



October 3, 2022

Dear FS Credit Opportunities Corp. Stockholder,

In anticipation of the planned listing of FS Credit Opportunities Corp.'s common shares on the New York Stock Exchange (NYSE), we wanted to outline some important dates, as well as answer a few questions you might have regarding the listing. We anticipate the listing will occur in early to mid-November, subject to final board approval and market conditions.

Once listed, the fund will trade under the ticker symbol FSCO and will rank as one of the largest credit-focused closed-end funds in the market with an attractive dividend yield, strong track record and differentiated strategy investing in public and private markets. On a cumulative basis, the fund has generally outperformed the broader high yield and loan markets since Andrew Beckman assumed management of the fund in 2018.¹

Prior to the listing, we expect the fund to increase its annualized distribution amount and provide stockholders with an enhanced level of income. As of August 31, 2022, the fund's annualized distribution rate was 7.43% based on the fund's net asset value. We will provide further details on the expectation for the distribution prior to the listing. The October monthly distribution will be **paid in cash to stockholders on October 20**. Please note that the fund's distribution reinvestment plan will be suspended in early October in preparation for the listing.

There are a variety of resources available to you with further information, including an expanded FAQ, on our listing website at www.fsproxy.com.

We also wanted to make you aware that it is possible that a third party unaffiliated with the fund may offer to purchase your shares prior to our planned listing through what is commonly referred to as a "mini-tender" offer. Please note that neither the fund nor its investment adviser has endorsed any such offer, or had any role in setting the terms, including the price you may be offered. The Securities and Exchange Commission (SEC) has published guidance on these types of offers, which is available at <https://www.sec.gov/reportspubs/investor-publications/investorpubsminitendhtm.html>. We encourage stockholders to carefully review the SEC guidance and to discuss the terms of any such offer with your broker or other financial adviser.

We hope that FS Credit Opportunities Corp. continues to be an important part of your portfolio. We remain committed to maximizing stockholder value and look forward to continuing to service you as a publicly traded company.

Sincerely,
FS Investments

Cautionary Statement Concerning Forward-Looking Statements

Statements included herein may constitute "forward-looking" statements as that term is defined in Section 27A of the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995, including statements with regard to future events or the future performance or operations of the Company. Words such as "intends," "will," "expects," and "may" or similar expressions are intended to identify forward-looking statements. These forward-looking statements are subject to the inherent uncertainties in predicting future results and conditions. Certain factors could cause actual results to differ materially from those projected in these forward-looking statements. Factors that could cause actual results to differ materially include changes in the economy, geo-political risks, risks associated with possible disruption to the Company's operations or the economy generally due to hostilities, terrorism, natural disasters or pandemics such as COVID-19, future changes in laws or regulations and conditions in the Company's operating area, unexpected costs, the ability of the Company to complete the listing, the price at which the Company's shares of common stock may trade on the New York Stock Exchange and such other factors that are disclosed in the Company's filings with the Securities and Exchange Commission (the "SEC"). The inclusion of forward-looking statements should not be regarded as a representation that any plans, estimates or expectations will be achieved. Any forward-looking statements speak only as of the date of this communication. Except as required by federal securities laws, the Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Readers are cautioned not to place undue reliance on any of these forward-looking statements.

¹ As of June 30, 2022. High yield bonds are represented by the ICE Bank of America Merrill Lynch U.S. High Yield Bond Index. Loans are represented by the Credit Suisse Leveraged Loan Index.

Fund information

Fund name	FS Credit Opportunities Corp. ("FSCO or the "Fund")
Ticker	FSCO
CUSIP	30290Y101
Annualized distribution rate	7.43% ²

Important anticipated dates

Please note: Dates are still being finalized and will be communicated as soon as they are determined. There can be no assurance that the Fund will be able to complete the listing within the expected timeframe, or at all.

Early October	<ul style="list-style-type: none">• Distribution Reinvestment Plan suspended
10/20/2022	<ul style="list-style-type: none">• October distributions payable date (all distributions paid in cash)
Late October	<ul style="list-style-type: none">• Shares separated into three separate accounts in preparation for phased liquidity
Early November	<ul style="list-style-type: none">• Phase 1 DRTA statement and cover letter released via USPS to registered stockholders
Mid-November	<ul style="list-style-type: none">• FSCO lists on NYSE• Amended and Restated Distribution Reinvestment Plan (the "A&R DRP") effective upon the listing; the A&R DRP will be suspended for 181 days following the listing• Phase 1 shares freely transferable
February 2023	<ul style="list-style-type: none">• Phase 2 DRTA statement and cover letter released via USPS to registered stockholders• Phase 2 shares (90 calendar days post listing) freely transferable
May 2023	<ul style="list-style-type: none">• Phase 3 DRTA statement and cover letter released via USPS to registered stockholders• Phase 3 shares (180 calendar days post listing) freely transferable• A&R DRP reinstated

² As of August 31, 2022. The annualized distribution rate shown is expressed as a percentage equal to the projected annualized distribution amount per share (which is calculated by annualizing the regular monthly cash distribution per share as of the date indicated, without compounding), divided by FSCO's net asset value per share as of the date indicated. The annualized distribution rate shown may be rounded. The payment of future distributions on FSCO's common shares is subject to the discretion of FSCO's board of directors and applicable legal restrictions and, therefore, there can be no assurance as to the amount or timing of any such future distributions. The sources of FSCO's cash distributions for the 12 months ended December 31, 2021 were as follows: net investment income: 100%. The determination of the tax attributes of FSCO's distributions is made annually as of the end of FSCO's fiscal year based upon FSCO's taxable income for the full year and distributions paid for the full year. Therefore, a determination made on an interim basis may not be representative of the actual tax attributes of FSCO's distributions for a full year. The actual tax characteristics of distributions to shareholders are reported to shareholders annually on Form 1099-DIV.

Key questions

Will the Fund increase the distribution in connection with the listing?

We expect the Fund to increase the distribution at listing to support an annualized distribution rate of 8.25% or greater based on the Fund's net asset value (NAV) as of August 31, 2022, subject to market conditions and board approval. The October monthly distribution will be **paid in cash to stockholders on October 20**. Please note that the Fund's distribution reinvestment plan will be suspended in early October in preparation for the listing.

What will happen with distributions?

Upon listing, we expect the Fund will continue to pay monthly distributions. All accounts will be paid cash distributions for the duration of the phased liquidity. Registered stockholders are encouraged to add banking instructions to their account to receive monthly distributions electronically to their bank account instead of a physical check delivered to the address on file. Any registered stockholders that would like to update the banking instructions on file can submit an account maintenance form to our transfer agent, SS&C Technologies, Inc.

Once all shares are fully available for trading (180 days post-listing), the Fund anticipates reinstating the A&R DRP. Your distribution elections will revert to the method on file at the time of listing.

How is the initial trading price determined?

A third-party market specialist at the NYSE will be responsible for creating an orderly market for the Fund's common shares by aggregating buy and sell orders.

Since this will be the first time the Fund's common shares will trade in the public markets, it may take a few hours for the specialist to build the book and create an orderly market.

The Fund will likely not commence trading immediately at the market open at 9:30AM ET on the day of listing. In addition, there is typically a lag before prices are reported on third-party websites.

Once the market specialist believes it has received sufficient indications of interest to create an orderly market for FSCO's common shares, the Fund will commence trading on the NYSE.

Upon listing, how do I hold/buy/sell shares?

If you wish to continue holding this position, you can leave it as is, or transfer it to an advisory account to incorporate as part of your broader portfolio.

Should you wish to buy or sell shares, you have the following options:

1. Buy or sell shares through a brokerage account

- Open a new brokerage account or identify an existing brokerage account to move your shares into.
- Contact the brokerage firm to confirm the requirements to move shares via the Direct Registration System (DRS).
- Follow the required instructions given by the brokerage firm—most firms require their proprietary transfer of assets form and the Direct Registration Transaction Advice (DRTA).
- Once the brokerage firm submits a request to transfer the freely transferable shares, the shares should be credited to your brokerage account and will typically be eligible for trading within two to three business days, subject to the brokerage firm's policies and procedures.

2. Sell shares through the Direct Liquidation Program

- Should you wish to sell shares without transferring them to a brokerage account, you will need to complete the Fund's liquidation form, which will be available on our website, fsinvestments.com, the day of listing.
- Submit completed paperwork according to the instructions provided on the form.
- Stockholders will typically receive payment anywhere from five to seven business days after the in-good-order form is received by the transfer agent, SS&C Technologies, Inc.

When will shares be available for trading?

Stockholders have approved a phased liquidity approach to the listing. As such, all shares will not be immediately available for trading upon listing. Shares will be available for trading on the following schedule:

- Phase 1: At listing, up to 1/3 of shares held by all common stockholders will be freely transferable
- Phase 2: 90 calendar days post-listing, up to 2/3 of shares held by all common stockholders will be freely transferable
- Phase 3: 180 calendar days post-listing, all shares held by all common stockholders will be freely transferable

At listing	Account 1	Account 2	Account 3
% of total shares	1/3	1/3	1/3
Statement value	Stock price	Stock price	Stock price
Available for trading?	Yes	No	No
90 days	Account 1		Account 3
% of total shares	2/3		1/3
Statement value	Stock price		Stock price
Available for trading?	Yes		No
180 days	Account 1		
% of total shares	100%		
Statement value	Stock price		
Available for trading?	Yes		

Stockholders with account balances of \$15,000 or less in shares will have all shares available for trading at listing. The record date for calculating account balances will be determined and announced closer to the listing. The net asset value per share used to determine which accounts meet this threshold will be based on the Fund's NAV per share for the month-end immediately preceding the listing date.

Please note: Only freely transferable shares will be eligible to be moved to a brokerage account.

What will show on my statement?

As a result of the phased liquidity, shares will be separated into three separate accounts, where each account will correspond to the respective phase noted above.

For registered stockholders, the transfer agent will continue to issue quarterly statements until the shares are moved to a brokerage account.

What is a DRTA statement?

The Direct Registration Transaction Advice or "DRTA" statement is a summary of account holdings at the time of the listing that is issued to registered stockholders and is typically used to move shares into a brokerage account.