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 OVERVIEW³

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)²

Paperwork
None

Eligibility
Accredited Investor

Minimum Investment
$25,000

Tax Reporting
1099 (Consolidated at Custodian)

Seed AUM
$40mm

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 OVERVIEW³

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)²

Paperwork
None

Eligibility
Accredited Investor

Minimum Investment
$25,000

Tax Reporting
1099 (Consolidated at Custodian)

Seed AUM
$40mm

PORTFOLIO CONSTRUCTION

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>
</tbody>
</table>

HFLEX 100%

³The 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.

²Subject 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.

³Holdings 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.
### RISK & RETURN STATISTICS

<table>
<thead>
<tr>
<th>HFLEX</th>
<th>HFRI Fund Weighted Composite Index</th>
<th>60/40 Portfolio&lt;sup&gt;1&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Annualized Return</td>
<td>5.33%</td>
<td>4.95%</td>
</tr>
<tr>
<td>Standard Deviation</td>
<td>6.03%</td>
<td>7.12%</td>
</tr>
<tr>
<td>Return/Risk</td>
<td>0.88</td>
<td>0.69</td>
</tr>
<tr>
<td>Beta to HFRI</td>
<td>0.75</td>
<td>1.00</td>
</tr>
<tr>
<td>Beta to 60/40 Portfolio&lt;sup&gt;1&lt;/sup&gt;</td>
<td>0.33</td>
<td>0.50</td>
</tr>
</tbody>
</table>

### NET HISTORICAL PERFORMANCE<sup>2</sup>

| Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | HFLEX | HFRI | 60/40<sup>1</sup> |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------|------|------|-----------------|
| 2023* | 2.63% | -0.08% | -0.29% | 0.65% | 1.44% | 1.30% | 0.50% | 1.00% | -1.18% | 6.08% | 3.80% | 7.24% |
| 2022 | -2.30% | 0.40% | 0.21% | -0.61% | -2.22% | -1.52% | 0.37% | 1.08% | -1.33% | 0.77% | 0.84% | 1.62% | -2.75% | -4.14% | -15.79% |
| 2021 | 0.23% | 4.40% | -1.39% | 1.75% | -0.02% | 0.95% | -0.22% | 1.19% | 0.66% | 0.82% | -1.49% | 0.40% | 7.39% | 10.16% | 15.86% |
| 2020 | 0.84% | -0.19% | -8.81% | 2.38% | 2.92% | 1.99% | 2.00% | 2.39% | 0.83% | -0.11% | 3.85% | 4.16% | 12.23% | 11.83% | 14.73% |
| 2019 | 2.56% | 1.41% | 1.06% | 1.57% | -0.45% | 0.78% | 0.03% | -0.02% | -0.72% | 0.23% | 0.29% | 2.42% | 9.49% | 10.45% | 22.18% |
| 2018 | 1.30% | -0.59% | -1.18% | 0.60% | 0.88% | -0.26% | 0.36% | 0.68% | 0.19% | -2.19% | -0.35% | -1.71% | -2.31% | -4.75% | -2.35% |
| 2017 | 0.95% | 0.53% | 0.86% | 0.64% | 0.05% | 0.91% | 0.91% | 0.91% | 0.91% | 0.91% | 0.91% | 0.91% | 4.00% | 4.85% | 7.26% |

### FUND PERFORMANCE (%) AS OF 9/30/23<sup>1</sup>

<table>
<thead>
<tr>
<th>HFLEX - Class I Shares</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><strong>Net Asset Value (NAV)</strong>&lt;sup&gt;1&lt;/sup&gt;</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>
<tr>
<td><strong>Index Performance</strong>&lt;sup&gt;2&lt;/sup&gt;</td>
<td>0.39%</td>
<td>3.80</td>
<td>6.21</td>
<td>6.72</td>
<td>4.94</td>
<td>N/A</td>
<td>4.95</td>
</tr>
</tbody>
</table>

*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. |

<sup>1</sup>NAV returns represent the Fund’s net assets (assets less liabilities) divided by the Fund’s outstanding shares. Returns are average annualized total returns, except those for periods of less than one year, which are cumulative. The fund’s performance reflects fee waivers and expense reimbursements, absent which performance would have been lower.

<sup>2</sup>Performance information for the Index is 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.

HFLEX Gross Expense Ratio: 6.93%; Net Expense Ratio: 6.85%. The Investment Adviser has agreed to waive fees that it would otherwise have been paid, and/or to assume expenses of the Fund (a “Waiver”), in the amount necessary to ensure that Total Annual Expenses of the Fund (excluding any taxes, leverage interest, brokerage commissions, dividend and interest expenses on short sales, acquired fund fees and expenses (as determined in accordance with SEC Form N-1), expenses incurred in connection with any merger or reorganization, and extraordinary expenses, such as litigation expenses) do not exceed 1.70% of the average daily net assets of Class I Shares for an initial term ending 7/1/2024.

* On July 1, 2023, the Fund was converted from a non-registered Limited Partnership to 1940 Act Registered Fund.

<sup>1</sup>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.

<sup>2</sup>Simultaneous with the Fund’s Commencement of Operations, Passport Select: Model Class of FT Alternative Platform I LLC (the “Predecessor Fund”) reorganized with and into the Fund. The Predecessor Fund maintained an investment objective, strategies and investment policies, guidelines and restrictions that are, in all material respects, equivalent to those of the Fund and at the time of the conversion of the Predecessor Fund was managed by the same Investment Adviser and portfolio managers as the Fund. The Predecessor Fund commenced operations on July 1, 2017. The performance quoted is that of the Predecessor Fund and reflects the fees and expenses incurred by the Predecessor Fund. The performance returns of the Predecessor Fund are unaudited and are calculated by the Investment Adviser on a total return basis. 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 offer 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 achieve its stated objective, or that you will not lose money on your investment. 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 achieve its stated objective, or that you will not lose money on your investment. You could lose money by investing in a fund.

The Fund is subject to limited liquidity since shareholders will not be able to redeem shares daily or on demand. Shares are not transferable, and liquidity is only provided through repurchase offers made quarterly by the Fund, Fund share price may be less than net asset value.

A fund classified as "non-diversified" may invest a relatively high percentage of its assets in a limited number of issuers. As a result, a fund may be more susceptible to adverse economic conditions than a diversified fund and shareholders may lose money if one or more of these issuers experience increased volatility and be highly concentrated in certain issuers.

Certain underlying funds are not registered under the securities laws and their portfolio holdings may not be disclosed. Unregistered funds may have less investor protection and transparency than registered funds.

Because the shares of CEsFIs cannot be redeemed upon demand, shares of many CEsFIs will trade on exchange at market prices rather than net asset value; or net asset value, will be lower than the price at which shares trade at a price greater than net asset value (premium), or net asset value (discount).

Collateralized loan obligations ("CLOs") carry additional risks, including, if the CLOs from a collateral loan (such as a loan to a company) make interest or other payments, the quality of the collateral may decline in value or default, the possibility that the investments in CLOs are subordinate to the collateral of the fund that the related parties may be unable to fulfill their contractual obligations to repurchase the collateral, and the Fund could lose money if it is unable to recover the collateral and/or if the collateral is less than the value of the collateral.

The Fund's use of leverage may result in losses that exceed the amount invested in the fund.

The unavailability of leverage may limit the Fund's ability to make investments that it believes are attractive on a risk-adjusted basis. The unavailability or replacement of LIBOR on the fund or on certain instruments in which the fund invests is difficult to predict and could result in losses to the fund. The unavailability or replacement of LIBOR may affect the value, liquidity or return on certain fund investments and may result in losses in connection with closing out positions and entering into new trades.

First Trust Capital Management is the adviser to the Fund. The Fund’s distributor is First Trust Portfolios L.P.

The information presented is not intended to constitute an investment recommendation for, or advice to, any specific person. By providing this information, First Trust is not undertaking to give advice in any fiduciary capacity within the meaning of ERISA, the Internal Revenue Code or any other regulatory framework. Financial professionals are responsible for evaluating investment risks independently and for exercising independent judgment in determining whether investments are appropriate for their clients.

Definitions

An accredited investor refers to an investor who has a net worth exceeding $1 million (including spouse and excluding the value of his or her primary residence), or who receives income in excess of $200,000 (or joint income in excess of $300,000 with spouse) in each of the two most recent tax years with expectation of reaching the same income level in the current year.

Standard Deviation is a measure of price variability (risk).

Alpha is a measure of the fund’s ability to outperform or underperform on a risk-adjusted basis relative to its benchmark.

Beta is a measure of price variability relative to the market.

Return/Risk is the relationship between the return gained on an investment and the amount of risk undertaken in that investment.

Hard Catalysts tend to have a more defined outcome and timeline (i.e. announced merger, spin-off, buyback).

Soft Catalysts can have a wider range of outcomes and may be more nuanced in nature (i.e. earnings turnaround, management changes).

Long/Short Equity is an investment term used to describe ownership of securities. In long positions, the investor is the holder of the security. In short positions, the investor is the lender of the security.

The HFRI Fund Weighted Composite Index is a global, equal-weighted index of single-manager funds that report to HFRI Database. Constituent funds must be part of all fees performance in US Dollar and have a minimum of $5 million under management or $10 million under management and a twelve (12) month track record of active performance. The HFRI Fund Weighted Composite Index does not include Funds of Funds.


The S&P 500 Index is an unmanaged index of 500 companies used to measure large-cap U.S. stock market performance.