–	1,852,397
<b>Total</b>	<b>1,852,397</b>	<b>–</b>	<b>–</b>	<b>1,852,397</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2024			
	Level 1	Level 2	Level 3	Total
Equities	2,176,838	–	–	2,176,838
<b>Total</b>	<b>2,176,838</b>	<b>–</b>	<b>–</b>	<b>2,176,838</b>

There have been no transfers from one Level to another for the years ended December 31, 2025 and 2024.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting periods.

**C. REDEEMABLE UNITS (NOTE 6) -** The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2025 and 2024:

Redeemable Units	Units
Outstanding units – January 1, 2024	75,000
Redeemable units issued	–
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(10,000)
<b>Outstanding units – December 31, 2024</b>	<b>65,000</b>
Redeemable units issued	–
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(20,000)
<b>Outstanding units – December 31, 2025</b>	<b>45,000</b>

First Trust Indxx Innovative Transaction and Process ETF  
Notes to Financial Statements - Specific Information  
For the ended year December 31, 2025

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7)** - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee <sup>1</sup>
Units
0.15%

<sup>1</sup> The First Trust ETF's management fee will also bear the management fee of the underlying fund.

**E. TAXATION (NOTE 8)**

**Tax loss carryforwards** – There were no net capital and non-capital tax loss carryforwards as at December 31, 2025 and 2024.

**F. COMMISSIONS (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2025 and 2024 are as follows:

Transaction Cost (\$)	
2025	2024
7	9

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2025 and 2024, including amounts owing as December 31, 2025 and 2024 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2025	2024	2025	2024
3,047	3,072	235	280

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at December 31, 2025 and 2024, the First Trust ETF's market risk is affected by changes in actual market prices, foreign currency movements, and interest rates, if applicable. If the following index had increased (decreased) by 5% at December 31, 2025 and 2024, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2025		As at December 31, 2024	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® Index	73,307	(73,307)	77,104	(77,104)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2025 and 2024:

Currency	As at December 31, 2025		As at December 31, 2024	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	1,853,081	99.98	2,185,983	99.94

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First Trust Indxx Innovative Transaction and Process ETF  
Notes to Financial Statements - Specific Information  
For the ended year December 31, 2025

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As at December 31, 2025, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$18,531 (December 31, 2024 - \$21,860). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

**Concentration Risk** – The table below summarizes the First Trust ETF's concentration risk for the years ended December 31, 2025 and 2024:

Holding	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2025	As at December 31, 2024
Exchange-Traded Fund	99.94	99.52
Total	99.94	99.52

First Trust Indxx Innovative Transaction and Process ETF  
Notes to Financial Statements - Specific Information  
For the ended year December 31, 2025

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2025

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Exchange Traded Funds—99.94%</b>				
First Trust Indxx Innovative Transaction & Process ETF	22,683	947,245	1,852,397	99.94
		<b>947,245</b>	<b>1,852,397</b>	<b>99.94</b>
<b>Total investments</b>		<b>947,245</b>	<b>1,852,397</b>	<b>99.94</b>
Transaction costs		(187)		
Other assets, less liabilities			1,127	0.06
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>947,058</b>	<b>1,853,524</b>	<b>100.00</b>

# First Trust International Capital Strength ETF

## STATEMENTS OF FINANCIAL POSITION As at December 31, 2025 and December 31, 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	13,090,418	11,739,590
Cash	8,076	27,820
Accrued dividend receivable	39,181	21,613
Receivable for portfolio securities sold	108,713	41,133
Other assets	4,728	5,047
	13,251,116	11,835,203
<b>Liabilities</b>		
Accrued liabilities	8,772	8,020
Payable for portfolio securities purchased	54,427	20,203
Distributions payable to holders of redeemable units	84,000	37,350
	147,199	65,573
<b>Total net assets attributable to holders of redeemable units</b>	<b>13,103,917</b>	<b>11,769,630</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		
<b>Units</b>	<b>13,103,917</b>	<b>11,769,630</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	<b>400,000</b>	<b>450,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>32.76</b>	<b>26.15</b>

## STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Revenues</b>		
Dividends	386,919	231,859
Interest income for distribution purposes	897	8,346
<b>Other changes in fair value of investments</b>		
Net realized gain (loss) on sale of investments	1,198,666	(158,506)
Net realized gain (loss) of foreign exchange	(54)	14,126
Net change in unrealized appreciation (depreciation) of investments	1,553,367	418,334
	3,139,795	514,159
Foreign exchange gain (loss) on cash	(440)	(65)
	3,139,355	514,094
<b>Expenses [note 7]</b>		
Management fees	84,781	68,667
Transaction costs [note 3 and note 9]	16,312	21,985
HST expense	6,734	4,078
Independent Review Committee fees	1,181	1,314
	109,008	96,044
Expenses waived by manager	(1,181)	(1,314)
	107,827	94,730
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>3,031,528</b>	<b>419,364</b>
<b>Withholding taxes</b>	<b>40,190</b>	<b>37,480</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>2,991,338</b>	<b>381,884</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>		
<b>Units</b>	<b>2,991,338</b>	<b>381,884</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>7.39</b>	<b>1.01</b>

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust International Capital Strength ETF

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	11,769,630	6,279,441
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	2,991,338	381,884
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from redeemable units issued	-	5,262,155
Reinvested distributions	-	-
Redemption of redeemable units	(1,393,051)	-
	(1,393,051)	5,262,155
<b>Distributions to holders of redeemable units from:</b>		
Net investment income	(260,409)	(153,458)
Capital gains	(3,591)	-
Return of capital	-	(392)
	(264,000)	(153,850)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	1,334,287	5,490,189
<b>Net assets attributable to holders of redeemable units, end of year</b>	13,103,917	11,769,630

See accompanying notes which are an integral part of these financial statements

# First Trust International Capital Strength ETF

## STATEMENTS OF CASH FLOW For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	2,991,338	381,884
Adjustments for:		
Net realized (gain) loss on sale of investments	(1,198,666)	158,506
Net change in unrealized (appreciation) depreciation of investments	(1,553,367)	(418,334)
Dividends receivable	(17,568)	7,914
Other assets	319	(1,879)
Other liabilities	752	3,879
Purchases of investments	(6,649,345)	(11,620,428)
Proceeds from the sale of investments	8,017,194	6,358,654
	1,590,657	(5,129,804)
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	-	5,262,155
Amount paid on redemptions of units	(1,393,051)	-
Distributions paid to unitholders	(217,350)	(116,500)
	(1,610,401)	5,145,655
<b>Increase (Decrease) in cash for the year</b>	(19,744)	15,851
<b>Cash, beginning of year</b>	27,820	11,969
<b>Cash, end of year</b>	8,076	27,820
Interest received	897	8,346
Dividends received, net of withholding taxes	329,161	202,293

See accompanying notes which are an integral part of these financial statements.

**First Trust International Capital Strength ETF**  
**Notes to Financial Statements - Specific Information**  
**For the year ended December 31, 2025**

**A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust International Capital Strength ETF** (the “First Trust ETF”) seeks 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.

**B. FAIR VALUE MEASUREMENT (NOTE 5) -** The following fair value hierarchy table presents information about the First Trust ETF assets and liabilities measured at fair value on a recurring basis for the years ended December 31, 2025 and 2024:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2025			
	Level 1	Level 2	Level 3	Total
Equities	13,090,418	–	–	13,090,418
<b>Total</b>	<b>13,090,418</b>	<b>–</b>	<b>–</b>	<b>13,090,418</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2024			
	Level 1	Level 2	Level 3	Total
Equities	11,739,590	–	–	11,739,590
<b>Total</b>	<b>11,739,590</b>	<b>–</b>	<b>–</b>	<b>11,739,590</b>

There have been no transfers from one Level to another for the years ended December 31, 2025 and 2024.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting periods.

**C. REDEEMABLE UNITS (NOTE 6) -** The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2025 and 2024:

Redeemable Units	Units
Outstanding units – January 1, 2024	250,000
Redeemable units issued	200,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	–
<b>Outstanding units – December 31, 2024</b>	<b>450,000</b>
Redeemable units issued	–
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(50,000)
<b>Outstanding units – December 31, 2025</b>	<b>400,000</b>

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7) -** Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee
Units
0.70%

First Trust International Capital Strength ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

**E. TAXATION (NOTE 8)**

**Tax loss carryforwards** – The net capital and non-capital tax loss carryforwards as at December 31, 2025 and 2024, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2025	2024	2025	2024
44,171	480,102	–	–

**F. COMMISSIONS (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2025 and 2024 are as follows:

Transaction Cost (\$)	
2025	2024
16,312	21,985

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2025 and 2024, including amounts owing at December 31, 2025 and 2024, are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2025	2024	2025	2024
84,781	68,667	7,762	7,097

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at December 31, 2025 and 2024, the First Trust ETF's market risk is affected by changes in actual market prices, foreign currency movements, and interest rates, if applicable. If the following index had increased (decreased) by 5% at December 31, 2025 and 2024, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2025		At December 31, 2024	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
MSCI EAFE Index	662,403	(662,403)	527,868	(527,868)

First Trust International Capital Strength ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2025 and 2024:

Currency	As at December 31, 2025		At December 31, 2024	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
Euro	4,517,008	34.47	4,296,633	36.51
British Pound Sterling	2,278,497	17.39	1,634,790	13.89
Japanese Yen	1,818,291	13.88	2,952,918	25.09
Swiss Francs	1,101,146	8.40	820,645	6.97
South Korean Won	946,515	7.22	296,748	2.52
Australian Dollar	649,768	4.96	640,736	5.44
South African Rand	409,569	3.13	–	–
Swedish Krona	375,809	2.87	560,591	4.76
Hong Kong Dollar	355,500	2.71	–	–
Danish Krone	353,945	2.70	230,315	1.96
Singapore Dollar	321,801	2.46	326,732	2.78
Norwegian Krone	1,934	0.01	1,793	0.02
United States Dollar	1,260	0.01	1,319	0.01
<b>Total</b>	<b>13,131,043</b>	<b>100.21</b>	<b>11,763,220</b>	<b>99.95</b>

As at December 31, 2025, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$131,310 (December 31, 2024 - \$117,632). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

**Concentration Risk** – The table below summarizes the First Trust ETF's concentration risk for the years ended December 31, 2025 and 2024:

Country	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2025	At December 31, 2024
United Kingdom	20.34	13.86
Japan	13.84	25.09
France	12.25	11.97
Switzerland	8.33	6.94
Netherlands	7.46	5.07
Germany	7.23	12.67
South Korea	7.22	2.52
Australia	4.96	5.44
Italy	4.95	–
Sweden	2.87	4.74
Hong Kong	2.71	–
Denmark	2.69	1.95
Austria	2.59	2.13
China	2.46	–
Singapore	–	2.78
Finland	–	2.32
Spain	–	2.26
<b>Total</b>	<b>99.90</b>	<b>99.74</b>

First Trust International Capital Strength ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2025

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Australia—4.96%</b>				
BHP Group Ltd.	8,240	320,726	343,340	2.62
Computershare Ltd.	9,799	244,657	306,427	2.34
		<b>565,383</b>	<b>649,767</b>	<b>4.96</b>
<b>Austria—2.59%</b>				
Andritz AG	3,153	267,116	339,481	2.59
		<b>267,116</b>	<b>339,481</b>	<b>2.59</b>
<b>China—2.46%</b>				
Yangzijiang Shipbuilding Holdings Ltd.	86,600	320,403	321,801	2.46
		<b>320,403</b>	<b>321,801</b>	<b>2.46</b>
<b>Denmark—2.69%</b>				
Genmab AS	806	330,135	352,823	2.69
		<b>330,135</b>	<b>352,823</b>	<b>2.69</b>
<b>France—12.25%</b>				
Airbus SE	940	262,660	300,822	2.30
Capgemini SE	1,552	396,620	356,110	2.72
LVMH Moët Hennessy Louis Vuitton SE	327	287,926	340,210	2.60
Schneider Electric SE	824	229,415	312,213	2.38
Technip Energies NV	5,641	273,444	295,537	2.25
		<b>1,450,065</b>	<b>1,604,892</b>	<b>12.25</b>
<b>Germany—7.23%</b>				
Deutsche Boerse AG	926	273,119	334,131	2.55
SAP SE	881	220,307	296,080	2.26
Siemens AG, Registered	821	205,354	316,704	2.42
		<b>698,780</b>	<b>946,915</b>	<b>7.23</b>
<b>Hong Kong—2.71%</b>				
WH Group Ltd.	232,500	296,743	355,500	2.71
		<b>296,743</b>	<b>355,500</b>	<b>2.71</b>
<b>Italy—4.95%</b>				
Poste Italiane SPA	9,635	211,220	333,831	2.55
Prysmian SPA	2,261	318,762	315,031	2.40
		<b>529,982</b>	<b>648,862</b>	<b>4.95</b>
<b>Japan—13.84%</b>				
Advantest Corp.	1,600	119,934	275,281	2.10
Capcom Co. Ltd.	8,900	264,300	284,726	2.17
Chugai Pharmaceutical Co. Ltd.	5,100	279,116	368,367	2.81
Nintendo Co. Ltd.	2,800	204,293	259,947	1.98
Sony Group Corp.	8,350	197,874	294,422	2.25
Tokyo Electron Ltd.	1,100	229,734	330,800	2.53
		<b>1,295,251</b>	<b>1,813,543</b>	<b>13.84</b>
<b>Netherlands—7.46%</b>				
Adyen NV	140	251,769	310,507	2.37
argenx SE	284	271,282	328,365	2.50
ASML Holding NV	217	227,693	322,513	2.46
Magnum Ice Cream Co. NV (The)	767	15,578	16,709	0.13
		<b>766,322</b>	<b>978,094</b>	<b>7.46</b>
<b>South Korea—7.22%</b>				
Hanwha Aerospace Co. Ltd.	322	137,037	288,699	2.20
Kia Corp.	2,821	269,111	327,379	2.50
SK Hynix Inc.	531	305,045	329,363	2.52
		<b>711,193</b>	<b>945,441</b>	<b>7.22</b>
<b>Sweden—2.87%</b>				
Volvo AB, Series 'B'	8,519	274,040	375,809	2.87
		<b>274,040</b>	<b>375,809</b>	<b>2.87</b>

**First Trust International Capital Strength ETF**  
**Notes to Financial Statements - Specific Information**  
**For the year ended December 31, 2025**

<b>Switzerland—8.33%</b>				
ABB Ltd., Registered	3,154	170,163	323,652	2.47
Novartis AG, Registered	1,883	263,694	357,609	2.73
Roche Holding AG Genussscheine	722	316,484	410,605	3.13
		<b>750,341</b>	<b>1,091,866</b>	<b>8.33</b>
<b>United Kingdom—20.34%</b>				
3i Group PLC	4,026	299,519	243,048	1.85
Anglogold Ashanti PLC	3,448	207,853	409,569	3.13
AstraZeneca PLC	1,427	248,425	364,074	2.78
BAE Systems PLC	9,473	187,393	300,400	2.29
GSK PLC	10,047	331,763	339,143	2.59
Reckitt Benckiser Group PLC	3,038	262,509	337,354	2.57
Rio Tinto PLC	3,293	282,933	365,183	2.79
Unilever PLC	3,413	326,258	306,853	2.34
		<b>2,146,653</b>	<b>2,665,624</b>	<b>20.34</b>
<b>Total investments</b>		<b>10,402,407</b>	<b>13,090,418</b>	<b>99.90</b>
Transaction costs		(17,746)		
Other assets, less liabilities			13,499	0.10
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>10,384,661</b>	<b>13,103,917</b>	<b>100.00</b>

# First Trust Vest U.S. Equity Buffer ETF - August

## STATEMENTS OF FINANCIAL POSITION As at December 31, 2025 and December 31, 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Assets</b>		
Cash	192,971	386,297
Derivative assets:		
Options purchased, at fair value	23,809,377	33,648,649
Unrealized appreciation on forward currency contracts	199,449	-
Other assets	243	4,376
	<b>24,202,040</b>	<b>34,039,322</b>
<b>Liabilities</b>		
Derivative liabilities		
Options written, at fair value	844,420	997,564
Unrealized depreciation on forward currency contracts	4,918	505,603
Accrued liabilities	20,031	26,688
	<b>869,369</b>	<b>1,529,855</b>
<b>Total net assets attributable to holders of redeemable units</b>	<b>23,332,671</b>	<b>32,509,467</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		
<b>Hedged Units</b>	<b>23,332,671</b>	<b>32,509,467</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Hedged Units</b>	<b>450,000</b>	<b>700,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Hedged Units</b>	<b>51.85</b>	<b>46.44</b>

## STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Revenues</b>		
Interest income for distribution purposes	18,008	23,192
<b>Other changes in fair value of investments and derivatives</b>		
Net realized gain (loss) on options	3,690,635	8,288,927
Net realized gain (loss) on foreign currency contracts	276,019	(1,749,816)
Net realized gain (loss) on foreign exchange transactions	20,142	371,976
Net change in unrealized appreciation (depreciation) of options	(2,156,427)	865,208
Net change in unrealized appreciation (depreciation) of foreign currency contracts	700,134	(1,741,263)
	<b>2,548,511</b>	<b>6,058,224</b>
Foreign exchange gain (loss) on cash	(16,705)	(339,019)
	<b>2,531,806</b>	<b>5,719,205</b>
<b>Expenses [note 7]</b>		
Management fees	228,258	337,634
HST expense	30,980	41,618
Transaction costs [note 3 and note 9]	6,327	10,540
Independent Review Committee fees	2,683	5,509
	<b>268,248</b>	<b>395,301</b>
Expenses waived by manager	(2,683)	(5,509)
	<b>265,565</b>	<b>389,792</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>2,266,241</b>	<b>5,329,413</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>		
<b>Hedged Units</b>	<b>2,266,241</b>	<b>5,329,413</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Hedged Units</b>	<b>4.04</b>	<b>5.87</b>

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust Vest U.S. Equity Buffer ETF - August

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	32,509,467	46,805,595
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	2,266,241	5,329,413
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from issuance of units	12,365,547	13,371,409
Reinvested distributions	2,380,500	1,276,100
Redemption of units	(23,808,584)	(32,996,950)
	(9,062,537)	(18,349,441)
<b>Distributions to holders of redeemable units from:</b>		
Net investment income	-	-
Capital gains	(2,379,425)	(1,135,021)
Return of capital	(1,075)	(141,079)
	(2,380,500)	(1,276,100)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	(9,176,796)	(14,296,128)
<b>Net assets attributable to holders of redeemable units, end of year</b>	23,332,671	32,509,467

See accompanying notes which are an integral part of these financial statements

# First Trust Vest U.S. Equity Buffer ETF - August

<b>STATEMENTS OF CASH FLOW</b>	<b>For the years ended December 31, 2025 and 2024</b>	
	<b>December 31 2025 (\$)</b>	<b>December 31 2024 (\$)</b>
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	2,266,241	5,329,413
Adjustments for:		
Net realized (gain) loss on options	(3,690,635)	(8,288,927)
Net change in unrealized (appreciation) depreciation of options and foreign currency contracts	1,456,293	876,055
Interest receivable	-	1,019
Other assets	4,133	11,484
Other liabilities	(6,657)	(12,521)
Purchases of options	(32,723,534)	(45,965,329)
Proceeds from the sale of options	43,943,870	67,674,786
	<b>11,249,711</b>	<b>19,625,980</b>
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	12,365,547	13,371,409
Amount paid on redemptions of units	(23,808,584)	(35,035,692)
Distributions paid to unitholders	-	-
	<b>(11,443,037)</b>	<b>(21,664,283)</b>
<b>Increase (Decrease) in cash for the year</b>	<b>(193,326)</b>	<b>(2,038,303)</b>
<b>Cash, beginning of year</b>	<b>386,297</b>	<b>2,424,600</b>
<b>Cash, end of year</b>	<b>192,971</b>	<b>386,297</b>
Interest received	18,008	24,211

See accompanying notes which are an integral part of these financial statements.

**First Trust Vest U.S. Equity Buffer ETF – August**  
**Notes to Financial Statements - Specific Information**  
**For the year ended December 31, 2025**

**A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust Vest U.S. Equity Buffer ETF – August** (the “First Trust ETF”) seeks to provide unitholders with returns (before fees, expenses and taxes) that match the price return of the SPDR® S&P 500® ETF Trust (the “Reference ETF”) up to a predetermined upside cap (before fees, expenses and taxes), while providing a buffer against the first 10% (before fees, expenses and taxes) of the decrease in market price of the Reference ETF, over a period of approximately one year from the Monday following the third Friday of August of each year (each, a “Target Outcome Period”) to on or about the third Friday of August of the following year. At the end of the Target Outcome Period a new cap will be established for the next Target Outcome Period. The buffer stays constant at 10% (before fees, expenses, and taxes) for the next Target Outcome Period.

**B. FAIR VALUE MEASUREMENT (NOTE 5) -** The following fair value hierarchy table presents information about the First Trust ETF assets and liabilities measured at fair value on a recurring basis for the years ended December 31, 2025 and 2024:

	Financial Assets (Liabilities) at Fair Value (\$)			
	As at December 31, 2025			
	Level 1	Level 2	Level 3	Total
Derivative assets	–	24,008,826	–	24,008,826
Derivative liabilities	–	(849,338)	–	(849,338)
<b>Total</b>	<b>–</b>	<b>23,159,488</b>	<b>–</b>	<b>23,159,488</b>
	Financial Assets (Liabilities) at Fair Value (\$)			
	As at December 31, 2024			
	Level 1	Level 2	Level 3	Total
Derivative assets	–	33,648,649	–	33,648,649
Derivative liabilities	–	(1,503,167)	–	(1,503,167)
<b>Total</b>	<b>–</b>	<b>32,145,482</b>	<b>–</b>	<b>32,145,482</b>

There have been no transfers from one Level to another for the years ended December 31, 2025 and 2024.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting periods.

**C. REDEEMABLE UNITS (NOTE 6) -** The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2025 and 2024:

Redeemable Units	Hedged Units
Outstanding units – January 1, 2024	1,150,000
Redeemable units issued	300,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(750,000)
<b>Outstanding units – December 31, 2024</b>	<b>700,000</b>
Redeemable units issued	250,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(500,000)
<b>Outstanding units – December 31, 2025</b>	<b>450,000</b>

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7) -** Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee
Hedged Units
0.85%

First Trust Vest U.S. Equity Buffer ETF – August  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

**E. TAXATION (NOTE 8)**

**Tax loss carryforwards** – There are no net capital and non-capital tax loss carryforwards as at December 31, 2025.

**F. COMMISSIONS (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2025 and 2024 are as follows:

Transaction Cost (\$)	
2025	2024
6,327	10,540

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2025 and 2024, including amounts owing as at December 31, 2025 and 2024 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2025	2024	2025	2024
228,258	337,634	17,729	23,625

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at December 31, 2025 and 2024, the First Trust ETF's market risk is affected by changes in actual market prices, foreign currency movements, and interest rates, if applicable. If the following index had increased (decreased) by 5% at December 31, 2025 and 2024, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2025		As at December 31, 2024	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® CAD-Hedged Index	813,144	(813,144)	928,145	(928,145)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2025 and 2024:

Currency	As at December 31, 2025		As at December 31, 2024	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	(190,512)	(0.82)	(414,237)	(1.27)

As at December 31, 2025, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$(1,905) (December 31, 2024 - \$(4,142)).

In practice, actual results may differ from this sensitivity analysis and the difference could be material.

**Concentration Risk** – The table below summarizes the First Trust ETF's concentration risk for the years ended December 31, 2025 and 2024:

Holdings	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2025	As at December 31, 2024
Options	98.43	100.44
Total	98.43	100.44

# First Trust Vest U.S. Equity Buffer ETF – August

## Notes to Financial Statements - Specific Information

### For the year ended December 31, 2025

#### SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2025

	Expiry Date	Strike Price (\$)	Currency	Number of Options	Underlying Interest on Equity Options	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Purchased Put Options - 2.90%</b>								
SPDR® S&P 500® ETF Trust	2026-08-21	643.41	USD	250	25,000	1,131,016	675,490	2.90
						<b>1,131,016</b>	<b>675,490</b>	<b>2.90</b>
<b>Purchased Call Options - 99.15%</b>								
SPDR® S&P 500® ETF Trust	2026-08-21	6.40	USD	250	25,000	21,974,033	23,133,887	99.15
						<b>21,974,033</b>	<b>23,133,887</b>	<b>99.15</b>
<b>Written Put Options - (1.48)%</b>								
SPDR® S&P 500® ETF Trust	2026-08-21	579.07	USD	(250)	(25,000)	(637,772)	(345,192)	(1.48)
						<b>(637,772)</b>	<b>(345,192)</b>	<b>(1.48)</b>
<b>Written Call Options - (2.14)%</b>								
SPDR® S&P 500® ETF Trust	2026-08-21	737.09	USD	(250)	(25,000)	(350,183)	(499,228)	(2.14)
						<b>(350,183)</b>	<b>(499,228)</b>	<b>(2.14)</b>
<b>Total options</b>						<b>22,117,094</b>	<b>22,964,957</b>	<b>98.43</b>
Transaction costs						(2,114)		
Unrealized appreciation on derivative - see Schedule 1							199,449	0.85
Unrealized depreciation on derivative - see Schedule 1							(4,918)	(0.02)
Other assets, less liabilities							173,183	0.74
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>						<b>22,114,980</b>	<b>23,332,671</b>	<b>100.00</b>

Schedule 1

Counterparty	Credit Rating of Counterparty*	Settlement Date	Currency Sell	Amount Sold	Currency Buy	Amount Bought	Forward Rate	Current Rate	Appreciation (Depreciation) \$
Bank of New York Mellon (The), New York	A-1+	2026-01-30	USD	18,708,608	CAD	25,848,000	0.724	0.729	199,449
									<b>199,449</b>
Bank of New York Mellon (The), New York	A-1+	2026-01-30	CAD	2,334,000	USD	1,698,883	1.374	1.371	(4,918)
									<b>(4,918)</b>

\* Commercial paper rating per Standard and Poor's Commercial Paper Guide

# First Trust Vest U.S. Equity Buffer ETF - November

## STATEMENTS OF FINANCIAL POSITION As at December 31, 2025 and December 31, 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Assets</b>		
Cash	524,027	197,860
Derivative assets:		
Options purchased, at fair value	47,434,238	31,754,472
Unrealized appreciation on forward currency contracts	346,114	959
Other assets	10,660	7,045
	48,315,039	31,960,336
<b>Liabilities</b>		
Derivative liabilities		
Options written, at fair value	1,952,020	1,110,288
Unrealized depreciation on forward currency contracts	-	440,569
Accrued liabilities	36,630	23,981
	1,988,650	1,574,838
<b>Total net assets attributable to holders of redeemable units</b>	<b>46,326,389</b>	<b>30,385,498</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		
<b>Hedged Units</b>	<b>46,326,389</b>	<b>30,385,498</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Hedged Units</b>	<b>950,000</b>	<b>700,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Hedged Units</b>	<b>48.76</b>	<b>43.41</b>

## STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Revenues</b>		
Interest income for distribution purposes	7,747	16,945
Other income	-	7
<b>Other changes in fair value of investments and derivatives</b>		
Net realized gain (loss) on options	4,108,935	4,097,345
Net realized gain (loss) on foreign currency contracts	152,628	(1,080,341)
Net realized gain (loss) on foreign exchange transactions	6,725	106,550
Net change in unrealized appreciation (depreciation) of options	(529,407)	752,836
Net change in unrealized appreciation (depreciation) of foreign currency contracts	785,725	(1,119,357)
	4,532,353	2,773,985
Foreign exchange gain (loss) on cash	(7,970)	(89,356)
	4,524,383	2,684,629
<b>Expenses [note 7]</b>		
Management fees	307,829	184,952
HST expense	33,509	21,302
Transaction costs [note 3 and note 9]	7,490	7,876
Independent Review Committee fees	3,519	3,010
	352,347	217,140
Expenses waived by manager	(3,519)	(3,010)
	348,828	214,130
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>4,175,555</b>	<b>2,470,499</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>		
<b>Hedged Units</b>	<b>4,175,555</b>	<b>2,470,499</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Hedged Units</b>	<b>5.19</b>	<b>4.71</b>

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust Vest U.S. Equity Buffer ETF - November

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	30,385,498	27,126,989
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	4,175,555	2,470,499
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from issuance of units	13,720,233	17,341,809
Reinvested distributions	4,940,000	1,414,700
Redemption of units	(1,954,897)	(16,553,799)
	16,705,336	2,202,710
<b>Distributions to holders of redeemable units from:</b>		
Net investment income	-	-
Capital gains	(4,885,331)	(1,198,197)
Return of capital	(54,669)	(216,503)
	(4,940,000)	(1,414,700)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	15,940,891	3,258,509
<b>Net assets attributable to holders of redeemable units, end of year</b>	46,326,389	30,385,498

See accompanying notes which are an integral part of these financial statements.

# First Trust Vest U.S. Equity Buffer ETF - November

## STATEMENTS OF CASH FLOW

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	4,175,555	2,470,499
Adjustments for:		
Net realized (gain) loss on options	(4,108,935)	(4,097,345)
Net change in unrealized (appreciation) depreciation of options and foreign currency contracts	(256,318)	366,521
Other assets	(3,615)	6,797
Other liabilities	12,649	2,115
Purchases of options	(57,421,290)	(40,126,175)
Proceeds from the sale of options	46,162,785	40,530,225
	(11,439,169)	(847,363)
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	13,720,233	17,341,809
Amount paid on redemptions of units	(1,954,897)	(16,553,799)
Distributions paid to unitholders	-	-
	11,765,336	788,010
<b>Increase (Decrease) in cash for the year</b>	326,167	(59,353)
<b>Cash, beginning of year</b>	197,860	257,213
<b>Cash, end of year</b>	524,027	197,860
Interest received	7,747	16,945

See accompanying notes which are an integral part of these financial statements.

**First Trust Vest U.S. Equity Buffer ETF – November**  
**Notes to Financial Statements - Specific Information**  
**For the year ended December 31, 2025**

**A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust Vest U.S. Equity Buffer ETF – November** (the “First Trust ETF”) seeks to provide unitholders with returns (before fees, expenses and taxes) that match the price return of the SPDR® S&P 500® ETF Trust (the “Reference ETF”) up to a predetermined upside cap (before fees, expenses and taxes), while providing a buffer against the first 10% (before fees, expenses and taxes) of the decrease in market price of the Reference ETF, over a period of approximately one year from the Monday following the third Friday of November of each year (each, a “Target Outcome Period”) to on or about the third Friday of November of the following year. At the end of the Target Outcome Period a new cap will be established for the next Target Outcome Period. The buffer stays constant at 10% (before fees, expenses, and taxes) for the next Target Outcome Period.

**B. FAIR VALUE MEASUREMENT (NOTE 5) -** The following fair value hierarchy table presents information about the First Trust ETF assets and liabilities measured at fair value on a recurring basis for the years ended December 31, 2025 and 2024:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2025			
	Level 1	Level 2	Level 3	Total
Derivative assets	–	47,780,352	–	47,780,352
Derivative liabilities	–	(1,952,020)	–	(1,952,020)
<b>Total</b>	<b>–</b>	<b>45,828,332</b>	<b>–</b>	<b>45,828,332</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2024			
	Level 1	Level 2	Level 3	Total
Derivative assets	–	31,755,431	–	31,755,431
Derivative liabilities	–	(1,550,857)	–	(1,550,857)
<b>Total</b>	<b>–</b>	<b>30,204,574</b>	<b>–</b>	<b>30,204,574</b>

There have been no transfers from one Level to another for the years ended December 31, 2025 and 2024.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting periods.

**C. REDEEMABLE UNITS (NOTE 6) -** The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2025 and 2024:

Redeemable Units	Hedged Units
Outstanding units – January 1, 2024	700,000
Redeemable units issued	400,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(400,000)
Outstanding units – December 31, 2024	700,000
Redeemable units issued	300,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(50,000)
Outstanding units – December 31, 2025	950,000

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7) -** Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee
Hedged Units
0.85%

First Trust Vest U.S. Equity Buffer ETF – November  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

**E. TAXATION (NOTE 8)**

**Tax loss carryforwards** – There are no net capital and non-capital tax loss carryforwards as at December 31, 2025 and 2024.

**F. COMMISSIONS (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2025 and 2024 are as follows:

Transaction Cost (\$)	
2025	2024
7,490	7,876

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2025 and 2024, including amounts owing as at December 31, 2025 and 2024 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2025	2024	2025	2024
307,829	184,952	32,415	21,222

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at December 31, 2025 and 2024, the First Trust ETF's market risk is affected by changes in actual market prices, foreign currency movements, and interest rates, if applicable. If the following index had increased (decreased) by 5% at December 31, 2025 and 2024, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2025		As at December 31, 2024	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® CAD-Hedged Index	1,626,056	(1,626,056)	844,717	(844,717)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2025 and 2024:

Currency	As at December 31, 2025		As at December 31, 2024	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	101,953	0.22	494,390	1.63

As at December 31, 2025, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$1,020 (December 31, 2024 - \$4,944). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

**Concentration Risk** – The table below summarizes the First Trust ETF's concentration risk for the years ended December 31, 2025 and 2024:

Holdings	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2025	As at December 31, 2024
Options	98.17	100.85
Total	98.17	100.85

# First Trust Vest U.S. Equity Buffer ETF – November

## Notes to Financial Statements - Specific Information

### For the year ended December 31, 2025

#### SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2025

	Expiry Date	Strike Price (\$)	Currency	Number of Options	Underlying Interest on Equity Options	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Purchased Put Options - 4.25%</b>								
SPDR® S&P 500® ETF Trust	2026-11-20	658.99	USD	492	49,200	2,756,468	1,967,409	4.25
						<b>2,756,468</b>	<b>1,967,409</b>	<b>4.25</b>
<b>Purchased Call Options - 98.14%</b>								
SPDR® S&P 500® ETF Trust	2026-11-20	6.55	USD	492	49,200	44,930,637	45,466,829	98.14
						<b>44,930,637</b>	<b>45,466,829</b>	<b>98.14</b>
<b>Written Put Options - (2.37)%</b>								
SPDR® S&P 500® ETF Trust	2026-11-20	593.09	USD	(492)	(49,200)	(1,635,313)	(1,096,058)	(2.37)
						<b>(1,635,313)</b>	<b>(1,096,058)</b>	<b>(2.37)</b>
<b>Written Call Options - (1.85)%</b>								
SPDR® S&P 500® ETF Trust	2026-11-20	768.32	USD	(492)	(49,200)	(857,618)	(855,962)	(1.85)
						<b>(857,618)</b>	<b>(855,962)</b>	<b>(1.85)</b>
<b>Total options</b>						<b>45,194,174</b>	<b>45,482,218</b>	<b>98.17</b>
Transaction costs						(2,924)		
Unrealized appreciation on derivative - see Schedule 1							346,114	0.75
Other assets, less liabilities							498,057	1.08
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>						<b>45,191,250</b>	<b>46,326,389</b>	<b>100.00</b>

Schedule 1

Counterparty	Credit Rating of Counterparty*	Settlement Date	Currency	Amount Sold	Currency Buy	Amount Bought	Forward Rate	Current Rate	Appreciation (Depreciation) \$
Bank of New York Mellon (The), New York	A-1+	2026/01/30	USD	31,689,840	CAD	43,783,000	0.724	0.729	337,840
Bank of New York Mellon (The), New York	A-1+	2026/01/30	USD	1,762,812	CAD	2,425,000	0.727	0.729	8,274
									<b>346,114</b>

\* Commercial paper rating per Standard and Poor's Commercial Paper Guide

# First Trust Vest U.S. Equity Buffer ETF - February

## STATEMENTS OF FINANCIAL POSITION As at December 31, 2025 and December 31, 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Assets</b>		
Cash	314,241	82,886
Derivative assets:		
Options purchased, at fair value	52,377,190	29,225,182
Unrealized appreciation on forward currency contracts	399,732	1,358
Other assets	4,762	5,591
	53,095,925	29,315,017
<b>Liabilities</b>		
Derivative liabilities:		
Options written, at fair value	978,990	851,501
Unrealized depreciation on forward currency contracts	-	396,977
Accrued liabilities	42,376	21,674
	1,021,366	1,270,152
<b>Total net assets attributable to holders of redeemable units</b>	<b>52,074,559</b>	<b>28,044,865</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		
<b>Hedged Units</b>	<b>52,074,559</b>	<b>28,044,865</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Hedged Units</b>	<b>1,000,000</b>	<b>600,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Hedged Units</b>	<b>52.07</b>	<b>46.74</b>

## STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Revenues</b>		
Interest income for distribution purposes	13,980	24,062
Other income		
<b>Other changes in fair value of investments and derivatives</b>		
Net realized gain (loss) on options	4,201,825	5,652,874
Net realized gain (loss) on foreign currency contracts	(197,964)	(1,704,615)
Net realized gain (loss) on foreign exchange transactions	(2,022)	(57,758)
Net change in unrealized appreciation (depreciation) of options	(177,683)	2,180,314
Net change in unrealized appreciation (depreciation) of foreign currency contracts	795,351	(916,331)
	4,633,487	5,178,546
Foreign exchange gain (loss) on cash	21,319	71,449
	4,654,806	5,249,995
<b>Expenses [note 7]</b>		
Management fees	338,508	279,925
HST expense	42,199	33,859
Transaction costs [note 3 and note 9]	8,644	10,345
Independent Review Committee fees	3,787	4,477
	393,138	328,606
Expenses waived by manager	(3,787)	(4,477)
	389,351	324,129
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>4,265,455</b>	<b>4,925,866</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>		
<b>Hedged Units</b>	<b>4,265,455</b>	<b>4,925,866</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Hedged Units</b>	<b>5.24</b>	<b>6.56</b>

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust Vest U.S. Equity Buffer ETF - February

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	28,044,865	20,157,199
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	4,265,455	4,925,866
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from issuance of units	24,005,361	25,580,150
Reinvested distributions	3,960,000	-
Redemption of units	(4,241,122)	(22,618,350)
	23,724,239	2,961,800
<b>Distributions to holders of redeemable units from:</b>		
Net investment income	-	-
Capital gains	(3,959,674)	-
Return of capital	(326)	-
	(3,960,000)	-
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	24,029,694	7,887,666
<b>Net assets attributable to holders of redeemable units, end of year</b>	52,074,559	28,044,865

See accompanying notes which are an integral part of these financial statements.

# First Trust Vest U.S. Equity Buffer ETF - February

## STATEMENTS OF CASH FLOW

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	4,265,455	4,925,866
Adjustments for:		
Net realized (gain) loss on options	(4,201,825)	(5,652,874)
Net change in unrealized (appreciation) depreciation of options and foreign currency contracts	(617,668)	(1,263,983)
Other assets	829	(2,023)
Other liabilities	20,702	5,426
Purchases of options	(56,230,107)	(52,719,012)
Proceeds from the sale of options	37,229,730	51,798,319
	(19,532,884)	(2,908,281)
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	24,005,361	25,580,150
Amount paid on redemptions of units	(4,241,122)	(22,618,350)
Distributions paid to unitholders	-	-
	19,764,239	2,961,800
<b>Increase (Decrease) in cash for the year</b>	231,355	53,519
<b>Cash, beginning of year</b>	82,886	29,367
<b>Cash, end of year</b>	314,241	82,886
Interest received	13,980	24,062

See accompanying notes which are an integral part of these financial statements.

**First Trust Vest U.S. Equity Buffer ETF – February**  
**Notes to Financial Statements - Specific Information**  
**For the year ended December 31, 2025**

**A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust Vest U.S. Equity Buffer ETF – February** (the “First Trust ETF”) seeks to provide unitholders with returns (before fees, expenses and taxes) that match the price return of the SPDR® S&P 500® ETF Trust (the “Reference ETF”) up to a predetermined upside cap (before fees, expenses and taxes), while providing a buffer against the first 10% (before fees, expenses and taxes) of the decrease in market price of the Reference ETF, over a period of approximately one year from the Monday following the third Friday of February of each year (each, a “Target Outcome Period”) to on or about the third Friday of February of the following year. At the end of the Target Outcome Period a new cap will be established for the next Target Outcome Period. The buffer stays constant at 10% (before fees, expenses, and taxes) for the next Target Outcome Period.

**B. FAIR VALUE MEASUREMENT (NOTE 5) -** The following fair value hierarchy table presents information about the First Trust ETF assets and liabilities measured at fair value on a recurring basis for the years ended December 31, 2025 and 2024:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2025			
	Level 1	Level 2	Level 3	Total
Derivative assets	–	52,776,922	–	52,776,922
Derivative liabilities	–	(978,990)	–	(978,990)
<b>Total</b>	<b>–</b>	<b>51,797,932</b>	<b>–</b>	<b>51,797,932</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2024			
	Level 1	Level 2	Level 3	Total
Derivative assets	–	29,226,540	–	29,226,540
Derivative liabilities	–	(1,248,478)	–	(1,248,478)
<b>Total</b>	<b>–</b>	<b>27,978,062</b>	<b>–</b>	<b>27,978,062</b>

There have been no transfers from one Level to another for the years ended December 31, 2025 and 2024.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting periods.

**C. REDEEMABLE UNITS (NOTE 6) -** The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2025 and 2024:

Redeemable Units	Hedged Units
Outstanding units – January 1, 2024	500,000
Redeemable units issued	600,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(500,000)
Outstanding units – December 31, 2024	600,000
Redeemable units issued	500,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(100,000)
Outstanding units – December 31, 2025	1,000,000

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7) -** Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee
Hedged Units
0.85%

First Trust Vest U.S. Equity Buffer ETF – February  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

**E. TAXATION (NOTE 8)**

**Tax loss carryforwards** – There are no net capital and non-capital tax loss carryforwards as at December 31, 2025 and 2024.

**F. COMMISSIONS (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2025 and 2024 are as follows:

Transaction Cost (\$)	
2025	2024
8,644	10,345

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2025 and 2024, including amounts owing as at December 31, 2025 and 2024 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2025	2024	2025	2024
338,508	279,925	37,500	19,179

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at December 31, 2025 and 2024, the First Trust ETF's market risk is affected by changes in actual market prices, foreign currency movements, and interest rates, if applicable. If the following index had increased (decreased) by 5% at December 31, 2025 and 2024, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2025		As at December 31, 2024	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® CAD-Hedged Index	1,846,043	(1,846,043)	879,207	(879,207)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2025 and 2024:

Currency	As at December 31, 2025		As at December 31, 2024	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	265,237	0.51	495,255	1.77

As December 31, 2025, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$2,652 (December 31, 2024 - \$4,953). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

**Concentration Risk** – The table below summarizes the First Trust ETF's concentration risk for the years ended December 31, 2025 and 2024:

Holdings	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2025	As at December 31, 2024
Options	98.70	101.17
Total	98.70	101.17

# First Trust Vest U.S. Equity Buffer ETF – February

## Notes to Financial Statements - Specific Information

### For the year ended December 31, 2025

#### SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2025

	Expiry Date	Strike Price (\$)	Currency	Number of Options	Underlying Interest on Equity Options	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Purchased Put Options - 0.21%</b>								
SPDR® S&P 500® ETF Trust	2026-02-20	599.91	USD	563	56,300	2,199,850	108,968	0.21
						<b>2,199,850</b>	<b>108,968</b>	<b>0.21</b>
<b>Purchased Call Options - 100.37%</b>								
SPDR® S&P 500® ETF Trust	2026-02-20	5.97	USD	563	56,300	46,792,839	52,268,222	100.37
						<b>46,792,839</b>	<b>52,268,222</b>	<b>100.37</b>
<b>Written Put Options - (0.08)%</b>								
SPDR® S&P 500® ETF Trust	2026-02-20	539.92	USD	(563)	(56,300)	(1,162,199)	(42,309)	(0.08)
						<b>(1,162,199)</b>	<b>(42,309)</b>	<b>(0.08)</b>
<b>Written Call Options - (1.80)%</b>								
SPDR® S&P 500® ETF Trust	2026-02-20	687.56	USD	(563)	(56,300)	(548,792)	(936,681)	(1.80)
						<b>(548,792)</b>	<b>(936,681)</b>	<b>(1.80)</b>
<b>Total options</b>						<b>47,281,698</b>	<b>51,398,200</b>	<b>98.70</b>
Transaction costs						(3,218)		
Unrealized appreciation on derivative - see Schedule 1							399,732	0.77
Other assets, less liabilities							276,627	0.53
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>						<b>47,278,480</b>	<b>52,074,559</b>	<b>100.00</b>

#### SCHEDULE OF INVESTMENT PORTFOLIO As at December 31, 2025

Schedule 1

Counterparty	Credit Rating of Counterparty*	Settlement Date	Currency Sell	Amount Sold	Currency Buy	Amount Bought	Forward Rate	Current Rate	Appreciation (Depreciation) \$
Bank of New York Mellon (The), New York	A-1+	2026-01-30	USD	37,495,386	CAD	51,804,000	0.724	0.729	399,732
									<b>399,732</b>

\* Commercial paper rating per Standard and Poor's Commercial Paper Guide

# First Trust Vest U.S. Equity Buffer ETF - May

## STATEMENTS OF FINANCIAL POSITION As at December 31, 2025 and December 31, 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Assets</b>		
Cash	320,873	136,498
Derivative assets:		
Options purchased, at fair value	38,346,759	18,474,438
Unrealized appreciation on forward currency contracts	285,200	1,358
Other assets	6,448	5,588
	38,959,280	18,617,882
<b>Liabilities</b>		
Derivative liabilities		
Options written, at fair value	1,797,806	428,478
Unrealized depreciation on forward currency contracts	-	243,900
Accrued liabilities	30,226	13,533
	1,828,032	685,911
<b>Total net assets attributable to holders of redeemable units</b>	<b>37,131,248</b>	<b>17,931,971</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		
<b>Hedged Units</b>	<b>37,131,248</b>	<b>17,931,971</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Hedged Units</b>	<b>750,000</b>	<b>400,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Hedged Units</b>	<b>49.51</b>	<b>44.83</b>

## STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Revenues</b>		
Interest income for distribution purposes	11,781	12,556
<b>Other changes in fair value of investments and derivatives</b>		
Net realized gain (loss) on options	3,623,156	2,161,131
Net realized gain (loss) on foreign currency contracts	(207,734)	(647,455)
Net realized gain (loss) on foreign exchange transactions	171,580	(57,530)
Net change in unrealized appreciation (depreciation) of options	804,921	1,255,663
Net change in unrealized appreciation (depreciation) of foreign currency contracts	527,742	(641,252)
	4,931,446	2,083,113
Foreign exchange gain (loss) on cash	(170,861)	66,878
	4,760,585	2,149,991
<b>Expenses [note 7]</b>		
Management fees	264,442	123,819
HST expense	31,250	13,950
Transaction costs [note 3 and note 9]	7,393	5,506
Independent Review Committee fees	2,960	1,947
	306,045	145,222
Expenses waived by manager	(2,960)	(1,947)
	303,085	143,275
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>4,457,500</b>	<b>2,006,716</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>		
<b>Hedged Units</b>	<b>4,457,500</b>	<b>2,006,716</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Hedged Units</b>	<b>6.70</b>	<b>5.86</b>

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust Vest U.S. Equity Buffer ETF - May

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	17,931,971	11,810,886
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	4,457,500	2,006,716
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from issuance of units	19,200,644	14,577,480
Reinvested distributions	3,510,000	-
Redemption of units	(4,458,867)	(10,463,111)
	18,251,777	4,114,369
<b>Distributions to holders of redeemable units from:</b>		
Net investment income	-	-
Capital gains	(3,508,297)	-
Return of capital	(1,703)	-
	(3,510,000)	-
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	19,199,277	6,121,085
<b>Net assets attributable to holders of redeemable units, end of year</b>	37,131,248	17,931,971

See accompanying notes which are an integral part of these financial statements.

# First Trust Vest U.S. Equity Buffer ETF - May

<b>STATEMENTS OF CASH FLOW</b>	<b>For the years ended December 31, 2025 and 2024</b>	
	<b>December 31 2025 (\$)</b>	<b>December 31 2024 (\$)</b>
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	4,457,500	2,006,716
Adjustments for:		
Net realized (gain) loss on options	(3,623,156)	(2,161,131)
Net change in unrealized (appreciation) depreciation of options and foreign currency contracts	(1,332,663)	(614,411)
Interest receivable	-	985
Other assets	(860)	2,621
Other liabilities	16,693	1,413
Purchases of options	(56,039,315)	(31,887,365)
Proceeds from the sale of options	41,964,399	28,618,260
	<b>(14,557,402)</b>	<b>(4,032,912)</b>
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	19,200,644	14,577,480
Amount paid on redemptions of units	(4,458,867)	(12,433,409)
Distributions paid to unitholders	-	-
	<b>14,741,777</b>	<b>2,144,071</b>
<b>Increase (Decrease) in cash for the year</b>	<b>184,375</b>	<b>(1,888,841)</b>
<b>Cash, beginning of year</b>	<b>136,498</b>	<b>2,025,339</b>
<b>Cash, end of year</b>	<b>320,873</b>	<b>136,498</b>
Interest received	11,781	13,541

See accompanying notes which are an integral part of these financial statements

**First Trust Vest U.S. Equity Buffer ETF – May**  
**Notes to Financial Statements - Specific Information**  
**For the year ended December 31, 2025**

**A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust Vest U.S. Equity Buffer ETF - May** (the “First Trust ETF”) seeks to provide unitholders with returns (before fees, expenses and taxes) that match the price return of the SPDR® S&P 500® ETF Trust (the “Reference ETF”) up to a predetermined upside cap (before fees, expenses and taxes), while providing a buffer against the first 10% (before fees, expenses and taxes) of the decrease in market price of the Reference ETF, over a period of approximately one year from the Monday following the third Friday of May of each year (each, a “Target Outcome Period”) to on or about the third Friday of May of the following year. At the end of the Target Outcome Period a new cap will be established for the next Target Outcome Period. The buffer stays constant at 10% (before fees, expenses, and taxes) for the next Target Outcome Period.

**B. FAIR VALUE MEASUREMENT (NOTE 5) -** The following fair value hierarchy table presents information about the First Trust ETF assets and liabilities measured at fair value on a recurring basis for the years ended December 31, 2025 and 2024:

	Financial Assets (Liabilities) at Fair Value (\$)			
	As at December 31, 2025			
	Level 1	Level 2	Level 3	Total
Derivative assets	–	38,631,959	–	38,631,959
Derivative liabilities	–	(1,797,806)	–	(1,797,806)
<b>Total</b>	<b>–</b>	<b>36,834,153</b>	<b>–</b>	<b>36,834,153</b>

	Financial Assets (Liabilities) at Fair Value (\$)			
	As at December 31, 2024			
	Level 1	Level 2	Level 3	Total
Derivative assets	–	18,475,796	–	18,475,796
Derivative liabilities	–	(672,378)	–	(672,378)
<b>Total</b>	<b>–</b>	<b>17,803,418</b>	<b>–</b>	<b>17,803,418</b>

There have been no transfers from one Level to another for the years ended December 31, 2025 and 2024.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting periods.

**C. REDEEMABLE UNITS (NOTE 6) -** The First Trust ETF issued (redeemed) the following units during years ended December 31, 2025 and 2024:

Redeemable Units	Hedged Units
Outstanding units – January 1, 2024	300,000
Redeemable units issued	350,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(250,000)
Outstanding units – December 31, 2024	400,000
Redeemable units issued	450,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(100,000)
Outstanding units – December 31, 2025	750,000

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7) -** Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee
Hedged Units
0.85%

First Trust Vest U.S. Equity Buffer ETF – May  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

**E. TAXATION (NOTE 8)**

**Tax loss carryforwards** - There are no net capital and non-capital tax loss carryforwards as at December 31, 2025 and 2024.

**F. COMMISSIONS (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2025 and 2024 is as follows:

Transaction Cost (\$)	
2025	2024
7,393	5,506

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2025 and 2024, including amounts owing as at December 31, 2025 and 2024 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2025	2024	2025	2024
264,442	123,819	26,748	11,976

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at December 31, 2025 and 2024, the First Trust ETF's market risk is affected by changes in actual market prices, foreign currency movements, and interest rates, if applicable. If the following index had increased (decreased) by 5% at December 31, 2025 and 2024, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2025		As at December 31, 2024	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® CAD-Hedged Index	1,346,008	(1,346,008)	609,687	(609,687)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2025 and 2024:

Currency	As at December 31, 2025		As at December 31, 2024	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	164,284	0.44	336,625	1.88

As at December 31, 2025, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$1,643 (December 31, 2024 - \$3,366). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

**Concentration Risk** – The table below summarizes the First Trust ETF's concentration risk for the years ended December 31, 2025 and 2024:

Holdings	As a % of net assets attributable to holders of redeemable units	As a % of net assets attributable to holders of redeemable units
	As at December 31, 2025	As at December 31, 2024
Options	98.43	100.63
Total	98.43	100.63

# First Trust Vest U.S. Equity Buffer ETF – May

## Notes to Financial Statements - Specific Information

### For the year ended December 31, 2025

#### SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2025

	Expiry Date	Strike Price (\$)	Currency	Number of Options	Underlying Interest on Equity Options	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Purchased Put Options - 0.92%</b>								
SPDR® S&P 500® ETF Trust	2026-05-15	594.17	USD	410	41,000	1,890,334	342,823	0.92
						<b>1,890,334</b>	<b>342,823</b>	<b>0.92</b>
<b>Purchased Call Options - 102.36%</b>								
SPDR® S&P 500® ETF Trust	2026-05-15	5.91	USD	410	41,000	33,335,259	38,003,936	102.36
						<b>33,335,259</b>	<b>38,003,936</b>	<b>102.36</b>
<b>Written Put Options - (0.45)%</b>								
SPDR® S&P 500® ETF Trust	2026-05-15	534.75	USD	(410)	(41,000)	(1,018,551)	(165,485)	(0.45)
						<b>(1,018,551)</b>	<b>(165,485)</b>	<b>(0.45)</b>
<b>Written Call Options - (4.40)%</b>								
SPDR® S&P 500® ETF Trust	2026-05-15	683.18	USD	(410)	(41,000)	(532,535)	(1,632,321)	(4.40)
						<b>(532,535)</b>	<b>(1,632,321)</b>	<b>(4.40)</b>
<b>Total options</b>						<b>33,674,507</b>	<b>36,548,953</b>	<b>98.43</b>
Transaction costs						(1,928)		
Unrealized appreciation on derivative - see Schedule 1							285,200	0.77
Other assets, less liabilities							297,095	0.80
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>						<b>33,672,579</b>	<b>37,131,248</b>	<b>100.00</b>

Schedule 1

Counterparty	Credit Rating of Counterparty*	Settlement Date	Currency	Amount Sold	Currency Buy	Amount Bought	Forward Rate	Current Rate	Appreciation (Depreciation) \$
Bank of New York Mellon (The), New York	A-1+	2026-01-30	USD	26,752,123	CAD	36,961,000	0.724	0.729	285,200
									<b>285,200</b>

\* Commercial paper rating per Standard and Poor's Commercial Paper Guide

# First Trust JFL Fixed Income Core Plus ETF

## STATEMENTS OF FINANCIAL POSITION As at December 31, 2025 and December 31, 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	12,689,925	15,404,189
Cash	170,626	188,785
Accrued interest receivable	101,138	102,270
Receivable for units issued	-	872,562
Other assets	6,772	11,136
	12,968,461	16,578,942
<b>Liabilities</b>		
Accrued liabilities	7,619	7,905
Payable for portfolio securities purchased	-	804,580
Distributions payable to holders of redeemable units	37,500	60,350
	45,119	872,835
<b>Total net assets attributable to holders of redeemable units</b>	12,923,342	15,706,107
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		
Units	12,923,342	15,706,107
<b>Redeemable units outstanding [note 6]</b>		
Units	750,000	900,000
<b>Net assets attributable to holders of redeemable units per unit</b>		
Units	17.23	17.45

## STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Revenues</b>		
Interest income for distribution purposes	615,950	905,681
<b>Other changes in fair value of investments</b>		
Net realized gain (loss) on sale of investments	217,792	617,747
Net change in unrealized appreciation (depreciation) of investments	(372,046)	(288,022)
	461,696	1,235,406
<b>Expenses [note 7]</b>		
Management fees	102,872	163,355
HST expense	4,765	7,479
Independent Review Committee fees	1,444	3,194
	109,081	174,028
Expenses waived by manager	(16,108)	(26,407)
	92,973	147,621
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	368,723	1,087,785
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>		
Units	368,723	1,087,785
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
Units	0.44	0.80

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust JFL Fixed Income Core Plus ETF

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	15,706,107	22,410,027
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	368,723	1,087,785
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from redeemable units issued	3,483,397	11,243,565
Reinvested distributions	-	-
Redemption of redeemable units	(6,097,135)	(18,290,920)
	(2,613,738)	(7,047,355)
<b>Distributions to holders of redeemable units from:</b>		
Net investment income	(523,684)	(740,576)
Capital gains	(14,066)	(3,774)
Return of capital	-	-
	(537,750)	(744,350)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	(2,782,765)	(6,703,920)
<b>Net assets attributable to holders of redeemable units, end of year</b>	12,923,342	15,706,107

See accompanying notes which are an integral part of these financial statements

# First Trust JFL Fixed Income Core Plus ETF

## STATEMENTS OF CASH FLOW

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	368,723	1,087,785
Adjustments for:		
Net realized (gain) loss on sale of investments	(217,792)	(617,747)
Net change in unrealized (appreciation) depreciation of investments	372,046	288,022
Interest receivable	1,132	47,729
Other assets	4,364	(7,951)
Other liabilities	(286)	(4,805)
Purchases of investments	(9,376,417)	(17,806,015)
Proceeds from the sale of investments	11,131,847	25,740,593
	2,283,617	8,727,611
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	4,355,959	10,371,003
Amount paid on redemptions of units	(6,097,135)	(18,290,920)
Distributions paid to unitholders	(560,600)	(745,750)
	(2,301,776)	(8,665,667)
<b>Increase (Decrease) in cash for the year</b>	(18,159)	61,944
<b>Cash, beginning of year</b>	188,785	126,841
<b>Cash, end of year</b>	170,626	188,785
Interest received	617,082	953,410

See accompanying notes which are an integral part of these financial statements.

**First Trust JFL Fixed Income Core Plus ETF**  
**Notes to Financial Statements - Specific Information**  
**For the year ended December 31, 2025**

**A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust JFL Fixed Income Core Plus ETF** (the “First Trust ETF”) seeks to provide unitholders with income and preserve capital by investing at least 75% of the First Trust ETF’s net assets in a diversified portfolio of investment grade Canadian corporate, federal, provincial, and municipal bonds. The First Trust ETF may also invest up to 25% of the First Trust ETF’s net assets in non-investment grade corporate bonds (at the time of purchase, as rated by a designated rating organization), high yield bonds, developed international bonds, emerging market bonds, preferred shares and convertible bonds of North American and/or international issuers.

**B. FAIR VALUE MEASUREMENT (NOTE 5) -** The following fair value hierarchy tables present information about the First Trust ETF assets and liabilities measured at fair value on a recurring basis for the years ended December 31, 2025 and 2024:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2025			
	Level 1	Level 2	Level 3	Total
Bonds	–	12,689,925	–	12,689,925
Total	–	12,689,925	–	12,689,925

  

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2024			
	Level 1	Level 2	Level 3	Total
Bonds	–	15,404,189	–	15,404,189
Total	–	15,404,189	–	15,404,189

There have been no transfers from one Level to another for the years ended December 31, 2025 and 2024.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting periods.

**C. REDEEMABLE UNITS (NOTE 6) -** The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2025 and 2024:

Redeemable Units	Units
Outstanding units – January 1, 2024	1,300,000
Redeemable units issued	650,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(1,050,000)
Outstanding units – December 31, 2024	900,000
Redeemable units issued	200,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(350,000)
Outstanding units – December 31, 2025	750,000

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7) -** Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee <sup>1</sup>
Units
0.60%

<sup>1</sup> Maximum annual management fee of 0.70%. The Manager has agreed to waive a portion of the management fee equal to 0.10% of average daily net assets of the First Trust ETF and is subject to review periodically.

First Trust JFL Fixed Income Core Plus ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

**E. TAXATION (NOTE 8)**

**Tax loss carryforwards** - The net capital and non-capital tax loss carryforwards as at December 31, 2025 and 2024 are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2025	2024	2025	2024
41,762	153,942	–	–

**F. COMMISSIONS (NOTE 9)** - There were no commissions or other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during years ended December 31, 2025 and 2024.

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2025 and 2024, including amounts owing as at December 31, 2025 and 2024 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2025	2024	2025	2024
102,872	163,355	6,743	6,995

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Interest rate risk** - The table below summarizes the First Trust ETF's exposure a diversified portfolio of investment grade Canadian corporate, federal, provincial and municipal bonds as at December 31, 2025 and 2024:

	As at December 31, 2025		As at December 31, 2024	
	Fair Value (\$)	% of Net Assets	Fair Value (\$)	% of Net Assets
Less than 1 year	395,312	3.06	194,784	1.24
1-3 years	1,995,525	15.44	2,593,121	16.50
3-5 years	1,897,854	14.69	2,317,222	14.76
> 5 years	8,401,234	65.00	10,299,062	65.58
Total	12,689,925	98.19	15,404,189	98.08

At December 31, 2025, the weighted average duration of the First Trust ETF was 6.94 years (December 31, 2024 – 7.29 years). If interest rates increased or decreased by 1% at December 31, 2024, with all other variables remaining constant, net assets would have decreased or increased by approximately \$126,899 (December 31, 2024 - \$154,042). In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

**Credit risk** – Below are the First Trust ETF's breakdown by credit rating as at December 31, 2025 and 2024:

Debt Securities by S&P Rating	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2025	As at December 31, 2024
AAA	18.04	17.17
AA	20.50	32.30
A	31.77	23.07
BBB	19.96	16.43
Below BBB	7.92	9.11
Total	98.19	98.08

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First Trust JFL Fixed Income Core Plus ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

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**Concentration Risk** - The table below summarizes the First Trust ETF's concentration risk for the years ended December 31, 2025 and 2024:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2025	As at December 31, 2024
Corporate Bonds	54.94	48.92
Provincial Bonds & Guarantees	27.28	32.84
Federal Bonds & Guarantees	15.76	16.11
Municipal Bonds & Guarantees	0.21	0.21
Total	98.19	98.08

# First Trust JFL Fixed Income Core Plus ETF

## Notes to Financial Statements - Specific Information

### For the year ended December 31, 2025

#### SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2025

	Par value	Coupon Rate/Yield	Maturity Date	Average Cost (\$)	Fair Value (\$)	% of Total
<b>CANADIAN BONDS</b>						
<b>Federal Bonds &amp; Guarantees—15.76%</b>						
Canada Housing Trust No. 1	21,000	3.80%	15-Jun-27	20,655	21,376	0.17
Canada Housing Trust No. 1	100,000	2.85%	15-Dec-30	99,620	98,873	0.77
Canada Housing Trust No. 1	48,000	3.55%	15-Sep-32	47,570	48,691	0.38
Canada Housing Trust No. 1	77,000	3.65%	15-Jun-33	77,522	78,342	0.61
Canada Housing Trust No. 1	135,000	3.50%	15-Mar-36	134,473	133,526	1.03
CPPIB Capital Inc.	39,000	3.00%	15-Jun-28	38,841	39,195	0.30
Government of Canada	31,000	3.50%	01-Mar-28	31,565	31,555	0.24
Government of Canada	5,000	3.50%	01-Sep-29	5,128	5,115	0.04
Government of Canada	132,000	2.75%	01-Sep-30	132,435	130,772	1.01
Government of Canada	66,000	1.50%	01-Dec-31	58,468	60,311	0.47
Government of Canada	161,000	2.00%	01-Jun-32	148,064	150,237	1.16
Government of Canada	19,000	3.50%	01-Mar-34	19,378	19,287	0.15
Government of Canada	200,000	3.00%	01-Jun-34	197,524	195,487	1.51
Government of Canada	252,000	3.25%	01-Jun-35	252,899	249,283	1.93
Government of Canada	86,000	4.00%	01-Jun-41	91,069	89,563	0.69
Government of Canada	148,000	1.75%	01-Dec-53	103,136	95,053	0.74
Government of Canada	733,000	2.75%	01-Dec-55	640,373	590,364	4.56
				<b>2,098,720</b>	<b>2,037,030</b>	<b>15.76</b>
<b>Provincial Bonds &amp; Guarantees—27.28%</b>						
First Nations Finance Authority	17,000	1.71%	16-Jun-30	14,845	15,998	0.12
First Nations Finance Authority	62,000	2.85%	01-Jun-32	57,969	59,884	0.46
First Nations Finance Authority, Series '2017-1'	125,000	4.10%	01-Jun-34	126,571	128,076	0.99
Hydro-Québec	60,000	2.10%	15-Feb-60	39,236	33,859	0.26
Ontario Teachers' Finance Trust	10,000	1.10%	19-Oct-27	9,223	9,724	0.08
Ontario Teachers' Finance Trust	41,000	4.15%	01-Nov-29	41,476	42,589	0.33
Province of Alberta	68,000	4.15%	01-Jun-33	68,176	70,841	0.55
Province of Alberta	24,000	3.05%	01-Dec-48	19,790	18,724	0.15
Province of Alberta	71,000	3.10%	01-Jun-50	57,781	55,302	0.43
Province of British Columbia	52,000	3.55%	18-Jun-33	50,321	52,061	0.40
Province of British Columbia	31,000	4.15%	18-Jun-34	31,579	32,018	0.25
Province of British Columbia	16,000	4.30%	18-Jun-42	17,226	15,742	0.12
Province of British Columbia	34,000	2.75%	18-Jun-52	26,140	24,294	0.19
Province of British Columbia, Series 'BCCD-35'	72,000	2.80%	18-Jun-48	55,982	53,603	0.42
Province of Manitoba	26,000	3.90%	02-Dec-32	25,908	26,693	0.21
Province of Manitoba	83,000	3.80%	05-Sep-53	76,477	71,617	0.55
Province of Manitoba	64,000	4.40%	05-Sep-55	62,777	61,077	0.47
Province of New Brunswick	41,000	4.45%	14-Aug-33	41,447	43,395	0.34
Province of New Brunswick	49,000	3.10%	14-Aug-48	40,631	38,197	0.30
Province of New Brunswick, Sinkable	31,000	4.80%	26-Sep-39	32,094	32,595	0.25
Province of Nova Scotia	18,000	3.15%	01-Dec-51	15,898	13,870	0.11
Province of Ontario	711,000	4.15%	02-Jun-34	725,879	735,577	5.68
Province of Ontario	110,000	3.95%	02-Dec-35	112,624	110,621	0.86
Province of Ontario	140,000	4.70%	02-Jun-37	149,233	148,108	1.15
Province of Ontario	183,000	4.65%	02-Jun-41	194,065	189,008	1.46
Province of Ontario	186,000	2.80%	02-Jun-48	145,342	139,633	1.08
Province of Ontario	296,000	3.75%	02-Dec-53	272,453	257,205	1.98
Province of Ontario	393,000	4.15%	02-Dec-54	394,073	365,312	2.82
Province of Ontario	23,000	4.60%	02-Dec-55	24,032	23,055	0.18
Province of Quebec	23,000	4.45%	01-Sep-34	24,567	24,162	0.19
Province of Quebec	261,000	5.00%	01-Dec-41	285,112	277,044	2.13
Province of Quebec	199,000	3.50%	01-Dec-48	179,537	166,009	1.29
Province of Quebec	123,000	3.10%	01-Dec-51	101,401	94,079	0.73
Province of Quebec	66,000	2.85%	01-Dec-53	52,178	47,252	0.37
Province of Saskatchewan	39,000	3.10%	02-Jun-50	31,693	30,349	0.24
Province of Saskatchewan	25,000	2.80%	02-Dec-52	19,420	18,081	0.14
				<b>3,623,156</b>	<b>3,525,654</b>	<b>27.28</b>
<b>Municipal Bonds &amp; Guarantees—0.21%</b>						
City of Toronto	28,000	4.55%	29-Oct-54	27,945	27,017	0.21
				<b>27,945</b>	<b>27,017</b>	<b>0.21</b>

# First Trust JFL Fixed Income Core Plus ETF

## Notes to Financial Statements - Specific Information

### For the year ended December 31, 2025

#### Corporate Bonds—49.51%

407 International Inc., Callable, Series '99-A2'	79,000	6.47%	27-Jul-29	87,628	87,306	0.68
AltaLink L.P., Callable	13,000	3.99%	30-Jun-42	12,470	11,927	0.09
ARC Resources Ltd., Callable	85,000	3.47%	10-Mar-31	73,989	83,043	0.64
ARC Resources Ltd., Callable	12,000	4.41%	17-Jun-32	12,000	12,146	0.09
ATS Corp., Callable	65,000	6.50%	21-Aug-32	65,000	66,334	0.51
Bank of Montreal, Callable	74,000	3.65%	01-Apr-27	72,551	74,654	0.58
Bank of Montreal, Callable	43,000	4.31%	01-Jun-27	43,491	43,777	0.34
Bank of Montreal, Variable Rate, Callable	32,000	3.11%	27-Oct-29	32,000	31,906	0.25
Bank of Montreal, Variable Rate, Callable	21,000	5.63%	26-May-82	19,486	21,435	0.17
Bank of Montreal, Variable Rate, Perpetual	21,000	7.06%	26-Apr-28	20,517	22,303	0.17
BCI QuadReal Realty, ADR	71,000	4.16%	31-Jul-27	72,130	72,483	0.56
Boyd Group Inc., Callable	29,000	5.50%	06-Nov-30	29,000	29,293	0.23
Boyd Group Services Inc., Callable	84,000	5.75%	04-Sep-33	84,000	85,305	0.66
British Columbia Investment Management Corp.	158,000	3.40%	02-Jun-30	159,711	159,679	1.23
British Columbia Investment Management Corp.	82,000	4.00%	02-Jun-35	82,019	82,757	0.64
Bruce Power L.P., Callable, Series '21-1'	47,000	2.68%	21-Dec-28	41,750	46,298	0.36
Calgary Airport Authority, Callable, Series 'A'	65,000	3.20%	07-Oct-36	54,562	58,484	0.45
Calgary Airport Authority, Callable, Series 'D'	47,000	3.55%	07-Oct-51	38,373	38,623	0.30
Calgary Airport Authority, Callable, Series 'E'	26,000	3.55%	07-Oct-53	21,456	21,104	0.16
Canadian Imperial Bank of Commerce, Callable	284,000	4.95%	29-Jun-27	289,317	291,885	2.25
Canadian Imperial Bank of Commerce, Variable Rate, Callable	16,000	3.90%	20-Jun-31	15,988	16,189	0.13
Canadian Imperial Bank of Commerce, Variable Rate, Callable	39,000	4.20%	07-Apr-32	36,761	39,532	0.31
Canadian Imperial Bank of Commerce, Variable Rate, Callable	38,000	4.15%	02-Apr-35	37,946	38,387	0.30
Canadian Imperial Bank of Commerce, Variable Rate, Callable	8,000	7.15%	28-Jul-82	7,879	8,364	0.07
Canadian Imperial Bank of Commerce, Variable Rate, Convertible, Callable, Series '8'	20,000	5.90%	28-Jan-86	20,000	20,017	0.16
Canadian National Railway Co., Callable	16,000	4.15%	10-May-30	15,302	16,442	0.13
Canadian Utilities Ltd., Variable Rate, Convertible, Callable	13,000	5.45%	22-Dec-55	13,000	13,029	0.10
Canadian Western Bank, Variable Rate, Callable	12,000	5.95%	29-Jan-34	12,000	12,806	0.10
Choice Properties REIT, Callable, Series 'M'	79,000	3.53%	11-Jun-29	76,627	79,257	0.61
Coastal GasLink Pipeline L.P., Series 'A'	94,000	4.67%	30-Jun-27	96,609	96,426	0.75
Coastal GasLink Pipeline L.P., Series 'B'	83,000	4.69%	30-Sep-29	85,690	86,778	0.67
Coastal GasLink Pipeline L.P., Series 'C'	13,000	4.91%	30-Jun-31	13,000	13,766	0.11
Coastal GasLink Pipeline L.P., Series 'D'	84,000	5.19%	30-Sep-34	88,834	90,128	0.70
Coastal GasLink Pipeline L.P., Series 'E'	39,000	5.40%	30-Sep-36	39,000	42,240	0.33
Coastal GasLink Pipeline L.P., Series 'H'	94,000	5.61%	30-Jun-44	99,748	101,805	0.79
Coastal GasLink Pipeline L.P., Series 'I'	44,000	5.61%	30-Mar-47	43,998	47,544	0.37
Definity Financial Corp., Callable	48,000	3.71%	12-Sep-30	48,000	47,876	0.37
Definity Financial Corp., Callable	185,000	4.39%	12-Sep-35	185,000	183,463	1.41
Enbridge Gas Inc., Callable	94,000	5.70%	06-Oct-33	101,611	104,255	0.81
Enbridge Inc., Callable	45,000	6.51%	09-Nov-52	50,166	53,192	0.41
Enbridge Inc., Variable Rate, Callable, Series 'C'	45,000	6.63%	12-Apr-78	47,073	47,555	0.37
Enbridge Inc., Variable Rate, Convertible, Callable	27,000	5.15%	17-Dec-55	27,000	27,051	0.21
Enbridge Inc., Variable Rate, Convertible, Callable	18,000	8.50%	15-Jan-84	18,000	19,895	0.15
Enbridge Pipelines Inc., Callable	2,000	5.82%	17-Aug-53	1,995	2,180	0.02
Fédération des caisses Desjardins du Québec	135,000	4.41%	19-May-27	137,161	137,732	1.07
Fédération des caisses Desjardins du Québec	18,000	3.80%	24-Sep-29	18,000	18,255	0.14
Fédération des caisses Desjardins du Québec, Callable	161,000	5.47%	17-Nov-28	166,892	170,497	1.32
Fédération des caisses Desjardins du Québec, Variable Rate, Callable	4,000	1.99%	28-May-31	3,577	3,988	0.03
Fédération des caisses Desjardins du Québec, Variable Rate, Callable	45,000	5.04%	23-Aug-32	44,042	46,336	0.36
Fédération des caisses Desjardins du Québec, Variable Rate, Callable	52,000	5.28%	15-May-34	52,000	54,610	0.42
Fédération des caisses Desjardins du Québec, Variable Rate, Callable	59,000	4.26%	24-Jan-35	59,000	59,983	0.46
Gibson Energy Inc., Callable	20,000	4.45%	20-Aug-32	20,011	20,144	0.16
Great-West Lifeco Inc., Callable	54,000	3.34%	28-Feb-28	53,754	54,346	0.42
Heavy Metal Equipment & Rentals, Callable	151,000	7.25%	26-Feb-30	151,000	147,109	1.13
Hydro One Inc., Callable	45,000	3.93%	30-Nov-29	45,090	46,104	0.36
Hydro One Inc., Callable	16,000	3.91%	23-Feb-46	14,401	14,247	0.11
Intact Financial Corp., Variable Rate, Callable	9,000	7.34%	30-Jun-83	9,079	9,574	0.07
John Deere Financial Inc.	13,000	4.36%	20-Jan-27	13,286	13,226	0.10
John Deere Financial Inc.	18,000	4.38%	11-Jul-28	18,499	18,535	0.14
John Deere Financial Inc.	18,000	3.55%	12-Jun-29	17,998	18,133	0.14
Keyera Corp., Variable Rate, Convertible, Callable, Series 'A'	108,000	6.00%	15-Oct-55	107,996	108,411	0.84
Loblaws Cos. Ltd., Callable	48,000	5.01%	13-Sep-32	47,822	50,918	0.39
Loblaws Cos. Ltd., Callable, Series '2035'	22,000	4.39%	16-Jun-35	22,000	22,208	0.17
Manulife Financial Corp., Variable Rate, Callable	41,000	5.41%	10-Mar-33	40,609	42,820	0.33

# First Trust JFL Fixed Income Core Plus ETF

## Notes to Financial Statements - Specific Information

### For the year ended December 31, 2025

Manulife Financial Corp., Variable Rate, Callable	85,000	7.12%	19-Jun-82	87,698	88,506	0.69
McDonald's Corp., Callable	44,000	4.11%	21-Aug-32	44,614	44,348	0.34
National Bank of Canada	6,000	5.02%	01-Feb-29	6,096	6,310	0.05
National Bank of Canada, Variable Rate, Callable	21,000	3.64%	07-Oct-27	21,119	21,130	0.16
National Bank of Canada, Variable Rate, Callable	90,000	3.52%	17-Jul-29	89,956	90,615	0.70
National Bank of Canada, Variable Rate, Callable	18,000	3.44%	21-Oct-31	18,000	17,826	0.14
National Bank of Canada, Variable Rate, Callable	68,000	5.43%	16-Aug-32	67,015	70,400	0.55
National Bank of Canada, Variable Rate, Callable	101,000	7.50%	16-Nov-82	100,780	106,956	0.83
NuVista Energy Ltd., Callable	239,000	7.88%	23-Jul-26	244,732	240,081	1.86
Ontario Power Generation Inc., Callable	23,000	3.22%	08-Apr-30	21,025	22,795	0.18
Ontario Power Generation Inc., Callable, Series '4'	22,000	2.98%	13-Sep-29	19,999	21,769	0.17
Recipe Unlimited Corp. / Societe De Re Cettes Illimitees, Callable	100,000	5.70%	29-Jan-33	99,750	99,604	0.77
Royal Bank of Canada	145,000	4.61%	26-Jul-27	147,773	148,799	1.15
Royal Bank of Canada, Variable Rate, Callable	125,000	3.63%	10-Dec-28	126,401	126,211	0.98
Royal Bank of Canada, Variable Rate, Callable	203,000	3.41%	12-Jun-29	204,424	203,935	1.57
Royal Bank of Canada, Variable Rate, Callable	24,000	3.99%	22-Jul-31	24,000	24,396	0.19
Royal Bank of Canada, Variable Rate, Callable	22,000	5.01%	01-Feb-33	21,505	22,755	0.18
Royal Bank of Canada, Variable Rate, Convertible, Callable	30,000	5.10%	03-Apr-34	30,000	31,359	0.24
SNC-Lavalin Group Inc., Callable, Series '8'	84,000	5.70%	26-Mar-29	85,890	86,817	0.67
SNC-Lavalin Group Inc., Series '7'	100,000	7.00%	12-Jun-26	103,750	101,726	0.79
Stella-Jones Inc., Callable	35,000	4.31%	01-Oct-31	35,586	35,297	0.27
Suncor Energy Inc.	23,000	5.40%	17-Nov-26	23,828	23,515	0.18
Tamarack Valley Energy Ltd., Callable	44,000	7.25%	10-May-27	41,995	44,729	0.35
TELUS Corp., Variable Rate, Convertible, Callable, Series 'CAU'	27,000	5.88%	09-Jun-56	27,000	27,100	0.21
TMX Group Ltd., Callable	65,000	4.68%	16-Aug-29	65,171	67,906	0.53
TMX Group Ltd., Callable	32,000	4.84%	18-Feb-32	32,474	33,690	0.26
TMX Group Ltd., Callable	65,000	4.97%	16-Feb-34	67,142	68,726	0.53
Top Aces Inc., Callable	140,000	9.00%	13-Mar-30	140,000	145,425	1.13
Toronto Hydro Corp., Callable	55,000	5.13%	12-Oct-28	57,236	58,022	0.45
Toronto-Dominion Bank (The)	183,000	4.21%	01-Jun-27	183,564	186,253	1.43
Toronto-Dominion Bank (The), Variable Rate, Callable	12,000	3.61%	10-Sep-31	12,000	11,986	0.09
Toronto-Dominion Bank (The), Variable Rate, Callable	52,000	7.28%	31-Oct-82	51,175	54,957	0.43
Toyota Credit Canada Inc.	166,000	4.52%	19-Mar-27	169,604	169,213	1.30
Toyota Credit Canada Inc.	54,000	3.55%	04-Oct-27	54,457	54,473	0.42
Toyota Credit Canada Inc.	17,000	3.65%	19-Aug-30	16,994	17,068	0.13
TransCanada PipeLines Ltd., Callable	13,000	4.58%	20-Feb-35	13,269	13,174	0.10
WSP Global Inc., Callable	201,000	4.75%	12-Sep-34	203,980	205,025	1.59
				<b>6,294,896</b>	<b>6,398,992</b>	<b>49.51</b>
				<b>12,044,717</b>	<b>11,988,693</b>	<b>92.76</b>
<b>INTERNATIONAL BONDS</b>						
<b>Corporate Bonds—5.43%</b>						
Air Lease Corp., Callable	41,000	5.40%	01-Jun-28	40,613	42,684	0.33
Heathrow Funding Ltd.	78,000	3.40%	08-Mar-30	73,866	78,303	0.61
Heathrow Funding Ltd., Callable	69,000	3.78%	04-Sep-32	62,832	69,111	0.54
Heathrow Funding Ltd., Callable	87,000	3.66%	13-Jan-33	79,734	86,394	0.67
Heathrow Funding Ltd., Callable	79,000	3.73%	13-Apr-35	75,230	76,615	0.59
Heathrow Funding Ltd., Callable	109,000	4.90%	06-Aug-39	109,000	111,414	0.86
McDonald's Corp., Callable	106,000	4.86%	21-May-31	110,979	111,295	0.86
National Grid Electricity Transmission PLC, Callable	99,000	2.30%	22-Jun-29	86,187	95,426	0.74
Sunoco L.P., Callable	30,000	3.88%	16-Jun-26	30,012	29,990	0.23
				<b>668,453</b>	<b>701,232</b>	<b>5.43</b>
<b>Total investments</b>				<b>12,713,170</b>	<b>12,689,925</b>	<b>98.19</b>
Other assets, less liabilities					<b>233,417</b>	<b>1.81</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>				<b>12,713,170</b>	<b>12,923,342</b>	<b>100.00</b>

# First Trust JFL Global Equity ETF

<b>STATEMENTS OF FINANCIAL POSITION</b> As at December 31, 2025 and December 31, 2024		
	December 31 2025 (\$)	December 31 2024 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	5,112,586	4,864,392
Cash	109,522	103,245
Accrued dividend receivable	3,228	3,991
Other assets	705	363
	5,226,041	4,971,991
<b>Liabilities</b>		
Accrued liabilities	4,273	4,093
Distributions payable to holders of redeemable units	-	1,750
	4,273	5,843
<b>Total net assets attributable to holders of redeemable units</b>	<b>5,221,768</b>	<b>4,966,148</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		
<b>Units</b>	<b>5,221,768</b>	<b>4,966,148</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	<b>175,000</b>	<b>175,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>29.84</b>	<b>28.38</b>

<b>STATEMENTS OF COMPREHENSIVE INCOME</b> For the years ended December 31, 2025 and 2024		
	December 31 2025 (\$)	December 31 2024 (\$)
<b>Revenues</b>		
Dividends	67,687	50,830
Interest income for distribution purposes		394
<b>Other changes in fair value of investments</b>		
Net realized gain (loss) on sale of investments	128,238	126,204
Net realized gain (loss) of foreign exchange	(907)	129
Net change in unrealized appreciation (depreciation) of investments	136,092	533,817
	331,110	711,374
Foreign exchange gain (loss) on cash	(2,273)	6,997
	328,837	718,371
<b>Expenses [note 7]</b>		
Management fees	42,831	33,190
HST expense	4,756	3,823
Transaction costs [note 3 and note 9]	1,824	2,520
Independent Review Committee fees	492	523
	49,903	40,056
Expenses waived by manager	(492)	(523)
	49,411	39,533
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>279,426</b>	<b>678,838</b>
<b>Withholding taxes</b>	<b>8,056</b>	<b>5,219</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>271,370</b>	<b>673,619</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>		
<b>Units</b>	<b>271,370</b>	<b>673,619</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>1.55</b>	<b>4.57</b>

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust JFL Global Equity ETF

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	4,966,148	2,984,656
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	271,370	673,619
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from redeemable units issued	-	1,313,873
Reinvested distributions	129,500	136,500
Redemption of redeemable units	-	-
	129,500	1,450,373
<b>Distributions to holders of redeemable units from:</b>		
Net investment income	(12,494)	(5,988)
Capital gains	(129,500)	(136,304)
Return of capital	(3,256)	(208)
	(145,250)	(142,500)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	255,620	1,981,492
<b>Net assets attributable to holders of redeemable units, end of year</b>	5,221,768	4,966,148

See accompanying notes which are an integral part of these financial statements

# First Trust JFL Global Equity ETF

<b>STATEMENTS OF CASH FLOW</b>	<b>For the years ended December 31, 2025 and 2024</b>	
	<b>December 31 2025 (\$)</b>	<b>December 31 2024 (\$)</b>
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	271,370	673,619
Adjustments for:		
Net realized (gain) loss on sale of investments	(128,238)	(126,204)
Net change in unrealized (appreciation) depreciation of investments	(136,092)	(533,817)
Dividends receivable	763	(2,359)
Other assets	(342)	(3)
Other liabilities	180	1,683
Purchases of investments	(1,118,768)	(1,881,022)
Proceeds from the sale of investments	1,134,904	486,110
	23,777	(1,381,993)
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	-	1,313,873
Amount paid on redemptions of units	-	-
Distributions paid to unitholders	(17,500)	(4,250)
	(17,500)	1,309,623
<b>Increase (Decrease) in cash for the year</b>	6,277	(72,370)
<b>Cash, beginning of year</b>	103,245	175,615
<b>Cash, end of year</b>	109,522	103,245
Interest received	-	394
Dividends received, net of withholding taxes	60,394	43,252

See accompanying notes which are an integral part of these financial statements.

**First Trust JFL Global Equity ETF**  
**Notes to Financial Statements - Specific Information**  
**For the year ended December 31, 2025**

**A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust JFL Global Equity ETF** (the “First Trust ETF”) seeks to provide unitholders with capital appreciation by investing primarily in equity securities of large multinational companies that have demonstrated global leadership in their industry. The Sub-Advisor will primarily target international companies that benefit from exposure to economies typically growing at a rate higher than the global gross domestic product. Emphasis will be on non-cyclical companies that have a competitive advantage in their industry. The First Trust ETF will not invest more than 20% of its net assets in securities of issuers located in emerging markets.

**B. FAIR VALUE MEASUREMENT (NOTE 5) -** The following fair value hierarchy tables present information about the First Trust ETF assets and liabilities measured at fair value on a recurring basis for the years ended December 31, 2025 and 2024:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2025			
	Level 1	Level 2	Level 3	Total
Equities	5,112,586	–	–	5,112,586
<b>Total</b>	<b>5,112,586</b>	<b>–</b>	<b>–</b>	<b>5,112,586</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2024			
	Level 1	Level 2	Level 3	Total
Equities	4,864,392	–	–	4,864,392
<b>Total</b>	<b>4,864,392</b>	<b>–</b>	<b>–</b>	<b>4,864,392</b>

There have been no transfers from one Level to another for the years ended December 31, 2025 and 2024.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of the reporting periods.

**C. REDEEMABLE UNITS (NOTE 6) -** The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2025 and 2024:

Redeemable Units	Units
Outstanding units – January 1, 2024	125,000
Redeemable units issued	50,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	–
Outstanding units – December 31, 2024	175,000
Redeemable units issued	–
Redeemable units issued on reinvestments	–
Redeemable units redeemed	–
Outstanding units – December 31, 2025	175,000

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7) -** Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee
Units
0.85%

First Trust JFL Global Equity ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

**E. TAXATION (NOTE 8)**

**Tax loss carryforwards** - There are no net capital and non-capital tax loss carryforwards as at December 31, 2025 and 2024.

**F. COMMISSIONS (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2025 and 2024 are as follows:

Transaction Cost (\$)	
2025	2024
1,824	2,520

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2025 and 2024, including amounts owing as at December 31, 2025 and 2024 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2025	2024	2025	2024
42,831	33,190	3,781	3,622

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at December 31, 2025 and 2024, the First Trust ETF's market risk is affected by changes in actual market prices, foreign currency movements, and interest rates, if applicable. If the following index had increased (decreased) by 5% at December 31, 2025 and 2024, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2025		As at December 31, 2024	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
MSCI ACWI Index	261,088	(261,088)	248,307	(248,307)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2025 and 2024:

Currency	As at December 31, 2025		As at December 31, 2024	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	3,138,745	60.11	3,131,156	63.05
Euro	621,811	11.91	372,208	7.49
British Pound Sterling	399,691	7.65	483,449	9.73
Hong Kong Dollar	350,359	6.71	300,547	6.05
Japanese Yen	171,970	3.29	190,023	3.83
Swiss Francs	147,919	2.83	158,438	3.19
Swedish Krona	85,456	1.64	58,398	1.18
Total	4,915,951	94.14	4,694,219	94.52

As at December 31, 2025, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$49,160 (December 31, 2024 - \$46,942). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

First Trust JFL Global Equity ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

**Concentration Risk** - The table below summarizes the First Trust ETF's concentration risk for the years ended December 31, 2025 and 2024:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2025	As at December 31, 2024
<i>Canada</i>		
Financials	2.29	2.14
Industrials	1.56	1.41
Information Technology	–	1.76
<i>United States</i>		
Information Technology	14.22	12.35
Health Care	11.60	13.93
Communication Services	6.85	4.71
Financials	6.61	7.09
Consumer Discretionary	5.18	6.87
Consumer Staples	3.61	4.31
Industrials	1.94	3.27
Materials	1.51	1.84
Utilities	1.14	–
<i>International</i>		
United Kingdom	7.65	9.73
France	6.17	4.14
China	4.37	3.75
Taiwan	3.63	3.01
Japan	3.29	3.83
Switzerland	2.80	3.18
Germany	2.45	–
Hong Kong	2.35	2.31
India	2.08	2.07
Ireland	1.69	1.73
Spain	1.66	1.42
Sweden	1.64	1.17
Netherlands	1.62	1.93
Total	97.91	97.95

# First Trust JFL Global Equity ETF

## Notes to Financial Statements - Specific Information

### For the year ended December 31, 2025

#### SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2025

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>CANADIAN EQUITIES</b>				
<b>Financials—2.29%</b>				
Brookfield Corp., Class 'A'	1,894	67,829	119,360	2.29
		<b>67,829</b>	<b>119,360</b>	<b>2.29</b>
<b>Industrials—1.56%</b>				
Canadian National Railway Co.	600	94,155	81,450	1.56
		<b>94,155</b>	<b>81,450</b>	<b>1.56</b>
		<b>161,984</b>	<b>200,810</b>	<b>3.85</b>
<b>UNITED STATES EQUITIES</b>				
<b>Communication Services—6.85%</b>				
Alphabet Inc., Class 'A'	586	111,499	251,750	4.82
Meta Platforms Inc., Class 'A'	117	121,662	106,003	2.03
		<b>233,161</b>	<b>357,753</b>	<b>6.85</b>
<b>Consumer Discretionary—5.18%</b>				
Amazon.com Inc.	740	144,877	234,441	4.49
Copart Inc.	670	33,997	36,003	0.69
		<b>178,874</b>	<b>270,444</b>	<b>5.18</b>
<b>Consumer Staples—3.61%</b>				
Monster Beverage Corp.	950	60,774	99,971	1.91
PepsiCo Inc.	450	107,196	88,645	1.70
		<b>167,970</b>	<b>188,616</b>	<b>3.61</b>
<b>Financials—6.61%</b>				
CME Group Inc.	236	66,077	88,457	1.69
Interactive Brokers Group Inc., Class 'A'	1,356	35,946	119,692	2.29
Mastercard Inc., Class 'A'	175	84,428	137,123	2.63
		<b>186,451</b>	<b>345,272</b>	<b>6.61</b>
<b>Health Care—11.60%</b>				
Abbott Laboratories	594	85,886	102,148	1.96
Becton, Dickinson and Co.	300	90,470	79,911	1.53
Boston Scientific Corp.	1,031	70,642	134,930	2.58
Danaher Corp.	300	94,779	94,261	1.81
IQVIA Holdings Inc.	286	85,750	88,485	1.69
UnitedHealth Group Inc.	234	145,437	106,024	2.03
		<b>572,964</b>	<b>605,759</b>	<b>11.60</b>
<b>Industrials—1.94%</b>				
Ametek Inc.	360	65,791	101,447	1.94
		<b>65,791</b>	<b>101,447</b>	<b>1.94</b>
<b>Information Technology—14.22%</b>				
Apple Inc.	283	107,725	105,599	2.02
Broadcom Inc.	240	67,294	114,009	2.18
Cadence Design Systems Inc.	200	69,233	85,806	1.64
Intuit Inc.	87	85,332	79,101	1.52
Microsoft Corp.	441	222,417	292,733	5.61
Oracle Corp.	244	75,914	65,276	1.25
		<b>627,915</b>	<b>742,524</b>	<b>14.22</b>
<b>Materials—1.51%</b>				
Sherwin-Williams Co. (The)	177	64,604	78,720	1.51
		<b>64,604</b>	<b>78,720</b>	<b>1.51</b>
<b>Utilities—1.14%</b>				
Public Service Enterprise Group Inc.	540	63,587	59,517	1.14
		<b>63,587</b>	<b>59,517</b>	<b>1.14</b>
		<b>2,161,317</b>	<b>2,750,052</b>	<b>52.66</b>
<b>INTERNATIONAL EQUITIES</b>				
<b>China—4.37%</b>				
Shenzhou International Group	4,800	74,094	51,807	0.99
Tencent Holdings Ltd.	1,667	106,928	176,101	3.38
		<b>181,022</b>	<b>227,908</b>	<b>4.37</b>

**First Trust JFL Global Equity ETF**  
**Notes to Financial Statements - Specific Information**  
**For the year ended December 31, 2025**

<b>France—6.17%</b>				
Air Liquide SA	264	54,558	68,245	1.31
BNP Paribas SA	580	71,387	75,583	1.45
LVMH Moet Hennessy Louis Vuitton SE	95	82,347	98,838	1.89
Schneider Electric SE	210	49,800	79,568	1.52
		<b>258,092</b>	<b>322,234</b>	<b>6.17</b>
<b>Germany—2.45%</b>				
SAP SE	380	140,837	127,708	2.45
		<b>140,837</b>	<b>127,708</b>	<b>2.45</b>
<b>Hong Kong—2.35%</b>				
AIA Group Ltd.	8,690	96,582	122,452	2.35
		<b>96,582</b>	<b>122,452</b>	<b>2.35</b>
<b>India—2.08%</b>				
HDFC Bank Ltd., ADR	2,160	92,910	108,330	2.08
		<b>92,910</b>	<b>108,330</b>	<b>2.08</b>
<b>Ireland—1.69%</b>				
Accenture PLC, Class 'A'	240	91,393	88,381	1.69
		<b>91,393</b>	<b>88,381</b>	<b>1.69</b>
<b>Japan—3.29%</b>				
Hoya Corp.	350	60,464	72,639	1.39
Keyence Corp.	200	123,681	99,331	1.90
		<b>184,145</b>	<b>171,970</b>	<b>3.29</b>
<b>Netherlands—1.62%</b>				
ASML Holding NV	57	59,372	84,716	1.62
		<b>59,372</b>	<b>84,716</b>	<b>1.62</b>
<b>Spain—1.66%</b>				
Industria de Diseno Textil SA	954	44,569	86,697	1.66
		<b>44,569</b>	<b>86,697</b>	<b>1.66</b>
<b>Sweden—1.64%</b>				
Atlas Copco AB, Class 'A'	3,452	72,153	85,456	1.64
		<b>72,153</b>	<b>85,456</b>	<b>1.64</b>
<b>Switzerland—2.80%</b>				
Nestlé SA, Registered	724	111,002	98,783	1.89
Sika AG, Registered	169	66,345	47,616	0.91
		<b>177,347</b>	<b>146,399</b>	<b>2.80</b>
<b>Taiwan—3.63%</b>				
Taiwan Semiconductor Manufacturing Co. Ltd., ADR	455	81,806	189,782	3.63
		<b>81,806</b>	<b>189,782</b>	<b>3.63</b>
<b>United Kingdom—7.65%</b>				
Ashtead Group PLC	870	79,478	81,865	1.57
Diploma PLC	562	29,662	55,056	1.05
Haleon PLC	14,469	95,850	100,332	1.92
Intertek Group PLC	911	71,556	77,970	1.49
London Stock Exchange Group PLC	510	71,426	84,468	1.62
		<b>347,972</b>	<b>399,691</b>	<b>7.65</b>
<b>Total investments</b>		<b>4,151,501</b>	<b>5,112,586</b>	<b>97.91</b>
Transaction costs		<b>(4,645)</b>		
Other assets, less liabilities			<b>109,182</b>	<b>2.09</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>4,146,856</b>	<b>5,221,768</b>	<b>100.00</b>

# First Trust Vest Fund of Buffer ETFs (Canada) ETF

STATEMENTS OF FINANCIAL POSITION	As at December 31, 2025 and December 31, 2024	
	December 31 2025 (\$)	December 31 2024 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	12,569,356	18,877,236
Cash	2,977	2,830
Other assets	1,043	382
	12,573,376	18,880,448
<b>Liabilities</b>		
Accrued liabilities	1,816	2,025
	1,816	2,025
<b>Total net assets attributable to holders of redeemable units</b>	<b>12,571,560</b>	<b>18,878,423</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		
<b>Units</b>	<b>12,571,560</b>	<b>18,878,423</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	<b>450,000</b>	<b>750,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>27.94</b>	<b>25.17</b>

STATEMENTS OF COMPREHENSIVE INCOME	For the years ended December 31, 2025 and 2024	
	December 31 2025 (\$)	December 31 2024 (\$)
<b>Other changes in fair value of investments</b>		
Net realized gain (loss) on sale of investments	11,667	531,265
Net change in unrealized appreciation (depreciation) of investments	277,977	935,000
	289,644	1,466,265
<b>Expenses [note 7]</b>		
Management fees	21,264	16,887
HST expense	1,749	1,819
Independent Review Committee fees	1,412	1,512
Transaction costs [note 3 and note 9]	62	58
	24,487	20,276
Expenses waived by manager	(1,412)	(1,512)
	23,075	18,764
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>266,569</b>	<b>1,447,501</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>		
<b>Units</b>	<b>266,569</b>	<b>1,447,501</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>0.49</b>	<b>3.07</b>

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust Vest Fund of Buffer ETFs (Canada) ETF

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2025 and 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	18,878,423	6,631,952
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	266,569	1,447,501
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from redeemable units issued	5,086,887	15,673,661
Reinvested distributions	-	226,500
Redemption of redeemable units	(11,660,319)	(4,874,691)
	(6,573,432)	11,025,470
<b>Distributions to holders of redeemable units from:</b>		
Net investment income	-	-
Capital gains	-	(130,005)
Return of capital	-	(96,495)
	-	(226,500)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	(6,306,863)	12,246,471
<b>Net assets attributable to holders of redeemable units, end of year</b>	12,571,560	18,878,423

See accompanying notes which are an integral part of these financial statements

# First Trust Vest Fund of Buffer ETFs (Canada) ETF

<b>STATEMENTS OF CASH FLOW</b>	<b>For the years ended December 31, 2025 and 2024</b>	
	<b>December 31 2025 (\$)</b>	<b>December 31 2024 (\$)</b>
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	266,569	1,447,501
Adjustments for:		
Net realized (gain) loss on sale of investments	(11,667)	(531,265)
Net change in unrealized (appreciation) depreciation of investments	(277,977)	(935,000)
Other assets	(661)	(362)
Other liabilities	(209)	1,083
Purchases of investments	(5,216,935)	(15,796,951)
Proceeds from the sale of investments	11,814,459	5,018,750
	<b>6,573,579</b>	<b>(10,796,244)</b>
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	5,086,887	15,673,661
Amount paid on redemptions of units	(11,660,319)	(4,874,691)
Distributions paid to unitholders	-	-
	<b>(6,573,432)</b>	<b>10,798,970</b>
<b>Increase (Decrease) in cash for the year</b>	<b>147</b>	<b>2,726</b>
<b>Cash, beginning of year</b>	<b>2,830</b>	<b>104</b>
<b>Cash, end of year</b>	<b>2,977</b>	<b>2,830</b>

*See accompanying notes which are an integral part of these financial statements*

**First Trust Vest Fund of Buffer ETFs (Canada) ETF**  
**Notes to Financial Statements - Specific Information**  
**For the year ended December 31, 2025**

**A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust Vest Fund of Buffer ETFs (Canada) ETF** (the “First Trust ETF”) seeks to provide the holders of units with capital appreciation and exposure to U.S. large capitalization companies included in the S&P 500® Index through investment in an equally weighted portfolio of First Trust Vest Funds (as defined herein) which are equity buffer ETFs.

To achieve its investment objectives, The First Trust ETF will invest in an equally weighted portfolio of First Trust Vest Funds (initially, First Trust Vest U.S. Equity Buffer ETF – August, First Trust Vest U.S. Equity Buffer ETF – November, First Trust Vest U.S. Equity Buffer ETF – February and First Trust Vest U.S. Equity Buffer ETF – May).

**B. FAIR VALUE MEASUREMENT (NOTE 5) -** The following fair value hierarchy table presents information about the First Trust ETF assets and liabilities measured at fair value on a recurring basis for the years ended December 31, 2025 and 2024:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2025			
	Level 1	Level 2	Level 3	Total
Equities	12,569,356	–	–	12,569,356
<b>Total</b>	<b>12,569,356</b>	<b>–</b>	<b>–</b>	<b>12,569,356</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2024			
	Level 1	Level 2	Level 3	Total
Equities	18,877,236	–	–	18,877,236
<b>Total</b>	<b>18,877,236</b>	<b>–</b>	<b>–</b>	<b>18,877,236</b>

There have been no transfers from one Level to another for the years ended December 31, 2025 and 2024.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting periods.

**C. REDEEMABLE UNITS (NOTE 6) -** The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2025 and 2024:

Redeemable Units	Units
Beginning balance – January 1, 2024	300,000
Redeemable units issued	650,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(200,000)
<b>Outstanding units – December 31, 2024</b>	<b>750,000</b>
Redeemable units issued	200,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(500,000)
<b>Outstanding units – December 31, 2025</b>	<b>450,000</b>

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7) -** Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee <sup>1</sup>
Units
0.15%

<sup>1</sup> The First Trust ETF's management fee will also bear the weighted management fees of the underlying funds.

First Trust Vest Fund of Buffer ETFs (Canada) ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

**E. TAXATION (NOTE 8)**

*Tax loss carryforwards* - There are no net capital and non-capital tax loss carryforwards as at December 31, 2025 and 2024.

**F. COMMISSIONS (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2025 and 2024:

Transaction Cost (\$)	
2025	2024
62	58

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2025 and 2024, including amounts owing as at December 31, 2025 and 2024 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2025	2024	2025	2024
21,264	16,887	1,607	1,792

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at December 31, 2025 and 2024, the First Trust ETF's market risk is affected by changes in actual market prices, foreign currency movements, and interest rates, if applicable. If the following index had increased (decreased) by 5% at December 31, 2025 and 2024, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2025		As at December 31, 2024	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® CAD-Hedged Index	414,233	(414,233)	559,745	(559,745)

**Concentration Risk** - The table below summarizes the First Trust ETF's concentration risk for the years ended December 31, 2025 and 2024:

Holdings	As a % of net assets attributable to holders of redeemable units	As a % of net assets attributable to holders of redeemable units
	As at December 31, 2025	As at December 31, 2024
Exchange-Traded Funds	99.98	99.99
Total	99.98	99.99

First Trust Vest Fund of Buffer ETFs (Canada) ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2025

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Exchange Traded Funds—99.98%</b>				
First Trust Vest U.S. Equity Buffer ETF - August	60,667	2,775,986	3,143,157	25.00
First Trust Vest U.S. Equity Buffer ETF - February	60,431	2,690,156	3,146,038	25.03
First Trust Vest U.S. Equity Buffer ETF - May	63,719	2,730,344	3,154,409	25.09
First Trust Vest U.S. Equity Buffer ETF - November	64,595	2,796,313	3,125,752	24.86
		<b>10,992,799</b>	<b>12,569,356</b>	<b>99.98</b>
<b>Total investments</b>		<b>10,992,799</b>	<b>12,569,356</b>	<b>99.98</b>
Transaction costs		(59)		
Other assets, less liabilities			2,204	0.02
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>10,992,740</b>	<b>12,571,560</b>	<b>100.00</b>

# First Trust SMID Cap Rising Dividend Achievers ETF

## STATEMENTS OF FINANCIAL POSITION

As at December 31, 2025 and December 31, 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	23,519,300	39,217,532
Cash	70,502	175,574
Derivative assets	33,365	-
Other assets	760	-
	23,623,927	39,393,106
<b>Liabilities</b>		
Accrued liabilities	3,544	4,778
Distributions payable to holders of redeemable units	58,200	149,870
Derivative liabilities	-	34,208
	61,744	188,856
<b>Total net assets attributable to holders of redeemable units</b>	<b>23,562,183</b>	<b>39,204,250</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
<b>Units</b>	<b>19,258,273</b>	<b>37,150,080</b>
<b>Hedged Units</b>	<b>4,303,910</b>	<b>2,054,170</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	<b>860,000</b>	<b>1,690,000</b>
<b>Hedged Units</b>	<b>200,000</b>	<b>100,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>22.39</b>	<b>21.98</b>
<b>Hedged Units</b>	<b>21.52</b>	<b>20.54</b>

## STATEMENTS OF COMPREHENSIVE INCOME

For the year ended December 31, 2025 and for the period from September 9, 2024 to December 31, 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Revenues</b>		
Dividends	417,173	173,403
<b>Other changes in fair value of investments and derivatives</b>		
Net realized gain (loss) on sale of investments	(1,876,383)	4,013
Net realized gain (loss) on derivatives	7,774	(66,682)
Net realized gain (loss) on foreign exchange	293	835
Net change in unrealized appreciation (depreciation) of investments	1,321,374	(1,294,887)
Net change in unrealized appreciation (depreciation) of derivatives	67,573	(34,208)
	(62,196)	(1,217,526)
Foreign exchange gain (loss) on cash	264	549
	(61,932)	(1,216,977)
<b>Expenses [note 7]</b>		
Management fees	47,549	6,864
HST expense	5,382	892
Independent Review Committee fees	3,137	590
Interest expense	88	46
Transaction costs [note 3 and note 9]	87	35
	56,243	8,427
Expenses waived by manager	(3,137)	(590)
	53,106	7,837
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>(115,038)</b>	<b>(1,224,814)</b>
<b>Withholding taxes</b>	<b>62,523</b>	<b>25,810</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>(177,561)</b>	<b>(1,250,624)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
<b>Units</b>	<b>(424,652)</b>	<b>(1,177,411)</b>
<b>Hedged Units</b>	<b>247,091</b>	<b>(73,213)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>(0.33)</b>	<b>(1.95)</b>
<b>Hedged Units</b>	<b>1.27</b>	<b>(1.17)</b>

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust SMID Cap Rising Dividend Achievers ETF

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the year ended December 31, 2025 and for the period from September 9, 2024 to December 31, 2024

	December 31 2025 (\$)	December 31 2024 (\$)	December 31 2025 (\$) Hedged Units	December 31 2024 (\$) Hedged Units
	Units	Units		
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	37,150,080	-	2,054,170	-
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	(424,652)	(1,177,411)	247,091	(73,213)
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units	11,653,038	38,469,471	2,469,799	2,135,293
Reinvested distributions	-	-	-	-
Redemption of units	(28,814,943)	(20)	(415,815)	-
	(17,161,905)	38,469,451	2,053,984	2,135,293
<b>Distributions to holders of redeemable units from:</b>				
Net investment income	(263,921)	(669)	(38,661)	(884)
Capital gains	-	-	-	-
Return of capital	(41,329)	(141,291)	(12,674)	(7,026)
	(305,250)	(141,960)	(51,335)	(7,910)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	(17,891,807)	37,150,080	2,249,740	2,054,170
<b>Net assets attributable to holders of redeemable units, end of year</b>	19,258,273	37,150,080	4,303,910	2,054,170
			<b>December 31 2025 (\$) Total</b>	<b>December 31 2024 (\$) Total</b>
<b>Net assets attributable to holders of redeemable units, beginning of year</b>			39,204,250	-
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>			(177,561)	(1,250,624)
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units			14,122,837	40,604,764
Reinvested distributions			-	-
Redemption of units			(29,230,758)	(20)
			(15,107,921)	40,604,744
<b>Distributions to holders of redeemable units from:</b>				
Net investment income			(302,582)	(1,553)
Capital gains			-	-
Return of capital			(54,003)	(148,317)
			(356,585)	(149,870)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>			(15,642,067)	39,204,250
<b>Net assets attributable to holders of redeemable units, end of year</b>			23,562,183	39,204,250

See accompanying notes which are an integral part of these financial statements.

# First Trust SMID Cap Rising Dividend Achievers ETF

## STATEMENTS OF CASH FLOW

For the year ended December 31, 2025 and for the period from September 9, 2024 to December 31, 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	(177,561)	(1,250,624)
Adjustments for:		
Net realized (gain) loss on sale of investments	1,876,383	(4,013)
Net change in unrealized (appreciation) depreciation of investments and derivatives	(1,388,947)	1,329,095
Other assets	(760)	-
Other liabilities	(1,234)	4,778
Purchases of investments	(14,252,963)	(40,611,420)
Proceeds from the sale of investments	29,396,186	103,014
	15,451,104	(40,429,170)
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	14,122,837	40,604,764
Amount paid on redemptions of units	(29,230,758)	(20)
Distributions paid to unitholders	(448,255)	-
	(15,556,176)	40,604,744
<b>Increase (Decrease) in cash for the year</b>	(105,072)	175,574
<b>Cash, beginning of year</b>	175,574	-
<b>Cash, end of year</b>	70,502	175,574
Dividends received, net of withholding taxes	354,650	147,593

See accompanying notes which are an integral part of these financial statements.

**First Trust SMID Cap Rising Dividend Achievers ETF**  
**Notes to Financial Statements - Specific Information**  
**For the year ended December 31, 2025**

**A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust SMID Cap Rising Dividend Achievers ETF** (the “First Trust ETF”) will seek to replicate, to the extent possible, the performance of an index of U.S. small and mid cap companies, net of expenses, initially the Nasdaq US Small Mid Cap Rising Dividend Achievers™ Index (the “Index”).

To achieve its investment objective, The First Trust ETF is to provide exposure to the Index by holding securities of First Trust SMID Cap Rising Dividend Achievers ETF (the “Underlying Fund”), a U.S.-listed index ETF which is managed by an affiliate of the Manager which seeks to replicate or substantially replicate the performance of the Index. The First Trust ETF will invest in derivative instruments in connection with the hedging of the U.S. dollar currency exposure in respect of the Hedged Units. Any investment in derivative instruments shall be in compliance with applicable Canadian securities legislation and be consistent with the investment objective and investment strategy of the First Trust ETF.

**B. FAIR VALUE MEASUREMENT (NOTE 5) -** The following fair value hierarchy table presents information about the First Trust ETF assets and liabilities measured at fair value on a recurring basis for the year ended December 31, 2025 and period ended December 31, 2024:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2025			
	Level 1	Level 2	Level 3	Total
Equities	23,519,300	–	–	23,519,300
Derivative assets*	–	33,365	–	33,365
Derivative liabilities*	–	–	–	–
<b>Total</b>	<b>23,519,300</b>	<b>33,365</b>	<b>–</b>	<b>23,552,665</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2024			
	Level 1	Level 2	Level 3	Total
Equities	39,217,532	–	–	39,217,532
Derivative assets*	–	–	–	–
Derivative liabilities*	–	(34,208)	–	(34,208)
<b>Total</b>	<b>39,217,532</b>	<b>(34,208)</b>	<b>–</b>	<b>39,183,324</b>

\*The derivative asses and derivative liabilities relate to the Hedged Units only.

There have been no transfers from one Level to another for the year ended December 31, 2025 and period ended December 31, 2024.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either of reporting periods.

**First Trust SMID Cap Rising Dividend Achievers ETF**  
**Notes to Financial Statements - Specific Information**  
**For the year ended December 31, 2025**

**C. REDEEMABLE UNITS (NOTE 6)** - The First Trust ETF issued (redeemed) the following units during the year ended December 31, 2025 and period ended December 31, 2024:

Redeemable Units	Units	Hedged Units
Beginning balance – September 9, 2024*	–	–
Redeemable units issued	1,690,001	100,000
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(1)	–
Outstanding units – December 31, 2024	1,690,000	100,000
Redeemable units issued	530,000	120,000
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(1,360,000)	(20,000)
Outstanding units – December 31, 2025	860,000	200,000

\*commencement of operations

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7)** - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee <sup>1</sup>	
Units	Hedged Units
0.15%	0.15%

<sup>1</sup> The First Trust ETF's management fee will also bear the management fee of the underlying fund.

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** - The net capital and non-capital tax loss carryforwards as at December 31, 2025 and 2024 are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2025	2024	2025	2024
572,992	30,835	–	–

**F. COMMISSIONS (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the period ended December 31, 2025 are as follows:

Transaction Cost (\$)	
2025	2024
87	35

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the year ended December 31, 2025 and period ended December 31, 2024, including amounts owing as at December 31, 2025 and 2024 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2025	2024	2025	2024
47,549	6,864	3,136	4,229

First Trust SMID Cap Rising Dividend Achievers ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As December 31, 2025 and 2024, the First Trust ETF's market risk is affected by changes in actual market prices, foreign currency movements, and interest rates, if applicable. If the following index had increased (decreased) by 5% at December 31, 2025 and 2024, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2025		As at December 31, 2024	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
<b>Units</b>				
Russell 3000® Index	1,120,382	(1,120,382)	2,228,762	(2,228,762)
S&P 1000® Index	1,110,957	(1,110,957)	2,107,228	(2,107,228)
<b>Hedged Units</b>				
Russell 3000® Index (USD)	1,151,013	(1,151,013)	2,315,011	(2,315,011)
S&P 1000® Index (USD)	1,138,053	(1,138,053)	2,156,234	(2,156,234)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2025 and 2024:

Currency	As at December 31, 2025		As at December 31, 2024	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	19,236,000	81.64	37,198,373	94.88

As at December 31, 2025, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$192,630 (December 31, 2024 – \$371,984). A portion of this currency risk exposure has been hedged. Please refer to the Schedule of Portfolio Investments for more information. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

**Concentration Risk** – The table below summarizes the First Trust ETF's concentration risk for the periods ended December 31, 2025 and December 31, 2024:

Holding	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2025	As at December 31, 2024
Exchange-Traded Fund	99.82	100.04
Total	99.82	100.04

# First Trust SMID Cap Rising Dividend Achievers ETF

## Notes to Financial Statements - Specific Information

### For the year ended December 31, 2025

#### SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2025

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Exchange Traded Funds—99.82%</b>				
First Trust SMID Cap Rising Dividend Achievers ETF	447,168	23,492,881	23,519,300	99.82
		<b>23,492,881</b>	<b>23,519,300</b>	<b>99.82</b>
<b>Total investments</b>		<b>23,492,881</b>	<b>23,519,300</b>	<b>99.82</b>
Transaction costs		(68)		
Unrealized appreciation on derivatives - see Schedule 1			33,365	0.14
Other assets, less liabilities			9,518	0.04
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>23,492,813</b>	<b>23,562,183</b>	<b>100.00</b>

Schedule 1

Counterparty	Credit		Settlement Date	Currency Sell	Amount Sold	Currency Buy	Amount Bought	Forward Rate	Current Rate	Appreciation (Depreciation) \$
	Rating of Counterparty*									
Bank of New York Mellon (The), New York	A-1+		2026-01-30	USD	3,129,682	CAD	4,324,000	0.724	0.729	33,365
										<b>33,365</b>

\* Commercial paper rating per Standard and Poor's Commercial Paper Guide

# First Trust Vest SMID Rising Dividend Achievers Target Income ETF

## STATEMENTS OF FINANCIAL POSITION As at December 31, 2025 and December 31, 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	2,886,376	1,014,397
Cash	20,936	8,772
Accrued dividend receivable	15,874	-
Other assets	443	-
	2,923,629	1,023,169
<b>Liabilities</b>		
Accrued liabilities	427	151
Distributions payable to holders of redeemable units	19,500	6,325
	19,927	6,476
<b>Total net assets attributable to holders of redeemable units</b>	<b>2,903,702</b>	<b>1,016,693</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		
<b>Units</b>	<b>2,903,702</b>	<b>1,016,693</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	<b>150,000</b>	<b>50,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>19.36</b>	<b>20.33</b>

## STATEMENTS OF COMPREHENSIVE INCOME

For the year ended December 31, 2025 and for the period from November 5, 2024 to December 31, 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Revenues</b>		
Dividends	270,425	15,068
<b>Other changes in fair value of investments</b>		
Net realized gain (loss) on sale of investments	(1,114,398)	-
Net realized gain (loss) on foreign exchange	(164)	(76)
Net change in unrealized appreciation (depreciation) of investments	(129,809)	17,753
	(973,946)	32,745
Foreign exchange gain (loss) on cash	(191)	10
	(974,137)	32,755
<b>Expenses [note 7]</b>		
Management fees	5,468	248
Independent Review Committee fees	368	21
HST expense	258	32
Transaction costs [note 3 and note 9]	76	458
Interest expense	42	-
	6,212	759
Expenses waived by manager	(368)	(21)
	5,844	738
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>(979,981)</b>	<b>32,017</b>
<b>Withholding taxes</b>	<b>24,361</b>	<b>2,249</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>(1,004,342)</b>	<b>29,768</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>		
<b>Units</b>	<b>(1,004,342)</b>	<b>29,768</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>(5.39)</b>	<b>0.60</b>

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust Vest SMID Rising Dividend Achievers Target Income ETF

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the year ended December 31, 2025 and for the period from November 5, 2024 to December 31, 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	1,016,693	-
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	(1,004,342)	29,768
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from issuance of units	11,617,453	1,000,020
Reinvested distributions	-	4,000
Redemption of units	(8,410,552)	(20)
	3,206,901	1,004,000
<b>Distributions to holders of redeemable units from:</b>		
Net investment income	(224,236)	(8,528)
Capital gains	-	(3,942)
Return of capital	(91,314)	(4,605)
	(315,550)	(17,075)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	1,887,009	1,016,693
<b>Net assets attributable to holders of redeemable units, end of year</b>	2,903,702	1,016,693

See accompanying notes which are an integral part of these financial statements.

# First Trust Vest SMID Rising Dividend Achievers Target Income ETF

## STATEMENTS OF CASH FLOW

For the year ended December 31, 2025 and for the period from November 5, 2024 to December 31, 2024

	December 31 2025 (\$)	December 31 2024 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	(1,004,342)	29,768
Adjustments for:		
Net realized (gain) loss on sale of investments	1,114,398	-
Net change in unrealized (appreciation) depreciation of investments	129,809	(17,753)
Dividends receivable	(15,874)	-
Other assets	(443)	-
Other liabilities	276	151
Purchases of investments	(11,589,532)	(996,644)
Proceeds from the sale of investments	8,473,346	
	(2,892,362)	(984,478)
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	11,617,453	1,000,020
Amount paid on redemptions of units	(8,410,552)	(20)
Distributions paid to unitholders	(302,375)	(6,750)
	2,904,526	993,250
<b>Increase (Decrease) in cash for the year</b>	12,164	8,772
<b>Cash, beginning of year</b>	8,772	-
<b>Cash, end of year</b>	20,936	8,772
Dividends received, net of withholding taxes	230,190	12,819

See accompanying notes which are an integral part of these financial statements.

**First Trust Vest SMID Rising Dividend Achievers Target Income ETF**  
**Notes to Financial Statements - Specific Information**  
**For the year ended December 31, 2025**

**A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust Vest SMID Rising Dividend Achievers Target Income ETF** (the “First Trust ETF”) will seek to provide unitholders with current income with a secondary objective of providing capital appreciation by investing primarily in a portfolio of equity securities included in the Nasdaq US Small Mid Cap Rising Dividend Achievers™ Index as well as listed options on the Russell 2000® Index or exchange-traded funds that track the Russell 2000® Index.

The First Trust ETF will seek to achieve its investment objectives by investing all or substantially all of its assets in FT Vest SMID Rising Dividend Achievers Target Income ETF (the “Underlying Fund”). The Underlying Fund seeks to achieve its investment objectives by investing primarily in a portfolio of equity securities within the Index and by utilizing an option strategy consisting of writing (selling) U.S. exchange-traded call options on the Russell 2000® Index, or exchange-traded funds that track the Russell 2000® Index. The Underlying Fund seeks to provide investors with a target income of approximately 8.0% (before fees and expenses) above the Russell 2000® Index annualized yield.

**B. FAIR VALUE MEASUREMENT (NOTE 5) -** The following fair value hierarchy table presents information about the First Trust ETF assets and liabilities measured at fair value on a recurring basis for the year ended December 31, 2025 and period ended December 31, 2024:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2025			
	Level 1	Level 2	Level 3	Total
Equities	2,886,376	–	–	2,886,376
<b>Total</b>	<b>2,886,376</b>	<b>–</b>	<b>–</b>	<b>2,886,376</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2024			
	Level 1	Level 2	Level 3	Total
Equities	1,014,397	–	–	1,014,397
<b>Total</b>	<b>1,014,397</b>	<b>–</b>	<b>–</b>	<b>1,014,397</b>

There have been no transfers from one Level to another for the year ended December 31, 2025 and period ended December 31, 2024.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of the reporting period.

**C. REDEEMABLE UNITS (NOTE 6) -** The First Trust ETF issued (redeemed) the following units during the year ended December 31, 2025 and period ended December 31, 2024:

Redeemable Units	Units
Beginning balance – November 5, 2024*	–
Redeemable units issued	50,001
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(1)
<b>Outstanding units – December 31, 2024</b>	<b>50,000</b>
Redeemable units issued	550,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(450,000)
<b>Outstanding units –December 31, 2025</b>	<b>150,000</b>

\* commencement of operations

First Trust Vest SMID Rising Dividend Achievers Target Income ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7)** - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee <sup>1</sup>
Units
0.15%

<sup>1</sup> The First Trust ETF's management fee will also bear the management fee of the underlying fund.

**E. TAXATION (NOTE 8)**

**Tax loss carryforwards** - The net capital and non-capital tax loss carryforwards as at December 31, 2025 and 2024, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2025	2024	2025	2024
554,090	–	–	–

**F. COMMISSIONS (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the year ended December 31, 2025 and period ended December 31, 2024 are as follows:

Transaction Cost (\$)	
2025	2024
76	458

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the year ended December 31, 2025 and period ended December 31, 2024, including amounts owing as at December 31, 2025 and 2024 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2025	2024	2025	2024
5,468	248	378	134

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at December 31, 2025 and 2024, the First Trust ETF's market risk is affected by changes in actual market prices, foreign currency movements, and interest rates, if applicable. If the following index had increased (decreased) by 5% at December 31, 2025 and 2024, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2025		As at December 31, 2024	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
Russell 2000® Index	120,504	(120,504)	46,513	(46,513)
Russell 3000® Index	130,521	(130,521)	58,358	(58,358)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2025 and 2024:

Currency	As at December 31, 2025		As at December 31, 2024	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	2,902,893	99.97	1,016,048	99.94

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First Trust Vest SMID Rising Dividend Achievers Target Income ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

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As at December 31, 2025, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$29,029 (December 31, 2024 – \$10,160). A portion of this currency risk exposure has been hedged. Please refer to the Schedule of Portfolio Investments for more information. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

**Concentration Risk** – The table below summarizes the First Trust ETF's concentration risk for the year ended December 31, 2025 and period ended December 31, 2024:

Holdings	As a % of net assets attributable to holders of redeemable units	As a % of net assets attributable to holders of redeemable units
	As at December 31, 2025	As at December 31, 2024
Exchange-Traded Funds	99.40	99.77
Total	99.40	99.77

First Trust Vest SMID Rising Dividend Achievers Target Income ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2025

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2025

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Exchange Traded Funds—99.40%</b>				
FT Vest SMID Rising Dividend Achievers Target Income ETF	97,993	2,998,441	2,886,376	99.40
		<b>2,998,441</b>	<b>2,886,376</b>	<b>99.40</b>
<b>Total investments</b>		<b>2,998,441</b>	<b>2,886,376</b>	<b>99.40</b>
Transaction costs		(9)		
Other assets, less liabilities			17,326	0.60
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>2,998,432</b>	<b>2,903,702</b>	<b>100.00</b>

# First Trust Long/Short Equity ETF

## STATEMENT OF FINANCIAL POSITION As at December 31, 2025

	December 31 2025 (\$)
<b>Assets</b>	
Investments (non-derivative financial assets)	3,220,693
Cash	11,191
Other assets	101
	3,231,985
<b>Liabilities</b>	
Accrued liabilities	469
Distributions payable to holders of redeemable units	10,500
	10,969
<b>Total net assets attributable to holders of redeemable units</b>	<b>3,221,016</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>	
<b>Units</b>	<b>3,221,016</b>
<b>Redeemable units outstanding [note 6]</b>	
<b>Units</b>	<b>150,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>	
<b>Units</b>	<b>21.47</b>

## STATEMENT OF COMPREHENSIVE INCOME For the period from July 21, 2025 to December 31, 2025

	December 31 2025 (\$)
<b>Revenues</b>	
Dividends	15,038
<b>Other changes in fair value of investments</b>	
Net realized gain (loss) on foreign exchange	(576)
Net change in unrealized appreciation (depreciation) of investments	58,058
	72,520
Foreign exchange gain (loss) on cash	58
	72,578
<b>Expenses [note 7]</b>	
Management fees	1,314
Transaction costs [note 3 and note 9]	152
Independent Review Committee fees	77
HST expense	70
Interest expense	16
	1,629
Expenses waived by manager	(77)
	1,552
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>71,026</b>
<b>Withholding taxes</b>	<b>2,261</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>68,765</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	
<b>Units</b>	<b>68,765</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>	
<b>Units</b>	<b>0.75</b>

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust Long/Short Equity ETF

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the period from July 21, 2025 to December 31, 2025

	December 31 2025 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of period</b>	-
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	68,765
<b>Redeemable unit transactions [note 6]</b>	
Proceeds from issuance of units	3,162,771
Reinvested distributions	1,500
Redemption of units	(20)
	3,164,251
<b>Distributions to holders of redeemable units from:</b>	
Net investment income	(9,789)
Capital gains	(1,356)
Return of capital	(855)
	(12,000)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the period</b>	3,221,016
<b>Net assets attributable to holders of redeemable units, end of period</b>	3,221,016

See accompanying notes which are an integral part of these financial statements.

# First Trust Long/Short Equity ETF

## STATEMENT OF CASH FLOW For the period from July 21, 2025 to December 31, 2025

	December 31 2025 (\$)
<b>Cash flows from (used in) Operating Activities</b>	
Increase (Decrease) in net assets attributable to holders of redeemable units	68,765
Adjustments for:	
Net change in unrealized (appreciation) depreciation of investments	(58,058)
Other assets	(101)
Other liabilities	469
Purchases of investments	(3,162,635)
Proceeds from the sale of investments	-
	(3,151,560)
<b>Cash flows from (used in) Financing Activities</b>	
Amount received from the issuance of units	3,162,771
Amount paid on redemptions of units	(20)
Distributions paid to unitholders	-
	3,162,751
<b>Increase (Decrease) in cash for the period</b>	<b>11,191</b>
<b>Cash, beginning of period</b>	<b>-</b>
<b>Cash, end of period</b>	<b>11,191</b>
Dividends received, net of withholding taxes	12,777

See accompanying notes which are an integral part of these financial statements.

**First Trust Long/Short Equity ETF**  
**Notes to Financial Statements - Specific Information**  
**For the period from July 21, 2025 to December 31, 2025**

**A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust Long/Short Equity ETF** (the “First Trust ETF”) seeks to provide unitholders with long-term total return by investing in both a long and short portfolio of U.S. exchange listed equity securities and index futures contracts by investing (a) at least 80% of its net assets in U.S. exchange-listed equity securities of U.S. and other foreign companies such as common stocks and exchange-traded funds and (b) up to 20% of its net assets in U.S. exchange-listed equity index futures contracts. The First Trust ETF may also invest in equity securities of master limited partnerships and real estate investment trusts.

The First Trust seeks to achieve its investment objectives by investing all or substantially all of its assets in First Trust Long/Short Equity ETF (the "Underlying Fund"), a U.S. exchange-traded fund listed on the NYSE Arca, Inc.

**B. FAIR VALUE MEASUREMENT (NOTE 5) -** The following fair value hierarchy table presents information about the First Trust ETF assets and liabilities measured at fair value on a recurring basis for the period ended December 31, 2025:

	Financial Assets (Liabilities) at Fair Value (\$)			
	As at December 31, 2025			
	Level 1	Level 2	Level 3	Total
Equities	3,220,693	–	–	3,220,693
Total	3,220,693	–	–	3,220,693

There have been no transfers from one Level to another for the period ended December 31, 2025.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of the reporting period.

**C. REDEEMABLE UNITS (NOTE 6) -** The First Trust ETF issued (redeemed) the following units during the period ended December 31, 2025:

Redeemable Units	Units
Beginning balance – July 21, 2025*	–
Redeemable units issued	150,001
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(1)
Outstanding units – December 31, 2025	150,000

\*commencement of operations

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7) -** Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee <sup>1</sup>
Units
0.15%

<sup>1</sup> The First Trust ETF's management fee will also bear the management fee of the underlying fund.

**E. TAXATION (NOTE 8)**

**Tax loss carryforwards** - There are no net capital and non-capital tax loss carryforwards as at December 31, 2025.

First Trust Long/Short Equity ETF  
Notes to Financial Statements - Specific Information  
For the period from July 21, 2025 to December 31, 2025

**F. COMMISSIONS (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the period ended December 31, 2025 are as follows:

Transaction Cost (\$)
2025
152

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the period ended December 31, 2025, including amounts owing as at December 31, 2025 are as follows:

Management Fee Expense (\$)	Management Fee Payable (\$)
2025	2025
1,314	415

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at December 31, 2025, the First Trust ETF's market risk is affected by changes in actual market prices, foreign currency movements, and interest rates, if applicable. If the following index had increased (decreased) by 5% at December 31, 2025, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2025	
	5% Increase (\$)	5% Decrease (\$)
S&P 500® Index	124,331	(124,331)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2025:

Currency	As at December 31, 2025	
	Net Exposure (\$)	% Net Assets
United States Dollar	3,220,840	99.99

As at December 31, 2025, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$32,208 (December 31, 2024 – n/a). A portion of this currency risk exposure has been hedged. Please refer to the Schedule of Portfolio Investments for more information. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

**Concentration Risk** – The table below summarizes the First Trust ETF's concentration risk for the period ended December 31, 2025:

Holding	As a % of net assets attributable to holders of redeemable units
	As December 31, 2025
Exchange-Traded Fund	99.99
Total	99.99

First Trust Long/Short Equity ETF  
Notes to Financial Statements - Specific Information  
For the period from July 21, 2025 to December 31, 2025

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2025

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Exchange Traded Funds—99.99%</b>				
First Trust Long/Short Equity ETF	33,054	3,162,787	3,220,693	99.99
<b>Total Exchange Traded Funds</b>		<b>3,162,787</b>	<b>3,220,693</b>	<b>99.99</b>
<b>Total investments</b>		<b>3,162,787</b>	<b>3,220,693</b>	<b>99.99</b>
Transaction costs		(152)		
Other assets, less liabilities			323	0.01
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>3,162,635</b>	<b>3,221,016</b>	<b>100.00</b>

# First Trust Exchange-Traded Funds

## Notes to Financial Statements

### For the year ended December 31, 2025

#### 1. GENERAL INFORMATION

The following First Trust exchange-traded funds (each, a “First Trust ETF” and collectively, the “First Trust ETFs”) are continuously distributed exchange-traded mutual funds established as trusts formed on the dates noted below under the laws of the Province of Ontario pursuant to a declaration of trust last amended on June 23, 2025. The majority of the First Trust ETFs are listed for trading on the Toronto Stock Exchange (“TSX”) while First Trust JFL Fixed Income Core Plus ETF, First Trust JFL Global Equity ETF, First Trust Vest Fund of Buffer ETFs (Canada) ETF, First Trust SMID Cap Rising Dividend Achievers ETF, and First Trust Vest SMID Rising Dividend Achievers Target Income ETF are listed for trading on the Cboe Canada Inc. (“Cboe CA”).

First Trust ETFs	Ticker Symbols	Inception Date
<b>Actively Managed Funds</b>		
First Trust Canadian Capital Strength ETF	FST	November 30, 2001
First Trust Senior Loan ETF (CAD-Hedged)	FSL	August 28, 2013
First Trust International Capital Strength ETF	FINT	May 17, 2018
First Trust JFL Fixed Income Core Plus ETF	FJFB	March 19, 2021
First Trust JFL Global Equity ETF	FJFG	March 19, 2021
<b>Target Outcome Funds</b>		
First Trust Vest U.S. Equity Buffer ETF – August	AUGB.F	August 30, 2019
First Trust Vest U.S. Equity Buffer ETF – November	NOVB.F	February 4, 2020
First Trust Vest U.S. Equity Buffer ETF – February	FEBB.F	February 25, 2020
First Trust Vest U.S. Equity Buffer ETF – May	MAYB.F	May 21, 2020
First Trust Vest Fund of Buffer ETFs (Canada) ETF	BUFR	May 25, 2023
<b>Income Funds</b>		
First Trust Value Line® Dividend Index ETF (CAD-Hedged)	FUD	May 15, 2013
First Trust Global Risk Managed Income Index ETF	ETP	July 23, 2014
First Trust Morningstar Dividend Leaders ETF (CAD-Hedged)	FDL	September 29, 2016
First Trust SMID Cap Rising Dividend Achievers ETF	SDVY / SDVY.F	September 9, 2024
First Trust Vest SMID Rising Dividend Achievers Target Income ETF	SDVD / SDVD.F	November 4, 2024
<b>AlphaDEX™ U.S. Sector Funds</b>		
First Trust AlphaDEX™ U.S. Health Care Sector Index ETF	FHH	October 30, 2014
	FHH.F	December 8, 2017
First Trust AlphaDEX™ U.S. Industrials Sector Index ETF	FHG	October 30, 2014
	FHG.F	December 8, 2017
First Trust AlphaDEX™ U.S. Technology Sector Index ETF	FHQ	October 30, 2014
	FHQ.F	December 8, 2017
<b>Sector and Industry Funds</b>		
First Trust NASDAQ® Clean Edge® Green Energy ETF	QCLN	October 30, 2014
First Trust Indxx NextG ETF	NXTG	October 30, 2014
First Trust Nasdaq Cybersecurity ETF	CIBR	October 30, 2014
First Trust Dow Jones Internet ETF	FDN	October 30, 2014
	FDN.F	December 8, 2017
First Trust NYSE Arca Biotechnology ETF	FBT	October 30, 2014
First Trust Cloud Computing ETF	SKYY	October 30, 2014
First Trust Indxx Innovative Transaction and Process ETF	BLCK	March 23, 2018
<b>Alternative Funds</b>		
First Trust Long/Short Equity ETF	FTLS	July 21, 2025

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# First Trust Exchange-Traded Funds

## Notes to Financial Statements

### For the year ended December 31, 2025

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FT Portfolios Canada Co. (the “Manager”) is also the trustee and promoter of the First Trust ETFs. First Trust Advisors L.P., an affiliate of the Manager, is the Portfolio Advisor of the First Trust ETFs. CIBC Mellon Trust Company is the custodian of the assets of the First Trust ETFs.

The address of the Manager is 40 King Street West, Suite 5102, Scotia Plaza, Box 312, Toronto, Ontario M5H 3Y2. The financial statements were authorized for issuance by the board of directors of the Manager on March 20, 2026.

## 2. BASIS OF PRESENTATION

The information provided in these financial statements and notes thereto is as at December 31, 2025 with comparatives as at December 31, 2024 and for the year ended December 31, 2025 with comparatives for the year ended December 31, 2024.

These annual financial statements have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (“IASB”).

The financial statements have been prepared on the historical cost basis, except for the revaluation of certain financial instruments. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

## 3. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

### Financial instruments

#### (i) Classification

##### Financial Assets

A First Trust ETF classifies its investments in debt and equity securities and open-ended investment funds based on its business model for managing those financial assets and the contractual cash flow characteristics of the financial assets.

These financial assets are managed, and their performance is evaluated on a fair value basis. A First Trust ETF also manages these financial assets with the objective of realizing cash flows through sales. A First Trust ETF has not taken the option to irrevocably designate any of its debt and equity securities at fair value through other comprehensive income (“FVOCI”). Consequently, these financial assets are mandatorily measured at FVTPL.

##### Financial Liabilities

A First Trust ETF makes short sales in which a borrowed security is sold in anticipation of a future decline in its market value or used as an arbitrage strategy.

Financial assets or financial liabilities held for trading are those acquired or incurred principally for the purpose of selling or repurchasing in the near future or on initial recognition are a part of a portfolio of identified financial instruments that a First Trust ETF manages together and have recent actual pattern of short-term profit-taking. All derivatives and short positions are included in this category and mandatorily measured at FVTPL.

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# First Trust Exchange-Traded Funds

## Notes to Financial Statements

### For the year ended December 31, 2025

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#### **Hedge Accounting**

A First Trust ETF does not apply hedge accounting to any of its derivative positions.

#### **(ii) Financial assets and financial liabilities at amortized cost**

The financial assets and liabilities measured at amortized cost include cash collateral posted on derivative positions, accrued income, due to and from brokers and other short-term receivables and payables.

At each reporting date, a First Trust ETF measures the loss allowance on cash collateral held, amounts due from broker, accrued income and other short-term receivables at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, a First Trust ETF measures the loss allowance at an amount equal to the 12 month expected credit losses. Given the short-term nature of the receivables and the high credit quality, a First Trust ETF has determined that the expected credit loss allowances are not material.

#### **(iii) Recognition and measurement**

Financial assets and financial liabilities at FVTPL are initially recognized on the trade date, which is the date on which the First Trust ETFs become a party to the contractual provisions of the instrument. Other financial assets and financial liabilities are recognized on the date on which they are originated.

Financial assets and financial liabilities at FVTPL are initially recognized at fair value, with transaction costs recognized in the statement of comprehensive income and loss. Financial assets or financial liabilities not at FVTPL are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue.

Subsequent to initial recognition, financial assets and liabilities at FVTPL are measured at fair value. Net realized gain (loss) on sale of investments and net change in unrealized appreciation (depreciation) of investments arising from changes in their fair value are included in the statement of comprehensive income for the period in which they arise.

Dividend or interest earned on financial assets at fair value through profit or loss and dividend or interest expense on the financial liabilities at fair value through profit or loss are disclosed in a separate line item in the statement of comprehensive income.

Fair value is determined in the manner described in item (v) below.

#### **(iv) Derecognition**

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or the First Trust ETF has transferred substantially all risks and rewards of ownership.

Financial liabilities at FVTPL are derecognized when the obligation specified in the contract is discharged, cancelled, or expired.

Net realized gain (loss) on sale of investments and derivatives are determined on a weighted average cost basis.

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# First Trust Exchange-Traded Funds

## Notes to Financial Statements

### For the year ended December 31, 2025

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#### **(v) Fair value measurement**

For the First Trust ETFs, investments in listed securities are measured at fair value, which is determined in reference to their quoted close prices on the principal securities exchange on which the issue is traded. The change in the difference between the fair value and average cost is included in the statement of comprehensive income as unrealized appreciation (depreciation) on investments.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the reporting date. In circumstances where the last traded price is not within the bid-ask spread, management will determine the point within the bid-ask spread that is most representative of fair value.

Forward foreign exchange contracts are valued at the current market value thereof on the valuation date. The value of these forward contracts is the gain or loss that would be realized if, on the valuation date, the positions were to be closed out.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The fair value of financial assets and liabilities that are not traded in an active market is determined by using valuation techniques. A First Trust ETF uses a variety of methods and makes assumptions that are based on market conditions existing at each year-end date. Valuation techniques used for non-standardized financial instruments such as options, currency swaps and other over-the-counter derivatives, include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

For instruments for which there is no active market, the First Trust ETF may use internally developed models, which are usually based on valuation methods and techniques generally recognized as standard within the industry. Valuation models are used primarily to value unlisted equity and debt securities for which markets were or have been inactive during the financial year. Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the First Trust ETF holds. Valuations are therefore adjusted, where appropriate, to allow for additional factors including model risk, liquidity risk and counterparty risk.

IFRS 13 requires disclosures relating to fair value measurements using a three-level fair value hierarchy. The level within which the fair value measurement is categorized in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement. Assessing the significance of a particular input requires judgment, considering factors specific to the asset or liability. The following shows financial instruments recognized at fair value, categorized between those whose fair value is based on:

# First Trust Exchange-Traded Funds

## Notes to Financial Statements

### For the year ended December 31, 2025

- Level 1 — Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The determination of what constitutes “observable” requires significant judgment by the First Trust ETF. The First Trust ETF considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. However, the fair value measurement objective remains the same, i.e., an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability. Therefore, unobservable inputs reflect the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk.

Fair values are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the First Trust ETFs determine whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The carrying values of cash, other assets, other liabilities and the First Trust ETFs’ obligation for net assets attributable to holders of redeemable units approximate their fair values due to their short-term nature.

See Note 5 for additional details related to the First Trust ETFs’ fair value measurements.

#### Cash

Cash consists of cash on deposit and bank overdraft.

#### Receivable for portfolio securities sold and Payable for portfolio securities purchased

Receivable for portfolio securities sold and Payable for portfolio securities purchased are recorded on the statement of financial position at the amount to be received or delivered.

#### Net assets attributable to holders of redeemable units per unit

First Trust ETFs
Issued Units only
First Trust Canadian Capital Strength ETF (“FST”)
First Trust Value Line® Dividend Index ETF (CAD-Hedged) (“FUD”)
First Trust Global Risk Managed Income Index ETF (“ETP”)
First Trust Senior Loan ETF (CAD-Hedged) (“FSL”)
First Trust NASDAQ® Clean Edge® Green Energy ETF (“QCLN”)
First Trust Indxx NextG ETF (“NXTG”)
First Trust Nasdaq Cybersecurity ETF (“CIBR”)
First Trust NYSE Arca Biotechnology ETF (“FBT”)

First Trust Exchange-Traded Funds  
Notes to Financial Statements  
For the year ended December 31, 2025

First Trust Cloud Computing ETF ("SKYY")
First Trust Morningstar Dividend Leaders ETF (CAD-Hedged) ("FDL")
First Trust Indxx Innovative Transaction and Process ETF ("BLCK")
First Trust International Capital Strength ETF ("FINT")
First Trust JFL Fixed Income Core Plus ETF ("FJFB")
First Trust JFL Global Equity ETF ("FJFG")
First Trust Vest Fund of Buffer ETFs (Canada) ETF ("BUFR")
First Trust Vest SMID Rising Dividend Achievers Target Income ETF ("SDVD")
First Trust Long/Short Equity ETF ("FTLS")
Issued Units and Hedged Units
First Trust AlphaDEX™ U.S. Health Care Sector Index ETF ("FHH")
First Trust AlphaDEX™ U.S. Industrials Sector Index ETF ("FHG")
First Trust AlphaDEX™ U.S. Technology Sector Index ETF ("FHQ")
First Trust Dow Jones Internet ETF ("FDN")
First Trust SMID Cap Rising Dividend Achievers ETF ("SDVY")
Issued Hedged Units only
First Trust Vest U.S. Equity Buffer ETF – August ("AUGB.F")
First Trust Vest U.S. Equity Buffer ETF – November ("NOVB.F")
First Trust Vest U.S. Equity Buffer ETF – February ("FEBB.F")
First Trust Vest U.S. Equity Buffer ETF – May ("MAYB.F")

These classes of redeemable units are the most subordinate classes of financial instruments in First Trust ETFs and rank pari passu in all material respects and have the same terms and conditions (See note 7 – Management Fees and Expenses).

A separate net asset value ("NAV") is calculated for each class of Units and Hedged Units of the First Trust ETFs. The NAV of a particular class of unit is computed by calculating the value of the class' proportionate share of the assets and liabilities of the First Trust ETF common to all series less direct expenses attributable only to that class. The NAV is divided by the number of units outstanding for each class on the day of valuation to compute NAV per unit. Other expenses are allocated proportionately to each series based upon the relative NAV of each class. Expenses are accrued daily.

Dividends are distributed according to the dividend policy discussed in the respective simplified prospectuses of the First Trust ETFs. Income not distributed is included in net assets attributable to holders of redeemable shares.

**Investment income**

The "Interest income for distribution purposes" shown on the statement of comprehensive income represents the coupon interest received by the First Trust ETFs accounted for on a straight-line basis. The First Trust ETFs do not amortize premiums paid or discounts received on the purchase of fixed income securities except for zero coupon bonds which are amortized on a straight-line basis.

Dividend income is recognized on the ex-dividend date in the statement of comprehensive income within dividend income, gross of withholding taxes, when the First Trust ETF's right to receive payments is established.

The First Trust ETFs generally incur withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis and the related withholding taxes are shown as a separate expense in the statement of comprehensive income.

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# First Trust Exchange-Traded Funds

## Notes to Financial Statements

### For the year ended December 31, 2025

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#### **Foreign currencies**

The primary economic environment in which an entity operates is normally the one in which it primarily generates and expends cash. The Manager considers the currency of the primary economic environment in which the First Trust ETFs operate to be the Canadian dollar as this is the currency which, in the Manager's opinion, most faithfully represents the economic effects of underlying transactions, events and conditions. Furthermore, the Canadian dollar is the currency in which the First Trust ETFs measure their performance and also issue and redeem redeemable shares. The Canadian dollar is the functional currency of the First Trust ETFs.

Investments purchased or sold in foreign currencies are translated into Canadian dollars using the exchange rate prevailing on the trade date. Income on foreign investments is recorded at gross, withholding taxes are shown separately as a line item, and are translated at the rate of exchange on the dates of such transactions. The fair values of investments and other assets and liabilities in foreign currencies are translated at the period-end exchange rates.

#### **Increase (decrease) in net assets attributable to holders of redeemable units per unit**

Increase (decrease) in net assets from operations per unit represents the increase (decrease) in net assets from operations by class divided by the average units outstanding per class during the period.

#### **Transaction costs**

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities are presented as a separate line item in the statement of comprehensive income in the period incurred.

#### **Forward foreign exchange currency agreements**

Some of the First Trust ETFs may purchase forward foreign exchange currency agreements to hedge assets and liabilities denominated in foreign currencies.

The value of the forward foreign exchange currency agreements is the gain or loss that would be realized if, on the valuation date, the position in the forward contract was closed out in accordance with its terms. The unrealized gains or losses on the forward contract are reported as part of the net change in unrealized appreciation or depreciation of derivatives in the statement of comprehensive income until it is closed out or partially settled.

Valuations of derivative instruments are carried out daily, using normal exchange reporting sources for exchange-traded derivatives and specific broker enquiry for over-the-counter derivatives.

Upon the closing out of the instrument, any gain or loss on forward foreign exchange currency agreements is disclosed in the statement of comprehensive income as net realized (loss) gain on foreign exchange.

Forward contracts entered into by the First Trust ETFs represent a firm commitment to buy or sell an underlying asset, or currency at a specified value and point in time based upon an agreed or contracted quantity.

#### **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the statement of financial position where the First Trust ETF currently has a legally enforceable right to set-off the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

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# First Trust Exchange-Traded Funds

## Notes to Financial Statements

### For the year ended December 31, 2025

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#### **Critical accounting estimates and assumptions**

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. The following discusses the most significant accounting judgments and estimates that the Manager has made in preparing these financial statements. Actual results may differ from these estimates.

#### **Fair value of securities not quoted in an active market**

The fair value of such securities not quoted in an active market may be determined by the First Trust ETFs using reputable pricing sources (such as pricing agencies) or indicative prices from bond/debt market makers. The First Trust ETF would exercise judgment and estimates on the quantity and quality of pricing sources used. Where no market data is available, the First Trust ETF may value positions using its own models, which are usually based on valuation methods and techniques generally recognized as standard within the industry. Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

The determination of what constitutes 'observable' requires significant judgment by the Manager. The Manager considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. Refer to Note 5 for further information about the fair value measurement of the First Trust ETFs' financial instruments.

#### **FLEX Options**

FLEX Options are customized equity or index option contracts that trade on an exchange but provide investors with the ability to customize key contract terms like exercise prices, styles and expiration dates. FLEX Options are guaranteed for settlement by the Options Clearing Corporation ("OCC").

Each Target Outcome Fund, except BUFR, will purchase and sell call and put FLEX Options based on the performance of the Underlying ETF. The FLEX Options that each Target Outcome Fund will hold that reference the Underlying ETF will give each Target Outcome Fund the right to receive or deliver shares of the Underlying ETF on the option expiration date at a strike price, depending on whether the option is a put or call option and whether each Target Outcome Fund purchases or sells the option. The FLEX Options held by each Target Outcome Fund are European style options, which are exercisable at the strike price only on the FLEX Option expiration date.

#### **4. FORWARD FOREIGN EXCHANGE CURRENCY AGREEMENTS**

Certain First Trust ETFs may enter into forward foreign exchange currency agreements to minimize the impact of changes in the Canadian-U.S. foreign exchange rate or Canadian-CHF/EUR/GBP foreign exchange rates on the First Trust ETFs' net asset value. The typical duration for a forward contract is one month but some contracts may be for longer periods up to six months. Bank of New York Mellon is the counterparty to all forward contracts of the First Trust ETFs except for FSL for which Canadian Imperial Bank of Commerce is the counterparty.

*The forward foreign exchange currency agreements, as applicable, are shown in the Notes to Financial Statements - Specific Information under Schedule of Portfolio Investments for each First Trust ETF.*

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# First Trust Exchange-Traded Funds

## Notes to Financial Statements

### For the year ended December 31, 2025

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#### 5. FAIR VALUE MEASUREMENT

Valuation techniques and inputs used for the fair value measurements categorized within Level 2 of the fair value hierarchy is given below:

##### **Forward foreign exchange currency contracts**

The value of the forward foreign exchange currency agreements is the gain or loss that would be realized if, on the valuation date, the position in the forward contract was closed out in accordance with its terms. The most significant observable input is the forward foreign currency exchange rate.

##### **Options**

Options are classified as level 1 when they are exchange traded and prices are readily available on the market. When the options do not trade and prices are not readily available, they are priced by a third-party pricing service that uses an options pricing model to price the options. The option pricing model utilizes, as inputs, observable traded prices of other options with similar or nearby strike prices and expiration dates. Since the inputs to the option pricing model are observable, the options are classified into level 2. FLEX Options are normally valued using a model-based price provided by a third-party pricing vendor. On days when a trade in a FLEX Option occurs, the trade price will be used to value such FLEX Options in lieu of the model price.

*The fair value hierarchy classifications of assets and liabilities are discussed in the Notes to Financial Statements - Specific Information for each First Trust ETF, where applicable.*

#### 6. REDEEMABLE UNITS

Units and Hedged Units (collectively called "Units") of each of the First Trust ETFs are being issued and sold on a continuous basis and there is no maximum number of units that may be issued. The Units of the First Trust ETFs are Canadian dollar denominated. The First Trust ETFs are listed on the TSX except FJFB, FJFG, BUFR, SDVY and SDVD are listed on Cboe CA and an investor is able to buy or sell Units of the First Trust ETFs on the TSX or Cboe CA through registered brokers and dealers in the province or territory where the investor resides. Investors may incur customary brokerage commissions in buying or selling Units. Refer to the table of the First Trust ETFs found in Note 3: Material Accounting Policy Information under Net assets attributable to holders of redeemable units per unit.

Investors that redeem Units prior to the distribution record date for any distribution will not be entitled to receive that distribution.

#### 7. MANAGEMENT FEES AND EXPENSES

Each First Trust ETF will pay the Manager a management fee. The management fee, plus applicable taxes, including HST, are 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.

In addition to the payment of the management fee, each First Trust ETF is responsible for the costs and expenses incurred in complying with National Instrument 81-107, Independent Review Committee for Investment Funds (including any expenses related to the implementation and on-going operation of an Independent Review Committee), brokerage expenses and commissions, income and withholding taxes as well as all other applicable taxes, including HST, the costs of complying with any new governmental or regulatory requirement introduced after the First Trust ETFs were established and extraordinary expenses and, in the discretion of the Manager, any costs associated with the printing and distribution of any documents that the securities regulatory authorities require be sent or delivered to investors in the First Trust ETF. The Manager is responsible for all other costs and expenses of the First Trust ETFs, including fees payable to the Portfolio Advisor, Custodian, Valuation Agent, Registrar and Transfer Agent and Plan Agent and fees payable to other service providers retained by the Manager.

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# First Trust Exchange-Traded Funds

## Notes to Financial Statements

### For the year ended December 31, 2025

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*The management fees charged are discussed in the Notes to Financial Statements - Specific Information for each First Trust ETF.*

#### **8. TAXATION**

##### **Income taxes**

The First Trust ETFs are trusts and registered investments under Provisions of the Income Tax Act (Canada) (the "Tax Act") and are expected to meet the requirements to be mutual fund trusts under the provisions of the Tax Act. The First Trust ETFs will generally not be subject to tax under Part I of the Act in respect of its net income or net realized capital gain in each taxation year to the extent that such net income and net realized capital gain are paid or payable in the year to the unitholders.

##### **Distributions**

Cash distributions on Units of a First Trust ETF are paid primarily out of dividends or distributions and other income or gains received by the First Trust ETF less the expenses of the First Trust ETF but may also consist of non-taxable amounts including return of capital, which may be paid in the Manager's sole discretion. To the extent that the expenses of a First Trust ETF exceed the income generated by such First Trust ETF in any given month, quarter or year, as the case may be, it is not expected that a monthly distribution will be paid. Non-cash distributions are reinvested back to the First Trust ETFs.

Distributions of sufficient net realized capital gains (reduced by loss carryforwards, if any) are made, on record date, after December 15 but on or before December 31 to ensure that the First Trust ETF will not be liable for income taxes.

##### **Tax loss carryforwards**

The non-capital losses for income tax purposes may be carried forward for 20 years. The net capital losses for income tax purposes may be carried forward indefinitely and applied against capital gains realized in future years.

*The net capital losses and non-capital losses, as applicable, are discussed in the Notes to Financial Statements - Specific Information for each First Trust ETF.*

#### **9. COMMISSIONS**

Total commissions and other transaction costs paid or payable to dealers by the First Trust ETFs for their portfolio transactions, where applicable, are discussed in the Specific Information for each First Trust ETF.

#### **10. RELATED PARTY INFORMATION**

The Manager is responsible for the management and administration of the First Trust ETFs. In consideration for the services provided by the Manager, the First Trust ETFs pay management fees (see note 7 – Management Fees and Expenses).

*The total management fees earned by the Manager including amounts owing where applicable, are discussed in the Notes to Financial Statements - Specific Information for each First Trust ETF.*

#### **11. FINANCIAL RISK MANAGEMENT**

The First Trust ETFs are exposed to a number of risks due to the nature of their activities and as further set out in their prospectus. These risks include market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The First Trust ETFs' objective in managing these risks is the protection and enhancement of share value.

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## First Trust Exchange-Traded Funds

### Notes to Financial Statements

#### For the year ended December 31, 2025

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*The financial risk management (market risk, interest rate risk, credit risk, currency risk, liquidity risk, and concentration risk) as applicable, are discussed in the Notes to Financial Statements - Specific Information for each First Trust ETF.*

#### **Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The investments of the First Trust ETFs are subject to normal market fluctuations and the risks inherent in investment in financial markets. The maximum risk resulting from financial instruments held by the First Trust ETFs is determined by the fair value of the financial instruments. The Portfolio Advisor moderates this risk through a careful selection of securities within specified limits and the First Trust ETFs' market price risk is moderated through diversification of the investment portfolio. The Portfolio Advisor monitors the First Trust ETFs' overall market positions on a daily basis and positions are maintained within established ranges.

Some First Trust ETFs hold Underlying ETFs and Underlying Funds. Thus, they are indirectly exposed to the market risk through the investments held by the Underlying ETFs and Underlying Funds in their investment portfolio.

For the years ended December 31, 2025 and 2024, the overall market exposures relate to the First Trust ETFs' investments in securities.

#### **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Certain First Trust ETFs are exposed to interest rate risk as they invest in listed debt securities bearing interest at fixed and floating interest rates. Other financial assets and liabilities exposed to interest rate risk include borrowings which are invested at long term interest rates and cash and bank balances which are invested at short term interest rates. The Portfolio Advisors manage the First Trust ETFs' exposure to interest rate risk on a daily basis in accordance with the First Trust ETFs' investment objectives and policies. The First Trust ETFs' overall exposure to interest rate risk is monitored closely by the Portfolio Advisors.

Interest rate risk arises on interest-bearing financial instruments. The majority of the First Trust ETFs', except FJFB, ETP, and FSL, financial assets and liabilities are non-interest bearing. As a result, the majority of the First Trust ETFs are not subject to significant amounts of interest rate risks due to fluctuations in the prevailing level of market interest rates.

FJFB invests in interest-bearing securities. ETP holds various exchange traded funds (the "Underlying ETFs"), that invest in interest bearing securities, some of which are fixed rate. FSL obtains exposure to a portfolio of senior floating rate loans and debt securities by holding securities of the Underlying Fund. The income of these First Trust ETFs may be affected by changes in interest rates relevant to particular securities or as a result of the Portfolio Advisor being unable to secure similar returns on the expiry or sale of securities. In addition, the price of interest-bearing securities will also fluctuate with interest rate changes. As a result, the price of the Underlying ETFs and Underlying Fund may fluctuate due to changes in the prevailing levels of market interest rates.

ETP holds Underlying ETFs and FSL holds an Underlying Fund. There is no look-through of the interest rate risks. Thus, they are indirectly exposed to the interest rate risk through the investments held by the Underlying ETFs and Underlying Fund in their investment portfolio.

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# First Trust Exchange-Traded Funds

## Notes to Financial Statements

### For the year ended December 31, 2025

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#### **Credit risk**

Credit risk is the risk that a counterparty to a financial instrument will cause a loss by failing to discharge its obligations. The First Trust ETFs are exposed to credit risk on its debt instruments, derivative assets, cash and cash equivalents and other short-term trade receivables.

The following First Trust ETFs had no significant investments in debt instruments and/or derivatives as of December 31, 2025 and 2024, as applicable:

FST, FINT, FJFG, ETP, QCLN, NXTG, CIBR, FBT, SKYY, BLCK, FTLS.

FJFB, ETP, and FSL - The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by Underlying ETFs for ETP and an Underlying Fund for FSL. The fair value of debt securities includes consideration of the credit worthiness of the debt issuer. For more information regarding the credit risk, refer to the Underlying ETFs' financial statements available on the SEDAR website at [www.sedarplus.ca](http://www.sedarplus.ca) and to the Underlying Fund's financial statements available on the First Trust website at [www.ftportfolios.com](http://www.ftportfolios.com).

ETP holds Underlying ETFs and FSL holds an Underlying Fund. There is no look-through of the financial risks. Thus, they are indirectly exposed to the credit risk through the investments held by the Underlying ETFs and the Underlying Fund in their investment portfolio.

#### **Currency risk**

Many of the First Trust ETFs hold assets and liabilities, including cash, short-term investments, equities, fixed income instruments and currency-based derivative contracts that are denominated in foreign currencies. These First Trust ETFs are therefore exposed to currency risk, as the value of the securities denominated in another currency fluctuates due to changes in exchange rates.

Although First Trust ETFs have inherent currency risk, some First Trust ETF's currency risk is hedged by entering into foreign currency forward contracts, if applicable.

ETP and BUFR hold Underlying ETFs while FSL, FDL, SDVY, SDVD, Sector and Industry Funds, and FTLS hold Underlying Funds. There is no look-through of the currency risks. Thus, they are indirectly exposed to the currency risk through the investments held by the Underlying ETFs and Underlying Funds in their investment portfolio.

ETP, FJFB, FST, and BUFR are Canadian funds therefore they have insignificant currency risk as at December 31, 2025.

*The currency risks are discussed in the Notes to Financial Statements - Specific Information for each First Trust ETF, where applicable.*

#### **Liquidity risk**

Liquidity risk is defined as the risk that the First Trust ETFs may not be able to settle or meet their obligation. The First Trust ETFs are exposed to daily cash redemptions of redeemable units. Therefore, the First Trust ETFs invest the majority of the assets in investments that are traded in the active market and can be readily disposed. In addition, the First Trust ETFs retain sufficient cash and cash equivalent positions to maintain liquidity.

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# First Trust Exchange-Traded Funds

## Notes to Financial Statements

### For the year ended December 31, 2025

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#### Concentration Risk

Concentration risk indicates the relative sensitivity of the First Trust ETFs' performance to developments affecting a particular industry or geographical location. Concentration risk also arises when a number of financial instruments or contracts are entered into with the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. The Portfolio Advisor monitors concentration risk through diversification and a thorough understanding of each investment in the portfolio.

#### Specific Risks associated with Target Outcome Funds

**Buffered Loss Risk.** There can be no guarantee that the First Trust ETF will be successful in its strategy to buffer against Underlying ETF losses if the fair value of the Underlying ETF decreases over the Target Outcome Period by 10% or less. A unitholder may lose their entire investment. The First Trust ETF's strategy seeks to deliver returns that match the Underlying ETF (up to the cap), while limiting downside losses, if units are bought on the day on which the First Trust ETF enters into the FLEX Options and held until those FLEX Options expire at the end of each Target Outcome Period. In the event an investor purchases units after the date on which the FLEX Options were entered into or sells units prior to the expiration of the FLEX Options, the buffer that the First Trust ETF seeks to provide may not be available.

**Capped Upside Risk.** The First Trust ETF's strategy seeks to provide returns that match those of the Underlying ETF for First Trust ETF units purchased on the first day of a Target Outcome Period and held for the entire Target Outcome Period, subject to a pre-determined upside cap. If an investor does not hold its First Trust ETF units for an entire Target Outcome Period, the returns realized by that investor may not match those the First Trust ETF seeks to achieve. If the Underlying ETF experiences gains during a Target Outcome Period, the First Trust ETF will not participate in those gains beyond the cap. In the event an investor purchases Fund units after the first day of a Target Outcome Period and the First Trust ETF has risen in value to a level near to the cap, there may be little or no ability for that investor to experience an investment gain on their First Trust ETF units.

**FLEX Options Correlation Risk.** The FLEX Options held by the First Trust ETF will be exercisable at the strike price only on their expiration date. Prior to the expiration date, the value of the FLEX Options will be determined based upon market quotations or using other recognized pricing methods. The value of the FLEX Options prior to the expiration date may vary because of related factors other than the value of the Underlying ETF. Factors that may influence the value of the FLEX Options, other than changes in the value of the Underlying ETF, may include interest rate changes, changing supply and demand, decreased liquidity of the FLEX Options and changing volatility levels of the Underlying ETF.

**FLEX Options Liquidity Risk.** The FLEX Options are listed on an exchange; however, no one can guarantee that a liquid secondary trading market will exist for the FLEX Options. In the event that trading in the FLEX Options is limited or absent, the value of the First Trust ETF's FLEX Options may decrease. In a less liquid market for the FLEX Options, liquidating the FLEX Options may require the payment of a premium (for written FLEX Options) or acceptance of a discounted price (for purchased FLEX Options) and may take longer to complete. A less liquid trading market may adversely impact the value of the FLEX Options and First Trust ETF units and result in the First Trust ETF being unable to achieve its investment objective. The trading in FLEX Options may be less deep and liquid than the market for certain other securities. FLEX Options may be less liquid than certain non-customized options. In a less liquid market for the FLEX Options, the liquidation of a large number of options may more significantly impact the price. A less liquid trading market may adversely impact the value of the FLEX Options and the value of the investor's investment.

**FLEX Options Risk.** The OCC may be unable or unwilling to perform its obligations under the FLEX Options contracts. Additionally, FLEX Options may be less liquid than other exchange-traded options. The value of the FLEX Options prior to their expiration date may vary because of factors other than fluctuations in the value of the Underlying ETF, such as an increase in interest rates, a change in the actual and perceived volatility of the stock market and the Underlying ETF and the remaining time to expiration. Additionally, the value of the FLEX Options

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## First Trust Exchange-Traded Funds

### Notes to Financial Statements

#### For the year ended December 31, 2025

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does not increase or decrease at the same rate as the Underlying ETF or its underlying securities. FLEX Option prices may be highly volatile and may fluctuate substantially during a short period of time. Trading FLEX Options involves risks different from, or possibly greater than, the risks associated with investing directly in securities.

**FLEX Options Valuation Risk.** The FLEX Options held by the First Trust ETF will be exercisable at the strike price only on their expiration date. Prior to the expiration date, the value of the FLEX Options will be determined based upon market quotations or using other recognized pricing methods. The value of the FLEX Options prior to the expiration date may vary because of related factors other than the value of the Underlying ETF. During periods of reduced market liquidity or in the absence of readily available market quotations for the holdings of the First Trust ETF, the ability of the First Trust ETF to value the FLEX Options becomes more difficult and the judgment of the First Trust ETF's Portfolio Advisor may play a greater role in the valuation of the First Trust ETF's holdings due to reduced availability of reliable objective pricing data.

**Target Outcome Period Risk.** The First Trust ETF's investment strategy is designed to deliver returns that match the Underlying ETF if First Trust ETF units are bought on the day on which the First Trust ETF enters into the FLEX Options (i.e., the first day of a Target Outcome Period) and held until those FLEX Options expire at the end of the Target Outcome Period. In the event an investor purchases First Trust ETF units after the first day of a Target Outcome Period or sells units prior to the expiration of the Target Outcome Period, the value of that investor's investment in First Trust ETF units may not be buffered against a decline in the value of the Underlying ETF and may not participate in a gain in the value of the Underlying ETF up to the cap for the investor's investment period.

#### 12. CAPITAL MANAGEMENT

The First Trust ETFs' capital are the net assets, representing unitholders' equity. The First Trust ETFs' objectives when managing capital is to safeguard the First Trust ETFs' ability to continue as a going concern in order to provide returns for unitholders, maximize unitholder value and maintain financial strength.

The First Trust ETFs are not subject to any externally imposed capital requirements.

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