INVESTMENT OBJECTIVE
The First Trust Hedged Strategies Fund (HFLEX or “the Fund”) seeks long-term capital appreciation by strategic allocations to a selected group of hedge funds that employ a variety of alternative investment strategies.

STRATEGY OVERVIEW

Arbitrage/Relative Value
- Strategies seek to profit from mispricing opportunities across various asset classes.
- Utilizes a combination of quantitative and fundamental analyses to uncover premium or discounted valuations.
- Historically has demonstrated low correlation to other alternative strategies and traditional asset classes.

Credit
- Focuses on credit opportunities invested across all capital structures derived from a fundamental, bottom-up industry analysis.
- Seeks to take advantage of market disruptions and/or credit spread widenings with intention of offering attractive risk-adjusted returns.

Event Driven
- Aims to exploit market inefficiencies via equity/credit positions through catalyst-driven opportunities.
- Exposure includes hard catalyst-driven trades with defined outcomes, along with soft-catalyst and special situations where a potential edge on a corporate event can be developed.

Long/Short Equity
- Intends to take advantage of profit opportunities from securities identified as both under-valued and over-valued.
- Highly selective portfolio construction focused on deep fundamental research of equity markets.
- Employs non-directional equity-market risk to seek to produce alpha and low volatility.

Multi-Strategy
- Provides an attractive risk/return profile through a diversified blend of long/short equity and credit, relative value, and event driven strategies.
- Intends to generate consistently positive absolute returns with low correlation and volatility to both equity and fixed-income markets.

FUND TERMS

Ticker: HFLEX
Structure: Closed-End Interval Fund
HFLEX Inception: July 1, 2023
Predecessor Fund Inception: July 1, 2017
Purchase: Daily, Continuous Offering
Liquidity: Quarterly Redemption (5% of Outstanding Shares)
Paperwork: None
Eligibility: Accredited Investor
Minimum Investment: $25,000
Tax Reporting: 1099 (Consolidated at Custodian)
Seed AUM: $40mm

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ASSET CLASS BREAKDOWN (AS OF 9/30/2023)

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Underlying Managers</th>
<th>Weighting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arbitrage/Relative Value</td>
<td>RiverNorth</td>
<td>7.8%</td>
</tr>
<tr>
<td>Credit</td>
<td>Linden Advisors</td>
<td>10.0%</td>
</tr>
<tr>
<td>Credit</td>
<td>DSC Meridian</td>
<td>11.1%</td>
</tr>
<tr>
<td>Credit</td>
<td>Old Orchard</td>
<td>2.4%</td>
</tr>
<tr>
<td>Event Driven</td>
<td>Sachem Head</td>
<td>7.0%</td>
</tr>
<tr>
<td>Event Driven</td>
<td>Hudson Bay</td>
<td>6.7%</td>
</tr>
<tr>
<td>Long/Short Equity</td>
<td>Dorsal</td>
<td>6.4%</td>
</tr>
<tr>
<td>Long/Short Equity</td>
<td>RA Capital</td>
<td>6.7%</td>
</tr>
<tr>
<td>Long/Short Equity</td>
<td>Broad Bay</td>
<td>6.3%</td>
</tr>
<tr>
<td>Long/Short Equity</td>
<td>Prana</td>
<td>6.4%</td>
</tr>
<tr>
<td>Long/Short Equity</td>
<td>Sofinnova</td>
<td>6.7%</td>
</tr>
<tr>
<td>Multi-Strategy</td>
<td>Walleye</td>
<td>9.1%</td>
</tr>
<tr>
<td>Multi-Strategy</td>
<td>Eisler</td>
<td>6.1%</td>
</tr>
<tr>
<td>Multi-Strategy</td>
<td>Point72</td>
<td>7.3%</td>
</tr>
<tr>
<td>HFLEX</td>
<td></td>
<td>100%</td>
</tr>
</tbody>
</table>

1 The allocation among the Fund’s current strategies implemented will vary over time in response to changing market opportunities. These strategies may include, without limitation, Arbitrage/Relative Value, Credit, Event Driven, Long/Short Equity, Multi-Strategy, Global Macro, and Mortgages.

2 Subject to limitations. A limited number of shares are eligible for quarterly repurchase. Each quarter, the Fund will offer to repurchase between 5% and 25% of its outstanding shares at net asset value. An investment in the Fund should be considered illiquid.

3 Holdings as of 9/29/2023 and are subject to change. The weights are intended as guidelines and may vary based on market conditions and other factors. Portfolio allocations should not be relied upon as an indicator of future results or used as the basis for investment decisions.

First Trust Capital Management L.P. | 1-800-988-5196 | www.firsttrustcapital.com
As of 9/30/2023
## RISK & RETURN STATISTICS

<table>
<thead>
<tr>
<th>7/1/2017 - 9/30/2023</th>
<th>HFLEX</th>
<th>HFRI Fund Weighted Composite Index</th>
<th>60/40 Portfolio[^1]</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Annualized Return</strong></td>
<td>5.33%</td>
<td>5.02%</td>
<td>7.11%</td>
</tr>
<tr>
<td><strong>Standard Deviation</strong></td>
<td>6.03%</td>
<td>7.11%</td>
<td>11.34%</td>
</tr>
<tr>
<td><strong>Return/Risk</strong></td>
<td>0.88</td>
<td>0.71</td>
<td>0.63</td>
</tr>
<tr>
<td><strong>Beta to HFRI</strong></td>
<td>0.75</td>
<td>1.00</td>
<td>1.28</td>
</tr>
<tr>
<td><strong>Beta to 60/40 Portfolio[^1]</strong></td>
<td>0.33</td>
<td>0.50</td>
<td>1.00</td>
</tr>
</tbody>
</table>

## NET HISTORICAL PERFORMANCE[^2]

<table>
<thead>
<tr>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
<th>HFLEX</th>
<th>HFRI</th>
<th>60/40[^1]</th>
</tr>
</thead>
<tbody>
<tr>
<td>2023^</td>
<td>2.63%</td>
<td>-0.08%</td>
<td>-0.29%</td>
<td>0.65%</td>
<td>1.44%</td>
<td>1.30%</td>
<td>0.50%</td>
<td>1.00%</td>
<td>-1.18%</td>
<td>6.08%</td>
<td>4.27%</td>
<td>7.24%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2022^</td>
<td>-2.30%</td>
<td>0.40%</td>
<td>0.21%</td>
<td>-0.61%</td>
<td>-2.22%</td>
<td>-1.52%</td>
<td>0.37%</td>
<td>1.08%</td>
<td>-1.33%</td>
<td>0.77%</td>
<td>0.84%</td>
<td>1.62%</td>
<td>-2.75%</td>
<td>-4.14%</td>
</tr>
<tr>
<td>2021^</td>
<td>0.23%</td>
<td>4.40%</td>
<td>-1.39%</td>
<td>1.75%</td>
<td>-0.02%</td>
<td>0.95%</td>
<td>-0.22%</td>
<td>1.19%</td>
<td>0.66%</td>
<td>0.82%</td>
<td>-1.49%</td>
<td>0.40%</td>
<td>7.39%</td>
<td>10.16%</td>
</tr>
<tr>
<td>2020^</td>
<td>0.84%</td>
<td>-0.19%</td>
<td>-8.81%</td>
<td>2.38%</td>
<td>2.92%</td>
<td>1.99%</td>
<td>2.00%</td>
<td>2.39%</td>
<td>0.83%</td>
<td>-0.11%</td>
<td>3.85%</td>
<td>4.16%</td>
<td>12.23%</td>
<td>11.83%</td>
</tr>
<tr>
<td>2019^</td>
<td>2.56%</td>
<td>1.41%</td>
<td>1.06%</td>
<td>1.57%</td>
<td>-0.45%</td>
<td>0.78%</td>
<td>0.03%</td>
<td>-0.02%</td>
<td>-0.72%</td>
<td>0.23%</td>
<td>0.29%</td>
<td>2.42%</td>
<td>9.49%</td>
<td>10.45%</td>
</tr>
<tr>
<td>2018^</td>
<td>1.30%</td>
<td>-0.59%</td>
<td>-1.18%</td>
<td>0.60%</td>
<td>0.88%</td>
<td>-0.26%</td>
<td>0.36%</td>
<td>0.68%</td>
<td>0.19%</td>
<td>-2.19%</td>
<td>-0.35%</td>
<td>-1.71%</td>
<td>-2.31%</td>
<td>-4.75%</td>
</tr>
<tr>
<td>2017^</td>
<td>0.95%</td>
<td>0.53%</td>
<td>0.86%</td>
<td>0.64%</td>
<td>0.05%</td>
<td>0.91%</td>
<td>0.91%</td>
<td>0.91%</td>
<td>0.91%</td>
<td>0.91%</td>
<td>0.91%</td>
<td>0.91%</td>
<td>0.91%</td>
<td>0.91%</td>
</tr>
</tbody>
</table>

## FUND PERFORMANCE (%)

**AS OF 9/30/23[^3]**

<table>
<thead>
<tr>
<th>Net Asset Value (NAV)^[^4]</th>
<th>3 Month</th>
<th>YTD</th>
<th>1 Year</th>
<th>3 Year</th>
<th>5 Year</th>
<th>10 Year</th>
<th>Since Fund Inception</th>
</tr>
</thead>
<tbody>
<tr>
<td>HFLEX - Class I Shares</td>
<td>0.31%</td>
<td>6.08</td>
<td>9.54</td>
<td>6.18</td>
<td>5.45</td>
<td>N/A</td>
<td>5.33</td>
</tr>
</tbody>
</table>

**Index Performance**[^3]

| HFRI Fund Weighted Composite Index | 0.85% | 4.27 | 6.69 | 6.89 | 5.03 | N/A | 5.02 |

**Performance data quoted represents past performance. Past performance is not a guarantee of future results and current performance may be higher or lower than performance quoted. Investment returns and principal value will fluctuate and shares when sold or redeemed, may be worth more or less than their original cost. You can obtain performance information which is current through the most recent quarter-end by visiting www.firsttrustcapital.com.**

[^1]: The 60/40 Portfolio refers to a portfolio invested in 60% stocks (S&P 500 Index) and 40% bonds (Bloomberg U.S. Aggregate Bond Index) and rebalanced monthly.

[^2]: For illustrative purposes only and does not represent actual fund performance. Indexes do not charge management fees or brokerage expenses, and no such fees or expenses were deducted from the performance shown. All Index returns assume that dividends are reinvested when they are received. Indexes are unmanaged and an investor cannot invest directly into an index.

[^3]: 60/40 Portfolio

[^4]: HFLEX share performance prior to its conversion to a registered fund will reflect fees and expenses that may not apply to shares of the current fund. The Predecessor Fund was a privately placed fund and was not registered under the Investment Company Act and was not subject to certain investment limitations, diversification requirements, and other restrictions imposed by the Investment Company Act and the Code, which, if applicable, may have adversely affected its performance.

**You should consider a fund’s investment objectives, risks, and charges and expenses carefully before investing. Contact First Trust Capital Management at 1-800-988-5196 or visit www.firsttrustcapital.com to obtain a prospectus which contains this and other information about a fund. The prospectus should be read carefully before investing.**
The Fund invests in securities in limited or no secondary market and are deemed to be illiquid. Valuation of illiquid securities is extremely limited. Portfolio holdings are priced either on a daily, monthly, and/or quarterly basis utilizing a variety of valuation methods such as proxy, matrix and third-party pricing. The accuracy of these valuations will vary, and actual tender price of the Fund may be materially lower than any past valuation.

Risk Considerations

You could lose money by investing in a fund. An investment in a fund is not a deposit of a bank and is not insured or guaranteed. There can be no assurance that an investment in the Fund will provide you with a profit or protect against loss. Please refer to each fund’s prospectus and Statement of Additional Information for additional details on a fund’s risks. The order of the below risk factors does not indicate the significance of any particular risk factor.

The Fund is a newly-organized closed-end management investment company that has no operating history and no public trading of its Shares. An investment in the Fund’s Shares should not constitute complete investment program for any investor and involves a high degree of risk.

There is a risk that the Fund may not raise capital sufficient to maintain profitability and meet its investment objectives.

In a redemption or repurchase offer, the Fund may not continue to appreciate and their performance may not replicate its past performance. The Fund may be subject to the risk that a counterparty will not fulfill its obligations which may result in significant financial loss to the Fund.

Certain securities held by the Fund are subject to daily market value risk, which may be unexpected or unprecedented. The Fund may also be fully substituted or security may have less liquid and may result in costs incurred in connection with closing out positions and entering into new trades.

The shares of the Fund may not be readily redeemable or may be subject to very limited trading volume. Shares of the Fund are subject to the risk that the Fund’s investment in the collateral may result in losses for shareholders.

The Fund may be subject to the risk that the Fund’s investments in limited or no secondary market securities may be subject to greater fluctuation in their values from one day to the next than in secondary market securities, which could be attributable to the Fund’s inability or unwillingness to sell the illiquid securities at a price sufficient to provide for redemption without being subject to margin calls, or the need to sell the illiquid securities at a significant loss to meet margin calls. Shares of the Fund could lose money if it is unable to recover the securities and/or if the underlying security underperforms on a risk-adjusted basis relative to its benchmark. The Fund may be subject to the risk that a counterparty will not fulfill its obligations which may result in significant financial loss to the Fund.

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DEFINITIONS

A diversified fund is a fund that invests in a wide range of different types of investments. A fund that invests in different asset classes, regions, or sectors is considered to be diversified. An investment fund that invests in a single asset class, region, or sector is considered to be concentrated.

A fund with significant exposure to a single sector may be more affected by an adverse economic or political development than a broadly diversified fund. High portfolio turnover may result in higher levels of transaction costs and may generate greater tax liabilities for shareholders.

A fund may hold securities or other assets that may be valued on the basis of factors other than market quotations. This may occur because the asset or security does not trade on a centralized exchange, or in times of market turmoil or reduced liquidity. Portfolio holdings that are valued using techniques other than market quotations, including “fair values” assets or securities, may be subject to greater fluctuation in their values from one day to the next than if market quotations were used. There is no assurance that a fund could sell or close out a portfolio position for the value established for it at any time.

Value stocks are subject to the risk that valuations never improve or that the underlying security may lose money if it is unable to recover the securities and/or if the underlying security underperforms on a risk-adjusted basis relative to its benchmark. The Fund may be subject to the risk that a counterparty will not fulfill its obligations which may result in significant financial loss to the Fund.

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