



First Trust Canadian Capital Strength ETF • FST

Interim Management Report of Fund Performance
June 30, 2023

(Page intentionally left blank)

INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE

June 30, 2023

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

This interim management report of fund performance contains financial highlights but does not contain the complete unaudited interim financial statements of the First Trust ETF. All references to dollars contained herein are to Canadian dollars.

Securityholders may also contact us to request a copy of the First Trust ETF’s proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosures relating to the First Trust ETF by calling 1-877-622-5552, by writing to us at FT Portfolios Canada Co., 40 King Street West, Suite 5102, Scotia Plaza, Box 312, Toronto, Ontario M5H 3Y2 or by visiting our website at www.firsttrust.ca or SEDAR at www.sedar.com.

Forward-looking Statements

This document may contain forward-looking statements relating to anticipated future events, results, circumstances, performance or expectations that are not historical facts but instead represent beliefs regarding future events. By their nature, forward-looking statements are based on assumptions and are subject to inherent risks and uncertainties. There is significant risk that forward-looking statements will not prove to be accurate. Readers of this document should not place undue reliance on forward-looking statements as a number of factors could cause actual future results, conditions, actions or events to differ materially from the expectations, estimates or intentions expressed or implied in the forward-looking statements. These factors include but are not limited to market and general economic conditions, interest rates, foreign currency exchange rates, the extent of industry sector exposure, the performance of the securities of the issuers held in the portfolio and regulatory developments and the risks detailed in the First Trust ETF’s prospectus. The Manager does not undertake and specifically disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

First Trust Canadian Capital Strength ETF Management Report of Fund Performance For the six-month period ended June 30, 2023

Investment Objective and Strategy

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

To achieve its investment objectives, the First Trust ETF will primarily invest in securities of issuers that are based in Canada or have significant business operations in the Canadian market. Securities invested in by the First Trust ETF include common shares of public companies that are traded on a Canadian exchange or market.

The First Trust ETF uses a multi-step, bottom-up quantitative selection process to identify its investible universe of securities, and fundamental analysis to make final portfolio selections. The selection process, described below, is designed to identify issuers that have certain objectives and easily determinable attributes that, in the portfolio advisor's opinion, makes them capital strength issuers.

The first step in the portfolio advisor's selection process is to identify the universe of securities from which the portfolio advisor will select the portfolio. The portfolio advisor begins by selecting securities of issuers that, primarily, are traded on a Canadian exchange or market.

Next, the portfolio advisor evaluates issuers based on multiple quantitative metrics, including, but not limited to, cash on hand, return on equity and long-term debt to market value of equity. These factors are designed to identify those issuers which exhibit strong fundamental characteristics at the time of purchase and to eliminate those that do not meet the investment criteria.

After establishing the investment universe, the portfolio advisor examines other factors, including valuation and future growth prospects, to determine securities it may purchase for the First Trust ETF. The portfolio advisor then uses fundamental analysis to select securities that meet the First Trust ETF's investment objectives, trade at attractive valuations and in the opinion of the portfolio advisor, are likely to exceed market expectations of future cash flows.

Risk

The risks associated with an investment in the First Trust ETF remain as discussed in the First Trust ETF's most recent prospectus. There have been no significant changes during the reporting period that affected the overall level of risk associated with the First Trust ETF.

Results of Operations

General

The First Trust ETF's total net asset value as of June 30, 2023 was \$ 59,269,390 or \$42.97 per unit. The First Trust ETF's total net asset value as of December 31, 2022 was \$ 57,933,134 or \$40.54 per unit.

For the six-month period ended June 30, 2023, the First Trust ETF paid total cash distributions of \$0.4250 per unit. In addition, the First Trust ETF declared cash distributions of \$0.2000 per unit for record date of June 30, 2023 with payment date of July 10, 2023.

Investment Performance

For the six-month period ended June 30, 2023, the First Trust ETF returned 7.08% compared to S&P/TSX Composite® Index (the "benchmark") return of 5.70%. Unlike the benchmark, the First Trust ETF's returns are net of fees and expenses.

The First Trust ETF outperformed the benchmark over the first half of the year. Sector allocation was a positive contributor to relative performance. Stock selection negatively contributed to relative performance, notably in Consumer Discretionary, Energy, and Information Technology sectors. Positive contributors to relative performance can mainly be attributed to an overweight allocation and stock selection within the Industrials sector and an underweight allocation and stock selection within the Financials sector.

First Trust Canadian Capital Strength ETF Management Report of Fund Performance For the six-month period ended June 30, 2023

The top-performing stocks for the reporting period, based on total return, were ATS Corporation, Constellation Software Inc., and CGI Inc. Class A. These stocks returned +44.81%, +32.65%, and +19.70% respectively, in CAD, including dividends. The bottom-performing stocks, based on total return, were Cenovus Energy Inc., Nutrien Ltd., and Aritzia, Inc. These stocks returned -13.42%, -19.65%, and -23.61%, respectively, in CAD, including dividends.

The First Trust ETF held 25 equity positions for the year ended December 31, 2022 and made no net change to the number of positions from the beginning of the year. Portfolio changes were made in March 2023 (one position added, two positions eliminated) and June 2023 (two positions added, two positions eliminated). The top ten equity holdings of the First Trust ETF on June 30, 2023 accounted for 41.05% of total NAV and the top ten equity holdings of the First Trust ETF on December 31, 2022 accounted for 40.25% of total NAV. Financials, Industrials, and Materials (in order) were the top three sector weightings at the end of June 2023. Financials, Industrials, and Materials (in order) were the top three sector weightings at the beginning of the year as well. Relative to its benchmark over the reporting period, the First Trust ETF on average was overweight the Energy, Consumer Staples, Industrials, Information Technology, and Materials sectors while underweight the Communication Services, Energy, Utilities, Financials, Real Estate, and Health Care sectors. The sector weighting of the First Trust ETF changed somewhat over the reporting year, primarily as the result of our bottom-up, multi-step quantitative and fundamental stock selection strategy. Portfolio changes were made in March and June though there was no net change to the total number of portfolio positions over the year. In March, two positions, Stelco Holdings Inc and Lumine Group Inc, a spinoff from Constellation Software Inc., were removed at the portfolio manager's discretion. A position in CCL Industries Inc was established to replace them. In June, two positions, Nutrien Ltd and Aritzia Inc, were removed at the portfolio manager's discretion. Two positions, Stantec Inc, and Finning International Inc, were established to replace them.

Recent Developments

After peaking at 8.1% last summer, inflation in Canada has fallen to 3.4% in May. Quantitative tightening, lower energy prices, and overall improvements in the global supply chain have led to considerable progress towards returning inflation back the Bank of Canada's ("the BoC's") 2% target. Core inflation, while continuing to edge down, remains a more persistent issue. Three-month rates of core inflation have stalled between 3.5% - 4.0%, suggesting that inflation may remain above the target for longer than anticipated, though the BoC continues to remain steadfast in their efforts to ease inflation and restore price stability. Following a brief pause in March and April, the BoC extended its tightening cycle with two more 0.25% rate hikes, bringing the policy interest rate to 5.0%. The bank is now forecasting CPI inflation to remain near the 3.0% level for about a year with an eventual return to the 2.0% target occurring in the middle of 2025. Economic activity in Canada has been surprisingly strong, largely in part due to a surge in consumption spending and an unexpected increase in exports. The labor market has remained robust with about 290,000 new jobs created in the first half of the year, though the tighter economic conditions may put a strain on the labor market in the second half of the year. Real GDP growth is estimated to have slowed in the second quarter to 1.5% and is expected to average around 1.0% in the second half of the year. Despite the strong start to the year, overall economic activity is expected to slow in the second half as the effects of monetary policy tightening weigh on the economy.

The benchmark closed the first half of the year up 5.70%, rebounding after falling -5.84% on a total return basis in 2022. Ten of the eleven sectors posted positive returns and the Energy sector (-2.29%) was the only sector to post a negative return. Weakness in energy commodity prices and rising construction costs for new infrastructure weighed on the sector. Information Technology was by far the top performing sector, returning 46.86%, and while it only makes up about 7.0% of the benchmark it was easily the largest contributor to total return. Shopify drove the sector higher and was the largest contributor to the index as a whole in both quarters to start the year. The Financial sector, which makes up almost a third of the index, underperformed the overall market as it returned 3.88% for the first half of the year. After performing well in the first quarter, bank stocks weighed on the sector in the second quarter as earnings fell short of analyst expectations.

We believe there are plenty of long-term attractive opportunities in Canada, especially as inflation comes under control. We expect the Canadian equity market will provide ample returns for investors with longer time horizons

**First Trust Canadian Capital Strength ETF
Management Report of Fund Performance
For the six-month period ended June 30, 2023**

and continue to find attractive long-term candidates from within our selection universe of “capital strength” companies.

Related Party Transactions

FT Portfolios Canada Co. is the Manager of the First Trust ETF and is a Canadian affiliate of First Trust Advisors L.P., the investment advisor (the “Advisor”) of the First Trust ETF.

Pursuant to terms of the declaration of trust of the First Trust ETF, the Manager provides or arranges for all management, administrative and other services required by the First Trust ETF. The Manager receives a management fee from the First Trust ETF. For further details, please see “Management Fees”.

The Manager has retained the Advisor to provide certain services to the First Trust ETF pursuant to an investment advisory agreement. The Advisor receives advisory fees from the Manager out of the management fee.

First Trust Canadian Capital Strength ETF Management Report of Fund Performance For the six-month period ended June 30, 2023

Financial Highlights

The following tables show selected key financial information about the First Trust ETF and are intended to help you understand the First Trust ETF's financial performance for the six-month period ended June 30, 2023 and for the five years ended December 31. This information is derived from the First Trust ETF's unaudited interim and audited annual financial statements.

Net Asset Value per Unit

FST	2023	2022 ^(a)	2021	2020	2019	2018
Net asset value, beginning of period/year ⁽¹⁾	\$40.54	\$41.02	\$34.44	\$34.59	\$30.18	\$33.44
Increase (Decrease) from operations:						
Total revenue	0.53	1.33	0.99	0.78	0.84	0.75
Total expenses	(0.14)	(0.27)	(0.27)	(0.22)	(0.23)	(0.23)
Realized gains (losses) for the period/year	0.27	3.96	4.28	(1.13)	2.33	0.07
Unrealized gains (losses) for the period/year	2.19	(3.41)	2.53	(1.82)	2.73	(3.97)
Total increase (decrease) from operations ⁽²⁾	\$2.85	\$1.61	\$7.53	\$(2.39)	\$5.67	\$(3.38)
Distributions:						
From income (excluding dividends)	-	-	-	-	-	-
From dividends	(0.43)	(0.75)	(0.56)	(0.49)	(0.48)	(0.34)
From capital gains	-	(0.08)	(0.20)	-	-	-
Return of capital	-	-	-	(0.15)	-	-
Total annual distributions ⁽³⁾	\$(0.43)	\$(0.83)	\$(0.76)	\$(0.64)	\$(0.66)	\$(0.34)
Net asset value, end of period/year ⁽⁴⁾	\$42.97	\$40.54	\$41.02	\$34.44	\$34.59	\$30.18

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

(1) This information is provided as at June 30, 2023 and December 31 of the period/years shown and is prepared under IFRS.

(2) Net asset value and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the period/year.

(3) Distributions were paid in cash or reinvested in additional units of the First Trust ETF, or both. Non-cash distributions are reinvested in additional units of the First Trust ETF and subsequently consolidated. Neither the number of units held by the unitholder, nor the net asset per unit of the First Trust ETF change as a result of any non-cash distributions.

(4) This table is not intended to be a reconciliation of beginning to ending net asset value per unit.

Ratios and Supplemental Data

FST	2023	2022 ^(a)	2021	2020	2019	2018
Net asset value (000's)	\$59,269	\$57,933	\$20,223	\$18,703	\$32,614	\$42,046
Number of units outstanding	1,379,209	1,429,209	492,993	542,993	942,993	1,392,993
Management expense ratio ⁽¹⁾	0.66%	0.67%	0.66%	0.66%	0.65%	0.66%
Management expense ratio before waivers or absorption	0.68%	0.69%	0.68%	0.69%	0.67%	0.68%
Trading expense ratio ⁽²⁾	0.01%	0.01%	0.03%	0.03%	0.02%	0.03%
Portfolio turnover rate ⁽³⁾	17.89%	70.32%	56.13%	60.13%	45.10%	63.24%

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

(1) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period/year and is expressed as an annualized percentage of daily average net asset value during the period/year.

(2) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period/year.

(3) The First Trust ETF's portfolio turnover rate indicates how actively the First Trust ETF's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the First Trust ETF buying and selling all of the securities in its portfolio once in the course of the period/year. The higher a First Trust ETF's portfolio turnover rate in a period/year, the greater the trading cost payable by the First Trust ETF in the period/year, and the greater the chance of an investor receiving taxable capital gains in the period/year. There is not necessarily a relationship between high turnover rate and the performance of a First Trust ETF.

First Trust Canadian Capital Strength ETF Management Report of Fund Performance For the six-month period ended June 30, 2023

Management Fees

The First Trust ETF will pay the Manager a management fee of 0.60% based on the average daily NAV of the First Trust ETF. The management fee, plus applicable taxes including HST, will be accrued daily and paid monthly in arrears. The Manager may, from time to time in its discretion, waive all or a portion of the management fee charged at any given time.

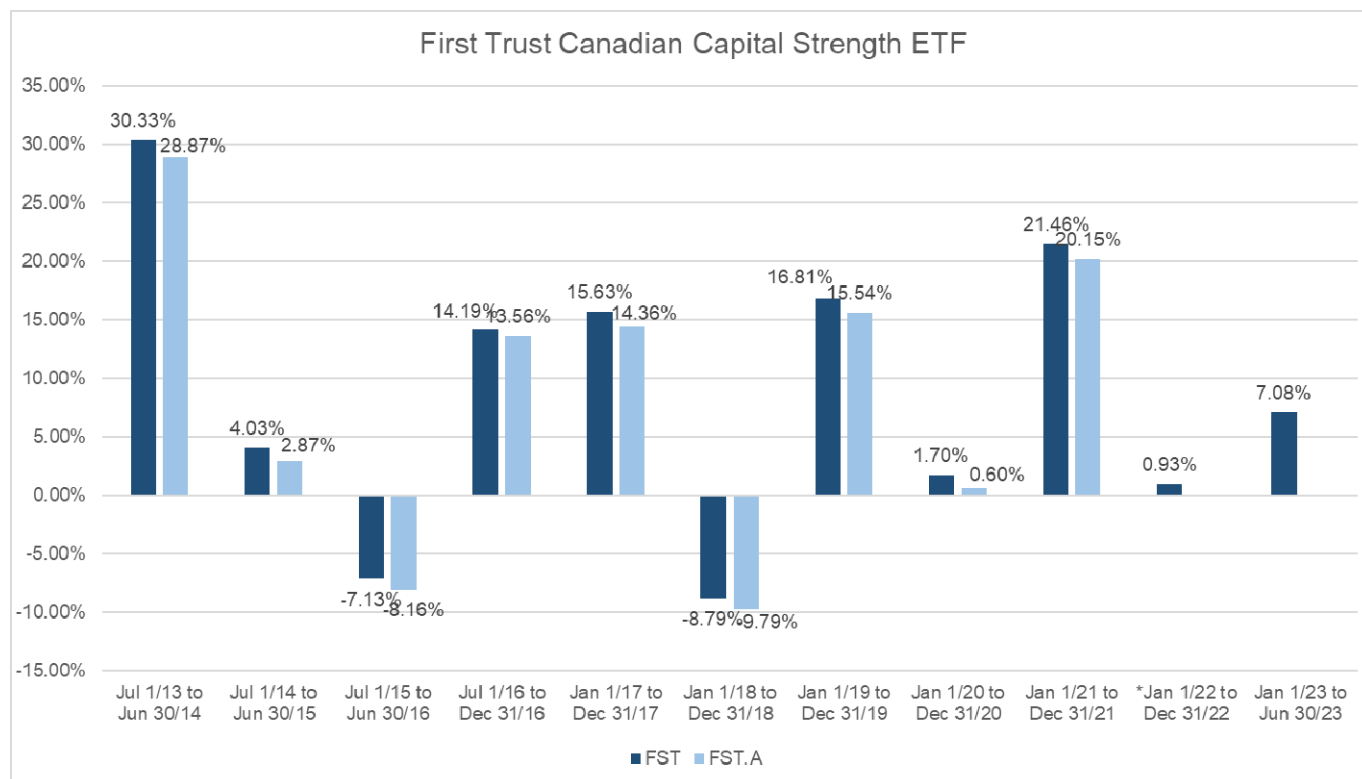
Past Performance

General

The past performance information shown assumes that all distributions made by the First Trust ETF in the years shown were reinvested in additional securities of the First Trust ETF. The performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance. How the First Trust ETF has performed in the past does not necessarily indicate how it will perform in the future.

Year by Year Returns

The bar chart below shows the First Trust ETF's performance for the six-month period ended June 30, 2023, for the years ended December 31, for the six-month period ended December 31, 2016, and for the fiscal years ended June 30 and illustrate how the investment fund's performance has changed from year to year. The chart also shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the last day of each financial year.



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

First Trust Canadian Capital Strength ETF Management Report of Fund Performance For the six-month period ended June 30, 2023

Summary of Investment Portfolio

The table below sets out the percentage (based on total net asset value) of the First Trust ETF's top 25 holdings as at June 30, 2023. This summary of portfolio holdings may change due to ongoing portfolio transactions of the First Trust ETF. Daily and quarterly updates are available at www.firsttrust.ca.

Top 25 Holdings	% of ETF Total Net Asset Value
TFI International Inc.	4.21%
Gildan Activewear Inc.	4.19%
ATS Corp.	4.12%
CCL Industries Inc., Class 'B'	4.12%
Dollarama Inc.	4.09%
Alimentation Couche-Tard Inc.	4.09%
Loblaw Cos. Ltd.	4.08%
Stantec Inc.	4.06%
Canadian Pacific Kansas City Ltd.	4.05%
Finning International Inc.	4.04%
Sun Life Financial Inc.	4.03%
Toronto-Dominion Bank (The)	4.02%
Canadian Natural Resources Ltd.	3.97%
Bank of Montreal	3.97%
Royal Bank of Canada	3.95%
CGI Inc.	3.94%
National Bank of Canada	3.93%
Constellation Software Inc.	3.93%
Cenovus Energy Inc.	3.92%
iA Financial Corp. Inc.	3.92%
WSP Global Inc.	3.91%
Franco-Nevada Corp.	3.87%
Manulife Financial Corp.	3.84%
Suncor Energy Inc.	3.80%
Teck Resources Ltd., Class 'B'	3.78%
Total	99.83%

Portfolio Breakdown

The table below sets out the percentage (based on total net asset value) of the First Trust ETF's portfolio as at June 30, 2023.

Sector Weightings	% of ETF Net Asset Value
Financials	27.65%
Industrials	24.40%
Materials	11.77%
Energy	11.69%
Consumer Discretionary	8.28%
Consumer Staples	8.17%
Information Technology	7.87%
Cash and Cash Equivalents	0.48%
Other Assets, Less Liabilities	-0.31%
Total	100.00%

(Page intentionally left blank)

(Page intentionally left blank)

FT Portfolios Canada Co.

40 King Street West, Suite 5102
Scotia Plaza, Box 312
Toronto, Ontario M5H 3Y2

www.firsttrust.ca