Information to the Shareholders of

Credit Suisse (Lux) IRIS Balanced Fund

CS ILS SICAV-SIF
Investment Company with Variable Capital under Luxembourg Law

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(the "**Company**")

Notice to the Shareholders[1] of Credit Suisse (Lux) IRIS Balanced Fund (the "**Subfund**") that the Board of Directors of the Company has decided to validate the decision of the AIFM to exchange and/or compulsory redeem Special Situation Preference Shares ("**SSP Shares**").

Capitalized terms used but not defined herein have the meanings assigned to them in the Offering Memorandum of the Company.

As Shareholders of the Subfund are aware by way of previous notification, in prior years the AIFM decided to issue SSP Shares for certain investments (or portion thereof) in the Subfund (designated as "**Special Investments**").

This notice provides an update on the Special Investments and the related SSP Shares.

Executive summary

The AIFM, in consultation with the Portfolio Manager, has determined that certain investments (or a portion thereof) currently designated as Special Investments can be released from the respective SSP Shares with effect from the dealing day on
1 May 2025 (by reference to the estimated Net Asset Value (NAV) to be determined as at 30 April 2025) as follows:

1. Approx. 44%* for SSP Shares - S03
2. Approx. 30%* for SSP Shares - S05

* These are estimates at the time of writing. The final percentage may deviate from these estimates and will be determined once the Central Administration can finalize the calculation of the Net Asset Value for the month of April 2025 as well as the contract notes for 1 May 2025.

Background

As Shareholders at the relevant time were notified, consequent upon certain insurance events (which may have been a series of events and which may have been in respect of different perils or regions or occurred at different times), the AIFM, after consultation with the Portfolio Manager, determined that certain investments of the Subfund held for the benefit of the Subfund and its Shareholders lacked a readily assessable market value (valuation uncertainty). Consequently, the Board of Directors validated the decision of the AIFM to designate such investments together with related hedging positions and cash or amounts posted or earmarked as collateral or margin in support of such positions as Special Investments. For the avoidance of doubt, SSP Shares issued in connection with any single Special Investment will generally constitute a separate series of SSP Shares; provided, however, that more than one series may be issued with respect to a particular Special Investment. At the date hereof, three series

[1] This letter is sent to all Shareholders of the Subfund for information. No action is required to be taken by any Shareholder.

of SSP Shares (SSP Shares - S03 and SR03, SSP Shares - S04 and SR04 as well as SSP Shares – S05 and SR05) are outstanding in respect of the Subfund.

As set out in the Offering Memorandum of the Company, each Shareholder in the Subfund at the time an investment was designated as a Special Investment (including Shareholders who had submitted redemption requests in respect of some or all of their Shares) participated in the Special Investment pro rata. To facilitate such participation, each such Shareholder had an amount of Shares automatically cancelled (using the Net Asset Value of the relevant designation of Shares at the most recent Valuation Day) and was issued SSP Shares at a Net Asset Value per SSP Share equal to the Net Asset Value per Share of the designation of Shares from which it was exchanged.

SSP Shares participate only in gains and losses arising from the applicable Special Investments (in which the Shares do not participate).

Redesignation of Special Investments

The AIFM, in consultation with the Portfolio Manager and with the benefit of advice, where appropriate, from the Reserving Actuary, now believes that new information from market and counterparty sources has become available which reduces materially the valuation uncertainty for certain Special Investments. In addition, the Portfolio Manager has been in close contact with counterparties and brokers with a view to such counterparties releasing some or all of the collateral held against such Special Investments as the valuation uncertainty has reduced materially.

As such, the Board of Directors has agreed with the determination of the AIFM that certain investments or portion thereof (including any associated collateral) currently designated as Special Investments no longer need to be so designated and can therefore be released from the respective SSP Shares, and with the related decision of the AIFM to release some identified cash from the respective SSP Shares.

These changes will take effect as of the dealing day on 1 May 2025 by reference to the Net Asset Value determined as at 30 April 2025 and are expected to correspond to approximately 44% of the outstanding SSP Shares - S03 issued for dealing day 1 April 2020 and approximately 30% of the outstanding SSP Shares - S05 issued for dealing day 1 October 2022. Shareholders should note that this percentage is based on the estimated value of the Subfund's Net Asset Value as of 30 April 2025 and the estimated value of Special Investments. The final percentage will be known once the Central Administration finalises the Net Asset Value for the month April 2025 as well as the contract notes for 1 May 2025.

A number of previously designated Special Investments will not be released from the SSP Shares as the valuation of these positions remains uncertain while loss estimates are still developing. The AIFM, in consultation with the Portfolio Manager, will continue to monitor such Special Investments and believes that it may be possible to release further Special Investments and/or cash in a few months' time as updated loss information becomes available and if sufficient certainty has been restored to the value and liquidity of the remaining Special Investments, although no guarantee can be given that this will be the case.

As a result of the release of Special Investments and/or cash in connection with the relevant SSP Shares, a pro rata number of SSP Shares – S03 and S05 will be exchanged into the same designation of Shares from which they were originally exchanged. For Shareholders who hold SSP Shares – SR04 and SR05, the relevant number of such SSP Shares will be compulsorily redeemed and settled in cash (after payment of any Management Fee in

accordance with the Offering Memorandum) with respect to such SSP Shares - SR.

No contract notes (in respect of the exchange of SSP Shares for Shares or compulsory redemption, as the case may be) will be issued and no redemption proceeds will be paid until after the 30 April 2025 NAV has been finalised. This is likely to be an extended period and may impact the release of the NAV for subsequent periods. The Portfolio Manager will issue the usual reports after the NAV has been finalised.

Important – Holders of SSP Shares (including SSP Shares - SR)

It is difficult to predict with confidence what the extent and the timing of future realisations from the SSP Shares will be. This is even more true for closing an entire series of SSP Shares and realising all remaining Special Investments (including releasing any cash). Various factors decisive for realisations of SSP Shares are beyond the discretion of the Portfolio Manager and/or the AIFM. For example, a counterparty may be required to continue to hold collateral as a reserve due to potential further loss developments after the expiration of the underlying contract. In addition, even if there are no incurred losses under the underlying contract, the obligations or collateral release clause may call for the retaining of all or part of the collateral to serve as a buffer against the deterioration of claims events that are reserved below the attachment point of the underlying contract.

Important - All Shareholders

All holders of Shares should be aware that they participate in the profits and losses from all assets held for the benefit of the Subfund from time to time (other than assets currently designated as Special Investments) irrespective of when such asset was acquired and irrespective of when any relevant insurance event occurred, including assets previously (but no longer) designated as Special Investments. As such, there is no guarantee that any asset (including an asset previously, but no longer, designated as a Special Investment) may not subsequently become impacted by adverse developments and, consequently, required to be designated (or re-designated) as a Special Investment if such asset becomes subject to valuation uncertainty due for example but not limited to (subsequent) adverse developments of an event or series thereof.

Please note that any redemption requests submitted in relation to a dealing day on which SSP Shares are issued, are treated equally so that holders of Shares who submit a request for either a full or partial redemption will receive (i) where possible, cash in relation to the redemption of Shares and (ii) where this is not possible, SSP Shares - SR, being SSP Shares which are designated to be paid out upon a compulsory redemption (i.e. upon a release of Special Investments, or a portion thereof, collateral and/or cash from the respective SSP Shares). SSP Shares (including SSP Shares - SR) are not redeemable at the option of the holders. For additional information about the operation of, and risks associated with, SSP Shares please consult the Offering Memorandum.

Shareholders should inform themselves as to the possible tax implications of the aforementioned changes in their respective country of citizenship, residence or domicile.

Luxembourg, 28 May 2025

The Board of Directors