



## 2023 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 Cboe Vest U.S. Equity Buffer ETF – August • AUGB.F  
First Trust Cboe Vest U.S. Equity Buffer ETF – November • NOV.B.F  
First Trust Cboe Vest U.S. Equity Buffer ETF – February • FEBB.F  
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First Trust JFL Fixed Income Core Plus ETF • FJFB  
First Trust JFL Global Equity ETF • FJFG  
First Trust Cboe Vest Fund of Buffer ETFs (Canada) ETF • BUFR

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As at December 31, 2023

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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 Cboe Vest U.S. Equity Buffer ETF – May  
First Trust JFL Fixed Income Core Plus ETF  
First Trust JFL Global Equity ETF  
First Trust Cboe Vest Fund of Buffer ETFs (Canada) 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 International Financial Reporting Standards (“IFRS”) 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;  
 First Trust Cboe Vest U.S. Equity Buffer ETF – August;  
 First Trust Cboe Vest U.S. Equity Buffer ETF – November;  
 First Trust Cboe Vest U.S. Equity Buffer ETF – February;  
 First Trust Cboe Vest U.S. Equity Buffer ETF – May;  
 First Trust JFL Fixed Income Core Plus ETF;  
 First Trust JFL Global Equity ETF; and  
 First Trust Cboe Vest Fund of Buffer ETFs (Canada) 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);	December 31, 2023, and 2022	The years ended December 31, 2023, and 2022

<p>First Trust Nasdaq® Clean Edge® Green Energy;</p> <p>First Trust Indxx NextG ETF;</p> <p>First Trust Nasdaq Cybersecurity ETF;</p> <p>First Trust Dow Jones Internet ETF;</p> <p>First Trust AlphaDEX™ U.S. Health Care Sector Index ETF;</p> <p>First Trust NYSE Arca Biotechnology ETF;</p> <p>First Trust AlphaDEX™ U.S. Industrials Sector Index ETF;</p> <p>First Trust AlphaDEX™ U.S. Technology Sector Index ETF;</p> <p>First Trust Cloud Computing ETF;</p> <p>First Trust Morningstar Dividend Leaders ETF (CAD-Hedged);</p> <p>First Trust Indxx Innovative Transaction and Process ETF;</p> <p>First Trust International Capital Strength ETF;</p> <p>First Trust Cboe Vest U.S. Equity Buffer ETF – August;</p> <p>First Trust Cboe Vest U.S. Equity Buffer ETF – November;</p> <p>First Trust Cboe Vest U.S. Equity Buffer ETF – February;</p> <p>First Trust Cboe Vest U.S. Equity Buffer ETF – May;</p> <p>First Trust JFL Fixed Income Core Plus ETF; and</p> <p>First Trust JFL Global Equity ETF</p>		
<p>First Trust Cboe Vest Fund of Buffer ETFs (Canada) ETF</p>	<p>December 31, 2023</p>	<p>The period May 25, 2023, to December 31, 2023</p>

## 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 International Financial Reporting Standards (“IFRS”).

## 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, 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.

The image shows the handwritten signature of Deloitte LLP in a cursive script.

Chartered Professional Accountants  
Licensed Public Accountants  
March 13, 2024



# First Trust Senior Loan ETF (CAD-Hedged)

## STATEMENTS OF FINANCIAL POSITION As at December 31, 2023 and December 31, 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	34,922,227	36,924,057
Cash	216,784	237,315
Accrued dividend receivable	370,020	-
Receivable for portfolio securities sold	30,529	299,910
Derivative assets	694,396	189,371
	36,233,956	37,650,653
<b>Liabilities</b>		
Accrued liabilities	12,545	11,961
Distributions payable to holders of redeemable units	233,011	167,871
Derivative liabilities	-	330,834
	245,556	510,666
<b>Total net assets attributable to holders of redeemable units</b>	<b>35,988,400</b>	<b>37,139,987</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
Common Class	35,988,400	37,139,987
Advisor Class	-	-
<b>Redeemable units outstanding [note 6]</b>		
Common Class	2,118,282	2,238,282
Advisor Class	-	-
<b>Net assets attributable to holders of redeemable units per unit</b>		
Common Class	16.99	16.59
Advisor Class	-	-

## STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Revenues</b>		
Dividends	2,786,682	1,954,794
Interest income for distribution purposes	-	5,306
Other income	305,790	-
<b>Other changes in fair value of investments and derivatives</b>		
Net realized gain (loss) on sale of investments	237,483	(294,266)
Net realized gain (loss) on derivatives	(315,679)	(2,681,765)
Net realized gain (loss) on foreign exchange	(6,002)	(3,261)
Net change in unrealized appreciation (depreciation) of investments	219,098	(95,000)
Net change in unrealized appreciation (depreciation) of derivatives	835,860	(186,978)
	4,063,232	(1,301,170)
Foreign exchange gain (loss) on cash	(3,761)	(6,393)
	4,059,471	(1,307,563)
<b>Expenses [note 7]</b>		
Management fees	54,989	64,740
Independent Review Committee fees	5,811	7,003
HST expense	5,305	6,479
Transaction costs [note 3 and note 9]	1,479	1,477
Service fees	-	3,794
	67,584	83,493
Expenses waived by the manager	(5,811)	(7,003)
	61,773	76,490
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>3,997,698</b>	<b>(1,384,053)</b>
<b>Withholding taxes</b>	<b>42,907</b>	<b>292,419</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>3,954,791</b>	<b>(1,676,472)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
Common Class	3,954,791	(1,641,443)
Advisor Class	-	(35,029)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
Common Class	1.83	(0.66)
Advisor Class	-	(0.13)

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, 2023 and 2022

	December 31 2023 (\$) Common Class	December 31 2022 (\$) Common Class	December 31 2023 (\$) Advisor Class	December 31 2022 (\$) Advisor Class
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	37,139,987	45,036,851	-	5,076,496
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	3,954,791	(1,641,443)	-	(35,029)
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units	4,397,534	12,362,900	-	-
Reinvested distributions	-	-	-	-
Redemption of units	(6,445,802)	(16,951,722)	-	(5,030,509)
	(2,048,268)	(4,588,822)	-	(5,030,509)
<b>Distributions to holders of redeemable units from:</b>				
Net investment income	(2,648,124)	(1,576,053)	-	-
Capital gains	-	-	-	-
Return of capital	(409,986)	(90,546)	-	(10,958)
	(3,058,110)	(1,666,599)	-	(10,958)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	(1,151,587)	(7,896,864)	-	(5,076,496)
<b>Net assets attributable to holders of redeemable units, end of year</b>	35,988,400	37,139,987	-	-
			<b>December 31 2023 (\$) Total</b>	<b>December 31 2022 (\$) Total</b>
<b>Net assets attributable to holders of redeemable units, beginning of year</b>			37,139,987	50,113,347
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>			3,954,791	(1,676,472)
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units			4,397,534	12,362,900
Reinvested distributions			-	-
Redemption of units			(6,445,802)	(21,982,231)
			(2,048,268)	(9,619,331)
<b>Distributions to holders of redeemable units from:</b>				
Net investment income			(2,648,124)	(1,576,053)
Capital gains			-	-
Return of capital			(409,986)	(101,504)
			(3,058,110)	(1,677,557)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>			(1,151,587)	(12,973,360)
<b>Net assets attributable to holders of redeemable units, end of year</b>			35,988,400	37,139,987

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, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	3,954,791	(1,676,472)
Adjustments for:		
Net realized (gain) loss on sale of investments	(237,483)	294,266
Change in unrealized (appreciation) depreciation of investments and derivatives	(1,054,958)	281,978
Dividends receivable	(370,020)	-
Other assets	-	1,411
Other liabilities	584	(8,176)
Purchases of investments	(7,439,615)	(9,122,452)
Proceeds from the sale of investments	10,167,408	21,575,459
	5,020,707	11,346,014
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	4,397,534	12,362,900
Amount paid on redemptions of units	(6,445,802)	(21,982,231)
Distributions paid to unitholders	(2,992,970)	(1,670,325)
	(5,041,238)	(11,289,656)
<b>Increase (Decrease) in cash for the year</b>	(20,531)	56,358
<b>Cash, beginning of year</b>	237,315	180,957
<b>Cash, end of year</b>	216,784	237,315
Interest received	-	5,306
Dividends received, net of withholding taxes	2,373,755	1,662,375

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, 2023

**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, 2023 and 2022:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2023			
	Level 1	Level 2	Level 3	Total
Equities	34,922,227	–	–	34,922,227
Derivative assets	–	694,396	–	694,396
<b>Total</b>	<b>34,922,227</b>	<b>694,396</b>	<b>–</b>	<b>35,616,623</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2022			
	Level 1	Level 2	Level 3	Total
Equities	36,924,057	–	–	36,924,057
Derivative assets	–	189,371	–	189,371
Derivative liabilities	–	(330,834)	–	(330,834)
<b>Total</b>	<b>36,924,057</b>	<b>(141,463)</b>	<b>–</b>	<b>36,782,594</b>

There have been no transfers from one Level to another for the years ended December 31, 2023 and 2022.

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 previously offered Advisor Class units, however as of February 28, 2022 is no longer offering such class of units following redesignation by the Manager of Advisor Class units to Common units in order to provide unitholders with a lower cost solution.

The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2023 and 2022:

Redeemable Units	Common Class	Advisor Class
Outstanding units – January 1, 2022	2,514,316	283,948
Redeemable units issued	713,966	–
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(990,000)	(283,948)
Outstanding units – December 31, 2022	2,238,282	–
Redeemable units issued	260,000	–
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(380,000)	–
Outstanding units – December 31, 2023	2,118,282	–

First Trust Senior Loan ETF (CAD-Hedged)  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**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 will bear the Underlying Fund's management fee of 0.85% per annum on average daily net assets on the First Trust ETF's portfolio assets invested in the Underlying Fund. Accordingly, the management fee cost to unitholders of their investment will be 1.00% per annum of NAV of the First Trust ETF plus applicable taxes.

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** - The net capital and non-capital tax loss carryforwards as at December 31, 2023 and 2022, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2023	2022	2023	2022
8,662,152	8,609,464	-	-

**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, 2023 and 2022 are as follows:

Transaction Cost (\$)	
2023	2022
1,479	1,477

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2023 and 2022, including amounts owing as at December 31, 2023 and 2022 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2023	2022	2023	2022
54,989	64,740	4,640	4,819

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

**Market risk** - As at December 31, 2023 and 2022, the First Trust ETF's market risk is affected by changes in actual market prices, foreign currency movements, and interest rates. If the following index had increased (decreased) by 5% at December 31, 2023 and 2022, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2023		As at December 31, 2022	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
Morningstar® LSTA® US Leveraged Loan Index CAD Hedged	1,772,429	(1,772,429)	-	-
S&P/LSTA Leveraged Loan 100 CAD Hedged	-	-	1,526,453	(1,526,453)

First Trust Senior Loan ETF (CAD-Hedged)  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2023 and 2022:

Currency	As at December 31, 2023		As at December 31, 2022	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	(347,519)	(0.97)	149,872	0.40

As at December 31, 2023, 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 \$(3,475) (December 31, 2022 - \$1,499). 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, 2023 and 2022:

Holding	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2023	As at December 31, 2022
Exchange-Traded Fund	97.04	99.42
Total	97.04	99.42

First Trust Senior Loan ETF (CAD-Hedged)  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2023

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Exchange Traded Fund—97.04%</b>				
First Trust Senior Loan Fund	572,073	34,486,443	34,922,227	97.04
		<b>34,486,443</b>	<b>34,922,227</b>	<b>97.04</b>
<b>Total investments</b>		<b>34,486,443</b>	<b>34,922,227</b>	<b>97.04</b>
Transaction costs		(3,127)		
Unrealized appreciation on derivatives - see Schedule 1			694,396	1.93
Other assets, less liabilities			371,777	1.03
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>34,483,316</b>	<b>35,988,400</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	2024-01-11	USD	27,092,407	CAD	36,589,000	0.740	0.755	694,396
									<b>694,396</b>

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

# First Trust Canadian Capital Strength ETF

## STATEMENTS OF FINANCIAL POSITION As at December 31, 2023 and December 31, 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	66,026,972	57,804,558
Cash	298,134	180,519
Accrued dividend receivable	117,615	117,192
Receivable for portfolio securities sold	-	119,158
Other assets	34,532	31,396
	66,477,253	58,252,823
<b>Liabilities</b>		
Accrued liabilities	37,359	33,847
Distributions payable to holders of redeemable units	177,505	285,842
	214,864	319,689
<b>Total net assets attributable to holders of redeemable units</b>	<b>66,262,389</b>	<b>57,933,134</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units per class</b>		
Advisor Class	-	-
Common Class	66,262,389	57,933,134
<b>Redeemable units outstanding [note 6]</b>		
Advisor Class	-	-
Common Class	1,479,209	1,429,209
<b>Net assets attributable to holders of redeemable units per unit</b>		
Advisor Class	-	-
Common Class	44.80	40.54

## STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Revenues</b>		
Dividends	1,512,004	1,459,844
<b>Other changes in fair value of investments</b>		
Net realized gain (loss) on investments	8,456	4,128,198
Net realized gain (loss) of foreign exchange	564	(1,174)
Change in unrealized appreciation (depreciation) of investments	6,059,532	(3,651,021)
	7,580,556	1,935,847
Foreign exchange gain (loss) on cash	(431)	1,124
	7,580,125	1,936,971
<b>Expenses [note 7]</b>		
Management fees	370,903	273,432
HST expense	35,521	33,558
Independent Review Committee fees	9,766	7,450
Transaction costs [note 3 and note 9]	6,098	9,281
Service fees	-	40,340
Interest expense	-	9
	422,288	364,070
Expenses waived by manager	(9,766)	(7,450)
	412,522	356,620
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>7,167,603</b>	<b>1,580,351</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
Advisor Class	-	(97,448)
Common Class	7,167,603	1,677,799
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
Advisor Class	-	(0.13)
Common Class	5.00	1.61

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, 2023 and 2022

	December 31 2023 (\$) Advisor Class	December 31 2022 (\$) Advisor Class	December 31 2023 (\$) Common Class	December 31 2022 (\$) Common Class
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	-	26,141,128	57,933,134	20,222,548
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	-	(97,448)	7,167,603	1,677,799
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from redeemable units issued	-	-	4,305,201	43,108,471
Reinvested distributions	-	-	-	-
Redemption of redeemable units	-	(26,043,680)	(2,104,226)	(6,056,587)
	-	(26,043,680)	2,200,975	37,051,884
<b>Distributions to holders of redeemable units from:</b>				
Net investment income	-	-	(949,258)	(918,402)
Capital gains	-	-	(90,065)	(100,695)
Return of capital	-	-	-	-
	-	-	(1,039,323)	(1,019,097)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	-	(26,141,128)	8,329,255	37,710,586
<b>Net assets attributable to holders of redeemable units, end of year</b>	-	-	66,262,389	57,933,134
			<b>December 31 2023 (\$) Total</b>	<b>December 31 2022 (\$) Total</b>
<b>Net assets attributable to holders of redeemable units, beginning of year</b>			57,933,134	46,363,676
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>			7,167,603	1,580,351
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from redeemable units issued			4,305,201	43,108,471
Reinvested distributions			-	-
Redemption of redeemable units			(2,104,226)	(32,100,267)
			2,200,975	11,008,204
<b>Distributions to holders of redeemable units from:</b>				
Net investment income			(949,258)	(918,402)
Capital gains			(90,065)	(100,695)
Return of capital			-	-
			(1,039,323)	(1,019,097)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>			8,329,255	11,569,458
<b>Net assets attributable to holders of redeemable units, end of year</b>			66,262,389	57,933,134

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, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	7,167,603	1,580,351
Adjustments for:		
Net realized (gain) loss on investments	(8,456)	(4,128,198)
Change in unrealized (appreciation) depreciation of investments	(6,059,532)	3,651,021
Dividends receivable	(423)	(36,682)
Other assets	(3,136)	9,135
Other liabilities	3,512	(67,018)
Purchases of investments	(22,146,167)	(43,936,687)
Proceeds from the sale of investments	20,110,899	32,723,674
	(935,700)	(10,204,404)
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	4,305,201	43,108,471
Amount paid on redemptions of units	(2,104,226)	(32,100,267)
Distributions paid to unitholders	(1,147,660)	(830,026)
	1,053,315	10,178,178
<b>Increase (Decrease) in cash for the year</b>	117,615	(26,226)
<b>Cash, beginning of year</b>	180,519	206,745
<b>Cash, end of year</b>	298,134	180,519
Interest received	-	-
Dividends received, net of withholding taxes	1,511,581	1,423,162

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, 2023

**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, 2023 and 2022:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2023			
	Level 1	Level 2	Level 3	Total
Equities	66,026,972	–	–	66,026,972
Warrants	–	–	–*	–**
<b>Total</b>	<b>66,026,972</b>	<b>–</b>	<b>–</b>	<b>66,026,972</b>

  

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2022			
	Level 1	Level 2	Level 3	Total
Equities	57,804,558	–	–	57,804,558
<b>Total</b>	<b>57,804,558</b>	<b>–</b>	<b>–</b>	<b>57,804,558</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, 2023 and 2022.

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 previously offered Advisor Class units, however as of February 28, 2022 is no longer offering such class of units following redesignation by the Manager of Advisor Class units to Common units in order to provide unitholders with a lower cost solution.

The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2023 and 2022:

Redeemable Units	Common Class	Advisor Class
Outstanding units – January 1, 2022	492,993	760,726
Redeemable units issued	1,086,216	–
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(150,000)	(760,726)
Outstanding units – December 31, 2022	1,429,209	–
Redeemable units issued	100,000	–
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(50,000)	–
Outstanding units – December 31, 2023	1,479,209	–

First Trust Canadian Capital Strength ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**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 carry-forwards** - The net capital and non-capital tax loss carryforwards as at December 31, 2023 and 2022, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2023	2022	2023	2022
20,450,987	20,623,322	-	-

**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, 2023 and 2022 are as follows:

Transaction Cost (\$)	
2023	2022
6,098	9,281

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2023 and 2022, including amounts owing as at December 31, 2023 and 2022 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2023	2022	2023	2022
370,903	273,432	33,145	30,037

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

**Market risk** - As at December 31, 2023 and 2022, the First Trust ETF's market risk is affected by changes in actual market prices. If the following index had increased (decreased) by 5% at December 31, 2023 and 2022 with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2023		As at December 31, 2022	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P/TSX Composite® Index	3,054,696	(3,054,696)	2,760,514	(2,760,514)

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First Trust Canadian Capital Strength ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

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**Concentration Risk** - The table below summarizes the concentration risk for the years ended December 31, 2023 and 2022:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2023	As at December 31, 2022
Financials	25.68	27.95
Industrials	25.05	15.98
Energy	13.54	12.03
Materials	10.94	15.83
Information Technology	8.48	8.02
Consumer Staples	8.12	7.90
Consumer Discretionary	7.83	12.07
Total	99.64	99.78

First Trust Canadian Capital Strength ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2023

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Consumer Discretionary—7.83%</b>				
Dollarama Inc.	25,655	1,741,594	2,449,796	3.70
Restaurant Brands International Inc.	26,474	2,418,929	2,740,853	4.13
		<b>4,160,523</b>	<b>5,190,649</b>	<b>7.83</b>
<b>Consumer Staples—8.12%</b>				
Alimentation Couche-Tard Inc.	33,111	1,456,178	2,583,651	3.90
Loblaw Cos. Ltd.	21,796	2,450,655	2,795,991	4.22
		<b>3,906,833</b>	<b>5,379,642</b>	<b>8.12</b>
<b>Energy—13.54%</b>				
Canadian Natural Resources Ltd.	27,647	1,488,290	2,400,036	3.62
Cenovus Energy Inc.	91,103	2,022,445	2,011,554	3.04
Imperial Oil Ltd.	30,098	2,400,316	2,271,797	3.43
Suncor Energy Inc.	53,885	2,228,707	2,287,419	3.45
		<b>8,139,758</b>	<b>8,970,806</b>	<b>13.54</b>
<b>Financials—25.68%</b>				
iA Financial Corp. Inc.	30,822	2,197,576	2,784,151	4.20
Manulife Financial Corp.	101,768	2,300,347	2,979,767	4.50
National Bank of Canada	28,373	2,474,116	2,865,673	4.33
Royal Bank of Canada	22,302	2,374,618	2,988,468	4.51
Sun Life Financial Inc.	38,999	2,145,018	2,680,012	4.04
Toronto-Dominion Bank (The)	31,739	2,749,733	2,717,493	4.10
		<b>14,241,408</b>	<b>17,015,564</b>	<b>25.68</b>
<b>Industrials—25.05%</b>				
ATS Corp.	50,724	2,027,781	2,896,848	4.37
Canadian Pacific Kansas City Ltd.	25,205	1,830,933	2,642,492	3.99
Finning International Inc.	64,855	2,569,766	2,485,243	3.75
Stantec Inc.	29,152	2,463,117	3,101,190	4.68
TFI International Inc.	16,131	1,673,862	2,907,451	4.38
WSP Global Inc.	13,835	2,225,331	2,569,713	3.88
		<b>12,790,790</b>	<b>16,602,937</b>	<b>25.05</b>
<b>Information Technology—8.48%</b>				
CGI Inc.	18,701	1,713,634	2,654,607	4.01
Constellation Software Inc.	902	1,395,539	2,963,314	4.47
Constellation Software Inc., Warrants, 2028/08/22 <sup>a,b,c</sup>	880	—	—	—
		<b>3,109,173</b>	<b>5,617,921</b>	<b>8.48</b>
<b>Materials—10.94%</b>				
CCL Industries Inc., Class 'B'	44,677	2,850,506	2,662,303	4.02
Franco-Nevada Corp.	12,973	2,399,806	1,904,047	2.87
Teck Resources Ltd., Class 'B'	47,904	2,124,192	2,683,103	4.05
		<b>7,374,504</b>	<b>7,249,453</b>	<b>10.94</b>
<b>Total investments</b>		<b>53,722,989</b>	<b>66,026,972</b>	<b>99.64</b>
Transaction costs		<b>(7,000)</b>		
Other assets, less liabilities			<b>235,417</b>	<b>0.36</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>53,715,989</b>	<b>66,262,389</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, 2023 and December 31, 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	16,421,776	18,637,231
Cash	1,764	7,112
Accrued dividend receivable	64,866	73,661
Receivable for portfolio securities sold	29,933	-
Other assets	6,745	7,931
	16,525,084	18,725,935
<b>Liabilities</b>		
Accrued liabilities	5,666	6,838
Distributions payable to holders of redeemable units	50,041	48,909
	55,707	55,747
<b>Total net assets attributable to holders of redeemable units</b>	<b>16,469,377</b>	<b>18,670,188</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
Common Class	16,469,377	18,670,188
Advisor Class	-	-
<b>Redeemable units outstanding [note 6]</b>		
Common Class	1,000,811	1,150,811
Advisor Class	-	-
<b>Net assets attributable to holders of redeemable units per unit</b>		
Common Class	16.46	16.22
Advisor Class	-	-

## STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Revenues</b>		
Dividends	793,706	778,508
<b>Other changes in fair value of investments</b>		
Net realized gain (loss) on sale of investments	(883,816)	(219,154)
Net change in unrealized appreciation (depreciation) of investments	1,128,883	(3,385,523)
	1,038,773	(2,826,169)
<b>Expenses [note 7]</b>		
Management fees	106,644	157,574
Transaction costs [note 3 and note 9]	17,161	25,054
HST expense	4,649	6,093
Independent Review Committee fees	2,829	3,614
Other expense	-	5,830
Service fees	-	932
	131,283	199,097
Expenses waived by manager	(36,575)	(45,836)
	94,708	153,261
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>944,065</b>	<b>(2,979,430)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
Common Class	944,065	(2,951,729)
Advisor Class	-	(27,701)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
Common Class	0.86	(2.33)
Advisor Class	-	(0.44)

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, 2023 and 2022

	December 31 2023 (\$) Common Class	December 31 2022 (\$) Common Class	December 31 2023 (\$) Advisor Class	December 31 2022 (\$) Advisor Class
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	18,670,188	25,458,227	-	1,227,885
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	944,065	(2,951,729)	-	(27,701)
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units	-	1,197,633	-	-
Reinvested distributions	-	-	-	-
Redemption of units	(2,400,072)	(4,367,745)	-	(1,197,632)
	(2,400,072)	(3,170,112)	-	(1,197,632)
<b>Distributions to holders of redeemable units from:</b>				
Net investment income	(720,692)	(647,011)	-	-
Capital gains	-	-	-	-
Return of capital	(24,112)	(19,187)	-	(2,552)
	(744,804)	(666,198)	-	(2,552)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	(2,200,811)	(6,788,039)	-	(1,227,885)
<b>Net assets attributable to holders of redeemable units, end of year</b>	16,469,377	18,670,188	-	-
			<b>December 31 2023 (\$) Total</b>	<b>December 31 2022 (\$) Total</b>
<b>Net assets attributable to holders of redeemable units, beginning of year</b>			18,670,188	26,686,112
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>			944,065	(2,979,430)
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units			-	1,197,633
Reinvested distributions			-	-
Redemption of units			(2,400,072)	(5,565,377)
			(2,400,072)	(4,367,744)
<b>Distributions to holders of redeemable units from:</b>				
Net investment income			(720,692)	(647,011)
Capital gains			-	-
Return of capital			(24,112)	(21,739)
			(744,804)	(668,750)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>			(2,200,811)	(8,015,924)
<b>Net assets attributable to holders of redeemable units, end of year</b>			16,469,377	18,670,188

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, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	944,065	(2,979,430)
Adjustments for:		
Net realized (gain) loss on sale of investments	883,816	219,154
Change in unrealized (appreciation) depreciation of investments	(1,128,883)	3,385,523
Dividends receivable	8,795	13,571
Other assets	1,186	29,974
Other liabilities	(1,172)	(3,949)
Purchases of investments	(15,515,076)	(23,715,031)
Proceeds from the sale of investments	17,945,665	28,026,912
	3,138,396	4,976,724
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	-	1,197,633
Amount paid on redemptions of units	(2,400,072)	(5,565,377)
Distributions paid to unitholders	(743,672)	(682,203)
	(3,143,744)	(5,049,947)
<b>Increase (Decrease) in cash for the year</b>	(5,348)	(73,223)
<b>Cash, beginning of year</b>	7,112	80,335
<b>Cash, end of year</b>	1,764	7,112
Interest received	-	-
Dividends received, net of withholding taxes	802,501	792,079

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, 2023**

**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>, 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, 2023 and 2022:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2023			
	Level 1	Level 2	Level 3	Total
Equities	16,421,776	–	–	16,421,776
<b>Total</b>	<b>16,421,776</b>	<b>–</b>	<b>–</b>	<b>16,421,776</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2022			
	Level 1	Level 2	Level 3	Total
Equities	18,637,231	–	–	18,637,231
<b>Total</b>	<b>18,637,231</b>	<b>–</b>	<b>–</b>	<b>18,637,231</b>

There have been no transfers from one Level to another for the years ended December 31, 2023 and 2022.

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 previously offered Advisor Class units, however as of February 28, 2022 is no longer offering such class of units following redesignation by the Manager of Advisor Class units to Common units in order to provide unitholders with a lower cost solution.

The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2023 and 2022:

Redeemable Units	Common Class	Advisor Class
Outstanding units – January 1, 2022	1,336,214	63,800
Redeemable units issued	64,597	–
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(250,000)	(63,800)
Outstanding units – December 31, 2022	1,150,811	–
Redeemable units issued	–	–
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(150,000)	–
Outstanding units – December 31, 2023	1,000,811	–

**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%

First Trust Global Risk Managed Income Index ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** - The net capital and non-capital tax loss carryforwards as at December 31, 2023 and 2022, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2023	2022	2023	2022
1,614,427	1,156,887	–	–

**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, 2023 and 2022 are as follows:

Transaction Cost (\$)	
2023	2022
17,161	25,054

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2023 and 2022, including amounts owing as at December 31, 2023 and 2022 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2023	2022	2023	2022
106,644	157,574	5,666	6,838

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

**Market risk** - As at December 31, 2023 and 2022, the First Trust ETF's market risk is affected by changes in actual market prices and interest rates. If the following index had increased (decreased) by 5% at December 31, 2023 and 2022, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Reference Index	As at December 31, 2023		As at December 31, 2022	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
NASDAQ Global Risk Managed Income Index <sup>SM</sup>	753,474	(753,474)	834,557	(834,557)

**Concentration Risk** - The table below summarizes the concentration risk for the years ended December 31, 2023 and 2022:

Holdings	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2023	As at December 31, 2022
Bonds	62.70	62.07
REITs and Preferred Shares	17.29	15.45
Equities	19.72	22.30
Total	99.71	99.82

First Trust Global Risk Managed Income Index ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2023**

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Exchange Traded Fund—99.71%</b>				
BMO Emerging Markets Bond Hedged to CAD Index ETF	153,893	1,967,376	1,877,495	11.40
BMO Equal Weight REITs Index ETF	19,490	487,732	409,875	2.49
BMO Equal Weight Utilities Index ETF	15,334	398,044	311,433	1.89
BMO High Yield U.S. Corporate Bond Hedged to CAD Index ETF	286,515	3,380,446	3,206,103	19.47
BMO Mid-Term U.S. IG Corporate Bond Index ETF	27,721	474,519	475,415	2.89
Horizons Cdn Select Universe Bond ETF	9,087	422,932	428,634	2.60
iShares 1-5 Year Laddered Government Bond Index ETF	14,926	244,327	253,294	1.54
iShares Canadian Corporate Bond Index ETF	30,616	593,030	603,135	3.66
iShares Canadian Government Bond Index ETF	19,293	390,189	374,477	2.27
iShares Convertible Bond Index ETF (CAD - Hedged)	71,801	1,274,539	1,173,946	7.13
iShares Core Canadian Long Term Bond Index ETF	13,002	290,353	261,600	1.59
iShares Core S&P / TSX Composite High Dividend Index ETF	22,671	594,377	561,334	3.41
iShares Global Monthly Dividend Index ETF (CAD-Hedged)	28,770	572,839	570,797	3.47
iShares Global Real Estate Index ETF	9,412	262,322	265,795	1.61
iShares S&P/TSX Canadian Preferred Share Index ETF	201,807	2,287,152	2,171,443	13.18
iShares S&P/TSX Capped Financials Index ETF	9,294	423,641	446,205	2.71
Vanguard Canadian Short-Term Bond Index ETF	73,425	1,667,924	1,671,887	10.15
Vanguard FTSE Canadian High Dividend Yield Index ETF	12,757	528,521	543,321	3.30
Vanguard U.S. Dividend Appreciation Index ETF	10,621	785,565	815,587	4.95
		<b>17,045,828</b>	<b>16,421,776</b>	<b>99.71</b>
<b>Total investments</b>		<b>17,045,828</b>	<b>16,421,776</b>	<b>99.71</b>
Transaction costs		<b>(9,602)</b>		
Other assets, less liabilities			<b>47,601</b>	<b>0.29</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>17,036,226</b>	<b>16,469,377</b>	<b>100.00</b>

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

## STATEMENTS OF FINANCIAL POSITION

As at December 31, 2023 and December 31, 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	4,814,859	8,171,680
Cash	17,414	22,356
Accrued dividend receivable	10,169	20,093
Receivable for portfolio securities sold	343,257	443,142
Derivative assets	166,521	42,943
Other assets	1,061	3,314
	5,353,281	8,703,528
<b>Liabilities</b>		
Accrued liabilities	3,227	5,307
Payable for portfolio securities purchased	342,362	367,434
Distributions payable to holders of redeemable units	8,233	12,485
Derivative liabilities	40,210	73,331
	394,032	458,557
<b>Total net assets attributable to holders of redeemable units</b>	<b>4,959,249</b>	<b>8,244,971</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
<b>Common Class</b>	<b>4,959,249</b>	<b>8,244,971</b>
<b>Advisor Class</b>	<b>-</b>	<b>-</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Common Class</b>	<b>149,693</b>	<b>249,693</b>
<b>Advisor Class</b>	<b>-</b>	<b>-</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Common Class</b>	<b>33.13</b>	<b>33.02</b>
<b>Advisor Class</b>	<b>-</b>	<b>-</b>

## STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Revenues</b>		
Dividends	209,587	308,186
<b>Other changes in fair value of investments and derivatives</b>		
Net realized gain (loss) on sale of investments	211,029	650,947
Net realized gain (loss) on derivatives	(144,733)	(684,167)
Net realized gain (loss) on foreign exchange	(171)	(2,223)
Net change in unrealized appreciation (depreciation) of investments	(298,911)	(1,030,810)
Net change in unrealized appreciation (depreciation) of derivatives	156,699	(35,777)
	133,500	(793,844)
Foreign exchange gain (loss) on cash	(169)	501
	133,331	(793,343)
<b>Expenses [note 7]</b>		
Management fees	46,961	73,992
HST expense	4,091	7,655
Transaction costs [note 3 and note 9]	1,250	2,343
Independent Review Committee fees	1,069	1,721
Service fees	-	7,937
Interest expense	-	100
	53,371	93,748
Expenses waived by manager	(1,069)	(1,721)
	52,302	92,027
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>81,029</b>	<b>(885,370)</b>
<b>Withholding taxes</b>	<b>29,158</b>	<b>39,346</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>51,871</b>	<b>(924,716)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
<b>Common Class</b>	<b>51,871</b>	<b>(669,186)</b>
<b>Advisor Class</b>	<b>-</b>	<b>(255,530)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Common Class</b>	<b>0.25</b>	<b>(2.30)</b>
<b>Advisor Class</b>	<b>-</b>	<b>(1.73)</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, 2023 and 2022

	December 31 2023 (\$) Common Class	December 31 2022 (\$) Common Class	December 31 2023 (\$) Advisor Class	December 31 2022 (\$) Advisor Class
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	8,244,971	9,107,086	-	5,326,025
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	51,871	(669,186)	-	(255,530)
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units	-	5,067,538	-	-
Reinvested distributions	-	-	-	-
Redemption of units	(3,196,556)	(5,056,315)	-	(5,067,538)
	(3,196,556)	11,223	-	(5,067,538)
<b>Distributions to holders of redeemable units from:</b>				
Net investment income	(139,749)	(185,119)	-	-
Capital gains	-	-	-	-
Return of capital	(1,288)	(19,033)	-	(2,957)
	(141,037)	(204,152)	-	(2,957)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	(3,285,722)	(862,115)	-	(5,326,025)
<b>Net assets attributable to holders of redeemable units, end of year</b>	4,959,249	8,244,971	-	-
			<b>December 31 2023 (\$) Total</b>	<b>December 31 2022 (\$) Total</b>
<b>Net assets attributable to holders of redeemable units, beginning of year</b>			8,244,971	14,433,111
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>			51,871	(924,716)
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units			-	5,067,538
Reinvested distributions			-	-
Redemption of units			(3,196,556)	(10,123,853)
			(3,196,556)	(5,056,315)
<b>Distributions to holders of redeemable units from:</b>				
Net investment income			(139,749)	(185,119)
Capital gains			-	-
Return of capital			(1,288)	(21,990)
			(141,037)	(207,109)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>			(3,285,722)	(6,188,140)
<b>Net assets attributable to holders of redeemable units, end of year</b>			4,959,249	8,244,971

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, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	51,871	(924,716)
Adjustments for:		
Net realized (gain) loss on sale of investments	(211,029)	(650,947)
Change in unrealized (appreciation) depreciation of investments and derivatives	142,212	1,066,587
Dividends receivable	9,924	6,806
Other assets	2,253	6,020
Other liabilities	(2,080)	(19,629)
Purchases of investments	(4,164,058)	(5,983,845)
Proceeds from the sale of investments	7,507,810	11,738,920
	3,336,903	5,239,196
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	-	5,067,538
Amount paid on redemptions of units	(3,196,556)	(10,123,853)
Distributions paid to unitholders	(145,289)	(208,928)
	(3,341,845)	(5,265,243)
<b>Increase (Decrease) in cash for the year</b>	(4,942)	(26,047)
<b>Cash, beginning of year</b>	22,356	48,403
<b>Cash, end of year</b>	17,414	22,356
Interest received	-	-
Dividends received, net of withholding taxes	190,353	275,646

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, 2023

**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, 2023 and 2022:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2023			
	Level 1	Level 2	Level 3	Total
Equities	4,814,859	–	–	4,814,859
Derivative assets	–	166,521	–	166,521
Derivative liabilities	–	(40,210)	–	(40,210)
<b>Total</b>	<b>4,814,859</b>	<b>126,311</b>	<b>–</b>	<b>4,941,170</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2022			
	Level 1	Level 2	Level 3	Total
Equities	8,171,680	–	–	8,171,680
Derivative assets	–	42,943	–	42,943
Derivative liabilities	–	(73,331)	–	(73,331)
<b>Total</b>	<b>8,171,680</b>	<b>(30,388)</b>	<b>–</b>	<b>8,141,292</b>

There have been no transfers from one Level to another for the years ended December 31, 2023 and 2022.

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 previously offered Advisor Class units, however as of February 28, 2022 is no longer offering such class of units following redesignation by the Manager of Advisor Class units to Common units in order to provide unitholders with a lower cost solution.

The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2023 and 2022:

Redeemable Units	Common Class	Advisor Class
Outstanding units – January 1, 2022	252,160	147,835
Redeemable units issued	147,533	–
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(150,000)	(147,835)
Outstanding units – December 31, 2022	249,693	–
Redeemable units issued	–	–
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(100,000)	–
Outstanding units – December 31, 2023	149,693	–



First Trust Value Line® Dividend Index ETF (CAD-Hedged)  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**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%

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** - The net capital and non-capital tax loss carryforwards as at December 31, 2023 and 2022, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2023	2022	2023	2022
42,996	21,636	-	-

**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, 2023 and 2022 are as follows:

Transaction Cost (\$)	
2023	2022
1,250	2,343

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2023 and 2022, including amounts owing as at December 31, 2023 and 2022 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2023	2022	2023	2022
46,961	73,992	3,120	4,961

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

**Market risk** - As at December 31, 2023 and 2022, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at December 31, 2023 and 2022, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2023		As at December 31, 2022	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® Index (CAD-Hedged)	193,907	(193,907)	317,019	(317,019)
Dow Jones U.S. Select Dividend™ Index USD	200,354	(200,354)	378,444	(378,444)

First Trust Value Line® Dividend Index ETF (CAD-Hedged)  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2023 and 2022:

Currency	As at December 31, 2023		As at December 31, 2022	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	(113,149)	(2.28)	19,862	0.24

As at December 31, 2023, 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 \$(1,131) (December 31, 2022 - \$199). 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, 2023 and 2022:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2023	As at December 31, 2022
<i>Canada</i>		
Financials	2.99	3.42
Communication Services	0.60	1.72
Industrials	0.60	1.13
Utilities	0.60	0.57
Information Technology	0.59	0.59
<i>United States</i>		
Utilities	19.71	21.07
Industrials	14.37	11.99
Consumer Staples	13.22	14.03
Financials	9.03	10.83
Health Care	7.83	6.85
Information Technology	7.18	7.48
Materials	5.34	5.14
Consumer Discretionary	4.20	4.00
Communication Services	1.21	1.16
Energy	0.60	–
<i>International</i>		
Switzerland	2.41	2.30
United Kingdom	1.81	1.70
Ireland	1.19	1.15
Japan	0.61	0.57
France	0.61	0.57
Germany	0.60	0.57
United States	0.60	–
India	0.60	0.57
Taiwan	0.59	0.57
Bermuda	–	1.13
<b>Total</b>	<b>97.09</b>	<b>99.11</b>

First Trust Value Line® Dividend Index ETF (CAD-Hedged)  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2023**

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>CANADIAN EQUITIES</b>				
<b>Communication Services—0.60%</b>				
Rogers Communications Inc., Class 'B'	480	28,034	29,772	0.60
		<b>28,034</b>	<b>29,772</b>	<b>0.60</b>
<b>Financials—2.99%</b>				
Bank of Montreal	226	25,351	29,629	0.60
Canadian Imperial Bank of Commerce	459	26,672	29,279	0.59
Royal Bank of Canada	220	25,516	29,480	0.59
Sun Life Financial Inc.	438	26,672	30,098	0.61
Toronto-Dominion Bank (The)	346	27,536	29,626	0.60
		<b>131,747</b>	<b>148,112</b>	<b>2.99</b>
<b>Industrials—0.60%</b>				
Canadian National Railway Co.	178	25,828	29,631	0.60
		<b>25,828</b>	<b>29,631</b>	<b>0.60</b>
<b>Information Technology—0.59%</b>				
Open Text Corp.	528	25,990	29,399	0.59
		<b>25,990</b>	<b>29,399</b>	<b>0.59</b>
<b>Utilities—0.60%</b>				
Fortis Inc.	547	29,648	29,811	0.60
		<b>29,648</b>	<b>29,811</b>	<b>0.60</b>
		<b>241,247</b>	<b>266,725</b>	<b>5.38</b>
<b>UNITED STATES EQUITIES</b>				
<b>Communication Services—1.21%</b>				
Comcast Corp., Class 'A'	510	28,562	29,633	0.60
T-Mobile US Inc.	143	30,070	30,379	0.61
		<b>58,632</b>	<b>60,012</b>	<b>1.21</b>
<b>Consumer Discretionary—4.20%</b>				
Gentex Corp.	683	29,047	29,558	0.60
Home Depot Inc. (The)	64	24,274	29,388	0.59
Lowe's Cos. Inc.	101	25,606	29,784	0.60
McDonald's Corp.	76	23,156	29,860	0.60
Starbucks Corp.	234	29,161	29,769	0.60
Tractor Supply Co.	106	32,324	30,202	0.61
Yum! Brands Inc.	172	26,602	29,778	0.60
		<b>190,170</b>	<b>208,339</b>	<b>4.20</b>
<b>Consumer Staples—13.22%</b>				
Archer-Daniels-Midland Co.	309	27,396	29,570	0.60
Brown-Forman Corp., Class 'B'	388	29,441	29,356	0.59
Clorox Co. (The)	158	32,294	29,852	0.60
Coca-Cola Co. (The)	382	27,683	29,829	0.60
Colgate-Palmolive Co.	283	27,910	29,891	0.60
Flowers Foods Inc.	995	33,739	29,678	0.60
General Mills Inc.	346	29,907	29,865	0.60
Hershey Co. (The)	122	36,491	30,139	0.61
Hormel Foods Corp.	704	39,360	29,953	0.61

First Trust Value Line® Dividend Index ETF (CAD-Hedged)  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Ingredion Inc.	205	23,112	29,481	0.60
J&J Snack Foods Corp.	133	25,873	29,455	0.59
J.M. Smucker Co. (The)	179	29,988	29,975	0.61
Keurig Dr Pepper Inc.	678	31,335	29,934	0.60
Kimberly-Clark Corp.	186	31,453	29,947	0.60
Kroger Co. (The)	495	30,451	29,981	0.61
Lancaster Colony Corp.	137	36,258	30,205	0.61
McCormick & Co. Inc.	329	34,966	29,827	0.60
Mondelez International Inc., Class 'A'	312	24,563	29,944	0.60
PepsiCo Inc.	133	26,803	29,931	0.60
Procter & Gamble Co. (The)	153	27,363	29,709	0.60
Reynolds Consumer Products Inc.	828	30,606	29,447	0.59
Walmart Inc.	143	29,809	29,872	0.60
		<b>666,801</b>	<b>655,841</b>	<b>13.22</b>
<b>Energy—0.60%</b>				
DT Midstream Inc.	407	31,453	29,553	0.60
		<b>31,453</b>	<b>29,553</b>	<b>0.60</b>
<b>Financials—9.03%</b>				
Aflac Inc.	274	19,246	29,953	0.60
Allstate Corp. (The)	162	24,874	30,048	0.61
American Tower Corp.	104	30,136	29,749	0.60
Assurant Inc.	135	26,540	30,140	0.61
CME Group Inc.	104	26,017	29,022	0.59
Crown Castle International Corp.	194	35,736	29,611	0.60
Erie Indemnity Co., Class 'A'	68	26,900	30,177	0.61
Goldman Sachs Group Inc. (The)	59	23,639	30,159	0.61
Hanover Insurance Group Inc. (The)	184	30,590	29,603	0.60
JPMorgan Chase & Co.	133	22,680	29,977	0.60
Marsh & McLennan Cos. Inc.	119	29,721	29,876	0.60
Nasdaq Inc.	389	25,623	29,968	0.60
Public Storage	74	26,877	29,906	0.60
T. Rowe Price Group Inc.	206	34,388	29,395	0.59
Travelers Cos. Inc. (The)	120	24,148	30,289	0.61
		<b>407,115</b>	<b>447,873</b>	<b>9.03</b>
<b>Health Care—7.83%</b>				
Abbott Laboratories	205	29,016	29,899	0.60
AbbVie Inc.	145	30,252	29,775	0.60
Amgen Inc.	79	24,169	30,150	0.61
Baxter International Inc.	580	42,414	29,711	0.60
Becton, Dickinson and Co.	92	29,829	29,724	0.60
Bristol-Myers Squibb Co.	435	34,981	29,575	0.60
CVS Health Corp.	283	28,596	29,609	0.60
Gilead Sciences Inc.	280	26,323	30,056	0.61
Johnson & Johnson	143	29,869	29,699	0.60
Merck & Co. Inc.	208	22,904	30,047	0.60
Pfizer Inc.	788	40,845	30,061	0.61
Quest Diagnostics Inc.	164	28,447	29,962	0.60
UnitedHealth Group Inc.	43	29,858	29,997	0.60
		<b>397,503</b>	<b>388,265</b>	<b>7.83</b>

First Trust Value Line® Dividend Index ETF (CAD-Hedged)  
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	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Industrials—14.37%</b>				
A. O. Smith Corp.	274	21,638	29,931	0.60
C.H. Robinson Worldwide Inc.	257	30,797	29,419	0.59
Caterpillar Inc.	76	19,501	29,775	0.60
Cummins Inc.	94	26,659	29,839	0.60
Donaldson Co. Inc.	342	28,002	29,614	0.60
Emerson Electric Co.	230	24,573	29,662	0.60
Fastenal Co.	342	21,075	29,352	0.59
General Dynamics Corp.	87	22,318	29,935	0.60
Honeywell International Inc.	108	26,703	30,011	0.61
Hubbell Inc.	68	29,515	29,638	0.60
Illinois Tool Works Inc.	85	22,230	29,502	0.59
Johnson Controls International PLC	389	30,149	29,710	0.60
L3Harris Technologies Inc.	107	28,213	29,862	0.60
Lockheed Martin Corp.	50	26,387	30,028	0.61
MSC Industrial Direct Co. Inc., Class 'A'	218	28,786	29,250	0.59
Norfolk Southern Corp.	95	28,860	29,755	0.60
Northrop Grumman Corp.	48	30,924	29,775	0.60
Raytheon Technologies Corp.	266	28,651	29,656	0.60
Robert Half International Inc.	256	25,466	29,824	0.60
Snap-On Inc.	77	20,378	29,470	0.59
Union Pacific Corp.	91	23,910	29,617	0.60
United Parcel Service Inc., Class 'B'	142	30,631	29,584	0.60
Waste Management Inc.	126	25,965	29,902	0.60
Watsco Inc., Class 'A'	52	17,073	29,523	0.60
		<b>618,404</b>	<b>712,634</b>	<b>14.37</b>
<b>Information Technology—7.18%</b>				
Amdocs Ltd.	253	25,738	29,464	0.59
Analog Devices Inc.	113	28,625	29,730	0.60
Automatic Data Processing Inc.	96	25,512	29,635	0.60
Booz Allen Hamilton Holding Corp.	176	29,606	29,830	0.60
Broadridge Financial Solutions Inc., ADR	111	21,702	30,262	0.61
Cisco Systems Inc.	445	27,991	29,789	0.60
Cognizant Technology Solutions Corp., Class 'A'	297	25,626	29,724	0.60
CSG Systems International Inc.	417	30,763	29,401	0.59
Juniper Networks Inc.	757	26,627	29,570	0.60
Oracle Corp.	211	29,659	29,476	0.60
Paychex Inc.	186	25,471	29,356	0.59
Texas Instruments Inc.	131	27,107	29,589	0.60
		<b>324,427</b>	<b>355,826</b>	<b>7.18</b>
<b>Materials—5.34%</b>				
Air Products and Chemicals Inc.	81	27,282	29,387	0.59
Avery Dennison Corp.	111	27,123	29,734	0.60
Brady Corp., Class 'A'	378	25,884	29,396	0.59
NewMarket Corp.	40	18,136	28,930	0.58
Packaging Corp. of America	137	24,116	29,573	0.60
PPG Industries Inc.	150	27,552	29,724	0.60
Silgan Holdings Inc.	489	29,951	29,320	0.59
Sonoco Products Co.	399	30,457	29,538	0.60
Stepan Co.	235	29,568	29,442	0.59
		<b>240,069</b>	<b>265,044</b>	<b>5.34</b>

First Trust Value Line® Dividend Index ETF (CAD-Hedged)  
Notes to Financial Statements - Specific Information  
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	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Utilities—19.71%</b>				
Allele Inc.	363	30,059	29,418	0.59
Alliant Energy Corp.	440	30,658	29,909	0.60
Ameren Corp.	312	32,858	29,906	0.60
American Electric Power Co. Inc.	277	31,315	29,811	0.60
American States Water Co.	274	29,437	29,198	0.59
Atmos Energy Corp.	193	26,708	29,640	0.60
Avista Corp.	622	32,717	29,456	0.60
Black Hills Corp.	413	34,161	29,524	0.60
Chesapeake Utilities Corp.	210	29,660	29,393	0.59
Consolidated Edison Inc.	248	27,188	29,894	0.60
DTE Energy Co.	203	28,533	29,658	0.60
Duke Energy Corp.	232	28,972	29,831	0.60
Entergy Corp.	223	31,111	29,900	0.60
Evergy Inc.	432	33,467	29,880	0.60
Eversource Energy	365	36,036	29,850	0.60
Exelon Corp.	630	29,910	29,969	0.61
IDACORP Inc.	229	30,003	29,834	0.60
Middlesex Water Co.	329	33,667	28,606	0.58
New Jersey Resources Corp.	499	26,858	29,476	0.60
NextEra Energy Inc.	372	33,698	29,940	0.61
NorthWestern Corp.	436	33,056	29,400	0.59
OGE Energy Corp.	640	29,897	29,622	0.60
ONE Gas Inc.	346	33,462	29,214	0.59
Otter Tail Corp.	254	19,320	28,598	0.58
Pinnacle West Capital Corp.	314	31,296	29,890	0.60
PNM Resources Inc.	534	32,477	29,435	0.59
Portland General Electric Co.	518	30,656	29,748	0.60
Public Service Enterprise Group Inc.	369	28,792	29,899	0.60
Sempra Energy	301	27,222	29,805	0.60
Southern Co. (The)	322	26,913	29,918	0.60
Spire Inc.	354	31,677	29,242	0.59
WEC Energy Group Inc.	268	31,660	29,890	0.60
Xcel Energy Inc.	360	30,463	29,532	0.60
		<b>1,003,907</b>	<b>977,286</b>	<b>19.71</b>
		<b>3,938,481</b>	<b>4,100,673</b>	<b>82.69</b>
<b>INTERNATIONAL EQUITIES</b>				
<b>France—0.61%</b>				
Sanofi SA, ADR	456	28,417	30,048	0.61
		<b>28,417</b>	<b>30,048</b>	<b>0.61</b>
<b>Germany—0.60%</b>				
SAP SE, ADR	146	29,809	29,907	0.60
		<b>29,809</b>	<b>29,907</b>	<b>0.60</b>
<b>India—0.60%</b>				
Infosys Ltd., ADR	1,214	26,551	29,566	0.60
		<b>26,551</b>	<b>29,566</b>	<b>0.60</b>
<b>Ireland—1.19%</b>				
Accenture PLC, Class 'A'	63	25,470	29,293	0.59
Medtronic PLC	272	33,919	29,691	0.60
		<b>59,389</b>	<b>58,984</b>	<b>1.19</b>

First Trust Value Line® Dividend Index ETF (CAD-Hedged)  
Notes to Financial Statements - Specific Information  
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	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Japan—0.61%</b>				
Toyota Motor Corp., ADR	125	24,909	30,373	0.61
		<b>24,909</b>	<b>30,373</b>	<b>0.61</b>
<b>Switzerland—2.41%</b>				
Chubb Ltd.	101	26,656	30,246	0.61
Garmin Ltd.	174	24,774	29,636	0.60
Novartis AG, ADR	227	26,102	30,370	0.61
TE Connectivity Ltd.	158	29,163	29,415	0.59
		<b>106,695</b>	<b>119,667</b>	<b>2.41</b>
<b>Taiwan—0.59%</b>				
Taiwan Semiconductor Manufacturing Co. Ltd., ADR	214	23,976	29,490	0.59
		<b>23,976</b>	<b>29,490</b>	<b>0.59</b>
<b>United Kingdom—1.81%</b>				
AstraZeneca PLC, ADR	337	25,605	30,075	0.61
Diageo PLC, ADR	154	33,294	29,723	0.60
Unilever PLC, ADR	465	31,707	29,871	0.60
		<b>90,606</b>	<b>89,669</b>	<b>1.81</b>
<b>United States—0.60%</b>				
Genpact Ltd.	647	29,652	29,757	0.60
		<b>29,652</b>	<b>29,757</b>	<b>0.60</b>
<b>Total investments</b>		<b>4,599,732</b>	<b>4,814,859</b>	<b>97.09</b>
Transaction costs		(607)		
Unrealized appreciation on derivatives - see Schedule 1			166,521	3.35
Unrealized depreciation on derivatives - see Schedule 1			(40,210)	(0.81)
Other assets, less liabilities			18,079	0.37
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>4,599,125</b>	<b>4,959,249</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+	2024-01-11	USD	4,703,374	CAD	6,398,000	0.735	0.755	166,521
									<b>166,521</b>
Bank of New York Mellon (The), New York	A-1+	2024-01-11	USD	202,237	CAD	267,000	0.757	0.755	(943)
Bank of New York Mellon (The), New York	A-1+	2024-01-11	CAD	1,586,000	USD	1,167,438	1.359	1.325	(39,267)
									<b>(40,210)</b>

\* 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, 2023 and December 31, 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	9,519,826	11,510,603
Cash	16,824	24,318
Other assets	503	902
	9,537,153	11,535,823
<b>Liabilities</b>		
Accrued liabilities	1,359	1,897
Distributions payable to holders of redeemable units	5,200	-
	6,559	1,897
<b>Total net assets attributable to holders of redeemable units</b>	<b>9,530,594</b>	<b>11,533,926</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
<b>Units</b>	<b>9,530,594</b>	<b>11,533,926</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	<b>520,000</b>	<b>550,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>18.33</b>	<b>20.97</b>

## STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Revenues</b>		
Dividends	78,791	39,656
<b>Other changes in fair value of investments</b>		
Net realized gain (loss) on sale of investments	(1,314,578)	(820,134)
Net realized gain (loss) on foreign exchange	(64)	28
Net change in unrealized appreciation (depreciation) of investments	(155,032)	(3,279,997)
	(1,390,883)	(4,060,447)
Foreign exchange gain (loss) on cash	(275)	(264)
	(1,391,158)	(4,060,711)
<b>Expenses [note 7]</b>		
Management fees	17,491	22,149
Independent Review Committee fees	1,850	2,383
HST expense	1,670	1,903
Transaction costs [note 3 and note 9]	9	2
Interest expense	-	5
	21,020	26,442
Expenses waived by manager	(1,850)	(2,383)
	19,170	24,059
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>(1,410,328)</b>	<b>(4,084,770)</b>
<b>Withholding taxes</b>	<b>18,745</b>	<b>5,928</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>(1,429,073)</b>	<b>(4,090,698)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
<b>Units</b>	<b>(1,429,073)</b>	<b>(4,090,698)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>(2.55)</b>	<b>(6.80)</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, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	11,533,926	17,194,761
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	(1,429,073)	(4,090,698)
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from issuance of units	2,371,698	5,959,388
Reinvested distributions	-	-
Redemption of units	(2,898,757)	(7,529,525)
	(527,059)	(1,570,137)
<b>Distributions to holders of redeemable units from:</b>		
Net investment income	(47,113)	-
Capital gains	-	-
Return of capital	(87)	-
	(47,200)	-
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	(2,003,332)	(5,660,835)
<b>Net assets attributable to holders of redeemable units, end of year</b>	9,530,594	11,533,926

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, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	(1,429,073)	(4,090,698)
Adjustments for:		
Net realized (gain) loss on sale of investments	1,314,578	820,134
Change in unrealized (appreciation) depreciation of investments	155,032	3,279,997
Other assets	399	(389)
Other liabilities	(538)	(675)
Purchases of investments	(2,393,714)	(5,956,382)
Proceeds from the sale of investments	2,914,881	7,536,564
	561,565	1,588,551
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	2,371,698	5,959,388
Amount paid on redemptions of units	(2,898,757)	(7,529,525)
Distributions paid to unitholders	(42,000)	(14,457)
	(569,059)	(1,584,594)
<b>Increase (Decrease) in cash for the year</b>	(7,494)	3,957
<b>Cash, beginning of year</b>	24,318	20,361
<b>Cash, end of year</b>	16,824	24,318
Interest received	-	-
Dividends received, net of withholding taxes	60,046	33,728

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, 2023

**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.

**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, 2023 and 2022:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2023			
	Level 1	Level 2	Level 3	Total
Equities	9,519,826	–	–	9,519,826
Total	9,519,826	–	–	9,519,826
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2022			
	Level 1	Level 2	Level 3	Total
Equities	11,510,603	–	–	11,510,603
Total	11,510,603	–	–	11,510,603

There have been no transfers from one Level to another for the years ended December 31, 2023 and 2022.

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, 2023 and 2022:

Redeemable Units	Units
Outstanding units – January 1, 2022	610,000
Redeemable units issued	250,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(310,000)
Outstanding units – December 31, 2022	550,000
Redeemable units issued	120,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(150,000)
Outstanding units – December 31, 2023	520,000

First Trust Nasdaq® Clean Edge® Green Energy ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**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 will bear the Underlying Fund's management fee of 0.40% per annum on average daily net assets on the First Trust ETF's portfolio assets invested in the Underlying Fund. Accordingly, the management fee cost to unitholders of their investment will be 0.55% per annum of NAV of the First Trust ETF plus applicable taxes.

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** - The net capital and non-capital tax loss carryforwards as at December 31, 2023 and 2022, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2023	2022	2023	2022
362,593	84,863	–	9,085

**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, 2023 and 2022 are as follows:

Transaction Cost (\$)	
2023	2022
9	2

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2023 and 2022, including amounts owing as at December 31, 2023 and 2022 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2023	2022	2023	2022
17,491	22,149	1,203	1,679

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

**Market risk** - As at December 31, 2023 and 2022, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at December 31, 2023 and 2022, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2023		As at December 31, 2022	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® Index	624,730	(624,730)	732,404	(732,404)

First Trust Nasdaq® Clean Edge® Green Energy ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2023 and 2022:

Currency	As at December 31, 2023		As at December 31, 2022	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	9,537,084	100.07	11,533,988	100.00

As at December 31, 2023, 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 \$95,371 (December 31, 2022 – \$115,340). 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, 2023 and 2022:

Holding	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2023	As at December 31, 2022
Exchange-Traded Fund	99.89	99.80
Total	99.89	99.80

First Trust Nasdaq® Clean Edge® Green Energy ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2023**

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Exchange Traded Fund—99.89%</b>				
First Trust NASDAQ® Clean Edge® Green Energy Index Fund	170,370	14,079,033	9,519,826	99.89
		<b>14,079,033</b>	<b>9,519,826</b>	<b>99.89</b>
<b>Total investments</b>		<b>14,079,033</b>	<b>9,519,826</b>	<b>99.89</b>
Transaction costs		(30)		
Other assets, less liabilities			10,768	0.11
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>14,079,003</b>	<b>9,530,594</b>	<b>100.00</b>

# First Trust Indxx NextG ETF

## STATEMENTS OF FINANCIAL POSITION As at December 31, 2023 and December 31, 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	1,363,511	1,409,335
Cash	11,316	6,007
	1,374,827	1,415,342
<b>Liabilities</b>		
Accrued liabilities	232	257
Payable for portfolio securities purchased	-	4,997
	232	5,254
<b>Total net assets attributable to holders of redeemable units</b>	<b>1,374,595</b>	<b>1,410,088</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
Units	1,374,595	1,410,088
<b>Redeemable units outstanding [note 6]</b>		
Units	140,000	180,000
<b>Net assets attributable to holders of redeemable units per unit</b>		
Units	9.82	7.83

## STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Revenues</b>		
Dividends	29,513	33,838
<b>Other changes in fair value of investments</b>		
Net realized gain (loss) on sale of investments	(10,474)	(67,410)
Net realized gain (loss) on foreign exchange	(80)	(172)
Net change in unrealized appreciation (depreciation) of investments	299,923	(434,054)
	318,882	(467,798)
Foreign exchange gain (loss) on cash	74	103
	318,956	(467,695)
<b>Expenses [note 7]</b>		
Management fees	2,008	2,837
HST expense	242	350
Independent Review Committee fees	213	307
Transaction costs [note 3 and note 9]	2	8
	2,465	3,502
Expenses waived by manager	(213)	(307)
	2,252	3,195
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>316,704</b>	<b>(470,890)</b>
<b>Withholding taxes</b>	<b>3,846</b>	<b>3,940</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>312,858</b>	<b>(474,830)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
Units	312,858	(474,830)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
Units	2.07	(2.08)

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, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	1,410,088	2,438,320
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	312,858	(474,830)
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from issuance of units	-	333,742
Reinvested distributions	-	-
Redemption of units	(348,351)	(887,144)
	(348,351)	(553,402)
<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>	(35,493)	(1,028,232)
<b>Net assets attributable to holders of redeemable units, end of year</b>	1,374,595	1,410,088

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



# First Trust Indxx NextG ETF

## STATEMENTS OF CASH FLOW For the years ended December 31, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	312,858	(474,830)
Adjustments for:		
Net realized (gain) loss on sale of investments	10,474	67,410
Change in unrealized (appreciation) depreciation of investments	(299,923)	434,054
Other assets	-	61
Other liabilities	(25)	(96)
Purchases of investments	(17,806)	(384,383)
Proceeds from the sale of investments	348,082	885,397
	353,660	527,613
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	-	333,742
Amount paid on redemptions of units	(348,351)	(887,144)
Distributions paid to unitholders	-	-
	(348,351)	(553,402)
<b>Increase (Decrease) in cash for the year</b>	5,309	(25,789)
<b>Cash, beginning of year</b>	6,007	31,796
<b>Cash, end of year</b>	11,316	6,007
Interest received	-	-
Dividends received, net of withholding taxes	25,667	29,898

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, 2023

**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 minimum market capitalization of US\$500 million, six-month average daily trading volume of at least US\$2 million (US\$1 million for emerging market companies), traded for at least 90% of the total trading days in the last six months or for a security recently issued in an initial public offering over the prior three months, a minimum free float of 10% of shares outstanding and a share price of less than US\$10,000 for new index constituents.

**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, 2023 and 2022:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2023			
	Level 1	Level 2	Level 3	Total
Equities	1,363,511	–	–	1,363,511
<b>Total</b>	<b>1,363,511</b>	<b>–</b>	<b>–</b>	<b>1,363,511</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2022			
	Level 1	Level 2	Level 3	Total
Equities	1,409,335	–	–	1,409,335
<b>Total</b>	<b>1,409,335</b>	<b>–</b>	<b>–</b>	<b>1,409,335</b>

There have been no transfers from one Level to another for the years ended December 31, 2023 and 2022.

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, 2023 and 2022:

Redeemable Units	Units
Outstanding units – January 1, 2022	250,000
Redeemable units issued	40,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(110,000)
Outstanding units – December 31, 2022	180,000
Redeemable units issued	–
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(40,000)
Outstanding units – December 31, 2023	140,000

First Trust Indxx NextG ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**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 will bear the Underlying Fund's management fee of 0.70% per annum on average daily net assets on the First Trust ETF's portfolio assets invested in the Underlying Fund. Accordingly, the management fee cost to unitholders of their investment will be 0.85% per annum of NAV of the First Trust ETF plus applicable taxes.

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** - The net capital and non-capital tax loss carryforwards as at December 31, 2023 and 2022, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2023	2022	2023	2022
25,701	15,383	1,143,907	1,160,846

**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, 2023 and 2022 are as follows:

Transaction Cost (\$)	
2023	2022
2	8

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2023 and 2022, including amounts owing as at December 31, 2023 and 2022 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2023	2022	2023	2022
2,008	2,837	172	194

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

**Market risk** - As at December 31, 2023 and 2022, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at December 31, 2023 and 2022, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2023		As at December 31, 2022	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
MSCI ACWI Index CAD	66,599	(66,599)	71,491	(71,491)

First Trust Indxx NextG ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2023 and 2022:

Currency	As at December 31, 2023		As at December 31, 2022	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	1,374,822	100.02	1,409,342	99.95

As at December 31, 2023, 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 \$13,748 (December 31, 2022 - \$14,093). 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, 2023 and 2022:

Holding	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2023	As at December 31, 2022
Exchange-Traded Fund	99.19	99.95
Total	99.19	99.95

First Trust Indxx NextG ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2023**

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Exchange Traded Fund—99.19%</b>				
First Trust Indxx NextG ETF	13,411	1,259,988	1,363,511	99.19
		<b>1,259,988</b>	<b>1,363,511</b>	<b>99.19</b>
<b>Total investments</b>		<b>1,259,988</b>	<b>1,363,511</b>	<b>99.19</b>
Transaction costs		(183)		
Other assets, less liabilities			11,084	0.81
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>1,259,805</b>	<b>1,374,595</b>	<b>100.00</b>

# First Trust Nasdaq Cybersecurity ETF

## STATEMENTS OF FINANCIAL POSITION As at December 31, 2023 and December 31, 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	37,736,515	26,221,870
Cash	101,072	55,673
Other assets	1,493	2,068
	37,839,080	26,279,611
<b>Liabilities</b>		
Accrued liabilities	5,370	3,847
Distributions payable to holders of redeemable units	86,450	-
	91,820	3,847
<b>Total net assets attributable to holders of redeemable units</b>	<b>37,747,260</b>	<b>26,275,764</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
<b>Units</b>	<b>37,747,260</b>	<b>26,275,764</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	<b>910,000</b>	<b>860,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>41.48</b>	<b>30.55</b>

## STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Revenues</b>		
Dividends	159,197	81,993
<b>Other changes in fair value of investments</b>		
Net realized gain (loss) on sale of investments	(154,493)	652,639
Net realized gain (loss) on foreign exchange	(596)	1
Net change in unrealized appreciation (depreciation) of investments	9,966,804	(7,332,127)
	9,970,912	(6,597,494)
Foreign exchange gain (loss) on cash	564	188
	9,971,476	(6,597,306)
<b>Expenses [note 7]</b>		
Management fees	46,476	43,337
Independent Review Committee fees	4,863	4,687
HST expense	4,522	3,516
Transaction costs [note 3 and note 9]	6	34
Interest expense	-	2
	55,867	51,576
Expenses waived by manager	(4,863)	(4,687)
	51,004	46,889
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>9,920,472</b>	<b>(6,644,195)</b>
<b>Withholding taxes</b>	<b>23,858</b>	<b>12,326</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>9,896,614</b>	<b>(6,656,521)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
<b>Units</b>	<b>9,896,614</b>	<b>(6,656,521)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>11.12</b>	<b>(7.68)</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, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	26,275,764	32,756,587
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	9,896,614	(6,656,521)
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from issuance of units	4,204,330	12,718,443
Reinvested distributions	-	52,976
Redemption of units	(2,477,498)	(12,437,613)
	1,726,832	333,806
<b>Distributions to holders of redeemable units from:</b>		
Net investment income	(148,546)	(12,646)
Capital gains	-	(145,462)
Return of capital	(3,404)	-
	(151,950)	(158,108)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	11,471,496	(6,480,823)
<b>Net assets attributable to holders of redeemable units, end of year</b>	37,747,260	26,275,764

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, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	9,896,614	(6,656,521)
Adjustments for:		
Net realized (gain) loss on sale of investments	154,493	(652,639)
Change in unrealized (appreciation) depreciation of investments	(9,966,804)	7,332,127
Other assets	575	(1,185)
Other liabilities	1,523	515
Purchases of investments	(4,203,748)	(12,717,542)
Proceeds from the sale of investments	2,501,414	12,600,344
	(1,615,933)	(94,901)
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	4,204,330	12,718,443
Amount paid on redemptions of units	(2,477,498)	(12,437,613)
Distributions paid to unitholders	(65,500)	(373,848)
	1,661,332	(93,018)
<b>Increase (decrease) in cash for the year</b>	45,399	(187,919)
<b>Cash, beginning of year</b>	55,673	243,592
<b>Cash, end of year</b>	101,072	55,673
Interest received	-	-
Dividends received, net of withholding taxes	135,339	69,667

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, 2023

**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.

**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, 2023 and 2022:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2023			
	Level 1	Level 2	Level 3	Total
Equities	37,736,515	–	–	37,736,515
<b>Total</b>	<b>37,736,515</b>	<b>–</b>	<b>–</b>	<b>37,736,515</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2022			
	Level 1	Level 2	Level 3	Total
Equities	26,221,870	–	–	26,221,870
<b>Total</b>	<b>26,221,870</b>	<b>–</b>	<b>–</b>	<b>26,221,870</b>

There have been no transfers from one Level to another for the years ended December 31, 2023 and 2022.

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, 2023 and 2022:

Redeemable Units	Units
Outstanding units – January 1, 2022	840,000
Redeemable units issued	370,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(350,000)
Outstanding units – December 31, 2022	860,000
Redeemable units issued	120,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(70,000)
Outstanding units – December 31, 2023	910,000

**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
0.15%

<sup>1</sup>The First Trust ETF will bear the Underlying Fund's management fee of 0.60% per annum on average daily net assets on the First Trust ETF's portfolio assets invested in the Underlying Fund. Accordingly, the management fee cost to unitholders of their investment will be 0.75% per annum of NAV of the First Trust ETF plus applicable taxes. Effective February 1, 2024, the Underlying Fund's management fee is 0.59%.

First Trust Nasdaq Cybersecurity ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** - The net capital and non-capital tax loss carryforwards as at December 31, 2023 and 2022 are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2023	2022	2023	2022
28,155	-	-	-

**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, 2023 and 2022 are as follows:

Transaction Cost (\$)	
2023	2022
6	34

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2023 and 2022, including amounts owing as at December 31, 2023 and 2022 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2023	2022	2023	2022
46,476	43,337	4,752	3,404

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

**Market risk** - As at December 31, 2023 and 2022, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at December 31, 2023 and 2022, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2023		As at December 31, 2022	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® Index	1,794,882	(1,794,882)	1,316,422	(1,316,422)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2023 and 2022:

Currency	As at December 31, 2023		As at December 31, 2022	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	37,837,072	100.24	26,277,000	100.00

As at December 31, 2023, 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 \$378,371 (December 31, 2022 - \$262,770). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

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First Trust Nasdaq Cybersecurity ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

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**Concentration Risk** – The table below summarizes the First Trust ETF’s concentration risk for the years ended December 31, 2023 and 2022:

Holding	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2023	As at December 31, 2022
Exchange-Traded Fund	99.97	99.79
Total	99.97	99.79

First Trust Nasdaq Cybersecurity ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2023**

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Exchange Traded Fund—99.97%</b>				
First Trust Nasdaq Cybersecurity ETF	528,962	34,105,183	37,736,515	99.97
		<b>34,105,183</b>	<b>37,736,515</b>	<b>99.97</b>
<b>Total investments</b>		<b>34,105,183</b>	<b>37,736,515</b>	<b>99.97</b>
Other assets, less liabilities			10,745	0.03
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>34,105,183</b>	<b>37,747,260</b>	<b>100.00</b>

# First Trust Dow Jones Internet ETF

## STATEMENTS OF FINANCIAL POSITION

As at December 31, 2023 and December 31, 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	6,442,957	4,400,570
Cash	5,532	977
Receivable for portfolio securities sold	-	1,830
Derivative assets	10,538	959
Other assets	66	68
	6,459,093	4,404,404
<b>Liabilities</b>		
Accrued liabilities	3,102	2,697
Derivative liabilities	-	1,704
	3,102	4,401
<b>Total net assets attributable to holders of redeemable units</b>	<b>6,455,991</b>	<b>4,400,003</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
<b>Units</b>	<b>6,029,206</b>	<b>4,209,868</b>
<b>Hedged Units</b>	<b>426,785</b>	<b>190,135</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	<b>300,000</b>	<b>310,000</b>
<b>Hedged Units</b>	<b>30,000</b>	<b>20,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>20.10</b>	<b>13.58</b>
<b>Hedged Units</b>	<b>14.23</b>	<b>9.51</b>

## STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Revenues</b>		
<b>Other changes in fair value of investments and derivatives</b>		
Net realized gain (loss) on sale of investments	(572,234)	(515,200)
Net realized gain (loss) on derivatives	(6,032)	(26,789)
Net realized gain (loss) on foreign exchange	2	(34)
Net change in unrealized appreciation (depreciation) of investments	2,923,715	(2,165,690)
Net change in unrealized appreciation (depreciation) of derivatives	11,283	2,116
	2,356,734	(2,705,597)
Foreign exchange gain (loss) on cash	157	151
	2,356,891	(2,705,446)
<b>Expenses [note 7]</b>		
Management fees	8,904	7,601
HST expense	979	686
Independent Review Committee fees	924	821
Transaction costs [note 3 and note 9]	1	3
Interest expense	-	1
	10,808	9,112
Expenses waived by manager	(924)	(821)
	9,884	8,291
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>2,347,007</b>	<b>(2,713,737)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
<b>Units</b>	<b>2,214,764</b>	<b>(2,469,393)</b>
<b>Hedged Units</b>	<b>132,243</b>	<b>(244,344)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>6.73</b>	<b>(8.18)</b>
<b>Hedged Units</b>	<b>4.99</b>	<b>(9.23)</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, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)	December 31 2023 (\$) Hedged Units	December 31 2022 (\$) Hedged Units
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	4,209,868	3,499,654	190,135	536,039
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	2,214,764	(2,469,393)	132,243	(244,344)
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units	4,033,959	5,088,295	214,913	505,038
Reinvested distributions	-	-	-	-
Redemption of units	(4,429,385)	(1,908,688)	(110,506)	(606,598)
	(395,426)	3,179,607	104,407	(101,560)
<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>	1,819,338	710,214	236,650	(345,904)
<b>Net assets attributable to holders of redeemable units, end of year</b>	6,029,206	4,209,868	426,785	190,135
			<b>December 31 2023 (\$) Total</b>	<b>December 31 2022 (\$) Total</b>
<b>Net assets attributable to holders of redeemable units, beginning of year</b>			4,400,003	4,035,693
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>			2,347,007	(2,713,737)
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units			4,248,872	5,593,333
Reinvested distributions			-	-
Redemption of units			(4,539,891)	(2,515,286)
			(291,019)	3,078,047
<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>			2,055,988	364,310
<b>Net assets attributable to holders of redeemable units, end of year</b>			6,455,991	4,400,003

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, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	2,347,007	(2,713,737)
Adjustments for:		
Net realized (gain) loss on sale of investments	572,234	515,200
Change in unrealized (appreciation) depreciation of investments and derivatives	(2,934,998)	2,163,574
Other assets	2	127
Other liabilities	405	99
Purchases of investments	(4,247,810)	(5,595,242)
Proceeds from the sale of investments	4,558,734	2,552,311
	295,574	(3,077,668)
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	4,248,872	5,593,333
Amount paid on redemptions of units	(4,539,891)	(2,515,532)
Distributions paid to unitholders	-	-
	(291,019)	3,077,801
<b>Increase (decrease) in cash for the year</b>	<b>4,555</b>	<b>133</b>
<b>Cash, beginning of year</b>	<b>977</b>	<b>844</b>
<b>Cash, end of year</b>	<b>5,532</b>	<b>977</b>
Interest received	-	-
Dividends received, net of withholding taxes	-	-

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, 2023**

**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.

**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, 2023 and 2022:

	Financial Assets (Liabilities) at Fair Value (\$)			
	As at December 31, 2023			
	Level 1	Level 2	Level 3	Total
Equities	6,442,957	–	–	6,442,957
Derivative assets*	–	10,538	–	10,538
<b>Total</b>	<b>6,442,957</b>	<b>10,538</b>	<b>–</b>	<b>6,453,495</b>
	Financial Assets (Liabilities) at Fair Value (\$)			
	As at December 31, 2022			
	Level 1	Level 2	Level 3	Total
Equities	4,400,570	–	–	4,400,570
Derivative assets*	–	959	–	959
Derivative liabilities*	–	(1,704)	–	(1,704)
<b>Total</b>	<b>4,400,570</b>	<b>(745)</b>	<b>–</b>	<b>4,399,825</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, 2023 and 2022.

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, 2023 and 2022:

Redeemable Units	Units	Hedged Units
Outstanding units – January 1, 2022	150,000	30,000
Redeemable units issued	280,000	40,000
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(120,000)	(50,000)
Outstanding units – December 31, 2022	310,000	20,000
Redeemable units issued	250,000	20,000
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(260,000)	(10,000)
Outstanding units – December 31, 2023	300,000	30,000



First Trust Dow Jones Internet ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**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 will bear the Underlying Fund's management fee of 0.40% per annum on average daily net assets on the First Trust ETF's portfolio assets invested in the Underlying Fund. Accordingly, the management fee cost to unitholders of their investment will be 0.55% per annum of NAV of the First Trust ETF plus applicable taxes.

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** – The net capital and non-capital tax loss carryforwards as at December 31, 2023 and 2022 are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2023	2022	2023	2022
289,198	198,119	19,337	10,437

**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, 2023 and 2022 are as follows:

Transaction Cost (\$)	
2023	2022
1	3

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2023 and 2022, including amounts owing as at December 31, 2023 and 2022 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2023	2022	2023	2022
8,904	7,601	842	590

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

**Market risk** - As at December 31, 2023 and 2022, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at December 31, 2023 and 2022, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2023		As at December 31, 2022	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
Units				
S&P 500® Index	391,879	(391,879)	275,440	(275,440)
Hedged Units				
S&P 500® CAD Hedged Index	426,741	(426,741)	297,000	(297,000)

First Trust Dow Jones Internet ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2023 and 2022:

Currency	As at December 31, 2023		As at December 31, 2022	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	6,024,940	93.32	4,218,090	95.87

As at December 31, 2023, 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 \$60,249 (December 31, 2022 - \$42,181). 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, 2023 and 2022:

Holding	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2023	As at December 31, 2022
Exchange-Traded Fund	99.80	100.01
Total	99.80	100.01

First Trust Dow Jones Internet ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2023**

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Exchange Traded Fund—99.80%</b>				
First Trust Dow Jones Internet Index Fund	26,065	5,954,939	6,442,957	99.80
		<b>5,954,939</b>	<b>6,442,957</b>	<b>99.80</b>
<b>Total investments</b>		<b>5,954,939</b>	<b>6,442,957</b>	<b>99.80</b>
Unrealized appreciation on derivatives - see Schedule 1			<b>10,538</b>	<b>0.16</b>
Other assets, less liabilities			<b>2,496</b>	<b>0.04</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>5,954,939</b>	<b>6,455,991</b>	<b>100.00</b>

Schedule 1

Counterparty	Credit		Currency	Amount	Currency	Amount	Forward	Current	Appreciation (Depreciation)
	Rating of Counterparty*	Settlement Date							
Bank of New York Mellon (The), New York	A-1+	2024-01-11	USD	284,496	CAD	387,000	0.735	0.755	10,072
Bank of New York Mellon (The), New York	A-1+	2024-01-11	USD	18,659	CAD	25,000	0.746	0.755	279
Bank of New York Mellon (The), New York	A-1+	2024-01-11	USD	16,464	CAD	22,000	0.748	0.755	187
									<b>10,538</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, 2023 and December 31, 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	13,781,900	17,318,051
Cash	18,146	48,709
Accrued dividend receivable	4,769	7,429
Receivable for portfolio securities sold	5,026	49,510
Derivative assets	69,494	38,365
Other assets	9,141	5,362
	13,888,476	17,467,426
<b>Liabilities</b>		
Accrued liabilities	9,129	11,721
Distributions payable to holders of redeemable units	11,000	18,750
Derivative liabilities	-	63,949
	20,129	94,420
<b>Total net assets attributable to holders of redeemable units</b>	<b>13,868,347</b>	<b>17,373,006</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
<b>Units</b>	<b>11,076,547</b>	<b>9,934,918</b>
<b>Hedged Units</b>	<b>2,791,800</b>	<b>7,438,088</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	<b>300,000</b>	<b>250,000</b>
<b>Hedged Units</b>	<b>100,000</b>	<b>250,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>36.92</b>	<b>39.74</b>
<b>Hedged Units</b>	<b>27.92</b>	<b>29.75</b>

## STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Revenues</b>		
Dividends	160,121	245,047
Other income	42	-
<b>Other changes in fair value of investments and derivatives</b>		
Net realized gain (loss) on sale of investments	(93,619)	111,157
Net realized gain (loss) on derivatives	(75,304)	(439,308)
Net realized gain (loss) on foreign exchange	4,966	(533)
Net change in unrealized appreciation (depreciation) of investments	(902,588)	(1,604,907)
Net change in unrealized appreciation (depreciation) of derivatives	95,078	(26,394)
	(811,304)	(1,714,938)
Foreign exchange gain (loss) on cash	(829)	632
	(812,133)	(1,714,306)
<b>Expenses [note 7]</b>		
Management fees	106,393	142,240
HST expense	10,051	13,002
Transaction costs [note 3 and note 9]	5,935	5,387
Independent Review Committee fees	2,434	3,269
Interest expense	2	44
	124,815	163,942
Expenses waived by manager	(2,434)	(3,269)
	122,381	160,673
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>(934,514)</b>	<b>(1,874,979)</b>
<b>Withholding taxes</b>	<b>17,406</b>	<b>26,202</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>(951,920)</b>	<b>(1,901,181)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
<b>Units</b>	<b>(839,689)</b>	<b>(1,862,179)</b>
<b>Hedged Units</b>	<b>(112,231)</b>	<b>(39,002)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>(2.82)</b>	<b>(4.48)</b>
<b>Hedged Units</b>	<b>(0.82)</b>	<b>(0.25)</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, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)	December 31 2023 (\$) Hedged Units	December 31 2022 (\$) Hedged Units
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	9,934,918	17,040,299	7,438,088	1,721,971
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	(839,689)	(1,862,179)	(112,231)	(39,002)
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units	2,006,818	5,983,413	-	7,224,519
Reinvested distributions	-	-	-	-
Redemption of units	-	(11,176,990)	(4,527,557)	(1,442,400)
	2,006,818	(5,193,577)	(4,527,557)	5,782,119
<b>Distributions to holders of redeemable units from:</b>				
Net investment income	(24,736)	(47,418)	(6,323)	(11,312)
Capital gains	-	-	-	-
Return of capital	(764)	(2,207)	(177)	(15,688)
	(25,500)	(49,625)	(6,500)	(27,000)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	1,141,629	(7,105,381)	(4,646,288)	5,716,117
<b>Net assets attributable to holders of redeemable units, end of year</b>	11,076,547	9,934,918	2,791,800	7,438,088
			<b>December 31 2023 (\$) Total</b>	<b>December 31 2022 (\$) Total</b>
<b>Net assets attributable to holders of redeemable units, beginning of year</b>			17,373,006	18,762,270
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>			(951,920)	(1,901,181)
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units			2,006,818	13,207,932
Reinvested distributions			-	-
Redemption of units			(4,527,557)	(12,619,390)
			(2,520,739)	588,542
<b>Distributions to holders of redeemable units from:</b>				
Net investment income			(31,059)	(58,730)
Capital gains			-	-
Return of capital			(941)	(17,895)
			(32,000)	(76,625)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>			(3,504,659)	(1,389,264)
<b>Net assets attributable to holders of redeemable units, end of year</b>			13,868,347	17,373,006

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, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	(951,920)	(1,901,181)
Adjustments for:		
Net realized (gain) loss on sale of investments	93,619	(111,157)
Change in unrealized (appreciation) depreciation of investments and derivatives	807,510	1,631,301
Dividends receivable	2,660	(4,617)
Other assets	(3,779)	1,440
Other liabilities	(2,592)	(614)
Purchases of investments	(18,245,484)	(30,398,576)
Proceeds from the sale of investments	20,829,912	30,286,565
	2,529,926	(496,839)
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	2,006,818	13,207,932
Amount paid on redemptions of units	(4,527,557)	(12,619,390)
Distributions paid to unitholders	(39,750)	(57,875)
	(2,560,489)	530,667
<b>Increase (Decrease) in cash for the year</b>	(30,563)	33,828
<b>Cash, beginning of year</b>	48,709	14,881
<b>Cash, end of year</b>	18,146	48,709
Interest received	-	-
Dividends received, net of withholding taxes	145,375	214,228

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, 2023

**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 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, 2023 and 2022:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2023			
	Level 1	Level 2	Level 3	Total
Equities	13,781,900	–	–	13,781,900
Derivative assets*	–	69,494	–	69,494
<b>Total</b>	<b>13,781,900</b>	<b>69,494</b>	<b>–</b>	<b>13,851,394</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2022			
	Level 1	Level 2	Level 3	Total
Equities	17,318,051	–	–	17,318,051
Derivative assets*	–	38,365	–	38,365
Derivative liabilities*	–	(63,949)	–	(63,949)
<b>Total</b>	<b>17,318,051</b>	<b>(25,584)</b>	<b>–</b>	<b>17,292,467</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, 2023 and 2022.

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, 2023 and 2022:

Redeemable Units	Units	Hedged Units
Outstanding units – January 1, 2022	400,000	50,000
Redeemable units issued	150,000	250,000
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(300,000)	(50,000)
<b>Outstanding units – December 31, 2022</b>	<b>250,000</b>	<b>250,000</b>
Redeemable units issued	50,000	–
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	–	(150,000)
<b>Outstanding units – December 31, 2023</b>	<b>300,000</b>	<b>100,000</b>

First Trust AlphaDEX™ U.S. Health Care Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**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 carry-forwards** – The net capital and non-capital tax loss carryforwards as at December 31, 2023 and 2022 are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2023	2022	2023	2022
149,851	35,000	–	–

**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, 2023 and 2022 are as follows:

Transaction Cost (\$)	
2023	2022
5,935	5,387

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2023 and 2022, including amounts owing as at December 31, 2023 and 2022:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2023	2022	2023	2022
106,393	142,240	8,079	10,372

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

**Market risk** - As December 31, 2023 and 2022, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at December 31, 2023 and 2022, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2023		As at December 31, 2022	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
<b>Units</b>				
Russell 1000® Health Care Index	614,368	(614,368)	826,955	(826,955)
Russell 1000® Index	527,691	(527,691)	636,721	(636,721)
S&P 500® Health Care Index	594,259	(594,259)	823,480	(823,480)
<b>Hedged Units</b>				
Russell 1000® Health Care Index USD	709,366	(709,366)	910,346	(910,346)
Russell 1000® Index USD	602,580	(602,580)	734,878	(734,878)
S&P 500® Health Care Index USD	693,417	(693,417)	912,083	(912,083)



First Trust AlphaDEX™ U.S. Health Care Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2023 and 2022:

Currency	As at December 31, 2023		As at December 31, 2022	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	11,108,646	80.10	10,037,794	57.78

As at December 31, 2023, 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 \$111,086 (December 31, 2022 - \$100,378). 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, 2023 and 2022:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2023	As at December 31, 2022
Health Care	96.91	97.67
Information Technology	2.07	0.39
Industrials	0.40	1.62
Total	99.38	99.68

First Trust AlphaDEX™ U.S. Health Care Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2023**

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Health Care—96.91%</b>				
Abbott Laboratories	817	116,780	119,158	0.86
AbbVie Inc.	265	53,797	54,416	0.39
Acadia Healthcare Co. Inc.	1,688	157,497	173,925	1.25
Agilent Technologies Inc.	707	121,935	130,245	0.94
agilon Health Inc.	4,455	135,203	74,084	0.53
Alnylam Pharmaceuticals Inc.	223	51,915	56,559	0.41
Amgen Inc.	442	135,862	168,685	1.22
Avantor Inc.	1,877	65,075	56,781	0.41
Azenta Inc.	788	53,811	68,015	0.49
Becton, Dickinson and Co.	153	52,900	49,432	0.36
Biogen Inc.	769	269,711	263,677	1.90
BioMarin Pharmaceutical Inc.	894	105,841	114,219	0.82
Bio-Techne Corp.	1,162	115,559	118,804	0.86
Bristol-Myers Squibb Co.	3,407	309,973	231,636	1.67
Cardinal Health Inc.	2,278	287,952	304,261	2.19
Catalent Inc.	869	71,039	51,736	0.37
Centene Corp.	2,871	286,294	282,311	2.04
Certara Inc.	2,721	52,939	63,420	0.46
Charles River Laboratories International Inc.	807	233,464	252,786	1.82
Chemed Corp.	77	48,598	59,661	0.43
Cigna Corp.	691	234,360	274,179	1.98
Cooper Cos. Inc. (The)	124	53,741	62,180	0.45
Danaher Corp.	360	102,145	110,353	0.80
DaVita Inc.	1,674	218,352	232,372	1.68
Elanco Animal Health Inc.	14,076	212,455	277,906	2.00
Elevance Health Inc.	363	218,665	226,817	1.64
Eli Lilly and Co.	295	185,856	227,857	1.64
Encompass Health Corp.	2,945	250,713	260,360	1.88
Envista Holdings Corp.	5,676	265,766	180,955	1.30
Exact Sciences Corp.	1,739	121,522	170,469	1.23
Exelixis Inc.	9,051	260,504	287,713	2.07
Gilead Sciences Inc.	2,111	213,956	226,600	1.63
Globus Medical Inc., Class 'A'	3,187	277,970	225,040	1.62
HCA Healthcare Inc.	482	139,104	172,876	1.25
Henry Schein Inc.	1,598	160,984	160,311	1.16
Hologic Inc.	1,140	108,764	107,929	0.78
Humana Inc.	406	247,500	246,288	1.78
ICON PLC	642	204,715	240,803	1.74
ICU Medical Inc.	665	107,701	87,887	0.63
Incyte Corp.	1,369	121,765	113,901	0.82
Integra LifeSciences Holdings	4,143	251,340	239,076	1.72
Intuitive Surgical Inc.	406	178,871	181,490	1.31
Ionis Pharmaceuticals Inc.	1,744	105,044	116,908	0.84
IQVIA Holdings Inc.	201	58,455	61,625	0.44

First Trust AlphaDEX™ U.S. Health Care Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Jazz Pharmaceuticals PLC	611	106,518	99,581	0.72
Johnson & Johnson	254	58,287	52,753	0.38
Laboratory Corp. of America Holdings	787	250,948	237,021	1.71
Maravai LifeSciences Holdings Inc., Class 'A'	11,869	188,808	103,012	0.74
Medpace Holdings Inc.	817	257,387	331,839	2.39
Medtronic PLC	1,514	179,331	165,265	1.19
Merck & Co. Inc.	384	46,087	55,471	0.40
Moderna Inc.	766	151,955	100,941	0.73
Molina Healthcare Inc.	603	246,421	288,689	2.08
Natera Inc.	894	62,020	74,203	0.53
Neurocrine Biosciences Inc.	1,406	214,449	245,472	1.77
Organon & Co.	6,837	224,554	130,636	0.94
Perrigo Co. PLC	3,715	165,506	158,408	1.14
Pfizer Inc.	5,962	353,076	227,440	1.64
Premier Inc., Class 'A'	9,198	374,765	272,519	1.96
QIAGEN NV	2,930	176,249	168,612	1.22
Quest Diagnostics Inc.	1,298	228,098	237,142	1.71
QuidelOrtho Corp.	2,166	298,487	211,523	1.53
Regeneron Pharmaceuticals Inc.	192	161,671	223,445	1.61
Repligen Corp.	249	65,181	59,323	0.43
Revvity Inc.	715	132,987	103,561	0.75
Roivant Sciences Ltd.	16,932	231,716	251,953	1.82
Royalty Pharma PLC, Class 'A'	1,458	53,504	54,268	0.39
Sarepta Therapeutics Inc.	653	105,206	83,437	0.60
Stryker Corp.	289	96,748	114,675	0.83
Teleflex Inc.	806	243,046	266,293	1.92
Tenet Healthcare Corp.	1,801	143,514	180,341	1.30
Thermo Fisher Scientific Inc.	78	57,529	54,859	0.40
United Therapeutics Corp.	876	248,190	255,236	1.84
UnitedHealth Group Inc.	314	207,443	219,046	1.58
Universal Health Services Inc., Class 'B'	1,573	258,498	317,731	2.29
Vertex Pharmaceuticals Inc.	341	122,611	183,850	1.33
Viatis Inc.	20,057	306,935	287,824	2.08
West Pharmaceutical Services Inc.	316	150,083	147,438	1.06
Zimmer Biomet Holdings Inc.	1,057	163,775	170,450	1.23
Zoetis Inc.	455	107,259	118,994	0.86
		<b>13,465,235</b>	<b>13,438,957</b>	<b>96.91</b>
<b>Industrials—0.40%</b>				
Enovis Corp.	750	54,404	55,672	0.40
		<b>54,404</b>	<b>55,672</b>	<b>0.40</b>
<b>Information Technology—2.07%</b>				
Doximity Inc., Class 'A'	3,729	134,136	138,549	1.00
Veeva Systems Inc., Class 'A'	583	149,734	148,722	1.07
		<b>283,870</b>	<b>287,271</b>	<b>2.07</b>
<b>Total investments</b>		<b>13,803,509</b>	<b>13,781,900</b>	<b>99.38</b>
Transaction costs		(2,209)		
Unrealized appreciation on derivatives - see Schedule 1			69,494	0.50
Other assets, less liabilities			16,953	0.12
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>13,801,300</b>	<b>13,868,347</b>	<b>100.00</b>

First Trust AlphaDEX™ U.S. Health Care Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

Schedule 1

Counterparty	Credit				Appreciation				
	Rating of Counterparty*	Settlement Date	Currency	Amount	Currency	Amount	Forward Rate	Current Rate	(Depreciation) \$
Bank of New York Mellon (The), New York	A-1+	2024-01-11	USD	1,907,667	CAD	2,595,000	0.735	0.755	67,540
Bank of New York Mellon (The), New York	A-1+	2024-01-11	USD	130,611	CAD	175,000	0.746	0.755	1,954
									<b>69,494</b>

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

# First Trust NYSE Arca Biotechnology ETF

## STATEMENTS OF FINANCIAL POSITION As at December 31, 2023 and December 31, 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	2,103,107	2,360,724
Cash	213	2,407
Receivable for portfolio securities sold	1,054	-
Other assets	204	190
	2,104,578	2,363,321
<b>Liabilities</b>		
Accrued liabilities	293	344
	293	344
<b>Total net assets attributable to holders of redeemable units</b>	<b>2,104,285</b>	<b>2,362,977</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
<b>Units</b>	<b>2,104,285</b>	<b>2,362,977</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	<b>80,000</b>	<b>90,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>26.30</b>	<b>26.26</b>

## STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Revenues</b>		
<b>Other changes in fair value of investments</b>		
Net realized gain (loss) on sale of investments	20,509	(18,680)
Net change in unrealized appreciation (depreciation) of investments	(34,173)	200,838
	(13,664)	182,158
Foreign exchange gain (loss) on cash	2	59
	(13,662)	182,217
<b>Expenses [note 7]</b>		
Management fees	3,557	2,481
HST expense	422	295
Independent Review Committee fees	378	269
	4,357	3,045
Expenses waived by manager	(378)	(269)
	3,979	2,776
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>(17,641)</b>	<b>179,441</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
<b>Units</b>	<b>(17,641)</b>	<b>179,441</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>(0.19)</b>	<b>2.55</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, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	2,362,977	774,385
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	(17,641)	179,441
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from issuance of units	271,597	2,287,874
Reinvested distributions	-	-
Redemption of units	(512,648)	(878,723)
	(241,051)	1,409,151
<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>	(258,692)	1,588,592
<b>Net assets attributable to holders of redeemable units, end of year</b>	2,104,285	2,362,977

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, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	(17,641)	179,441
Adjustments for:		
Net realized (gain) loss on sale of investments	(20,509)	18,680
Change in unrealized (appreciation) depreciation of investments	34,173	(200,838)
Other assets	(14)	123
Other liabilities	(51)	223
Purchases of investments	(271,422)	(2,283,272)
Proceeds from the sale of investments	514,321	877,071
	238,857	(1,408,572)
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	271,597	2,287,874
Amount paid on redemptions of units	(512,648)	(878,723)
Distributions paid to unitholders	-	(66,408)
	(241,051)	1,342,743
<b>Increase (Decrease) in cash for the year</b>	(2,194)	(65,829)
<b>Cash, beginning of year</b>	2,407	68,236
<b>Cash, end of year</b>	213	2,407
Interest received	-	-
Dividends received, net of withholding taxes	-	-

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, 2023

**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.

**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, 2023 and 2022:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2023			
	Level 1	Level 2	Level 3	Total
Equities	2,103,107	–	–	2,103,107
<b>Total</b>	<b>2,103,107</b>	<b>–</b>	<b>–</b>	<b>2,103,107</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2022			
	Level 1	Level 2	Level 3	Total
Equities	2,360,724	–	–	2,360,724
<b>Total</b>	<b>2,360,724</b>	<b>–</b>	<b>–</b>	<b>2,360,724</b>

There have been no transfers from one Level to another for the years ended December 31, 2023 and 2022.

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, 2023 and 2022:

Redeemable Units	Units
Outstanding units – January 1, 2022	30,000
Redeemable units issued	100,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(40,000)
Outstanding units – December 31, 2022	90,000
Redeemable units issued	10,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(20,000)
Outstanding units – December 31, 2023	80,000

**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
0.15%

<sup>1</sup> The First Trust ETF will bear the Underlying Fund's management fee of 0.40% per annum on average daily net assets on the First Trust ETF's portfolio assets invested in the Underlying Fund. Accordingly, the management fee cost to unitholders of their investment will be 0.55% per annum of NAV of the First Trust ETF plus applicable taxes.



First Trust NYSE Arca Biotechnology ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** - The net capital and non-capital tax loss carryforwards as at December 31, 2023 and 2022 are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2023	2022	2023	2022
-	-	99,019	99,019

**F. COMMISSION (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 the years ended December 31, 2023 and 2022.

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2023 and 2022, including amounts owing as at December 31, 2023 and 2022 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2023	2022	2023	2022
3,557	2,481	259	305

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

**Market risk** - As at December 31, 2023 and 2022, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at December 31, 2023 and 2022, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2023		As at December 31, 2022	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® Index	79,226	(79,226)	100,663	(100,663)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2023 and 2022:

Currency	As at December 31, 2023		As at December 31, 2022	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	2,104,275	100.00	2,361,667	99.94

As at December 31, 2023, 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 \$21,043 (December 31, 2022 - \$23,617). 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, 2023 and 2022:

Holding	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2023	As at December 31, 2022
Exchange-Traded Fund	99.94	99.90
Total	99.94	99.90

First Trust NYSE Arca Biotechnology ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2023**

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Exchange Traded Fund—99.94%</b>				
First Trust NYSE® Arca® Biotechnology Index Fund	10,042	1,966,539	2,103,107	99.94
		<b>1,966,539</b>	<b>2,103,107</b>	<b>99.94</b>
<b>Total investments</b>		<b>1,966,539</b>	<b>2,103,107</b>	<b>99.94</b>
Other assets, less liabilities			1,178	0.06
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>1,966,539</b>	<b>2,104,285</b>	<b>100.00</b>

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

## STATEMENTS OF FINANCIAL POSITION

As at December 31, 2023 and December 31, 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	24,138,238	23,890,378
Cash	72,614	43,514
Accrued dividend receivable	20,890	23,492
Receivable for portfolio securities sold	57,828	244,001
Derivative assets	36,473	18,693
Other assets	2,984	5,366
	24,329,027	24,225,444
<b>Liabilities</b>		
Accrued liabilities	16,069	20,104
Payable for portfolio securities purchased	15,550	5,365
Distributions payable to holders of redeemable units	102,750	204,045
Derivative liabilities	-	33,203
	134,369	262,717
<b>Total net assets attributable to holders of redeemable units</b>	<b>24,194,658</b>	<b>23,962,727</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
<b>Units</b>	<b>22,716,691</b>	<b>20,385,539</b>
<b>Hedged Units</b>	<b>1,477,967</b>	<b>3,577,188</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	<b>500,000</b>	<b>550,000</b>
<b>Hedged Units</b>	<b>50,000</b>	<b>150,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>45.43</b>	<b>37.06</b>
<b>Hedged Units</b>	<b>29.56</b>	<b>23.85</b>

## STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Revenues</b>		
Dividends	364,504	758,832
<b>Other changes in fair value of investments and derivatives</b>		
Net realized gain (loss) on sale of investments	1,725,533	(1,852,906)
Net realized gain (loss) on derivatives	(16,308)	(382,691)
Net realized gain (loss) on foreign exchange	(576)	(365)
Net change in unrealized appreciation (depreciation) of investments	2,713,403	(4,736,033)
Net change in unrealized appreciation (depreciation) of derivatives	50,983	(2,240)
	4,837,539	(6,215,403)
Foreign exchange gain (loss) on cash	(1,366)	1,860
	4,836,173	(6,213,543)
<b>Expenses [note 7]</b>		
Management fees	138,912	278,165
HST expense	15,397	31,325
Transaction costs [note 3 and note 9]	5,849	10,633
Independent Review Committee fees	3,150	6,460
Interest expense	39	4
	163,347	326,587
Expenses waived by manager	(3,150)	(6,460)
	160,197	320,127
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>4,675,976</b>	<b>(6,533,670)</b>
<b>Withholding taxes</b>	<b>40,857</b>	<b>80,907</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>4,635,119</b>	<b>(6,614,577)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
<b>Units</b>	<b>4,220,213</b>	<b>(5,607,277)</b>
<b>Hedged Units</b>	<b>414,906</b>	<b>(1,007,300)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>9.38</b>	<b>(5.85)</b>
<b>Hedged Units</b>	<b>7.85</b>	<b>(6.07)</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 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, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)	December 31 2023 (\$) Hedged Units	December 31 2022 (\$) Hedged Units
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	20,385,539	46,519,992	3,577,188	4,413,672
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	4,220,213	(5,607,277)	414,906	(1,007,300)
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units	18,342,328	11,740,524	-	1,280,873
Reinvested distributions	-	-	-	-
Redemption of units	(20,064,389)	(31,935,090)	(2,500,627)	(1,068,592)
	(1,722,061)	(20,194,566)	(2,500,627)	212,281
<b>Distributions to holders of redeemable units from:</b>				
Net investment income	(164,926)	(332,592)	(13,426)	(41,464)
Capital gains	-	-	-	-
Return of capital	(2,074)	(18)	(74)	(1)
	(167,000)	(332,610)	(13,500)	(41,465)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	2,331,152	(26,134,453)	(2,099,221)	(836,484)
<b>Net assets attributable to holders of redeemable units, end of year</b>	22,716,691	20,385,539	1,477,967	3,577,188
			<b>December 31 2023 (\$) Total</b>	<b>December 31 2022 (\$) Total</b>
<b>Net assets attributable to holders of redeemable units, beginning of year</b>			23,962,727	50,933,664
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>			4,635,119	(6,614,577)
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units			18,342,328	13,021,397
Reinvested distributions			-	-
Redemption of units			(22,565,016)	(33,003,682)
			(4,222,688)	(19,982,285)
<b>Distributions to holders of redeemable units from:</b>				
Net investment income			(178,352)	(374,056)
Capital gains			-	-
Return of capital			(2,148)	(19)
			(180,500)	(374,075)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>			231,931	(26,970,937)
<b>Net assets attributable to holders of redeemable units, end of year</b>			24,194,658	23,962,727

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, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	4,635,119	(6,614,577)
Adjustments for:		
Net realized (gain) loss on sale of investments	(1,725,533)	1,852,906
Change in unrealized (appreciation) depreciation of investments and derivatives	(2,764,386)	4,738,273
Dividends receivable	2,602	5,968
Other assets	2,382	535
Other liabilities	(4,035)	(13,885)
Purchases of investments	(35,753,235)	(48,634,897)
Proceeds from the sale of investments	40,140,669	68,826,087
	4,533,583	20,160,410
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	18,342,328	13,021,397
Amount paid on redemptions of units	(22,565,016)	(33,003,682)
Distributions paid to unitholders	(281,795)	(233,075)
	(4,504,483)	(20,215,360)
<b>Increase (Decrease) in cash for the year</b>	29,100	(54,950)
<b>Cash, beginning of year</b>	43,514	98,464
<b>Cash, end of year</b>	72,614	43,514
Interest received	-	-
Dividends received, net of withholding taxes	326,249	683,893

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, 2023

**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 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, 2023 and 2022:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2023			
	Level 1	Level 2	Level 3	Total
Equities	24,138,238	–	–	24,138,238
Derivative assets*	–	36,473	–	36,473
<b>Total</b>	<b>24,138,238</b>	<b>36,473</b>	<b>–</b>	<b>24,174,711</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2022			
	Level 1	Level 2	Level 3	Total
Equities	23,890,378	–	–	23,890,378
Derivative assets*	–	18,693	–	18,693
Derivative liabilities*	–	(33,203)	–	(33,203)
<b>Total</b>	<b>23,890,378</b>	<b>(14,510)</b>	<b>–</b>	<b>23,875,868</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, 2023 and 2022.

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, 2023 and 2022:

Redeemable Units	Units	Hedged Units
Outstanding units – January 1, 2022	1,100,000	150,000
Redeemable units issued	300,000	50,000
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(850,000)	(50,000)
<b>Outstanding units – December 31, 2022</b>	<b>550,000</b>	<b>150,000</b>
Redeemable units issued	450,000	–
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(500,000)	(100,000)
<b>Outstanding units – December 31, 2023</b>	<b>500,000</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, 2023

**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 carry-forwards** – The net capital and non-capital tax loss carryforwards as at December 31, 2023 and 2022 are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2023	2022	2023	2022
821,397	821,397	–	–

**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, 2023 and 2022 are as follows:

Transaction Cost (\$)	
2023	2022
5,849	10,633

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2023 and 2022, including amounts owing as at December 31, 2023 and 2022 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2023	2022	2023	2022
138,912	278,165	14,167	17,738

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

**Market risk** - As at December 31, 2023 and 2022, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at December 31, 2023 and 2022, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2023		As at December 31, 2022	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
<b>Units</b>				
Russell 1000® Industrials Index	1,266,590	(1,266,590)	1,131,041	(1,131,041)
Russell 1000® Index	1,114,164	(1,114,164)	1,030,397	(1,030,397)
S&P 500® Industrials Index	1,244,815	(1,244,815)	1,200,536	(1,200,536)
<b>Hedged Units</b>				
Russell 1000® Industrials Index USD	1,331,916	(1,331,916)	1,218,505	(1,218,505)
Russell 1000® Index USD	1,293,205	(1,293,205)	1,176,570	(1,176,570)
S&P 500® Industrials Index USD	1,322,238	(1,322,238)	1,298,780	(1,298,780)

First Trust AlphaDEX™ U.S. Industrials Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2023 and 2022:

Currency	As at December 31, 2023		As at December 31, 2022	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	22,837,182	94.39	20,591,320	85.93

As at December 31, 2023, 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 \$228,372 (December 31, 2022 – \$205,913). 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, 2023 and 2022:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2023	As at December 31, 2022
Industrials	67.67	67.52
Materials	11.71	14.21
Information Technology	10.62	8.97
Financials	4.74	3.50
Consumer Discretionary	2.46	4.74
Health Care	1.42	–
Utilities	1.15	0.76
Total	99.77	99.70



First Trust AlphaDEX™ U.S. Industrials Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2023**

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Consumer Discretionary—2.46%</b>				
Brunswick Corp.	2,619	278,109	335,752	1.39
Fortune Brands Innovations Inc.	1,282	108,611	129,340	0.54
Masco Corp.	747	53,911	66,298	0.27
Mohawk Industries Inc.	464	68,949	63,634	0.26
		<b>509,580</b>	<b>595,024</b>	<b>2.46</b>
<b>Financials—4.74%</b>				
American Express Co.	267	58,406	66,279	0.27
Capital One Financial Corp.	1,642	250,597	285,282	1.18
Fiserv Inc.	706	112,642	124,270	0.51
Global Payments Inc.	1,076	167,474	181,071	0.75
Synchrony Financial	6,768	303,490	342,485	1.42
Western Union Co. (The)	9,419	165,923	148,769	0.61
		<b>1,058,532</b>	<b>1,148,156</b>	<b>4.74</b>
<b>Health Care—1.42%</b>				
AGCO Corp.	1,749	279,992	281,369	1.16
Nordson Corp.	179	55,187	62,655	0.26
		<b>335,179</b>	<b>344,024</b>	<b>1.42</b>
<b>Industrials—67.67%</b>				
Acuity Brands Inc.	936	202,347	254,040	1.05
ADT Inc.	20,691	175,155	186,981	0.77
Air Lease Corp.	5,250	281,629	291,756	1.21
Allegion PLC	765	112,486	128,421	0.53
Allison Transmission Holdings Inc.	3,503	226,314	269,912	1.12
Ametek Inc.	269	55,555	58,773	0.24
Armstrong World Industries Inc.	1,724	179,016	224,601	0.93
Axon Enterprise Inc.	401	106,058	137,262	0.57
Boeing Co. (The)	648	183,578	223,811	0.92
Builders FirstSource Inc.	1,662	223,618	367,641	1.52
BWX Technologies Inc.	2,760	257,371	280,612	1.16
C.H. Robinson Worldwide Inc.	463	57,370	53,000	0.22
Carlisle Cos. Inc.	307	94,616	127,093	0.52
Caterpillar Inc.	758	254,673	296,967	1.23
Cintas Corp.	166	108,730	132,560	0.55
CNH Industrial NV	17,100	295,263	275,979	1.14
Core & Main Inc., Class 'A'	5,525	203,640	295,838	1.22
CSX Corp.	4,037	169,420	185,458	0.77
Cummins Inc.	698	215,342	221,575	0.92
Curtiss-Wright Corp.	204	50,462	60,222	0.25
Deere & Co.	422	216,451	223,596	0.92
Donaldson Co. Inc.	1,336	101,560	115,687	0.48
Dover Corp.	571	106,172	116,373	0.48
EMCOR Group Inc.	983	257,262	280,603	1.16
Emerson Electric Co.	825	105,713	106,398	0.44
ESAB Corp.	1,135	97,799	130,271	0.54

**First Trust AlphaDEX™ U.S. Industrials Sector Index ETF**  
**Notes to Financial Statements - Specific Information**  
**For the year ended December 31, 2023**

	<b>Number of Shares</b>	<b>Average Cost (\$)</b>	<b>Fair Value (\$)</b>	<b>% of Total</b>
Expeditors International of Washington Inc.	695	105,383	117,140	0.48
FedEx Corp.	602	188,659	201,789	0.83
Ferguson PLC	1,258	262,185	321,831	1.33
Flowserve Corp.	1,003	47,817	54,782	0.23
FTI Consulting Inc.	223	59,000	58,846	0.24
Gates Industrial Corp. PLC	17,822	283,801	316,914	1.31
General Dynamics Corp.	361	108,425	124,211	0.51
General Electric Co.	721	101,333	121,933	0.50
Graco Inc.	547	57,713	62,884	0.26
GXO Logistics Inc.	679	51,632	55,026	0.23
Hubbell Inc.	509	218,803	221,847	0.92
Huntington Ingalls Industries Inc.	779	218,698	268,004	1.11
IDEX Corp.	192	54,344	55,235	0.23
ITT Inc.	1,268	151,346	200,477	0.83
J.B. Hunt Transport Services Inc.	659	156,165	174,415	0.72
Jacobs Solutions Inc.	292	48,530	50,222	0.21
Johnson Controls International PLC	2,333	167,106	178,185	0.74
Kirby Corp.	1,499	150,244	155,881	0.64
Knight-Swift Transportation Holdings Inc.	4,126	285,516	315,182	1.30
Landstar System Inc.	450	102,507	115,468	0.48
Lincoln Electric Holdings Inc.	683	150,854	196,803	0.81
ManpowerGroup Inc.	2,174	231,433	228,926	0.95
MasTec Inc.	555	50,346	55,685	0.23
Middleby Corp. (The)	1,245	226,833	242,784	1.00
MSA Safety Inc.	787	176,230	176,058	0.73
MSC Industrial Direct Co. Inc., Class 'A'	1,624	195,030	217,899	0.90
Norfolk Southern Corp.	405	115,836	126,852	0.52
Northrop Grumman Corp.	282	164,736	174,927	0.72
nVent Electric PLC	2,343	149,921	183,450	0.76
Old Dominion Freight Line Inc.	303	141,219	162,736	0.67
Oshkosh Corp.	1,301	162,690	186,887	0.77
Owens Corning	1,517	228,869	297,957	1.23
PACCAR Inc.	1,938	193,867	250,760	1.04
Pentair PLC	615	47,731	59,252	0.24
Quanta Services Inc.	1,106	243,784	316,256	1.31
Raytheon Technologies Corp.	2,215	240,429	246,950	1.02
Regal Rexnord Corp.	558	100,494	109,443	0.45
Robert Half International Inc.	1,694	174,550	197,348	0.82
Rockwell Automation Inc.	139	53,564	57,185	0.24
Ryder System Inc.	1,935	224,340	295,011	1.22
Saia Inc.	519	251,749	301,364	1.25
Schneider National Inc.	7,472	248,219	251,975	1.04
Sensata Technologies Holding PLC	4,215	223,996	209,832	0.87
Snap-On Inc.	625	202,361	239,205	0.99
Teledyne Technologies Inc.	195	104,790	115,315	0.48
Tetra Tech Inc.	817	177,456	180,713	0.75
Textron Inc.	2,040	189,120	217,383	0.90
TopBuild Corp.	822	259,769	407,641	1.68
Trane Technologies PLC	1,020	263,163	329,643	1.36
TransDigm Group Inc.	196	211,300	262,722	1.09

First Trust AlphaDEX™ U.S. Industrials Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Union Pacific Corp.	195	54,425	63,464	0.26
United Parcel Service Inc., Class 'B'	796	182,795	165,837	0.69
United Rentals Inc.	465	231,000	353,312	1.46
Valmont Industries Inc.	517	163,647	159,966	0.66
Vontier Corp.	5,155	201,130	235,998	0.97
W.W. Grainger Inc.	115	98,062	126,276	0.52
Wabtec Corp.	750	103,131	126,112	0.52
Watsco Inc., Class 'A'	422	189,773	239,588	0.99
WESCO International Inc.	1,439	265,493	331,545	1.37
Willscot Mobile Mini Holdings Corp.	958	51,040	56,488	0.23
	<b>14,101,982</b>	<b>16,373,250</b>	<b>16,373,250</b>	<b>67.67</b>
<b>Information Technology—10.62%</b>				
Accenture PLC, Class 'A'	259	110,544	120,428	0.50
Automatic Data Processing Inc.	331	109,494	102,179	0.42
Booz Allen Hamilton Holding Corp.	1,459	224,100	247,282	1.02
Euronet Worldwide Inc.	1,564	195,564	210,326	0.87
Fair Isaac Corp.	183	194,307	282,254	1.17
FleetCor Technologies Inc.	624	201,804	233,671	0.97
Genpact Ltd.	3,429	170,693	157,708	0.65
Jack Henry & Associates Inc.	264	53,946	57,163	0.24
Keysight Technologies Inc.	602	115,220	126,903	0.53
Littelfuse Inc.	644	213,160	228,317	0.94
Mastercard Inc., Class 'A'	201	106,181	113,594	0.47
PayPal Holdings Inc.	1,363	109,364	110,909	0.46
Shift4 Payments Inc., Class 'A'	720	57,020	70,923	0.29
Verisk Analytics Inc., Class 'A'	337	107,814	106,661	0.44
Visa Inc., Class 'A'	173	54,358	59,681	0.25
WEX Inc.	847	204,810	218,347	0.90
Zebra Technologies Corp., Class 'A'	337	107,098	122,053	0.50
	<b>2,335,477</b>	<b>2,568,399</b>	<b>2,568,399</b>	<b>10.62</b>
<b>Materials—11.71%</b>				
Advanced Drainage Systems Inc.	350	53,903	65,224	0.27
Amcor PLC	13,553	181,127	173,119	0.72
Ball Corp.	801	55,145	61,050	0.25
Berry Global Group Inc.	3,342	270,691	298,424	1.23
DuPont de Nemours Inc.	1,068	100,601	108,868	0.45
Eagle Materials Inc.	957	201,265	257,216	1.06
Graphic Packaging Holding Co.	9,287	273,295	303,336	1.25
Louisiana Pacific Corp.	721	57,211	67,668	0.28
Martin Marietta Materials Inc.	97	56,762	64,125	0.27
Packaging Corp. of America	1,038	192,771	224,067	0.93
PPG Industries Inc.	307	56,479	60,835	0.25
RPM International Inc.	1,681	228,474	248,646	1.03
Sealed Air Corp.	1,215	53,498	58,795	0.24
Sherwin-Williams Co. (The)	487	171,516	201,269	0.83
Silgan Holdings Inc.	2,880	166,180	172,681	0.71
Sonoco Products Co.	3,807	293,932	281,834	1.17
Vulcan Materials Co.	615	173,612	184,992	0.77
	<b>2,586,462</b>	<b>2,832,149</b>	<b>2,832,149</b>	<b>11.71</b>

First Trust AlphaDEX™ U.S. Industrials Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Utilities—1.15%</b>				
MDU Resources Group Inc.	10,567	275,563	277,236	1.15
		<b>275,563</b>	<b>277,236</b>	<b>1.15</b>
<b>Total investments</b>		<b>21,202,775</b>	<b>24,138,238</b>	<b>99.77</b>
Transaction costs		(1,760)		
Unrealized appreciation on derivatives - see Schedule 1			36,473	0.15
Other assets, less liabilities			19,947	0.08
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>21,201,015</b>	<b>24,194,658</b>	<b>100.00</b>

Schedule 1

Counterparty	Credit Rating of Counterparty*	Settlement Date	Currency	Amount		Currency	Amount Bought	Forward Rate	Current Rate	Appreciation (Depreciation) \$
				Sell	Sold					
Bank of New York Mellon (The), New York	A-1+	2024-01-11	USD	993,898		CAD	1,352,000	0.735	0.755	35,189
Bank of New York Mellon (The), New York	A-1+	2024-01-11	USD	85,830		CAD	115,000	0.746	0.755	1,284
										<b>36,473</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, 2023 and December 31, 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	28,614,634	32,842,152
Cash	-	47,112
Accrued dividend receivable	61,442	13,234
Receivable for portfolio securities sold	57,164	17,040
Derivative assets	113,508	22,909
Other assets	3,855	10,493
	28,850,603	32,952,940
<b>Liabilities</b>		
Bank indebtedness	29,274	-
Accrued liabilities	19,302	25,290
Payable for portfolio securities purchased	-	1,463
Derivative liabilities	-	44,383
	48,576	71,136
<b>Total net assets attributable to holders of redeemable units</b>	<b>28,802,027</b>	<b>32,881,804</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
<b>Units</b>	<b>24,226,118</b>	<b>29,565,685</b>
<b>Hedged Units</b>	<b>4,575,909</b>	<b>3,316,119</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	<b>300,000</b>	<b>500,000</b>
<b>Hedged Units</b>	<b>100,000</b>	<b>100,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>80.75</b>	<b>59.13</b>
<b>Hedged Units</b>	<b>45.76</b>	<b>33.16</b>

## STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Revenues</b>		
Dividends	289,317	454,499
<b>Other changes in fair value of investments and derivatives</b>		
Net realized gain (loss) on sale of investments	543,735	(7,126,843)
Net realized gain (loss) on derivatives	(84,777)	(384,694)
Net realized gain (loss) on foreign exchange	(3,448)	8,822
Net change in unrealized appreciation (depreciation) of investments	8,730,228	(10,274,810)
Net change in unrealized appreciation (depreciation) of derivatives	134,981	(19,312)
	9,610,036	(17,342,338)
Foreign exchange gain (loss) on cash	(2,019)	1,671
	9,608,017	(17,340,667)
<b>Expenses [note 7]</b>		
Management fees	223,167	373,574
HST expense	24,961	38,300
Transaction costs [note 3 and note 9]	12,653	24,275
Independent Review Committee fees	5,075	8,637
Interest expense	11	63
	265,867	444,849
Expenses waived by manager	(5,075)	(8,637)
	260,792	436,212
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>9,347,225</b>	<b>(17,776,879)</b>
<b>Withholding taxes</b>	<b>32,587</b>	<b>112,951</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>9,314,638</b>	<b>(17,889,830)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
<b>Units</b>	<b>8,054,848</b>	<b>(15,091,612)</b>
<b>Hedged Units</b>	<b>1,259,790</b>	<b>(2,798,218)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>19.96</b>	<b>(20.48)</b>
<b>Hedged Units</b>	<b>12.60</b>	<b>(16.83)</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. Technology Sector Index ETF

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

For the years ended December 31, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)	December 31 2023 (\$) Hedged Units	December 31 2022 (\$) Hedged Units
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	29,565,685	59,747,512	3,316,119	9,723,047
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	8,054,848	(15,091,612)	1,259,790	(2,798,218)
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units	-	3,486,611	-	3,508,966
Reinvested distributions	-	-	-	-
Redemption of units	(13,394,415)	(18,576,826)	-	(7,117,676)
	(13,394,415)	(15,090,215)	-	(3,608,710)
<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>	(5,339,567)	(30,181,827)	1,259,790	(6,406,928)
<b>Net assets attributable to holders of redeemable units, end of year</b>	24,226,118	29,565,685	4,575,909	3,316,119
			<b>December 31 2023 (\$) Total</b>	<b>December 31 2022 (\$) Total</b>
<b>Net assets attributable to holders of redeemable units, beginning of year</b>			32,881,804	69,470,559
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>			9,314,638	(17,889,830)
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units			-	6,995,577
Reinvested distributions			-	-
Redemption of units			(13,394,415)	(25,694,502)
			(13,394,415)	(18,698,925)
<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>			(4,079,777)	(36,588,755)
<b>Net assets attributable to holders of redeemable units, end of year</b>			28,802,027	32,881,804

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, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	9,314,638	(17,889,830)
Adjustments for:		
Net realized (gain) loss on sale of investments	(543,735)	7,126,843
Change in unrealized (appreciation) depreciation of investments and derivatives	(8,865,209)	10,294,122
Dividends receivable	(48,208)	17,601
Other assets	6,638	(1,308)
Other liabilities	(5,988)	(23,940)
Purchases of investments	(36,141,324)	(65,517,347)
Proceeds from the sale of investments	49,601,217	84,681,795
	13,318,029	18,687,936
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	-	6,995,577
Amount paid on redemptions of units	(13,394,415)	(25,694,502)
Distributions paid to unitholders	-	(731,460)
	(13,394,415)	(19,430,385)
<b>Increase (Decrease) in cash for the year</b>	(76,386)	(742,449)
<b>Cash, beginning of year</b>	47,112	789,561
<b>Cash (bank indebtedness), end of year</b>	(29,274)	47,112
Interest received	-	-
Dividends received, net of withholding taxes	208,522	359,149

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, 2023**

**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 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, 2023 and 2022:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2023			
	Level 1	Level 2	Level 3	Total
Equities	28,614,634	–	–	28,614,634
Derivative assets*	–	113,508	–	113,508
<b>Total</b>	<b>28,614,634</b>	<b>113,508</b>	<b>–</b>	<b>28,728,142</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2022			
	Level 1	Level 2	Level 3	Total
Equities	32,842,152	–	–	32,842,152
Derivative assets*	–	22,909	–	22,909
Derivative liabilities*	–	(44,383)	–	(44,383)
<b>Total</b>	<b>32,842,152</b>	<b>(21,474)</b>	<b>–</b>	<b>32,820,678</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, 2023 and 2022.

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, 2023 and 2022:

Redeemable Units	Units	Hedged Units
Outstanding units – January 1, 2022	750,000	200,000
Redeemable units issued	50,000	100,000
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(300,000)	(200,000)
<b>Outstanding units – December 31, 2022</b>	<b>500,000</b>	<b>100,000</b>
Redeemable units issued	–	–
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(200,000)	–
<b>Outstanding units – December 31, 2023</b>	<b>300,000</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, 2023

**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 carry-forwards** – The net capital and non-capital tax loss carryforwards as at December 31, 2023 and 2022 are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2023	2022	2023	2022
2,239,383	2,239,383	61,741	61,741

**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, 2023 and 2022 are as follows:

Transaction Cost (\$)	
2023	2022
12,653	24,275

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2023 and 2022, including amounts owing as at December 31, 2023 and 2022 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2023	2022	2023	2022
223,167	373,574	16,917	22,381

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

**Market risk** - As at December 31, 2023 and 2022, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at December 31, 2023 and 2022, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2023		As at December 31, 2022	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
<b>Units</b>				
Russell 1000® Technology Index	1,225,526	(1,225,526)	1,423,782	(1,423,782)
Russell 1000® Index	1,586,992	(1,586,992)	1,765,753	(1,765,753)
S&P 500® Information Technology Index	1,277,370	(1,277,370)	1,487,902	(1,487,902)
<b>Hedged Units</b>				
Russell 1000® Technology Index USD	1,297,531	(1,297,531)	1,519,139	(1,519,139)
Russell 1000® Index USD	1,754,043	(1,754,043)	1,938,382	(1,938,382)
S&P 500® Information Technology Index USD	1,355,135	(1,355,135)	1,586,547	(1,586,547)

First Trust AlphaDEX™ U.S. Technology Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2023 and 2022:

Currency	As at December 31, 2023		As at December 31, 2022	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	24,275,131	84.28	29,655,476	90.19

As at December 31, 2023, 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 \$242,751 (December 31, 2022 - \$296,555). 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, 2023 and 2022:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2023	As at December 31, 2022
Information Technology	88.38	94.42
Communication Services	8.47	3.77
Financials	1.94	–
Industrials	0.56	1.26
Health Care	–	0.43
Total	99.35	99.88

First Trust AlphaDEX™ U.S. Technology Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2023**

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Communication Services—8.47%</b>				
Alphabet Inc., Class 'A'	1,996	321,088	369,452	1.28
AppLovin Corp., Class 'A'	8,171	399,196	431,455	1.50
DoorDash Inc., Class 'A'	4,109	372,311	538,419	1.87
GoDaddy Inc., Class 'A'	877	89,659	123,365	0.43
IAC / InterActiveCorp.	6,480	432,204	449,752	1.56
Meta Platforms Inc., Class 'A'	870	202,361	408,043	1.42
Pinterest Inc., Class 'A'	2,416	68,422	118,577	0.41
		<b>1,885,241</b>	<b>2,439,063</b>	<b>8.47</b>
<b>Financials—1.94%</b>				
Vertiv Holdings Co.	8,778	149,302	558,651	1.94
		<b>149,302</b>	<b>558,651</b>	<b>1.94</b>
<b>Industrials—0.56%</b>				
KBR Inc.	2,216	154,030	162,701	0.56
		<b>154,030</b>	<b>162,701</b>	<b>0.56</b>
<b>Information Technology—88.38%</b>				
Adobe Inc.	640	381,275	505,936	1.76
Advanced Micro Devices Inc.	635	75,955	124,032	0.43
Akamai Technologies Inc.	613	76,699	96,130	0.33
Amdocs Ltd.	3,092	336,350	360,090	1.25
Amphenol Corp., Class 'A'	779	71,077	102,323	0.36
Analog Devices Inc.	1,119	245,392	294,411	1.02
Applied Materials Inc.	1,415	207,387	303,872	1.06
Arrow Electronics Inc.	2,607	366,691	422,301	1.47
Atlassian Corp. PLC	972	253,478	306,351	1.06
Autodesk Inc.	316	89,931	101,949	0.35
Avnet Inc.	6,776	364,439	452,518	1.57
Bentley Systems Inc., Class 'B'	2,604	133,206	180,043	0.63
Broadcom Inc.	315	269,717	465,912	1.62
CACI International Inc., Class 'A'	624	231,851	267,778	0.93
Cadence Design Systems Inc.	836	201,145	301,716	1.05
CDW Corp.	1,295	365,920	390,067	1.35
Ceridian HCM Holding Inc.	1,925	173,345	171,204	0.59
Cirrus Logic Inc.	1,766	182,260	194,668	0.68
CloudFlare Inc., Class 'A'	1,036	86,305	114,295	0.40
Cognizant Technology Solutions Corp., Class 'A'	4,820	441,563	482,391	1.68
Coherent Corp.	4,002	188,261	230,833	0.80
Concentrix Corp.	4,076	586,255	530,423	1.84
Confluent Inc., Class 'A'	4,411	196,233	136,768	0.48
Corning Inc.	4,287	205,164	172,971	0.60
CrowdStrike Holdings Inc., Class 'A'	1,561	340,494	528,105	1.83
Datadog Inc., Class 'A'	1,434	186,851	230,637	0.80
Dolby Laboratories Inc., Class 'A'	824	96,603	94,095	0.33
Dropbox Inc.	9,593	309,296	374,726	1.30
Dun & Bradstreet Holdings Inc.	19,611	363,001	304,031	1.06

First Trust AlphaDEX™ U.S. Technology Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
DXC Technology Co.	9,406	327,876	285,038	0.99
Dynatrace Inc.	2,795	168,097	202,545	0.70
Elastic NV	4,019	378,359	600,170	2.08
Entergris Inc.	1,391	184,013	220,846	0.77
F5 Inc.	405	81,952	96,049	0.33
Gartner Inc.	380	154,360	227,142	0.79
Gen Digital Inc.	14,775	388,079	446,761	1.55
Gitlab Inc., Class 'A'	1,444	95,837	120,466	0.42
GlobalFoundries Inc.	4,489	330,788	360,458	1.25
Globant SA	1,320	332,078	416,243	1.45
Hewlett Packard Enterprise Co.	18,799	366,940	422,965	1.47
HP Inc.	2,541	107,681	101,312	0.35
HubSpot Inc.	530	271,675	407,700	1.42
Intel Corp.	1,837	87,656	122,314	0.42
Intuit Inc.	511	349,495	423,208	1.47
IPG Photonics Corp.	643	87,540	92,477	0.32
Jabil Inc.	2,573	189,070	434,352	1.51
KLA Corp.	427	186,724	328,897	1.14
Lam Research Corp.	313	198,120	324,850	1.13
Lattice Semiconductor Corp.	760	55,857	69,476	0.24
Leidos Holdings Inc.	2,126	266,936	304,918	1.06
Manhattan Associates Inc.	1,322	286,349	377,180	1.31
Microchip Technology Inc.	2,510	238,820	299,927	1.04
Micron Technology Inc.	960	90,137	108,557	0.38
Microsoft Corp.	207	84,376	103,142	0.36
MongoDB Inc.	566	258,727	306,629	1.06
nCino Inc.	6,161	247,722	274,543	0.95
NCR Corp.	7,896	245,696	176,922	0.61
NetApp Inc.	1,721	174,517	201,041	0.70
Nutanix Inc., Class 'A'	9,362	353,656	591,600	2.05
NVIDIA Corp.	751	299,908	492,800	1.71
Okta Inc.	3,205	342,939	384,461	1.33
ON Semiconductor Corp.	2,108	179,088	233,316	0.81
Oracle Corp.	1,850	219,856	258,445	0.90
Palantir Technologies Inc.	20,408	357,229	464,305	1.61
Palo Alto Networks Inc.	836	226,253	326,651	1.13
Procure Technologies Inc.	2,999	225,128	275,068	0.96
PTC Inc.	922	156,033	213,748	0.74
Pure Storage Inc., Class 'A'	7,334	361,221	346,541	1.20
QUALCOMM Inc.	2,352	372,256	450,742	1.57
RingCentral Inc.	2,204	90,014	99,148	0.34
Salesforce Inc.	644	152,788	224,546	0.78
Science Applications International Corp.	3,094	438,667	509,675	1.77
SentinelOne Inc., Class 'A'	3,873	88,466	140,820	0.49
ServiceNow Inc.	467	321,229	437,175	1.52
Skyworks Solutions Inc.	3,312	536,833	493,363	1.71
Smartsheet Inc., Class 'A'	3,228	179,358	204,539	0.71
Splunk Inc.	2,233	292,697	450,779	1.57
SS&C Technologies Holdings Inc.	3,729	296,889	301,951	1.05
Synopsys Inc.	569	277,172	388,218	1.35

First Trust AlphaDEX™ U.S. Technology Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
TD SYNEX Corp.	2,616	335,915	373,012	1.30
Teradata Corp.	1,451	91,430	83,654	0.29
Teradyne Inc.	650	95,253	93,466	0.32
Texas Instruments Inc.	821	179,816	185,438	0.64
Toast Inc., Class 'A'	6,973	198,653	168,715	0.59
UiPath Inc., Class 'A'	7,634	175,706	251,267	0.87
Universal Display Corp.	832	178,753	210,853	0.73
Workday Inc., Class 'A'	912	228,200	333,604	1.16
Zscaler Inc.	1,259	241,893	369,615	1.28
		<b>20,754,920</b>	<b>25,454,219</b>	<b>88.38</b>
<b>Total investments</b>		<b>22,943,493</b>	<b>28,614,634</b>	<b>99.35</b>
Transaction costs		(3,825)		
Unrealized appreciation on derivatives - see Schedule 1			113,508	0.40
Other assets, less liabilities			73,885	0.25
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>22,939,668</b>	<b>28,802,027</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+	2024-01-11	USD	3,106,668	CAD	4,226,000	0.735	0.755	109,991
Bank of New York Mellon (The), New York	A-1+	2024-01-11	USD	235,100	CAD	315,000	0.746	0.755	3,517
									<b>113,508</b>

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

# First Trust Cloud Computing ETF

## STATEMENTS OF FINANCIAL POSITION As at December 31, 2023 and December 31, 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	2,659,298	2,062,736
Cash	527	1,661
Other assets	-	79
	2,659,825	2,064,476
<b>Liabilities</b>		
Accrued liabilities	450	315
	450	315
<b>Total net assets attributable to holders of redeemable units</b>	2,659,375	2,064,161
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
<b>Units</b>	2,659,375	2,064,161
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	130,000	150,000
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	20.46	13.76

## STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Revenues</b>		
Dividends	-	4,241
<b>Other changes in fair value of investments</b>		
Net realized gain (loss) on sale of investments	(41,593)	(307,575)
Net realized gain (loss) on foreign exchange	(4)	(29)
Net change in unrealized appreciation (depreciation) of investments	1,049,109	(1,308,262)
	1,007,512	(1,611,625)
Foreign exchange gain (loss) on cash	(16)	56
	1,007,496	(1,611,569)
<b>Expenses [note 7]</b>		
Management fees	3,843	3,928
HST expense	461	374
Independent Review Committee fees	400	424
Transaction costs [note 3 and note 9]	-	4
Interest expense	-	2
	4,704	4,732
Expenses waived by manager	(400)	(424)
	4,304	4,308
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	1,003,192	(1,616,512)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
<b>Units</b>	1,003,192	(1,616,512)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	6.72	(10.50)

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, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	2,064,161	4,475,026
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	1,003,192	(1,616,512)
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from issuance of units	-	1,393,620
Reinvested distributions	-	-
Redemption of units	(407,978)	(2,155,673)
	(407,978)	(762,053)
<b>Distributions to holders of redeemable units from:</b>		
Net investment income	-	-
Capital gains	-	-
Return of capital	-	(32,300)
	-	(32,300)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	595,214	(2,410,865)
<b>Net assets attributable to holders of redeemable units, end of year</b>	2,659,375	2,064,161

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

# First Trust Cloud Computing ETF

## STATEMENTS OF CASH FLOW For the years ended December 31, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	1,003,192	(1,616,512)
Adjustments for:		
Net realized (gain) loss on sale of investments	41,593	307,575
Change in unrealized (appreciation) depreciation of investments	(1,049,109)	1,308,262
Other assets	79	104
Other liabilities	135	(348)
Purchases of investments	-	(1,392,701)
Proceeds from the sale of investments	410,954	2,187,129
	406,844	793,509
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	-	1,393,620
Amount paid on redemptions of units	(407,978)	(2,155,673)
Distributions paid to unitholders	-	(74,081)
	(407,978)	(836,134)
<b>Increase (Decrease) in cash for the year</b>	(1,134)	(42,625)
<b>Cash, beginning of year</b>	1,661	44,286
<b>Cash, end of year</b>	527	1,661
Interest received	-	-
Dividends received, net of withholding taxes	-	3,606

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, 2023

**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.

**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, 2023 and 2022:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2023			
	Level 1	Level 2	Level 3	Total
Equities	2,659,298	–	–	2,659,298
<b>Total</b>	<b>2,659,298</b>	<b>–</b>	<b>–</b>	<b>2,659,298</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2022			
	Level 1	Level 2	Level 3	Total
Equities	2,062,736	–	–	2,062,736
<b>Total</b>	<b>2,062,736</b>	<b>–</b>	<b>–</b>	<b>2,062,736</b>

There have been no transfers from one Level to another for the years ended December 31, 2023 and 2022.

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, 2023 and 2022:

Redeemable Units	Units
Outstanding units – January 1, 2022	190,000
Redeemable units issued	70,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(110,000)
Outstanding units – December 31, 2022	150,000
Redeemable units issued	–
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(20,000)
Outstanding units – December 31, 2023	130,000

**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
0.15%

<sup>1</sup> The First Trust ETF will bear the Underlying Fund's management fee of 0.60% per annum on average daily net assets on the First Trust ETF's portfolio assets invested in the Underlying Fund. Accordingly, the management fee cost to unitholders of their investment will be 0.75% per annum of NAV of the First Trust ETF plus applicable taxes.

First Trust Cloud Computing ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** – The net capital and non-capital tax loss carryforwards as at December 31, 2023 and 2022 are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2023	2022	2023	2022
80,202	79,850	19,482	12,118

**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, 2023 and 2022 are as follows:

Transaction Cost (\$)	
2023	2022
–	4

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2023 and 2022, including amounts owing as at December 31, 2023 and 2022 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2023	2022	2023	2022
3,843	3,928	365	273

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

**Market risk** - As at December 31, 2023 and 2022, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at December 31, 2023 and 2022, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2023		As at December 31, 2022	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® Index	162,621	(162,621)	130,249	(130,249)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2023 and 2022:

Currency	As at December 31, 2023		As at December 31, 2022	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	2,659,643	100.01	2,063,406	99.96

As at December 31, 2023, 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 \$26,596 (December 31, 2022 - \$20,634). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

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First Trust Cloud Computing ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

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**Concentration Risk** – The table below summarizes the First Trust ETF’s concentration risk for the years ended December 31, 2023 and 2022:

Holding	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2023	As at December 31, 2022
Exchange-Traded Fund	100.00	99.93
Total	100.00	99.93

First Trust Cloud Computing ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2023**

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Exchange Traded Fund—100.00%</b>				
First Trust Cloud Computing ETF	22,892	2,916,586	2,659,298	100.00
		<b>2,916,586</b>	<b>2,659,298</b>	<b>100.00</b>
<b>Total investments</b>		<b>2,916,586</b>	<b>2,659,298</b>	<b>100.00</b>
Other assets, less liabilities			77	—
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>2,916,586</b>	<b>2,659,375</b>	<b>100.00</b>

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

## STATEMENTS OF FINANCIAL POSITION

As at December 31, 2023 and December 31, 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	9,057,663	11,676,935
Cash	115,494	109,480
Receivable for portfolio securities sold	-	134,895
Derivative assets	243,974	73,274
Other assets	856	444
	9,417,987	11,995,028
<b>Liabilities</b>		
Accrued liabilities	1,359	1,636
Distributions payable to holders of redeemable units	66,650	148,846
Derivative liabilities	2,234	94,388
	70,243	244,870
<b>Total net assets attributable to holders of redeemable units</b>	<b>9,347,744</b>	<b>11,750,158</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
<b>Units</b>	<b>9,347,744</b>	<b>11,750,158</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	<b>310,000</b>	<b>380,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>30.15</b>	<b>30.92</b>

## STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Revenues</b>		
Dividends	521,952	300,923
<b>Other changes in fair value of investments and derivatives</b>		
Net realized gain (loss) on sale of investments	37,826	134,814
Net realized gain (loss) on derivatives	(179,189)	(499,124)
Net realized gain (loss) on foreign exchange	(1,667)	(558)
Net change in unrealized appreciation (depreciation) of investments	(733,370)	426,803
Net change in unrealized appreciation (depreciation) of derivatives	262,854	(26,641)
	(91,594)	336,217
Foreign exchange gain (loss) on cash	5	(1,094)
	(91,589)	335,123
<b>Expenses [note 7]</b>		
Management fees	17,849	10,328
Independent Review Committee fees	1,910	1,120
HST expense	1,414	805
Transaction costs [note 3 and note 9]	563	365
Interest expense	40	18
	21,776	12,636
Expenses waived by manager	(1,910)	(1,120)
	19,866	11,516
<b>Increase (decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>(111,455)</b>	<b>323,607</b>
<b>Withholding taxes</b>	<b>78,355</b>	<b>44,734</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>(189,810)</b>	<b>278,873</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
<b>Units</b>	<b>(189,810)</b>	<b>278,873</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>(0.47)</b>	<b>1.25</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, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	11,750,158	4,892,198
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	(189,810)	278,873
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from issuance of units	4,337,270	7,770,241
Reinvested distributions	-	-
Redemption of units	(6,152,224)	(902,708)
	(1,814,954)	6,867,533
<b>Distributions to holders of redeemable units from:</b>		
Net investment income	(397,650)	(288,433)
Capital gains	-	-
Return of capital	-	(13)
	(397,650)	(288,446)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	(2,402,414)	6,857,960
<b>Net assets attributable to holders of redeemable units, end of year</b>	9,347,744	11,750,158

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, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	(189,810)	278,873
Adjustments for:		
Net realized (gain) loss on sale of investments	(37,826)	(134,814)
Change in unrealized (appreciation) depreciation of investments and derivatives	470,516	(400,162)
Other assets	(412)	(297)
Other liabilities	(277)	949
Purchases of investments	(5,241,223)	(8,081,902)
Proceeds from the sale of investments	7,299,846	1,717,818
	2,300,814	(6,619,535)
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	4,337,270	7,770,241
Amount paid on redemptions of units	(6,152,224)	(902,708)
Distributions paid to unitholders	(479,846)	(194,864)
	(2,294,800)	6,672,669
<b>Increase (Decrease) in cash for the year</b>	6,014	53,134
<b>Cash, beginning of year</b>	109,480	56,346
<b>Cash, end of year</b>	115,494	109,480
Interest received	-	-
Dividends received, net of withholding taxes	443,597	256,189

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, 2023

**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> consist 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.

**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, 2023 and 2022:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2023			
	Level 1	Level 2	Level 3	Total
Equities	9,057,663	–	–	9,057,663
Derivative assets	–	243,974	–	243,974
Derivative liabilities	–	(2,234)	–	(2,234)
<b>Total</b>	<b>9,057,663</b>	<b>241,740</b>	<b>–</b>	<b>9,299,403</b>

  

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2022			
	Level 1	Level 2	Level 3	Total
Equities	11,676,935	–	–	11,676,935
Derivative assets	–	73,274	–	73,274
Derivative liabilities	–	(94,388)	–	(94,388)
<b>Total</b>	<b>11,676,935</b>	<b>(21,114)</b>	<b>–</b>	<b>11,655,821</b>

There have been no transfers from one Level to another for the years ended December 31, 2023 and 2022.

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, 2023 and 2022:

Redeemable Units	Units
Outstanding units – January 1, 2022	160,000
Redeemable units issued	250,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(30,000)
<b>Outstanding units – December 31, 2022</b>	<b>380,000</b>
Redeemable units issued	140,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(210,000)
<b>Outstanding units – December 31, 2023</b>	<b>310,000</b>



First Trust Morningstar Dividend Leaders ETF (CAD-Hedged)  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**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 will bear the Underlying Fund's management fee of 0.30% per annum on average daily net assets on the First Trust ETF's portfolio assets invested in the Underlying Fund. Accordingly, the management fee cost to unitholders of their investment will be 0.45% per annum of NAV of the First Trust ETF plus applicable taxes.

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** - The net capital and non-capital tax loss carryforwards as at December 31, 2023 and 2022, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2023	2022	2023	2022
240,792	189,749	–	–

**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, 2023 and 2022 are as follows:

Transaction Cost (\$)	
2023	2022
563	365

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2023 and 2022, including amounts owing as December 31, 2023 and 2022 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2023	2022	2023	2022
17,849	10,328	1,203	1,448

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

**Market risk** - As at December 31, 2023 and 2022, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at December 31, 2023 and 2022, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2023		As at December 31, 2022	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® Index (CAD Hedged)	394,475	(394,475)	434,168	(434,168)

First Trust Morningstar Dividend Leaders ETF (CAD-Hedged)  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2023 and 2022:

Currency	As at December 31, 2023		As at December 31, 2022	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	(69,500)	(0.74)	103,212	0.88

As at December 31, 2023, 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 \$(695) (December 31, 2022 - \$1,032). 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 December 31, 2023 and 2022:

Holding	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2023	As at December 31, 2022
Exchange-Traded Fund	96.90	99.38
Total	96.90	99.38

First Trust Morningstar Dividend Leaders ETF (CAD-Hedged)  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2023

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Exchange Traded Fund—96.90%</b>				
First Trust Morningstar Dividend Leaders Index Fund	190,516	8,891,479	9,057,663	96.90
		<b>8,891,479</b>	<b>9,057,663</b>	<b>96.90</b>
<b>Total investments</b>		<b>8,891,479</b>	<b>9,057,663</b>	<b>96.90</b>
Transaction costs		(451)		
Unrealized appreciation on derivatives - see Schedule 1			243,974	2.61
Unrealized depreciation on derivatives - see Schedule 1			(2,234)	(0.03)
Other assets, less liabilities			48,341	0.52
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>8,891,028</b>	<b>9,347,744</b>	<b>100.00</b>

Schedule 1

Counterparty	Credit		Settlement Date	Currency	Amount Sold	Currency	Amount Bought	Forward Rate	Current Rate	Appreciation (Depreciation) \$
	Rating of Counterparty*	Sell								
Bank of New York Mellon (The), New York	A-1+		2024-01-11	USD	6,686,025	CAD	9,095,000	0.735	0.755	236,717
Bank of New York Mellon (The), New York	A-1+		2024-01-11	USD	485,127	CAD	650,000	0.746	0.755	7,257
										<b>243,974</b>
Bank of New York Mellon (The), New York	A-1+		2024-01-11	CAD	256,000	USD	191,536	1.337	1.325	(2,234)
										<b>(2,234)</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, 2023 and December 31, 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	2,043,580	1,973,606
Cash	8,323	8,379
Receivable for portfolio securities sold	4,886	16,990
Other assets	162	194
	2,056,951	1,999,169
<b>Liabilities</b>		
Accrued liabilities	291	293
Distributions payable to holders of redeemable units	11,325	23,910
	11,616	24,203
<b>Total net assets attributable to holders of redeemable units</b>	<b>2,045,335</b>	<b>1,974,966</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units per class</b>		
<b>Units</b>	<b>2,045,335</b>	<b>1,974,966</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	<b>75,000</b>	<b>85,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>27.27</b>	<b>23.23</b>

## STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Revenues</b>		
Dividends	53,392	56,769
<b>Other changes in fair value of investments</b>		
Net realized gain (loss) on investments	53,283	56,709
Net realized gain (loss) of foreign exchange	(100)	111
Change in unrealized appreciation (depreciation) of investments	267,184	(509,879)
	373,759	(396,290)
Foreign exchange gain (loss) on cash	(7)	(138)
	373,752	(396,428)
<b>Expenses [note 7]</b>		
Management fees	3,052	3,528
Independent Review Committee fees	324	382
HST expense	251	287
Transaction costs [note 3 and note 9]	7	11
	3,634	4,208
Expenses waived by manager	(324)	(382)
	3,310	3,826
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>370,442</b>	<b>(400,254)</b>
<b>Withholding taxes</b>	<b>7,993</b>	<b>11,703</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>362,449</b>	<b>(411,957)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
<b>Units</b>	<b>362,449</b>	<b>(411,957)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>4.55</b>	<b>(4.21)</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, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	1,974,966	2,924,176
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	362,449	(411,957)
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from redeemable units issued	-	-
Reinvested distributions	-	-
Redemption of redeemable units	(257,755)	(467,942)
	(257,755)	(467,942)
<b>Distributions to holders of redeemable units from:</b>		
Net investment income	(34,272)	(69,308)
Capital gains	-	-
Return of capital	(53)	(3)
	(34,325)	(69,311)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	70,369	(949,210)
<b>Net assets attributable to holders of redeemable units, end of year</b>	2,045,335	1,974,966

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, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	362,449	(411,957)
Adjustments for:		
Net realized (gain) loss on investments	(53,283)	(56,709)
Change in unrealized (appreciation) depreciation of investments	(267,184)	509,879
Other assets	32	25
Other liabilities	(2)	(128)
Purchases of investments	(16,042)	(7,487)
Proceeds from the sale of investments	278,639	483,345
	304,609	516,968
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	-	-
Amount paid on redemptions of units	(257,755)	(467,942)
Distributions paid to unitholders	(46,910)	(67,377)
	(304,665)	(535,319)
<b>Increase (Decrease) in cash for the year</b>	(56)	(18,351)
<b>Cash, beginning of year</b>	8,379	26,730
<b>Cash, end of year</b>	8,323	8,379
Interest received	-	-
Dividends received, net of withholding taxes	45,399	45,066

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 year ended December 31, 2023**

**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. The First Trust ETF will obtain exposure to the Indxx Blockchain Index (the “Index”) by investing in the First Trust Indxx Innovative Transaction & Process ETF (the “Underlying Fund”), a U.S.-listed index exchange traded fund which itself seeks to replicate or substantially replicate the performance of the Index.

**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, 2023 and 2022:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2023			
	Level 1	Level 2	Level 3	Total
Equities	2,043,580	–	–	2,043,580
<b>Total</b>	<b>2,043,580</b>	<b>–</b>	<b>–</b>	<b>2,043,580</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2022			
	Level 1	Level 2	Level 3	Total
Equities	1,973,606	–	–	1,973,606
<b>Total</b>	<b>1,973,606</b>	<b>–</b>	<b>–</b>	<b>1,973,606</b>

There have been no transfers from one Level to another for the years ended December 31, 2023 and 2022.

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, 2023 and 2022:

Redeemable Units	Units
Outstanding units – January 1, 2022	105,000
Redeemable units issued	–
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(20,000)
Outstanding units – December 31, 2022	85,000
Redeemable units issued	–
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(10,000)
Outstanding units – December 31, 2023	75,000

**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
0.15%

<sup>1</sup> The First Trust ETF will bear the Underlying Fund's management fee of 0.65% per annum on average daily net assets on the First Trust ETF's portfolio assets invested in the Underlying Fund. Accordingly, the management fee cost to unitholders of their investment will be 0.80% per annum of NAV of the First Trust ETF plus applicable taxes.

First Trust Indxx Innovative Transaction and Process ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** – There are no net capital and non-capital tax loss carryforwards as at December 31, 2023 and 2022.

**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, 2023 and 2022 are as follows:

Transaction Cost (\$)	
2023	2022
7	11

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2023 and 2022, including amounts owing as December 31, 2023 and 2022 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2023	2022	2023	2022
3,052	3,528	258	259

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

**Market risk** - As at December 31, 2023 and 2022, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at December 31, 2023 and 2022, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2023		As at December 31, 2022	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® Index	78,950	(78,950)	76,135	(76,135)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2023 and 2022:

Currency	As at December 31, 2023		As at December 31, 2022	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	2,056,500	100.55	1,997,912	101.16

As at December 31, 2023, 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 \$20,565 (December 31, 2022 - \$19,979). 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, 2023 and 2022:

Holding	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2023	As at December 31, 2022
	Exchange-Traded Fund	99.91
Total	99.91	99.93



First Trust Indxx Innovative Transaction and Process ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2023**

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Exchange Traded Fund—99.91%</b>				
First Trust Indxx Innovative Transaction & Process ETF	37,699	1,556,129	2,043,580	99.91
		<b>1,556,129</b>	<b>2,043,580</b>	<b>99.91</b>
<b>Total investments</b>		<b>1,556,129</b>	<b>2,043,580</b>	<b>99.91</b>
Transaction costs		(410)		
Other assets, less liabilities			1,755	0.09
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>1,555,719</b>	<b>2,045,335</b>	<b>100.00</b>

# First Trust International Capital Strength ETF

## STATEMENTS OF FINANCIAL POSITION As at December 31, 2023 and December 31, 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	6,238,918	6,824,776
Cash	11,969	24,428
Accrued dividend receivable	29,527	15,327
Other assets	3,168	4,232
	6,283,582	6,868,763
<b>Liabilities</b>		
Accrued liabilities	4,141	4,696
Distributions payable to holders of redeemable units	-	35,640
	4,141	40,336
<b>Total net assets attributable to holders of redeemable units</b>	<b>6,279,441</b>	<b>6,828,427</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units per class</b>		
<b>Units</b>	<b>6,279,441</b>	<b>6,828,427</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	<b>250,000</b>	<b>300,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>25.12</b>	<b>22.76</b>

## STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Revenues</b>		
Dividends	225,082	307,100
Interest income for distribution purposes	870	736
<b>Other changes in fair value of investments</b>		
Net realized gain (loss) on investments	118,839	(975,508)
Net realized gain (loss) of foreign exchange	733	(2,601)
Change in unrealized appreciation (depreciation) of investments	541,008	(741,621)
	886,532	(1,411,894)
Foreign exchange gain (loss) on cash	(471)	(588)
	886,061	(1,412,482)
<b>Expenses [note 7]</b>		
Management fees	46,358	54,922
Transaction costs [note 3 and note 9]	6,407	11,692
HST expense	3,089	3,237
Independent Review Committee fees	1,061	1,272
	56,915	71,123
Expenses waived by manager	(1,061)	(1,272)
	55,854	69,851
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>830,207</b>	<b>(1,482,333)</b>
<b>Withholding taxes</b>	<b>28,776</b>	<b>24,935</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>801,431</b>	<b>(1,507,268)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
<b>Units</b>	<b>801,431</b>	<b>(1,507,268)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>2.90</b>	<b>(4.41)</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, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	6,828,427	9,477,497
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	801,431	(1,507,268)
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from redeemable units issued	-	-
Reinvested distributions	-	-
Redemption of redeemable units	(1,207,917)	(1,046,662)
	(1,207,917)	(1,046,662)
<b>Distributions to holders of redeemable units from:</b>		
Net investment income	(121,079)	(95,131)
Capital gains	-	-
Return of capital	(21,421)	(9)
	(142,500)	(95,140)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	(548,986)	(2,649,070)
<b>Net assets attributable to holders of redeemable units, end of year</b>	6,279,441	6,828,427

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, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	801,431	(1,507,268)
Adjustments for:		
Net realized (gain) loss on investments	(118,839)	975,508
Change in unrealized (appreciation) depreciation of investments	(541,008)	741,621
Dividends receivable	(14,200)	636
Other assets	1,064	241
Other liabilities	(555)	(1,574)
Purchases of investments	(2,950,702)	(4,765,954)
Proceeds from the sale of investments	4,196,407	5,649,968
	<b>1,373,598</b>	<b>1,093,178</b>
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	-	-
Amount paid on redemptions of units	(1,207,917)	(1,046,662)
Distributions paid to unitholders	(178,140)	(59,500)
	<b>(1,386,057)</b>	<b>(1,106,162)</b>
<b>Increase (Decrease) in cash for the year</b>	<b>(12,459)</b>	<b>(12,984)</b>
<b>Cash, beginning of year</b>	<b>24,428</b>	<b>37,412</b>
<b>Cash, end of year</b>	<b>11,969</b>	<b>24,428</b>
Interest received	870	736
Dividends received, net of withholding taxes	182,106	282,801

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, 2023**

**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 present information about the First Trust ETF assets and liabilities measured at fair value on a recurring basis for the years ended December 31, 2023 and 2022:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2023			
	Level 1	Level 2	Level 3	Total
Equities	6,238,918	–	–	6,238,918
<b>Total</b>	<b>6,238,918</b>	<b>–</b>	<b>–</b>	<b>6,238,918</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2022			
	Level 1	Level 2	Level 3	Total
Equities	6,824,776	–	–	6,824,776
<b>Total</b>	<b>6,824,776</b>	<b>–</b>	<b>–</b>	<b>6,824,776</b>

There have been no transfers from one Level to another for the years ended December 31, 2023 and 2022.

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, 2023 and 2022:

Redeemable Units	Units
Outstanding units – January 1, 2022	350,000
Redeemable units issued	–
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(50,000)
<b>Outstanding units – December 31, 2022</b>	<b>300,000</b>
Redeemable units issued	–
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(50,000)
<b>Outstanding units – December 31, 2023</b>	<b>250,000</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, 2023

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** – The net capital and non-capital tax loss carryforwards as at December 31, 2023 and 2022, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2023	2022	2023	2022
372,055	372,055	–	–

**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, 2023 and 2022 are as follows:

Transaction Cost (\$)	
2023	2022
6,407	11,692

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2023 and 2022, including amounts owing at December 31, 2023 and 2022, are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2023	2022	2023	2022
46,358	54,922	3,664	4,156

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

**Market risk** - As at December 31, 2023 and 2022, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at December 31, 2023 and 2022, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	At December 31, 2023		At December 31, 2022	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
MSCI EAFE Index	222,292	(222,292)	278,600	(278,600)

First Trust International Capital Strength ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2023 and 2022:

Currency	At December 31, 2023		At December 31, 2022	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
Euro	2,047,840	32.61	2,227,783	32.62
Japanese Yen	1,289,851	20.54	840,328	12.31
British Pound Sterling	1,027,377	16.36	1,371,572	20.08
Swiss Francs	804,720	12.82	870,470	12.75
South Korean Won	341,812	5.44	162,373	2.38
Danish Krone	280,829	4.47	515,381	7.55
Swedish Krona	175,232	2.79	343,763	5.03
Australian Dollar	174,453	2.78	342,782	5.02
Norwegian Krone	126,342	2.01	165,654	2.43
United States Dollar	206	0.00	591	0.01
<b>Total</b>	<b>6,268,662</b>	<b>99.82</b>	<b>6,840,697</b>	<b>100.18</b>

As at December 31, 2023, 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 \$62,687 (December 31, 2022 - \$68,407). 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, 2023 and 2022:

Country	As a % of net assets attributable to holders of redeemable units	
	At December 31, 2023	At December 31, 2022
Japan	20.48	12.31
Switzerland	17.71	15.08
United Kingdom	13.97	17.60
Germany	13.10	10.01
France	11.83	15.05
South Korea	5.43	2.36
Denmark	4.46	7.55
Australia	2.78	5.02
Sweden	2.75	5.03
Netherlands	2.64	–
Finland	2.22	2.47
Norway	1.98	2.43
Luxembourg	–	5.04
<b>Total</b>	<b>99.35</b>	<b>99.95</b>

First Trust International Capital Strength ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2023**

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Australia—2.78%</b>				
CSL Ltd.	674	173,020	174,453	2.78
		<b>173,020</b>	<b>174,453</b>	<b>2.78</b>
<b>Denmark—4.46%</b>				
Carlsberg AS, Series 'B'	834	137,178	138,581	2.21
Novo Nordisk AS, Class 'B'	1,034	72,490	141,642	2.25
		<b>209,668</b>	<b>280,223</b>	<b>4.46</b>
<b>Finland—2.22%</b>				
Neste OYJ	2,959	175,214	139,417	2.22
		<b>175,214</b>	<b>139,417</b>	<b>2.22</b>
<b>France—11.83%</b>				
Capgemini SE	564	146,648	155,721	2.48
LVMH Moet Hennessy Louis Vuitton SE	139	107,010	149,161	2.38
Schneider Electric SE	647	138,159	172,041	2.74
Thales SA	674	85,563	132,064	2.10
TotalEnergies SE	1,484	125,263	133,720	2.13
		<b>602,643</b>	<b>742,707</b>	<b>11.83</b>
<b>Germany—13.10%</b>				
Brenntag SE	1,338	135,289	162,879	2.60
Deutsche Boerse AG	605	139,174	165,050	2.63
Infineon Technologies AG	3,411	141,358	188,606	3.00
Mercedes-Benz Group AG	1,690	148,024	154,631	2.46
SAP SE	741	119,757	151,186	2.41
		<b>683,602</b>	<b>822,352</b>	<b>13.10</b>
<b>Japan—20.48%</b>				
Chugai Pharmaceutical Co. Ltd.	3,400	144,601	170,685	2.72
Daito Trust Construction Co. Ltd.	900	133,381	138,285	2.20
KDDI Corp.	3,400	132,485	143,335	2.28
Keyence Corp.	300	184,440	175,132	2.79
Nintendo Co. Ltd.	2,400	139,228	165,975	2.64
Sony Group Corp.	1,250	132,901	157,526	2.51
Tokyo Electron Ltd.	800	110,809	189,867	3.02
Yamaha Motor Co. Ltd.	12,300	136,156	145,585	2.32
		<b>1,114,001</b>	<b>1,286,390</b>	<b>20.48</b>
<b>Netherlands—2.64%</b>				
ASML Holding NV	166	154,372	165,532	2.64
		<b>154,372</b>	<b>165,532</b>	<b>2.64</b>
<b>Norway—1.98%</b>				
Equinor ASA	2,963	130,216	124,489	1.98
		<b>130,216</b>	<b>124,489</b>	<b>1.98</b>
<b>South Korea—5.43%</b>				
Kia Corp.	1,743	149,189	179,328	2.85
Samsung Electronics Co. Ltd.	2,004	138,407	161,852	2.58
		<b>287,596</b>	<b>341,180</b>	<b>5.43</b>
<b>Sweden—2.75%</b>				
Volvo AB, Series 'B'	5,022	128,398	172,660	2.75
		<b>128,398</b>	<b>172,660</b>	<b>2.75</b>



First Trust International Capital Strength ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Switzerland—17.71%</b>				
ABB Ltd., Registered	2,968	108,802	174,415	2.78
Glencore PLC	18,775	164,457	149,705	2.38
Nestlé SA, Registered	921	137,476	141,488	2.25
Roche Holding AG Genusscheine	386	163,492	148,688	2.37
STMicroelectronics NV	2,608	171,523	172,607	2.75
Straumann Holding AG	845	184,856	180,521	2.87
Zurich Insurance Group AG	209	135,711	144,749	2.31
		<b>1,066,317</b>	<b>1,112,173</b>	<b>17.71</b>
<b>United Kingdom—13.97%</b>				
AstraZeneca PLC	797	111,988	142,688	2.27
BAE Systems PLC	7,401	93,315	138,814	2.21
Diageo PLC	2,630	139,719	126,864	2.02
JD Sports Fashion PLC	64,079	174,870	179,604	2.86
Reckitt Benckiser Group PLC	1,485	138,234	135,940	2.17
Rio Tinto PLC	1,555	129,346	153,432	2.44
		<b>787,472</b>	<b>877,342</b>	<b>13.97</b>
<b>Total investments</b>		<b>5,512,519</b>	<b>6,238,918</b>	<b>99.35</b>
Transaction costs		<b>(7,655)</b>		
Other assets, less liabilities			<b>40,523</b>	<b>0.65</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>5,504,864</b>	<b>6,279,441</b>	<b>100.00</b>

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

## STATEMENTS OF FINANCIAL POSITION As at December 31, 2023 and December 31, 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Assets</b>		
Cash	2,424,600	415,904
Accrued interest receivable	1,019	-
Receivable for portfolio securities sold	2,045,000	-
Derivative assets:		
Options purchased, at fair value	46,267,593	23,901,187
Unrealized appreciation on forward currency contracts	1,235,660	119,397
Other assets	15,860	6,882
	51,989,732	24,443,370
<b>Liabilities</b>		
Derivative liabilities		
Options written, at fair value	1,057,553	1,335,604
Unrealized depreciation on forward currency contracts	-	204,629
Accrued liabilities	39,209	18,913
Payable for portfolio securities purchased	2,048,633	-
Redemptions payable	2,038,742	-
	5,184,137	1,559,146
<b>Total net assets attributable to holders of redeemable units</b>	<b>46,805,595</b>	<b>22,884,224</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
<b>Hedged Units</b>	<b>46,805,595</b>	<b>22,884,224</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Hedged Units</b>	<b>1,150,000</b>	<b>650,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Hedged Units</b>	<b>40.70</b>	<b>35.21</b>

## STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Revenues</b>		
Interest income for distribution purposes	28,343	6,840
<b>Other changes in fair value of investments and derivatives</b>		
Net realized gain (loss) on options	2,182,542	152,974
Net realized gain (loss) on foreign currency contracts	(474,631)	(1,280,271)
Net realized gain (loss) on foreign exchange transactions	77,283	(41,936)
Net change in unrealized appreciation (depreciation) of options	2,323,719	(879,396)
Net change in unrealized appreciation (depreciation) of foreign currency contracts	1,320,892	(91,199)
	5,458,148	(2,132,988)
Foreign exchange gain (loss) on cash	(79,071)	50,676
	5,379,077	(2,082,312)
<b>Expenses [note 7]</b>		
Management fees	263,577	149,243
HST expense	19,471	12,882
Transaction costs [note 3 and note 9]	14,936	7,498
Independent Review Committee fees	4,846	2,851
	302,830	172,474
Expenses waived by manager	(4,846)	(2,851)
	297,984	169,623
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>5,081,093</b>	<b>(2,251,935)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
<b>Hedged Units</b>	<b>5,081,093</b>	<b>(2,251,935)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Hedged Units</b>	<b>6.23</b>	<b>(4.65)</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 Cboe 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, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	22,884,224	17,826,673
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	5,081,093	(2,251,935)
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from issuance of units	39,443,143	12,843,551
Reinvested distributions	-	-
Redemption of units	(20,602,865)	(5,534,065)
	18,840,278	7,309,486
<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>	23,921,371	5,057,551
<b>Net assets attributable to holders of redeemable units, end of year</b>	46,805,595	22,884,224

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

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

<b>STATEMENTS OF CASH FLOW</b>	<b>For the years ended December 31, 2023 and 2022</b>	
	<b>December 31 2023 (\$)</b>	<b>December 31 2022 (\$)</b>
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	5,081,093	(2,251,935)
Adjustments for:		
Net realized (gain) loss on options	(2,182,542)	(152,974)
Change in unrealized (appreciation) depreciation of options and foreign currency contracts	(3,644,611)	970,595
Interest receivable	(1,019)	-
Other assets	(8,978)	(4,862)
Other liabilities	20,296	4,590
Purchases of options	(74,436,671)	(30,621,125)
Proceeds from the sale of options	56,302,108	24,991,888
	<b>(18,870,324)</b>	<b>(7,063,823)</b>
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	39,443,143	12,843,551
Amount paid on redemptions of units	(18,564,123)	(5,534,065)
Distributions paid to unitholders	-	-
	<b>20,879,020</b>	<b>7,309,486</b>
<b>Increase (Decrease) in cash for the year</b>	<b>2,008,696</b>	<b>245,663</b>
<b>Cash, beginning of year</b>	<b>415,904</b>	<b>170,241</b>
<b>Cash, end of year</b>	<b>2,424,600</b>	<b>415,904</b>
Interest received	27,324	6,840
Dividends received, net of withholding taxes	-	-

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

**First Trust Cboe Vest U.S. Equity Buffer ETF – August**  
**Notes to Financial Statements - Specific Information**  
**For the year ended December 31, 2023**

**A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust Cboe 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 “Underlying 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 Underlying 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”). At the end of a 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.

On January 4, 2024, the First Trust ETF changed its name to First Trust Vest U.S. Equity Buffer ETF – August.

**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, 2023 and 2022:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2023			
	Level 1	Level 2	Level 3	Total
Derivative assets	–	47,503,253	–	47,503,253
Derivative liabilities	–	(1,057,553)	–	(1,057,553)
<b>Total</b>	<b>–</b>	<b>46,445,700</b>	<b>–</b>	<b>46,445,700</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2022			
	Level 1	Level 2	Level 3	Total
Derivative assets	–	24,020,584	–	24,020,584
Derivative liabilities	–	(1,540,233)	–	(1,540,233)
<b>Total</b>	<b>–</b>	<b>22,480,351</b>	<b>–</b>	<b>22,480,351</b>

There have been no transfers from one Level to another for the years ended December 31, 2023 and 2022.

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, 2023 and 2022:

Redeemable Units	Hedged Units
Outstanding units – January 1, 2022	450,000
Redeemable units issued	350,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(150,000)
<b>Outstanding units – December 31, 2022</b>	<b>650,000</b>
Redeemable units issued	1,050,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(550,000)
<b>Outstanding units – December 31, 2023</b>	<b>1,150,000</b>

First Trust Cboe Vest U.S. Equity Buffer ETF – August  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**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%

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** – The net capital and non-capital tax loss carryforwards as at December 31, 2023 and 2022 are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2023	2022	2023	2022
314,255	314,255	153,299	153,299

**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 years ended December 31, 2023 and 2022 are as follows:

Transaction Cost (\$)	
2023	2022
14,936	7,498

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2023 and 2022, including amounts owing as at December 31, 2023 and 2022 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2023	2022	2023	2022
263,577	149,243	34,706	16,745

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

**Market risk** - As at December 31, 2023 and 2022, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at December 31, 2023 and 2022, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2023		As at December 31, 2022	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® Price Return Index (CAD-Hedged)	1,685,001	(1,685,001)	781,496	(781,496)

First Trust Cboe Vest U.S. Equity Buffer ETF – August  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2023 and 2022:

Currency	As at December 31, 2023		As at December 31, 2022	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	(880,179)	(1.88)	(45,576)	(0.20)

As at December 31, 2023, 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 \$(8,802) (December 31, 2022 - \$(456)). 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, 2023 and 2022:

Holdings	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2023	As at December 31, 2022
Options	96.59	98.61
Total	96.59	98.61

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

## Notes to Financial Statements - Specific Information

### For the year ended December 31, 2023

#### SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2023

	Expiry Date	Strike Price (\$)	Currency	Number of Options	Underlying Interest on Equity Options	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Purchased Put Options - 1.66%</b>								
SPDR® S&P 500® ETF Trust	2024-08-16	436.48	USD	734	73,400	2,112,024	776,683	1.66
						<b>2,112,024</b>	<b>776,683</b>	<b>1.66</b>
<b>Purchased Call Options - 97.19%</b>								
SPDR® S&P 500® ETF Trust	2024-08-16	4.35	USD	734	73,400	42,433,092	45,490,910	97.19
						<b>42,433,092</b>	<b>45,490,910</b>	<b>97.19</b>
<b>Written Put Options - (0.82)%</b>								
SPDR® S&P 500® ETF Trust	2024-08-16	392.83	USD	(734)	(73,400)	(973,146)	(385,911)	(0.82)
						<b>(973,146)</b>	<b>(385,911)</b>	<b>(0.82)</b>
<b>Written Call Options - (1.44)%</b>								
SPDR® S&P 500® ETF Trust	2024-08-16	518.11	USD	(734)	(73,400)	(499,339)	(671,642)	(1.44)
						<b>(499,339)</b>	<b>(671,642)</b>	<b>(1.44)</b>
<b>Total options</b>						<b>43,072,631</b>	<b>45,210,040</b>	<b>96.59</b>
Transaction costs						(3,786)		
Unrealized appreciation on derivative - see Schedule 1							1,235,660	2.64
Other assets, less liabilities							359,895	0.77
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>						<b>43,068,845</b>	<b>46,805,595</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+	2024-01-11	USD	34,778,358	CAD	47,309,000	0.735	0.755	1,231,316
Bank of New York Mellon (The), New York	A-1+	2024-01-11	USD	1,830,522	CAD	2,426,000	0.755	0.755	750
Bank of New York Mellon (The), New York	A-1+	2024-01-11	CAD	2,040,000	USD	1,542,457	1.323	1.325	3,594
									<b>1,235,660</b>

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



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

## STATEMENTS OF FINANCIAL POSITION As at December 31, 2023 and December 31, 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Assets</b>		
Cash	257,213	504,041
Derivative assets:		
Options purchased, at fair value	27,104,872	25,591,730
Unrealized appreciation on forward currency contracts	685,033	131,659
Other assets	13,842	3,767
	28,060,960	26,231,197
<b>Liabilities</b>		
Derivative liabilities		
Options written, at fair value	906,819	1,363,941
Unrealized depreciation on forward currency contracts	5,286	237,265
Accrued liabilities	21,866	20,253
	933,971	1,621,459
<b>Total net assets attributable to holders of redeemable units</b>	<b>27,126,989</b>	<b>24,609,738</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
<b>Hedged Units</b>	<b>27,126,989</b>	<b>24,609,738</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Hedged Units</b>	<b>700,000</b>	<b>750,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Hedged Units</b>	<b>38.75</b>	<b>32.81</b>

## STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Revenues</b>		
Interest income for distribution purposes	8,906	19,950
Other income	14	-
<b>Other changes in fair value of investments and derivatives</b>		
Net realized gain (loss) on options	3,399,887	(156,839)
Net realized gain (loss) on foreign currency contracts	(327,302)	(2,188,128)
Net realized gain (loss) on foreign exchange transactions	(27,743)	(81,993)
Net change in unrealized appreciation (depreciation) of options	231,772	(404,033)
Net change in unrealized appreciation (depreciation) of foreign currency contracts	785,353	(123,121)
	4,070,887	(2,934,164)
Foreign exchange gain (loss) on cash	26,713	87,771
	4,097,600	(2,846,393)
<b>Expenses [note 7]</b>		
Management fees	193,838	230,805
HST expense	15,192	26,387
Transaction costs [note 3 and note 9]	7,113	12,926
Independent Review Committee fees	3,655	4,389
	219,798	274,507
Expenses waived by manager	(3,655)	(4,389)
	216,143	270,118
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>3,881,457</b>	<b>(3,116,511)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
<b>Hedged Units</b>	<b>3,881,457</b>	<b>(3,116,511)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Hedged Units</b>	<b>6.07</b>	<b>(3.82)</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 Cboe 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, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	24,609,738	14,562,833
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	3,881,457	(3,116,511)
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from issuance of units	9,056,033	27,756,612
Reinvested distributions	-	-
Redemption of units	(10,420,239)	(14,593,196)
	(1,364,206)	13,163,416
<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>	2,517,251	10,046,905
<b>Net assets attributable to holders of redeemable units, end of year</b>	27,126,989	24,609,738

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

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

## STATEMENTS OF CASH FLOW For the years ended December 31, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	3,881,457	(3,116,511)
Adjustments for:		
Net realized (gain) loss on options	(3,399,887)	156,839
Change in unrealized (appreciation) depreciation of options and foreign currency contracts	(1,017,125)	527,154
Other assets	(10,075)	1,644
Other liabilities	1,613	8,878
Purchases of options	(56,451,733)	(49,782,153)
Proceeds from the sale of options	58,113,128	39,417,070
	1,117,378	(12,787,079)
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	9,056,033	27,756,612
Amount paid on redemptions of units	(10,420,239)	(14,593,196)
Distributions paid to unitholders	-	-
	(1,364,206)	13,163,416
<b>Increase (Decrease) in cash for the year</b>	(246,828)	376,337
<b>Cash, beginning of year</b>	504,041	127,704
<b>Cash, end of year</b>	257,213	504,041
Interest received	8,906	19,950
Dividends received, net of withholding taxes	-	-

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

**First Trust Cboe Vest U.S. Equity Buffer ETF – November**  
**Notes to Financial Statements - Specific Information**  
**For the year ended December 31, 2023**

**A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust Cboe 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 “Underlying 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 Underlying 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”). At the end of a 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.

On January 4, 2024, the First Trust ETF changed its name to First Trust Vest U.S. Equity Buffer ETF – November.

**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, 2023 and 2022:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2023			
	Level 1	Level 2	Level 3	Total
Derivative assets	–	27,789,905	–	27,789,905
Derivative liabilities	–	(912,105)	–	(912,105)
<b>Total</b>	<b>–</b>	<b>26,877,800</b>	<b>–</b>	<b>26,877,800</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2022			
	Level 1	Level 2	Level 3	Total
Derivative assets	–	25,723,389	–	25,723,389
Derivative liabilities	–	(1,601,206)	–	(1,601,206)
<b>Total</b>	<b>–</b>	<b>24,122,183</b>	<b>–</b>	<b>24,122,183</b>

There have been no transfers from one Level to another for the years ended December 31, 2023 and 2022.

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, 2023 and 2022:

Redeemable Units	Hedged Units
Outstanding units – January 1, 2022	400,000
Redeemable units issued	800,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(450,000)
<b>Outstanding units – December 31, 2022</b>	<b>750,000</b>
Redeemable units issued	250,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(300,000)
<b>Outstanding units – December 31, 2023</b>	<b>700,000</b>

First Trust Cboe Vest U.S. Equity Buffer ETF – November  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**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%

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** – The net capital and non-capital tax loss carryforwards as at December 31, 2023 and 2022, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2023	2022	2023	2022
8,862	922,256	232,877	232,877

**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, 2023 and 2022 are as follows:

Transaction Cost (\$)	
2023	2022
7,113	12,926

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2023 and 2022, including amounts owing as at December 31, 2023 and 2022 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2023	2022	2023	2022
193,838	230,805	19,350	17,923

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

**Market risk** - As at December 31, 2023 and 2022, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at December 31, 2023 and 2022, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2023		As at December 31, 2022	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® Price Return Index (CAD-Hedged)	1,029,469	(1,029,469)	852,727	(852,727)

First Trust Cboe Vest U.S. Equity Buffer ETF – November  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2023 and 2022:

Currency	As at December 31, 2023		As at December 31, 2022	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	(683,515)	(2.52)	(143,161)	(0.58)

As at December 31, 2023, 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 \$(6,835) (December 31, 2022- \$(1,432)). 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, 2023 and 2022:

Holdings	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2023	As at December 31, 2022
Options	96.58	98.45
Total	96.58	98.45

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

## Notes to Financial Statements - Specific Information

### For the year ended December 31, 2023

#### SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2023

	Expiry Date	Strike Price (\$)	Currency	Number of Options	Underlying Interest on Equity Options	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Purchased Put Options - 2.89%</b>								
SPDR® S&P 500® ETF Trust	2024-11-15	450.77	USD	426	42,600	1,151,554	784,200	2.89
						<b>1,151,554</b>	<b>784,200</b>	<b>2.89</b>
<b>Purchased Call Options - 97.03%</b>								
SPDR® S&P 500® ETF Trust	2024-11-15	4.49	USD	426	42,600	25,858,214	26,320,672	97.03
						<b>25,858,214</b>	<b>26,320,672</b>	<b>97.03</b>
<b>Written Put Options - (1.53)%</b>								
SPDR® S&P 500® ETF Trust	2024-11-15	405.69	USD	(426)	(42,600)	(599,546)	(414,800)	(1.53)
						<b>(599,546)</b>	<b>(414,800)</b>	<b>(1.53)</b>
<b>Written Call Options - (1.81)%</b>								
SPDR® S&P 500® ETF Trust	2024-11-15	529.43	USD	(426)	(42,600)	(278,305)	(492,019)	(1.81)
						<b>(278,305)</b>	<b>(492,019)</b>	<b>(1.81)</b>
<b>Total options</b>						<b>26,131,917</b>	<b>26,198,053</b>	<b>96.58</b>
Transaction costs						(1,402)		
Unrealized appreciation on derivative - see Schedule 1							685,033	2.53
Unrealized depreciation on derivative - see Schedule 1							(5,286)	(0.02)
Other assets, less liabilities							249,189	0.91
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>						<b>26,130,515</b>	<b>27,126,989</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+	2024-01-11	USD	19,348,673	CAD	26,320,000	0.735	0.755	685,033
									<b>685,033</b>
Bank of New York Mellon (The), New York	A-1+	2024-01-11	USD	1,133,136	CAD	1,496,000	0.757	0.755	(5,286)
									<b>(5,286)</b>

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

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

## STATEMENTS OF FINANCIAL POSITION As at December 31, 2023 and December 31, 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Assets</b>		
Cash	29,367	225,842
Derivative assets:		
Options purchased, at fair value	19,824,746	17,479,213
Unrealized appreciation on forward currency contracts	565,830	88,696
Other assets	3,568	4,284
	20,423,511	17,798,035
<b>Liabilities</b>		
Derivative liabilities:		
Options written, at fair value	204,946	610,516
Unrealized depreciation on forward currency contracts	45,118	150,321
Accrued liabilities	16,248	13,972
	266,312	774,809
<b>Total net assets attributable to holders of redeemable units</b>	<b>20,157,199</b>	<b>17,023,226</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
<b>Hedged Units</b>	<b>20,157,199</b>	<b>17,023,226</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Hedged Units</b>	<b>500,000</b>	<b>500,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Hedged Units</b>	<b>40.31</b>	<b>34.05</b>

## STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Revenues</b>		
Interest income for distribution purposes	8,479	5,277
<b>Other changes in fair value of investments and derivatives</b>		
Net realized gain (loss) on options	1,537,791	773,215
Net realized gain (loss) on foreign currency contracts	(289,245)	(1,104,808)
Net realized gain (loss) on foreign exchange transactions	7,287	6,017
Net change in unrealized appreciation (depreciation) of options	1,685,158	(539,473)
Net change in unrealized appreciation (depreciation) of foreign currency contracts	582,337	(64,116)
	3,531,807	(923,888)
Foreign exchange gain (loss) on cash	(3,335)	(16)
	3,528,472	(923,904)
<b>Expenses [note 7]</b>		
Management fees	165,611	130,095
HST expense	19,139	12,602
Transaction costs [note 3 and note 9]	7,890	4,040
Independent Review Committee fees	3,061	2,477
	195,701	149,214
Expenses waived by manager	(3,061)	(2,477)
	192,640	146,737
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>3,335,832</b>	<b>(1,070,641)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
<b>Hedged Units</b>	<b>3,335,832</b>	<b>(1,070,641)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Hedged Units</b>	<b>6.32</b>	<b>(2.41)</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 Cboe 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, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	17,023,226	7,436,049
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	3,335,832	(1,070,641)
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from issuance of units	9,050,298	10,657,818
Reinvested distributions	-	206,500
Redemption of units	(9,252,157)	-
	(201,859)	10,864,318
<b>Distributions to holders of redeemable units from:</b>		
Net investment income	-	-
Capital gains	-	(206,500)
Return of capital	-	-
	-	(206,500)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	3,133,973	9,587,177
<b>Net assets attributable to holders of redeemable units, end of year</b>	20,157,199	17,023,226

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

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

## STATEMENTS OF CASH FLOW

For the years ended December 31, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	3,335,832	(1,070,641)
Adjustments for:		
Net realized (gain) loss on options	(1,537,791)	(773,215)
Change in unrealized (appreciation) depreciation of options and foreign currency contracts	(2,267,495)	603,589
Other assets	716	(3,384)
Other liabilities	2,276	7,973
Purchases of options	(26,462,661)	(19,701,296)
Proceeds from the sale of options	26,934,507	10,483,511
	5,384	(10,453,463)
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	9,050,298	10,657,818
Amount paid on redemptions of units	(9,252,157)	-
Distributions paid to unitholders	-	-
	(201,859)	10,657,818
<b>Increase (Decrease) in cash for the year</b>	(196,475)	204,355
<b>Cash, beginning of year</b>	225,842	21,487
<b>Cash, end of year</b>	29,367	225,842
Interest received	8,479	5,277
Dividends received, net of withholding taxes	-	-

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

**First Trust Cboe Vest U.S. Equity Buffer ETF – February**  
**Notes to Financial Statements - Specific Information**  
**For the year ended December 31, 2023**

**A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust Cboe 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 “Underlying 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 Underlying 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”). At the end of a 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.

On January 4, 2024, the First Trust ETF changed its name to First Trust Vest U.S. Equity Buffer ETF – February.

**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, 2023 and 2022:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2023			
	Level 1	Level 2	Level 3	Total
Derivative assets	–	20,390,576	–	20,390,576
Derivative liabilities	–	(250,064)	–	(250,064)
<b>Total</b>	<b>–</b>	<b>20,140,512</b>	<b>–</b>	<b>20,140,512</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2022			
	Level 1	Level 2	Level 3	Total
Derivative assets	–	17,567,909	–	17,567,909
Derivative liabilities	–	(760,837)	–	(760,837)
<b>Total</b>	<b>–</b>	<b>16,807,072</b>	<b>–</b>	<b>16,807,072</b>

There have been no transfers from one Level to another for years ended December 31, 2023 and 2022.

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, 2023 and 2022:

Redeemable Units	Hedged Units
Outstanding units – January 1, 2022	200,000
Redeemable units issued	300,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	–
<b>Outstanding units – December 31, 2022</b>	<b>500,000</b>
Redeemable units issued	250,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(250,000)
<b>Outstanding units – December 31, 2023</b>	<b>500,000</b>

First Trust Cboe Vest U.S. Equity Buffer ETF – February  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**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%

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** – There are no net capital and non-capital tax loss carryforwards as at December 31, 2023 and 2022.

**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, 2023 and 2022 are as follows:

Transaction Cost (\$)	
2023	2022
7,890	4,040

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2023 and 2022, including amounts owing as at December 31, 2023 and 2022 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2023	2022	2023	2022
165,611	130,095	14,379	12,364

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

**Market risk** - As at December 31, 2023 and 2022, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at December 31, 2023 and 2022, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2023		As at December 31, 2022	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® Price Return Index (CAD-Hedged)	673,250	(673,250)	566,873	(566,873)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2023 and 2022:

Currency	As at December 31, 2023		As at December 31, 2022	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	(343,671)	(1.70)	17,591	0.10

As December 31, 2023, 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 \$(3,437) (December 31, 2022 - \$176). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

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First Trust Cboe Vest U.S. Equity Buffer ETF – February  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

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**Concentration Risk** – The table below summarizes the First Trust ETF’s concentration risk for the years ended December 31, 2023 and 2022:

Holdings	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2023	As at December 31, 2022
Options	97.34	99.09
Total	97.34	99.09

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

## Notes to Financial Statements - Specific Information

### For the year ended December 31, 2023

#### SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2023

	Expiry Date	Strike Price (\$)	Currency	Number of Options	Underlying Interest on Equity Options	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Purchased Put Options - 0.08%</b>								
SPDR® S&P 500® ETF Trust	2024-02-16	407.27	USD	317	31,700	915,303	16,011	0.08
						<b>915,303</b>	<b>16,011</b>	<b>0.08</b>
<b>Purchased Call Options - 98.27%</b>								
SPDR® S&P 500® ETF Trust	2024-02-16	4.08	USD	317	31,700	17,311,699	19,808,735	98.27
						<b>17,311,699</b>	<b>19,808,735</b>	<b>98.27</b>
<b>Written Put Options - (0.03)%</b>								
SPDR® S&P 500® ETF Trust	2024-02-16	366.54	USD	(317)	(31,700)	(506,990)	(6,711)	(0.03)
						<b>(506,990)</b>	<b>(6,711)</b>	<b>(0.03)</b>
<b>Written Call Options - (0.98)%</b>								
SPDR® S&P 500® ETF Trust	2024-02-16	485.67	USD	(317)	(31,700)	(215,304)	(198,235)	(0.98)
						<b>(215,304)</b>	<b>(198,235)</b>	<b>(0.98)</b>
<b>Total options</b>						<b>17,504,708</b>	<b>19,619,800</b>	<b>97.34</b>
Transaction costs						(1,997)		
Unrealized appreciation on derivative - see Schedule 1							565,830	2.80
Unrealized depreciation on derivative - see Schedule 1							(45,118)	(0.22)
Other assets, less liabilities							16,687	0.08
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>						<b>17,502,711</b>	<b>20,157,199</b>	<b>100.00</b>

Schedule 1

Counterparty	Credit Rating of Counterparty*	Settlement Date	Currency	Amount Sold	Currency	Amount Bought	Forward Rate	Current Rate	Appreciation
									(Depreciation)
Bank of New York Mellon (The), New York	A-1+	2024-01-11	USD	15,723,737	CAD	21,389,000	0.735	0.755	556,694
Bank of New York Mellon (The), New York	A-1+	2024-01-11	USD	805,999	CAD	1,077,000	0.748	0.755	9,136
									<b>565,830</b>
Bank of New York Mellon (The), New York	A-1+	2024-01-11	CAD	1,954,000	USD	1,440,780	1.356	1.325	(45,118)
									<b>(45,118)</b>

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

# First Trust Cboe Vest U.S. Equity Buffer ETF - May

## STATEMENTS OF FINANCIAL POSITION

As at December 31, 2023 and December 31, 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Assets</b>		
Cash	2,025,339	431,425
Accrued interest receivable	985	-
Receivable for portfolio securities sold	1,975,000	-
Derivative assets:		
Options purchased, at fair value	11,649,704	27,395,868
Unrealized appreciation on forward currency contracts	401,166	141,067
Other assets	8,209	2,920
	16,060,403	27,971,280
<b>Liabilities</b>		
Derivative liabilities		
Options written, at fair value	286,134	671,467
Unrealized depreciation on forward currency contracts	2,456	241,608
Accrued liabilities	12,120	22,369
Payable for portfolio securities purchased	1,978,509	-
Redemptions payable	1,970,298	-
	4,249,517	935,444
<b>Total net assets attributable to holders of redeemable units</b>	<b>11,810,886</b>	<b>27,035,836</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
<b>Hedged Units</b>	<b>11,810,886</b>	<b>27,035,836</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Hedged Units</b>	<b>300,000</b>	<b>800,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Hedged Units</b>	<b>39.37</b>	<b>33.79</b>

## STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Revenues</b>		
Interest income for distribution purposes	24,573	10,818
<b>Other changes in fair value of investments and derivatives</b>		
Net realized gain (loss) on options	3,930,105	281,611
Net realized gain (loss) on foreign currency contracts	(298,358)	(1,269,608)
Net realized gain (loss) on foreign exchange transactions	68,507	12,618
Net change in unrealized appreciation (depreciation) of options	(458,169)	829,372
Net change in unrealized appreciation (depreciation) of foreign currency contracts	499,250	(101,786)
	3,765,908	(236,975)
Foreign exchange gain (loss) on cash	(41,810)	(9,812)
	3,724,098	(246,787)
<b>Expenses [note 7]</b>		
Management fees	195,522	122,832
HST expense	20,278	13,160
Transaction costs [note 3 and note 9]	13,859	6,539
Independent Review Committee fees	3,672	2,302
	233,331	144,833
Expenses waived by manager	(3,672)	(2,302)
	229,659	142,531
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>3,494,439</b>	<b>(389,318)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
<b>Hedged Units</b>	<b>3,494,439</b>	<b>(389,318)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Hedged Units</b>	<b>5.50</b>	<b>(0.92)</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 Cboe 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, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	27,035,836	3,719,074
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	3,494,439	(389,318)
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from issuance of units	16,002,847	25,544,222
Reinvested distributions	-	216,880
Redemption of units	(34,722,236)	(1,838,142)
	(18,719,389)	23,922,960
<b>Distributions to holders of redeemable units from:</b>		
Net investment income	-	-
Capital gains	-	(216,880)
Return of capital	-	-
	-	(216,880)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	(15,224,950)	23,316,762
<b>Net assets attributable to holders of redeemable units, end of year</b>	11,810,886	27,035,836

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



# First Trust Cboe Vest U.S. Equity Buffer ETF - May

## STATEMENTS OF CASH FLOW For the years ended December 31, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	3,494,439	(389,318)
Adjustments for:		
Net realized (gain) loss on options	(3,930,105)	(281,611)
Change in unrealized (appreciation) depreciation of options and foreign currency contracts	(41,081)	(727,586)
Interest receivable	(985)	-
Other assets	(5,289)	(1,995)
Other liabilities	(10,249)	19,373
Purchases of options	(43,171,250)	(30,798,110)
Proceeds from the sale of options	62,007,525	8,872,591
	18,343,005	(23,306,656)
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	16,002,847	25,544,222
Amount paid on redemptions of units	(32,751,938)	(1,838,142)
Distributions paid to unitholders	-	-
	(16,749,091)	23,706,080
<b>Increase (Decrease) in cash for the year</b>	1,593,914	399,424
<b>Cash, beginning of year</b>	431,425	32,001
<b>Cash, end of year</b>	2,025,339	431,425
Interest received	23,588	10,818
Dividends received, net of withholding taxes	-	-

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

**First Trust Cboe Vest U.S. Equity Buffer ETF – May**  
**Notes to Financial Statements - Specific Information**  
**For the year ended December 31, 2023**

**A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust Cboe 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 “Underlying 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 Underlying 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”). At the end of a 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.

On January 4, 2024, the First Trust ETF changed its name to 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, 2023 and 2022:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2023			
	Level 1	Level 2	Level 3	Total
Derivative assets	–	12,050,870	–	12,050,870
Derivative liabilities	–	(288,590)	–	(288,590)
<b>Total</b>	<b>–</b>	<b>11,762,280</b>	<b>–</b>	<b>11,762,280</b>

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2022			
	Level 1	Level 2	Level 3	Total
Derivative assets	–	27,536,935	–	27,536,935
Derivative liabilities	–	(913,075)	–	(913,075)
<b>Total</b>	<b>–</b>	<b>26,623,860</b>	<b>–</b>	<b>26,623,860</b>

There have been no transfers from one Level to another for the years ended December 31, 2023 and 2022.

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, 2023 and 2022:

Redeemable Units	Hedged Units
Outstanding units – January 1, 2022	100,000
Redeemable units issued	750,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(50,000)
Outstanding units – December 31, 2022	800,000
Redeemable units issued	450,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(950,000)
Outstanding units – December 31, 2023	300,000

First Trust Cboe Vest U.S. Equity Buffer ETF – May  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**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%

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** - There are no net capital and non-capital tax loss carryforwards as at December 31, 2023 and 2022.

**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, 2023 and 2022 is as follows:

Transaction Cost (\$)	
2023	2022
13,859	6,539

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2023 and 2022, including amounts owing as at December 31, 2023 and 2022 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2023	2022	2023	2022
195,522	122,832	10,726	19,796

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

**Market risk** - As at December 31, 2023 and 2022, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at December 31, 2023 and 2022, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2023		As at December 31, 2022	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® Price Return Index (CAD-Hedged)	441,137	(441,137)	911,108	(911,108)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2023 and 2022:

Currency	As at December 31, 2023		As at December 31, 2022	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	(225,193)	(1.91)	(71,915)	(0.27)

As at December 31, 2023, 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 \$(2,252) (December 31, 2022 - \$(719)). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

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First Trust Cboe Vest U.S. Equity Buffer ETF – May  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

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**Concentration Risk** – The table below summarizes the First Trust ETF’s concentration risk for the years ended December 31, 2023 and 2022:

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, 2023	As at December 31, 2022
Options	96.21	98.85
Total	96.21	98.85

# First Trust Cboe Vest U.S. Equity Buffer ETF – May

## Notes to Financial Statements - Specific Information

### For the year ended December 31, 2023

#### SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2023

	Expiry Date	Strike Price (\$)	Currency	Number of Options	Underlying Interest on Equity Options	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Purchased Put Options - 0.65%</b>								
SPDR® S&P 500® ETF Trust	2024-05-17	418.63	USD	186	18,600	581,884	77,294	0.65
						<b>581,884</b>	<b>77,294</b>	<b>0.65</b>
<b>Purchased Call Options - 97.98%</b>								
SPDR® S&P 500® ETF Trust	2024-05-17	4.20	USD	186	18,600	10,443,242	11,572,410	97.98
						<b>10,443,242</b>	<b>11,572,410</b>	<b>97.98</b>
<b>Written Put Options - (0.31)%</b>								
SPDR® S&P 500® ETF Trust	2024-05-17	376.77	USD	(186)	(18,600)	(321,475)	(36,927)	(0.31)
						<b>(321,475)</b>	<b>(36,927)</b>	<b>(0.31)</b>
<b>Written Call Options - (2.11)%</b>								
SPDR® S&P 500® ETF Trust	2024-05-17	492.52	USD	(186)	(18,600)	(154,462)	(249,207)	(2.11)
						<b>(154,462)</b>	<b>(249,207)</b>	<b>(2.11)</b>
<b>Total options</b>						<b>10,549,189</b>	<b>11,363,570</b>	<b>96.21</b>
Transaction costs						(1,409)		
Unrealized appreciation on derivative - see Schedule 1							401,166	3.40
Unrealized depreciation on derivative - see Schedule 1							(2,456)	(0.02)
Other assets, less liabilities							48,606	0.41
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>						<b>10,547,780</b>	<b>11,810,886</b>	<b>100.00</b>

Schedule 1

Counterparty	Credit Rating of Counterparty*	Settlement Date	Currency	Amount Sold	Currency	Amount Bought	Forward Rate	Current Rate	Appreciation
									(Depreciation)
Bank of New York Mellon (The), New York	A-1+	2024-01-11	USD	11,232,816	CAD	15,280,000	0.735	0.755	397,695
Bank of New York Mellon (The), New York	A-1+	2024-01-11	CAD	1,970,000	USD	1,489,530	1.323	1.325	3,471
									<b>401,166</b>
Bank of New York Mellon (The), New York	A-1+	2024-01-11	CAD	1,281,000	USD	965,015	1.327	1.325	(2,456)
									<b>(2,456)</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, 2023 and December 31, 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	22,204,462	1,668,881
Cash	126,841	79,791
Accrued investment income receivable	149,999	11,882
Receivable for portfolio securities sold	-	110
Other assets	3,185	136
	22,484,487	1,760,800
<b>Liabilities</b>		
Accrued liabilities	12,710	1,027
Payable for portfolio securities purchased	-	9,537
Distributions payable to holders of redeemable units	61,750	81,410
	74,460	91,974
<b>Total net assets attributable to holders of redeemable units</b>	<b>22,410,027</b>	<b>1,668,826</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units per class</b>		
<b>Units</b>	<b>22,410,027</b>	<b>1,668,826</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	<b>1,300,000</b>	<b>100,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>17.24</b>	<b>16.69</b>

## STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Revenues</b>		
Interest income for distribution purposes	516,326	59,524
<b>Other changes in fair value of investments</b>		
Net realized gain (loss) on investments	(166,306)	(87,089)
Change in unrealized appreciation (depreciation) of investments	816,113	(201,344)
	1,166,133	(228,909)
<b>Expenses [note 7]</b>		
Management fees	97,149	12,733
HST expense	7,594	1,284
Independent Review Committee fees	2,038	295
	106,781	14,312
Expenses waived by manager	(16,257)	(2,108)
	90,524	12,204
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>1,075,609</b>	<b>(241,113)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
<b>Units</b>	<b>1,075,609</b>	<b>(241,113)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>1.29</b>	<b>(2.41)</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 Fixed Income Core Plus ETF

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

For the years ended December 31, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	1,668,826	2,033,978
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	1,075,609	(241,113)
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from redeemable units issued	22,564,477	-
Reinvested distributions	-	-
Redemption of redeemable units	(2,399,260)	-
	20,165,217	-
<b>Distributions to holders of redeemable units from:</b>		
Net investment income	(392,131)	(123,488)
Capital gains	-	-
Return of capital	(107,494)	(551)
	(499,625)	(124,039)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	20,741,201	(365,152)
<b>Net assets attributable to holders of redeemable units, end of year</b>	22,410,027	1,668,826

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

# First Trust JFL Fixed Income Core Plus ETF

<b>STATEMENTS OF CASH FLOW</b>	<b>For the years ended December 31, 2023 and 2022</b>	
	<b>December 31 2023 (\$)</b>	<b>December 31 2022 (\$)</b>
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	1,075,609	(241,113)
Adjustments for:		
Net realized (gain) loss on investments	166,306	87,089
Change in unrealized (appreciation) depreciation of investments	(816,113)	201,344
Interest receivable	(138,117)	(2,152)
Other assets	(3,049)	188
Other liabilities	11,683	(138)
Purchases of investments	(26,909,069)	(1,158,307)
Proceeds from the sale of investments	7,013,868	1,218,212
	(19,598,882)	105,123
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	22,564,477	-
Amount paid on redemptions of units	(2,399,260)	-
Distributions paid to unitholders	(519,285)	(46,309)
	19,645,932	(46,309)
<b>Increase (Decrease) in cash for the year</b>	<b>47,050</b>	<b>58,814</b>
<b>Cash, beginning of year</b>	<b>79,791</b>	<b>20,977</b>
<b>Cash, end of year</b>	<b>126,841</b>	<b>79,791</b>
Interest received	378,209	57,372
Dividends received, net of withholding taxes	-	-

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, 2023**

**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, 2023 and 2022:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2023			
	Level 1	Level 2	Level 3	Total
Bonds	–	22,204,462	–	22,204,462
Total	–	22,204,462	–	22,204,462

  

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2022			
	Level 1	Level 2	Level 3	Total
Bonds	–	1,668,881	–	1,668,881
Total	–	1,668,881	–	1,668,881

There have been no transfers from one Level to another for the years ended December 31, 2023 and 2022.

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, 2023 and 2022:

Redeemable Units	Units
Outstanding units –January 1, 2022	100,000
Redeemable units issued	–
Redeemable units issued on reinvestments	–
Redeemable units redeemed	–
Outstanding units December 31, 2022	100,000
Redeemable units issued	1,350,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(150,000)
Outstanding units December 31, 2023	1,300,000

# First Trust JFL Fixed Income Core Plus ETF

## Notes to Financial Statements - Specific Information

### For the year ended December 31, 2023

**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> 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 until December 31, 2023 in response to the current low interest rate environment. The Manager anticipates that if the trailing average 30-day yield of the current 10-year Canadian Treasury Bond exceeds 3.50% before December 31, 2023, the fee waiver may not be continued past December 31, 2023. Given that the 0.10% waiver is on an annualized basis, if the waiver is for less than a year, the net management fee will be higher than 0.60%. Following December 31, 2023, the Manager may waive a portion of the management fee at any time in its discretion.

### E. TAXATION (NOTE 8)

**Tax loss carry-forwards** - The net capital and non-capital tax loss carryforwards as at December 31, 2023 and 2022 are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2023	2022	2023	2022
189,377	139,914	25,732	–

**F. COMMISSION (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 the years ended December 31, 2023 and 2022.

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2023 and 2022, including amounts owing as at December 31, 2023 and 2022 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2023	2022	2023	2022
97,149	12,733	11,248	909

### 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, 2023 and 2022:

	As at December 31, 2023		As at December 31, 2022	
	Fair Value (\$)	% of Net Assets	Fair Value (\$)	% of Net Assets
Less than 1 year	870,894	3.89%	73,902	4.43
1-3 years	1,932,110	8.62%	191,889	11.50
3-5 years	3,315,634	14.80%	300,707	18.02
> 5 years	16,085,824	71.77%	1,102,383	66.05
Total	22,204,462	99.08%	1,668,881	100.00

At December 31, 2023, the weighted average duration of the First Trust ETF was 7.33 years (December 31, 2022 – 7.04 years). If interest rates increased or decreased by 1% at December 31, 2023, with all other variables remaining constant, net assets would have decreased or increased by approximately \$222,045 (December 31, 2022 - \$16,689). In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

First Trust JFL Fixed Income Core Plus ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**Credit risk** – Below are the First Trust ETF’s breakdown by credit rating as at December 31, 2023 and 2022:

Debt Securities by S&P Rating	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2023	As at December 31, 2022
AAA	18.59	18.03
AA	12.19	14.51
A	39.31	37.60
BBB	22.48	20.95
Below BBB	6.51	8.91
Total	99.08	100.00

**Concentration Risk** - The table below summarizes the First Trust ETF’s concentration risk for the years ended December 31, 2023 and 2022:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2023	As at December 31, 2022
Corporate Bonds	54.93	56.66
Provincial Bonds & Guarantees	25.76	25.85
Federal Bonds & Guarantees	18.39	17.49
Total	99.08	100.00

# First Trust JFL Fixed Income Core Plus ETF

## Notes to Financial Statements - Specific Information

### For the year ended December 31, 2023

#### SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2023

	Coupon		Maturity Date	Average Cost (\$)	Fair Value (\$)	% of Total
	Par value	Rate/Yield				
<b>CANADIAN BONDS</b>						
<b>Federal Bonds &amp; Guarantees—18.39%</b>						
Canada Housing Trust No. 1	69,000	1.95%	15-Dec-25	65,868	66,417	0.30
Canada Housing Trust No. 1	92,000	1.10%	15-Dec-26	84,355	85,510	0.38
Canada Housing Trust No. 1	141,000	3.80%	15-Jun-27	138,681	142,144	0.63
Canada Housing Trust No. 1	72,000	1.40%	15-Mar-31	62,992	62,734	0.28
Canada Housing Trust No. 1	104,000	3.55%	15-Sep-32	100,802	104,612	0.47
CPPIB Capital Inc.	96,000	3.00%	15-Jun-28	95,608	93,889	0.42
Government of Canada	23,000	2.75%	01-Sep-27	22,207	22,559	0.10
Government of Canada	156,000	2.25%	01-Jun-29	145,686	149,737	0.67
Government of Canada	6,000	2.25%	01-Dec-29	5,940	5,744	0.03
Government of Canada	79,000	1.25%	01-Jun-30	68,080	70,594	0.32
Government of Canada	44,000	1.50%	01-Jun-31	37,842	39,334	0.18
Government of Canada	827,000	1.50%	01-Dec-31	712,058	734,248	3.28
Government of Canada	232,000	2.00%	01-Jun-32	208,271	213,147	0.95
Government of Canada	106,000	2.50%	01-Dec-32	95,114	101,064	0.45
Government of Canada	1,610,000	2.75%	01-Jun-33	1,516,526	1,564,763	6.98
Government of Canada	26,000	4.00%	01-Jun-41	28,802	29,130	0.13
Government of Canada	145,000	3.50%	01-Dec-45	152,603	154,841	0.69
Government of Canada	140,000	2.00%	01-Dec-51	115,716	112,766	0.50
Government of Canada	490,000	1.75%	01-Dec-53	347,078	368,228	1.63
				<b>4,004,229</b>	<b>4,121,461</b>	<b>18.39</b>
<b>Provincial Bonds &amp; Guarantees—25.76%</b>						
First Nations Finance Authority	50,000	2.85%	01-Jun-32	45,487	46,603	0.21
Hydro-Québec	53,000	2.00%	01-Sep-28	48,633	49,536	0.22
Hydro-Québec	13,000	2.10%	15-Feb-60	10,782	8,562	0.04
Hydro-Québec	132,000	2.10%	15-Feb-60	81,217	86,940	0.39
Ontario Power Generation Inc., Callable	57,000	3.22%	08-Apr-30	52,106	53,842	0.24
Ontario Teachers' Finance Trust	100,000	4.15%	01-Nov-29	101,161	102,517	0.46
Province of Alberta	74,000	2.05%	01-Jun-30	65,680	67,602	0.30
Province of Alberta	166,000	4.15%	01-Jun-33	161,744	170,903	0.76
Province of Alberta	48,000	3.05%	01-Dec-48	39,581	40,388	0.18
Province of Alberta	236,000	3.10%	01-Jun-50	192,060	200,532	0.89
Province of British Columbia	62,000	5.70%	18-Jun-29	71,689	68,699	0.31
Province of British Columbia	66,000	3.55%	18-Jun-33	63,577	64,861	0.29
Province of British Columbia	32,000	4.30%	18-Jun-42	34,451	33,126	0.15
Province of British Columbia	289,000	2.75%	18-Jun-52	222,187	231,029	1.03
Province of British Columbia, Series 'BCCD-35'	276,000	2.80%	18-Jun-48	214,596	224,128	1.00
Province of Manitoba	52,000	3.90%	02-Dec-32	51,816	52,473	0.23
Province of Manitoba	169,000	3.80%	05-Sep-53	155,718	160,719	0.72
Province of New Brunswick	125,000	4.45%	14-Aug-33	125,864	131,145	0.59
Province of New Brunswick	205,000	3.10%	14-Aug-48	169,987	172,558	0.77
Province of New Brunswick, Sinkable	75,000	4.80%	26-Sep-39	77,648	81,276	0.36
Province of Newfoundland and Labrador	24,000	1.75%	02-Jun-30	21,262	21,320	0.10
Province of Newfoundland and Labrador	130,000	4.15%	02-Jun-33	127,882	132,041	0.59
Province of Nova Scotia	45,000	3.15%	01-Dec-51	39,745	38,259	0.17
Province of Ontario	1,574,000	1.35%	02-Dec-30	1,308,641	1,359,694	6.07
Province of Ontario	200,000	3.65%	02-Jun-33	188,074	198,124	0.88
Province of Ontario	28,000	4.70%	02-Jun-37	28,652	30,231	0.13
Province of Ontario	259,000	2.80%	02-Jun-48	209,080	210,553	0.94
Province of Ontario	462,000	3.75%	02-Dec-53	428,593	448,405	2.00
Province of Quebec	313,000	5.00%	01-Dec-41	345,225	351,733	1.57
Province of Quebec	401,000	3.50%	01-Dec-48	366,084	369,776	1.65
Province of Quebec	290,000	3.10%	01-Dec-51	239,075	249,230	1.11
Province of Quebec	227,000	2.85%	01-Dec-53	177,528	185,018	0.83
Province of Saskatchewan	96,000	3.10%	02-Jun-50	78,014	81,760	0.36
Province of Saskatchewan	61,000	2.80%	02-Dec-52	47,385	48,840	0.22
				<b>5,591,224</b>	<b>5,772,423</b>	<b>25.76</b>

**First Trust JFL Fixed Income Core Plus ETF**  
**Notes to Financial Statements - Specific Information**  
**For the year ended December 31, 2023**

	Par value	Coupon Rate/Yield	Maturity Date	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Corporate Bonds—44.84%</b>						
407 International Inc., Callable	26,000	4.45%	14-Aug-31	25,262	25,848	0.12
407 International Inc., Callable, Series '99-A2'	193,000	6.47%	27-Jul-29	214,079	214,017	0.96
AltaGas Ltd., Variable Rate, Callable	151,000	5.25%	11-Jan-82	125,424	126,792	0.57
AltaLink L.P., Callable	32,000	3.99%	30-Jun-42	30,695	30,018	0.13
ARC Resources Ltd., Callable	206,000	3.47%	10-Mar-31	179,314	189,746	0.85
Bank of Montreal	108,000	2.28%	29-Jul-24	104,287	106,238	0.47
Bank of Montreal, Callable	227,000	3.65%	01-Apr-27	215,599	221,408	0.99
Bank of Montreal, Variable Rate, Callable	104,000	6.03%	07-Sep-33	104,000	108,497	0.48
Bank of Montreal, Variable Rate, Callable	76,000	5.63%	26-May-82	70,521	72,498	0.32
Bank of Montreal, Variable Rate, Perpetual	50,000	7.06%	26-Apr-28	48,850	49,933	0.22
bcIMC Realty Corp., Callable	278,000	2.84%	03-Jun-25	264,723	270,895	1.21
Bell Canada, Callable	36,000	3.35%	12-Mar-25	34,740	35,355	0.16
Bell Canada, Callable	195,000	2.90%	10-Sep-29	170,965	181,093	0.81
Bell Canada, Callable	307,000	5.85%	10-Nov-32	321,140	333,698	1.49
Bruce Power L.P., Callable, Series '17-2'	82,000	4.01%	21-Jun-29	79,178	80,649	0.36
Bruce Power L.P., Callable, Series '21-1'	113,000	2.68%	21-Dec-28	100,377	104,624	0.47
Calgary Airport Authority, Callable, Series 'A'	159,000	3.20%	07-Oct-36	133,468	139,637	0.62
Calgary Airport Authority, Callable, Series 'D'	178,000	3.55%	07-Oct-51	145,328	154,437	0.69
Calgary Airport Authority, Callable, Series 'E'	63,000	3.55%	07-Oct-53	51,989	54,269	0.24
Canadian Imperial Bank of Commerce	100,000	2.75%	07-Mar-25	95,405	97,456	0.43
Canadian Imperial Bank of Commerce	138,000	2.00%	17-Apr-25	132,117	133,005	0.59
Canadian Imperial Bank of Commerce, Callable	302,000	4.95%	29-Jun-27	302,116	306,282	1.37
Canadian Imperial Bank of Commerce, Variable Rate, Callable	96,000	4.20%	07-Apr-32	90,489	93,621	0.42
Canadian Imperial Bank of Commerce, Variable Rate, Callable	21,000	7.15%	28-Jul-82	20,683	20,801	0.09
Canadian National Railway Co., Callable	61,000	4.15%	10-May-30	58,338	61,086	0.27
Canadian National Railway Co., Callable	66,000	4.40%	10-May-33	64,867	66,789	0.30
Canadian Western Bank, Variable Rate, Callable	16,000	5.94%	22-Dec-32	15,919	15,921	0.07
CCL Industries Inc., Callable, Series '1'	9,000	3.86%	13-Apr-28	9,619	8,696	0.04
CDP Financial Inc.	45,000	3.80%	02-Jun-27	44,828	45,127	0.20
Choice Properties REIT, Callable, Series 'R'	87,000	6.00%	24-Jun-32	86,662	93,190	0.42
Corus Entertainment Inc., Callable	27,000	5.00%	11-May-28	27,260	18,157	0.08
Corus Entertainment Inc., Restricted, Callable	10,000	6.00%	28-Feb-30	10,000	6,508	0.03
Enbridge Gas Inc., Callable	42,000	2.90%	01-Apr-30	38,121	39,140	0.17
Enbridge Gas Inc., Callable	135,000	5.70%	06-Oct-33	135,000	148,774	0.66
Enbridge Inc., Callable	110,000	6.51%	09-Nov-52	122,629	130,661	0.58
Enbridge Inc., Variable Rate, Callable, Series 'C'	8,000	6.63%	12-Apr-78	7,877	7,891	0.04
Enbridge Inc., Variable Rate, Convertible Bonds, Callable	44,000	8.50%	15-Jan-84	44,000	46,358	0.21
Enbridge Pipelines Inc., Callable	33,000	5.82%	17-Aug-53	32,919	36,106	0.16
Fédération des caisses Desjardins du Québec	66,000	2.42%	04-Oct-24	63,292	64,673	0.29
Fédération des caisses Desjardins du Québec	125,000	4.41%	19-May-27	121,359	124,684	0.56
Fédération des caisses Desjardins du Québec, Callable	191,000	5.47%	17-Nov-28	193,453	199,154	0.89
Fédération des caisses Desjardins du Québec, Floating Rate, Callable	160,000	2.86%	26-May-30	150,930	154,675	0.69
Fédération des caisses Desjardins du Québec, Variable Rate, Callable	100,000	1.99%	28-May-31	89,413	93,236	0.42
Fédération des caisses Desjardins du Québec, Variable Rate, Callable	109,000	5.04%	23-Aug-32	106,680	109,006	0.49
Great-West Lifeco Inc., Callable	115,000	3.34%	28-Feb-28	108,215	111,197	0.50
HSBC Bank Canada	68,000	4.81%	16-Dec-24	67,879	67,837	0.30
Hydro One Inc., Callable	288,000	2.23%	17-Sep-31	244,151	253,592	1.13
Hydro One Inc., Callable	70,000	3.91%	23-Feb-46	62,539	64,455	0.29
Hydro One Inc., Callable, Series '44'	186,000	3.64%	05-Apr-50	156,348	163,392	0.73
Intact Financial Corp., Variable Rate, Callable	23,000	7.34%	30-Jun-83	23,202	23,183	0.10
Keyera Corp., Callable	90,000	5.02%	28-Mar-32	86,831	90,278	0.40
Keyera Corp., Variable Rate, Callable	187,000	5.95%	10-Mar-81	163,337	165,902	0.74
Loblaw Cos. Ltd., Callable	116,000	5.01%	13-Sep-32	115,570	120,247	0.54
Manulife Bank of Canada	113,000	2.38%	19-Nov-24	110,253	110,364	0.49
Manulife Financial Corp., Variable Rate, Callable	100,000	5.41%	10-Mar-33	99,047	102,115	0.46
Manulife Financial Corp., Variable Rate, Callable	16,000	7.12%	19-Jun-82	15,810	15,973	0.07
National Bank of Canada	80,000	2.98%	04-Mar-24	78,868	79,687	0.36
National Bank of Canada	75,000	2.55%	12-Jul-24	72,780	73,944	0.33
National Bank of Canada	49,000	1.53%	15-Jun-26	45,016	45,800	0.20
National Bank of Canada	183,000	5.22%	14-Jun-28	181,699	188,477	0.84
National Bank of Canada, Variable Rate, Callable	265,000	5.43%	16-Aug-32	261,159	268,011	1.20
National Bank of Canada, Variable Rate, Callable	121,000	7.50%	16-Nov-82	120,737	120,535	0.54

First Trust JFL Fixed Income Core Plus ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

	Par value	Coupon Rate/Yield	Maturity Date	Average Cost (\$)	Fair Value (\$)	% of Total
NuVista Energy Ltd., Callable	189,000	7.88%	23-Jul-26	193,294	193,213	0.86
Ontario Power Generation Inc., Callable, Series '4'	181,000	2.98%	13-Sep-29	164,540	170,507	0.76
Parkland Corp., Callable	150,000	3.88%	16-Jun-26	138,568	143,844	0.64
Parkland Corp., Callable	201,000	6.00%	23-Jun-28	193,282	201,628	0.90
Parkland Corp., Callable	150,000	4.38%	26-Mar-29	131,865	138,516	0.62
Royal Bank of Canada	106,000	2.35%	02-Jul-24	102,760	104,504	0.47
Royal Bank of Canada	94,000	3.37%	29-Sep-25	90,103	91,942	0.41
Royal Bank of Canada	328,000	4.61%	26-Jul-27	323,016	330,067	1.47
Royal Bank of Canada	316,000	5.23%	24-Jun-30	314,192	329,783	1.46
Royal Bank of Canada, Variable Rate, Callable	138,000	2.74%	25-Jul-29	133,049	135,717	0.61
Royal Bank of Canada, Variable Rate, Callable	52,000	5.01%	01-Feb-33	50,829	52,133	0.23
SNC-Lavalin Group Inc., Series '7'	175,000	7.00%	12-Jun-26	179,187	179,958	0.80
Sun Life Financial Inc., Variable Rate, Callable	30,000	3.15%	18-Nov-36	25,022	26,581	0.12
Suncor Energy Inc., Callable, Series '5'	108,000	4.34%	13-Sep-46	90,628	97,192	0.43
Tamarack Valley Energy Ltd., Callable	166,000	7.25%	10-May-27	158,435	163,268	0.73
TELUS Corp., Callable	8,000	5.25%	15-Nov-32	8,005	8,272	0.04
Toronto-Dominion Bank (The)	100,000	4.34%	27-Jan-26	97,357	99,648	0.44
Toronto-Dominion Bank (The)	250,000	4.21%	01-Jun-27	240,030	248,240	1.11
Toronto-Dominion Bank (The)	289,000	4.68%	08-Jan-29	283,533	292,360	1.30
Toronto-Dominion Bank (The), Variable Rate, Callable	166,000	3.11%	22-Apr-30	160,569	161,451	0.72
Toronto-Dominion Bank (The), Variable Rate, Callable	126,000	7.28%	31-Oct-82	124,000	126,057	0.56
Toronto-Dominion Bank (The), Variable Rate, Perpetual, Series '27'	80,000	5.75%	01-Oct-27	73,100	68,599	0.31
				<b>9,772,720</b>	<b>10,049,118</b>	<b>44.84</b>
				<b>19,368,173</b>	<b>19,943,002</b>	<b>88.99</b>
<b>INTERNATIONAL BONDS</b>						
<b>Corporate Bonds—10.09%</b>						
Air Lease Corp., Callable	174,000	2.63%	05-Dec-24	165,189	169,374	0.76
Air Lease Corp., Callable	126,000	5.40%	01-Jun-28	124,810	129,023	0.58
Anheuser-Busch InBev Finance Inc., Callable	138,000	4.32%	15-May-47	121,863	131,281	0.59
Heathrow Funding Ltd.	118,000	3.40%	08-Mar-30	110,601	112,754	0.50
Heathrow Funding Ltd., Callable	75,000	2.69%	13-Oct-29	67,671	70,088	0.31
Heathrow Funding Ltd., Callable	168,000	3.78%	04-Sep-32	152,983	159,818	0.71
Heathrow Funding Ltd., Callable	180,000	3.66%	13-Jan-33	162,997	168,796	0.75
Mondelez International Inc., Callable	100,000	3.25%	07-Mar-25	96,660	98,058	0.44
National Grid Electricity Transmission PLC, Callable	171,000	2.30%	22-Jun-29	147,418	152,932	0.68
Nestle Holdings Inc., Callable	103,000	2.19%	26-Jan-29	90,868	95,109	0.42
TWDC Enterprises 18 Corp.	96,000	2.76%	07-Oct-24	92,989	94,274	0.42
Walt Disney Co. (The)	337,000	3.06%	30-Mar-27	316,793	325,624	1.45
Wells Fargo & Co.	398,000	3.87%	21-May-25	387,469	391,010	1.75
Wells Fargo & Co.	174,000	2.49%	18-Feb-27	161,155	163,319	0.73
				<b>2,199,466</b>	<b>2,261,460</b>	<b>10.09</b>
<b>Total investments</b>				<b>21,567,639</b>	<b>22,204,462</b>	<b>99.08</b>
Other assets, less liabilities					<b>205,565</b>	<b>0.92</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>				<b>21,567,639</b>	<b>22,410,027</b>	<b>100.00</b>

# First Trust JFL Global Equity ETF

## STATEMENTS OF FINANCIAL POSITION As at December 31, 2023 and December 31, 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	2,783,755	2,359,743
Cash	175,615	72,913
Accrued dividend receivable	1,632	501
Receivable for portfolio securities sold	25,704	-
Other assets	360	-
	2,987,066	2,433,157
<b>Liabilities</b>		
Accrued liabilities	2,410	2,812
	2,410	2,812
<b>Total net assets attributable to holders of redeemable units</b>	<b>2,984,656</b>	<b>2,430,345</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units per class</b>		
<b>Units</b>	<b>2,984,656</b>	<b>2,430,345</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	<b>125,000</b>	<b>125,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>23.88</b>	<b>19.44</b>

## STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Revenues</b>		
Dividends	37,980	19,021
Interest income for distribution purposes	-	4,281
<b>Other changes in fair value of investments</b>		
Net realized gain (loss) on investments	41,713	44,577
Net realized gain (loss) of foreign exchange	(184)	7,268
Change in unrealized appreciation (depreciation) of investments	514,010	(745,296)
	593,519	(670,149)
Foreign exchange gain (loss) on cash	(641)	(18,018)
	592,878	(688,167)
<b>Expenses [note 7]</b>		
Management fees	23,439	20,446
HST expense	2,552	2,737
Transaction costs [note 3 and note 9]	1,243	5,945
Independent Review Committee fees	434	384
Interest expense	2	-
	27,670	29,512
Expenses waived by manager	(434)	(384)
	27,236	29,128
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>565,642</b>	<b>(717,295)</b>
<b>Withholding taxes</b>	<b>4,868</b>	<b>2,132</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>560,774</b>	<b>(719,427)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
<b>Units</b>	<b>560,774</b>	<b>(719,427)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>4.49</b>	<b>(6.10)</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, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	2,430,345	15,519,690
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	560,774	(719,427)
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from redeemable units issued	-	947,006
Reinvested distributions	29,375	13,013
Redemption of redeemable units	-	(13,315,672)
	29,375	(12,355,653)
<b>Distributions to holders of redeemable units from:</b>		
Net investment income	(6,254)	-
Capital gains	(29,436)	(14,260)
Return of capital	(148)	(5)
	(35,838)	(14,265)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the year</b>	554,311	(13,089,345)
<b>Net assets attributable to holders of redeemable units, end of year</b>	2,984,656	2,430,345

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



# First Trust JFL Global Equity ETF

## STATEMENTS OF CASH FLOW For the years ended December 31, 2023 and 2022

	December 31 2023 (\$)	December 31 2022 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	560,774	(719,427)
Adjustments for:		
Net realized (gain) loss on investments	(41,713)	(44,577)
Change in unrealized (appreciation) depreciation of investments	(514,010)	745,296
Dividends receivable	(1,131)	4,505
Other assets	(360)	-
Other liabilities	(402)	(10,449)
Purchases of investments	(555,184)	(1,164,520)
Proceeds from the sale of investments	661,191	13,393,773
	109,165	12,204,601
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	-	947,006
Amount paid on redemptions of units	-	(13,315,672)
Distributions paid to unitholders	(6,463)	(1,252)
	(6,463)	(12,369,918)
<b>Increase (Decrease) in cash for the year</b>	102,702	(165,317)
<b>Cash, beginning of year</b>	72,913	238,230
<b>Cash, end of year</b>	175,615	72,913
Interest received	-	4,281
Dividends received, net of withholding taxes	31,981	21,394

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, 2023**

**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 (GDP). 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, 2023 and 2022:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2023			
	Level 1	Level 2	Level 3	Total
Equities	2,783,755	–	–	2,783,755
<b>Total</b>	<b>2,783,755</b>	<b>–</b>	<b>–</b>	<b>2,783,755</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2022			
	Level 1	Level 2	Level 3	Total
Equities	2,359,743	–	–	2,359,743
<b>Total</b>	<b>2,359,743</b>	<b>–</b>	<b>–</b>	<b>2,359,743</b>

There have been no transfers from one Level to another for the years ended December 31, 2023 and 2022.

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, 2023 and 2022:

Redeemable Units	Units
Outstanding units – January 1, 2022	675,000
Redeemable units issued	50,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(600,000)
<b>Outstanding units December 31, 2022</b>	<b>125,000</b>
Redeemable units issued	–
Redeemable units issued on reinvestments	–
Redeemable units redeemed	–
<b>Outstanding units December 31, 2023</b>	<b>125,000</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
0.85%

First Trust JFL Global Equity ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** - There are no net capital and non-capital tax loss carryforwards as at December 31, 2023 and 2022.

**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, 2023 and 2022 are as follows:

Transaction Cost (\$)	
2023	2022
1,243	5,945

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the years ended December 31, 2023 and 2022, including amounts owing as at December 31, 2023 and 2022 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2023	2022	2023	2022
23,439	20,446	2,132	1,784

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

**Market risk** - As at December 31, 2023 and 2022, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at December 31, 2023 and 2022, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2023		As at December 31, 2022	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
MSCI ACWI Index	149,233	(149,233)	121,517	(121,517)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2023 and 2022:

Currency	As at December 31, 2023		As at December 31, 2022	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	1,887,444	63.24	1,473,003	60.61
British Pound Sterling	282,467	9.46	248,977	10.24
Euro	239,182	8.01	186,084	7.66
Swiss Francs	145,342	4.87	98,251	4.04
Hong Kong Dollar	128,500	4.31	158,692	6.53
Japanese Yen	102,310	3.43	97,787	4.02
Swedish Krona	43,138	1.45	30,221	1.24
Total	2,828,383	94.77	2,293,015	94.34

As at December 31, 2023, 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 \$28,284 (December 31, 2022 - \$22,930). 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, 2023

**Concentration Risk** - The table below summarizes the First Trust ETF's concentration risk for the years ended December 31, 2023 and 2022:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2023	As at December 31, 2022
<i>Canada</i>		
Financials	2.06	1.24
Industrials	1.90	–
Information Technology	1.12	2.40
<i>United States</i>		
Health Care	14.33	15.65
Information Technology	8.74	9.00
Consumer Discretionary	6.23	7.41
Financials	5.89	8.32
Communication Services	5.33	7.12
Consumer Staples	4.97	2.38
Materials	2.38	2.14
Industrials	1.90	2.02
<i>International</i>		
United Kingdom	9.01	10.24
Switzerland	6.26	5.75
France	4.63	4.73
Japan	3.43	4.02
China	2.37	4.05
Ireland	2.18	–
India	2.00	2.45
Spain	1.98	1.67
Hong Kong	1.93	2.48
Taiwan	1.78	1.52
Sweden	1.45	1.24
Netherlands	1.40	1.26
<b>Total</b>	<b>93.27</b>	<b>97.09</b>

First Trust JFL Global Equity ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2023

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>CANADIAN EQUITIES</b>				
<b>Financials—2.06%</b>				
Brookfield Corp., Class 'A'	1,156	57,934	61,441	2.06
		<b>57,934</b>	<b>61,441</b>	<b>2.06</b>
<b>Industrials—1.90%</b>				
Canadian National Railway Co.	340	54,252	56,627	1.90
		<b>54,252</b>	<b>56,627</b>	<b>1.90</b>
<b>Information Technology—1.12%</b>				
Kinaxis Inc.	225	38,374	33,460	1.12
		<b>38,374</b>	<b>33,460</b>	<b>1.12</b>
		<b>150,560</b>	<b>151,528</b>	<b>5.08</b>
<b>UNITED STATES EQUITIES</b>				
<b>Communication Services—5.33%</b>				
Alphabet Inc., Class 'A'	580	97,866	107,356	3.60
Booking Holdings Inc.	11	29,886	51,703	1.73
		<b>127,752</b>	<b>159,059</b>	<b>5.33</b>
<b>Consumer Discretionary—6.23%</b>				
Amazon.com Inc.	540	94,551	108,717	3.64
Copart Inc.	980	41,021	63,629	2.13
LCI Industries	82	14,113	13,659	0.46
		<b>149,685</b>	<b>186,005</b>	<b>6.23</b>
<b>Consumer Staples—4.97%</b>				
Estée Lauder Cos. Inc. (The), Class 'A'	234	42,849	45,346	1.52
Monster Beverage Corp.	670	40,598	51,145	1.71
PepsiCo Inc.	230	55,962	51,761	1.74
		<b>139,409</b>	<b>148,252</b>	<b>4.97</b>
<b>Financials—5.89%</b>				
CME Group Inc.	156	43,325	43,532	1.46
Fiserv Inc.	412	58,590	72,520	2.43
Interactive Brokers Group Inc., Class 'A'	543	42,857	59,647	2.00
		<b>144,772</b>	<b>175,699</b>	<b>5.89</b>
<b>Health Care—14.33%</b>				
Abbott Laboratories	374	55,601	54,547	1.83
Becton, Dickinson and Co.	212	66,429	68,495	2.29
Boston Scientific Corp.	1,001	53,908	76,678	2.57
Danaher Corp.	200	61,973	61,307	2.05
IQVIA Holdings Inc.	236	69,750	72,355	2.42
UnitedHealth Group Inc.	135	79,466	94,176	3.16
		<b>387,127</b>	<b>427,558</b>	<b>14.32</b>
<b>Industrials—1.90%</b>				
Ametek Inc.	260	41,523	56,807	1.90
		<b>41,523</b>	<b>56,807</b>	<b>1.90</b>

First Trust JFL Global Equity ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Information Technology—8.74%</b>				
Autodesk Inc.	140	45,184	45,167	1.51
Mastercard Inc., Class 'A'	155	68,086	87,598	2.94
Microsoft Corp.	257	92,602	128,056	4.29
		<b>205,872</b>	<b>260,821</b>	<b>8.74</b>
<b>Materials—2.38%</b>				
Sherwin-Williams Co. (The)	172	57,891	71,085	2.38
		<b>57,891</b>	<b>71,085</b>	<b>2.38</b>
		<b>1,254,031</b>	<b>1,485,286</b>	<b>49.76</b>
<b>INTERNATIONAL EQUITIES</b>				
<b>China—2.37%</b>				
Shenzhou International Group	1,900	35,473	25,922	0.87
Tencent Holdings Ltd.	900	55,499	44,840	1.50
		<b>90,972</b>	<b>70,762</b>	<b>2.37</b>
<b>France—4.63%</b>				
Air Liquide SA	184	34,456	47,403	1.59
LVMH Moet Hennessy Louis Vuitton SE	45	40,059	48,290	1.62
Schneider Electric SE	160	31,889	42,545	1.42
		<b>106,404</b>	<b>138,238</b>	<b>4.63</b>
<b>Hong Kong—1.93%</b>				
AIA Group Ltd.	5,000	68,582	57,738	1.94
		<b>68,582</b>	<b>57,738</b>	<b>1.94</b>
<b>India—2.00%</b>				
HDFC Bank Ltd., ADR	672	60,075	59,757	2.00
		<b>60,075</b>	<b>59,757</b>	<b>2.00</b>
<b>Ireland—2.18%</b>				
Accenture PLC, Class 'A'	140	52,019	65,096	2.18
		<b>52,019</b>	<b>65,096</b>	<b>2.18</b>
<b>Japan—3.43%</b>				
Hoya Corp.	230	39,030	38,095	1.28
Keyence Corp.	110	70,456	64,215	2.15
		<b>109,486</b>	<b>102,310</b>	<b>3.43</b>
<b>Netherlands—1.40%</b>				
ASML Holding NV	42	36,276	41,882	1.40
		<b>36,276</b>	<b>41,882</b>	<b>1.40</b>
<b>Spain—1.98%</b>				
Industria de Diseno Textil SA	1,024	39,480	59,062	1.98
		<b>39,480</b>	<b>59,062</b>	<b>1.98</b>
<b>Sweden—1.45%</b>				
Atlas Copco AB, Class 'A'	1,892	33,849	43,138	1.45
		<b>33,849</b>	<b>43,138</b>	<b>1.45</b>
<b>Switzerland—6.26%</b>				
Chubb Ltd.	139	32,390	41,625	1.39
Nestlé SA, Registered	584	94,692	89,716	3.01
Sika AG, Registered	129	50,118	55,626	1.86
		<b>177,200</b>	<b>186,967</b>	<b>6.26</b>

First Trust JFL Global Equity ETF  
Notes to Financial Statements - Specific Information  
For the year ended December 31, 2023

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Taiwan—1.78%</b>				
Taiwan Semiconductor Manufacturing Co. Ltd., ADR	386	51,231	53,193	1.78
		<b>51,231</b>	<b>53,193</b>	<b>1.78</b>
<b>United Kingdom—9.01%</b>				
B&M European Value Retail SA	2,150	19,274	20,343	0.68
Diageo PLC	1,304	78,140	62,901	2.11
Diploma PLC	812	35,221	49,125	1.65
Intertek Group PLC	854	66,007	61,244	2.05
London Stock Exchange Group PLC	480	62,141	75,185	2.52
		<b>260,783</b>	<b>268,798</b>	<b>9.01</b>
<b>Total investments</b>		<b>2,490,948</b>	<b>2,783,755</b>	<b>93.27</b>
Transaction costs		<b>(3,013)</b>		
Other assets, less liabilities			<b>200,901</b>	<b>6.73</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>2,487,935</b>	<b>2,984,656</b>	<b>100.00</b>

# First Trust Cboe Vest Fund of Buffer ETFs (Canada) ETF

## STATEMENT OF FINANCIAL POSITION As at December 31, 2023

	December 31 2023 (\$)
<b>Assets</b>	
Investments (non-derivative financial assets)	6,630,778
Cash	104
Receivable for portfolio securities sold	1,992
Other assets	20
	6,632,894
<b>Liabilities</b>	
Accrued liabilities	942
	942
<b>Total net assets attributable to holders of redeemable units</b>	<b>6,631,952</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units per class</b>	
<b>Units</b>	<b>6,631,952</b>
<b>Redeemable units outstanding [note 6]</b>	
<b>Units</b>	<b>300,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>	
<b>Units</b>	<b>22.11</b>

## STATEMENT OF COMPREHENSIVE INCOME For the period from May 25, 2023 to December 31, 2023

	December 31 2023 (\$)
<b>Revenues</b>	
<b>Other changes in fair value of investments</b>	
Net realized gain (loss) on investments	550
Change in unrealized appreciation (depreciation) of investments	363,639
	364,189
<b>Expenses [note 7]</b>	
Management fees	2,744
HST expense	336
Independent Review Committee fees	274
Transaction costs [note 3 and note 9]	12
	3,366
Expenses waived by manager	(274)
	3,092
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>361,097</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>	
<b>Units</b>	<b>361,097</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>	
<b>Units</b>	<b>2.50</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 Cboe Vest Fund of Buffer ETFs (Canada) ETF

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

For the period from May 25, 2023 to December 31, 2023

	December 31 2023 (\$)
<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>	361,097
<b>Redeemable unit transactions [note 6]</b>	
Proceeds from redeemable units issued	6,270,875
Reinvested distributions	-
Redemption of redeemable units	(20)
	6,270,855
<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 period</b>	6,631,952
<b>Net assets attributable to holders of redeemable units, end of period</b>	6,631,952

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

# First Trust Cboe Vest Fund of Buffer ETFs (Canada) ETF

## STATEMENT OF CASH FLOW

For the period from May 25, 2023 to December 31, 2023

	December 31 2023 (\$)
<b>Cash flows from (used in) Operating Activities</b>	
Increase (Decrease) in net assets attributable to holders of redeemable units	361,097
Adjustments for:	
Net realized (gain) loss on investments	(550)
Change in unrealized (appreciation) depreciation of investments	(363,639)
Other assets	(20)
Other liabilities	942
Purchases of investments	(6,292,049)
Proceeds from the sale of investments	23,468
	<b>(6,270,751)</b>
<b>Cash flows from (used in) Financing Activities</b>	
Amount received from the issuance of units	6,270,875
Amount paid on redemptions of units	(20)
Distributions paid to unitholders	-
	<b>6,270,855</b>
<b>Increase (Decrease) in cash for the period</b>	<b>104</b>
<b>Cash, beginning of period</b>	<b>-</b>
<b>Cash, end of period</b>	<b>104</b>
Interest received	-
Dividends received, net of withholding taxes	-

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

**First Trust Cboe Vest Fund of Buffer ETFs (Canada) ETF**  
**Notes to Financial Statements - Specific Information**  
**For the period from May 25, 2023 to December 31, 2023**

**A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust Cboe Vest Fund of Buffer ETFs (Canada) ETF** (the “First Trust ETF”) seeks to provide the holders of Units (“Unitholders”) 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 Cboe 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 Cboe Vest Funds (initially, First Trust Cboe Vest U.S. Equity Buffer ETF – August, First Trust Cboe Vest U.S. Equity Buffer ETF – November, First Trust Cboe Vest U.S. Equity Buffer ETF – February and First Trust Cboe Vest U.S. Equity Buffer ETF – May).

On January 4, 2024, the First Trust ETF changed its name to First Trust Vest Fund of Buffer ETFs (Canada) 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 period ended December 31, 2023:

	Financial Assets (Liabilities) at Fair Value (\$)			
	As at December 31, 2023			
	Level 1	Level 2	Level 3	Total
Equities	6,630,778	–	–	6,630,778
Total	6,630,778	–	–	6,630,778

There have been no transfers from one Level to another for the period ended December 31, 2023.

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, 2023:

Redeemable Units	Hedged Units
Beginning balance – May 25, 2023*	–
Redeemable units issued	300,001
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(1)
Outstanding units – December 31, 2023	300,000

\*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>
0.15%

<sup>1</sup> The First Trust ETF will invest in First Trust Cboe Vest Funds and accordingly the First Trust ETF will also bear the management fee (being 0.85% per annum on the net asset value of the applicable First Trust Cboe Vest Fund) which is payable on the portion of its portfolio assets invested in each First Trust Cboe Vest Funds. Accordingly, the total management fee borne by Unitholders in connection with their Units will be 1.00% per annum of the NAV of the Units.

First Trust Cboe Vest Fund of Buffer ETFs (Canada) ETF  
Notes to Financial Statements - Specific Information  
For the period from May 25, 2023 to December 31, 2023

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** - The net capital and non-capital tax loss carryforwards as at December 31, 2023 are as follows:

Net Capital Losses (\$)	Non-Capital Losses (\$)
2023	2023
–	2,371

**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 period ended December 31, 2023 are as follows:

Transaction Cost (\$)
2023
12

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the period ended December 31, 2023, including amounts owing as at December 31, 2023 are as follows:

Management Fee Expense (\$)	Management Fee Payable (\$)
2023	2023
2,744	834

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

**Market risk** - As at December 31, 2023, the First Trust ETF's market risk is affected by changes in actual market prices and interest rates. If the following index had increased (decreased) by 5% at December 31, 2023, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2023	
	5% Increase (\$)	5% Decrease (\$)
S&P 500® Price Return Index (CAD-Hedged)	258,646	(258,646)

**Concentration Risk** – The table below summarizes the First Trust ETF's concentration risk for the period ended December 31, 2023:

Holdings	As a % of net assets attributable to holders of redeemable units
	As December 31, 2023
Exchange-Traded Funds	99.98
Total	99.98

First Trust Cboe Vest Fund of Buffer ETFs (Canada) ETF  
Notes to Financial Statements - Specific Information  
For the period from May 25, 2023 to December 31, 2023

**SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2023**

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Exchange Traded Funds—99.98%</b>				
First Trust Cboe Vest U.S. Equity Buffer ETF - August	40,701	1,570,538	1,656,327	24.98
First Trust Cboe Vest U.S. Equity Buffer ETF - February	41,373	1,566,429	1,667,953	25.15
First Trust Cboe Vest U.S. Equity Buffer ETF - May	42,001	1,563,204	1,652,319	24.91
First Trust Cboe Vest U.S. Equity Buffer ETF - November	42,694	1,566,973	1,654,179	24.94
		<b>6,267,144</b>	<b>6,630,778</b>	<b>99.98</b>
<b>Total investments</b>		<b>6,267,144</b>	<b>6,630,778</b>	<b>99.98</b>
Transaction costs		(6)		
Other assets, less liabilities			1,174	0.02
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>6,267,138</b>	<b>6,631,952</b>	<b>100.00</b>

# First Trust Exchange-Traded Funds

## Notes to Financial Statements

### For the year ended December 31, 2023

#### 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 May 5, 2023. The majority of the units of the First Trust ETFs are listed for trading on the Toronto Stock Exchange (“TSX”), except for the units of the Target Outcome Funds<sup>1,2</sup>, while First Trust JFL Fixed Income Core Plus ETF, First Trust JFL Global Equity ETF, and First Trust Cboe Vest Fund of Buffer ETFs (Canada) ETF<sup>2</sup> 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<sup>2</sup></b>		
First Trust Cboe Vest U.S. Equity Buffer ETF – August	AUGB.F	August 30, 2019
First Trust Cboe Vest U.S. Equity Buffer ETF – November	NOVB.F	February 4, 2020
First Trust Cboe Vest U.S. Equity Buffer ETF – February	FEBB.F	February 25, 2020
First Trust Cboe Vest U.S. Equity Buffer ETF – May	MAYB.F	May 21, 2020
First Trust Cboe Vest Fund of Buffer ETFs (Canada) ETF	BUFR	May 25, 2023
<b>Income Funds</b>		
First Trust Value Line <sup>®</sup> 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
<b>AlphaDEX<sup>™</sup> U.S. Sector Funds</b>		
First Trust AlphaDEX <sup>™</sup> U.S. Health Care Sector Index ETF	FHH	October 30, 2014
	FHH.F	December 8, 2017
First Trust AlphaDEX <sup>™</sup> U.S. Industrials Sector Index ETF	FHG	October 30, 2014
	FHG.F	December 8, 2017
First Trust AlphaDEX <sup>™</sup> U.S. Technology Sector Index ETF	FHQ	October 30, 2014
	FHQ.F	December 8, 2017
<b>Sector and Industry Funds</b>		
First Trust Nasdaq <sup>®</sup> Clean Edge <sup>®</sup> 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

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# First Trust Exchange-Traded Funds

## Notes to Financial Statements

### For the year ended December 31, 2023

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<sup>1</sup>As of the date of these annual financial statements, the Target Outcome Funds have not offered any Units to the public (i.e., AUGB, NOVB, FEBB, MAYB).

<sup>2</sup>As of January 4, 2024, the Target Outcome Funds changed their names to 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, and First Trust Vest Fund of Buffer ETFs (Canada) ETF.

\*As of February 28, 2022, certain First Trust ETFs that previously offered Advisor Class units are no longer offering such class of units following redesignation by the Manager of Advisor Class units to Common units in order to provide unitholders with a lower cost solution.

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 13, 2024.

## 2. BASIS OF PRESENTATION

The information provided in these financial statements and notes thereto is as at December 31, 2023 with comparatives as at December 31, 2022 and for the year ended December 31, 2023 with comparatives for the year ended December 31, 2022.

These annual financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) 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.

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# First Trust Exchange-Traded Funds

## Notes to Financial Statements

### For the year ended December 31, 2023

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#### **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.

#### **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 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.



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# First Trust Exchange-Traded Funds

## Notes to Financial Statements

### For the year ended December 31, 2023

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#### **(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.

#### **(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.

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## First Trust Exchange-Traded Funds

### Notes to Financial Statements

#### For the year ended December 31, 2023

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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:

- 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.

**First Trust Exchange-Traded Funds**  
**Notes to Financial Statements**  
**For the year ended December 31, 2023**

**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 Common units and Advisor Class units*
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")
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")
Issued Units only
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 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 Cboe Vest Fund of Buffer ETFs (Canada) ETF (BUFR)**
Issued Hedged Units only**
First Trust Cboe Vest U.S. Equity Buffer ETF – August ("AUGB.F")
First Trust Cboe Vest U.S. Equity Buffer ETF – November ("NOVB.F")
First Trust Cboe Vest U.S. Equity Buffer ETF – February ("FEBB.F")
First Trust Cboe Vest U.S. Equity Buffer ETF – May ("MAYB.F")

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## First Trust Exchange-Traded Funds

### Notes to Financial Statements

### For the year ended December 31, 2023

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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 other than differences in management fee rate where the Advisor Class pays additional amount for service fees (See note 7 – Management Fees and Expenses).

A separate net asset value (“NAV”) is calculated for each class of Common Class, Advisor Class, Units, 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.

\*As of February 28, 2022, certain First Trust ETFs that previously offered Advisor Class units are no longer offering such class of units following redesignation by the Manager of Advisor Class units to Common units in order to provide unitholders with a lower cost solution.

\*\*As of January 4, 2024, the Target Outcome Funds changed their names to 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, and First Trust Vest Fund of Buffer ETFs (Canada) ETF.

#### **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.

#### **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.

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# First Trust Exchange-Traded Funds

## Notes to Financial Statements

### For the year ended December 31, 2023

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#### **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.

#### **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.

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# First Trust Exchange-Traded Funds

## Notes to Financial Statements

### For the year ended December 31, 2023

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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 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.*

#### **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.*

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# First Trust Exchange-Traded Funds

## Notes to Financial Statements

### For the year ended December 31, 2023

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#### 6. REDEEMABLE UNITS

Common Class, Advisor Class, Units, 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, and BUFR 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.

As of February 28, 2022, certain First Trust ETFs that previously offered Advisor Class units are no longer offering such class of units following redesignation by the Manager of Advisor Class units to Common units in order to provide unitholders with a lower cost solution.

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 and, in respect of the Advisor Class, an additional amount for a service fee based on the average daily NAV of the applicable First Trust ETF.

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.

**Advisor Class Service Fee:** The Manager pays to registered dealers a service fee equal to 1.00% per annum of the NAV of the Advisor Class in respect of all First Trust ETFs, other than ETP, FSL, and 0.50% per annum of the NAV of the Advisor Class in respect of ETP, FSL, for each Advisor Class unit held by clients of the registered dealer, plus any applicable taxes. The service fee will be calculated and accrued daily and paid quarterly at the end of each calendar quarter.

As of February 28, 2022, certain First Trust ETFs that previously offered Advisor Class units are no longer offering such class of units following redesignation by the Manager of Advisor Class units to Common units in order to provide unitholders with a lower cost solution.

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.

*The management fees charged are discussed in the Notes to Financial Statements - Specific Information for each First Trust ETF.*

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# First Trust Exchange-Traded Funds

## Notes to Financial Statements

### For the year ended December 31, 2023

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#### 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. As a result of the higher management fees on the Advisor Class, any such cash distributions on the Advisor Class are expected to be less than the distributions payable on the Common Class. Non-cash distributions are reinvested back to the First Trust ETFs.

As of February 28, 2022, the First Trust ETFs no longer are offering Advisor Class units for certain First Trust ETFs which previously offered such units. The Manager successfully redesignated Advisor Class units to Common units providing unitholders with a lower cost solution going forward.

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.*



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# First Trust Exchange-Traded Funds

## Notes to Financial Statements

### For the year ended December 31, 2023

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#### 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.

*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, 2023 and 2022, 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.

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## First Trust Exchange-Traded Funds

### Notes to Financial Statements

### For the year ended December 31, 2023

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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.

#### **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 First Trust ETFs, except FJFB, ETP, and FSL, had no significant investments in debt instruments and/or derivatives as of December 31, 2023 and 2022, as applicable.

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 some First Trust ETFs have inherent currency risk, the currency risk will typically be hedged by entering into foreign currency forward contracts if required, however some moderate currency exposure may be assumed if deemed to be beneficial to the First Trust ETFs.

ETP holds Underlying ETFs and FSL, FDL, BUFR, and the Sector and Industry Funds 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, 2023.

#### **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, 2023

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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.

# First Trust Exchange-Traded Funds

## Notes to Financial Statements

### For the year ended December 31, 2023

**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 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.

## 13. SUBSEQUENT EVENTS

Effective January 4, 2024, the below First Trust ETFs underwent a change in name as follows:

Name as of December 31, 2023	New Name
First Trust Cboe Vest U.S. Equity Buffer ETF – August	First Trust Vest U.S. Equity Buffer ETF – August
First Trust Cboe Vest U.S. Equity Buffer ETF – November	First Trust Vest U.S. Equity Buffer ETF – November
First Trust Cboe Vest U.S. Equity Buffer ETF – February	First Trust Vest U.S. Equity Buffer ETF – February
First Trust Cboe Vest U.S. Equity Buffer ETF – May	First Trust Vest U.S. Equity Buffer ETF – May
First Trust Cboe Vest Fund of Buffer ETFs (Canada) ETF	First Trust Vest Fund of Buffer ETFs (Canada) ETF

First Trust Exchange-Traded Funds  
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**14. CORRECTION OF PRIOR YEAR COMPARATIVE CLASSIFICATION**

**2022 Statement of Cash Flow Classification** - In the Statement of Cash Flow of the below First Trust ETF for the year ended December 31, 2022 presented in the prior year, there was a classification error between amount paid on redemption of units and the amount received from reinvestment of distributions. This has been corrected in the 2022 comparatives presented in the current year. There was no impact to the First Trust ETF's NAV as at December 31, 2022 Statement of Cash Flow. The following table summarizes the impact:

Statement of Cash Flows	Year ended December 31, 2022 (\$)		
	As previously presented	Reclassification	As presented in the current year
<b>First Trust CBOE Vest U.S. Equity Buffer ETF – August (AUGB.F)</b>			
Amount paid on redemption of units	–	(5,534,065)	(5,534,065)
Amount received from reinvestment of distributions	(5,534,065)	5,534,065	–
Cash flow from (used) in Financing Activities	(5,534,065)	–	(5,534,065)

**2022 Statements of Comprehensive Income Classification** - In the Statements of Comprehensive Income of the below First Trust ETFs for the year ended December 31, 2022 presented in the prior year, there was a classification error between net realized gain (loss) on foreign exchange and change in unrealized appreciation (depreciation) of foreign exchange. These have been corrected in the 2022 comparatives presented in the current year. There was no impact to the affected First Trust ETFs' NAVs as at December 31, 2022 Statements of Comprehensive Income. The following table summarizes the impact:

Statements of Comprehensive Income	Year ended December 31, 2022 (\$)		
	As previously presented	Reclassification	As presented in the current year
<b>First Trust International Capital Strength ETF (FINT)</b>			
Net realized gain (loss) on foreign exchange	–	(2,601)	(2,601)
Change in unrealized appreciation (depreciation) of foreign exchange	(2,601)	2,601	–
Other changes in fair value of investments	(2,601)	–	(2,601)
<b>First Trust Canadian Capital Strength ETF (FST)</b>			
Net realized gain (loss) on foreign exchange	–	(1,174)	(1,174)
Change in unrealized appreciation (depreciation) of foreign exchange	(1,174)	1,174	–
Other changes in fair value of investments	(1,174)	–	(1,174)
<b>First Trust Indxx Innovative Transaction and Process ETF (BLCK)</b>			
Net realized gain (loss) on foreign exchange	–	111	111
Change in unrealized appreciation (depreciation) of foreign exchange	111	(111)	–
Other changes in fair value of investments	111	–	111
<b>First Trust JFL Global Equity ETF (FJFG)</b>			
Net realized gain (loss) on foreign exchange	–	7,268	7,268
Change in unrealized appreciation (depreciation) of foreign exchange	7,268	(7,268)	–
Other changes in fair value of investments	7,268	–	7,268

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