
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 10-Q

- QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2021**
- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

COMMISSION FILE NUMBER: 814-00757

FS KKR Capital Corp.

(Exact name of registrant as specified in its charter)

Maryland (State of Incorporation)	26-1630040 (I.R.S. Employer Identification Number)
201 Rouse Boulevard Philadelphia, Pennsylvania (Address of principal executive offices)	19112 (Zip Code)
Registrant's telephone number, including area code: (215) 495-1150	

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No .

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No .

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

- | | |
|---|--|
| Large accelerated filer <input checked="" type="checkbox"/> | Accelerated filer <input type="checkbox"/> |
| Non-accelerated filer <input type="checkbox"/> | Smaller reporting company <input type="checkbox"/> |
| | Emerging growth company <input type="checkbox"/> |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No .

Securities registered pursuant to Section 12(b) of the Act.

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value \$0.001	FSK	New York Stock Exchange

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

There were 285,129,993 shares of the registrant's common stock outstanding as of August 9, 2021.

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PART I—FINANCIAL INFORMATION
Item 1. Financial Statements.
FS KKR Capital Corp.
Consolidated Balance Sheets
(in millions, except share and per share amounts)

	June 30, 2021 (Unaudited)	December 31, 2020
Assets		
Investments, at fair value		
Non-controlled/unaffiliated investments (amortized cost—\$11,025 and \$5,314, respectively)	\$ 11,261	\$ 4,986
Non-controlled/affiliated investments (amortized cost—\$761 and \$629, respectively)	835	534
Controlled/affiliated investments (amortized cost—\$2,706 and \$1,510, respectively)	2,638	1,260
Total investments, at fair value (amortized cost—\$14,492 and \$7,453, respectively)	14,734	6,780
Cash	485	182
Foreign currency, at fair value (cost—\$14 and \$8, respectively)	14	9
Receivable for investments sold and repaid	325	173
Income receivable	140	72
Unrealized appreciation on foreign currency forward contracts	2	1
Deferred financing costs	14	15
Deferred merger costs	—	1
Prepaid expenses and other assets	9	4
Total assets	\$ 15,723	\$ 7,237
Liabilities		
Payable for investments purchased	\$ 0	\$ —
Debt (net of deferred financing costs of \$25 and \$23, respectively) ⁽¹⁾	7,720	3,997
Unrealized depreciation on foreign currency forward contracts	2	3
Stockholder distributions payable	168	74
Management fees payable	54	25
Subordinated income incentive fees payable ⁽²⁾	29	—
Administrative services expense payable	5	2
Interest payable	65	25
Other accrued expenses and liabilities	27	15
Total liabilities	8,070	4,141
Commitments and contingencies ⁽³⁾		
Stockholders' equity		
Preferred stock, \$0.001 par value, 50,000,000 shares authorized, none issued and outstanding	—	—
Common stock, \$0.001 par value, 750,000,000 shares authorized, 285,129,993 and 123,755,965 shares issued and outstanding, respectively	0	0
Capital in excess of par value	7,508	3,866
Retained earnings (accumulated deficit) ⁽⁴⁾	145	(770)
Total stockholders' equity	7,653	3,096
Total liabilities and stockholders' equity	\$ 15,723	\$ 7,237
Net asset value per share of common stock at period end	\$ 26.84	\$ 25.02

(1) See Note 9 for a discussion of the Company's financing arrangements.

(2) See Note 2 for a discussion of the methodology employed by the Company in calculating the subordinated income incentive fees.

(3) See Note 10 for a discussion of the Company's commitments and contingencies.

(4) See Note 5 for a discussion of the sources of distributions paid by the Company.

See notes to unaudited consolidated financial statements.

FS KKR Capital Corp.

Unaudited Consolidated Statements of Operations
(in millions, except share and per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Investment income				
Interest income	\$ 108	\$ 109	\$ 195	\$ 234
Paid-in-kind interest income	9	9	19	20
Fee income	22	6	33	18
Dividend and other income	8	1	12	3
From non-controlled/affiliated investments:				
Interest income	1	2	4	5
Paid-in-kind interest income	2	4	8	9
Fee income	—	—	—	0
Dividend income	0	—	0	—
From controlled/affiliated investments:				
Interest income	2	1	4	4
Paid-in-kind interest income	7	2	8	2
Fee income	1	—	1	—
Dividend and other income	46	16	73	34
Total investment income	<u>206</u>	<u>150</u>	<u>357</u>	<u>329</u>
Operating expenses				
Management fees	30	26	55	56
Subordinated income incentive fees ⁽¹⁾	8	—	8	—
Administrative services expenses	2	3	4	5
Accounting and administrative fees	0	0	1	1
Interest expense ⁽²⁾	46	42	88	88
Other general and administrative expenses	4	2	7	4
Total operating expenses	<u>90</u>	<u>73</u>	<u>163</u>	<u>154</u>
Net investment income	<u>116</u>	<u>77</u>	<u>194</u>	<u>175</u>
Realized and unrealized gain/loss				
Net realized gain (loss) on investments:				
Non-controlled/unaffiliated investments	1	(48)	(82)	(140)
Non-controlled/affiliated investments	64	(5)	64	(39)
Controlled/affiliated investments	(13)	(17)	(56)	(17)
Net realized gain (loss) on foreign currency forward contracts	0	—	—	—
Net realized gain (loss) on foreign currency	(1)	1	(3)	(3)
Net change in unrealized appreciation (depreciation) on investments:				
Non-controlled/unaffiliated investments	466	(8)	575	(375)
Non-controlled/affiliated investments	142	(28)	169	(165)
Controlled/affiliated investments	76	(21)	182	(212)
Net change in unrealized appreciation (depreciation) on foreign currency forward contracts	2	—	3	2
Net change in unrealized gain (loss) on foreign currency	12	(6)	18	16
Total net realized and unrealized gain (loss)	<u>\$ 749</u>	<u>\$ (132)</u>	<u>\$ 870</u>	<u>\$ (933)</u>
Net increase (decrease) in net assets resulting from operations	<u>\$ 865</u>	<u>\$ (55)</u>	<u>\$ 1,064</u>	<u>\$ (758)</u>
Per share information—basic and diluted				
Net increase (decrease) in net assets resulting from operations (Earnings per Share)	<u>\$ 5.75</u>	<u>\$ (0.44)</u>	<u>\$ 7.76</u>	<u>\$ (6.07)</u>
Weighted average shares outstanding	<u>150,356,079</u>	<u>123,806,337</u>	<u>137,129,503</u>	<u>124,831,125</u>

(1) See Note 2 for a discussion of the methodology employed by the Company in calculating the subordinated income incentive fee.

(2) See Note 9 for a discussion of the Company's financing arrangements.

See notes to unaudited consolidated financial statements.

FS KKR Capital Corp.
Unaudited Consolidated Statements of Changes in Net Assets
(in millions)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Operations				
Net investment income (loss)	\$ 116	\$ 77	\$ 194	\$ 175
Net realized gain (loss) on investments, foreign currency forward contracts and foreign currency	51	(69)	(77)	(199)
Net change in unrealized appreciation (depreciation) on investments and foreign currency forward contracts ⁽¹⁾	686	(57)	929	(750)
Net change in unrealized gain (loss) on foreign currency	12	(6)	18	16
Net increase (decrease) in net assets resulting from operations	<u>865</u>	<u>(55)</u>	<u>1,064</u>	<u>(758)</u>
Stockholder distributions⁽²⁾				
Distributions to stockholders	(75)	(75)	(149)	(170)
Net decrease in net assets resulting from stockholder distributions	<u>(75)</u>	<u>(75)</u>	<u>(149)</u>	<u>(170)</u>
Capital share transactions⁽³⁾				
Issuance of common stock	3,642	—	3,642	—
Repurchases of common stock	—	(7)	—	(47)
Net increase (decrease) in net assets resulting from capital share transactions	<u>3,642</u>	<u>(7)</u>	<u>3,642</u>	<u>(47)</u>
Total increase (decrease) in net assets	4,432	(137)	4,557	(975)
Net assets at beginning of period	3,221	3,028	3,096	3,866
Net assets at end of period	<u>\$ 7,653</u>	<u>\$ 2,891</u>	<u>\$ 7,653</u>	<u>\$ 2,891</u>

(1) See Note 7 for a discussion of these financial instruments.

(2) See Note 5 for a discussion of the sources of distributions paid by the Company.

(3) See Note 3 for a discussion of the Company's capital share transactions.

See notes to unaudited consolidated financial statements.

FS KKR Capital Corp.
Unaudited Consolidated Statements of Cash Flows
(in millions)

	Six Months Ended June 30,	
	2021	2020
Cash flows from operating activities		
Net increase (decrease) in net assets resulting from operations	\$ 1,064	\$ (758)
Adjustments to reconcile net increase (decrease) in net assets resulting from operations to net cash provided by (used in) operating activities:		
Purchases of investments ⁽¹⁾	(1,747)	(1,549)
Paid-in-kind interest	(34)	(43)
Proceeds from sales and repayments of investments	1,914	1,384
Net realized (gain) loss on investments	74	196
Net change in unrealized (appreciation) depreciation on investments ⁽²⁾	(915)	752
Net change in unrealized (appreciation) depreciation on foreign currency forward contracts	(2)	(2)
Accretion of discount	(19)	(7)
Amortization of deferred financing costs and discount	5	3
Unrealized (gain)/loss on borrowings in foreign currency	(13)	(26)
(Increase) decrease in receivable for investments sold and repaid	(152)	520
(Increase) decrease in income receivable	(68)	4
(Increase) decrease in deferred merger costs	1	—
(Increase) decrease in prepaid expenses and other assets	(5)	(3)
Increase (decrease) in payable for investments purchased	—	6
Increase (decrease) in management fees payable	29	(4)
Increase (decrease) in subordinated income incentive fees payable	29	—
Increase (decrease) in administrative services expense	3	0
Increase (decrease) in interest payable	40	11
Increase (decrease) in other accrued expenses and liabilities	12	(7)
Cash acquired in merger	293	—
Other assets acquired from merger net of other assets, net of unrealized depreciation on derivatives	17	—
Merger costs capitalized into purchase price	(8)	—
Mark-to-market of merged debt	26	—
Net cash provided by (used in) operating activities	<u>544</u>	<u>477</u>
Cash flows from financing activities		
Repurchases of common stock	—	(47)
Stockholder distributions	(148)	(191)
Borrowings under financing arrangements ⁽³⁾	1,042	1,155
Repayments of financing arrangements ⁽³⁾	(1,125)	(1,396)
Deferred financing costs paid	(5)	(9)
Net cash provided by (used in) financing activities	<u>(236)</u>	<u>(488)</u>
Total increase (decrease) in cash	308	(11)
Cash, and foreign currency at beginning of period	191	106
Cash, and foreign currency at end of period	<u>\$ 499</u>	<u>\$ 95</u>
Supplemental disclosure		
Non-cash purchases of investments	<u>\$ (71)</u>	<u>\$ (81)</u>
Non-cash sales of investments	<u>\$ 71</u>	<u>\$ 81</u>
Local and excise taxes paid	<u>\$ 9</u>	<u>\$ 7</u>

(1) Excludes \$7,227 of cost of investments acquired from the 2021 Merger.

(2) Excludes \$11 of unrealized depreciation on unfunded commitments acquired from the 2021 Merger.

(3) Excludes \$3,794 of debt assumed from the 2021 Merger. See Note 9 for a discussion of the Company's financing arrangements. During the six months ended June 30, 2021 and 2020, the Company paid \$60 and \$74, respectively, in interest expense on the financing arrangements.

See notes to unaudited consolidated financial statements.

FS KKR Capital Corp.

Unaudited Consolidated Statements of Cash Flows
(in millions)

Supplemental disclosure of non-cash operating and financing activities:

In connection with the 2021 Merger, the Company issued common stock of \$3,650 and acquired investments at cost of \$7,227 and other assets of \$221 and assumed debt of \$3,794 and other liabilities of \$297.

See notes to unaudited consolidated financial statements.

FS KKR Capital Corp.
Unaudited Consolidated Schedule of Investments
As of June 30, 2021
(in millions, except share amounts)

Portfolio Company ^(a)	Footnotes	Industry	Rate ^(b)	Floor ^(b)	Maturity	Principal Amount ^(c)	Amortized Cost	Fair Value ^(d)
Senior Secured Loans—First Lien—108.7%								
5 Arch Income Fund 2 LLC	(q)(t)(w)(y)(z)	Diversified Financials	9.0%		11/18/23	\$ 116.0	\$ 84.9	\$ 82.4
5 Arch Income Fund 2 LLC	(w)(x)(y)(z)	Diversified Financials	9.0%		11/18/23	21.0	21.0	14.9
A10 Capital LLC	(m)(v)	Diversified Financials	L+650	1.0%	5/1/23	26.9	26.8	27.2
ABB CONCISE Optical Group LLC	(v)(aa)	Retailing	L+500	1.0%	6/15/23	0.7	0.7	0.7
Accuride Corp	(l)(v)(aa)	Capital Goods	L+525	1.0%	11/17/23	30.1	28.6	29.0
Advanced Dermatology & Cosmetic Surgery	(x)	Health Care Equipment & Services	L+625	1.0%	5/7/26	3.6	3.6	3.6
Advanced Dermatology & Cosmetic Surgery	(m)(t)(v)	Health Care Equipment & Services	L+625	1.0%	5/7/27	39.0	37.0	38.7
Advanced Dermatology & Cosmetic Surgery	(x)	Health Care Equipment & Services	L+625	1.0%	5/7/27	10.2	10.2	10.2
Advania Sverige AB	(v)(w)	Software & Services	R+610, 0.0% PIK (2.0% Max PIK)	0.0%	3/30/28	ISK 2,990.7	22.6	23.4
Advania Sverige AB	(v)(w)	Software & Services	S+610	0.0%	4/1/28	SEK 1,069.1	118.8	121.1
Advania Sverige AB	(w)(x)	Software & Services	S+610	0.0%	4/1/28	452.5	54.0	51.3
American Tire Distributors Inc	(v)(aa)	Automobiles & Components	L+600, 0.0% PIK (1.0% Max PIK)	1.0%	9/1/23	\$ 2.6	2.4	2.6
American Tire Distributors Inc	(v)(aa)	Automobiles & Components	L+750, 0.0% PIK (1.5% Max PIK)	1.0%	9/2/24	43.3	40.4	43.4
Amtek Global Technology Pte Ltd	(g)(w)(ad)	Automobiles & Components	E+500 PIK (E+500 Max PIK)	0.0%	4/4/24	€ 55.8	67.9	59.2
Apex Group Limited	(v)(w)	Diversified Financials	L+700	1.3%	6/15/23	\$ 3.2	3.2	3.2
Apex Group Limited	(w)(x)	Diversified Financials	L+700	1.3%	6/15/23	3.2	3.2	3.2
Apex Group Limited	(f)(k)(l)(m)(t)(v)(w)	Diversified Financials	L+700	1.3%	6/16/25	87.8	82.6	88.7
Apex Group Limited	(v)(w)	Diversified Financials	L+700	1.5%	6/16/25	£ 54.0	69.4	75.3
Arcos LLC/VA	(x)	Software & Services	L+575	1.0%	3/31/27	\$ 4.5	4.5	4.5
Arcos LLC/VA	(m)(v)	Software & Services	L+575	1.0%	3/31/28	35.0	32.9	34.4
Ardonagh Group Ltd	(v)(w)	Insurance	L+544, 2.3% PIK (2.3% Max PIK)	0.8%	7/14/26	£ 0.8	1.0	1.1
Arrotex Australia Group Pty Ltd	(v)(w)	Pharmaceuticals, Biotechnology & Life Sciences	B+525	1.0%	7/10/24	A\$ 42.6	30.1	31.9
Arrotex Australia Group Pty Ltd	(w)(x)	Pharmaceuticals, Biotechnology & Life Sciences	B+525	1.0%	7/10/24	3.1	2.2	2.3
Aspect Software Inc	(v)	Software & Services	8.0% PIK (8.0% Max PIK)	9/15/21	\$ 0.3	0.2	0.3	
ATX Networks Corp	(s)(v)(w)(y)(z)	Technology Hardware & Equipment	L+625, 1.5% PIK (1.5% Max PIK)	1.0%	12/31/23	79.8	47.3	51.3
Barbri Inc	(f)(k)(l)(m)(t)(v)	Consumer Services	L+575	0.8%	4/28/28	110.4	104.6	109.3
Barbri Inc	(x)	Consumer Services	L+575	0.8%	4/28/28	30.2	30.2	29.9
Belk Inc	(v)(y)(z)(aa)(ac)	Retailing	10.0%, 0.0% PIK (8.0% Max PIK)	7/31/25	64.4	39.0	50.1	
Belk Inc	(v)(aa)(ac)	Retailing	L+750	1.0%	7/31/25	21.9	21.7	22.0
Berner Food & Beverage LLC	(i)(m)(v)	Food & Staples Retailing	L+875	1.0%	3/16/22	74.3	74.1	78.0
Borden (New Dairy Opco)	(v)(ac)	Food, Beverage & Tobacco	L+250	1.0%	7/20/25	19.0	18.1	19.0
Borden (New Dairy Opco)	(v)(ac)	Food, Beverage & Tobacco	L+700, 0.0% PIK (1.0% Max PIK)	1.0%	7/20/25	42.0	40.0	42.0
Borden Dairy Co	(v)(y)(z)(ac)	Food, Beverage & Tobacco	L+825	1.0%	7/6/23	65.0	25.4	—
Caprock Midstream LLC	(v)(aa)	Energy	L+475	0.0%	11/3/25	13.3	12.1	13.1
Charles Taylor PLC	(v)(w)	Diversified Financials	L+575	0.0%	1/24/27	£ 5.4	6.8	7.4
Cimarron Energy Inc	(v)	Energy	L+900	1.0%	12/31/22	\$ 7.5	5.5	5.9
Constellis Holdings LLC	(v)(ac)	Capital Goods	L+750	1.0%	3/27/24	15.0	13.8	15.0
Corsearch Intermediate Inc	(m)(v)	Software & Services	L+575	1.0%	4/19/28	27.1	25.3	26.5
Corsearch Intermediate Inc	(v)	Software & Services	L+575	1.0%	4/19/28	2.9	2.9	2.9
Corsearch Intermediate Inc	(x)	Software & Services	L+575	1.0%	4/19/28	4.4	4.4	4.4
CSafe Global	(f)(k)(l)(m)(s)(t)(v)	Capital Goods	L+625	1.0%	12/23/27	140.0	131.2	141.4
CSafe Global	(v)	Capital Goods	L+625	1.0%	12/23/27	9.2	8.7	9.2
CSafe Global	(x)	Capital Goods	L+625	1.0%	12/23/27	7.3	7.3	7.3

See notes to unaudited consolidated financial statements.

FS KKR Capital Corp.
Unaudited Consolidated Schedule of Investments (continued)
As of June 30, 2021
(in millions, except share amounts)

Portfolio Company ^(a)	Footnotes	Industry	Rate ^(b)	Floor ^(b)	Maturity	Principal Amount ^(c)	Amortized Cost	Fair Value ^(d)
Cubic Corp	(v)(aa)	Software & Services	L+425	0.8%	5/25/28	\$ 9.2	\$ 8.8	\$ 9.2
Dental Care Alliance Inc	(f)(k)(m)(t)(v)	Health Care Equipment & Services	L+625	0.8%	3/12/27	90.7	86.2	90.1
Dental Care Alliance Inc	(x)	Health Care Equipment & Services	L+625	0.8%	3/12/27	22.4	22.4	22.2
Distribution International Inc	(v)(aa)	Retailing	L+575	1.0%	12/15/23	27.4	25.4	26.6
Eagle Family Foods Inc	(v)	Food, Beverage & Tobacco	L+650	1.0%	6/14/23	8.5	8.2	8.5
Eagle Family Foods Inc	(x)	Food, Beverage & Tobacco	L+650	1.0%	6/14/23	6.8	6.8	6.8
Eagle Family Foods Inc	(f)(i)(k)(l)(m)(s)(v)	Food, Beverage & Tobacco	L+650	1.0%	6/14/24	87.9	84.2	87.9
Eagleclaw Midstream Ventures LLC	(v)(aa)	Energy	L+425	1.0%	6/24/24	8.8	8.0	8.7
EIF Van Hook Holdings LLC	(v)(aa)	Energy	L+525	0.0%	9/5/24	2.0	1.7	1.9
Entertainment Benefits Group LLC	(v)	Media & Entertainment	L+575, 2.5% PIK (2.5% Max PIK)	1.0%	9/30/24	0.2	0.2	0.2
Entertainment Benefits Group LLC	(v)	Media & Entertainment	L+575, 2.5% PIK (2.5% Max PIK)	1.0%	9/30/24	9.1	8.3	8.3
Entertainment Benefits Group LLC	(x)	Media & Entertainment	L+575, 2.5% PIK (2.5% Max PIK)	1.0%	9/30/24	1.2	1.2	1.1
Entertainment Benefits Group LLC	(f)(k)(l)(m)(v)	Media & Entertainment	L+575, 2.5% PIK (2.5% Max PIK)	1.0%	9/30/25	63.2	57.8	57.8
Fairway Group Holdings Corp	(v)(y)(z)(ac)	Food & Staples Retailing	12.0% PIK (12.0% Max PIK)		11/27/23	12.3	1.1	1.2
Fairway Group Holdings Corp	(v)(y)(z)(ac)	Food & Staples Retailing	10.0% PIK (10.0% Max PIK)		11/28/23	7.6	—	—
FloWorks International LLC	(i)(m)(v)	Capital Goods	L+650	1.0%	10/14/26	32.1	30.5	31.5
FloWorks International LLC	(v)	Capital Goods	L+650	1.0%	10/14/26	21.4	19.8	21.0
FloWorks International LLC	(x)	Capital Goods	L+650	1.0%	10/14/26	21.5	21.5	21.1
Foundation Consumer Brands LLC	(m)(v)	Pharmaceuticals, Biotechnology & Life Sciences	L+638	1.0%	2/12/27	105.2	100.9	105.7
Foundation Consumer Brands LLC	(x)	Pharmaceuticals, Biotechnology & Life Sciences	L+638	1.0%	2/12/27	6.6	6.6	6.6
Frontline Technologies Group LLC	(i)(m)(v)	Software & Services	L+575	1.0%	9/18/23	79.1	78.4	79.7
Frontline Technologies Group LLC	(v)	Software & Services	L+575	1.0%	9/18/23	22.1	20.9	22.2
Frontline Technologies Group LLC	(s)	Software & Services	L+575	1.0%	9/18/23	53.9	50.2	54.3
General Datatech LP	(f)(k)(l)(t)(v)	Software & Services	L+625	1.0%	6/18/27	181.5	179.7	179.7
Greystone Equity Member Corp	(v)(w)	Diversified Financials	L+725	3.8%	4/1/26	194.8	181.6	194.8
Heniff Transportation Systems LLC	(v)	Transportation	L+575	1.0%	12/3/24	6.5	6.2	6.4
Heniff Transportation Systems LLC	(x)	Transportation	L+575	1.0%	12/3/24	11.3	11.3	11.0
Heniff Transportation Systems LLC	(f)(i)(k)(l)(m)(v)	Transportation	L+575	1.0%	12/3/26	138.4	130.5	135.2
Heniff Transportation Systems LLC	(v)	Transportation	L+625	1.0%	12/3/26	19.5	18.6	19.5
Hibu Inc	(f)(k)(l)(m)(t)(v)	Commercial & Professional Services	L+625	1.0%	5/4/27	102.8	97.4	101.8
Higginbotham Insurance Agency Inc	(v)	Insurance	L+575	0.8%	11/25/26	49.5	45.9	49.9
Higginbotham Insurance Agency Inc	(x)	Insurance	L+575	0.8%	11/25/26	14.0	14.0	14.1
HM Dunn Co Inc	(v)(y)(z)(ad)	Capital Goods	L+875 PIK (L+875 Max PIK)	1.0%	12/31/21	66.5	15.6	16.9
HM Dunn Co Inc	(v)(ad)	Capital Goods	15.0% PIK (15.0% Max PIK)		12/31/21	20.0	11.5	11.5
Hudson Technologies Co	(v)(w)	Commercial & Professional Services	L+1,025	1.0%	10/10/23	82.5	73.5	74.1
Individual FoodService	(v)	Capital Goods	L+625	1.0%	11/22/24	0.4	0.4	0.4
Individual FoodService	(x)	Capital Goods	L+625	1.0%	11/22/24	4.3	4.3	4.3
Individual FoodService	(m)(s)(v)	Capital Goods	L+625	1.0%	11/22/25	71.0	66.2	71.4
Individual FoodService	(x)	Capital Goods	L+625	1.0%	11/22/25	4.8	4.8	4.8
Industria Chimica Emiliana Srl	(v)(w)	Pharmaceuticals, Biotechnology & Life Sciences	E+725	0.0%	6/30/26	€ 71.2	80.6	87.4
Industria Chimica Emiliana Srl	(v)(w)	Pharmaceuticals, Biotechnology & Life Sciences	E+725	0.0%	9/27/26	17.6	20.3	21.6
Industry City TI Lessor LP	(s)(v)	Consumer Services	10.8%, 1.0% PIK (1.0% Max PIK)		6/30/26	\$ 31.9	31.9	34.9
J S Held LLC	(v)	Insurance	L+600	1.0%	7/1/25	6.3	6.1	6.3
J S Held LLC	(x)	Insurance	L+600	1.0%	7/1/25	7.8	7.8	7.8

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Portfolio Company ^(a)	Footnotes	Industry	Rate ^(b)	Floor ^(b)	Maturity	Principal Amount ^(c)	Amortized Cost	Fair Value ^(d)
J S Held LLC	(f)(i)(m)(s)(v)	Insurance	L+600	1.0%	7/1/25	\$ 150.6	\$ 144.3	\$ 152.1
J S Held LLC	(v)	Insurance	L+600	1.0%	7/1/25	2.9	2.9	2.9
J S Held LLC	(x)	Insurance	L+600	1.0%	7/1/25	29.5	29.5	29.9
Jarrow Formulas Inc	(f)(i)(k)(l)(m)(s)(t)(v)	Household & Personal Products	L+625	1.0%	11/30/26	189.0	178.7	190.4
Karman Space Inc	(m)(v)	Capital Goods	L+650	1.0%	12/21/25	54.2	51.0	54.4
Karman Space Inc	(v)	Capital Goods	L+650	1.0%	12/21/25	4.1	3.9	4.1
Karman Space Inc	(x)	Capital Goods	L+650	1.0%	12/21/25	1.4	1.4	1.4
KBP Investments LLC	(v)	Food & Staples Retailing	L+500	0.8%	5/26/27	9.0	8.2	8.9
KBP Investments LLC	(x)	Food & Staples Retailing	L+500	0.8%	5/26/27	27.4	27.4	27.1
Kellermeyer Bergensons Services LLC	(f)(i)(k)(l)(m)(s)(t)(v)	Commercial & Professional Services	L+650	1.0%	11/7/26	296.1	283.0	299.0
Kellermeyer Bergensons Services LLC	(x)	Commercial & Professional Services	L+650	1.0%	11/7/26	52.4	52.4	52.9
Lakeview Farms Inc	(l)(m)(v)	Food, Beverage & Tobacco	L+625	1.0%	6/10/27	47.3	45.3	47.3
Lakeview Farms Inc	(x)	Food, Beverage & Tobacco	L+625	1.0%	6/10/27	10.8	10.8	10.8
Lakeview Farms Inc	(x)	Food, Beverage & Tobacco	L+625	1.0%	6/10/27	45.6	45.6	45.1
Lakeview Farms Inc	(v)	Food, Beverage & Tobacco	L+625	1.0%	6/10/27	0.3	0.3	0.3
Lakeview Farms Inc	(x)	Food, Beverage & Tobacco	L+625	1.0%	6/10/27	6.5	6.5	6.5
Lexitas Inc	(i)(k)(l)(m)(v)	Commercial & Professional Services	L+600	1.0%	11/14/25	96.7	92.9	98.1
Lexitas Inc	(x)	Commercial & Professional Services	L+600	1.0%	11/14/25	20.9	20.9	21.2
Lexitas Inc	(x)	Commercial & Professional Services	L+600	1.0%	11/14/25	5.4	5.4	5.4
Lionbridge Technologies Inc	(f)(k)(s)(t)	Consumer Services	L+700	1.0%	12/29/25	70.8	65.2	70.8
Lipari Foods LLC	(f)(m)(s)(v)	Food & Staples Retailing	L+575	1.0%	1/6/25	274.1	261.9	276.9
Matchesfashion Ltd	(v)(w)	Consumer Durables & Apparel	L+463, 3.0% PIK (3.0% Max PIK)	0.0%	10/11/24	12.7	12.2	9.2
MB2 Dental Solutions LLC	(k)(l)(m)(t)(v)	Health Care Equipment & Services	L+600	1.0%	1/29/27	159.3	148.8	157.5
MB2 Dental Solutions LLC	(v)	Health Care Equipment & Services	L+600	1.0%	1/29/27	13.0	12.0	12.8
MB2 Dental Solutions LLC	(x)	Health Care Equipment & Services	L+600	1.0%	1/29/27	43.8	43.8	43.3
Miami Beach Medical Group LLC	(k)(l)(m)(t)(v)	Health Care Equipment & Services	L+650	1.0%	12/14/26	181.5	171.5	184.9
Micronics Filtration Holdings Inc	(v)(y)(z)(ac)	Capital Goods	7.5% PIK (7.5% Max PIK)		3/29/24	49.5	45.0	39.1
Monitronics International Inc	(f)(v)(aa)	Commercial & Professional Services	L+650	1.3%	3/29/24	18.9	17.0	18.4
Monitronics International Inc	(f)(aa)	Commercial & Professional Services	L+500	1.5%	7/3/24	1.9	1.8	1.9
Monitronics International Inc	(v)	Commercial & Professional Services	L+500	1.5%	7/3/24	28.2	25.3	26.9
Monitronics International Inc	(x)	Commercial & Professional Services	L+500	1.5%	7/3/24	41.8	41.8	39.8
Motion Recruitment Partners LLC	(m)(t)(v)	Commercial & Professional Services	L+650	1.0%	12/19/25	85.4	80.1	82.8
Motion Recruitment Partners LLC	(x)	Commercial & Professional Services	L+650	1.0%	12/19/25	59.6	59.6	57.7
NBG Home	(v)	Consumer Durables & Apparel	L+550	1.0%	4/26/24	68.5	68.3	58.4
NCI Inc	(v)	Software & Services	L+750, 0.0% PIK (2.5% Max PIK)	1.0%	8/15/24	78.8	77.5	68.4
New Era Technology Inc	(i)(l)(m)(t)(v)	Software & Services	L+625	1.0%	10/31/26	68.7	64.3	67.3
New Era Technology Inc	(x)	Software & Services	L+625	1.0%	10/31/26	38.0	38.0	37.3
New Era Technology Inc	(x)	Software & Services	L+625	1.0%	10/31/26	4.7	4.6	4.6
Omnimax International Inc	(i)(k)(l)(m)(v)	Capital Goods	L+675	1.0%	10/8/26	189.5	179.5	191.4
One Call Care Management Inc	(v)(aa)(ad)	Health Care Equipment & Services	L+550	0.8%	4/22/27	10.0	9.6	10.1
Parata Systems	(f)(v)	Health Care Equipment & Services	L+575	1.0%	6/30/27	132.1	131.1	131.1
Parata Systems	(x)	Health Care Equipment & Services	L+575	1.0%	6/30/27	5.5	5.5	5.5
Parata Systems	(x)	Health Care Equipment & Services	L+575	1.0%	6/30/27	22.0	22.0	21.9
P2 Energy Solutions Inc.	(v)	Software & Services	L+675	1.0%	1/31/25	5.1	4.7	4.8

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Portfolio Company ^(a)	Footnotes	Industry	Rate ^(b)	Floor ^(b)	Maturity	Principal Amount ^(c)	Amortized Cost	Fair Value ^(d)
P2 Energy Solutions Inc.	(x)	Software & Services	L+675	1.0%	1/31/25	\$ 10.1	\$ 10.1	\$ 9.6
P2 Energy Solutions Inc.	(f)(i)(k)(m)(s)(t)(v)	Software & Services	L+675	1.0%	2/2/26	250.3	232.4	238.0
Peak 10 Holding Corp	(v)(aa)	Telecommunication Services	L+350	0.0%	8/1/24	20.1	17.1	18.5
Peraton Corp	(v)(aa)	Capital Goods	L+375	0.8%	2/1/28	9.1	8.7	9.1
Petroplex Acidizing Inc	(v)(y)(z)(ac)	Energy	L+900 PIK (L+900 Max PIK)	1.0%	12/30/21	25.8	22.2	4.8
Polyconcept North America Inc	(v)(aa)	Household & Personal Products	L+450 PIK (L+450 Max PIK)	1.0%	8/16/23	22.1	21.9	21.6
Premium Credit Ltd	(v)(w)	Diversified Financials	L+650	0.0%	1/16/26	£ 58.0	74.8	80.1
Production Resource Group LLC	(v)(ad)	Media & Entertainment	L+300, 5.5% PIK (5.5% Max PIK)	0.3%	8/21/24	\$ 127.0	117.1	127.0
Production Resource Group LLC	(v)(ad)	Media & Entertainment	L+500	1.0%	8/21/24	3.4	3.3	3.3
Production Resource Group LLC	(v)(ad)	Media & Entertainment	L+550 PIK (L+550 Max PIK)	1.0%	8/21/24	0.1	0.1	0.1
Production Resource Group LLC	(v)(ad)	Media & Entertainment	L+750, 0.0% PIK (3.1% Max PIK)	1.0%	8/21/24	60.3	55.5	60.3
Project Marron	(v)(w)	Consumer Services	B+575	0.0%	7/2/25	A\$ 36.5	24.4	26.0
Project Marron	(f)(v)(w)	Consumer Services	C+575	0.0%	7/2/25	C\$ 28.7	20.7	22.1
Propulsion Acquisition LLC	(f)(l)(s)(t)(v)	Capital Goods	L+700	1.0%	7/13/24	\$ 60.8	56.6	61.5
PSKW LLC	(i)(l)(s)(t)(v)	Health Care Equipment & Services	L+625	1.0%	3/9/26	296.2	283.9	299.2
Pure Fishing Inc	(v)(aa)	Consumer Durables & Apparel	L+450	0.0%	12/22/25	10.0	9.4	9.8
Qdoba Restaurant Corp	(m)(v)(aa)	Consumer Services	L+700	1.0%	3/21/25	11.0	10.9	10.9
Reliant Rehab Hospital Cincinnati LLC	(f)(i)(l)(m)(s)(v)	Health Care Equipment & Services	L+675	0.0%	9/2/24	160.9	152.1	158.8
Revere Superior Holdings Inc	(m)(v)	Software & Services	L+575	1.0%	9/30/26	23.2	22.4	23.4
Revere Superior Holdings Inc	(x)	Software & Services	L+575	1.0%	9/30/26	3.2	3.2	3.2
RSC Insurance Brokerage Inc	(v)	Insurance	L+550	1.0%	9/30/26	2.7	2.6	2.7
RSC Insurance Brokerage Inc	(x)	Insurance	L+550	1.0%	9/30/26	5.0	5.0	5.0
RSC Insurance Brokerage Inc	(f)(i)(k)(l)(m)(s)(v)	Insurance	L+550	1.0%	10/30/26	215.5	206.4	217.7
RSC Insurance Brokerage Inc	(v)	Insurance	L+550	1.0%	10/30/26	19.2	18.1	19.4
RSC Insurance Brokerage Inc	(x)	Insurance	L+550	1.0%	10/30/26	29.4	29.4	29.7
Safe-Guard Products International LLC	(f)(i)(m)(s)(t)(v)	Diversified Financials	L+500	0.5%	1/27/27	101.7	96.8	102.7
Sequa Corp	(m)(v)(aa)	Capital Goods	L+675, 0.0% PIK (1.0% Max PIK)	1.0%	11/28/23	16.0	15.2	16.2
Sequa Corp	(v)	Capital Goods	L+900, 0.0% PIK (9.5% Max PIK)	1.0%	7/31/25	16.4	15.9	17.3
Sequel Youth & Family Services LLC	(v)	Health Care Equipment & Services	L+450	1.0%	9/1/23	6.2	6.0	6.2
Sequel Youth & Family Services LLC	(v)(y)(z)	Health Care Equipment & Services	L+700	1.0%	9/1/23	29.2	19.3	11.4
Sequel Youth & Family Services LLC	(v)(y)(z)	Health Care Equipment & Services	L+800	1.0%	9/1/23	170.0	112.4	66.6
Sequential Brands Group Inc.	(k)(l)(v)	Consumer Durables & Apparel	L+875	0.0%	2/7/24	266.8	215.9	219.8
SIRVA Worldwide Inc	(v)(aa)	Commercial & Professional Services	L+550	0.0%	8/4/25	7.2	6.2	6.8
Sorenson Communications LLC	(f)(k)(t)(v)(aa)(ac)	Telecommunication Services	L+550	0.8%	3/17/26	63.4	59.9	64.0
Spins LLC	(m)(s)(t)(v)	Software & Services	L+575	1.0%	1/20/27	61.0	57.3	60.8
Spins LLC	(x)	Software & Services	L+575	1.0%	1/20/27	7.9	7.9	7.9
Sungard Availability Services Capital Inc	(v)(ac)	Software & Services	L+375, 3.8% PIK (3.8% Max PIK)	1.0%	7/1/24	3.7	3.6	3.9
Sungard Availability Services Capital Inc	(x)(ac)	Software & Services	L+375, 3.8% PIK (3.8% Max PIK)	1.0%	7/1/24	2.0	2.0	2.0
Sweeping Corp of America Inc	(m)(v)	Commercial & Professional Services	L+575	1.0%	11/30/26	49.2	46.6	49.6
Sweeping Corp of America Inc	(x)	Commercial & Professional Services	L+575	1.0%	11/30/26	6.9	6.9	6.9
Sweeping Corp of America Inc	(v)	Commercial & Professional Services	L+575	1.0%	11/30/26	0.6	0.5	0.6
Sweeping Corp of America Inc	(x)	Commercial & Professional Services	L+575	1.0%	11/30/26	5.1	5.1	5.1
Tangoe LLC	(f)(i)(m)(s)(v)	Software & Services	L+650	1.0%	11/28/25	190.7	170.3	166.0
ThermaSys Corp	(v)(ac)	Capital Goods	L+1,100 PIK (L+1,100 Max PIK)	1.0%	1/1/24	8.0	8.3	3.8

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Portfolio Company ^(a)	Footnotes	Industry	Rate ^(b)	Floor ^(b)	Maturity	Principal Amount ^(c)	Amortized Cost	Fair Value ^(d)
ThreeSixty Group	(m)(v)	Retailing	L+500, 2.5% PIK (2.5% Max PIK)	1.5%	3/1/23	\$ 48.2	\$ 47.9	\$ 47.6
ThreeSixty Group	(m)(v)	Retailing	L+500, 2.5% PIK (2.5% Max PIK)	1.5%	3/1/23	47.9	47.6	47.3
Total Safety US Inc	(f)(aa)	Capital Goods	L+600	1.0%	8/16/25	1.0	0.9	1.0
Trace3 Inc	(f)(i)(k)(l)(m)(s)(v)	Software & Services	L+675	1.0%	8/3/24	250.6	237.8	250.6
Transaction Services Group Ltd	(v)(w)	Software & Services	B+600	0.0%	10/15/26	A\$ 80.3	55.3	58.9
Transaction Services Group Ltd	(v)(w)	Software & Services	L+600	0.0%	10/15/26	\$ 36.0	34.0	35.2
Transaction Services Group Ltd	(v)(w)	Software & Services	L+600	0.0%	10/15/26	£ 13.9	17.6	18.7
Truck-Lite Co LLC	(v)	Capital Goods	L+625	1.0%	12/13/24	\$ 1.8	1.6	1.8
Truck-Lite Co LLC	(x)	Capital Goods	L+625	1.0%	12/13/24	23.6	23.6	23.6
Truck-Lite Co LLC	(f)(i)(k)(m)(s)(v)	Capital Goods	L+625	1.0%	12/14/26	269.4	257.7	271.6
Warren Resources Inc	(v)(ad)	Energy	L+900, 1.0% PIK (1.0% Max PIK)	1.0%	5/22/24	21.3	19.7	21.3
West Corp	(l)(aa)	Software & Services	L+350	1.0%	10/10/24	2.6	2.3	2.5
West Corp	(s)(aa)	Software & Services	L+400	1.0%	10/10/24	12.4	11.1	12.1
Wheels Up Partners LLC	(v)	Transportation	L+855	1.0%	10/15/21	2.2	2.2	2.2
Wheels Up Partners LLC	(v)	Transportation	L+710	1.0%	6/30/24	16.4	16.4	16.4
Wheels Up Partners LLC	(v)	Transportation	L+710	1.0%	11/1/24	6.9	6.8	6.9
Wheels Up Partners LLC	(v)	Transportation	L+710	1.0%	12/21/24	26.2	26.0	26.4
Wheels Up Partners LLC	(v)	Transportation	L+855	1.0%	7/15/22	4.2	4.2	4.2
Woolpert Inc	(f)(k)(l)(m)(t)(v)	Capital Goods	L+600	1.0%	4/5/28	146.2	138.5	144.7
Woolpert Inc	(x)	Capital Goods	L+600	1.0%	4/5/28	73.1	73.1	72.4
Total Senior Secured Loans—First Lien							8,914.1	9,139.1
Unfunded Loan Commitments							(822.8)	(822.8)
Net Senior Secured Loans—First Lien							8,091.3	8,316.3
Senior Secured Loans—Second Lien—23.9%								
Advanced Lighting Technologies Inc	(v)	Materials	L+600	1.0%	3/16/27	\$ 10.3	10.0	10.2
Ammeraal Beltech Holding BV	(f)(s)(v)(w)	Capital Goods	L+800	1.0%	9/12/26	51.3	46.2	50.2
Amtek Global Technology Pte Ltd	(g)(v)(w)(y)(z)(ad)	Automobiles & Components	E+500 PIK (E+500 Max PIK)	0.0%	4/4/24	€ 33.9	38.8	1.7
BCA Marketplace PLC	(v)(w)	Retailing	L+825	0.0%	11/22/27	£ 28.0	36.7	39.1
Belk Inc	(v)(y)(z)(ac)	Retailing	10.0% PIK (10.0% Max PIK)		7/31/25	\$ 24.3	4.2	4.0
Byrider Finance LLC	(u)(v)	Automobiles & Components	L+1,000, 0.5% PIK (0.5% Max PIK)	1.3%	6/7/22	54.1	51.4	54.2
Constellis Holdings LLC	(f)(v)(ac)	Capital Goods	L+100, 10.0% PIK (10.0% Max PIK)	1.0%	3/27/25	13.5	12.4	13.5
Cubic Corp	(v)	Software & Services	L+763	0.8%	5/25/29	54.8	51.6	54.0
Culligan International Co	(m)(v)	Household & Personal Products	L+850	1.0%	12/13/24	85.0	84.5	85.0
Datatel Inc	(v)	Software & Services	L+800	1.0%	10/9/28	179.2	169.7	180.5
Excelitas Technologies Corp	(l)(aa)	Technology Hardware & Equipment	L+750	1.0%	12/1/25	6.6	6.1	6.7
Fairway Group Holdings Corp	(v)(y)(z)(ac)	Food & Staples Retailing	L+1,100 PIK (L+1,100 Max PIK)		2/24/24	6.9	—	—
Gruden Acquisition Inc	(s)(v)(aa)	Transportation	L+850	1.0%	8/18/23	35.0	32.8	35.0
Misys Ltd	(v)(w)(aa)	Software & Services	L+725	1.0%	6/13/25	21.8	20.3	22.1
NBG Home	(v)	Consumer Durables & Apparel	L+1,275 PIK (L+1,275 Max PIK)	1.0%	9/30/24	29.4	26.2	21.3
NEP Broadcasting LLC	(v)(aa)	Media & Entertainment	L+700	0.0%	10/19/26	6.8	6.1	6.7
OECConnection LLC	(f)(s)(v)	Software & Services	L+825	0.0%	9/25/27	77.0	73.3	77.0
Ontic Engineering & Manufacturing Inc	(f)(t)(v)	Capital Goods	L+850	0.0%	10/29/27	26.8	24.9	27.1

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Portfolio Company ^(a)	Footnotes	Industry	Rate ^(b)	Floor ^(b)	Maturity	Principal Amount ^(c)	Amortized Cost	Fair Value ^(d)
Paradigm Acquisition Corp	(l)(v)(aa)	Health Care Equipment & Services	L+750	0.0%	10/26/26	\$ 2.3	\$ 2.2	\$ 2.3
Peraton Corp	(v)	Capital Goods	L+775	0.8%	2/1/29	156.4	149.6	154.1
Peraton Corp	(s)(v)	Capital Goods	L+800	1.0%	2/1/29	175.0	164.9	176.3
Petrochoice Holdings Inc	(v)	Capital Goods	L+875	1.0%	8/21/23	65.0	64.3	57.0
Polyconcept North America Inc	(v)	Household & Personal Products	11.0% PIK (11.0% Max PIK)		2/16/24	9.5	9.4	8.9
Pretium Packaging LLC	(m)(s)(v)	Household & Personal Products	L+825	0.8%	11/6/28	15.1	14.4	15.4
Pure Fishing Inc	(f)(m)(v)	Consumer Durables & Apparel	L+838	1.0%	12/31/26	177.0	170.1	176.9
Rise Baking Company	(f)(l)(m)(v)	Food, Beverage & Tobacco	L+800	1.0%	8/9/26	48.8	46.9	47.9
Sequa Corp	(m)(v)(aa)	Capital Goods	L+1,075, 0.0% PIK (6.8% Max PIK)	1.0%	4/28/24	5.9	5.7	5.8
SIRVA Worldwide Inc	(v)(aa)	Commercial & Professional Services	L+950	0.0%	8/3/26	6.5	5.3	5.8
Solera LLC	(v)	Software & Services	L+800	1.0%	6/4/29	261.6	243.2	253.8
Sorenson Communications LLC	(m)(s)(u)(v)(ac)	Telecommunication Services	L+1,150 PIK (L+1,150 Max PIK)		3/17/26	6.9	6.5	6.9
Sungard Availability Services Capital Inc	(v)(ac)	Software & Services	L+400, 2.8% PIK (2.8% Max PIK)	1.0%	8/1/24	14.4	13.4	14.3
Vantage Specialty Chemicals Inc	(v)(aa)	Materials	L+825	1.0%	10/27/25	0.8	0.7	0.7
Vestcom International Inc	(m)(v)	Consumer Services	L+800	1.0%	12/19/24	70.5	70.2	70.5
WireCo WorldGroup Inc	(m)(v)(aa)	Capital Goods	L+900	1.0%	9/30/24	16.2	14.7	15.7
Wittur Holding GmbH	(v)(w)	Capital Goods	E+850, 0.5% PIK (0.5% Max PIK)	0.0%	9/23/27	€ 112.5	120.0	127.0
Total Senior Secured Loans—Second Lien							1,796.7	1,827.6
Other Senior Secured Debt—2.4%								
Angelica Corp	(h)(y)(z)	Health Care Equipment & Services	10.0% PIK (10.0% Max PIK)		12/30/22	\$ 50.8	42.3	28.0
Black Swan Energy Ltd	(v)(w)	Energy	9.0%		1/20/24	10.0	9.7	10.0
JW Aluminum Co	(s)(v)(aa)(ad)	Materials	10.3%		6/1/26	76.5	75.4	80.7
One Call Care Management Inc	(v)(ad)	Health Care Equipment & Services	8.5% PIK (8.5% Max PIK)		11/1/28	45.1	42.4	43.7
TruckPro LLC	(v)(aa)	Capital Goods	11.0%		10/15/24	9.2	9.1	10.1
Velvet Energy Ltd	(v)(w)	Energy	9.0%		10/5/23	15.0	13.7	13.3
Total Other Senior Secured Debt							192.6	185.8
Subordinated Debt—1.3%								
Ardonagh Group Ltd	(v)(w)(aa)	Insurance	12.8% PIK (12.8% Max PIK)		1/15/27	0.8	0.8	0.9
ClubCorp Club Operations Inc	(v)(aa)	Consumer Services	8.5%		9/15/25	37.3	35.2	36.8
Hilding Anders	(v)(w)(y)(ad)	Consumer Durables & Apparel				€ 24.8	26.9	—
Hilding Anders	(v)(w)(y)(ad)	Consumer Durables & Apparel				110.5	—	—
Hilding Anders	(v)(w)(y)(z)(ad)	Consumer Durables & Apparel	13.0% PIK (13.0% Max PIK)		11/30/25	126.0	99.4	55.4
Home Partners of America Inc	(v)(ac)	Real Estate	L+625	1.0%	10/8/22	\$ 3.5	3.5	3.5
Intelsat Jackson Holdings SA	(v)(w)(y)(z)(aa)	Media & Entertainment	5.5%		8/1/23	3.7	2.0	2.1
Total Subordinated Debt							167.8	98.7

See notes to unaudited consolidated financial statements.

FS KKR Capital Corp.
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Portfolio Company ^(a)	Footnotes	Industry	Rate ^(b)	Floor ^(b)	Maturity	Principal Amount ^(c) / Shares	Amortized Cost	Fair Value ^(d)
Asset Based Finance—24.9%								
801 5th Ave, Seattle, Private Equity	(v)(w)(y)(ad)	Real Estate				8,554,983	\$ 14.1	\$ 22.0
801 5th Ave, Seattle, Structure Mezzanine	(v)(w)(ad)	Real Estate	8.0%, 3.0% PIK (3.0% Max PIK)		12/19/29	\$ 55.5	53.4	55.5
Abacus JV, Private Equity	(v)(w)	Insurance				40,241,018	39.2	42.5
Accelerator Investments								
Aggregator LP, Private Equity	(v)(w)(y)	Diversified Financials				5,397,365	6.3	4.7
Altavair AirFinance, Private Equity	(v)(w)	Capital Goods				118,091,072	119.0	130.4
Australis Maritime, Common Stock	(v)(w)	Transportation				49,115,701	47.4	49.8
Avida Holding AB, Common Stock	(v)(w)(y)(ad)	Diversified Financials				405,023,756	44.0	47.1
Bank of Ireland, Class B Credit Linked Floating Rate Note	(g)(w)	Banks	L+1,185		12/4/27	\$ 14.7	14.7	14.3
Byrider Finance LLC, Structured Mezzanine	(v)	Automobiles & Components	L+1,050	0.3%	6/3/28	\$ 3.7	3.7	3.7
Byrider Finance LLC, Structured Mezzanine	(x)	Automobiles & Components	L+1,050	0.3%	6/3/28	\$ 19.3	19.3	19.3
Callodine Commercial Finance LLC, 2L Term Loan A	(v)	Diversified Financials	L+900	1.0%	11/3/25	\$ 125.0	117.3	123.9
Callodine Commercial Finance LLC, 2L Term Loan B	(x)	Diversified Financials	L+900	1.0%	11/3/25	\$ 40.3	40.3	40.0
Capital Automotive LP, Private Equity	(v)(w)	Real Estate				21,640,936	23.7	27.8
Capital Automotive LP, Structured Mezzanine	(v)(w)	Real Estate	11.0%		12/22/28	\$ 42.8	41.0	42.9
Global Jet Capital LLC, Preferred Stock	(j)(u)(v)(y)	Commercial & Professional Services				149,494,590	69.4	—
Global Jet Capital LLC, Structured Mezzanine	(v)	Commercial & Professional Services	15.0% PIK (15.0% Max PIK)		9/3/25	\$ 5.6	4.5	4.7
Global Jet Capital LLC, Structured Mezzanine	(v)	Commercial & Professional Services	15.0% PIK (15.0% Max PIK)		4/30/25	\$ 27.3	21.7	22.6
Global Jet Capital LLC, Structured Mezzanine	(j)(u)(v)(w)	Commercial & Professional Services	15.0% PIK (15.0% Max PIK)		12/4/25	\$ 261.3	212.2	215.9
Global Jet Capital LLC, Structured Mezzanine	(v)	Commercial & Professional Services	15.0% PIK (15.0% Max PIK)		1/30/25	\$ 4.3	3.4	3.5
Global Jet Capital LLC, Structured Mezzanine	(v)	Commercial & Professional Services	15.0% PIK (15.0% Max PIK)		12/2/26	\$ 48.4	39.1	40.0
Global Jet Capital LLC, Structured Mezzanine	(v)	Commercial & Professional Services	15.0% PIK (15.0% Max PIK)		2/17/26	\$ 24.6	18.7	20.3
Global Jet Capital LLC, Structured Mezzanine	(v)(m)	Commercial & Professional Services	15.0% PIK (15.0% Max PIK)		4/14/26	\$ 38.1	31.4	31.5
Global Jet Capital LLC, Structured Mezzanine	(v)	Commercial & Professional Services	15.0% PIK (15.0% Max PIK)		9/29/25	\$ 5.3	4.2	4.4
Global Jet Capital LLC, Structured Mezzanine	(j)(u)(v)(m)(w)	Commercial & Professional Services	15.0% PIK (15.0% Max PIK)		1/29/26	\$ 22.4	18.2	18.5
Global Jet Capital LLC, Structured Mezzanine	(j)(u)(v)(w)	Commercial & Professional Services	15.0% PIK (15.0% Max PIK)		12/9/25	\$ 42.7	34.7	35.3
Global Lending Services LLC, Private Equity	(v)(m)	Diversified Financials				18,291,830	20.5	20.9
Global Lending Services LLC, Private Equity	(v)(w)	Diversified Financials				14,670,021	16.6	18.6
Home Partners JV, Structured Mezzanine	(v)(w)(ac)	Real Estate	11.0% PIK (11.0% Max PIK)		3/25/29	\$ 85.4	80.3	85.4
Home Partners JV, Private Equity	(v)(w)(y)(ac)	Real Estate				4,127,355	5.4	6.3
Home Partners JV, Common Stock	(v)(w)(y)(ac)	Real Estate				32,659,547	47.6	53.8
Home Partners JV 2, Structured Mezzanine	(v)(w)(ac)	Real Estate	11.0% PIK (11.0% Max PIK)		3/20/30	\$ 1.3	1.2	1.3
Home Partners JV 2, Structured Mezzanine	(w)(x)(ac)	Real Estate	11.0% PIK (11.0% Max PIK)		3/20/30	\$ 15.6	15.6	15.6
Home Partners JV 2, Private Equity	(v)(w)(y)(ac)	Real Estate				23,006	0.0	0.0
Home Partners JV 2, Private Equity	(v)(w)(y)(ac)	Real Estate				609,751	0.6	0.6
Jet Edge International LLC, Term Loan	(v)	Transportation	10.0%, 2.0% PIK (2.0% Max PIK)		4/2/26	\$ 20.2	19.3	20.0
Jet Edge International LLC, Term Loan	(x)	Transportation	10.0%, 2.0% PIK (2.0% Max PIK)		4/2/26	\$ 32.1	32.1	31.7
Kilter Finance, Private Equity	(v)(w)(y)(ad)	Insurance				536,709	0.5	0.5
Kilter Finance, Preferred Stock	(v)(w)(ad)	Insurance	6.0%, 6.0% PIK (6.0% Max PIK)			34,060,490	32.6	34.1
KKR Central Park Leasing Aggregator L.P., Partnership Interest	(v)(w)(y)(z)	Capital Goods			5/31/23	N/A	39.1	28.1

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Portfolio Company ^(a)	Footnotes	Industry	Rate ^(b)	Floor ^(b)	Maturity	Principal Amount ^(c) / Shares	Amortized Cost	Fair Value ^(d)
KKR Zeno Aggregator LP (K2 Aviation), Partnership Interest	(v)(w)(y)	Capital Goods				23,664,954	\$ 23.0	\$ 22.7
Lenovo Group Ltd, Structured Mezzanine	(v)(w)	Technology Hardware & Equipment	8.0%		6/22/22	€ 9.3	10.4	11.0
Lenovo Group Ltd, Structured Mezzanine	(v)(w)	Technology Hardware & Equipment	8.0%		6/22/22	\$ 19.5	18.0	19.5
Lenovo Group Ltd, Structured Mezzanine	(v)(w)	Technology Hardware & Equipment	12.0%		6/22/22	\$ 12.4	11.4	12.4
Lenovo Group Ltd, Structured Mezzanine	(v)(w)	Technology Hardware & Equipment	12.0%		6/22/22	€ 5.9	6.6	7.0
Luxembourg Life Fund—Absolute Return Fund III, Term Loan	(v)(w)	Insurance	L+925	0.0%	5/27/26	\$ 6.9	6.5	6.9
Luxembourg Life Fund—Absolute Return Fund III, Term Loan	(w)(x)	Insurance	L+925	0.0%	5/27/26	\$ 1.1	1.1	1.1
Luxembourg Life Fund—Long Term Growth Fund, Term Loan	(v)(w)	Insurance	L+925	0.0%	4/1/23	\$ 19.1	18.3	19.0
Music IP, Private Equity	(v)(w)	Media & Entertainment				35,149,102	33.7	35.2
NewStar Clarendon 2014-1A Class D	(v)(w)(y)	Diversified Financials			1/25/27	\$ 8.3	2.6	2.9
Opendoor Labs Inc, 2L Term Loan	(v)(w)	Real Estate	10.0%		1/23/26	\$ 151.0	148.9	151.0
Orchard Marine Limited, Class B Common Stock	(v)(w)(y)(ac)	Transportation				1,964	3.1	—
Orchard Marine Limited, Series A Preferred Stock	(v)(w)(y)(ac)	Transportation				62,976	62.0	32.5
Pretium Partners LLC P1, Structured Mezzanine	(v)(w)	Real Estate	2.8%, 5.3% PIK (5.3% Max PIK)		10/22/26	\$ 6.7	6.2	6.7
Pretium Partners LLC P2, Structured Mezzanine	(v)(w)	Real Estate	2.0%, 7.5% PIK (7.5% Max PIK)		5/29/25	\$ 15.3	14.2	15.5
Prime ST LLC, Private Equity	(v)(w)(y)(ad)	Real Estate				6,634,509	8.3	10.6
Prime ST LLC, Structured Mezzanine	(v)(w)(ad)	Real Estate	5.0%, 6.0% PIK (6.0% Max PIK)		3/12/30	\$ 49.4	47.3	49.4
Star Mountain Diversified Credit Income Fund III, LP, Private Equity	(o)(w)	Diversified Financials				21,000,000	21.0	20.7
Wind River CLO Ltd, 2012 1A Class Subord. B	(v)(w)(y)	Diversified Financials			1/15/26	\$ 42.5	13.8	0.5
Toorak Capital Funding LLC, Membership Interest	(v)(w)(y)(ad)	Real Estate				N/A	1.9	1.7
Toorak Capital Partners LLC, Private Equity	(v)(ad)	Real Estate				N/A	198.2	249.4
Toorak Capital Partners LLC, Structured Mezzanine	(x)(ad)	Real Estate	L+650 PIK (L+650 Max PIK)		11/11/21	\$ 20.0	20.0	20.0
Total Asset Based Finance							2,028.8	2,033.2
Unfunded commitments							(128.4)	(128.4)
Net Asset Based Finance							1,900.4	1,904.8
Credit Opportunities JV, LLC—18.2%								
Credit Opportunities Partners JV, LLC	(v)(w)(ad)	Diversified Financials				\$ 1,462.3	1,396.7	1,396.1
Total Credit Opportunities Partners JV, LLC							1,396.7	1,396.1
Portfolio Company^(a)	Footnotes	Industry	Rate^(b)	Floor^(b)	Maturity	Number of Shares	Amortized Cost	Fair Value^(d)
Equity/Other—13.1%^(e)								
Abaco Energy Technologies LLC, Common Stock	(v)(y)	Energy				3,055,556	\$ 0.2	\$ 0.3
Abaco Energy Technologies LLC, Preferred Stock	(v)(y)	Energy				12,734,481	1.5	1.6
Alion Science & Technology Corp, Class A Membership Interest	(v)(y)	Capital Goods				7,350,267	7.4	14.2

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Portfolio Company ^(a)	Footnotes	Industry	Rate ^(b)	Floor ^(b)	Maturity	Number of Shares	Amortized Cost	Fair Value ^(d)
Amtek Global Technology Pte Ltd, Common Stock	(g)(v)(w)(y)(ad)	Automobiles & Components				7,046,126	\$ —	\$ —
Amtek Global Technology Pte Ltd, Ordinary Shares	(g)(w)(y)(ad)	Automobiles & Components				5,735,804,056	30.7	—
Amtek Global Technology Pte Ltd, Private Equity	(g)(w)(y)(ad)	Automobiles & Components				4,097	—	—
Angelica Corp, Limited Partnership Interest	(h)(y)	Health Care Equipment & Services				877,044	47.6	—
Ap Plasman Inc, Warrant	(v)(w)(y)	Capital Goods			5/25/26	6,985	2.5	—
Arcos LLC/VA, Preferred Stock	(v)	Software & Services	L+950 PIK (L+950 Max PIK)	1.0%	4/30/31	15,000,000	13.9	14.6
Ardonagh Ltd, Ordinary Shares	(v)(w)(y)	Insurance				16,450	—	—
Ardonagh Ltd, Ordinary Shares	(v)(w)(y)	Insurance				116,814	0.2	0.2
Ardonagh Ltd, Preferred Stock	(v)(w)(y)	Insurance				6,113,719	9.1	12.1
Arena Energy LP, Warrants	(v)(y)	Energy				68,186,525	0.4	0.4
Ascent Resources Utica Holdings LLC / ARU Finance Corp, Common Stock	(p)(y)	Energy				10,193	9.7	2.3
Ascent Resources Utica Holdings LLC / ARU Finance Corp, Trade Claim	(p)(y)	Energy				86,607,143	19.4	19.7
Aspect Software Inc, Common Stock	(l)(s)(v)(y)	Software & Services				1,309,955	2.3	2.6
Aspect Software Inc, Warrant	(l)(s)(v)(y)	Software & Services			1/15/24	181,730	0.3	0.4
ATX Networks Corp, Common Stock	(v)(w)(y)	Technology Hardware & Equipment				156,123	—	—
AVF Parent LLC, Trade Claim	(v)(y)	Retailing				44,507	—	—
Belk Inc, Common Stock	(v)(y)(ac)	Retailing				94,950	—	—
Borden (New Dairy Opco), Common Stock	(h)(n)(y)(ac)	Food, Beverage & Tobacco				11,167,000	9.1	9.5
Catalina Marketing Corp, Common Stock	(v)(y)	Media & Entertainment				6,522	—	—
CDS US Intermediate Holdings Inc, Warrant	(v)(w)(y)	Media & Entertainment				2,023,714	—	—
Cengage Learning, Inc, Common Stock	(v)(y)	Media & Entertainment				227,802	7.5	4.6
Charlotte Russe Inc, Common Stock	(v)(y)(ac)	Retailing				22,575	12.5	—
Chisholm Oil & Gas Operating LLC, Series A Units	(n)(o)(v)(y)	Energy				300,000	0.1	—
Cimarron Energy Inc, Common Stock	(v)(y)	Energy				4,302,293	—	—
Cimarron Energy Inc, Participation Option	(v)(y)	Energy				25,000,000	—	—
Constellis Holdings LLC, Private Equity	(f)(v)(y)(ac)	Capital Goods				849,702	10.3	11.2
Crossmark Holdings Inc, Warrant	(v)(y)	Commercial & Professional Services				8,358	—	—
CTI Foods Holding Co LLC, Common Stock	(v)(y)	Food, Beverage & Tobacco				5,892	0.7	0.1
Cubic Corp, Preferred Stock	(v)	Software & Services	11.0% PIK (11.0% MAX PIK)		12/31/69	42,141,600	39.7	41.5
Empire Today LLC, Common Stock	(v)	Retailing				1,005	5.7	8.0
Envigo Laboratories Inc, Series A Warrant	(s)(y)	Health Care Equipment & Services			4/29/24	10,924	—	—
Envigo Laboratories Inc, Series B Warrant	(s)(y)	Health Care Equipment & Services			4/29/24	17,515	—	—
Fairway Group Holdings Corp, Common Stock	(v)(y)(ac)	Food & Staples Retailing				103,091	—	—
Fox Head Inc, Common Stock	(j)(v)(y)	Consumer Durables & Apparel				10,000,000	8.0	8.7
Fronton BV, Common Stock	(o)(y)(ac)	Consumer Services				14,943	—	1.6
Genesys Telecommunications Laboratories Inc, Class A Shares	(v)(y)	Technology Hardware & Equipment				40,529	—	—
Genesys Telecommunications Laboratories Inc, Ordinary Shares	(v)(y)	Technology Hardware & Equipment				41,339	—	—
Genesys Telecommunications Laboratories Inc, Preferred Stock	(v)(y)	Technology Hardware & Equipment				1,050,465	—	—

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Portfolio Company ^(a)	Footnotes	Industry	Rate ^(b)	Floor ^(b)	Maturity	Number of Shares	Amortized Cost	Fair Value ^(d)
Harvey Industries Inc, Common Stock	(v)(y)	Capital Goods				5,000,000	\$ 2.2	\$ 4.5
Hilding Anders, Class C Common Stock	(v)(w)(y)(ad)	Consumer Durables & Apparel				213,201	—	—
Hilding Anders, Class B Common Stock	(v)(w)(y)(ad)	Consumer Durables & Apparel				574,791	0.0	—
Hilding Anders, Class A Common Stock	(v)(w)(y)(ad)	Consumer Durables & Apparel				4,503,411	0.1	—
Hilding Anders, Equity Options	(v)(w)(y)(ad)	Consumer Durables & Apparel			11/30/25	236,160,807	15.0	—
HM Dunn Co Inc, Preferred Stock, Series A	(s)(v)(y)(ad)	Capital Goods				15,000	—	—
HM Dunn Co Inc, Preferred Stock, Series B	(s)(v)(y)(ad)	Capital Goods				15,000	—	—
Home Partners of America Inc, Common Stock	(v)(y)(ac)	Real Estate				81,625	83.6	208.1
Home Partners of America Inc, Warrant	(v)(y)(ac)	Real Estate			8/7/24	2,675	0.3	4.2
Imagine Communications Corp, Common Stock	(v)(y)	Media & Entertainment				33,034	3.8	3.0
Jones Apparel Holdings, Inc., Common Stock	(v)(y)	Consumer Durables & Apparel				5,451	0.9	—
JW Aluminum Co, Common Stock	(j)(u)(v)(y)(ad)	Materials				2,105	0.0	—
JW Aluminum Co, Preferred Stock	(j)(u)(v)(ad)	Materials	12.5% PIK (12.5% Max PIK)		2/15/28	15,279	162.6	111.0
Maverick Natural Resources LLC, Common Stock	(n)(o)(y)	Energy				259,211	84.4	115.4
MB Precision Holdings LLC, Class A —2 Units	(n)(o)(y)	Capital Goods				8,081,288	0.5	—
Miami Beach Medical Group LLC, Common Stock	(v)(y)	Health Care Equipment & Services				5,000,000	4.8	5.2
Micronics Filtration Holdings Inc, Common Stock	(v)(y)(ac)	Capital Goods				53,073	0.6	—
Micronics Filtration Holdings Inc, Preferred Stock, Series A	(v)(y)(ac)	Capital Goods				55	0.6	—
Micronics Filtration Holdings Inc, Preferred Stock, Series B	(v)(y)(ac)	Capital Goods				23	0.2	—
Micronics Filtration Holdings Inc, Preferred Stock, Series B PIK	(v)(y)(ac)	Capital Goods				112,780	—	—
Micronics Filtration Holdings Inc, Preferred Stock, Series C PIK	(v)(y)(ac)	Capital Goods				54,000	—	—
Misys Ltd, Preferred Stock	(v)(w)	Software & Services	L+1,025 PIK (L+1,025 Max PIK)			64,566,128	58.9	63.9
NBG Home, Common Stock	(v)(y)	Consumer Durables & Apparel				1,903	2.6	0.2
Nine West Holdings Inc, Common Stock	(v)(y)	Consumer Durables & Apparel				5,451	6.5	—
One Call Care Management Inc, Common Stock	(v)(y)(ad)	Health Care Equipment & Services				69,745	4.6	4.4
One Call Care Management Inc, Preferred Stock A	(v)(y)(ad)	Health Care Equipment & Services				743,985	48.5	47.4
One Call Care Management Inc, Preferred Stock B	(v)(ad)	Health Care Equipment & Services	9.0% PIK (9.0% MAX PIK)		10/25/29	15,344,693	15.8	17.7
Petroplex Acidizing Inc, Preferred Stock A	(v)(ac)	Energy				24,888,439	4.8	—
Petroplex Acidizing Inc, Warrant	(v)(y)(ac)	Energy			12/15/26	8	—	—
Polyconcept North America Inc, Class A—1 Units	(v)(y)	Household & Personal Products				30,000	3.0	2.2
Production Resource Group LLC, Preferred Stock, Series A PIK	(v)(y)(ad)	Media & Entertainment			8/21/24	434,250	18.1	19.7
Production Resource Group LLC, Preferred Stock, Series B PIK	(v)(y)(ad)	Media & Entertainment			8/21/24	140	—	—
Professional Plumbing Group Inc, Common Stock	(j)(y)	Materials				3,000,000	2.6	2.8
Proserv Acquisition LLC, Class A Common Units	(v)(w)(y)(ac)	Energy				2,635,005	33.5	4.5
Proserv Acquisition LLC, Class A Preferred Units	(v)(w)(y)(ac)	Energy				837,780	5.4	9.5
Quorum Health Corp, Trade Claim	(v)(y)	Health Care Equipment & Services				8,301,000	0.7	0.8
Quorum Health Corp, Trust Initial Funding Units	(v)(y)	Health Care Equipment & Services				143,400	0.2	0.2

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Portfolio Company ^(a)	Footnotes	Industry	Rate ^(b)	Floor ^(b)	Maturity	Number of Shares	Amortized Cost	Fair Value ^(d)
Ridgeback Resources Inc, Common Stock	(j)(u)(v)(w)(y)	Energy				1,969,418	\$ 9.1	\$ 9.1
Sequential Brands Group Inc., Common Stock	(j)(v)(y)	Consumer Durables & Apparel				18,519	2.8	—
Sorenson Communications LLC, Common Stock	(j)(u)(v)(y)(ac)	Telecommunication Services				89,959	42.5	94.8
Sound United LLC, Common Stock	(v)(ad)	Consumer Durables & Apparel				12,857,143	17.3	64.6
Stuart Weitzman Inc, Common Stock	(v)(y)	Consumer Durables & Apparel				5,451	—	—
Sungard Availability Services Capital Inc, Common Stock	(s)(u)(v)(y)(ac)	Software & Services				262,516	6.9	5.0
Swift Worldwide Resources Holdco Ltd, Common Stock	(v)(y)	Energy				1,250,000	1.2	1.3
ThermaSys Corp, Common Stock	(u)(v)(y)(ac)	Capital Goods				17,383,026	10.2	—
ThermaSys Corp, Preferred Stock	(v)(y)(ac)	Capital Goods				1,529	1.7	—
Trace3 Inc, Common Stock	(v)(y)	Software & Services				61,798	3.9	5.9
Versatile Processing Group Inc, Class A—2 Units	(u)(y)	Materials				3,637,500	3.6	—
Warren Resources Inc, Common Stock	(v)(y)(ad)	Energy				3,483,788	12.8	15.7
Zeta Interactive Holdings Corp, Common Stock	(v)(y)(aa)	Software & Services				3,610,212	30.8	30.3
Total Equity/Other							946.4	1,005.0
TOTAL INVESTMENTS—192.5%							<u>\$ 14,491.9</u>	14,734.3
LIABILITIES IN EXCESS OF OTHER								
ASSETS—(92.5%)								(7,081.3)
NET ASSETS—100%								<u>\$ 7,653.0</u>

See notes to unaudited consolidated financial statements.

FS KKR Capital Corp.
Unaudited Consolidated Schedule of Investments (continued)
As of June 30, 2021
(in millions, except share amounts)

Foreign currency forward contracts

Foreign Currency	Settlement Date	Counterparty	Amount and Transaction	US\$ Value at Settlement Date	US\$ Value at June 30, 2021	Unrealized Appreciation (Depreciation)
AUD	10/17/2022	JP Morgan Chase Bank	A\$ 3.0 Sold	\$ 2.1	\$ 2.2	(0.1)
CAD	6/7/2022	JP Morgan Chase Bank	\$ 1.4 Sold	1.1	1.1	—
CAD	6/7/2022	JP Morgan Chase Bank	\$ 1.9 Sold	1.5	1.5	—
CAD	11/10/2022	JP Morgan Chase Bank	\$ 1.5 Sold	1.2	1.2	—
CAD	11/15/2024	JP Morgan Chase Bank	\$ 4.0 Sold	3.2	3.2	—
EUR	5/6/2022	JP Morgan Chase Bank	€ 6.1 Sold	7.5	7.3	0.2
EUR	5/6/2022	JP Morgan Chase Bank	€ 1.6 Sold	2.0	1.9	0.1
EUR	5/6/2022	JP Morgan Chase Bank	€ 2.2 Sold	2.7	2.6	0.1
EUR	5/6/2022	JP Morgan Chase Bank	€ 0.7 Sold	0.9	0.9	—
EUR	5/6/2022	JP Morgan Chase Bank	€ 0.9 Sold	1.2	1.1	0.1
EUR	7/17/2023	JP Morgan Chase Bank	€ 1.3 Sold	1.7	1.6	0.1
EUR	8/8/2025	JP Morgan Chase Bank	€ 4.8 Sold	5.7	5.9	(0.2)
EUR	8/8/2025	JP Morgan Chase Bank	€ 1.9 Sold	2.3	2.4	(0.1)
GBP	1/11/2023	JP Morgan Chase Bank	£ 5.0 Sold	6.6	6.9	(0.3)
GBP	1/11/2023	JP Morgan Chase Bank	£ 1.9 Sold	2.9	2.7	0.2
GBP	1/11/2023	JP Morgan Chase Bank	£ 1.7 Sold	2.6	2.4	0.2
GBP	1/11/2023	JP Morgan Chase Bank	£ 3.4 Sold	4.8	4.7	0.1
GBP	1/11/2023	JP Morgan Chase Bank	£ 1.4 Sold	1.9	1.9	—
NOK	8/8/2025	JP Morgan Chase Bank	NOK 49.1 Sold	5.2	5.6	(0.4)
NOK	8/8/2025	JP Morgan Chase Bank	NOK 11.4 Sold	1.2	1.3	(0.1)
SEK	5/10/2024	JP Morgan Chase Bank	SEK 430.3 Sold	51.4	51.0	0.4
SEK	5/10/2024	JP Morgan Chase Bank	SEK 503.0 Sold	60.1	59.6	0.5
SEK	5/10/2024	JP Morgan Chase Bank	SEK 34.5 Sold	4.1	4.1	—
SEK	8/8/2025	JP Morgan Chase Bank	SEK 119.3 Sold	13.3	14.3	(1.0)
SEK	8/8/2025	JP Morgan Chase Bank	SEK 27.8 Sold	3.1	3.3	(0.2)
Total				<u>\$ 190.3</u>	<u>\$ 190.7</u>	<u>\$ (0.4)</u>

- (a) Security may be an obligation of one or more entities affiliated with the named company.
- (b) Certain variable rate securities in the Company's portfolio bear interest at a rate determined by a publicly disclosed base rate plus a basis point spread. As of June 30, 2021, the three-month London Interbank Offered Rate, or LIBOR or "L", was 0.15%, the Euro Interbank Offered Rate, or EURIBOR, was (0.54)%, Canadian Dollar Offer Rate, or CDOR was 0.44%, and the Australian Bank Bill Swap Bid Rate, or BBSY, or "B", was 0.08%, and the U.S. Prime Lending Rate, or Prime, was 3.25%. PIK means paid-in-kind. PIK income accruals may be adjusted based on the fair value of the underlying investment. Variable rate securities with no floor rate use the respective benchmark rate in all cases.
- (c) Denominated in U.S. dollars unless otherwise noted.
- (d) Fair value determined by the Company's board of directors (see Note 8).
- (e) Listed investments may be treated as debt for GAAP or tax purposes.
- (f) Security or portion thereof held within Ambler Funding LLC and is pledged as collateral supporting the amounts outstanding under the revolving credit facility with Ally Bank (see Note 9).

See notes to unaudited consolidated financial statements.

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- (g) Security or portion thereof held within CCT Dublin Funding Limited.
- (h) Security held within CCT Holdings II, LLC, a wholly-owned subsidiary of the Company.
- (i) Security or portion thereof held within CCT Tokyo Funding LLC and pledged as collateral supporting the amounts outstanding under the revolving credit facility with Sumitomo Mitsui Banking Corporation (see Note 9).
- (j) Security or portion thereof held within Cobbs Creek LLC and is pledged as collateral supporting the amounts outstanding under the senior secured revolving credit facility (see Note 9).
- (k) Security or portion thereof held within Darby Creek LLC and is pledged as collateral supporting the amounts outstanding under a revolving credit facility with Deutsche Bank AG, New York Branch (see Note 9).
- (l) Security or portion thereof held within Dunlap Funding LLC and is pledged as collateral supporting the amounts outstanding under a revolving credit facility with Deutsche Bank AG, New York Branch (see Note 9).
- (m) Security or portion thereof held within FS KKR MM CLO 1 LLC (see Note 9).
- (n) Security held within FSIC II Investments, Inc., a wholly-owned subsidiary of the Company.
- (o) Security held within FSIC Investments, Inc., a wholly-owned subsidiary of the Company.
- (p) Security held within IC American Energy Investments, Inc., a wholly-owned subsidiary of the Company.
- (q) Security held within IC Arches Investments, LLC, a wholly-owned subsidiary of the Company.
- (r) Security held within IC II Arches Investments, LLC, a wholly-owned subsidiary of the Company.
- (s) Security or portion thereof held within Juniata River LLC and is pledged as collateral supporting the amounts outstanding under a term loan credit facility with JPMorgan Chase Bank, N.A. (see Note 9).
- (t) Security or portion thereof held within Meadowbrook Run LLC and is pledged as collateral supporting the amounts outstanding under a revolving credit facility with Morgan Stanley Senior Funding, Inc. (see Note 9).
- (u) Security or portion thereof held within Race Street Funding LLC. Security is available as collateral to support the amounts outstanding under the Senior Secured Revolving Credit Facility (see Note 9).
- (v) Security or portion thereof is pledged as collateral supporting the amounts outstanding under the Senior Secured Revolving Credit Facility (see Note 9).
- (w) The investment, or portion of the investment is not a qualifying asset under the Investment Company Act of 1940, as amended. A business development company may not acquire any asset other than qualifying assets, unless, at the time the acquisition is made, qualifying assets represent at least 70% of the company's total assets. As of June 30, 2021, 73.6% of the Company's total assets represented qualifying assets.
- (x) Security is an unfunded commitment. Reflects the stated spread at the time of commitment, but may not be the actual rate received upon funding.
- (y) Security is non-income producing.
- (z) Asset is on non-accrual status.
- (aa) Security is classified as Level 1 or Level 2 in the Company's fair value hierarchy (see Note 8).
- (ab) Not Used.

See notes to unaudited consolidated financial statements.

FS KKR Capital Corp.
Unaudited Consolidated Schedule of Investments (continued)
As of June 30, 2021
(in millions, except share amounts)

(ac) Under the Investment Company Act of 1940, as amended, the Company generally is deemed to be an “affiliated person” of a portfolio company if it owns 5% or more of the portfolio company’s voting securities and generally is deemed to “control” a portfolio company if it owns more than 25% of the portfolio company’s voting securities or it has the power to exercise control over the management or policies of such portfolio company. As of June 30, 2021, the Company held investments in portfolio companies of which it is deemed to be an “affiliated person” but is not deemed to “control”. The following table presents certain information with respect to investments in portfolio companies of which the Company was deemed to be an affiliated person as of June 30, 2021:

Portfolio Company	Fair Value at December 31, 2020	Gross Additions ⁽¹⁾	Gross Reductions ⁽²⁾	Net Realized Gain (Loss)	Net Change in Unrealized Appreciation (Depreciation)	Fair Value at June 30, 2021	Interest Income ⁽³⁾	PIK Income ⁽³⁾	Fee Income ⁽²⁾	Dividend Income ⁽¹⁾
Senior Secured Loans—First Lien										
Belk Inc	\$ —	\$ 39.3	\$ (0.3)	\$ —	\$ 11.1	\$ 50.1	\$ —	\$ —	\$ —	\$ —
Belk Inc	—	21.7	—	—	0.3	22.0	0.6	—	—	—
Borden (New Dairy Opco)	7.6	10.5	—	—	0.9	19.0	0.2	—	—	—
Borden (New Dairy Opco)	16.8	23.2	—	—	2.0	42.0	0.8	—	—	—
Borden Dairy Co	—	—	—	1.3	(1.3)	—	—	—	—	—
Constellis Holdings LLC	—	13.8	—	—	1.2	15.0	0.1	—	—	—
Fairway Group Holdings Corp	—	1.1	—	—	0.1	1.2	0.1	—	—	—
Fairway Group Holdings Corp	—	—	—	—	—	—	—	—	—	—
HM Dunn Co Inc	0.3	—	(0.6)	—	0.3	—	—	—	—	—
HM Dunn Co Inc	0.2	—	(0.3)	—	0.1	—	—	—	—	—
Micronics Filtration Holdings Inc	35.5	—	—	—	3.6	39.1	—	—	—	—
One Call Care Management Inc	4.7	0.6	(4.9)	—	(0.4)	—	0.2	—	—	—
Petroplex Acidizing Inc	4.5	—	—	—	0.3	4.8	—	—	—	—
Sorenson Communications LLC ⁽⁴⁾	—	61.4	(1.6)	0.1	4.1	64.0	0.5	—	—	—
Sungard Availability Services Capital Inc ⁽⁴⁾	—	3.6	—	—	0.3	3.9	—	—	—	—
ThermaSys Corp	3.9	0.4	—	—	(0.5)	3.8	—	0.5	—	—
Senior Secured Loans—Second Lien										
Belk Inc	—	4.2	—	—	(0.2)	4.0	—	—	—	—
Constellis Holdings LLC	—	12.4	—	—	1.1	13.5	0.1	—	—	—
Sorenson Communications LLC ⁽⁴⁾	—	21.6	(15.0)	(0.1)	0.4	6.9	0.4	0.6	—	—
Sungard Availability Services Capital Inc ⁽⁴⁾	—	13.4	—	—	0.9	14.3	0.2	—	—	—
Other Senior Secured Debt										
JW Aluminum Co ⁽⁵⁾	41.8	—	(39.4)	—	(2.4)	—	—	—	—	—
Subordinated Debt										
Home Partners of America Inc	—	3.5	—	—	—	3.5	0.1	—	—	—
Asset Based Finance										
Home Partners JV, Structured Mezzanine	38.5	78.0	(34.7)	(1.5)	5.1	85.4	0.4	2.5	—	—
Home Partners JV, Private Equity	—	5.4	—	—	0.9	6.3	—	—	—	—
Home Partners JV, Private Equity	—	—	—	(0.6)	0.6	—	—	—	—	—
Home Partners JV, Common Stock	21.5	45.9	(22.9)	7.7	1.6	53.8	—	—	—	—
Home Partners JV 2, Structured Mezzanine	—	1.2	—	—	0.1	1.3	—	—	—	—
Home Partners JV 2, Private Equity	—	—	—	—	—	—	—	—	—	—
Home Partners JV 2, Private Equity	—	0.6	—	—	—	0.6	—	—	—	—
Orchard Marine Limited, Class B Common Stock	—	—	—	—	—	—	—	—	—	—
Orchard Marine Limited, Series A Preferred Stock	24.6	—	—	—	7.9	32.5	—	—	—	—

See notes to unaudited consolidated financial statements.

FS KKR Capital Corp.
Unaudited Consolidated Schedule of Investments (continued)
As of June 30, 2021
(in millions, except share amounts)

Portfolio Company	Fair Value at December 31, 2020	Gross Additions ⁽¹⁾	Gross Reductions ⁽²⁾	Net Realized Gain (Loss)	Net Change in Unrealized Appreciation (Depreciation)	Fair Value at June 30, 2021	Interest Income ⁽³⁾	PIK Income ⁽³⁾	Fee Income ⁽²⁾	Dividend Income ⁽¹⁾
Equity/Other										
ASG Technologies, Common Stock	\$ 42.7	\$ —	\$ (76.3)	\$ 52.9	\$ (19.3)	\$ —	\$ —	\$ —	\$ —	\$ —
ASG Technologies, Warrant	3.5	—	(10.2)	3.7	3.0	—	—	—	—	—
Belk Inc	—	—	—	—	—	—	—	—	—	—
Borden (New Dairy Opco), Common Stock	3.2	5.2	—	—	1.1	9.5	—	—	—	—
Charlotte Russe Inc, Common Stock	—	—	—	—	—	—	—	—	—	—
Constellis Holdings LLC, Private Equity	—	10.3	—	—	0.9	11.2	—	—	—	—
Fairway Group Holdings Corp, Common Stock	—	—	—	—	—	—	—	—	—	—
Fronton BV, Common Stock	1.2	—	—	—	0.4	1.6	—	—	—	—
HM Dunn Co Inc, Preferred Stock, Series A	—	—	—	—	—	—	—	—	—	—
HM Dunn Co Inc, Preferred Stock, Series B	—	—	—	—	—	—	—	—	—	—
Home Partners of America Inc, Common Stock	130.5	—	—	—	77.6	208.1	—	—	—	—
Home Partners of America Inc, Warrant	2.1	—	—	—	2.1	4.2	—	—	—	—
JW Aluminum Co, Common Stock ⁽⁵⁾	—	—	—	—	—	—	—	—	—	—
JW Aluminum Co, Preferred Stock ⁽⁵⁾	93.7	—	(107.3)	—	13.6	—	—	4.2	—	—
Micronics Filtration Holdings Inc, Common Stock	—	—	—	—	—	—	—	—	—	—
Micronics Filtration Holdings Inc, Preferred Stock, Series A	—	—	—	—	—	—	—	—	—	—
Micronics Filtration Holdings Inc, Preferred Stock, Series B	—	—	—	—	—	—	—	—	—	—
Micronics Filtration Holdings Inc, Preferred Stock, Series B PIK	—	—	—	—	—	—	—	—	—	—
Micronics Filtration Holdings Inc, Preferred Stock, Series C PIK	—	—	—	—	—	—	—	—	—	—
One Call Care Management Inc, Common Stock	2.4	—	(3.0)	—	0.6	—	—	—	—	—
One Call Care Management Inc, Preferred Stock A	25.5	—	(32.3)	—	6.8	—	—	—	—	—
One Call Care Management Inc, Preferred Stock B	10.6	—	(9.8)	—	(0.8)	—	—	—	—	—
Petroplex Acidizing Inc, Preferred Stock A	—	0.3	—	—	(0.3)	—	—	—	—	0.2
Petroplex Acidizing Inc, Warrant	—	—	—	—	—	—	—	—	—	—
Proserv Acquisition LLC, Class A Common Units	9.0	—	—	—	(4.5)	4.5	—	—	—	—
Proserv Acquisition LLC, Class A Preferred Units	9.5	—	—	—	—	9.5	—	—	—	—
Sorenson Communications LLC, Common Stock ⁽⁴⁾	—	42.5	—	—	52.3	94.8	—	—	—	—
Sungard Availability Services Capital Inc, Common Stock ⁽⁴⁾	—	6.9	—	—	(1.9)	5.0	—	—	—	—
ThermaSys Corp, Common Stock	—	—	—	—	—	—	—	—	—	—
ThermaSys Corp, Preferred Stock	—	—	—	—	—	—	—	—	—	—
Total	\$ 533.8	\$ 427.0	\$ (358.6)	\$ 63.5	\$ 169.7	\$ 835.4	\$ 3.7	\$ 7.8	\$ —	\$ 0.2

(1) Gross additions include increases in the cost basis of investments resulting from new portfolio investments, PIK interest, the amortization of unearned income, the exchange of one or more existing securities for one or more new securities and the movement of an existing portfolio company into this category from a different category.

(2) Gross reductions include decreases in the cost basis of investments resulting from principal collections related to investment repayments or sales, the exchange of one or more existing securities for one or more new securities and the movement of an existing portfolio company out of this category into a different category.

(3) Interest, PIK and dividend income presented for the full six months ended June 30, 2021.

See notes to unaudited consolidated financial statements.

FS KKR Capital Corp.
Unaudited Consolidated Schedule of Investments (continued)
As of June 30, 2021
(in millions, except share amounts)

- (4) The Company held this investment as of December 31, 2020 but it was not deemed to be an “affiliated person” of the portfolio company or deemed to “control” the portfolio company as of December 31, 2020. Transfers in or out have been presented at amortized cost.
- (5) The Company held this investment as of June 30, 2021 but it was deemed to “control” the portfolio company as of June 30, 2021. Transfers in or out have been presented at amortized cost.

See notes to unaudited consolidated financial statements.

FS KKR Capital Corp.
Unaudited Consolidated Schedule of Investments (continued)
As of June 30, 2021
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(ad) Under the Investment Company Act of 1940, as amended, the Company generally is deemed to “control” a portfolio company if it owns more than 25% of the portfolio company’s voting securities or it has the power to exercise control over the management or policies of such portfolio company. As of June 30, 2021, the Company held investments in portfolio companies of which it is deemed to be an “affiliated person” and deemed to “control”. During the six months ended June 30, 2021, the Company disposed of investments in portfolio companies of which it was deemed to be an “affiliated person” and deemed to “control”. The following table presents certain information with respect to investments in portfolio companies of which the Company was deemed to be an affiliated person and deemed to control as of June 30, 2021:

Portfolio Company	Fair Value at December 31, 2020	Gross Additions ⁽¹⁾	Gross Reductions ⁽²⁾	Net Realized Gain (Loss)	Net Change in Unrealized Appreciation (Depreciation)	Fair Value at June 30, 2021	Interest Income ⁽³⁾	PIK Income ⁽³⁾	Fee Income ⁽³⁾	Dividend Income ⁽³⁾
Senior Secured Loans—First Lien										
Advanced Lighting Technologies Inc	\$ 12.0	\$ 4.1	\$ (15.9)	\$ (4.6)	\$ 4.4	\$ —	\$ —	\$ —	\$ —	\$ —
Amtek Global Technology Pte Ltd	59.7	1.6	—	—	(2.1)	59.2	1.0	0.7	—	—
HM Dunn Co Inc	—	15.6	—	—	1.3	16.9	—	—	—	—
HM Dunn Co Inc	—	11.5	—	—	—	11.5	0.5	0.1	—	—
One Call Care Management Inc	—	9.6	—	—	0.5	10.1	0.1	—	0.1	—
Production Resource Group LLC	—	117.1	—	—	9.9	127.0	(0.1)	—	—	—
Production Resource Group LLC	—	3.3	—	—	—	3.3	—	—	—	—
Production Resource Group LLC	—	0.1	—	—	—	0.1	—	—	—	—
Production Resource Group LLC	—	55.6	(0.1)	—	4.8	60.3	(0.6)	—	0.4	—
Sound United LLC	14.9	—	(15.0)	—	0.1	—	0.4	—	—	—
Warren Resources Inc	—	19.7	—	—	1.6	21.3	0.1	—	—	—
Senior Secured Loans—Second Lien										
Amtek Global Technology Pte Ltd	0.1	—	(1.9)	(10.6)	14.1	1.7	(1.9)	—	—	—
Fairway Group Holdings Corp	—	—	—	—	—	—	—	—	—	—
Sound United LLC	20.9	1.7	(22.6)	—	—	—	—	1.0	—	—
Other Senior Secured Debt										
Advanced Lighting Technologies Inc	—	—	(0.7)	(22.9)	23.6	—	—	—	—	—
JW Aluminum Co ⁽⁴⁾	—	75.4	—	—	5.3	80.7	2.2	—	—	—
One Call Care Management Inc	—	42.4	—	—	1.3	43.7	—	0.5	—	—
Subordinated Debt										
Hilding Anders	32.4	—	—	—	23.0	55.4	—	—	—	—
Hilding Anders	—	—	—	—	—	—	—	—	—	—
Hilding Anders	30.3	—	—	—	(30.3)	—	—	—	—	—
Asset Based Finance										
801 5th Ave, Seattle, Structure Mezzanine	29.4	24.0	—	—	2.1	55.5	1.2	0.5	—	—
801 5th Ave, Seattle, Private Equity	10.3	9.6	—	—	2.1	22.0	—	—	—	—
Avida Holding AB, Common Stock	38.3	8.5	—	—	0.3	47.1	—	—	—	—
Kilter Finance, Preferred Stock	0.2	32.4	—	—	1.5	34.1	—	—	—	—
Kilter Finance, Private Equity	0.2	0.3	—	—	—	0.5	—	—	—	—
Prime St LLC, Private Equity	3.9	5.2	—	—	1.5	10.6	—	—	—	—
Prime St LLC, Structured Mezzanine	22.8	24.5	—	—	2.1	49.4	—	0.3	—	—
Toorak Capital Funding LLC, Membership Interest	6.6	1.3	(4.9)	—	(1.3)	1.7	—	—	—	—
Toorak Capital Partners LLC, Private Equity	235.9	2.4	—	—	11.1	249.4	—	—	—	9.5
Toorak Capital Partners LLC, Structured Mezzanine	—	18.0	(18.0)	—	—	—	—	—	—	—
Credit Opportunities Partners JV, LLC										
Credit Opportunities Partners JV, LLC	712.5	586.4	—	—	97.2	1,396.1	—	—	—	43.8

See notes to unaudited consolidated financial statements.

FS KKR Capital Corp.
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Portfolio Company	Fair Value at December 31, 2020	Gross Additions ⁽¹⁾	Gross Reductions ⁽²⁾	Net Realized Gain (Loss)	Net Change in Unrealized Appreciation (Depreciation)	Fair Value at June 30, 2021	Interest Income ⁽³⁾	PIK Income ⁽³⁾	Fee Income ⁽³⁾	Dividend Income ⁽³⁾
Equity/Other										
Advanced Lighting Technologies Inc, Common Stock	\$ —	\$ —	\$ —	\$ (16.5)	\$ 16.5	\$ —	\$ —	\$ —	\$ —	\$ —
Advanced Lighting Technologies Inc, Warrant	—	—	—	(0.1)	0.1	—	—	—	—	—
Amtek Global Technology Pte Ltd, Common Stock	—	—	—	—	—	—	—	—	—	—
Amtek Global Technology Pte Ltd, Ordinary Shares	—	—	—	—	—	—	—	—	—	—
Amtek Global Technology Pte Ltd, Trade Claim	—	—	(1.4)	0.4	1.0	—	—	—	—	—
Amtek Global Technology Pte Ltd, Private Equity	—	—	—	—	—	—	—	—	—	—
Hilding Anders, Class A Common Stock	—	—	—	—	—	—	—	—	—	—
Hilding Anders, Class B Common Stock	—	—	—	—	—	—	—	—	—	—
Hilding Anders, Class C Common Stock	—	—	—	—	—	—	—	—	—	—
Hilding Anders, Equity Options	—	—	—	—	—	—	—	—	—	—
JW Aluminum Co, Common Stock ⁽⁴⁾	—	—	—	—	—	—	—	—	—	—
JW Aluminum Co, Preferred Stock ⁽⁴⁾	—	162.6	—	—	(51.6)	111.0	1.2	4.7	—	—
One Call Care Management Inc, Common Stock	—	4.6	—	—	(0.2)	4.4	—	—	—	—
One Call Care Management Inc, Preferred Stock A	—	48.5	—	—	(1.1)	47.4	—	—	—	—
One Call Care Management Inc, Preferred Stock B	—	15.8	—	—	1.9	17.7	—	0.4	—	—
Production Resource Group LLC, Preferred Stock, Series A PIK	—	18.1	—	—	1.6	19.7	—	—	—	—
Production Resource Group LLC, Preferred Stock, Series B PIK	—	—	—	—	—	—	—	—	—	—
Sound United LLC, Class A Units	—	—	—	(1.1)	1.1	—	—	—	—	—
Sound United LLC, Common Stock	29.3	—	—	—	35.3	64.6	—	—	—	20.0
Sound United LLC, Series I Units	—	—	—	(0.5)	0.5	—	—	—	—	—
Sound United LLC, Series II Units	—	—	—	(0.5)	0.5	—	—	—	—	—
Warren Resources Inc, Common Stock	—	12.8	—	—	2.9	15.7	—	—	—	—
Total	<u>\$ 1,259.7</u>	<u>\$ 1,332.7</u>	<u>\$ (80.5)</u>	<u>\$ (56.4)</u>	<u>\$ 182.6</u>	<u>\$ 2,638.1</u>	<u>\$ 4.1</u>	<u>\$ 8.2</u>	<u>\$ 0.5</u>	<u>\$ 73.3</u>

- (1) Gross additions include increases in the cost basis of investments resulting from new portfolio investments, PIK interest, the amortization of unearned income, the exchange of one or more existing securities for one or more new securities and the movement of an existing portfolio company into this category from a different category.
- (2) Gross reductions include decreases in the cost basis of investments resulting from principal collections related to investment repayments or sales, the exchange of one or more existing securities for one or more new securities and the movement of an existing portfolio company out of this category into a different category.
- (3) Interest, PIK, fee and dividend income presented for the full six months ended June 30, 2021.
- (4) The Company held this investment as of December 31, 2020 but it was not deemed to “control” the portfolio company as of December 31, 2020. Transfers in or out have been presented at amortized cost.

See notes to unaudited consolidated financial statements.

FS KKR Capital Corp.
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Portfolio Company ^(a)	Footnotes	Industry	Rate ^(b)	Floor	Maturity	Principal Amount ^(c)	Amortized Cost	Fair Value ^(d)
Senior Secured Loans—First Lien—111.4%								
5 Arch Income Fund 2 LLC	(l)(n)(q)(w)	Diversified Financials	9.0%		11/18/23	\$ 28.8	\$ 28.8	\$ 25.5
5 Arch Income Fund 2 LLC	(l)(n)(q)(v)(w)	Diversified Financials	9.0%		11/18/23	4.5	4.5	4.0
A10 Capital LLC	(g)(h)	Diversified Financials	L+650	1.0%	5/1/23	12.8	12.7	12.6
A10 Capital LLC	(v)	Diversified Financials	L+650	1.0%	5/1/23	14.1	14.1	14.0
Abaco Systems, Inc	(g)(h)(i)	Capital Goods	L+600	1.0%	12/7/21	60.6	60.0	60.6
ABB CONCISE Optical Group LLC	(g)(x)	Retailing	L+500	1.0%	6/15/23	0.7	0.7	0.7
Accuride Corp	(g)(h)(i)(x)	Capital Goods	L+525	1.0%	11/17/23	17.7	17.6	16.1
Acproducts Inc	(g)(h)(x)	Consumer Durables & Apparel	L+650	1.0%	8/18/25	41.8	39.7	43.1
Advanced Lighting Technologies Inc	(g)(n)(w)(z)	Materials	L+750	1.0%	10/4/22	19.8	16.4	12.0
All Systems Holding LLC	(f)(g)(h)	Commercial & Professional Services	L+625	1.0%	10/31/23	112.2	112.3	112.6
All Systems Holding LLC	(v)	Commercial & Professional Services	L+625	1.0%	10/31/23	7.2	7.2	7.2
American Tire Distributors Inc	(g)(x)	Automobiles & Components	L+750, 0.0% PIK (1.5% Max PIK)	1.0%	9/2/24	23.0	21.7	22.0
Amtek Global Technology Pte Ltd	(j)(l)(z)	Automobiles & Components	E+500	0.0%	4/4/24	€ 54.4	66.3	59.7
Apex Group Limited	(g)(l)	Diversified Financials	L+700	1.3%	6/15/23	\$ 0.6	0.6	0.6
Apex Group Limited	(l)(v)	Diversified Financials	L+700	1.3%	6/15/23	1.3	1.2	1.3
Apex Group Limited	(g)(h)(l)	Diversified Financials	L+700	1.3%	6/16/25	18.6	18.3	18.7
Apex Group Limited	(g)(l)	Diversified Financials	L+700	1.5%	6/16/25	€ 31.3	39.7	43.2
Ardonagh Group Ltd	(g)(l)	Insurance	L+750, 0.0% PIK (2.3% Max PIK)	0.8%	7/14/26	0.1	0.2	0.2
Ardonagh Group Ltd	(l)(v)	Insurance	L+750, 0.0% PIK (2.3% Max PIK)	0.8%	7/14/26	0.7	0.8	0.9
Aspect Software Inc	(g)	Software & Services	8.0% PIK (8.0% Max PIK)		1/15/21	\$ 0.0	0.0	0.0
Aspect Software Inc	(v)	Software & Services	L+500	1.0%	7/15/23	0.7	0.7	0.7
Berner Food & Beverage LLC	(g)(h)(i)	Food & Staples Retailing	L+875	1.0%	3/16/22	87.6	87.3	91.6
Borden (New Dairy Opco)	(g)(y)	Food, Beverage & Tobacco	L+250	1.0%	7/20/25	7.6	7.6	7.6
Borden (New Dairy Opco)	(g)(y)	Food, Beverage & Tobacco	L+700, 0.0% PIK (1.0% Max PIK)	1.0%	7/20/25	16.8	16.8	16.8
Borden Dairy Co	(g)(n)(w)(y)	Food, Beverage & Tobacco	L+825	1.0%	7/6/23	26.0	24.1	—
Charles Taylor PLC	(g)(l)	Diversified Financials	L+575	0.0%	1/24/27	£ 33.6	42.9	43.3
CSafe Global	(g)	Capital Goods	L+625	1.0%	12/23/27	\$ 0.1	0.1	0.1
CSafe Global	(v)	Capital Goods	L+625	1.0%	12/23/27	1.5	1.5	1.5
CSafe Global	(g)(h)	Capital Goods	L+625	1.0%	12/23/27	16.0	15.9	15.9
CSM Bakery Products	(g)(x)	Food, Beverage & Tobacco	L+625	1.0%	1/4/22	1.1	1.1	1.1
CTI Foods Holding Co LLC	(g)	Food, Beverage & Tobacco	L+577, 3.0% PIK (3.0% Max PIK)	1.0%	5/3/24	3.0	3.0	2.5
Distribution International Inc	(g)(h)(x)	Retailing	L+575	1.0%	12/15/23	27.6	25.2	25.3
Eagle Family Foods Inc	(v)	Food, Beverage & Tobacco	L+650	1.0%	6/14/23	7.1	7.1	7.1
Eagle Family Foods Inc	(g)(h)(i)	Food, Beverage & Tobacco	L+650	1.0%	6/14/24	45.6	45.3	45.6
Empire Today LLC	(g)(h)	Retailing	L+650	1.0%	11/17/22	75.6	75.6	76.4
Entertainment Benefits Group LLC	(g)	Media & Entertainment	L+575, 2.5% PIK (2.5% Max PIK)	1.0%	9/30/24	4.3	4.3	3.6
Entertainment Benefits Group LLC	(v)	Media & Entertainment	L+575, 2.5% PIK (2.5% Max PIK)	1.0%	9/30/24	0.5	0.5	0.4
Entertainment Benefits Group LLC	(g)(h)	Media & Entertainment	L+575, 2.5% PIK (2.5% Max PIK)	1.0%	9/30/25	30.1	29.8	25.3
FloWorks International LLC	(g)(h)	Capital Goods	L+600	1.0%	10/14/26	17.2	17.0	17.0
FloWorks International LLC	(g)	Capital Goods	L+600	1.0%	10/14/26	6.4	6.4	6.4
FloWorks International LLC	(v)	Capital Goods	L+600	1.0%	10/14/26	6.4	6.4	6.4
Frontline Technologies Group LLC	(g)	Software & Services	L+525	1.0%	9/18/23	22.3	22.3	22.3
Frontline Technologies Group LLC	(g)(h)(i)	Software & Services	L+575	1.0%	9/18/23	51.9	51.6	52.0
Greystone & Co Inc	(g)(h)	Diversified Financials	L+800	1.0%	4/17/24	36.8	36.6	37.2

See notes to unaudited consolidated financial statements.

FS KKR Capital Corp.
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As of December 31, 2020
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Portfolio Company ^(a)	Footnotes	Industry	Rate ^(b)	Floor	Maturity	Principal Amount ^(c)	Amortized Cost	Fair Value ^(d)
Greystone Equity Member Corp	(g)(l)	Diversified Financials	L+725	3.8%	4/1/26	\$ 60.8	\$ 60.8	\$ 60.3
Heniff Transportation Systems LLC	(g)	Transportation	L+575	1.0%	12/3/24	3.4	3.4	3.4
Heniff Transportation Systems LLC	(v)	Transportation	L+575	1.0%	12/3/24	4.8	4.8	4.7
Heniff Transportation Systems LLC	(g)(h)(i)	Transportation	L+575	1.0%	12/3/26	64.4	64.1	64.0
HM Dunn Co Inc	(g)(n)(w)(y)	Capital Goods	L+875 PIK (L+875 Max PIK)	1.0%	12/31/21	0.9	0.6	0.3
HM Dunn Co Inc	(g)(y)	Capital Goods	15.0% PIK (15.0% Max PIK)		12/31/21	0.3	0.3	0.2
Hudson Technologies Co	(g)(l)	Commercial & Professional Services	L+1,025	1.0%	10/10/23	32.4	32.2	26.8
ID Verde	(g)(l)	Commercial & Professional Services	E+500, 2.3% PIK (2.3% Max PIK)	0.0%	3/29/24	€ 30.3	33.3	37.1
ID Verde	(g)(l)	Commercial & Professional Services	L+525, 2.3% PIK (2.3% Max PIK)	0.0%	3/29/24	£ 4.3	5.1	5.9
Individual FoodService	(g)	Capital Goods	L+625	1.0%	11/22/24	\$ 0.1	0.1	0.1
Individual FoodService	(v)	Capital Goods	L+625	1.0%	11/22/24	0.4	0.4	0.4
Individual FoodService	(g)	Capital Goods	L+625	1.0%	11/22/25	6.8	6.8	6.8
Individual FoodService	(v)	Capital Goods	L+625	1.0%	11/22/25	0.5	0.5	0.5
Industria Chimica Emiliana Srl		Pharmaceuticals, Biotechnology & Life Sciences						
	(g)(l)		E+725	0.0%	6/30/26	€ 19.3	20.7	23.9
Industria Chimica Emiliana Srl		Pharmaceuticals, Biotechnology & Life Sciences						
	(g)(l)		E+725	0.0%	9/27/26	8.1	9.3	10.1
Industry City TI Lessor LP	(g)	Consumer Services	10.8%, 1.0% PIK (1.0% Max PIK)		6/30/26	\$ 24.1	24.1	26.4
J S Held LLC	(g)(h)	Insurance	L+600	1.0%	7/1/25	65.5	65.1	66.1
J S Held LLC	(v)	Insurance	L+600	1.0%	7/1/25	1.4	1.4	1.4
J S Held LLC	(g)	Insurance	L+600	1.0%	7/1/25	1.1	1.1	1.1
J S Held LLC	(v)	Insurance	L+600	1.0%	7/1/25	5.1	5.1	5.1
Jarrow Formulas Inc	(g)(i)	Household & Personal Products	L+625	1.0%	11/30/26	57.3	56.6	56.6
Jo-Ann Stores Inc	(g)(h)(x)	Retailing	L+500	1.0%	10/20/23	8.7	8.7	8.5
Kellermeyer Bergensons Services LLC	(g)(h)(i)	Commercial & Professional Services	L+650	1.0%	11/7/26	117.7	117.0	118.9
Kellermeyer Bergensons Services LLC	(v)	Commercial & Professional Services	L+650	1.0%	11/7/26	28.3	28.3	28.6
Kodiak BP LLC	(h)	Capital Goods	L+725	1.0%	12/1/24	10.2	10.2	10.3
Kodiak BP LLC	(g)(h)	Capital Goods	L+725	1.0%	12/1/24	125.0	124.8	126.2
Koosharem LLC	(g)(x)	Commercial & Professional Services	L+450	1.0%	4/18/25	0.0	0.0	0.0
Lexitas Inc	(g)(h)(i)	Commercial & Professional Services	L+600	1.0%	11/14/25	34.7	34.4	34.6
Lexitas Inc	(v)	Commercial & Professional Services	L+600	1.0%	11/14/25	4.3	4.2	4.3
Lexitas Inc	(v)	Commercial & Professional Services	L+600	1.0%	11/14/25	2.5	2.5	2.5
Lipari Foods LLC	(g)(h)(i)	Food & Staples Retailing	L+588	1.0%	1/6/25	84.4	83.8	85.0
Lipari Foods LLC	(g)	Food & Staples Retailing	L+588	1.0%	1/6/25	19.2	19.2	19.3
Matchesfashion Ltd	(g)(h)(l)	Consumer Durables & Apparel	L+463, 1.0% PIK (1.0% Max PIK)	0.0%	10/11/24	12.7	12.1	9.8
Miami Beach Medical Group LLC	(v)	Health Care Equipment & Services	L+650	1.0%	12/14/26	1.4	1.4	1.4
Miami Beach Medical Group LLC	(g)	Health Care Equipment & Services	L+650	1.0%	12/14/26	7.8	7.8	7.8
Micronics Filtration Holdings Inc	(g)(n)(w)(y)	Capital Goods	7.5% PIK (7.5% Max PIK)		3/29/24	47.6	45.0	35.5
Motion Recruitment Partners LLC	(g)(h)	Commercial & Professional Services	L+650	1.0%	12/19/25	37.5	37.2	33.7
Motion Recruitment Partners LLC	(v)	Commercial & Professional Services	L+650	1.0%	12/20/25	29.8	29.8	29.8
NBG Home	(g)(h)(i)	Consumer Durables & Apparel	L+550	1.0%	4/26/24	69.3	69.0	55.4
NCI Inc	(g)(h)(i)	Software & Services	L+500, 2.5% PIK (2.5% Max PIK)	1.0%	8/15/24	83.5	82.9	59.0
Omnimax International Inc	(g)(h)	Capital Goods	L+725	1.0%	10/8/26	44.7	44.0	44.0
Omnimax International Inc	(v)	Capital Goods	L+725	1.0%	10/8/26	7.7	7.7	7.7
One Call Care Management Inc	(g)(x)(y)	Health Care Equipment & Services	L+525	1.0%	11/27/22	4.9	4.3	4.7
P2 Energy Solutions Inc.	(g)	Software & Services	L+675	1.0%	1/31/25	2.3	2.3	2.2
P2 Energy Solutions Inc.	(v)	Software & Services	L+675	1.0%	1/31/25	4.7	4.7	4.5

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Portfolio Company ^(a)	Footnotes	Industry	Rate ^(b)	Floor	Maturity	Principal Amount ^(c)	Amortized Cost	Fair Value ^(d)
P2 Energy Solutions Inc.	(g)(h)(i)	Software & Services	L+675	1.0%	2/2/26	\$ 116.5	\$ 115.2	\$ 111.0
Petroplex Acidizing Inc	(g)(n)(w)(y)	Energy	L+900 PIK (L+900 Max PIK)	1.0%	12/30/21	24.6	22.2	4.5
Polyconcept North America Inc	(g)(x)	Household & Personal Products	L+450 PIK (L+450 Max PIK)	1.0%	8/16/23	21.5	21.2	20.4
Premium Credit Ltd	(g)(l)	Diversified Financials	L+650	0.0%	1/16/26	£ 40.0	51.2	53.9
Project Marron	(g)(l)	Consumer Services	B+575	0.0%	7/3/25	A\$ 1.5	1.0	1.0
PSKW LLC	(g)	Health Care Equipment & Services	L+625	1.0%	3/9/26	\$ 137.3	135.7	137.6
Qdoba Restaurant Corp	(g)(h)(x)	Consumer Services	L+700	1.0%	3/21/25	11.1	10.9	10.4
Reliant Rehab Hospital Cincinnati LLC	(g)(h)(i)	Health Care Equipment & Services	L+675	0.0%	9/2/24	64.8	64.5	62.4
Revere Superior Holdings Inc	(g)(h)	Software & Services	L+575	1.0%	9/30/26	12.9	12.9	13.0
Revere Superior Holdings Inc	(v)	Software & Services	L+575	1.0%	9/30/26	1.0	1.0	1.0
Roadrunner Intermediate Acquisition Co LLC	(h)	Health Care Equipment & Services	L+675	1.0%	3/15/23	10.7	10.7	10.7
RSC Insurance Brokerage Inc	(v)	Insurance	L+550	1.0%	9/30/26	3.2	3.1	3.2
RSC Insurance Brokerage Inc	(g)(h)(i)	Insurance	L+550	1.0%	10/30/26	98.4	97.8	98.3
RSC Insurance Brokerage Inc	(v)	Insurance	L+550	1.0%	10/30/26	6.3	6.3	6.3
Safe-Guard Products International LLC	(g)(i)	Diversified Financials	L+575	0.0%	1/27/27	40.0	39.6	39.9
Savers Inc	(g)(h)	Retailing	L+800, 0.8% PIK (0.8% Max PIK)	1.5%	3/28/24	44.9	44.6	44.4
Savers Inc	(g)(l)	Retailing	C+850, 0.8% PIK (0.8% Max PIK)	1.5%	3/28/24	C\$ 62.4	46.1	49.2
Sequa Corp	(h)(x)	Capital Goods	L+675, 0.0% PIK (1.0% Max PIK)	1.0%	11/28/23	\$ 11.4	10.8	11.4
Sequel Youth & Family Services LLC	(g)	Health Care Equipment & Services	L+700	1.0%	9/1/23	13.7	13.7	9.2
Sequel Youth & Family Services LLC	(g)(h)	Health Care Equipment & Services	L+800	1.0%	9/1/23	80.0	80.0	53.7
Sequential Brands Group Inc.	(g)(h)	Consumer Durables & Apparel	L+875	0.0%	2/7/24	59.0	57.8	50.9
Sorenson Communications LLC	(h)(x)	Telecommunication Services	L+650	0.0%	4/29/24	10.1	9.9	10.1
Sound United LLC	(g)(h)(z)	Consumer Durables & Apparel	L+700	1.0%	12/31/23	15.0	15.0	14.9
Sungard Availability Services Capital Inc	(g)	Software & Services	L+375, 3.8% PIK (3.8% Max PIK)	1.0%	7/1/24	0.6	0.7	0.7
Sungard Availability Services Capital Inc	(v)	Software & Services	L+375, 3.8% PIK (3.8% Max PIK)	1.0%	7/1/24	0.3	0.4	0.4
Sweeping Corp of America Inc	(g)	Commercial & Professional Services	L+575	1.0%	11/30/26	10.7	10.6	10.6
Sweeping Corp of America Inc	(v)	Commercial & Professional Services	L+575	1.0%	11/30/26	3.4	3.4	3.4
Sweeping Corp of America Inc	(v)	Commercial & Professional Services	L+575	1.0%	11/30/26	1.7	1.7	1.7
Sweet Harvest Foods Management Co	(g)(i)	Food & Staples Retailing	L+775, 1.0% PIK (1.0% Max PIK)	1.0%	6/23/23	24.4	24.3	24.4
Sweet Harvest Foods Management Co	(v)	Food & Staples Retailing	L+775, 1.0% PIK (1.0% Max PIK)	1.0%	6/23/23	0.8	0.8	0.8
Tangoe LLC	(g)(h)(i)	Software & Services	L+650	1.0%	11/28/25	89.2	88.5	82.5
ThermaSys Corp	(g)(y)	Capital Goods	L+1,100 PIK (L+1,100 Max PIK)	1.0%	1/1/24	7.5	7.9	3.9
ThreeSixty Group	(g)(h)(i)	Retailing	L+375, 3.8% PIK (3.8% Max PIK)	1.5%	3/1/23	51.6	51.3	46.6
ThreeSixty Group	(g)(h)(i)	Retailing	L+375, 3.8% PIK (3.8% Max PIK)	1.5%	3/1/23	51.3	50.9	46.3
Torrid Inc	(g)(h)	Retailing	L+675	1.0%	12/16/24	26.3	26.0	26.3
Trace3 Inc	(g)(h)	Software & Services	L+675	1.0%	8/3/24	89.0	89.0	89.0
Transaction Services Group Ltd	(g)(l)	Software & Services	B+600	0.0%	10/15/26	A\$ 7.6	5.0	5.5
Transaction Services Group Ltd	(g)(h)(l)	Software & Services	L+600	0.0%	10/15/26	\$ 15.9	15.9	14.8
Transaction Services Group Ltd	(g)(l)	Software & Services	L+600	0.0%	10/15/26	£ 6.1	7.8	7.8
Truck-Lite Co LLC	(g)	Capital Goods	L+625	1.0%	12/13/24	\$ 9.3	9.2	9.0
Truck-Lite Co LLC	(v)	Capital Goods	L+625	1.0%	12/13/24	2.5	2.5	2.5
Truck-Lite Co LLC	(g)(h)(i)	Capital Goods	L+625	1.0%	12/13/26	125.4	124.1	121.8
Utility One Source LP	(h)(x)	Capital Goods	L+425	0.0%	4/18/25	0.0	0.0	0.0
Virgin Pulse Inc	(g)(h)(i)	Software & Services	L+650	1.0%	5/22/25	115.6	114.9	115.6
Warren Resources Inc	(g)(h)	Energy	L+900, 1.0% PIK (1.0% Max PIK)	1.0%	5/21/21	0.7	0.7	0.7

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Portfolio Company ^(a)	Footnotes	Industry	Rate ^(b)	Floor	Maturity	Principal Amount ^(c)	Amortized Cost	Fair Value ^(d)	
Wheels Up Partners LLC	(g)	Transportation	L+855	1.0%	10/15/21	\$ 4.3	\$ 4.3	\$ 4.3	
Wheels Up Partners LLC	(g)	Transportation	L+855	1.0%	7/15/22	4.6	4.6	4.6	
Wheels Up Partners LLC	(g)	Transportation	L+710	1.0%	6/30/24	16.9	16.9	17.1	
Wheels Up Partners LLC	(g)	Transportation	L+710	1.0%	11/1/24	7.0	7.0	7.1	
Wheels Up Partners LLC	(g)	Transportation	L+710	1.0%	12/21/24	14.9	14.9	15.1	
Wheels Up Partners LLC	(g)	Transportation	L+710	1.0%	12/21/24	11.7	11.6	11.8	
Zeta Interactive Holdings Corp	(g)(h)	Software & Services	L+750	1.0%	7/29/22	15.8	15.8	15.8	
Total Senior Secured Loans—First Lien							3,750.9	3,603.5	
Unfunded Loan Commitments							(154.0)	(154.0)	
Net Senior Secured Loans—First Lien							3,596.9	3,449.5	
Senior Secured Loans—Second Lien—28.4%									
Abaco Systems, Inc	(g)	Capital Goods	L+1,050	1.0%	6/7/22	63.4	63.0	63.4	
Amtek Global Technology Pte Ltd	(g)(j)(l)(n)(w)(z)	Automobiles & Components	E+500 PIK (E+500 Max PIK)	0.0%	4/4/24	€ 44.9	51.3	0.1	
athenahealth Inc	(g)	Health Care Equipment & Services	L+850	0.0%	2/11/27	\$ 112.9	112.0	114.0	
Belk Inc	(g)(n)(w)	Retailing	10.5%		6/12/23	19.5	14.0	2.7	
Belk Inc	(g)(n)(w)	Retailing	10.5%		10/29/25	99.6	90.5	13.9	
Byrider Finance LLC	(f)(g)	Automobiles & Components	L+1,000, 0.5% PIK (0.5% Max PIK)	1.3%	6/7/22	18.0	18.0	17.9	
Culligan International Co	(g)(h)	Household & Personal Products	L+850	1.0%	12/13/24	85.0	84.4	85.0	
Datatel Inc	(g)	Software & Services	L+800	1.0%	10/9/28	53.7	53.0	53.0	
Gruden Acquisition Inc	(g)(x)	Transportation	L+850	1.0%	8/18/23	10.0	9.8	9.2	
MedAssets Inc	(g)	Health Care Equipment & Services	L+975	1.0%	4/20/23	63.0	62.2	62.6	
NBG Home	(g)(n)(w)	Consumer Durables & Apparel	L+1,275 PIK (L+1,275 Max PIK)	1.0%	9/30/24	27.6	24.7	17.0	
NEP Broadcasting LLC	(g)(x)	Media & Entertainment	L+700	0.0%	10/19/26	1.0	1.0	0.9	
OEConnection LLC	(g)	Software & Services	L+825	0.0%	9/25/27	34.1	33.7	33.8	
Paradigm Acquisition Corp	(g)(x)	Health Care Equipment & Services	L+750	0.0%	10/26/26	1.9	1.9	1.7	
Peak 10 Holding Corp	(g)(n)(w)(x)	Telecommunication Services	L+725	0.0%	8/1/25	0.2	0.2	0.1	
Petrochoice Holdings Inc	(g)	Capital Goods	L+875	1.0%	8/21/23	65.0	64.1	54.9	
Polyconcept North America Inc	(g)	Household & Personal Products	11.0% PIK (11.0% Max PIK)		2/16/24	8.7	8.6	7.5	
Pretium Packaging LLC	(g)	Household & Personal Products	L+825	0.8%	11/6/28	18.6	18.3	18.3	
Pure Fishing Inc	(g)	Consumer Durables & Apparel	L+838	1.0%	12/31/26	81.1	80.4	76.0	
Rise Baking Company	(g)(h)	Food, Beverage & Tobacco	L+800	1.0%	8/9/26	31.1	30.9	29.1	
Sequa Corp	(h)(x)	Capital Goods	L+1,075, 0.0% PIK (6.8% Max PIK)	1.0%	4/28/24	3.6	3.5	3.1	
Sorenson Communications LLC	(f)(h)	Telecommunication Services	L+1,150 PIK (L+1,150 Max PIK)		4/30/25	18.4	18.0	18.4	
Sound United LLC	(g)(z)	Consumer Durables & Apparel	13.5% PIK (13.5% Max PIK)		6/30/24	21.8	20.9	20.9	
Sparta Systems Inc	(g)	Software & Services	L+825	1.0%	8/21/25	35.1	34.7	34.9	
Sungard Availability Services Capital Inc	(g)	Software & Services	L+400, 2.8% PIK (2.8% Max PIK)	1.0%	8/1/24	1.9	1.9	1.9	
Vestcom International Inc	(g)(h)	Consumer Services	L+825	1.0%	12/19/24	70.5	70.1	70.5	
WireCo WorldGroup Inc	(h)(x)	Capital Goods	L+900	1.0%	9/30/24	3.4	3.4	2.8	
Wittur Holding GmbH	(g)(l)	Capital Goods	E+850, 0.5% PIK (0.5% Max PIK)	0.0%	9/23/27	€ 56.7	60.6	66.3	
Total Senior Secured Loans—Second Lien							1,035.1	879.9	

See notes to unaudited consolidated financial statements.

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Portfolio Company ^(a)	Footnotes	Industry	Rate ^(b)	Floor	Maturity	Principal Amount ^(c)	Amortized Cost	Fair Value ^(d)	
Other Senior Secured Debt—2.8%									
Advanced Lighting Technologies Inc	(g)(n)(w)(z)	Materials	L+1,700 PIK (L+1,700 Max PIK)	1.0%	10/4/23	\$ 38.3	\$ 23.6	\$ —	
Angelica Corp	(n)(f)(w)	Health Care Equipment & Services	10.0% PIK (10.0% Max PIK)		12/30/22	48.4	42.3	23.9	
Black Swan Energy Ltd	(g)(l)	Energy	9.0%		1/20/24	6.0	6.0	5.9	
JW Aluminum Co	(g)(x)(y)	Materials	10.3%		6/1/26	39.3	39.4	41.8	
Lycra	(g)(l)(x)	Consumer Durables & Apparel	7.5%		5/1/25	5.4	5.4	4.8	
TruckPro LLC	(g)(x)	Capital Goods	11.0%		10/15/24	2.8	2.6	3.0	
Velvet Energy Ltd	(g)(l)	Energy	9.0%		10/5/23	7.5	7.5	6.2	
Total Other Senior Secured Debt							126.8	85.6	
Subordinated Debt—5.5%									
All Systems Holding LLC	(g)	Commercial & Professional Services	10.0% PIK (10.0% Max PIK)		10/31/22	0.0	0.0	0.0	
Ardonagh Group Ltd	(g)(l)(x)	Insurance	11.5%		1/15/27	0.8	0.8	0.8	
athenahealth Inc	(g)	Health Care Equipment & Services	L+1,113 PIK (L+1,113 Max PIK)		2/11/27	71.2	71.2	71.5	
ClubCorp Club Operations Inc	(g)(x)	Consumer Services	8.5%		9/15/25	19.0	18.8	17.8	
Cornerstone (Ply Gem Holdings Inc)	(g)(x)	Capital Goods	8.0%		4/15/26	0.2	0.2	0.2	
Craftworks Rest & Breweries Group Inc	(g)(n)(w)	Consumer Services	14.0% PIK (14.0% Max PIK)		11/1/24	7.3	7.2	—	
Hilding Anders	(g)(l)(n)(z)	Consumer Durables & Apparel				€ 110.5	—	—	
Hilding Anders	(g)(l)(n)(z)	Consumer Durables & Apparel				24.8	26.9	30.3	
Hilding Anders	(g)(l)(n)(w)(z)	Consumer Durables & Apparel	13.0% PIK (13.0% Max PIK)		6/30/21	118.2	99.4	32.4	
Legends Hospitality LLC	(g)	Consumer Services	L+1,000 PIK (L+1,000 Max PIK)	1.0%	5/6/26	\$ 18.2	17.9	17.9	
Total Subordinated Debt							242.4	170.9	
Asset Based Finance—30.8%									
801 5th Ave, Seattle, Private Equity	(g)(l)(n)(z)	Real Estate				4,529,676	\$ 4.5	\$ 10.3	
801 5th Ave, Seattle, Structure Mezzanine	(g)(l)(z)	Real Estate	8.0%, 3.0% PIK (3.0% Max PIK)		12/19/29	\$ 29.4	29.4	29.4	
Abacus JV, Private Equity	(g)(l)	Insurance				29,115,242	29.1	31.0	
Accelerator Investments Aggregator LP, Private Equity	(g)(l)(n)	Diversified Financials				4,285,347	5.0	3.8	
Altavair AirFinance, Private Equity	(g)(l)	Capital Goods				46,599,209	46.6	46.6	
AMPLIT JV LP, Limited Partnership Interest	(g)(l)(n)	Diversified Financials				N/A	3.8	—	
Australis Maritime, Common Stock	(g)(l)	Transportation				19,792,141	19.8	19.6	
Avida Holding AB, Common Stock	(g)(l)(n)(z)	Diversified Financials				328,271,754	35.5	38.3	
Bank of Ireland, Class B Credit Linked Floating Rate Note	(j)(l)	Banks	L+1,185		12/4/27	\$ 14.7	14.7	14.5	
Byrider Finance LLC, Structured Mezzanine	(g)	Automobiles & Components	L+1,050	0.3%	6/3/28	\$ 2.1	2.1	2.1	
Byrider Finance LLC, Structured Mezzanine	(v)	Automobiles & Components	L+1,050	0.3%	6/3/28	\$ 5.5	5.5	5.5	
Byrider Finance LLC, Sub Note	(g)(l)	Automobiles & Components	8.7%		2/17/25	\$ 2.1	2.0	2.2	
Callodine Commercial Finance LLC, 2L Term Loan A	(g)	Diversified Financials	L+900	1.0%	11/3/25	\$ 37.5	37.5	37.5	
Callodine Commercial Finance LLC, 2L Term Loan B	(v)	Diversified Financials	L+900	1.0%	11/3/25	\$ 12.1	12.1	12.1	
Capital Automotive LP, Private Equity	(g)(l)(n)	Real Estate				10,001,344	10.0	10.0	
Capital Automotive LP, Structured Mezzanine	(g)(l)	Real Estate	11.0% PIK (11.0% MAX PIK)		12/22/28	\$ 20.0	20.0	20.0	
Global Jet Capital LLC, Preferred Stock	(f)(g)(n)	Commercial & Professional Services				69,429,554	69.4	—	
Global Jet Capital LLC, Structured Mezzanine	(g)	Commercial & Professional Services	15.0% PIK (15.0% Max PIK)		1/30/25	\$ 1.3	1.2	1.2	

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Portfolio Company ^(a)	Footnotes	Industry	Rate ^(b)	Floor	Maturity	Principal Amount ^(c) Shares	Amortized Cost	Fair Value ^(d)
Global Jet Capital LLC, Structured Mezzanine	(g)	Commercial & Professional Services	15.0% PIK (15.0% Max PIK)		4/30/25	\$ 8.5	\$ 7.5	\$ 7.4
Global Jet Capital LLC, Structured Mezzanine	(g)	Commercial & Professional Services	15.0% PIK (15.0% Max PIK)		9/3/25	\$ 1.7	1.5	1.5
Global Jet Capital LLC, Structured Mezzanine	(g)	Commercial & Professional Services	15.0% PIK (15.0% Max PIK)		9/29/25	\$ 1.6	1.5	1.4
Global Jet Capital LLC, Structured Mezzanine	(f)(g)	Commercial & Professional Services	15.0% PIK (15.0% Max PIK)		12/4/25	\$ 99.2	87.9	87.5
Global Jet Capital LLC, Structured Mezzanine	(f)(g)(l)	Commercial & Professional Services	15.0% PIK (15.0% Max PIK)		12/4/25	\$ 22.1	19.6	19.5
Global Jet Capital LLC, Structured Mezzanine	(f)(g)	Commercial & Professional Services	15.0% PIK (15.0% Max PIK)		12/9/25	\$ 2.3	2.0	2.0
Global Jet Capital LLC, Structured Mezzanine	(f)(g)(l)	Commercial & Professional Services	15.0% PIK (15.0% Max PIK)		12/9/25	\$ 17.6	15.6	15.5
Global Jet Capital LLC, Structured Mezzanine	(f)	Commercial & Professional Services	15.0% PIK (15.0% Max PIK)		1/29/26	\$ 8.5	7.5	7.5
Global Jet Capital LLC, Structured Mezzanine	(f)(l)	Commercial & Professional Services	15.0% PIK (15.0% Max PIK)		1/29/26	\$ 1.9	1.7	1.7
Global Jet Capital LLC, Structured Mezzanine	(g)	Commercial & Professional Services	15.0% PIK (15.0% Max PIK)		4/14/26	\$ 21.2	18.8	18.7
Global Jet Capital LLC, Structured Mezzanine	(g)	Commercial & Professional Services	15.0% PIK (15.0% Max PIK)		12/2/26	\$ 20.9	18.5	18.4
Global Lending Services LLC, Private Equity	(g)(l)	Diversified Financials				5,092,915	5.1	5.7
Global Lending Services LLC, Private Equity	(g)(l)	Diversified Financials				1,836,896	1.8	1.9
Home Partners JV, Common Stock	(g)(l)(n)(y)	Real Estate				16,886,437	16.9	21.5
Home Partners JV, Private Equity	(g)(l)(n)(x)(y)	Real Estate				585,960	0.6	0.0
Home Partners JV, Structured Mezzanine	(g)(l)(y)	Real Estate	11.0% PIK (11.0% Max PIK)		3/25/29	\$ 38.5	38.5	38.5
Home Partners JV, Structured Mezzanine	(l)(v)(y)	Real Estate	11.0% PIK (11.0% Max PIK)		3/25/29	\$ 9.7	9.7	9.7
Kilter Finance, Preferred Stock	(g)(l)(z)	Insurance	6.0%, 6.0% PIK (6.0% Max PIK)			228,173	0.2	0.2
Kilter Finance, Private Equity	(g)(l)(n)(z)	Insurance				247,441	0.2	0.2
KKR Central Park Leasing Aggregator L.P., Partnership Interest	(g)(l)	Capital Goods	16.0%		5/31/23	N/A	39.1	38.8
KKR Zen0 Aggregator LP (K2 Aviation), Partnership Interest	(g)(l)	Capital Goods				18,232,157	18.2	20.2
Lenovo Group Ltd, Structured Mezzanine	(g)(l)	Technology Hardware & Equipment	8.0%		6/22/22	€ 7.4	8.4	9.0
Lenovo Group Ltd, Structured Mezzanine	(g)(l)	Technology Hardware & Equipment	12.0%		6/22/22	\$ 4.7	5.3	5.7
Opendoor Labs Inc, 2L Term Loan	(g)(l)	Real Estate	10.0%		1/23/26	\$ 23.6	23.6	23.6
Opendoor Labs Inc, 2L Term Loan	(l)(v)	Real Estate	10.0%		1/23/26	\$ 47.1	47.1	47.1
Orchard Marine Limited, Class B Common Stock	(g)(l)(n)(y)	Transportation				1,964	3.1	—
Orchard Marine Limited, Series A Preferred Stock	(g)(l)(n)(y)	Transportation				62,976	62.0	24.6
Prime ST LLC, Private Equity	(g)(l)(n)(z)	Real Estate				3,058,733	3.1	3.9
Prime ST LLC, Structured Mezzanine	(g)(l)(z)	Real Estate	5.0%, 6.0% PIK (6.0% Max PIK)		3/12/30	\$ 22.8	22.8	22.8
Rampart CLO 2007 1A Class Subord.	(g)(l)(n)	Diversified Financials			10/25/21	\$ 10.0	—	—
Sofi Lending Corp, Purchase Facility	(g)(l)	Diversified Financials				32,231,687	32.2	32.6
Star Mountain Diversified Credit Income Fund III, LP, Private Equity	(l)(p)	Diversified Financials				12,500,000	12.5	12.1
Toorak Capital Funding LLC, Membership Interest	(g)(l)(z)	Real Estate				N/A	5.5	6.6
Toorak Capital Partners LLC, Private Equity	(g)(z)	Real Estate				N/A	195.8	235.9
Wind River CLO Ltd. 2012 1A Class Subord. B	(g)(l)(n)	Diversified Financials			1/15/26	\$ 42.5	17.5	—
Total Asset Based Finance							1,099.5	1,025.8
Unfunded Asset Based Finance Commitments							(74.4)	(74.4)
Net Asset Based Finance							1,025.1	951.4
Strategic Credit Opportunities, LLC—23.0%								
Strategic Credit Opportunities Partners, LLC	(g)(l)(z)	Diversified Financials				\$ 810.3	810.3	712.5
Total Strategic Credit Opportunities Partners							810.3	712.5

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Portfolio Company ^(a)	Footnotes	Industry	Rate ^(b)	Floor	Maturity	Number of Shares	Amortized Cost	Fair Value ^(d)
Equity/Other—17.1%(m)								
Advanced Lighting Technologies Inc, Common Stock	(g)(n)(z)	Materials				587,637	\$ 16.5	\$ —
Advanced Lighting Technologies Inc, Warrant	(g)(n)(z)	Materials			10/4/27	9,262	0.1	—
Alion Science & Technology Corp, Class A Membership Interest	(g)(n)	Capital Goods				7,350,267	7.3	12.4
All Systems Holding LLC, Common Stock	(g)(n)	Commercial & Professional Services				586,763	0.6	0.9
Amtek Global Technology Pte Ltd, Ordinary Shares	(j)(l)(n)(z)	Automobiles & Components				5,735,804,056	30.7	—
Amtek Global Technology Pte Ltd, Private Equity	(j)(l)(n)(z)	Automobiles & Components				4,097	—	—
Amtek Global Technology Pte Ltd, Trade Claim	(j)(l)(n)(z)	Automobiles & Components				1,190,759	1.0	—
Angelica Corp, Limited Partnership Interest	(n)(t)	Health Care Equipment & Services				877,044	47.6	—
Ap Plasman Inc, Warrant	(g)(l)(n)	Capital Goods			5/25/26	6,985	2.5	—
Ardonagh Ltd, Ordinary Shares	(g)(l)(n)	Insurance				16,450	—	—
Ardonagh Ltd, Ordinary Shares	(g)(l)(n)	Insurance				116,814	0.2	0.2
Ardonagh Ltd, Preferred Stock	(g)(l)(n)	Insurance				6,113,719	9.1	9.7
Arena Energy LP, Warrants	(g)(n)	Energy				9,740,932	0.0	0.0
Ascent Resources Utica Holdings LLC / ARU Finance Corp, Common Stock	(n)(o)	Energy				10,193	9.7	2.3
Ascent Resources Utica Holdings LLC / ARU Finance Corp, Trade Claim	(o)	Energy				86,607,143	19.4	19.3
ASG Technologies, Common Stock	(g)(n)(y)	Software & Services				1,149,421	23.4	42.7
ASG Technologies, Warrant	(g)(n)(y)	Software & Services			6/27/22	229,541	6.5	3.5
Aspect Software Inc, Common Stock	(g)(n)	Software & Services				161,261	0.3	0.3
Aspect Software Inc, Warrant	(g)(n)	Software & Services			1/15/24	161,008	—	0.2
AVF Parent LLC, Trade Claim	(g)(n)	Retailing				56,969	—	—
Belk Inc, Units	(g)(n)	Retailing				1,642	7.8	—
Borden (New Dairy Opco), Common Stock	(n)(t)(y)	Food, Beverage & Tobacco				4,466,800	3.9	3.2
Cengage Learning, Inc, Common Stock	(g)(n)	Media & Entertainment				227,802	7.5	3.3
Charlotte Russe Inc, Common Stock	(g)(n)(y)	Retailing				22,575	12.5	—
Chisholm Oil & Gas Operating LLC, Series A Units	(n)(p)	Energy				75,000	0.1	—
CTI Foods Holding Co LLC, Common Stock	(g)(n)	Food, Beverage & Tobacco				5,836	0.7	0.0
Directed LLC, Warrant	(g)(n)	Consumer Durables & Apparel			12/31/25	649,538	—	—
Empire Today LLC, Common Stock	(g)(n)	Retailing				375	1.1	3.3
Fronton BV, Common Stock	(n)(p)(y)	Consumer Services				14,943	—	1.2
Genesys Telecommunications Laboratories Inc, Class A Shares	(g)(n)	Technology Hardware & Equipment				40,529	—	—
Genesys Telecommunications Laboratories Inc, Ordinary Shares	(g)(n)	Technology Hardware & Equipment				41,339	—	—
Genesys Telecommunications Laboratories Inc, Preferred Stock	(g)(n)	Technology Hardware & Equipment				1,050,465	—	—
Harvey Industries Inc, Common Stock	(g)(n)	Capital Goods				2,333,333	—	1.9
Hilding Anders, Class A Common Stock	(g)(l)(n)(z)	Consumer Durables & Apparel				4,503,411	0.1	—
Hilding Anders, Class B Common Stock	(g)(l)(n)(z)	Consumer Durables & Apparel				574,791	—	—
Hilding Anders, Class C Common Stock	(g)(l)(n)(z)	Consumer Durables & Apparel				213,201	—	—
Hilding Anders, Equity Options	(g)(l)(n)(z)	Consumer Durables & Apparel			11/30/25	236,160,807	15.0	—
HM Dunn Co Inc, Preferred Stock, Series A	(g)(n)(y)	Capital Goods				214	0.0	—
HM Dunn Co Inc, Preferred Stock, Series B	(g)(n)(y)	Capital Goods				214	—	—
Home Partners of America Inc, Common Stock	(g)(n)(y)	Real Estate				81,625	83.6	130.5
Home Partners of America Inc, Warrant	(g)(n)(y)	Real Estate			8/7/24	2,675	0.3	2.1

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Portfolio Company ^(a)	Footnotes	Industry	Rate ^(b)	Floor	Maturity	Number of Shares	Amortized Cost	Fair Value ^(d)
Imagine Communications Corp, Common Stock	(g)(n)	Media & Entertainment				33,034	\$ 3.8	\$ 2.9
Jones Apparel Holdings, Inc., Common Stock	(g)(n)	Consumer Durables & Apparel				5,451	0.9	—
JW Aluminum Co, Common Stock	(f)(g)(n)							
	(y)	Materials				1,474	—	—
JW Aluminum Co, Preferred Stock	(f)(g)(y)	Materials	12.5% PIK (12.5% Max PIK)		2/15/28	8,404	107.3	93.7
Maverick Natural Resources, Common Stock	(n)	Energy				160,101	44.0	48.6
MB Precision Holdings LLC, Class A—2 Units	(n)(p)	Capital Goods				1,426,110	0.5	—
Miami Beach Medical Group LLC, Common Stock	(g)(n)	Health Care Equipment & Services				269,107	0.3	0.3
Micronics Filtration Holdings Inc, Common Stock	(g)(n)(y)	Capital Goods				53,073	0.6	—
Micronics Filtration Holdings Inc, Preferred Stock, Series A	(g)(n)(y)	Capital Goods				55	0.6	—
Micronics Filtration Holdings Inc, Preferred Stock, Series B	(g)(n)(y)	Capital Goods				23	0.2	—
Micronics Filtration Holdings Inc, Preferred Stock, Series B PIK	(g)(y)	Capital Goods	3.0% PIK (3.0% Max PIK)		3/31/24	112,780	—	—
Micronics Filtration Holdings Inc, Preferred Stock, Series C PIK	(g)(y)	Capital Goods	7.5% PIK (7.5% Max PIK)		3/31/24	54,000	—	—
NBG Home, Common Stock	(g)(n)	Consumer Durables & Apparel				1,903	2.6	—
Nine West Holdings Inc, Common Stock	(g)(n)	Consumer Durables & Apparel				5,451	6.5	—
One Call Care Management Inc, Common Stock	(g)(n)(y)	Health Care Equipment & Services				4,370,566,806	3.0	2.4
One Call Care Management Inc, Preferred Stock A	(g)(n)(y)	Health Care Equipment & Services				466,194	32.3	25.5
One Call Care Management Inc, Preferred Stock B	(g)(y)	Services	9.0% PIK (9.0% Max PIK)		10/25/29	9,615,247	9.8	10.6
Petroplex Acidizing Inc, Preferred Stock A	(g)(y)	Energy	2.0% PIK (2.0% Max PIK)			24,642,082	4.5	—
Petroplex Acidizing Inc, Warrant	(g)(n)(y)	Energy			12/15/26	8	—	—
Polyconcept North America Inc, Class A—1 Units	(g)(n)	Household & Personal Products				29,376	2.9	2.1
Proserv Acquisition LLC, Class A Common Units	(g)(l)(n)							
	(y)	Energy				2,635,005	33.5	9.0
Proserv Acquisition LLC, Class A Preferred Units	(g)(l)(n)							
	(y)	Energy				837,780	5.4	9.5
Quorum Health Corp, Common Stock	(g)(n)	Health Care Equipment & Services				32,622	0.3	0.3
Quorum Health Corp, Trade Claim	(g)(n)	Health Care Equipment & Services				3,334,000	0.3	0.3
Quorum Health Corp, Trust Initial Funding Units	(g)(n)	Health Care Equipment & Services				57,595	0.1	0.1
Ridgeback Resources Inc, Common Stock	(f)(l)(n)	Energy				324,954	2.0	1.3
Sequential Brands Group Inc., Common Stock	(g)(x)	Consumer Durables & Apparel				5,167	2.8	0.1
Sorenson Communications LLC, Common Stock	(f)(n)	Telecommunication Services				46,163	—	42.3
Sound United LLC, Class A Units	(g)(n)(z)	Consumer Durables & Apparel				649,538	1.1	—
Sound United LLC, Common Stock	(g)(n)(z)	Consumer Durables & Apparel				12,857,143	17.3	29.3
Sound United LLC, Series I Units	(g)(n)(z)	Consumer Durables & Apparel				308,948	0.5	—
Sound United LLC, Series II Units	(n)(p)(z)	Consumer Durables & Apparel				316,770	0.5	—
SSC (Lux) Limited S.a r.l., Common Stock	(g)(l)(n)	Health Care Equipment & Services				113,636	2.3	4.9
Stuart Weitzman Inc, Common Stock	(g)(n)	Consumer Durables & Apparel				5,451	—	—
Sungard Availability Services Capital Inc, Common Stock	(f)(g)(n)	Software & Services				44,857	3.1	1.5
Sweet Harvest Foods Management Co, Warrant	(g)(i)(n)	Food & Staples Retailing			6/30/30	2,883,007	—	1.1
ThermaSys Corp, Common Stock	(f)(g)(n)							
	(y)	Capital Goods				17,383,026	10.2	—
ThermaSys Corp, Preferred Stock	(g)(n)(y)	Capital Goods				1,529	1.7	—
Trace3 Inc, Common Stock	(g)(n)	Software & Services				19,312	0.2	1.4
Versatile Processing Group Inc, Class A—2 Units	(f)(n)	Materials				3,637,500	3.6	—
Warren Resources Inc, Common Stock	(g)(n)	Energy				113,515	0.5	0.1
Zeta Interactive Holdings Corp, Preferred Stock, Series E—1	(g)(n)	Software & Services				215,662	1.7	2.2

See notes to unaudited consolidated financial statements.

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Consolidated Schedule of Investments (continued)
As of December 31, 2020
(in millions, except share amounts)

Portfolio Company ^(a)	Footnotes	Industry	Rate ^(b)	Floor	Maturity	Number of Shares	Amortized Cost	Fair Value ^(d)
Zeta Interactive Holdings Corp, Preferred Stock, Series F	(g)(n)	Software & Services				196,151	\$ 1.7	\$ 3.4
Zeta Interactive Holdings Corp, Warrant	(g)(n)	Software & Services			4/20/27	29,422	—	0.1
Total Equity/Other							<u>616.1</u>	<u>530.0</u>
TOTAL INVESTMENTS—219.0%							<u>\$ 7,452.7</u>	<u>6,779.8</u>
LIABILITIES IN EXCESS OF OTHER ASSETS—(119.0%)								<u>(3,683.8)</u>
NET ASSETS—100%								<u>\$ 3,096.0</u>

Foreign currency forward contracts

Foreign Currency	Settlement Date	Counterparty	Amount and Transaction	US\$ Value at Settlement Date	US\$ Value at December 31, 2020	Unrealized Appreciation (Depreciation)
AUD	10/17/2022	JP Morgan Chase Bank	A\$ 3.0 Sold	\$ 2.1	\$ 2.3	\$ (0.2)
EUR	5/6/2022	JP Morgan Chase Bank	€ 6.1 Sold	7.5	7.5	—
EUR	7/17/2023	JP Morgan Chase Bank	€ 1.3 Sold	1.7	1.6	0.1
EUR	8/8/2025	JP Morgan Chase Bank	€ 4.8 Sold	5.7	6.1	(0.4)
GBP	10/13/2021	JP Morgan Chase Bank	£ 0.6 Sold	0.9	0.8	0.1
GBP	10/13/2021	JP Morgan Chase Bank	£ 0.6 Bought	(0.8)	(0.8)	—
GBP	1/11/2023	JP Morgan Chase Bank	£ 2.0 Bought	(2.7)	(2.7)	—
GBP	1/11/2023	JP Morgan Chase Bank	£ 7.0 Sold	9.4	9.6	(0.2)
GBP	1/11/2023	JP Morgan Chase Bank	£ 1.9 Sold	2.9	2.7	0.2
GBP	1/11/2023	JP Morgan Chase Bank	£ 1.7 Sold	2.6	2.4	0.2
GBP	1/11/2023	JP Morgan Chase Bank	£ 3.4 Sold	4.8	4.7	0.1
GBP	1/11/2023	JP Morgan Chase Bank	£ 1.4 Sold	1.9	1.9	—
NOK	8/8/2025	JP Morgan Chase Bank	NOK 49.1 Sold	5.2	5.6	(0.4)
SEK	8/8/2025	JP Morgan Chase Bank	SEK 119.3 Sold	13.3	14.8	(1.5)
Total				<u>\$ 54.5</u>	<u>\$ 56.5</u>	<u>\$ (2.0)</u>

(a) Security may be an obligation of one or more entities affiliated with the named company.

(b) Certain variable rate securities in the Company's portfolio bear interest at a rate determined by a publicly disclosed base rate plus a basis point spread. As of December 31, 2020, the three-month London Interbank Offered Rate, or LIBOR or "L", was 0.24%, the Euro Interbank Offered Rate, or EURIBOR, was (0.55)%, Canadian Dollar Offer Rate, or CDOR, was 0.48% and the U.S. Prime Lending Rate, or Prime, was 3.25%. PIK means paid-in-kind. PIK income accruals may be adjusted based on the fair value of the underlying investment.

(c) Denominated in U.S. dollars unless otherwise noted.

(d) Fair value determined by the Company's board of directors (see Note 8).

See notes to unaudited consolidated financial statements.

FS KKR Capital Corp.
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- (e) Not used.
- (f) Security or portion thereof held within Race Street Funding LLC and is pledged as collateral supporting the amounts outstanding under the revolving credit facility with ING Capital LLC (see Note 9).
- (g) Security or portion thereof is pledged as collateral supporting the amounts outstanding under the Senior Secured Revolving Credit Facility (see Note 9).
- (h) Security or portion thereof held within FS KKR MM CLO 1 LLC (see Note 9).
- (i) Security or portion thereof was held within CCT Tokyo Funding LLC and was pledged as collateral supporting the amounts outstanding under the revolving credit facility with Sumitomo Mitsui Banking Corporation (see Note 9).
- (j) Security or portion thereof was held within CCT Dublin Funding Limited
- (k) Not used.
- (l) The investment is not a qualifying asset under the Investment Company Act of 1940, as amended. A business development company may not acquire any asset other than qualifying assets, unless, at the time the acquisition is made, qualifying assets represent at least 70% of the company's total assets. As of December 31, 2020, 73.4% of the Company's total assets represented qualifying assets.
- (m) Listed investments may be treated as debt for GAAP or tax purposes.
- (n) Security is non-income producing.
- (o) Security held within IC American Energy Investments, Inc., a wholly-owned subsidiary of the Company.
- (p) Security held within FSIC Investments, Inc., a wholly-owned subsidiary of the Company.
- (q) Security held within IC Arches Investments LLC, a wholly-owned subsidiary of the Company.
- (r) Not used.
- (s) Not used.
- (t) Security held within CCT Holdings II, LLC, a wholly-owned subsidiary of the Company.
- (u) Not used.
- (v) Security is an unfunded commitment. Reflects the stated spread at the time of commitment, but may not be the actual rate received upon funding.
- (w) Asset is on non-accrual status.
- (x) Security is classified as Level 1 or 2 in the Company's fair value hierarchy (see Note 8).

See notes to unaudited consolidated financial statements.

FS KKR Capital Corp.
Consolidated Schedule of Investments (continued)
As of December 31, 2020
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(y) Under the Investment Company Act of 1940, as amended, the Company generally is deemed to be an “affiliated person” of a portfolio company if it owns 5% or more of the portfolio company’s voting securities and generally is deemed to “control” a portfolio company if it owns more than 25% of the portfolio company’s voting securities or it has the power to exercise control over the management or policies of such portfolio company. As of December 31, 2020, the Company held investments in portfolio companies of which it is deemed to be an “affiliated person” but is not deemed to “control”. The following table presents certain information with respect to investments in portfolio companies of which the Company was deemed to be an affiliated person as of December 31, 2020:

Portfolio Company	Fair Value at December 31, 2019	Gross Additions ⁽¹⁾	Gross Reductions ⁽²⁾	Net Realized Gain (Loss)	Net Change in Unrealized Appreciation (Depreciation)	Fair Value at December 31, 2020	Interest Income ⁽³⁾	PIK Income ⁽³⁾	Fee Income ⁽³⁾	Dividend Income ⁽³⁾
Senior Secured Loans—First Lien										
AltEn, LLC	\$ 1.5	\$ —	\$ —	\$ (2.7)	\$ 1.2	\$ —	\$ —	\$ —	\$ —	\$ —
Borden (New Dairy Opco)	—	7.6	—	—	—	7.6	0.1	—	—	—
Borden (New Dairy Opco)	—	16.8	—	—	—	16.8	0.6	—	—	—
Borden Dairy Co ⁽⁴⁾	—	70.7	(11.6)	(35.0)	(24.1)	—	—	—	—	—
HM Dunn Co Inc	0.4	—	—	—	(0.1)	0.3	—	—	—	—
HM Dunn Co Inc	0.1	0.2	—	—	(0.1)	0.2	—	—	—	—
MB Precision Holdings LLC	4.6	0.2	(3.9)	(0.8)	(0.1)	—	0.3	—	—	—
Micronics Filtration Holdings Inc ⁽⁴⁾	—	61.6	—	(16.6)	(9.5)	35.5	—	—	—	—
One Call Care Management Inc	4.6	0.1	—	—	—	4.7	0.5	—	—	—
Petroplex Acidizing Inc	22.2	—	—	—	(17.7)	4.5	—	—	—	—
Safariland LLC	2.6	—	(2.5)	(0.3)	0.2	—	—	—	—	—
Safariland LLC	116.2	8.8	(117.4)	(14.7)	7.1	—	1.3	—	—	—
ThermaSys Corp	6.4	0.8	—	—	(3.3)	3.9	0.2	0.6	—	—
Z Gallerie LLC	—	0.9	(1.5)	0.6	—	—	—	—	—	—
Senior Secured Loans—Second Lien										
Z Gallerie LLC	2.8	—	(2.0)	(0.9)	0.1	—	0.1	—	0.1	—
Other Senior Secured Debt										
JW Aluminum Co	38.3	2.9	—	—	0.6	41.8	3.9	—	—	—
Mood Media Corp	36.4	3.6	—	(40.5)	0.5	—	0.4	—	—	—
Z Gallerie LLC	—	—	—	—	—	—	—	—	—	—
Z Gallerie LLC	1.4	—	—	(1.5)	0.1	—	—	—	0.1	—
Asset Based Finance										
Home Partners JV, Common Stock	13.2	4.4	—	—	3.9	21.5	—	—	—	—
Home Partners JV, Private Equity	—	—	—	—	—	—	—	—	—	—
Home Partners JV, Structured Mezzanine	25.0	14.0	(0.5)	—	—	38.5	—	3.3	—	—
Orchard Marine Limited, Class B Common Stock	—	—	—	—	—	—	—	—	—	—
Orchard Marine Limited, Series A Preferred Stock	22.7	—	—	—	1.9	24.6	—	—	—	—
Equity/Other										
AltEn, LLC, Membership Units	—	—	—	(3.0)	3.0	—	—	—	—	—
ASG Technologies, Common Stock	56.5	—	—	—	(13.8)	42.7	—	—	—	—
ASG Technologies, Warrants	6.3	—	—	—	(2.8)	3.5	—	—	—	—
Borden (New Dairy Opco), Common Stock	—	3.9	—	—	(0.7)	3.2	—	—	—	—
Charlotte Russe Inc, Common Stock	—	—	—	—	—	—	—	—	—	—
Fronton BV, Common Stock	1.4	—	—	—	(0.2)	1.2	—	—	—	—
HM Dunn Co Inc, Preferred Stock, Series A	—	—	—	—	—	—	—	—	—	—
HM Dunn Co Inc, Preferred Stock, Series B	—	—	—	—	—	—	—	—	—	—
Home Partners of America Inc, Common Stock	134.1	—	—	—	(3.6)	130.5	—	—	—	—
Home Partners of America Inc, Warrant	2.0	—	—	—	0.1	2.1	—	—	—	—

See notes to unaudited consolidated financial statements.

FS KKR Capital Corp.
Consolidated Schedule of Investments (continued)
As of December 31, 2020
(in millions, except share amounts)

Portfolio Company	Fair Value at December 31, 2019	Gross Additions ⁽¹⁾	Gross Reductions ⁽²⁾	Net Realized Gain (Loss)	Net Change in Unrealized Appreciation (Depreciation)	Fair Value at December 31, 2020	Interest Income ⁽³⁾	PIK Income ⁽³⁾	Fee Income ⁽³⁾	Dividend Income ⁽³⁾
JW Aluminum Co, Common Stock	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
JW Aluminum Co, Preferred Stock	127.2	16.9	—	—	(50.4)	93.7	2.4	14.6	—	—
MB Precision Holdings LLC, Class A— 2 Units	—	—	(0.5)	—	0.5	—	—	—	—	—
MB Precision Holdings LLC, Preferred Stock	1.2	—	—	(1.9)	0.7	—	—	—	—	—
Micronics Filtration Holdings Inc, Common Stock ⁽⁴⁾	—	0.6	—	—	(0.6)	—	—	—	—	—
Micronics Filtration Holdings Inc, Preferred Stock, Series A ⁽⁴⁾	—	0.6	—	—	(0.6)	—	—	—	—	—
Micronics Filtration Holdings Inc, Preferred Stock, Series B ⁽⁴⁾	—	0.2	—	—	(0.2)	—	—	—	—	—
Micronics Filtration Holdings Inc, Preferred Stock, Series B PIK ⁽⁴⁾	—	—	—	—	—	—	—	—	—	—
Micronics Filtration Holdings Inc, Preferred Stock, Series C PIK ⁽⁴⁾	—	—	—	—	—	—	—	—	—	—
Mood Media Corp, Common Stock	0.9	—	—	(11.8)	10.9	—	—	—	—	—
Mood Media LLC, Class A Warrants	—	—	—	—	—	—	—	—	—	—
Mood Media LLC, Class B Warrants	—	—	—	—	—	—	—	—	—	—
Mood Media LLC, Class C Warrants	—	—	—	—	—	—	—	—	—	—
One Call Care Management Inc, Common Stock	3.0	—	—	—	(0.6)	2.4	—	—	—	—
One Call Care Management Inc, Preferred Stock A	32.3	—	—	—	(6.8)	25.5	—	—	—	—
One Call Care Management Inc, Preferred Stock B	9.8	—	—	—	0.8	10.6	—	0.9	—	—
Petroplex Acidizing Inc, Preferred Stock A	4.2	0.3	—	—	(4.5)	—	—	—	—	0.4
Petroplex Acidizing Inc, Warrant	—	—	—	—	—	—	—	—	—	—
Proserv Acquisition LLC, Class A Common Units	14.4	—	—	—	(5.4)	9.0	—	—	—	—
Proserv Acquisition LLC, Class A Preferred Units	9.5	—	—	—	—	9.5	—	—	—	—
Safariland LLC, Common Equity	6.4	—	(1.0)	(2.0)	(3.4)	—	—	—	—	—
ThermaSys Corp, Common Stock	6.9	—	—	—	(6.9)	—	—	—	—	—
ThermaSys Corp, Preferred Stock	1.5	—	—	—	(1.5)	—	—	—	—	—
Z Gallerie LLC, Common Stock	0.7	—	—	(0.7)	—	—	—	—	—	—
Total	\$ 716.7	\$ 215.1	\$ (140.9)	\$ (131.8)	\$ (125.3)	\$ 533.8	\$ 9.8	\$ 19.4	\$ 0.2	\$ 0.4

(1) Gross additions include increases in the cost basis of investments resulting from new portfolio investments, PIK interest, the amortization of unearned income, the exchange of one or more existing securities for one or more new securities and the movement of an existing portfolio company into this category from a different category.

(2) Gross reductions include decreases in the cost basis of investments resulting from principal collections related to investment repayments or sales, the exchange of one or more existing securities for one or more new securities and the movement of an existing portfolio company out of this category into a different category.

(3) Interest, PIK, fee and dividend income presented for the full year ended December 31, 2020.

(4) The Company held this investment as of December 31, 2019 but it was not deemed to be an “affiliated person” of the portfolio company as of December 31, 2019. Transfers in or out have been presented at amortized cost.

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As of December 31, 2020
(in millions, except share amounts)

(z) Under the Investment Company Act of 1940, as amended, the Company generally is deemed to “control” a portfolio company if it owns more than 25% of the portfolio company’s voting securities or it has the power to exercise control over the management or policies of such portfolio company. As of December 31, 2020, the Company held investments in one portfolio company of which it is deemed to be an “affiliated person” and deemed to “control”. During the year ended December 31, 2020, the Company disposed of investments in one portfolio of which it was deemed to be an “affiliated person” and deemed to “control”. The following table presents certain information with respect to investments in portfolio companies of which the Company was deemed to be an affiliated person and deemed to control as of December 31, 2020:

Portfolio Company	Fair Value at December 31, 2019	Gross Additions ⁽¹⁾	Gross Reductions ⁽²⁾	Net Realized Gain (Loss)	Net Change in Unrealized Appreciation (Depreciation)	Fair Value at December 31, 2020	Interest Income ⁽³⁾	PIK Income ⁽³⁾	Fee Income ⁽³⁾	Dividend Income ⁽³⁾
Senior Secured Loans—First Lien										
Advanced Lighting Technologies Inc	\$ 13.1	\$ —	\$ (1.5)	\$ —	\$ 0.4	\$ 12.0	\$ —	\$ —	\$ —	\$ —
Amtek Global Technology Pte Ltd	55.3	5.8	—	—	(1.4)	59.7	3.0	—	—	—
Sound United LLC	—	27.4	(12.5)	—	—	14.9	0.3	—	—	—
Senior Secured Loans—Second Lien										
Amtek Global Technology Pte Ltd	36.3	6.5	(0.1)	—	(42.6)	0.1	—	—	—	—
Sound United LLC	—	22.8	(1.9)	—	—	20.9	—	0.7	—	—
Other Senior Secured Debt										
Advanced Lighting Technologies Inc	—	—	—	—	—	—	—	—	—	—
Subordinated Debt										
Hilding Anders	76.8	—	(26.9)	(3.0)	(14.5)	32.4	—	—	—	—
Hilding Anders	0.2	—	—	(0.5)	0.3	—	—	—	—	—
Hilding Anders	—	—	—	(0.9)	0.9	—	—	—	—	—
Hilding Anders	3.6	—	—	(12.9)	9.3	—	—	—	—	—
Hilding Anders	—	—	—	—	—	—	—	—	—	—
Hilding Anders	—	26.9	—	—	3.4	30.3	—	—	—	—
Asset Based Finance										
801 5th Ave, Seattle, Structure	—	—	—	—	—	—	—	—	—	—
Mezzanine	52.9	0.9	(24.4)	—	—	29.4	3.2	1.4	—	—
801 5th Ave, Seattle, Private Equity	8.8	—	(6.3)	2.0	5.8	10.3	—	—	—	—
Avida Holding AB, Common Stock	—	35.5	—	—	2.8	38.3	—	—	—	—
Kilter Finance, Preferred Stock	—	0.2	—	—	—	0.2	—	—	—	—
Kilter Finance, Private Equity	—	0.2	—	—	—	0.2	—	—	—	—
Prime ST LLC, Private Equity	—	5.7	(0.3)	(2.3)	0.8	3.9	—	—	—	—
Prime ST LLC, Structured Mezzanine	—	41.4	(18.6)	—	—	22.8	0.6	1.7	—	—
Toorak Capital Funding LLC, Membership Interest	5.3	3.8	(2.5)	—	—	6.6	—	—	—	—
Toorak Capital Partners LLC, Private Equity	240.5	11.5	(4.4)	—	(11.7)	235.9	—	—	—	9.6
Strategic Credit Opportunities Partners, LLC										
Strategic Credit Opportunities Partners, LLC	479.0	319.4	—	—	(85.9)	712.5	—	—	—	70.4
Equity/Other										
Advanced Lighting Technologies Inc, Common Stock ⁽⁴⁾	—	—	—	—	—	—	—	—	—	—
Advanced Lighting Technologies Inc, Warrant ⁽⁴⁾	—	—	—	—	—	—	—	—	—	—
Amtek Global Technology Pte Ltd, Ordinary Shares	5.2	—	—	—	(5.2)	—	—	—	—	—
Amtek Global Technology Pte Ltd, Trade Claim	0.6	—	—	—	(0.6)	—	—	—	—	—
Amtek Global Technology Pte Ltd, Private Equity	—	—	—	—	—	—	—	—	—	—
Hilding Anders, ARLE PIK Interest	—	—	—	—	—	—	—	—	—	—
Hilding Anders, Class A Common Stock	—	—	—	—	—	—	—	—	—	—
Hilding Anders, Class B Common Stock	—	—	—	—	—	—	—	—	—	—
Hilding Anders, Class C Common Stock	—	—	—	—	—	—	—	—	—	—
Hilding Anders, Equity Options	1.3	—	—	—	(1.3)	—	—	—	—	—
KKR BPT Holdings Aggregator LLC, Membership Interest	—	—	(0.4)	(17.2)	17.6	—	—	—	—	—

See notes to unaudited consolidated financial statements.

FS KKR Capital Corp.
Consolidated Schedule of Investments (continued)
As of December 31, 2020
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Portfolio Company	Fair Value at December 31, 2019	Gross Additions⁽¹⁾	Gross Reductions⁽²⁾	Net Realized Gain (Loss)	Net Change in Unrealized Appreciation (Depreciation)	Fair Value at December 31, 2020	Interest Income⁽³⁾	PIK Income⁽³⁾	Fee Income⁽³⁾	Dividend Income⁽³⁾
Sound United LLC, Class A Units	\$ —	\$ 1.1	\$ —	\$ —	\$ (1.1)	\$ —	\$ —	\$ —	\$ —	\$ —
Sound United LLC, Common Stock	—	17.3	—	—	12.0	29.3	—	—	—	—
Sound United LLC, Series I Units	—	0.5	—	—	(0.5)	—	—	—	—	—
Sound United LLC, Series II Units	—	0.5	—	—	(0.5)	—	—	—	—	—
Total	\$ 978.9	\$ 527.4	\$ (99.8)	\$ (34.8)	\$ (112.0)	\$ 1,259.7	\$ 7.1	\$ 3.8	\$ —	\$ 80.0

(1) Gross additions include increases in the cost basis of investments resulting from new portfolio investments, PIK interest, the amortization of unearned income, the exchange of one or more existing securities for one or more new securities and the movement of an existing portfolio company into this category from a different category.

(2) Gross reductions include decreases in the cost basis of investments resulting from principal collections related to investment repayments or sales, the exchange of one or more existing securities for one or more new securities and the movement of an existing portfolio company out of this category into a different category.

(3) Interest, PIK and dividend income presented for the full year ended December 31, 2020.

See notes to unaudited consolidated financial statements.

FS KKR Capital Corp.

Notes to Unaudited Consolidated Financial Statements
(in millions, except share and per share amounts)

Note 1. Principal Business and Organization

FS KKR Capital Corp. (NYSE: FSK), or the Company, was incorporated under the general corporation laws of the State of Maryland on December 21, 2007 and formally commenced investment operations on January 2, 2009. The Company is an externally managed, non-diversified, closed-end management investment company that has elected to be regulated as a business development company, or BDC, under the Investment Company Act of 1940, as amended, or the 1940 Act. In addition, the Company has elected to be treated for U.S. federal income tax purposes, and intends to qualify annually, as a regulated investment company, or RIC, as defined under Subchapter M of the Internal Revenue Code of 1986, as amended, or the Code. As of June 30, 2021, the Company had various wholly-owned subsidiaries, including special-purpose financing subsidiaries and subsidiaries through which it holds interests in portfolio companies. The unaudited consolidated financial statements include both the Company's accounts and the accounts of its wholly-owned subsidiaries as of June 30, 2021. All intercompany transactions have been eliminated in consolidation. Certain of the Company's consolidated subsidiaries are subject to U.S. federal and state income taxes.

The Company's investment objectives are to generate current income and, to a lesser extent, long-term capital appreciation. The Company's portfolio is comprised primarily of investments in senior secured loans and second lien secured loans of private middle-market U.S. companies and, to a lesser extent, subordinated loans and certain asset-based financing loans of private U.S. companies. In addition, a portion of the Company's portfolio may be comprised of equity and equity-related securities, corporate bonds, structured products, other debt securities and derivatives, including total return swaps and credit default swaps.

The Company is externally managed by FS/KKR Advisor, LLC, or the Advisor, pursuant to an investment advisory agreement, dated as of June 16, 2021, or the investment advisory agreement. Prior to entering into the investment advisory agreement, the Company was a party to an investment advisory agreement, dated as of December 20, 2018, with the Advisor, or the prior investment advisory agreement, which remained in effect until June 16, 2021.

On June 15, 2020, the Company filed Articles of Amendment to its Articles of Incorporation, or the Reverse Stock Split Amendment, with the State Department of Assessments and Taxation of the State of Maryland to effect a 4 to 1 reverse split of the Company's shares of common stock, or the Reverse Stock Split. The Reverse Stock Split became effective in accordance with the terms of the Reverse Stock Split Amendment on June 15, 2020.

The Reverse Stock Split affected all shareholders uniformly and did not alter any shareholder's percentage interest in the Company's equity, except to the extent that the Reverse Stock Split resulted in some shareholders owning a fractional share. In that regard, no fractional shares were issued in connection with the Reverse Stock Split. Shareholders of record who would have otherwise been entitled to receive a fractional share instead received a cash payment based on the closing price of the Company's common stock as reported on the NYSE as of June 15, 2020.

On June 16, 2021, the Company completed its acquisition, or the 2021 Merger, of FS KKR Capital Corp. II, or FSKR, pursuant to that certain Agreement and Plan of Merger, or the 2020 Merger Agreement, dated as of November 23, 2020, by and among the Company, FSKR, Rocky Merger Sub, Inc., a former wholly-owned subsidiary of the Company, or Merger Sub, and the Advisor. See Note 12 for a discussion of the 2021 Merger.

Note 2. Summary of Significant Accounting Policies

Basis of Presentation: The accompanying unaudited consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America, or GAAP, for interim financial information and with the instructions for Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. For a more complete discussion of significant accounting policies and certain other information, the Company's interim unaudited consolidated financial statements should be read in conjunction with its audited consolidated financial statements as of and for the year ended December 31, 2020 included in the Company's annual report on Form 10-K for the year ended December 31, 2020. Operating results for the six months ended June 30, 2021 are not necessarily indicative of the results that may be expected for the year ending December 31, 2021. The December 31, 2020 consolidated balance sheet and consolidated schedule of investments are

FS KKR Capital Corp.

Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)

Note 2. Summary of Significant Accounting Policies (continued)

derived from the Company's audited consolidated financial statements as of and for the year ended December 31, 2020. The Company is considered an investment company under GAAP and follows the accounting and reporting guidance applicable to investment companies under Accounting Standards Codification Topic 946, *Financial Services—Investment Companies*.

Use of Estimates: The preparation of the unaudited consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Capital Gains Incentive Fee: Pursuant to the terms of the investment advisory agreement, the incentive fee on capital gains is determined and payable in arrears as of the end of each calendar year (or upon termination of the investment advisory agreement). This fee equals 20.0% of the Company's incentive fee capital gains, which shall equal the realized capital gains of Corporate Capital Trust, Inc., or CCT, (as predecessor-by-merger to the Company), FSKR (as predecessor-by-merger to the Company) and the Company (without duplication) on a cumulative basis from inception, calculated as of the end of each calendar year, computed net of all realized capital losses and unrealized capital depreciation (without duplication) on a cumulative basis, less the aggregate amount of any capital gain incentive fees previously paid by CCT, FSKR and the Company. On a quarterly basis, the Company accrues for the capital gains incentive fee by calculating such fee as if it were due and payable as of the end of such period.

The Company includes unrealized gains in the calculation of the capital gains incentive fee expense and related accrued capital gains incentive fee. This accrual reflects the incentive fees that would be payable to the Advisor if the Company's entire portfolio was liquidated at its fair value as of the balance sheet date even though the Advisor is not entitled to an incentive fee with respect to unrealized gains unless and until such gains are actually realized.

Subordinated Income Incentive Fee: Pursuant to the terms of the investment advisory agreement, the Advisor may also be entitled to receive a subordinated incentive fee on income. The subordinated incentive fee on income under the investment advisory agreement, which is calculated and payable quarterly in arrears, equals 17.5% of the Company's "pre-incentive fee net investment income" for the immediately preceding quarter and is subject to a hurdle rate, expressed as a rate of return on the value of the Company's net assets, equal to 1.75% per quarter, or an annualized hurdle rate of 7.0%. As a result, the Advisor will not earn this incentive fee for any quarter until the Company's pre-incentive fee net investment income for such quarter exceeds the hurdle rate of 1.75%. Once the Company's pre-incentive fee net investment income in any quarter exceeds the hurdle rate, the Advisor will be entitled to a "catch-up" fee equal to the amount of the pre-incentive fee net investment income in excess of the hurdle rate, until the Company's pre-incentive fee net investment income for such quarter equals 2.12%, or 8.48% annually, of net assets. Thereafter, the Advisor will be entitled to receive 17.5% of pre-incentive fee net investment income. See Note 4 for a discussion of subordinated incentive fee on income under the prior investment advisory agreement.

Reclassifications: Certain amounts in the unaudited consolidated financial statements as of and for the three and six months ended June 30, 2020 and the audited consolidated financial statements as of and for the year ended December 31, 2020 may have been reclassified to conform to the classifications used to prepare the unaudited consolidated financial statements as of and for the three and six months ended June 30, 2021.

Revenue Recognition: Security transactions are accounted for on the trade date. The Company records interest income on an accrual basis to the extent that it expects to collect such amounts. The Company records dividend income on the ex-dividend date. Distributions received from limited liability company ("LLC") and limited partnership ("LP") investments are evaluated to determine if the distribution should be recorded as dividend income or a return of capital. The Company does not accrue as a receivable interest or dividends on loans and securities if it has reason to doubt its ability to collect such income. The Company's policy is to place investments on non-accrual status when there is reasonable doubt that interest income will be collected. The Company considers many factors relevant to an investment when placing it on or removing it from non-accrual status including, but not limited to, the delinquency status of the investment, economic and business conditions, the overall financial condition of the underlying investment, the value of the underlying collateral, bankruptcy status, if any, and any other facts or circumstances relevant to the investment. If there is reasonable doubt that the Company will receive any previously accrued interest, then the accrued interest will be written-off. Payments received on non-accrual investments may be recognized as income or applied to

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Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)

Note 2. Summary of Significant Accounting Policies (continued)

principal depending upon the collectability of the remaining principal and interest. Non-accrual investments may be restored to accrual status when principal and interest become current and are likely to remain current based on the Company's judgment.

Loan origination fees, original issue discount and market discount are capitalized and the Company amortizes such amounts as interest income over the respective term of the loan or security. Upon the prepayment of a loan or security, any unamortized loan origination fees and original issue discount are recorded as interest income. Structuring and other non-recurring upfront fees are recorded as fee income when earned. For the six months ended June 30, 2021 and 2020, the Company recognized \$15 and \$9, respectively, in structuring fee revenue. The Company records prepayment premiums on loans and securities as fee income when it receives such amounts.

Derivative Instruments: The Company's derivative instruments include foreign currency forward contracts and cross currency swaps. The Company recognizes all derivative instruments as assets or liabilities at fair value in its consolidated financial statements. Derivative contracts entered into by the Company are not designated as hedging instruments, and as a result, the Company presents changes in fair value through net change in unrealized appreciation (depreciation) on derivative instruments in the consolidated statements of operations. Realized gains and losses of the derivative instruments are included in net realized gains (losses) on derivative instruments in the consolidated statements of operations.

Recent Accounting Pronouncements: In March 2020, the FASB issued ASU No. 2020-04, "Reference Rate Reform (Topic 848)," which provides optional expedients and exceptions for applying GAAP to contracts, hedging relationships, and other transactions affected by reference rate reform if certain criteria are met. The amendments apply only to contracts, hedging relationships, and other transactions that reference London Interbank Offered Rate ("LIBOR") or another reference rate expected to be discontinued because of reference rate reform. In January 2021, the FASB issued ASU No. 2021-01, *Reference Rate Reform (Topic 848)*, which expanded the scope of Topic 848 to include derivative instruments impacted by discounting transition. ASU 2020-04 and ASU 2021-01 are effective for all entities through December 31, 2022. The expedients and exceptions provided by the amendments do not apply to contract modifications and hedging relationships entered into or evaluated after December 31, 2022, except for hedging transactions as of December 31, 2022, that an entity has elected certain optional expedients for and that are retained through the end of the hedging relationship. The Company is currently evaluating the impact of the adoption of ASU 2020-04 and 2021-01 on its consolidated financial statements.

Note 3. Share Transactions

Below is a summary of transactions with respect to shares of the Company's common stock during the six months ended June 30, 2021 and 2020:

	Six Months Ended June 30,			
	2021		2020	
	Shares	Amount	Shares ⁽¹⁾	Amount
Share Repurchase Program	—	\$ —	(2,823,750)	\$ (47)
Fractional Share Repurchase	—	—	(2,051)	0
Issuance of Common Stock ⁽²⁾	161,374,028	3,642	—	—
Net Proceeds from Share Transactions	<u>161,374,028</u>	<u>\$ 3,642</u>	<u>(2,825,801)</u>	<u>\$ (47)</u>

(1) The number of shares repurchased has been retroactively adjusted to reflect the Reverse Stock Split as discussed below.

(2) Issuance of common stock for the 2021 Merger. Shares were issued at fair value of FSK common stock at the merger date.

During the six months ended June 30, 2021, the administrator for the Company's distribution reinvestment plan, or DRP, purchased 496,660 shares of common stock in the open market at an average price per share of \$18.88 (totaling \$9) pursuant to the DRP, and distributed such shares to participants in the DRP. During the six months ended June 30, 2020, the administrator for the DRP purchased 818,573 shares of common stock in the open market at an average price per share of \$16.35 (totaling \$13) pursuant to the DRP, and distributed such shares to participants in the DRP. During the period from July 1, 2021 to August 9, 2021, the administrator for the DRP purchased 211,067 shares of common stock in the open market at an average price per share

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Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)

Note 3. Share Transactions (continued)

of \$21.58 (totaling \$5) pursuant to the DRP, and distributed such shares to participants in the DRP. For additional information regarding the terms of the DRP, see Note 5.

December 2018 Share Repurchase Program

In December 2018, the Company's board of directors authorized a stock repurchase program. Under the program, the Company was permitted to repurchase up to \$200 in the aggregate of its outstanding common stock in the open market at prices below the then-current net asset value per share.

During the three months ended June 30, 2020, the Company repurchased 588,342 shares of common stock pursuant to the share repurchase program at an average price per share (inclusive of commissions paid) of \$12.63 (totaling \$7). During the six months ended June 30, 2020, the Company repurchased 2,823,750 shares of common stock pursuant to the share repurchase program at an average price per share (inclusive of commissions paid) of \$16.71 (totaling \$47). The program has terminated since the aggregate repurchase amount that was approved by the Company's board of directors has been expended.

The number of shares repurchased and the average price per share amounts have been retroactively adjusted to reflect the Reverse Stock Split as discussed below.

Reverse Stock Split and Fractional Shares

As a result of the Reverse Stock Split, which was effective on June 15, 2020, every four shares of the Company's common stock issued and outstanding were automatically combined into one share of the Company's common stock, and the number of outstanding shares of the Company's common stock was reduced from approximately 495.0 million to approximately 123.75 million as of June 15, 2020. The Reverse Stock Split did not modify the rights or preferences of the Company's common stock. The Company also filed a separate Articles of Amendment to Articles of Incorporation with the State Department of Assessments and Taxation of the State of Maryland to provide that there would be no change in the par value of \$0.001 per share as a result of the Reverse Stock Split.

The Reverse Stock Split affected all shareholders uniformly and did not alter any shareholder's percentage interest in the Company's equity, except to the extent that the Reverse Stock Split resulted in some shareholders owning a fractional share. In that regard, no fractional shares were issued in connection with the Reverse Stock Split. Shareholders of record who would have otherwise been entitled to receive a fractional share instead received a cash payment based on the closing price of the Company's common stock as reported on the NYSE as of June 15, 2020.

Acquisition of FSKR

In accordance with the terms of the 2020 Merger Agreement, at the time of the transactions contemplated by the 2020 Merger Agreement, each outstanding share of FSKR common stock was converted into the right to receive 0.9498 shares of the Company's common stock. As a result, the Company issued an aggregate of approximately 161,374,028 shares of its common stock to former FSKR stockholders.

Note 4. Related Party Transactions

Compensation of the Investment Adviser

Pursuant to the investment advisory agreement, the Advisor is entitled to a base management fee calculated at an annual rate of 1.50% of the average weekly value of the Company's gross assets excluding cash and cash equivalents (gross assets equal the total assets of the Company as set forth on the Company's consolidated balance sheets) and an incentive fee based on the Company's performance. Effective June 15, 2019, in connection with stockholder approval of the modification of the asset coverage requirement applicable to senior securities from 200% to 150%, the Advisor reduced (by permanent waiver) the annual base management fee payable under the investment advisory agreement from 1.5% to 1.0% on all assets financed using leverage over 1.0x debt-to-equity. The base management fee is payable quarterly in arrears. All or any part of the base management fee not taken as to any quarter will be deferred without interest and may be taken in such other quarter as the Advisor determines. The prior investment advisory agreement had substantially similar terms as the investment advisory agreement, except that the investment advisory agreement amended the prior investment advisory agreement to (i) reduce the Company's income incentive

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Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)**Note 4. Related Party Transactions (continued)**

fee rate from 20% to 17.5%; and (ii) remove the total return lookback provision applicable to the subordinated incentive fee on income from the prior investment advisory agreement. Under the prior investment advisory agreement, the subordinated incentive fee on income was subject to a cap equal to (i) 20.0% of the “per share pre-incentive fee return” for the then-current and eleven preceding calendar quarters minus the cumulative “per share incentive fees” accrued and/or payable for the eleven preceding calendar quarters multiplied by (ii) the weighted average number of shares outstanding during the calendar quarter (or any portion thereof) for which the subordinated incentive fee on income was being calculated. The definitions of “per share pre-incentive fee return” and “per share incentive fees” under the prior investment advisory agreement took into account the historic per share pre-incentive fee return of both the Company and CCT, together with the historic per share incentive fees paid by both the Company and CCT. For the purpose of calculating the “per share pre-incentive fee return,” any unrealized appreciation or depreciation recognized as a result of the purchase accounting for the Company’s acquisition of CCT was excluded. See Note 2 for a discussion of the capital gains and subordinated income incentive fees that the Advisor may be entitled to under the investment advisory agreement.

In connection with the entry into the investment advisory agreement, the Advisor has agreed to waive income incentive fees in the amount of \$15 per quarter for the first six full fiscal quarters of operations following the closing of the 2021 Merger, commencing on July 1, 2021, for a total waiver of \$90. In addition, the Advisor has agreed to exclude from the calculation of the subordinated incentive fee on income and the incentive fee on capital gains any changes to the fair value recorded for the assets and liabilities of FSKR resulting solely from the new cost basis of the acquired FSKR investments determined in accordance with *Accounting Standards Codification Topic 805-50, Business Combinations—Related Issues* as a result of the Merger.

On April 9, 2018, the Company entered into an administration agreement with the Advisor, or the administration agreement. Pursuant to the administration agreement, the Advisor oversees the Company’s day-to-day operations, including the provision of general ledger accounting, fund accounting, legal services, investor relations, certain government and regulatory affairs activities, and other administrative services. The Advisor also performs, or oversees the performance of, the Company’s corporate operations and required administrative services, which includes being responsible for the financial records that the Company is required to maintain and preparing reports for the Company’s stockholders and reports filed with the U.S. Securities and Exchange Commission, or the SEC. In addition, the Advisor assists the Company in calculating its net asset value, overseeing the preparation and filing of tax returns and the printing and dissemination of reports to the Company’s stockholders, and generally overseeing the payment of the Company’s expenses and the performance of administrative and professional services rendered to the Company by others.

Pursuant to the administration agreement, the Company reimburses the Advisor for expenses necessary to perform services related to its administration and operations, including the Advisor’s allocable portion of the compensation and related expenses of certain personnel of Franklin Square Holdings, L.P., which does business as FS Investments, or FS Investments, and KKR Credit Advisors (US), LLC, or KKR Credit, providing administrative services to the Company on behalf of the Advisor. The Company reimburses the Advisor no less than quarterly for all costs and expenses incurred by the Advisor in performing its obligations and providing personnel and facilities under the administration agreement. The Advisor allocates the cost of such services to the Company based on factors such as total assets, revenues, time allocations and/or other reasonable metrics. The Company’s board of directors reviews the methodology employed in determining how the expenses are allocated to the Company and the proposed allocation of administrative expenses among the Company and certain affiliates of the Advisor. The Company’s board of directors then assesses the reasonableness of such reimbursements for expenses allocated to it based on the breadth, depth and quality of such services as compared to the estimated cost to the Company of obtaining similar services from third-party service providers known to be available. In addition, the Company’s board of directors considers whether any single third-party service provider would be capable of providing all such services at comparable cost and quality. Finally, the Company’s board of directors compares the total amount paid to the Advisor for such services as a percentage of the Company’s net assets to the same ratio as reported by other comparable BDCs.

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Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)

Note 4. Related Party Transactions (continued)

The following table describes the fees and expenses accrued under the investment advisory agreement, the prior investment advisory agreement and the administration agreement, as applicable, during the three and six months ended June 30, 2021 and 2020:

Related Party	Source Agreement	Description	Three Months Ended June 30,		Six Months Ended June 30,	
			2021	2020	2021	2020
The Advisor	Investment advisory agreement and prior investment advisory agreement	Base Management Fee ⁽¹⁾	\$ 30	\$ 26	\$ 55	\$ 56
The Advisor	Investment advisory agreement and prior investment advisory agreement	Subordinated Incentive Fee on Income ⁽²⁾	\$ 8	\$ —	\$ 8	\$ —
The Advisor	Administration agreement	Administrative Services Expenses ⁽³⁾	\$ 2	\$ 3	\$ 4	\$ 5

(1) During the six months ended June 30, 2021 and 2020, \$50 and \$60, respectively, in base management fees were paid to the Advisor. As of June 30, 2021, \$54 in base management fees were payable to the Advisor, a portion of which were fees payable by FSKR at the time of the 2021 Merger.

(2) During the six months ended June 30, 2021 and 2020, \$0 and \$0, respectively, of subordinated incentive fees on income were paid to the Advisor. As of June 30, 2021, subordinated incentive fees on income of \$29 were payable to the Advisor, a portion of which were fees payable by FSKR at the time of the 2021 Merger.

(3) During the six months ended June 30, 2021 and 2020, \$3 and \$3, respectively, of administrative services expenses related to the allocation of costs of administrative personnel for services rendered to the Company by the Advisor and the remainder related to other reimbursable expenses, including reimbursement of fees related to transactional expenses for prospective investments, such as fees and expenses associated with performing due diligence reviews of investments that do not close, often referred to as "broken deal" costs. Broken deal costs were \$0.2 for the six months ended June 30, 2021. The Company paid \$3 and \$5, respectively, in administrative services expenses to the Advisor during the six months ended June 30, 2021 and 2020.

Potential Conflicts of Interest

The members of the senior management and investment teams of the Advisor serve or may serve as officers, directors or principals of entities that operate in the same or a related line of business as the Company does, or of investment vehicles managed by the same personnel. The officers, managers and other personnel of the Advisor may serve in similar or other capacities for the investment advisers to future investment vehicles affiliated with FS Investments or KKR Credit. In serving in these multiple and other capacities, they may have obligations to other clients or investors in those entities, the fulfillment of which may not be in the Company's best interests or in the best interest of the Company's stockholders. The Company's investment objectives may overlap with the investment objectives of such investment funds, accounts or other investment vehicles. For additional information regarding potential conflicts of interest, see the Company's annual report on Form 10-K for the year ended December 31, 2020.

Exemptive Relief

As a BDC, the Company is subject to certain regulatory restrictions in making its investments. For example, BDCs generally are not permitted to co-invest with certain affiliated entities in transactions originated by the BDC or its affiliates in the absence of an exemptive order from the SEC. However, BDCs are permitted to, and may, simultaneously co-invest in transactions where price is the only negotiated term.

In an order dated June 4, 2013, or the FS Order, the SEC granted exemptive relief permitting the Company, subject to the satisfaction of certain conditions, to co-invest in certain privately negotiated investment transactions with certain affiliates of its former investment adviser, including FS Energy and Power Fund and any future BDCs that are advised by its former investment adviser or its affiliated investment advisers. However, in connection with the investment advisory relationship with the Advisor, and in an effort to mitigate potential future conflicts of interest, the Company's board of directors authorized and directed that the Company (i) withdraw from the FS Order, except with respect to any transaction in which the Company participated in reliance on the FS Order prior to April 9, 2018, and (ii) rely on an exemptive relief order, dated January 5, 2021, that permits the

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Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)**Note 4. Related Party Transactions (continued)**

Company, subject to the satisfaction of certain conditions, to co-invest in certain privately negotiated investment transactions, including investments originated and directly negotiated by the Advisor or KKR Credit, with certain affiliates of the Advisor.

Affiliated Purchaser Program

As previously disclosed, certain affiliates of the owners of the Advisor committed \$100 to a \$350 investment vehicle that may invest from time to time in shares of the Company's common stock. The Company is not a party to any transaction with the investment vehicle.

Note 5. Distributions

The following table reflects the cash distributions per share that the Company has declared on its common stock during the six months ended June 30, 2021 and 2020:

For the Three Months Ended	Distribution	
	Per Share ⁽¹⁾	Amount
Fiscal 2020		
March 31, 2020	\$ 0.76000	\$ 95
June 30, 2020	0.60000	75
Total	<u>\$ 1.36000</u>	<u>\$ 170</u>
Fiscal 2021		
March 31, 2021	\$ 0.60000	\$ 74
June 30, 2021	0.60000	75
Total	<u>\$ 1.20000</u>	<u>\$ 149</u>

(1) The amount of each per share distribution has been retroactively adjusted to reflect the Reverse Stock Split as discussed above in Note 3.

On August 6, 2021, the Company's board of directors declared a regular quarterly cash distribution of \$0.65 per share, which will be paid on or about October 4, 2021 to stockholders of record as of the close of business on September 15, 2021. The timing and amount of any future distributions to stockholders are subject to applicable legal restrictions and the sole discretion of the Company's board of directors.

Pursuant to the DRP, the Company will reinvest all cash dividends or distributions declared by the Company's board of directors on behalf of stockholders who do not elect to receive their distributions in cash. As a result, if the Company's board of directors declares a distribution, then stockholders who have not elected to "opt out" of the DRP will have their distributions automatically reinvested in additional shares of the Company's common stock.

With respect to each distribution pursuant to the DRP, the Company reserves the right to either issue new shares of common stock or purchase shares of common stock in the open market in connection with implementation of the DRP. Unless the Company, in its sole discretion, otherwise directs the plan administrator, (A) if the per share market price (as defined in the DRP) is equal to or greater than the estimated net asset value per share (rounded up to the nearest whole cent) of the Company's common stock on the payment date for the distribution, then the Company will issue shares of common stock at the greater of (i) net asset value per share of common stock or (ii) 95% of the market price; or (B) if the market price is less than the net asset value per share, then, in the sole discretion of the Company, (i) shares of common stock will be purchased in open market transactions for the accounts of participants to the extent practicable, or (ii) the Company will issue shares of common stock at net asset value per share. Pursuant to the terms of the DRP, the number of shares of common stock to be issued to a participant will be determined by dividing the total dollar amount of the distribution payable to a participant by the price per share at which the Company issues such shares; provided, however, that shares purchased in open market transactions by the plan administrator will be allocated to a participant based on the average purchase price, excluding any brokerage charges or other charges, of all shares of common stock purchased in the open market.

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Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)

Note 5. Distributions (continued)

If a stockholder receives distributions in the form of common stock pursuant to the DRP, such stockholder generally will be subject to the same federal, state and local tax consequences as if it elected to receive distributions in cash. If the Company's common stock is trading at or below net asset value, a stockholder receiving distributions in the form of additional common stock will be treated as receiving a distribution in the amount of cash that they would have received if they had elected to receive the distribution in cash. If the Company's common stock is trading above net asset value, a stockholder receiving distributions in the form of additional common stock will be treated as receiving a distribution in the amount of the fair market value of the Company's common stock. The stockholder's basis for determining gain or loss upon the sale of common stock received in a distribution will be equal to the total dollar amount of the distribution payable to the stockholder. Any stock received in a distribution will have a holding period for tax purposes commencing on the day following the day on which the shares of common stock are credited to the stockholder's account.

The Company may fund its cash distributions to stockholders from any sources of funds legally available to it, including proceeds from the sale of shares of the Company's common stock, borrowings, net investment income from operations, capital gains proceeds from the sale of assets, non-capital gains proceeds from the sale of assets, and dividends or other distributions paid to the Company on account of preferred and common equity investments in portfolio companies. The Company has not established limits on the amount of funds it may use from available sources to make distributions. During certain periods, the Company's distributions may exceed its earnings. As a result, it is possible that a portion of the distributions the Company makes may represent a return of capital. A return of capital generally is a return of a stockholder's investment rather than a return of earnings or gains derived from the Company's investment activities. Each year a statement on Form 1099-DIV identifying the sources of the distributions (i.e., paid from ordinary income, paid from net capital gains on the sale of securities, and/or a return of capital, which is a nontaxable distribution) will be mailed to the Company's stockholders. There can be no assurance that the Company will be able to pay distributions at a specific rate or at all.

The following table reflects the sources of the cash distributions on a tax basis that the Company has paid on its common stock during the six months ended June 30, 2021 and 2020:

Source of Distribution	Six Months Ended June 30,			
	2021		2020	
	Distribution Amount	Percentage	Distribution Amount	Percentage
Return of capital	\$ —	—	\$ —	—
Net investment income ⁽¹⁾	149	100%	170	100%
Short-term capital gains proceeds from the sale of assets	—	—	—	—
Long-term capital gains proceeds from the sale of assets	—	—	—	—
Total	\$ 149	100%	\$ 170	100%

(1) During the six months ended June 30, 2021 and 2020, 87.4% and 88.8%, respectively, of the Company's gross investment income was attributable to cash income earned, 2.8% and 1.8%, respectively, was attributable to non-cash accretion of discount and 9.8% and 9.4%, respectively, was attributable to PIK interest.

The determination of the tax attributes of the Company's distributions is made annually as of the end of the Company's fiscal year based upon the Company's taxable income for the full year and distributions paid for the full year. Therefore, a determination made on a quarterly basis may not be representative of the actual tax attributes of the Company's distributions for a full year. The actual tax characteristics of distributions to stockholders are reported to stockholders annually on Form 1099-DIV.

Net capital losses may be carried forward indefinitely, and their character is retained as short-term or long-term losses. As of June 30, 2021, the Company had short-term and long-term capital loss carryforwards available to offset future realized capital gains of \$101 and \$1,940, respectively. \$85 of such losses were carried over from CCT due to the Company's acquisition of CCT, or the 2018 Merger, \$1,212 were carried over from FSKR due to the 2021 Merger, and \$177 of such losses were carried over from losses generated by the Company prior to the 2018 Merger. Because of the loss limitation rules of the Code, some of the tax basis losses may be limited in their use. Any unused balances resulting from such limitations may be carried forward into future years indefinitely.

FS KKR Capital Corp.
Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)
Note 5. Distributions (continued)

As of June 30, 2021 and December 31, 2020, the Company's gross unrealized appreciation on a tax basis was \$1,768 and \$1,121, respectively. As of June 30, 2021 and December 31, 2020, the Company's gross unrealized depreciation on a tax basis was \$1,885 and \$1,280, respectively.

The aggregate cost of the Company's investments for U.S. federal income tax purposes totaled \$15,566 and \$7,622 as of June 30, 2021 and December 31, 2020, respectively. The aggregate net unrealized appreciation (depreciation) on investments on a tax basis was \$(832) and \$(842) as of June 30, 2021 and December 31, 2020, respectively. The aggregate net unrealized appreciation (depreciation) on investments on a tax basis excludes net unrealized appreciation (depreciation) from merger accounting, foreign currency forward contracts and foreign currency transactions.

As of June 30, 2021, the Company had a deferred tax liability of \$7 resulting from unrealized appreciation on investments held by the Company's wholly-owned taxable subsidiaries and a deferred tax asset of \$69 resulting from net operating losses, capital losses, and interest expense limitation carryforwards of the Company's wholly-owned taxable subsidiaries and unrealized depreciation on investments held by the Company's wholly-owned taxable subsidiaries. As of June 30, 2021, certain wholly-owned taxable subsidiaries anticipated that they would be unable to fully utilize their generated net operating losses and capital losses, therefore the deferred tax asset was offset by a valuation allowance of \$62. For the six months ended June 30, 2021, the Company did not record a provision for taxes related to wholly-owned taxable subsidiaries.

Note 6. Investment Portfolio

The following table summarizes the composition of the Company's investment portfolio at cost and fair value as of June 30, 2021 and December 31, 2020:

	June 30, 2021 (Unaudited)			December 31, 2020		
	Amortized Cost ⁽¹⁾	Fair Value	Percentage of Portfolio	Amortized Cost ⁽¹⁾	Fair Value	Percentage of Portfolio
Senior Secured Loans—First Lien	\$ 8,091	\$ 8,316	56.4%	\$ 3,597	\$3,449	50.9%
Senior Secured Loans—Second Lien	1,797	1,827	12.4%	1,035	880	13.0%
Other Senior Secured Debt	193	186	1.3%	127	86	1.3%
Subordinated Debt	168	99	0.7%	243	171	2.5%
Asset Based Finance	1,900	1,905	12.9%	1,025	951	14.0%
Credit Opportunities Partners JV, LLC	1,397	1,396	9.5%	810	713	10.5%
Equity/Other	946	1,005	6.8%	616	530	7.8%
Total	<u>\$ 14,492</u>	<u>\$14,734</u>	<u>100.0%</u>	<u>\$ 7,453</u>	<u>\$6,780</u>	<u>100.0%</u>

(1) Amortized cost represents the original cost adjusted for the amortization of premiums and/or accretion of discounts, as applicable, on investments.

In general, under the 1940 Act, the Company would be presumed to "control" a portfolio company if it owned more than 25% of its voting securities or it had the power to exercise control over the management or policies of such portfolio company, and would be an "affiliated person" of a portfolio company if it owned 5% or more of its voting securities.

As of June 30, 2021, the Company held investments in fourteen portfolio companies of which it is deemed to "control." As of June 30, 2021, the Company held investments in sixteen portfolio companies of which it is deemed to be an "affiliated person" but is not deemed to "control." For additional information with respect to such portfolio companies, see footnotes (ac) and (ad) to the unaudited consolidated schedule of investments as of June 30, 2021 in this quarterly report on Form 10-Q.

As of December 31, 2020, the Company held investments in ten portfolio companies of which it is deemed to "control." As of December 31, 2020, the Company held investments in thirteen portfolio companies of which it is deemed to be an "affiliated person" but is not deemed to "control." For additional information with respect to such portfolio companies, see footnotes (y) and (z) to the consolidated schedule of investments as of December 31, 2020 in this quarterly report on Form 10-Q.

FS KKR Capital Corp.
Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)
Note 6. Investment Portfolio (continued)

The Company's investment portfolio may contain loans and other unfunded arrangements that are in the form of lines of credit, revolving credit facilities, delayed draw credit facilities or other investments, which require the Company to provide funding when requested by portfolio companies in accordance with the terms of the underlying agreements. As of June 30, 2021, the Company had unfunded debt investments with aggregate unfunded commitments of \$951.2, unfunded equity/other commitments of \$454.7 and unfunded commitments of \$350.2 to Credit Opportunities Partners JV, LLC. As of December 31, 2020, the Company had unfunded debt investments with aggregate unfunded commitments of \$228.4, unfunded equity commitments of \$142.9 and unfunded commitments of \$65.8 to Credit Opportunities Partners JV, LLC. The Company maintains sufficient cash on hand and available borrowings to fund such unfunded commitments should the need arise. For additional details regarding the Company's unfunded debt investments, see the Company's unaudited consolidated schedule of investments as of June 30, 2021 and the Company's audited consolidated schedule of investments as of December 31, 2020.

The table below describes investments by industry classification and enumerates the percentage, by fair value, of the total portfolio assets in such industries as of June 30, 2021 and December 31, 2020:

Industry Classification	June 30, 2021 (Unaudited)		December 31, 2020	
	Fair Value	Percentage of Portfolio	Fair Value	Percentage of Portfolio
Automobiles & Components	\$ 165	1.1%	\$ 104	1.5%
Banks	14	0.1%	14	0.2%
Capital Goods	2,010	13.6%	799	11.8%
Commercial & Professional Services	1,159	7.9%	564	8.3%
Consumer Durables & Apparel	624	4.2%	385	5.7%
Consumer Services	383	2.6%	145	2.1%
Diversified Financials	895	6.1%	467	6.9%
Energy	259	1.7%	107	1.6%
Food & Staples Retailing	365	2.5%	221	3.3%
Food, Beverage & Tobacco	262	1.8%	106	1.6%
Health Care Equipment & Services	1,316	8.9%	604	8.9%
Household & Personal Products	324	2.2%	190	2.8%
Insurance	569	3.9%	208	3.1%
Materials	205	1.4%	147	2.2%
Media & Entertainment	328	2.2%	36	0.5%
Pharmaceuticals, Biotechnology & Life Sciences	247	1.7%	34	0.5%
Real Estate	996	6.8%	555	8.2%
Retailing	245	1.7%	344	5.1%
Software & Services	2,326	15.8%	770	11.3%
Credit Opportunities Partners JV, LLC	1,396	9.5%	713	10.5%
Technology Hardware & Equipment	108	0.7%	15	0.2%
Telecommunication Services	184	1.2%	71	1.0%
Transportation	354	2.4%	181	2.7%
Total	<u>\$14,734</u>	<u>100.0%</u>	<u>\$6,780</u>	<u>100.0%</u>

Credit Opportunities Partners JV, LLC

Credit Opportunities Partners JV, LLC (formerly known as Strategic Credit Opportunities Partners, LLC), or COPJV, is a joint venture between the Company and South Carolina Retirement Systems Group Trust, or SCRS. SCRS purchased its interests in COPJV from Conway Capital, LLC, an affiliate of Guggenheim Life and Annuity Company and Delaware Life Insurance Company, in June 2019, which had no impact on the significant terms governing COPJV other than an increase in the aggregate capital commitment (but not the percentage of the aggregate capital committed by each member) to COPJV. Effective as of

FS KKR Capital Corp.**Notes to Unaudited Consolidated Financial Statements (continued)**
(in millions, except share and per share amounts)**Note 6. Investment Portfolio (continued)**

June 18, 2021, Credit Opportunities Partners, LLC, or COP, merged with and into COPJV, with COPJV surviving the merger, or the COPJV Merger. As of June 18, 2021, COPJV assumed all of COP's obligations, including any obligations under the credit facilities of COP's wholly-owned special purpose financing subsidiaries, and such subsidiaries became wholly-owned special purpose financing subsidiaries of COPJV, in ease case, as a result of the consummation of the COPJV Merger. COPJV's second amended and restated limited liability company agreement, or the COPJV Agreement, requires the Company and SCRS to provide capital to COPJV of up to \$2,000 in the aggregate where the Company and SCRS would provide 87.5% and 12.5%, respectively, of the committed capital. Pursuant to the terms of the COPJV Agreement, the Company and SCRS each have 50% voting control of COPJV and are required to agree on all investment decisions as well as certain other significant actions for COPJV. COPJV invests its capital in a range of investments, including senior secured loans (both first lien and second lien) to middle market companies, broadly syndicated loans, equity, warrants and other investments. As administrative agent of COPJV, the Company performs certain day-to-day management responsibilities on behalf of COPJV and is entitled to a fee of 0.25% of COPJV's assets under administration, calculated and payable quarterly in arrears. As of June 30, 2021, the Company and SCRS have funded approximately \$1,599.8 to COPJV, of which \$1,399.8 was from the Company.

Jersey City Funding LLC, or Jersey City Funding, a wholly-owned subsidiary of COPJV, has a revolving credit facility with Goldman Sachs Bank, or as amended, the Jersey City Funding Credit Facility, which provides for up to \$350 of borrowings as of June 30, 2021. The Jersey City Funding Credit Facility provides loans in U.S. dollars, Australian dollars, Canadian dollars, Euros and pounds sterling. U.S. dollar loans bear interest at the rate of LIBOR (subject to a 0% floor) plus 2.25%. Foreign currency loans bear interest at the applicable floating rate (subject to a 0% floor) plus the spread applicable to the specified currency. Jersey City Funding also pays a commitment fee of up to 0.50% on undrawn commitments. The Jersey City Funding Credit Facility matures on September 29, 2021. As of June 30, 2021, total outstanding borrowings under the Jersey City Funding Credit Facility were \$195.0. Borrowings under the Jersey City Funding Credit Facility are secured by substantially all of the assets of Jersey City Funding.

Chestnut Street Funding LLC, or Chestnut Street Funding, a wholly-owned subsidiary of COPJV, has a revolving credit facility with Citibank, N.A., or as amended, the Chestnut Street Funding Credit Facility, which provides for up to \$400 of borrowings as of June 30, 2021. The Chestnut Street Funding Credit Facility provides loans in U.S. dollars, Australian dollars, Canadian dollars, Euros and pounds sterling. U.S. dollar loans bear interest at the rate of three-month LIBOR (subject to a 0% floor) plus 2.25%. Foreign currency loans bear interest at the applicable floating rate (subject to a 0% floor) plus 2.25%. Chestnut Street Funding also pays a commitment fee of up to 0.50% on undrawn commitments. The Chestnut Street Funding Credit Facility matures on September 18, 2024. As of June 30, 2021, total outstanding borrowings under the Chestnut Street Funding Credit Facility were \$182.7. Borrowings under the Chestnut Street Funding Credit Facility are secured by substantially all of the assets of Chestnut Street Funding.

Boxwood Drive Funding LLC, or Boxwood Drive Funding, a wholly-owned subsidiary of COPJV, has a revolving credit facility with BNP Paribas, or as amended, the Boxwood Drive Funding Credit Facility, which provides for up to \$300 of borrowings as of June 30, 2021. The Boxwood Drive Funding Credit Facility provides for loans in U.S. dollars, Australian dollars, Canadian dollars, New Zealand dollars, Euros and pounds sterling. U.S. dollar loans bear interest at the rate of LIBOR (subject to a 0% floor) plus a spread of 2.05% to 3.15% during the reinvestment period and 2.50% to 3.25% thereafter. Foreign currency loans bear interest at the applicable floating rate (subject to a 0% floor) plus the spread applicable to the specified currency. Boxwood Drive Funding also pays a commitment fee of up to 1.00% on undrawn commitments. The Boxwood Drive Funding Credit Facility matures on April 15, 2025. As of June 30, 2021, total outstanding borrowings under the Boxwood Drive Funding Credit Facility were \$29.0. Borrowings under the Boxwood Drive Funding Credit Facility are secured by substantially all of the assets of Boxwood Drive Funding.

Big Cedar Creek LLC, or Big Cedar Creek Funding, a wholly-owned subsidiary of COPJV, has a revolving credit facility with BNP Paribas, or as amended, the Big Cedar Creek Funding Credit Facility, which provides for up to \$300 of borrowings as of June 30, 2021. The Big Cedar Creek Funding Credit Facility provides loans in U.S. dollars, Australian dollars, Canadian dollars, New Zealand dollars, Euros and pounds sterling. U.S. dollar loans bear interest at the rate of LIBOR (subject to a 0% floor) plus a spread of 1.85% to 2.55% during the reinvestment period and 2.00% to 2.65% thereafter. Foreign currency loans bear interest at the applicable floating rate (subject to a 0% floor) plus a spread of 1.85% to 2.55% during the reinvestment period

FS KKR Capital Corp.

Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)**Note 6. Investment Portfolio (continued)**

and 2.00% to 2.65% thereafter. Big Cedar Creek Funding also pays a commitment fee of up to 1.00% on undrawn commitments. The Big Cedar Creek Funding Credit Facility matures on March 11, 2025. As of June 30, 2021, total outstanding borrowings under the Big Cedar Creek Funding Credit Facility were \$94.3. Borrowings under the Big Cedar Creek Funding Credit Facility are secured by substantially all of the assets of Big Cedar Creek.

Green Creek LLC, or Green Creek Funding, a wholly-owned subsidiary of COPJV, has a revolving credit facility with Goldman Sachs Bank, or as amended, the Green Creek Funding Credit Facility, which provides for up to \$500 of borrowings as of June 30, 2021. The Green Creek Credit Facility provides for loans in U.S. dollars, Canadian dollars, Euros and pounds sterling. U.S. dollar loans bear interest at the rate of three-month LIBOR (subject to a 0% floor) plus 3.30%. Foreign currency loans bear interest at the rate of the applicable floating rate (subject to a 0% floor) plus the spread applicable to the specified currency. Green Creek Funding also pays a commitment fee of up to 3.30% on undrawn commitments. The Green Creek Funding Credit Facility matures on January 30, 2022. As of June 30, 2021, total outstanding borrowings under the Green Creek Funding Credit Facility were \$420.3. Borrowings under the Green Creek Funding Credit Facility are secured by substantially all of the assets of Green Creek Funding.

On March 31, 2021, COPJV sold in a private placement \$300 million of aggregate principal amount of unsecured notes, or the COPJV Notes, to qualified institutional buyers in reliance on Section 4(a)(2) of the Securities Act. Interest of the COPJV Notes is payable quarterly on the 1st of each of January, April, July and October, at a fixed annual rate of 4.25%, commencing July 1, 2021. This interest rate is subject to increase up to 4.75% in the event that the COPJV Notes cease to be rated investment grade, and the COPJV Notes will be subject to an additional 2.0% of default interest during the continuance of an event of default. The COPJV Notes mature on April 1, 2026, unless redeemed, purchased or prepaid prior to such date by COPJV in accordance with their terms. The COPJV Notes are general unsecured obligations that rank pari passu with all outstanding and future unsecured and unsubordinated indebtedness that COPJV may issue. COPJV used the net proceeds from the private placement for general corporate purposes, including to make investments, repay existing debt and make permitted distributions.

COPJV was in compliance with all covenants required by its financing arrangements as of June 30, 2021 and December 31, 2020.

During the six months ended June 30, 2021, the Company sold investments with a cost of \$237.6 for proceeds of \$251.0 to COPJV and recognized a net realized gain (loss) of \$13.4 in connection with the transactions. As of June 30, 2021, \$317.7 of these sales to COPJV are included in receivable for investments sold in the consolidated statements of assets and liabilities.

As of June 30, 2021 and December 31, 2020, COPJV had total investments with a fair value of \$2,852.3 and \$1,544.3, respectively. As of June 30, 2021 and December 31, 2020, COPJV had two and two investments on non-accrual status, respectively.

Below is a summary of COPJV's portfolio, followed by a listing of the individual loans in COPJV's portfolio as of June 30, 2021 and December 31, 2020:

	As of	
	June 30, 2021	December 31, 2020
Total debt investments ⁽¹⁾	\$2,592.3	\$ 1,436.3
Weighted average current interest rate on debt investments ⁽²⁾	8.9%	8.6%
Number of portfolio companies in COPJV	85	66
Largest investment in a single portfolio company ⁽¹⁾	\$ 130.9	\$ 72.6
Unfunded commitments ⁽¹⁾	\$ 31.1	\$ 21.6

(1) At cost.

(2) Computed as the (a) annual stated interest rate on accruing debt, divided by (b) total debt at par amount.

FS KKR Capital Corp.

Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)

Note 6. Investment Portfolio (continued)

Credit Opportunities Partners JV, LLC Portfolio
As of June 30, 2021 (in millions)
(Unaudited)

Company ^(a)	Footnotes	Industry	Interest Rate ^(b)	Base Rate Floor ^(b)	Maturity Date	No. Shares/ Principal Amount ^(c)	Cost	Fair Value ^(d)
Senior Secured Loans—First Lien—								
108.8%								
A10 Capital LLC	(e)(j)(n)	Diversified Financials	L+650	1.0%	5/1/23	\$ 17.5	\$17.3	\$ 17.7
ABB CONCISE Optical Group LLC	(j)(k)	Retailing	L+500	1.0%	6/15/23	15.5	13.3	15.0
			L+550, 2.5% PIK (2.5%)					
Alstom SA	(k)	Transportation	Max PIK)	1.0%	8/29/23	6.1	5.0	5.1
Ammeraal Beltech Holding BV	(h)(k)	Capital Goods	E+375	0.0%	7/30/25	€ 4.8	4.6	5.6
Apex Group Limited	(e)(n)	Diversified Financials	L+700	1.3%	6/15/23	\$ 1.0	1.0	1.0
Apex Group Limited	(e)(f)	Diversified Financials	L+700	1.3%	6/15/23	1.0	1.0	1.0
Apex Group Limited	(e)(j)(k)(n)	Diversified Financials	L+700	1.3%	6/16/25	95.6	95.5	96.6
Apex Group Limited	(e)(k)	Diversified Financials	L+700	1.5%	6/16/25	£ 21.9	28.7	30.5
			E+544, 2.3% PIK (2.3%)					
Ardonagh Group Ltd	(e)(i)	Insurance	Max PIK)	1.0%	7/14/26	€ 0.5	0.5	0.6
			L+544, 2.3% PIK (2.3%)					
Ardonagh Group Ltd	(e)(i)	Insurance	Max PIK)	0.8%	7/14/26	£ 3.7	4.6	5.4
		Pharmaceuticals, Biotechnology & Life						
Arrotex Australia Group Pty Ltd	(e)(f)	Sciences	B+525	1.0%	7/10/24	A\$ 8.0	5.7	5.7
		Pharmaceuticals, Biotechnology & Life						
Arrotex Australia Group Pty Ltd	(e)(j)(k)(n)	Sciences	B+525	1.0%	7/10/24	109.4	73.6	82.0
		Technology Hardware &						
BearCom Acquisition Corp	(e)(f)	Equipment	C+550	1.0%	1/5/24	C\$ 1.3	1.0	1.0
		Technology Hardware &						
BearCom Acquisition Corp	(e)(j)	Equipment	C+550	1.0%	7/5/24	14.5	10.5	11.1
		Technology Hardware &						
BearCom Acquisition Corp	(e)(j)	Equipment	L+600	1.0%	7/5/24	\$ 2.2	2.2	2.1

FS KKR Capital Corp.
Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)
Note 6. Investment Portfolio (continued)

<u>Company^(a)</u>	<u>Footnotes</u>	<u>Industry</u>	<u>Interest Rate^(b)</u>	<u>Base Rate Floor^(b)</u>	<u>Maturity Date</u>	<u>No. Shares/ Principal Amount^(c)</u>	<u>Cost</u>	<u>Fair Value^(d)</u>
Belk Inc		Retailing	L+750	1.0%	7/31/25	\$ 0.6	\$ 0.6	\$ 0.6
			10.0%, 0.0%					
Belk Inc	(g)(o)	Retailing	PIK (8.0% Max PIK)		7/31/25	2.8	1.4	2.1
			E+850 PIK (E+850 Max PIK)					
Big Bus Tours Ltd	(e)(j)	Consumer Services	L+850 PIK	1.0%	3/15/24	€ 11.0	12.3	7.8
			(L+850 Max PIK)					
Big Bus Tours Ltd	(e)(j)	Consumer Services	PIK	1.0%	3/15/24	\$ 15.6	15.6	9.3
		Consumer Durables & Apparel	E+700, 0.0% PIK (7.8% Max PIK)					
Bugaboo International BV	(e)(h)(n)	Apparel	Max PIK)	0.0%	3/20/25	€ 38.1	44.4	45.2
Cambium Learning Group Inc	(i)(j)(k)	Consumer Services	L+450	0.8%	12/18/25	\$ 80.1	77.5	80.6
Catapult Learning LLC	(i)(j)	Consumer Services	L+453	1.0%	4/24/23	39.0	38.7	39.2
Catapult Learning LLC	(e)(f)	Consumer Services	L+453	1.0%	4/24/23	1.2	1.2	1.2
Catapult Learning LLC	(e)(f)	Consumer Services	L+475	1.0%	4/24/23	4.4	4.4	4.4
Catapult Learning LLC	(e)(j)(n)	Consumer Services	L+850	1.0%	4/24/23	14.8	14.7	14.9
Catapult Learning LLC		Consumer Services	L+850	1.0%	4/24/23	0.4	0.4	0.4
		Diversified						
Charles Taylor PLC	(e)(h)(i)	Financials	L+575	0.0%	1/24/27	£ 47.6	62.0	65.6
Child Development Schools Inc	(e)(j)	Consumer Services	L+425	1.0%	5/21/23	\$ 8.4	8.4	8.4
Child Development Schools Inc	(e)(f)	Consumer Services	L+425	1.0%	5/21/23	2.5	2.5	2.5
CSafe Global	(e)(k)	Capital Goods	L+625	1.0%	12/23/27	24.9	24.8	25.2
		Software & Services						
Datatel Inc	(h)	Services	L+375	0.8%	10/7/27	2.4	2.4	2.4
Distribution International Inc	(k)	Retailing	L+575	1.0%	12/15/23	13.9	12.1	13.4
		Food, Beverage & Tobacco						
Eagle Family Foods Inc	(e)(h)	Tobacco	L+650	1.0%	6/14/24	7.5	7.5	7.5
Eagleclaw Midstream Ventures LLC	(k)	Energy	L+425	1.0%	6/24/24	11.2	10.6	11.1

FS KKR Capital Corp.
Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)
Note 6. Investment Portfolio (continued)

Company ^(a)	Footnotes	Industry	Interest Rate ^(b)	Base Rate Floor ^(b)	Maturity Date	No. Shares/ Principal Amount ^(c)	Cost	Fair Value ^(d)
EIF Van Hook Holdings LLC	(k)	Energy	L+525	0.0%	9/5/24	\$ 6.6	\$ 6.4	\$ 6.1
			L+575, 2.5%					
Entertainment Benefits Group LLC	(e)(k)	Media & Entertainment	PIK (2.5% Max PIK)	1.0%	9/30/25	2.6	2.5	2.3
FloWorks International LLC	(e)(h)(k)	Capital Goods	L+650	1.0%	10/14/26	24.9	24.6	24.4
		Software & Services						
Frontline Technologies Group LLC	(e)(i)	Diversified	L+575	1.0%	9/18/23	19.8	19.9	20.0
Greystone Equity Member Corp	(e)	Financials	L+725	3.8%	4/1/26	30.2	30.0	30.2
		Health Care						
HealthChannels LLC	(j)	Equipment & Services	L+450	0.0%	4/3/25	21.9	21.7	21.1
			E+500, 2.3%					
ID Verde	(e)(h)(n)	Commercial & Professional Services	PIK (2.3% Max PIK)	0.0%	3/29/24	€ 34.0	40.3	40.4
			L+525, 2.3%					
ID Verde	(e)(h)(n)	Commercial & Professional Services	PIK (2.3% Max PIK)	0.0%	3/29/24	£ 1.4	1.9	2.0
			L+525, 2.3%					
ID Verde	(e)(h)(i)	Commercial & Professional Services	PIK (2.3% Max PIK)	0.0%	3/29/24	4.6	6.3	6.4
			E+500, 2.3%					
ID Verde	(e)(h)(n)	Commercial & Professional Services	PIK (2.3% Max PIK)	0.0%	3/29/25	€ 17.7	20.7	20.9
			L+525, 2.3%					
ID Verde	(e)(h)(n)	Commercial & Professional Services	PIK (2.3% Max PIK)	0.0%	3/29/25	£ 6.5	8.6	8.9
		Pharmaceuticals, Biotechnology & Life Sciences						
Industria Chimica Emiliana Srl	(e)(j)(k)(n)	Sciences	E+725	0.0%	6/30/26	€ 113.9	124.8	139.9
KBP Investments LLC	(e)(h)	Food & Staples Retailing	L+500	0.8%	5/26/27	\$ 14.8	14.8	14.6
		Commercial & Professional Services						
Kellermeyer Bergensons Services LLC	(e)(i)(j)	Food, Beverage & Tobacco	L+650	1.0%	11/7/26	29.6	28.2	29.9
Kettle Cuisine LLC	(j)	Commercial & Professional Services	L+375	1.0%	8/25/25	16.5	16.5	15.7
Lexitas Inc	(e)(h)	Services	L+600	1.0%	11/14/25	18.8	18.7	19.0

FS KKR Capital Corp.
Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)
Note 6. Investment Portfolio (continued)

Company ^(a)	Footnotes	Industry	Interest Rate ^(b)	Base Rate Floor ^(b)	Maturity Date	No. Shares/ Principal Amount ^(c)	Cost	Fair Value ^(d)
Lionbridge Technologies Inc	(e)(i)(j)	Consumer Services	L+700	1.0%	12/29/25	\$ 29.0	\$28.3	\$ 29.1
Lipari Foods LLC	(e)(k)	Food & Staples Retailing	L+575	1.0%	1/6/25	65.8	65.7	66.5
Monitronics International Inc	(h)(k)	Commercial & Professional Services	L+500	1.5%	7/3/24	33.5	30.5	33.8
Ontic Engineering & Manufacturing Inc	(h)	Capital Goods	L+400	0.0%	10/30/26	2.2	1.9	2.2
Parts Town LLC	(e)(k)(n)	Retailing	L+550	1.0%	10/15/25	49.3	49.0	48.0
Parts Town LLC	(e)(f)	Retailing	L+550	1.0%	10/15/25	6.4	6.4	6.3
Precision Global Corp	(e)(j)	Materials	L+475	1.0%	8/3/24	9.0	8.7	8.6
Premium Credit Ltd	(e)(h)(i)	Diversified Financials	L+650	0.0%	1/16/26	£ 51.2	66.2	70.8
Project Marron	(e)(j)	Consumer Services	C+575	0.0%	7/2/25	C\$ 23.8	18.0	18.3
Project Marron	(e)(j)	Consumer Services	B+575	0.0%	7/2/25	A\$ 30.3	20.5	21.6
Qdoba Restaurant Corp	(k)(n)	Consumer Services	L+700	1.0%	3/21/25	\$ 3.5	3.2	3.5
Reliant Rehab Hospital Cincinnati LLC	(e)(j)	Health Care Equipment & Services	L+675	0.0%	9/2/24	19.8	19.2	19.6
Revere Superior Holdings Inc	(e)(k)	Software & Services	L+575	1.0%	9/30/26	19.9	19.9	20.0
RSC Insurance Brokerage Inc	(e)(k)	Insurance	L+550	1.0%	10/30/26	19.1	19.1	19.3
Safe-Guard Products International LLC	(e)(j)	Diversified Financials	L+500	0.5%	1/27/27	18.9	18.9	19.1
Sequa Corp	(h)(j)(k)	Capital Goods	L+675, 0.0% PIK (1.0% Max PIK)	1.0%	11/28/23	45.4	43.5	45.9
Smart & Final Stores LLC	(h)(i)(k)	Food & Staples Retailing	L+675	0.0%	6/20/25	42.9	40.5	43.1
Staples Canada	(e)(h)(i)(k)(n)	Retailing	C+700	1.0%	9/12/24	C\$ 94.0	71.7	75.8
Technimark LLC	(j)	Materials	L+350	0.0%	8/8/25	\$ 18.3	18.2	18.2

FS KKR Capital Corp.
Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)
Note 6. Investment Portfolio (continued)

Company ^(a)	Footnotes	Industry	Interest Rate ^(b)	Base Rate Floor ^(b)	Maturity Date	No. Shares/ Principal Amount ^(c)	Cost	Fair Value ^(d)
Total Safety US Inc	(h)(i)	Capital Goods	L+600	1.0%	8/16/25	\$ 11.2	\$ 9.5	\$ 11.3
Trace3 Inc	(e)(k)	Software & Services	L+675	1.0%	8/3/24	32.8	32.6	32.8
Transaction Services Group Ltd	(e)(j)(k)(n)	Software & Services	B+600	0.0%	10/15/26	A\$ 162.0	110.8	118.9
WireCo WorldGroup Inc	(k)	Capital Goods	L+500	1.0%	9/29/23	\$ 0.1	0.1	0.1
Yak Access LLC	(n)	Capital Goods	L+500	0.0%	7/11/25	0.8	0.6	0.8
Total Senior Secured Loans—First Lien							1,694.9	1,757.6
Unfunded Loan Commitments							(22.6)	(22.6)
Net Senior Secured Loans—First Lien							<u>1,672.3</u>	<u>1,735.0</u>
Senior Secured Loans—Second Lien—33.3%								
Access CIG LLC	(h)(i)	Commercial & Professional Services	L+775	0.0%	2/27/26	2.5	2.2	2.5
Ammeraal Beltech Holding BV	(e)(k)(n)	Capital Goods	L+800	1.0%	9/12/26	93.0	90.9	91.1
BCA Marketplace PLC	(e)(k)(n)	Retailing	L+825	0.0%	11/22/27	£ 72.1	94.0	100.6
EaglePicher Technologies LLC	(h)	Capital Goods	L+725	0.0%	3/8/26	\$ 0.4	0.4	0.4
Excelitas Technologies Corp	(h)(i)	Technology Hardware & Equipment	L+750	1.0%	12/1/25	16.0	12.8	16.0
Misys Ltd	(h)(i)(k)	Software & Services	L+725	1.0%	6/13/25	41.2	38.5	41.7
Paradigm Acquisition Corp	(k)	Health Care Equipment & Services	L+750	0.0%	10/26/26	0.2	0.2	0.2
Pure Fishing Inc	(e)(k)	Consumer Durables & Apparel	L+838	1.0%	12/31/26	46.8	41.7	46.8
Resource Label Group LLC	(e)(j)	Materials	L+850	1.0%	11/26/23	15.0	13.5	15.0
Rise Baking Company	(e)(k)	Food, Beverage & Tobacco	L+800	1.0%	8/9/26	18.0	17.8	17.7

FS KKR Capital Corp.
Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)
Note 6. Investment Portfolio (continued)

Company ^(a)	Footnotes	Industry	Interest Rate ^(b)	Base Rate Floor ^(b)	Maturity Date	No. Shares/ Principal Amount ^(c)	Cost	Fair Value ^(d)
Sequa Corp	(k)(n)	Capital Goods Commercial & Professional Services	L+1,075, 0.0% PIK (6.8% Max PIK)	1.0%	4/28/24	\$ 39.1	\$ 33.0	\$ 38.6
SIRVA Worldwide Inc	(j)	Transportation	L+950	0.0%	8/3/26	3.8	3.0	3.4
Transplace	(k)	Technology Hardware & Equipment	L+875	1.0%	10/6/25	3.3	2.6	3.2
Watchfire Enterprises Inc	(e)(j)	Capital Goods	L+825	1.0%	10/2/24	9.3	8.3	9.3
WireCo WorldGroup Inc	(n)	Capital Goods	L+900	1.0%	9/30/24	9.6	8.0	9.3
Wittur Holding GmbH	(e)(j)(k) (n)	Capital Goods	E+850, 0.5% PIK (0.5% Max PIK)	0.0%	9/23/27	€ 120.2	130.9	135.7
Total Senior Secured Loans—Second Lien							<u>497.8</u>	<u>531.5</u>
Other Senior Secured Debt—0.8%								
Velvet Energy Ltd	(e)(k)	Energy	9.0%		10/5/23	15.0	15.2	13.3
Total Other Senior Secured Debt							<u>15.2</u>	<u>13.3</u>
Subordinated Debt—2.7%								
Home Partners of America Inc	(e)(n)	Real Estate	L+625	1.0%	10/8/22	42.9	42.7	42.9
Total Subordinated Debt							<u>42.7</u>	<u>42.9</u>
Asset Based Finance—27.5%								
Abacus JV, Private Equity	(e)	Insurance				31,916,927	31.9	33.7
Comet Aircraft S.a.r.l., Common Stock	(e)(g)(n) (o)	Capital Goods	12.4%		2/28/22	\$ 21.5	21.5	2.7

FS KKR Capital Corp.
Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)
Note 6. Investment Portfolio (continued)

<u>Company^(a)</u>	<u>Footnotes</u>	<u>Industry</u>	<u>Interest Rate^(b)</u>	<u>Base Rate Floor^(b)</u>	<u>Maturity Date</u>	<u>No. Shares/ Principal Amount^(c)</u>	<u>Cost</u>	<u>Fair Value^(d)</u>
GA Capital Specialty Lending Fund, Limited Partnership Interest	(e)(n)	Diversified Financials				N/A	\$ —	\$ 4.8
Global Lending Services LLC, Private Equity	(e)(n)	Diversified Financials				6,981,478	7.0	8.8
Home Partners JV, Common Stock	(e)(o)	Real Estate				15,249,687	22.9	25.2
Home Partners JV, Structured Mezzanine	(e)	Real Estate	11.0% PIK (11.0% Max PIK)		3/25/29	\$ 36.3	36.3	36.3
KKR Zeno Aggregator LP (K2 Aviation), Partnership Interest	(e)(n) (o)	Capital Goods				19,642,734	24.5	18.8
Lenovo Group Ltd, Structured Mezzanine	(e)	Technology Hardware & Equipment	8.0%		6/22/22	€ 7.4	8.7	8.7
Lenovo Group Ltd, Structured Mezzanine	(e)(n)	Technology Hardware & Equipment	8.0%		6/22/22	\$ 15.5	15.5	15.5
Lenovo Group Ltd, Structured Mezzanine	(e)	Technology Hardware & Equipment	12.0%		6/22/22	€ 4.7	5.6	5.6
Lenovo Group Ltd, Structured Mezzanine	(e)(n)	Technology Hardware & Equipment	12.0%		6/22/22	\$ 9.8	9.8	9.8
Luxembourg Life Fund—Absolute Return Fund I, 1L Term Loan	(e)(h) (n)	Insurance	L+750	1.5%	2/27/25	\$ 30.7	30.8	31.5
Luxembourg Life Fund—Absolute Return Fund III, Term Loan	(e)(h) (k) (n)	Insurance	L+925	0.0%	5/27/26	\$ 55.2	54.8	54.7

FS KKR Capital Corp.
Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)
Note 6. Investment Portfolio (continued)

<u>Company^(a)</u>	<u>Footnotes</u>	<u>Industry</u>	<u>Interest Rate^(b)</u>	<u>Base Rate Floor^(b)</u>	<u>Maturity Date</u>	<u>No. Shares/ Principal Amount^(c)</u>	<u>Cost</u>	<u>Fair Value^(d)</u>
Luxembourg Life Fund—Absolute Return Fund III, Term Loan	(e)(f)	Insurance	L+925	0.0%	5/27/26	\$ 8.5	\$ 8.4	\$ 8.4
Luxembourg Life Fund—Long Term Growth Fund, Term Loan	(e)(h)(i)(k)(n)	Insurance	L+925	0.0%	4/1/23	\$ 97.7	97.2	96.7
NewStar Clarendon 2014-1A Class D	(e)(k)(n) (o)	Diversified Financials			1/25/27	\$ 30.0	9.8	10.5
Pretium Partners LLC P1, Structured Mezzanine	(e)(h)(i)	Real Estate	2.8%, 5.3% PIK (5.3% Max PIK)		10/22/26	\$ 18.9	18.6	18.9
Pretium Partners LLC P2, Structured Mezzanine	(e)(h)(i)	Real Estate	2.0%, 7.5% PIK (7.5% Max PIK)		5/29/25	\$ 40.4	39.0	40.8
Sealane Trade Finance	(e)(m)	Banks	L+375	0.0%	5/8/23	\$ 5.0	5.1	5.0
Sealane Trade Finance	(e)(m)	Banks	L+963	0.0%	5/8/23	\$ 11.9	11.9	10.7
Total Asset Based Finance							459.3	447.1
Unfunded Commitments							(8.5)	(8.5)
Net Asset Based Finance							450.8	438.6
Equity/Other—5.7%								
Ascent Resources Utica Holdings LLC / ARU Finance Corp, Common Stock	(e)(l)(o)	Energy				13,556	3.6	3.1
Ascent Resources Utica Holdings LLC / ARU Finance Corp, Trade Claim	(e)(l)(o)	Energy				115,178,571	30.5	26.1

FS KKR Capital Corp.

Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)

Note 6. Investment Portfolio (continued)

Company ^(a)	Footnotes	Industry	Interest Rate ^(b)	Base Rate Floor ^(b)	Maturity Date	No. Shares/ Principal Amount ^(c)	Cost	Fair Value ^(d)
Belk Inc, Common Stock	(e)(o)	Retailing				381	\$ —	\$ —
Home Partners of America Inc, Common Stock	(e)(j)(o)	Real Estate				18,419	30.0	47.0
Zeta Interactive Holdings Corp, Common Stock	(k)(o)	Software & Services				1,766,696	15.1	14.8
Total Equity/Other							79.2	91.0
TOTAL INVESTMENTS—178.8%							<u>\$2,758.0</u>	<u>\$2,852.3</u>
Derivative Instruments—(1.6)%								
Foreign currency forward contracts								\$ (24.8)

- (a) Security may be an obligation of one or more entities affiliated with the named company.
- (b) Certain variable rate securities in the Company's portfolio bear interest at a rate determined by a publicly disclosed base rate plus a basis point spread. As of June 30, 2021, the three-month London Interbank Offered Rate, or LIBOR or "L", was 0.15%, the Euro Interbank Offered Rate, or EURIBOR, was (0.54)%, Candian Dollar Offer Rate, or CDOR was 0.44%, the Bank Bill Swap Bid Rate, or BBSY was 0.08%, and the U.S. Prime Lending Rate, or Prime, was 3.25%. PIK means paid-in-kind. PIK income accruals may be adjusted based on the fair value of the underlying investment.
- (c) Denominated in U.S. dollars unless otherwise noted.
- (d) Fair value determined by the Company's board of directors.
- (e) Investments classified as Level 3.
- (f) Security is an unfunded commitment. The stated rate reflects the spread disclosed at the time of commitment and may not indicate the actual rate received upon funding.
- (g) Asset is on non-accrual status.
- (h) Security or portion thereof held within Big Cedar Creek LLC and is pledged as collateral supporting the amounts outstanding under the revolving credit facility with BNP Paribas.
- (i) Security or portion thereof held within Boxwood Drive Funding and is pledged as collateral supporting the amounts outstanding under the revolving credit facility with BNP Paribas.
- (j) Security or portion thereof held within Chestnut Street Funding LLC and is pledged as collateral supporting the amounts outstanding under the revolving credit facility with Citibank.
- (k) Security or portion thereof held within Green Creek LLC and is pledged as collateral supporting the amounts outstanding under the revolving credit facility with Goldman Sachs Bank.

FS KKR Capital Corp.

Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)

Note 6. Investment Portfolio (continued)

- (l) Security or portion thereof held within IC II American Energy Investment, Inc., a wholly-owned subsidiary of the company.
- (m) Security or portion thereof held within JCF Cayman Ltd and is pledged as collateral supporting the amounts outstanding under the revolving credit facility with Goldman Sachs Bank.
- (n) Security or portion thereof held within Jersey City Funding LLC and is pledged as collateral supporting the amounts outstanding under the revolving credit facility with Goldman Sachs Bank.
- (o) Security is non-income producing.

Credit Opportunities Partners JV, LLC Portfolio
As of December 31, 2020 (in millions)

Company ^(a)	Footnotes	Industry	Interest Rate ^(b)	Base Rate Floor	Maturity Date	No. Shares/ Principal Amount ^(c)	Cost	Fair Value ^(d)
Senior Secured Loans—First Lien—124.6%								
A10 Capital LLC	(e)(h)(i)	Diversified Financials	L+650	1.0%	5/1/2023	\$ 17.5	\$17.3	\$ 17.3
ABB CONCISE Optical Group LLC	(i)	Retailing	L+500	1.0%	6/15/2023	12.1	10.0	11.0
Apex Group Limited	(e)(h)	Diversified Financials	L+700	1.3%	6/15/2023	0.7	0.6	0.7
Apex Group Limited	(e)(f)	Diversified Financials	L+700	1.3%	6/15/2023	1.4	1.3	1.4
Apex Group Limited	(e)(h)(i)	Diversified Financials	L+700	1.3%	6/16/2025	67.4	67.2	68.1
Ardonagh Group Ltd	(e)(k)	Insurance	E+750, 0.0% PIK (2.3% Max PIK)	1.0%	7/14/2026	€ 0.5	0.5	0.6
Ardonagh Group Ltd	(e)(k)	Insurance	L+750, 0.0% PIK (2.3% Max PIK)	0.8%	7/14/2026	£ 3.7	4.6	5.2
Arrotex Australia Group Pty Ltd	(e)(h)(i)	Pharmaceuticals, Biotechnology & Life Sciences	B+525	1.0%	7/10/2024	A\$ 68.9	46.0	53.6
Arrotex Australia Group Pty Ltd	(e)(f)	Pharmaceuticals, Biotechnology & Life Sciences	B+525	1.0%	7/10/2024	4.9	3.8	3.8
BearCom Acquisition Corp	(e)(f)	Technology Hardware & Equipment	C+550	1.0%	1/5/2024	C\$ 1.3	1.0	1.0
BearCom Acquisition Corp	(e)(i)	Technology Hardware & Equipment	L+550	1.0%	7/5/2024	\$ 2.2	2.2	2.2
BearCom Acquisition Corp	(e)(i)	Technology Hardware & Equipment	C+550	1.0%	7/5/2024	C\$ 14.5	10.5	11.1

FS KKR Capital Corp.

Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)

Note 6. Investment Portfolio (continued)

Company ^(a)	Footnotes	Industry	Interest Rate ^(b)	Base Rate Floor	Maturity Date	No. Shares/ Principal Amount ^(c)	Cost	Fair Value ^(d)
Belk Inc	(g)(l)	Retailing	L+675	1.0%	7/31/2025	\$ 3.8	\$ 3.4	\$ 1.4
			E+850 PIK (E+850					
Big Bus Tours Ltd	(e)(i)	Consumer Services	Max PIK)	1.0%	3/18/2024	€ 10.5	11.7	8.7
			L+850 PIK (L+850					
Big Bus Tours Ltd	(e)(i)	Consumer Services	Max PIK)	1.0%	3/18/2024	\$ 14.9	14.9	10.1
			E+775 PIK (E+775					
Bugaboo International BV	(e)(h)	Consumer Durables & Apparel	Max PIK)	0.0%	3/20/2025	€ 35.0	40.6	42.7
Cambium Learning Group Inc	(i)(k)	Consumer Services	L+450	0.0%	12/18/2025	\$ 45.1	43.4	44.9
Catapult Learning LLC	(e)(i)	Consumer Services	L+475	1.0%	4/24/2023	2.1	2.1	2.1
Catapult Learning LLC	(e)(f)	Consumer Services	L+475	1.0%	4/24/2023	2.3	2.4	2.3
Catapult Learning LLC	(e)(i)(k)	Consumer Services	L+635	1.0%	4/24/2023	39.1	38.7	38.7
Catapult Learning LLC	(e)(f)	Consumer Services	L+635	1.0%	4/24/2023	1.2	1.2	1.1
Catapult Learning LLC	(e)(h)(i)	Consumer Services	L+635	1.0%	4/24/2023	14.9	14.7	14.7
Catapult Learning LLC	(e)(f)	Consumer Services	L+635	1.0%	4/24/2023	0.4	0.4	0.4
Child Development Schools Inc	(e)(i)	Consumer Services	L+425	1.0%	5/21/2023	9.3	9.3	9.2
Child Development Schools Inc	(e)(f)	Consumer Services	L+425		5/21/2023	2.5	2.5	2.5
CSM Bakery Products	(h)	Food, Beverage & Tobacco	L+625	1.0%	1/4/2022	\$ 1.3	1.2	1.3
Diamond Resorts International Inc	(h)	Consumer Services	L+375	1.0%	9/2/2023	5.7	5.6	5.5
Eacom Timber Corp	(e)(h)(i)(k)	Materials	L+650	1.0%	11/20/2023	59.2	59.2	59.2
Frontline Technologies Group LLC	(e)	Software & Services	L+575	1.0%	9/18/2023	19.9	20.0	20.0
HealthChannels LLC	(i)	Health Care Equipment & Services	L+450	0.0%	4/3/2025	24.3	24.1	23.3
Huws Gray Ltd	(e)(h)	Materials	L+525	0.5%	4/11/2025	£ 21.7	28.7	29.3
Huws Gray Ltd	(e)(f)	Materials	L+525	0.5%	4/11/2025	6.7	8.9	8.9

FS KKR Capital Corp.

Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)

Note 6. Investment Portfolio (continued)

Company ^(a)	Footnotes	Industry	Interest Rate ^(b)	Base Rate Floor	Maturity Date	No. Shares/ Principal Amount ^(c)	Cost	Fair Value ^(d)
ID Verde	(e)(h)	Commercial & Professional Services	E+500, 2.3% PIK (2.3% Max PIK)	0.0%	3/29/2024	€ 3.1	\$ 3.7	\$ 3.8
ID Verde	(e)(h)	Commercial & Professional Services	L+525, 2.3% PIK (2.3% Max PIK)	0.0%	3/29/2024	£ 1.3	1.7	1.8
ID Verde	(e)(h)	Commercial & Professional Services	E+500, 2.3% PIK (2.3% Max PIK)	0.0%	3/29/2025	€ 16.3	19.1	19.9
ID Verde	(e)(h)	Commercial & Professional Services	L+525, 2.3% PIK (2.3% Max PIK)	0.0%	3/29/2025	£ 6.0	7.9	8.1
Industria Chimica Emiliana Srl	(e)(h)(i)	Pharmaceuticals, Biotechnology & Life Sciences	E+725	0.0%	6/30/2026	€ 62.5	68.6	77.3
Kellermeyer Bergensons Services LLC	(e)(i)(k)	Commercial & Professional Services	L+650	1.0%	11/7/2026	\$ 29.8	28.2	30.1
Kettle Cuisine LLC	(i)	Food, Beverage & Tobacco	L+375	1.0%	8/25/2025	16.6	16.5	14.2
Koosharem LLC	(k)	Commercial & Professional Services	L+450	1.0%	4/18/2025	17.1	17.0	16.8
Lionbridge Technologies Inc	(e)(i)(k)	Consumer Services	L+625	1.0%	12/29/2025	29.8	29.0	29.8
MedAssets Inc	(h)	Health Care Equipment & Services	L+450	1.0%	10/20/2022	6.8	6.8	6.8
Parts Town LLC	(e)(h)	Retailing	L+550	1.0%	10/15/2025	24.8	24.6	23.8
Precision Global Corp	(e)(i)	Materials	L+475	1.0%	8/3/2024	9.1	8.7	8.3
Premium Credit Ltd	(e)(k)	Diversified Financials	L+650	0.0%	1/16/2026	£ 10.6	13.0	14.3
Project Marron	(e)(i)	Consumer Services	C+575	0.0%	7/2/2025	C\$ 23.8	18.0	17.5
Project Marron	(e)(i)	Consumer Services	B+575	0.0%	7/3/2025	A\$ 28.8	19.5	20.5
Qdoba Restaurant Corp	(h)	Consumer Services	L+700	1.0%	3/21/2025	\$ 1.6	1.4	1.5
Reliant Rehab Hospital Cincinnati LLC	(e)	Health Care Equipment & Services	L+675	0.0%	9/2/2024	19.9	19.2	19.2
Roadrunner Intermediate Acquisition Co LLC	(e)(i)(k)	Health Care Equipment & Services	L+675	1.0%	3/15/2023	19.9	19.7	19.9

FS KKR Capital Corp.
Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)
Note 6. Investment Portfolio (continued)

<u>Company^(a)</u>	<u>Footnotes</u>	<u>Industry</u>	<u>Interest Rate^(b)</u>	<u>Base Rate Floor</u>	<u>Maturity Date</u>	<u>No. Shares/ Principal Amount^(c)</u>	<u>Cost</u>	<u>Fair Value^(d)</u>
Safe-Guard Products International LLC	(e)(i)	Diversified Financials	L+575	0.0%	1/27/2027	\$ 20.5	\$ 20.4	\$ 20.4
			L+675, 0.0% PIK (1.0% Max PIK)					
Sequa Corp	(i)	Capital Goods		1.0%	11/28/2023	\$ 12.2	11.6	12.3
		Food & Staples						
Smart & Final Stores LLC	(k)	Retailing	L+675	0.0%	6/20/2025	18.5	17.1	18.7
Staples Canada	(e)(h)	Retailing	C+700	1.0%	9/12/2024	C\$ 43.6	32.9	34.6
Technimark LLC	(i)	Materials	L+375	0.0%	8/8/2025	\$ 18.4	18.3	18.2
Total Safety US Inc	(k)	Capital Goods	L+600	1.0%	8/16/2025	3.9	3.2	3.7
		Software & Services						
Transaction Services Group Ltd	(e)(h)(i)		B+600	0.0%	10/15/2026	A\$ 99.5	68.6	71.2
		Software & Services						
Virgin Pulse Inc	(e)	Services	L+650	1.0%	5/22/2025	\$ 19.9	19.9	19.9
Yak Access LLC	(h)	Capital Goods	L+500	0.0%	7/11/2025	0.8	0.6	0.7
Total Senior Secured Loans—First Lien							1,013.2	1,035.6
Unfunded Loan Commitments							\$ (21.6)	\$ (21.6)
Net Senior Secured Loans—First Lien							991.6	1,014.0
Senior Secured Loans—Second Lien—28.9%								
		Commercial & Professional Services						
Access CIG LLC	(k)		L+775	0.0%	2/27/2026	\$ 0.6	0.5	0.6
Ammeraal Beltech Holding BV	(e)(h)	Capital Goods	L+800	1.0%	9/12/2026	40.7	40.0	39.2
BCA Marketplace PLC	(e)(h)	Retailing	L+825	0.0%	11/22/2027	£ 47.7	62.4	64.0
		Technology Hardware & Equipment						
Excelitas Technologies Corp	(k)		L+750	1.0%	12/1/2025	\$ 8.4	6.6	8.5
		Software & Services						
Misys Ltd	(k)		L+725	1.0%	6/13/2025	6.2	4.9	6.2
Resource Label Group LLC	(e)(i)	Materials	L+850	1.0%	11/26/2023	15.0	13.4	14.9

FS KKR Capital Corp.
Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)
Note 6. Investment Portfolio (continued)

Company ^(a)	Footnotes	Industry	Interest Rate ^(b)	Base Rate Floor	Maturity Date	No. Shares/ Principal Amount ^(c)	Cost	Fair Value ^(d)
Sequa Corp	(h)	Capital Goods	L+1,075, 0.0% PIK (6.8% Max PIK)	1.0%	4/28/2024	\$ 19.4	\$ 15.3	\$ 16.9
SIRVA Worldwide Inc	(i)	Commercial & Professional Services	L+950	0.0%	8/3/2026	3.8	3.0	3.2
Watchfire Enterprises Inc	(e)(i)	Technology Hardware & Equipment	L+800	1.0%	10/2/2021	9.3	7.6	9.1
WireCo WorldGroup Inc	(h)	Capital Goods	L+900	1.0%	9/30/2024	10.3	8.4	8.4
Wittur Holding GmbH	(e)(h)(i)	Capital Goods	E+850, 0.5% PIK (0.5% Max PIK)	0.0%	9/23/2027	€ 55.3	60.3	64.6
Total Senior Secured Loans—Second Lien							<u>222.4</u>	<u>235.6</u>
Other Senior Secured Debt—1.0%								
Cleaver-Brooks Inc	(h)	Capital Goods	7.9%		3/1/2023	8.4	7.1	8.3
Total Other Senior Secured Debt							<u>7.1</u>	<u>8.3</u>
Subordinated Debt—5.3%								
Home Partners of America Inc	(e)(h)	Real Estate	L+625	1.0%	10/8/2022	42.9	42.6	42.8
Total Subordinated Debt							<u>42.6</u>	<u>42.8</u>
Asset Based Finance—23.8%								
Comet Aircraft S.a.r.l., Common Stock	(e)(g)(h) (l)	Capital Goods	12.4%		2/28/2022	\$ 21.5	21.5	4.8
GA Capital Specialty Lending Fund, Limited Partnership Interest	(e)(h)	Diversified Financials				N/A	—	8.9

FS KKR Capital Corp.
Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)
Note 6. Investment Portfolio (continued)

<u>Company^(a)</u>	<u>Footnotes</u>	<u>Industry</u>	<u>Interest Rate^(b)</u>	<u>Base Rate Floor</u>	<u>Maturity Date</u>	<u>No. Shares/ Principal Amount^(c)</u>	<u>Cost</u>	<u>Fair Value^(d)</u>
Global Lending Services LLC, Private Equity	(e)(h)(l)	Diversified Financials				6,981,478	\$ 7.0	\$ 7.8
KKR Zeno Aggregator LP (K2 Aviation), Partnership Interest	(e)(h)	Capital Goods				19,642,734	24.4	21.8
Lenovo Group Ltd, Structured Mezzanine	(e)(h)	Technology Hardware & Equipment	8.0%		6/22/2022	\$ 15.5	15.5	15.5
Lenovo Group Ltd, Structured Mezzanine	(e)(h)	Technology Hardware & Equipment	12.0%		6/22/2022	\$ 9.8	9.8	9.8
Luxembourg Life Fund—Absolute Return Fund I, 1L Term Loan	(e)(h)	Insurance	L+750	1.5%	2/27/2025	\$ 30.6	30.7	30.7
Luxembourg Life Fund—Long Term Growth Fund, 1L Term Loan	(e)(h)	Insurance	9.0%		7/23/2021	\$ 32.5	32.0	32.5
MP4 2013-2A Class Subord. B	(e)(h)(l)	Diversified Financials			7/25/2029	\$ 21.0	4.2	3.1
NewStar Clarendon 2014-1A Class D	(e)(h)(l)	Diversified Financials			1/25/2027	\$ 17.9	6.5	5.6
Pretium Partners LLC P1, Structured Mezzanine	(e)(k)	Real Estate	2.8%, 5.3% PIK (5.3% Max PIK)		10/22/2026	\$ 12.0	11.7	12.0
Pretium Partners LLC P2, Structured Mezzanine	(e)(k)	Real Estate	2.0%, 7.5% PIK (7.5% Max PIK)		5/29/2025	\$ 25.3	23.8	25.5
Sealane Trade Finance	(e)(j)	Banks	L+375	0.0%	5/8/2023	\$ 5.0	5.0	5.0
Sealane Trade Finance	(e)(j)	Banks	L+963	0.0%	5/8/2023	\$ 12.0	12.0	11.1
Total Asset Based Finance							<u>204.1</u>	<u>194.1</u>

FS KKR Capital Corp.

Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)

Note 6. Investment Portfolio (continued)

<u>Company^(a)</u>	<u>Footnotes</u>	<u>Industry</u>	<u>Interest Rate^(b)</u>	<u>Base Rate Floor</u>	<u>Maturity Date</u>	<u>No. Shares/ Principal Amount^(c)</u>	<u>Cost</u>	<u>Fair Value^(d)</u>
Equity/Other—6.1%								
ASG Technologies, Common Stock	(e)(i)(l)	Software & Services				540,346	\$ 30.0	\$ 20.1
Home Partners of America Inc, Common Stock	(e)(i)(l)	Real Estate				18,419	30.0	29.4
Total Equity/Other							60.0	49.5
TOTAL INVESTMENTS—189.7%							<u>\$1,527.8</u>	<u>\$1,544.3</u>
Derivative Instruments—(1.4)%								
Foreign currency forward contracts								\$ (11.4)

- (a) Security may be an obligation of one or more entities affiliated with the named company.
- (b) Certain variable rate securities in the Company’s portfolio bear interest at a rate determined by a publicly disclosed base rate plus a basis point spread. As of December 31, 2020, the three-month London Interbank Offered Rate, or LIBOR or “L”, was 0.24% and the Euro Interbank Offered Rate, or EURIBOR, was (0.55)%, Canadian Dollar Offer Rate, or CDOR, was 0.48% and the Australian Interbank Rate, or BBSY or “B”, was 0.06%. PIK means paid-in-kind. PIK income accruals may be adjusted based on the fair value of the underlying investment.
- (c) Denominated in U.S. dollars unless otherwise noted.
- (d) Fair value determined by the Company’s board of directors.
- (e) Investments classified as Level 3.
- (f) Security is an unfunded commitment. The stated rate reflects the spread disclosed at the time of commitment and may not indicate the actual rate received upon funding.
- (g) Asset is on non-accrual status.
- (h) Security or portion thereof held within Jersey City Funding LLC and is pledged as collateral supporting the amounts outstanding under the revolving credit facility with Goldman Sachs.
- (i) Security or portion thereof held within Chestnut Street Funding LLC and is pledged as collateral supporting the amounts outstanding under the revolving credit facility with Citibank, N.A.
- (j) Security or portion thereof held within JCF Cayman Ltd and is pledged as collateral supporting the amounts outstanding under the revolving credit facility with Goldman Sachs.
- (k) Security or portion thereof held within Boxwood Drive Funding LLC and is pledged as collateral supporting the amounts outstanding under the revolving credit facility with BNP Paribas.
- (l) Security is non-income producing.

FS KKR Capital Corp.

Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)

Note 6. Investment Portfolio (continued)

Below is selected balance sheet information for COPJV as of June 30, 2021 and December 31, 2020:

	As of	
	June 30, 2021	December 31, 2020
Selected Balance Sheet Information		
Total investments, at fair value	\$2,852.3	\$ 1,544.3
Cash and other assets	371.2	188.6
Total assets	<u>3,223.5</u>	<u>1,732.9</u>
Debt	1,218.2	722.0
Other liabilities	409.7	196.8
Total liabilities	<u>1,627.9</u>	<u>918.8</u>
Member's equity	<u>\$1,595.6</u>	<u>\$ 814.1</u>

Below is selected statement of operations information for COPJV for the three and six months ended June 30, 2021 and 2020:

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2021	2020	2021	2020
Selected Statement of Operations Information				
Total investment income	\$ 36.1	\$ 24.8	\$ 72.2	\$ 48.5
Expenses				
Interest expense	8.3	5.5	14.3	11.1
Custodian and accounting fees	0.1	0.1	0.2	0.2
Administrative services	0.8	1.0	1.8	2.0
Professional services	0.2	0.1	0.3	0.4
Other	0.0	0.0	0.1	0.0
Total expenses	<u>9.4</u>	<u>6.7</u>	<u>16.7</u>	<u>13.7</u>
Net investment income	26.7	18.1	55.5	34.8
Net realized and unrealized gain (loss)	48.1	(19.4)	66.7	(149.5)
Net increase in net assets resulting from operations	<u>\$ 74.8</u>	<u>\$ (1.3)</u>	<u>\$ 122.2</u>	<u>\$ (114.7)</u>

Note 7. Financial Instruments

The following is a summary of the fair value and location of the Company's derivative instruments in the consolidated balance sheets held as of June 30, 2021 and December 31, 2020:

Derivative Instrument	Statement Location	Fair Value	
		June 30, 2021	December 31, 2020
Foreign currency forward contracts	Unrealized appreciation on foreign currency forward contracts	\$ 2	\$ 1
Foreign currency forward contracts	Unrealized depreciation on foreign currency forward contracts	(2)	(3)
Total		<u>\$ 0</u>	<u>\$ (2)</u>

FS KKR Capital Corp.

Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)

Note 7. Financial Instruments (continued)

Net realized and unrealized gains and losses on derivative instruments recorded by the Company for the six months ended June 30, 2021 and 2020 are in the following locations in the consolidated statements of operations:

Derivative Instrument	Statement Location	Net Realized Gains (Losses) Six Months Ended June 30,	
		2021	2020
Foreign currency forward contracts	Net realized gain (loss) on foreign currency forward contracts	\$ 0	\$ —
Total		\$ 0	\$ —

Derivative Instrument	Statement Location	Net Unrealized Gains (Losses) Six Months Ended June 30,	
		2021	2020
Foreign currency forward contracts	Net change in unrealized appreciation (depreciation) on foreign currency forward contracts	\$ 3	\$ 2
Total		\$ 3	\$ 2

Offsetting of Derivative Instruments

The Company has derivative instruments that are subject to master netting agreements. These agreements include provisions to offset positions with the same counterparty in the event of default by one of the parties. The Company's unrealized appreciation and depreciation on derivative instruments are reported as gross assets and liabilities, respectively, in the consolidated balance sheets. The following tables present the Company's assets and liabilities related to derivatives by counterparty, net of amounts available for offset under a master netting arrangement and net of any collateral received or pledged by the Company for such assets and liabilities as of June 30, 2021 and December 31, 2020:

Counterparty	As of June 30, 2021				
	Derivative Assets Subject to Master Netting Agreement	Derivatives Available for Offset	Non-cash Collateral Received ⁽¹⁾	Cash Collateral Received ⁽¹⁾	Net Amount of Derivative Assets ⁽²⁾
JP Morgan Chase Bank	\$ 2	\$ (2)	\$ —	\$ —	\$ —
Total	\$ 2	\$ (2)	\$ —	\$ —	\$ —

Counterparty	As of June 30, 2021				
	Derivative Liabilities Subject to Master Netting Agreement	Derivatives Available for Offset	Non-cash Collateral Pledged ⁽¹⁾	Cash Collateral Pledged ⁽¹⁾	Net Amount of Derivative Liabilities ⁽³⁾
JP Morgan Chase Bank	\$ (2)	\$ 2	\$ —	\$ —	\$ 0
Total	\$ (2)	\$ 2	\$ —	\$ —	\$ 0

FS KKR Capital Corp.
Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)
Note 7. Financial Instruments (continued)

As of December 31, 2020					
Counterparty	Derivative Assets Subject to Master Netting Agreement	Derivatives Available for Offset	Non-cash Collateral Received ⁽¹⁾	Cash Collateral Received ⁽¹⁾	Net Amount of Derivative Assets ⁽²⁾
JP Morgan Chase Bank	\$ 1	\$ (1)	\$ —	\$ —	\$ —
Total	<u>\$ 1</u>	<u>\$ (1)</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
Counterparty	Derivative Liabilities Subject to Master Netting Agreement	Derivatives Available for Offset	Non-cash Collateral Pledged ⁽¹⁾	Cash Collateral Pledged ⁽¹⁾	Net Amount of Derivative Liabilities ⁽³⁾
JP Morgan Chase Bank	\$ (3)	\$ 1	\$ —	\$ —	\$ (2)
Total	<u>\$ (3)</u>	<u>\$ 1</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ (2)</u>

(1) In some instances, the actual amount of the collateral received and/or pledged may be more than the amount shown due to overcollateralization.

(2) Net amount of derivative assets represents the net amount due from the counterparty to the Company.

(3) Net amount of derivative liabilities represents the net amount due from the Company to the counterparty.

Foreign Currency Forward Contracts and Cross Currency Swaps:

The Company may enter into foreign currency forward contracts and cross currency swaps from time to time to facilitate settlement of purchases and sales of investments denominated in foreign currencies and to economically hedge the impact that an adverse change in foreign exchange rates would have on the value of the Company's investments denominated in foreign currencies. A foreign currency forward contract is a commitment to purchase or sell a foreign currency at a future date at a negotiated forward rate. These contracts are marked-to-market by recognizing the difference between the contract forward exchange rate and the forward market exchange rate on the last day of the period presented as unrealized appreciation or depreciation. Realized gains or losses are recognized when forward contracts are settled. Risks arise as a result of the potential inability of the counterparties to meet the terms of their contracts. The Company attempts to limit counterparty risk by only dealing with well-known counterparties.

Cross currency swaps are interest rate swaps in which interest cash flows are exchanged between two parties based on the notional amounts of two different currencies. These swaps are marked-to-market by recognizing the difference between the present value of cash flows of each leg of the swaps as unrealized appreciation or depreciation. Realized gain or loss is recognized when periodic payments are received or paid and the swaps are terminated. The entire notional value of a cross currency swap is subject to the risk that the counterparty to the swap will default on its contractual delivery obligations. The Company attempts to limit counterparty risk by only dealing with well-known counterparties. The Company utilizes cross currency swaps from time to time in order to hedge a portion of its investments in foreign currency.

The average notional balance for foreign currency forward contracts during the six months ended June 30, 2021 and 2020 was \$98.4 and \$28.3, respectively.

Note 8. Fair Value of Financial Instruments

Under existing accounting guidance, fair value is defined as the price that the Company would receive upon selling an investment or pay to transfer a liability in an orderly transaction to a market participant in the principal or most advantageous market for the investment. This accounting guidance emphasizes valuation techniques that maximize the use of observable market inputs and minimize the use of unobservable inputs. Inputs refer broadly to the assumptions that market participants would use in pricing an asset or liability, including assumptions about risk. Inputs may be observable or unobservable.

FS KKR Capital Corp.

Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)

Note 8. Fair Value of Financial Instruments (continued)

Observable inputs are inputs that reflect the assumptions market participants would use in pricing an asset or liability developed based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the assumptions market participants would use in pricing an asset or liability developed based on the best information available in the circumstances. The Company classifies the inputs used to measure these fair values into the following hierarchy as defined by current accounting guidance:

Level 1: Inputs that are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs that are quoted prices for similar assets or liabilities in active markets.

Level 3: Inputs that are unobservable for an asset or liability.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

As of June 30, 2021 and December 31, 2020, the Company's investments were categorized as follows in the fair value hierarchy:

Valuation Inputs	June 30, 2021 (Unaudited)	December 31, 2020
Level 1—Price quotations in active markets	\$ 30	\$ —
Level 2—Significant other observable inputs	642	260
Level 3—Significant unobservable inputs	12,666	5,807
Investments measured at net asset value ⁽¹⁾	1,396	713
	\$ 14,734	\$ 6,780

(1) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated balance sheet.

In addition, the Company had foreign currency forward contracts, as described in Note 7, which were categorized as Level 2 in the fair value hierarchy as of June 30, 2021 and December 31, 2020.

The Company's investments consist primarily of debt investments that were acquired directly from the issuer. Debt investments, for which broker quotes are not available, are valued by independent valuation firms, which determine the fair value of such investments by considering, among other factors, the borrower's ability to adequately service its debt, prevailing interest rates for like investments, expected cash flows, call features, anticipated repayments and other relevant terms of the investments. Except as described below, all of the Company's equity/other investments are also valued by independent valuation firms, which determine the fair value of such investments by considering, among other factors, contractual rights ascribed to such investments, as well as various income scenarios and multiples of earnings before interest, taxes, depreciation and amortization, or EBITDA, cash flows, net income, revenues or, in limited instances, book value or liquidation value. An investment that is newly issued and purchased near the date of the financial statements is valued at cost if the Company's board of directors determines that the cost of such investment is the best indication of its fair value. Such investments described above are typically classified as Level 3 within the fair value hierarchy. Investments that are traded on an active public market are valued at their closing price as of the date of the financial statements and are classified as Level 1 within the fair value hierarchy. Except as described above, the Company typically values its other investments by using the midpoint of the prevailing bid and ask prices from dealers on the date of the relevant period end, which are provided by independent third-party pricing services and screened for validity by such services and are typically classified as Level 2 within the fair value hierarchy.

The Company periodically benchmarks the bid and ask prices it receives from the third-party pricing services and/or dealers and independent valuation firms as applicable, against the actual prices at which the Company purchases and sells its investments. Based on the results of the benchmark analysis and the experience of the Company's management in purchasing and

FS KKR Capital Corp.
Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)
Note 8. Fair Value of Financial Instruments (continued)

selling these investments, the Company believes that these prices are reliable indicators of fair value. The valuation committee of the Company's board of directors, or the valuation committee, and the board of directors reviewed and approved the valuation determinations made with respect to these investments in a manner consistent with the Company's valuation policy.

The following is a reconciliation for the six months ended June 30, 2021 and 2020 of investments for which significant unobservable inputs (Level 3) were used in determining fair value:

	For the Six Months Ended June 30, 2021						
	Senior Secured Loans—First Lien	Senior Secured Loans—Second Lien	Other Senior Secured Debt	Subordinated Debt	Asset Based Finance	Equity/Other	Total
Fair value at beginning of period	\$ 3,276	\$ 862	\$ 36	\$ 152	\$ 951	\$ 530	\$ 5,807
Accretion of discount (amortization of premium)	8	5	—	—	—	1	14
Net realized gain (loss)	10	(99)	(23)	(7)	3	41	(75)
Net change in unrealized appreciation (depreciation)	345	177	31	—	78	141	772
Purchases	5,346	1,138	52	4	1,082	380	8,002
Paid-in-kind interest	6	2	—	—	15	11	34
Sales and repayments	(1,085)	(358)	(1)	(90)	(224)	(133)	(1,891)
Net transfers in or out of Level 3	—	—	—	—	—	3	3
Fair value at end of period	<u>\$ 7,906</u>	<u>\$ 1,727</u>	<u>\$ 95</u>	<u>\$ 59</u>	<u>\$ 1,905</u>	<u>\$ 974</u>	<u>\$ 12,666</u>

The amount of total gains or losses for the period included in changes in net assets attributable to the change in unrealized gains or losses relating to investments still held at the reporting date

	<u>\$ 344</u>	<u>\$ 93</u>	<u>\$ 7</u>	<u>\$ (7)</u>	<u>\$ 74</u>	<u>\$ 149</u>	<u>\$ 660</u>
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	For the Six Months Ended June 30, 2020						
	Senior Secured Loans—First Lien	Senior Secured Loans—Second Lien	Other Senior Secured Debt	Subordinated Debt	Asset Based Finance	Equity/Other	Total
Fair value at beginning of period	\$ 3,358	\$ 1,015	\$ 152	\$ 313	\$ 737	\$ 572	\$ 6,147
Accretion of discount (amortization of premium)	3	1	—	—	—	—	4
Net realized gain (loss)	(99)	(8)	(22)	(17)	(1)	(6)	(153)
Net change in unrealized appreciation (depreciation)	(100)	(154)	(50)	(70)	(58)	(134)	(566)
Purchases	1,000	5	—	—	237	—	1,242
Paid-in-kind interest	7	3	4	9	12	8	43
Sales and repayments	(880)	(34)	—	(1)	(42)	(11)	(968)
Net transfers in or out of Level 3	—	—	—	—	—	—	—
Fair value at end of period	<u>\$ 3,289</u>	<u>\$ 828</u>	<u>\$ 84</u>	<u>\$ 234</u>	<u>\$ 885</u>	<u>\$ 429</u>	<u>\$ 5,749</u>

The amount of total gains or losses for the period included in changes in net assets attributable to the change in unrealized gains or losses relating to investments still held at the reporting date

	<u>\$ (144)</u>	<u>\$ (149)</u>	<u>\$ (71)</u>	<u>\$ (80)</u>	<u>\$ (10)</u>	<u>\$ (140)</u>	<u>\$ (594)</u>
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FS KKR Capital Corp.

Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)

Note 8. Fair Value of Financial Instruments (continued)

The valuation techniques and significant unobservable inputs used in recurring Level 3 fair value measurements as of June 30, 2021 and December 31, 2020 were as follows:

Type of Investment	Fair Value at June 30, 2021 (Unaudited)	Valuation Technique ⁽¹⁾	Unobservable Input	Range (Weighted Average)	Impact to Valuation from an Increase in Input ⁽²⁾
Senior Debt	\$ 7,070	Discounted Cash Flow	Discount Rate	4.2% - 20.5% (8.4%)	Decrease
	1,560	Cost			
	1,098	Waterfall	EBITDA Multiple	0.1x - 14.4x (6.1x)	Increase
	0	Other ⁽³⁾			
Subordinated Debt	55	Waterfall	EBITDA Multiple	8.5x - 8.5x (8.5x)	Increase
	4	Discounted Cash Flow	Discount Rate	6.3% - 6.3% (6.3%)	Decrease
Asset Based Finance	898	Waterfall	EBITDA Multiple	1.0x - 16.7x (3.3x)	Increase
	843	Discounted Cash Flow	Discount Rate	4.2% - 15.9% (10.1%)	Decrease
	81	Cost			
	80	Other ⁽³⁾			
		Indicative Dealer			
	3	Quotes		1.2% - 34.9% (33.9%)	Increase
Equity/Other	702	Waterfall	EBITDA Multiple	0.1x - 15.6x (8.2x)	Increase
	212	Option Pricing Model	Equity Illiquidity Discount	30.0% - 30.0% (30.0%)	Decrease
	56	Cost			
	3	Other ⁽³⁾			
	1	Discounted Cash Flow	Discount Rate	10.0% - 25.0% (20.7%)	Decrease
Total	\$ 12,666				

Type of Investment	Fair Value at December 31, 2020	Valuation Technique ⁽¹⁾	Unobservable Input	Range	Impact to Valuation from an Increase in Input ⁽²⁾
Senior Debt	\$ 3,519	Discounted Cash Flow	Discount Rate	5.7% - 18.6% (9.0%)	Decrease
	418	Waterfall	EBITDA Multiple	0.1x - 12.7x (7.2x)	Increase
	237	Cost			
Subordinated Debt	71	Discounted Cash Flow	Discount Rate	12.3% - 12.3% (12.3%)	Decrease
	63	Waterfall	EBITDA Multiple	7.8x - 11.5x (7.8x)	Increase
	18	Cost			
Asset Based Finance	535	Waterfall	EBITDA Multiple	1.0x - 12.0x (3.6x)	Increase
	287	Discounted Cash Flow	Discount Rate	4.2% - 15.2% (9.9%)	Decrease
	59	Other ⁽³⁾			
	70	Cost			
Equity/Other	346	Waterfall	EBITDA Multiple	0.1x - 12.5x (7.4x)	Increase
	135	Option Pricing Model	Equity Illiquidity Discount	11.0% - 50.0% (11.9%)	Decrease
	49	Other ⁽³⁾			
Total	\$ 5,807				

(1) Investments using a market quotes valuation technique were primarily valued by using the midpoint of the prevailing bid and ask prices from dealers on the date of the relevant period end, which were provided by independent third-party pricing services and screened for validity by such services. Investments valued using an EBITDA multiple or a revenue multiple pursuant to the market comparables valuation technique may be conducted using an enterprise valuation waterfall analysis.

(2) Represents the directional change in the fair value of the Level 3 investments that would result from an increase to the corresponding unobservable input. A decrease to the input would have the opposite effect. Significant changes in these inputs in isolation could result in significantly higher or lower fair value measurements.

(3) Fair value based on expected outcome of proposed corporate transactions and/or other factors.

Note 9. Financing Arrangements

Prior to June 14, 2019, in accordance with the 1940 Act, the Company was allowed to borrow amounts such that its asset coverage, calculated pursuant to the 1940 Act, was at least 200% after such borrowing. Effective June 15, 2019, the Company's

FS KKR Capital Corp.

Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)

Note 9. Financing Arrangements (continued)

asset coverage requirement applicable to senior securities was reduced from 200% to 150%. As of June 30, 2021, the aggregate amount outstanding of the senior securities issued by the Company was \$7,740. As of June 30, 2021, the Company's asset coverage was 199%.

The following tables present summary information with respect to the Company's outstanding financing arrangements as of June 30, 2021 and December 31, 2020. For additional information regarding these financing arrangements, see the notes to the Company's audited consolidated financial statements contained in its annual report on Form 10-K for the year ended December 31, 2020. Any significant changes to the Company's financing arrangements during the six months ended June 30, 2021 are discussed below.

Arrangement	Type of Arrangement	Rate	As of June 30, 2021 (Unaudited)		Maturity Date
			Amount Outstanding	Amount Available	
Ambler Credit Facility ⁽²⁾⁽⁸⁾	Revolving Credit Facility	L+2.25% ⁽¹⁾	\$ 118	\$ 82	November 22, 2024
Burholme Prime Brokerage Facility ⁽²⁾⁽⁸⁾	Prime Brokerage Facility	L+1.25% ⁽¹⁾	—	—	September 26, 2021
CCT Tokyo Funding Credit Facility ⁽²⁾	Revolving Credit Facility	L+1.75% - 2.00% ⁽¹⁾⁽³⁾	200	100	June 2, 2024
Darby Creek Credit Facility ⁽²⁾⁽⁸⁾	Revolving Credit Facility	L+1.95% ⁽¹⁾	202	48	February 26, 2024
Dunlap Credit Facility ⁽²⁾⁽⁸⁾	Revolving Credit Facility	L+2.00% ⁽¹⁾	375	125	February 26, 2024
Juniata River Credit Facility ⁽²⁾⁽⁸⁾	Revolving Credit Facility	L+2.50% - L+2.75% ⁽¹⁾	640	210	July 15, 2022 - April 11, 2023
Meadowbrook Run Credit Facility ⁽²⁾⁽⁸⁾	Revolving Credit Facility	L+2.25% ⁽¹⁾	240	60	November 22, 2024
Senior Secured Revolving Credit Facility ⁽²⁾	Revolving Credit Facility	L+1.75% - 2.00% ⁽¹⁾⁽⁴⁾	1,923 ⁽⁵⁾	2,102	December 23, 2025
4.750% Notes due 2022 ⁽⁶⁾	Unsecured Notes	4.75%	450	—	May 15, 2022
5.000% Notes due 2022 ⁽⁶⁾	Unsecured Notes	5.00%	245	—	June 28, 2022
4.625% Notes due 2024 ⁽⁶⁾	Unsecured Notes	4.63%	400	—	July 15, 2024
4.125% Notes due 2025 ⁽⁶⁾	Unsecured Notes	4.13%	470	—	February 1, 2025
4.250% Notes due 2025 ⁽⁶⁾	Unsecured Notes	4.25%	475	—	February 14, 2025
8.625% Notes due 2025 ⁽⁶⁾	Unsecured Notes	8.63%	250	—	May 15, 2025
3.400% Notes due 2026 ⁽⁶⁾	Unsecured Notes	3.40%	1,000	—	January 15, 2026
2.625% Notes due 2027 ⁽⁶⁾	Unsecured Notes	2.63%	400	—	January 15, 2027
CLO-1 Notes ⁽²⁾⁽⁷⁾	Collateralized Loan Obligation	L+1.85% - 3.01% ⁽¹⁾	352	—	January 15, 2031
Total			\$ 7,740	\$ 2,727	

(1) LIBOR is subject to a 0% floor.

(2) The carrying amount outstanding under the facility approximates its fair value.

(3) The spread over LIBOR is determined by reference to the amount outstanding under the facility.

(4) The spread over LIBOR is determined by reference to the ratio of the value of the borrowing base to the aggregate amount of certain outstanding indebtedness of the Company.

(5) Amount includes borrowing in Euros, Canadian dollars, pounds sterling and Australian dollars. Euro balance outstanding of €278 has been converted to U.S. dollars at an exchange rate of €1.00 to \$1.19 as of June 30, 2021 to reflect total amount outstanding in U.S. dollars. Canadian dollar balance outstanding of CAD30 has been converted to U.S. dollars at an exchange rate of CAD1.00 to \$0.81 as of June 30, 2021 to reflect total amount outstanding in U.S. dollars. Pounds sterling balance outstanding of £207 has been converted to U.S. dollars at an exchange rate of £1.00 to \$1.38 as of June 30, 2021 to reflect total amount outstanding in U.S. dollars. Australian dollar balance outstanding of AUD152 has been converted to U.S. dollars at an exchange rate of AUD1.00 to \$0.75 as of June 30, 2021 to reflect total amount outstanding in U.S. dollars.

(6) As of June 30, 2021, the fair value of the 4.750% notes, the 5.000% notes, the 4.625% notes, the 4.125% notes, the 4.250% notes, the 8.625% notes, the 3.400% notes and the 2.625% notes was approximately \$463, \$245, \$432, \$500, \$500, \$282, \$1,035 and \$397, respectively. These valuations are considered Level 2 valuations within the fair value hierarchy.

FS KKR Capital Corp.

Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)

Note 9. Financing Arrangements (continued)

- (7) As of June 30, 2021, there were \$281.4 of Class A-1R notes outstanding at L+1.85%, \$20.5 of Class A-2R notes outstanding at L+2.25%, \$32.4 of Class B-1R notes outstanding at L+2.60% and \$17.4 of Class B-2R notes outstanding at 3.011%.
- (8) As of June 16, 2021, the Company assumed all of FSKR's obligations under its credit facilities, and FSKR's wholly-owned special purpose financing subsidiaries became wholly-owned special purpose financing subsidiaries of the Company, in each case, as a result of the consummation of the 2021 Merger.

Arrangement	Type of Arrangement	Rate	As of December 31, 2020		Maturity Date
			Amount Outstanding	Amount Available	
CCT Tokyo Funding Credit Facility ⁽²⁾	Revolving Credit Facility	L+1.75% - 2.00% ⁽¹⁾⁽³⁾	\$ 260	\$ 40	December 2, 2023
Senior Secured Revolving Credit Facility ⁽²⁾	Revolving Credit Facility	L+1.75% - 2.00% ⁽¹⁾⁽⁴⁾	615 ⁽⁵⁾	1,000	December 23, 2025
4.750% Notes due 2022 ⁽⁶⁾	Unsecured Notes	4.75%	450	—	May 15, 2022
5.000% Notes due 2022 ⁽⁶⁾	Unsecured Notes	5.00%	245	—	June 28, 2022
4.625% Notes due 2024 ⁽⁶⁾	Unsecured Notes	4.63%	400	—	July 15, 2024
4.125% Notes due 2025 ⁽⁶⁾	Unsecured Notes	4.13%	470	—	February 1, 2025
8.625% Notes due 2025 ⁽⁶⁾	Unsecured Notes	8.63%	250	—	May 15, 2025
3.400% Notes due 2026 ⁽⁶⁾	Unsecured Notes	3.40%	1,000	—	January 15, 2026
CLO-1 Notes ⁽²⁾⁽⁷⁾	Collateralized Loan Obligation	L+1.85% - 3.01% ⁽¹⁾	352	—	January 15, 2031
Total			\$ 4,042	\$ 1,040	

(1) LIBOR is subject to a 0% floor.

(2) The carrying amount outstanding under the facility approximates its fair value.

(3) The spread over LIBOR is determined by reference to the amount outstanding under the facility.

(4) The spread over LIBOR is determined by reference to the ratio of the value of the borrowing base to the aggregate amount of certain outstanding indebtedness of the Company.

(5) Amount includes borrowing in Euros, Canadian dollars, pounds sterling and Australian dollars. Euro balance outstanding of €164 has been converted to U.S. dollars at an exchange rate of €1.00 to \$1.22 as of December 31, 2020 to reflect total amount outstanding in U.S. dollars. Canadian dollar balance outstanding of CAD63 has been converted to U.S. dollars at an exchange rate of CAD1.00 to \$0.78 as of December 31, 2020 to reflect total amount outstanding in U.S. dollars. Pounds sterling balance outstanding of £111 has been converted to U.S. dollars at an exchange rate of £1.00 to \$1.37 as of December 31, 2020 to reflect total amount outstanding in U.S. dollars. Australian dollar balance outstanding of AUD6 has been converted to U.S. dollars at an exchange rate of AUD1.00 to \$0.77 as of December 31, 2020 to reflect total amount outstanding in U.S. dollars.

(6) As of December 31, 2020, the fair value of the 4.750% notes, the 5.000% notes, the 4.625% notes, the 4.125% notes, the 8.625% notes and the 3.400% notes was approximately \$468, \$245, \$422, \$490, \$285 and \$994 respectively. These valuations are considered Level 2 valuations within the fair value hierarchy.

(7) As of December 31, 2020, there were \$281.4 of Class A-1R notes outstanding at L+1.85%, \$20.5 of Class A-2R notes outstanding at L+2.25%, \$32.4 of Class B-1R notes outstanding at L+2.60% and \$17.4 of Class B-2R notes outstanding at 3.011%.

FS KKR Capital Corp.
Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)
Note 9. Financing Arrangements (continued)

For the three and six months ended June 30, 2021 and 2020, the components of total interest expense for the Company's financing arrangements were as follows:

Arrangement ⁽¹⁾	Three Months Ended June 30,					
	2021			2020		
	Direct Interest Expense	Amortization of Deferred Financing Costs and Discount	Total Interest Expense	Direct Interest Expense	Amortization of Deferred Financing Costs and Discount	Total Interest Expense
Ambler Credit Facility ⁽²⁾	\$ 0	\$ —	\$ 0	\$ —	\$ —	\$ —
Burholme Prime Brokerage Facility ⁽²⁾	—	—	—	—	—	—
CCT Tokyo Funding Credit Facility ⁽²⁾	1	0	1	1	0	1
Darby Creek Credit Facility ⁽²⁾	0	—	0	—	—	—
Dunlap Credit Facility ⁽²⁾	1	—	1	—	—	—
Juniata River Credit Facility ⁽²⁾	1	—	1	—	—	—
Locust Street Credit Facility ⁽²⁾	—	—	—	4	0	4
Meadowbrook Run Credit Facility ⁽²⁾	0	—	0	—	—	—
Senior Secured Revolving Credit Facility ⁽²⁾	6	0	6	10	1	11
4.750% Notes due 2022	6	0	6	6	0	6
5.000% Notes due 2022	3	—	3	3	—	3
4.625% Notes due 2024	4	0	4	4	1	5
4.125% Notes due 2025	5	0	5	5	0	5
4.250% Notes due 2025	1	0	1	—	—	—
8.625% Notes due 2025	6	1	7	4	0	4
3.400% Notes due 2026	8	1	9	—	—	—
2.625% Notes due 2027	0	0	0	—	—	—
CLO-1 Notes	2	0	2	3	0	3
Total	\$ 44	\$ 2	\$ 46	\$ 40	\$ 2	\$ 42

Arrangement ⁽¹⁾	Six Months Ended June 30,					
	2021			2020		
	Direct Interest Expense	Amortization of Deferred Financing Costs and Discount	Total Interest Expense	Direct Interest Expense	Amortization of Deferred Financing Costs and Discount	Total Interest Expense
Ambler Credit Facility ⁽²⁾	\$ 0	\$ —	\$ 0	\$ —	\$ —	\$ —
Burholme Prime Brokerage Facility ⁽²⁾	—	—	—	—	—	—
CCT Tokyo Funding Credit Facility ⁽²⁾	2	0	2	4	0	4
Darby Creek Credit Facility ⁽²⁾	0	—	0	—	—	—
Dunlap Credit Facility ⁽²⁾	1	—	1	—	—	—
Juniata River Credit Facility ⁽²⁾	1	—	1	—	—	—
Locust Street Funding Credit Facility ⁽²⁾	—	—	—	9	—	9
Meadowbrook Run Credit Facility ⁽²⁾	0	—	0	—	—	—
Senior Secured Revolving Credit Facility ⁽²⁾	10	1	11	26	1	27
4.750% Notes due 2022	11	0	11	11	0	11
5.000% Notes due 2022	6	—	6	6	—	6
4.625% Notes due 2024	9	0	9	9	1	10
4.125% Notes due 2025	10	0	10	10	1	11
4.250% Notes due 2025	1	0	1	—	—	—
8.625% Notes due 2025	11	1	12	4	0	4
3.400% Notes due 2026	17	3	20	—	—	—
2.625% Notes due 2027	0	0	0	—	—	—
CLO-1 Notes	4	0	4	6	0	6
Total	\$ 83	\$ 5	\$ 88	\$ 85	\$ 3	\$ 88

FS KKR Capital Corp.

Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)

Note 9. Financing Arrangements (continued)

- (1) Borrowings of each of the Company's wholly-owned, special-purpose financing subsidiaries are considered borrowings of the Company for purposes of complying with the asset coverage requirements applicable to BDCs under the 1940 Act.
- (2) Direct interest expense includes the effect of non-usage fees.

The Company's average borrowings and weighted average interest rate, including the effect of non-usage fees, for the six months ended June 30, 2021 were \$4,213 and 3.88%, respectively. As of June 30, 2021, the Company's weighted average effective interest rate on borrowings, including the effect of non-usage fees, was 3.38%.

The Company's average borrowings and weighted average interest rate, including the effect of non-usage fees, for the six months ended June 30, 2020 were \$4,415 and 3.76%, respectively. As of June 30, 2020, the Company's weighted average effective interest rate on borrowings, including the effect of non-usage fees, was 3.86%.

Under its financing arrangements, the Company has made certain representations and warranties and is required to comply with various covenants, reporting requirements and other customary requirements for similar financing arrangements. The Company was in compliance with all covenants required by its financing arrangements as of June 30, 2021 and December 31, 2020.

2.625% Notes due 2027

On June 17, 2021, the Company and U.S. Bank National Association, or the Trustee entered into an Eighth Supplemental Indenture, or the Eighth Supplemental Indenture, to the Indenture, dated July 14, 2014, between the Company and the Trustee, or the Base Indenture, and together with the Eighth Supplemental Indenture, the Indenture. The Eighth Supplemental Indenture relates to the Company's issuance of \$400 aggregate principal amount of its 2.625% notes due 2027, or the 2.625% notes.

The Notes will mature on January 15, 2027 and may be redeemed in whole or in part at the Company's option at any time or from time to time at the redemption prices set forth in the Indenture. The Notes bear interest at a rate of 2.625% per year payable semi-annually on January 15th and July 15th of each year, commencing on January 15, 2022. The Notes are general unsecured obligations of the Company that rank senior in right of payment to all of the Company's existing and future indebtedness that is expressly subordinated in right of payment to the Notes, rank *pari passu* with all existing and future unsecured unsubordinated indebtedness issued by the Company, rank effectively junior to any of the Company's secured indebtedness (including unsecured indebtedness that the Company later secures) to the extent of the value of the assets securing such indebtedness, and rank structurally junior to all existing and future indebtedness (including trade payables) incurred by the Company's subsidiaries, financing vehicles or similar facilities.

The Indenture contains certain covenants, including covenants requiring the Company to comply with the asset coverage requirements of Section 18(a)(1)(A) as modified by Section 61(a)(1) and (2) of the Investment Company Act of 1940, as amended, whether or not it is subject to those requirements, and to provide financial information to the holders of the Notes and the Trustee if the Company is no longer subject to the reporting requirements under the Securities Exchange Act of 1934, as amended. These covenants are subject to important limitations and exceptions that are described in the Indenture.

In addition, on the occurrence of a "change of control repurchase event," as defined in the Indenture, the Company will generally be required to make an offer to purchase the outstanding Notes at a price equal to 100% of the principal amount of such Notes plus accrued and unpaid interest to the repurchase date.

FSKR Credit Facilities

On June 16, 2021, as a result of the consummation of the 2021 Merger, the Company assumed all of FSKR's obligations under its Senior Secured Revolving Credit Facility, resulting in FSK remaining the sole borrower thereunder, and the various wholly-owned special purpose financing subsidiaries of FSKR became wholly-owned special purpose financing subsidiaries of the Company. Such special purpose financing subsidiaries and their outstanding credit facilities are (a) Darby Creek LLC and the Darby Creek Credit Facility, (b) Dunlap Funding LLC and the Dunlap Credit Facility, (c) Juniata River LLC and the Juniata

FS KKR Capital Corp.

Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)

Note 9. Financing Arrangements (continued)

River Credit Facility, (d) Burholme Funding LLC and the Burholme Prime Brokerage Facility, (e) Ambler Funding LLC and the Ambler Credit Facility and (f) Meadowbrook Run LLC and the Meadowbrook Run Credit Facility (such credit facilities, together with the prior obligations of FSKR under the Senior Secured Revolving Credit Facility, collectively, the “FSKR Credit Facilities”). Information regarding the FSKR Credit Facilities is set forth in “Part I—Item 1. Financial Statements—Notes to Unaudited Consolidated Financial Statements—Note 9. Financing Arrangements” in FSKR’s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2021, filed with the SEC on May 10, 2021.

Note 10. Commitments and Contingencies

The Company enters into contracts that contain a variety of indemnification provisions. The Company’s maximum exposure under these arrangements is unknown; however, the Company has not had prior claims or losses pursuant to these contracts. The Advisor has reviewed the Company’s existing contracts and expects the risk of loss to the Company to be remote.

The Company is not currently subject to any material legal proceedings and, to the Company’s knowledge, no material legal proceedings are threatened against the Company. From time to time, the Company may be a party to certain legal proceedings in the ordinary course of business, including proceedings relating to the enforcement of the Company’s rights under contracts with its portfolio companies. While the outcome of these legal proceedings cannot be predicted with certainty, the Company does not expect that any such proceedings will have a material effect upon its financial condition or results of operations.

Unfunded commitments to provide funds to portfolio companies are not recorded in the Company’s consolidated balance sheets. Since these commitments may expire without being drawn upon, the total commitment amount does not necessarily represent future cash requirements. The Company has sufficient liquidity to fund these commitments. As of June 30, 2021, the Company’s unfunded commitments consisted of the following:

Category / Company ⁽¹⁾	Commitment Amount
Senior Secured Loans—First Lien	
5 Arch Income Fund 2 LLC	\$ 21.0
Advanced Dermatology & Cosmetic Surgery	3.6
Advanced Dermatology & Cosmetic Surgery	10.2
Advania Sverige AB	54.0
Apex Group Limited	3.2
Arcos LLC/VA	4.5
Arrotex Australia Group Pty Ltd	2.2
Barbri Inc	30.2
Corsearch Intermediate Inc	4.4
CSafe Global	7.3
Dental Care Alliance Inc	22.4
Eagle Family Foods Inc	6.8
Entertainment Benefits Group LLC	1.2
FloWorks International LLC	21.5
Foundation Consumer Brands LLC	6.6
Heniff Transportation Systems LLC	11.3
Higginbotham Insurance Agency Inc	14.0
Individual FoodService	4.3
Individual FoodService	4.8
J S Held LLC	7.8
J S Held LLC	29.5
Karman Space Inc	1.4
KBP Investments LLC	27.4
Kellermeyer Bergensons Services LLC	52.4

FS KKR Capital Corp.

Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)

Note 10. Commitments and Contingencies (continued)

Category / Company ⁽¹⁾	Commitment Amount
Lakeview Farms Inc	10.8
Lakeview Farms Inc	45.6
Lakeview Farms Inc	6.5
Lexitas Inc	20.9
Lexitas Inc	5.4
MB2 Dental Solutions LLC	43.8
Monitronics International Inc	41.8
Motion Recruitment Partners LLC	59.6
New Era Technology Inc	38.0
New Era Technology Inc	4.6
Parata Systems	5.5
Parata Systems	22.0
P2 Energy Solutions Inc.	10.1
Revere Superior Holdings Inc	3.2
RSC Insurance Brokerage Inc	5.0
RSC Insurance Brokerage Inc	29.4
Spins LLC	7.9
Sungard Availability Services Capital Inc	2.0
Sweeping Corp of America Inc	6.9
Sweeping Corp of America Inc	5.1
Truck-Lite Co LLC	23.6
Woolpert Inc	73.1
Asset Based Finance	
Byrider Finance LLC, Structured Mezzanine	19.3
Callodine Commercial Finance LLC, 2L Term Loan B	40.3
Home Partners JV 2, Structured Mezzanine	15.6
Jet Edge International LLC, Term Loan	32.1
Luxembourg Life Fund—Absolute Return Fund III, Term Loan	1.1
Toorak Capital Partners LLC, Structured Mezzanine	20.0
Total	\$ 951.2
Unfunded Asset Based Finance/Other commitments	\$ 454.7

(1) May be commitments to one or more entities affiliated with the named company.

As of June 30, 2021, the Company's debt commitments are comprised of \$176.4 revolving credit facilities and \$774.9 delayed draw term loans, which generally are used for acquisitions or capital expenditures and are subject to certain performance tests. Such unfunded debt commitments have a fair value representing unrealized appreciation (depreciation) of \$(16.3). The Company's unfunded Asset Based Finance/Other commitments generally require certain conditions to be met or actual approval from the Advisor prior to funding.

As of June 30, 2021, the Company also has an unfunded commitment to provide \$350.2 of capital to COPJV. The capital commitment can be satisfied with contributions of cash and/or investments. The capital commitments cannot be drawn without an affirmative vote by both the Company's and SCRS's representatives on COPJV's board of managers.

While the Company does not expect to fund all of its unfunded commitments, there can be no assurance that it will not be required to do so.

FS KKR Capital Corp.
Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)
Note 10. Commitments and Contingencies (continued)

In the normal course of business, the Company may enter into guarantees on behalf of portfolio companies. Under such arrangements, the Company would be required to make payments to third parties if the portfolio companies were to default on their related payment obligations. The Company has no such guarantees outstanding at June 30, 2021 and December 31, 2020.

Note 11. Financial Highlights

The following is a schedule of financial highlights of the Company for the six months ended June 30, 2021 and the year ended December 31, 2020:

	Six Months Ended June 30, 2021 (Unaudited)	Year Ended December 31, 2020
Per Share Data:⁽¹⁾		
Net asset value, beginning of period	\$ 25.02	\$ 30.54
Results of operations⁽²⁾		
Net investment income (loss)	1.41	2.66
Net realized and unrealized appreciation (depreciation) on investments and secured borrowing and gain/loss on foreign currency	4.04	(5.85)
Net increase (decrease) in net assets resulting from operations	5.45	(3.19)
Stockholder distributions⁽³⁾		
Distributions from net investment income	(1.20)	(2.56)
Distributions from net realized gain on investments	—	—
Net decrease in net assets resulting from stockholder distributions	(1.20)	(2.56)
Capital share transactions		
Issuance of common stock ⁽⁴⁾	(2.20)	—
Repurchases of common stock ⁽⁵⁾	—	0.23
Deduction of deferred costs ⁽⁶⁾	(0.23)	—
Net increase (decrease) in net assets resulting from capital share transactions	(2.43)	0.23
Net asset value, end of period	\$ 26.84	\$ 25.02
Per share market value, end of period	\$ 21.51	\$ 16.56
Shares outstanding, end of period	285,129,993	123,755,965
Total return based on net asset value ⁽⁷⁾	12.07%	(9.69)%
Total return based on market value ⁽⁸⁾	37.33%	(19.73)%
Ratio/Supplemental Data:		
Net assets, end of period	\$ 7,653	\$ 3,096
Ratio of net investment income to average net assets ⁽⁹⁾	11.05%	10.44%
Ratio of total operating expenses to average net assets ⁽⁹⁾	9.29%	9.71%
Ratio of net operating expenses to average net assets ⁽⁹⁾	9.29%	9.71%
Portfolio turnover ⁽¹⁰⁾	22.68%	32.95%
Total amount of senior securities outstanding, exclusive of treasury securities	\$ 7,740	\$ 4,042
Asset coverage per unit ⁽¹¹⁾	1.99	1.77

(1) Per share data may be rounded in order to recompute the ending net asset value per share.

(2) The per share data was derived by using the weighted average shares outstanding during the applicable period.

(3) The per share data for distributions reflect the actual amount of distributions paid per share during the applicable period.

FS KKR Capital Corp.

Notes to Unaudited Consolidated Financial Statements (continued)
(in millions, except share and per share amounts)

Note 11. Financial Highlights (continued)

- (4) The issuance of common stock on a per share basis reflects the incremental net asset value changes as a result of the issuance of shares of common stock pursuant to the 2021 Merger at the fair value of FSK's common stock issued based on the shares outstanding resulting from the 2021 Merger.
- (5) Represents the incremental impact of the Company's share repurchase program by buying shares in the open market at a price lower than net asset value per share.
- (6) Represents the impact on NAV of merger accounting by the permanent write-off the Company's deferred merger costs and FSKR's deferred costs and prepaid assets as well as the mark-to-market of FSKR's 4.25% Notes.
- (7) The total return based on net asset value for each period presented was calculated by taking the net asset value per share as of the end of the applicable period, adding the cash distributions per share that were declared during the period and dividing the total by the net asset value per share at the beginning of the period. Total return based on net asset value does not consider the effect of any sales commissions or charges that may be incurred in connection with the sale of shares of the Company's common stock. The historical calculation of total return based on net asset value in the table should not be considered a representation of the Company's future total return based on net asset value, which may be greater or less than the return shown in the table due to a number of factors, including the Company's ability or inability to make investments in companies that meet its investment criteria, the interest rates payable on the debt securities the Company acquires, the level of the Company's expenses, variations in and the timing of the recognition of realized and unrealized gains or losses, the degree to which the Company encounters competition in its markets and general economic conditions. As a result of these factors, results for any previous period should not be relied upon as being indicative of performance in future periods. The total return calculations set forth above represent the total return on the Company's investment portfolio during the applicable period and do not represent an actual return to stockholders.
- (8) The total return based on market value for each period presented was calculated based on the change in market price during the applicable period, including the impact of distributions reinvested in accordance with the Company's DRP. Total return based on market value does not consider the effect of any sales commissions or charges that may be incurred in connection with the sale of shares of the Company's common stock. The historical calculation of total return based on market value in the table should not be considered a representation of the Company's future total return based on market value, which may be greater or less than the return shown in the table due to a number of factors, including the Company's ability or inability to make investments in companies that meet its investment criteria, the interest rates payable on the debt securities the Company acquires, the level of the Company's expenses, variations in and the timing of the recognition of realized and unrealized gains or losses, the degree to which the Company encounters competition in its markets, general economic conditions and fluctuations in per share market value. As a result of these factors, results for any previous period should not be relied upon as being indicative of performance in future periods.
- (9) Weighted average net assets during the applicable period are used for this calculation. Ratios for the six months ended June 30, 2021 are annualized. Annualized ratios for the six months ended June 30, 2021 are not necessarily indicative of the ratios that may be expected for the year ending December 31, 2021. The following is a schedule of supplemental ratios for the six months ended June 30, 2021 and year ended December 31, 2020:

	Six Months Ended June 30, 2021 (Unaudited)	Year Ended December 31, 2020
Ratio of subordinated income incentive fees to average net assets	0.46%	—
Ratio of interest expense to average net assets	5.01%	5.36%
Ratio of excise taxes to average net assets	—	0.32%

- (10) Portfolio turnover for the six months ended June 30, 2021 is not annualized.
- (11) Asset coverage per unit is the ratio of the carrying value of the Company's total consolidated assets, less liabilities and indebtedness not represented by senior securities, to the aggregate amount of senior securities representing indebtedness.

Note 12. Acquisition of FSKR

On June 16, 2021, the Company completed its acquisition of FSKR, pursuant the 2020 Merger Agreement. Pursuant to the 2020 Merger Agreement, Merger Sub merged with and into FSKR, with FSKR continuing as the surviving company and as a wholly-owned subsidiary of the Company, or the First Merger, and, immediately thereafter, FSKR merged with and into the Company, with the Company continuing as the surviving company, or together with the First Merger, the 2021 Merger.

FS KKR Capital Corp.**Notes to Unaudited Consolidated Financial Statements (continued)**
(in millions, except share and per share amounts)**Note 12. Acquisition of FSKR (continued)**

In accordance with the terms of the 2020 Merger Agreement, each outstanding share of FSKR common stock was converted into the right to receive 0.9498 shares of the Company's common stock. This exchange ratio was determined based on the closing net asset value, or NAV, per share of \$26.77 and \$25.42 for the Company and FSKR, respectively, as of June 14, 2021, to ensure that the NAV of shares investors would in FSKR was equal to the NAV of the shares they held in FSKR. As a result, the Company issued an aggregate of approximately 161,374,028 shares of its common stock to former FSKR stockholders.

The 2021 Merger was considered a tax-free reorganization. The 2021 Merger was accounted for in accordance with the asset acquisition method of accounting as detailed in Accounting Standards Codification 805-50, Business Combinations—Related Issues. The fair value of the consideration paid by the Company in the 2021 Merger was allocated to the assets acquired and liabilities assumed based on their relative fair values as of the date of acquisition and did not give rise to goodwill.

The following table summarized the allocation of the purchase price to the assets acquired and liabilities assumed as a result of the 2021 Merger:

Common stock purchased	\$3,650
Total purchase price	<u>\$3,650</u>
Assets acquired, at fair value:	
Investments	\$7,227
Cash and cash equivalents	293
Other assets	221
Total assets acquired	<u>\$7,741</u>
Debt	3,794
Distributions payable	93
Other liabilities assumed	204
Total purchase price	<u>\$3,650</u>

The company incurred \$8 of professional fees and other costs associated with the 2021 Merger. Such costs were capitalized by the Company and included in the purchase price of the 2021 Merger. Deferred costs and prepaid assets of \$19 were permanently written off. Additionally, the Company marked-to-market the fair value of FSKR's 4.25% Notes, which was \$26 greater than its carrying amount.

Note 13. Subsequent Events*Senior Secured Revolving Credit Facility*

On July 30, 2021, the Company entered into Commitment Increase Agreements in connection with its senior secured revolving credit facility originally entered into on August 9, 2018, or as subsequently amended and restated, the Senior Secured Revolving Credit Facility, with JPMorgan Chase Bank, N.A., as administrative agent, ING Capital LLC, as collateral agent, and the lenders party thereto, which, among other things, increased the total facility amount from \$4,025 to \$4,200.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.
(in millions, except share and per share amounts)

The information contained in this section should be read in conjunction with our unaudited consolidated financial statements and related notes thereto appearing elsewhere in this quarterly report on Form 10-Q. In this report, “we,” “us,” “our” and the “Company” refer to FS KKR Capital Corp. and the “Advisor” refers to FS/KKR Advisor, LLC.

Forward-Looking Statements

Some of the statements in this quarterly report on Form 10-Q constitute forward-looking statements because they relate to future events or our future performance or financial condition. The forward-looking statements contained in this quarterly report on Form 10-Q may include statements as to:

- our future operating results;
- our business prospects and the prospects of the companies in which we may invest, including our and their ability to achieve our respective objectives as a result of the current COVID-19 pandemic;
- the impact of the investments that we expect to make;
- the ability of our portfolio companies to achieve their objectives;
- our current and expected financings and investments;
- receiving and maintaining corporate credit ratings and changes in the general interest rate environment;
- the adequacy of our cash resources, financing sources and working capital;
- the timing and amount of cash flows, distributions and dividends, if any, from our portfolio companies;
- our contractual arrangements and relationships with third parties;
- actual and potential conflicts of interest with the other funds in the Advisor, FS Investments, KKR Credit or any of their respective affiliates;
- the dependence of our future success on the general economy and its effect on the industries in which we may invest;
- general economic and political trends and other external factors, including the current COVID-19 pandemic and related disruptions caused thereby;
- our use of financial leverage;
- the ability of the Advisor to locate suitable investments for us and to monitor and administer our investments;
- the ability of the Advisor or its affiliates to attract and retain highly talented professionals;
- our ability to maintain our qualification as a RIC and as a BDC;
- the impact on our business of the Dodd-Frank Wall Street Reform and Consumer Protection Act, as amended, and the rules and regulations issued thereunder;
- the effect of changes to tax legislation on us and the portfolio companies in which we may invest and our and their tax position; and
- the tax status of the enterprises in which we may invest.

In addition, words such as “anticipate,” “believe,” “expect” and “intend” indicate a forward-looking statement, although not all forward-looking statements include these words. The forward-looking statements contained in this quarterly report on Form 10-Q involve risks and uncertainties. Our actual results could differ materially from those implied or expressed in the forward-looking statements for any reason. Factors that could cause actual results to differ materially include:

- changes in the economy;

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- risks associated with possible disruption in our operations or the economy generally due to terrorism, natural disasters or pandemics;
- future changes in laws or regulations and conditions in our operating areas; and
- the price at which shares of our common stock may trade on the New York Stock Exchange, or NYSE.

We have based the forward-looking statements included in this quarterly report on Form 10-Q on information available to us on the date of this quarterly report on Form 10-Q. Except as required by the federal securities laws, we undertake no obligation to revise or update any forward-looking statements, whether as a result of new information, future events or otherwise. Stockholders are advised to consult any additional disclosures that we may make directly to stockholders or through reports that we may file in the future with the SEC, including annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K. The forward-looking statements and projections contained in this quarterly report on Form 10-Q are excluded from the safe harbor protection provided by Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Exchange Act.

Overview

We were incorporated under the general corporation laws of the State of Maryland on December 21, 2007 and formally commenced investment operations on January 2, 2009. We are an externally managed, non-diversified, closed-end management investment company that has elected to be regulated as a BDC under the 1940 Act and has elected to be treated for U.S. federal income tax purposes, and intends to qualify annually, as a RIC under Subchapter M of the Code.

We are externally managed by the Advisor pursuant to an investment advisory agreement, or the investment advisory agreement, and supervised by our board of directors, a majority of whom are independent.

Our investment objectives are to generate current income and, to a lesser extent, long-term capital appreciation. We seek to meet our investment objectives by:

- utilizing the experience and expertise of the management team of the Advisor;
- employing a defensive investment approach focused on long-term credit performance and principal protection;
- focusing primarily on debt investments in a broad array of private U.S. companies, including middle-market companies, which we define as companies with annual EBITDA of \$25 million to \$100 million at the time of investment;
- investing primarily in established, stable enterprises with positive cash flows; and
- maintaining rigorous portfolio monitoring in an attempt to anticipate and pre-empt negative credit events within our portfolio, such as an event of insolvency, liquidation, dissolution, reorganization or bankruptcy of a portfolio company.

We pursue our investment objective by investing primarily in the debt of middle market U.S. companies with a focus on originated transactions sourced through the network of the Advisor and its affiliates. We define direct originations as any investment where the Company's investment adviser, sub-adviser or their affiliates had negotiated the terms of the transaction beyond just the price, which, for example, may include negotiating financial covenants, maturity dates or interest rate terms. These directly originated transactions include participation in other originated transactions where there may be third parties involved, or a bank acting as an intermediary, for a closely held club, or similar transactions. These direct originations include investments originated by our former investment adviser, our former investment sub-adviser or their affiliates.

Our portfolio is comprised primarily of investments in senior secured loans and second lien secured loans of private middle market U.S. companies and, to a lesser extent, subordinated loans and certain asset-based financing loans of private U.S. companies. Although we do not expect a significant portion of our portfolio to be comprised of subordinated loans, there is no limit on the amount of such loans in which we may invest. We may purchase interests in loans or make other debt investments, including investments in senior secured bonds, through secondary market transactions in the "over-the-counter" market or directly from our target companies as primary market or directly originated investments. In connection with our debt investments, we may on occasion receive equity interests such as warrants or options as additional consideration. We may also purchase or otherwise acquire interests in the form of common or preferred equity or equity-related securities, such as rights and warrants that may be converted into or exchanged for common stock or other equity or the cash value of common stock or other equity, including through a co-investment with a financial sponsor or possibly the restructuring of an investment. In addition, a portion of our portfolio may be comprised of corporate bonds, structured products, other debt securities and derivatives, including total return swaps and credit default swaps. The Advisor will seek to tailor our

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investment focus as market conditions evolve. Depending on market conditions, we may increase or decrease our exposure to less senior portions of the capital structures of our portfolio companies or otherwise make opportunistic investments, such as where the market price of loans, bonds or other securities reflects a lower value than deemed warranted by the Advisor's fundamental analysis. Such investment opportunities may occur due to general dislocations in the markets, a misunderstanding by the market of a particular company or an industry being out of favor with the broader investment community and may include event driven investments, anchor orders and structured products.

The senior secured loans, second lien secured loans and senior secured bonds in which we invest generally have stated terms of three to seven years and subordinated debt investments that we make generally have stated terms of up to ten years, but the expected average life of such securities is generally three to four years. However, we may invest in loans and securities with any maturity or duration. Our debt investments may be rated by a NRSRO and, in such case, generally will carry a rating below investment grade (rated lower than "Baa3" by Moody's or lower than "BBB-" by S&P). We may invest without limit in debt or other securities of any rating, as well as debt or other securities that have not been rated by a NRSRO.

Acquisition of FSKR

On June 16, 2021, we completed the 2021 Merger. Pursuant to the 2020 Merger Agreement, Merger Sub merged with and into FSKR, with FSKR continuing as the surviving company and as a wholly-owned subsidiary of the Company, or the First Merger, and, immediately thereafter, FSKR merged with and into the Company, with the Company continuing as the surviving company. In accordance with the terms of the 2020 Merger Agreement, (i) each outstanding share of FSKR common stock was converted into the right to receive 0.9498 shares of the Company's common stock. This exchange ratio was determined based on the closing net asset value, or NAV, per share of \$26.77 and \$25.42 for the Company and FSKR, respectively, as of June 14, 2021, to ensure that the NAV of shares investors will own in FSK is equal to the NAV of the shares they held in FSKR. As a result, the Company issued an aggregate of approximately 161,374,028 shares of its common stock to former FSKR stockholders. Following the consummation of the 2021 Merger, we entered into the investment advisory agreement, which replaced the prior investment advisory agreement.

Revenues

The principal measure of our financial performance is net increase in net assets resulting from operations, which includes net investment income, net realized gain or loss on investments, net realized gain or loss on foreign currency, net unrealized appreciation or depreciation on investments and net unrealized gain or loss on foreign currency. Net investment income is the difference between our income from interest, dividends, fees and other investment income and our operating and other expenses. Net realized gain or loss on investments is the difference between the proceeds received from dispositions of portfolio investments and their amortized cost, including the respective realized gain or loss on foreign currency for those foreign denominated investment transactions. Net realized gain or loss on foreign currency is the portion of realized gain or loss attributable to foreign currency fluctuations. Net unrealized appreciation or depreciation on investments is the net change in the fair value of our investment portfolio, including the respective unrealized gain or loss on foreign currency for those foreign denominated investments. Net unrealized gain or loss on foreign currency is the net change in the value of receivables or accruals due to the impact of foreign currency fluctuations.

We principally generate revenues in the form of interest income on the debt investments we hold. In addition, we generate revenues in the form of non-recurring commitment, closing, origination, structuring or diligence fees, monitoring fees, fees for providing managerial assistance, consulting fees, prepayment fees and performance-based fees. We may also generate revenues in the form of dividends and other distributions on the equity or other securities we hold.

Expenses

Our primary operating expenses include the payment of management and incentive fees and other expenses under the investment advisory agreement and the administration agreement, interest expense from financing arrangements and other indebtedness, and other expenses necessary for our operations. The management and incentive fees compensate the Advisor for its work in identifying, evaluating, negotiating, executing, monitoring and servicing our investments.

The Advisor oversees our day-to-day operations, including the provision of general ledger accounting, fund accounting, legal services, investor relations, certain government and regulatory affairs activities, and other administrative services. The Advisor also performs, or oversees the performance of, our corporate operations and required administrative services, which includes being responsible for the financial records that we are required to maintain and preparing reports for our stockholders and reports filed with the SEC. In addition, the Advisor assists us in calculating our net asset value, overseeing the preparation and filing of tax returns and the printing and dissemination of reports to our stockholders, and generally overseeing the payment of our expenses and the performance of administrative and professional services rendered to us by others.

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Pursuant to the administration agreement, we reimburse the Advisor for expenses necessary to perform services related to our administration and operations, including the Advisor's allocable portion of the compensation and related expenses of certain personnel of FS Investments and KKR Credit providing administrative services to us on behalf of the Advisor. We reimburse the Advisor no less than quarterly for all costs and expenses incurred by the Advisor in performing its obligations and providing personnel and facilities under the administration agreement. The Advisor allocates the cost of such services to us based on factors such as total assets, revenues, time allocations and/or other reasonable metrics. Our board of directors reviews the methodology employed in determining how the expenses are allocated to us and the proposed allocation of administrative expenses among us and certain affiliates of the Advisor. Our board of directors then assesses the reasonableness of such reimbursements for expenses allocated to us based on the breadth, depth and quality of such services as compared to the estimated cost to us of obtaining similar services from third-party service providers known to be available. In addition, our board of directors considers whether any single third-party service provider would be capable of providing all such services at comparable cost and quality. Finally, our board of directors compares the total amount paid to the Advisor for such services as a percentage of our net assets to the same ratio as reported by other comparable BDCs.

We bear all other expenses of our operations and transactions, including all other expenses incurred by the Advisor in performing services for us and administrative personnel paid by the Advisor, to the extent they are not controlling persons of the Advisor or any of its affiliates, subject to the limitations included in the investment advisory agreement and the administration agreement.

In addition, we have contracted with State Street Bank and Trust Company to provide various accounting and administrative services, including, but not limited to, preparing preliminary financial information for review by the Advisor, preparing and monitoring expense budgets, maintaining accounting and corporate books and records, processing trade information provided by us and performing testing with respect to RIC compliance.

COVID-19 Developments

The rapid spread of the COVID-19 pandemic, and associated impacts on the U.S. and global economies, has negatively impacted, and is likely to continue to negatively impact, the business operations of some of our portfolio companies. We cannot at this time fully predict the continued impact of COVID-19 on our business or the business of our portfolio companies, its duration or magnitude or the extent to which it will negatively impact our portfolio companies' operating results or our own results of operations or financial condition. We expect that certain of our portfolio companies may continue to experience economic distress for the foreseeable future and may significantly limit business operations if subjected to prolonged economic distress. These developments could result in a decrease in the value of our investments.

COVID-19 has already had adverse effects on our investment income and we expect that such adverse effects may continue for some time. These adverse effects may require us to restructure certain of our investments, which could result in further reductions to our investment income or in impairments on our investments. In addition, disruptions in the capital markets have resulted in illiquidity in certain market areas. These market disruptions and illiquidity are likely to have an adverse effect on our business, financial condition, results of operations and cash flows. Unfavorable economic conditions caused by COVID-19 can also be expected to increase our funding costs and limit our access to the capital markets. These events have limited our investment originations, which is likely to continue for the immediate future, and have also had a material negative impact on our operating results.

We will continue to carefully monitor the impact of the COVID-19 pandemic on our business and the business of our portfolio companies. Because the full effects of the COVID-19 pandemic are not capable of being known at this time, we cannot estimate the impacts of COVID-19 on our future financial condition, results of operations or cash flows. We do, however, expect that it may continue to have a negative impact on our business and the financial condition of certain of our portfolio companies.

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Portfolio Investment Activity for the Three and Six Months Ended June 30, 2021 and for the Year Ended December 31, 2020

Total Portfolio Activity

The following tables present certain selected information regarding our portfolio investment activity for the six months ended June 30, 2021:

Net Investment Activity ⁽¹⁾	For the Three Months Ended June 30, 2021	For the Six Months Ended June 30, 2021
Purchases	\$ 8,557	\$ 8,974
Sales and Repayments	(1,037)	(1,914)
Net Portfolio Activity	\$ 7,520	\$ 7,060

New Investment Activity by Asset Class ⁽¹⁾	For the Three Months Ended June 30, 2021				For the Six Months Ended June 30, 2021			
	Purchases	Percentage	Sales and Repayments	Percentage	Purchases	Percentage	Sales and Repayments	Percentage
Senior Secured Loans—First Lien	\$ 5,296	62%	\$ 671	65%	\$ 5,596	62%	\$ 1,142	60%
Senior Secured Loans—Second Lien	1,137	13%	102	10%	1,210	14%	347	18%
Other Senior Secured Debt	95	1%	—	—	95	1	5	0%
Subordinated Debt	21	0%	—	—	25	0%	93	5%
Asset Based Finance	1,042	12%	169	16%	1,082	12%	224	12%
Credit Opportunities Partners JV, LLC	587	7%	—	—	587	7%	—	—
Equity/Other	379	5%	95	9%	379	4%	103	5%
Total	\$ 8,557	100%	\$ 1,037	100%	\$ 8,974	100%	\$ 1,914	100%

(1) Purchases and new investments for the three and six months ended June 30, 2021 include investments acquired at a cost of \$7,227 in connection with the 2021 Merger.

The following table summarizes the composition of our investment portfolio at cost and fair value as of June 30, 2021 and December 31, 2020:

	June 30, 2021 (Unaudited)			December 31, 2020		
	Amortized Cost ⁽¹⁾	Fair Value	Percentage of Portfolio	Amortized Cost ⁽¹⁾	Fair Value	Percentage of Portfolio
Senior Secured Loans—First Lien	\$ 8,091	\$ 8,316	56.4%	\$ 3,597	\$ 3,449	50.9%
Senior Secured Loans—Second Lien	1,797	1,827	12.4%	1,035	880	13.0%
Other Senior Secured Debt	193	186	1.3%	127	86	1.3%
Subordinated Debt	168	99	0.7%	243	171	2.5%
Asset Based Finance	1,900	1,905	12.9%	1,025	951	14.0%
Credit Opportunities Partners JV, LLC	1,397	1,396	9.5%	810	713	10.5%
Equity/Other	946	1,005	6.8%	616	530	7.8%
Total	\$ 14,492	\$ 14,734	100.0%	\$ 7,453	\$ 6,780	100.0%

(1) Amortized cost represents the original cost adjusted for the amortization of premiums and/or accretion of discounts, as applicable, on investments.

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The following table presents certain selected information regarding the composition of our investment portfolio as of June 30, 2021 and December 31, 2020:

	June 30, 2021	December 31, 2020
Number of Portfolio Companies	195	164
% Variable Rate Debt Investments (based on fair value) ⁽¹⁾⁽²⁾	68.0%	63.5%
% Fixed Rate Debt Investments (based on fair value) ⁽¹⁾⁽²⁾	9.0%	9.0%
% Other Income Producing Investments (based on fair value) ⁽³⁾	14.0%	16.9%
% Non-Income Producing Investments (based on fair value) ⁽²⁾	6.0%	8.1%
% of Investments on Non-Accrual (based on fair value)	3.0%	2.5%
Weighted Average Annual Yield on Accruing Debt Investments ⁽²⁾⁽⁴⁾	9.9%	8.8%
Weighted Average Annual Yield on All Debt Investments ⁽⁵⁾	9.2%	7.9%

- (1) “Debt Investments” means investments that pay or are expected to pay a stated interest rate, stated dividend rate or other similar stated return.
- (2) Does not include investments on non-accrual status.
- (3) “Other Income Producing Investments” means investments that pay or are expected to pay interest, dividends or other income to the Company on an ongoing basis but do not have a stated interest rate, stated dividend rate or other similar stated return.
- (4) The Weighted Average Annual Yield on Accruing Debt Investments is computed as (i) the sum of (a) the stated annual interest rate, dividend rate or other similar stated return of each accruing Debt Investment, multiplied by its par amount, adjusted to U.S. dollars and for any partial income accrual when necessary, as of the end of the applicable reporting period, plus (b) the annual amortization of the purchase or original issue discount or premium of each accruing Debt Investment; divided by (ii) the total amortized cost of Debt Investments included in the calculated group as of the end of the applicable reporting period.
- (5) The Weighted Average Annual Yield on All Debt Investments is computed as (i) the sum of (a) the stated annual interest rate, dividend rate or other similar stated return of each Debt Investment, multiplied by its par amount, adjusted to U.S. dollars and for any partial income accrual when necessary, as of the end of the applicable reporting period, plus (b) the annual amortization of the purchase or original issue discount or premium of each Debt Investment; divided by (ii) the total amortized cost of Debt Investments included in the calculated group as of the end of the applicable reporting period.

For the six months ended June 30, 2021, our total return based on net asset value was 12.07% and our total return based on market value was 37.33%. For the year ended December 31, 2020, our total return based on net asset value was (9.69)% and our total return based on market value was (19.73)%. See footnotes 7 and 8 to the table included in Note 11 to our unaudited consolidated financial statements included herein for information regarding the calculation of our total return based on net asset value and total return based on market value, respectively.

Direct Originations

The following table presents certain selected information regarding our Direct Originations as of June 30, 2021 and December 31, 2020:

Characteristics of All Direct Originations held in Portfolio	June 30, 2021	December 31, 2020
Number of Portfolio Companies	155	135
% of Investments on Non-Accrual (based on fair value)	0.8%	2.6%
Total Cost of Direct Originations	\$13,526.8	\$7,048.4
Total Fair Value of Direct Originations	\$13,819.0	\$6,447.3
% of Total Investments, at Fair Value	93.8%	95.1%
Weighted Average Annual Yield on Accruing Debt Investments ⁽¹⁾	9.8%	8.7%
Weighted Average Annual Yield on All Debt Investments ⁽²⁾	9.2%	7.8%

- (1) The Weighted Average Annual Yield on Accruing Debt Investments is computed as (i) the sum of (a) the stated annual interest rate, dividend rate or other similar stated return of each accruing Debt Investment, multiplied by its par amount, adjusted to U.S. dollars and for any partial income accrual when necessary, as of the end of the applicable reporting period, plus (b) the annual amortization of the purchase or original issue discount or premium of each accruing Debt Investment; divided by (ii) the total amortized cost of Debt Investments included in the calculated group as of the end of the applicable reporting period. Does not include Debt Investments on non-accrual status.
- (2) The Weighted Average Annual Yield on All Debt Investments is computed as (i) the sum of (a) the stated annual interest rate, dividend rate or other similar stated return of each Debt Investment, multiplied by its par amount, adjusted to U.S.

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dollars and for any partial income accrual when necessary, as of the end of the applicable reporting period, plus (b) the annual amortization of the purchase or original issue discount or premium of each Debt Investment; divided by (ii) the total amortized cost of Debt Investments included in the calculated group as of the end of the applicable reporting period.

Portfolio Composition by Industry Classification

The table below describes investments by industry classification and enumerates the percentage, by fair value, of the total portfolio assets in such industries as of June 30, 2021 and December 31, 2020:

Industry Classification	June 30, 2021 (Unaudited)		December 31, 2020	
	Fair Value	Percentage of Portfolio	Fair Value	Percentage of Portfolio
Automobiles & Components	\$ 165	1.1%	\$ 104	1.5%
Banks	14	0.1%	14	0.2%
Capital Goods	2,010	13.6%	799	11.8%
Commercial & Professional Services	1,159	7.9%	564	8.3%
Consumer Durables & Apparel	624	4.2%	385	5.7%
Consumer Services	383	2.6%	145	2.1%
Diversified Financials	895	6.1%	467	6.9%
Energy	259	1.7%	107	1.6%
Food & Staples Retailing	365	2.5%	221	3.3%
Food, Beverage & Tobacco	262	1.8%	106	1.6%
Health Care Equipment & Services	1,316	8.9%	604	8.9%
Household & Personal Products	324	2.2%	190	2.8%
Insurance	569	3.9%	208	3.1%
Materials	205	1.4%	147	2.2%
Media & Entertainment	328	2.2%	36	0.5%
Pharmaceuticals, Biotechnology & Life Sciences	247	1.7%	34	0.5%
Real Estate	996	6.8%	555	8.2%
Retailing	245	1.7%	344	5.1%
Software & Services	2,326	15.8%	770	11.3%
Credit Opportunities Partners JV, LLC	1,396	9.5%	713	10.5%
Technology Hardware & Equipment	108	0.7%	15	0.2%
Telecommunication Services	184	1.2%	71	1.0%
Transportation	354	2.4%	181	2.7%
Total	<u>\$14,734</u>	<u>100.0%</u>	<u>\$6,780</u>	<u>100.0%</u>

Portfolio Asset Quality

In addition to various risk management and monitoring tools, the Advisor uses an investment rating system to characterize and monitor the expected level of returns on each investment in our portfolio. The Advisor uses an investment rating scale of 1 to 4. The following is a description of the conditions associated with each investment rating:

Investment Rating	Summary Description
1	Performing investment—generally executing in accordance with plan and there are no concerns about the portfolio company's performance or ability to meet covenant requirements.
2	Performing investment—no concern about repayment of both interest and our cost basis but company's recent performance or trends in the industry require closer monitoring.
3	Underperforming investment—some loss of interest or dividend possible, but still expecting a positive return on investment.
4	Underperforming investment—concerns about the recoverability of principal or interest.

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The following table shows the distribution of our investments on the 1 to 4 investment rating scale at fair value as of June 30, 2021 and December 31, 2020:

Investment Rating	June 30, 2021		December 31, 2020	
	Fair Value	Percentage of Portfolio	Fair Value	Percentage of Portfolio
1	\$10,946	74%	\$4,538	67%
2	2,560	17%	1,537	23%
3	842	6%	349	5%
4	386	3%	356	5%
Total	\$14,734	100%	\$6,780	100%

The amount of the portfolio in each grading category may vary substantially from period to period resulting primarily from changes in the composition of the portfolio as a result of new investment, repayment and exit activities. In addition, changes in the grade of investments may be made to reflect our expectation of performance and changes in investment values.

Results of Operations

Comparison of the Three and Six Months Ended June 30, 2021 and June 30, 2020

Revenues

Our investment income for the three and six months ended June 30, 2021 and 2020 was as follows:

	Three Months Ended June 30,				Six Months Ended June 30,			
	2021		2020		2021		2020	
	Amount	Percentage of Total Income	Amount	Percentage of Total Income	Amount	Percentage of Total Income	Amount	Percentage of Total Income
Interest income	\$ 111	53.9%	\$ 112	74.7%	\$ 203	56.9%	\$ 243	73.9%
Paid-in-kind interest income	18	8.7%	15	10.0%	35	9.8%	31	9.4%
Fee income	23	11.2%	6	4.0%	34	9.5%	18	5.5%
Dividend income	54	26.2%	17	11.3%	85	23.8%	37	11.2%
Total investment income⁽¹⁾	\$ 206	100.0%	\$ 150	100.0%	\$ 357	100.0%	\$ 329	100.0%

(1) Such revenues represent \$181 and \$131 of cash income earned as well as \$25 and \$19 in non-cash portions relating to accretion of discount and PIK interest for the three months ended June 30, 2021 and 2020, respectively, and represent \$312 and \$292 cash income earned as well as \$45 and \$37 in non-cash portions relating to accretion of discount and PIK interest for the six months ended June 30, 2021 and 2020, respectively. Cash flows related to such non-cash revenues may not occur for a number of reporting periods or years after such revenues are recognized.

The level of interest income we receive is generally related to the balance of income-producing investments, multiplied by the weighted average yield of our investments. Fee income is transaction based, and typically consists of amendment and consent fees, prepayment fees, structuring fees and other non-recurring fees. As such, fee income is generally dependent on new direct origination investments and the occurrence of events at existing portfolio companies resulting in such fees.

The decrease in interest income during the three and six months ended June 30, 2021 compared to the three and six months ended June 30, 2020 can primarily be attributed to the repayment of higher yielding assets replaced by lower yielding assets, the impact of the decline in LIBOR on our floating rate investments and the impact of non-accrual assets during the past year. A portion of each of these factors was impacted by the ongoing COVID-19 pandemic.

The increase in fee income for the three and six months ended June 30, 2021 compared to the three and six months ended June 30, 2020 can be primarily attributed to structuring fees and prepayment fees received in connection with increased investment activity during the current period.

The increase in dividend income during the three and six months ended June 30, 2021 compared to the three and six months ended June 30, 2020 can be primarily attributed to the increase in dividends paid in respect to our investment in Credit Opportunities Partners JV, LLC, and a one time dividend of \$20 from one of our equity investments during the current period.

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Expenses

Our operating expenses for the three and six months ended June 30, 2021 and 2020 were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Management fees	\$ 30	\$ 26	\$ 55	\$ 56
Subordinated income incentive fees	8	—	8	—
Administrative services expenses	2	3	4	5
Accounting and administrative fees	0	0	1	1
Interest expense	46	42	88	88
Other	4	2	7	4
Total operating expenses	<u>\$ 90</u>	<u>\$ 73</u>	<u>\$ 163</u>	<u>\$ 154</u>

The following table reflects selected expense ratios as a percent of average net assets for the three and six months ended June 30, 2021 and 2020:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Ratio of operating expenses to average net assets	2.30%	2.43%	4.64%	4.55%
Ratio of incentive fees and interest expense to average net assets ⁽¹⁾	1.38%	1.40%	2.73%	2.60%
Ratio of net operating expenses, excluding certain expenses, to average net assets	<u>0.92%</u>	<u>1.03%</u>	<u>1.91%</u>	<u>1.95%</u>

- (1) Ratio data may be rounded in order to recompute the ending ratio of net operating expenses to average net assets or net operating expenses, excluding certain expenses, to average net assets.

Incentive fees and interest expense, among other things, may increase or decrease our expense ratios relative to comparative periods depending on portfolio performance and changes in amounts outstanding under our financing arrangements and benchmark interest rates such as LIBOR, among other factors.

Net Investment Income

Our net investment income totaled \$116 (\$0.77 per share) and \$77 (\$0.62 per share) for the three months ended June 30, 2021 and 2020, respectively. The increase in net investment income during the three months ended June 30, 2021 compared to the three months ended June 30, 2020 can primarily be attributed to higher investment income during the three months ended June 30, 2021 as discussed above.

Our net investment income totaled \$194 (\$1.41 per share) and \$175 (\$1.40 per share) for the six months ended June 30, 2021 and 2020, respectively. The increase in net investment income during the six months ended June 30, 2021 compared to the six months ended June 30, 2020 can primarily be attributed to higher investment income during the six months ended June 30, 2021 as discussed above.

Net Realized Gains or Losses

Our net realized gains (losses) on investments and foreign currency for the three and six months ended June 30, 2021 and 2020 were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Net realized gain (loss) on investments ⁽¹⁾	\$ 52	\$ (70)	\$ (74)	\$ (196)
Net realized gain (loss) on foreign currency	(1)	1	(3)	(3)
Total net realized gain (loss)	<u>\$ 51</u>	<u>\$ (69)</u>	<u>\$ (77)</u>	<u>\$ (199)</u>

- (1) We sold investments and received principal repayments, respectively, of \$185 and \$852 during the three months ended June 30, 2021 and \$384 and \$86 during the three months ended June 30, 2020. We sold investments and received principal repayments, respectively, of \$433 and \$1,481 during the six months ended June 30, 2021 and \$843 and \$541 during the six months ended June 30, 2020.

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Net Change in Unrealized Appreciation (Depreciation)

Our net change in unrealized appreciation (depreciation) on investments and unrealized gain (loss) on foreign currency for the three and six months ended June 30, 2021 and 2020 were as follows:

	Three Months Ended		Six Months Ended	
	June 30,	June 30,	June 30,	June 30,
	2021	2020	2021	2020
Net change in unrealized appreciation (depreciation) on investments	\$ 684	\$ (57)	\$ 926	\$ (752)
Net change in unrealized appreciation (depreciation) on foreign currency forward contracts	2	—	3	2
Net change in unrealized gain (loss) on foreign currency	12	(6)	18	16
Total net change in unrealized appreciation (depreciation)	\$ 698	\$ (63)	\$ 947	\$ (734)

The net change in unrealized appreciation (depreciation) during the three and six months ended June 30, 2021 was driven primarily by \$628 of appreciation resulting from the merger accounting associated with the 2021 Merger, as well as strong performance of one portfolio company during the quarter. The net change in unrealized appreciation (depreciation) during the three and six months ended June 30, 2020 was driven primarily by mark to market declines across the portfolio resulting from uncertainty related to the current COVID-19 pandemic.

Net Increase (Decrease) in Net Assets Resulting from Operations

For the three months ended June 30, 2021, the net increase in net assets resulting from operations was \$865 (\$5.75 per share) compared to a net decrease in net assets resulting from operations of \$(55) (\$(0.44) per share) during the three months ended June 30, 2020.

For the six months ended June 30, 2021, the net increase in net assets resulting from operations was \$1,064 (\$7.76 per share) compared to a net decrease in net assets resulting from operations of \$(758) (\$(6.07) per share) during the six months ended June 30, 2020.

This “Results of Operations” section should be read in conjunction with “COVID-19 Developments” above.

Financial Condition, Liquidity and Capital Resources

Overview

As of June 30, 2021, we had \$499 in cash and foreign currency, which we or our wholly-owned financing subsidiaries held in custodial accounts, and \$2,727 in borrowings available under our financing arrangements, subject to borrowing base and other limitations. As of June 30, 2021, we also held broadly syndicated investments and opportunistic investments that we believe could be sold to create additional liquidity. As of June 30, 2021, we had unfunded debt investments with aggregate unfunded commitments of \$951.2, unfunded equity/other commitments of \$454.7 and unfunded commitments of \$350.2 of Credit Opportunities Partners JV, LLC. We maintain sufficient cash on hand, available borrowings and liquid securities to fund such unfunded commitments should the need arise.

We currently generate cash primarily from cash flows from fees, interest and dividends earned from our investments, as well as principal repayments and proceeds from sales of our investments. To seek to enhance our returns, we also employ leverage as market conditions permit and at the discretion of the Advisor, but in no event will leverage employed exceed the maximum amount permitted by the 1940 Act. Prior to June 14, 2019, in accordance with the 1940 Act, we were allowed to borrow amounts such that our asset coverage, calculated pursuant to the 1940 Act, was at least 200% after such borrowing. Effective June 15, 2019, our asset coverage requirement applicable to senior securities was reduced from 200% to 150%. As of June 30, 2021, the aggregate amount outstanding of the senior securities issued by us was \$7.7 billion. As of June 30, 2021, our asset coverage was 199%. See “—Financing Arrangements.”

Prior to investing in securities of portfolio companies, we invest the cash received from fees, interest and dividends earned from our investments and principal repayments and proceeds from sales of our investments primarily in cash, cash equivalents, including money market funds, U.S. government securities, repurchase agreements and high-quality debt instruments maturing in one year or less from the time of investment, consistent with our BDC election and our election to be taxed as a RIC.

This “Financial Condition, Liquidity and Capital Resources” section should be read in conjunction with “COVID-19 Developments” above.

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Financing Arrangements

The following table presents summary information with respect to our outstanding financing arrangements as of June 30, 2021:

Arrangement	Type of Arrangement	As of June 30, 2021 (Unaudited)		Maturity Date	
		Rate	Amount Outstanding		Amount Available
Ambler Credit Facility ⁽²⁾⁽⁸⁾	Revolving Credit Facility	L+2.25% ⁽¹⁾	\$ 118	\$ 82	November 22, 2024
Burholme Prime Brokerage Facility ⁽²⁾⁽⁸⁾	Prime Brokerage Facility	L+1.25% ⁽¹⁾	—	—	September 26, 2021
CCT Tokyo Funding Credit Facility ⁽²⁾	Revolving Credit Facility	L+1.75% - 2.00% ⁽¹⁾⁽³⁾	200	100	June 2, 2024
Darby Creek Credit Facility ⁽²⁾⁽⁸⁾	Revolving Credit Facility	L+1.95% ⁽¹⁾	202	48	February 26, 2024
Dunlap Credit Facility ⁽²⁾⁽⁸⁾	Revolving Credit Facility	L+2.00% ⁽¹⁾	375	125	February 26, 2024
Juniata River Credit Facility ⁽²⁾⁽⁸⁾	Revolving Credit Facility	L+2.50% - 2.75% ⁽¹⁾	640	210	July 15, 2022 - April 11, 2023
Meadowbrook Run Credit Facility ⁽²⁾⁽⁸⁾	Revolving Credit Facility	L+2.25% ⁽¹⁾	240	60	November 22, 2024
Senior Secured Revolving Credit Facility ⁽²⁾	Revolving Credit Facility	L+1.75% - 2.00% ⁽¹⁾⁽⁴⁾	1,923 ⁽⁵⁾	2,102	December 23, 2025
4.750% Notes due 2022 ⁽⁶⁾	Unsecured Notes	4.75%	450	—	May 15, 2022
5.000% Notes due 2022 ⁽⁶⁾	Unsecured Notes	5.00%	245	—	June 28, 2022
4.625% Notes due 2024 ⁽⁶⁾	Unsecured Notes	4.63%	400	—	July 15, 2024
4.125% Notes due 2025 ⁽⁶⁾	Unsecured Notes	4.13%	470	—	February 1, 2025
4.250% Notes due 2025 ⁽⁶⁾	Unsecured Notes	4.25%	475	—	February 14, 2025
8.625% Notes due 2025 ⁽⁶⁾	Unsecured Notes	8.63%	250	—	May 15, 2025
3.400% Notes due 2026 ⁽⁶⁾	Unsecured Notes	3.40%	1,000	—	January 15, 2026
2.625% Notes due 2027 ⁽⁶⁾	Unsecured Notes	2.63%	400	—	January 15, 2027
CLO-1 Notes ⁽²⁾⁽⁷⁾	Collateralized Loan Obligation	L+1.85% - 3.01% ⁽¹⁾	352	—	January 15, 2031
Total			\$ 7,740	\$ 2,727	

(1) LIBOR is subject to a 0% floor.

(2) The carrying amount outstanding under the facility approximates its fair value.

(3) The spread over LIBOR is determined by reference to the amount outstanding under the facility.

(4) The spread over LIBOR is determined by reference to the ratio of the value of the borrowing base to the aggregate amount of certain outstanding indebtedness of the Company.

(5) Amount includes borrowing in Euros, Canadian dollars, pound sterling and Australian dollars. Euro balance outstanding of €278 has been converted to U.S. dollars at an exchange rate of €1.00 to \$1.19 as of June 30, 2021 to reflect total amount outstanding in U.S. dollars. Canadian dollar balance outstanding of CAD30 has been converted to U.S. dollars at an exchange rate of CAD1.00 to \$0.81 as of June 30, 2021 to reflect total amount outstanding in U.S. dollars. Pound sterling balance outstanding of £207 has been converted to U.S. dollars at an exchange rate of £1.00 to \$1.38 as of June 30, 2021 to reflect total amount outstanding in U.S. dollars. Australian dollar balance outstanding of AUD152 has been converted to U.S. dollars at an exchange rate of A1.00 to \$0.75 as of June 30, 2021 to reflect total amount outstanding in U.S. dollars.

(6) As of June 30, 2021, the fair value of the 4.750% notes, the 5.000% notes, the 4.625% notes, the 4.125% notes, the 4.250% notes, the 8.625% notes, the 3.400% notes and the 2.625% was approximately \$463, \$245, \$432, \$500, \$500, \$282, \$1,035 and \$397, respectively. These valuations are considered Level 2 valuations within the fair value hierarchy.

(7) As of June 30, 2021, there were \$281.4 of Class A-1R notes outstanding at L+1.85%, \$20.5 of Class A-2R notes outstanding at L+2.25%, \$32.4 of Class B-1R notes outstanding at L+2.60% and \$17.4 of Class B-2R notes outstanding at 3.011%.

(8) As of June 16, 2021, the Company assumed all of FSKR's obligations under its credit facilities, and FSKR's wholly-owned special purpose financing subsidiaries became wholly-owned special purpose financing subsidiaries of the Company, in each case, as a result of the consummation of the 2021 Merger.

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See Note 9 to our unaudited consolidated financial statements included herein for additional information regarding our financing arrangements.

RIC Status and Distributions

We have elected to be subject to tax as a RIC under Subchapter M of the Code. In order to qualify for RIC tax treatment, we must, among other things, make distributions of an amount at least equal to 90% of our investment company taxable income, determined without regard to any deduction for distributions paid, each tax year. As long as the distributions are declared by the later of the fifteenth day of the ninth month following the close of a tax year or the due date of the tax return for such tax year, including extensions, distributions paid up to twelve months after the current tax year can be carried back to the prior tax year for determining the distributions paid in such tax year. We intend to make sufficient distributions to our stockholders to qualify for and maintain our RIC tax status each tax year. We are also subject to a 4% nondeductible federal excise tax on certain undistributed income unless we make distributions in a timely manner to our stockholders generally of an amount at least equal to the sum of (1) 98% of our net ordinary income (taking into account certain deferrals and elections) for the calendar year, (2) 98.2% of our capital gain net income, which is the excess of capital gains in excess of capital losses, or “capital gain net income” (adjusted for certain ordinary losses), for the one-year period ending October 31 of that calendar year and (3) any net ordinary income and capital gain net income for the preceding years that were not distributed during such years and on which we paid no U.S. federal income tax. Any distribution declared by us during October, November or December of any calendar year, payable to stockholders of record on a specified date in such a month and actually paid during January of the following calendar year, will be treated as if it had been paid by us, as well as received by our stockholders, on December 31 of the calendar year in which the distribution was declared. We can offer no assurance that we will achieve results that will permit us to pay any cash distributions. If we issue senior securities, we will be prohibited from making distributions if doing so causes us to fail to maintain the asset coverage ratios stipulated by the 1940 Act or if distributions are limited by the terms of any of our borrowings.

Subject to applicable legal restrictions and the sole discretion of our board of directors, we intend to authorize, declare and pay regular cash distributions on a quarterly basis. We will calculate each stockholder’s specific distribution amount for the period using record and declaration dates and each stockholder’s distributions will begin to accrue on the date that shares of our common stock are issued to such stockholder. From time to time, we may also pay special interim distributions in the form of cash or shares of our common stock at the discretion of our board of directors.

During certain periods, our distributions may exceed our earnings. As a result, it is possible that a portion of the distributions we make may represent a return of capital. A return of capital generally is a return of a stockholder’s investment rather than a return of earnings or gains derived from our investment activities. Each year a statement on Form 1099-DIV identifying the sources of the distributions will be mailed to our stockholders. No portion of the distributions paid during the six months ended June 30, 2021 or 2020 represented a return of capital.

We intend to continue to make our regular distributions in the form of cash, out of assets legally available for distribution, except for those stockholders who receive their distributions in the form of shares of our common stock under the DRP. Any distributions reinvested under the plan will nevertheless remain taxable to a U.S. stockholder.

The following table reflects the cash distributions per share that we have declared on our common stock during the six months ended June 30, 2021 and 2020:

For the Three Months Ended	Distribution	
	Per Share⁽¹⁾	Amount
Fiscal 2020		
March 31, 2020	\$ 0.76000	\$ 95
June 30, 2020	0.60000	75
Total	<u>\$ 1.36000</u>	<u>\$ 170</u>
Fiscal 2021		
March 31, 2021	\$ 0.60000	\$ 74
June 30, 2021	0.60000	75
Total	<u>\$ 1.20000</u>	<u>\$ 149</u>

(1) The amount of each per share distribution has been retroactively adjusted to reflect the Reverse Stock Split as discussed in Note 3 to our unaudited consolidated financial statements included herein.

See Note 5 to our unaudited consolidated financial statements included herein for additional information regarding our distributions.

Recent Developments

On July 30, 2021, the Company entered into Commitment Increase Agreements in connection with its Senior Secured Revolving Credit Facility. For additional discussion of the Commitment Increase Agreements, see Note 13 to our unaudited consolidated financial statements included herein.

Critical Accounting Policies

Our financial statements are prepared in conformity with GAAP, which requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Management has utilized available information, including our past history, industry standards and the current economic environment, among other factors, in forming the estimates and judgments, giving due consideration to materiality. Actual results may differ from these estimates. In addition, other companies may utilize different estimates, which may impact the comparability of our results of operations to those of companies in similar businesses. Understanding our accounting policies and the extent to which we use management judgment and estimates in applying these policies is integral to understanding our financial statements. We describe our most significant accounting policies in “Note 2. Summary of Significant Accounting Policies” in our consolidated financial statements. Critical accounting policies are those that require the application of management’s most difficult, subjective or complex judgments, often because of the need to make estimates about the effect of matters that are inherently uncertain and that may change in subsequent periods. We evaluate our critical accounting estimates and judgments required by our policies on an ongoing basis and update them as necessary based on changing conditions. We have identified one of our accounting policies, valuation of portfolio investments, specifically the valuation of Level 3 investments, as critical because it involves significant judgments and assumptions about highly complex and inherently uncertain matters, and the use of reasonably different estimates and assumptions could have a material impact on our reported results of operations or financial condition. As we execute our operating plans, we will describe additional critical accounting policies in the notes to our future financial statements in addition to those discussed below.

Valuation of Portfolio Investments

We determine the net asset value of our investment portfolio each quarter. Securities are valued at fair value as determined in good faith by our board of directors. In connection with that determination, the Advisor provides our board of directors with portfolio company valuations which are based on relevant inputs, including, but not limited to, indicative dealer quotes, values of like securities, recent portfolio company financial statements and forecasts, and valuations prepared by independent third-party valuation services.

Accounting Standards Codification Topic 820, *Fair Value Measurements and Disclosure*, or ASC Topic 820, issued by the FASB clarifies the definition of fair value and requires companies to expand their disclosure about the use of fair value to measure assets and liabilities in interim and annual periods subsequent to initial recognition. ASC Topic 820 defines fair value as the price that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC Topic 820 also establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. These tiers include: Level 1, defined as observable inputs such as quoted prices in active markets; Level 2, which includes inputs such as quoted prices for similar securities in active markets and quoted prices for identical securities where there is little or no activity in the market; and Level 3, defined as unobservable inputs for which little or no market data exists, therefore requiring an entity to develop its own assumptions.

With respect to investments for which market quotations are not readily available, we undertake a multi-step valuation process each quarter, as described below:

- our quarterly fair valuation process begins by the Advisor providing financial and operating information with respect to each portfolio company or investment to our independent third-party valuation service providers;
- our independent third-party valuation service providers review this information, along with other public and private information, and provide the Advisor with a valuation range for each portfolio company or investment;
- the Advisor then discusses the independent third-party valuation service providers’ valuation ranges and provides the valuation committee of the board of directors, or the valuation committee, with a valuation recommendation for each investment, along with supporting materials;
- preliminary valuations are then discussed with the valuation committee;

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- our valuation committee reviews the preliminary valuations and the Advisor, together with our independent third-party valuation service providers and, if applicable, supplements the preliminary valuations to reflect any comments provided by the valuation committee;
- following the completion of its review, our valuation committee recommends that our board of directors approves the fair valuations determined by the valuation committee; and
- our board of directors discusses the valuations and determines the fair value of each such investment in our portfolio in good faith based on various statistical and other factors, including the input and recommendation of the Advisor, the valuation committee and our independent third-party valuation service providers.

Determination of fair value involves subjective judgments and estimates. Accordingly, the notes to our consolidated financial statements refer to the uncertainty with respect to the possible effect of such valuations and any change in such valuations on our consolidated financial statements. In making its determination of fair value, our board of directors may use any approved independent third-party pricing or valuation services. However, our board of directors is not required to determine fair value in accordance with the valuation provided by any single source, and may use any relevant data, including information obtained from the Advisor or any approved independent third-party valuation or pricing service that our board of directors deems to be reliable in determining fair value under the circumstances. Below is a description of factors that the Advisor, any approved independent third-party valuation services and our board of directors may consider when determining the fair value of our investments.

Valuation of fixed income investments, such as loans and debt securities, depends upon a number of factors, including prevailing interest rates for like securities, expected volatility in future interest rates, call features, put features and other relevant terms of the debt. For investments without readily available market prices, we may incorporate these factors into discounted cash flow models to arrive at fair value. Other factors that may be considered include the borrower's ability to adequately service its debt, the fair market value of the borrower in relation to the face amount of its outstanding debt and the quality of collateral securing our debt investments.

For convertible debt securities, fair value generally approximates the fair value of the debt plus the fair value of an option to purchase the underlying security (i.e., the security into which the debt may convert) at the conversion price. To value such an option, a standard option pricing model may be used.

Our equity interests in portfolio companies for which there is no liquid public market are valued at fair value. Our board of directors, in its determination of fair value, may consider various factors, such as multiples of EBITDA, cash flows, net income, revenues or, in limited instances, book value or liquidation value. All of these factors may be subject to adjustments based upon the particular circumstances of a portfolio company or our actual investment position. For example, adjustments to EBITDA may take into account compensation to previous owners or acquisition, recapitalization, restructuring or other related items.

The Advisor, any approved independent third-party valuation services and our board of directors may also consider private merger and acquisition statistics, public trading multiples discounted for illiquidity and other factors, valuations implied by third-party investments in the portfolio companies or industry practices in determining fair value. The Advisor, any approved independent third-party valuation services and our board of directors may also consider the size and scope of a portfolio company and its specific strengths and weaknesses, and may apply discounts or premiums, where and as appropriate, due to the higher (or lower) financial risk and/or the smaller size of portfolio companies relative to comparable firms, as well as such other factors as our board of directors, in consultation with the Advisor and any approved independent third-party valuation services, if applicable, may consider relevant in assessing fair value. Generally, the value of our equity interests in public companies for which market quotations are readily available is based upon the most recent closing public market price. Portfolio securities that carry certain restrictions on sale are typically valued at a discount from the public market value of the security.

When we receive warrants or other equity securities at nominal or no additional cost in connection with an investment in a debt security, the cost basis in the investment will be allocated between the debt securities and any such warrants or other equity securities received at the time of origination. Our board of directors subsequently values these warrants or other equity securities received at their fair value.

The fair values of our investments are determined in good faith by our board of directors. Our board of directors is responsible for the valuation of our portfolio investments at fair value as determined in good faith pursuant to our valuation policy and consistently applied valuation process. Our board of directors has delegated day-to-day responsibility for implementing our valuation policy to the Advisor, and has authorized the Advisor to utilize independent third-party valuation and pricing services that have been approved by our board of directors. The valuation committee is responsible for overseeing the Advisor's implementation of the valuation process.

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See Note 8 to our unaudited consolidated financial statements included herein for additional information regarding the fair value of our financial instruments.

Merger Accounting

On June 16, 2021, we completed the 2021 Merger. Pursuant to the 2020 Merger Agreement, Merger Sub merged with and into FSKR, with FSKR continuing as the surviving company and as a wholly-owned subsidiary of the Company, or the First Merger, and, immediately thereafter, FSKR merged with and into the Company, with the Company continuing as the surviving company. The 2021 Merger was considered a tax-free reorganization.

The 2021 Merger was accounted for in accordance with the asset acquisition method of accounting as detailed in Accounting Standards Codification 805-50, *Business Combinations—Related Issues*. The fair value of the consideration paid by the Company in the 2021 Merger was allocated to the assets acquired and liabilities assumed based on their relative fair values as of the date of acquisition and did not give rise to goodwill.

See Note 12 to our unaudited financial statements included herein for additional information regarding the 2021 Merger.

Contractual Obligations

We have entered into agreements with the Advisor to provide us with investment advisory and administrative services. Payments for investment advisory services under the investment advisory agreement are equal to (a) an annual base management fee based on the average weekly value of our gross assets (excluding cash and cash equivalents) and (b) an incentive fee based on our performance. The Advisor is reimbursed for administrative expenses incurred on our behalf. See Note 4 to our unaudited consolidated financial statements included herein for a discussion of these agreements and for the amount of fees and expenses accrued under these agreements during the six months ended June 30, 2021 and 2020.

A summary of our significant contractual payment obligations for the repayment of outstanding indebtedness at June 30, 2021 is as follows:

	Maturity Date ⁽¹⁾	Payments Due By Period				
		Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
Ambler Credit Facility ⁽²⁾	November 22, 2024	\$ 118	—	—	\$ 118	—
Burholme Prime Brokerage Facility ⁽³⁾	September 26, 2021	—	—	—	—	—
CCT Tokyo Funding Credit Facility ⁽⁴⁾	June 2, 2024	\$ 200	—	\$200	—	—
Darby Creek Credit Facility ⁽⁵⁾	February 26, 2024	\$ 202	—	\$202	—	—
Dunlap Credit Facility ⁽⁶⁾	February 26, 2024	\$ 375	—	\$375	—	—
Juniata River Credit Facility ⁽⁷⁾	July 15, 2022 - April 11, 2023	\$ 640	—	\$640	—	—
Meadowbrook Run Credit Facility ⁽⁸⁾	November 22, 2024	\$ 240	—	—	\$ 240	—
Senior Secured Revolving Credit Facility ⁽⁹⁾	December 23, 2025	\$1,923	—	—	\$1,923	—
4.750% Notes due 2022	May 15, 2022	\$ 450	\$ 450	—	—	—
5.000% Notes due 2022	June 28, 2022	\$ 245	\$ 245	—	—	—
4.625% Notes due 2024	July 15, 2024	\$ 400	—	—	\$ 400	—
4.125% Notes due 2025	February 1, 2025	\$ 470	—	—	\$ 470	—
4.250% Notes due 2025	February 14, 2025	\$ 475	—	—	\$ 475	—
8.625% Notes due 2025	May 15, 2025	\$ 250	—	—	\$ 250	—
3.400% Notes due 2026	January 15, 2026	\$1,000	—	—	\$1,000	—
2.625% Notes due 2027	January 15, 2027	\$ 400	—	—	—	\$ 400
CLO-1 Notes	January 15, 2031	\$ 352	—	—	—	\$ 352

- (1) Amounts outstanding under the financing arrangements will mature, and all accrued and unpaid interest thereunder will be due and payable, on the maturity date.
- (2) At June 30, 2021, \$82 remained unused under the Ambler Credit Facility.
- (3) At June 30, 2021, \$0 remained unused under the Burholme Prime Brokerage Facility.
- (4) At June 30, 2021, \$100 remained unused under the CCT Tokyo Funding Credit Facility.
- (5) At June 30, 2021, \$48 remained unused under the Darby Creek Credit Facility.
- (6) At June 30, 2021, \$125 remained unused under the Dunlap Credit Credit Facility.
- (7) At June 30, 2021, \$210 remained unused under the Juniata River Credit Facility.
- (8) At June 30, 2021, \$60 remained unused under the Meadowbrook Run Credit Facility.

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- (9) At June 30, 2021, \$2,102 remained unused under the Senior Secured Revolving Credit Facility. Amount includes borrowing in Euros, Canadian dollars, pound sterling and Australian dollars. Euro balance outstanding of €278 has been converted to U.S. dollars at an exchange rate of €1.00 to \$1.19 as of June 30, 2021 to reflect total amount outstanding in U.S. dollars. Canadian dollar balance outstanding of CAD30 has been converted to U.S. dollars at an exchange rate of CAD1.00 to \$0.81 as of June 30, 2021 to reflect total amount outstanding in U.S. dollars. Pound sterling balance outstanding of £207 has been converted to U.S. dollars at an exchange rate of £1.00 to \$1.38 as of June 30, 2021 to reflect total amount outstanding in U.S. dollars. Australian dollar balance outstanding of AUD152 has been converted to U.S. dollars at an exchange rate of AUD1.00 to \$0.75 as of June 30, 2021 to reflect total amount outstanding in U.S. dollars.

Off-Balance Sheet Arrangements

We currently have no off-balance sheet arrangements, including any risk management of commodity pricing or other hedging practices.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Interest Rate Risk

We are subject to financial market risks, including changes in interest rates. As of June 30, 2021, 68.0% of our portfolio investments (based on fair value) were debt investments paying variable interest rates and 9.0% were debt investments paying fixed interest rates while 14.0% were other income producing investments, 6.0% consisted of non-income producing investments, and the remaining 3.0% consisted of investments on non-accrual status. A rise in the general level of interest rates can be expected to lead to higher interest rates applicable to any variable rate investments we hold and to declines in the value of any fixed rate investments we hold. However, many of our variable rate investments provide for an interest rate floor, which may prevent our interest income from increasing until benchmark interest rates increase beyond a threshold amount. To the extent that a substantial portion of our investments may be in variable rate investments, an increase in interest rates beyond this threshold would make it easier for us to meet or exceed the hurdle rate applicable to the subordinated incentive fee on income, and may result in a substantial increase in our net investment income and to the amount of incentive fees payable to the Advisor with respect to our increased pre-incentive fee net investment income. In 2020, the U.S. Federal Reserve and other central banks have reduced certain interest rates in response to the COVID-19 pandemic and market conditions. A prolonged reduction in interest rates may reduce our net investment income.

Pursuant to the terms of the Ambler Credit Facility, CCT Tokyo Funding Credit Facility, Darby Creek Credit Facility, Dunlap Credit Facility, Juniata River Credit Facility, Meadowbrook Run Credit Facility, Senior Secured Revolving Credit Facility and the CLO-1 Notes, we borrow at a floating rate based on a benchmark interest rate. Under the indentures governing the 4.750% notes, the 5.000% notes, the 4.625% notes, the 4.125% notes, the 8.625% notes, the 3.400% notes and the 2.625% notes, we pay interest to the holders of such notes at a fixed rate. To the extent that any present or future credit facilities or other financing arrangements that we or any of our subsidiaries enter into are based on a floating interest rate, we will be subject to risks relating to changes in market interest rates. In periods of rising interest rates when we or our subsidiaries have such debt outstanding, or financing arrangements in effect, our interest expense would increase, which could reduce our net investment income, especially to the extent we hold fixed rate investments.

The following table shows the effect over a twelve month period of changes in interest rates on our interest income, interest expense and net interest income, assuming no changes in the composition of our investment portfolio, including the accrual status of our investments, and our financing arrangements in effect as of June 30, 2021 (dollar amounts are presented in millions):

<u>Basis Point Change in Interest Rates</u>	<u>Increase (Decrease) in Interest Income⁽¹⁾</u>	<u>Increase (Decrease) in Interest Expense</u>	<u>Increase (Decrease) in Net Interest Income</u>	<u>Percentage Change in Net Interest Income</u>
Down 15 basis points	\$ (2)	\$ (6)	\$ 4	0.5%
No change	—	—	—	—
Up 100 basis points	29	40	(11)	(1.3)%
Up 300 basis points	232	121	111	12.9%
Up 500 basis points	435	202	233	27.1%

- (1) Assumes no defaults or prepayments by portfolio companies over the next twelve months.

We expect that our long-term investments will be financed primarily with equity and debt. If deemed prudent, we may use interest rate risk management techniques in an effort to minimize our exposure to interest rate fluctuations. These techniques may

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include various interest rate hedging activities to the extent permitted by the 1940 Act. Adverse developments resulting from changes in interest rates or hedging transactions could have a material adverse effect on our business, financial condition and results of operations. During the six months ended June 30, 2021 and 2020, we did not engage in interest rate hedging activities.

Foreign Currency Risk

From time to time, we may make investments that are denominated in a foreign currency that are subject to the effects of exchange rate movements between the foreign currency of each such investment and the U.S. dollar, which may affect future fair values and cash flows, as well as amounts translated into U.S. dollars for inclusion in our consolidated financial statements.

The table below presents the effect that a 10% immediate, unfavorable change in the foreign currency exchange rates (i.e. strengthening of the U.S. dollar) would have on the fair value of our investments denominated in foreign currencies as of June 30, 2021, by foreign currency, all other valuation assumptions remaining constant. In addition, the table below presents the par value of our investments denominated in foreign currencies and the notional amount of foreign currency forward contracts in local currency in place as of June 30, 2021 to hedge against foreign currency risks.

	Investments Denominated in Foreign Currencies As of June 30, 2021				Economic Hedging As of June 30, 2021	
	Cost in Local Currency	Cost in US\$	Fair Value	Reduction in Fair Value as of June 30, 2021 if 10% Adverse Change in Exchange Rate ⁽¹⁾	Net Foreign Currency Hedge Amount in Local Currency	Net Foreign Currency Hedge Amount in U.S. Dollars
Australian Dollars	A\$ 146.5	\$ 109.8	\$ 116.9	\$ 11.7	A\$ 3.0	\$ 2.2
British Pound Sterling	£ 157.0	216.8	235.3	23.5	£ 13.4	18.6
Canadian Dollars	C\$ 37.0	29.8	31.2	3.1	C\$ 8.7	7.0
Euros	€ 428.6	507.9	375.0	37.5	€ 19.9	23.7
Icelandic Krona	ISK 2,797.4	22.6	23.4	2.3	ISK —	—
Norwegian Krone	NOK 379.1	44.0	47.1	4.7	NOK 59.5	6.9
Swedish Krona	SEK 1,146.2	133.9	118.4	11.8	SEK 1,131.9	132.3
Total		<u>\$1,064.8</u>	<u>\$947.3</u>	<u>\$ 94.6</u>		<u>\$ 190.7</u>

(1) Excludes effect, if any, of any foreign currency hedges.

As illustrated in the table above, we use derivative instruments from time to time, including foreign currency forward contracts and cross currency swaps, to manage the impact of fluctuations in foreign currency exchange rates. In addition, we have the ability to borrow in foreign currencies under our Senior Secured Revolving Credit Facility, which provides a natural hedge with regard to changes in exchange rates between the foreign currencies and U.S. dollar and reduces our exposure to foreign exchange rate differences. We are typically a net receiver of these foreign currencies as related for our international investment positions, and, as a result, our investments denominated in foreign currencies, to the extent not hedged, benefit from a weaker U.S. dollar and are adversely affected by a stronger U.S. dollar.

As of June 30, 2021, the net contractual amount of our foreign currency forward contracts totaled \$190.7, all of which related to hedging of our foreign currency denominated debt investments. As of June 30, 2021, we had outstanding borrowings denominated in foreign currencies of €278, CAD30, £207 and AUD152 under our Senior Secured Revolving Credit Facility.

In addition, we may have risk regarding portfolio valuation. See “Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies—Valuation of Portfolio Investments.”

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

As required by Rule 13a-15(b) under the Exchange Act, we carried out an evaluation, under the supervision and with the participation of our management, including the chief executive officer and chief financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of June 30, 2021.

Based on the foregoing, our chief executive officer and chief financial officer concluded that our disclosure controls and procedures were effective to provide reasonable assurance that we would meet our disclosure obligations.

Changes in Internal Control Over Financial Reporting

There was no change in our internal control over financial reporting (as defined in Rules 13a-15(f) or 15d-15(f) of the Exchange Act) that occurred during the three month period ended June 30, 2021 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings.

We are not currently subject to any material legal proceedings, nor, to our knowledge, is any material legal proceeding threatened against us. From time to time, we may be party to certain legal proceedings in the ordinary course of business, including proceedings relating to the enforcement of our rights under contracts with our portfolio companies. While the outcome of any legal proceedings cannot be predicted with certainty, we do not expect that these proceedings will have a material adverse effect upon our financial condition or results of operations.

Item 1A. Risk Factors.

In addition to the other information set forth in this Quarterly Report on Form 10-Q, you should carefully consider the risk factors that appeared under Item 1A. “Risk Factors” in our most recent Annual Report on Form 10-K. There are no material changes from the risk factors included within our most recent Annual Report on Form 10-K other than the risks described below.

We may be unable to realize the benefits anticipated by the 2021 Merger, including estimated cost savings, or it may take longer than anticipated to achieve such benefits.

The realization of certain benefits anticipated as a result of the 2021 Merger will depend in part on the integration of FSKR’s investment portfolio with ours. There can be no assurance that FSKR’s investment portfolio can be operated profitably or integrated successfully into our operations in a timely fashion or at all. The dedication of the Advisor’s resources to such integration may detract attention from the day-to-day business of the Company and there can be no assurance that there will not be substantial costs associated with the transition process or there will not be other material adverse effects as a result of these integration efforts. Such effects, including, but not limited to, incurring unexpected costs or delays in connection with such integration and failure of FSKR’s investment portfolio to perform as expected, could have a material adverse effect on our financial results.

It is also possible that our estimates of the 2021 Merger-related potential cost savings could ultimately be incorrect. If our estimates turn out to be incorrect or if we are not able to successfully combine FSKR’s investment portfolio with our operations, the anticipated cost savings may not be fully realized or realized at all or may take longer to realize than expected.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

As previously disclosed, certain affiliates of the owners of the Advisor committed \$100 to a \$350 investment vehicle, or the Affiliated Purchaser, that may invest from time to time in shares of the Company.

During the six months ended June 30, 2021, the Affiliated Purchaser did not purchase any shares of our common stock.

Item 3. Defaults upon Senior Securities.

Not applicable.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

Not applicable.

Item 6. Exhibits

- 2.1 [Agreement and Plan of Merger, by and among FS Investment Corporation, IC Acquisition, Inc., Corporate Capital Trust, Inc. and FS/KKR Advisor, LLC, dated as of July 22, 2018. \(Incorporated by reference to Exhibit 2.1 to the Company’s Current Report on Form 8-K filed on July 23, 2018.\)](#)
- 2.2 [Agreement and Plan of Merger, dated as of November 23, 2020, by and among FS KKR Capital Corp., FS KKR Capital Corp. II, Rocky Merger Sub, Inc. and FS/KKR Advisor, LLC. \(Incorporated by reference to Exhibit 2.1 to the Company’s Current Report on Form 8-K filed on November 24, 2020.\)](#)
- 2.3 [Agreement and Plan of Merger, dated as of May 31, 2019, by and among FS Investment Corporation II, Corporate Capital Trust II, FS Investment Corporation III, FS Investment Corporation IV, NT Acquisition 1, Inc., NT Acquisition 2, Inc., NT Acquisition 3, Inc. and FS/KKR Advisor, LLC. \(Incorporated by reference to Exhibit 2.1 to FS KKR Capital Corp. II’s Current Report on Form 8-K filed on June 3, 2019.\)](#)

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- 3.1 [Second Articles of Amendment and Restatement of FS Investment Corporation. \(Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on April 16, 2014.\)](#)
- 3.2 [Articles of Amendment of FS Investment Corporation. \(Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on December 3, 2018.\)](#)
- 3.3 [Articles of Amendment of FS Investment Corporation. \(Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on December 19, 2018.\)](#)
- 3.4 [Articles of Amendment of FS KKR Capital Corp. \(Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on June 15, 2020.\)](#)
- 3.5 [Articles of Amendment of FS KKR Capital Corp. \(Incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K filed on June 15, 2020.\)](#)
- 3.6 [Third Amended and Restated Bylaws of FS KKR Capital Corp. \(Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on November 24, 2020.\)](#)
- 4.1 [Distribution Reinvestment Plan, effective as of June 2, 2014. \(Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on May 23, 2014.\)](#)
- 4.2 [Indenture, dated as of July 14, 2014, by and between the Company and U.S. Bank National Association, as trustee. \(Incorporated by reference to Exhibit 4.2 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2014 filed on August 14, 2014.\)](#)
- 4.3 [Third Supplemental Indenture, dated as of April 30, 2015, relating to the 4.750% Notes due 2022, by and between the Company and U.S. Bank National Association, as trustee. \(Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on April 30, 2015.\)](#)
- 4.4 [Form of 4.750% Notes due 2022. \(Included as Exhibit A to the Third Supplemental Indenture in Exhibit 4.3\) \(Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on April 30, 2015.\)](#)
- 4.5 [Fourth Supplemental Indenture, dated as of July 15, 2019, relating to the 4.625% Notes due 2024, by and between the Company and U.S. Bank National Association, as trustee. \(Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on July 15, 2019.\)](#)
- 4.6 [Form of 4.625% Notes due 2024. \(Included as Exhibit A to the Fourth Supplemental Indenture in Exhibit 4.5\) \(Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on July 15, 2019.\)](#)
- 4.7 [Fifth Supplemental Indenture, dated as of November 20, 2019, relating to the 4.125% Notes due 2025, by and between the Company and U.S. Bank National Association, as trustee. \(Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on November 20, 2019.\)](#)
- 4.8 [Form of 4.125% Notes due 2025. \(Included as Exhibit A to the Fifth Supplemental Indenture in Exhibit 4.7\) \(Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on November 20, 2019.\)](#)
- 4.9 [Sixth Supplemental Indenture, dated as of April 30, 2020 relating to the 8.625% Notes due 2025, by and between the Company and U.S. Bank National Association, as trustee. \(Incorporated by reference to Exhibit 4.9 filed with the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020 filed on May 6, 2020.\)](#)
- 4.10 [Form of 8.625% Notes due 2025. \(Included as Exhibit A to the Sixth Supplemental Indenture in Exhibit 4.9\) \(Incorporated by reference to Exhibit 4.9 filed with the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020 filed on May 6, 2020.\)](#)
- 4.11 [Seventh Supplemental Indenture, dated as of December 10, 2020 relating to the 3.400% Notes due 2026, by and between the Company and U.S. Bank National Association, as trustee. \(Incorporated by reference to Exhibit 4.1 filed with the Company's Current Report on Form 8-K for filed on December 10, 2020.\)](#)
- 4.12 [Form of 3.400% Notes due 2026. \(Included as Exhibit A to the Seventh Supplemental Indenture in Exhibit 4.11\) \(Incorporated by reference to Exhibit 4.1 filed with the Company's Current Report on Form 8-K for filed on December 10, 2020.\)](#)
- 4.13 [Indenture, dated June 28, 2017, by and between The Bank of New York Mellon Trust Company, N.A. and Corporate Capital Trust, Inc. \(Incorporated by reference to Exhibit 4.1 to Corporate Capital Trust Inc.'s Current Report on Form 8-K filed on July 5, 2017.\)](#)

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- 4.14 [Form of 5.00% Notes due 2022. \(Included as Exhibit A to the Indenture in Exhibit 4.13\) \(Incorporated by reference to Exhibit 4.1 to Corporate Capital Trust Inc.'s Current Report on Form 8-K filed on July 5, 2017.\)](#)
- 4.15 [Indenture, dated as of February 14, 2020, by and between FS KKR Capital Corp. II and U.S. Bank National Association, as trustee \(incorporated by reference to Exhibit 4.1 to FS KKR Capital Corp. II's Current Report on Form 8-K filed on February 14, 2020.\)](#)
- 4.16 [First Supplemental Indenture, dated as of February 14, 2020, relating to the 4.250% Notes due 2025, by and between FS KKR Capital Corp. II and U.S. Bank National Association, as trustee \(incorporated by reference to Exhibit 4.2 to FS KKR Capital Corp. II's Current Report on Form 8-K filed on February 14, 2020.\)](#)
- 4.17 [Second Supplemental Indenture, dated as of June 16, 2021, relating to the 4.250% Notes due 2025, by and between FS KKR Capital Corp. and U.S. Bank National Association, as trustee \(incorporated by reference to Exhibit 4.3 to the Registrant's Current Report on Form 8-K filed on June 16, 2021.\)](#)
- 4.18 [Form of 4.250% Notes due 2025 \(included as Exhibit A to Exhibit 4.16 hereto\) \(incorporated by reference to Exhibit 4.2 to FS KKR Capital Corp. II's Current Report on Form 8-K filed on February 14, 2020.\)](#)
- 4.19 [Eighth Supplemental Indenture, dated as of June 17, 2021, relating to the 2.625% Notes due 2027, by and between FS KKR Capital Corp. and U.S. Bank National Association, as trustee \(incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed on June 17, 2021.\)](#)
- 4.20 [Form of 2.625% Notes due 2027 \(included as Exhibit A to Exhibit 4.19 hereto\) \(incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed on June 17, 2021.\)](#)
- 10.1 [Amended and Restated Investment Advisory Agreement, dated as of June 16, 2021, by and between FS KKR Capital Corp. and FS/KKR Advisor, LLC. \(Incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed on June 16, 2021.\)](#)
- 10.2 [Administration Agreement, dated as of April 9, 2018, by and between FS Investment Corporation and FS/KKR Advisor, LLC. \(Incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed on April 9, 2018.\)](#)
- 10.3 [Custodian Agreement, dated as of November 14, 2011, by and between the Company and State Street Bank and Trust Company. \(Incorporated by reference to Exhibit 10.9 filed with the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2011 filed on November 14, 2011.\)](#)
- 10.4 [Amended and Restated Loan and Security Agreement, dated as of March 4, 2019, by and between Locust Street Funding LLC, JPMorgan Chase Bank, N.A., the lenders party thereto, and Wells Fargo Bank, National Association. \(Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on March 8, 2019.\)](#)
- 10.5 [Amended and Restated Senior Secured Revolving Credit Agreement, dated as of November 7, 2019, by and among the Company, FS Investment Corporation II, and FS Investment Corporation III, as borrowers, JPMorgan Chase Bank, N.A., as administrative agent, ING Capital LLC, as collateral agent, and the lenders, documentation agents, joint bookrunners, and joint lead arrangers party thereto. \(Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on November 13, 2019.\)](#)
- 10.6 [Commitment Increase Letter, dated as of March 3, 2020, among BNP Paribas, ING Capital LLC, the Company, FS KKR Capital Corp. II and JPMorgan Chase Bank, N.A., as administrative agent. \(Incorporated by reference to Exhibit 10.6 filed with the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020 filed on May 6, 2020.\)](#)
- 10.7† [Amendment No. 1 to Amended and Restated Senior Secured Revolving Credit Agreement, dated as of May 5, 2020, by and among the Company, FS KKR Capital Corp. II, JPMorgan Chase Bank, N.A., as administrative agent, ING Capital LLC, as collateral agent, and the lenders party thereto. \(Incorporated by reference to Exhibit 10.7 filed with the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020 filed on May 6, 2020.\)](#)
- 10.8 [Second Amended and Restated Senior Secured Revolving Credit Agreement, dated as of December 23, 2020, by and among the Company and FS KKR Capital Corp. II, as borrowers, JPMorgan Chase Bank, N.A., as administrative agent, ING Capital LLC, as collateral agent, and the lenders, documentation agents, joint bookrunners, and joint lead arrangers party thereto. \(Incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on December 30, 2020.\)](#)

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- 10.9 [Loan and Servicing Agreement, dated as of December 2, 2015, among CCT Tokyo Funding LLC, Corporate Capital Trust, Inc. and Sumitomo Mitsui Banking Corporation. \(Incorporated by reference to Exhibit 10.42 to Corporate Capital Trust, Inc.'s Annual Report on Form 10-K filed on March 21, 2016.\)](#)
- 10.10 [First Amendment to Loan and Servicing Agreement, dated September 20, 2017, by an among CCT Tokyo Funding LLC, Corporate Capital Trust, Inc. and Sumitomo Mitsui Banking Corporation. \(Incorporated by reference to Exhibit 10.3 to Corporate Capital Trust, Inc.'s Quarterly Report on Form 10-Q filed on November 9, 2017.\)](#)
- 10.11 [Second Amendment to Loan and Servicing Agreement, dated as of November 28, 2017, by and among CCT Tokyo Funding LLC, Corporate Capital Trust, Inc. and Sumitomo Mitsui Banking Corporation. \(Incorporated by reference to Exhibit 10.1 to Corporate Capital Trust Inc.'s Current Report on Form 8-K filed on November 28, 2017.\)](#)
- 10.12 [Fourth Amendment to Loan and Servicing Agreement, dated as of November 30, 2018, by and among CCT Tokyo Funding LLC, Corporate Capital Trust, Inc., and Sumitomo Mitsui Banking Corporation. \(Incorporated by reference to Exhibit 10.18 to the Company's Annual Report on Form 10-K filed on February 28, 2019.\)](#)
- 10.13 [Fifth Amendment to Loan and Servicing Agreement, dated as of December 2, 2019, by and among CCT Tokyo Funding LLC, the Company, and Sumitomo Mitsui Banking Corporation. \(Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on December 5, 2019.\)](#)
- 10.14 [Sixth Amendment to Loan and Servicing Agreement, dated December 1, 2020, by and among CCT Tokyo Funding LLC, FS KKR Capital Corp., and Sumitomo Mitsui Banking Corporation. \(Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on December 2, 2020.\)](#)
- 10.15 [Indenture, dated June 25, 2019, by and between FS KKR MM CLO 1 LLC and US Bank National Association. \(Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on July 1, 2019.\)](#)
- 10.16 [Amended and Restated Indenture, dated December 22, 2020, by and between FS KKR MM CLO 1 LLC and U.S. Bank National Association. \(Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on December 30, 2020.\)](#)
- 10.17 [Loan Financing and Servicing Agreement, dated as of February 20, 2014, by and among Darby Creek LLC, as borrower, Deutsche Bank AG, New York Branch, as administrative agent, Wells Fargo Bank, National Association, as collateral agent and collateral custodian, and the other lenders and lender agents from time to time party thereto. \(Incorporated by reference to Exhibit 10.5 to FS KKR Capital Corp. II's Current Report on Form 8-K filed on February 25, 2014.\)](#)
- 10.18 [Amendment No. 1 to Loan Financing and Servicing Agreement, dated as of January 12, 2015, by and among Darby Creek LLC, as borrower, Deutsche Bank AG, New York Branch, as administrative agent, Wells Fargo Bank, National Association, as collateral agent and collateral custodian, and the other lenders and lender agents from time to time party thereto. \(Incorporated by reference to Exhibit 10.27 to FS KKR Capital Corp. II's Annual Report on Form 10-K filed on March 25, 2016.\)](#)
- 10.19 [Amendment No. 2 to Loan Financing and Servicing Agreement, dated as of February 3, 2015, by and among Darby Creek LLC, as borrower, Deutsche Bank AG, New York Branch, as administrative agent, Wells Fargo Bank, National Association, as collateral agent and collateral custodian, and the other lenders and lender agents from time to time party thereto. \(Incorporated by reference to Exhibit 10.28 to FS KKR Capital Corp. II's Annual Report on Form 10-K filed on March 25, 2016.\)](#)
- 10.20 [Amendment No. 3 to Loan Financing and Servicing Agreement, dated as of May 7, 2015, by and among Darby Creek LLC, as borrower, Deutsche Bank AG, New York Branch, as administrative agent, Wells Fargo Bank, National Association, as collateral agent and collateral custodian, and the other lenders and lender agents from time to time party thereto. \(Incorporated by reference to Exhibit 10.29 to FS KKR Capital Corp. II's Annual Report on Form 10-K filed on March 25, 2016.\)](#)
- 10.21 [Amendment No. 4 to Loan Financing and Servicing Agreement, dated as of October 8, 2015, by and among Darby Creek LLC, as borrower, Deutsche Bank AG, New York Branch, as administrative agent, Wells Fargo Bank, National Association, as collateral agent and collateral custodian, and the other lenders and lender agents from time to time party thereto. \(Incorporated by reference to Exhibit 10.30 to FS KKR Capital Corp. II's Annual Report on Form 10-K filed on March 25, 2016.\)](#)

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- 10.22 [Amendment No. 6 to Loan Financing and Servicing Agreement, dated as of August 19, 2016, by and among Darby Creek LLC, as borrower, Deutsche Bank AG, New York Branch, as administrative agent, Wells Fargo Bank, National Association, as collateral agent and collateral custodian, and the other lenders and lender agents from time to time party thereto. \(Incorporated by reference to Exhibit 10.1 to FS KKR Capital Corp. II's Current Report on Form 8-K filed on August 22, 2016.\)](#)
- 10.23 [Amendment No. 7 to Loan Financing and Servicing Agreement, dated as of February 15, 2019, by and among Darby Creek LLC, as borrower, Deutsche Bank AG, New York Branch, as administrative agent, Wells Fargo Bank, National Association, as collateral agent and collateral custodian, and the other lenders and lender agents from time to time party thereto. \(Incorporated by reference to Exhibit 10.16 to FS KKR Capital Corp. II's Quarterly Report on Form 10-K filed on March 19, 2019.\)](#)
- 10.24 [Omnibus Amendment, dated as of February 20, 2019, between Darby Creek LLC, as borrower, Deutsche Bank AG, New York Branch, as facility agent, each lender party thereto, each agent party thereto, and Wells Fargo Bank, National Association, as collateral agent and collateral custodian. \(Incorporated by reference to Exhibit 10.1 to FS KKR Capital Corp. II's Current Report on Form 8-K filed on February 25, 2019.\)](#)
- 10.25 [Amended and Restated Loan and Security Agreement, dated as of March 13, 2019, by and between Juniata River LLC, as borrower, JPMorgan Chase Bank, National Association, as administrative agent, the lenders party thereto, and Wells Fargo Bank, National Association, as collateral administrator, collateral agent and securities intermediary. \(Incorporated by reference to Exhibit 10.20 to FS KKR Capital Corp. II's Quarterly Report on Form 10-K filed on March 19, 2019.\)](#)
- 10.26 [First Amendment to Amended and Restated Loan Agreement, dated as of October 11, 2019, among Juniata River LLC, JPMorgan Chase Bank, National Association, as lender and Administrative Agent, Wells Fargo Bank, National Association, as Collateral Agent, Collateral Administrator and Securities Intermediary, and FS Investment Corporation II, as Investment Manager. \(Incorporated by reference to Exhibit 10.1 to FS KKR Capital Corp. II's Current Report on Form 8-K filed on October 15, 2019.\)](#)
- 10.27 [Second Amended and Restated Loan and Security Agreement, dated as of September 11, 2020, by and among Juniata River LLC, as borrower, JPMorgan Chase Bank, National Association, as administrative agent, Wells Fargo Bank, National Association, as collateral agent, collateral administrator and securities intermediary, and the lenders party thereto \(Incorporated by reference to Exhibit 10.1 to FS KKR Capital Corp. II's Current Report on Form 8-K filed on September 17, 2020.\)](#)
- 10.28 [Credit Agreement, dated as of July 10, 2019, among Germantown Funding LLC, Goldman Sachs Bank USA, as lender, sole lead arranger, administrative agent and calculation agent, and Wells Fargo Bank, National Association, as collateral agent and collateral administrator. \(Incorporated by reference to Exhibit 10.1 to FS Investment Corporation III's Current Report on Form 8-K filed on July 16, 2019\).](#)
- 10.29 [Amendment No. 1 to Credit Agreement, dated as of December 13, 2019, among Germantown Funding LLC, as borrower, FS Investment Corporation III, as equity owner and investment manager, Goldman Sachs Bank USA, as sole lead arranger, sole lender, and administrative agent, and Wells Fargo Bank, National Association, as collateral administrator and collateral agent. \(Incorporated by reference to Exhibit 10.1 to FS Investment Corporation III's Current Report on Form 8-K filed on December 17, 2019\).](#)
- 10.30 [Loan Financing and Servicing Agreement, dated as of December 2, 2014, by and among Dunlap Funding LLC, as borrower, Deutsche Bank AG, New York Branch, as administrative agent, Wells Fargo Bank, National Association, as collateral agent and collateral custodian, and the other lenders and lender agents from time to time party thereto. \(Incorporated by reference to Exhibit 10.1 to FS Investment Corporation III's Current Report on Form 8-K filed on December 8, 2014\).](#)
- 10.31 [Amendment No. 1 to Loan Financing and Servicing Agreement, dated as of February 24, 2015, between Dunlap Funding LLC, as borrower, and Deutsche Bank AG, New York Branch, as administrative agent. \(Incorporated by reference to Exhibit 10.1 to FS Investment Corporation III's Current Report on Form 8-K filed on March 2, 2015\).](#)
- 10.32 [Amendment No. 2 to Loan Financing and Servicing Agreement, dated as of March 24, 2015, between Dunlap Funding LLC, as borrower, and Deutsche Bank AG, New York Branch, as administrative agent. \(Incorporated by reference to Exhibit 10.1 to FS Investment Corporation III's Current Report on Form 8-K filed on March 26, 2015\).](#)
- 10.33 [Amendment No. 3 to Loan Financing and Servicing Agreement, dated as of August 25, 2015, between Dunlap Funding LLC, as borrower, and Deutsche Bank AG, New York Branch, as administrative agent. \(Incorporated by reference to Exhibit 10.29 to FS Investment Corporation III's Annual Report on Form 10-K filed on March 11, 2016\).](#)

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- 10.34 [Amendment No. 4 to Loan Financing and Servicing Agreement, dated as of September 22, 2015, between Dunlap Funding LLC, as borrower, and Deutsche Bank AG, New York Branch, as administrative agent. \(Incorporated by reference to Exhibit 10.1 to FS Investment Corporation III's Current Report on Form 8-K filed on September 24, 2015\).](#)
- 10.35 [Amendment No. 5 to Loan Financing and Servicing Agreement, dated as of October 8, 2015, between Dunlap Funding LLC, as borrower, and Deutsche Bank AG, New York Branch, as administrative agent. \(Incorporated by reference to Exhibit 10.31 to FS Investment Corporation III's Annual Report on Form 10-K for the fiscal year ended December 31, 2015 filed on March 11, 2016\).](#)
- 10.36 [Amendment No. 7 to Loan Financing and Servicing Agreement, dated as of January 12, 2017, between Dunlap Funding LLC, as borrower, Deutsche Bank AG, New York Branch, as administrative agent, each lender party thereto, and Wells Fargo Bank, National Association, as collateral agent and collateral custodian. \(Incorporated by reference to Exhibit 10.1 to the FS Investment Corporation III's Current Report on Form 8-K filed on January 19, 2017\).](#)
- 10.37 [Amendment No. 8 to Loan Financing and Servicing Agreement, dated as of April 5, 2017, between Dunlap Funding LLC, as borrower, Deutsche Bank AG, New York Branch, as administrative agent, each lender party thereto, and Wells Fargo Bank, National Association, as collateral agent and collateral custodian. \(Incorporated by reference to Exhibit 10.37 to FS Investment Corporation III's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2017, filed on May 10, 2017\).](#)
- 10.38 [Amendment No. 9 to Loan Financing and Servicing Agreement, dated as of March 12, 2018, between Dunlap Funding LLC, as borrower, Deutsche Bank AG, New York Branch, as facility agent \(formerly administrative agent\), each lender party thereto, and Wells Fargo, National Association, as collateral agent and collateral custodian. \(Incorporated by reference to Exhibit 10.1 to FS Investment Corporation III's Current Report on Form 8-K filed on March 15, 2018\).](#)
- 10.39 [Amendment No. 10 to Loan Financing and Servicing Agreement, dated as of June 20, 2018, among Dunlap Funding LLC, as borrower, Deutsche Bank AG, New York Branch, as facility agent \(formerly administrative agent\), each lender party thereto, each agent party thereto, and Wells Fargo Bank, National Association, as collateral agent and collateral custodian. \(Incorporated by reference to Exhibit 10.48 to FS Investment Corporation III's Quarterly Report on Form 10-Q filed on August 14, 2018\).](#)
- 10.40 [Waiver, Assignment and Amendment No. 11 to Loan Financing and Servicing Agreement, dated as of September 17, 2018, among Dunlap Funding LLC, as borrower, Deutsche Bank AG, New York Branch, as facility agent \(formerly administrative agent\), each lender party thereto, each agent party thereto, and Wells Fargo Bank, National Association, as collateral agent and collateral custodian. \(Incorporated by reference to Exhibit 10.46 to FS Investment Corporation III's Quarterly Report on Form 10-Q filed on November 14, 2018\).](#)
- 10.41 [Amendment No. 12 to Loan Financing and Servicing Agreement, dated as of December 21, 2018, among Dunlap Funding LLC, as borrower, Deutsche Bank AG, New York Branch, as facility agent, each lender party thereto, each agent party thereto, and Wells Fargo Bank, National Association, as collateral agent and collateral custodian. \(Incorporated by reference to Exhibit 10.43 to FS Investment Corporation III's Annual Report on Form 10-K filed on March 19, 2019\).](#)
- 10.42 [Omnibus Amendment, dated as of February 19, 2019, between Dunlap Funding LLC, as borrower, Deutsche Bank AG, New York Branch, as facility agent, each lender party thereto, each agent party thereto, and Wells Fargo Bank, National Association, as collateral agent and collateral custodian. \(Incorporated by reference to Exhibit 10.1 to FS Investment Corporation III's Current Report on Form 8-K filed on February 25, 2019\).](#)
- 10.43 [Second Amended and Restated Loan and Security Agreement, dated as of March 4, 2019, by and between Jefferson Square Funding LLC, as borrower, JPMorgan Chase Bank, National Association, as administrative agent, the lenders party thereto, and Wells Fargo Bank, National Association, as collateral administrator, collateral agent and securities intermediary party thereto. \(Incorporated by reference to Exhibit 10.49 to FS Investment Corporation III's Annual Report on Form 10-K filed on March 19, 2019\).](#)
- 10.44 [Committed Facility Agreement, dated as of October 17, 2014, by and between Burholme Funding LLC and BNP Paribas Prime Brokerage, Inc., on behalf of itself and as agent for the BNPP Entities. \(Incorporated by reference to Exhibit 10.1 to FS Investment Corporation III's Current Report on Form 8-K filed on October 23, 2014\).](#)
- 10.45 [U.S. PB Agreement, dated as of October 17, 2014, by and between Burholme Funding LLC and BNP Paribas Prime Brokerage, Inc., on behalf of itself and as agent for the BNPP Entities. \(Incorporated by reference to Exhibit 10.2 to FS Investment Corporation III's Current Report on Form 8-K filed on October 23, 2014\).](#)

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- 10.46 [Special Custody and Pledge Agreement, dated as of October 17, 2014, by and among Burholme Funding LLC, BNP Paribas Prime Brokerage, Inc. and State Street Bank and Trust Company, as custodian. \(Incorporated by reference to Exhibit 10.3 to FS Investment Corporation III's Current Report on Form 8-K filed on October 23, 2014\).](#)
- 10.47 [First Amendment Agreement, dated as of March 11, 2015, to the Committed Facility Agreement, dated as of October 17, 2014, between BNP Paribas Prime Brokerage, Inc., on behalf of itself and as agent for the BNPP Entities, and Burholme Funding LLC. \(Incorporated by reference to Exhibit 10.1 to FS Investment Corporation III's Current Report on Form 8-K filed on March 13, 2015\).](#)
- 10.48 [Second Amendment Agreement, dated as of October 21, 2015, to the Committed Facility Agreement, dated as of October 17, 2014, between BNP Paribas Prime Brokerage, Inc., on behalf of itself and as agent for the BNPP Entities and Burholme Funding LLC. \(Incorporated by reference to Exhibit 10.21 to FS Investment Corporation III's Annual Report on Form 10-K filed on March 11, 2016\).](#)
- 10.49 [Third Amendment Agreement, dated as of March 16, 2016, to the Committed Facility Agreement, dated as of October 17, 2014, between BNP Paribas Prime Brokerage, Inc., on behalf of itself and as agent for the BNPP Entities and Burholme Funding LLC. \(Incorporated by reference to Exhibit 10.23 to FS Investment Corporation III's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2016 filed on November 14, 2016\).](#)
- 10.50 [Fourth Amendment Agreement, dated as of August 29, 2016, to the Committed Facility Agreement, dated as of October 17, 2014, between BNP Paribas Prime Brokerage, Inc., on behalf of itself and as agent for the BNPP Entities and Burholme Funding LLC. \(Incorporated by reference to Exhibit 10.1 to FS Investment Corporation III's Current Report on Form 8-K filed on September 2, 2016\).](#)
- 10.51 [Fifth Amendment Agreement, dated as of November 15, 2016, to the Committed Facility Agreement, dated as of October 17, 2014, between BNP Paribas Prime Brokerage, Inc., on behalf of itself and as agent for the BNPP Entities and Burholme Funding LLC. \(Incorporated by reference to Exhibit 10.1 to FS Investment Corporation III's Current Report on Form 8-K filed on November 21, 2016\).](#)
- 10.52 [Sixth Amendment Agreement, dated as of May 29, 2018, to the Committed Facility Agreement, dated as of October 17, 2014, between BNP Paribas Prime Brokerage International, Ltd. and Burholme Funding LLC. \(Incorporated by reference to Exhibit 10.34 to the Registrant's Quarterly Report on Form 10-Q filed on August 14, 2018\).](#)
- 10.53 [Seventh Amendment Agreement, dated as of June 12, 2019, to the Committed Facility Agreement, dated as of October 17, 2014, between BNP Paribas Prime Brokerage International, Ltd. and Burholme Funding LLC. \(Incorporated by reference to Exhibit 10.1 to FS Investment Corporation III's Current Report on Form 8-K filed on June 17, 2019\).](#)
- 10.54 [Committed Facility Agreement, dated and effective as of March 1, 2017, by and between Broomall Funding LLC and BNP Paribas Prime Brokerage International, Ltd. \(Incorporated by reference to Exhibit 10.1 to FS Investment Corporation IV's Current Report on Form 8-K filed on February 15, 2017\).](#)
- 10.55 [U.S. PB Agreement, dated and effective as of March 1, 2017, by and between Broomall Funding LLC and BNP Paribas Prime Brokerage International, Ltd., on behalf of itself and as agent for the BNPP Entities. \(Incorporated by reference to Exhibit 10.2 to FS Investment Corporation IV's Current Report on Form 8-K filed on February 15, 2017\).](#)
- 10.56 [First Amendment Agreement, dated as of May 29, 2018, to the Committed Facility Agreement, dated as of March 1, 2017, between BNP Paribas Prime Brokerage International, Ltd. and Broomall Funding LLC. \(Incorporated by reference to Exhibit 10.32 to FS Investment Corporation IV's Quarterly Report on Form 10-Q filed on August 14, 2018\).](#)
- 10.57 [Second Amendment Agreement, dated as of December 31, 2018, to the Committed Facility Agreement, dated as of March 1, 2017, between BNP Paribas Prime Brokerage International, Ltd. and Broomall Funding LLC. \(Incorporated by reference to Exhibit 10.28 to FS Investment Corporation IV's Annual Report on Form 10-K filed on March 18, 2019\).](#)
- 10.58 [Loan and Security Agreement, dated as of November 22, 2019, by and among Ambler Funding LLC, as borrower, Ally Bank, as administrative agent and arranger, Wells Fargo Bank, N.A., as collateral administrator and collateral custodian, and the lenders from time to time party thereto. \(Incorporated by reference to Exhibit 10.1 to FS Investment Corporation IV's Current Report on Form 8-K filed on November 26, 2019\).](#)

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- 10.59 [Loan and Servicing Agreement, dated as of November 22, 2019, by and among Meadowbrook Run LLC, as borrower, Morgan Stanley Senior Funding, Inc., as administrative agent, Wells Fargo Bank, N.A., as collateral agent, account bank and collateral custodian, and the lenders from time to time party thereto. \(Incorporated by reference to Exhibit 10.1 to FS KKR Capital Corp. II's Current Report on Form 8-K filed on November 29, 2019\).](#)
- 10.60 [First Amendment to Loan and Servicing Agreement and Omnibus Amendment to Transaction Documents, dated as of March 3, 2020, by and among Meadowbrook Run LLC, as borrower, Morgan Stanley Senior Funding, Inc., as lender and administrative agent, and FS KKR Capital Corp. II, as servicer. \(Incorporated by reference to Exhibit 10.49 to FS KKR Capital Corp. II's Quarterly Report on Form 10-Q filed on May 12, 2020\).](#)
- 10.61 [Second Amendment to Loan and Servicing Agreement, dated as of June 16, 2020, by and among Meadowbrook Run LLC, as borrower, FS KKR Capital Corp. II, as servicer, Morgan Stanley Bank, N.A., as lender, and Morgan Stanley Senior Funding, Inc., as administrative agent \(Incorporated by reference to Exhibit 10.50 to FS KKR Capital Corp. II's Quarterly Report on Form 10-Q filed on August 10, 2020\).](#)
- 10.62 [ISDA 2002 Master Agreement, together with the Schedule thereto and Credit Support Annex to such Schedule, each dated as of January 19, 2016, by and between Cheltenham Funding LLC and Citibank, N.A. \(Incorporated by reference to Exhibit 10.1 to FS Investment Corporation IV's Current Report on Form 8-K filed on January 22, 2016\).](#)
- 10.63 [Amended and Restated Paragraph 13 of the Credit Support Annex, dated as of September 5, 2017, by and between Cheltenham Funding LLC and Citibank, N.A. \(Incorporated by reference to Exhibit \(k\)\(6\) to Post-Effective Amendment No. 9 to FS Investment Corporation IV's registration statement on Form N-2 \(File No. 333-204239\) filed on October 18, 2017\).](#)
- 10.64 [Thirteenth Amended and Restated Confirmation Letter Agreement, dated as of December 19, 2019, by and between Cheltenham Funding LLC and Citibank, N.A. \(Incorporated by reference to Exhibit 10.1 to FS KKR Capital Corp. II's Current Report on Form 8-K filed on December 26, 2019\).](#)
- 10.65 [Schedule to the ISDA 2002 Master Agreement, amended and restated as of June 28, 2019, between Cheltenham Funding LLC and Citibank, N.A. \(Incorporated by reference to Exhibit 10.2 to FS Investment Corporation IV's Current Report on Form 8-K filed on July 5, 2019\).](#)
- 10.66 [Guarantee, dated as of January 19, 2016, by FS Investment Corporation IV in favor of Citibank, N.A. \(Incorporated by reference to Exhibit 10.4 to FS Investment Corporation IV's Current Report on Form 8-K filed on January 22, 2016\).](#)
- 31.1* [Certification of Chief Executive Officer pursuant to Rule 13a-14 of the Securities Exchange Act of 1934, as amended.](#)
- 31.2* [Certification of Chief Financial Officer pursuant to Rule 13a-14 of the Securities Exchange Act of 1934, as amended.](#)
- 32.1* [Certification of Chief Executive Officer and Chief Financial Officer pursuant to Section 1350, Chapter 63 of Title 18, United States Code, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.](#)

* Filed herewith.

† Pursuant to Item 601(a)(5) of Regulation S-K, certain exhibits and schedules have been omitted. The registrant hereby agrees to furnish supplementally a copy of any omitted attachment to the SEC upon request.

CERTIFICATION

I, Michael C. Forman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of FS KKR Capital Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 9, 2021

/s/ Michael C. Forman

Michael C. Forman
Chief Executive Officer

CERTIFICATION

I, Steven Lilly certify that:

1. I have reviewed this quarterly report on Form 10-Q of FS KKR Capital Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 9, 2021

/s/ Steven Lilly

Steven Lilly
Chief Financial Officer

**CERTIFICATION of CEO and CFO PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of FS KKR Capital Corp. (the "Company") for the three months ended June 30, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Form 10-Q"), Michael C. Forman, as Chief Executive Officer of the Company, and Steven Lilly, as Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- the Form 10-Q of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and
- the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 9, 2021

/s/ Michael C. Forman

Michael C. Forman
Chief Executive Officer

/s/ Steven Lilly

Steven Lilly
Chief Financial Officer