



2022 Annual Financial Statements

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
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First Trust Cboe Vest U.S. Equity Buffer ETF – August • AUGB.F
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As at December 31, 2022

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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
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First Trust JFL Fixed Income Core Plus ETF
First Trust JFL Global Equity ETF

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

The accompanying annual financial statements have been prepared by FT Portfolios Canada Co. the Manager of the First Trust ETFs and approved by the Board of Directors of the Manager. The First Trust ETFs' Manager is responsible for the information and representations contained in these financial statements and other sections of the Annual Reports. The First Trust ETFs' Manager maintains appropriate procedures to ensure that relevant and reliable information is produced. These annual financial statements have been prepared in accordance with 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 Value Line® Dividend Index ETF (CAD-Hedged)
 First Trust Senior Loan ETF (CAD-Hedged)
 First Trust Global Risk Managed Income Index ETF
 First Trust NASDAQ® Clean Edge® Green Energy ETF
 First Trust Indxx NextG ETF
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 First Trust JFL Fixed Income Core Plus ETF
 First Trust JFL Global Equity ETF

(each individually, the "ETF")

ETF	Statements of Financial Position as at:	Statements of Comprehensive Income, Changes in Net Assets Attributable to Holders of Redeemable Units and Cash Flows for:
First Trust Value Line® Dividend Index ETF (CAD-Hedged) First Trust Senior Loan ETF (CAD-Hedged) First Trust Global Risk Managed Income Index ETF First Trust NASDAQ® Clean Edge® Green Energy ETF First Trust Indxx NextG ETF	December 31, 2022 and 2021	The years ended December 31, 2022 and 2021

<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 Canadian Capital Strength ETF</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</p> <p>First Trust JFL Global Equity ETF</p>	<p>December 31, 2022, and 2021</p>	<p>The year ended December 31, 2022 and the period March 19, 2021 to December 31, 2021</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 comprehensive income, changes in net assets attributable to holders of redeemable units and cash flows for the years or periods listed above, and notes to the financial statements, including a summary of significant accounting policies (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 periods 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 and will 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 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.

Auditor’s Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

Deloitte LLP
Chartered Professional Accountants
Licensed Public Accountants
March 13, 2023

First Trust Senior Loan ETF (CAD-Hedged)

STATEMENTS OF FINANCIAL POSITION

As at December 31, 2022 and December 31, 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Assets		
Investments (non-derivative financial assets)	36,924,057	50,066,240
Cash	237,315	180,957
Receivable for portfolio securities sold	299,910	-
Derivative assets	189,371	46,311
Other assets	-	1,411
	37,650,653	50,294,919
Liabilities		
Accrued liabilities	11,961	20,137
Distributions payable to holders of redeemable units	167,871	160,639
Derivative liabilities	330,834	796
	510,666	181,572
Total net assets attributable to holders of redeemable units	37,139,987	50,113,347
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Common Class	37,139,987	45,036,851
Advisor Class	-	5,076,496
Redeemable units outstanding [note 6]		
Common Class	2,238,282	2,514,316
Advisor Class	-	283,948
Net assets attributable to holders of redeemable units per unit		
Common Class	16.59	17.91
Advisor Class	-	17.88

STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Revenues		
Dividends	1,954,794	1,462,580
Interest income for distribution purposes	5,306	39,211
Other changes in fair value of investments and derivatives		
Net realized gain (loss) on sale of investments	(294,266)	(2,236,844)
Net realized gain (loss) on derivatives	(2,681,765)	662,496
Net realized gain (loss) on foreign exchange	(3,261)	115,544
Net change in unrealized appreciation (depreciation) of investments	(95,000)	2,405,874
Net change in unrealized appreciation (depreciation) of derivatives	(186,978)	(868,505)
	(1,301,170)	1,580,356
Foreign exchange gain (loss) on cash	(6,393)	(78,443)
	(1,307,563)	1,501,913
Expenses [note 7]		
Management fees	64,740	83,257
Independent Review Committee fees	7,003	7,678
HST expense	6,479	10,839
Service fees	3,794	26,846
Transaction costs [note 3 and note 9]	1,477	36,356
	83,493	164,976
Expenses waived by the manager	(7,003)	(7,678)
	76,490	157,298
Increase (decrease) in net assets attributable to holders of redeemable units before tax	(1,384,053)	1,344,615
Withholding taxes	292,419	219,909
Increase (Decrease) in net assets attributable to holders of redeemable units	(1,676,472)	1,124,706
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Common Class	(1,641,443)	1,009,235
Advisor Class	(35,029)	115,471
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Common Class	(0.66)	0.46
Advisor Class	(0.13)	0.40

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, 2022 and 2021

	December 31 2022 (\$) Common Class	December 31 2021 (\$) Common Class	December 31 2022 (\$) Advisor Class	December 31 2021 (\$) Advisor Class
Net assets attributable to holders of redeemable units, beginning of year	45,036,851	37,431,477	5,076,496	7,429,762
Increase (Decrease) in net assets attributable to holders of redeemable units	(1,641,443)	1,009,235	(35,029)	115,471
Redeemable unit transactions [note 6]				
Proceeds from issuance of units	12,362,900	15,094,431	-	-
Reinvested distributions	-	-	-	-
Redemption of units	(16,951,722)	(7,376,038)	(5,030,509)	(2,339,663)
	(4,588,822)	7,718,393	(5,030,509)	(2,339,663)
Distributions to holders of redeemable units from:				
Net investment income	(1,576,053)	(1,116,806)	-	(129,074)
Capital gains	-	(5,448)	-	-
Return of capital	(90,546)	-	(10,958)	-
	(1,666,599)	(1,122,254)	(10,958)	(129,074)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	(7,896,864)	7,605,374	(5,076,496)	(2,353,266)
Net assets attributable to holders of redeemable units, end of year	37,139,987	45,036,851	-	5,076,496

	December 31 2022 (\$) Total	December 31 2021 (\$) Total
Net assets attributable to holders of redeemable units, beginning of year	50,113,347	44,861,239
Increase (Decrease) in net assets attributable to holders of redeemable units	(1,676,472)	1,124,706
Redeemable unit transactions [note 6]		
Proceeds from issuance of units	12,362,900	15,094,431
Reinvested distributions	-	-
Redemption of units	(21,982,231)	(9,715,701)
	(9,619,331)	5,378,730
Distributions to holders of redeemable units from:		
Net investment income	(1,576,053)	(1,245,880)
Capital gains	-	(5,448)
Return of capital	(101,504)	-
	(1,677,557)	(1,251,328)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	(12,973,360)	5,252,108
Net assets attributable to holders of redeemable units, end of year	37,139,987	50,113,347

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, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	(1,676,472)	1,124,706
Adjustments for:		
Net realized (gain) loss on sale of investments	294,266	2,236,844
Change in unrealized (appreciation) depreciation of investments and derivatives	281,978	(1,537,369)
Interest receivable	-	96,621
Other assets	1,411	8,432
Other liabilities	(8,176)	(27,752)
Purchases of investments	(9,122,452)	(86,996,258)
Proceeds from the sale of investments	21,575,459	78,970,154
	11,346,014	(6,124,622)
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	12,362,900	15,094,431
Amount paid on redemptions of units	(21,982,231)	(9,715,701)
Distributions paid to unitholders	(1,670,325)	(1,226,024)
	(11,289,656)	4,152,706
Increase (Decrease) in cash for the year	56,358	(1,971,916)
Cash, beginning of year	180,957	2,152,873
Cash, end of year	237,315	180,957
Interest received	5,306	135,832
Dividends received, net of withholding taxes	1,662,375	1,242,671

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, 2022

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 measured at fair value on a recurring basis for the years ended December 31, 2022 and 2021:

	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)
Total	36,924,057	(141,463)	–	36,782,594
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Equities	50,066,240	–	–	50,066,240
Derivative assets	–	46,311	–	46,311
Derivative liabilities	–	(796)	–	(796)
Total	50,066,240	45,515	–	50,111,755

There have been no transfers from one Level to another for the years ended December 31, 2022 and 2021.

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) - As of February 8, 2022, the First Trust ETF previously offered Advisor Class units 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, 2022 and 2021:

Redeemable Units	Common Class	Advisor Class
Outstanding units – January 1, 2021	2,084,316	413,948
Redeemable units issued	840,000	–
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(410,000)	(130,000)
Outstanding units – December 31, 2021	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	–

First Trust Senior Loan ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

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

Annual Management Fee ¹
Units
0.15%

¹The 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, 2022 and 2021, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2022	2021	2022	2021
8,609,464	7,774,045	-	-

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, 2022 and 2021 are as follows:

Transaction Cost (\$)	
2022	2021
1,477	36,356

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2022 and 2021, including amounts owing as at December 31, 2022 and 2021 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2022	2021	2022	2021
64,740	83,257	4,819	6,163

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Effective January 21, 2021, the First Trust ETF is fully invested in the Underlying Fund (see Note A: Investment Objective (Note 1)).

Market risk - As at December 31, 2022 and 2021, 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, 2022 and 2021, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2022		As at December 31, 2021	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P/LSTA Leveraged Loan 100 CAD Hedged	1,526,453	(1,526,453)	1,742,968	(1,742,968)

First Trust Senior Loan ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2022 and 2021:

Currency	As at December 31, 2022		As at December 31, 2021	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	149,872	0.40	574,046	1.15

As at December 31, 2022, 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 \$1,499 (December 31, 2021 - \$5,740). 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, 2022 and 2021:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2022	As at December 31, 2021
Exchange-Traded Fund	99.42	99.91
Total	99.42	99.91

First Trust Senior Loan ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2022

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Exchange-Traded Fund—99.42%				
First Trust Senior Loan Fund	611,580	36,705,630	36,924,057	99.42
		36,705,630	36,924,057	99.42
Total investments				
		36,705,630	36,924,057	99.42
Transaction costs		(1,386)		
Unrealized appreciation on derivatives - see Schedule 1			189,371	0.51
Unrealized depreciation on derivatives - see Schedule 1			(330,834)	(0.89)
Other assets, less liabilities			357,393	0.96
Total Net Assets Attributable to Holders of Redeemable Units		36,704,244	37,139,987	100.00

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	2023-01-31	USD	27,306,920	CAD	37,158,000	0.735	0.739	189,371
									189,371
CIBC World Markets Inc, Toronto	A-1	2023-01-03	USD	28,643,861	CAD	38,653,000	0.741	0.739	(130,788)
CIBC World Markets Inc, Toronto	A-1	2023-01-03	CAD	38,653,000	USD	28,399,523	1.361	1.354	(200,046)
									(330,834)

* 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, 2022 and December 31, 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Assets		
Investments (non-derivative financial assets)	57,804,558	46,233,526
Cash	180,519	206,745
Accrued dividend receivable	117,192	80,510
Receivable for portfolio securities sold	119,158	-
Other assets	31,396	40,531
	58,252,823	46,561,312
Liabilities		
Accrued liabilities	33,847	100,865
Distributions payable to holders of redeemable units	285,842	96,771
	319,689	197,636
Total net assets attributable to holders of redeemable units	57,933,134	46,363,676
Total Net Assets Attributable to Holders of Redeemable Units per class		
Advisor Class	-	26,141,128
Common Class	57,933,134	20,222,548
Redeemable units outstanding [note 6]		
Advisor Class	-	760,726
Common Class	1,429,209	492,993
Net assets attributable to holders of redeemable units per unit		
Advisor Class	-	34.36
Common Class	40.54	41.02

STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Revenues		
Dividends	1,459,844	1,166,834
Other changes in fair value of investments		
Net realized gain (loss) on investments	4,128,198	5,102,535
Change in unrealized appreciation (depreciation) of foreign exchange	(1,174)	(175)
Change in unrealized appreciation (depreciation) of investments	(3,651,021)	2,823,457
	1,935,847	9,092,651
Foreign exchange gain (loss) on cash	1,124	706
	1,936,971	9,093,357
Expenses [note 7]		
Management fees	273,432	272,432
Service fees	40,340	258,128
HST expense	33,558	52,574
Transaction costs [note 3 and note 9]	9,281	12,843
Independent Review Committee fees	7,450	7,974
Interest expense	9	-
	364,070	603,951
Expenses waived by manager	(7,450)	(7,974)
	356,620	595,977
Increase (Decrease) in net assets attributable to holders of redeemable units	1,580,351	8,497,380
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Advisor Class	(97,448)	4,679,285
Common Class	1,677,799	3,818,095
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Advisor Class	(0.13)	5.81
Common Class	1.61	7.53

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, 2022 and 2021

	December 31 2022 (\$) Advisor Class	December 31 2021 (\$) Advisor Class	December 31 2022 (\$) Common Class	December 31 2021 (\$) Common Class
Net assets attributable to holders of redeemable units, beginning of year	26,141,128	24,848,754	20,222,548	18,702,534
Increase (Decrease) in net assets attributable to holders of redeemable units	(97,448)	4,679,285	1,677,799	3,818,095
Redeemable unit transactions [note 6]				
Proceeds from redeemable units issued	-	-	43,108,471	3,470,995
Reinvested distributions	-	-	-	-
Redemption of redeemable units	(26,043,680)	(3,145,193)	(6,056,587)	(5,383,901)
	(26,043,680)	(3,145,193)	37,051,884	(1,912,906)
Distributions to holders of redeemable units from:				
Net investment income	-	(97,517)	(918,402)	(283,414)
Capital gains	-	(144,201)	(100,695)	(101,761)
Return of capital	-	-	-	-
	-	(241,718)	(1,019,097)	(385,175)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	(26,141,128)	1,292,374	37,710,586	1,520,014
Net assets attributable to holders of redeemable units, end of year	-	26,141,128	57,933,134	20,222,548
			December 31 2022 (\$) Total	December 31 2021 (\$) Total
Net assets attributable to holders of redeemable units, beginning of year			46,363,676	43,551,288
Increase (Decrease) in net assets attributable to holders of redeemable units			1,580,351	8,497,380
Redeemable unit transactions [note 6]				
Proceeds from redeemable units issued			43,108,471	3,470,995
Reinvested distributions			-	-
Redemption of redeemable units			(32,100,267)	(8,529,094)
			11,008,204	(5,058,099)
Distributions to holders of redeemable units from:				
Net investment income			(918,402)	(380,931)
Capital gains			(100,695)	(245,962)
Return of capital			-	-
			(1,019,097)	(626,893)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year			11,569,458	2,812,388
Net assets attributable to holders of redeemable units, end of year			57,933,134	46,363,676

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, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	1,580,351	8,497,380
Adjustments for:		
Net realized (gain) loss on investments	(4,128,198)	(5,102,535)
Change in unrealized (appreciation) depreciation of investments	3,651,021	(2,823,457)
Dividends receivable	(36,682)	(9,772)
Other assets	9,135	(432)
Other liabilities	(67,018)	6,795
Purchases of investments	(43,936,687)	(25,234,698)
Proceeds from the sale of investments	32,723,674	30,267,849
	(10,204,404)	5,601,130
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	43,108,471	3,470,995
Amount paid on redemptions of units	(32,100,267)	(8,529,094)
Distributions paid to unitholders	(830,026)	(664,341)
	10,178,178	(5,722,440)
Increase (Decrease) in cash for the year	(26,226)	(121,310)
Cash, beginning of year	206,745	328,055
Cash, end of year	180,519	206,745
Dividends received, net of withholding taxes	1,423,162	1,157,062

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, 2022

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 measured at fair value on a recurring basis for the years ended December 31, 2022 and 2021:

	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
Total	57,804,558	–	–	57,804,558
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Equities	46,233,526	–	–	46,233,526
Total	46,233,526	–	–	46,233,526

There have been no transfers from one Level to another for the years ended December 31, 2022 and 2021.

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) - As of February 8, 2022, the First Trust ETF previously offered Advisor Class units 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, 2022 and 2021:

Redeemable Units	Common Class	Advisor Class
Outstanding units – January 1, 2021	542,993	860,726
Redeemable units issued	100,000	–
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(150,000)	(100,000)
Outstanding units – December 31, 2021	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	–

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%

First Trust Canadian Capital Strength ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

E. TAXATION (NOTE 8)

Tax loss carry-forwards - The net capital and non-capital tax loss carryforwards as at December 31, 2022 and 2021, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2022	2021	2022	2021
20,623,322	21,457,424	-	-

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, 2022 and 2021 are as follows:

Transaction Cost (\$)	
2022	2021
9,281	12,843

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2022 and 2021, including amounts owing as at December 31, 2022 and 2021 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2022	2021	2022	2021
273,432	272,432	30,037	23,095

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at December 31, 2022 and 2021, 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, 2022 and 2021 with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2022		As at December 31, 2021	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P/TSX Composite® Index	2,760,514	(2,760,514)	1,917,138	(1,917,138)

Concentration Risk - The table below summarizes the concentration risk for the years ended December 31, 2022 and 2021:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2022	As at December 31, 2021
Financials	27.95	27.88
Industrials	15.98	11.65
Materials	15.83	12.47
Consumer Discretionary	12.07	12.20
Energy	12.03	7.84
Information Technology	8.02	15.79
Consumer Staples	7.90	11.89
Total	99.78	99.72

First Trust Canadian Capital Strength ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2022

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Consumer Discretionary—12.07%				
Aritzia Inc.	49,161	2,428,735	2,327,774	4.02
Dollarama Inc.	29,191	1,916,577	2,311,635	3.99
Gildan Activewear Inc.	63,439	2,797,325	2,352,318	4.06
		7,142,637	6,991,727	12.07
Consumer Staples—7.90%				
Alimentation Couche-Tard Inc.	38,974	1,622,500	2,318,953	4.00
Loblaw Cos. Ltd.	18,859	2,102,597	2,257,799	3.90
		3,725,097	4,576,752	7.90
Energy—12.03%				
Canadian Natural Resources Ltd.	30,672	1,543,217	2,306,227	3.98
Cenovus Energy Inc.	88,452	1,928,255	2,323,634	4.01
Suncor Energy Inc.	54,466	2,252,356	2,339,315	4.04
		5,723,828	6,969,176	12.03
Financials—27.95%				
Bank of Montreal	18,957	2,623,753	2,325,265	4.01
iA Financial Corp. Inc.	29,452	2,039,328	2,334,660	4.03
Manulife Financial Corp.	95,413	2,128,028	2,304,224	3.98
National Bank of Canada	25,243	2,191,965	2,302,919	3.98
Royal Bank of Canada	18,119	1,880,976	2,306,549	3.98
Sun Life Financial Inc.	36,802	1,962,076	2,313,006	3.99
Toronto-Dominion Bank (The)	26,322	2,325,286	2,307,650	3.98
		15,151,412	16,194,273	27.95
Industrials—15.98%				
ATS Corp.	55,125	2,048,667	2,320,211	4.01
Canadian Pacific Railway Ltd.	22,761	1,557,674	2,297,723	3.97
TFI International Inc.	16,880	1,586,975	2,289,097	3.95
WSP Global Inc.	14,931	2,377,023	2,345,511	4.05
		7,570,339	9,252,542	15.98
Information Technology—8.02%				
CGI Inc.	19,905	1,721,966	2,323,113	4.01
Constellation Software Inc.	1,100	1,603,478	2,325,356	4.01
		3,325,444	4,648,469	8.02
Materials—15.83%				
Franco-Nevada Corp.	12,569	2,320,992	2,319,860	4.00
Nutrien Ltd.	23,071	2,816,211	2,280,568	3.94
Stelco Holdings Inc.	51,643	1,897,191	2,287,269	3.95
Teck Resources Ltd., Class 'B'	44,634	1,885,152	2,283,922	3.94
		8,919,546	9,171,619	15.83
Total investments		51,558,303	57,804,558	99.78
Transaction costs		(5,195)		
Other assets, less liabilities			128,576	0.22
Total Net Assets Attributable to Holders of Redeemable Units		51,553,108	57,933,134	100.00

First Trust Global Risk Managed Income Index ETF

STATEMENTS OF FINANCIAL POSITION As at December 31, 2022 and December 31, 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Assets		
Investments (non-derivative financial assets)	18,637,231	26,553,789
Cash	7,112	80,335
Accrued dividend receivable	73,661	87,232
Other assets	7,931	37,905
	18,725,935	26,759,261
Liabilities		
Accrued liabilities	6,838	10,787
Distributions payable to holders of redeemable units	48,909	62,362
	55,747	73,149
Total net assets attributable to holders of redeemable units	18,670,188	26,686,112
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Common Class	18,670,188	25,458,227
Advisor Class	-	1,227,885
Redeemable units outstanding [note 6]		
Common Class	1,150,811	1,336,214
Advisor Class	-	63,800
Net assets attributable to holders of redeemable units per unit		
Common Class	16.22	19.05
Advisor Class	-	19.25

STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Revenues		
Dividends	778,508	831,694
Other changes in fair value of investments		
Net realized gain (loss) on sale of investments	(219,154)	276,292
Net change in unrealized appreciation (depreciation) of investments	(3,385,523)	871,878
	(2,826,169)	1,979,864
Expenses [note 7]		
Management fees	157,574	154,307
Transaction costs [note 3 and note 9]	25,054	8,510
HST expense	6,093	7,942
Other expense	5,830	-
Independent Review Committee fees	3,614	4,502
Service fees	932	6,042
	199,097	181,303
Expenses waived by manager	(45,836)	(53,399)
	153,261	127,904
Increase (Decrease) in net assets attributable to holders of redeemable units	(2,979,430)	1,851,960
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Common Class	(2,951,729)	1,770,757
Advisor Class	(27,701)	81,203
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Common Class	(2.33)	1.36
Advisor Class	(0.44)	1.27

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, 2022 and 2021

	December 31 2022 (\$) Common Class	December 31 2021 (\$) Common Class	December 31 2022 (\$) Advisor Class	December 31 2021 (\$) Advisor Class
Net assets attributable to holders of redeemable units, beginning of year	25,458,227	22,551,898	1,227,885	1,174,116
Increase (Decrease) in net assets attributable to holders of redeemable units	(2,951,729)	1,770,757	(27,701)	81,203
Redeemable unit transactions [note 6]				
Proceeds from issuance of units	1,197,633	2,772,987	-	-
Reinvested distributions	-	-	-	-
Redemption of units	(4,367,745)	(916,997)	(1,197,632)	-
	(3,170,112)	1,855,990	(1,197,632)	-
Distributions to holders of redeemable units from:				
Net investment income	(647,011)	(694,037)	-	(27,434)
Capital gains	-	(26,381)	-	-
Return of capital	(19,187)	-	(2,552)	-
	(666,198)	(720,418)	(2,552)	(27,434)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	(6,788,039)	2,906,329	(1,227,885)	53,769
Net assets attributable to holders of redeemable units, end of year	18,670,188	25,458,227	-	1,227,885
			December 31 2022 (\$) Total	December 31 2021 (\$) Total
Net assets attributable to holders of redeemable units, beginning of year			26,686,112	23,726,014
Increase (Decrease) in net assets attributable to holders of redeemable units			(2,979,430)	1,851,960
Redeemable unit transactions [note 6]				
Proceeds from issuance of units			1,197,633	2,772,987
Reinvested distributions			-	-
Redemption of units			(5,565,377)	(916,997)
			(4,367,744)	1,855,990
Distributions to holders of redeemable units from:				
Net investment income			(647,011)	(721,471)
Capital gains			-	(26,381)
Return of capital			(21,739)	-
			(668,750)	(747,852)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year			(8,015,924)	2,960,098
Net assets attributable to holders of redeemable units, end of year			18,670,188	26,686,112

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, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	(2,979,430)	1,851,960
Adjustments for:		
Net realized (gain) loss on sale of investments	219,154	(276,292)
Change in unrealized (appreciation) depreciation of investments	3,385,523	(871,878)
Dividends receivable	13,571	(9,243)
Other assets	29,974	(701)
Other liabilities	(3,949)	840
Purchases of investments	(23,715,031)	(11,207,744)
Proceeds from the sale of investments	28,026,912	9,432,160
	4,976,724	(1,080,898)
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	1,197,633	2,772,987
Amount paid on redemptions of units	(5,565,377)	(916,997)
Distributions paid to unitholders	(682,203)	(756,353)
	(5,049,947)	1,099,637
Increase (Decrease) in cash for the year	(73,223)	18,739
Cash, beginning of year	80,335	61,596
Cash, end of year	7,112	80,335
Dividends received, net of withholding taxes	792,079	822,451

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, 2022

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 IndexSM, 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 measured at fair value on a recurring basis for the years ended December 31, 2022 and 2021:

	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
Total	18,637,231	–	–	18,637,231
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Equities	26,553,789	–	–	26,553,789
Total	26,553,789	–	–	26,553,789

There have been no transfers from one Level to another for the years ended December 31, 2022 and 2021.

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) - As of February 8, 2022, the First Trust ETF previously offered Advisor Class units 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, 2022 and 2021:

Redeemable Units	Common Class	Advisor Class
Outstanding units – January 1, 2021	1,236,214	63,800
Redeemable units issued	150,000	–
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(50,000)	–
Outstanding units – December 31, 2021	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	–

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

Annual Management Fee ¹
Units
0.41%

¹Pays 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, 2022

E. TAXATION (NOTE 8)

Tax loss carry-forwards - The net capital and non-capital tax loss carryforwards as at December 31, 2022 and 2021, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2022	2021	2022	2021
1,156,887	1,123,335	–	–

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, 2022 and 2021 are as follows:

Transaction Cost (\$)	
2022	2021
25,054	8,510

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2022 and 2021, including amounts owing as at December 31, 2022 and 2021 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2022	2021	2022	2021
157,574	154,307	6,838	9,193

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at December 31, 2022 and 2021, 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, 2022 and 2021, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Reference Index	As at December 31, 2022		As at December 31, 2021	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
NASDAQ Global Risk Managed Income Index SM	834,557	(834,557)	1,250,244	(1,250,244)

Concentration Risk - The table below summarizes the concentration risk for the years ended December 31, 2022 and 2021:

Holdings	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2022	As at December 31, 2021
Bonds	62.07	45.47
REITs and Preferred Shares	15.45	20.73
Equities	22.30	17.30
Senior Loans	–	16.00
Total	99.82	99.50

First Trust Global Risk Managed Income Index ETF

Notes to Financial Statements - Specific Information

For the year ended December 31, 2022

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2022

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Exchange-Traded Funds—99.82%				
BMO Emerging Markets Bond Hedged to CAD Index ETF	132,476	1,893,341	1,552,619	8.32
BMO Equal Weight REITs Index ETF	14,535	370,331	318,898	1.71
BMO Equal Weight Utilities Index ETF	20,364	533,480	455,543	2.44
BMO High Yield US Corporate Bond Hedged to CAD Index ETF	149,385	1,961,527	1,602,901	8.59
BMO Laddered Preferred Share Index ETF	36,732	330,221	332,057	1.78
BMO Mid Corporate Bond Index ETF	12,791	189,563	185,341	0.99
BMO Mid Federal Bond Index ETF	12,903	188,384	183,997	0.99
BMO Mid-Term US IG Corporate Bond Index ETF	83,006	1,496,723	1,392,011	7.46
Horizons Cdn Select Universe Bond ETF	6,197	306,489	276,386	1.48
iShares 1-5 Year Laddered Government Bond Index ETF	53,094	887,426	881,360	4.72
iShares Canadian Corporate Bond Index ETF	66,204	1,332,594	1,251,256	6.70
iShares Canadian Government Bond Index ETF	36,579	774,524	691,709	3.70
iShares Convertible Bond Index ETF (CAD - Hedged)	146,840	2,623,297	2,443,418	13.09
iShares Core Canadian Long Term Bond Index ETF	27,543	633,037	527,999	2.83
iShares Core S&P / TSX Composite High Dividend Index ETF	18,600	455,610	454,398	2.43
iShares Global Monthly Dividend Index ETF (CAD-Hedged)	69,597	1,420,750	1,395,420	7.47
iShares Global Real Estate Index ETF	6,987	201,170	188,649	1.01
iShares S&P/TSX Canadian Preferred Share Index ETF	190,224	2,293,059	2,044,908	10.95
iShares S&P/TSX Capped Financials Index ETF	10,104	442,312	445,788	2.39
Vanguard Canadian Short-Term Bond Index ETF	26,868	650,689	599,156	3.21
Vanguard FTSE Canadian High Dividend Yield Index ETF	19,505	796,290	803,801	4.30
Vanguard U.S. Dividend Appreciation Index ETF	8,730	610,365	609,616	3.26
		20,391,182	18,637,231	99.82
Total investments		20,391,182	18,637,231	99.82
Transaction costs		(10,618)		
Other assets, less liabilities			32,957	0.18
Total Net Assets Attributable to Holders of Redeemable Units		20,380,564	18,670,188	100.00

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

STATEMENTS OF FINANCIAL POSITION

As at December 31, 2022 and December 31, 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Assets		
Investments (non-derivative financial assets)	8,171,680	14,382,325
Cash	22,356	48,403
Accrued dividend receivable	20,093	26,899
Receivable for portfolio securities sold	443,142	-
Derivative assets	42,943	14,359
Other assets	3,314	9,334
	8,703,528	14,481,320
Liabilities		
Accrued liabilities	5,307	24,936
Payable for portfolio securities purchased	367,434	-
Distributions payable to holders of redeemable units	12,485	14,304
Derivative liabilities	73,331	8,969
	458,557	48,209
Total net assets attributable to holders of redeemable units	8,244,971	14,433,111
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Common Class	8,244,971	9,107,086
Advisor Class	-	5,326,025
Redeemable units outstanding [note 6]		
Common Class	249,693	252,160
Advisor Class	-	147,835
Net assets attributable to holders of redeemable units per unit		
Common Class	33.02	36.12
Advisor Class	-	36.03

STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Revenues		
Dividends	308,186	437,311
Other changes in fair value of investments and derivatives		
Net realized gain (loss) on sale of investments	650,947	2,411,395
Net realized gain (loss) on derivatives	(684,167)	460,651
Net realized gain (loss) on foreign exchange	(2,223)	98
Net change in unrealized appreciation (depreciation) of investments	(1,030,810)	823,311
Net change in unrealized appreciation (depreciation) of derivatives	(35,777)	(355,596)
	(793,844)	3,777,170
Foreign exchange gain (loss) on cash	501	422
	(793,343)	3,777,592
Expenses [note 7]		
Management fees	73,992	113,637
Service fees	7,937	61,444
HST expense	7,655	13,976
Transaction costs [note 3 and note 9]	2,343	2,936
Independent Review Committee fees	1,721	2,887
Interest expense	100	7
	93,748	194,887
Expenses waived by manager	(1,721)	(2,887)
	92,027	192,000
Increase (Decrease) in net assets attributable to holders of redeemable units before tax	(885,370)	3,585,592
Withholding taxes	39,346	56,681
Increase (Decrease) in net assets attributable to holders of redeemable units	(924,716)	3,528,911
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Common Class	(669,186)	2,296,949
Advisor Class	(255,530)	1,231,962
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Common Class	(2.30)	7.48
Advisor Class	(1.73)	6.60

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, 2022 and 2021

	December 31 2022 (\$) Common Class	December 31 2021 (\$) Common Class	December 31 2022 (\$) Advisor Class	December 31 2021 (\$) Advisor Class
Net assets attributable to holders of redeemable units, beginning of year	9,107,086	11,904,424	5,326,025	5,848,893
Increase (Decrease) in net assets attributable to holders of redeemable units	(669,186)	2,296,949	(255,530)	1,231,962
Redeemable unit transactions [note 6]				
Proceeds from issuance of units	5,067,538	1,742,150	-	3,411,871
Reinvested distributions	-	1,068,351	-	549,089
Redemption of units	(5,056,315)	(6,673,271)	(5,067,538)	(5,122,221)
	11,223	(3,862,770)	(5,067,538)	(1,161,261)
Distributions to holders of redeemable units from:				
Net investment income	(185,119)	(162,452)	-	(35,625)
Capital gains	-	(1,068,790)	-	(554,532)
Return of capital	(19,033)	(275)	(2,957)	(3,412)
	(204,152)	(1,231,517)	(2,957)	(593,569)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	(862,115)	(2,797,338)	(5,326,025)	(522,868)
Net assets attributable to holders of redeemable units, end of year	8,244,971	9,107,086	-	5,326,025
			December 31 2022 (\$) Total	December 31 2021 (\$) Total
Net assets attributable to holders of redeemable units, beginning of year			14,433,111	17,753,317
Increase (Decrease) in net assets attributable to holders of redeemable units			(924,716)	3,528,911
Redeemable unit transactions [note 6]				
Proceeds from issuance of units			5,067,538	5,154,021
Reinvested distributions			-	1,617,440
Redemption of units			(10,123,853)	(11,795,492)
			(5,056,315)	(5,024,031)
Distributions to holders of redeemable units from:				
Net investment income			(185,119)	(198,077)
Capital gains			-	(1,623,322)
Return of capital			(21,990)	(3,687)
			(207,109)	(1,825,086)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year			(6,188,140)	(3,320,206)
Net assets attributable to holders of redeemable units, end of year			8,244,971	14,433,111

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, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	(924,716)	3,528,911
Adjustments for:		
Net realized (gain) loss on sale of investments	(650,947)	(2,411,395)
Change in unrealized (appreciation) depreciation of investments and derivatives	1,066,587	(467,715)
Dividends receivable	6,806	4,939
Other assets	6,020	(4,290)
Other liabilities	(19,629)	(2,943)
Purchases of investments	(5,983,845)	(14,398,877)
Proceeds from the sale of investments	11,738,920	20,580,215
	5,239,196	6,828,845
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	5,067,538	5,154,021
Amount paid on redemptions of units	(10,123,853)	(11,795,492)
Distributions paid to unitholders	(208,928)	(215,396)
	(5,265,243)	(6,856,867)
Increase (Decrease) in cash for the year	(26,047)	(28,022)
Cash, beginning of year	48,403	76,425
Cash, end of year	22,356	48,403
Dividends received, net of withholding taxes	275,646	385,569

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, 2022

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 measured at fair value on a recurring basis for the years ended December 31, 2022 and 2021:

	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)
Total	8,171,680	(30,388)	–	8,141,292

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Equities	14,382,325	–	–	14,382,325
Derivative assets	–	14,359	–	14,359
Derivative liabilities	–	(8,969)	–	(8,969)
Total	14,382,325	5,390	–	14,387,715

There have been no transfers from one Level to another for the years ended December 31, 2022 and 2021.

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) - As of February 8, 2022, the First Trust ETF previously offered Advisor Class units 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, 2022 and 2021:

Redeemable Units	Common Class	Advisor Class
Outstanding units – January 1, 2021	402,160	197,835
Redeemable units issued	50,000	100,000
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(200,000)	(150,000)
Outstanding units – December 31, 2021	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	–

First Trust Value Line® Dividend Index ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

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, 2022 and 2021, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2022	2021	2022	2021
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, 2022 and 2021 are as follows:

Transaction Cost (\$)	
2022	2021
2,343	2,936

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2022 and 2021, including amounts owing as at December 31, 2022 and 2021 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2022	2021	2022	2021
73,992	113,637	4,961	8,310

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at December 31, 2022 and 2021, 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, 2022 and 2021, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2022		As at December 31, 2021	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® Index (CAD-Hedged)	317,019	(317,019)	749,010	(749,010)
Dow Jones U.S. Select Dividend™ Index USD	378,444	(378,444)	601,011	(601,011)

First Trust Value Line® Dividend Index ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2022 and 2021:

Currency	As at December 31, 2022		As at December 31, 2021	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	19,862	0.24	540,497	3.74

As at December 31, 2022, 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 \$199 (December 31, 2021 - \$5,405). 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, 2022 and 2021:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2022	As at December 31, 2021
<i>Canada</i>		
Financials	3.42	2.87
Communication Services	1.72	1.44
Industrials	1.13	0.97
Information Technology	0.59	0.95
Utilities	0.57	0.48
<i>United States</i>		
Utilities	21.07	18.99
Consumer Staples	14.03	9.71
Industrials	11.99	14.46
Financials	10.83	14.35
Information Technology	7.48	7.15
Health Care	6.85	6.69
Materials	5.14	5.33
Consumer Discretionary	4.00	3.39
Communication Services	1.16	1.42
<i>International</i>		
Switzerland	2.30	2.38
United Kingdom	1.70	1.91
Ireland	1.15	1.91
Bermuda	1.13	0.97
India	0.57	0.48
France	0.57	0.47
Japan	0.57	0.94
Germany	0.57	0.95
Taiwan	0.57	0.47
Israel	–	0.49
Denmark	–	0.48
Total	99.11	99.65

First Trust Value Line® Dividend Index ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2022

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
CANADIAN EQUITIES				
Communication Services—1.72%				
BCE Inc.	789	47,816	46,952	0.57
Rogers Communications Inc., Class 'B'	772	45,378	48,961	0.59
TELUS Corp.	1,770	47,201	46,278	0.56
		140,395	142,191	1.72
Financials—3.42%				
Bank of Montreal	386	43,296	47,352	0.57
Bank of Nova Scotia	713	51,331	47,285	0.57
Canadian Imperial Bank of Commerce	850	50,972	46,554	0.57
Royal Bank of Canada	369	42,366	46,975	0.57
Sun Life Financial Inc.	750	45,060	47,140	0.57
Toronto-Dominion Bank (The)	536	42,694	46,999	0.57
		275,719	282,305	3.42
Industrials—1.13%				
Canadian National Railway Co.	289	41,322	46,519	0.56
Enbridge Inc.	882	42,947	46,694	0.57
		84,269	93,213	1.13
Information Technology—0.59%				
Open Text Corp.	1,202	59,959	48,239	0.59
		59,959	48,239	0.59
Utilities—0.57%				
Fortis Inc.	859	46,524	46,570	0.57
		46,524	46,570	0.57
		606,866	612,518	7.43
UNITED STATES EQUITIES				
Communication Services—1.16%				
Comcast Corp., Class 'A'	991	56,954	46,923	0.57
Verizon Communications Inc.	907	59,842	48,386	0.59
		116,796	95,309	1.16
Consumer Discretionary—4.00%				
Gentex Corp.	1,290	51,221	47,631	0.58
Home Depot Inc. (The)	109	40,863	46,617	0.56
Lowe's Cos. Inc.	172	42,739	46,401	0.56
McDonald's Corp.	130	38,191	46,387	0.56
Starbucks Corp.	354	43,236	47,548	0.58
Tractor Supply Co.	160	40,058	48,737	0.59
Yum! Brands Inc.	270	40,796	46,823	0.57
		297,104	330,144	4.00
Consumer Staples—14.03%				
Altria Group Inc.	753	42,947	46,604	0.56
Archer-Daniels-Midland Co.	368	29,046	46,265	0.56
Cal-Maine Foods Inc.	539	38,665	39,738	0.48
Campbell Soup Co.	608	36,057	46,718	0.57
Clorox Co. (The)	242	52,028	45,982	0.56
Coca-Cola Co. (The)	546	38,481	47,026	0.57

First Trust Value Line® Dividend Index ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

Colgate-Palmolive Co.	438	43,008	46,727	0.57
Conagra Brands Inc.	897	38,992	47,003	0.57
Flowers Foods Inc.	1,192	41,288	46,385	0.56
General Mills Inc.	408	32,992	46,321	0.56
Hershey Co. (The)	148	32,574	46,405	0.56
Hormel Foods Corp.	763	47,263	47,058	0.57
Ingredion Inc.	352	37,197	46,674	0.57
J&J Snack Foods Corp.	227	43,313	46,015	0.56
J.M. Smucker Co. (The)	218	35,250	46,773	0.57
Kellogg Co.	482	41,059	46,493	0.56
Keurig Dr Pepper Inc.	957	45,749	46,207	0.56
Kimberly-Clark Corp.	254	43,038	46,687	0.57
Kroger Co. (The)	759	46,772	45,814	0.56
Lancaster Colony Corp.	173	47,113	46,216	0.56
McCormick & Co. Inc.	413	46,748	46,352	0.56
Mondelez International Inc., Class 'A'	519	38,744	46,837	0.57
PepsiCo Inc.	191	36,583	46,721	0.57
Procter & Gamble Co. (The)	228	39,513	46,788	0.57
Reynolds Consumer Products Inc.	1,146	42,489	46,519	0.56
		1,016,909	1,156,328	14.03

Financials—10.83%

Aflac Inc.	485	31,103	47,242	0.57
Allstate Corp. (The)	255	39,267	46,819	0.57
American Tower Corp.	164	50,468	47,045	0.57
Assurant Inc.	279	57,468	47,243	0.57
Bank of New York Mellon Corp. (The)	780	46,633	48,075	0.58
BlackRock Inc.	49	42,905	47,015	0.57
Camden Property Trust	313	50,048	47,415	0.58
CME Group Inc.	206	50,469	46,904	0.57
Crown Castle International Corp.	254	53,608	46,649	0.57
Goldman Sachs Group Inc. (The)	101	39,694	46,959	0.57
Hanover Insurance Group Inc. (The)	253	42,863	46,290	0.56
Houlihan Lokey Inc.	391	38,857	46,144	0.56
JPMorgan Chase & Co.	265	44,544	48,116	0.58
Mid-America Apartment Communities Inc.	223	44,691	47,402	0.57
Public Storage Inc.	123	44,721	46,663	0.57
Realty Income Corp.	541	47,390	46,463	0.56
T. Rowe Price Group Inc.	313	56,318	46,220	0.56
Travelers Cos. Inc. (The)	184	34,994	46,710	0.57
U.S. Bancorp	806	51,246	47,593	0.58
		867,287	892,967	10.83

Health Care—6.85%

Abbott Laboratories	322	46,297	47,867	0.58
AbbVie Inc.	214	47,113	46,828	0.57
Amgen Inc.	132	39,224	46,941	0.57
Baxter International Inc.	694	65,174	47,895	0.58
Bristol-Myers Squibb Co.	478	39,550	46,567	0.56
CVS Health Corp.	372	38,693	46,939	0.57
Gilead Sciences Inc.	411	36,723	47,775	0.58
Johnson & Johnson	196	40,746	46,880	0.57

First Trust Value Line® Dividend Index ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

Merck & Co. Inc.	311	30,932	46,720	0.57
Pfizer Inc.	672	38,582	46,623	0.56
Premier Inc., Class 'A'	990	43,847	46,889	0.57
Quest Diagnostics Inc.	223	37,972	47,236	0.57
		504,853	565,160	6.85
Industrials—11.99%				
3M Co.	290	60,681	47,088	0.57
A. O. Smith Corp.	612	46,960	47,432	0.58
C.H. Robinson Worldwide Inc.	374	45,082	46,365	0.56
Caterpillar Inc.	145	33,890	47,033	0.57
Cummins Inc.	144	39,759	47,241	0.57
Emerson Electric Co.	364	37,872	47,344	0.57
Fastenal Co.	729	44,235	46,708	0.57
General Dynamics Corp.	140	33,930	47,032	0.57
Honeywell International Inc.	163	39,803	47,296	0.57
Hubbell Inc.	148	33,131	47,028	0.57
Illinois Tool Works Inc.	157	39,968	46,831	0.57
Johnson Controls International PLC	543	42,887	47,054	0.57
L3Harris Technologies Inc.	169	45,600	47,644	0.58
Lockheed Martin Corp.	72	35,164	47,427	0.58
Norfolk Southern Corp.	141	44,306	47,045	0.57
Raytheon Technologies Corp.	351	37,467	47,962	0.58
Robert Half International Inc.	475	47,889	47,484	0.58
Snap-On Inc.	153	38,243	47,334	0.57
Union Pacific Corp.	166	43,915	46,542	0.56
United Parcel Service Inc., Class 'B'	197	42,922	46,370	0.56
Watsco Inc., Class 'A'	138	43,984	46,601	0.57
		877,688	988,861	11.99
Information Technology—7.48%				
Amdocs Ltd.	390	37,471	48,001	0.58
Analog Devices Inc.	213	39,714	47,307	0.57
Automatic Data Processing Inc.	145	36,002	46,895	0.57
Avnet Inc.	834	39,481	46,954	0.57
Broadridge Financial Solutions Inc., ADR	259	50,172	47,037	0.57
Cisco Systems Inc.	733	45,549	47,282	0.57
Cognizant Technology Solutions Corp., Class 'A'	622	54,251	48,165	0.58
CSG Systems International Inc.	613	46,058	47,476	0.58
Fidelity National Information Services Inc.	520	61,074	47,772	0.58
Intel Corp.	1,335	70,889	47,775	0.58
Juniper Networks Inc.	1,100	37,300	47,601	0.58
Paychex Inc.	300	39,561	46,940	0.57
Texas Instruments Inc.	212	43,356	47,426	0.58
		600,878	616,631	7.48
Materials—5.14%				
Air Products and Chemicals Inc.	112	35,876	46,747	0.57
Avery Dennison Corp.	192	47,173	47,054	0.57
International Flavors & Fragrances Inc.	335	53,705	47,555	0.58
NewMarket Corp.	112	49,194	47,179	0.57
Packaging Corp. of America	271	47,615	46,935	0.57
PPG Industries Inc.	275	51,491	46,819	0.57

First Trust Value Line® Dividend Index ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

Sensient Technologies Corp.	477	47,181	47,096	0.57
Sonoco Products Co.	576	44,235	47,348	0.57
WD-40 Co.	216	54,387	47,148	0.57
		430,857	423,881	5.14

Utilities—21.07%

Allete Inc.	539	45,690	47,080	0.57
Alliant Energy Corp.	630	44,058	47,095	0.57
Ameren Corp.	389	41,061	46,835	0.57
American Electric Power Co. Inc.	364	41,342	46,797	0.57
American States Water Co.	372	39,311	46,616	0.57
Atmos Energy Corp.	303	41,158	45,978	0.56
Avangrid Inc.	805	49,901	46,847	0.57
Avista Corp.	794	43,693	47,669	0.58
Black Hills Corp.	499	43,021	47,525	0.58
Chesapeake Utilities Corp.	291	41,697	46,565	0.56
CMS Energy Corp.	547	42,959	46,905	0.57
Consolidated Edison Inc.	363	38,195	46,845	0.57
Dominion Energy Inc.	573	54,773	47,575	0.58
DTE Energy Co.	294	41,155	46,786	0.57
Duke Energy Corp.	338	42,150	47,134	0.57
Entergy Corp.	307	43,433	46,764	0.57
Evergy Inc.	550	43,594	46,864	0.57
Eversource Energy	413	44,109	46,883	0.57
Exelon Corp.	809	36,846	47,353	0.57
Hawaiian Electric Industries Inc.	835	43,725	47,315	0.57
IDACORP Inc.	323	42,104	47,167	0.57
New Jersey Resources Corp.	702	35,657	47,164	0.57
NextEra Energy Inc.	414	38,793	46,862	0.57
NorthWestern Corp.	595	46,418	47,806	0.58
OGE Energy Corp.	870	40,068	46,589	0.56
ONE Gas Inc.	461	46,457	47,264	0.57
Otter Tail Corp.	598	42,066	47,537	0.58
Pinnacle West Capital Corp.	447	44,623	46,022	0.56
PNM Resources Inc.	714	43,820	47,168	0.57
Portland General Electric Co.	711	42,798	47,172	0.57
Public Service Enterprise Group Inc.	570	43,996	47,287	0.57
Sempra Energy	221	38,739	46,244	0.56
Southern Co. (The)	485	39,302	46,894	0.57
Spire Inc.	500	45,639	46,618	0.57
UGI Corp.	933	49,152	46,830	0.57
WEC Energy Group Inc.	365	43,483	46,337	0.56
Xcel Energy Inc.	491	41,686	46,610	0.56

1,586,672 1,737,002 21.07

6,299,044 6,806,283 82.55

INTERNATIONAL EQUITIES

Bermuda—1.13%

Axis Capital Holdings Ltd.	635	47,907	46,575	0.56
Everest Re Group Ltd.	104	33,313	46,648	0.57
		81,220	93,223	1.13

First Trust Value Line® Dividend Index ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

France—0.57%				
Sanofi SA, ADR	718	44,067	47,082	0.57
		44,067	47,082	0.57
Germany—0.57%				
SAP SE, ADR	336	49,325	46,946	0.57
		49,325	46,946	0.57
India—0.57%				
Infosys Ltd., ADR	1,943	43,771	47,381	0.57
		43,771	47,381	0.57
Ireland—1.15%				
Accenture PLC, Class 'A'	131	47,613	47,330	0.58
Medtronic PLC	449	59,391	47,250	0.57
		107,004	94,580	1.15
Japan—0.57%				
Toyota Motor Corp., ADR	254	49,921	46,972	0.57
		49,921	46,972	0.57
Switzerland—2.30%				
ABB Ltd., ADR	1,149	42,820	47,388	0.57
Garmin Ltd.	382	55,211	47,735	0.58
Novartis AG, ADR	383	42,547	47,046	0.57
TE Connectivity Ltd.	306	58,128	47,564	0.58
		198,706	189,733	2.30
Taiwan—0.57%				
Taiwan Semiconductor Manufacturing Co. Ltd., ADR	465	51,846	46,900	0.57
		51,846	46,900	0.57
United Kingdom—1.70%				
AstraZeneca PLC, ADR	512	36,501	47,002	0.57
Diageo PLC, ADR	193	42,855	46,565	0.57
Unilever PLC, ADR	682	46,987	46,495	0.56
		126,343	140,062	1.70
Total investments		7,658,113	8,171,680	99.11
Transaction costs			(1,077)	
Unrealized appreciation on derivatives - see Schedule 1			42,943	0.52
Unrealized depreciation on derivatives - see Schedule 1			(73,331)	(0.89)
Other assets, less liabilities			103,679	1.26
Total Net Assets Attributable to Holders of Redeemable Units		7,657,036	8,244,971	100.00

Schedule 1

Counterparty	Credit Rating of Counterparty*	Settlement Date	Currency	Amount		Currency	Amount	Forward Rate	Current Rate	Appreciation (Depreciation)
				Sell	Sold					
Bank of New York Mellon (The), New York	A-1+	2023-01-31	USD	6,051,811		CAD	8,236,000	0.735	0.739	42,943
										42,943
Bank of New York Mellon (The), New York	A-1+	2023-01-03	USD	6,250,162		CAD	8,434,000	0.741	0.739	(28,719)
Bank of New York Mellon (The), New York	A-1+	2023-01-03	CAD	8,434,000		USD	6,196,004	1.361	1.354	(44,612)
										(73,331)

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

First Trust Nasdaq[®] Clean Edge[®] Green Energy ETF

STATEMENTS OF FINANCIAL POSITION As at December 31, 2022 and December 31, 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Assets		
Investments (non-derivative financial assets)	11,510,603	17,190,916
Cash	24,318	20,361
Other assets	902	513
	11,535,823	17,211,790
Liabilities		
Accrued liabilities	1,897	2,572
Distributions payable to holders of redeemable units	-	14,457
	1,897	17,029
Total net assets attributable to holders of redeemable units	11,533,926	17,194,761
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Units	11,533,926	17,194,761
Redeemable units outstanding [note 6]		
Units	550,000	610,000
Net assets attributable to holders of redeemable units per unit		
Units	20.97	28.19

STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Revenues		
Dividends	39,656	17,199
Other changes in fair value of investments		
Net realized gain (loss) on sale of investments	(820,134)	1,392,236
Net realized gain (loss) on foreign exchange	28	30
Net change in unrealized appreciation (depreciation) of investments	(3,279,997)	(2,070,704)
	(4,060,447)	(661,239)
Foreign exchange gain (loss) on cash	(264)	(172)
	(4,060,711)	(661,411)
Expenses [note 7]		
Management fees	22,149	21,205
Independent Review Committee fees	2,383	1,992
HST expense	1,903	2,182
Interest expense	5	1
Transaction costs [note 3 and note 9]	2	2,488
	26,442	27,868
Expenses waived by manager	(2,383)	(1,992)
	24,059	25,876
Increase (Decrease) in net assets attributable to holders of redeemable units before tax	(4,084,770)	(687,287)
Withholding taxes	5,928	2,545
Increase (Decrease) in net assets attributable to holders of redeemable units	(4,090,698)	(689,832)
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Units	(4,090,698)	(689,832)
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Units	(6.80)	(1.64)

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[®] Clean Edge[®] Green Energy ETF

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

For the years ended December 31, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Net assets attributable to holders of redeemable units, beginning of year	17,194,761	4,699,573
Increase (Decrease) in net assets attributable to holders of redeemable units	(4,090,698)	(689,832)
Redeemable unit transactions [note 6]		
Proceeds from issuance of units	5,959,388	16,436,395
Reinvested distributions	-	224,480
Redemption of units	(7,529,525)	(3,232,218)
	(1,570,137)	13,428,657
Distributions to holders of redeemable units from:		
Net investment income	-	(19,146)
Capital gains	-	(224,480)
Return of capital	-	(11)
	-	(243,637)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	(5,660,835)	12,495,188
Net assets attributable to holders of redeemable units, end of year	11,533,926	17,194,761

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

First Trust Nasdaq[®] Clean Edge[®] Green Energy ETF

STATEMENTS OF CASH FLOW For the years ended December 31, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	(4,090,698)	(689,832)
Adjustments for:		
Net realized (gain) loss on sale of investments	820,134	(1,392,236)
Change in unrealized (appreciation) depreciation of investments	3,279,997	2,070,704
Dividends receivable	-	6,300
Other assets	(389)	(357)
Other liabilities	(675)	(522)
Purchases of investments	(5,956,382)	(22,755,713)
Proceeds from the sale of investments	7,536,564	9,580,017
	1,588,551	(13,181,639)
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	5,959,388	16,436,395
Amount paid on redemptions of units	(7,529,525)	(3,232,218)
Distributions paid to unitholders	(14,457)	(21,050)
	(1,584,594)	13,183,127
Increase (Decrease) in cash for the year	3,957	1,488
Cash, beginning of year	20,361	18,873
Cash, end of year	24,318	20,361
Dividends received, net of withholding taxes	33,728	20,954

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, 2022

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 IndexSM.

The NASDAQ® Clean Edge® Green Energy IndexSM 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 measured at fair value on a recurring basis for the years ended December 31, 2022 and 2021:

	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
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Equities	17,190,916	–	–	17,190,916
Total	17,190,916	–	–	17,190,916

There have been no transfers from one Level to another for the years ended December 31, 2022 and 2021.

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, 2022 and 2021:

Redeemable Units	Units
Outstanding units – January 1, 2021	150,000
Redeemable units issued	570,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(110,000)
Outstanding units – December 31, 2021	610,000
Redeemable units issued	250,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(310,000)
Outstanding units – December 31, 2022	550,000

First Trust Nasdaq® Clean Edge® Green Energy ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

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

Annual Management Fee ¹
Units
0.15%

¹ 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, 2022 and 2021, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2022	2021	2022	2021
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, 2022 and 2021 are as follows:

Transaction Cost (\$)	
2022	2021
2	2,488

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2022 and 2021, including amounts owing as at December 31, 2022 and 2021 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2022	2021	2022	2021
22,149	21,205	1,679	2,275

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Effective February 17, 2021, the First Trust ETF is fully invested in the Underlying Fund (see Note A: Investment Objective (Note 1)).

Market risk - As at December 31, 2022 and 2021, 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, 2022 and 2021, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2022		As at December 31, 2021	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® Index	732,404	(732,404)	1,071,004	(1,071,004)

First Trust Nasdaq® Clean Edge® Green Energy ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2022 and 2021:

Currency	As at December 31, 2022		As at December 31, 2021	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	11,533,988	100.00	17,192,971	99.99

As at December 31, 2022, 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 \$115,340 (December 31, 2021 – \$171,930). 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, 2022 and 2021:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2022	As at December 31, 2021
Exchange-Traded Fund	99.80	99.98
Total	99.80	99.98

First Trust Nasdaq® Clean Edge® Green Energy ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2022

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Exchange-Traded Fund—99.80%				
First Trust NASDAQ® Clean Edge® Green Energy Index Fund	180,148	15,914,749	11,510,603	99.80
		15,914,749	11,510,603	99.80
Total investments		15,914,749	11,510,603	99.80
Other assets, less liabilities			23,323	0.20
Total Net Assets Attributable to Holders of Redeemable Units		15,914,749	11,533,926	100.00

First Trust Indxx NextG ETF

STATEMENTS OF FINANCIAL POSITION As at December 31, 2022 and December 31, 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Assets		
Investments (non-derivative financial assets)	1,409,335	2,406,816
Cash	6,007	31,796
Other assets	-	61
	1,415,342	2,438,673
Liabilities		
Accrued liabilities	257	353
Payable for portfolio securities purchased	4,997	-
	5,254	353
Total net assets attributable to holders of redeemable units	1,410,088	2,438,320
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Units	1,410,088	2,438,320
Redeemable units outstanding [note 6]		
Units	180,000	250,000
Net assets attributable to holders of redeemable units per unit		
Units	7.83	9.75

STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Revenues		
Dividends	33,838	60,030
Other changes in fair value of investments		
Net realized gain (loss) on sale of investments	(67,410)	383,760
Net realized gain (loss) on foreign exchange	(172)	120
Net change in unrealized appreciation (depreciation) of investments	(434,054)	135,164
	(467,798)	579,074
Foreign exchange gain (loss) on cash	103	(258)
	(467,695)	578,816
Expenses [note 7]		
Management fees	2,837	4,644
HST expense	350	501
Independent Review Committee fees	307	413
Transaction costs [note 3 and note 9]	8	1,158
	3,502	6,716
Expenses waived by manager	(307)	(413)
	3,195	6,303
Increase (Decrease) in net assets attributable to holders of redeemable units before tax	(470,890)	572,513
Withholding taxes	3,940	9,051
Increase (Decrease) in net assets attributable to holders of redeemable units	(474,830)	563,462
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Units	(474,830)	563,462
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Units	(2.08)	2.07

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, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Net assets attributable to holders of redeemable units, beginning of year	2,438,320	1,080,053
Increase (Decrease) in net assets attributable to holders of redeemable units	(474,830)	563,462
Redeemable unit transactions [note 6]		
Proceeds from issuance of units	333,742	3,889,387
Reinvested distributions	-	-
Redemption of units	(887,144)	(3,094,582)
	(553,402)	794,805
Distributions to holders of redeemable units from:		
Net investment income	-	-
Capital gains	-	-
Return of capital	-	-
	-	-
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	(1,028,232)	1,358,267
Net assets attributable to holders of redeemable units, end of year	1,410,088	2,438,320

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, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	(474,830)	563,462
Adjustments for:		
Net realized (gain) loss on sale of investments	67,410	(383,760)
Change in unrealized (appreciation) depreciation of investments	434,054	(135,164)
Dividends receivable	-	279
Other assets	61	(21)
Other liabilities	(96)	(384)
Purchases of investments	(384,383)	(5,904,044)
Proceeds from the sale of investments	885,397	5,091,926
	527,613	(767,706)
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	333,742	3,889,387
Amount paid on redemptions of units	(887,144)	(3,094,582)
Distributions paid to unitholders	-	-
	(553,402)	794,805
Increase (Decrease) in cash for the year	(25,789)	27,099
Cash, beginning of year	31,796	4,697
Cash, end of year	6,007	31,796
Dividends received, net of withholding taxes	29,898	51,258

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, 2022

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 IndexSM.

The Indxx 5G & NextG Thematic IndexSM 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 measured at fair value on a recurring basis for the years ended December 31, 2022 and 2021:

	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
Total	1,409,335	–	–	1,409,335
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Equities	2,406,816	–	–	2,406,816
Total	2,406,816	–	–	2,406,816

There have been no transfers from one Level to another for the years ended December 31, 2022 and 2021.

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, 2022 and 2021:

Redeemable Units	Units
Outstanding units – January 1, 2021	150,000
Redeemable units issued	460,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(360,000)
Outstanding units – December 31, 2021	250,000
Redeemable units issued	40,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(110,000)
Outstanding units – December 31, 2022	180,000

First Trust Indxx NextG ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

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

Annual Management Fee ¹
Units
0.15%

¹ 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, 2022 and 2021, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2022	2021	2022	2021
15,383	–	1,160,846	960,094

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, 2022 and 2021:

Transaction Cost (\$)	
2022	2021
8	1,158

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2022 and 2021, including amounts owing as at December 31, 2022 and 2021 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2022	2021	2022	2021
2,837	4,644	194	307

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Effective February 17, 2021, the First Trust ETF is fully invested in the Underlying Fund (see Note A: Investment Objective (Note 1)).

Market risk - As at December 31, 2022 and 2021, 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, 2022 and 2021, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2022		As at December 31, 2021	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
MSCI ACWI Index CAD	71,491	(71,491)	100,844	(100,844)

First Trust Indxx NextG ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2022 and 2021:

Currency	As at December 31, 2022		As at December 31, 2021	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	1,409,342	99.95	2,435,810	99.90

As at December 31, 2022, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$14,093 (December 31, 2021 - \$24,358). 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, 2022 and 2021:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2022	As at December 31, 2021
Exchange-Traded Fund	99.95	98.71
Total	99.95	98.71

First Trust Indxx NextG ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2022

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Exchange-Traded Fund—99.95%				
First Trust Indxx NextG ETF	17,069	1,605,585	1,409,335	99.95
		1,605,585	1,409,335	99.95
Total investments		1,605,585	1,409,335	99.95
Transaction costs		(33)		
Other assets, less liabilities			753	0.05
Total Net Assets Attributable to Holders of Redeemable Units		1,605,552	1,410,088	100.00

First Trust Nasdaq Cybersecurity ETF

STATEMENTS OF FINANCIAL POSITION As at December 31, 2022 and December 31, 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Assets		
Investments (non-derivative financial assets)	26,221,870	32,784,160
Cash	55,673	243,592
Other assets	2,068	883
	26,279,611	33,028,635
Liabilities		
Accrued liabilities	3,847	3,332
Distributions payable to holders of redeemable units	-	268,716
	3,847	272,048
Total net assets attributable to holders of redeemable units	26,275,764	32,756,587
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Units	26,275,764	32,756,587
Redeemable units outstanding [note 6]		
Units	860,000	840,000
Net assets attributable to holders of redeemable units per unit		
Units	30.55	39.00

STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Revenues		
Dividends	81,993	143,064
Other changes in fair value of investments		
Net realized gain (loss) on sale of investments	652,639	1,239,229
Net realized gain (loss) on foreign exchange	1	799
Net change in unrealized appreciation (depreciation) of investments	(7,332,127)	706,056
	(6,597,494)	2,089,148
Foreign exchange gain (loss) on cash	188	(245)
	(6,597,306)	2,088,903
Expenses [note 7]		
Management fees	43,337	19,689
Independent Review Committee fees	4,687	1,748
HST expense	3,516	1,657
Transaction costs [note 3 and note 9]	34	2,482
Interest expense	2	4
	51,576	25,580
Expenses waived by manager	(4,687)	(1,748)
	46,889	23,832
Increase (Decrease) in net assets attributable to holders of redeemable units before tax	(6,644,195)	2,065,071
Withholding taxes	12,326	21,663
Increase (Decrease) in net assets attributable to holders of redeemable units	(6,656,521)	2,043,408
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Units	(6,656,521)	2,043,408
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Units	(7.68)	7.07

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, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Net assets attributable to holders of redeemable units, beginning of year	32,756,587	4,559,184
Increase (Decrease) in net assets attributable to holders of redeemable units	(6,656,521)	2,043,408
Redeemable unit transactions [note 6]		
Proceeds from issuance of units	12,718,443	37,126,830
Reinvested distributions	52,976	-
Redemption of units	(12,437,613)	(10,704,119)
	333,806	26,422,711
Distributions to holders of redeemable units from:		
Net investment income	(12,646)	(175,910)
Capital gains	(145,462)	(92,806)
Return of capital	-	-
	(158,108)	(268,716)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	(6,480,823)	28,197,403
Net assets attributable to holders of redeemable units, end of year	26,275,764	32,756,587

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, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	(6,656,521)	2,043,408
Adjustments for:		
Net realized (gain) loss on sale of investments	(652,639)	(1,239,229)
Change in unrealized (appreciation) depreciation of investments	7,332,127	(706,056)
Dividends receivable	-	1,646
Other assets	(1,185)	1,015
Other liabilities	515	(713)
Purchases of investments	(12,717,542)	(43,024,726)
Proceeds from the sale of investments	12,600,344	16,734,869
	(94,901)	(26,189,786)
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	12,718,443	37,126,830
Amount paid on redemptions of units	(12,437,613)	(10,704,119)
Distributions paid to unitholders	(373,848)	(4,650)
	(93,018)	26,418,061
Increase (decrease) in cash for the year	(187,919)	228,275
Cash, beginning of year	243,592	15,317
Cash, end of year	55,673	243,592
Dividends received, net of withholding taxes	69,667	123,047

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, 2022

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 measured at fair value on a recurring basis for the years ended December 31, 2022 and 2021:

	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
Total	26,221,870	–	–	26,221,870
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Equities	32,784,160	–	–	32,784,160
Total	32,784,160	–	–	32,784,160

There have been no transfers from one Level to another for the years ended December 31, 2022 and 2021.

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, 2022 and 2021:

Redeemable Units	Units
Outstanding units – January 1, 2021	150,000
Redeemable units issued	990,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(300,000)
Outstanding units – December 31, 2021	840,000
Redeemable units issued	370,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(350,000)
Outstanding units – December 31, 2022	860,000

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

Annual Management Fee ¹
Units
0.15%

¹The 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 Nasdaq Cybersecurity ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

E. TAXATION (NOTE 8)

Tax loss carry-forwards - The net capital and non-capital tax loss carryforwards as at December 31, 2022 and 2021 are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2022	2021	2022	2021
-	436,557	-	-

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, 2022 and 2021 are as follows:

Transaction Cost (\$)	
2022	2021
34	2,482

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2022 and 2021, including amounts owing as at December 31, 2022 and 2021 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2022	2021	2022	2021
43,337	19,689	3,404	2,949

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Effective February 17, 2021, the First Trust ETF is fully invested in the Underlying ETF (see Note A: Investment Objective (Note 1)).

Market risk - As at December 31, 2022 and 2021, 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, 2022 and 2021, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2022		As at December 31, 2021	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® Index	1,316,422	(1,316,422)	1,685,516	(1,685,516)

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2022 and 2021:

Currency	As at December 31, 2022		As at December 31, 2021	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	26,277,000	100.00	32,810,343	100.16

As at December 31, 2022, 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 \$262,770 (December 31, 2021 - \$328,103). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

First Trust Nasdaq Cybersecurity ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

Concentration Risk – The table below summarizes the First Trust ETF’s concentration risk for the years ended December 31, 2022 and 2021:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2022	As at December 31, 2021
Exchange-Traded Fund	99.79	100.08
Total	99.79	100.08

First Trust Nasdaq Cybersecurity ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2022

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Exchange-Traded Fund—99.79%				
First Trust Nasdaq Cybersecurity ETF	500,290	32,557,341	26,221,870	99.79
		32,557,341	26,221,870	99.79
Total investments		32,557,341	26,221,870	99.79
Other assets, less liabilities			53,894	0.21
Total Net Assets Attributable to Holders of Redeemable Units		32,557,341	26,275,764	100.00

First Trust Dow Jones Internet ETF

STATEMENTS OF FINANCIAL POSITION

As at December 31, 2022 and December 31, 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Assets		
Investments (non-derivative financial assets)	4,400,570	4,040,359
Cash	977	844
Receivable for portfolio securities sold	1,830	-
Derivative assets	959	253
Other assets	68	195
	4,404,404	4,041,651
Liabilities		
Accrued liabilities	2,697	2,598
Redemptions payable	-	246
Derivative liabilities	1,704	3,114
	4,401	5,958
Total net assets attributable to holders of redeemable units	4,400,003	4,035,693
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Units	4,209,868	3,499,654
Hedged Units	190,135	536,039
Redeemable units outstanding [note 6]		
Units	310,000	150,000
Hedged Units	20,000	30,000
Net assets attributable to holders of redeemable units per unit		
Units	13.58	23.33
Hedged Units	9.51	17.87

STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Revenues		
Dividends	-	13,756
Other changes in fair value of investments and derivatives		
Net realized gain (loss) on sale of investments	(515,200)	337,560
Net realized gain (loss) on derivatives	(26,789)	25,242
Net realized gain (loss) on foreign exchange	(34)	(447)
Net change in unrealized appreciation (depreciation) of investments	(2,165,690)	(425,341)
Net change in unrealized appreciation (depreciation) of derivatives	2,116	(23,746)
	(2,705,597)	(72,976)
Foreign exchange gain (loss) on cash	151	(13)
	(2,705,446)	(72,989)
Expenses [note 7]		
Management fees	7,601	10,134
Independent Review Committee fees	821	765
HST expense	686	935
Transaction costs [note 3 and note 9]	3	1,717
Interest expense	1	2
	9,112	13,553
Expenses waived by manager	(821)	(765)
	8,291	12,788
Increase (Decrease) in net assets attributable to holders of redeemable units before tax	(2,713,737)	(85,777)
Withholding taxes	-	1,805
Increase (Decrease) in net assets attributable to holders of redeemable units	(2,713,737)	(87,582)
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Units	(2,469,393)	(77,475)
Hedged Units	(244,344)	(10,107)
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Units	(8.18)	(0.62)
Hedged Units	(9.23)	(0.14)

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, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)	December 31 2022 (\$) Hedged Units	December 31 2021 (\$) Hedged Units
Net assets attributable to holders of redeemable units, beginning of year	3,499,654	3,713,396	536,039	966,879
Increase (Decrease) in net assets attributable to holders of redeemable units	(2,469,393)	(77,475)	(244,344)	(10,107)
Redeemable unit transactions [note 6]				
Proceeds from issuance of units	5,088,295	4,905,354	505,038	1,366,893
Reinvested distributions	-	-	-	-
Redemption of units	(1,908,688)	(4,964,051)	(606,598)	(1,744,110)
	3,179,607	(58,697)	(101,560)	(377,217)
Distributions to holders of redeemable units from:				
Net investment income	-	(70,133)	-	(43,515)
Capital gains	-	-	-	-
Return of capital	-	(7,437)	-	(1)
	-	(77,570)	-	(43,516)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	710,214	(213,742)	(345,904)	(430,840)
Net assets attributable to holders of redeemable units, end of year	4,209,868	3,499,654	190,135	536,039

	December 31 2022 (\$) Total	December 31 2021 (\$) Total
Net assets attributable to holders of redeemable units, beginning of year	4,035,693	4,680,275
Increase (Decrease) in net assets attributable to holders of redeemable units	(2,713,737)	(87,582)
Redeemable unit transactions [note 6]		
Proceeds from issuance of units	5,593,333	6,272,247
Reinvested distributions	-	-
Redemption of units	(2,515,286)	(6,708,161)
	3,078,047	(435,914)
Distributions to holders of redeemable units from:		
Net investment income	-	(113,648)
Capital gains	-	-
Return of capital	-	(7,438)
	-	(121,086)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	364,310	(644,582)
Net assets attributable to holders of redeemable units, end of year	4,400,003	4,035,693

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, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	(2,713,737)	(87,582)
Adjustments for:		
Net realized (gain) loss on sale of investments	515,200	(337,560)
Change in unrealized (appreciation) depreciation of investments and derivatives	2,163,574	449,087
Dividends receivable	-	3,288
Other assets	127	(195)
Other liabilities	99	(2,525)
Purchases of investments	(5,595,242)	(12,206,984)
Proceeds from the sale of investments	2,552,311	12,736,476
	(3,077,668)	554,005
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	5,593,333	6,272,247
Amount paid on redemptions of units	(2,515,532)	(6,707,915)
Distributions paid to unitholders	-	(377,336)
	3,077,801	(813,004)
Increase (decrease) in cash for the year	133	(258,999)
Cash, beginning of year	844	259,843
Cash, end of year	977	844
Dividends received, net of withholding taxes	-	15,239

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, 2022

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 IndexSM.

The Dow Jones Internet Composite IndexSM, 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 measured at fair value on a recurring basis for the years ended December 31, 2022 and 2021:

	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)
Total	4,400,570	(745)	–	4,399,825
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Equities	4,040,359	–	–	4,040,359
Derivative assets*	–	253	–	253
Derivative liabilities*	–	(3,114)	–	(3,114)
Total	4,040,359	(2,861)	–	4,037,498

* 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, 2022 and 2021.

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, 2022 and 2021:

Redeemable Units	Units	Hedged Units
Outstanding units – January 1, 2021	150,000	50,000
Redeemable units issued	200,000	70,000
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(200,000)	(90,000)
Outstanding units – December 31, 2021	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

First Trust Dow Jones Internet ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

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

Annual Management Fee ¹	
Units	Hedged Units
0.15%	0.15%

¹ 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, 2022 and 2021 are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2022	2021	2022	2021
198,119	129,875	10,437	2,158

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, 2022 and 2021 are as follows:

Transaction Cost (\$)	
2022	2021
3	1,717

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2022 and 2021, including amounts owing as at December 31, 2022 and 2021 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2022	2021	2022	2021
7,601	10,134	590	541

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Effective February 17, 2021, the First Trust ETF is fully invested in the Underlying Fund (see Note A: Investment Objective (Note 1)).

Market risk - As at December 31, 2022 and 2021, 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, 2022 and 2021, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2022		As at December 31, 2021	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
Units				
S&P 500® Index	275,440	(275,440)	186,142	(186,142)
Hedged Units				
S&P 500® CAD Hedged Index	297,000	(297,000)	158,462	(158,462)

First Trust Dow Jones Internet ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2022 and 2021:

Currency	As at December 31, 2022		As at December 31, 2021	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	4,218,090	95.87	3,500,529	86.74

As at December 31, 2022, 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 \$42,181 (December 31, 2021 - \$35,005). 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, 2022 and 2021:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2022	As at December 31, 2021
Exchange-Traded Fund	100.01	100.11
Total	100.01	100.11

First Trust Dow Jones Internet ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2022

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Exchange-Traded Fund—100.01%				
First Trust Dow Jones Internet Index Fund	26,391	6,836,267	4,400,570	100.01
		6,836,267	4,400,570	100.01
Total investments		6,836,267	4,400,570	100.01
Unrealized appreciation on derivatives - see Schedule 1			959	0.02
Unrealized depreciation on derivatives - see Schedule 1			(1,704)	(0.03)
Other assets, less liabilities			178	-
Total Net Assets Attributable to Holders of Redeemable Units		6,836,267	4,400,003	100.00

Schedule 1

Counterparty	Credit Rating of Counterparty*	Settlement Date	Currency	Amount Sell	Amount Sold	Currency	Amount Buy	Amount Bought	Forward Rate	Current Rate	Appreciation (Depreciation) \$
Bank of New York Mellon (The), New York	A-1+	2023-01-31	USD	135,203		CAD	184,000		0.735	0.739	959
											959
Bank of New York Mellon (The), New York	A-1+	2023-01-03	USD	145,249		CAD	196,000		0.741	0.739	(667)
Bank of New York Mellon (The), New York	A-1+	2023-01-03	CAD	196,000		USD	143,991		1.361	1.354	(1,037)
											(1,704)

* 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, 2022 and December 31, 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Assets		
Investments (non-derivative financial assets)	17,318,051	18,749,300
Cash	48,709	14,881
Accrued dividend receivable	7,429	2,812
Accrued interest receivable		
Receivable for portfolio securities sold	49,510	
Derivative assets	38,365	1,965
Other assets	5,362	6,802
	17,467,426	18,775,760
Liabilities		
Accrued liabilities	11,721	12,335
Distributions payable to holders of redeemable units	18,750	-
Derivative liabilities	63,949	1,155
	94,420	13,490
Total net assets attributable to holders of redeemable units	17,373,006	18,762,270
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Units	9,934,918	17,040,299
Hedged Units	7,438,088	1,721,971
Redeemable units outstanding [note 6]		
Units	250,000	400,000
Hedged Units	250,000	50,000
Net assets attributable to holders of redeemable units per unit		
Units	39.74	42.60
Hedged Units	29.75	34.44

STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Revenues		
Dividends	245,047	121,356
Other changes in fair value of investments and derivatives		
Net realized gain (loss) on sale of investments	111,157	2,475,944
Net realized gain (loss) on derivatives	(439,308)	51,798
Net realized gain (loss) on foreign exchange	(533)	(2,907)
Net change in unrealized appreciation (depreciation) of investments	(1,604,907)	63,495
Net change in unrealized appreciation (depreciation) of derivatives	(26,394)	(28,186)
	(1,714,938)	2,681,500
Foreign exchange gain (loss) on cash	632	5,385
	(1,714,306)	2,686,885
Expenses [note 7]		
Management fees	142,240	156,027
HST expense	13,002	13,297
Transaction costs [note 3 and note 9]	5,387	3,828
Independent Review Committee fees	3,269	3,839
Interest expense	44	3
Other expense	-	68
	163,942	177,062
Expenses waived by manager	(3,269)	(3,839)
	160,673	173,223
Increase (Decrease) in net assets attributable to holders of redeemable units before tax	(1,874,979)	2,513,662
Withholding taxes	26,202	15,071
Increase (Decrease) in net assets attributable to holders of redeemable units	(1,901,181)	2,498,591
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Units	(1,862,179)	2,204,339
Hedged Units	(39,002)	294,252
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Units	(4.48)	4.31
Hedged Units	(0.25)	4.91

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, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)	December 31 2022 (\$) Hedged Units	December 31 2021 (\$) Hedged Units
Net assets attributable to holders of redeemable units, beginning of year	17,040,299	14,920,708	1,721,971	1,500,836
Increase (Decrease) in net assets attributable to holders of redeemable units	(1,862,179)	2,204,339	(39,002)	294,252
Redeemable unit transactions [note 6]				
Proceeds from issuance of units	5,983,413	9,939,723	7,224,519	1,544,530
Reinvested distributions	-	910,960	-	61,995
Redemption of units	(11,176,990)	(10,024,471)	(1,442,400)	(1,617,647)
	(5,193,577)	826,212	5,782,119	(11,122)
Distributions to holders of redeemable units from:				
Net investment income	(47,418)	-	(11,312)	-
Capital gains	-	(910,960)	-	(61,995)
Return of capital	(2,207)	-	(15,688)	-
	(49,625)	(910,960)	(27,000)	(61,995)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	(7,105,381)	2,119,591	5,716,117	221,135
Net assets attributable to holders of redeemable units, end of year	9,934,918	17,040,299	7,438,088	1,721,971
			December 31 2022 (\$) Total	December 31 2021 (\$) Total
Net assets attributable to holders of redeemable units, beginning of year			18,762,270	16,421,544
Increase (Decrease) in net assets attributable to holders of redeemable units			(1,901,181)	2,498,591
Redeemable unit transactions [note 6]				
Proceeds from issuance of units			13,207,932	11,484,253
Reinvested distributions			-	972,955
Redemption of units			(12,619,390)	(11,642,118)
			588,542	815,090
Distributions to holders of redeemable units from:				
Net investment income			(58,730)	-
Capital gains			-	(972,955)
Return of capital			(17,895)	-
			(76,625)	(972,955)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year			(1,389,264)	2,340,726
Net assets attributable to holders of redeemable units, end of year			17,373,006	18,762,270

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, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	(1,901,181)	2,498,591
Adjustments for:		
Net realized (gain) loss on sale of investments	(111,157)	(2,475,944)
Change in unrealized (appreciation) depreciation of investments and derivatives	1,631,301	(35,309)
Dividends receivable	(4,617)	906
Other assets	1,440	(4,915)
Other liabilities	(614)	1,459
Purchases of investments	(30,398,576)	(31,637,895)
Proceeds from the sale of investments	30,286,565	31,804,411
	(496,839)	151,304
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	13,207,932	11,484,253
Amount paid on redemptions of units	(12,619,390)	(11,642,118)
Distributions paid to unitholders	(57,875)	-
	530,667	(157,865)
Increase (Decrease) in cash for the year	33,828	(6,561)
Cash, beginning of year	14,881	21,442
Cash, end of year	48,709	14,881
Dividends received, net of withholding taxes	214,228	107,191

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, 2022

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 measured at fair value on a recurring basis for the years ended December 31, 2022 and 2021:

	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)
Total	17,318,051	(25,584)	–	17,292,467
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Equities	18,749,300	–	–	18,749,300
Derivative assets*	–	1,965	–	1,965
Derivative liabilities*	–	(1,155)	–	(1,155)
Total	18,749,300	810	–	18,750,110

* 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, 2022 and 2021.

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, 2022 and 2021:

Redeemable Units	Units	Hedged Units
Outstanding units – January 1, 2021	400,000	50,000
Redeemable units issued	250,000	50,000
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(250,000)	(50,000)
Outstanding units – December 31, 2021	400,000	50,000
Redeemable units issued	150,000	250,000
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(300,000)	(50,000)
Outstanding units – December 31, 2022	250,000	250,000

First Trust AlphaDEX™ U.S. Health Care Sector Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

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, 2022 and 2021 are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2022	2021	2022	2021
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, 2022 and 2021 are as follows:

Transaction Cost (\$)	
2022	2021
5,387	3,828

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2022 and 2021, including amounts owing as at December 31, 2022 and 2021:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2022	2021	2022	2021
142,240	156,027	10,372	10,916

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As December 31, 2022 and 2021, 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, 2022 and 2021, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2022		As at December 31, 2021	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
Units				
Russell 1000® Health Care Index	826,955	(826,955)	855,213	(855,213)
Russell 1000® Index	636,721	(636,721)	833,070	(833,070)
S&P 500® Health Care Index	823,480	(823,480)	808,715	(808,715)
Hedged Units				
Russell 1000® Health Care Index USD	910,346	(910,346)	830,286	(830,286)
Russell 1000® Index USD	734,878	(734,878)	810,343	(810,343)
S&P 500® Health Care Index USD	912,083	(912,083)	785,156	(785,156)

First Trust AlphaDEX™ U.S. Health Care Sector Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2022 and 2021:

Currency	As at December 31, 2022		As at December 31, 2021	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	10,037,794	57.78	17,059,125	90.92

As at December 31, 2022, 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 \$100,378 (December 31, 2021 - \$170,591). 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, 2022 and 2021:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2022	As at December 31, 2021
Health Care	97.67	99.93
Industrials	1.62	–
Information Technology	0.39	–
Total	99.68	99.93

First Trust AlphaDEX™ U.S. Health Care Sector Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2022

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Health Care—97.67%				
Abbott Laboratories	1,472	232,418	218,821	1.26
AbbVie Inc.	333	62,387	72,867	0.42
Acadia Healthcare Co. Inc.	1,143	97,084	127,400	0.73
Agilent Technologies Inc.	735	129,161	148,930	0.85
agilon Health Inc.	7,632	243,458	166,786	0.96
Align Technology Inc.	216	70,307	61,681	0.35
Alynam Pharmaceuticals Inc.	1,186	257,094	381,629	2.20
Amedisys Inc.	462	83,302	52,258	0.30
Amgen Inc.	396	124,799	140,823	0.81
Avantor Inc.	4,560	187,528	130,215	0.75
Baxter International Inc.	830	80,784	57,281	0.33
Biogen Inc.	335	98,952	125,608	0.72
Bristol-Myers Squibb Co.	2,004	190,945	195,230	1.12
Catalent Inc.	1,235	178,729	75,265	0.43
Centene Corp.	1,149	121,113	127,587	0.73
Charles River Laboratories International Inc.	454	144,845	133,947	0.77
Chemed Corp.	205	126,561	141,680	0.82
Cigna Corp.	856	266,719	384,031	2.21
Cooper Cos. Inc. (The)	339	160,425	151,780	0.87
Danaher Corp.	551	197,327	198,018	1.14
DaVita Inc.	1,080	132,056	109,191	0.63
Dentsply Sirona Inc.	6,305	372,781	271,817	1.56
Elanco Animal Health Inc.	11,477	199,779	189,897	1.09
Elevance Health Inc.	523	313,973	363,256	2.09
Eli Lilly and Co.	553	190,266	273,927	1.58
Encompass Health Corp.	3,952	326,361	320,044	1.84
Envista Holdings Corp.	4,341	222,046	197,903	1.14
Exelixis Inc.	9,083	241,996	197,266	1.14
Gilead Sciences Inc.	1,449	119,147	168,433	0.97
Ginkgo Bioworks Holdings Inc.	28,643	127,600	65,543	0.38
Globus Medical Inc., Class 'A'	750	66,570	75,421	0.43
Guardant Health Inc.	830	68,221	30,568	0.18
HCA Healthcare Inc.	775	193,162	251,802	1.45
Henry Schein Inc.	2,718	270,782	293,935	1.69
Hologic Inc.	2,770	259,800	280,581	1.62
Horizon Therapeutics PLC	2,301	259,297	354,550	2.04
Humana Inc.	489	281,317	339,124	1.95
ICU Medical Inc.	297	79,726	63,329	0.36
Incyte Corp.	2,682	265,752	291,676	1.68
Insulet Corp.	390	129,809	155,456	0.89
Integra LifeSciences Holdings	3,362	245,316	255,239	1.47
Intuitive Surgical Inc.	238	82,297	85,510	0.49
Ionis Pharmaceuticals Inc.	5,367	258,628	274,471	1.58
Jazz Pharmaceuticals PLC	335	64,071	72,261	0.42
Johnson & Johnson	274	60,253	65,536	0.38

First Trust AlphaDEX™ U.S. Health Care Sector Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

Laboratory Corp. of America Holdings	1,159	370,629	369,535	2.13
Maravai LifeSciences Holdings Inc., Class 'A'	1,750	74,232	33,908	0.20
Masimo Corp.	1,009	203,123	202,127	1.16
Medtronic PLC	1,764	232,694	185,631	1.07
Merck & Co. Inc.	2,075	226,062	311,720	1.79
Moderna Inc.	2,007	412,002	488,113	2.81
Molina Healthcare Inc.	720	256,716	321,925	1.85
Natera Inc.	4,079	263,820	221,858	1.28
Neurocrine Biosciences Inc.	2,235	281,829	361,448	2.08
Novocure Ltd.	588	69,027	58,398	0.34
Organon & Co.	6,087	248,696	230,193	1.32
Penumbra Inc.	751	201,014	226,209	1.30
PerkinElmer Inc.	743	143,434	141,064	0.81
Perrigo Co. PLC	1,253	59,861	57,836	0.33
Pfizer Inc.	5,425	335,764	376,381	2.17
Premier Inc., Class 'A'	5,266	242,595	249,413	1.44
QIAGEN NV	3,450	214,845	232,958	1.34
Quest Diagnostics Inc.	1,457	247,459	308,621	1.78
QuidelOrtho Corp.	3,321	477,628	385,227	2.22
Regeneron Pharmaceuticals Inc.	259	203,094	253,016	1.46
Repligen Corp.	955	269,289	218,930	1.26
ResMed Inc.	409	127,905	115,259	0.66
Sarepta Therapeutics Inc.	2,147	220,205	376,694	2.17
Signify Health Inc., Class 'A'	8,143	183,880	315,994	1.82
STERIS PLC	269	63,894	67,269	0.39
Stryker Corp.	221	64,246	73,160	0.42
Syneos Health Inc.	3,791	324,574	188,279	1.08
Teleflex Inc.	707	242,973	238,965	1.38
Tenet Healthcare Corp.	2,761	182,854	182,396	1.05
Thermo Fisher Scientific Inc.	176	121,035	131,232	0.76
United Therapeutics Corp.	854	213,680	321,560	1.85
UnitedHealth Group Inc.	470	292,716	337,396	1.94
Universal Health Services Inc., Class 'B'	2,692	421,922	513,540	2.96
Vertex Pharmaceuticals Inc.	617	196,909	241,252	1.39
Viatis Inc.	27,862	437,389	419,881	2.42
Zimmer Biomet Holdings Inc.	427	70,579	73,715	0.42
		16,083,518	16,969,676	97.67
Industrials—1.62%				
Enovis Corp.	3,880	278,964	281,169	1.62
		278,964	281,169	1.62
Information Technology—0.39%				
Doximity Inc., Class 'A'	1,479	74,143	67,206	0.39
		74,143	67,206	0.39
Total investments		16,436,625	17,318,051	99.68
Transaction costs		(1,762)		
Unrealized appreciation on derivatives - see Schedule 1			38,365	0.22
Unrealized depreciation on derivatives - see Schedule 1			(63,949)	(0.37)
Other assets, less liabilities			80,539	0.47
Total Net Assets Attributable to Holders of Redeemable Units		16,434,863	17,373,006	100.00

First Trust AlphaDEX™ U.S. Health Care Sector Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

Schedule 1

Counterparty	Credit		Settlement Date	Currency	Amount		Currency	Amount	Forward Rate	Current Rate	Appreciation (Depreciation)
	Rating of Counterparty*				Sell	Sold					
Bank of New York Mellon (The), New York	A-1+		2023-01-31	USD	5,406,657		CAD	7,358,000	0.735	0.739	38,365
											38,365
Bank of New York Mellon (The), New York	A-1+		2023-01-03	USD	5,450,550		CAD	7,355,000	0.741	0.739	(25,045)
Bank of New York Mellon (The), New York	A-1+		2023-01-03	CAD	7,355,000		USD	5,403,321	1.361	1.354	(38,904)
											(63,949)

* 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, 2022 and December 31, 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Assets		
Investments (non-derivative financial assets)	2,360,724	772,365
Cash	2,407	68,236
Other assets	190	313
	2,363,321	840,914
Liabilities		
Accrued liabilities	344	121
Distributions payable to holders of redeemable units	-	66,408
	344	66,529
Total net assets attributable to holders of redeemable units	2,362,977	774,385
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Units	2,362,977	774,385
Redeemable units outstanding [note 6]		
Units	90,000	30,000
Net assets attributable to holders of redeemable units per unit		
Units	26.26	25.81

STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Revenues		
Dividends	-	1,201
Other changes in fair value of investments		
Net realized gain (loss) on sale of investments	(18,680)	217,473
Net realized gain (loss) on foreign exchange	-	(338)
Net change in unrealized appreciation (depreciation) of investments	200,838	(156,184)
	182,158	62,152
Foreign exchange gain (loss) on cash	59	12
	182,217	62,164
Expenses [note 7]		
Management fees	2,481	2,583
HST expense	295	245
Independent Review Committee fees	269	181
Transaction costs [note 3 and note 9]	-	544
Interest expense	-	5
	3,045	3,558
Expenses waived by manager	(269)	(181)
	2,776	3,377
Increase (Decrease) in net assets attributable to holders of redeemable units before tax	179,441	58,787
Withholding taxes	-	144
Increase (Decrease) in net assets attributable to holders of redeemable units	179,441	58,643
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Units	179,441	58,643
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Units	2.55	1.65

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, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Net assets attributable to holders of redeemable units, beginning of year	774,385	1,433,424
Increase (Decrease) in net assets attributable to holders of redeemable units	179,441	58,643
Redeemable unit transactions [note 6]		
Proceeds from issuance of units	2,287,874	1,150,160
Reinvested distributions	-	-
Redemption of units	(878,723)	(1,801,434)
	1,409,151	(651,274)
Distributions to holders of redeemable units from:		
Net investment income	-	(60,242)
Capital gains	-	-
Return of capital	-	(6,166)
	-	(66,408)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	1,588,592	(659,039)
Net assets attributable to holders of redeemable units, end of year	2,362,977	774,385

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, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	179,441	58,643
Adjustments for:		
Net realized (gain) loss on sale of investments	18,680	(217,473)
Change in unrealized (appreciation) depreciation of investments	(200,838)	156,184
Dividends receivable	-	1,605
Other assets	123	(149)
Other liabilities	223	(1,938)
Purchases of investments	(2,283,272)	(2,945,251)
Proceeds from the sale of investments	877,071	3,663,313
	(1,408,572)	714,934
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	2,287,874	1,150,160
Amount paid on redemptions of units	(878,723)	(1,801,434)
Distributions paid to unitholders	(66,408)	-
	1,342,743	(651,274)
Increase (Decrease) in cash for the year	(65,829)	63,660
Cash, beginning of year	68,236	4,576
Cash, end of year	2,407	68,236
Dividends received, net of withholding taxes	-	2,662

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, 2022

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 measured at fair value on a recurring basis for the years ended December 31, 2022 and 2021:

	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
Total	2,360,724	–	–	2,360,724
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Equities	772,365	–	–	772,365
Total	772,365	–	–	772,365

There have been no transfers from one Level to another for the years ended December 31, 2022 and 2021.

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, 2022 and 2021:

Redeemable Units	Units
Outstanding units – January 1, 2021	50,000
Redeemable units issued	40,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(60,000)
Outstanding units – December 31, 2021	30,000
Redeemable units issued	100,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(40,000)
Outstanding units – December 31, 2022	90,000

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

Annual Management Fee ¹
Units
0.15%

¹ 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, 2022

E. TAXATION (NOTE 8)

Tax loss carry-forwards - The net capital and non-capital tax loss carryforwards as at December 31, 2022 and 2021 are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2022	2021	2022	2021
-	-	99,019	-

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, 2022 and 2021 are as follows:

Transaction Cost (\$)	
2022	2021
-	544

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2022 and 2021, including amounts owing as at December 31, 2022 and 2021 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2022	2021	2022	2021
2,481	2,583	305	107

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Effective February 17, 2021, the First Trust ETF is fully invested in the Underlying Fund (see Note A: Investment Objective (Note 1)).

Market risk - As at December 31, 2022 and 2021, 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, 2022 and 2021, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2022		As at December 31, 2021	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® Index	100,663	(100,663)	29,152	(29,152)

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2022 and 2021:

Currency	As at December 31, 2022		As at December 31, 2021	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	2,361,667	99.94	773,216	99.85

As at December 31, 2022, 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 \$23,617 (December 31, 2021 - \$7,732). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

First Trust NYSE Arca Biotechnology ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

Concentration Risk – The table below summarizes the First Trust ETF’s concentration risk for the years ended December 31, 2022 and 2021:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2022	As at December 31, 2021
Exchange-Traded Fund	99.90	99.74
Total	99.90	99.74

First Trust NYSE Arca Biotechnology ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2022

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Exchange-Traded Fund—99.90%				
First Trust NYSE® Arca® Biotechnology Index Fund	11,312	2,189,983	2,360,724	99.90
		2,189,983	2,360,724	99.90
Total investments		2,189,983	2,360,724	99.90
Other assets, less liabilities			2,253	0.10
Total Net Assets Attributable to Holders of Redeemable Units		2,189,983	2,362,977	100.00

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

STATEMENTS OF FINANCIAL POSITION

As at December 31, 2022 and December 31, 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Assets		
Investments (non-derivative financial assets)	23,890,378	50,909,143
Cash	43,514	98,464
Accrued dividend receivable	23,492	29,460
Receivable for portfolio securities sold	244,001	-
Derivative assets	18,693	3,693
Other assets	5,366	5,901
	24,225,444	51,046,661
Liabilities		
Accrued liabilities	20,104	33,989
Payable for portfolio securities purchased	5,365	-
Distributions payable to holders of redeemable units	204,045	63,045
Derivative liabilities	33,203	15,963
	262,717	112,997
Total net assets attributable to holders of redeemable units	23,962,727	50,933,664
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Units	20,385,539	46,519,992
Hedged Units	3,577,188	4,413,672
Redeemable units outstanding [note 6]		
Units	550,000	1,100,000
Hedged Units	150,000	150,000
Net assets attributable to holders of redeemable units per unit		
Units	37.06	42.29
Hedged Units	23.85	29.42

STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Revenues		
Dividends	758,832	554,863
Other changes in fair value of investments and derivatives		
Net realized gain (loss) on sale of investments	(1,852,906)	3,215,682
Net realized gain (loss) on derivatives	(382,691)	(18,823)
Net realized gain (loss) on foreign exchange	(365)	(505)
Net change in unrealized appreciation (depreciation) of investments	(4,736,033)	3,788,688
Net change in unrealized appreciation (depreciation) of derivatives	(2,240)	(60,313)
	(6,215,403)	7,479,592
Foreign exchange gain (loss) on cash	1,860	(1,726)
	(6,213,543)	7,477,866
Expenses [note 7]		
Management fees	278,165	267,539
HST expense	31,325	29,028
Transaction costs [note 3 and note 9]	10,633	8,251
Independent Review Committee fees	6,460	6,531
Interest expense	4	25
	326,587	311,374
Expenses waived by manager	(6,460)	(6,531)
	320,127	304,843
Increase (Decrease) in net assets attributable to holders of redeemable units before tax	(6,533,670)	7,173,023
Withholding taxes	80,907	65,072
Increase (Decrease) in net assets attributable to holders of redeemable units	(6,614,577)	7,107,951
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Units	(5,607,277)	6,227,005
Hedged Units	(1,007,300)	880,946
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Units	(5.85)	7.35
Hedged Units	(6.07)	5.08

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 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, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)	December 31 2022 (\$) Hedged Units	December 31 2021 (\$) Hedged Units
	Units	Units	Units	Units
Net assets attributable to holders of redeemable units, beginning of year	46,519,992	13,687,417	4,413,672	2,387,265
Increase (Decrease) in net assets attributable to holders of redeemable units	(5,607,277)	6,227,005	(1,007,300)	880,946
Redeemable unit transactions [note 6]				
Proceeds from issuance of units	11,740,524	38,403,005	1,280,873	2,623,126
Reinvested distributions	-	2,141,700	-	356,760
Redemption of units	(31,935,090)	(11,651,845)	(1,068,592)	(1,450,960)
	(20,194,566)	28,892,860	212,281	1,528,926
Distributions to holders of redeemable units from:				
Net investment income	(332,592)	(145,560)	(41,464)	(26,705)
Capital gains	-	(2,141,700)	-	(356,760)
Return of capital	(18)	(30)	(1)	-
	(332,610)	(2,287,290)	(41,465)	(383,465)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	(26,134,453)	32,832,575	(836,484)	2,026,407
Net assets attributable to holders of redeemable units, end of year	20,385,539	46,519,992	3,577,188	4,413,672
			December 31 2022 (\$) Total	December 31 2021 (\$) Total
Net assets attributable to holders of redeemable units, beginning of year			50,933,664	16,074,682
Increase (Decrease) in net assets attributable to holders of redeemable units			(6,614,577)	7,107,951
Redeemable unit transactions [note 6]				
Proceeds from issuance of units			13,021,397	41,026,131
Reinvested distributions			-	2,498,460
Redemption of units			(33,003,682)	(13,102,805)
			(19,982,285)	30,421,786
Distributions to holders of redeemable units from:				
Net investment income			(374,056)	(172,265)
Capital gains			-	(2,498,460)
Return of capital			(19)	(30)
			(374,075)	(2,670,755)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year			(26,970,937)	34,858,982
Net assets attributable to holders of redeemable units, end of year			23,962,727	50,933,664

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, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	(6,614,577)	7,107,951
Adjustments for:		
Net realized (gain) loss on sale of investments	1,852,906	(3,215,682)
Change in unrealized (appreciation) depreciation of investments and derivatives	4,738,273	(3,728,375)
Dividends receivable	5,968	(20,164)
Other assets	535	(1,735)
Other liabilities	(13,885)	21,679
Purchases of investments	(48,634,897)	(73,186,128)
Proceeds from the sale of investments	68,826,087	45,184,842
	20,160,410	(27,837,612)
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	13,021,397	41,026,131
Amount paid on redemptions of units	(33,003,682)	(13,102,805)
Distributions paid to unitholders	(233,075)	(191,350)
	(20,215,360)	27,731,976
Increase (Decrease) in cash for the year	(54,950)	(105,636)
Cash, beginning of year	98,464	204,100
Cash, end of year	43,514	98,464
Dividends received, net of withholding taxes	683,893	469,627

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, 2022

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 measured at fair value on a recurring basis for the years ended December 31, 2022 and 2021:

	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)
Total	23,890,378	(14,510)	–	23,875,868
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Equities	50,909,143	–	–	50,909,143
Derivative assets*	–	3,693	–	3,693
Derivative liabilities*	–	(15,963)	–	(15,963)
Total	50,909,143	(12,270)	–	50,896,873

* 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, 2022 and 2021.

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, 2022 and 2021:

Redeemable Units	Units	Hedged Units
Outstanding units – January 1, 2021	400,000	100,000
Redeemable units issued	1,000,000	100,000
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(300,000)	(50,000)
Outstanding units – December 31, 2021	1,100,000	150,000
Redeemable units issued	300,000	50,000
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(850,000)	(50,000)
Outstanding units – December 31, 2022	550,000	150,000

First Trust AlphaDEX™ U.S. Industrials Sector Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

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, 2022 and 2021 are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2022	2021	2022	2021
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, 2022 and 2021 are as follows:

Transaction Cost (\$)	
2022	2021
10,633	8,251

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2022 and 2021, including amounts owing as at December 31, 2022 and 2021 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2022	2021	2022	2021
278,165	267,539	17,738	30,026

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at December 31, 2022 and 2021, 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, 2022 and 2021, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2022		As at December 31, 2021	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
Units				
Russell 1000® Industrials Index	1,131,041	(1,131,041)	2,280,746	(2,280,746)
Russell 1000® Index	1,030,397	(1,030,397)	2,352,075	(2,352,075)
S&P 500® Industrials Index	1,200,536	(1,200,536)	2,188,103	(2,188,103)
Hedged Units				
Russell 1000® Industrials Index USD	1,218,505	(1,218,505)	2,294,275	(2,294,275)
Russell 1000® Index USD	1,176,570	(1,176,570)	2,723,665	(2,723,665)
S&P 500® Industrials Index USD	1,298,780	(1,298,780)	2,227,298	(2,227,298)

First Trust AlphaDEX™ U.S. Industrials Sector Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2022 and 2021:

Currency	As at December 31, 2022		As at December 31, 2021	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	20,591,320	85.93	46,551,819	91.40

As at December 31, 2022, 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 \$205,913 (December 31, 2021 – \$465,518). 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, 2022 and 2021:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2022	As at December 31, 2021
Industrials	67.52	61.55
Materials	14.21	15.91
Information Technology	8.97	11.63
Consumer Discretionary	4.74	4.40
Financials	3.50	3.43
Utilities	0.76	1.22
Health Care	–	1.81
Total	99.70	99.95

First Trust AlphaDEX™ U.S. Industrials Sector Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2022

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Consumer Discretionary—4.74%				
AZEK Co. Inc. (The)	7,266	265,320	199,911	0.83
Brunswick Corp.	2,460	266,929	240,087	1.00
Fortune Brands Innovations Inc.	3,509	363,369	271,340	1.13
Masco Corp.	1,724	117,847	108,942	0.45
Mohawk Industries Inc.	2,295	439,884	317,641	1.33
		1,453,349	1,137,921	4.74
Financials—3.50%				
American Express Co.	298	66,808	59,616	0.25
Capital One Financial Corp.	1,747	306,211	219,891	0.92
Fiserv Inc.	860	120,082	117,690	0.49
Synchrony Financial	7,425	378,193	330,356	1.38
Western Union Co. (The)	5,963	153,618	111,178	0.46
		1,024,912	838,731	3.50
Industrials—67.52%				
3M Co.	729	160,322	118,369	0.49
A. O. Smith Corp.	1,657	134,796	128,422	0.54
Acuity Brands Inc.	767	156,685	171,989	0.72
ADT Inc.	10,748	110,482	131,994	0.55
AECOM	1,766	156,776	203,082	0.85
AGCO Corp.	1,674	258,934	314,354	1.31
Air Lease Corp.	5,192	281,680	270,091	1.13
Allegion PLC	449	70,278	63,992	0.27
Allison Transmission Holdings Inc.	3,577	177,088	201,480	0.84
Armstrong World Industries Inc.	1,016	129,314	94,357	0.39
Axon Enterprise Inc.	348	60,458	78,185	0.33
Builders FirstSource Inc.	3,552	241,626	312,034	1.30
BWX Technologies Inc.	799	58,313	62,834	0.26
C.H. Robinson Worldwide Inc.	2,173	285,153	269,392	1.12
Carlisle Cos. Inc.	746	196,142	238,026	0.99
Carrier Global Corp.	2,264	113,953	126,450	0.53
Caterpillar Inc.	245	66,552	79,469	0.33
Cintas Corp.	207	113,029	126,579	0.53
Core & Main Inc., Class 'A'	9,204	285,604	240,645	1.00
Crane Holdings Co.	1,839	227,088	250,121	1.04
CSX Corp.	3,022	122,086	126,764	0.53
Cummins Inc.	396	120,240	129,912	0.54
Curtiss-Wright Corp.	289	46,873	65,344	0.27
Deere & Co.	362	177,338	210,156	0.88
Donaldson Co. Inc.	3,285	220,225	261,847	1.09
Dover Corp.	691	111,062	126,692	0.53
Emerson Electric Co.	1,099	123,288	142,942	0.60
Expeditors International of Washington Inc.	1,823	259,573	256,510	1.07
FedEx Corp.	1,084	299,473	254,212	1.06
FTI Consulting Inc.	729	150,620	156,746	0.65
General Dynamics Corp.	190	46,192	63,829	0.27

First Trust AlphaDEX™ U.S. Industrials Sector Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

Graco Inc.	671	59,400	61,108	0.25
GXO Logistics Inc.	3,444	181,916	199,071	0.83
Hayward Holdings Inc.	23,597	393,954	300,333	1.25
HEICO Corp.	839	168,372	174,536	0.73
Howmet Aerospace Inc.	2,603	113,769	138,899	0.58
Huntington Ingalls Industries Inc.	945	239,238	295,162	1.23
IDEX Corp.	806	220,515	249,182	1.04
Illinois Tool Works Inc.	223	58,847	66,518	0.28
ITT Inc.	1,232	115,577	135,285	0.56
J.B. Hunt Transport Services Inc.	1,029	234,947	242,930	1.01
Knight-Swift Transportation Holdings Inc.	4,278	263,873	303,580	1.27
L3Harris Technologies Inc.	194	54,228	54,692	0.23
Landstar System Inc.	1,450	296,711	319,822	1.33
Lincoln Electric Holdings Inc.	1,281	212,895	250,614	1.05
Lockheed Martin Corp.	104	53,382	68,506	0.29
ManpowerGroup Inc.	2,489	300,523	280,427	1.17
MasTec Inc.	1,268	118,673	146,501	0.61
Middleby Corp. (The)	628	137,340	113,857	0.48
MSC Industrial Direct Co. Inc., Class 'A'	1,659	172,933	183,522	0.77
Nordson Corp.	190	57,795	61,156	0.26
Norfolk Southern Corp.	192	62,649	64,061	0.27
Northrop Grumman Corp.	257	121,174	189,860	0.79
nVent Electric PLC	2,547	116,606	132,669	0.55
Old Dominion Freight Line Inc.	324	119,302	124,493	0.52
Oshkosh Corp.	1,718	180,827	205,145	0.86
Otis Worldwide Corp.	1,893	176,830	200,718	0.84
Owens Corning	2,663	315,065	307,566	1.28
PACCAR Inc.	1,483	172,794	198,730	0.83
Parker Hannifin Corp.	332	119,948	130,813	0.55
Pentair PLC	2,972	198,167	181,004	0.76
Quanta Services Inc.	1,643	273,915	317,009	1.32
Raytheon Technologies Corp.	492	57,139	67,230	0.28
Regal Rexnord Corp.	287	53,930	46,624	0.19
Robert Half International Inc.	1,052	119,477	105,164	0.44
Ryder System Inc.	2,773	265,323	313,775	1.31
Schneider National Inc.	10,311	314,888	326,690	1.36
Sensata Technologies Holding PLC	1,080	72,136	59,049	0.25
Snap-On Inc.	800	215,723	247,500	1.03
Stanley Black & Decker Inc.	1,606	332,186	163,350	0.68
Teledyne Technologies Inc.	119	59,215	64,436	0.27
Tetra Tech Inc.	313	56,255	61,532	0.26
Textron Inc.	2,073	173,044	198,724	0.83
TopBuild Corp.	977	272,770	207,014	0.86
Toro Co. (The)	1,862	241,910	285,394	1.19
Trane Technologies PLC	834	173,459	189,813	0.79
Union Pacific Corp.	620	169,067	173,831	0.73
United Parcel Service Inc., Class 'B'	498	131,062	117,219	0.49
United Rentals Inc.	596	223,044	286,818	1.20
Valmont Industries Inc.	779	234,110	348,779	1.46
Vontier Corp.	9,635	321,934	252,175	1.05

First Trust AlphaDEX™ U.S. Industrials Sector Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

W.W. Grainger Inc.	428	274,338	322,354	1.35
Wabtec Corp.	990	104,102	133,791	0.56
Watsco Inc., Class 'A'	813	288,029	274,540	1.15
WESCO International Inc.	1,753	239,535	297,170	1.24
Willscot Mobile Mini Holdings Corp.	5,190	243,810	317,421	1.32
XPO Logistics Inc.	6,087	403,909	274,369	1.14
Xylem Inc.	461	58,148	69,017	0.29
		15,371,951	16,178,367	67.52
Information Technology—8.97%				
Accenture PLC, Class 'A'	156	64,136	56,363	0.24
Automatic Data Processing Inc.	534	163,214	172,704	0.72
Booz Allen Hamilton Holding Corp.	2,266	259,475	320,685	1.34
Fair Issac Corp.	98	56,221	79,427	0.33
Fidelity National Information Services Inc.	1,065	148,799	97,840	0.41
Genpact Ltd.	3,678	213,857	230,674	0.96
Jack Henry & Associates Inc.	442	105,078	105,067	0.44
Keysight Technologies Inc.	767	177,340	177,659	0.74
Littelfuse Inc.	608	195,686	181,276	0.76
MKS Instruments Inc.	2,533	410,031	290,597	1.21
Paychex Inc.	359	58,239	56,172	0.23
Paylocity Holding Corp.	666	240,684	175,177	0.73
Shift4 Payments Inc., Class 'A'	2,707	179,924	204,999	0.86
		2,272,684	2,148,640	8.97
Materials—14.21%				
Advanced Drainage Systems Inc.	1,683	308,976	186,792	0.78
AptarGroup Inc.	424	56,996	63,139	0.26
Axalta Coating Systems Ltd.	1,911	75,892	65,904	0.27
Berry Global Group Inc.	3,460	259,980	283,105	1.18
Crown Holdings Inc.	497	70,242	55,322	0.23
DuPont de Nemours Inc.	2,396	212,892	222,648	0.93
Eagle Materials Inc.	1,502	250,828	270,178	1.13
Graphic Packaging Holding Co.	10,603	265,302	319,431	1.33
Louisiana Pacific Corp.	4,089	310,182	327,761	1.37
Martin Marietta Materials Inc.	375	169,895	171,604	0.72
Packaging Corp. of America	1,434	247,180	248,355	1.04
PPG Industries Inc.	364	58,854	61,972	0.26
RPM International Inc.	1,933	219,228	255,054	1.06
Silgan Holdings Inc.	1,915	101,172	134,416	0.56
Sonoco Products Co.	2,129	174,003	175,007	0.73
Vulcan Materials Co.	1,021	227,203	242,078	1.01
WestRock Co.	6,776	376,302	322,583	1.35
		3,385,127	3,405,349	14.21
Utilities—0.76%				
MDU Resources Group Inc.	4,415	161,034	181,370	0.76
		161,034	181,370	0.76
Total investments		23,669,057	23,890,378	99.70

First Trust AlphaDEX™ U.S. Industrials Sector Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

Transaction costs	(2,498)		
Unrealized appreciation on derivatives - see Schedule 1		18,693	0.08
Unrealized depreciation on derivatives - see Schedule 1		(33,203)	(0.14)
Other assets, less liabilities		86,859	0.36
Total Net Assets Attributable to Holders of Redeemable Units	23,666,559	23,962,727	100.00

Schedule 1

Counterparty	Credit		Settlement Date	Currency	Amount		Currency	Amount Bought	Forward Rate	Current Rate	Appreciation (Depreciation)
	Rating of Counterparty*				Sell	Sold					
Bank of New York Mellon (The), New York	A-1+		2023-01-31	USD	2,634,257		CAD	3,585,000	0.735	0.739	18,693
											18,693
Bank of New York Mellon (The), New York	A-1+		2023-01-03	USD	2,764,922		CAD	3,731,000	0.741	0.739	(12,705)
Bank of New York Mellon (The), New York	A-1+		2023-01-03	CAD	3,496,000		USD	2,568,322	1.361	1.354	(18,492)
Bank of New York Mellon (The), New York	A-1+		2023-01-03	CAD	235,000		USD	172,078	1.366	1.354	(2,006)
											(33,203)

* 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, 2022 and December 31, 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Assets		
Investments (non-derivative financial assets)	32,842,152	69,423,830
Cash	47,112	789,561
Accrued dividend receivable	13,234	30,835
Receivable for portfolio securities sold	17,040	-
Derivative assets	22,909	7,082
Other assets	10,493	9,185
	32,952,940	70,260,493
Liabilities		
Accrued liabilities	25,290	49,230
Payable for portfolio securities purchased	1,463	-
Distributions payable to holders of redeemable units	-	731,460
Derivative liabilities	44,383	9,244
	71,136	789,934
Total net assets attributable to holders of redeemable units	32,881,804	69,470,559
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Units	29,565,685	59,747,512
Hedged Units	3,316,119	9,723,047
Redeemable units outstanding [note 6]		
Units	500,000	750,000
Hedged Units	100,000	200,000
Net assets attributable to holders of redeemable units per unit		
Units	59.13	79.66
Hedged Units	33.16	48.62

STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Revenues		
Dividends	454,499	1,389,167
Other changes in fair value of investments and derivatives		
Net realized gain (loss) on sale of investments	(7,126,843)	19,941,356
Net realized gain (loss) on derivatives	(384,694)	216,944
Net realized gain (loss) on foreign exchange	8,822	(899)
Net change in unrealized appreciation (depreciation) of investments	(10,274,810)	(10,592,155)
Net change in unrealized appreciation (depreciation) of derivatives	(19,312)	(122,124)
	(17,342,338)	10,832,289
Foreign exchange gain (loss) on cash	1,671	(1,498)
	(17,340,667)	10,830,791
Expenses [note 7]		
Management fees	373,574	442,680
HST expense	38,300	48,521
Transaction costs [note 3 and note 9]	24,275	17,759
Independent Review Committee fees	8,637	11,082
Interest expense	63	52
	444,849	520,094
Expenses waived by manager	(8,637)	(11,082)
	436,212	509,012
Increase (Decrease) in net assets attributable to holders of redeemable units before tax	(17,776,879)	10,321,779
Withholding taxes	112,951	67,060
Increase (Decrease) in net assets attributable to holders of redeemable units	(17,889,830)	10,254,719
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Units	(15,091,612)	8,724,077
Hedged Units	(2,798,218)	1,530,642
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Units	(20.48)	11.82
Hedged Units	(16.83)	8.38

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, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)	December 31 2022 (\$) Hedged Units	December 31 2021 (\$) Hedged Units
Net assets attributable to holders of redeemable units, beginning of year	59,747,512	58,481,027	9,723,047	6,296,126
Increase (Decrease) in net assets attributable to holders of redeemable units	(15,091,612)	8,724,077	(2,798,218)	1,530,642
Redeemable unit transactions [note 6]				
Proceeds from issuance of units	3,486,611	19,551,086	3,508,966	12,878,152
Reinvested distributions	-	11,753,175	-	1,002,940
Redemption of units	(18,576,826)	(26,289,278)	(7,117,676)	(10,873,813)
	(15,090,215)	5,014,983	(3,608,710)	3,007,279
Distributions to holders of redeemable units from:				
Net investment income	-	(719,353)	-	(108,053)
Capital gains	-	(11,753,175)	-	(1,002,940)
Return of capital	-	(47)	-	(7)
	-	(12,472,575)	-	(1,111,000)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	(30,181,827)	1,266,485	(6,406,928)	3,426,921
Net assets attributable to holders of redeemable units, end of year	29,565,685	59,747,512	3,316,119	9,723,047
			December 31 2022 (\$) Total	December 31 2021 (\$) Total
Net assets attributable to holders of redeemable units, beginning of year			69,470,559	64,777,153
Increase (Decrease) in net assets attributable to holders of redeemable units			(17,889,830)	10,254,719
Redeemable unit transactions [note 6]				
Proceeds from issuance of units			6,995,577	32,429,238
Reinvested distributions			-	12,756,115
Redemption of units			(25,694,502)	(37,163,091)
			(18,698,925)	8,022,262
Distributions to holders of redeemable units from:				
Net investment income			-	(827,406)
Capital gains			-	(12,756,115)
Return of capital			-	(54)
			-	(13,583,575)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year			(36,588,755)	4,693,406
Net assets attributable to holders of redeemable units, end of year			32,881,804	69,470,559

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, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	(17,889,830)	10,254,719
Adjustments for:		
Net realized (gain) loss on sale of investments	7,126,843	(19,941,356)
Change in unrealized (appreciation) depreciation of investments and derivatives	10,294,122	10,714,279
Dividends receivable	17,601	(2,840)
Other assets	(1,308)	579
Other liabilities	(23,940)	4,442
Purchases of investments	(65,517,347)	(100,624,211)
Proceeds from the sale of investments	84,681,795	105,146,516
	18,687,936	5,552,128
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	6,995,577	32,429,238
Amount paid on redemptions of units	(25,694,502)	(37,163,091)
Distributions paid to unitholders	(731,460)	(366,750)
	(19,430,385)	(5,100,603)
Increase (Decrease) in cash for the year	(742,449)	451,525
Cash, beginning of year	789,561	338,036
Cash, end of period	47,112	789,561
Dividends received, net of withholding taxes	359,149	1,319,267

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, 2022

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 measured at fair value on a recurring basis for the years ended December 31, 2022 and 2021:

	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)
Total	32,842,152	(21,474)	–	32,820,678

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Equities	69,423,830	–	–	69,423,830
Derivative assets*	–	7,082	–	7,082
Derivative liabilities*	–	(9,244)	–	(9,244)
Total	69,423,830	(2,162)	–	69,421,668

* 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, 2022 and 2021.

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, 2022 and 2021:

Redeemable Units	Units	Hedged Units
Outstanding units – January 1, 2021	850,000	150,000
Redeemable units issued	250,000	300,000
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(350,000)	(250,000)
Outstanding units – December 31, 2021	750,000	200,000
Redeemable units issued	50,000	100,000
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(300,000)	(200,000)
Outstanding units – December 31, 2022	500,000	100,000

First Trust AlphaDEX™ U.S. Technology Sector Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

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, 2022 and 2021 are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2022	2021	2022	2021
2,239,383	–	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, 2022 and 2021 are as follows:

Transaction Cost (\$)	
2022	2021
24,275	17,759

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2022 and 2021, including amounts owing as at December 31, 2022 and 2021 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2022	2021	2022	2021
373,574	442,680	22,381	43,566

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at December 31, 2022 and 2021, 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, 2022 and 2021, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2022		As at December 31, 2021	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
Units				
Russell 1000® Technology Index	1,423,782	(1,423,782)	2,567,049	(2,567,049)
Russell 1000® Index	1,765,753	(1,765,753)	3,253,704	(3,253,704)
S&P 500® Information Technology Index	1,487,902	(1,487,902)	2,565,498	(2,565,498)
Hedged Units				
Russell 1000® Technology Index USD	1,519,139	(1,519,139)	2,697,033	(2,697,033)
Russell 1000® Index USD	1,938,382	(1,938,382)	3,073,143	(3,073,143)
S&P 500® Information Technology Index USD	1,586,547	(1,586,547)	2,716,847	(2,716,847)

First Trust AlphaDEX™ U.S. Technology Sector Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2022 and 2021:

Currency	As at December 31, 2022		As at December 31, 2021	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	29,655,476	90.19	59,718,237	85.96

As at December 31, 2022, 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 \$296,555 (December 31, 2021 - \$597,182). 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, 2022 and 2021:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2022	As at December 31, 2021
Information Technology	94.42	93.24
Communication Services	3.77	5.75
Industrials	1.26	0.94
Health Care	0.43	–
Total	99.88	99.93

First Trust AlphaDEX™ U.S. Technology Sector Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2022

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Communication Services—3.77%				
Alphabet Inc., Class 'A'	2,509	379,717	299,734	0.91
Meta Platforms Inc., Class 'A'	2,948	632,723	480,348	1.46
Pinterest Inc., Class 'A'	10,301	284,822	338,646	1.03
VeriSign Inc.	439	118,944	122,115	0.37
		1,416,206	1,240,843	3.77
Health Care—0.43%				
Azenta Inc.	1,778	150,791	140,160	0.43
		150,791	140,160	0.43
Industrials—1.26%				
Roper Technologies Inc.	212	115,973	124,030	0.38
Vertiv Holdings Co.	15,674	191,212	289,901	0.88
		307,185	413,931	1.26
Information Technology—94.42%				
Advanced Micro Devices Inc.	3,787	450,178	332,115	1.01
Akamai Technologies Inc.	2,987	392,821	340,943	1.04
Allegro Microsystems Inc.	6,973	261,645	283,432	0.86
Alteryx Inc., Class 'A'	4,298	348,962	294,874	0.90
Amdocs Ltd.	3,020	290,704	371,697	1.13
Amphenol Corp., Class 'A'	4,551	424,483	469,179	1.43
Analog Devices Inc.	1,722	340,012	382,450	1.16
ANSYS Inc.	344	133,042	112,527	0.34
Apple Inc.	1,102	212,612	193,870	0.59
Arrow Electronics Inc.	4,338	594,340	614,208	1.87
Atlassian Corp.	362	115,277	63,072	0.19
Autodesk Inc.	816	231,236	206,466	0.63
Avnet Inc.	11,072	581,527	623,346	1.90
Black Knight Inc.	4,707	425,708	393,550	1.20
Broadcom Inc.	172	127,965	130,215	0.40
CACI International Inc., Class 'A'	1,167	392,425	474,968	1.44
Cadence Design Systems Inc.	1,864	378,230	405,432	1.23
CDW Corp.	1,952	433,010	471,988	1.44
Ceridian HCM Holding Inc.	2,726	235,030	236,778	0.72
Cirrus Logic Inc.	5,813	591,542	586,217	1.78
Clarivate Analytics PLC	32,450	587,595	366,437	1.11
CloudFlare Inc., Class 'A'	1,378	113,390	84,353	0.26
Cognizant Technology Solutions Corp., Class 'A'	6,962	650,748	539,104	1.64
Coherent Corp.	8,743	511,950	415,515	1.26
Concentrix Corp.	3,583	699,795	646,010	1.96
Confluent Inc., Class 'A'	3,206	119,684	96,542	0.29
Corning Inc.	13,781	680,899	595,984	1.81
Coupa Software Inc.	1,296	112,710	138,926	0.42
CrowdStrike Holdings Inc., Class 'A'	462	117,783	65,864	0.20
Datadog Inc., Class 'A'	859	140,494	85,487	0.26
Dell Technologies Inc., Class 'C'	4,459	339,202	242,828	0.74
Dolby Laboratories Inc., Class 'A'	2,338	277,092	223,305	0.68

First Trust AlphaDEX™ U.S. Technology Sector Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

DoubleVerify Holdings Inc.	11,141	381,436	331,265	1.01
Dropbox Inc.	7,354	213,710	222,845	0.68
Dun & Bradstreet Holdings Inc.	19,367	454,608	321,493	0.98
DXC Technology Co.	16,337	722,027	586,188	1.78
Elastic NV	2,125	210,704	148,178	0.45
EPAM Systems Inc.	841	348,271	373,202	1.14
F5 Inc.	526	122,040	102,208	0.31
Fortinet Inc.	1,550	98,958	102,605	0.31
Gartner Inc.	1,101	352,526	501,102	1.52
Gen Digital Inc.	7,566	253,713	219,537	0.67
Globant SA	814	273,759	185,339	0.56
GoDaddy Inc., Class 'A'	4,299	448,830	435,516	1.32
Hewlett Packard Enterprise Co.	33,383	624,232	721,401	2.19
HP Inc.	12,227	538,491	444,842	1.35
Intel Corp.	15,519	908,655	555,366	1.69
International Business Machines Corp.	1,282	228,238	244,561	0.74
Intuit Inc.	393	253,398	207,113	0.63
IPG Photonics Corp.	4,741	722,280	607,716	1.85
Jabil Inc.	6,931	476,744	640,028	1.95
KBR Inc.	7,050	440,009	504,013	1.53
KLA Corp.	793	313,837	404,825	1.23
Lattice Semiconductor Corp.	3,096	195,982	271,976	0.83
Leidos Holdings Inc.	2,743	344,888	390,678	1.19
Manhattan Associates Inc.	2,290	404,001	376,420	1.15
Microchip Technology Inc.	3,932	363,651	374,006	1.14
Micron Technology Inc.	7,982	681,634	540,165	1.64
Microsoft Corp.	327	119,638	106,182	0.32
Monolithic Power Systems Inc.	210	122,499	100,545	0.31
National Instruments Corp.	10,597	574,387	529,454	1.61
nCino Inc.	4,467	213,261	159,918	0.49
NCR Corp.	16,029	616,526	508,073	1.55
NetApp Inc.	1,232	117,536	100,188	0.31
New Relic Inc.	5,311	461,759	405,937	1.23
Nutanix Inc., Class 'A'	7,314	235,317	257,977	0.78
ON Semiconductor Corp.	6,416	411,512	541,825	1.65
Palo Alto Networks Inc.	1,465	276,353	276,793	0.84
Paycom Software Inc.	727	309,417	305,456	0.93
Procure Technologies Inc.	3,079	236,447	196,692	0.60
PTC Inc.	2,294	333,730	372,853	1.13
Pure Storage Inc., Class 'A'	14,612	517,390	529,437	1.61
Qorvo Inc.	5,036	890,786	618,051	1.88
QUALCOMM Inc.	1,348	223,555	200,662	0.61
Science Applications International Corp.	2,713	316,960	407,490	1.24
SentinelOne Inc., Class 'A'	2,982	109,959	58,909	0.18
Skyworks Solutions Inc.	4,690	832,473	578,699	1.76
Smartsheet Inc., Class 'A'	2,217	113,649	118,152	0.36
Snowflake Inc., Class 'A'	896	228,216	174,140	0.53
SS&C Technologies Holdings Inc.	6,381	556,575	449,792	1.37
Synopsys Inc.	997	390,097	431,022	1.31
TD SYNnex Corp.	3,753	487,283	481,275	1.46

First Trust AlphaDEX™ U.S. Technology Sector Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

Teradyne Inc.	4,055	606,390	479,593	1.46
Texas Instruments Inc.	1,550	350,377	346,747	1.05
Toast Inc., Class 'A'	14,351	355,429	350,346	1.07
Tyler Technologies Inc.	691	368,524	301,651	0.92
Western Digital Corp.	12,286	825,015	524,842	1.60
Wix.com Ltd.	1,947	227,565	202,542	0.62
Workday Inc., Class 'A'	500	109,642	113,282	0.34
Zoom Video Communications Inc.	3,261	451,053	299,099	0.91
ZoomInfo Technologies Inc., Class 'A'	3,659	238,396	149,174	0.45
Zscaler Inc.	463	113,734	70,150	0.21
		34,030,163	31,047,218	94.42

Total investments		35,904,345	32,842,152	99.88
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Transaction costs			(6,931)	
Unrealized appreciation on derivatives - see Schedule 1			22,909	0.07
Unrealized depreciation on derivatives - see Schedule 1			(44,383)	(0.14)
Other assets, less liabilities			61,126	0.19
Total Net Assets Attributable to Holders of Redeemable Units		35,897,414	32,881,804	100.00

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+	2023-01-03	USD	1,277,673	CAD	1,736,000	0.736	0.739	6,031
Bank of New York Mellon (The), New York	A-1+	2023-01-31	USD	2,378,547	CAD	3,237,000	0.735	0.739	16,878
									22,909
Bank of New York Mellon (The), New York	A-1+	2023-01-03	USD	2,567,057	CAD	3,464,000	0.741	0.739	(11,796)
Bank of New York Mellon (The), New York	A-1+	2023-01-03	CAD	3,345,000	USD	2,457,391	1.361	1.354	(17,693)
Bank of New York Mellon (The), New York	A-1+	2023-01-03	CAD	1,855,000	USD	1,359,015	1.365	1.354	(14,894)
									(44,383)

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

First Trust Cloud Computing ETF

STATEMENTS OF FINANCIAL POSITION As at December 31, 2022 and December 31, 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Assets		
Investments (non-derivative financial assets)	2,062,736	4,473,001
Cash	1,661	44,286
Other assets	79	183
	2,064,476	4,517,470
Liabilities		
Accrued liabilities	315	663
Distributions payable to holders of redeemable units	-	41,781
	315	42,444
Total net assets attributable to holders of redeemable units	2,064,161	4,475,026
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Units	2,064,161	4,475,026
Redeemable units outstanding [note 6]		
Units	150,000	190,000
Net assets attributable to holders of redeemable units per unit		
Units	13.76	23.55

STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Revenues		
Dividends	4,241	37,244
Other changes in fair value of investments		
Net realized gain (loss) on sale of investments	(307,575)	(31,844)
Net realized gain (loss) on foreign exchange	(29)	72
Net change in unrealized appreciation (depreciation) of investments	(1,308,262)	(9,610)
	(1,611,625)	(4,138)
Foreign exchange gain (loss) on cash	56	(56)
	(1,611,569)	(4,194)
Expenses [note 7]		
Management fees	3,928	5,196
Independent Review Committee fees	424	487
HST expense	374	441
Transaction costs [note 3 and note 9]	4	441
Interest expense	2	-
	4,732	6,565
Expenses waived by manager	(424)	(487)
	4,308	6,078
Increase (Decrease) in net assets attributable to holders of redeemable units before tax	(1,615,877)	(10,272)
Withholding taxes	635	5,637
Increase (Decrease) in net assets attributable to holders of redeemable units	(1,616,512)	(15,909)
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Units	(1,616,512)	(15,909)
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Units	(10.50)	(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 Cloud Computing ETF

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

For the years ended December 31, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Net assets attributable to holders of redeemable units, beginning of year	4,475,026	1,256,444
Increase (Decrease) in net assets attributable to holders of redeemable units	(1,616,512)	(15,909)
Redeemable unit transactions [note 6]		
Proceeds from issuance of units	1,393,620	4,229,674
Reinvested distributions	-	-
Redemption of units	(2,155,673)	(946,202)
	(762,053)	3,283,472
Distributions to holders of redeemable units from:		
Net investment income	-	(48,981)
Capital gains	-	-
Return of capital	(32,300)	-
	(32,300)	(48,981)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	(2,410,865)	3,218,582
Net assets attributable to holders of redeemable units, end of year	2,064,161	4,475,026

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, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	(1,616,512)	(15,909)
Adjustments for:		
Net realized (gain) loss on sale of investments	307,575	31,844
Change in unrealized (appreciation) depreciation of investments	1,308,262	9,610
Dividends receivable	-	2,942
Other assets	104	390
Other liabilities	(348)	(189)
Purchases of investments	(1,392,701)	(5,577,605)
Proceeds from the sale of investments	2,187,129	2,314,450
	793,509	(3,234,467)
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	1,393,620	4,229,674
Amount paid on redemptions of units	(2,155,673)	(946,202)
Distributions paid to unitholders	(74,081)	(22,450)
	(836,134)	3,261,022
Increase (Decrease) in cash for the year	(42,625)	26,555
Cash, beginning of year	44,286	17,731
Cash, end of year	1,661	44,286
Dividends received, net of withholding taxes	3,606	34,549

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, 2022

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 measured at fair value on a recurring basis for the years ended December 31, 2022 and 2021:

	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
Total	2,062,736	–	–	2,062,736
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Equities	4,473,001	–	–	4,473,001
Total	4,473,001	–	–	4,473,001

There have been no transfers from one Level to another for the years ended December 31, 2022 and 2021.

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, 2022 and 2021:

Redeemable Units	Units
Outstanding units – January 1, 2021	50,000
Redeemable units issued	180,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(40,000)
Outstanding units – December 31, 2021	190,000
Redeemable units issued	70,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(110,000)
Outstanding units – December 31, 2022	150,000

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

Annual Management Fee ¹
Units
0.15%

¹ 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, 2022

E. TAXATION (NOTE 8)

Tax loss carry-forwards – The net capital and non-capital tax loss carryforwards as at December 31, 2022 and 2021 are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2022	2021	2022	2021
79,850	7,961	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, 2022 and 2021 are as follows:

Transaction Cost (\$)	
2022	2021
4	441

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2022 and 2021, including amounts owing as at December 31, 2022 and 2021 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2022	2021	2022	2021
3,928	5,196	273	581

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Effective February 17, 2021, the First Trust ETF is fully invested in the Underlying Fund (see Note A: Investment Objective (Note 1)).

Market risk - As at December 31, 2022 and 2021, 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, 2022 and 2021, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2022		As at December 31, 2021	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® Index	130,249	(130,249)	229,078	(229,078)

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2022 and 2021:

Currency	As at December 31, 2022		As at December 31, 2021	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	2,063,406	99.96	4,473,747	99.97

As at December 31, 2022, 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 \$20,634 (December 31, 2021 - \$44,737). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

First Trust Cloud Computing ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

Concentration Risk – The table below summarizes the First Trust ETF’s concentration risk for the years ended December 31, 2022 and 2021:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2022	As at December 31, 2021
Exchange-Traded Fund	99.93	99.95
Total	99.93	99.95

First Trust Cloud Computing ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2022

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Exchange-Traded Fund—99.93%				
First Trust Cloud Computing ETF	26,444	3,369,134	2,062,736	99.93
		3,369,134	2,062,736	99.93
Total investments		3,369,134	2,062,736	99.93
Other assets, less liabilities			1,425	0.07
Total Net Assets Attributable to Holders of Redeemable Units		3,369,134	2,064,161	100.00

First Trust Morningstar Dividend Leaders ETF (CAD-Hedged)

STATEMENTS OF FINANCIAL POSITION As at December 31, 2022 and December 31, 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Assets		
Investments (non-derivative financial assets)	11,676,935	4,886,129
Cash	109,480	56,346
Receivable for portfolio securities sold	134,895	-
Derivative assets	73,274	5,527
Other assets	444	147
	11,995,028	4,948,149
Liabilities		
Accrued liabilities	1,636	687
Distributions payable to holders of redeemable units	148,846	55,264
Derivative liabilities	94,388	-
	244,870	55,951
Total net assets attributable to holders of redeemable units	11,750,158	4,892,198
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Units	11,750,158	4,892,198
Redeemable units outstanding [note 6]		
Units	380,000	160,000
Net assets attributable to holders of redeemable units per unit		
Units	30.92	30.58

STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Revenues		
Dividends	300,923	146,298
Other changes in fair value of investments and derivatives		
Net realized gain (loss) on sale of investments	134,814	652,168
Net realized gain (loss) on derivatives	(499,124)	18,237
Net realized gain (loss) on foreign exchange	(558)	(1,040)
Net change in unrealized appreciation (depreciation) of investments	426,803	20,114
Net change in unrealized appreciation (depreciation) of derivatives	(26,641)	(43,075)
	336,217	792,702
Foreign exchange gain (loss) on cash	(1,094)	(117)
	335,123	792,585
Expenses [note 7]		
Management fees	10,328	5,202
Independent Review Committee fees	1,120	545
HST expense	805	436
Transaction costs [note 3 and note 9]	365	1,697
Interest expense	18	18
	12,636	7,898
Expenses waived by manager	(1,120)	(545)
	11,516	7,353
Increase (decrease) in net assets attributable to holders of redeemable units before tax	323,607	785,232
Withholding taxes	44,734	20,518
Increase (Decrease) in net assets attributable to holders of redeemable units	278,873	764,714
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Units	278,873	764,714
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Units	1.25	6.88

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, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Net assets attributable to holders of redeemable units, beginning of year	4,892,198	2,443,172
Increase (Decrease) in net assets attributable to holders of redeemable units	278,873	764,714
Redeemable unit transactions [note 6]		
Proceeds from issuance of units	7,770,241	3,132,466
Reinvested distributions	-	338,688
Redemption of units	(902,708)	(1,329,490)
	6,867,533	2,141,664
Distributions to holders of redeemable units from:		
Net investment income	(288,433)	(118,658)
Capital gains	-	(338,688)
Return of capital	(13)	(6)
	(288,446)	(457,352)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	6,857,960	2,449,026
Net assets attributable to holders of redeemable units, end of year	11,750,158	4,892,198

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, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	278,873	764,714
Adjustments for:		
Net realized (gain) loss on sale of investments	(134,814)	(652,168)
Change in unrealized (appreciation) depreciation of investments and derivatives	(400,162)	22,961
Dividends receivable	-	4,712
Other assets	(297)	203
Other liabilities	949	(18)
Purchases of investments	(8,081,902)	(6,039,599)
Proceeds from the sale of investments	1,717,818	4,214,124
	(6,619,535)	(1,685,071)
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	7,770,241	3,132,466
Amount paid on redemptions of units	(902,708)	(1,329,490)
Distributions paid to unitholders	(194,864)	(118,200)
	6,672,669	1,684,776
Increase (Decrease) in cash for the year	53,134	(295)
Cash, beginning of year	56,346	56,641
Cash, end of year	109,480	56,346
Dividends received, net of withholding taxes	256,189	130,492

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, 2022

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 IndexSM.

The Morningstar® Dividend Leaders IndexSM 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 measured at fair value on a recurring basis for the years ended December 31, 2022 and 2021:

	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)
Total	11,676,935	(21,114)	–	11,655,821

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Equities	4,886,129	–	–	4,886,129
Derivative assets	–	5,527	–	5,527
Total	4,886,129	5,527	–	4,891,656

There have been no transfers from one Level to another for the years ended December 31, 2022 and 2021.

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, 2022 and 2021:

Redeemable Units	Units
Outstanding units – January 1, 2021	100,000
Redeemable units issued	110,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(50,000)
Outstanding units – December 31, 2021	160,000
Redeemable units issued	250,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(30,000)
Outstanding units – December 31, 2022	380,000

First Trust Morningstar Dividend Leaders ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

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

Annual Management Fee ¹
Units
0.15%

¹ 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, 2022 and 2021, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2022	2021	2022	2021
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, 2022 and 2021 are as follows:

Transaction Cost (\$)	
2022	2021
365	1,697

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2022 and 2021, including amounts owing as December 31, 2022 and 2021 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2022	2021	2022	2021
10,328	5,202	1,448	608

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Effective February 12, 2021, the First Trust ETF is fully invested in the Underlying Fund (see Note A: Investment Objective (Note 1)).

Market risk - As at December 31, 2022 and 2021, 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, 2022 and 2021, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2022		As at December 31, 2021	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® Index (CAD Hedged)	434,168	(434,168)	221,150	(221,150)

First Trust Morningstar Dividend Leaders ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2022 and 2021:

Currency	As at December 31, 2022		As at December 31, 2021	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	103,212	0.88	90,875	1.86

As at December 31, 2022, 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 \$1,032 (December 31, 2021 - \$909). 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, 2022 and 2021:

Holdings	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2022	As at December 31, 2021
Exchange-Traded Fund	99.38	99.88
Total	99.38	99.88

First Trust Morningstar Dividend Leaders ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2022

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Exchange-Traded Fund—99.38%				
First Trust Morningstar Dividend Leaders Index Fund	235,887	10,777,032	11,676,935	99.38
		10,777,032	11,676,935	99.38
Total investments		10,777,032	11,676,935	99.38
Transaction costs		(102)		
Unrealized appreciation on derivatives - see Schedule 1			73,274	0.62
Unrealized depreciation on derivatives - see Schedule 1			(94,388)	(0.80)
Other assets, less liabilities			94,337	0.80
Total Net Assets Attributable to Holders of Redeemable Units		10,776,930	11,750,158	100.00

Schedule 1

Counterparty	Credit Rating of Counterparty*	Settlement Date	Currency	Amount		Currency	Amount	Forward Rate	Current Rate	Appreciation (Depreciation) \$
				Sell	Sold					
Bank of New York Mellon (The), New York	A-1+	2023-01-03	USD	801,490		CAD	1,089,000	0.736	0.739	3,783
Bank of New York Mellon (The), New York	A-1+	2023-01-03	USD	770,321		CAD	1,051,000	0.733	0.739	7,986
Bank of New York Mellon (The), New York	A-1+	2023-01-31	USD	8,667,698		CAD	11,796,000	0.735	0.739	61,505
										73,274
Bank of New York Mellon (The), New York	A-1+	2023-01-03	USD	7,080,158		CAD	9,554,000	0.741	0.739	(32,533)
Bank of New York Mellon (The), New York	A-1+	2023-01-03	CAD	11,694,000		USD	8,590,949	1.361	1.354	(61,855)
										(94,388)

* 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, 2022 and December 31, 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Assets		
Investments (non-derivative financial assets)	1,973,606	2,919,624
Cash	8,379	26,730
Receivable for portfolio securities sold	16,990	-
Other assets	194	219
	1,999,169	2,946,573
Liabilities		
Accrued liabilities	293	421
Distributions payable to holders of redeemable units	23,910	21,976
	24,203	22,397
Total net assets attributable to holders of redeemable units	1,974,966	2,924,176
Total Net Assets Attributable to Holders of Redeemable Units per class		
Units	1,974,966	2,924,176
Redeemable units outstanding [note 6]		
Units	85,000	105,000
Net assets attributable to holders of redeemable units per unit		
Units	23.23	27.85

STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Revenues		
Dividends	56,769	52,034
Other changes in fair value of investments		
Net realized gain (loss) on investments	56,709	1,871
Change in unrealized appreciation (depreciation) of foreign exchange	111	121
Change in unrealized appreciation (depreciation) of investments	(509,879)	347,516
	(396,290)	401,542
Foreign exchange gain (loss) on cash	(138)	166
	(396,428)	401,708
Expenses [note 7]		
Management fees	3,528	3,951
Independent Review Committee fees	382	457
HST expense	287	311
Transaction costs [note 3 and note 9]	11	5
Interest expense	-	1
	4,208	4,725
Expenses waived by manager	(382)	(457)
	3,826	4,268
Increase (Decrease) in net assets attributable to holders of redeemable units before tax	(400,254)	397,440
Withholding taxes	11,703	4,599
Increase (Decrease) in net assets attributable to holders of redeemable units	(411,957)	392,841
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Units	(411,957)	392,841
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Units	(4.21)	3.98

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, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Net assets attributable to holders of redeemable units, beginning of year	2,924,176	2,054,184
Increase (Decrease) in net assets attributable to holders of redeemable units	(411,957)	392,841
Redeemable unit transactions [note 6]		
Proceeds from redeemable units issued	-	514,377
Reinvested distributions	-	956
Redemption of redeemable units	(467,942)	-
	(467,942)	515,333
Distributions to holders of redeemable units from:		
Net investment income	(69,308)	(37,221)
Capital gains	-	(956)
Return of capital	(3)	(5)
	(69,311)	(38,182)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	(949,210)	869,992
Net assets attributable to holders of redeemable units, end of year	1,974,966	2,924,176

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, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	(411,957)	392,841
Adjustments for:		
Net realized (gain) loss on investments	(56,709)	(1,871)
Change in unrealized (appreciation) depreciation of investments	509,879	(347,516)
Other assets	25	(98)
Other liabilities	(128)	130
Purchases of investments	(7,487)	(527,620)
Proceeds from the sale of investments	483,345	5,995
	516,968	(478,139)
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	-	514,377
Amount paid on redemptions of units	(467,942)	-
Distributions paid to unitholders	(67,377)	(15,250)
	(535,319)	499,127
Increase (Decrease) in cash for the year	(18,351)	20,988
Cash, beginning of year	26,730	5,742
Cash, end of year	8,379	26,730
Dividends received, net of withholding taxes	45,066	47,435

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, 2022

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 measured at fair value on a recurring basis for the years ended December 31, 2022 and 2021:

	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
Total	1,973,606	–	–	1,973,606
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Equities	2,919,624	–	–	2,919,624
Total	2,919,624	–	–	2,919,624

There have been no transfers from one Level to another for the years ended December 31, 2022 and 2021.

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, 2022 and 2021:

Redeemable Units	Units
Outstanding units – January 1, 2021	85,000
Redeemable units issued	20,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	–
Outstanding units – December 31, 2021	105,000
Redeemable units issued	–
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(20,000)
Outstanding units – December 31, 2022	85,000

First Trust Indxx Innovative Transaction and Process ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

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

Annual Management Fee ¹
Units
0.15%

¹ 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.

E. TAXATION (NOTE 8)

Tax loss carry-forwards – There are no net capital and non-capital tax loss carryforwards as at December 31, 2022 and 2021.

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, 2022 and 2021 are as follows:

Transaction Cost (\$)	
2022	2021
11	5

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2022 and 2021, including amounts owing as December 31, 2022 and 2021 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2022	2021	2022	2021
3,528	3,951	259	373

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at December 31, 2022 and 2021, 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, 2022 and 2021, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2022		As at December 31, 2021	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® Index	76,135	(76,135)	90,539	(90,539)

First Trust Indxx Innovative Transaction and Process ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2022 and 2021:

Currency	As at December 31, 2022		As at December 31, 2021	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	1,997,912	101.16	2,923,155	99.97

As at December 31, 2022, 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 \$19,979 (December 31, 2021 - \$29,232). 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, 2022 and 2021:

Holdings	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2022	As at December 31, 2021
Exchange-Traded Fund	99.93	99.84
Total	99.93	99.84

First Trust Indxx Innovative Transaction and Process ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2022

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Exchange-Traded Fund—99.93%				
First Trust Indxx Innovative Transaction & Process ETF	42,558	1,753,435	1,973,606	99.93
		1,753,435	1,973,606	99.93
Total investments		1,753,435	1,973,606	99.93
Transaction costs		(506)		
Other assets, less liabilities			1,360	0.07
Total Net Assets Attributable to Holders of Redeemable Units		1,752,929	1,974,966	100.00

First Trust International Capital Strength ETF

STATEMENTS OF FINANCIAL POSITION As at December 31, 2022 and December 31, 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Assets		
Investments (non-derivative financial assets)	6,824,776	9,425,919
Cash	24,428	37,412
Accrued dividend receivable	15,327	15,963
Other assets	4,232	4,473
	6,868,763	9,483,767
Liabilities		
Accrued liabilities	4,696	6,270
Distributions payable to holders of redeemable units	35,640	-
	40,336	6,270
Total net assets attributable to holders of redeemable units	6,828,427	9,477,497
Total Net Assets Attributable to Holders of Redeemable Units per class		
Units	6,828,427	9,477,497
Redeemable units outstanding [note 6]		
Units	300,000	350,000
Net assets attributable to holders of redeemable units per unit		
Units	22.76	27.08

STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Revenues		
Dividends	307,100	246,832
Interest income for distribution purposes	736	8,972
Other changes in fair value of investments		
Net realized gain (loss) on investments	(975,508)	769,615
Change in unrealized appreciation (depreciation) of foreign exchange	(2,601)	(2,556)
Change in unrealized appreciation (depreciation) of investments	(741,621)	(5,649)
	(1,411,894)	1,017,214
Foreign exchange gain (loss) on cash	(588)	(989)
	(1,412,482)	1,016,225
Expenses [note 7]		
Management fees	54,922	58,756
Transaction costs [note 3 and note 9]	11,692	17,963
HST expense	3,237	3,342
Independent Review Committee fees	1,272	1,458
	71,123	81,519
Expenses waived by manager	(1,272)	(1,458)
	69,851	80,061
Increase (Decrease) in net assets attributable to holders of redeemable units before tax	(1,482,333)	936,164
Withholding taxes	24,935	23,551
Increase (Decrease) in net assets attributable to holders of redeemable units	(1,507,268)	912,613
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Units	(1,507,268)	912,613
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Units	(4.41)	2.83

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, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Net assets attributable to holders of redeemable units, beginning of year	9,477,497	6,023,055
Increase (Decrease) in net assets attributable to holders of redeemable units	(1,507,268)	912,613
Redeemable unit transactions [note 6]		
Proceeds from redeemable units issued	-	3,850,109
Reinvested distributions	-	-
Redemption of redeemable units	(1,046,662)	(1,308,280)
	(1,046,662)	2,541,829
Distributions to holders of redeemable units from:		
Net investment income	(95,131)	-
Capital gains	-	-
Return of capital	(9)	-
	(95,140)	-
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	(2,649,070)	3,454,442
Net assets attributable to holders of redeemable units, end of year	6,828,427	9,477,497

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, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	(1,507,268)	912,613
Adjustments for:		
Net realized (gain) loss on investments	975,508	(769,615)
Change in unrealized (appreciation) depreciation of investments	741,621	5,649
Dividends receivable	636	(12,168)
Other assets	241	(2,838)
Other liabilities	(1,574)	2,347
Purchases of investments	(4,765,954)	(8,016,445)
Proceeds from the sale of investments	5,649,968	5,336,407
	1,093,178	(2,544,050)
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	-	3,850,109
Amount paid on redemptions of units	(1,046,662)	(1,308,280)
Distributions paid to unitholders	(59,500)	-
	(1,106,162)	2,541,829
Increase (Decrease) in cash for the year	(12,984)	(2,221)
Cash, beginning of year	37,412	39,633
Cash, end of year	24,428	37,412
Interest received	736	8,972
Dividends received, net of withholding taxes	282,801	211,113

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, 2022

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 measured at fair value on a recurring basis for the years ended December 31, 2022 and 2021:

	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
Total	6,824,776	–	–	6,824,776
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Equities	9,425,919	–	–	9,425,919
Total	9,425,919	–	–	9,425,919

There have been no transfers from one Level to another for the years ended December 31, 2022 and 2021.

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, 2022 and 2021:

Redeemable Units	Units
Outstanding units – January 1, 2021	250,000
Redeemable units issued	150,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(50,000)
Outstanding units – December 31, 2021	350,000
Redeemable units issued	–
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(50,000)
Outstanding units – December 31, 2022	300,000

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

Annual Management Fee
Units
0.70%

First Trust International Capital Strength ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

E. TAXATION (NOTE 8)

Tax loss carry-forwards – The net capital and non-capital tax loss carryforwards as at December 31, 2022 and 2021, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2022	2021	2022	2021
372,055	–	–	135,323

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, 2022 and 2021:

Transaction Cost (\$)	
2022	2021
11,692	17,963

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2022 and 2021, including amounts owing at December 31, 2022 and 2021, are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2022	2021	2022	2021
54,922	58,756	4,156	5,549

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at December 31, 2022 and 2021, 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, 2022 and 2021, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	At December 31, 2022		At December 31, 2021	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
MSCI EAFE Index	278,600	(278,600)	386,682	(386,682)

First Trust International Capital Strength ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2022 and 2021:

Currency	At December 31, 2022		At December 31, 2021	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
Euro	2,227,783	32.62	2,837,753	29.94
British Pound Sterling	1,371,572	20.08	2,142,754	22.61
Swiss Francs	870,470	12.75	1,173,253	12.38
Japanese Yen	840,328	12.31	1,616,864	17.06
Danish Krone	515,381	7.55	–	–
Swedish Krona	343,763	5.03	965,880	10.19
Australian Dollar	342,782	5.02	233,842	2.47
Norwegian Krone	165,654	2.43	–	–
South Korean Won	162,373	2.38	230,276	2.43
United States Dollar	591	0.01	113	0.00
Hong Kong Dollar	–	–	241,261	2.55
Total	6,840,697	100.18	9,441,996	99.63

As at December 31, 2022, 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 \$68,407 (December 31, 2021 - \$94,420). 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, 2022 and 2021:

Country	As a % of net assets attributable to holders of redeemable units	
	At December 31, 2022	At December 31, 2021
United Kingdom	17.60	22.61
Switzerland	15.08	14.84
France	15.05	9.98
Japan	12.31	17.01
Germany	10.01	5.06
Denmark	7.55	–
Luxembourg	5.04	2.39
Sweden	5.03	10.19
Australia	5.02	2.47
Finland	2.47	2.44
Norway	2.43	–
South Korea	2.36	2.42
Netherlands	–	5.03
Spain	–	2.47
Hong Kong	–	2.55
Total	99.95	99.46

First Trust International Capital Strength ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2022

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Australia—5.02%				
CSL Ltd.	651	172,283	172,695	2.53
Woodside Energy Group Ltd.	5,206	145,706	170,086	2.49
		317,989	342,781	5.02
Denmark—7.55%				
Carlsberg AS, Series 'B', Class B	957	156,538	172,203	2.52
Genmab AS	296	132,704	169,676	2.49
Novo Nordisk AS, Class 'B'	949	131,631	173,502	2.54
		420,873	515,381	7.55
Finland—2.47%				
Neste OYJ	2,709	166,966	168,914	2.47
		166,966	168,914	2.47
France—15.05%				
Capgemini SE	759	197,523	171,559	2.51
Kering	250	207,087	172,296	2.53
LVMH Moet Hennessy Louis Vuitton SE	174	126,699	171,467	2.51
Sanofi SA	1,304	165,672	169,798	2.49
Thales SA	988	123,033	170,837	2.50
TotalEnergies SE	2,017	172,966	171,458	2.51
		992,980	1,027,415	15.05
Germany—10.01%				
Deutsche Boerse AG	729	166,700	170,536	2.50
Infineon Technologies AG	4,100	169,853	168,945	2.47
Mercedes-Benz Group AG	1,947	172,481	173,268	2.54
SAP SE	1,221	196,910	170,582	2.50
		705,944	683,331	10.01
Japan—12.31%				
Capcom Co. Ltd.	3,900	135,559	169,394	2.48
KDDI Corp.	4,100	158,856	168,437	2.47
Nintendo Co. Ltd.	3,000	182,491	171,221	2.51
Sony Group Corp.	1,650	175,430	170,826	2.50
Tokyo Electron Ltd.	400	159,214	160,450	2.35
		811,550	840,328	12.31
Luxembourg—5.04%				
ArcelorMittal SA	4,827	191,790	171,931	2.52
Tenaris SA	7,306	131,267	172,446	2.52
		323,057	344,377	5.04
Norway—2.43%				
Equinor ASA	3,407	160,217	165,654	2.43
		160,217	165,654	2.43
South Korea—2.36%				
Samsung Electronics Co. Ltd.	2,727	188,143	161,477	2.36
		188,143	161,477	2.36
Sweden—5.03%				
Sandvik AB	7,050	179,651	172,346	2.52
Volvo AB, Series 'B'	7,009	179,026	171,417	2.51
		358,677	343,763	5.03

First Trust International Capital Strength ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

Switzerland—15.08%				
ABB Ltd., Registered	4,206	152,151	172,822	2.53
Glencore PLC	18,809	171,963	170,077	2.49
Nestlé SA, Registered	1,088	161,577	170,695	2.50
Roche Holding AG Genusscheine	398	172,962	169,305	2.48
Straumann Holding AG	1,138	257,729	175,974	2.58
Zurich Insurance Group AG	264	171,990	170,987	2.50
		1,088,372	1,029,860	15.08
United Kingdom—17.60%				
Anglo American PLC	3,270	163,917	173,241	2.54
AstraZeneca PLC	927	125,323	170,225	2.49
BAE Systems PLC	12,160	152,215	170,386	2.50
Diageo PLC	2,860	168,757	170,878	2.50
Reckitt Benckiser Group PLC	1,839	170,764	173,212	2.54
Rio Tinto PLC	1,826	150,579	173,303	2.54
Unilever PLC	2,487	177,246	170,250	2.49
		1,108,801	1,201,495	17.60
Total investments		6,643,569	6,824,776	99.95
Transaction costs		(11,841)		
Other assets, less liabilities			3,651	0.05
Total Net Assets Attributable to Holders of Redeemable Units		6,631,728	6,828,427	100.00

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

STATEMENTS OF FINANCIAL POSITION As at December 31, 2022 and December 31, 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Assets		
Cash	415,904	170,241
Derivative assets:		
Options purchased, at fair value	23,901,187	18,709,000
Unrealized appreciation on forward currency contracts	119,397	5,967
Other assets	6,882	2,020
	24,443,370	18,887,228
Liabilities		
Derivative liabilities		
Options written, at fair value	1,335,604	1,046,232
Unrealized depreciation on forward currency contracts	204,629	-
Accrued liabilities	18,913	14,323
	1,559,146	1,060,555
Total net assets attributable to holders of redeemable units	22,884,224	17,826,673
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Hedged Units	22,884,224	17,826,673
Redeemable units outstanding [note 6]		
Hedged Units	650,000	450,000
Net assets attributable to holders of redeemable units per unit		
Hedged Units	35.21	39.61

STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Revenues		
Interest income for distribution purposes	6,840	-
Other changes in fair value of investments and derivatives		
Net realized gain (loss) on options	152,974	581,269
Net realized gain (loss) on foreign currency contracts	(1,280,271)	266,585
Net realized gain (loss) on foreign exchange transactions	(41,936)	(11,006)
Net change in unrealized appreciation (depreciation) of options	(879,396)	532,579
Net change in unrealized appreciation (depreciation) of foreign currency contracts	(91,199)	(135,648)
	(2,132,988)	1,233,779
Foreign exchange gain (loss) on cash	50,676	14,134
	(2,082,312)	1,247,913
Expenses [note 7]		
Management fees	149,243	79,343
HST expense	12,882	8,532
Transaction costs [note 3 and note 9]	7,498	4,166
Independent Review Committee fees	2,851	1,564
Interest expense	-	75
	172,474	93,680
Expenses waived by manager	(2,851)	(1,564)
	169,623	92,116
Increase (Decrease) in net assets attributable to holders of redeemable units	(2,251,935)	1,155,797
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Hedged Units	(2,251,935)	1,155,797
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Hedged Units	(4.65)	4.69

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, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Net assets attributable to holders of redeemable units, beginning of year	17,826,673	7,103,694
Increase (Decrease) in net assets attributable to holders of redeemable units	(2,251,935)	1,155,797
Redeemable unit transactions [note 6]		
Proceeds from issuance of units	12,843,551	15,169,782
Reinvested distributions	-	1,334,385
Redemption of units	(5,534,065)	(5,602,600)
	7,309,486	10,901,567
Distributions to holders of redeemable units from:		
Net investment income	-	-
Capital gains	-	(1,334,385)
Return of capital	-	-
	-	(1,334,385)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	5,057,551	10,722,979
Net assets attributable to holders of redeemable units, end of year	22,884,224	17,826,673

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

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

STATEMENTS OF CASH FLOW For the years ended December 31, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	(2,251,935)	1,155,797
Adjustments for:		
Net realized (gain) loss on options	(152,974)	(581,269)
Change in unrealized (appreciation) depreciation of options and foreign currency contracts	970,595	(396,931)
Other assets	(4,862)	798
Other liabilities	4,590	8,663
Purchases of options	(30,621,125)	(22,353,960)
Proceeds from the sale of options	24,991,888	12,715,571
	(7,063,823)	(9,451,331)
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	12,843,551	15,169,782
Amount received from reinvestment of distributions	(5,534,065)	(5,602,600)
Amount paid on redemptions of units	-	-
	7,309,486	9,567,182
Increase (Decrease) in cash for the year	245,663	115,851
Cash, beginning of year	170,241	54,390
Cash, end of year	415,904	170,241
Interest received	6,840	-

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, 2022

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.

B. FAIR VALUE MEASUREMENT (NOTE 5) - The following fair value hierarchy table presents information about the First Trust ETF assets measured at fair value on a recurring basis for the years ended December 31, 2022 and 2021:

	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)
Total	–	22,480,351	–	22,480,351
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Derivative assets	–	18,714,967	–	18,714,967
Derivative liabilities	–	(1,046,232)	–	(1,046,232)
Total	–	17,668,735	–	17,668,735

There have been no transfers from one Level to another for the years ended December 31, 2022 and 2021.

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, 2022 and 2021:

Redeemable Units	Hedged Units
Outstanding units – January 1, 2021	200,000
Redeemable units issued	400,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(150,000)
Outstanding units – December 31, 2021	450,000
Redeemable units issued	350,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(150,000)
Outstanding units – December 31, 2022	650,000

First Trust Cboe Vest U.S. Equity Buffer ETF – August
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

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, 2022 and 2021 are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2022	2021	2022	2021
314,255	–	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, 2022 and 2021 are as follows:

Transaction Cost (\$)	
2022	2021
7,498	4,166

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2022 and 2021, including amounts owing as at December 31, 2022 and 2021 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2022	2021	2022	2021
149,243	79,343	16,745	12,683

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at December 31, 2022 and 2021, 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, 2022 and 2021, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2022		As at December 31, 2021	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® Price Return Index (CAD-Hedged)	781,496	(781,496)	496,473	(496,473)

First Trust Cboe Vest U.S. Equity Buffer ETF – August
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2022 and 2021:

Currency	As at December 31, 2022		As at December 31, 2021	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	(45,576)	(0.20)	179,746	1.01

As at December 31, 2022, 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 \$(456) (December 31, 2021 - \$1,797). 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, 2022 and 2021:

Holdings	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2022	As at December 31, 2021
Options	98.61	99.08
Total	98.61	99.08

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

Notes to Financial Statements - Specific Information

For the year ended December 31, 2022

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2022

	Expiry Date	Strike Price (\$)	Currency	Number of Options	Underlying Interest on Equity Options	Average Cost (\$)	Fair Value	% of Total
Purchased Put Options - 10.68%								
SPDR® S&P 500® ETF Trust	2023-08-18	422.15	USD	422	42,200	2,243,359	2,443,227	10.68
						2,243,359	2,443,227	10.68
Purchased Call Options - 93.77%								
SPDR® S&P 500® ETF Trust	2023-08-18	4.23	USD	422	42,200	22,291,591	21,457,960	93.77
						22,291,591	21,457,960	93.77
Written Put Options - (5.72)%								
SPDR® S&P 500® ETF Trust	2023-08-18	379.94	USD	(422)	(42,200)	(1,325,928)	(1,307,904)	(5.72)
						(1,325,928)	(1,307,904)	(5.72)
Written Call Options - (0.12)%								
SPDR® S&P 500® ETF Trust	2023-08-18	508.52	USD	(422)	(42,200)	(458,643)	(27,700)	(0.12)
						(458,643)	(27,700)	(0.12)
Total options						22,750,379	22,565,583	98.61
Transaction costs						(2,272)		
Unrealized appreciation on derivative - see Schedule 1							119,397	0.52
Unrealized depreciation on derivative - see Schedule 1							(204,629)	(0.89)
Other assets, less liabilities							403,873	1.76
Total Net Assets Attributable to Holders of Redeemable Units						22,748,107	22,884,224	100.00

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+	2023-01-31	USD	16,826,179	CAD	22,899,000	0.735	0.739	119,397
									119,397
Bank of New York Mellon (The), New York	A-1+	2023-01-03	USD	17,441,020	CAD	23,535,000	0.741	0.739	(80,142)
Bank of New York Mellon (The), New York	A-1+	2023-01-03	CAD	23,535,000	USD	17,289,891	1.361	1.354	(124,487)
									(204,629)

* 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, 2022 and December 31, 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Assets		
Cash	504,041	127,704
Derivative assets:		
Options purchased, at fair value	25,591,730	15,319,488
Unrealized appreciation on forward currency contracts	131,659	17,515
Other assets	3,767	5,411
	26,231,197	15,470,118
Liabilities		
Derivative liabilities		
Options written, at fair value	1,363,941	895,910
Unrealized depreciation on forward currency contracts	237,265	-
Accrued liabilities	20,253	11,375
	1,621,459	907,285
Total net assets attributable to holders of redeemable units	24,609,738	14,562,833
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Hedged Units	24,609,738	14,562,833
Redeemable units outstanding [note 6]		
Hedged Units	750,000	400,000
Net assets attributable to holders of redeemable units per unit		
Hedged Units	32.81	36.41

STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Revenues		
Interest income for distribution purposes	19,950	-
Other changes in fair value of investments and derivatives		
Net realized gain (loss) on options	(156,839)	1,417,756
Net realized gain (loss) on foreign currency contracts	(2,188,128)	498,679
Net realized gain (loss) on foreign exchange transactions	(81,993)	(4,171)
Net change in unrealized appreciation (depreciation) of options	(404,033)	108,577
Net change in unrealized appreciation (depreciation) of foreign currency contracts	(123,121)	(342,672)
	(2,934,164)	1,678,169
Foreign exchange gain (loss) on cash	87,771	(21,576)
	(2,846,393)	1,656,593
Expenses [note 7]		
Management fees	230,805	127,179
HST expense	26,387	11,492
Transaction costs [note 3 and note 9]	12,926	6,277
Independent Review Committee fees	4,389	2,680
Other expense	-	69
Interest expense	-	6
	274,507	147,703
Expenses waived by manager	(4,389)	(2,680)
	270,118	145,023
Increase (Decrease) in net assets attributable to holders of redeemable units	(3,116,511)	1,511,570
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Hedged Units	(3,116,511)	1,511,570
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Hedged Units	(3.82)	3.51

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, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Net assets attributable to holders of redeemable units, beginning of year	14,562,833	23,066,294
Increase (Decrease) in net assets attributable to holders of redeemable units	(3,116,511)	1,511,570
Redeemable unit transactions [note 6]		
Proceeds from issuance of units	27,756,612	1,766,602
Reinvested distributions	-	848,040
Redemption of units	(14,593,196)	(11,781,633)
	13,163,416	(9,166,991)
Distributions to holders of redeemable units from:		
Net investment income	-	-
Capital gains	-	(848,040)
Return of capital	-	-
	-	(848,040)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	10,046,905	(8,503,461)
Net assets attributable to holders of redeemable units, end of year	24,609,738	14,562,833

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, 2022 and 2021	
	December 31 2022 (\$)	December 31 2021 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	(3,116,511)	1,511,570
Adjustments for:		
Net realized (gain) loss on options	156,839	(1,417,756)
Change in unrealized (appreciation) depreciation of options and foreign currency contracts	527,154	234,095
Other assets	1,644	(3,330)
Other liabilities	8,878	(5,424)
Purchases of options	(49,782,153)	(20,001,893)
Proceeds from the sale of options	39,417,070	29,568,797
	(12,787,079)	9,886,059
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	27,756,612	1,766,602
Amount paid on redemptions of units	(14,593,196)	(11,781,633)
Distributions paid to unitholders	-	-
	13,163,416	(10,015,031)
Increase (Decrease) in cash for the year	376,337	(128,972)
Cash, beginning of year	127,704	256,676
Cash, end of year	504,041	127,704
Interest received	19,950	-

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, 2022

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.

B. FAIR VALUE MEASUREMENT (NOTE 5) - The following fair value hierarchy table presents information about the First Trust ETF assets measured at fair value on a recurring basis for the years ended December 31, 2022 and 2021:

	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)
Total	–	24,122,183	–	24,122,183
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Derivative assets	–	15,337,003	–	15,337,003
Derivative liabilities	–	(895,910)	–	(895,910)
Total	–	14,441,093	–	14,441,093

There have been no transfers from one Level to another for the years ended December 31, 2022 and 2021.

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, 2022 and 2021:

Redeemable Units	Hedged Units
Outstanding units – January 1, 2021	700,000
Redeemable units issued	50,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(350,000)
Outstanding units – December 31, 2021	400,000
Redeemable units issued	800,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(450,000)
Outstanding units – December 31, 2022	750,000

First Trust Cboe Vest U.S. Equity Buffer ETF – November
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

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, 2022 and 2021, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2022	2021	2022	2021
922,256	–	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, 2022 and 2021 are as follows:

Transaction Cost (\$)	
2022	2021
12,926	6,277

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2022 and 2021, including amounts owing as at December 31, 2022 and 2021 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2022	2021	2022	2021
230,805	127,179	17,923	10,067

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at December 31, 2022 and 2021, 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, 2022 and 2021, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2022		As at December 31, 2021	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® Price Return Index (CAD-Hedged)	852,727	(852,727)	379,362	(379,362)

First Trust Cboe Vest U.S. Equity Buffer ETF – November
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2022 and 2021:

Currency	As at December 31, 2022		As at December 31, 2021	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	(143,161)	(0.58)	378,832	2.60

As at December 31, 2022, 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 \$(1,432) (December 31, 2021- \$3,788). 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, 2022 and 2021:

Holdings	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2022	As at December 31, 2021
Options	98.45	99.04
Total	98.45	99.04

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

Notes to Financial Statements - Specific Information

For the year ended December 31, 2022

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2022

	Expiry Date	Strike Price (\$)	Currency	Number of Options	Underlying Interest on Equity Options	Average Cost (\$)	Fair Value	% of Total
Purchased Put Options - 8.38%								
SPDR® S&P 500® ETF Trust	2023-11-17	396.04	USD	464	46,400	1,936,616	2,062,461	8.38
						1,936,616	2,062,461	8.38
Purchased Call Options - 95.61%								
SPDR® S&P 500® ETF Trust	2023-11-17	3.97	USD	464	46,400	23,957,005	23,529,269	95.61
						23,957,005	23,529,269	95.61
Written Put Options - (4.82)%								
SPDR® S&P 500® ETF Trust	2023-11-17	356.44	USD	(464)	(46,400)	(1,128,140)	(1,186,594)	(4.82)
						(1,128,140)	(1,186,594)	(4.82)
Written Call Options - (0.72)%								
SPDR® S&P 500® ETF Trust	2023-11-17	490.18	USD	(464)	(46,400)	(370,623)	(177,347)	(0.72)
						(370,623)	(177,347)	(0.72)
Total options						24,394,858	24,227,789	98.45
Transaction costs						(2,836)		
Unrealized appreciation on derivative - see Schedule 1							131,659	0.53
Unrealized depreciation on derivative - see Schedule 1							(237,265)	(0.96)
Other assets, less liabilities							487,555	1.98
Total Net Assets Attributable to Holders of Redeemable Units						24,392,022	24,609,738	100.00

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+	2023-01-03	USD	914,114	CAD	1,241,000	0.737	0.739	3,289
Bank of New York Mellon (The), New York	A-1+	2023-01-31	USD	18,090,770	CAD	24,620,000	0.735	0.739	128,370
									131,659
Bank of New York Mellon (The), New York	A-1+	2023-01-03	USD	16,219,741	CAD	21,887,000	0.741	0.739	(74,530)
Bank of New York Mellon (The), New York	A-1+	2023-01-03	USD	1,842,775	CAD	2,473,000	0.745	0.739	(22,117)
Bank of New York Mellon (The), New York	A-1+	2023-01-03	CAD	23,998,000	USD	17,630,032	1.361	1.354	(126,936)
Bank of New York Mellon (The), New York	A-1+	2023-01-03	CAD	1,603,000	USD	1,173,794	1.366	1.354	(13,682)
									(237,265)

* 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, 2022 and December 31, 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Assets		
Cash	225,842	21,487
Derivative assets:		
Options purchased, at fair value	17,479,213	7,895,981
Unrealized appreciation on forward currency contracts	88,696	2,490
Other assets	4,284	900
	17,798,035	7,920,858
Liabilities		
Derivative liabilities:		
Options written, at fair value	610,516	478,810
Unrealized depreciation on forward currency contracts	150,321	-
Accrued liabilities	13,972	5,999
	774,809	484,809
Total net assets attributable to holders of redeemable units	17,023,226	7,436,049
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Hedged Units	17,023,226	7,436,049
Redeemable units outstanding [note 6]		
Hedged Units	500,000	200,000
Net assets attributable to holders of redeemable units per unit		
Hedged Units	34.05	37.18

STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Revenues		
Interest income for distribution purposes	5,277	-
Other changes in fair value of investments and derivatives		
Net realized gain (loss) on options	773,215	2,158,198
Net realized gain (loss) on foreign currency contracts	(1,104,808)	309,700
Net realized gain (loss) on foreign exchange transactions	6,017	107,897
Net change in unrealized appreciation (depreciation) of options	(539,473)	232,364
Net change in unrealized appreciation (depreciation) of foreign currency contracts	(64,116)	(478,955)
	(923,888)	2,329,204
Foreign exchange gain (loss) on cash	(16)	(109,255)
	(923,904)	2,219,949
Expenses [note 7]		
Management fees	130,095	120,455
HST expense	12,602	14,813
Transaction costs [note 3 and note 9]	4,040	10,640
Independent Review Committee fees	2,477	2,571
	149,214	148,479
Expenses waived by manager	(2,477)	(2,571)
	146,737	145,908
Increase (Decrease) in net assets attributable to holders of redeemable units	(1,070,641)	2,074,041
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Hedged Units	(1,070,641)	2,074,041
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Hedged Units	(2.41)	5.07

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, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Net assets attributable to holders of redeemable units, beginning of year	7,436,049	22,421,239
Increase (Decrease) in net assets attributable to holders of redeemable units	(1,070,641)	2,074,041
Redeemable unit transactions [note 6]		
Proceeds from issuance of units	10,657,818	8,146,357
Reinvested distributions	206,500	-
Redemption of units	-	(25,205,588)
	10,864,318	(17,059,231)
Distributions to holders of redeemable units from:		
Net investment income	-	-
Capital gains	(206,500)	-
Return of capital	-	-
	(206,500)	-
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	9,587,177	(14,985,190)
Net assets attributable to holders of redeemable units, end of year	17,023,226	7,436,049

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, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	(1,070,641)	2,074,041
Adjustments for:		
Net realized (gain) loss on options	(773,215)	(2,158,198)
Change in unrealized (appreciation) depreciation of options and foreign currency contracts	603,589	246,591
Other assets	(3,384)	(690)
Other liabilities	7,973	(12,761)
Purchases of options	(19,701,296)	(25,934,006)
Proceeds from the sale of options	10,483,511	42,760,072
	(10,453,463)	16,975,049
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	10,657,818	8,146,357
Amount paid on redemptions of units	-	(25,205,588)
Distributions paid to unitholders	-	-
	10,657,818	(17,059,231)
Increase (Decrease) in cash for the year	204,355	(84,182)
Cash, beginning of year	21,487	105,669
Cash, end of year	225,842	21,487
Interest received	5,277	-

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, 2022

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.

B. FAIR VALUE MEASUREMENT (NOTE 5) - The following fair value hierarchy table presents information about the First Trust ETF assets measured at fair value on a recurring basis for the years ended December 31, 2022 and 2021:

	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)
Total	–	16,807,072	–	16,807,072
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Derivative assets	–	7,898,471	–	7,898,471
Derivative liabilities	–	(478,810)	–	(478,810)
Total	–	7,419,661	–	7,419,661

There have been no transfers from one Level to another for years ended December 31, 2022 and 2021.

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, 2022 and 2021:

Redeemable Units	Hedged Units
Outstanding units – January 1, 2021	700,000
Redeemable units issued	250,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(750,000)
Outstanding units – December 31, 2021	200,000
Redeemable units issued	300,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	–
Outstanding units – December 31, 2022	500,000

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

Annual Management Fee
Hedged Units
0.85%

First Trust Cboe Vest U.S. Equity Buffer ETF – February
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

E. TAXATION (NOTE 8)

Tax loss carry-forwards – There are no net capital and non-capital tax loss carryforwards as at December 31, 2022 and 2021.

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, 2022 and 2021 are as follows:

Transaction Cost (\$)	
2022	2021
4,040	10,640

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2022 and 2021, including amounts owing as at December 31, 2022 and 2021 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2022	2021	2022	2021
130,095	120,455	12,364	5,309

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at December 31, 2022 and 2021, 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, 2022 and 2021, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2022		As at December 31, 2021	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® Price Return Index (CAD-Hedged)	566,873	(566,873)	199,658	(199,658)

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2022 and 2021:

Currency	As at December 31, 2022		As at December 31, 2021	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	17,591	0.10	69,717	0.94

As December 31, 2022, 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 \$176 (December 31, 2021 - \$697). 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, 2022 and 2021:

Holdings	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2022	As at December 31, 2021
Options	99.09	99.75
Total	99.09	99.75

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

Notes to Financial Statements - Specific Information

For the year ended December 31, 2022

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2022

	Expiry Date	Strike Price (\$)	Currency	Number of Options	Underlying Interest on Equity Options	Average Cost (\$)	Fair Value	% of Total
Purchased Put Options - 11.84%								
SPDR® S&P 500® ETF Trust	2023-02-17	434.24	USD	302	30,200	1,524,370	2,016,993	11.84
						1,524,370	2,016,993	11.84
Purchased Call Options - 90.83%								
SPDR® S&P 500® ETF Trust	2023-02-17	4.35	USD	302	30,200	16,226,049	15,462,220	90.83
						16,226,049	15,462,220	90.83
Written Put Options - (3.58)%								
SPDR® S&P 500® ETF Trust	2023-02-17	390.82	USD	(302)	(30,200)	(947,064)	(610,121)	(3.58)
						(947,064)	(610,121)	(3.58)
Written Call Options - 0.00%								
SPDR® S&P 500® ETF Trust	2023-02-17	496.12	USD	(302)	(30,200)	(364,937)	(395)	-
						(364,937)	(395)	-
Total options						16,438,418	16,868,697	99.09
Transaction costs						(1,652)		
Unrealized appreciation on derivative - see Schedule 1							88,696	0.52
Unrealized depreciation on derivative - see Schedule 1							(150,321)	(0.88)
Other assets, less liabilities							216,154	1.27
Total Net Assets Attributable to Holders of Redeemable Units						16,436,766	17,023,226	100.00

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+	2023-01-31	USD	12,499,679	CAD	17,011,000	0.735	0.739	88,696
									88,696
Bank of New York Mellon (The), New York	A-1+	2023-01-03	USD	12,812,314	CAD	17,289,000	0.741	0.739	(58,872)
Bank of New York Mellon (The), New York	A-1+	2023-01-03	CAD	17,289,000	USD	12,701,293	1.361	1.354	(91,449)
									(150,321)

* 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, 2022 and December 31, 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Assets		
Cash	431,425	32,001
Derivative assets:		
Options purchased, at fair value	27,395,868	3,934,075
Unrealized appreciation on forward currency contracts	141,067	1,245
Other assets	2,920	925
	27,971,280	3,968,246
Liabilities		
Derivative liabilities		
Options written, at fair value	671,467	246,176
Unrealized depreciation on forward currency contracts	241,608	-
Accrued liabilities	22,369	2,996
	935,444	249,172
Total net assets attributable to holders of redeemable units	27,035,836	3,719,074
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Hedged Units	27,035,836	3,719,074
Redeemable units outstanding [note 6]		
Hedged Units	800,000	100,000
Net assets attributable to holders of redeemable units per unit		
Hedged Units	33.79	37.19

STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Revenues		
Interest income for distribution purposes	10,818	-
Other changes in fair value of investments and derivatives		
Net realized gain (loss) on options	281,611	17,329
Net realized gain (loss) on foreign currency contracts	(1,269,608)	(42,541)
Net realized gain (loss) on foreign exchange transactions	12,618	(884)
Net change in unrealized appreciation (depreciation) of options	829,372	394,172
Net change in unrealized appreciation (depreciation) of foreign currency contracts	(101,786)	(32,738)
	(236,975)	335,338
Foreign exchange gain (loss) on cash	(9,812)	1,315
	(246,787)	336,653
Expenses [note 7]		
Management fees	122,832	24,078
HST expense	13,160	2,266
Transaction costs [note 3 and note 9]	6,539	859
Independent Review Committee fees	2,302	478
Interest expense	-	53
	144,833	27,734
Expenses waived by manager	(2,302)	(478)
	142,531	27,256
Increase (Decrease) in net assets attributable to holders of redeemable units	(389,318)	309,397
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Hedged Units	(389,318)	309,397
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Hedged Units	(0.92)	3.87

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, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Net assets attributable to holders of redeemable units, beginning of year	3,719,074	1,682,897
Increase (Decrease) in net assets attributable to holders of redeemable units	(389,318)	309,397
Redeemable unit transactions [note 6]		
Proceeds from issuance of units	25,544,222	1,726,780
Reinvested distributions	216,880	-
Redemption of units	(1,838,142)	-
	23,922,960	1,726,780
Distributions to holders of redeemable units from:		
Net investment income	-	-
Capital gains	(216,880)	-
Return of capital	-	-
	(216,880)	-
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	23,316,762	2,036,177
Net assets attributable to holders of redeemable units, end of year	27,035,836	3,719,074

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, 2022 and 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	(389,318)	309,397
Adjustments for:		
Net realized (gain) loss on options	(281,611)	(17,329)
Change in unrealized (appreciation) depreciation of options and foreign currency contracts	(727,586)	(361,434)
Other assets	(1,995)	(510)
Other liabilities	19,373	1,631
Purchases of options	(30,798,110)	(4,160,597)
Proceeds from the sale of options	8,872,591	2,504,213
	(23,306,656)	(1,724,629)
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	25,544,222	1,726,780
Amount paid on redemptions of units	(1,838,142)	-
Distributions paid to unitholders	-	-
	23,706,080	1,726,780
Increase (Decrease) in cash for the year	399,424	2,151
Cash, beginning of year	32,001	29,850
Cash, end of year	431,425	32,001
Interest received	10,818	-

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, 2022

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.

B. FAIR VALUE MEASUREMENT (NOTE 5) - The following fair value hierarchy table presents information about the First Trust ETF assets measured at fair value on a recurring basis for the years ended December 31, 2022 and 2021:

	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)
Total	–	26,623,860	–	26,623,860

	Financial Assets (Liabilities) at Fair Value (\$)			
	As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Derivative assets	–	3,935,320	–	3,935,320
Derivative liabilities	–	(246,176)	–	(246,176)
Total	–	3,689,144	–	3,689,144

There have been no transfers from one Level to another for the years ended December 31, 2022 and 2021.

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, 2022 and 2021:

Redeemable Units	Hedged Units
Outstanding units – January 1, 2021	50,000
Redeemable units issued	50,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	–
Outstanding units – December 31, 2021	100,000
Redeemable units issued	750,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(50,000)
Outstanding units – December 31, 2022	800,000

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

Annual Management Fee
Hedged Units
0.85%

First Trust Cboe Vest U.S. Equity Buffer ETF – May
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

E. TAXATION (NOTE 8)

Tax loss carry-forwards - The net capital and non-capital tax loss carryforwards as at December 31, 2022 and 2021 are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2022	2021	2022	2021
-	-	-	8,871

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, 2022 and 2021 is as follows:

Transaction Cost (\$)	
2022	2021
6,539	859

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2022 and 2021, including amounts owing as at December 31, 2022 and 2021 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2022	2021	2022	2021
122,832	24,078	19,796	2,651

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at December 31, 2022 and 2021, 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, 2022 and 2021, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2022		As at December 31, 2021	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® Price Return Index (CAD-Hedged)	911,108	(911,108)	124,589	(124,589)

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2022 and 2021:

Currency	As at December 31, 2022		As at December 31, 2021	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	(71,915)	(0.27)	34,765	0.94

As at December 31, 2022, 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 \$(719) (December 31, 2021 - \$348). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

First Trust Cboe Vest U.S. Equity Buffer ETF – May
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

Concentration Risk – The table below summarizes the First Trust ETF’s concentration risk for the years ended December 31, 2022 and 2021:

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, 2022	As at December 31, 2021
Options	98.85	99.16
Total	98.85	99.16

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

Notes to Financial Statements - Specific Information

For the year ended December 31, 2022

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2022

	Expiry Date	Strike Price (\$)	Currency	Number of Options	Underlying Interest on Equity Options	Average Cost (\$)	Fair Value	% of Total
Purchased Put Options - 5.54%								
SPDR® S&P 500® ETF Trust	2023-05-19	389.64	USD	507	50,700	2,109,823	1,497,159	5.54
						2,109,823	1,497,159	5.54
Purchased Call Options - 95.79%								
SPDR® S&P 500® ETF Trust	2023-05-19	3.91	USD	507	50,700	25,037,945	25,898,709	95.79
						25,037,945	25,898,709	95.79
Written Put Options - (2.33)%								
SPDR® S&P 500® ETF Trust	2023-05-19	350.68	USD	(507)	(50,700)	(1,256,353)	(630,148)	(2.33)
						(1,256,353)	(630,148)	(2.33)
Written Call Options - (0.15)%								
SPDR® S&P 500® ETF Trust	2023-05-19	469.32	USD	(507)	(50,700)	(438,402)	(41,319)	(0.15)
						(438,402)	(41,319)	(0.15)
Total options						25,453,013	26,724,401	98.85
Transaction costs						(2,572)		
Unrealized appreciation on derivative - see Schedule 1							141,067	0.52
Unrealized depreciation on derivative - see Schedule 1							(241,608)	(0.89)
Other assets, less liabilities							411,976	1.52
Total Net Assets Attributable to Holders of Redeemable Units						25,450,441	27,035,836	100.00

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+	2023-01-31	USD	19,880,007	CAD	27,055,000	0.735	0.739	141,067
									141,067
Bank of New York Mellon (The), New York	A-1+	2023-01-03	USD	20,592,780	CAD	27,788,000	0.741	0.739	(94,625)
Bank of New York Mellon (The), New York	A-1+	2023-01-03	CAD	27,788,000	USD	20,414,340	1.361	1.354	(146,983)
									(241,608)

* 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, 2022 and December 31, 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Assets		
Investments (non-derivative financial assets)	1,668,881	2,007,792
Cash	79,791	20,977
Accrued investment income receivable	11,882	9,730
Receivable for portfolio securities sold	110	-
Other assets	136	324
	1,760,800	2,038,823
Liabilities		
Accrued liabilities	1,027	1,165
Payable for portfolio securities purchased	9,537	-
Distributions payable to holders of redeemable units	81,410	3,680
	91,974	4,845
Total net assets attributable to holders of redeemable units	1,668,826	2,033,978
Total Net Assets Attributable to Holders of Redeemable Units per class		
Units	1,668,826	2,033,978
Redeemable units outstanding [note 6]		
Units	100,000	100,000
Net assets attributable to holders of redeemable units per unit		
Units	16.69	20.34

STATEMENTS OF COMPREHENSIVE INCOME

For the year ended December 31, 2022 and for the period from March 19, 2021 to December 31, 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Revenues		
Dividends	-	2,756
Interest income for distribution purposes	59,524	43,383
Other changes in fair value of investments		
Net realized gain (loss) on investments	(87,089)	10,580
Change in unrealized appreciation (depreciation) of investments	(201,344)	22,054
	(228,909)	78,773
Expenses [note 7]		
Management fees	12,733	11,180
HST expense	1,284	1,243
Independent Review Committee fees	295	355
Transaction costs [note 3 and note 9]	-	460
	14,312	13,238
Expenses waived by manager	(2,108)	(1,953)
	12,204	11,285
Increase (Decrease) in net assets attributable to holders of redeemable units	(241,113)	67,488
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Units	(241,113)	67,488
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Units	(2.41)	0.68

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 year ended December 31, 2022 and for the period from March 19, 2021 to December 31, 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Net assets attributable to holders of redeemable units, beginning of year	2,033,978	-
Increase (Decrease) in net assets attributable to holders of redeemable units	(241,113)	67,488
Redeemable unit transactions [note 6]		
Proceeds from redeemable units issued	-	2,000,020
Reinvested distributions	-	11,500
Redemption of redeemable units	-	(20)
	-	2,011,500
Distributions to holders of redeemable units from:		
Net investment income	(123,488)	(33,508)
Capital gains	-	(11,500)
Return of capital	(551)	(2)
	(124,039)	(45,010)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	(365,152)	2,033,978
Net assets attributable to holders of redeemable units, end of year	1,668,826	2,033,978

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

First Trust JFL Fixed Income Core Plus ETF

STATEMENTS OF CASH FLOW

For the year ended December 31, 2022 and for the period from March 19, 2021 to December 31, 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	(241,113)	67,488
Adjustments for:		
Net realized (gain) loss on investments	87,089	(10,580)
Change in unrealized (appreciation) depreciation of investments	201,344	(22,054)
Interest receivable	(2,152)	(9,730)
Other assets	188	(324)
Other liabilities	(138)	1,165
Purchases of investments	(1,158,307)	(2,644,137)
Proceeds from the sale of investments	1,218,212	668,979
	105,123	(1,949,193)
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	-	2,000,020
Amount paid on redemptions of units	-	(20)
Distributions paid to unitholders	(46,309)	(29,830)
	(46,309)	1,970,170
Increase (Decrease) in cash for the year	58,814	20,977
Cash, beginning of year	20,977	-
Cash, end of year	79,791	20,977
Interest received	57,372	33,653
Dividends received, net of withholding taxes	-	2,756

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, 2022

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 measured at fair value on a recurring basis for the year ended December 31, 2022 and for the period March 19, 2021 to December 31, 2021:

	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
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Bonds	–	2,007,792	–	2,007,792
Total	–	2,007,792	–	2,007,792

There have been no transfers from one Level to another for the year ended December 31, 2022 and period ended December 31, 2021.

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 year ended December 31, 2022 and period ended December 31, 2021:

Redeemable Units	Units
Outstanding units – March 19, 2021*	–
Redeemable units issued	100,001
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(1)
Outstanding units December 31, 2021	100,000
Redeemable units issued	–
Redeemable units issued on reinvestments	–
Redeemable units redeemed	–
Outstanding units December 31, 2022	100,000

*commencement of operations

First Trust JFL Fixed Income Core Plus ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

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

Annual Management Fee ¹
Units
0.60%

¹ 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, 2022 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, 2022, the fee waiver may not be continued past December 31, 2022. 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, 2022, 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, 2022 and 2021 are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2022	2021	2022	2021
139,914	-	-	-

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 year ended December 31, 2022 and period ended December 31, 2021 is as follows:

Transaction Cost (\$)	
2022	2021
-	460

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the year ended December 31, 2022 and period ended December 31, 2021, including amount owing as at December 31, 2022 and 2021 is as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2022	2021	2022	2021
12,733	11,180	909	1,031

First Trust JFL Fixed Income Core Plus ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

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, 2022 and 2021:

	As at December 31, 2022		As at December 31, 2021	
	Fair Value (\$)	% of Net Assets	Fair Value (\$)	% of Net Assets
Less than 1 year	73,902	4.43	10,102	0.50
1-3 years	191,889	11.50	428,798	21.09
3-5 years	300,707	18.02	189,396	9.29
> 5 years	1,102,383	66.05	1,379,496	67.83
Total	1,668,881	100.00	2,007,792	98.71

At December 31, 2022, the weighted average duration of the First Trust ETF was 7.04 years (December 31, 2021 – 8.38 years). If interest rates increased or decreased by 1% at December 31, 2022, with all other variables remaining constant, net assets would have decreased or increased by approximately \$16,689 (December 31, 2021 - \$20,078). In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk – Below are the First Trust ETF's breakdown by credit rating as at December 31, 2022 and 2021:

Debt Securities by S&P Rating	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2022	As at December 31, 2021
AAA	18.03	23.42
AA	14.51	20.37
A	37.60	29.64
BBB	20.95	21.73
Below BBB	8.91	3.55
Total	100.00	98.71

Concentration Risk - The table below summarizes the First Trust ETF's concentration risk for the year ended December 31, 2022 and period ended December 31, 2021:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2022	As at December 31, 2021
Corporate Bonds	56.66	52.23
Provincial Bonds & Guarantees	25.85	23.43
Federal Bonds & Guarantees	17.49	23.05
Total	100.00	98.71

First Trust JFL Fixed Income Core Plus ETF

Notes to Financial Statements - Specific Information

For the year ended December 31, 2022

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2022

	Par value	Coupon Rate/Yield	Maturity Date	Average Cost (\$)	Fair Value (\$)	% of Total
CANADIAN BONDS						
Federal Bonds & Guarantees—17.49%						
Canada Housing Trust No. 1	23,000	1.10%	15-Dec-26	21,603	20,759	1.24
Canada Housing Trust No. 1	7,000	3.80%	15-Jun-27	6,984	7,021	0.42
Canada Housing Trust No. 1	25,000	2.65%	15-Dec-28	23,779	23,613	1.42
Canada Housing Trust No. 1	17,000	1.75%	15-Jun-30	17,108	14,840	0.89
Canada Housing Trust No. 1	18,000	1.40%	15-Mar-31	17,058	15,053	0.90
Canada Housing Trust No. 1	17,000	3.55%	15-Sep-32	17,369	16,710	1.00
CPPIB Capital Inc.	24,000	3.00%	15-Jun-28	26,093	22,924	1.37
Government of Canada	37,000	2.00%	01-Jun-28	34,772	34,676	2.08
Government of Canada	3,000	2.25%	01-Jun-29	2,947	2,825	0.17
Government of Canada	5,000	2.25%	01-Dec-29	4,979	4,692	0.28
Government of Canada	19,000	1.25%	01-Jun-30	18,559	16,473	0.99
Government of Canada	4,000	1.50%	01-Jun-31	3,458	3,470	0.21
Government of Canada	24,000	1.50%	01-Dec-31	20,958	20,665	1.24
Government of Canada	36,000	3.50%	01-Dec-45	38,128	36,930	2.21
Government of Canada	18,000	2.75%	01-Dec-48	19,960	16,269	0.97
Government of Canada	35,000	2.00%	01-Dec-51	33,405	26,612	1.59
Government of Canada	12,000	1.75%	01-Dec-53	8,493	8,457	0.51
				315,653	291,989	17.49
Provincial Bonds & Guarantees—25.85%						
Hydro-Québec	13,000	2.00%	01-Sep-28	11,957	11,777	0.71
Hydro-Québec	13,000	2.10%	15-Feb-60	10,782	7,836	0.47
Ontario Power Generation Inc., Callable	12,000	3.22%	08-Apr-30	10,698	10,879	0.65
Province of Alberta	6,000	2.05%	01-Jun-30	5,913	5,271	0.32
Province of Alberta	12,000	3.05%	01-Dec-48	9,956	9,642	0.58
Province of Alberta	15,000	3.10%	01-Jun-50	15,174	12,158	0.73
Province of British Columbia	21,000	5.70%	18-Jun-29	27,016	23,153	1.39
Province of British Columbia	8,000	4.30%	18-Jun-42	10,019	7,976	0.48
Province of British Columbia	16,000	2.75%	18-Jun-52	12,854	12,046	0.72
Province of British Columbia, Series 'BCCD-35'	19,000	2.80%	18-Jun-48	15,256	14,640	0.88
Province of Manitoba	17,000	3.80%	05-Sep-53	15,515	15,431	0.92
Province of New Brunswick	48,000	3.10%	14-Aug-28	52,104	46,065	2.76
Province of New Brunswick	20,000	3.10%	14-Aug-48	20,439	15,992	0.96
Province of Newfoundland and Labrador	6,000	1.75%	02-Jun-30	5,743	5,103	0.31
Province of Nova Scotia	11,000	3.15%	01-Dec-51	11,639	8,850	0.53
Province of Ontario	10,000	2.90%	02-Jun-28	9,554	9,538	0.57
Province of Ontario	36,000	2.80%	02-Jun-48	34,550	27,625	1.66
Province of Ontario	57,000	2.65%	02-Dec-50	54,973	41,969	2.51
Province of Quebec	5,000	6.25%	01-Jun-32	6,947	5,849	0.35
Province of Quebec	15,000	3.25%	01-Sep-32	14,191	14,076	0.84
Province of Quebec	12,000	5.75%	01-Dec-36	16,921	13,879	0.83
Province of Quebec	22,000	5.00%	01-Dec-41	28,622	23,888	1.43
Province of Quebec	50,000	3.50%	01-Dec-48	56,450	43,782	2.62
Province of Quebec	10,000	3.10%	01-Dec-51	10,716	8,106	0.49
Province of Quebec	17,000	2.85%	01-Dec-53	15,587	13,003	0.78
Province of Quebec, Series 'QY'	8,000	1.85%	13-Feb-27	8,169	7,408	0.44
Province of Saskatchewan	5,000	3.10%	02-Jun-50	5,160	4,037	0.24
Province of Saskatchewan	15,000	2.80%	02-Dec-52	11,750	11,287	0.68
				508,655	431,266	25.85
Corporate Bonds—45.76%						
407 International Inc., Callable, Series '99-A2'	17,000	6.47%	27-Jul-29	21,600	18,682	1.12
AltaGas Ltd., Variable Rate, Callable	17,000	5.25%	11-Jan-82	17,000	13,868	0.83
AltaLink L.P.	5,000	3.67%	06-Nov-23	5,286	4,938	0.30
AltaLink L.P., Callable	8,000	3.99%	30-Jun-42	8,850	7,094	0.43
ARC Resources Ltd., Callable	14,000	3.47%	10-Mar-31	12,339	12,136	0.73
Bank of Montreal	49,000	2.28%	29-Jul-24	48,192	46,924	2.81

First Trust JFL Fixed Income Core Plus ETF

Notes to Financial Statements - Specific Information

For the year ended December 31, 2022

Bank of Montreal, Callable	30,000	3.65%	01-Apr-27	29,291	28,503	1.71
Bank of Montreal, Variable Rate, Callable	3,000	6.53%	27-Oct-32	3,000	3,118	0.19
Bell Canada, Callable	2,000	1.65%	16-Aug-27	1,675	1,741	0.10
Bell Canada, Callable	6,000	2.90%	10-Sep-29	5,524	5,304	0.32
Bell Canada, Callable	11,000	5.85%	10-Nov-32	11,251	11,510	0.69
Bruce Power L.P., Callable, Series '17-2'	8,000	4.01%	21-Jun-29	8,664	7,592	0.45
Bruce Power L.P., Callable, Series '21-1'	3,000	2.68%	21-Dec-28	2,706	2,664	0.16
Calgary Airport Authority, Callable, Series 'A'	6,000	3.20%	07-Oct-36	6,009	4,979	0.30
Calgary Airport Authority, Callable, Series 'D'	3,000	3.55%	07-Oct-51	3,000	2,388	0.14
Calgary Airport Authority, Callable, Series 'E'	3,000	3.55%	07-Oct-53	3,000	2,366	0.14
Canadian Imperial Bank of Commerce	31,000	2.00%	17-Apr-25	31,663	28,982	1.74
Canadian Imperial Bank of Commerce, Callable	27,000	4.95%	29-Jun-27	27,327	26,972	1.62
Canadian Imperial Bank of Commerce, Variable Rate, Callable	5,000	7.15%	28-Jul-82	4,991	4,909	0.29
Canadian Western Bank, Variable Rate, Callable	4,000	5.94%	22-Dec-32	4,000	4,000	0.24
CCL Industries Inc., Callable, Series '1'	8,000	3.86%	13-Apr-28	8,662	7,532	0.45
CDP Financial Inc.	9,000	3.80%	02-Jun-27	8,997	8,958	0.54
Corus Entertainment Inc., Callable	27,000	5.00%	11-May-28	27,260	20,756	1.24
Corus Entertainment Inc., Restricted, Callable	10,000	6.00%	28-Feb-30	10,000	7,663	0.46
Enbridge Gas Inc., Callable	3,000	4.55%	17-Aug-52	2,992	2,792	0.17
Enbridge Inc., Callable	5,000	6.51%	09-Nov-52	4,995	5,459	0.33
Fédération des caisses Desjardins du Québec	37,000	1.09%	21-Jan-26	35,964	32,917	1.97
Fédération des caisses Desjardins du Québec	15,000	1.59%	10-Sep-26	13,984	13,318	0.80
Fédération des caisses Desjardins du Québec, Variable Rate, Callable	6,000	5.04%	23-Aug-32	6,000	5,840	0.35
Greater Toronto Airports Authority, Callable, Series '21-1'	1,000	3.15%	05-Oct-51	998	747	0.04
Great-West Lifeco Inc., Callable	16,000	3.34%	28-Feb-28	15,570	14,951	0.90
HSBC Bank Canada	17,000	4.81%	16-Dec-24	16,979	16,937	1.01
Hydro One Inc., Callable	17,000	2.23%	17-Sep-31	16,703	14,123	0.85
Hydro One Inc., Callable, Series '42'	10,000	2.54%	05-Apr-24	10,470	9,703	0.58
Hydro One Inc., Callable, Series '44'	9,000	3.64%	05-Apr-50	9,503	7,362	0.44
Keyera Corp., Callable	6,000	5.02%	28-Mar-32	5,843	5,678	0.34
Keyera Corp., Variable Rate, Callable	14,000	5.95%	10-Mar-81	13,154	12,207	0.73
Loblaw Cos. Ltd., Callable	2,000	5.01%	13-Sep-32	1,995	1,987	0.12
Loblaw Cos. Ltd., Callable	5,000	5.34%	13-Sep-52	4,933	5,013	0.30
Manulife Bank of Canada	28,000	2.38%	19-Nov-24	29,145	26,617	1.59
Manulife Financial Corp., Variable Rate, Callable	4,000	7.12%	19-Jun-82	4,000	3,941	0.24
National Bank of Canada	10,000	2.98%	04-Mar-24	10,554	9,743	0.58
National Bank of Canada	9,000	1.53%	15-Jun-26	9,000	8,038	0.48
National Bank of Canada, Variable Rate, Callable	10,000	5.43%	16-Aug-32	10,058	9,893	0.59
National Bank of Canada, Variable Rate, Callable	30,000	7.50%	16-Nov-82	30,000	29,693	1.78
North West Redwater Partnership / NWR Financing Co. Ltd., Callable, Series 'K'	15,000	3.65%	01-Jun-35	15,309	12,895	0.77
NuVista Energy Ltd., Callable	19,000	7.88%	23-Jul-26	18,853	19,368	1.16
Parkland Corp., Callable	10,000	3.88%	16-Jun-26	9,260	9,194	0.55
Parkland Corp., Callable	17,000	6.00%	23-Jun-28	16,264	16,244	0.97
Rogers Communications Inc., Variable Rate, Restricted, Callable	11,000	5.00%	17-Dec-81	10,208	9,939	0.60
Royal Bank of Canada	59,000	3.30%	26-Sep-23	62,451	58,220	3.49
Royal Bank of Canada	16,000	4.61%	26-Jul-27	15,957	15,795	0.95
Royal Bank of Canada, Variable Rate, Callable	3,000	2.74%	25-Jul-29	2,858	2,865	0.17
Sun Life Financial Inc., Variable Rate, Callable	2,000	3.15%	18-Nov-36	2,056	1,665	0.10
Suncor Energy Inc., Callable, Series '5'	2,000	4.34%	13-Sep-46	2,074	1,641	0.10
Tamarack Valley Energy Ltd., Callable	15,000	7.25%	10-May-27	15,033	14,072	0.84
Tamarack Valley Energy Ltd., Callable	6,000	7.25%	10-May-27	5,640	5,647	0.34
TELUS Corp., Callable	7,000	5.25%	15-Nov-32	6,977	6,963	0.42
TELUS Corp., Callable	3,000	5.65%	13-Sep-52	2,988	2,985	0.18
Toronto-Dominion Bank (The)	7,000	2.85%	08-Mar-24	6,953	6,812	0.41
Toronto-Dominion Bank (The)	6,000	4.68%	08-Jan-29	6,000	5,910	0.35
Toronto-Dominion Bank (The), Variable Rate, Callable	34,000	3.11%	22-Apr-30	35,561	32,215	1.93
Toronto-Dominion Bank (The), Variable Rate, Perpetual, Series '27'	20,000	5.75%	01-Oct-27	20,000	17,764	1.06
TransCanada PipeLines Ltd., Callable	3,000	5.92%	12-May-52	2,928	3,044	0.18
				820,497	763,776	45.76
				1,644,805	1,487,031	89.10

First Trust JFL Fixed Income Core Plus ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

INTERNATIONAL BONDS

Corporate Bonds—10.90%

Air Lease Corp., Callable	6,000	2.63%	05-Dec-24	5,710	5,656	0.34
Anheuser-Busch InBev Finance Inc., Callable	15,000	4.32%	15-May-47	14,826	12,639	0.76
Heathrow Funding Ltd.	17,000	3.40%	08-Mar-30	17,571	15,599	0.93
Heathrow Funding Ltd., Callable	2,000	3.78%	04-Sep-32	2,118	1,797	0.11
Heathrow Funding Ltd., Callable	10,000	3.66%	13-Jan-33	10,117	8,791	0.53
National Grid Electricity Transmission PLC, Callable	5,000	2.30%	22-Jun-29	4,980	4,261	0.25
Nestle Holdings Inc., Callable	12,000	2.19%	26-Jan-29	10,577	10,513	0.63
TWDC Enterprises 18 Corp.	5,000	2.76%	07-Oct-24	4,999	4,814	0.29
Verizon Communications Inc., Callable	11,000	3.63%	16-May-50	10,223	8,102	0.49
Walt Disney Co. (The)	38,000	3.06%	30-Mar-27	39,424	35,333	2.12
Wells Fargo & Co.	11,000	2.51%	27-Oct-23	11,057	10,745	0.64
Wells Fargo & Co.	37,000	3.87%	21-May-25	39,922	35,702	2.14
Wells Fargo & Co.	31,000	2.49%	18-Feb-27	31,842	27,898	1.67
				203,366	181,850	10.90
Total investments				1,848,171	1,668,881	100.00
Other assets, less liabilities					(55)	-
Total Net Assets Attributable to Holders of Redeemable Units				1,848,171	1,668,826	100.00

First Trust JFL Global Equity ETF

STATEMENTS OF FINANCIAL POSITION As at December 31, 2022 and December 31, 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Assets		
Investments (non-derivative financial assets)	2,359,743	15,289,715
Cash	72,913	238,230
Accrued dividend receivable	501	5,006
	2,433,157	15,532,951
Liabilities		
Accrued liabilities	2,812	13,261
	2,812	13,261
Total net assets attributable to holders of redeemable units	2,430,345	15,519,690
Total Net Assets Attributable to Holders of Redeemable Units per class		
Units	2,430,345	15,519,690
Redeemable units outstanding [note 6]		
Units	125,000	675,000
Net assets attributable to holders of redeemable units per unit		
Units	19.44	22.99

STATEMENTS OF COMPREHENSIVE INCOME

For the year ended December 31, 2022 and for the period from March 19, 2021 to December 31, 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Revenues		
Dividends	19,021	44,973
Interest income for distribution purposes	4,281	4,405
Other changes in fair value of investments		
Net realized gain (loss) on investments	44,577	18,722
Change in unrealized appreciation (depreciation) of foreign exchange	7,268	(9,582)
Change in unrealized appreciation (depreciation) of investments	(745,296)	527,106
	(670,149)	585,624
Foreign exchange gain (loss) on cash	(18,018)	19,699
	(688,167)	605,323
Expenses [note 7]		
Management fees	20,446	46,378
Transaction costs [note 3 and note 9]	5,945	14,910
HST expense	2,737	6,747
Independent Review Committee fees	384	938
	29,512	68,973
Expenses waived by manager	(384)	(938)
	29,128	68,035
Increase (Decrease) in net assets attributable to holders of redeemable units before tax	(717,295)	537,288
Withholding taxes	2,132	6,200
Increase (Decrease) in net assets attributable to holders of redeemable units	(719,427)	531,088
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Units	(719,427)	531,088
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Units	(6.10)	1.70

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

On behalf of the Trustee,
FT Portfolios Canada Co.



..... Director



..... Director

First Trust JFL Global Equity ETF

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

For the year ended December 31, 2022 and for the period from March 19, 2021 to December 31, 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Net assets attributable to holders of redeemable units, beginning of year	15,519,690	-
Increase (Decrease) in net assets attributable to holders of redeemable units	(719,427)	531,088
Redeemable unit transactions [note 6]		
Proceeds from redeemable units issued	947,006	14,989,597
Reinvested distributions	13,013	4,253
Redemption of redeemable units	(13,315,672)	(20)
	(12,355,653)	14,993,830
Distributions to holders of redeemable units from:		
Net investment income	-	-
Capital gains	(14,260)	(5,191)
Return of capital	(5)	(37)
	(14,265)	(5,228)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	(13,089,345)	15,519,690
Net assets attributable to holders of redeemable units, end of year	2,430,345	15,519,690

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

First Trust JFL Global Equity ETF

STATEMENTS OF CASH FLOW

For the year ended December 31, 2022 and for the period from March 19, 2021 to December 31, 2021

	December 31 2022 (\$)	December 31 2021 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	(719,427)	531,088
Adjustments for:		
Net realized (gain) loss on investments	(44,577)	(18,722)
Change in unrealized (appreciation) depreciation of investments	745,296	(527,106)
Dividends receivable	4,505	(5,006)
Other liabilities	(10,449)	13,261
Purchases of investments	(1,164,520)	(15,449,934)
Proceeds from the sale of investments	13,393,773	706,047
	12,204,601	(14,750,372)
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	947,006	14,989,597
Amount paid on redemptions of units	(13,315,672)	(20)
Distributions paid to unitholders	(1,252)	(975)
	(12,369,918)	14,988,602
Increase (Decrease) in cash for the year	(165,317)	238,230
Cash, beginning of year	238,230	-
Cash, end of year	72,913	238,230
Interest received	4,281	4,405
Dividends received, net of withholding taxes	21,394	33,767

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, 2022

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 measured at fair value on a recurring basis for the year ended December 31, 2022 and for the period March 19, 2021 to December 31, 2021:

	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
Total	2,359,743	–	–	2,359,743
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Equities	15,289,715	–	–	15,289,715
Total	15,289,715	–	–	15,289,715

There have been no transfers from one Level to another for the year ended December 31, 2022 and period ended December 31, 2021.

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 year ended December 31, 2022 and period ended December 31, 2021:

Redeemable Units	Units
Outstanding units – March 19, 2021*	–
Redeemable units issued	675,001
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(1)
Outstanding units December 31, 2021	675,000
Redeemable units issued	50,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(600,000)
Outstanding units December 31, 2022	125,000

*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
Units
0.85%

First Trust JFL Global Equity ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

E. TAXATION (NOTE 8)

Tax loss carry-forwards - There are no net capital and non-capital tax loss carryforwards as at December 31, 2022 and 2021.

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 year ended December 31, 2022 and period ended December 31, 2021 is as follows:

Transaction Cost (\$)	
2022	2021
5,945	14,910

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the year ended December 31, 2022 and period ended December 31, 2021, including amount owing as at December 31, 2022 and 2021 is as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2022	2021	2022	2021
20,446	46,378	1,784	11,101

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at December 31, 2022 and 2021, 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, 2022 and 2021, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2022		As at December 31, 2021	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
MSCI ACWI Index	121,517	(121,517)	775,985	(775,985)

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2022 and 2021:

Currency	At December 31, 2022		At December 31, 2021	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	1,473,003	60.61	9,481,452	61.09
British Pound Sterling	248,977	10.24	1,299,396	8.37
Euro	186,084	7.66	1,448,448	9.33
Hong Kong Dollar	158,692	6.53	812,894	5.24
Swiss Francs	98,251	4.04	347,822	2.24
Japanese Yen	97,787	4.02	949,958	6.12
Swedish Krona	30,221	1.24	214,203	1.38
Singapore Dollar	-	-	217,664	1.40
Total	2,293,015	94.34	14,771,837	95.17

As at December 31, 2022, 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 \$22,930 (December 31, 2021 - \$147,718). 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, 2022

Concentration Risk - The table below summarizes the First Trust ETF's concentration risk for the year ended December 31, 2022 and period ended December 31, 2021:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2022	As at December 31, 2021
<i>Canada</i>		
Information Technology	2.40	1.91
Financials	1.24	1.57
<i>United States</i>		
Health Care	15.65	12.48
Information Technology	9.00	9.21
Financials	8.32	6.57
Consumer Discretionary	7.41	9.19
Communication Services	7.12	10.05
Consumer Staples	2.38	3.50
Materials	2.14	2.44
Industrials	2.02	1.63
<i>International</i>		
United Kingdom	10.24	8.37
Switzerland	5.75	4.49
France	4.73	5.49
China	4.05	4.07
Japan	4.02	6.12
Hong Kong	2.48	1.17
India	2.45	1.77
Spain	1.67	1.66
Taiwan	1.52	1.87
Netherlands	1.26	2.18
Sweden	1.24	1.38
Singapore	–	1.40
Total	97.09	98.52

First Trust JFL Global Equity ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2022

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
CANADIAN EQUITIES				
Financials—1.24%				
Brookfield Asset Management Ltd.	144	4,572	5,583	0.23
Brookfield Corp., Class 'A'	576	33,527	24,526	1.01
		38,099	30,109	1.24
Information Technology—2.40%				
Kinaxis Inc.	385	65,649	58,485	2.40
		65,649	58,485	2.40
		103,748	88,594	3.64
UNITED STATES EQUITIES				
Communication Services—7.12%				
Alphabet Inc., Class 'A'	700	118,114	83,625	3.44
Booking Holdings Inc.	19	52,020	51,845	2.14
Meta Platforms Inc., Class 'A'	230	82,915	37,476	1.54
		253,049	172,946	7.12
Consumer Discretionary—7.41%				
Amazon.com Inc.	790	138,324	89,851	3.70
Copart Inc.	700	58,601	57,712	2.37
LCI Industries	260	44,749	32,546	1.34
		241,674	180,109	7.41
Consumer Staples—2.38%				
Monster Beverage Corp.	420	50,899	57,738	2.38
		50,899	57,738	2.38
Financials—8.32%				
Bank OZK	1,013	52,723	54,947	2.26
Fiserv Inc.	462	65,701	63,224	2.60
Interactive Brokers Group Inc., Class 'A'	858	67,726	84,051	3.46
		186,150	202,222	8.32
Health Care—15.65%				
Abbott Laboratories	354	52,890	52,624	2.17
Becton	162	49,598	55,780	2.29
Boston Scientific Corp.	1,281	68,988	80,254	3.30
Danaher Corp.	160	57,629	57,501	2.37
IQVIA Holdings Inc.	186	56,571	51,600	2.12
UnitedHealth Group Inc.	115	66,570	82,554	3.40
		352,246	380,313	15.65
Industrials—2.02%				
Ametek Inc.	260	41,523	49,187	2.02
		41,523	49,187	2.02
Information Technology—9.00%				
Guidewire Software Inc.	470	57,340	39,812	1.64
Mastercard Inc., Class 'A'	165	72,479	77,686	3.19
Microsoft Corp.	312	112,420	101,312	4.17
		242,239	218,810	9.00

First Trust JFL Global Equity ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

Materials—2.14%				
Sherwin-Williams Co. (The)	162	54,873	52,058	2.14
		54,873	52,058	2.14
		1,422,653	1,313,383	54.04
INTERNATIONAL EQUITIES				
China—4.05%				
Shenzhou International Group	1,900	35,473	28,938	1.19
Tencent Holdings Ltd.	1,200	73,998	69,526	2.86
		109,471	98,464	4.05
France—4.73%				
Air Liquide SA	184	34,456	35,310	1.45
LVMH Moët Hennessy Louis Vuitton SE	50	44,510	49,272	2.03
Schneider Electric SE	160	31,889	30,314	1.25
		110,855	114,896	4.73
Hong Kong—2.48%				
AIA Group Ltd.	4,000	54,942	60,228	2.48
		54,942	60,228	2.48
India—2.45%				
HDFC Bank Ltd., ADR	642	57,451	59,467	2.45
		57,451	59,467	2.45
Japan—4.02%				
Hoya Corp.	300	52,083	39,323	1.62
Keyence Corp.	110	70,456	58,355	2.40
		122,539	97,678	4.02
Netherlands—1.26%				
ASML Holding NV	42	36,276	30,668	1.26
		36,276	30,668	1.26
Spain—1.67%				
Industria de Diseno Textil SA	1,124	43,162	40,483	1.67
		43,162	40,483	1.67
Sweden—1.24%				
Atlas Copco AB, Class 'A'	1,892	33,849	30,221	1.24
		33,849	30,221	1.24
Switzerland—5.75%				
Chubb Ltd.	139	32,389	41,518	1.71
Nestlé SA, Registered	380	62,226	59,618	2.45
Sika AG, Registered	119	46,359	38,633	1.59
		140,974	139,769	5.75
Taiwan—1.52%				
Taiwan Semiconductor Manufacturing Co. Ltd., ADR	366	48,771	36,915	1.52
		48,771	36,915	1.52
United Kingdom—10.24%				
Abcam PLC, Sponsored ADR	2,023	44,711	42,591	1.75
B&M European Value Retail SA	5,669	50,822	38,167	1.57
Dechra Pharmaceuticals PLC	738	50,692	31,627	1.30
Diageo PLC	874	52,110	52,219	2.15

First Trust JFL Global Equity ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2022

Intertek Group PLC	464	37,869	30,640	1.26
London Stock Exchange Group PLC	460	59,687	53,733	2.21
		295,891	248,977	10.24
Total investments		2,580,582	2,359,743	97.09
Transaction costs		(2,648)		
Other assets, less liabilities			70,602	2.91
Total Net Assets Attributable to Holders of Redeemable Units		2,577,934	2,430,345	100.00

First Trust Exchange-Traded Funds

Notes to Financial Statements

For the year ended December 31, 2022

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 December 9, 2022. 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 Funds¹, while First Trust JFL Fixed Income Core Plus ETF and First Trust JFL Global Equity ETF are listed for trading on the NEO Exchange.

First Trust ETFs	Ticker Symbols	Inception Date
Actively Managed Funds		
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
Target Outcome Funds		
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
Income Funds		
First Trust Value Line [®] Dividend Index ETF (CAD-Hedged)*	FUD	May 15, 2013
First Trust Global Risk Managed Income Index ETF*	ETP	July 23, 2014
First Trust Morningstar Dividend Leaders ETF (CAD-Hedged)	FDL	September 29, 2016
AlphaDEX[™] U.S. Sector Funds		
First Trust AlphaDEX [™] U.S. Health Care Sector Index ETF	FHH	October 30, 2014
	FHH.F	December 8, 2017
First Trust AlphaDEX [™] U.S. Industrials Sector Index ETF	FHG	October 30, 2014
	FHG.F	December 8, 2017
First Trust AlphaDEX [™] U.S. Technology Sector Index ETF	FHQ	October 30, 2014
	FHQ.F	December 8, 2017
Sector and Industry Funds		
First Trust Nasdaq [®] Clean Edge [®] Green Energy ETF	QCLN	October 30, 2014
First Trust Indxx NextG ETF	NXTG	October 30, 2014
First Trust Nasdaq Cybersecurity ETF	CIBR	October 30, 2014
First Trust Dow Jones Internet ETF	FDN	October 30, 2014
	FDN.F	December 8, 2017
First Trust NYSE Arca Biotechnology ETF	FBT	October 30, 2014
First Trust Cloud Computing ETF	SKYY	October 30, 2014
First Trust Indxx Innovative Transaction and Process ETF	BLCK	March 23, 2018

¹As 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).

*As of February 8, 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.

First Trust Exchange-Traded Funds

Notes to Financial Statements

For the year ended December 31, 2022

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, 2023.

2. BASIS OF PRESENTATION

The information provided in these financial statements and notes thereto is as at December 31, 2022 with comparatives as at December 31, 2021 and for the year ended December 31, 2022 with comparatives for the year ended December 31, 2021.

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. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

Financial instruments

(i) Classification

Financial Assets

A First Trust ETF classifies its investments in debt and equity securities and open-ended investment funds based on its business model for managing those financial assets and the contractual cash flow characteristics of the financial assets.

These financial assets are managed and their performance is evaluated on a fair value basis. A First Trust ETF also manages these financial assets with the objective of realizing cash flows through sales. A First Trust ETF has not taken the option to irrevocably designate any of its debt and equity securities at fair value through other comprehensive income (“FVOCI”). Consequently, these financial assets are mandatorily measured at FVTPL.

Financial Liabilities

A First Trust ETF makes short sales in which a borrowed security is sold in anticipation of a future decline in its market value or used as an arbitrage strategy.

Financial assets or financial liabilities held for trading are those acquired or incurred principally for the purpose of selling or repurchasing in the near future or on initial recognition are a part of a portfolio of identified financial instruments that a First Trust ETF manages together and have recent actual pattern of short-term profit-taking. All derivatives and short positions are included in this category and mandatorily measured at FVTPL.

First Trust Exchange-Traded Funds

Notes to Financial Statements

For the year ended December 31, 2022

Hedge Accounting

A First Trust ETF does not apply hedge accounting to any of its derivative positions.

(ii) Financial assets and financial liabilities at amortized cost

The financial assets and liabilities measured at amortized cost include cash collateral posted on derivative positions, accrued income, due to and from brokers and other short-term receivables and payables.

At each reporting date, a First Trust ETF measures the loss allowance on cash collateral held, amounts due from broker, accrued income and other short-term receivables at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, a First Trust ETF measures the loss allowance at an amount equal to the 12 month expected credit losses. Given the short-term nature of the receivables and the high credit quality, a First Trust ETF has determined that the expected credit loss allowances are not material.

(iii) Recognition and measurement

Financial assets and financial liabilities at FVTPL are initially recognized on the trade date, which is the date on which the First Trust ETFs become a party to the contractual provisions of the instrument. Other financial assets and financial liabilities are recognized on the date on which they are originated.

Financial assets and financial liabilities at FVTPL are initially recognized at fair value, with transaction costs recognized in the statement of comprehensive income. Financial assets or financial liabilities not at FVTPL are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue.

Subsequent to initial recognition, financial assets and liabilities at FVTPL are measured at fair value. Net realized gain (loss) on sale of investments and net change in unrealized appreciation (depreciation) of investments arising from changes in their fair value are included in the statement of comprehensive income for the period in which they arise.

Dividend or interest earned on financial assets at fair value through profit or loss and dividend or interest expense on the financial liabilities at fair value through profit or loss are disclosed in a separate line item in the statement of comprehensive income.

Fair value is determined in the manner described in item (v) below.

(iv) Derecognition

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or the First Trust ETF has transferred substantially all risks and rewards of ownership.

Financial liabilities at FVTPL are derecognized when the obligation specified in the contract is discharged, cancelled, or expired.

Net realized gain (loss) on sale of investments and derivatives are determined on a weighted average cost basis.

First Trust Exchange-Traded Funds

Notes to Financial Statements

For the year ended December 31, 2022

(v) Fair value measurement

For the First Trust ETFs, investments in listed securities are measured at fair value, which is determined in reference to their quoted close prices on the principal securities exchange on which the issue is traded. The change in the difference between the fair value and average cost is included in the statement of comprehensive income as unrealized appreciation (depreciation) on investments.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the reporting date. In circumstances where the last traded price is not within the bid-ask spread, management will determine the point within the bid-ask spread that is most representative of fair value.

Forward foreign exchange contracts are valued at the current market value thereof on the valuation date. The value of these forward contracts is the gain or loss that would be realized if, on the valuation date, the positions were to be closed out.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The fair value of financial assets and liabilities that are not traded in an active market is determined by using valuation techniques. A First Trust ETF uses a variety of methods and makes assumptions that are based on market conditions existing at each year-end date. Valuation techniques used for non-standardized financial instruments such as options, currency swaps and other over-the-counter derivatives, include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

For instruments for which there is no active market, the First Trust ETF may use internally developed models, which are usually based on valuation methods and techniques generally recognized as standard within the industry. Valuation models are used primarily to value unlisted equity and debt securities for which markets were or have been inactive during the financial year. Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the First Trust ETF holds. Valuations are therefore adjusted, where appropriate, to allow for additional factors including model risk, liquidity risk and counterparty risk.

IFRS 13 requires disclosures relating to fair value measurements using a three-level fair value hierarchy. The level within which the fair value measurement is categorized in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement. Assessing the significance of a particular input requires judgment, considering factors specific to the asset or liability. The following shows financial instruments recognized at fair value, categorized between those whose fair value is based on:

- 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.

First Trust Exchange-Traded Funds

Notes to Financial Statements

For the year ended December 31, 2022

The determination of what constitutes “observable” requires significant judgment by the First Trust ETF. The First Trust ETF considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. However, the fair value measurement objective remains the same, i.e., an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability. Therefore, unobservable inputs reflect the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk.

Fair values are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the First Trust ETFs determine whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The carrying values of cash, other assets, other liabilities and the First Trust ETFs’ obligation for net assets attributable to holders of redeemable units approximate their fair values due to their short-term nature.

See Note 5 for additional details related to the First Trust ETFs’ fair value measurements.

Cash

Cash consists of cash on deposit and bank overdraft.

Receivable for portfolio securities sold and Payable for portfolio securities purchased

Receivable for portfolio securities sold and Payable for portfolio securities purchased are recorded on the statement of financial position at the amount to be received or delivered.

Net assets attributable to holders of redeemable units per unit

First Trust ETFs
Issued 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”)

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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”)
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”)

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 8, 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.

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.

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Investments purchased or sold in foreign currencies are translated into Canadian dollars using the exchange rate prevailing on the trade date. Income on foreign investments is recorded at gross, withholding taxes are shown separately as a line item, and are translated at the rate of exchange on the dates of such transactions. The fair values of investments and other assets and liabilities in foreign currencies are translated at the period-end exchange rates.

Increase (decrease) in net assets attributable to holders of redeemable units per unit

Increase (decrease) in net assets from operations per unit represents the increase (decrease) in net assets from operations by class divided by the average units outstanding per class during the period.

Transaction costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities are presented as a separate line item in the statement of comprehensive income in the period incurred.

Forward foreign exchange currency agreements

Some of the First Trust ETFs may purchase forward foreign exchange currency agreements to hedge assets and liabilities denominated in foreign currencies.

The value of the forward foreign exchange currency agreements is the gain or loss that would be realized if, on the valuation date, the position in the forward contract was closed out in accordance with its terms. The unrealized gains or losses on the forward contract are reported as part of the net change in unrealized appreciation or depreciation of derivatives in the statement of comprehensive income until it is closed out or partially settled.

Valuations of derivative instruments are carried out daily, using normal exchange reporting sources for exchange-traded derivatives and specific broker enquiry for over-the-counter derivatives.

Upon the closing out of the instrument, any gain or loss on forward foreign exchange currency agreements is disclosed in the statement of comprehensive income as net realized (loss) gain on foreign exchange.

Forward contracts entered into by the First Trust ETFs represent a firm commitment to buy or sell an underlying asset, or currency at a specified value and point in time based upon an agreed or contracted quantity.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position where the First Trust ETF currently has a legally enforceable right to set-off the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

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

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correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

The determination of what constitutes 'observable' requires significant judgment by the Manager. The Manager considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. Refer to Note 5 for further information about the fair value measurement of the First Trust ETFs' financial instruments.

FLEX Options

FLEX Options are customized equity or index option contracts that trade on an exchange, but provide investors with the ability to customize key contract terms like exercise prices, styles and expiration dates. FLEX Options are guaranteed for settlement by the Options Clearing Corporation ("OCC").

Each Target Outcome Fund 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.

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Notes to Financial Statements

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The fair value hierarchy classifications of assets and liabilities are discussed in the Notes to Financial Statements - Specific Information for each First Trust ETF, where applicable.

6. REDEEMABLE UNITS

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 and FJFG are listed on the NEO Exchange (the “NEO”) and an investor is able to buy or sell Units of the First Trust ETFs on the TSX or NEO 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: Significant Accounting Policies under Net assets attributable to holders of redeemable units per unit.

As of February 8, 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 8, 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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For the year ended December 31, 2022

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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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, 2022 and 2021, 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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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, 2022 and 2021, 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.sedar.com and to the Underlying Fund's financial statements available on the First Trust website at 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, 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, and FST are Canadian funds therefore they have insignificant currency risk as at December 31, 2022.

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.

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

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conditions. The Portfolio Advisor monitors concentration risk through diversification and a thorough understanding of each investment in the portfolio.

Specific Risks associated with Target Outcome Funds

Buffered Loss Risk. There can be no guarantee that the First Trust ETF will be successful in its strategy to buffer against Underlying ETF losses if the fair value of the Underlying ETF decreases over the Target Outcome Period by 10% or less. A unitholder may lose their entire investment. The First Trust ETF's strategy seeks to deliver returns that match the Underlying ETF (up to the cap), while limiting downside losses, if units are bought on the day on which the First Trust ETF enters into the FLEX Options and held until those FLEX Options expire at the end of each Target Outcome Period. In the event an investor purchases units after the date on which the FLEX Options were entered into or sells units prior to the expiration of the FLEX Options, the buffer that the First Trust ETF seeks to provide may not be available.

Capped Upside Risk. The First Trust ETF's strategy seeks to provide returns that match those of the Underlying ETF for First Trust ETF units purchased on the first day of a Target Outcome Period and held for the entire Target Outcome Period, subject to a pre-determined upside cap. If an investor does not hold its First Trust ETF units for an entire Target Outcome Period, the returns realized by that investor may not match those the First Trust ETF seeks to achieve. If the Underlying ETF experiences gains during a Target Outcome Period, the First Trust ETF will not participate in those gains beyond the cap. In the event an investor purchases Fund units after the first day of a Target Outcome Period and the First Trust ETF has risen in value to a level near to the cap, there may be little or no ability for that investor to experience an investment gain on their First Trust ETF units.

FLEX Options Correlation Risk. The FLEX Options held by the First Trust ETF will be exercisable at the strike price only on their expiration date. Prior to the expiration date, the value of the FLEX Options will be determined based upon market quotations or using other recognized pricing methods. The value of the FLEX Options prior to the expiration date may vary because of related factors other than the value of the Underlying ETF. Factors that may influence the value of the FLEX Options, other than changes in the value of the Underlying ETF, may include interest rate changes, changing supply and demand, decreased liquidity of the FLEX Options and changing volatility levels of the Underlying ETF.

FLEX Options Liquidity Risk. The FLEX Options are listed on an exchange; however, no one can guarantee that a liquid secondary trading market will exist for the FLEX Options. In the event that trading in the FLEX Options is limited or absent, the value of the First Trust ETF's FLEX Options may decrease. In a less liquid market for the FLEX Options, liquidating the FLEX Options may require the payment of a premium (for written FLEX Options) or acceptance of a discounted price (for purchased FLEX Options) and may take longer to complete. A less liquid trading market may adversely impact the value of the FLEX Options and First Trust ETF units and result in the First Trust ETF being unable to achieve its investment objective. The trading in FLEX Options may be less deep and liquid than the market for certain other securities. FLEX Options may be less liquid than certain non-customized options. In a less liquid market for the FLEX Options, the liquidation of a large number of options may more significantly impact the price. A less liquid trading market may adversely impact the value of the FLEX Options and the value of the investor's investment.

FLEX Options Risk. The OCC may be unable or unwilling to perform its obligations under the FLEX Options contracts. Additionally, FLEX Options may be less liquid than other exchange-traded options. The value of the FLEX Options prior to their expiration date may vary because of factors other than fluctuations in the value of the Underlying ETF, such as an increase in interest rates, a change in the actual and perceived volatility of the stock market and the Underlying ETF and the remaining time to expiration. Additionally, the value of the FLEX Options 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

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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. SECURITIES LENDING

A First Trust ETF may, in compliance with National Instrument 81-102, Investment Funds lend portfolio securities to third parties pursuant to the terms of a securities lending agreement between the First Trust ETF and a securities lending agent under which: (i) the borrower will pay to the First Trust ETF a negotiated securities lending fee and will make compensation payments to the First Trust ETF equal to any distributions received by the borrower on the securities borrowed; (ii) the securities loans qualify as "securities lending arrangements" for the purposes of the Tax Act; and (iii) the First Trust ETF will receive collateral security equal to at least 102% of the value of the portfolio securities loaned. The securities lending agent for a First Trust ETF will be responsible for the ongoing administration of the securities loans, including the obligation to mark-to-market the collateral on a daily basis.

During the years ended December 31, 2022 and 2021, there were no securities lending done by the First Trust ETFs.

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