MORGAN CREEK EXOS SPAC+FUND

FEBRUARY 2023 MONTHLY COMMENTARY

The SPAC+ Fund gained 0.78% net of all fees in February, while fixed income benchmark strategies declined between approximately 2-5%.[1]

As a reminder, we designed this strategy to act as an alternative for traditional fixed income investors in their portfolios. The idea was that the unique characteristics of the small subset of US-listed SPAC equity securities were suited to play this role, yet not well understood which offered an opportunity.

These securities have 3 key characteristics we focus on:
1) They can be redeemed on some date for a share of T-Bill or equivalent collateral held in trust, 2) They contain embedded equity options that can be valuable, and 3) They are relatively short duration – 18 months or less. Even though these securities are US-listed equities, we believe that these investments have the underlying risk characteristics akin to a short-dated convertible bond with high quality credit. Relative to traditional fixed income these securities have potentially less downside in the worst cases and more upside in the best cases.

Since the inception of the Fund almost 3 years ago we have outperformed a traditional fixed income investment like the Pimco Active Bond ETF (ticker: BOND) by over 10% each year, and by roughly 44% overall. Moreover, the fund has delivered this outperformance at a lower risk, as illustrated by a peak-to-trough drawdown that was almost 65% lower. Despite recent market struggles in fixed income, our strategy sits within 1.5% of its all-time high, while BOND is still over 15% below its own all-time high.

Despite our outperformance, we believe the strategy is compelling in the near term, due to the option value embedded in these securities. Given the volatility and uncertainty in markets, we believe qualified investors should consider our strategy to be a potential alternative for traditional fixed income investments in their portfolio.

FUND OBJECTIVES AND STRATEGY

INVESTMENT OBJECTIVES

- Seeks to generate return from the embedded equity options in SPACs while protecting downside via their t-bill collateral.
- Seeks to produce an attractive risk profile with potential for upside, with low correlation to corporate credit and equities.
- Seeks to provide a moderate level of liquidity.

INVESTMENT STRATEGY

- Seeks to maximize the value of a portfolio of options inherent in SPAC-related securities in order to drive upside.
- Seeks to add incremental return via a proprietary algorithmic market making strategy.
- Seeks to protect downside via the cash-like collateral held in trust by the underlying SPACs.
- Targets 2x leverage with the ability to increase to 4x when market conditions warrant.

RISK STATISTICS

- Total Exposure = 2.09x fund equity
- Top 10 = 35.3% of portfolio, Top 25 = 64.7% of portfolio, Top 50 = 89.6% of portfolio
- Total Names = 113
- Weighted Average Discount to Trust: Common = 0.71%, Unit = 0.35%

MONTHLY PERFORMANCE

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	LTD
2020							-0.92%	-0.82%	2.48%	-2.11%	7.76%	11.12%	18.03%	18.03%
2021	8.56%	3.86%	-3.81%	1.39%	-0.80%	1.78%	-1.18%	-0.99%	1.11%	1.60%	0.59%	-1.18%	10.94%	30.95%
2022	-2.21%	-0.81%	1.17%	-0.16%	-2.57%	-0.66%	0.63%	-0.29%	-0.12%	1.11%	0.56%	1.19%	-2.22%	28.04%
2023	1.93%	0.78%											2.73%	31.54%

* Past performance is not indicative of future results. Fund performance is shown net of fees.

INVESTMENT TEAM

Dewey Tucker
Portfolio Manager

Michael Bissmeyer
Head of Trading

Philippe Hatstadt
Head of Risk

- Deep connectivity across SPAC ecosystem, with access to primary issuances, block trades and secondary flow.
- We believe our proprietary technology gives Exos an edge in secondary market trading activities.
- The Exos team has a deep understanding of the SPAC product.

FUND TERMS

Fund Name	Morgan Creek-Exos SPAC+ Fund
Management Fee	1%
Incentive Fee	20% above Treasury Bill return
Liquidity	Monthly with 30 days notice
Domicile	Delaware LP with Cayman Feeder
Prime Broker	Cantor Fitzgerald
Administrator	SS&C GlobeOp
U.S. Counsel	Thompson Hine LLP
Offshore Counsel	Mourant Ozannes
Auditors	KPMG
Tax	PWC

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IMPORTANT DISCLOSURES

MORGAN CREEK CAPITAL MANAGEMENT exos

FOOTNOTES

1.The fund compares performance to the following ETFs - iShares iBoxx High Yield Corporate Bond ETF (Ticker: HYG); iShares iBoxx Investment Grade Corporate Bond ETF (Ticker: LQD); and SPDR S&P 500 ETF (Ticker: SPY).

DISCLOSURES

Fund

There is no guarantee that any targets or projections contained herein will be met, and the contents of this material should not be unduly relied upon. Allocations are subject to change at the discretion of the manager in accordance with the fund offering documents. This material is not meant to be, nor shall it be construed as, an attempt to define all terms and conditions of any transaction or to contain all information that is or may be material to an investor. Morgan Creek Capital Management, LLC is not soliciting any action based upon this material, and this material is not meant to be, nor shall it be construed as, an offer or solicitation of an offer for the purchase or sale of any security or advisory or other service. If in the future any security or service is offered or sold, such offer or sale shall occur only pursuant to, and a decision to invest therein should be made solely on the basis of, a definitive disclosure document, and shall be made exclusively to qualified purchasers in a private offering exempt from registration under all applicable securities and other laws. Any such disclosure document shall contain material information not contained herein, and shall supplement, amend, and/or supersede in its entirety the information referred to herein. Nothing contained in this material is, or should be, relied upon as a representation as to past or future performance, and no assurance, promise, or representation can be made as to actual returns.

General

Past performance is not indicative of future results. Morgan Creek Capital Management, LLC does not warrant the accuracy, adequacy, completeness, timeliness or availability of any information provided by non-Morgan Creek sources. There can be no assurance that the investment objectives of Morgan Creek-Exos SPAC+ Fund or any company in which Morgan Creek-Exos SPAC+ Fund invested will be achieved. The Morgan Creek-Exos SPAC+ Fund data set forth in this document is not audited and is subject to change upon audit. This is neither an offer to sell nor a solicitation of an offer to buy interests in any investment fund managed by Morgan Creek Capital Management, LLC or its affiliates, nor shall there be any sale of securities in any state or jurisdiction in which such offer or solicitation or sale would be unlawful prior to registration or qualification under the laws of such state or jurisdiction. Any such offering can be made only at the time a qualified offeree receives a Confidential Private Offering Memorandum and other operative documents which contain significant details with respect to risks and should be carefully read. Neither the Securities and Exchange Commission nor any State securities administrator has passed on or endorsed the merits of any such offerings of these securities, nor is it intended that they will. This document is for informational purposes only.

Forward-Looking Statements

This presentation contains certain statements that may include "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934.All statements, other than statements of historical fact, included herein are "forward-looking statements." Included among "forward-looking statements" are, among other things, statements about our future outlook on opportunities based upon current market conditions. Although the company believes that the expectations reflected in these forward-looking statements are reasonable, they do involve assumptions, risks and uncertainties, and these expectations may prove to be incorrect. Actual results could differ materially from those anticipated in these forward-looking statements as a result of a variety of factors. One should not place undue reliance on these forward-looking statements, which speak only as of the date of this discussion. Other than as required by law, the company does not assume a duty to update these forward-looking statements.

Risk Summary

Investment objectives are not projections of expected performance or guarantees of anticipated investment results. Actual performance and results may vary substantially from the stated objectives with respect to risks. Investments are speculative and are meant for sophisticated investors only. An investor may lose all or a substantial part of its investment in funds managed by Morgan Creek Capital Management, LLC. There are also substantial restrictions on transfers. Certain of the underlying investment managers in which the funds managed by Morgan Creek Capital Management, LLC invest may employ leverage (certain Morgan Creek funds also employ leverage) or short selling, may purchase or sell options or derivatives and may invest in speculative or illiquid securities. Funds of funds have layers of fees and expenses which may offset profits. This is a brief summary of investment risks. Prospective investors should carefully review the risk disclosures contained in the funds' Confidential Private Offering Memoranda.

SPAC Risks

SPACs are "blank check" companies with no operating history and, at the time that the Partnership invests in a SPAC, the SPAC typically has not conducted any discussions or made any plans, arrangements or understandings with any prospective transaction candidates. Accordingly, there is a limited basis (if any) on which to evaluate the SPAC's ability to achieve its business objective, and the value of its securities is particularly dependent on the ability of the entity's management to identify and complete a profitable acquisition. While certain SPACs are formed to make transactions in specified market sectors, others are complete "blank check" companies, and the management of the SPAC may have limited experience or knowledge of the market sector in which the transaction is made. Accordingly, at the time that the Partnership invests in a SPAC, there may be little or no basis for the Fund to evaluate the possible merits or risks of the particular industry in which the SPAC may ultimately operate or the target business which the SPAC may ultimately acquire. A SPAC will not generate any revenues until, at the earliest, after the consummation of a transaction. While a SPAC is seeking a transaction target, its stock may be thinly traded. There can be no assurance that a market will develop. The proceeds of a SPAC IPO that are placed in trust are subject to risks, including the risk of insolvency of the custodian of the funds, fraud by the trustee, interest rate risk and credit and liquidity risk relating to the securities and money market funds in which the proceeds are invested. SPACs invest their trust assets in U.S. Treasuries or money market funds, which may also be at risk for loss at various times.

Fund Risks

The Sub-Adviser has the ability to lever the Partnership's investment portfolio by a factor of three times and will incur indebtedness to achieve such positions. Leverage increases returns to limited partners if the Partnership earns a greater return on leveraged investments than the Partnership's cost of such leverage. However, the use of a substantial degree of leverage through borrowing exposes the Partnership to additional levels of risk including greater losses from investments than would otherwise have been the case had the Partnership not borrowed to make the investments. Although the Partnership's investment strategy contains certain limitations on portfolio allocations, events may occur which result in the Partnership's investment portfolio being concentrated among a small number of positions. The allocation of a large portion of the Partnerships capital to one or a small number of investments could increase the risk of the investing in the Partnership because of the lack of diversification in the portfolio. Investing in securities domiciled or operating in one or more non-U.S. countries involves considerations and possible risks not typically involved in investing in securities of companies domiciled and operating in the United States. The allocation of a percentage of the Partnership's net profits to the General Partner from the limited partners may create an incentive for the Investment Manager to cause the partnership to make investments that are riskier or more speculative than would be the case if this allocation were not made.