

# First Trust Multi-Strategy Fund

CLASS I/FTMIX



## ANNUAL SHAREHOLDER REPORT | SEPTEMBER 30, 2024

This annual shareholder report contains important information about the First Trust Multi-Strategy Fund (“Fund”) for the period of October 1, 2023 to September 30, 2024. You can find additional information about the Fund at <https://www.firsttrustcapital.com/fund-literature/>. You can also request this information by contacting us at (877) 779-1999.

**This report describes changes to the Fund that occurred during the reporting period.**

### Fund Expenses

(Based on a hypothetical \$10,000 investment)

Fund (Class)	Cost of a \$10,000 investment	Costs paid as a percentage of a \$10,000 investment
First Trust Multi-Strategy Fund (Class I/FTMIX)	\$169	1.61%

### Management's Discussion of Fund Performance

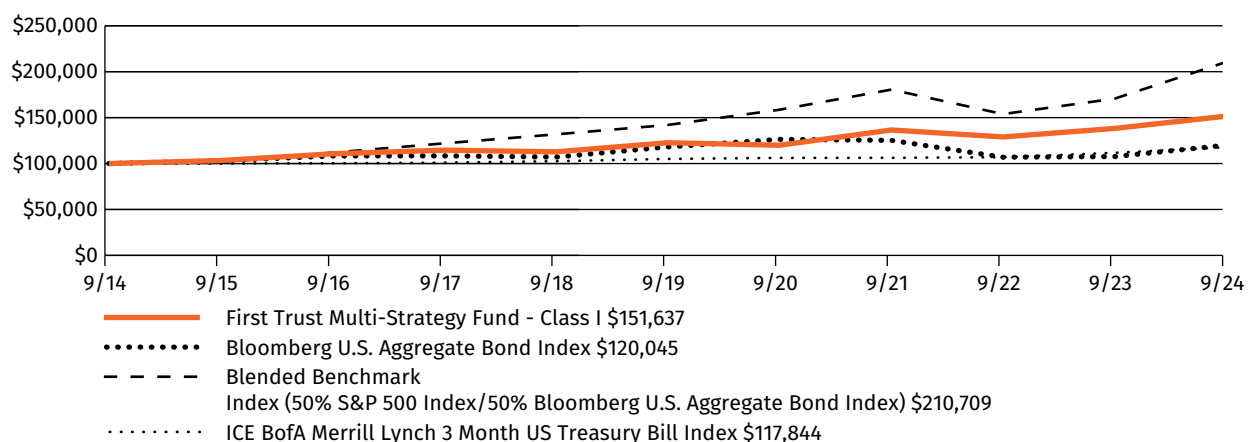
#### SUMMARY OF RESULTS

The First Trust Multi-Strategy Fund (the “Multi-Strategy Fund”) focuses on maintaining an alternative return profile with minimal correlation to stock and bond markets while targeting a 6.00% annual distribution yield. To achieve these goals, the Multi-Strategy Fund employs three core strategies: merger arbitrage, option writing, and structured debt. The merger arbitrage strategy contributed a 2.54% return despite regulatory challenges, benefiting from careful deal selection with a median ‘deal spread’ yield of 8.5% and a 63-day average position duration. The option writing strategy returned 3.48%, profiting from favorable volatility conditions and rising equity prices. The VIX curve coming into the year led to a lower volatility risk premium (VRP) than historically expected for the strategy, leading to a smaller upside capture relative the equity markets. Structured debt yielded a 4.67% return, with a high-quality, short-duration credit portfolio primarily in BBB and BB CLO tranches, which currently yields an average 10.0% coupon. There were no material detracting strategies during the period as all three achieved positive returns. Each strategy not only met the Fund’s return objectives, but also contributed to its diversification, supporting the Fund’s overall strategic goal.

### Fund Performance

The following graph and chart compare the initial and subsequent account values at the end of each of the most recently completed 10 fiscal years of the Fund, or for the life of the Fund, if shorter. It assumes a \$100,000 initial investment at the beginning of the first fiscal year in an appropriate, broad-based securities market index for the same period.

#### GROWTH OF \$100,000



AVERAGE ANNUAL TOTAL RETURN	1 Year	5 Years	10 Years
First Trust Multi-Strategy Fund (Class I/FTMIX)	9.69%	4.33%	4.25%
Bloomberg U.S. Aggregate Bond Index	11.57%	0.33%	1.84%
Blended Benchmark Index (50% S&P 500 Index/50% Bloomberg U.S. Aggregate Bond Index) <sup>1</sup>	23.48%	8.22%	7.74%
ICE BofA Merrill Lynch 3-Month US Treasury Bill Index <sup>1</sup>	5.49%	2.33%	1.66%

<sup>1</sup>Effective July 1, 2024, the Fund replaced the ICE BofA Merrill Lynch 3 Month US Treasury Bill Index as the Fund's primary performance benchmark with the Bloomberg U.S. Aggregate Bond Index in order to satisfy a change in regulatory requirements. The Fund also introduced a new secondary performance benchmark, the 50% S&P 500 Index/50% Bloomberg U.S. Aggregate Bond Index. First Trust Capital Management L.P., the Fund's Advisor, believes the 50% S&P 500 Index/50% Bloomberg U.S. Aggregate Bond Index is an appropriate benchmark for the strategy employed by the Fund, provides similar information to the prior benchmark index, and delivers better value to shareholders.

**Keep in mind that the Fund's past performance is not a good predictor of how the Fund will perform in the future.**

The graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or redemption of Fund shares.

## Key Fund Statistics

The following table outlines key fund statistics that you should pay attention to.

<b>Fund net assets</b>	\$530,545,045
<b>Total number of portfolio holdings</b>	285
<b>Total advisory fees paid (net)</b>	\$3,774,534
<b>Portfolio turnover rate as of the end of the reporting period</b>	215%

## Graphical Representation of Holdings

The tables below show the investment makeup of the Fund, representing percentage of the total net assets of the Fund. The Top Ten Holdings and Sector Allocation exclude short-term holdings, if any. The Sector Allocation chart represents Common Stocks held by the Fund.

TOP TEN HOLDINGS	ASSET ALLOCATION	SECTOR ALLOCATION
S&P 500 Index Options, Exercise Price: \$5,000.00, Expiration Date: 12/31/24	Collateralized Loan Obligations	Financials
23.7%	32.0%	9.0%
S&P 500 Index Options, Exercise Price: \$6,000.00, Expiration Date: 12/31/24	Collateralized Mortgage Obligations	Technology
7.2%	0.0%	5.7%
Avangrid, Inc.	Common Stocks	Industrials
1.9%	23.4%	2.5%
Marathon Oil Corp.	Purchased Options Contracts	Utilities
1.6%	31.0%	2.1%
Squarespace, Inc. - Class A	Rights	Energy
1.4%	0.0%	1.6%
Stericycle, Inc.	Units	Consumer Staples
1.4%	0.7%	1.0%
Smartsheet, Inc. - Class A	Warrants	Health Care
1.3%	0.0%	0.6%
Kellanova	Short-Term Investments	Materials
1.0%	14.9%	0.5%
HashiCorp, Inc. - Class A	Liabilities in Excess of Other Assets	Consumer Discretionary
1.0%	-2.0%	0.4%
Nuvei Corp.		Diversified
0.7%		0.0%

## **Material Fund Changes**

Effective March 8, 2024, Vest Financial, LLC replaced Glenmede Investment Management, LP as Sub-Advisor to the Fund.

This is a summary of certain planned changes to the Fund since the beginning of the reporting period. For more complete information, you may review the Fund's prospectus at <https://www.firsttrustcapital.com/fund-literature/> or upon request at (877) 779-1999.

## **Changes in and Disagreements with Accountants**

There were no changes in or disagreements with the Fund's accountants during the reporting period.

## **Availability of Additional Information**

You can find additional information about the Fund such as the prospectus, financial information, fund holdings and proxy voting information at <https://www.firsttrustcapital.com/fund-literature/>. You can also request this information by contacting us at (877) 779-1999.

## **Householding**

In order to reduce expenses, we will deliver a single copy of prospectuses, proxies, financial reports and other communication to shareholders with the same residential address, provided they have the same last name, or we reasonably believe them to be members of the same family. Unless we are notified otherwise, we will continue to send recipients only one copy of these materials for as long as they remain a shareholder of the Fund. If you would like to receive individual mailings, please call (877) 799-1999 and we will begin sending you separate copies of these materials within 30 days after receiving your request.