

FS KKR Capital Corp. II BDC Lists on NYSE

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FS KKR Capital Corp. II (FSKR), a business development company, has listed its shares of common stock on the New York Stock Exchange under the ticker symbol “FSKR.” The company claims that FS KKR Capital Corp. II, together with its affiliate, FS KKR Capital Corp. (NYSE: FSK), represents the second largest publicly traded BDC platform in the market.

FS KKR Capital Corp. II was formed from the December 2019 merger of four non-traded BDCs including FS Investment Corporation II, FS Investment Corporation III, FS Investment Corporation IV, and Corporate Capital Trust II.

“Following the listing, FSKR anticipates shareholder approval of its proposal to decrease its asset coverage



requirement, which would enable FSKR to access in excess of \$1 billion of previously committed financing lines across its balance sheet,” said Daniel Pietrzak, co-president and chief investment officer. “This additional flexibility will enhance our investment capacity as we support our existing portfolio companies and think strategically about expanding our portfolio through new investments.”

On June 10, 2020, FS KKR Capital Corp. II effected a 4 to 1 reverse split of its shares of common stock. As a result, every four shares of common stock issued and outstanding were automatically combined into one share, and the number of outstanding shares was reduced from approximately 691.2 million to approximately 172.9 million. As adjusted to give effect to the reverse stock split, the company’s net asset value per share as of March 31, 2020 would have been \$24.68, instead of \$6.17 per share.

As previously announced, in late May 2020, the company’s board authorized a share repurchase program. Under the program, the company may repurchase up to \$100 million of its outstanding common stock in the open market. The timing, manner, price and amount of any share repurchases will be determined by the company, based upon the evaluation of economic and market conditions, its stock price, legal and regulatory requirements, and other factors.

Additionally, certain affiliates of the owners of the company’s investment advisor, FS/KKR Advisor LLC, have committed \$100 million to a \$350 million investment vehicle that may invest from time to time in shares of FS KKR Capital Corp. II and its affiliate, FS KKR Capital Corp.

Shares of FSKR closed at \$13.14 on Thursday.

FS KKR Capital Corp. II (NYSE: FSKR) is a publicly traded BDC that seeks to invest primarily in the senior secured debt and, to a lesser extent, the subordinated debt of private middle market companies.

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