First Trust
Portfolios Canada

First Trust Nasdaq Cybersecurity ETF • CIBR

Interim Management Report of Fund Performance
June 30, 2026

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INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE
June 30, 2026

First Trust Nasdaq Cybersecurity ETF
(the “First Trust ETF”)

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

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

Forward-looking Statements

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

First Trust Nasdaq Cybersecurity ETF
Management Report of Fund Performance
For the six-month period ended June 30, 2026

Investment Objective and Strategy

The fundamental investment objective of **First Trust Nasdaq Cybersecurity ETF** (the “First Trust ETF”) is 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.

Risk

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.

The risks associated with an investment in the First Trust ETF is discussed in the First Trust ETF’s most recent prospectus.

Results of Operations

General

The First Trust ETF’s net asset value as of June 30, 2026, was $155,807,552 or $73.84 per unit. The First Trust ETF’s net asset value as of December 31, 2025, was $102,950,679 or $56.88 per unit.

For the six-month period ended June 30, 2026, the First Trust ETF paid total cash distributions of $0.1750 per unit. In addition, the First Trust ETF declared cash distributions of $0.0650 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 30.11% compared to the S&P 500® Index (the “benchmark”) return of 14.07%. Unlike the benchmark, the First Trust ETF’s return is net of fees and expenses.

The First Trust ETF’s only holding, the Underlying Fund, held 42 equity securities as of June 30, 2026. The top ten equity holdings for the Underlying Fund accounted for 58.04% of the portfolio within the Underlying Fund.

The Underlying Fund outperformed the benchmark during the year primarily due to stock selection within the Information Technology sector. Within Information Technology, overweight positions to Palo Alto Networks, Inc., and Fortinet, Inc., contributed significantly to the outperformance. Sector allocations also contributed to the outperformance, primarily due to an overweight position in Information Technology.

The Underlying Fund’s top five stocks by contribution to return were Palo Alto Networks, Inc., Fortinet, Inc., CrowdStrike Holdings, Inc., Cisco Systems, Inc., and Datadog, Inc. The Underlying Fund’s bottom five stocks by contribution to return were Infosys Limited, Zscaler, Inc., Check Point Software Technologies Ltd., Leidos Holdings, Inc., and Open Text Corporation.

The First Trust’s ETF’s exposure to the U.S. dollar contributed to its absolute performance during the period, as the U.S. dollar appreciated 3.55% against the Canadian dollar from December 31, 2025, to June 30, 2026.

Recent Developments

The cybersecurity landscape moving through 2026 remains defined by escalating attack sophistication, a shifting regulatory backdrop, and an intensifying AI arms race across both offense and defense. Threat volume and complexity have continued to climb, driven heavily by malicious actors' use of artificial intelligence (“AI”) to craft ransomware, deepfakes, and hyper-personalized phishing — a dynamic that crossed a clear threshold in late 2025 when Anthropic disclosed what it described as the first reported AI-orchestrated cyber-espionage campaign, a China state-sponsored operation in which attackers manipulated an AI agent to attempt infiltration of roughly thirty global targets, with the AI executing an estimated 80–90% of the tactical operations at request rates impossible for human operators. Major incidents have escalated in kind: building on 2025's wave (the International Criminal Court breach, the UNFI grocery-supply disruption, and the Jaguar Land Rover ransomware shutdown), this past quarter saw an Iranian-linked group trigger simultaneous resets on more than 200,000 of medical-device maker Stryker's corporate devices across 79 countries in March 2026, a ShinyHunters claim to have stolen at least 700 terabytes of data from Canadian telecom Telus, a sustained ShinyHunters extortion campaign against Salesforce, Microsoft 365 and similar SaaS/CRM platforms, and a wave of third-party vendor compromises cascading through healthcare, including a months-long intrusion at the largest U.S. public health system that originated with an outside vendor. The financial and national-security stakes keep rising, though unevenly: IBM's 2025 Cost of a Data Breach Report found the global average breach cost fell 9% to $4.44 million — the first decline in five years, driven by faster AI-assisted containment, even as the U.S. average jumped 9% to an all-time high of $10.22 million on heavier regulatory fines and slower detection, with attackers now using AI in 16% of breaches and shadow AI implicated in 20%. Organizations remain exposed to corporate espionage, catastrophic client-data loss, and unauthorized access as remote work and vulnerable third-party SaaS integrations expand the attack surface beyond the traditional firewall, making adaptive, identity-centric defenses an absolute necessity. The regulatory picture, however, has grown more fluid rather than simply stricter. In the European Union, the Digital Operational Resilience Act remains in force and the Artificial Intelligence Act's February 2025 prohibitions still apply, but a May 2026 "Digital Omnibus" political agreement deferred the most demanding high-risk obligations to 2 December 2027 for stand-alone Annex III systems and 2 August 2028 for AI embedded in regulated products, even as the 2 August 2026 date for the Article 50 transparency rules and the start of enforcement remains live. In the U.S., the Cyber Incident Reporting for Critical Infrastructure Act final rule, once targeted for May 2026 to mandate 72-hour incident and 24-hour ransom-payment reporting, has slipped amid a Department of Homeland Security appropriations lapse that disrupted planned stakeholder town halls, now rescheduled to begin June 15, 2026, with the Cybersecurity and Infrastructure Security Agency signaling intent to streamline and narrow the rule's scope; meanwhile, the Trump administration's March 6, 2026 “Cyber Strategy for America” and companion Executive Order (“EO”), followed by a June 2026 AI-security EO, signaled a shift from compliance-driven defense toward offense-oriented disruption, deregulation and harmonization of overlapping reporting rules (including a review of the U.S. Securities and Exchange Commission cyber-disclosure rule), and deeper public-private partnership. Discussions about personal liability for executives in the event of a breach continue to reinforce security spending as a board-level priority. The throughline across all of this is a decisive shift in industry sentiment: as AI simultaneously supercharges attackers and becomes the very infrastructure enterprises are racing to deploy, the prevailing view has hardened that robust cybersecurity is no longer a discretionary "nice-to-have" but a foundational requirement of the AI era — and a structural, durable source of demand. Generative and increasingly agentic AI is reshaping every layer of defense, accelerating threat detection and response even as it lowers the barrier to sophisticated, autonomous attacks, leaving organizations, defenders, and regulators alike convinced that security must scale in lockstep with AI adoption itself.

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

CIBR	2026	2025	2024	2023	2022	2021[(a)]
Net asset value, beginning of period/year[(1)]	$56.88	$52.92	$41.48	$30.55	$39.00	$30.39
Increase (Decrease) from operations:						
Total revenue	0.15	0.27	0.16	0.18	0.09	0.50
Total expenses	(0.07)	(0.13)	(0.10)	(0.08)	(0.07)	(0.16)
Realized gains (losses) for the period/year	2.75	2.09	0.30	(0.17)	0.75	4.29
Unrealized gains (losses) for the period/year	16.56	1.36	11.23	11.19	(8.45)	2.44
Total increase (decrease) from operations[(2)]	$19.39	$3.59	$11.59	$11.12	$(7.68)	$7.07
Distributions:						
From income (excluding dividends)	(0.13)	(0.12)	-	(0.17)	(0.01)	(0.21)
From dividends	-	-	-	-	-	-
From capital gains	-	(0.39)	-	-	(0.16)	(0.11)
Return of capital	-	(0.01)	(0.13)	-	-	-
Total annual distributions[(3)]	$(0.13)	$(0.52)	$(0.13)	$(0.17)	$(0.17)	$(0.32)
Net asset value, end of period/year[(4)]	$73.84	$56.88	$52.92	$41.48	$30.55	$39.00

(a) For the year 2021, the investment objective of the First Trust ETF changed effective February 17, 2021.
(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

CIBR	2026	2025	2024	2023	2022	2021[(a)]
Net asset value (000's)	$155,808	$102,951	$71,975	$37,747	$26,276	$32,757
Number of units outstanding	2,110,000	1,810,000	1,360,000	910,000	860,000	840,000
Management expense ratio [(1)]	0.74%	0.75%	0.75%	0.76%	0.76%	0.76%
Management expense ratio before waivers or absorption	0.75%	0.76%	0.77%	0.78%	0.78%	0.78%
Trading expense ratio[(2)]	0.00%	0.00%	0.00%	0.00%	0.00%	0.02%
Portfolio turnover rate[(3)]	17.74%	14.18%	6.06%	8.03%	42.90%	148.99%

(a) For the year 2021, the investment objective of the First Trust ETF changed effective February 17, 2021.
(1) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period/year, including the First Trust ETF's proportionate share of the MER of the Underlying Fund in which the First Trust ETF has invested, 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 0.15% 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.

The First Trust ETF's management fee will also bear the management fee of the Underlying Fund.

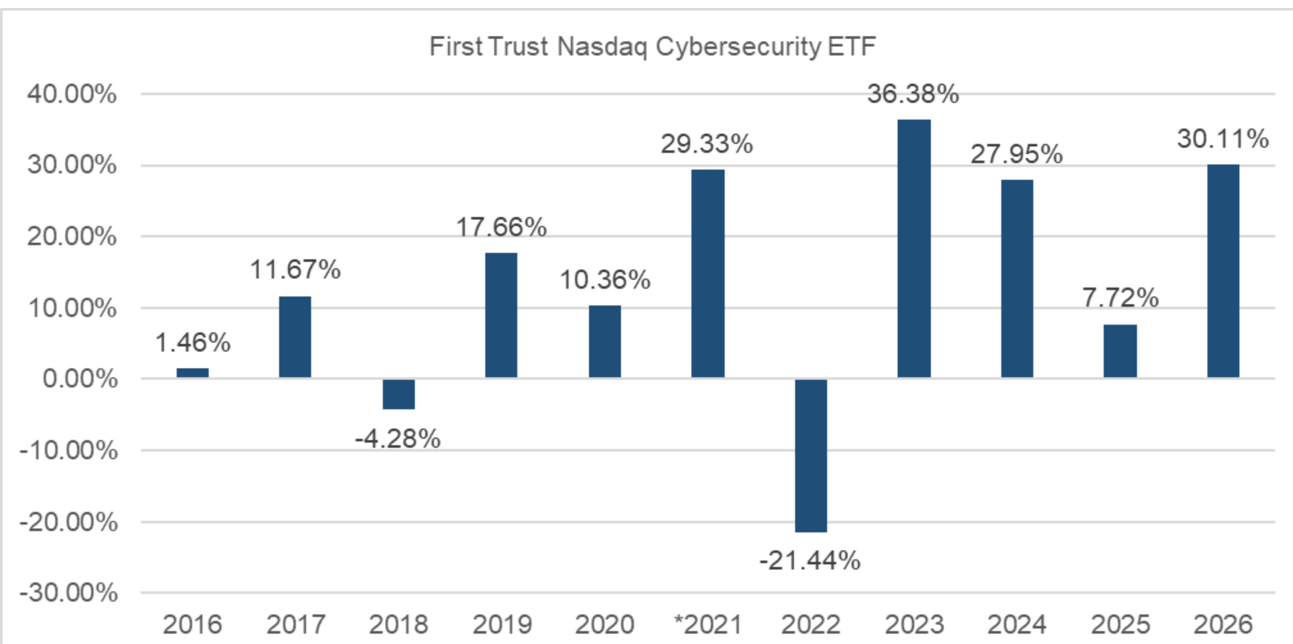
Past Performance

General

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



**For the year 2021, the investment objective of the First Trust ETF changed effective February 17, 2021.*

Summary of Investment Portfolio

The table below sets out the percentage (based on total net asset value) of the First Trust ETF's 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.

Holdings	% of ETF Total Net Asset Value
First Trust Nasdaq Cybersecurity ETF	99.99%
Cash and Cash Equivalents	0.11%
Other Assets, Less Liabilities	-0.10%
Total	100.00%

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, 2026.

Breakdown	% of ETF Total Net Asset Value
Exchange-Traded Fund	99.99%
Cash and Cash Equivalents	0.11%
Other Assets, Less Liabilities	-0.10%
Total	100.00%

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