First Trust Portfolios Canada

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

Interim Management Report of Fund Performance
June 30, 2026

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INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE
June 30, 2026

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

This interim management report of fund performance contains financial highlights but does not contain either the interim financial report or annual financial statements of the First Trust ETF. You can get a copy of the interim financial report or annual financial statements at your request, and at no cost, by calling 1-877-622-5552, by writing to us at FT Portfolios Canada Co., 40 King Street West, Suite 5102, Scotia Plaza, Box 312, Toronto, Ontario M5H 3Y2 or by visiting our web site at www.firsttrust.ca or SEDAR+ at www.sedarplus.com.

Securityholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

Forward-looking Statements

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

First Trust Value Line® Dividend Index ETF (CAD-Hedged)
Management Report of Fund Performance
For the six-month period ended June 30, 2026

Investment Objective and Strategy
The fundamental investment objective of **First Trust Value Line® Dividend Index ETF (CAD-Hedged)** (the "First Trust ETF") is to replicate, to the extent possible, the performance of the Value Line® Dividend Index (the "Index) on a currency hedged basis, net of expenses.

The investment strategy of the First Trust ETF is to invest in and hold a proportionate share of the constituent securities of the Index, or other securities, including ETFs, mutual funds or other public investment funds or derivative instruments, to seek to replicate the performance of such Index. The First Trust ETF may also hold cash and cash equivalents or other money market instruments to fund current liabilities.

The First Trust ETF may also obtain exposure to the Index by holding securities of a U.S.-listed index ETF of an affiliate of the Manager, First Trust Value Line® Dividend Index Fund, which replicates or substantially replicates the performance of the Index.

The Index is a modified equal-dollar weighted index comprised of U.S. exchange-listed securities of companies that pay above-average dividends and have potential for capital appreciation. The Index begins with the universe of U.S. stocks, excluding all registered investment companies, limited partnerships and foreign securities not listed in the U.S., that Value Line® gives a Safety™ Ranking of #1 or #2 using the Value Line® Safety™ Ranking System. The Safety™ ranking measures the total risk of a stock relative to the other stocks in the Value Line® universe. From those stocks, Value Line® selects those companies with a higher dividend yield as compared to the indicated dividend yield of the Standard & Poor's 500 Composite Stock Price Index. Value Line® then eliminates those companies with an equity market capitalization of less than US$1 billion. The Index is equally weighted and rebalanced on a monthly basis. The Index's monthly rebalance and reconstitution schedule may cause the First Trust ETF to experience a higher rate of portfolio turnover.

Risk
The Index the First Trust ETF tracks utilizes a rules-based stock selection process and can result in sector weightings that differ from the primary and secondary benchmarks, Dow Jones U.S. Select Dividend Index Return (USD) and S&P 500® Index (CAD-Hedged) total return respectively. The ability of the underlying securities to pay a dividend in the future is dependent on factors that are not controlled by fund management. A security held in the First Trust ETF may, at any time, decide to cut or eliminate its dividend payment. Given the First Trust ETF employs a currency hedging strategy to minimize the impact of changes in the USD-CAD exchange rate and considering that the portfolio remains consistent in its application of the Value Line® stock selection methodology to pick stocks for the portfolio, we conclude there was no material change to the risk profile of the First Trust ETF. Investors should refer to the most recent prospectus as it contains detailed discussion of risk relating to the investment of the First Trust ETF.

Results of Operations

General
First Trust ETF's total net asset value as of June 30, 2026, was $7,536,166 or $37.74 per unit. First Trust ETF's total net asset value as of December 31, 2025, was $5,459,982 or $36.47 per unit.

For the six-month period ended June 30, 2026, the First Trust ETF paid total cash distributions of $0.4300 per unit. In addition, the First Trust ETF declared cash distributions of $0.0750 per unit for record date of June 30, 2026, with payment date of July 8, 2026.

Investment Performance
For the six-month period ended June 30, 2026, the First Trust ETF returned 4.67% compared to the primary and secondary benchmarks' total returns of 12.68% and 9.26% respectively. Unlike the benchmarks, the First Trust ETF's returns are net of fees and expenses.

The First Trust ETF underperformed the primary benchmark during the first half of the year. Communication Services, Consumer Discretionary, and Real Estate added to relative performance due to allocation. Technology names were about equal weight, but selection within the group detracted from relative outperformance. Industrials were overweight during the period, but security selection detracted from performance as the group was one of the best sectors in the benchmark. Selection in staples and health care names also caused relative underperformance versus the primary benchmark during the period.

The top five stocks by contribution to return were Cisco Systems, Inc., MSC Industrial Direct Co., Inc., Cummins Inc., Bank of Montreal, and Eaton Corporation plc. The bottom five stocks by contribution to return were Cognizant Technology Solutions Corporation, Accenture plc, Infosys Limited, Thomson Reuters Corporation, and Broadridge Financial Solutions, Inc..

The portfolio held 237 equity securities on December 31, 2025, and 251 equity securities on June 30, 2026. The top ten equity holdings accounted for 4.32% of the total NAV. Utilities, Financials, and Industrials were the top three sector weightings at the beginning of the period. Financials, Utilities, and Industrials were the top three sector weightings on June 30, 2026. Relative to the benchmark, Industrials, Real Estate, and Health Care were the most overweight sectors on June 30, 2026. The most underweight sectors versus the benchmark at the end of the period were Utilities, Financials, and Energy. At the beginning of the period, Industrials, Real Estate, and Health Care were the most overweight sectors relative to the benchmark. The most underweight sectors at the beginning of the period were Financials, Utilities, and Consumer Discretionary.

During the period, the currency hedge was not beneficial to the First Trust ETF as the U.S. dollar appreciated versus the Canadian Dollar.

Recent Developments

Large-cap stocks, as measured by the S&P 500®, underperformed dividend stocks, as measured by the Dow Jones U.S. Select Dividend Index, for the first half of the year. This broadening out market—in which smaller names outperformed the largest names in the index—was most evident during the first half of the year, as notable megacaps Nvidia, Microsoft, and Apple all underperformed the S&P 500 after years of leadership. The ongoing U.S. conflict in the Middle East drove energy price volatility during the first half of the year. Oil prices peaked at $112 in April before dropping to $83 just a few weeks later, then moved closer to February's pre-conflict levels by June. Control of the Strait of Hormuz remained the main driver of energy prices throughout the year. These upward trends in energy prices have been a concern for new Federal Reserve Chairman Kevin Warsh, and the Fed has pledged a regime change focused on delivering price stability and eliminating high inflation.

Related Party Transactions

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

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

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

Financial Highlights

The following tables show selected key financial information about the First Trust ETF and are intended to help you understand the First Trust ETF's financial performance for the six-month period ended June 30, 2026, and for the five years ended December 31. This information is derived from the First Trust ETF's unaudited interim and audited annual financial statements.

Net Asset Value per Unit

FUD	2026	2025	2024	2023	2022[(a)]	2021
Net asset value, beginning of period/year[(1)]	$36.47	$35.26	$33.13	$33.02	$36.12	$29.60
Increase (Decrease) from operations:						
Total revenue	0.75	1.13	1.01	1.02	0.04	0.95
Total expenses	(0.22)	(0.42)	(0.41)	(0.40)	(0.39)	(0.37)
Realized gains (losses) for the period/year	(0.24)	1.73	1.36	0.32	0.58	5.74
Unrealized gains (losses) for the period/year	1.65	(0.39)	0.82	(0.69)	(2.53)	1.16
Total increase (decrease) from operations[(2)]	$1.94	$2.05	$2.78	$0.25	$(2.30)	$7.48
Distributions:						
From income (excluding dividends)	(0.44)	(0.67)	(0.53)	(0.58)	(0.52)	(0.48)
From dividends	-	(0.11)	(0.10)	(0.11)	(0.10)	(0.15)
From capital gains	-	(1.44)	(0.13)	-	-	(4.15)
Return of capital	-	(0.06)	(0.03)	(0.01)	(0.06)	-
Total annual distributions[(3)]	$(0.44)	$(2.28)	$(0.79)	$(0.70)	$(0.68)	$(4.78)
Net asset value, end of period/year[(4)]	$37.74	$36.47	$35.26	$33.13	$33.02	$36.12

(a) As of February 28, 2022, the First Trust ETF no longer offered FUD.A and the Manager successfully redesignated FUD.A to FUD of the First Trust ETF.
(1) This information is provided as at June 30, 2026 and December 31 of the period/years shown and is prepared under IFRS® Accounting Standards as issued by the International Accounting Standards Board ("IASB").
(2) Net asset value and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the period/year.
(3) Distributions were paid in cash or reinvested in additional units of the First Trust ETF, or both. Non-cash distributions are reinvested in additional units of the First Trust ETF and subsequently consolidated. Neither the number of units held by the unitholder, nor the net asset per unit of the First Trust ETF change as a result of any non-cash distributions.
(4) This table is not intended to be a reconciliation of beginning to ending net asset value per unit.

Ratios and Supplemental Data

FUD	2026	2025	2024	2023	2022[(a)]	2021
Net asset value (000's)	$7,536	$5,460	$5,279	$4,959	$8,245	$9,107
Number of units outstanding	199,693	149,693	149,693	149,693	249,693	252,160
Management expense ratio [(1)]	0.76%	0.76%	0.76%	0.76%	0.77%	0.78%
Management expense ratio before waivers or absorption	0.77%	0.77%	0.78%	0.78%	0.79%	0.79%
Trading expense ratio[(2)]	0.03%	0.03%	0.03%	0.02%	0.02%	0.02%
Portfolio turnover rate[(3)]	33.57%	70.09%	81.56%	61.81%	59.86%	89.63%

(a) As of February 28, 2022, the First Trust ETF no longer offered FUD.A and the Manager successfully redesignated FUD.A to FUD of the First Trust ETF.
(1) Management expense ratio is based on total expenses for the stated year and is expressed as an annualized percentage of daily average net asset value during the period/year.
(2) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period/year.
(3) The First Trust ETF's portfolio turnover rate indicates how actively the First Trust ETF's Portfolio Advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the First Trust ETF buying and selling all of the securities in its portfolio once in the course of the period/year. The higher a First Trust ETF's portfolio turnover rate in a period/year, the greater the trading cost payable by the First Trust ETF in the period/year, and the greater the chance of an investor receiving taxable capital gains in the period/year. There is not necessarily a relationship between high turnover rate and the performance of a First Trust ETF.

Management Fees

The First Trust ETF will pay the Manager a management fee of 0.70% based on the average daily NAV of the First Trust ETF. The management fee, plus applicable taxes including HST, will be accrued daily and paid monthly in arrears. The Manager may, from time to time in its discretion, waive all or a portion of the management fee charged at any given time.

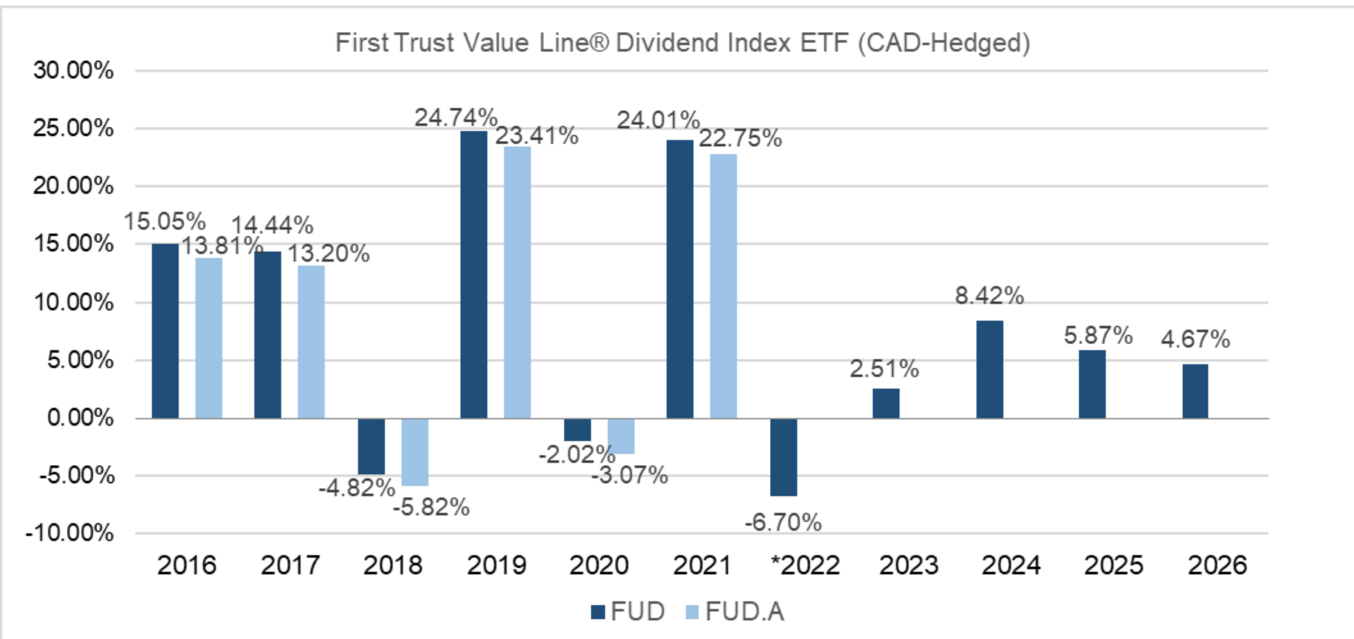
Past Performance

General

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

Year by Year Returns

The bar chart below shows the First Trust ETF's performance for the six-month period ended June 30, 2026 and for the years ended December 31 and illustrates how the investment fund's performance has changed from year to year. The chart also shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the last day of each financial year.



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Summary of Investment Portfolio

The table below sets out the percentage (based on total net asset value) of the First Trust ETF's top 25 holdings as at June 30, 2026. This summary of portfolio holdings may change due to ongoing portfolio transactions of the First Trust ETF. Daily and quarterly updates are available at www.firsttrust.ca.

Top 25 Holdings	% of ETF Total Net Asset Value
RLI Corp.	0.44%
Jack Henry & Associates Inc.	0.44%
Comcast Corp., Class 'A'	0.43%
Kimberly-Clark Corp.	0.43%
Marzetti Co. (The)	0.43%
Reynolds Consumer Products Inc.	0.43%
Arthur J. Gallagher & Co.	0.43%
Brown & Brown Inc.	0.43%
AbbVie Inc.	0.43%
Johnson & Johnson	0.43%
Labcorp Holdings Inc.	0.43%
Merck & Co. Inc.	0.43%
Quest Diagnostics Inc.	0.43%
International Business Machines Corp.	0.43%
Sonoco Products Co.	0.43%
Home Depot Inc. (The)	0.42%
Kenvue Inc.	0.42%
Kraft Heinz Co. (The)	0.42%
Cincinnati Financial Corp.	0.42%
Hanover Insurance Group Inc. (The)	0.42%
Travelers Cos. Inc. (The)	0.42%
Ventas Inc.	0.42%
Welltower Inc.	0.42%
Becton	0.42%
Verisk Analytics Inc., Class 'A'	0.42%
Total	10.67%

Portfolio Breakdown

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

Sector Weightings	% of ETF Total Net Asset Value
Financials	27.40%
Utilities	17.64%
Industrials	14.61%
Consumer Staples	11.31%
Health Care	7.78%
Information Technology	6.36%
Materials	5.70%
Communication Services	3.43%
Consumer Discretionary	2.78%
Energy	2.66%
Cash and Cash Equivalents	0.35%
Other Assets, Less Liabilities	-0.02%
Total	100.00%

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

Country Weightings	% of ETF Total Net Asset Value
United States	80.36%
Canada	7.41%
United Kingdom	4.78%
Ireland	1.53%
Switzerland	1.24%
Japan	1.20%
Bermuda	0.81%
France	0.77%
Germany	0.40%
Belgium	0.40%
Mexico	0.39%
India	0.38%
Total	99.67%

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