UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q
(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2022

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from__________________ to _______________

Commission File Number	Registrant; State of Incorporation; Address and Telephone Number	IRS Employer Identification No.
1-11178	**Revlon, Inc.** Delaware One New York Plaza New York, New York 10004 212-527-4000	13-3662955
33-59650	**Revlon Consumer Products Corporation** Delaware One New York Plaza New York, New York 10004 212-527-4000	13-3662953

Securities registered pursuant to Section 12(b) or 12(g) of the Act:

	Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Revlon, Inc.	Class A Common Stock	REVRQ	*
Revlon Consumer Products Corporation	None	N/A	N/A

*Revlon, Inc.'s Class A Common Stock began trading exclusively on the over-the-counter market on October 21, 2022 under the symbol REVRQ following receipt of a final delisting notice from the New York Stock Exchange on October 20, 2022.

Indicate by check mark whether the registrants (1) have 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 registrants were required to file such reports), and (2) have been subject to such filing requirements for the past 90 days.

Revlon, Inc.	Yes ☒	No ☐
Revlon Consumer Products Corporation	Yes ☐	No ☒

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

	Large accelerated filer	Accelerated filer	Non-accelerated filer	Smaller Reporting Company	Emerging Growth Company
Revlon, Inc.	Yes ☐ No ☒	Yes ☒ No ☐	Yes ☐ No ☒	Yes ☒ No ☐	Yes ☐ No ☒
Revlon Consumer Products Corporation	Yes ☐ No ☒	Yes ☐ No ☒	Yes ☒ No ☐	Yes ☒ No ☐	Yes ☐ No ☒

If an emerging growth company, indicate by check mark if the registrants have 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 each registrant is a shell company (as defined in Rule 12b-2 of the Act).

Revlon, Inc.	Yes ☐	No ☒
Revlon Consumer Products Corporation	Yes ☐	No ☒

Number of shares of common stock outstanding as of September 30, 2022:

Revlon, Inc. Class A Common Stock:	54,302,001
Revlon Consumer Products Corporation Common Stock:	5,260

At such date, (i) 46,223,321 shares of Revlon, Inc. Class A Common Stock were beneficially owned by MacAndrews & Forbes Incorporated and certain of its affiliates; and (ii) all shares of Revlon Consumer Products Corporation ("Products Corporation") Common Stock were held by Revlon, Inc.

Products Corporation meets the conditions set forth in General Instructions H(1)(a) and (b) of Form 10-Q as, among other things, all of Products Corporation's equity securities are owned directly by Revlon, Inc., which is a reporting company under the Securities Exchange Act of 1934, as amended, and which filed with the SEC on November 8, 2022 all of the material required to be filed pursuant to Section 13, 14 or 15(d) thereof. Products Corporation is therefore filing this Form 10-Q with a reduced disclosure format applicable to Products Corporation.

REVLON, INC. AND SUBSIDIARIES
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PART I - FINANCIAL INFORMATION

REVLON, INC. AND SUBSIDIARIES
(DEBTOR-IN-POSSESSION)
CONSOLIDATED BALANCE SHEETS
(dollars in millions, except share and per share amounts)

	September 30, 2022 (Unaudited)	December 31, 2021
ASSETS		
Current assets:		
Cash and cash equivalents	$ 246.4	$ 102.4
Trade receivables (net of allowance for doubtful accounts of $6.9 and $9.0, respectively)	319.0	383.8
Inventories, net	456.0	417.4
Prepaid expenses and other assets	217.2	136.0
Total current assets	1,238.6	1,039.6
Property, plant and equipment (net of accumulated depreciation of $549.2 and $551.3, respectively)	249.9	297.3
Deferred income taxes	41.2	42.8
Goodwill	561.2	562.8
Intangible assets (net of accumulated amortization and impairment of $368.4 and $326.4, respectively)	335.4	392.2
Other assets	94.3	97.8
Total assets	$ 2,520.6	$ 2,432.5
LIABILITIES AND STOCKHOLDERS' DEFICIENCY		
Current liabilities:		
Short-term borrowings	$ 0.6	$ 0.7
Current portion of long-term debt	746.9	137.2
Accounts payable	105.0	217.7
Accrued expenses and other current liabilities	392.1	432.0
Total current liabilities	1,244.6	787.6
Long-term debt	0.1	3,305.5
Long-term pension and other post-retirement plan liabilities	85.4	147.3
Other long-term liabilities	72.5	206.2
Liabilities subject to compromise	3,615.1	—
Stockholders' deficiency:		
Class A Common Stock, par value $0.01 per share: 900,000,000 shares authorized; 60,399,830 and 58,005,142 shares issued, respectively	0.5	0.5
Additional paid-in capital	1,111.6	1,096.3
Treasury stock, at cost: 2,424,166 and 1,992,957 shares of Class A Common Stock, respectively	(40.9)	(37.6)
Accumulated deficit	(3,334.0)	(2,838.6)
Accumulated other comprehensive loss	(234.3)	(234.7)
Total stockholders' deficiency	(2,497.1)	(2,014.1)
Total liabilities and stockholders' deficiency	$ 2,520.6	$ 2,432.5

See Accompanying Notes to Unaudited Condensed Consolidated Financial Statements

REVLON, INC. AND SUBSIDIARIES
(DEBTOR-IN-POSSESSION)
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(dollars in millions, except share and per share amounts)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Net sales	$ 468.4	$ 521.1	$ 1,390.6	$ 1,463.5
Cost of sales	207.5	221.2	595.8	608.7
Gross profit	260.9	299.9	794.8	854.8
Selling, general and administrative expenses	248.5	256.1	758.4	796.0
Acquisition, integration and divestiture costs	0.2	0.6	0.7	1.8
Restructuring charges and other, net	(0.7)	9.0	4.3	22.8
Impairment charges	—	—	24.3	—
Gain on divested assets	—	0.1	—	(1.7)
Operating income (loss)	12.9	34.1	7.1	35.9
Other expenses:				
Interest expense, net	56.2	63.1	175.8	183.9
Amortization of debt issuance costs	—	8.7	20.9	30.7
Foreign currency losses (gains), net	19.4	9.9	41.4	11.5
Miscellaneous, net	2.3	0.1	9.0	2.8
Reorganization items, net	85.0	—	243.3	—
Other expenses	162.9	81.8	490.4	228.9
Loss from operations before income taxes	(150.0)	(47.7)	(483.3)	(193.0)
(Benefit from) provision for income taxes	2.8	5.4	12.1	23.8
Net loss	$ (152.8)	$ (53.1)	$ (495.4)	$ (216.8)
Other comprehensive income (loss):				
Foreign currency translation adjustments	(6.2)	(0.6)	(8.2)	(6.0)
Amortization of pension related costs, net of tax[(a)(b)]	2.9	3.5	8.6	10.5
Other comprehensive income, net	(3.3)	2.9	0.4	4.5
Total comprehensive loss	$ (156.1)	$ (50.2)	$ (495.0)	$ (212.3)
Basic and Diluted loss per common share:	$ (2.77)	$ (0.98)	$ (9.04)	$ (4.02)
Weighted average number of common shares outstanding:				
Basic	55,111,423	54,025,861	54,818,140	53,899,732
Diluted	55,111,423	54,025,861	54,818,140	53,899,732

(a) Net of tax expense of nil for both the three months ended and nine months ended September 30, 2022 and 2021.
(b) This amount is included in the computation of net periodic benefit costs (income). See Note 10, "Pension and Post-Retirement Benefits," for additional information regarding net periodic benefit costs (income).

See Accompanying Notes to Unaudited Condensed Consolidated Financial Statements

REVLON, INC. AND SUBSIDIARIES
(DEBTOR-IN-POSSESSION)
CONSOLIDATED STATEMENT OF STOCKHOLDERS' DEFICIENCY
(dollars in millions, except share and per share amounts)
(Unaudited)

	Common Stock	Additional Paid-In Capital	Treasury Stock	Accumulated Deficit	Accumulated Other Comprehensive (Loss) Income	Total Stockholders' Deficiency
Balance at January 1, 2022	$ 0.5	$ 1,096.3	$ (37.6)	$ (2,838.6)	$ (234.7)	$ (2,014.1)
Treasury stock acquired, at cost [(a)]	—	—	(3.2)	—	—	(3.2)
Stock-based compensation amortization	—	1.8	—	—	—	1.8
Net loss	—	—	—	(67.0)	—	(67.0)
Other comprehensive (loss) income, net [(b)]	—	—	—	—	3.9	3.9
Balance at March 31, 2022	0.5	1,098.1	(40.8)	(2,905.6)	(230.8)	(2,078.6)
Treasury stock acquired, at cost [(a)]	—	—	(0.1)	—	—	(0.1)
Stock-based compensation amortization	—	6.3	—	—	—	6.3
Net loss	—	—	—	(275.6)	—	(275.6)
Other comprehensive (loss) income, net [(b)]	—	—	—	—	(0.2)	(0.2)
Balance, June 30, 2022	0.5	1,104.4	(40.9)	(3,181.2)	(231.0)	(2,348.2)
Treasury stock acquired, at cost [(a)]	—	—	—	—	—	—
Stock-based compensation amortization	—	7.2	—	—	—	7.2
Net loss	—	—	—	(152.8)	—	(152.8)
Other comprehensive (loss) income, net [(b)]	—	—	—	—	(3.3)	(3.3)
Balance at September 30, 2022	$ 0.5	$ 1,111.6	$ (40.9)	$ (3,334.0)	$ (234.3)	$ (2,497.1)

	Common Stock	Additional Paid-In Capital	Treasury Stock	Accumulated Deficit	Accumulated Other Comprehensive (Loss) Income	Total Stockholders' Deficiency
Balance at January 1, 2021	$ 0.5	$ 1,082.3	$ (35.2)	$ (2,631.7)	$ (277.9)	$ (1,862.0)
Treasury stock acquired, at cost [(a)]	—	—	(2.4)	—	—	(2.4)
Stock-based compensation amortization	—	3.1	—	—	—	3.1
Net loss	—	—	—	(96.0)	—	(96.0)
Other comprehensive (loss) income, net [(b)]	—	—	—	—	(1.4)	(1.4)
Balance at March 31, 2021	0.5	1,085.4	(37.6)	(2,727.7)	(279.3)	(1,958.7)
Treasury stock acquired, at cost [(a)]	—	—	—	—	—	—
Stock-based compensation amortization	—	3.4	—	—	—	3.4
Net loss	—	—	—	(67.7)	—	(67.7)
Other comprehensive (loss) income, net [(b)]	—	—	—	—	3.0	3.0
Balance, June 30, 2021	$ 0.5	$ 1,088.8	$ (37.6)	$ (2,795.4)	$ (276.3)	$ (2,020.0)
Treasury stock acquired, at cost [(a)]	—	—	—	—	—	—
Stock-based compensation amortization	—	3.9	—	—	—	3.9
Net loss	—	—	—	(53.1)	—	(53.1)
Other comprehensive (loss) income, net [(b)]	—	—	—	—	2.9	2.9
Balance at September 30, 2021	$ 0.5	$ 1,092.7	$ (37.6)	$ (2,848.5)	$ (273.4)	$ (2,066.3)

[(a)] Pursuant to the share withholding provisions of the Fifth Amended and Restated Revlon, Inc. Stock Plan (as amended, the "Stock Plan"), the Company withheld an aggregate of 875 and 763 shares of Revlon Class A Common Stock during the three months ended September 30, 2022 and 2021, respectively, and 431,209 and 163,259 shares of Revlon Class A Common Stock during the nine months ended September 30, 2022 and 2021, respectively, to satisfy certain minimum statutory tax withholding requirements related to the vesting of restricted shares and restricted stock units ("RSUs") for certain senior executives and employees. These withheld shares were recorded as treasury stock using the cost method, at a weighted-average price per share of $5.42 and $12.84 during the three months ended September 30, 2022 and 2021, respectively, and $7.72 and $14.94 during the nine months ended September 30, 2022 and 2021, respectively, based on the closing price of Revlon Class A Common Stock as reported on the New York Stock Exchange (the "NYSE") consolidated tape on each respective vesting date, for a total of approximately $4,700 and $9,700 during the three months ended September 30, 2022 and 2021, respectively, and $3.3 million and $2.4 million during the nine months ended September 30, 2022 and 2021, respectively. See Note 11, "Stock Compensation Plan," for details regarding restricted stock awards and RSUs under the Stock Plan.

[(b)] See Note 13, "Accumulated Other Comprehensive Loss," regarding the changes in the accumulated balances for each component of other comprehensive loss during the nine months ended September 30, 2022 and 2021, respectively.

See Accompanying Notes to Unaudited Condensed Consolidated Financial Statements

REVLON, INC. AND SUBSIDIARIES
(DEBTOR-IN-POSSESSION)
CONSOLIDATED STATEMENTS OF CASH FLOWS
(dollars in millions)
(Unaudited)

	Nine Months Ended September 30,	
	2022	**2021**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (495.4)	$ (216.8)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	80.7	96.8
Foreign currency losses from re-measurement	41.4	11.5
Amortization of debt discount	0.3	0.7
Stock-based compensation amortization	15.3	10.4
Impairment charges	24.3	—
(Benefit from) provision for deferred income taxes	(0.2)	3.9
Amortization of debt issuance costs	20.9	30.7
Gain on divested assets	—	(1.7)
Non-cash reorganization items, net	131.5	—
Pension and other post-retirement cost	3.7	3.6
Paid-in-kind interest expense on the 2020 BrandCo Facilities	19.0	14.1
Change in assets and liabilities:		
Decrease (increase) in trade receivables	45.4	(44.4)
(Increase) in inventories	(55.4)	(8.1)
Decrease (increase) in prepaid expenses and other current assets	(85.9)	0.2
Increase (decrease) in accounts payable	(3.6)	56.1
Increase (decrease) in accrued expenses and other current liabilities	40.2	(25.2)
Decrease in deferred revenue	(2.0)	(2.0)
Pension and other post-retirement plan contributions	(4.4)	(20.5)
Purchases of permanent displays	(15.6)	(15.0)
Other, net	(11.2)	19.0
Net cash used in operating activities	(251.0)	(86.7)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(8.1)	(6.3)
Proceeds from the sale of certain assets	—	2.1
Net cash used in investing activities	(8.1)	(4.2)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net decrease in short-term borrowings and overdraft	(0.6)	(12.5)
Borrowings on term loans	—	305.0
Repayments on term loans [a]	(88.6)	(186.7)
Net (repayments) borrowings under the revolving credit facilities	(0.6)	(2.7)
Borrowings on DIP Term Loan Facility	575.0	—
Repayments on Tranche A DIP ABL Facility	(67.2)	—
Payment of financing costs	(18.8)	(17.9)
Tax withholdings related to net share settlements of restricted stock and RSUs	(3.3)	(2.4)
Other financing activities	(0.2)	(0.3)
Net cash provided by financing activities	395.7	82.5
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(7.3)	(2.4)
Net increase in cash, cash equivalents and restricted cash	129.3	(10.8)
Cash, cash equivalents and restricted cash at beginning of period [b]	120.9	102.5
Cash, cash equivalents and restricted cash at end of period [c]	$ 250.2	$ 91.7
Supplemental schedule of cash flow information:		
Cash paid during the period for:		
Interest	$ 159.1	$ 186.4
Income taxes, net of refunds	7.1	7.3
Reorganization items, net	69.5	—
Supplemental schedule of non-cash investing and financing activities:		
Paid-in-kind interest capitalized to the 2020 BrandCo Facilities	$ 19.0	$ 14.1

[a] Repayments on term loans for the nine months ended September 30, 2022 includes repayments of $75.0 million under the 2021 Foreign Asset Based Term Facility, $4.7 million under the 2020 BrandCo Term Loan Facility, $6.6 million for the 2020 Troubled-debt-restructuring future interest amortization, and $2.3 million under the 2016 Term Loan Facility. Repayments on term loans for the nine months ended September 30, 2021 includes repayments of $100.0 million under the 2021 SISO Term Loan facility, $58.9 million under the 2018 Foreign Asset-Based Term Facility, $11.6 million for the 2020 Troubled-debt-restructuring future interest amortization, $9.3 million under the 2020 BrandCo facilities and $6.9 million under the 2016 Term Loan Facility. See Note 8, "Debt" in the Company's 2021 Form 10-K for additional information on the Company's debt facilities.

[b] This amount includes restricted cash of $18.5 million as of December 31, 2021. The balance as of December 31, 2021 represents: (i) cash on deposit in lieu of a mandatory prepayment and loan proceeds held in escrow until certain collateral perfection requirements are satisfied under the 2021 Foreign Asset-Based Term Agreement; and (ii) cash on deposit to support outstanding undrawn letters of credit.

[c] These amounts include restricted cash of $3.8 million and $18.4 million as of September 30, 2022 and 2021, respectively. The balance as of September 30, 2022 primarily represents: cash on security deposit. The balance as of September 30, 2021 represents: (i) cash on deposit in lieu of a mandatory prepayment and loan proceeds held in escrow until certain collateral perfection requirements were satisfied under the 2021 Foreign Asset-Based Term Agreement; and (ii) cash on deposit to support surety bonds. These balances were included within prepaid expenses and other current assets and other assets in the Company's Consolidated Balance Sheets as of September 30, 2022 and September 30, 2021, respectively.

See Accompanying Notes to Unaudited Condensed Consolidated Financial Statements

REVLON CONSUMER PRODUCTS CORPORATION AND SUBSIDIARIES
(DEBTOR-IN-POSSESSION)
CONSOLIDATED BALANCE SHEETS
(dollars in millions, except share and per share amounts)

	September 30, 2022 (Unaudited)	December 31, 2021
ASSETS		
Current assets:		
Cash and cash equivalents	$ 246.4	$ 102.4
Trade receivables (net of allowance for doubtful accounts of $6.9 and $9.0, respectively)	319.0	383.8
Inventories, net	456.0	417.4
Prepaid expenses and other assets	213.2	131.8
Receivable from Revlon, Inc.	213.0	165.0
Total current assets	1,447.6	1,200.4
Property, plant and equipment (net of accumulated depreciation of $549.2 and $551.3, respectively)	249.9	297.3
Deferred income taxes	49.9	51.6
Goodwill	561.2	562.8
Intangible assets (net of accumulated amortization and impairment of $368.4 and $326.4, respectively)	335.4	392.2
Other assets	94.3	97.8
Total assets	$ 2,738.3	$ 2,602.1
LIABILITIES AND STOCKHOLDER'S DEFICIENCY		
Current liabilities:		
Short-term borrowings	$ 0.6	$ 0.7
Current portion of long-term debt	746.9	137.2
Accounts payable	105.0	217.7
Accrued expenses and other current liabilities	392.3	432.1
Total current liabilities	1,244.8	787.7
Long-term debt	0.1	3,305.5
Long-term pension and other post-retirement plan liabilities	85.4	147.3
Other long-term liabilities	85.1	218.8
Liabilities subject to compromise	3,659.0	—
Stockholder's deficiency:		
Products Corporation Preferred stock, par value $1.00 per share; 1,000 shares authorized; 546 shares issued and outstanding	54.6	54.6
Products Corporation Common Stock, par value $1.00 per share; 10,000 shares authorized; 5,260 shares issued and outstanding	—	—
Additional paid-in capital	1,036.2	1,020.9
Accumulated deficit	(3,192.6)	(2,698.0)
Accumulated other comprehensive loss	(234.3)	(234.7)
Total stockholder's deficiency	(2,336.1)	(1,857.2)
Total liabilities and stockholder's deficiency	$ 2,738.3	$ 2,602.1

See Accompanying Notes to Unaudited Condensed Consolidated Financial Statements

REVLON CONSUMER PRODUCTS CORPORATION AND SUBSIDIARIES
(DEBTOR-IN-POSSESSION)
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(dollars in millions)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Net sales	$ 468.4	$ 521.1	$ 1,390.6	$ 1,463.5
Cost of sales	207.5	221.2	595.8	608.7
Gross profit	260.9	299.9	794.8	854.8
Selling, general and administrative expenses	246.4	254.5	752.2	791.7
Acquisition, integration and divestiture costs	0.2	0.6	0.7	1.8
Restructuring charges and other, net	(0.7)	9.0	4.3	22.8
Impairment charges	—	—	24.3	—
Gain on divested assets	—	0.1	—	(1.7)
Operating income (loss)	15.0	35.7	13.3	40.2
Other expenses:				
Interest expense, net	56.2	63.1	175.8	183.9
Amortization of debt issuance costs	—	8.7	20.9	30.7
Foreign currency losses (gains), net	19.4	9.9	41.4	11.5
Miscellaneous, net	4.3	0.1	14.4	2.8
Reorganization items, net	85.0	0.0	243.3	0.0
Other expenses	164.9	81.8	495.8	228.9
Loss from operations before income taxes	(149.9)	(46.1)	(482.5)	(188.7)
(Benefit from) provision for income taxes	2.8	5.5	12.1	23.9
Net loss	$ (152.7)	$ (51.6)	$ (494.6)	$ (212.6)
Other comprehensive income (loss):				
Foreign currency translation adjustments	(6.2)	(0.6)	(8.2)	(6.0)
Amortization of pension related costs, net of tax[a][b]	2.9	3.5	8.6	10.5
Other comprehensive income, net	(3.3)	2.9	0.4	4.5
Total comprehensive loss	$ (156.0)	$ (48.7)	$ (494.2)	$ (208.1)

[a] Net of tax expense of nil for both the three months ended and nine months ended September 30, 2022 and 2021
[b] This amount is included in the computation of net periodic benefit costs (income). See Note 10, "Pension and Post-Retirement Benefits," for additional information regarding net periodic benefit costs (income).

See Accompanying Notes to Unaudited Condensed Consolidated Financial Statements

REVLON CONSUMER PRODUCTS CORPORATION AND SUBSIDIARIES
(DEBTOR-IN-POSSESSION)
CONSOLIDATED STATEMENT OF STOCKHOLDERS' DEFICIENCY
(dollars in millions)
(Unaudited)

	Preferred Stock	Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive (Loss) Income	Total Stockholder's Deficiency
Balance at January 1, 2022	$ 54.6	$ 1,020.9	$ (2,698.0)	$ (234.7)	$ (1,857.2)
Stock-based compensation amortization	—	1.8	—	—	1.8
Net loss	—	—	(68.2)	—	(68.2)
Other comprehensive (loss) income, net [a]	—	—	—	3.9	3.9
Balance at March 31, 2022	54.6	1,022.7	(2,766.2)	(230.8)	(1,919.7)
Stock-based compensation amortization	—	6.3	—	—	6.3
Net loss	—	—	(273.7)	—	(273.7)
Other comprehensive (loss) income, net [a]	—	—	—	(0.2)	(0.2)
Balance, June 30, 2022	54.6	1,029.0	(3,039.9)	(231.0)	(2,187.3)
Stock-based compensation amortization	—	7.2	—	—	7.2
Net loss	—	—	(152.7)	—	(152.7)
Other comprehensive (loss) income, net [a]	—	—	—	(3.3)	(3.3)
Balance at September 30, 2022	$ 54.6	$ 1,036.2	$ (3,192.6)	$ (234.3)	$ (2,336.1)

	Preferred Stock	Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive (Loss) Income	Total Stockholder's Deficiency
Balance at January 1, 2021	$ 54.6	$ 1,006.9	$ (2,486.6)	$ (277.9)	$ (1,703.0)
Stock-based compensation amortization	—	3.1	—	—	3.1
Net loss	—	—	(94.9)	—	(94.9)
Other comprehensive (loss) income, net [a]	—	—	—	(1.4)	(1.4)
Balance at March 31, 2021	54.6	1,010.0	(2,581.5)	(279.3)	(1,796.2)
Stock-based compensation amortization	—	3.4	—	—	3.4
Net loss	—	—	(66.1)	—	(66.1)
Other comprehensive (loss) income, net [a]	—	—	—	3.0	3.0
Balance, June 30, 2021	$ 54.6	$ 1,013.4	$ (2,647.6)	$ (276.3)	$ (1,855.9)
Stock-based compensation amortization	—	3.9	—	—	3.9
Net loss	—	—	(51.6)	—	(51.6)
Other comprehensive (loss) income, net [a]	—	—	—	2.9	2.9
Balance at September 30, 2021	$ 54.6	$ 1,017.3	$ (2,699.2)	$ (273.4)	$ (1,900.7)

[a] See Note 13, "Accumulated Other Comprehensive Loss," regarding the changes in the accumulated balances for each component of other comprehensive loss during the nine months ended September 30, 2022 and 2021, respectively.

See Accompanying Notes to Unaudited Condensed Consolidated Financial Statements

REVLON CONSUMER PRODUCTS CORPORATION AND SUBSIDIARIES
(DEBTOR-IN-POSSESSION)
CONSOLIDATED STATEMENTS OF CASH FLOWS
(dollars in millions)
(Unaudited)

	Nine Months Ended September 30,	
	2022	**2021**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (494.6)	$ (212.6)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	80.7	96.8
Foreign currency losses from re-measurement	41.4	11.5
Amortization of debt discount	0.3	0.7
Stock-based compensation amortization	15.3	10.4
Impairment charges	24.3	—
Provision for (benefit from) deferred income taxes	(0.2)	4.4
Amortization of debt issuance costs	20.9	30.7
Gain on divested assets	—	(1.7)
Non-cash reorganization items, net	131.5	—
Pension and other post-retirement cost	3.7	3.6
Paid-in-kind interest expense on the 2020 BrandCo Facilities	19.0	14.1
Change in assets and liabilities:		
Decrease (increase) in trade receivables	45.4	(44.4)
(Increase) in inventories	(55.4)	(8.1)
Decrease (increase) in prepaid expenses and other current assets	(37.9)	(6.6)
Increase (decrease) in accounts payable	(3.6)	56.1
Increase (decrease) in accrued expenses and other current liabilities	27.7	(25.1)
Decrease in deferred revenue	(2.0)	(2.0)
Pension and other post-retirement plan contributions	(4.4)	(20.5)
Purchases of permanent displays	(15.6)	(15.0)
Other, net	(47.5)	21.0
Net cash used in operating activities	(251.0)	(86.7)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(8.1)	(6.3)
Proceeds from the sale of certain assets	—	2.1
Net cash used in investing activities	(8.1)	(4.2)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net decrease in short-term borrowings and overdraft	(0.6)	(12.5)
Borrowings on term loans	—	305.0
Repayments on term loans [(a)]	(88.6)	(186.7)
Net (repayments) borrowings under the revolving credit facilities	(0.6)	(2.7)
Borrowings on DIP Term Loan Facility	575.0	—
Repayments on Tranche A DIP ABL Facility	(67.2)	—
Payment of financing costs	(18.8)	(17.9)
Tax withholdings related to net share settlements of restricted stock and RSUs	(3.3)	(2.4)
Other financing activities	(0.2)	(0.3)
Net cash provided by financing activities	395.7	82.5
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(7.3)	(2.4)
Net increase in cash, cash equivalents and restricted cash	129.3	(10.8)
Cash, cash equivalents and restricted cash at beginning of period [(b)]	120.9	102.5
Cash, cash equivalents and restricted cash at end of period [(c)]	$ 250.2	$ 91.7
Supplemental schedule of cash flow information:		
Cash paid during the period for:		
Interest	$ 159.1	$ 186.4
Income taxes, net of refunds	7.1	7.3
Reorganization items, net	69.5	—
Supplemental schedule of non-cash investing and financing activities:		
Paid-in-kind interest capitalized to the 2020 BrandCo Facilities	19.0	14.1

[a] Repayments on term loans for the nine months ended September 30, 2022 includes repayments of $75.0 million under the 2021 Foreign Asset Based Term Facility,$4.7 million under the 2020 BrandCo Term Loan Facility, $6.6 million for the 2020 Troubled-debt-restructuring future interest amortization, and $2.3 million under the 2016 Term Loan Facility. Repayments on term loans for the nine months ended September 30, 2021 includes repayments of $100.0 million under the 2021 SISO Term Loan facility, $58.9 million under the 2018 Foreign Asset-Based Term Facility, $11.6 million for the 2020 Troubled-debt-restructuring future interest amortization, $9.3 million under the 2020 BrandCo facilities and $6.9 million under the 2016 Term Loan Facility. See Note 8, "Debt" in the Company's 2021 Form 10-K for additional information on the Company's debt facilities.

[b] This amount includes restricted cash of $18.5 million as of December 31, 2021. The balance as of December 31, 2021 represents: (i) cash on deposit in lieu of a mandatory prepayment and loan proceeds held in escrow until certain collateral perfection requirements are satisfied under the 2021 Foreign Asset-Based Term Agreement; and (ii) cash on deposit to support outstanding undrawn letters of credit.

[c] These amounts include restricted cash of $3.8 million and $18.4 million as of September 30, 2022 and 2021, respectively. The balance as of September 30, 2022 primarily represents: cash on security deposit. The balance as of September 30, 2021 represents: (i) cash on deposit in lieu of a mandatory prepayment and loan proceeds held in escrow until certain collateral perfection requirements were satisfied under the 2021 Foreign Asset-Based Term Agreement; and (ii) cash on deposit to support surety bonds. These balances were included within prepaid expenses and other current assets and other assets in the Company's Consolidated Balance Sheets as of September 30, 2022 and September 30, 2021, respectively.

See Accompanying Notes to Unaudited Condensed Consolidated Financial Statements

1. DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revlon, Inc. ("Revlon" and together with its subsidiaries, the "Company") conducts its business exclusively through its direct wholly-owned operating subsidiary, Revlon Consumer Products Corporation ("Products Corporation") and its subsidiaries. Revlon is an indirect majority-owned subsidiary of MacAndrews & Forbes Incorporated (together with certain of its affiliates other than the Company, "MacAndrews & Forbes"), a corporation beneficially owned by Ronald O. Perelman. Mr. Perelman is Chairman of Revlon's and Products Corporation's Board of Directors.

The Company is a leading global beauty company with an iconic portfolio of brands that develops, manufactures, markets, distributes and sells an extensive array of color cosmetics; hair color, hair care and hair treatments; fragrances; skin care; beauty tools; men's grooming products; anti-perspirant deodorants; and other beauty care products across a variety of distribution channels.

Basis of Presentation

The accompanying unaudited Condensed Consolidated Financial Statements and related notes have been prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP") for interim financial information and pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC"). The unaudited Condensed Consolidated Financial Statements reflect all normal recurring adjustments which, in management's opinion, are necessary for a fair statement of the Company's financial position, results of operations and stockholders' equity and cash flows for interim periods. Revlon reclassifies certain prior year amounts, as applicable, to conform to the current year presentation.

These unaudited Condensed Consolidated Financial Statements should be read in conjunction with the audited consolidated financial statements and related notes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2021 (the "2021 Form 10-K"). Operating results for the interim periods are not necessarily indicative of the results that may be expected for the full year.

Use of Estimates

The preparation of the financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Significant estimates made in the accompanying unaudited Condensed Consolidated Financial Statements include, but are not limited to, provisions for expected sales returns; certain assumptions related to the valuation of acquired intangible and long-lived assets and the recoverability of goodwill, intangible and long-lived assets; income taxes, including deferred tax valuation allowances and reserves for estimated tax liabilities; and certain estimates and assumptions used in the calculation of the net periodic benefit (income) costs and the projected benefit obligations for the Company's pension and other post-retirement plans, including the expected long-term return on pension plan assets and the discount rate used to value the Company's pension benefit obligations which are based on full year assumptions and are included in the accompanying unaudited Condensed Consolidated Financial Statements in proportion with the estimated annual tax rates, the passage of time or estimated annual sales, as applicable.

The Company's results of operations and financial position for the interim periods are not indicative of those to be expected for the full year.

Significant Accounting Policies

The Company made no material changes in the application of its significant accounting policies that were disclosed in Note 1, "Description of Business and Summary of Significant Accounting Policies," to the audited consolidated financial statements as of and for the fiscal year ended December 31, 2021 included in the 2021 Form 10-K.

Voluntary Filing under Chapter 11

On June 15, 2022 and June 16, 2022 (the "Petition Date"), Revlon Inc. and certain of its subsidiaries, including Revlon Consumer Products Corporation (collectively, the "Debtors"), filed voluntary petitions (the "Bankruptcy Petitions") for reorganization under Chapter 11 of the United States Bankruptcy Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of New York (such court, the "Bankruptcy Court" and such cases, the "Cases"). On June 16, 2022, the Bankruptcy Court entered an order authorizing the joint administration of the Chapter 11 Cases under the caption In re Revlon Inc, Case No. 22-10760. The Debtors will continue to operate their businesses as "debtors-in-possession" under the jurisdiction of the Bankruptcy Court and in accordance with the applicable provisions of the Bankruptcy Code and orders of the Bankruptcy Court. To ensure their ability to continue operating in the ordinary course of business, the Debtors sought from the Bankruptcy Court a variety of "first-day" relief and "second-day" relief, including authority to obtain debtor-in-possession financing, pay employee wages and benefits, pay vendors and suppliers in the ordinary course for all goods and services provided after the Petition Date and pay fees of professionals involved in the Cases. As of August 2, 2022, all "first-day" and "second-day" relief has been granted by the Bankruptcy Court on a final basis.

As previously disclosed by the Company, the filing of the Bankruptcy Petitions constituted an event of default that accelerated the Company’s obligations under the following debt instruments:

- Term Loan Agreement, dated as of September 7, 2016 (as amended, modified or supplemented from time to time), by and among Products Corporation, the Company, certain lenders party thereto and Citibank, N.A., as administrative agent and collateral agent, related to $872.4 million outstanding aggregate principal amount of loans;

- Asset-Based Revolving Credit Agreement, dated as of September 7, 2016 (as amended, modified or supplemented from time to time, the “ABL Credit Agreement”), by and among Products Corporation, certain local borrowing subsidiaries from time to time party thereto, the Company, certain lenders party thereto and MidCap Funding IV Trust, as administrative agent and collateral agent, related to $289.0 million outstanding aggregate principal amount of loans, consisting of $109.0 million of Tranche A revolving loans, $50.0 million of 2020 ABL FILO Term Loans and $130.0 million of SISO Term Loan Facility loans;

- BrandCo Credit Agreement, dated as of May 7, 2020 (as amended, modified or supplemented from time to time, the “BrandCo Credit Agreement”), by and among Products Corporation, the Company, the other loan parties and lenders party thereto and Jefferies Finance LLC, as administrative agent, related to $1,878.0 million outstanding aggregate principal amount of loans; and

- Indenture, dated as of August 4, 2016 (as amended, modified or supplemented from time to time), between Products Corporation and U.S. Bank National Association, as Trustee, governing the 6.25% Senior Notes which mature on August 1, 2024, of which $431.3 million aggregate principal amount were outstanding.

The debt instruments set forth above provide that as a result of the Bankruptcy Petitions, the principal and interest due thereunder shall be immediately due and payable. Any efforts to enforce such payment obligations under the debt instruments set forth above are automatically stayed as a result of the Bankruptcy Petitions, and the creditors’ rights of enforcement in respect of the debt instruments set forth above are subject to the applicable provisions of the Bankruptcy Code. In addition, the filing of the Bankruptcy Petitions and resulting event of default under the debt instruments set forth above constituted an event of default under the 2021 Foreign Asset-Based Term Agreement. The 2021 Foreign Asset-Based Term Agreement lenders agreed not to enforce remedies, subject to the terms and conditions of a First Forbearance Agreement and Second Amendment to the Asset-Based Term Loan Credit Agreement dated as of June 15, 2022, and the 2021 Foreign Asset-Based Term Agreement was subsequently repaid in full and discharged.

In the third quarter of 2022, the Company implemented a Key Employee Incentive Plan (the “KEIP”) and a Key Employee Retention Plan (the “KERP”), each of which has been approved by the Bankruptcy Court. Under the KEIP, participants were granted performance-based awards (each, a “KEIP Award”), with an individual target award amount (each, a “Target Award”), which is the amount that may be earned if performance against the goals for each of the KEIP metrics is earned at target. For 2022, assuming at least threshold performance is achieved for each of the KEIP metrics, the awards may be earned from 50% to 100% of the Target Award based upon performance against 2022 goals for each of the KEIP metrics, and for 2023, the KEIP Awards may be earned from 50% to 150% of the Target Award, based upon performance against 2023 goals for each of the KEIP metrics. The aggregate value of Target Awards eligible to be made to the KEIP participants is approximately $29 million. Payouts under the KEIP Awards may be as low as $0 for all KEIP participants in the aggregate, or as high as approximately $36 million for all KEIP participants in the aggregate, and subject generally to the participant’s continued employment through each quarter (and subject to full or partial clawback through the earlier of December 31, 2023 or the date of confirmation of the plan of reorganization). The KEIP Awards are payable in quarterly installments over an 18-month period. The KERP provides for grants of retention awards, which are payable in quarterly installments over an 18-month period, subject generally to the participant’s continued employment through each payment date (and subject to clawback through the earlier of June 30, 2023 or the date of confirmation of the plan of reorganization). The aggregate value of the awards payable under the KERP is approximately $15.4 million.

Adoption of ASC 852

Beginning on the Petition Date, the Company applied Financial Accounting Standards Board Codification Topic 852, *Reorganizations* ("ASC 852") in preparing the consolidated financial statements. ASC 852 requires the financial statements, for the periods subsequent to the Petition Date cases and up to and including the period of emergence from Chapter 11 (the “Effective Date”), to distinguish transactions and events that are directly associated with the reorganization from the ongoing operations of the business. Accordingly, certain charges incurred during the bankruptcy proceedings, such as the write-off of deferred financing costs and discount on debt subject to compromise and, legal and professional fees incurred directly as a result of the bankruptcy proceeding are recorded as Reorganization items, net in the Consolidated Statements of Operations and Comprehensive Loss. In addition, prepetition obligations that may be impacted by the Chapter 11 process have been classified on the Consolidated Balance Sheets as of September 30, 2022 as liabilities subject to compromise. These liabilities are reported at the amounts we anticipate will be allowed by the Bankruptcy Court, even if they may be settled for lesser amounts. See Note 19, Liabilities Subject to Compromise and Note 20. Reorganization Items, Net for more information regarding these items.

Debtors-In-Possession

Prior to the commencement of the Chapter 11 Cases, the Company secured commitments to enter into (i) a superpriority senior secured debtor-in-possession asset-based loan facility (the “DIP ABL Facility”), in the maximum aggregate principal amount of $400 million, with certain financial institutions party thereto as lenders and MidCap Funding IV Trust, as administrative agent and collateral agent, (ii) a superpriority senior secured debtor-in-possession term loan facility (the “DIP Term Loan Facility”), in the aggregate principal amount of $575 million, with certain financial institutions party thereto as lenders and Jefferies Finance, LLC, as administrative agent and collateral agent, and (iii) a superpriority junior secured debtor-in-possession intercompany credit facility (the “Intercompany DIP Facility” and, together with the DIP ABL Facility and the DIP Term Loan Facility, the “DIP Facilities”) with the Debtors that are BrandCos (as defined in the BrandCo Credit Agreement referred to herein) (the “BrandCos”).

The Debtors are currently operating as debtors-in-possession in accordance with the applicable provisions of the Bankruptcy Code. The Bankruptcy Court has approved motions filed by the Debtors that were designed primarily to mitigate the impact of the Chapter 11 Cases on the Company’s operations, customers and employees. In general, as debtors-in-possession under the Bankruptcy Code, the Debtors are authorized to continue to operate as an ongoing business, but may not engage in transactions outside the ordinary course of business without the prior approval of the Bankruptcy Court. Pursuant to motions filed with the Bankruptcy Court, the Bankruptcy Court enabled the Debtors to continue to conduct their business activities in the ordinary course by minimizing the impact of the Debtors' bankruptcy filing on day to day operations, including by, among other things and subject to the terms and conditions of such orders, authorizing the Debtors to: (i) pay employees’ wages and related obligations; (ii) pay prepetition claims of certain lien claimants and critical vendors; (iii) continue to operate their cash management system in a form substantially similar to pre-petition practice and perform intercompany transactions in the ordinary course; (iv) continue to maintain and administer certain existing customer programs; (v) pay taxes in the ordinary course; (vi) continue their surety bond program; (vii) maintain their insurance program in the ordinary course and (viii) retain certain professionals in the ordinary course.

Automatic Stay

Subject to certain specific exceptions under the Bankruptcy Code, the Bankruptcy Petitions automatically stayed most judicial or administrative actions against the Debtors and efforts by creditors to collect on or otherwise exercise rights or remedies with respect to pre-petition claims. Absent an order from the Bankruptcy Court, substantially all of the Debtors’ pre-petition liabilities are subject to settlement under the Bankruptcy Code. See Note 21. Condensed Combined Debtor-In-Possession Financial Information.

Executory Contracts

Subject to certain exceptions, under the Bankruptcy Code, the Debtors may assume, amend or reject certain executory contracts and unexpired leases subject to the approval of the Bankruptcy Court and certain other conditions. Generally, the rejection of an executory contract or unexpired lease is treated as a pre-petition breach of such executory contract or unexpired lease and, subject to certain exceptions, relieves the Debtors from performing their future obligations under such executory contract or unexpired lease but entitles the contract counterparty or lessor to a pre-petition general unsecured claim for damages caused by such deemed breach. Generally, the assumption of an executory contract or unexpired lease requires the Debtors to cure existing monetary defaults under such executory contract or unexpired lease and provide adequate assurance of future performance. Accordingly, any description of an executory contract or unexpired lease with the Debtors in this document, including where applicable a quantification of the Company’s obligations under any such executory contract or unexpired lease of the Debtors, is qualified by any overriding rejection rights the Company has under the Bankruptcy Code.

Claims Reconciliation

The Debtors have filed with the Bankruptcy Court schedules and statements setting forth, among other things, the assets and liabilities of each of the Debtors, subject to the assumptions filed in connection therewith. These schedules and statements may be subject to further amendment or modification after filing. Pursuant to an order of the Bankruptcy Court, certain holders of pre-petition claims that are not governmental units were required to file proofs of claim by October 24, 2022, the general claims bar date. Governmental units are required to file proof of claims by December 12, 2022.

Debtors have received approximately 5,000 proofs of claim as of November 3, 2022 for an amount of approximately $22.6 billion. Such amount includes duplicate claims across multiple Debtor legal entities. These claims will be reconciled to amounts recorded in the Company's accounting records. Differences in amounts recorded and claims filed by creditors will be investigated and resolved, including through the filing of objections with the Bankruptcy Court, where appropriate. The Company may ask the Bankruptcy Court to disallow claims that the Company believes are duplicative, have been later amended or superseded, are without merit, are overstated or should be disallowed for other reasons. In addition, as a result of this process, the Company may identify additional liabilities that will need to be recorded or reclassified to liabilities subject to compromise. In light of the substantial number of claims expected to be filed, the claims resolution process may take considerable time to complete and likely will continue throughout the Chapter 11 proceedings.

Going Concern

Each reporting period, the Company assesses its ability to continue as a going concern for one year from the date the financial statements are issued. At September 30, 2022, the Company had a liquidity position of $273.4 million, consisting of: (i) $246.4 million of unrestricted cash and cash equivalents (with approximately $87.4 million held outside the U.S.); (ii) $29.6 million in available borrowing capacity under the Tranche A DIP ABL (as defined herein) (which had $41.8 million drawn at such date); and less (iii) approximately $2.6 million of outstanding checks. The Company's evaluation includes its ability to meet its future contractual obligations and other conditions and events that may impact its liquidity.

The Company's ability to continue as a going concern is contingent upon, among other things, its ability to, subject to the Bankruptcy Court's approval as applicable, (i) file and implement a business plan of reorganization in a timely manner and within the milestones that have been established under the DIP Facilities, including entering into a restructuring support agreement by November 15, 2022; filing a plan of reorganization by December 14, 2022; obtaining confirmation of the plan by April 1, 2023 and emerging from Chapter 11 by April 15, 2023 and (ii) generate sufficient liquidity during the Chapter 11 proceedings and following emergence from Chapter 11 to meet our contractual obligations and operating needs. As a result of risks and uncertainties related to, among other things, (i) the Company's ability to obtain requisite support for the business plan of reorganization from various stakeholders, and (ii) the disruptive effects of the Chapter 11 proceedings on our business and liquidity making it potentially more difficult to maintain business, financing and operational relationships, substantial doubt exists regarding our ability to continue as a going concern within one year after the date that the financial statements are issued.

The filing of the Chapter 11 Cases constituted an event of default that accelerated substantially all of the Company's obligations under nearly all of its pre-petition debt instruments. As such, the Company reclassified all pre-petition debt obligations to liabilities subject to compromise on its condensed consolidated balance sheets as of September 30, 2022. For additional discussion regarding the impact of the Chapter 11 Cases on the Company's debt obligations, see Note 7. Debt.

The Company's condensed consolidated financial statements do not include any adjustments related to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might be necessary should we be unable to continue as a going concern.

NYSE Delisting and Transfer to the Over-the-Counter ("OTC") Market

On June 16, 2022, the Company received a letter from the staff of NYSE Regulation, Inc. (“NYSE Regulation”) that it had determined to commence proceedings to delist the Class A Common Stock of the Company from the New York Stock Exchange (“NYSE”) in light of the Company’s disclosure on June 15, 2022 that it had commenced voluntary petitions for reorganization under Chapter 11. The Company appealed the determination in a timely manner. On October 13, 2022, the NYSE reviewed the Company’s appeal. On October 20, 2022, the NYSE informed the Company, and publicly announced its determination following such appeal, that the Company’s Class A Common Stock is no longer suitable for listing on the NYSE and that the NYSE has suspended trading in the Company’s Class A Common Stock (NYSE ticker symbol: REV) after the market close on October 20, 2022. On October 21, 2022, the NYSE applied to the Securities and Exchange Commission pursuant to Form 25 to remove the Class A Common Stock of the Company from listing and registration on the NYSE at the opening of business on November 1, 2022. As a result of the suspension and delisting, the Company's Class A Common Stock began trading exclusively on the OTC market on October 21, 2022 under the symbol REVRQ.

Impact of COVID-19

The COVID-19 pandemic had a significant and adverse impact on the beauty industry and the Company’s business in 2020 and 2021, and the COVID-19 pandemic continues to impact the Company’s business in 2022. The COVID-19 pandemic has contributed to the imposition of face mask mandates, lockdowns and other significant restrictions in the United States and abroad from time to time; global supply chain disruptions, including manufacturing and transportation delays, due to closures, employee absences, port congestion, labor and container shortages, and shipment delays, increased transportation costs, and shortages in raw materials, tight labor markets and inflationary pressures for a number of industries, including consumer retail, and related consumer products shortages and price increases; closures, bankruptcies and/ or reduced operations of retailers, beauty salons, spas, offices and manufacturing facilities; labor shortages with employers in many industries, including consumer retail, experiencing increased competition to recruit, hire and retain employees; travel and transportation restrictions leading to declines in consumer traffic in key shopping and tourist areas around the globe; and import and export restrictions. With the roll out of COVID-19 vaccinations in 2021 and the easing of COVID-19 restrictions in the United States and in many of the Company’s key markets around the globe, the Company saw a gradual rebound in consumer spending and consumption in 2021, which has continued into 2022. The Company continues to closely monitor the associated impacts of COVID-19, including the impacts of any new variants of COVID-19 and subsequent “waves” of the pandemic, and will take appropriate actions in an effort to mitigate the COVID-19 pandemic’s negative effects on the Company’s operations and financial results.

The Company continues to focus on cost reduction and risk mitigation actions to address the ongoing impact from the COVID-19 pandemic as well as other macroeconomic headwinds, such as rising global inflation and a potential economic recession or contraction in the near future. The Company may generate additional liquidity through continued cost control initiatives as well as funds provided by selling certain assets or other strategic transactions, potentially subject to Bankruptcy Court approval. If sales decline, the Company’s cost control initiatives may include reductions in discretionary spend and reductions in investments in capital and permanent displays.

Recently Issued Accounting Pronouncements

In March 2020, the FASB issued ASU 2020-04, "Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting." The new guidance under ASU 2020-04 provides optional expedients and exceptions for applying U.S. GAAP to contracts, hedging relationships and other transactions affected by reference rate reform if certain criteria are met. The amendments apply only to contracts and hedging relationships that reference the London Interbank Offered Rate ("LIBOR") or another reference rate expected to be discontinued due to reference rate reform. These amendments are effective immediately and may be applied prospectively to contract modifications made and hedging relationships entered into or evaluated on or before December 31, 2022. The FASB voted to propose extending the sunset date under Topic 848 to December 31, 2024 for the shift from LIBOR when that rate and other rates expire. The FASB is expected to come to a decision later this year. The Company's debt arrangements have provisions in place for a replacement reference rate and the Company continues to assess the impact, if any, that ASU No. 2020-04 is expected to have on the Company’s results of operations, financial condition and/or financial statement disclosures.

In June 2016, the FASB issued ASU No. 2016-13, "Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments," which was subsequently amended in November 2018 through ASU No. 2018-19, "Codification Improvements to Topic 326, Financial Instruments - Credit Losses." ASU No. 2016-13 will require entities to estimate lifetime expected credit losses for trade and other receivables, net investments in leases, financing receivables, debt securities and other instruments, which will result in earlier recognition of credit losses. Further, the new credit loss model will affect how entities in all industries estimate their allowance for losses for receivables that are current with respect to their payment terms. In November 2019, the FASB issued ASU No. 2019-10, which, among other things, deferred the application of the new guidance on credit losses for smaller reporting companies ("SRC") to fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. This guidance will be applied through a cumulative-effect adjustment to retained earnings as of the beginning of the first reporting period in which the guidance is effective (i.e., a modified-retrospective approach). Under the above-mentioned deferral, the Company expects to adopt ASU No. 2016-03, and the related ASU No. 2018-19 amendments, beginning as of January 1, 2023. The Company made an initial assessment of the impact of the new credit loss model and does not expect a material impact as the majority of the receivables are short-term. The Company will continue to assess the impact that this guidance is expected to have on the Company’s results of operations, financial condition and/or financial statement disclosures.

2. RESTRUCTURING CHARGES

Revlon Global Growth Accelerator Program

On March 2, 2022, the Company announced that it is extending and expanding its existing Revlon Global Growth Accelerator (“RGGA”) program through 2024. The extension and expansion will allow the Company to continue to focus on identifying and implementing new opportunities programmatically. The extension and expansion will provide an additional year to implement larger projects and help make up for supply chain headwinds and the extended COVID restrictions throughout the globe.

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

The major initiatives underlying the RGGA Program will remain and include:

- Strategic Growth: Boost organic sales growth behind our strategic pillars – brands, markets, and channels -- to deliver mid-single digit Compound Average Annual Growth Rate through 2024.
- Operating Efficiencies: Drive additional operational efficiencies and cost savings for margin improvement and to fuel investments in growth.
- Build Capabilities: Build capabilities and embed the Revlon culture of one vision, one team.

Since inception and through September 30, 2022, the Company recorded pre-tax restructuring and related charges of $110.0 million in connection with RGGA, consisting primarily of (i) $81.4 million of employee severance, other personnel benefits and other costs; and (ii) $28.6 million of lease and other restructuring-related charges that were recorded within Selling, general & administrative expenses ("SG&A") and Cost of sales.

A summary of the RGGA charges incurred since its inception in March 2020 and through September 30, 2022 is presented in the following table:

	Restructuring Charges and Other, Net					
	Employee Severance and Other Personnel Benefits	Other Costs	Total Restructuring Charges	Leases (a)	Other Related Charges (b)	Total Restructuring and Related Charges
Charges incurred through December 31, 2021	$ 52.7	$ 23.9	$ 76.6	$ 17.7	$ 7.6	$ 101.9
Charges incurred during the nine months ended September 30, 2022	0.9	3.9	4.8	3.3	0.0	8.1
Cumulative charges incurred through September 30, 2022	$ 53.6	$ 27.8	$ 81.4	$ 21.0	$ 7.6	$ 110.0

(a) Lease-related charges are recorded within SG&A in the Company's Consolidated Statement of Operations and Comprehensive Loss.
(b) Other related charges are recorded within SG&A and cost of sales in the Company's Consolidated Statement of Operations and Comprehensive Loss.

A summary of the RGGA restructuring charges incurred since its inception in March 2020 and through September 30, 2022 by reportable segment is presented in the following table:

	Charges incurred in the nine months ended September 30, 2022	Cumulative charges incurred through September 30, 2022
Revlon	$ 1.7	$ 29.7
Elizabeth Arden	1.6	20.6
Portfolio	1.0	19.0
Fragrances	0.5	12.1
Total	$ 4.8	$ 81.4

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

Restructuring Reserve

The liability balance and related activity for each of the Company's restructuring programs are presented in the following table:

	Liability Balance at January 1, 2022	Expense, Net	Utilized, Net Cash	Liability Balance at September 30, 2022
RGGA:				
Employee severance and other personnel benefits	$ 1.9	$ 0.9	$ (2.5)	$ 0.3
Other	—	3.9	(3.9)	—
Total RGGA	1.9	4.8	(6.4)	0.3
Other restructuring initiatives:				
Employee severance and other personnel benefits	0.8	(0.5)	—	0.3
Total other restructuring initiatives	0.8	(0.5)	—	0.3
Total restructuring reserve	$ 2.7	$ 4.3	$ (6.4)	$ 0.6

All of the restructuring reserve balances were included within accrued expenses and other current liabilities in the Company's Consolidated Balance Sheets.

3. INVENTORIES

The Company's net inventory balances consisted of the following:

	September 30, 2022	December 31, 2021
Finished goods	299.1	$ 277.0
Raw materials and supplies	145.4	125.3
Work-in-process	11.5	15.1
	$ 456.0	$ 417.4

4. PROPERTY, PLANT AND EQUIPMENT

The Company's property, plant and equipment, net balances consisted of the following:

	September 30, 2022	December 31, 2021
Land and improvements	$ 9.7	$ 10.8
Building and improvements	39.9	43.5
Machinery and equipment	70.4	82.2
Office furniture, fixtures and capitalized software	50.4	62.6
Leasehold improvements	15.6	18.0
Construction-in-progress	8.8	8.8
Right-of-Use assets	55.1	71.4
Property, plant and equipment and Right-of-Use assets, net	$ 249.9	$ 297.3

Depreciation and amortization expense on property, plant and equipment and right-of-use assets for the three months ended September 30, 2022 and September 30, 2021 was $16.9 million and $16.5 million, respectively. Depreciation and amortization expense on property, plant and equipment and right-of-use assets for the nine months ended September 30, 2022 and September 30, 2021 was $44.8 million and $50.7 million, respectively. Accumulated depreciation and amortization was $549.2 million and $551.3 million as of September 30, 2022 and December 31, 2021, respectively.

In connection with the lease rejections that were approved by the Bankruptcy Court and were deemed effective as of the Petition Date, the associated right-of-use asset was written-off.

During the second quarter of 2022, as a result of the continued global supply chain disruptions resulting from the COVID-19 pandemic and other macroeconomic factors, the Company considered whether indicators of impairment existed for its Property, Plant and Equipment ("PP&E"), including its Right-of-Use ("ROU") assets consisting of the Company's leases as described above. In accordance with ASC Topic 360, "Property, Plant and Equipment," for purposes of recognition and measurement of an impairment loss, long-lived assets are grouped with other assets and liabilities at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities. An impairment loss is recognized only if the carrying amount of a long-lived asset and/or asset group is not recoverable and exceeds its fair value. The carrying amount of a long-lived asset and/or asset group is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the long-lived asset and/or asset group and the impairment loss is measured as the amount by which the carrying amount of a long-lived asset and/or asset group exceeds its fair value. In performing such review, the Company considers several indicators of impairment, including, among other factors, the following: (i) whether there exists any significant adverse change in the extent or manner in which a long-lived asset and/or asset group is being used; (ii) whether there exists any projection or forecast demonstrating losses associated with the use of a long-lived asset and/or asset group; and (iii) whether there exists a current expectation that, more likely than not, a long-lived asset and/or asset group will be sold or otherwise disposed of significantly before the end of its previously-estimated useful life. Following its interim assessment, the Company concluded that the carrying amounts of its PP&E, including its lease ROU assets, were not impaired as of June 30, 2022.

Following its interim assessment during the third quarter of 2022, the Company concluded that the carrying amounts of its PP&E, including its lease ROU assets, were recoverable as of September 30, 2022.

5. GOODWILL AND INTANGIBLE ASSETS, NET

Goodwill

In accordance with ASC Topic 350, “Intangibles – Goodwill and Other,” the Company performs its annual impairment test during the fourth quarter of each year. The Company also reviews goodwill for impairment whenever events or changes in circumstances indicate that the carrying value of its goodwill may not be recoverable. After the close of each interim quarter, management assesses whether there exists any indicators of impairment requiring the Company to perform an interim goodwill impairment analysis.

During the second quarter, as a result of the continued global supply chain disruptions resulting from the COVID-19 pandemic and other macroeconomic factors, the Company determined that indicators of potential impairment existed requiring the Company to perform an interim goodwill impairment analysis. These indicators included a deterioration in the general economic conditions, inflation, adverse developments in equity and credit markets, deterioration in some of the economic channels in which the Company operates, the recent trading values of the Company's capital stock and the corresponding decline in the Company’s market capitalization.

As a result, for the second quarter of 2022 the Company examined and performed quantitative interim goodwill impairment assessments for five of its reporting units, namely: (i) Revlon; (ii) Elizabeth Arden Skin and Color; (iii) Elizabeth Arden; (iv) Fragrances; and (v) Professional Portfolio. The Mass Portfolio reporting unit's goodwill was written down to nil during the first quarter of 2020. In performing these assessments, the Company used the simplified approach allowed under ASU No. 2017-04, "Simplifying the Test for Goodwill Impairment."

Based upon such assessments, the Company determined that it was more likely than not that the fair values of each of its reporting units exceeded their respective carrying amounts for the second quarter of 2022.

The aforementioned fair values were primarily determined using a weighted average market and income approach. The income approach requires several assumptions including those regarding future sales growth, EBITDA (earnings before interest, taxes, depreciation and amortization) margins, and capital expenditures, which are the basis for the information used in the discounted cash flow model. The weighted-average cost of capital used in the income approach ranged from 9.5% to 12.0%, with a perpetual growth rate of 2%. For the market approach, the Company considered the market comparable method based upon total enterprise value multiples of other comparable publicly-traded companies.

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

The key assumptions used to determine the estimated fair value of the reporting units included the expected success of the Company's future new product launches, the Company's achievement of its expansion plans, the Company's realization of its cost reduction initiatives and other efficiency efforts, as well as assumptions related to overcoming supply chain disruptions resulting from the COVID-19 pandemic and other macroeconomic factors. If such plans and assumptions do not materialize as anticipated, or if there are further challenges in the business environment in which the Company's reporting units operate, a resulting change in actual results from the Company's key assumptions could have a negative impact on the estimated fair values of the reporting units, which could require the Company to recognize impairment charges in future reporting periods.

For the third quarter of 2022 interim assessment, the Company, in accordance with ASC 350, performed qualitative analyses for five of its reporting units, as described above. Based upon such assessment, the Company determined that it was more likely than not that the fair value of each of its previously mentioned reporting units exceeded their respective carrying amounts as of September 30, 2022. Consequently, no impairment charges were recognized related to the carrying value of the Company's goodwill as a result of the third quarter of 2022 qualitative interim impairment assessment.

The following table presents the changes in goodwill by segment for the nine months ended September 30, 2022:

	Revlon	Portfolio	Elizabeth Arden	Fragrances	Total
Balance at January 1, 2022	$ 265.0	$ 87.8	$ 89.3	$ 120.7	$ 562.8
Foreign currency translation adjustment	(0.7)	(0.3)	(0.2)	(0.4)	(1.6)
Balance at September 30, 2022	$ 264.3	$ 87.5	$ 89.1	$ 120.3	$ 561.2
Cumulative goodwill impairment charges[a]					$ (166.2)

[a] Amount refers to cumulative impairment charges recognized in 2020 and prior years. No impairment charges were recorded during the nine months ended September 30, 2022.

Intangibles

In connection with the interim impairment assessment for the second quarter of 2022, the Company also reviewed indefinite-lived intangible assets, consisting of certain trade names, in accordance with ASC Topic 350.

As a result of the continued global supply chain disruptions resulting from the COVID-19 pandemic and other macroeconomic factors discussed above, and in conjunction with the Company's performance of its interim impairment testing of goodwill and indefinite-lived intangibles for the second quarter of 2022, the Company reviewed its finite-lived intangible assets for impairment, in accordance with ASC Topic 360. In performing such review, the Company makes judgments about the recoverability of its purchased finite-lived intangible assets whenever events or changes in circumstances indicate that an impairment to its finite-lived intangible assets may exist. The Company also considers several indicators of impairment, including, among other factors, the following: (i) whether there exists any significant adverse change in the extent or manner in which a long-lived asset and/or asset group is being used; (ii) whether there exists any projection or forecast demonstrating losses associated with the use of a long-lived asset and/or asset group; and (iii) whether there exists a current expectation that, more likely than not, a long-lived asset and/or asset group will be sold or otherwise disposed of significantly before the end of its previously-estimated useful life. The carrying amount of a finite-lived intangible asset is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the finite-lived intangible asset and/or asset group and the impairment loss is measured as the amount by which the carrying amount of the finite-lived intangible asset exceeds its fair value.

Based upon such assessment and as a result of the continuing effects of the COVID-19 pandemic on the Company and related macroeconomic factors, the Company recognized $5.6 million and $18.7 million of non-cash impairment charges related to certain indefinite-lived and finite-lived intangible assets, respectively, within the Company's Mass Portfolio reporting unit during the second quarter of 2022. The fair values of the Company's indefinite-lived intangible assets were determined based on the relief from royalty method. The recoverability of the Company's finite-lived intangible assets were determined based on the undiscounted cash flows method and fair value was determined based on the multi-period excess earnings method. The inputs and assumptions utilized in the impairment analyses are classified as Level 3 inputs in the fair value hierarchy as defined in ASC Topic 820, “Fair Value Measurements.” These impairment charges were included as a separate component of operating income within the "Impairment charges" caption on the Company's Unaudited Consolidated Statement of Operations and Comprehensive Loss for the nine months ended September 30, 2022.

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

No impairment charges were recognized related to the carrying value of any of the Company's indefinite-lived and finite-lived intangible assets as a result of the third quarter of 2022 qualitative interim impairment assessment. Consequently, total non-cash impairment charges recorded on the Company's intangible assets were $24.3 million for the nine months ended September 30, 2022.

A summary of the impairment charge by segment is included in the following tables:

	Nine Months Ended September 30, 2022				
	Revlon	Portfolio	Elizabeth Arden	Fragrances	Total
Finite-lived intangible assets	$ —	$ 18.7	$ —	$ —	$ 18.7
Indefinite-lived intangible assets	$ —	$ 5.6	$ —	$ —	$ 5.6
Total Intangibles Impairment	$ —	$ 24.3	$ —	$ —	$ 24.3

In connection with recognizing these intangible assets impairment charges for the three and nine months ended September 30, 2022, the Company recognized a tax benefit of approximately $0.2 million.

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

The following tables present details of the Company's total intangible assets as of September 30, 2022 and December 31, 2021:

	September 30, 2022				
	Carrying Amount	Accumulated Amortization	Impairment	Net Carrying Amount	Weighted-Average Useful Life (in Years)
Finite-lived intangible assets:					
Trademarks and licenses	$ 267.2	$ (149.9)	$ (5.3)	$ 112.0	11
Customer relationships	243.3	(131.1)	(10.9)	101.3	9
Patents and internally-developed intellectual property	24.3	(18.2)	(2.5)	3.6	5
Distribution rights	31.0	(10.5)	—	20.5	12
Other	1.3	(1.3)	—	—	0
Total finite-lived intangible assets	$ 567.1	$ (311.0)	$ (18.7)	$ 237.4	
Indefinite-lived intangible assets:					
Trade names [(a)]	$ 103.6	N/A	$ (5.6)	$ 98.0	
Total indefinite-lived intangible assets	$ 103.6	N/A	$ (5.6)	$ 98.0	
Total intangible assets	$ 670.7	$ (311.0)	$ (24.3)	$ 335.4	

	December 31, 2021				
	Carrying Amount	Accumulated Amortization	Impairment	Net Carrying Amount	Weighted-Average Useful Life (in Years)
Finite-lived intangible assets:					
Trademarks and licenses	$ 270.8	$ (142.9)	$ —	$ 127.9	12
Customer relationships	247.2	(122.7)	—	124.5	10
Patents and internally-developed intellectual property	23.8	(17.4)	—	6.4	5
Distribution rights	31.0	(9.2)	—	21.8	13
Other	1.3	(1.3)	—	—	0
Total finite-lived intangible assets	$ 574.1	$ (293.5)	$ —	$ 280.6	
Indefinite-lived intangible assets:					
Trade names [(a)]	$ 111.6	N/A		$ 111.6	
Total indefinite-lived intangible assets	$ 111.6	N/A	$ —	$ 111.6	
Total intangible assets	$ 685.7	$ (293.5)	$ —	$ 392.2	

[(a)] Indefinite-lived trade names carrying amount includes accumulated impairment of $33.1 million from 2020.

Amortization expense for finite-lived intangible assets was $7.6 million and $9.1 million for the three months ended September 30, 2022 and 2021, respectively and $24.0 million and $26.1 million for the nine months ended September 30, 2022 and 2021, respectively.

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

6. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

The Company's accrued expenses and other current liabilities consisted of the following:

	September 30, 2022	December 31, 2021
Advertising, marketing and promotional costs	$ 93.4	$ 113.3
Sales returns and allowances	70.2	92.3
Taxes	55.4	52.8
Compensation and related benefits	61.7	33.7
Professional services and insurance	45.5	28.5
Interest	8.3	31.3
Freight and distribution costs	15.6	18.4
Short-term lease liability	4.6	12.9
Restructuring reserve	0.6	2.7
Software	0.7	2.2
Other [(a)]	36.1	43.9
Total	$ 392.1	$ 432.0

[(a)] Accrued Other for Products Corporation as of September 30, 2022 and December 31, 2021 were $36.4 million and $44.0 million, respectively.

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

7. DEBT

The table below details the Company's debt balances, net of discounts and debt issuance costs.

	September 30, 2022	December 31, 2021
Debt		
DIP Term Loan Facility due 2023 [(a)]	$ 575.0	$ —
SISO DIP ABL Facility due 2023 [(a)]	130.0	—
Tranche A DIP ABL Facility due 2023 [(a)]	41.8	—
Spanish Government Loan due 2025	0.2	0.2
2021 Foreign Asset-Based Term Facility due 2024	—	71.2
Amended 2016 Revolving Credit Facility (Tranche A) due 2024	—	108.0
SISO Term Loan Facility due 2024	—	126.2
2020 ABL FILO Term Loans due 2023	—	50.0
2020 Troubled-debt-restructuring: future interest	—	42.6
2020 BrandCo Term Loan Facility due 2025 [(b)]	—	1,749.7
2016 Term Loan Facility: 2016 Term Loan due 2023 and 2025	—	867.9
6.25% Senior Notes due 2024	—	426.9
Debt	$ 747.0	$ 3,442.7
Debt subject to compromise		
2020 ABL FILO Term Loans due 2023	50.0	—
2020 Troubled-debt-restructuring: future interest	36.0	—
2020 BrandCo Term Loan Facility due 2025 [(b)]	1,887.6	—
2016 Term Loan Facility: 2016 Term Loan due 2023 and 2025	872.4	—
6.25% Senior Notes due 2024	431.3	—
Debt subject to compromise [(b)]	$ 3,277.3	$ —
Total debt, prior to reclassification to Liabilities subject to compromise	$ 4,024.3	$ 3,442.7
Less current portion	(746.9)	(137.2)
Less amounts reclassified to Liabilities subject to compromise	(3,277.3)	—
Long-term debt	$ 0.1	$ 3,305.5
Short-term borrowings [(*)]	$ 0.6	$ 0.7

[(*)]The weighted average interest rate on these short-term borrowings outstanding at September 30, 2022 and December 31, 2021 was 11.4%, respectively.

(a) Debtor-in-Possession Financing

On June 17, 2022, all or certain of the Debtors entered into (i) a superpriority, senior secured and priming debtor-in-possession asset-based revolving credit facility (the “DIP ABL Facility”), evidenced by a term sheet, in the maximum aggregate principal amount of $400 million, with certain financial institutions party thereto as lenders and MidCap Funding IV Trust, as administrative agent and collateral agent, (ii) a superpriority, senior secured and priming debtor-in-possession term loan credit facility (the “DIP Term Loan Facility”), in the aggregate principal amount of $575 million, with certain financial institutions party thereto as lenders and Jefferies Finance, LLC, as administrative agent and collateral agent, and (iii) a superpriority junior secured debtor-in-possession intercompany credit facility (the “Intercompany DIP Facility” and, together with the DIP ABL Facility and the DIP Term Loan Facility, the “DIP Facilities”) with the Debtors that are BrandCos (as defined in the BrandCo Credit Agreement, dated as of May 7, 2020 (as amended, modified or supplemented from time to time, the “BrandCo Credit Agreement”), by and among Products Corporation, the Company, the other loan parties and lenders party thereto and Jefferies

Finance LLC, as administrative agent and each collateral agent) (the “BrandCos”). On June 17, 2022, the Bankruptcy Court approved the DIP Facilities on an interim basis pursuant to the Interim Order for the DIP Facilities (as defined herein) and the closing of these facilities occurred. On June 30, 2022, the Company and Products Corporation entered into that certain Super-Priority Senior Secured Debtor-in-Possession Asset-Based Credit Agreement (the “DIP ABL Credit Agreement”), by and among Products Corporation, as the Borrower, the Company, as Holdings, the lenders party thereto and MidCap Funding IV Trust, as Administrative Agent and Collateral Agent, which evidences the DIP ABL Facility and establishes certain additional terms and conditions that will govern the DIP ABL Facility. On August 2, 2022, the Bankruptcy Court approved the DIP Facilities on a final basis pursuant to the Final Order for the DIP Facilities (as defined herein). Borrowings of $575 million ($375 million was drawn on June 17, 2022 and $200 million was drawn on Aug 3, 2022) under the DIP Term Loan Facility and borrowings under the DIP ABL Facility are being used to, among other things, (i) refinance certain obligations under the Amended 2016 Revolving Credit Agreement and the 2021 Foreign Asset-Based Term Agreement and (y) for general corporate purposes.

The DIP ABL Facility, among other things, provides for (i) an asset-based revolving credit facility in the maximum aggregate amount of $270 million (the “Tranche A DIP ABL Facility”), the initial proceeds of which were used to refinance the Tranche A Revolving Secured Obligations (as defined in the Amended 2016 Revolving Credit Agreement), and (ii) an asset-based term loan facility in the amount of $130 million (the “SISO DIP ABL Facility”), the proceeds of which were used to refinance the SISO Secured Obligations (as defined in the Amended 2016 Revolving Credit Agreement). The remaining proceeds of the DIP ABL Facility will be used for general corporate purposes of the Debtors, including to pay expenses in connection with the Cases, in accordance with the terms of the Final Order (as defined in the DIP ABL Credit Agreement). The borrowing base in respect of the Tranche A DIP ABL Facility is consistent with the borrowing base under the Amended 2016 Revolving Credit Agreement (without giving effect to the accommodation provided for in Amendment No. 9 thereto and subject to an availability reserve of $25 million and a carve-out reserve for certain professional fees) and is subject to certain customary reserves.

The maturity date of the DIP ABL Facility is the earliest of (i) June 17, 2023 (the “Stated Maturity Date”), with an option to extend to the earlier of 180 days after the Stated Maturity Date and the extended maturity date of the DIP Term Loan Facility following the exercise by Products Corporation of its option to extend the maturity date thereunder; (ii) August 2, 2022, if a final order approving the DIP ABL Facility has not been entered by the Court on or before such date; (iii) the effective date of any chapter 11 plan for the reorganization of any Debtor; (iv) the consummation of any sale or other disposition of all or substantially all of the assets of the Debtors pursuant to Bankruptcy Code §363; (v) the date of the acceleration of the DIP ABL Facility and termination of the corresponding commitments in accordance with the definitive documents governing the DIP ABL Facility; (vi) the date the Court orders the conversion of the Cases of any of the Debtors to a chapter 7 liquidation, (vii) the rejection or termination of the BrandCo License Agreements (as defined in the DIP ABL Credit Agreement) and (viii) the dismissal of the Cases of any Debtor without the consent of the holders of more than 50% of the loans and commitments under the Tranche A DIP ABL Facility. The outstanding principal of the DIP ABL Facility is due and payable in full on the maturity date.

The DIP ABL Facility is secured by a perfected (i) first priority priming security interest and lien on substantially all assets of the Debtors (other than the BrandCos and Beautyge I, an exempted company incorporated in the Cayman Islands (“Beautyge I”)) constituting ABL Facility First Priority Collateral (as defined in the Amended 2016 Revolving Credit Agreement), (ii) junior priority priming security interest and lien on substantially all assets of the Debtors (other than the BrandCos and Beautyge I) constituting Term Facility First Priority Collateral (as defined in the Amended 2016 Revolving Credit Agreement), and (iii) security interests and liens on substantially all assets of the Debtors (other than the BrandCos and Beautyge I) that were not, on the Petition Date, subject to valid, unavoidable and perfected security interests and liens, pursuant to Bankruptcy Code §364(c)(2), with the following priority: if such collateral is of the same nature, scope and type as (a) ABL Facility First Priority Collateral, on a first priority basis, and (b) Term Facility First Priority Collateral, on a junior priority basis subject to the liens in favor of the DIP Term Loan Facility, the Intercompany DIP Facility and any adequate protection liens granted to certain of Products Corporation’s secured creditors (the collateral for the DIP ABL Facility, the “Opco DIP Collateral”). The DIP ABL Facility is subject to certain customary and appropriate conditions for financings of similar type.

Loans under the Tranche A DIP ABL Facility bear interest at a rate equal to an adjusted base rate plus 2.50% per annum, and loans under the SISO DIP ABL Facility bear interest at a rate equal to an adjusted base rate plus 4.75% per annum. In addition, the DIP ABL Facility requires payment of the following fees: (i) a closing fee equal to 1.00% of the amount of the commitments in respect of the Tranche A DIP ABL Facility, which was payable upon the closing of the DIP ABL Facility on June 17, 2022; (ii) a collateral management fee equal to 1.00% per annum of the average daily amount of outstanding loans under the Tranche A DIP ABL Facility; (iii) a commitment fee equal to 0.50% per annum of the average daily amount of unused commitments under the Tranche A DIP ABL Facility; and (iv) an exit fee equal to 0.50% of the principal amount of the commitments in respect of the Tranche A DIP ABL Facility plus the aggregate principal amount of the SISO DIP ABL Facility, payable upon the termination of the DIP ABL Facility.

The DIP ABL Facility is subject to customary affirmative and negative covenants and events of default for postpetition financing of this type, including, without limitation, customary “milestones” for progress in the Cases (including, without limitation, the filing of a disclosure statement to solicit votes on a plan of reorganization and the entry of an order by the Court confirming such plan of reorganization), a covenant requiring Products Corporation to repay loans in the event that Products Corporation and its subsidiaries hold cash and cash equivalents in excess of a specified amount and a covenant requiring that actual receipts, disbursements and net cash flow do not deviate from the amounts set forth in the applicable budget of the Debtors by more than certain specified amounts.

The DIP Term Loan Facility, among other things, provides for a term loan facility in the maximum aggregate amount of $1,025 million, $575 million of which is committed and a portion of the proceeds of which were used to refinance obligations under the 2021 Foreign Asset-Based Term Agreement. The remainder of the proceeds will be used for general corporate purposes of the Debtors, including to pay expenses in connection with the Cases, in accordance with the terms of the Final Order for the DIP Facilities.

The maturity date of the DIP Term Loan Facility is the earliest of (i) June 17, 2023, with an option to extend by up to 180 days at the option of Products Corporation; (ii) August 2, 2022, if a final order approving the DIP Term Loan Facility has not been entered by the Court on or before such date; (iii) the effective date of any chapter 11 plan for the reorganization of any Debtor; (iv) the consummation of any sale or other disposition of all or substantially all of the assets of the Debtors pursuant to Bankruptcy Code §363; and (v) the date of acceleration or termination of the DIP Term Loan Facility in accordance with the definitive documents governing the DIP Term Loan Facility. The outstanding principal of the DIP Term Loan Facility is due and payable in full on the maturity date.

The DIP Term Loan Facility is secured by a perfected (i) first priority priming security interest and lien on the Term Facility First Priority Collateral, (ii) junior priority priming security interest and lien on the ABL Facility First Priority Collateral, (iii) a first priority security interest and lien on substantially all the assets of the BrandCos and Beautyge I, and (iv) security interests and liens on substantially all assets of the Debtors that were not, on the Petition Date, subject to valid, unavoidable and perfected security interests and liens, pursuant to Bankruptcy Code §364(c)(2), with the following priority: if such collateral is of the same nature, scope and type as (a) Term Facility First Priority Collateral, on a first priority basis, and (b) ABL Facility First Priority Collateral, on a junior priority priming basis subject to the liens in favor of the DIP ABL Facility and any adequate protection liens granted to certain of Products Corporation’s secured creditors. In addition, the DIP Term Loan Facility is guaranteed by the obligors under, and secured by substantially the same assets that secured, the 2021 Foreign Asset-Based Term Facility. The DIP Term Loan Facility includes certain customary and appropriate conditions for financings of similar type.

Loans under the DIP Term Loan Facility bear interest at a rate equal to, at the option of Products Corporation, the secured overnight financing rate plus 7.75% per annum or an adjusted base rate plus 6.75% per annum. In addition, the DIP Term Loan Facility provides for the following discounts and premiums: (i) an upfront discount equal to 1.00% of the amount of each borrowing thereunder, payable at the time of such borrowing; (ii) a backstop premium equal to 1.50% of the total commitments under the DIP Term Loan Facility, which was payable upon the closing of the DIP Term Loan Facility on June 17, 2022; (iii) a maturity extension premium equal to 0.50% of the amounts of the loans and commitments outstanding at the time of such extension, payable in the event the maturity date of the DIP Term Loan Facility is extended as described above; and (iv) a repayment premium equal to 1.00% of the principal amount of any loans under the DIP Term Loan Facility that are repaid, payable at the time of such repayment.

The DIP Term Loan Facility is subject to customary affirmative and negative covenants and events of default for postpetition financings of this type, including, without limitation, customary “milestones” for progress in the Cases (including, without limitation, the filing of a disclosure statement to solicit votes on a plan of reorganization and the entry of an order by the Court confirming such plan of reorganization), a covenant to maintain minimum liquidity and a covenant requiring that actual receipts, disbursements and net cash flow do not deviate from the amounts set forth in the applicable budget of the Debtors by more than certain specified amounts.

Pursuant to the Intercompany DIP Facility, term loans are automatically deemed to be provided by the BrandCos to Products Corporation in the amount of, and in satisfaction of the obligation of Products Corporation to pay, amounts payable from time to time by Products Corporation to the BrandCos under the BrandCo License Agreements. The loans under the Intercompany DIP Facility are secured by a fully perfected security interest and lien on all of the Opco DIP Collateral, immediately junior to the liens and security interests on the Opco DIP Collateral securing the DIP Term Loan Facility. The loans under the Intercompany DIP Facility (i) bear interest at a rate equal to an adjusted base rate plus 6.75%, which interest is payable in kind, and (ii) mature on the maturity date of the DIP Term Loan Facility.

The foregoing description of the DIP Facilities does not purport to be complete and is qualified in its entirety by reference to (i) the Super-Priority Senior Secured Debtor-in-Possession Asset-Based Credit Agreement, dated as of June 30, 2022, by and among Revlon Consumer Products Corporation, a debtor and debtor-in-possession under chapter 11 of the Bankruptcy Code, as the Borrower, Revlon, Inc., a debtor and debtor-in-possession under chapter 11 of the Bankruptcy Code, as Holdings, the lenders party thereto and MidCap Funding IV Trust, as Administrative Agent and Collateral Agent, which was attached as an exhibit to the Company’s and Products Corporation’s Current Report on Form 8-K filed with the SEC on July 7, 2022, (ii) the Superpriority Senior Secured Debtor-in-Possession Credit Agreement, dated as of June 17, 2022, by and among Revlon Consumer Products Corporation, a debtor and debtor-in-possession under chapter 11 of the Bankruptcy Code, as the Borrower, Revlon, Inc., a debtor and debtor-in-possession under chapter 11 of the Bankruptcy Code, as Holdings, the lenders party thereto and Jefferies Finance LLC, as Administrative Agent and Collateral Agent, which was attached as an exhibit to the Company’s and Products Corporation’s Report on Form 8-K filed with the SEC on June 23, 2022 and (iii) the Interim Order (i) authorizing the debtors to (a) obtain postpetition financing and (b) use cash collateral, (ii) granting liens and providing superpriority administrative expense status, (iii) granting adequate protection to the prepetition secured parties, (iv) modifying the automatic stay, (v) scheduling a final hearing, and (vi) granting related relief (collectively clauses (iii)(i)-(vi), the “Interim Order for the DIP Facilities”), and (iv) the Final Order (i) authorizing the debtors to (a) obtain postpetition financing and (b) use cash collateral, (ii) granting liens and providing superpriority administrative expenses status, (iii) granting adequate protection to the prepetition secured parties, (iv) modifying the automatic stay, and (v) granting related relief (collectively clauses (iv)(i)-(vi), the "Final Order for the DIP Facilities").

The Company incurred approximately $2.0 million and $16.8 million of new debt issuance costs in connection with the DIP Facilities, which were expensed during the three and nine months-ended September 30, 2022, respectively, to "Reorganization items, net" on the Company's Consolidated Statement of Operations and Comprehensive Loss.

Amendment No. 9 to the Amended 2016 Revolving Credit Agreement: Tranche A - Revolving Credit Facility and Second-In, Second-Out ("SISO") Term Loan Facility

On March 31, 2022, Products Corporation entered into Amendment No. 9 (“Amendment No. 9) to the asset-based revolving credit agreement, dated as of September 7, 2016, by and among Products Corporation and certain of its subsidiaries, as borrowers, the Company, as holdings, the lenders party thereto and Citibank, N.A., as administrative agent and collateral agent (as amended, the "Amended 2016 Revolving Credit Agreement" and the credit facility thereunder, the "Amended 2016 Revolving Credit Facility").

Amendment No. 9, among other things, made certain changes to the calculation of the borrowing base. Amendment No. 9 had the effect of temporarily increasing the borrowing base under the Amended 2016 Revolving Credit Agreement by up to $25 million until the earlier of (i) September 29, 2022 and (ii) the occurrence of an event of default or payment default (the “Amendment No. 9 Accommodation Period”). During the Amendment No. 9 Accommodation Period, Amendment No. 9 also established a reserve against availability under the Amended 2016 Revolving Credit Agreement in the amount of $10 million until June 29, 2022 and $15 million thereafter. Products Corporation was required to pay customary fees in connection with Amendment No. 9.

The Company incurred approximately $1.8 million of new debt issuance costs in connection with Amendment No. 9 to the 2016 Revolving Credit Agreement and SISO Term Loan Facility, which were expensed during the second quarter to "Reorganization items, net" on the Company's Consolidated Statement of Operations and Comprehensive Loss. The temporary increase in advance rates put in place by Amendment No. 9 is not included in the DIP ABL Facility.

First Amendment to 2021 Foreign Asset-Based Term Agreement

On March 30, 2022, Revlon Finance LLC, a Delaware limited liability company and wholly-owned subsidiary of Revlon (the “FABTL Borrower”), entered into the First Amendment (the “First Amendment”) to the 2021 Foreign Asset-Based Term Agreement.

The First Amendment, among other things, made certain changes to the calculation of the borrowing base that had the effect of temporarily increasing the borrowing base for one year after the effective date of the First Amendment. Initially the increase in the borrowing base was estimated to be approximately $7 million. The FABTL Borrower was required to pay customary fees in connection with the First Amendment. A portion of the proceeds of the DIP Term Loan Facility was used to refinance the 2021 Foreign Asset-Based Term Facility.

(b) Contractual interest on debt subject to compromise and adequate protection payments

Effective as of the Petition Date, we ceased recognizing interest expense on outstanding pre-petition debt subject to compromise other than the tranche Term B-1 loans of the 2020 Brandco Term Loan Facility due 2025. In connection with the Debtor's voluntary filing under Chapter 11, interest was stayed on the Company's 2020 ABL FILO Term Loans due 2023, 2016 Term Loan Facility, 6.25% Senior Notes and Tranche's B-2 and B-3 of the 2020 BrandCo Term Loan Facility. Approximately $73.0 million of interest was stayed, which relates to prepetition debt obligations classified within liabilities subject to compromise that did not receive adequate protection payments.

During the Chapter 11 proceeding, the Bankruptcy Court has the ability to issue orders pursuant to sections 361, 363(e) and 364(d) of the Bankruptcy Code granting adequate protection payments to secured parties under certain lending facilities in order to protect their interests in the pre-petition collateral. On June 17, 2022, as part of the DIP Term Loan agreement, the Bankruptcy Court issued an order providing that the holders of tranche Term B-1 loans shall continue to receive quarterly payments in an amount equal to the interest that would otherwise be payable in cash, as well as interest to be paid in kind on the outstanding Term B-1 loans. The interest rate on the tranche Term B-1 loans was reset as a result of the Bankruptcy Court's order, as such the Debtors are applying a LIBOR base rate to derive the quarterly payments to be paid in cash. During the period, the Company paid the Term B-1 holders $28.8 million that approximates the quarterly interest that otherwise would have been paid. Furthermore, consistent with the order, the Company accrued $9.6 million of paid-in-kind interest under the terms of the prepetition 2020 Brandco Term Loan Facility agreement at the non-default rate that would otherwise be owed to the prepetition BrandCo Lenders in accordance with the 2020 Brandco Term Loan Facility agreement. Default interest due under the terms of the prepetition 2020 Brandco Term Loan Facility agreement will accrue and be paid in kind in respect of the Term B-1 Loans in accordance with the 2020 Brandco Term Loan Facility agreement.

Prior Year Debt Transactions

Amendment No. 8 to the Amended 2016 Revolving Credit Agreement: Tranche A - Revolving Credit Facility and Second-In, Second-Out Term Loan Facility

On May 7, 2021, Products Corporation entered into Amendment No. 8 to the Amended 2016 Revolving Credit Agreement ("Amendment No. 8"). Amendment No. 8, among other things, made certain amendments pursuant to which: (i) the maturity date applicable to the "Tranche A" revolving loans and SISO Term Loan Facility (as defined further below in this section within "Amendment No. 7 to the Amended 2016 Revolving Credit Agreement: Tranche A - Revolving Credit Facility and SISO Term Loan Facility") was extended from June 8, 2023 to May 7, 2024, subject to a springing maturity to the earlier of: (x) 91 days prior to the maturity of the 2016 Term Loan Facility on September 7, 2023, to the extent such term loans are then outstanding, and (y) to the extent the Company's first-in, last-out term loans (the "2020 ABL FILO Term Loans") are then outstanding, the earliest stated maturity of the 2020 ABL FILO Term Loans; (ii) the commitments under the "Tranche A" revolving facility were reduced from $300 million to $270 million and under the SISO Term Loan Facility were upsized from $100 million to $130 million, (iii) the financial covenant was changed from (A)(x) a minimum excess availability requirement of $20 million when the fixed charge coverage ratio is greater than 1.00x or (y) a minimum excess availability requirement of $30 million when the fixed charge coverage ratio is less than 1.00x to (B) a springing minimum fixed charge coverage ratio of 1.00x when excess availability is less than $27.5 million, (iv) certain advance rates in respect of the borrowing base under the credit agreement were increased, and (v) the perpetual cash dominion requirement was replaced with a springing cash dominion requirement triggered only when excess availability is less than $45 million. In addition, Amendment No. 8 increased the interest rate margin applicable to the "Tranche A" revolving loans to 3.75% from a range of 2.50-3.00% and decreased the LIBOR "floor" applicable thereto from 1.75% to 0.50%.

On May 7, 2021, the Company also entered into a successor agent appointment and agency transfer agreement pursuant to which MidCap Funding IV Trust ("MidCap") succeeded Citibank, N.A. as the collateral agent and administrative agent for the Amended 2016 Revolving Credit Agreement. Products Corporation paid certain customary fees to MidCap and the lenders under the Amended 2016 Revolving Credit Facility in connection with Amendment No. 8.

Amendment No. 8 included an extinguishment, as defined by ASC 470, Debt, with the prior lenders under the Company's Tranche A Revolving Credit facility and the substitution of such lenders under the revolving credit facility with a new lender, MidCap, with which the Company had no prior loans outstanding. In connection with this transaction:

- Fees of $0.8 million paid to the old lenders that were extinguished under the Tranche A Revolving Credit facility were expensed within SG&A on the Company's Consolidated Statement of Operations and Comprehensive Loss for the year ended December 31, 2021;
- Deferred financing costs associated with the extinguished, old lenders prior to the effective date of Amendment No. 8, amounting to approximately $4.7 million, were expensed within "Amortization of debt issuance costs" on the Company's Consolidated Statement of Operations and Comprehensive Loss for the year ended December 31, 2021; and
- Fees of approximately $2.1 million paid to the new lender and third parties were recorded as deferred financing costs and are amortized in accordance with the straight-line method over the revised term of Tranche A through May 7, 2024.
- During the second quarter of 2022, the deferred financing costs were expensed to "Reorganization items, net" on the Company's Consolidated Statement of Operations and Comprehensive Loss in accordance with ASC 852.

The above-mentioned Amendment No. 8 also included an extinguishment and a modification of a term loan in connection with the existing SISO Term Loan Facility. More specifically, in accordance with ASC 470, Debt:

- Extinguishment accounting was applied to one existing prior lender, which was no longer involved with the SISO Term Loan Facility after Amendment No. 8. In connection with such extinguishment, deferred financing costs of approximately $1.4 million were expensed within "Amortization of debt issuance costs" on the Company's Consolidated Statement of Operations and Comprehensive Loss for the year ended December 31, 2021; and
- Modification accounting was applied to those exiting lenders for which the cash flow effect between the amount owed to them before and after the consummation of Amendment No. 8, on a present value basis, was less than 10% and, thus, the debt instruments were not considered to be substantially different. In connection with such modification, fees of approximately $0.9 million paid to the lenders were recorded as deferred financing costs and are amortized within "Amortization of debt issuance costs" (together with previously exiting deferred financing costs associated with these lenders of approximately $4.0 million), in accordance with the new effective interest rate computed over the revised term of the SISO Term Loan Facility. Additionally, approximately $0.4 million of fees paid to third parties were expensed within SG&A on the Company's Consolidated Statement of Operations and Comprehensive Loss for the year ended December 31, 2021.
- During the second quarter of 2022, the deferred financing costs were expensed to "Reorganization items, net" on the Company's Consolidated Statement of Operations and Comprehensive Loss in accordance with ASC 852.

Amendment No. 7 to the Amended 2016 Revolving Credit Agreement: Tranche A - Revolving Credit Facility and SISO Term Loan Facility

On March 8, 2021, Products Corporation entered into Amendment No. 7 to the Amended 2016 Revolving Credit Agreement (“Amendment No. 7”). Amendment No. 7, among other things, made certain amendments pursuant to which: (i) the maturity date applicable to the “Tranche A” revolving loans under the Amended 2016 Revolving Credit Agreement was extended from September 7, 2021 to June 8, 2023; (ii) the commitments under the “Tranche A” revolving facility were reduced from $400 million to $300 million; and (iii) a new $100 million senior secured second-in, second-out term loan facility maturing June 8, 2023 (the “SISO Term Loan Facility”) was established and Products Corporation borrowed $100 million of term loans thereunder. Except as to pricing, maturity, enforcement priority and certain voting rights, the terms of the SISO Term Loan Facility are substantially consistent with the first-in, last-out “Tranche B” term loan facility under the Amended 2016 Revolving Credit Agreement, including as to guarantees and collateral.

Term loans under the SISO Term Loan Facility accrue interest at the LIBOR rate, subject to a floor of 1.75%, plus a margin of 5.75%. In addition, Amendment No. 7 increased the interest rate margin applicable to the “Tranche A” revolving loans by 0.50% to a range of 2.50% to 3.0%, depending on average excess revolving availability. Products Corporation paid certain customary fees to Citibank, N.A. and the lenders under the Amended 2016 Revolving Credit Facility in connection with Amendment No. 7.

Amendment No. 7 represented an exchange of an existing revolving credit agreement with a new revolving credit agreement with the same lenders as defined by ASC 470, Debt, under the revolving credit facility. All pre-existing unamortized deferred financing costs associated with the old revolving credit agreement of approximately $0.8 million were added to the newly incurred deferred financing costs of approximately $4.2 million and their total of approximately $5.1 million started to be amortized in accordance with the straight-line method over the term of Tranche A through June 8, 2023. Additionally, approximately $4.3 million of new deferred financing costs were incurred in connection with the SISO Term Loan Facility with the new lenders, which are amortized in accordance with the effective interest method over the term of the facility. During the second quarter of 2022, the deferred financing costs were expensed to "Reorganization items, net" on the Company's Consolidated Statement of Operations and Comprehensive Loss in accordance with ASC 852.

2021 Foreign Asset-Based Term Facility

On March 2, 2021 (the “2021 ABTL Closing Date”), Revlon Finance LLC (the “ABTL Borrower”), a wholly owned indirect subsidiary of Products Corporation, certain foreign subsidiaries of Products Corporation party thereto as guarantors, the lenders party thereto and Blue Torch Finance LLC, as administrative agent and collateral agent (the “ABTL Agent”), entered into an Asset-Based Term Loan Credit Agreement (the “2021 Foreign Asset-Based Term Agreement”, and the term loan facility thereunder, the “2021 Foreign Asset-Based Term Facility”). A portion of the proceeds of the DIP Term Loan Facility was used to refinance the 2021 Foreign Asset-Based Term Facility.

Principal and Maturity: The 2021 Foreign Asset-Based Term Facility provided for a U.S. dollar-denominated senior secured asset-based term loan facility in an aggregate principal amount of $75 million, the full amount of which was funded on the closing of the facility. On the 2021 ABTL Closing Date, approximately $7.5 million of the proceeds of the 2021 Foreign Asset-Based Term Facility were deposited in an escrow account by the ABTL Agent pending completion of certain post-closing perfection actions with respect to certain foreign real property of the guarantors constituting collateral securing the 2021 Foreign Asset-Based Term Facility. Such perfection actions were subsequently completed, and the escrowed funds were released to the ABTL Borrower. The 2021 Foreign Asset-Based Term Facility had an uncommitted incremental facility pursuant to which it could have been increased from time to time by up to the amount of the borrowing base in effect at the time such incremental facility was incurred, subject to certain conditions and the agreement of the lenders providing such increase. The proceeds of the loans under the 2021 Foreign Asset-Based Term Facility were used: (i) to repay in full the obligations under the 2018 Foreign Asset-Based Term Facility (the “ABTL Refinancing”); (ii) to pay fees and expenses in connection with the 2021 Foreign Asset-Based Term Facility and the ABTL Refinancing; and (iii) for working capital and other general corporate purposes. The 2021 Foreign Asset-Based Term Facility would have matured on March 2, 2024, subject to a springing maturity date of August 1, 2023 if, on such date, any principal amount of loans under the term loan credit agreement, dated as of September 7, 2016, by and among Products Corporation, as the borrower, the Company, as holdings, the lenders party thereto and Citibank, N.A., as administrative agent and collateral agent (as amended by Amendment No. 1 dated as of May 7, 2020, the “2016 Term Loan Agreement” and the credit facility thereunder, the “2016 Term Loan Facility”) due September 7, 2023 remained outstanding.

The 2021 Foreign Asset-Based Term Agreement required the maintenance of a borrowing base supporting the borrowing thereunder, evidenced with the delivery of biweekly borrowing base certificates customary for facilities of this type, with more frequent reporting required upon the triggering of certain events. The borrowing base calculation under the 2021 Foreign Asset-Based Term Facility was based on the sum of: (i) 80% of eligible accounts receivable (later increased to 90% for one year from the effective date of the First Amendment); (ii) 65% of the net orderly liquidation value of eligible finished goods inventory receivable (later increased to 75% for one year from the effective date of the First Amendment); and (iii) 45% of the mortgage value of eligible real property, in each case with respect to certain of Products Corporation’s subsidiaries organized in Australia, Bermuda, Germany, Italy, Spain and Switzerland (the “ABTL Borrowing Base Guarantors”). The borrowing bases in each jurisdiction were subject to certain customary availability reserves set by the ABTL Agent.

Guarantees and Security: The 2021 Foreign Asset-Based Term Facility was guaranteed by the Borrowing Base Guarantors, as well as by the direct parent entities of each ABTL Borrowing Base Guarantor (not including Revlon, Inc. or Products Corporation) on a limited recourse basis (the “ABTL Parent Guarantors”) and by certain subsidiaries of Products Corporation organized in Mexico (the “ABTL Other Guarantors” and, together with the ABTL Borrower and the ABTL Borrowing Base Guarantors, the “ABTL Loan Parties”). The obligations of the ABTL Loan Parties and the ABTL Parent Guarantors under the 2021 Foreign Asset-Based Term Facility were secured by first-ranking pledges of the equity of each ABTL Loan Party (other than the Other Guarantors), the inventory and accounts receivable of the ABTL Borrowing Base Guarantors, the material bank accounts of each Loan Party, the material intercompany indebtedness owing to any Loan Party (including any intercompany loans made with the proceeds of the 2021 Foreign Asset-Based Term Facility) and certain other material assets of the ABTL

Borrowing Base Guarantors, subject to customary exceptions and exclusions. The 2021 Foreign Asset-Based Term Facility included a cash dominion feature customary for transactions of this type.

Interest and Fees: Interest was payable on each interest payment date as set forth in the 2021 Foreign Asset-Based Term Agreement, and in any event at least quarterly, and accrued on borrowings under the 2021 Foreign Asset-Based Term Facility at a rate per annum equal to the LIBOR rate, with a floor of 1.50%, plus an applicable margin equal to 8.50%. The ABTL Borrower was obligated to pay certain fees and expenses in connection with the 2021 Foreign Asset-Based Term Facility, including a fee payable to Blue Torch Finance LLC for its services as Agent. Loans under the 2021 Foreign Asset-Based Term Facility could be prepaid without premium or penalty, subject to a prepayment premium equal to 3.0% of the aggregate principal amount of loans prepaid or repaid during the first year after the 2021 ABTL Closing Date, 2.0% of the aggregate principal amount of loans prepaid or repaid during the second year after the 2021 ABTL Closing Date and 1.0% of the aggregate principal amount of loans prepaid or repaid thereafter.

Affirmative and Negative Covenants: The 2021 Foreign Asset-Based Term Agreement contained certain affirmative and negative covenants that, among other things, limited the ABTL Loan Parties' ability to, subject to various exceptions and qualifications: (i) incur additional debt; (ii) incur liens; (iii) sell, transfer or dispose of assets; (iv) make investments; (v) make dividends and distributions on, or repurchases of, equity; (vi) make prepayments of contractually subordinated or junior lien debt; (vii) enter into certain transactions with their affiliates, including amending certain material intercompany agreements or trade terms; (viii) enter into sale-leaseback transactions; (ix) change their lines of business; (x) restrict dividends from their subsidiaries or restrict liens; (xi) change their fiscal year; and (xii) modify the terms of certain debt. The ABTL Parent Guarantors were subject to certain customary holding company covenants. The ability of the Loan Parties to make certain intercompany asset sales, investments, restricted payments and prepayments of intercompany debt was contingent on certain "cash movement conditions" or "payment conditions" being met, which among other things, required a certain level of liquidity for the applicable Loan Party to effect such type of transactions. The 2021 Foreign Asset-Based Term Agreement also contained a financial covenant requiring the ABTL Loan Parties to maintain a minimum average balance of cash and cash equivalents of $3.5 million, tested monthly, based on the last 10 business days of each month, subject to certain cure rights. The 2021 Foreign Asset-Based Term Agreement also contained certain customary representations, warranties and events of default.

Prepayments: The ABTL Borrower was required to prepay loans under the 2021 Foreign Asset-Based Term Facility to the extent that outstanding loans exceeded the borrowing base. In lieu of a mandatory prepayment, the Loan Parties could deposit cash into a designated U.S. bank account with the ABTL Agent that was subject to a control agreement (such cash, the "Qualified Cash"). If an event of default occurred and was continuing, the Qualified Cash could be applied, at the ABTL Agent's option, to prepay the loans under the 2021 Foreign Asset-Based Term Facility. If the borrowing base subsequently exceeded the outstanding loans, the ABTL Borrower could withdraw Qualified Cash from such bank account to the extent of such excess. In addition, the 2021 Foreign Asset-Based Term Facility was subject to mandatory prepayments from the net proceeds from the incurrence by the Loan Parties of debt not permitted thereunder.

The proceeds from the 2021 Foreign Asset-Based Term Facility were used to extinguish the entire amount outstanding under the 2018 Foreign Asset-Based Term Facility as of the closing date, which was due on July 9, 2021. In connection with such extinguishment, approximately $1.0 million of pre-existing unamortized deferred financing costs were expensed within "Amortization of Debt Issuance Costs" on the Company's Consolidated Statement of Operations and Comprehensive Loss for the year ended December 31, 2021. In accordance with the terms of the 2021 Foreign Asset-Based Term Agreement, approximately $13.8 million of the proceeds from the transaction were held in escrow and are recorded within "Prepaid expenses and other assets" on the Company's Consolidated Balance Sheet as of December 31, 2021.

The Company incurred approximately $3.2 million of new debt issuance costs in connection with the closing of the 2021 Foreign Asset-Based Term Facility, which are amortized within "Amortization of debt issuance costs" in accordance with the effective interest method over the term of the facility.

2020 Troubled Debt Restructuring

As a result of the consummation of the exchange offer pertaining to Products Corporation's 5.75% Senior Notes (the "5.75% Senior Notes Exchange Offer"), and following the applicability of the Troubled Debt Restructuring guidance in ASC 470, Debt, the Company recorded $57.8 million of future interest payments. During the three and nine months ended September 30, 2022, the Company recorded nil and $6.6 million of amortization of such future interest as an offset within "Interest expense, net" on the Company's Unaudited Condensed Consolidated Statement of Operations and Comprehensive Loss. During the second quarter of 2022, the future interest was expensed to "Reorganization items, net" on the Company's Consolidated Statement of Operations and Comprehensive Loss in accordance with ASC 852.

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

Covenants

Products Corporation was in compliance with all applicable covenants under the DIP Facilities as of September 30, 2022. As a result of the Bankruptcy Petitions, Products Corporation was not in compliance with all applicable covenants under the BrandCo credit agreement, dated as of May 7, 2020, by and among Products Corporation, as borrower, the Company, as holdings, the lenders party thereto and Jefferies Finance, LLC as administrative agent and collateral agent (as amended by Amendment No. 1 dated as of November 13, 2020, the "BrandCo Credit Agreement" and the credit facilities thereunder, the "2020 BrandCo Facilities"); the Amended 2016 Revolving Credit Agreement and the 2016 Term Loan Agreement (collectively, the "2016 Credit Agreements"); the 2021 Foreign Asset-Based Term Agreement; as well as the indenture governing its 6.25% Senior Notes due 2024 (such notes, the "6.25% Senior Notes" and the related indenture, the "6.25% Senior Notes Indenture"), in each case as of September 30, 2022. At September 30, 2022, the aggregate principal amounts outstanding and availability under Products Corporation's various revolving credit facilities were as follows:

	Commitment	Borrowing Base	Aggregate principal amount outstanding at September 30, 2022	Availability at September 30, 2022 [a]
Tranche A DIP ABL Facility due 2023	$ 270.0	$ 71.4	$ 41.8	$ 29.6
SISO DIP ABL Facility due 2023	130.0	130.0	130.0	—
2020 ABL FILO Term Loans	50.0	38.8	$ 50.0	$ —

[a] Availability as of September 30, 2022 is based upon the Tranche A Revolving borrowing base then in effect under Tranche A DIP ABL Facility of $71.4 million (which includes a $11.2 million reserve for the shortfall of the borrowing base that supports the 2020 ABL FILO Term Loans compared to the corresponding aggregate principal amount outstanding of $50 million), less $41.8 million then drawn.

The Company's foreign subsidiaries held $87.4 million out of the Company's total $246.4 million in cash and cash equivalents as of September 30, 2022. While the cash held by the Company's foreign subsidiaries is primarily used to fund their operations, the Company regularly assesses its global cash needs and the available sources of cash to fund these needs, which regularly includes repatriating foreign-held cash to settle historical intercompany loans and other intercompany payables.

8. FAIR VALUE MEASUREMENTS

Assets and liabilities are required to be categorized into three levels of fair value based upon the assumptions used to value the assets or liabilities. Level 1 provides the most reliable measure of fair value, whereas Level 3, if applicable, generally would require significant management judgment. The three levels for categorizing the fair value measurement of assets and liabilities are as follows:

- Level 1: Fair valuing the asset or liability using observable inputs, such as quoted prices in active markets for identical assets or liabilities;
- Level 2: Fair valuing the asset or liability using inputs other than quoted prices that are observable for the applicable asset or liability, either directly or indirectly, such as quoted prices for similar (as opposed to identical) assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in markets that are not active; and
- Level 3: Fair valuing the asset or liability using unobservable inputs that reflect the Company's own assumptions regarding the applicable asset or liability.

As of both September 30, 2022 and December 31, 2021, the Company did not have any financial assets and liabilities that were required to be measured at fair value.

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

As of September 30, 2022, the fair value and carrying value of the Company’s debt are categorized in the table below:

	September 30, 2022				
	Fair Value				
	Level 1	Level 2	Level 3	Total	Carrying Value
Liabilities:					
Long-term debt, including current portion	$ —	$ 762.8	$ —	$ 762.8	$ 747.0
Debt subject to compromise	—	1,999.3	—	1,999.3	3,277.3

As of December 31, 2021, the fair value and carrying value of the Company’s debt are categorized in the table below:

	December 31, 2021				
	Fair Value				
	Level 1	Level 2	Level 3	Total	Carrying Value
Liabilities:					
Long-term debt, including current portion[a]	$ —	$ 2,864.0	$ —	$ 2,864.0	$ 3,442.7

[a] The fair value of the Company's long-term debt, including the current portion of long-term debt, is based on quoted market prices for similar issuances and maturities.

The carrying amounts of the Company's cash and cash equivalents, trade receivables, notes receivable, accounts payable and short-term borrowings approximate their respective fair values.

9. FINANCIAL INSTRUMENTS

Letters of Credit

Products Corporation maintains standby and trade letters of credit for various corporate purposes under which Products Corporation is obligated, of which $8.0 million (including amounts available under credit agreements in effect at that time) and $8.4 million were maintained as of September 30, 2022 and December 31, 2021, respectively. Included in these amounts are approximately $5.9 million and $6.1 million in standby letters of credit that primarily support Products Corporation’s workers compensation, general liability and automobile insurance programs, in each case as outstanding as of September 30, 2022 and December 31, 2021, respectively. At September 30, 2022 and December 31, 2021, respectively, all of the outstanding letters of credit were collateralized with a deposit of cash at the issuing financial institution. The estimated liability under such programs is accrued by Products Corporation.

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

10. PENSION AND POST-RETIREMENT BENEFITS

Net Periodic Benefit Cost

The components of net periodic benefit costs for the Company's pension and the other post-retirement benefit plans for the three months ended September 30, 2022 and 2021, respectively, were as follows:

	Pension Plans		Other Post-Retirement Benefit Plans	
	Three Months Ended September 30,			
	2022	2021	2022	2021
Net periodic benefit costs:				
Service cost	$ 0.3	$ 0.4	$ —	$ —
Interest cost	2.9	2.3	0.1	—
Expected return on plan assets	(4.8)	(4.9)	$ —	—
Amortization of actuarial loss	2.7	3.3	0.1	0.2
Total net periodic benefit costs prior to allocation	$ 1.1	$ 1.1	$ 0.2	$ 0.2
Portion allocated to Revlon Holdings	—	—	—	—
Total net periodic benefit costs	$ 1.1	$ 1.1	$ 0.2	$ 0.2

During the three months ended September 30, 2022, the Company recognized net periodic benefit cost of $1.3 million, compared to net periodic benefit cost of $1.3 million in the three months ended September 30, 2021.

The components of net periodic benefit costs for the Company's pension and the other post-retirement benefit plans for the nine months ended September 30, 2022 and 2021, respectively, were as follows:

	Pension Plans		Other Post-Retirement Benefit Plans	
	Nine Months Ended September 30,			
	2022	2021	2022	2021
Net periodic benefit costs:				
Service cost	$ 0.9	$ 1.1	$ —	$ —
Interest cost	8.6	6.9	0.2	0.1
Expected return on plan assets	(14.5)	(14.8)	—	—
Amortization of actuarial loss	8.3	9.9	0.2	0.5
Total net periodic benefit costs prior to allocation	$ 3.3	$ 3.1	$ 0.4	$ 0.6
Portion allocated to Revlon Holdings	—	(0.1)	—	—
Total net periodic benefit costs	$ 3.3	$ 3.0	$ 0.4	$ 0.6

During the nine months ended September 30, 2022 and 2021, the Company recognized net periodic benefit cost of $3.7 million and $3.6 million, respectively.

Net periodic benefit costs are reflected in the Company's unaudited Condensed Consolidated Financial Statements as follows for the periods presented:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Net periodic benefit costs:				
Selling, general and administrative expense	$ 0.3	$ 0.4	$ 0.9	$ 1.1
Miscellaneous, net	1.0	0.9	2.8	2.5
Total net periodic benefit costs	$ 1.3	$ 1.3	$ 3.7	$ 3.6

The Company expects that it will have net periodic benefit cost of approximately $4.5 million for its pension and other post-retirement benefit plans during 2022, compared with net periodic benefit cost of $4.8 million in 2021.

Contributions:

The Company's intent is to fund at least the minimum contributions required to meet applicable federal employee benefit laws and local laws, or to directly pay benefit payments where appropriate. During the three months ended September 30, 2022, $0.4 million and $0.2 million were contributed to the Company's pension plans and other post-retirement benefit plans, respectively. During the nine months ended September 30, 2022, $3.9 million and $0.5 million were contributed to the Company's pension plans and other post-retirement benefit plans, respectively. During 2022, the Company expects to contribute approximately $4.8 million in the aggregate to its pension and other post-retirement benefit plans.

As a result of the CARES Act passed by the U.S. Congress in March 2020 to address the economic environment resulting from COVID-19, and in accordance with the Limited Relief for Pension Funding and Retirement Plan Distributions provision of such act, the Company deferred to 2021 approximately $11.8 million of contributions that were otherwise scheduled to be paid to its two qualified pension plans at different earlier dates during 2020. The deferral was in effect only for 2020 and under the CARES relief provisions the Company was required to pay the contributions by no later than January 4, 2021, including interest at the plans' 2020 effective interest rate from the original due date to the actual payment date. The Company paid the contributions by the due date.

11. STOCK COMPENSATION PLAN

Revlon's amended Stock Plan provides for awards of stock options, stock appreciation rights, restricted or unrestricted stock and restricted stock units ("RSUs") to eligible employees and directors of Revlon and its affiliates, including Products Corporation. On June 2, 2022 Revlon's stockholders approved an amendment to the Stock Plan to reserve an additional 2,000,000 shares and extend the term until August 2031. As a result, an aggregate of 10,565,000 shares were reserved for issuance as Awards under the Stock Plan, of which there remained approximately 3.0 million available for grant as of September 30, 2022.

2022 Incentive Program

During the first quarter of 2022, the Company granted approximately 3.0 million equity awards, net of forfeitures, (included approximately 0.4 million shares that were reserved for issuance upon approval of the Fifth Amended and Restated Revlon, Inc. Stock Plan), and during the second quarter of 2022, the Company granted approximately 80,000 equity awards under the 2022 Incentive Program. During the third quarter of 2022, the Company granted approximately nil equity awards under the 2022 Incentive Program. All awards granted under the 2022 Incentive Program are pursuant to the Stock Plan. The 2022 Incentive Program awards are 100% time-based and approximately 0.4 million vest at 100% in March 2023 and approximately 2.2 million, net of forfeitures, vests as follows: 50% in March 2023; 50% in March 2024. The awards are subject to continued employment through the respective vesting dates.

2019 Transaction Incentive Program

As of September 30, 2021, the Company granted approximately 121,900 TIP awards with both a cash component and RSU component, all pursuant to the Stock Plan. These TIP awards are 100% time-based and vests as follows: 50% in June 2022; 50% in June 2023. The awards are subject to continued employment through the respective vesting dates.

As of September 30, 2022, a total of approximately 36,000 time-based RSUs had been granted and are outstanding under the Revlon 2019 Transaction Incentive Program (the "2019 TIP").

The 2019 TIP also provided for the following cash-based awards payable to certain employees, subject to continued employment through the respective vesting dates: (i) Tier 1 - $6.8 million payable in two equal installments as of December 31, 2020 and December 31, 2021; and (ii) Tier 2 - $2.5 million payable in one installment as of December 31, 2020. Such RSUs and cash-based awards were eligible for vesting following a termination without cause or due to death or disability or if not assumed upon a change in control (the "Special Vesting Rules"). The total amount amortized for this Tier 1 cash-based awards since the program's inception and through September 30, 2022 is approximately $8.2 million, of which $0.2 million and $0.7 million were recorded during the three and nine months ended September 30, 2022, respectively. The amortization of such awards is recorded within "Acquisition, integration and divestiture costs" in the Company's Consolidated Statements of Operations and Comprehensive Loss.

Long-Term Incentive Program

During both the first and second quarter of 2022, the Company granted nil time-based RSU awards. During the first and second quarter of 2021, the Company granted approximately 1.5 million and 35,000 time-based RSU awards under the Stock Plan (the "2021 LTIP RSUs") to certain employees, respectively.

During the third quarter of 2022, the Company granted nil time-based RSU awards. During the third quarter of 2021, the Company granted approximately 15,000 time-based RSU awards under the Stock Plan (the "2021 LTIP RSUs") to certain employees.

The 2021 LTIP RSUs are 100% time-based and vests as follows: 50% in March 2022; 25% in March 2023; 25% in March 2024.

Time-Based LTIP and TIP RSUs

The Company recognized $7.2 million and $17.2 million of net compensation expense related to the time-based LTIP and TIP RSUs for the three and nine months ended September 30, 2022, respectively. As of September 30, 2022, the Company had $17.9 million of total deferred compensation expense related to non-vested, time-based LTIP and TIP RSUs. The cost is recognized over the vesting period of the awards, as described above.

Performance-based LTIP RSUs

The Company recognized less than $0.1 million and $2.0 million of income, net of adjustments, to compensation expense related to the performance-based LTIP RSUs for the three and nine months ended September 30, 2022. As of September 30, 2022, the Company had $11.1 million of total deferred compensation expense related to non-vested, performance-based LTIP RSUs. The cost is recognized over the service period of the awards, as described above.

Acceleration of Vesting

Under the aforementioned provisions for acceleration of vesting, as of September 30, 2022 and since the time these provisions became effective in September 2019, 57,763 LTIP RSUs and 47,743 2019 TIP Tier 1 RSUs were vested on an accelerated basis due to involuntary terminations, resulting in accelerated amortization of approximately $2.0 million. In addition, since the time these provisions became effective in September 2019 and through the nine months ended September 30, 2022 under the same accelerated vesting provisions, the Company also recorded approximately $1.8 million of accelerated amortization in connection with the cash portion of the 2019 TIP Tier 1 and Tier 2 awards that were vested on an accelerated basis due to involuntary terminations. No accelerated amortization was recorded for the three and nine months ended September 30, 2022 in connection with the LTIP RSUs, the 2019 TIP RSUs and the 2019 TIP cash portion. See the roll-forward table in the following sections of this Note 11 for activity related to the nine months ended September 30, 2022.

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

During the nine months ended September 30, 2022, the activity related to time-based and performance-based RSUs previously granted to eligible employees and the grant date fair value per share related to these RSUs were as follows under the LTIP, 2019 TIP and 2022 Incentive programs, respectively:

	Time-Based LTIP		Performance-Based LTIP	
	RSUs (000's)	Weighted-Average Grant Date Fair Value per RSU	RSUs (000's)	Weighted-Average Grant Date Fair Value per RSU
Outstanding as of December 31, 2021				
2019 TIP RSUs [(a)]	74.6	$ 13.16	n/a	$ —
LTIP RSUs:				
2021	1,548.6	10.58	—	—
2020	253.9	14.96	377.7	14.96
2019	69.8	22.58	211.2	22.55
Total LTIP RSUs	1,872.3		588.9	
Total LTIP and TIP RSUs Outstanding as of December 31, 2021	1,946.9		588.9	
Granted				
2022 Incentive Award	3,047.2	10.24	—	—
Vested				
2019 TIP RSUs Vested [(a)] [(b)]	(33.7)	13.16	—	—
LTIP RSUs:				
2021	(751.8)	10.59	—	—
2020	(122.8)	14.96	—	—
2019	(66.6)	22.55	(44.3)	22.55
Total LTIP RSUs Vested	(941.2)		(44.3)	
Forfeited/Canceled				
2019 TIP RSUs Forfeited/Canceled [(a)]	(5.0)	13.16	—	—
2022 Incentive Award	(483.3)	10.24	—	—
LTIP RSUs:				
2021	(200.7)	10.59	—	—
2020	(30.6)	14.96	(76.0)	14.96
2019	(3.2)	22.55	(166.9)	22.55
Total LTIP RSUs Forfeited/Canceled	(234.5)		(242.9)	
Outstanding as of September 30, 2022				
2022 Incentive Award	2,563.9	10.24	—	—
2019 TIP RSUs	35.9	13.16	n/a	—
LTIP RSUs:				
2021	596.1	10.57	—	—
2020	100.5	14.96	301.7	14.96
2019	—	—	—	—
Total LTIP RSUs	696.6		301.7	
Total LTIP and TIP RSUs Outstanding as of September 30, 2022	3,296.4		301.7	

[(a)] The 2019 TIP provides for RSU awards that are only time-based.
[(b)] There have been no accelerated vestitures for the three and nine months ended September 30, 2022 in connection with the LTIP RSUs and the 2019 TIP RSUs.

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

12. INCOME TAXES

The Company's provision for income taxes represents federal, foreign, state and local income taxes. The Company's effective tax rate differs from the applicable federal statutory rate due to the effect of state and local income taxes, tax rates and income in foreign jurisdictions. The Company's tax provision changes quarterly based on various factors including, but not limited to, the geographical level and mix of earnings; enacted tax legislation; foreign, state and local income taxes; changes in valuation allowances; tax audit settlements; and the interaction of various global tax strategies.

The Company recorded provision for income taxes of $2.8 million (Products Corporation - $2.8 million) for the three months ended September 30, 2022 and a provision for income taxes of $5.4 million (Products Corporation - $5.5 million) for the three months ended September 30, 2021, respectively. The $2.6 million decrease in the provision for income taxes for the third quarter of 2022, compared to the same quarter in 2021, was primarily due to the geographical mix of earnings and net change of valuation allowance on its net deferred tax assets for certain jurisdictions.

The Company recorded a provision for income taxes of $12.1 million (Products Corporation - $12.1 million) for the nine months ended September 30, 2022 and a provision for income taxes of $23.8 million (Products Corporation - $23.9 million) for the nine months ended September 30, 2021, respectively. The $11.7 million decrease (Products Corporation - $11.8 million) in the provision for income taxes in the nine months ended September 30, 2022, compared to the nine months ended September 30, 2021, was primarily due to the geographical level and mix of earnings and net change of valuation allowance on its net deferred tax assets for certain jurisdictions.

The Company's effective tax rate for the three and nine months ended September 30, 2022 and September 30, 2021 was lower than the federal statutory rate of 21% primarily due to losses for which no tax benefit can be recognized, as well as state taxes for certain U.S. entities.

In assessing the recoverability of its deferred tax assets, the Company continually evaluates all available positive and negative evidence to assess the amount of deferred tax assets which are more likely than not to be realized. Deferred tax assets are reduced by a valuation allowance if some portion or all of the deferred tax assets will not be realized. A valuation allowance is a non-cash charge, and it in no way limits the Company's ability to utilize its deferred tax assets, including its ability to utilize tax loss and credit carryforward amounts.

For further information, see Note 13, "Income Taxes," to the Consolidated Financial Statements in the Company's 2021 Form 10-K.

13. ACCUMULATED OTHER COMPREHENSIVE LOSS

A roll-forward of the Company's accumulated other comprehensive loss as of September 30, 2022 is as follows:

	Foreign Currency Translation	Actuarial (Loss) Gain on Post-retirement Benefits	Other	Accumulated Other Comprehensive Loss
Balance at January 1, 2022	$ (25.8)	$ (208.6)	$ (0.3)	$ (234.7)
Foreign currency translation adjustment, net of tax [(b)]	(8.2)	—	—	(8.2)
Amortization of pension related costs, net of tax [(a)] [(b)]	—	8.6	—	8.6
Other comprehensive (loss) income	$ (8.2)	$ 8.6	$ —	$ 0.4
Balance at September 30, 2022	$ (34.0)	$ (200.0)	$ (0.3)	$ (234.3)

(a) Amounts represent the change in accumulated other comprehensive loss as a result of the amortization of actuarial losses (gains) arising during each year related to the Company's pension and other post-retirement plans. See Note 10, "Pension and Post-retirement Benefits," for further information on the Company's pension and other post-retirement plans.
(b) Amounts presented are net of tax expense of nil for each of the years ended September 30, 2022 and 2021, respectively.

14. SEGMENT DATA AND RELATED INFORMATION

Operating Segments

As a result of the similarities in the procurement, manufacturing and distribution processes for the Company’s products, much of the information provided in the unaudited Condensed Consolidated Financial Statements and provided in the segment table below is similar to, or the same as, that reviewed on a regular basis by the Company's Chief Executive Officer.

The Company operates in four brand-centric reporting units that are aligned with its organizational structure based on four global brand teams: Revlon; Elizabeth Arden; Portfolio; and Fragrances, which represent the Company's four reporting segments.

The Company's management evaluates segment profit for each of the Company's reportable segments. The Company allocates corporate expenses to each reportable segment to arrive at segment profit, and these expenses are included in the internal measure of segment operating performance. The Company defines segment profit as income from continuing operations before interest, taxes, depreciation, amortization, stock-based compensation expense, gains/losses on foreign currency fluctuations, gains/losses on the early extinguishment of debt, miscellaneous expenses and reorganization items, net. Segment profit also excludes the impact of certain items that are not directly attributable to the reportable segments' underlying operating performance. Such items are shown below in the table reconciling segment profit to consolidated income from continuing operations before income taxes. The Company does not have any material inter-segment sales.

The accounting policies for each of the reportable segments are the same as those described in Note 1, "Description of Business and Summary of Significant Accounting Policies." The Company's assets and liabilities are managed centrally and are reported internally in the same manner as the unaudited Condensed Consolidated Financial Statements; thus, no additional information regarding assets and liabilities of the Company’s reportable segments is produced for the Company's Chief Executive Officer or included in these unaudited Condensed Consolidated Financial Statements.

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

The following table is a comparative summary of the Company's net sales and segment profit for Revlon and Products Corporation by reportable segment for the periods presented.

	Revlon, Inc.			
	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Segment Net Sales:				
Revlon	$ 176.6	$ 173.0	$ 544.9	$ 521.8
Elizabeth Arden	120.7	122.8	347.7	359.7
Portfolio	83.0	112.7	268.4	307.4
Fragrances	88.1	112.6	229.6	274.6
Total	$ 468.4	$ 521.1	$ 1,390.6	$ 1,463.5
Segment Profit:				
Revlon	$ 13.8	$ 16.1	$ 62.1	$ 45.3
Elizabeth Arden	16.0	21.3	39.9	42.1
Portfolio	3.5	22.1	25.7	46.3
Fragrances	17.0	22.9	32.8	50.8
Total	$ 50.3	$ 82.4	$ 160.5	$ 184.5
Reconciliation:				
Total Segment Profit	$ 50.3	$ 82.4	$ 160.5	$ 184.5
Less:				
Depreciation and amortization	26.3	31.2	80.7	96.8
Non-cash stock compensation expense	7.2	3.9	15.3	10.4
Non-Operating items:				
Restructuring and related charges	3.5	10.8	28.5	28.0
Acquisition, integration and divestiture costs	0.2	0.6	0.7	1.8
Gain on divested assets	—	0.1	—	(1.7)
Financial control remediation and sustainability actions and related charges	—	—	—	0.4
COVID-19 charges	—	(0.1)	—	6.1
Capital structure and related charges	0.2	1.8	3.9	6.8
Impairment charges	—	—	24.3	—
Operating income (loss)	12.9	34.1	7.1	35.9
Less:				
Interest Expense	56.2	63.1	175.8	183.9
Amortization of debt issuance costs	—	8.7	20.9	30.7
Foreign currency losses (gains), net	19.4	9.9	41.4	11.5
Miscellaneous, net	2.3	0.1	9.0	2.8
Reorganization items, net	85.0	—	243.3	$ —
Loss from operations before income taxes	$ (150.0)	$ (47.7)	$ (483.3)	$ (193.0)

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

	Products Corporation			
	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Segment Net Sales:				
Revlon	$ 176.6	$ 173.0	$ 544.9	$ 521.8
Elizabeth Arden	120.7	122.8	347.7	359.7
Portfolio	83.0	112.7	268.4	307.4
Fragrances	88.1	112.6	229.6	274.6
Total	$ 468.4	$ 521.1	$ 1,390.6	$ 1,463.5
Segment Profit:				
Revlon	$ 14.6	$ 16.6	$ 64.5	$ 46.8
Elizabeth Arden	16.6	21.7	41.5	43.1
Portfolio	3.9	22.5	26.9	47.3
Fragrances	17.3	23.2	33.8	51.6
Total	$ 52.4	$ 84.0	$ 166.7	$ 188.8
Reconciliation:				
Total Segment Profit	$ 52.4	$ 84.0	$ 166.7	$ 188.8
Less:				
Depreciation and amortization	26.3	31.2	80.7	96.8
Non-cash stock compensation expense	7.2	3.9	15.3	10.4
Non-Operating items:				
Restructuring and related charges	3.5	10.8	28.5	28.0
Acquisition, integration and divestiture costs	0.2	0.6	0.7	1.8
Gain on divested assets	—	0.1	—	(1.7)
Financial control remediation and sustainability actions and related charges	—	—	—	0.4
COVID-19 charges	—	(0.1)	—	6.1
Capital structure and related charges	0.2	1.8	3.9	6.8
Impairment charge	—	—	24.3	—
Operating income (loss)	15.0	35.7	13.3	40.2
Less:				
Interest Expense	56.2	63.1	175.8	183.9
Amortization of debt issuance costs	—	8.7	20.9	30.7
Foreign currency losses (gains), net	19.4	9.9	41.4	11.5
Miscellaneous, net	4.3	0.1	14.4	2.8
Reorganization items, net	85.0	—	243.3	—
Loss from operations before income taxes	$ (149.9)	$ (46.1)	$ (482.5)	$ (188.7)

As of September 30, 2022, the Company had operations established in approximately 25 countries outside of the U.S. and its products are sold throughout the world. Generally, net sales by geographic area are presented by attributing revenues from external customers on the basis of where the products are sold.

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

The following tables present the Company's segment net sales by geography and total net sales by classes of similar products for the periods presented:

	Three Months Ended September 30, 2022					Nine Months Ended September 30, 2022				
	Revlon	Elizabeth Arden	Portfolio	Fragrances	Total	Revlon	Elizabeth Arden	Portfolio	Fragrances	Total
Geographic Area:										
Net Sales										
North America	$ 90.9	$ 24.1	$ 51.0	$ 58.3	$ 224.3	$ 293.5	$ 64.5	$ 169.7	$ 141.9	$ 669.6
EMEA*	39.8	30.5	24.2	18.4	112.9	126.3	91.8	74.9	56.5	349.5
Asia	10.2	58.6	0.3	4.5	73.6	27.8	173.7	1.8	15.2	218.5
Latin America*	18.4	2.2	4.4	3.6	28.6	46.7	4.7	12.3	8.3	72.0
Pacific*	17.3	5.3	3.1	3.3	29.0	50.6	13.0	9.7	7.7	81.0
	$ 176.6	$ 120.7	$ 83.0	$ 88.1	$ 468.4	$ 544.9	$ 347.7	$ 268.4	$ 229.6	$ 1,390.6

	Three Months Ended September 30, 2021					Nine Months Ended September 30, 2021				
	Revlon	Elizabeth Arden	Portfolio	Fragrances	Total	Revlon	Elizabeth Arden	Portfolio	Fragrances	Total
Geographic Area:										
Net Sales										
North America	$ 88.4	$ 32.3	$ 75.2	$ 81.5	$ 277.4	$ 270.9	$ 80.9	$ 201.9	$ 193.8	$ 747.5
EMEA*	43.8	30.4	28.7	20.5	123.4	125.4	85.9	80.6	54.0	345.9
Asia	9.1	52.0	0.4	3.5	65.0	31.7	171.8	2.3	10.4	216.2
Latin America*	14.2	2.5	4.8	3.4	24.9	40.7	5.8	12.2	7.9	66.6
Pacific*	17.5	5.6	3.6	3.7	30.4	53.1	15.3	10.4	8.5	87.3
	$ 173.0	$ 122.8	$ 112.7	$ 112.6	$ 521.1	$ 521.8	$ 359.7	$ 307.4	$ 274.6	$ 1,463.5

* The EMEA region includes Europe, the Middle East and Africa; the Latin America region includes Mexico, Central America and South America; and the Pacific region includes Australia and New Zealand.

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2022		2021		2022		2021	
Classes of similar products:								
Net sales:								
Color cosmetics	$ 123.0	*26%*	$ 124.8	*24%*	$ 383.2	*28%*	$ 368.5	*25%*
Fragrance	141.2	*30%*	160.1	*31%*	357.6	*26%*	395.4	*27%*
Hair care	106.1	*23%*	124.2	*24%*	333.7	*24%*	351.6	*24%*
Beauty care	38.2	*8%*	45.6	*9%*	117.9	*8%*	124.8	*9%*
Skin care	59.9	*13%*	66.4	*12%*	198.2	*14%*	223.2	*15%*
	$ 468.4		$ 521.1		$ 1,390.6		$ 1,463.5	

The following table presents the Company's long-lived assets by geographic area:

	September 30, 2022		December 31, 2021	
Long-lived assets, net:				
United States	$ 1,055.8	*85%*	$ 1,134.3	*84%*
International	185.0	*15%*	215.8	*16%*
	$ 1,240.8		$ 1,350.1	

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

15. REVLON, INC. BASIC AND DILUTED EARNINGS (LOSS) PER COMMON SHARE

Following are the components of Revlon's basic and diluted loss per common share for the periods presented:

	Three months ended September 30,		Nine months ended September 30,	
	2022	2021	2022	2021
Numerator:				
Net loss	$ (152.8)	$ (53.1)	$ (495.4)	$ (216.8)
Denominator:				
Weighted-average common shares outstanding – Basic	55,111,423	54,025,861	54,818,140	53,899,732
Effect of dilutive restricted stock and RSUs	—	—	—	—
Weighted-average common shares outstanding – Diluted	55,111,423	54,025,861	54,818,140	53,899,732
Basic and Diluted loss per common share:				
Net loss per common share	$ (2.77)	$ (0.98)	$ (9.04)	$ (4.02)
Unvested restricted stock and RSUs under the Stock Plan[(a)]	73,756	759,994	1,557	581,856

[(a)] These are outstanding common stock equivalents that were not included in the computation of Revlon's diluted earnings per common share because their inclusion would have had an anti-dilutive effect.

16. CONTINGENCIES

Citibank Litigation

Litigation regarding certain wire transfers mistakenly paid by Citibank, N.A. ("Citi") from its own funds on August 11, 2020 to holders of term loans issued to Revlon under the 2016 Credit Agreement remains ongoing. The wire payments at issue were made to all lenders under the 2016 Credit Agreement in amounts equaling the principal and interest outstanding on the loans at that time. Certain lenders that received the payments returned the funds soon after the mistaken transfer, but holders of approximately $504 million did not.

In the matter captioned In re Citibank August 11, 2020 Wire Transfers, 520 F. Supp. 3d 390 (S.D.N.Y. 2021) (the "Citi Decision"), the United States District Court for the Southern District of New York (the "District Court") held that the wire transfers were final and complete transactions not subject to revocation. Citi appealed the Citi Decision. Citi also asserted subrogation rights, but, as yet, there has been no determination of those rights, if any, under the 2016 Credit Agreement and Revlon has not taken a position on this issue. In these circumstances, prior to the Petition Date, the Company continued to make the scheduled payments under the 2016 Credit Agreement as if the full amount of the 2016 Credit Agreement remained outstanding. Following the Petition Date, the Company's payments under the 2016 Credit Agreement are automatically stayed as a result of the Bankruptcy Petitions.

Subsequently, in the matter captioned Citibank, N.A. v. Brigade Cap. Mgmt., LP, No. 21-487, 2022 WL 4102227 (2d Cir. Sept. 8, 2022), the United States Court of Appeals for the Second Circuit (the "Second Circuit") reversed the District Court's ruling in the Citi Decision, holding that Citi is entitled to return of the mistakenly transferred funds. The defendants' petition for rehearing and rehearing en banc was denied on October 12, 2022. The case was remanded to the District Court, and the parties have until November 10, 2022 to submit a joint letter addressing the next steps, if any, in the litigation.

Adversary Complaints

August 12, 2022 Adversary Complaint

On August 12, 2022, Citi filed an Adversary Complaint (the "August 12, 2022 Adversary Complaint") against Revlon, Inc., Products Corporation, and several of Products Corporation's subsidiaries in the U.S. Bankruptcy Court for the Southern District of New York, Case No. 22-10760-dsj [Docket No. 373]. The August 12, 2022 Adversary Complaint arises out of the District Court's judgment entered on February 16, 2021 in the Citibank Litigation described above. Because the Second Circuit vacated the District Court's judgment and remanded the case for further proceedings (*In re Citibank August 11, 2020 Wire Transfers*, No. 21-487 (2d Cir. 2022)), the parties agreed to stay the adversary proceeding pending disposition of the District Court litigation.

October 31, 2022 Adversary Complaint

On October 31, 2022, a group of lenders under the Term Credit Agreement, dated as of September 7, 2016, by and among Products Corporation, as borrower, Revlon, Inc., the lenders from time to time parties thereto and Citibank, N.A, as administrative agent and collateral agent (as amended, restated, supplemented or otherwise modified from time to time, the “2016 Credit Agreement”) filed an Adversary Complaint against Revlon, Inc., Products Corporation, several of Products Corporation’s subsidiaries, and several of Products Corporation’s contractual counterparties, including Jefferies Finance LLC, Jefferies LLC, and several lenders under the 2020 BrandCo Credit Agreement, dated May 7, 2020, by and among Products Corporation, Jefferies Finance LLC, as administrative agent and collateral agent, and certain financial institutions that are lenders or the affiliates of lenders under Products Corporation’s 2016 Credit Agreement, in the U.S. Bankruptcy Court for the Southern District of New York (the “ October 31, 2022 Adversary Complaint”), Case No. 22-10760-dsj [Docket No. 956].

The October 31, 2022 Adversary Complaint alleges various spurious causes of action, stemming from various alleged breaches of the provisions of the 2016 Credit Agreement, including claims for breach of contract, declaratory judgment, breach of the implied covenant of good faith and fair dealing, conversion, aiding and abetting conversion, unjust enrichment, equitable subordination, tortious interference with contract, and constructive trust. The October 31, 2022 Adversary Complaint seeks various forms of relief, including declaratory relief, specific performance, rescission of certain existing agreements, injunctive relief, damages, costs and expenses, attorneys’ fees, and pre-judgment interest. The Company believes that the lawsuit is without merit and intends to vigorously contest its claims.

Other

The Company is involved in various routine legal proceedings incidental to the ordinary course of its business. The Company believes that the outcome of all pending legal proceedings in the aggregate is not reasonably likely to have a material adverse effect on the Company’s business, prospects, results of operations, financial condition and/or cash flows. However, in light of the uncertainties involved in legal proceedings generally, the ultimate outcome of a particular matter could be material to the Company’s operating results for a particular period depending on, among other things, the size of the loss or the nature of the liability imposed and the level of the Company’s income for that particular period.

On June 15, 2022, the Company and certain of its subsidiaries filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code in Bankruptcy Court. As a result of such bankruptcy filings, substantially all proceedings pending against the Debtors have been stayed.

17. RELATED PARTY TRANSACTIONS

Transfer and Reimbursement Agreements

Revlon, Products Corporation and MacAndrews & Forbes have entered into reimbursement agreements (the "Reimbursement Agreements") pursuant to which: (i) MacAndrews & Forbes is obligated to provide (directly or through its affiliates) certain professional and administrative services, including, without limitation, employees, to the Company, and to purchase services from third-party providers, such as insurance, legal, accounting and air transportation services, on behalf of the Company, to the extent requested by Products Corporation; and (ii) Products Corporation is obligated to provide certain professional and administrative services, including, without limitation, employees, to MacAndrews & Forbes and to purchase services from third-party providers, such as insurance, legal and accounting services, on behalf of MacAndrews & Forbes, to the extent requested by MacAndrews & Forbes, provided that in each case the performance of such services does not cause an unreasonable burden to MacAndrews & Forbes or Products Corporation, as the case may be.

The Company reimburses MacAndrews & Forbes for the allocable costs of the services that MacAndrews & Forbes purchases for or provides to the Company and for the reasonable out-of-pocket expenses that MacAndrews & Forbes incurs in connection with the provision of such services. MacAndrews & Forbes reimburses Products Corporation for the allocable costs of the services that Products Corporation purchases for or provides to MacAndrews & Forbes and for the reasonable out-of-pocket expenses incurred by Products Corporation in connection with the purchase or provision of such services. Each of the Company, on the one hand, and MacAndrews & Forbes, on the other, has agreed to indemnify the other party for losses arising out of the services provided by it under the Reimbursement Agreements, other than losses resulting from its willful misconduct or gross negligence.

The Reimbursement Agreements may be terminated by either party on 90 days' notice. The Company does not intend to request services under the Reimbursement Agreements unless their costs would be at least as favorable to the Company as could be obtained from unaffiliated third parties.

The Company participates in MacAndrews & Forbes' directors and officers liability insurance program (the "D&O Insurance Program"), as well as its other insurance coverages, such as property damage, business interruption, liability and other coverages, which cover the Company, as well as MacAndrews & Forbes and its subsidiaries. The limits of coverage for certain of the policies are available on an aggregate basis for losses to any or all of the participating companies and their respective directors and officers. The Company reimburses MacAndrews & Forbes from time-to-time for their allocable portion of the premiums for such coverage or the Company pays the insurers directly, which premiums the Company believes are more favorable than the premiums that the Company would pay were it to secure stand-alone coverage. Any amounts paid by the Company directly to MacAndrews & Forbes in respect of premiums are included in the amounts paid under the Reimbursement Agreements. To ensure the availability of directors and officers liability insurance coverage through January 2023, the Company and MacAndrews & Forbes agreed to collectively make payments under MacAndrews & Forbes’ D&O Insurance Program. During 2021, the Company made a payment of approximately $1.3 million in respect of its participation in the D&O Insurance Program. During the three and nine months ended September 30, 2022, the Company made no payment in respect of its participation in the D&O Insurance Program. As of September 30, 2022, the Company has no balance outstanding in respect of its participation in the D&O Insurance Program.

The net activity related to services purchased under the Transfer and Reimbursement Agreements during the nine months ended September 30, 2022 and 2021 was less than $0.1 million income and $0.2 million income, respectively. As of September 30, 2022 and December 31, 2021, a receivable balance of $0.1 million, and a receivable balance of $0.1 million, from, MacAndrews & Forbes, respectively, was included in the Company's Unaudited Consolidated Balance Sheet for transactions subject to the Transfer and Reimbursement Agreements.

Tax Sharing Agreements

As a result of a debt-for-equity exchange transaction completed in March 2004 (the "2004 Revlon Exchange Transactions"), as of March 25, 2004, Revlon, Products Corporation and their U.S. subsidiaries were no longer included in the MacAndrews & Forbes Group for U.S. federal income tax purposes.

Registration Rights Agreement

Prior to the consummation of Revlon's initial public equity offering in February 1996, Revlon and Revlon Worldwide Corporation (which subsequently merged into REV Holdings LLC, a Delaware limited liability company and a wholly-owned subsidiary of MacAndrews & Forbes ("REV Holdings")), the then direct parent of Revlon entered into a registration rights agreement (the "Registration Rights Agreement"). In February 2003, MacAndrews & Forbes executed a joinder agreement to the Registration Rights Agreement, pursuant to which REV Holdings, MacAndrews & Forbes and certain transferees of Revlon's Common Stock held by REV Holdings (the "Holders") have the right to require Revlon to register under the Securities Act all or part of the Class A Common Stock owned by such Holders, including, without limitation, the shares of Class A Common Stock purchased by MacAndrews & Forbes in connection with Revlon's 2003 $50.0 million equity rights offering and the shares of Class A Common Stock which were issued to REV Holdings upon its conversion of all 3,125,000 shares of its Class B Common Stock in October 2013 (a "Demand Registration"). In connection with closing the 2004 Revlon Exchange Transactions and pursuant to the 2004 Investment Agreement, MacAndrews & Forbes executed a joinder agreement that provided that MacAndrews & Forbes would also be a Holder under the Registration Rights Agreement and that all shares acquired by MacAndrews & Forbes pursuant to the 2004 Investment Agreement are deemed to be registrable securities under the Registration Rights Agreement. This included all of the shares of Class A Common Stock acquired by MacAndrews & Forbes in connection with Revlon’s March 2006 $110 million rights offering of shares of its Class A Common Stock and related private placement to MacAndrews & Forbes, and Revlon’s January 2007 $100 million rights offering of shares of its Class A Common Stock and related private placement to MacAndrews & Forbes. Pursuant to the Registration Rights Agreement, in 2009 Revlon registered under the Securities Act all 9,336,905 shares of Class A Common Stock issued to MacAndrews & Forbes in the 2009 exchange offer, in which, among other things, Revlon issued to MacAndrews & Forbes shares of Class A Common Stock at a ratio of one share of Class A Common Stock for each $5.21 of outstanding principal amount of the then-outstanding Senior Subordinated Term Loan that MacAndrews & Forbes contributed to Revlon.

Revlon may postpone giving effect to a Demand Registration for a period of up to 30 days if Revlon believes such registration might have a material adverse effect on any plan or proposal by Revlon with respect to any financing, acquisition, recapitalization, reorganization or other material transaction, or if Revlon is in possession of material non-public information that, if publicly disclosed, could result in a material disruption of a major corporate development or transaction then pending or in progress or could result in other material adverse consequences to Revlon. In addition, the Holders have the right to participate in registrations by Revlon of its Class A Common Stock (a "Piggyback Registration"). The Holders will pay all out-of-pocket expenses incurred in connection with any Demand Registration. Revlon will pay any expenses incurred in connection with a Piggyback Registration, except for underwriting discounts, commissions and expenses attributable to the shares of Class A Common Stock sold by such Holders.

As of September 30, 2022, MacAndrews & Forbes beneficially owned approximately 85.1% of Revlon's Class A Common Stock, which at such date was Revlon's only class of capital stock outstanding. As a result, MacAndrews & Forbes is able to elect Revlon's entire Board of Directors and control the vote on all matters submitted to a vote of Revlon's stockholders. MacAndrews & Forbes is beneficially owned by Ronald O. Perelman. Mr. Perelman is Chairman of Revlon's and Products Corporation's Board of Directors.

Other

Certain of Products Corporation's debt obligations, including the DIP Facilities, the 2016 Credit Agreements and Products Corporation's 6.25% Senior Notes, have been, and may in the future be, supported by, among other things, guarantees from some or all of Products Corporation's subsidiaries (subject to certain limited exceptions) and, for the DIP Facilities and the 2016 Credit Agreements, guarantees from Revlon. The obligations under such guarantees (other than in respect of Products Corporation's 6.25% Senior Notes) are secured by, among other things, all of the capital stock of Products Corporation and substantially all of the assets of the applicable obligors (subject to certain limited exceptions).

During the nine months ended September 30, 2022 and 2021, the Company engaged several companies in which MacAndrews & Forbes had a controlling interest to provide the Company with various ordinary course business services. These services included processing $6.2 million and $8.7 million of coupon redemptions for the Company's retail customers for the nine months ended September 30, 2022 and 2021, respectively, for which the Company incurred fees of $0.1 million and $0.2 million for the nine months ended September 30, 2022 and 2021, respectively, and other similar advertising and coupon redemption, for which the Company had net payables aggregating to less than $0.1 million and $0.5 million as of September 30, 2022 and December 31, 2021. As of September 30, 2022 and December 31, 2021, payable balances of approximately $4.4 million and $4.2 million, respectively, were included in the Company's Consolidated Balance Sheet for the aforementioned coupon redemption services. The Company believes that its engagement of each of these affiliates was on arm's length terms, taking into account each firm's expertise in its respective field, and that the fees paid or received were at least as favorable as those available from unaffiliated parties.

On May 4, 2022, the Company and Mr. Beattie entered into Amendment No. 3 to his Amended and Restated Consulting Agreement, dated as of March 11, 2020 and amended from time to time, pursuant to which he agreed to continue to provide advisory services to the Company until April 1, 2023 (as amended through May 4, 2022, the "Beattie Consulting Agreement"). As compensation for Mr. Beattie's advisory services, the Company agreed to grant him restricted stock units with an intended value of approximately $250,000, which would vest in installments during the period of his services.

On June 12, 2022, Mr. Beattie and the Company entered into a mutual agreement to terminate the Beattie Consulting Agreement (the "Mutual Termination Letter"). Pursuant to the terms of the Mutual Termination Letter, the Beattie Consulting Agreement was terminated and all unvested restricted stock units of the Company granted to Mr. Beattie pursuant to the Beattie Consulting Agreement were forfeited as of the date thereof for no consideration. Following the Mutual Termination Letter, Mr. Beattie remains a member of the Board of Directors of Revlon, Inc., but he is no longer obligated to provide separate advisory services pursuant to, and will not receive further compensation under, the Beattie Consulting Agreement.

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

18. PRODUCTS CORPORATION AND SUBSIDIARIES GUARANTOR FINANCIAL INFORMATION

Products Corporation's 6.25% Senior Notes are fully and unconditionally guaranteed on a senior basis by certain of Products Corporation’s direct and indirect wholly-owned domestic subsidiaries (the "Guarantors Subsidiaries").

The following Condensed Consolidating Financial Statements present the financial information as of September 30, 2022 and December 31, 2021, and for each of the nine months September 30, 2022 and 2021 for: (i) Products Corporation on a stand-alone basis; (ii) the Guarantor Subsidiaries on a stand-alone basis; (iii) the subsidiaries of Products Corporation that did not guarantee and do not guarantee Products Corporation's 6.25% Senior Notes (the "Non-Guarantor Subsidiaries") on a stand-alone basis; and; (iv) Products Corporation, the Guarantor Subsidiaries and the Non-Guarantor Subsidiaries on a consolidated basis. The Condensed Consolidating Financial Statements are presented on the equity method, under which the investments in subsidiaries are recorded at cost and adjusted to the applicable share of the subsidiary's cumulative results of operations, capital contributions, distributions and other equity changes. The principal elimination entries eliminate investments in subsidiaries and intercompany balances and transactions.

Products Corporation and Subsidiaries Condensed Consolidating Balance Sheets

As of September 30, 2022

	Products Corporation	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
ASSETS					
Cash and cash equivalents	$ 6.2	$ 155.9	$ 84.3	$ —	$ 246.4
Trade receivables, less allowances for doubtful accounts	62.2	89.8	167.0	—	319.0
Inventories, net	158.3	129.4	168.3	—	456.0
Prepaid expenses and other	340.2	34.5	51.5	—	426.2
Intercompany receivables	3,425.7	5,266.9	821.2	(9,513.8)	—
Investment in subsidiaries	1,240.3	(165.9)	—	(1,074.4)	—
Property, plant and equipment, net	140.0	38.1	71.8	—	249.9
Deferred income taxes	—	2.5	47.4	—	49.9
Goodwill	404.8	35.2	121.2	—	561.2
Intangible assets, net	0.1	130.1	205.2	—	335.4
Other assets	61.6	9.2	151.6	(128.1)	94.3
Total assets	$ 5,839.4	$ 5,725.7	$ 1,889.5	$ (10,716.3)	$ 2,738.3
LIABILITIES AND STOCKHOLDER’S DEFICIENCY					
Short-term borrowings	$ —	$ —	$ 0.6	$ —	$ 0.6
Current portion of long-term debt	746.8	—	0.1	—	746.9
Accounts payable	49.2	2.1	53.7	—	105.0
Accrued expenses and other	182.3	61.3	148.7	—	392.3
Intercompany payables	445.0	747.3	430.6	(1,622.9)	—
Long-term debt	—	—	0.1	—	0.1
Other long-term liabilities	68.1	79.4	23.0	—	170.5
Liabilities subject to compromise	6,708.9	4,422.2	540.4	(8,012.5)	3,659.0
Total liabilities	8,200.3	5,312.3	1,197.2	(9,635.4)	5,074.4
Stockholder’s (deficiency) equity	(2,360.9)	413.4	692.3	(1,080.9)	(2,336.1)
Total liabilities and stockholder’s (deficiency) equity	$ 5,839.4	$ 5,725.7	$ 1,889.5	$ (10,716.3)	$ 2,738.3

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

Products Corporation and Subsidiaries Condensed Consolidating Balance Sheets

As of December 31, 2021

	Products Corporation	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
ASSETS					
Cash and cash equivalents	$ 4.0	$ 2.1	$ 96.3	$ —	$ 102.4
Trade receivables, less allowances for doubtful accounts	114.6	102.4	166.8	—	383.8
Inventories, net	129.3	127.9	160.2	—	417.4
Prepaid expenses and other	222.8	5.7	68.3	—	296.8
Intercompany receivables	4,542.8	4,396.2	700.5	(9,639.5)	—
Investment in subsidiaries	1,055.5	(218.9)	—	(836.6)	—
Property, plant and equipment, net	157.6	59.9	79.8	—	297.3
Deferred income taxes	—	7.7	43.9	—	51.6
Goodwill	404.8	30.0	128.0	—	562.8
Intangible assets, net	20.3	170.3	201.6	—	392.2
Other assets	57.7	12.2	27.9	—	97.8
Total assets	$ 6,709.4	$ 4,695.5	$ 1,673.3	$ (10,476.1)	$ 2,602.1
LIABILITIES AND STOCKHOLDER'S DEFICIENCY					
Short-term borrowings	$ —	$ —	$ 0.7	$ —	$ 0.7
Current portion of long-term debt	137.1	—	0.1	—	137.2
Accounts payable	89.8	42.1	85.8	—	217.7
Accrued expenses and other	161.9	84.9	185.3	—	432.1
Intercompany payables	4,737.2	4,045.5	856.5	(9,639.2)	—
Long-term debt	3,234.1	—	71.4	—	3,305.5
Other long-term liabilities	176.8	115.7	73.6	—	366.1
Total liabilities	8,536.9	4,288.2	1,273.4	(9,639.2)	4,459.3
Stockholder's (deficiency) equity	(1,827.5)	407.3	399.9	(836.9)	(1,857.2)
Total liabilities and stockholder's (deficiency) equity	$ 6,709.4	$ 4,695.5	$ 1,673.3	$ (10,476.1)	$ 2,602.1

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

Products Corporation and Subsidiaries Condensed Consolidating Statement of Operations and Comprehensive (Loss) Income

	Three Months Ended September 30, 2022				
	Products Corporation	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Net Sales	$ 102.3	$ 113.7	$ 252.4	$ —	$ 468.4
Cost of sales	48.6	58.7	100.2	—	207.5
Gross profit	53.7	55.0	152.2	—	260.9
Selling, general and administrative expenses	85.2	52.1	109.1	—	246.4
Acquisition and integration costs	0.2	—	—	—	0.2
Restructuring charges and other, net	(2.0)	0.2	1.1	—	(0.7)
Impairment charges	—	—	—	—	—
(Gain) loss on divested assets	—	—	—	—	—
Operating (loss) income	(29.7)	2.7	42.0	—	15.0
Other (income) expense:					
Intercompany interest, net	(4.0)	(0.3)	4.3	—	—
Interest expense, net	56.2	—	—	—	56.2
Amortization of debt issuance costs	—	—	—	—	—
Foreign currency losses (gains), net	5.0	(0.2)	14.6	—	19.4
Miscellaneous, net	(10.3)	9.1	5.5	—	4.3
Reorganization items, net	86.6	(1.6)	—	—	85.0
Other expense (income), net	133.5	7.0	24.4	—	164.9
(Loss) income from continuing operations before income taxes	(163.2)	(4.3)	17.6	—	(149.9)
(Benefit from) provision for income taxes	—	0.1	2.7	—	2.8
(Loss) income from continuing operations, net of taxes	(163.2)	(4.4)	14.9	—	(152.7)
Equity in income (loss) of subsidiaries	16.3	(1.4)	—	(14.9)	—
Net (loss) income	$ (146.9)	$ (5.8)	$ 14.9	$ (14.9)	$ (152.7)
Other comprehensive income (loss)	(3.3)	8.7	(9.6)	0.9	(3.3)
Total comprehensive (loss) income	$ (150.2)	$ 2.9	$ 5.3	$ (14.0)	$ (156.0)

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

Products Corporation and Subsidiaries Condensed Consolidating Statement of Operations and Comprehensive (Loss) Income

	Three Months Ended September 30, 2021				
	Products Corporation	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Net Sales	$ 103.1	$ 162.2	$ 255.8	$ —	$ 521.1
Cost of sales	56.7	72.4	92.1	—	221.2
Gross profit	46.4	89.8	163.7	—	299.9
Selling, general and administrative expenses	74.0	65.9	114.6	—	254.5
Acquisition and integration costs	0.6	—	—	—	0.6
Restructuring charges and other, net	6.7	0.3	2.0	—	9.0
Impairment charges	—	—	—	—	—
Gain on divested assets	0.1	—	—	—	0.1
Operating (loss) income	(35.0)	23.6	47.1	—	35.7
Other (income) expense:					
Intercompany interest, net	(3.1)	0.7	2.4	—	—
Interest expense	58.7	—	4.4	—	63.1
Amortization of debt issuance costs	8.7	—	—	—	8.7
Foreign currency losses (gains), net	—	0.6	9.3	—	9.9
Miscellaneous, net	194.4	(115.1)	(79.2)	—	0.1
Other expense (income), net	258.7	(113.8)	(63.1)	—	81.8
(Loss) income from continuing operations before income taxes	(293.7)	137.4	110.2	—	(46.1)
(Benefit from) provision for income taxes	—	3.2	2.3	—	5.5
(Loss) income from continuing operations, net of taxes	(293.7)	134.2	107.9	—	(51.6)
Equity in income (loss) of subsidiaries	243.9	92.5	—	(336.4)	—
Net (loss) income	$ (49.8)	$ 226.7	$ 107.9	$ (336.4)	$ (51.6)
Other comprehensive income (loss)	2.9	3.9	(2.5)	(1.4)	2.9
Total comprehensive (loss) income	$ (46.9)	$ 230.6	$ 105.4	$ (337.8)	$ (48.7)

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

Products Corporation and Subsidiaries Condensed Consolidating Statement of Operations and Comprehensive (Loss) Income

	Nine Months Ended September 30, 2022				
	Products Corporation	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Net Sales	$ 326.6	$ 329.9	$ 734.1	$ —	$ 1,390.6
Cost of sales	160.2	156.7	278.9	—	595.8
Gross profit	166.4	173.2	455.2	—	794.8
Selling, general and administrative expenses	279.0	154.5	318.7	—	752.2
Acquisition, integration and divestiture costs	0.6	—	0.1	—	0.7
Restructuring charges and other, net	2.0	0.4	1.9	—	4.3
Impairment charges	18.3	1.5	4.5	—	24.3
(Gain) loss on divested assets	—	—	—	—	—
Operating (loss) income	(133.5)	16.8	130.0	—	13.3
Other (income) expense:					
Intercompany interest, net	(6.7)	0.7	6.0	—	—
Interest expense	170.0	—	5.8	—	175.8
Amortization of debt issuance costs	20.9	—	—	—	20.9
Foreign currency losses, net	14.6	0.1	26.7	—	41.4
Miscellaneous, net	31.4	(14.2)	(2.8)	—	14.4
Reorganization items, net	240.6	2.7	—	—	243.3
Other expense (income), net	470.8	(10.7)	35.7	—	495.8
(Loss) income from operations before income taxes	(604.3)	27.5	94.3	—	(482.5)
Provision for (benefit from) for income taxes	—	5.0	7.1	—	12.1
(Loss) income from operations, net of taxes	(604.3)	22.5	87.2	—	(494.6)
Equity in income (loss) of subsidiaries	123.2	(8.9)	—	(114.3)	—
Net (loss) income	$ (481.1)	$ 13.6	$ 87.2	$ (114.3)	$ (494.6)
Other comprehensive (loss) income	0.4	29.6	(7.9)	(21.7)	0.4
Total comprehensive (loss) income	$ (480.7)	$ 43.2	$ 79.3	$ (136.0)	$ (494.2)

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

Products Corporation and Subsidiaries Condensed Consolidating Statement of Operations and Comprehensive (Loss) Income

	Nine Months Ended September 30, 2021				
	Products Corporation	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Net Sales	$ 311.6	$ 411.6	$ 740.3	$ —	$ 1,463.5
Cost of sales	155.4	182.8	270.5	—	608.7
Gross profit	156.2	228.8	469.8	—	854.8
Selling, general and administrative expenses	262.8	178.9	350.0	—	791.7
Acquisition, integration and divestiture costs	1.7	—	0.1	—	1.8
Restructuring charges and other, net	13.5	2.5	6.8	—	22.8
Impairment charges	—	—	—	—	—
Loss on divested assets	(1.7)	—	—	—	(1.7)
Operating (loss) income	(120.1)	47.4	112.9	—	40.2
Other (income) expenses:					
Intercompany interest, net	(3.9)	1.9	2.0	—	—
Interest expense	178.4	—	5.5	—	183.9
Amortization of debt issuance costs	30.7	—	—	—	30.7
Foreign currency losses, net	(0.2)	(0.3)	12.0	—	11.5
Miscellaneous, net	231.1	(126.9)	(101.4)	—	2.8
Other expense (income), net	436.1	(125.3)	(81.9)	—	228.9
Loss from operations before income taxes	(556.2)	172.7	194.8	—	(188.7)
Provision for (benefit from) income taxes	—	4.6	19.3	—	23.9
(Loss) income from operations, net of taxes	(556.2)	168.1	175.5	—	(212.6)
Equity in (loss) income of subsidiaries	353.9	102.2	—	(456.1)	—
Net (loss) income	$ (202.3)	$ 270.3	$ 175.5	$ (456.1)	$ (212.6)
Other comprehensive (loss) income	4.5	8.1	—	(8.1)	4.5
Total comprehensive (loss) income	$ (197.8)	$ 278.4	$ 175.5	$ (464.2)	$ (208.1)

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

Products Corporation and Subsidiaries Condensed Consolidating Statements of Cash Flows

Nine Months Ended September 30, 2022	Products Corporation	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
CASH FLOWS FROM OPERATING ACTIVITIES:					
Net cash (used in) provided by operating activities	$ (449.6)	$ 253.0	$ (54.4)	$ —	$ (251.0)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Net cash (used in) provided by investing activities	(3.8)	(1.1)	(3.2)	—	(8.1)
CASH FLOWS FROM FINANCING ACTIVITIES:					
Net decrease in short-term borrowings and overdraft	—	(0.6)	—	—	(0.6)
Borrowings on term loans	—	—	—	—	—
Repayments on term loans	(13.6)	—	(75.0)	—	(88.6)
Net (repayments) borrowings under the revolving credit facilities	(0.6)	—	—	—	(0.6)
Borrowings on DIP Term Loan Facility	575.0				575.0
Repayments on Tranche A DIP ABL Facility	(67.2)				(67.2)
Payment of financing costs	(18.8)	—	—	—	(18.8)
Tax withholdings related to net share settlements of restricted stock and RSUs	(3.3)	—	—	—	(3.3)
Other financing activities	(0.1)	(0.1)	—	—	(0.2)
Net cash provided by (used in) financing activities	471.4	(0.7)	(75.0)	—	395.7
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(15.7)	(97.4)	105.8	—	(7.3)
Net increase (decrease) in cash, cash equivalents and restricted cash	2.3	153.8	(26.8)	—	129.3
Cash, cash equivalents and restricted cash at beginning of period	$ 4.0	$ 2.1	$ 114.8	$ —	$ 120.9
Cash, cash equivalents and restricted cash at end of period	$ 6.3	$ 155.9	$ 88.0	$ —	$ 250.2

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

Products Corporation and Subsidiaries Condensed Consolidating Statements of Cash Flows

Nine Months Ended September 30, 2021

	Products Corporation	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
CASH FLOWS FROM OPERATING ACTIVITIES:					
Net cash (used in) provided by operating activities	$ (418.6)	$ 57.7	$ 274.2	$ —	$ (86.7)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Net cash (used in) provided by investing activities	(1.9)	(0.8)	(1.5)	—	(4.2)
CASH FLOWS FROM FINANCING ACTIVITIES:					
Net decrease in short-term borrowings and overdraft	(4.5)	(5.6)	(2.4)	—	(12.5)
Borrowings on term loans	305.0	—	—	—	305.0
Repayments on Term Loans	(186.7)	—	—	—	(186.7)
Net (repayments) borrowings under the revolving credit facilities	(2.7)	—	—	—	(2.7)
Borrowings on DIP Term Loan Facility	—	—	—	—	—
Repayments on Tranche A DIP ABL Facility	—	—	—	—	—
Payments of financing costs	(17.9)	—	—	—	(17.9)
Tax withholdings related to net share settlements of restricted stock and RSUs	(2.4)	—	—	—	(2.4)
Other financing activities	(0.2)	(0.1)	—	—	(0.3)
Net cash provided by (used in) financing activities	90.6	(5.7)	(2.4)	—	82.5
Effect of exchange rate changes on cash, cash equivalents and restricted cash	349.5	(57.8)	(294.1)	—	(2.4)
Net increase (decrease) in cash, cash equivalents and restricted cash	19.6	(6.6)	(23.8)	—	(10.8)
Cash, cash equivalents and restricted cash at beginning of period	$ 6.5	$ 7.8	$ 88.2	$ —	$ 102.5
Cash, cash equivalents and restricted cash at end of period	$ 26.1	$ 1.2	$ 64.4	$ —	$ 91.7

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

19. LIABILITIES SUBJECT TO COMPROMISE

As discussed in Note 1. "Description of Business and Summary of Significant Accounting Policies", since the Petition Date, the Company has been operating as debtors in possession under the jurisdiction of the Bankruptcy Court and in accordance with provisions of the Bankruptcy Code. On the accompanying Consolidated Balance Sheets, the caption “Liabilities subject to compromise” reflects the expected allowed amount of the pre-petition claims that are not fully secured and that have at least a possibility of not being repaid at the full claim amount. Liabilities subject to compromise at September 30, 2022 consisted of the following:

	September 30, 2022
Accounts payable	$ 89.6
Accrued expenses	141.9
Other liabilities	106.3
Debt subject to compromise	3,277.3
Total liabilities subject to compromise	$ 3,615.1

The Company will continue to evaluate the amount and classification of its pre-petition liabilities. Any additional liabilities that are subject to compromise will be recognized accordingly, and the aggregate amount of liabilities subject to compromise may change.

20. REORGANIZATION ITEMS, NET

Reorganization items incurred as a result of the Chapter 11 Cases are presented separately in the accompanying statements of operations for the three and nine months ended September 30, 2022 and were as follows:

	Three Months Ended September 30, 2022	Nine Months Ended September 30, 2022
Write off of deferred financing costs and discount on debt subject to compromise	$ —	$ 124.8
DIP facilities financing costs	2.0	16.8
Professional fees	81.6	96.0
Other	0.4	4.7
Gain on settlement of pre-petition accounts payable	(9.3)	(9.3)
Bankruptcy related employee compensation programs	$ 10.3	$ 10.3
Reorganization items, net	$ 85.0	$ 243.3

21. CONDENSED CONSOLIDATION DEBTOR-IN-POSSESSION FINANCIAL INFORMATION

The financial statements below represent the condensed combined financial statements of the Debtors as of September 30, 2022 and December 31, 2021 and for the three and nine months ended September 30, 2022 and 2021.

REVLON, INC. AND SUBSIDIARIES
(DEBTOR-IN-POSSESSION)
CONSOLIDATED BALANCE SHEETS
(dollars in millions, except share and per share amounts)
(Unaudited)

	September 30, 2022	December 31, 2021
ASSETS		
Current assets:		
Cash and cash equivalents	$ 168.5	$ 17.9
Trade receivables (net of allowance for doubtful accounts of $0.7 and $2.3, respectively)	188.4	258.7
Trade receivables from non-debtor subsidiaries	453.8	400.4
Inventories, net	292.4	261.8
Prepaid expenses and other assets	171.4	74.5
Total current assets	1,274.5	1,013.3
Property, plant and equipment (net of accumulated depreciation of $433.2 and $426.0, respectively)	185.2	219.4
Deferred income taxes	2.7	17.5
Goodwill	540.0	540.0
Intangible assets (net of accumulated amortization and impairment of $226.3 and $274.4, respectively)	278.7	320.8
Investment in subsidiaries	877.7	874.5
Due from affiliates	254.8	249.8
Other assets	75.3	74.8
Total assets	$ 3,488.9	$ 3,310.1
LIABILITIES AND STOCKHOLDERS' DEFICIENCY		
Current liabilities:		
Short-term borrowings	$ —	$ —
Current portion of long-term debt	746.8	137.1
Accounts payable	52.6	134.7
Accounts payable to non-debtors	7.9	234.5
Accrued expenses and other current liabilities	231.2	267.1
Total current liabilities	$ 1,038.5	$ 773.4
Long-term debt	—	3,234.2
Long-term pension and other post-retirement plan liabilities	79.8	141.3
Other long-term liabilities	7.8	337.9
Liabilities subject to compromise	4,098.4	—
Total liabilities	5,224.5	4,486.8
Stockholder's (deficiency) equity	(1,735.6)	(1,176.7)
Total liabilities and stockholders' deficiency	$ 3,488.9	$ 3,310.1

REVLON, INC. AND SUBSIDIARIES
(DEBTOR-IN-POSSESSION)
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(dollars in millions, except share and per share amounts)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Net sales	$ 249.7	$ 305.8	$ 744.0	$ 819.9
Cost of sales	122.1	144.2	355.7	376.2
Gross profit	127.6	161.6	388.3	443.7
Selling, general and administrative expenses	161.9	156.7	486.8	487.1
Acquisition, integration and divestiture costs	0.2	0.6	0.6	1.8
Restructuring charges and other, net	(1.7)	7.1	2.5	17.1
Impairment charges	—	—	20.5	—
Operating income (loss)	(32.8)	(2.8)	(122.1)	(62.3)
Other expenses:				
Interest expense, net	51.4	56.3	163.5	176.4
Amortization of debt issuance costs	—	8.7	16.8	29.9
Foreign currency losses, net	5.1	1.9	14.5	(0.8)
Miscellaneous, net	2.4	(324.2)	9.7	(321.4)
Reorganization items, net	85.0	—	243.3	—
Equity in net loss of subsidiary	(30.8)	(34.1)	(53.9)	(47.3)
Other expenses	113.1	(291.4)	393.9	(163.2)
Loss from operations before income taxes	(145.9)	288.6	(516.0)	100.9
Provision for income taxes	0.9	7.6	13.8	9.7
Net loss	$ (146.8)	$ 281.0	$ (529.8)	$ 91.2
Other comprehensive income, net	4.1	4.5	4.4	4.1
Total comprehensive loss	$ (142.7)	$ 285.5	$ (525.4)	$ 95.3

REVLON, INC. AND SUBSIDIARIES
(DEBTOR-IN-POSSESSION)
CONSOLIDATED STATEMENTS OF CASH FLOWS
(dollars in millions)
(Unaudited)

	Nine Months Ended September 30,	
	2022	**2021**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net cash used in operating activities	(310.9)	30.2
CASH FLOWS FROM INVESTING ACTIVITIES:		
Net cash used in investing activities	(5.4)	(4.4)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net decrease in short-term borrowings and overdraft	(0.7)	(10.6)
Borrowings on term loans	—	230.0
Repayments on term loans	(13.6)	(127.8)
Net (repayments) borrowings under the revolving credit facilities	(0.6)	(2.7)
Borrowings on DIP Term Loan Facility	575.0	—
Repayments on Tranche A DIP ABL Facility	(67.2)	—
Payment of financing costs	(18.8)	(13.7)
Tax withholdings related to net share settlements of restricted stock and RSUs	(3.3)	(2.4)
Cash transfer to non-debtor affiliates	—	(97.5)
Other financing activities	(0.2)	(0.3)
Net cash provided by financing activities	470.6	(25.0)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(1.0)	(0.1)
Net increase in cash, cash equivalents and restricted cash	153.3	0.7
Cash, cash equivalents and restricted cash at beginning of period	17.9	10.8
Cash, cash equivalents and restricted cash at end of period [a]	$ 171.2	$ 11.5

[a] These amounts include restricted cash of $2.7 million and nil as of September 30, 2022 and 2021, respectively. The balance is included within prepaid expenses and other current assets and other assets in the Company's Consolidated Balance Sheets as of September 30, 2022.

22. SUBSEQUENT EVENTS

Adversary Complaints

October 31, 2022 Adversary Complaint

On October 31, 2022, a group of lenders under the Term Credit Agreement, dated as of September 7, 2016, by and among Products Corporation, as borrower, Revlon, Inc., the lenders from time to time parties thereto and Citibank, N.A, as administrative agent and collateral agent (as amended, restated, supplemented or otherwise modified from time to time, the “2016 Credit Agreement”) filed an Adversary Complaint against Revlon, Inc., Products Corporation, several of Products Corporation’s subsidiaries, and several of Products Corporation’s contractual counterparties, including Jefferies Finance LLC, Jefferies LLC, and several lenders under the 2020 BrandCo Credit Agreement, dated May 7, 2020, by and among Products Corporation, Jefferies Finance LLC, as administrative agent and collateral agent, and certain financial institutions that are lenders or the affiliates of lenders under Products Corporation’s 2016 Credit Agreement, in the U.S. Bankruptcy Court for the Southern District of New York (the “ October 31, 2022 Adversary Complaint”), Case No. 22-10760-dsj [Docket No. 956].

The October 31, 2022 Adversary Complaint alleges various spurious causes of action, stemming from various alleged breaches of the provisions of the 2016 Credit Agreement, including claims for breach of contract, declaratory judgment, breach of the implied covenant of good faith and fair dealing, conversion, aiding and abetting conversion, unjust enrichment, equitable subordination, tortious interference with contract, and constructive trust. The October 31, 2022 Adversary Complaint seeks various forms of relief, including declaratory relief, specific performance, rescission of certain existing agreements, injunctive relief, damages, costs and expenses, attorneys’ fees, and pre-judgment interest. The Company believes that the lawsuit is without merit and intends to vigorously contest its claims.

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Item 2. Combined Management’s Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of the Company's financial condition and results of operations should be read in conjunction with the information contained in the Unaudited Condensed Consolidated Financial Statements and related notes included elsewhere in this document, and in the Company's other public filings with the Securities and Exchange Commission (“SEC”), including our 2021 Form 10-K. As discussed in more detail in the Section entitled “Forward-Looking Statements,” this discussion contains forward-looking statements, which involve risks and uncertainties.

Recent Developments

Voluntary Reorganization under Chapter 11

On June 15, 2022 and June 16, 2022 (the “Petition Date”), Revlon Inc. and certain of its subsidiaries, including Revlon Consumer Products Corporation (collectively, the “Debtors”), filed voluntary petitions (the “Bankruptcy Petitions”) for reorganization under Chapter 11 of the United States Bankruptcy Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Southern District of New York (such court, the “Bankruptcy Court” and such cases, the “Chapter 11 Cases” or the "Cases"). On June 16, 2022, the Bankruptcy Court entered an order authorizing the joint administration of the Chapter 11 Cases under the caption In re Revlon Inc, Case No. 22-10760. The Debtors will continue to operate their businesses as “debtors-in-possession” under the jurisdiction of the Bankruptcy Court and in accordance with the applicable provisions of the Bankruptcy Code and orders of the Bankruptcy Court. To ensure their ability to continue operating in the ordinary course of business, the Debtors sought from the Bankruptcy Court a variety of “first-day” relief and "second-day" relief, including the ability to obtain debtor-in-possession financing, pay employee wages and benefits, pay vendors and suppliers in the ordinary course for all goods and services provided after the Petition Date and pay fees of professionals involved in the Cases. As of August 2, 2022, all "first-day" and "second-day" orders have been entered by the Bankruptcy Court on a final basis.

The Chapter 11 process can be unpredictable and involves significant risks and uncertainties. As a result of these risks and uncertainties, the amount and composition of the Company’s assets and liabilities could be significantly different following the outcome of the Chapter 11 cases, and the description of the Company’s operations, properties and liquidity and capital resources included in this Quarterly Report may not accurately reflect its operations, properties and liquidity and capital resources following the Chapter 11 process. For additional information regarding such risks, see Part II-Item 1A-Risk Factors of this Quarterly Report on Form 10-Q.

The Debtors have received final approval of requested relief from the Bankruptcy Court that enables the Debtors to maintain business-as-usual operations and uphold their respective commitments to their stakeholders, including employees, customers, and vendors during the restructuring process, subject to the jurisdiction of the Bankruptcy Court and in accordance with the applicable provisions of the Bankruptcy Code. While the Chapter 11 Cases are pending, the Debtors do not anticipate making interest payments due under the majority of their debt instruments; however, the Debtors expect to pay interest payments in full as they come due under the DIP Facilities and certain other senior secured debt instruments.

In addition, prior to the commencement of the Chapter 11 Cases, the Company secured commitments to enter into (i) a superpriority senior secured debtor-in-possession asset-based loan facility (the “DIP ABL Facility”), in the maximum aggregate principal amount of $400 million, with certain financial institutions party thereto as lenders and MidCap Funding IV Trust, as administrative agent and collateral agent, (ii) a superpriority senior secured debtor-in-possession term loan facility (the “DIP Term Loan Facility”), in the aggregate principal amount of $575 million, with certain financial institutions party thereto as lenders and Jefferies Finance, LLC, as administrative agent and collateral agent, and (iii) a superpriority junior secured debtor-in-possession intercompany credit facility (the “Intercompany DIP Facility” and, together with the DIP ABL Facility and the DIP Term Loan Facility, the “DIP Facilities”) with the Debtors that are BrandCos (as defined in the 2020 BrandCo Credit Agreement referred to herein) (the “BrandCos”).

NYSE Delisting Proceedings

As previously disclosed, on June 16, 2022, the Company received a letter from the staff of NYSE Regulation that it had determined to commence proceedings to delist the Class A Common Stock of the Company from the New York Stock Exchange (“NYSE”) in light of the Company's commencement of the Chapter 11 Cases. The Company appealed the determination in a timely manner. On October 13, 2022, the NYSE reviewed the Company's appeal. On October 20, 2022, the NYSE informed the Company, and publicly announced its determination following such appeal that the Company is no longer suitable for listing on the NYSE and that the NYSE has suspended trading in the Company's Class A Common Stock (NYSE ticker symbol: REV). On October 21, 2022, the NYSE applied to the Securities and Exchange Commission pursuant to Form 25 to remove the Class A Common Stock of the Company from listing and registration on the NYSE at the opening of business on November 1, 2022. As a result of the suspension and expected delisting, the Company's Class A Common Stock began trading exclusively on the OTC market on October 21, 2022 under the symbol REVRQ.

COVID-19 Pandemic

The COVID-19 pandemic had a significant and adverse impact on the beauty industry and the Company's business in 2020 and 2021, and the COVID-19 pandemic continues to impact the Company's business in 2022. The COVID-19 pandemic has contributed to the imposition of face mask mandates, lockdowns and other significant restrictions in the United States and abroad from time to time; global supply chain disruptions, including manufacturing and transportation delays, due to closures, employee absences, port congestion, labor and container shortages, and shipment delays, increased transportation costs, and shortages in raw materials, tight labor markets and inflationary pressures for a number of industries, including consumer retail, and related consumer products shortages and price increases; closures, bankruptcies and/ or reduced operations of retailers, beauty salons, spas, offices and manufacturing facilities; labor shortages with employers in many industries, including consumer retail, experiencing increased competition to recruit, hire and retain employees; travel and transportation restrictions leading to declines in consumer traffic in key shopping and tourist areas around the globe; and import and export restrictions. With the roll out of COVID-19 vaccinations in 2021 and the easing of COVID-19 restrictions in the United States and in many of the Company's key markets around the globe, the Company saw a gradual rebound in consumer spending and consumption in 2021, which has continued into 2022. The Company continues to closely monitor the associated impacts of COVID-19, including the impacts of any new variants of COVID-19 and subsequent "waves" of the pandemic, and will take appropriate actions in an effort to mitigate the COVID-19 pandemic's negative effects on the Company's operations and financial results.

Overview

Overview of the Business

Revlon, Inc. ("Revlon" and together with its subsidiaries, the "Company") conducts its business exclusively through its direct wholly-owned operating subsidiary, Revlon Consumer Products Corporation ("Products Corporation"), and its subsidiaries. Revlon is an indirect majority-owned subsidiary of MacAndrews & Forbes Incorporated (together with certain of its affiliates other than the Company, "MacAndrews & Forbes"), a corporation beneficially owned by Ronald O. Perelman.

The Company operates in four brand-centric reporting segments that are aligned with its organizational structure based on four global brand teams: Revlon; Elizabeth Arden; Portfolio; and Fragrances. The Company manufactures, markets and sells an extensive array of beauty and personal care products worldwide, including color cosmetics; fragrances; skin care; hair color, hair care and hair treatments; beauty tools; men's grooming products; anti-perspirant deodorants; and other beauty care products.

Business Strategy

The Company remains focused on its 3 key strategic pillars to drive its future success and growth. First, strengthening its iconic brands through innovation and relevant product portfolios; second, building its capabilities to better communicate and connect with its consumers through media channels where they spend the most time; and third, ensuring availability of its products where consumers shop, both in-store and increasingly online. The Company has continued to deliver against the objectives of the Revlon Global Growth Accelerator ("RGGA") program, which includes rightsizing our organization with the objectives of driving improved profitability, cash flow and liquidity. The Company is also managing the business to conserve cash and liquidity, as well as focusing on stabilizing the business, growing e-commerce and preparing the foundation for achieving future growth.

For additional information regarding the Company's business, see Part 1, Item 1 "Business" in the Company's 2021 Form 10-K.

Overview of Net Sales and Earnings Results

Consolidated net sales in the third quarter of 2022 were $468.4 million, a $52.7 million decrease, or 10.1%, compared to $521.1 million in the third quarter of 2021. Excluding the $25.8 million unfavorable FX impact, consolidated net sales decreased by $26.9 million, or 5.2%, during the third quarter of 2022. The XFX net sales decrease of $26.9 million in the third quarter of 2022 was due to: a $25.3 million or 22.4%, decrease in Portfolio segment net sales; $21.5 million, or 19.1%, decrease in Fragrances segment net sales; offset by a $14.0 million, or 8.1% increase in Revlon segment net sales and $5.9 million, or 4.8%, increase in Elizabeth Arden segment net sales.

Consolidated net sales in the nine months ended September 30, 2022 were $1,390.6 million, a $72.9 million decrease, or 5.0%, compared to $1,463.5 million in the nine months ended September 30, 2021. Excluding the $54.2 million unfavorable FX impact, consolidated net sales decreased by $18.7 million, or 1.3%, during the nine months ended September 30, 2022. The XFX net sales decrease of $18.7 million in the nine months ended September 30, 2022 was due to: a $38.7 million, or 14.1%, decrease in Fragrances segment net sales; $29.5 million or 9.6%, decrease in Portfolio segment net sales, offset by a $46.6 million, or 8.9%, increase in Revlon segment net sales and a $2.9 million or 0.8%, increase in Elizabeth Arden segment net sales.

Consolidated loss from continuing operations, net of taxes, in the third quarter of 2022 was $152.8 million, compared to $53.1 million in the third quarter of 2021. The $99.7 million increase in consolidated loss from continuing operations, net of taxes, in the third quarter of 2022 was primarily due to:

- $85.0 million increase in reorganization items, net related to the Company's voluntary Chapter 11 filing on June 15, 2022. The costs are primarily related to legal and professional fees, financing costs incurred relating to the DIP Term Loan Facility and the bankruptcy related employee compensation programs during the third quarter of 2022, compared to nil during third quarter of 2021;
- $39.0 million of lower gross profit, primarily due to lower net sales, lower gross profit margin, higher direct material cost, and unfavorable foreign currency impacts during third quarter of 2022, as compared to the third quarter of 2021;
- $9.5 million of unfavorable variance in foreign currency, resulting from $19.4 million in foreign currency losses during the third quarter of 2022, compared to $9.9 million in foreign currency loss during the third quarter of 2021, primarily driven by the net unfavorable impact of foreign currency fluctuations on certain U.S. Dollar denominated intercompany payables, particularly, the strengthening of the U.S. Dollar against the South African Rand, Australian Dollar, British Pound and Euro; and
- a $2.2 million net increase in other miscellaneous expenses, net, in the third quarter of 2022 compared to the third quarter of 2021, primarily due to adjustment to the net periodic pension cost.

with the foregoing partially offset by:

- $7.6 million decrease in SG&A expenses in the third quarter of 2022 compared to the third quarter of 2021, primarily driven by favorable foreign currency impacts and lower royalty expenses, partially offset by higher general and administrative expenses;
- a $2.6 million decrease in the provision for income taxes in the third quarter of 2022 compared to the third quarter of 2021, primarily due to the geographical level and mix of earnings and net change of valuation allowance on its net deferred tax assets for certain jurisdictions.;
- a $9.7 million decrease in restructuring charges, primarily related to lower expenditures under RGGA in the third quarter of 2022, compared to the third quarter of 2021;
- a $6.9 million decrease in interest expense in the third quarter of 2022, compared to the third quarter of 2021, primarily driven by contractual interest stayed on certain pre-petition debt reclassified to LSTC, partially offset by interest expense from DIP facilities; and
- a $8.7 million decrease in amortization of debt issuance costs in the third quarter of 2022, compared to the third quarter of 2021, primarily due to the write off of debt issuance costs on debt subject to compromise to reorganization items, net subsequent to the Chapter 11 filing, in accordance with ASC 852;.

Consolidated loss from continuing operations, net of taxes, in the nine months ended September 30, 2022 was $495.4 million, compared to consolidated loss from continuing operations, net of taxes, of $216.8 million in the nine months ended September 30, 2021. The $278.6 million increase in consolidated loss from continuing operations, net of taxes, in the nine months ended September 30, 2022, compared to nine months ended September 30, 2021, was primarily due to:

- $243.3 million increase in reorganization items, net related to the Company's voluntary Chapter 11 filing on June 15, 2022. The costs are primarily related to the write-off of original issue discount and deferred long-term debt fees on debt subject to compromise, legal and professional fees, financing cost incurred relating to the DIP Term Loan Facility and the bankruptcy related employee compensation programs during the nine months ended September 30, 2021, compared to nil during the nine months ended September 30, 2021;

- a $24.3 million increase in non-cash impairment charges for finite-lived and indefinite-lived intangibles of $18.7 million and $5.6 million, respectively, recorded for the nine months ended September 30, 2022, primarily attributable to the supply chain disruptions, compared to no impairment charges for the nine months ended September 30, 2021;
- $60.0 million of lower gross profit, primarily due to higher sales incentives, allowances and returns, higher direct material cost and unfavorable foreign currency impacts, partially offset by favorable product mix, in the nine months ended September 30, 2022 as compared to the nine months ended September 30, 2021;
- $29.9 million of unfavorable variance in foreign currency, resulting from $41.4 million in foreign currency losses during the third quarter of 2022, compared to $11.5 million in foreign currency losses during the third quarter of 2021, primarily driven by the net unfavorable impact of foreign currency fluctuations on certain U.S. Dollar denominated intercompany payables, particularly, the strengthening of the U.S. Dollar against the South African Rand, Australian Dollar, British Pound and Euro; and
- a $6.2 million net increase in other miscellaneous expenses, net, in the nine months ended September 30, 2022, compared to the prior year period, primarily due to commitment fees in connection with refinancing transactions and the pension cost.

with the foregoing partially offset by:

- $37.6 million decrease in SG&A expenses in the nine months ended September 30, 2022, compared to the prior year period, primarily driven by lower brand support expenses, favorable foreign currency impacts, lower permanent displays costs and marginally lower royalty expenses, partially offset by higher general and administrative expenses;
- a $18.5 million decrease in restructuring charges, primarily related to lower expenditures under RGGA in the nine months ended September 30, 2022, compared to the nine months ended September 30, 2021;
- a $11.7 million decrease in the provision for income taxes in the nine months ended September 30, 2022, compared to the prior year period, primarily due to: the geographical mix of earnings and net change of valuation allowance on its net deferred tax assets for certain jurisdictions;
- a $9.8 million decrease in amortization of debt issuance costs in the nine months ended September 30, 2022, compared to the prior year period, primarily due to the write off of debt issuance costs on debt subject to compromise to reorganization items, net subsequent to the Chapter 11 filing, in accordance with ASC 852;
- a $8.1 million decrease in interest expense in the nine months ended September 30, 2022, compared to the prior year period, driven by contractual interest stayed on certain pre-petition debt reclassified to LSTC, partially offset by interest expense from DIP facilities; and
- $1.1 million of lower acquisition, integration and divestiture costs in the nine months ended September 30, 2022, compared to the prior year period, primarily driven by higher amortization of the cash-based awards under the Revlon 2019 TIP in the prior year period.

Operating Segments

The Company operates in four reporting segments: Revlon, Elizabeth Arden, Portfolio and Fragrances.

For additional information regarding the Company's Operating Segments, see Note 14, "Segment Data" to the Company's Unaudited Consolidated Financial Statements in this Quarterly Report on Form 10-Q.

(all tabular amounts in millions, except share and per share amounts)

Results of Operations — Revlon, Inc.

Segment Results:

The Company's management evaluates segment profit for each of the Company's reportable segments. The Company allocates corporate expenses to each reportable segment to arrive at segment profit, as these expenses are included in the internal measure of segment operating performance. The Company defines segment profit as income from continuing operations before interest, taxes, depreciation, amortization, stock-based compensation expense, gains/losses on foreign currency fluctuations, gains/losses on the early extinguishment of debt, miscellaneous expenses and reorganization items, net. Segment profit also excludes the impact of certain items that are not directly attributable to the segments' underlying operating performance. The Company does not have any material inter-segment sales. For a reconciliation of segment profit to loss from continuing operations before income taxes, see Note 14, "Segment Data and Related Information," to the Company's Unaudited Consolidated Financial Statements in this Form 10-Q.

The following tables provide a comparative summary of the Company's segment results for the periods presented.

	Net Sales						Segment Profit					
	Three Months Ended September 30,		Change		XFX Change (a)		Three Months Ended September 30,		Change		XFX Change (a)	
	2022	2021	$	%	$	%	2022	2021	$	%	$	%
Revlon	$ 176.6	$ 173.0	$ 3.6	2.1 %	$ 14.0	8.1 %	$ 13.8	$ 16.1	$ (2.3)	(14.3)%	$ (0.7)	(4.3)%
Elizabeth Arden	120.7	122.8	(2.1)	(1.7)%	5.9	4.8 %	16.0	21.3	(5.3)	(24.9)%	(3.5)	(16.4)%
Portfolio	83.0	112.7	(29.7)	(26.4)%	(25.3)	(22.4)%	3.5	22.1	(18.6)	(84.2)%	(18.4)	(83.3)%
Fragrances	88.1	112.6	(24.5)	(21.8)%	(21.5)	(19.1)%	17.0	22.9	(5.9)	(25.8)%	(5.3)	(23.1)%
Total	$ 468.4	$ 521.1	$ (52.7)	(10.1)%	$ (26.9)	(5.2)%	$ 50.3	$ 82.4	$ (32.1)	(39.0)%	$ (27.9)	(33.9)%

	Net Sales						Segment Profit					
	Nine Months Ended September 30,		Change		XFX Change [(a)]		Nine Months Ended September 30,		Change		XFX Change [(a)]	
	2022	2021	$	%	$	%	2022	2021	$	%	$	%
Revlon	$ 544.9	$ 521.8	$ 23.1	4.4 %	$ 46.6	8.9 %	$ 62.1	$ 45.3	$ 16.8	37.1 %	$ 20.5	45.3 %
Elizabeth Arden	347.7	359.7	(12.0)	(3.3)%	2.9	0.8 %	39.9	42.1	(2.2)	(5.2)%	1.2	2.9 %
Portfolio	268.4	307.4	(39.0)	(12.7)%	(29.5)	(9.6)%	25.7	46.3	(20.6)	(44.5)%	(19.7)	(42.5)%
Fragrances	229.6	274.6	(45.0)	(16.4)%	(38.7)	(14.1)%	32.8	50.8	(18.0)	(35.4)%	(16.9)	(33.3)%
Total	$ 1,390.6	$ 1,463.5	$ (72.9)	(5.0)%	$ (18.7)	(1.3)%	$ 160.5	$ 184.5	$ (24.0)	(13.0)%	$ (14.9)	(8.1)%

[(a)] XFX excludes the impact of foreign currency fluctuations.

Revlon Segment

Third quarter results:

Revlon segment net sales in the three months ended September 30, 2022 were $176.6 million, a $3.6 million, or 2.1%, increase, compared to $173.0 million in the three months ended September 30, 2021. Excluding the $10.4 million unfavorable FX impact, total Revlon segment net sales in the three months ended September 30, 2022 increased by $14.0 million, or 8.1%, compared to the three months ended September 30, 2021. The Revlon segment XFX increase in net sales of $14.0 million in the three months ended September 30, 2022 was driven primarily by higher net sales of Revlon color cosmetics, both in North America and in International regions, higher net sales of **Revlon**-branded professional hair care products in International regions and, to a lesser extent, higher net sales of **Revlon ColorSilk,** partially offset by lower net sales in North America of **Revlon**-branded beauty tools.

Revlon segment profit in the three months ended September 30, 2022 was $13.8 million, a $2.3 million, or 14.3%, decrease, compared to $16.1 million in the three months ended September 30, 2021. Excluding the $1.7 million unfavorable FX impact, Revlon segment profit in the three months ended September 30, 2022 decreased by $0.7 million, or 4.3%, compared to the three months ended September 30, 2021. This decrease was driven primarily by the Revlon segment's higher departmental expenses and higher brand support expenses, partially offset by higher XFX net sales, as described above, and marginally higher gross profit margin.

Year-to-date results:

Revlon segment net sales in the nine months ended September 30, 2022 were $544.9 million, a $23.1 million, or 4.4%, increase, compared to $521.8 million in the nine months ended September 30, 2021. Excluding the $23.5 million unfavorable FX impact, total Revlon segment net sales in the nine months ended September 30, 2022 increased by $46.6 million, or 8.9%, compared to the nine months ended September 30, 2021. The Revlon segment's XFX increase in net sales of $46.6 million in the nine months ended September 30, 2022 was driven primarily by higher net sales of **Revlon** color cosmetics in both North America and the International regions, higher net sales of **Revlon**-branded professional hair care products in International regions and, to a lesser extent, and higher net sales of **Revlon ColorSilk** in North America and International Regions.

Revlon segment profit in the nine months ended September 30, 2022 was $62.1 million, a $16.8 million, or 37.1%, increase, compared to $45.3 million in the nine months ended September 30, 2021. Excluding the $3.8 million unfavorable FX impact, Revlon segment profit in the nine months ended September 30, 2022 increased by $20.5 million, or 45.3%, compared to the nine months ended September 30, 2021. This increase was driven primarily by the Revlon segment's higher net sales and lower brand support expenses, partially offset by higher other SG&A expenses and lower gross profit margin.

Elizabeth Arden Segment

Third quarter results:

Elizabeth Arden segment net sales in the third quarter of 2022 were $120.7 million, a $2.1 million, or 1.7%, decrease, compared to $122.8 million in the third quarter of 2021. Excluding the $8.0 million unfavorable FX impact, Elizabeth Arden segment net sales in the third quarter of 2022 increased by $5.9 million, or 4.8%, compared to the third quarter of 2021. The Elizabeth Arden segment XFX increase in net sales of $5.9 million in the third quarter of 2022 was driven primarily by higher net sales of **Elizabeth Arden**-branded fragrances in the International regions and, to the lesser extent, higher net sales of **Elizabeth Arden**-branded skin care products**.**

Elizabeth Arden segment profit in the third quarter of 2022 was $16.0 million, a $5.3 million, or 24.9% decrease, compared to $21.3 million in the third quarter of 2021. Excluding the $1.8 million unfavorable FX impact, Elizabeth Arden segment profit in the third quarter of 2022 decreased by $3.5 million, or 16.4%, compared to the third quarter of 2021. This decrease was driven primarily by the Elizabeth Arden segment's higher departmental expenses, higher brand support expenses, and lower gross profit margin, partially offset by higher net sales.

Year-to-date results:

Elizabeth Arden segment net sales in the nine months ended September 30, 2022 were $347.7 million, a $12.0 million, or 3.3%, decrease, compared to $359.7 million in the nine months ended September 30, 2021. Excluding the $14.9 million unfavorable FX impact, Elizabeth Arden segment net sales in the nine months ended September 30, 2022 increased by $2.9 million, or 0.8%, compared to the nine months ended September 30, 2021. The Elizabeth Arden segment XFX increase in net sales of $2.9 million in the nine months ended September 30, 2022 was driven primarily by higher net sales of **Elizabeth Arden**-branded skin care products and fragrances in the International regions. This increase was due, primarily, to the increase in travel retail sales in International regions, particularly in Asia, partially offset by the global supply chain disruptions.

Elizabeth Arden segment profit in the nine months ended September 30, 2022 was $39.9 million, a $2.2 million, or 5.2%, decrease, compared to $42.1 million in the nine months ended September 30, 2021. Excluding the $3.4 million unfavorable FX impact, Elizabeth Arden segment profit in the nine months ended September 30, 2022 increased by $1.2 million, or 2.9%, compared to the nine months ended September 30, 2021. This increase was driven primarily by the Elizabeth Arden segment's higher net sales and lower brand support expenses, partially offset by lower gross profit margin and higher departmental expenses.

Portfolio Segment

Third quarter results:

Portfolio segment net sales in the third quarter of 2022 were $83.0 million, a $29.7 million, or 26.4%, decrease, compared to $112.7 million in the third quarter of 2021. Excluding the $4.4 million unfavorable FX impact, total Portfolio segment net sales in the third quarter of 2022 decreased by $25.3 million, or 22.4%, compared to the third quarter of 2021. The Portfolio segment XFX decrease in net sales of $25.3 million in the third quarter of 2022 was driven primarily by lower net sales of **Creme of Nature** products, **Mitchum,** anti-perspirant deodorants, **CND** nail products and **Sinful Colors** color cosmetics, primarily in North America, and lower net sales of **American Crew** men's grooming products in North America and the International regions. The decrease was primarily due to the global supply chain disruptions.

Portfolio segment profit in the third quarter of 2022 was $3.5 million, a $18.6 million, or 84.2%, decrease, compared to $22.1 million in the third quarter of 2021. Excluding the $0.2 million unfavorable FX impact, Portfolio segment profit in the three months ended September 30, 2022 decreased by $18.4 million, or 83.3%, compared to the third quarter of 2021. This decrease was driven primarily by the Portfolio segment's lower net sales and lower gross profit margin partially offset by lower brand support expenses and lower SG&A expenses.

Year-to-date results:

Portfolio segment net sales in the nine months ended September 30, 2022 were $268.4 million, a $39.0 million, or 12.7%, decrease, compared to $307.4 million in the nine months ended September 30, 2021. Excluding the $9.5 million unfavorable FX impact, total Portfolio segment net sales in the nine months ended September 30, 2022 decreased by $29.5 million, or 9.6%, compared to the nine months ended September 30, 2021. The Portfolio segment XFX decrease in net sales of $29.5 million in the nine months ended September 30, 2022 was driven primarily by lower net sales of **Creme of Nature** products, **CND** nail products, **Sinful Colors** color cosmetics **Mitchum** anti-perspirant deodorants and lower net sales of **American Crew** men's grooming products in North America and the International regions, partially offset by higher net sales of **Cutex** nail care products both in North American and the International regions, higher net sales of **Revlon Contract Services** in North America and higher net sales of **Mitchum** anti-perspirant deodorants, **Creme of Nature** products and **CND** nail products in the International regions. The decrease was primarily due to the global supply chain disruptions.

Portfolio segment profit in the nine months ended September 30, 2022 was $25.7 million, a $20.6 million, or 44.5%, decrease compared to $46.3 million in the nine months ended September 30, 2021. Excluding the $0.9 million unfavorable FX impact, Portfolio segment profit in the nine months ended September 30, 2022 decreased by $19.7 million, or 42.5%, compared to the nine months ended September 30, 2021. This decrease was driven primarily by the Portfolio segment's lower net sales and gross profit margin, partially offset by lower brand support and departmental expenses.

Fragrances Segment

Third quarter results:

Fragrances segment net sales in the third quarter of 2022 were $88.1 million, a $24.5 million, or 21.8%, decrease, compared to $112.6 million in the third quarter of 2021. Excluding the $3.0 million unfavorable FX impact, total Fragrances segment net sales in the third quarter of 2022 decreased by $21.5 million, or 19.1%, compared to the third quarter of 2021. The Fragrances segment XFX decrease in net sales of $21.5 million in the third quarter of 2022 was driven primarily by lower net sales of licensed and distributed fragrances and other fragrances in North America and lower net sales of licensed fragrances in the International regions. This decrease was driven primarily due to global supply chain disruptions.

Fragrances segment profit in the third quarter of 2022 was $17.0 million, a $5.9 million, or 25.8%, decrease, compared to $22.9 million in the third quarter of 2021. Excluding the $0.6 million unfavorable FX impact, Fragrances segment profit in the third quarter of 2022 decreased by $5.3 million, or 23.1%, compared to the third quarter of 2021. This decrease was driven primarily by the Fragrances segment's lower net sales, as described above, and lower gross profit margin, partially offset by lower brand support expenses.

Year-to-date results:

Fragrances segment net sales in the nine months ended September 30, 2022 were $229.6 million, a $45.0 million, or 16.4%, decrease, compared to $274.6 million in the nine months ended September 30, 2021. Excluding the $6.3 million unfavorable FX impact, total Fragrances segment net sales in the nine months ended September 30, 2022 decreased by $38.7 million, or 14.1%, compared to the nine months ended September 30, 2021. The Fragrances segment XFX decrease in net sales of $38.7 million in the nine months ended September 30, 2022 was driven primarily by lower net sales of other distribution fragrances, to a lesser extent, lower net sales of licensed and other fragrances in North America, and lower net sales of **Revlon**-branded fragrances in the International regions, primarily due to global supply chain disruptions. This decrease was partially offset by higher net sales of licensed fragrances in the International regions.

Fragrances segment profit in the nine months ended September 30, 2022 was $32.8 million, a $18.0 million, or 35.4%, decrease, compared to $50.8 million in the nine months ended September 30, 2021. Excluding the $1.1 million unfavorable FX impact, Fragrances segment profit in the nine months ended September 30, 2022 decreased by $16.9 million, or 33.3%, compared to the nine months ended September 30, 2021. This decrease was driven primarily by the Fragrances segment's lower net sales, as described above, and lower gross profit margin partially offset by lower brand support expenses.

(all tabular amounts in millions, except share and per share amounts)

Geographic Results:

The following tables provide a comparative summary of the Company's North America and International net sales for the periods presented:

	Three Months Ended September 30,		Change		XFX Change [a]	
	2022	2021	$	%	$	%
Revlon						
North America	$ 90.9	$ 88.4	$ 2.5	2.8 %	$ 3.0	3.4 %
International	85.7	84.6	1.1	1.3 %	11.0	13.0 %
Elizabeth Arden						
North America	$ 24.1	$ 32.3	$ (8.2)	(25.4)%	$ (7.9)	(24.5)%
International	96.6	90.5	6.1	6.7 %	13.8	15.2 %
Portfolio						
North America	$ 51.0	$ 75.2	$ (24.2)	(32.2)%	$ (24.3)	(32.3)%
International	32.0	37.5	(5.5)	(14.7)%	(1.0)	(2.7)%
Fragrance						
North America	$ 58.3	$ 81.5	$ (23.2)	(28.5)%	$ (23.1)	(28.3)%
International	29.8	31.1	(1.3)	(4.2)%	1.6	5.1 %
Total Net Sales	$ 468.4	$ 521.1	$ (52.7)	(10.1)%	$ (26.9)	(5.2)%

	Nine Months Ended September 30,		Change		XFX Change [a]	
	2022	2021	$	%	$	%
Revlon						
North America	$ 293.5	$ 270.9	$ 22.6	8.3 %	$ 23.2	8.6 %
International	251.4	250.9	0.5	0.2 %	23.4	9.3 %
Elizabeth Arden						
North America	$ 64.5	$ 80.9	$ (16.4)	(20.3)%	$ (16.0)	(19.8)%
International	283.2	278.8	4.4	1.6 %	18.9	6.8 %
Portfolio						
North America	$ 169.7	$ 201.9	$ (32.2)	(15.9)%	$ (32.2)	(15.9)%
International	98.7	105.5	(6.8)	(6.4)%	2.7	2.6 %
Fragrances						
North America	$ 141.9	$ 193.8	$ (51.9)	(26.8)%	$ (51.7)	(26.7)%
International	87.7	80.8	6.9	8.5 %	13.0	16.1 %
Total Net Sales	$ 1,390.6	$ 1,463.5	$ (72.9)	(5.0)%	$ (18.7)	(1.3)%

[a] XFX excludes the impact of foreign currency fluctuations.

<u>Revlon Segment</u>

Third quarter results:

<u>North America</u>

In North America, Revlon segment net sales in the third quarter of 2022 increased by $2.5 million, or 2.8%, to $90.9 million, compared to $88.4 million in the third quarter of 2021. Excluding the $0.5 million unfavorable FX impact, Revlon segment net sales in North America in the third quarter of 2022 increased by $3.0 million, or 3.4%, compared to the third quarter of 2021. The Revlon segment's $3.0 million XFX increase in North America net sales in the third quarter of 2022 was driven by higher net sales of **Revlon** color cosmetics and, to a lesser extent, higher net sales of **Revlon ColorSilk**, partially offset by lower net sales of **Revlon**-branded beauty tools.

International

Internationally, Revlon segment net sales in the third quarter of 2022 increased by $1.1 million, or 1.3%, to $85.7 million, compared to $84.6 million in the third quarter of 2021. Excluding the $9.9 million unfavorable FX impact, Revlon segment International net sales in the third quarter of 2022 increased by $11.0 million, or 13.0%, compared to the third quarter of 2021. The Revlon segment's $11.0 million XFX increase in International net sales in the third quarter of 2022 was driven primarily by the Revlon segment's higher net sales of **Revlon** color cosmetics in the Latin America and Asia regions and **Revlon**-branded professional hair care products, primarily in the EMEA region.

Year-to-date results:

North America

In North America, Revlon segment net sales in the nine months ended September 30, 2022 increased by $22.6 million, or 8.3%, to $293.5 million, compared to $270.9 million in the nine months ended September 30, 2021. Excluding the $0.6 million unfavorable FX impact, Revlon segment net sales in North America in the nine months ended September 30, 2022 increased by $23.2 million, or 8.6%, compared to the nine months ended September 30, 2021. The Revlon segment's $23.2 million XFX increase in North America net sales in the nine months ended September 30, 2022 was primarily due to the Revlon segment's higher net sales of **Revlon** color cosmetics and, to a lesser extent, higher net sales of **Revlon ColorSilk,** partially offset by lower net sales of **Revlon**-branded beauty tools and **Revlon**-branded hair care products.

International

Internationally, Revlon segment net sales in the nine months ended September 30, 2022 increased by $0.5 million, or 0.2%, to $251.4 million, compared to $250.9 million in the nine months ended September 30, 2021. Excluding the $22.9 million unfavorable FX impact, Revlon segment International net sales in the nine months ended September 30, 2022 increased by $23.4 million, or 9.3%, compared to the nine months ended September 30, 2021. The Revlon segment's $23.4 million XFX increase in International net sales in the nine months ended September 30, 2022 was driven primarily by the Revlon segment's higher net sales of **Revlon**-branded professional hair care products, primarily in the EMEA region, and, to a lesser extent, and higher net sales of **Revlon** color cosmetics in the EMEA and Latin America regions, and to a lesser extent, higher net sales of the **Revlon ColorSilk** and licensed fragrances**.**

Elizabeth Arden Segment

Third quarter results:

North America

In North America, Elizabeth Arden segment net sales in the third quarter of 2022 decreased by $8.2 million, or 25.4%, to $24.1 million, compared to $32.3 million in the third quarter of 2021. Excluding the $0.3 million unfavorable FX impact, Elizabeth Arden net sales in North America in the third quarter of 2022 decreased by $7.9 million, or 24.5%, compared to the third quarter of 2021. The Elizabeth Arden segment's $7.9 million XFX decrease in North America net sales in the third quarter of 2022 was driven primarily by the Elizabeth Arden segment's lower net sales of **Elizabeth Arden**-branded skin care products**.**

International

Internationally, Elizabeth Arden segment net sales in the third quarter of 2022 increased by $6.1 million, or 6.7%, to $96.6 million, compared to $90.5 million in the third quarter of 2021. Excluding the $7.7 million unfavorable FX impact, Elizabeth Arden segment International net sales in the third quarter of 2022 increased by $13.8 million, or 15.2%, compared to the third quarter of 2021. The Elizabeth Arden segment's $13.8 million XFX increase in International net sales in the third quarter 2022 was driven primarily by higher net sales of **Elizabeth Arden**-branded skin care products, primarily in the Asia region and higher net sales of **Elizabeth Arden**-branded fragrances primarily in the EMEA and Asia regions.

Year-to-date results:

North America

In North America, Elizabeth Arden segment net sales in the nine months ended September 30, 2022 decreased by $16.4 million, or 20.3%, to $64.5 million, compared to $80.9 million in the nine months ended September 30, 2021. Excluding the $0.4 million unfavorable FX impact, Elizabeth Arden segment net sales in North America in the nine months ended September 30, 2022 decreased by $16.0 million, or 19.8%, compared to the nine months ended September 30, 2021. The Elizabeth Arden segment's $16.0 million XFX decrease in North America net sales in the nine months ended September 30, 2022 was driven primarily by the Elizabeth Arden segment's lower net sales of **Elizabeth Arden**-branded skin care products and, to a lesser extent, lower net sales of **Elizabeth Arden**-branded fragrances.

International

Internationally, Elizabeth Arden segment net sales in the nine months ended September 30, 2022 increased by $4.4 million, or 1.6%, to $283.2 million, compared to $278.8 million in the nine months ended September 30, 2021. Excluding the $14.5 million unfavorable FX impact, Elizabeth Arden segment International net sales in the nine months ended September 30, 2022 increased by $18.9 million, or 6.8%, compared to the nine months ended September 30, 2021. The Elizabeth Arden segment's $18.9 million XFX increase in International net sales in the nine months ended September 30, 2022 was driven primarily by higher net sales of both **Elizabeth Arden**-branded fragrances and skin care products**.**

Portfolio Segment

Third quarter results:

North America

In North America, Portfolio segment net sales in the third quarter of 2022 decreased by $24.2 million, or 32.2%, to $51.0 million, compared to $75.2 million in the third quarter of 2021. Excluding the $0.1 million unfavorable FX impact, Portfolio segment North America net sales in the third quarter of 2022 decreased by $24.3 million, or 32.3%, compared to the third quarter third quarter of 2021. The Portfolio segment's $24.3 million XFX decrease in North America net sales in the third quarter of 2022 was driven primarily by the Portfolio segment's lower net sales of **Creme of Nature** products, **American Crew** men's grooming products, **CND** nail products and **Mitchum** anti-perspirant deodorants and, to a lesser extent, lower net sales of **Sinful Colors color cosmetics,** primarily due to the global supply chain disruptions.

International

Internationally, Portfolio segment net sales in the third quarter of 2022 decreased by $5.5 million, or 14.7%, to $32.0 million, compared to $37.5 million in the third quarter of 2021. Excluding the $4.5 million unfavorable FX impact, Portfolio segment International net sales decreased by $1.0 million, or 2.7%, in the third quarter of 2022, compared to the third quarter of 2021. The Portfolio segment's $1.0 million XFX decrease in International net sales in the third quarter of 2022 was driven primarily by lower net sales of **American Crew** men's grooming products, primarily in the EMEA region.

Year-to-date results:

North America

In North America, Portfolio segment net sales in the nine months ended September 30, 2022 decreased by $32.2 million, or 15.9%, to $169.7 million, as compared to $201.9 million in the nine months ended September 30, 2021. Excluding the $0.0 million favorable FX impact, Portfolio segment net sales in North America in the nine months ended September 30, 2022 decreased by $32.2 million, or 15.9%, compared to the nine months ended September 30, 2021. The Portfolio segment's $32.2 million XFX decrease in North America net sales in the nine months ended September 30, 2022 was driven primarily by the Portfolio segment's lower net sales of **Creme of Nature** products **Mitchum** anti-perspirant deodorants, **CND** nail products, **American Crew** men's grooming products, **Sinful Colors** color cosmetics and to a lesser extent, **Lotta Body** and **Roux** products. This decrease was partially offset by higher net sales of **Revlon** contract services and **Cutex** nail care products.

International

Internationally, Portfolio segment net sales in the nine months ended September 30, 2022 decreased by $6.8 million, or 6.4%, to $98.7 million, compared to $105.5 million in the nine months ended September 30, 2021. Excluding the $9.5 million unfavorable FX impact, Portfolio segment International net sales increased by $2.7 million, or 2.6%, in the nine months ended September 30, 2022, compared to the nine months ended September 30, 2021. The Portfolio segment's $2.7 million XFX increase in International net sales in the nine months ended September 30, 2022 was driven primarily by the Portfolio segment's higher net sales of **Mitchum** anti-perspirant deodorants and, to a lesser extent, higher net sales of **Cutex** nail care products and **Creme of Nature** products. This increase was partially offset by lower net sales of **Orofluido** products and **American Crew** men's grooming products.

Fragrances Segment

Third quarter results:

North America

In North America, Fragrances segment net sales in the third quarter of 2022 decreased by $23.2 million, or 28.5%, to $58.3 million, as compared to $81.5 million in the third quarter of 2021. Excluding the $0.1 million unfavorable FX impact, Fragrances segment net sales in North America decreased by $23.1 million, or 28.3%, in the third quarter of 2022, compared to the third quarter of 2021. The Fragrances segment's $23.1 million XFX decrease in North America net sales in the third quarter of 2022 was driven primarily by lower net sales of other distributed fragrances and licensed fragrances primarily due to the global supply chain disruptions.

International

Internationally, Fragrances segment net sales in the third quarter of 2022 decreased by $1.3 million, or 4.2%, to $29.8 million, compared to $31.1 million in the third quarter of 2021. Excluding the $2.9 million unfavorable FX impact, Fragrances segment International net sales increased by $1.6 million, or 5.1%, in the third quarter of 2022, compared to the third quarter of 2021. The Fragrances segment's $1.6 million XFX increase in International net sales during the third quarter of 2022 was due to higher net sales of licensed fragrances, primarily in the EMEA region.

Year-to-date results:

North America

In North America, Fragrances segment net sales in the nine months ended September 30, 2022 decreased by $51.9 million, or 26.8%, to $141.9 million, as compared to $193.8 million in the nine months ended September 30, 2021. Excluding the $0.2 million unfavorable FX impact, Fragrances segment net sales in North America decreased by $51.7 million, or 26.7%, in the nine months ended September 30, 2022, compared to the nine months ended September 30, 2021. The Fragrances segment's $51.7 million XFX decrease in North America net sales in the nine months ended September 30, 2022 was driven primarily by lower net sales of other distributed fragrances and licensed fragrances primarily due to the global supply chain disruptions.

International

Internationally, Fragrances segment net sales in the nine months ended September 30, 2022 increased by $6.9 million, or 8.5%, to $87.7 million, compared to $80.8 million in the nine months ended September 30, 2021. Excluding the $6.1 million unfavorable FX impact, Fragrances segment International net sales increased by $13.0 million, or 16.1%, in the nine months ended September 30, 2022, compared to the nine months ended September 30, 2021. The Fragrances segment's $13.0 million XFX increase in International net sales in the nine months ended September 30, 2022 was driven primarily by higher net sales of licensed fragrances**,** primarily in the EMEA region and Asia, partially offset by lower net sales of **Revlon**-branded fragrances.

(all tabular amounts in millions, except share and per share amounts)

Gross profit:

The table below shows the Company's gross profit and gross margin for the periods presented:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2022	2021	Change	2022	2021	Change
Gross profit	$ 260.9	$ 299.9	$ (39.0)	$ 794.8	$ 854.8	$ (60.0)
Percentage of net sales	55.7 %	*57.6 %*	*(1.9)%*	*57.2 %*	*58.4 %*	*(1.2)%*

Third quarter results:

Gross profit decreased by $39.0 million in the third quarter of 2022, as compared to the third quarter of 2021. Gross profit as a percentage of net sales (i.e., gross margin) in the third quarter of 2022 decreased by 1.9% percentage points, as compared to the third quarter of 2021. The decrease in gross margin in the third quarter of 2022, as compared to the prior year period, was impacted primarily by lower net sales, lower gross profit margin, higher direct material cost, and unfavorable foreign currency impacts.

Year-to-date results:

Gross profit decreased by $60.0 million in the nine months ended September 30, 2022, as compared to the third quarter of 2021. Gross profit as a percentage of net sales (i.e., gross margin) in the nine months ended September 30, 2022 decreased by 1.2% percentage points, as compared to the nine months ended September 30, 2021. The decrease in gross margin in the nine months ended September 30, 2022, as compared to the nine months ended September 30, 2021, was impacted primarily by higher sales incentives, allowances and returns, higher direct material cost and unfavorable foreign currency impacts, partially offset by favorable product mix.

SG&A expenses:

The table below shows the Company's SG&A expenses for the periods presented:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2022	2021	Change	2022	2021	Change
SG&A expenses	$ 248.5	$ 256.1	$ (7.6)	$ 758.4	$ 796.0	$ (37.6)

Third quarter results:

SG&A expenses decreased by $7.6 million in the third quarter of 2022, compared to the third quarter of 2021, driven primarily by:

- favorable FX impact of approximately $10.7 million; and
- lower royalty expenses of approximately $2.6 million;

with the foregoing partially offset by:

- higher general and administrative expenses of approximately $6.4 million, primarily driven by higher bonus accruals compared to prior year.

Year-to-date results:

SG&A expenses decreased by $37.6 million in the nine months ended September 30, 2022, compared to the nine months ended September 30, 2021, driven primarily by:

- lower brand support expenses of approximately $36 million, as investment is being prioritized to key brands;
- favorable FX impact of approximately $23.3 million;
- lower product display costs of approximately $8.9 million; and
- lower royalty expenses of approximately $4.6 million

with the foregoing partially offset by:

- higher general and administrative expenses of approximately $14.2 million, primarily driven by higher professional and legal fees in preparation of the Chapter 11 filing, higher litigation fees and higher bonus accruals; and

(all tabular amounts in millions, except share and per share amounts)

- higher distribution expenses of approximately $5.6 million, driven primarily by higher costs.

Restructuring charges and other, net:

The table below shows the Company's restructuring charges and other, net for the periods presented:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2022	2021	Change	2022	2021	Change
Restructuring charges and other, net	$ (0.7)	$ 9.0	$ (9.7)	$ 4.3	$ 22.8	$ (18.5)

Third quarter results:

Restructuring charges and other, net, decreased $9.7 million during the third quarter of 2022, compared to the third quarter of 2021, primarily related to lower expenditures under RGGA in the third quarter of 2022.

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Year-to-date results:

Restructuring charges and other, net, decreased $18.5 million during the nine months ended September 30, 2022, compared to the nine months ended September 30, 2021, primarily due to lower expenditures under RGGA in the nine months ended September 30, 2022.

Revlon Global Growth Accelerator Program

On March 2, 2022, the Company announced that it is extending and expanding its existing Revlon Global Growth Accelerator ("RGGA") program through 2024. The extension and expansion will allow the Company to continue to focus on identifying and implementing new opportunities programmatically. The extension and expansion will provide an additional year to implement larger projects and help make up for supply chain headwinds and the extended COVID restrictions throughout the globe.

The major initiatives underlying the RGGA Program will remain and include:
- Strategic Growth: Boost organic sales growth behind our strategic pillars – brands, markets, and channels -- to deliver mid-single digit Compound Average Annual Growth Rate through 2024.
- Operating Efficiencies: Drive additional operational efficiencies and cost savings for margin improvement and to fuel investments in growth.
- Build Capabilities: Build capabilities and embed the Revlon culture of one vision, one team.

Under this extension and expansion, the Company expects to deliver an updated range of annualized cost reductions of approximately $325 million to $390 million from 2020 through the end of 2024. Approximately 50% of these annualized cost reductions were realized from the headcount reductions that occurred in 2020. The remaining cost reductions will be realized through reductions in SG&A expenses and cost of goods sold. The Company achieved $58 million of cost reductions during the nine months ended September 30, 2022, bringing the total cost reductions realized since the inception of the program to approximately $242 million and expects to achieve approximately $55 million to $65 million for the full year 2022, with the balance to be realized during 2023 and 2024.

In connection with implementing RGGA, the Company expects to recognize an updated cost range of approximately $193 million and $215 million of total pre-tax restructuring and related charges, consisting of employee-related costs, such as severance, pension and other termination costs, as well as related third party expenses. The Company also expects to incur approximately $20 million of additional capital expenditures. Under the RGGA program, the Company expects to incur pre-tax restructuring and related charges of approximately $15 million to $25 million during 2022 and the remainder during 2023 and 2024. The Company expects that substantially all of these restructuring and related charges will be paid in cash, with $101.7 million of the total charges paid as of September 30, 2022 and $6.4 million paid during the first nine months of 2022. Approximately $10 million to $15 million of the total charges are expected to be paid during the remainder of 2022, with the residual balance to be paid during 2023 and 2024.

In connection with RGGA, during the three months ended September 30, 2022, the Company recorded nil of total pre-tax restructuring and related charges (savings) consisting primarily of i) $(0.2) million of employee severance, other personnel benefits and other costs; and (ii) $0.2 million of lease and other restructuring-related charges that were recorded within SG&A

(all tabular amounts in millions, except share and per share amounts)

and cost of sales. During the nine months ended September 30, 2022, the Company recorded $8.1 million of total pre-tax restructuring and related charges consisting primarily of i) $4.8 million of employee severance, other personnel benefits and other costs; and (ii) $3.3 million of lease and other restructuring-related charges that were recorded within SG&A and cost of sales. Since its inception and through September 30, 2022, the Company recorded $110.0 million of total pre-tax restructuring and related charges consisting primarily of i) $81.4 million of employee severance, other personnel benefits and other costs; and (ii) $28.6 million of lease and other restructuring-related charges that were recorded within SG&A and cost of sales.

Since its inception in March 2020 and through September 30, 2022, approximately 965 positions have been eliminated worldwide under RGGA.

For further information on RGGA, see Note 2, "Restructuring Charges," to the Company's Unaudited Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q.

Interest expense:

The table below shows the Company's interest expense for the periods presented:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2022	2021	Change	2022	2021	Change
Interest expense	$ 56.2	$ 63.1	$ (6.9)	$ 175.8	$ 183.9	$ (8.1)

Third quarter results:

The $6.9 million decrease in interest expense in the third quarter of 2022, as compared to the third quarter of 2021, was primarily driven by contractual interest stayed on certain pre-petition debt reclassified to LSTC, partially offset by interest expense from DIP facilities.

Year-to-date results:

The $8.1 million decrease in interest expense during the nine months ended September 30, 2022, as compared to the nine months ended September 30, 2021, was primarily driven by contractual interest stayed on certain pre-petition debt reclassified to LSTC, partially offset by interest expense from DIP facilities.

Provision for (benefit from) income taxes:

The table below shows the Company's provision for (provision for) income taxes for the periods presented:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2022	2021	Change	2022	2021	Change
(Benefit from) provision for income taxes	$ 2.8	$ 5.4	$ (2.6)	$ 12.1	$ 23.8	$ (11.7)

Third quarter results:

The Company recorded a provision for income taxes of $2.8 million for the third quarter of 2022, compared to a provision for income taxes of $5.4 million for the third quarter of 2021. The $2.6 million decrease in the provision for income taxes for the second quarter of 2022, compared to the same quarter in 2021, was primarily due to the geographical level and mix of earnings and net change of valuation allowance on its net deferred tax assets for certain jurisdictions.

Year-to-date results:

The Company recorded a provision for income taxes of $12.1 million for the nine months ended September 30, 2022, compared to a provision for income taxes of $23.8 million for the nine months ended September 30, 2021. The $11.7 million decrease in the provision for income taxes for the nine months ended September 30, 2022, compared to same period in 2021, was primarily due to the geographical mix of earnings and net change of valuation allowance on its net deferred tax assets for certain jurisdictions.

(all tabular amounts in millions, except share and per share amounts)

The Company's effective tax rate for the three and nine months ended September 30, 2022 and September 30, 2021 was lower than the federal statutory rate of 21% primarily due to losses for which no tax benefit can be recognized, as well as state taxes for certain U.S. entities.

In assessing the recoverability of its deferred tax assets, the Company continually evaluates all available positive and negative evidence to assess the amount of deferred tax assets which are more likely than not to be realized. Deferred tax assets are reduced by a valuation allowance if some portion or all of the deferred tax assets will not be realized. A valuation allowance is a non-cash charge, and it in no way limits the Company's ability to utilize its deferred tax assets, including its ability to utilize tax loss and credit carryforward amounts.

For further information, see Note 12, "Income Taxes," to the Company's Unaudited Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q.

Results of Operations — Products Corporation

Products Corporation's Unaudited Consolidated Statements of Operations and Comprehensive Loss are essentially identical to Revlon, Inc.'s Unaudited Consolidated Statements of Operations and Comprehensive Loss, except for the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Net loss - Revlon, Inc.	$ (152.8)	$ (53.1)	$ (495.4)	$ (216.8)
Selling, general and administrative expenses	2.1	1.6	6.2	4.3
Miscellaneous, net	(2.0)	—	(5.4)	—
Provision for income taxes	—	(0.1)	—	(0.1)
Net loss - Products Corporation	$ (152.7)	$ (51.6)	$ (494.6)	$ (212.6)

Refer to Revlon’s “Management Discussion and Analysis of Financial Condition and Results of Operations” herein.

Financial Condition, Liquidity and Capital Resources

At September 30, 2022, the Company had a liquidity position of $273.4 million, consisting of: (i) $246.4 million of unrestricted cash and cash equivalents (with approximately $87.4 million held outside the U.S.); (ii) $29.6 million in available borrowing capacity under the Tranche A DIP ABL (as defined herein) (which had $41.8 million drawn at such date); and less (iii) approximately $2.6 million of outstanding checks.

Liquidity and Ability to Continue as a Going Concern

Each reporting period, the Company assesses its ability to continue as a going concern for one year from the date the financial statements are issued.

The Company's ability to continue as a going concern is contingent upon, among other things, its ability to, subject to the Bankruptcy Court's approval as applicable, (i) file and implement a business plan of reorganization in a timely manner and within the milestones that have been established under the DIP Facilities, including entering into a restructuring support agreement by November 15, 2022; filing a plan of reorganization by December 14, 2022; obtaining confirmation of the plan by April 1, 2023 and emerging from Chapter 11 by April 15, 2023 and (ii) generate sufficient liquidity during the Chapter 11 proceedings and following emergence from Chapter 11 to meet our contractual obligations and operating needs. As a result of risks and uncertainties related to, among other things, (i) the Company's ability to obtain requisite support for the business plan of reorganization from various stakeholders, and (ii) the disruptive effects of the Chapter 11 proceedings on our business and liquidity making it potentially more difficult to maintain business, financing and operational relationships, substantial doubt exists regarding our ability to continue as a going concern within one year after the date that the financial statements are issued.

The filing of the Chapter 11 Cases constituted an event of default that accelerated substantially all of the Company's obligations under nearly all of its pre-petition debt instruments. As such, the Company reclassified all pre-petition debt obligations to liabilities subject to compromise on its condensed consolidated balance sheets as of September 30, 2022. For additional discussion regarding the impact of the Chapter 11 Cases on the Company's debt obligations, see Note 7. Debt.

The Company's condensed consolidated financial statements do not include any adjustments related to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might be necessary should we be unable to continue as a going concern.

The COVID-19 pandemic had a significant and adverse impact on the beauty industry and the Company’s business in 2020 and 2021, and the COVID-19 pandemic continues to impact the Company’s business in 2022. The COVID-19 pandemic has contributed to the imposition of face mask mandates, lockdowns and other significant restrictions in the United States and abroad from time to time; global supply chain disruptions, including manufacturing and transportation delays, due to closures, employee absences, port congestion, labor and container shortages, and shipment delays, increased transportation costs, and shortages in raw materials, tight labor markets and inflationary pressures for a number of industries, including consumer retail, and related consumer products shortages and price increases; closures, bankruptcies and/ or reduced operations of retailers, beauty salons, spas, offices and manufacturing facilities; labor shortages with employers in many industries, including consumer retail, experiencing increased competition to recruit, hire and retain employees; travel and transportation restrictions leading to declines in consumer traffic in key shopping and tourist areas around the globe; and import and export restrictions. With the roll out of COVID-19 vaccinations in 2021 and the easing of COVID-19 restrictions in the United States and in many of the Company’s key markets around the globe, the Company saw a gradual rebound in consumer spending and consumption in 2021, which has continued into 2022. The Company continues to closely monitor the associated impacts of COVID-19, including the impacts of any new variants of COVID-19 and subsequent “waves” of the pandemic, and will take appropriate actions in an effort to mitigate the COVID-19 pandemic’s negative effects on the Company’s operations and financial results.

The Company continues to focus on cost reduction and risk mitigation actions to address the ongoing impact from the COVID-19 pandemic as well as other macroeconomic headwinds, such as rising global inflation and a potential economic recession or contraction in the near future. The Company may generate additional liquidity through continued cost control initiatives as well as funds provided by selling certain assets or other strategic transactions, potentially subject to Bankruptcy Court approval. If sales decline, the Company's cost control initiatives may include reductions in discretionary spend and reductions in investments in capital and permanent displays.

Second Quarter of 2022 Financing Transactions

On June 17, 2022, all or certain of the Debtors entered into (i) a superpriority, senior secured and priming debtor-in-possession asset-based revolving credit facility (the "DIP ABL Facility"), evidenced by a term sheet, in the maximum aggregate principal amount of $400 million, with certain financial institutions party thereto as lenders and MidCap Funding IV Trust, as administrative agent and collateral agent, (ii) a superpriority, senior secured and priming debtor-in-possession term loan credit facility (the "DIP Term Loan Facility"), in the aggregate principal amount of $575 million, with certain financial institutions party thereto as lenders and Jefferies Finance, LLC, as administrative agent and collateral agent, and (iii) a superpriority junior secured debtor-in-possession intercompany credit facility (the "Intercompany DIP Facility" and, together with the DIP ABL Facility and the DIP Term Loan Facility, the "DIP Facilities") with the Debtors that are BrandCos (as defined in the BrandCo Credit Agreement, dated as of May 7, 2020 (as amended, modified or supplemented from time to time, the "BrandCo Credit Agreement"), by and among Products Corporation, the Company, the other loan parties and lenders party thereto and Jefferies Finance LLC, as administrative agent and each collateral agent) (the "BrandCos"). On June 17, 2022, the Bankruptcy Court approved the DIP Facilities on an interim basis pursuant to the Interim Order for the DIP Facilities (as defined herein) and the closing of these facilities occurred. On June 30, 2022, the Company and Products Corporation entered into that certain Super-Priority Senior Secured Debtor-in-Possession Asset-Based Credit Agreement (the "DIP ABL Credit Agreement"), by and among Products Corporation, as the Borrower, the Company, as Holdings, the lenders party thereto and MidCap Funding IV Trust, as Administrative Agent and Collateral Agent, which evidences the DIP ABL Facility and establishes certain additional terms and conditions that will govern the DIP ABL Facility. On August 2, 2022, the Bankruptcy Court approved the DIP Facilities on a final basis pursuant to the Final Order for the DIP Facilities (as defined herein). Borrowings of $575 million ($375 million was drawn on June 17, 2022 and $200 million was drawn on Aug 3, 2022) under the DIP Term Loan Facility and borrowings under the DIP ABL Facility are being used to, among other things, (i) refinance certain obligations under the Amended 2016 Revolving Credit Agreement and the 2021 Foreign Asset-Based Term Agreement and (y) for general corporate purposes.

The DIP ABL Facility, among other things, provides for (i) an asset-based revolving credit facility in the maximum aggregate amount of $270 million (the "Tranche A DIP ABL Facility"), the initial proceeds of which were used to refinance the
Tranche A Revolving Secured Obligations (as defined in the Amended 2016 Revolving Credit Agreement), and (ii) an asset-based term loan facility in the amount of $130 million (the "SISO DIP ABL Facility"), the proceeds of which were used to refinance the SISO Secured Obligations (as defined in the Amended 2016 Revolving Credit Agreement). The remaining proceeds of the DIP ABL Facility will be used for general corporate purposes of the Debtors, including to pay expenses in connection with the Cases, in accordance with the terms of the Final Order (as defined in the DIP ABL Credit Agreement). The borrowing base in respect of the Tranche A DIP ABL Facility is consistent with the borrowing base under the Amended 2016 Revolving Credit Agreement (without giving effect to the accommodation provided for in Amendment No. 9 thereto and subject to an availability reserve of $25 million and a carve-out reserve for certain professional fees) and is subject to certain customary reserves.

The maturity date of the DIP ABL Facility is the earliest of (i) June 17, 2023 (the "Stated Maturity Date"), with an option to extend to the earlier of 180 days after the Stated Maturity Date and the extended maturity date of the DIP Term Loan Facility following the exercise by Products Corporation of its option to extend the maturity date thereunder; (ii) August 2, 2022, if a final order approving the DIP ABL Facility has not been entered by the Court on or before such date; (iii) the effective date of any chapter 11 plan for the reorganization of any Debtor; (iv) the consummation of any sale or other disposition of all or substantially all of the assets of the Debtors pursuant to Bankruptcy Code §363; (v) the date of the acceleration of the DIP ABL Facility and termination of the corresponding commitments in accordance with the definitive documents governing the DIP ABL Facility; (vi) the date the Court orders the conversion of the Cases of any of the Debtors to a chapter 7 liquidation, (vii) the rejection or termination of the BrandCo License Agreements (as defined in the DIP ABL Credit Agreement) and (viii) the dismissal of the Cases of any Debtor without the consent of the holders of more than 50% of the loans and commitments under the Tranche A DIP ABL Facility. The outstanding principal of the DIP ABL Facility is due and payable in full on the maturity date.

The DIP ABL Facility is secured by a perfected (i) first priority priming security interest and lien on substantially all assets of the Debtors (other than the BrandCos and Beautyge I, an exempted company incorporated in the Cayman Islands ("Beautyge I")) constituting ABL Facility First Priority Collateral (as defined in the Amended 2016 Revolving Credit Agreement), (ii) junior priority priming security interest and lien on substantially all assets of the Debtors (other than the BrandCos and Beautyge I) constituting Term Facility First Priority Collateral (as defined in the Amended 2016 Revolving Credit Agreement), and (iii) security interests and liens on substantially all assets of the Debtors (other than the BrandCos and Beautyge I) that were not, on the Petition Date, subject to valid, unavoidable and perfected security interests and liens, pursuant to Bankruptcy Code §364(c)(2), with the following priority: if such collateral is of the same nature, scope and type as (a) ABL Facility First Priority Collateral, on a first priority basis, and (b) Term Facility First Priority Collateral, on a junior priority basis subject to the liens in favor of the DIP Term Loan Facility, the Intercompany DIP Facility and any adequate protection liens granted to certain of Products Corporation's secured creditors (the collateral for the DIP ABL Facility, the "Opco DIP Collateral"). The DIP ABL Facility is subject to certain customary and appropriate conditions for financings of similar type.

Loans under the Tranche A DIP ABL Facility bear interest at a rate equal to an adjusted base rate plus 2.50% per annum, and loans under the SISO DIP ABL Facility bear interest at a rate equal to an adjusted base rate plus 4.75% per annum. In addition, the DIP ABL Facility requires payment of the following fees: (i) a closing fee equal to 1.00% of the amount of the commitments in respect of the Tranche A DIP ABL Facility, which was payable upon the closing of the DIP ABL Facility on June 17, 2022; (ii) a collateral management fee equal to 1.00% per annum of the average daily amount of outstanding loans under the Tranche A DIP ABL Facility; (iii) a commitment fee equal to 0.50% per annum of the average daily amount of unused commitments under the Tranche A DIP ABL Facility; and (iv) an exit fee equal to 0.50% of the principal amount of the commitments in respect of the Tranche A DIP ABL Facility plus the aggregate principal amount of the SISO DIP ABL Facility, payable upon the termination of the DIP ABL Facility.

The DIP ABL Facility is subject to customary affirmative and negative covenants and events of default for postpetition financing of this type, including, without limitation, customary "milestones" for progress in the Cases (including, without limitation, the filing of a disclosure statement to solicit votes on a plan of reorganization and the entry of an order by the Court confirming such plan of reorganization), a covenant requiring Products Corporation to repay loans in the event that Products Corporation and its subsidiaries hold cash and cash equivalents in excess of a specified amount and a covenant requiring that actual receipts, disbursements and net cash flow do not deviate from the amounts set forth in the applicable budget of the Debtors by more than certain specified amounts.

The DIP Term Loan Facility, among other things, provides for a term loan facility in the maximum aggregate amount of $1,025 million, $575 million of which is committed and a portion of the proceeds of which were used to refinance obligations under the 2021 Foreign Asset-Based Term Agreement. The remainder of the proceeds will be used for general corporate purposes of the Debtors, including to pay expenses in connection with the Cases, in accordance with the terms of the Final Order for the DIP Facilities.

The maturity date of the DIP Term Loan Facility is the earliest of (i) June 17, 2023, with an option to extend by up to 180 days at the option of Products Corporation; (ii) August 2, 2022, if a final order approving the DIP Term Loan Facility has not been entered by the Court on or before such date; (iii) the effective date of any chapter 11 plan for the reorganization of any Debtor; (iv) the consummation of any sale or other disposition of all or substantially all of the assets of the Debtors pursuant to Bankruptcy Code §363; and (v) the date of acceleration or termination of the DIP Term Loan Facility in accordance with the definitive documents governing the DIP Term Loan Facility. The outstanding principal of the DIP Term Loan Facility is due and payable in full on the maturity date.

The DIP Term Loan Facility is secured by a perfected (i) first priority priming security interest and lien on the Term Facility First Priority Collateral, (ii) junior priority priming security interest and lien on the ABL Facility First Priority Collateral, (iii) a first priority security interest and lien on substantially all the assets of the BrandCos and Beautyge I, and (iv) security interests and liens on substantially all assets of the Debtors that were not, on the Petition Date, subject to valid, unavoidable and perfected security interests and liens, pursuant to Bankruptcy Code §364(c)(2), with the following priority: if such collateral is of the same nature, scope and type as (a) Term Facility First Priority Collateral, on a first priority basis, and (b) ABL Facility First Priority Collateral, on a junior priority priming basis subject to the liens in favor of the DIP ABL Facility and any adequate protection liens granted to certain of Products Corporation's secured creditors. In addition, the DIP Term Loan Facility is guaranteed by the obligors under, and secured by substantially the same assets that secured, the 2021 Foreign Asset-Based Term Facility. The DIP Term Loan Facility includes certain customary and appropriate conditions for financings of similar type.

Loans under the DIP Term Loan Facility bear interest at a rate equal to, at the option of Products Corporation, the secured overnight financing rate plus 7.75% per annum or an adjusted base rate plus 6.75% per annum. In addition, the DIP Term Loan Facility provides for the following discounts and premiums: (i) an upfront discount equal to 1.00% of the amount of each borrowing thereunder, payable at the time of such borrowing; (ii) a backstop premium equal to 1.50% of the total commitments under the DIP Term Loan Facility, which was payable upon the closing of the DIP Term Loan Facility on June 17, 2022; (iii) a maturity extension premium equal to 0.50% of the amounts of the loans and commitments outstanding at the time of such extension, payable in the event the maturity date of the DIP Term Loan Facility is extended as described above; and (iv) a repayment premium equal to 1.00% of the principal amount of any loans under the DIP Term Loan Facility that are repaid, payable at the time of such repayment.

The DIP Term Loan Facility is subject to customary affirmative and negative covenants and events of default for postpetition financings of this type, including, without limitation, customary "milestones" for progress in the Cases (including, without limitation, the filing of a disclosure statement to solicit votes on a plan of reorganization and the entry of an order by the Court confirming such plan of reorganization), a covenant to maintain minimum liquidity and a covenant requiring that actual receipts, disbursements and net cash flow do not deviate from the amounts set forth in the applicable budget of the Debtors by more than certain specified amounts.

Pursuant to the Intercompany DIP Facility, term loans are automatically deemed to be provided by the BrandCos to Products Corporation in the amount of, and in satisfaction of the obligation of Products Corporation to pay, amounts payable from time to time by Products Corporation to the BrandCos under the BrandCo License Agreements. The loans under the Intercompany DIP Facility are secured by a fully perfected security interest and lien on all of the Opco DIP Collateral, immediately junior to the liens and security interests on the Opco DIP Collateral securing the DIP Term Loan Facility. The loans under the Intercompany DIP Facility (i) bear interest at a rate equal to an adjusted base rate plus 6.75%, which interest is payable in kind, and (ii) mature on the maturity date of the DIP Term Loan Facility.

The foregoing description of the DIP Facilities does not purport to be complete and is qualified in its entirety by reference to (i) the Super-Priority Senior Secured Debtor-in-Possession Asset-Based Credit Agreement, dated as of June 30, 2022, by and among Revlon Consumer Products Corporation, a debtor and debtor-in-possession under chapter 11 of the Bankruptcy Code, as the Borrower, Revlon, Inc., a debtor and debtor-in-possession under chapter 11 of the Bankruptcy Code, as Holdings, the lenders party thereto and MidCap Funding IV Trust, as Administrative Agent and Collateral Agent, which was attached as an exhibit to the Company's and Products Corporation's Current Report on Form 8-K filed with the SEC on July 7, 2022, (ii) the Superpriority Senior Secured Debtor-in-Possession Credit Agreement, dated as of June 17, 2022, by and among Revlon Consumer Products Corporation, a debtor and debtor-in-possession under chapter 11 of the Bankruptcy Code, as the Borrower, Revlon, Inc., a debtor and debtor-in-possession under chapter 11 of the Bankruptcy Code, as Holdings, the lenders party thereto and Jefferies Finance LLC, as Administrative Agent and Collateral Agent, which was attached as an exhibit to the Company's and Products Corporation's Report on Form 8-K filed with the SEC on June 23, 2022 and (iii) the Interim Order (i) authorizing the debtors to (a) obtain postpetition financing and (b) use cash collateral, (ii) granting liens and providing superpriority administrative expense status, (iii) granting adequate protection to the prepetition secured parties, (iv) modifying the automatic stay, (v) scheduling a final hearing, and (vi) granting related relief (collectively clauses (iii)(i)-(vi), the "Interim Order for the DIP Facilities"), and (iv) the Final Order (i) authorizing the debtors to (a) obtain postpetition financing and (b) use cash collateral, (ii) granting liens and providing superpriority administrative expenses status, (iii) granting adequate protection to the prepetition secured parties, (iv) modifying the automatic stay, and (v) granting related relief (collectively clauses (iv)(i)-(vi), the "Final Order for the DIP Facilities").

The Company incurred approximately $2.0 million and $16.8 million of new debt issuance costs in connection with the DIP Facilities, which were expensed during the three and nine months-ended September 30, 2022, respectively, to "Reorganization items, net" on the Company's Consolidated Statement of Operations and Comprehensive Loss.

First Quarter of 2022 Financing Transactions

Amendment No. 9 to the Amended 2016 Revolving Credit Agreement: Tranche A - Revolving Credit Facility and Second-In, Second-Out ("SISO") Term Loan Facility

On March 31, 2022, Products Corporation entered into Amendment No. 9 ("Amendment No. 9) to the asset-based revolving credit agreement, dated as of September 7, 2016, by and among Products Corporation and certain of its subsidiaries, as borrowers, the Company, as holdings, the lenders party thereto and Citibank, N.A., as administrative agent and collateral agent (as amended, the "Amended 2016 Revolving Credit Agreement" and the credit facility thereunder, the "Amended 2016 Revolving Credit Facility").

Amendment No. 9, among other things, made certain changes to the calculation of the borrowing base. Amendment No. 9 had the effect of temporarily increasing the borrowing base under the Amended 2016 Revolving Credit Agreement by up to $25 million until the earlier of (i) September 29, 2022 and (ii) the occurrence of an event of default or payment default (the "Amendment No. 9 Accommodation Period"). During the Amendment No. 9 Accommodation Period, Amendment No. 9 also established a reserve against availability under the Amended 2016 Revolving Credit Agreement in the amount of $10 million until June 29, 2022 and $15 million thereafter. Products Corporation was required to pay customary fees in connection with Amendment No. 9.

The Company incurred approximately $1.8 million of new debt issuance costs in connection with Amendment No. 9 to the 2016 Revolving Credit Agreement and SISO Term Loan Facility, which were expensed during the second quarter to "Reorganization items, net" on the Company's Consolidated Statement of Operations and Comprehensive Loss. The temporary increase in advance rates put in place by Amendment No. 9 is not included in the DIP ABL Facility.

First Amendment to 2021 Foreign Asset-Based Term Agreement

On March 30, 2022, Revlon Finance LLC, a Delaware limited liability company and wholly-owned subsidiary of Revlon (the “FABTL Borrower”), entered into the First Amendment (the “First Amendment”) to the 2021 Foreign Asset-Based Term Agreement.

The First Amendment, among other things, made certain changes to the calculation of the borrowing base that had the effect of temporarily increasing the borrowing base for one year after the effective date of the First Amendment. Initially the increase in the borrowing base was estimated to be approximately $7 million. The FABTL Borrower was required to pay customary fees in connection with the First Amendment. A portion of the proceeds of the DIP Term Loan Facility was used to refinance the 2021 Foreign Asset-Based Term Facility.

Second Quarter of 2021 Financing Transactions

Amendment No. 8 to the Amended 2016 Revolving Credit Agreement: Tranche A - Revolving Credit Facility and Second-In, Second-Out Term Loan Facility

On May 7, 2021, Products Corporation entered into Amendment No. 8 to the Amended 2016 Revolving Credit Agreement (“Amendment No. 8”). Amendment No. 8, among other things, made certain amendments pursuant to which: (i) the maturity date applicable to the “Tranche A” revolving loans and SISO Term Loan Facility (as defined further below in this section
within "Amendment No. 7 to the Amended 2016 Revolving Credit Agreement: Tranche A - Revolving Credit Facility and SISO Term Loan Facility") was extended from June 8, 2023 to May 7, 2024, subject to a springing maturity to the earlier of: (x) 91 days prior to the maturity of the 2016 Term Loan Facility on September 7, 2023, to the extent such term loans are then outstanding, and (y) to the extent the Company’s first-in, last-out term loans (the “2020 ABL FILO Term Loans”) are then outstanding, the earliest stated maturity of the 2020 ABL FILO Term Loans; (ii) the commitments under the “Tranche A” revolving facility were reduced from $300 million to $270 million and under the SISO Term Loan Facility were upsized from $100 million to $130 million, (iii) the financial covenant was changed from (A)(x) a minimum excess availability requirement of $20 million when the fixed charge coverage ratio is greater than 1.00x or (y) a minimum excess availability requirement of $30 million when the fixed charge coverage ratio is less than 1.00x to (B) a springing minimum fixed charge coverage ratio of 1.00x when excess availability is less than $27.5 million, (iv) certain advance rates in respect of the borrowing base under the credit agreement were increased, and (v) the perpetual cash dominion requirement was replaced with a springing cash dominion requirement triggered only when excess availability is less than $45 million. In addition, Amendment No. 8 increased the interest rate margin applicable to the “Tranche A” revolving loans to 3.75% from a range of 2.50-3.00% and decreased the LIBOR “floor” applicable thereto from 1.75% to 0.50%.

On May 7, 2021, the Company also entered into a successor agent appointment and agency transfer agreement pursuant to which MidCap Funding IV Trust ("MidCap") succeeded Citibank, N.A. as the collateral agent and administrative agent for the Amended 2016 Revolving Credit Agreement. Products Corporation paid certain customary fees to MidCap and the lenders under the Amended 2016 Revolving Credit Facility in connection with Amendment No. 8.

Amendment No. 8 included an extinguishment, as defined by ASC 470, Debt, with the prior lenders under the Company's Tranche A Revolving Credit facility and the substitution of such lenders under the revolving credit facility with a new lender, MidCap, with which the Company had no prior loans outstanding. In connection with this transaction:

- Fees of $0.8 million paid to the old lenders that were extinguished under the Tranche A Revolving Credit facility were expensed within SG&A on the Company's Consolidated Statement of Operations and Comprehensive Loss for the year ended December 31, 2021;
- Deferred financing costs associated with the extinguished, old lenders prior to the effective date of Amendment No. 8, amounting to approximately $4.7 million, were expensed within "Amortization of debt issuance costs” on the Company's Consolidated Statement of Operations and Comprehensive Loss for the year ended December 31, 2021; and
- Fees of approximately $2.1 million paid to the new lender and third parties were recorded as deferred financing costs and are amortized in accordance with the straight-line method over the revised term of Tranche A through May 7, 2024.
- During the second quarter of 2022, the deferred financing costs were expensed to "Reorganization items, net" on the Company's Consolidated Statement of Operations and Comprehensive Loss in accordance with ASC 852.

The above-mentioned Amendment No. 8 also included an extinguishment and a modification of a term loan in connection with the existing SISO Term Loan Facility. More specifically, in accordance with ASC 470, Debt:

- Extinguishment accounting was applied to one existing prior lender, which was no longer involved with the SISO Term Loan Facility after Amendment No. 8. In connection with such extinguishment, deferred financing costs of approximately $1.4 million were expensed within "Amortization of debt issuance costs” on the Company's Consolidated Statement of Operations and Comprehensive Loss for the year ended December 31, 2021; and
- Modification accounting was applied to those exiting lenders for which the cash flow effect between the amount owed to them before and after the consummation of Amendment No. 8, on a present value basis, was less than 10% and, thus, the debt instruments were not considered to be substantially different. In connection with such modification, fees of approximately $0.9 million paid to the lenders were recorded as deferred financing costs and are amortized within "Amortization of debt issuance costs” (together with previously exiting deferred financing costs associated with these lenders of approximately $4.0 million), in accordance with the new effective interest rate computed over the revised term of the SISO Term Loan Facility. Additionally, approximately $0.4 million of fees paid to third parties were expensed within SG&A on the Company's Consolidated Statement of Operations and Comprehensive Loss for the year ended December 31, 2021.
- During the second quarter of 2022, the deferred financing costs were expensed to "Reorganization items, net" on the Company's Consolidated Statement of Operations and Comprehensive Loss in accordance with ASC 852.

First Quarter of 2021 Financing Transactions

Tranche A - Revolving Credit Facility and SISO Term Loan Facility

On March 8, 2021, Products Corporation entered into Amendment No. 7 to the Amended 2016 Revolving Credit Agreement (“Amendment No. 7”). Amendment No. 7, among other things, made certain amendments pursuant to which: (i) the maturity date applicable to the “Tranche A” revolving loans under the Amended 2016 Revolving Credit Agreement was extended from September 7, 2021 to June 8, 2023; (ii) the commitments under the “Tranche A” revolving facility were reduced from $400 million to $300 million; and (iii) a new $100 million senior secured second-in, second-out term loan facility maturing June 8, 2023 (the “SISO Term Loan Facility”) was established and Products Corporation borrowed $100 million of term loans thereunder. Except as to pricing, maturity, enforcement priority and certain voting rights, the terms of the SISO Term Loan Facility are substantially consistent with the first-in, last-out “Tranche B” term loan facility under the Amended 2016 Revolving Credit Agreement, including as to guarantees and collateral.

Term loans under the SISO Term Loan Facility accrue interest at the LIBOR rate, subject to a floor of 1.75%, plus a margin of 5.75%. In addition, Amendment No. 7 increased the interest rate margin applicable to the “Tranche A” revolving loans by 0.50% to a range of 2.50% to 3.0%, depending on average excess revolving availability. Products Corporation paid certain customary fees to Citibank, N.A. and the lenders under the Amended 2016 Revolving Credit Facility in connection with Amendment No. 7.

Amendment No. 7 represented an exchange of an existing revolving credit agreement with a new revolving credit agreement with the same lenders as defined by ASC 470, Debt, under the revolving credit facility. All pre-existing unamortized deferred financing costs associated with the old revolving credit agreement of approximately $0.8 million were added to the newly incurred deferred financing costs of approximately $4.2 million and their total of approximately $5.1 million started to be amortized in accordance with the straight-line method over the term of Tranche A through June 8, 2023. Additionally, approximately $4.3 million of new deferred financing costs were incurred in connection with the SISO Term Loan Facility with the new lenders, which are amortized in accordance with the effective interest method over the term of the facility.

2021 Foreign Asset-Based Term Facility

On March 2, 2021 (the "2021 ABTL Closing Date"), Revlon Finance LLC (the "ABTL Borrower"), a wholly owned indirect subsidiary of Products Corporation, certain foreign subsidiaries of Products Corporation party thereto as guarantors, the lenders party thereto and Blue Torch Finance LLC, as administrative agent and collateral agent (the "ABTL Agent"), entered into an Asset-Based Term Loan Credit Agreement (the "2021 Foreign Asset-Based Term Agreement", and the term loan facility thereunder, the "2021 Foreign Asset-Based Term Facility"). A portion of the proceeds of the DIP Term Loan Facility was used to refinance the 2021 Foreign Asset-Based Term Facility.

Principal and Maturity: The 2021 Foreign Asset-Based Term Facility provided for a U.S. dollar-denominated senior secured asset-based term loan facility in an aggregate principal amount of $75 million, the full amount of which was funded on the closing of the facility. On the 2021 ABTL Closing Date, approximately $7.5 million of the proceeds of the 2021 Foreign Asset-Based Term Facility were deposited in an escrow account by the ABTL Agent pending completion of certain post-closing perfection actions with respect to certain foreign real property of the guarantors constituting collateral securing the 2021 Foreign Asset-Based Term Facility. Such perfection actions were subsequently completed, and the escrowed funds were released to the ABTL Borrower. The 2021 Foreign Asset-Based Term Facility had an uncommitted incremental facility pursuant to which it could have been increased from time to time by up to the amount of the borrowing base in effect at the time such incremental facility was incurred, subject to certain conditions and the agreement of the lenders providing such increase. The proceeds of the loans under the 2021 Foreign Asset-Based Term Facility were used: (i) to repay in full the obligations under the 2018 Foreign Asset-Based Term Facility (the "ABTL Refinancing"); (ii) to pay fees and expenses in connection with the 2021 Foreign Asset-Based Term Facility and the ABTL Refinancing; and (iii) for working capital and other general corporate purposes. The 2021 Foreign Asset-Based Term Facility would have matured on March 2, 2024, subject to a springing maturity date of August 1, 2023 if, on such date, any principal amount of loans under the term loan credit agreement, dated as of September 7, 2016, by and among Products Corporation, as the borrower, the Company, as holdings, the lenders party thereto and Citibank, N.A., as administrative agent and collateral agent (as amended by Amendment No. 1 dated as of May 7, 2020, the "2016 Term Loan Agreement" and the credit facility thereunder, the "2016 Term Loan Facility") due September 7, 2023 remained outstanding.

The 2021 Foreign Asset-Based Term Agreement required the maintenance of a borrowing base supporting the borrowing thereunder, evidenced with the delivery of biweekly borrowing base certificates customary for facilities of this type, with more frequent reporting required upon the triggering of certain events. The borrowing base calculation under the 2021 Foreign Asset-Based Term Facility was based on the sum of: (i) 80% of eligible accounts receivable (later increased to 90% for one year from the effective date of the First Amendment); (ii) 65% of the net orderly liquidation value of eligible finished goods inventory receivable (later increased to 75% for one year from the effective date of the First Amendment); and (iii) 45% of the mortgage value of eligible real property, in each case with respect to certain of Products Corporation's subsidiaries organized in Australia, Bermuda, Germany, Italy, Spain and Switzerland (the "ABTL Borrowing Base Guarantors"). The borrowing bases in each jurisdiction were subject to certain customary availability reserves set by the ABTL Agent.

Guarantees and Security: The 2021 Foreign Asset-Based Term Facility was guaranteed by the Borrowing Base Guarantors, as well as by the direct parent entities of each ABTL Borrowing Base Guarantor (not including Revlon, Inc. or Products Corporation) on a limited recourse basis (the "ABTL Parent Guarantors") and by certain subsidiaries of Products Corporation organized in Mexico (the "ABTL Other Guarantors" and, together with the ABTL Borrower and the ABTL Borrowing Base Guarantors, the "ABTL Loan Parties"). The obligations of the ABTL Loan Parties and the ABTL Parent Guarantors under the 2021 Foreign Asset-Based Term Facility were secured by first-ranking pledges of the equity of each ABTL Loan Party (other than the Other Guarantors), the inventory and accounts receivable of the ABTL Borrowing Base Guarantors, the material bank accounts of each Loan Party, the material intercompany indebtedness owing to any Loan Party (including any intercompany loans made with the proceeds of the 2021 Foreign Asset-Based Term Facility) and certain other material assets of the ABTL Borrowing Base Guarantors, subject to customary exceptions and exclusions. The 2021 Foreign Asset-Based Term Facility included a cash dominion feature customary for transactions of this type.

Interest and Fees: Interest was payable on each interest payment date as set forth in the 2021 Foreign Asset-Based Term Agreement, and in any event at least quarterly, and accrued on borrowings under the 2021 Foreign Asset-Based Term Facility at a rate per annum equal to the LIBOR rate, with a floor of 1.50%, plus an applicable margin equal to 8.50%. The ABTL Borrower was obligated to pay certain fees and expenses in connection with the 2021 Foreign Asset-Based Term Facility, including a fee payable to Blue Torch Finance LLC for its services as Agent. Loans under the 2021 Foreign Asset-Based Term Facility could be prepaid without premium or penalty, subject to a prepayment premium equal to 3.0% of the aggregate principal amount of loans prepaid or repaid during the first year after the 2021 ABTL Closing Date, 2.0% of the aggregate principal amount of loans prepaid or repaid during the second year after the 2021 ABTL Closing Date and 1.0% of the aggregate principal amount of loans prepaid or repaid thereafter.

Affirmative and Negative Covenants: The 2021 Foreign Asset-Based Term Agreement contained certain affirmative and negative covenants that, among other things, limited the ABTL Loan Parties' ability to, subject to various exceptions and qualifications: (i) incur additional debt; (ii) incur liens; (iii) sell, transfer or dispose of assets; (iv) make investments; (v) make dividends and distributions on, or repurchases of, equity; (vi) make prepayments of contractually subordinated or junior lien debt; (vii) enter into certain transactions with their affiliates, including amending certain material intercompany agreements or trade terms; (viii) enter into sale-leaseback transactions; (ix) change their lines of business; (x) restrict dividends from their subsidiaries or restrict liens; (xi) change their fiscal year; and (xii) modify the terms of certain debt. The ABTL Parent Guarantors were subject to certain customary holding company covenants. The ability of the Loan Parties to make certain intercompany asset sales, investments, restricted payments and prepayments of intercompany debt was contingent on certain "cash movement conditions" or "payment conditions" being met, which among other things, required a certain level of liquidity for the applicable Loan Party to effect such type of transactions. The 2021 Foreign Asset-Based Term Agreement also contained a financial covenant requiring the ABTL Loan Parties to maintain a minimum average balance of cash and cash equivalents of $3.5 million, tested monthly, based on the last 10 business days of each month, subject to certain cure rights. The 2021 Foreign Asset-Based Term Agreement also contained certain customary representations, warranties and events of default.

Prepayments: The ABTL Borrower was required to prepay loans under the 2021 Foreign Asset-Based Term Facility to the extent that outstanding loans exceeded the borrowing base. In lieu of a mandatory prepayment, the Loan Parties could deposit cash into a designated U.S. bank account with the ABTL Agent that was subject to a control agreement (such cash, the "Qualified Cash"). If an event of default occurred and was continuing, the Qualified Cash could be applied, at the ABTL Agent's option, to prepay the loans under the 2021 Foreign Asset-Based Term Facility. If the borrowing base subsequently exceeded the outstanding loans, the ABTL Borrower could withdraw Qualified Cash from such bank account to the extent of such excess. In addition, the 2021 Foreign Asset-Based Term Facility was subject to mandatory prepayments from the net proceeds from the incurrence by the Loan Parties of debt not permitted thereunder.

The proceeds from the 2021 Foreign Asset-Based Term Facility were used to extinguish the entire amount outstanding under the 2018 Foreign Asset-Based Term Facility as of the closing date, which was due on July 9, 2021. In connection with such extinguishment, approximately $1.0 million of pre-existing unamortized deferred financing costs were expensed within "Amortization of Debt Issuance Costs" on the Company’s Consolidated Statement of Operations and Comprehensive Loss for the year ended December 31, 2021. In accordance with the terms of the 2021 Foreign Asset-Based Term Agreement, approximately $13.8 million of the proceeds from the transaction were held in escrow and are recorded within "Prepaid expenses and other assets" on the Company's Consolidated Balance Sheet as of December 31, 2021.

The Company incurred approximately $3.2 million of new debt issuance costs in connection with the closing of the 2021 Foreign Asset-Based Term Facility, which are amortized within "Amortization of debt issuance costs" in accordance with the effective interest method over the term of the facility.

Changes in Cash Flows

As of September 30, 2022, the Company had cash, cash equivalents and restricted cash of $250.2 million, compared with $120.9 million at December 31, 2021. The following table summarizes the Company’s cash flows from operating, investing and financing activities for the periods presented:

	Nine Months Ended September 30,	
	2022	**2021**
Net cash used in operating activities	$ (251.0)	$ (86.7)
Net cash used in investing activities	(8.1)	(4.2)
Net cash provided by financing activities	395.7	82.5
Effect of exchange rate changes on cash and cash equivalents	(7.3)	(2.4)
Net increase in cash, cash equivalents and restricted cash	129.3	(10.8)
Cash, cash equivalents and restricted cash at beginning of period	120.9	102.5
Cash, cash equivalents and restricted cash at end of period	$ 250.2	$ 91.7

Operating Activities

Net cash used in operating activities was $251.0 million and $86.7 million for the nine months ended September 30, 2022 and 2021, respectively. The increase in cash used in operating activities for the nine months ended September 30, 2022, compared to the nine months ended September 30, 2021, was primarily driven by a higher net loss largely driven by reorganization costs associated with the Company's bankruptcy filing, partially offset by favorable working capital changes.

Investing Activities

Net cash used in investing activities was $8.1 million for the nine months ended September 30, 2022, compared to $4.2 million for the nine months ended September 30, 2021 primarily due to an increase in capital expenditures during the nine months ended September 30, 2022.

Financing Activities

Net cash provided by financing activities was $395.7 million and $82.5 million for the nine months ended September 30, 2022 and 2021, respectively.

Net cash provided by financing activities for the nine months ended September 30, 2022 primarily included:

- $575.0 million of borrowings under the DIP Term Loan Facility

with the foregoing partially offset by:

- $75.0 million of repayments under the 2021 Foreign Asset-Based Term Facility
- $67.2 million of repayments under the Tranche A DIP ABL Facility
- $18.8 million of payment of financing costs incurred in connection with the nine months ended September 30, 2022 refinancing transactions, comprised of: (i) approximately $14.8 million of payments of financing costs incurred in connection with the DIP Term Loan Facility; (ii) approximately $2.1 million of payments of financing costs incurred in connection with the first quarter of 2022 refinancing transactions;
- $6.6 million of pre-petition interest payments in connection with the troubled debt restructuring accounting treatment of the 5.75% Senior Notes Exchange Offer, which were deemed as return of principal to the participating lenders;
- $4.7 million of repayments under the 2020 BrandCo Facilities;
- $2.3 million of repayments under the 2016 Term Loan Facility;
- $0.6 million of net repayments under the Amended 2016 Revolving Credit Agreement; and
- $0.6 million of decreases in short-term borrowings and overdraft.

Net cash provided by financing activities for the nine months ended September 30, 2021 primarily included:

- $230.0 million of borrowings under the SISO Term Loan Facility; and
- $75.0 million of borrowings under the 2021 Foreign Asset-Based Term Facility;

with the foregoing partially offset by:

- $100.0 million of net repayments under the SISO Term Loan Facility;
- $58.9 million used to fully repay the 2018 Foreign Asset-Based Term Facility;
- $17.9 million of payment of financing costs incurred in connection with the first and second quarters of 2021 refinancing transactions, comprised of: (i) approximately $5.6 million of payments of financing costs incurred in connection with the SISO Term Loan Facility; (ii) approximately $7.0 million of financing costs incurred in connection with the Tranche A revolving credit facility; and (iii) approximately $5.3 million of payments of financing costs incurred in connection with the 2021 Foreign Asset-Based Term Facility;
- $12.5 million of decreases in short-term borrowings and overdraft;
- $11.6 million of interest payments in connection with the troubled debt restructuring accounting treatment of the 2020 Exchange Offer, which were deemed as return of principal to the participating lenders;

- $9.3 million of repayments under the 2020 BrandCo Facility;
- $6.9 million of repayments under the 2016 Term Loan Facility; and
- $2.7 million of net repayments under the Amended 2016 Revolving Credit Agreement;.

Long-Term Debt Instruments

For additional information on the terms and conditions of Products Corporation's various pre-existing debt instruments and financing transactions, including, without limitation, the 5.75% Senior Notes Exchange Offer, the 2020 BrandCo Facilities, 2016 Term Loan Facility, Amended 2016 Revolving Credit Facility, 2019 Term Loan Facility (which was fully repaid as part of entry into the 2020 BrandCo Facilities), 2018 Foreign Asset-Based Term Facility (which was refinanced by the 2021 Foreign Asset-Based Term Facility), 2020 Restated Line of Credit Facility (which was terminated in accordance with its term on December 31, 2020) and 6.25% Senior Notes Indenture, reference should be made to the 2021 Form 10-K.

Covenants

Products Corporation was in compliance with all applicable covenants under the DIP Facilities as of September 30, 2022. As a result of the Bankruptcy Petitions, Products Corporation was not in compliance with all applicable covenants under the BrandCo credit agreement, dated as of May 7, 2020, by and among Products Corporation, as borrower, the Company, as holdings, the lenders party thereto and Jefferies Finance, LLC as administrative agent and collateral agent (as amended by Amendment No. 1 dated as of November 13, 2020, the "BrandCo Credit Agreement" and the credit facilities thereunder, the "2020 BrandCo Facilities"); the Amended 2016 Revolving Credit Agreement and the 2016 Term Loan Agreement (collectively, the "2016 Credit Agreements"); the 2021 Foreign Asset-Based Term Agreement; as well as the indenture governing its 6.25% Senior Notes due 2024 (such notes, the "6.25% Senior Notes" and the related indenture, the "6.25% Senior Notes Indenture"),
in each case as of September 30, 2022. At September 30, 2022, the aggregate principal amounts outstanding and availability under Products Corporation's various revolving credit facilities were as follows:

	Commitment	Borrowing Base	Aggregate principal amount outstanding at September 30, 2022	Availability at September 30, 2022 [(a)]
Tranche A DIP ABL Facility due 2023	$ 270.0	$ 71.4	$ 41.8	$ 29.6
SISO DIP ABL Facility due 2023	130.0	130.0	130.0	—
2020 ABL FILO Term Loans	50.0	38.8	50.0	—

[(a)] Availability as of September 30, 2022 is based upon the Tranche A Revolving borrowing base then in effect under Tranche A DIP ABL Facility of $71.4 million (which includes a $11.2 million reserve for the shortfall of the borrowing base that supports the 2020 ABL FILO Term Loans compared to the corresponding aggregate principal amount outstanding of $50 million), less $41.8 million then drawn.

Sources and Uses

The Company's principal sources of funds are expected to be operating revenues, cash on hand and funds that may be available from time to time for borrowing under the DIP Facilities and other permissible borrowings. The DIP Facilities contain certain provisions that by their terms limit Products Corporation's and its subsidiaries' ability to, among other things, incur additional debt, subject to certain exceptions.

The Company's principal uses of funds are expected to be the payment of operating expenses, including payments in connection with the purchase of permanent wall displays; capital expenditure requirements; debt service payments and costs; cash tax payments; pension and other post-retirement benefit plan contributions; payments in connection with the Company's restructuring programs, such as the RGGA Program; severance not otherwise included in the Company's restructuring programs; business and/or brand acquisitions (including, without limitation, through licensing transactions), if any; additional debt and/or equity repurchases, if any; costs related to litigation; and payments in connection with discontinuing non-core business lines and/or exiting and/or entering certain territories and/or channels of trade.

The Company's cash contributions to its pension and post-retirement benefit plans in the nine months ended September 30, 2022 were $4.4 million. The Company expects that cash contributions to its pension and post-retirement benefit plans will be approximately $4.8 million in the aggregate for 2022. The Company's cash taxes paid, net of refund in the nine months ended September 30, 2022 were $7.1 million. The Company expects to pay net cash taxes totaling approximately $0 million to $10 million in the aggregate during 2022.

The Company's purchases of permanent wall displays and capital expenditures in the nine months ended September 30, 2022 were $15.6 million and $8.1 million, respectively. The Company expects that purchases of permanent wall displays will total approximately $35 million to $40 million in the aggregate during 2022 and expects that capital expenditures will total approximately $15 million to $20 million in the aggregate during 2022.

The Company has undertaken, and continues to assess, refine and implement, a number of programs to efficiently manage its working capital, including, among other things, initiatives intended to optimize inventory levels over time; centralized procurement to secure discounts and efficiencies; prudent management of trade receivables and accounts payable; and controls on general and administrative spending. In the ordinary course of business, the Company's source or use of cash from operating activities may vary on a quarterly basis as a result of a number of factors, including the timing of working capital flows.

Continuing to execute the Company's business initiatives could include taking advantage of additional opportunities to reposition, repackage or reformulate one or more brands or product lines, launching additional new products, acquiring businesses or brands (including, without limitation, through licensing transactions), divesting or discontinuing non-core business lines (which may include exiting certain territories), further refining the Company's approach to retail merchandising and/or taking further actions to optimize its manufacturing, sourcing and organizational size and structure. Any of these actions, the intended purpose of which would be to create value through improving the Company's financial performance, could result in the Company making investments and/or recognizing charges related to executing against such opportunities. Any such activities may be funded with operating revenues, cash on hand, funds that may be available from time to time under the DIP Facilities, other permissible borrowings and/or other permitted additional sources of capital, which actions could increase the Company's total debt.

The Company may also, from time-to-time, seek to retire or purchase its outstanding debt obligations and/or equity in open market purchases, block trades, privately negotiated purchase transactions or otherwise and may seek to refinance some or all of its indebtedness based upon market conditions. Any such retirement or purchase of debt and/or equity may be funded with operating cash flows of the business or other sources and will depend upon prevailing market conditions, liquidity requirements, contractual restrictions and other factors, and the amounts involved may be material.

The Company expects that operating revenues, cash on hand and funds that may be available from time-to-time for borrowing under the DIP Facilities and other permissible borrowings will be sufficient to enable the Company to pay its operating expenses for 2022, including payments in connection with the purchase of permanent wall displays, capital expenditures, debt service payments and costs, cash tax payments, pension and other post-retirement plan contributions, payments in connection with the Company's restructuring programs, such as, currently, primarily the RGGA program, severance not otherwise included in the Company's restructuring programs, business and/or brand acquisitions (including, without limitation, through licensing transactions), if any, debt and/or equity repurchases, if any, costs related to litigation, discontinuing non-core business lines and/or entering and/or exiting certain territories and/or channels of trade. The Company also expects to generate additional liquidity from strategic initiatives and cost reductions resulting from the implementation of, currently, primarily the RGGA program, cost reductions generated from other cost control initiatives, price increases, as well as funds provided by selling certain assets.

There can be no assurance that available funds will be sufficient to meet the Company's cash requirements on a consolidated basis, as, among other things, the Company's liquidity can be impacted by a number of factors, including its level of sales, costs and expenditures, as well as accounts receivable and inventory, which serve as the principal variables impacting the amount of liquidity available under the DIP ABL Facility. For example, subject to certain exceptions, revolving loans under the DIP ABL Facility must be prepaid to the extent that outstanding loans exceed the applicable borrowing base, consisting of certain accounts receivable, inventory and real estate. For information regarding certain risks related to the Company's indebtedness and cash flows, see Item 1A. "Risk Factors" in the Company's 2021 Form 10-K, the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2022 (the "First Quarter 10-Q") and the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2022 (the "Second Quarter 10-Q").

If the Company's anticipated level of revenues is not achieved because of, among other things, decreased consumer spending in response to weak economic conditions or weakness in the consumption of beauty products in one or more of the Company's segments, whether attributable to the COVID-19 pandemic or otherwise; adverse changes in tariffs, foreign currency exchange rates, foreign currency controls and/or government-mandated pricing controls; decreased sales of the Company's products as a result of increased competitive activities by the Company's competitors and/or decreased performance by third-party suppliers, whether due to shortages of raw materials or otherwise; changes in consumer purchasing habits, including with respect to retailer preferences and/or sales channels, such as due to any further consumption declines that the Company has experienced; inventory management by the Company's customers; space reconfigurations or reductions in display space by the Company's customers; retail store closures in the brick-and-mortar channels where the Company sells its products, as consumers continue to shift purchases to online and e-commerce channels; changes in pricing, marketing, advertising and/or promotional strategies by the Company's customers; or less than anticipated results from the Company's existing or new products or from its advertising, promotional, pricing and/or marketing plans; or if the Company's expenses, including, without limitation, for the purchase of permanent displays, capital expenditures, debt service payments and costs, cash tax payments, pension and other post-retirement plan contributions, payments in connection with the Company's restructuring programs (such as the RGGA Program), severance not otherwise included in the Company's restructuring programs, business and/or brand acquisitions (including, without limitation, through licensing transactions), if any, additional debt and/or equity repurchases, if any, costs related to litigation, discontinuing non-core business lines and/or entering and/or exiting certain territories and/or channels of trade, advertising, promotional and marketing activities or for sales returns related to any reduction of space by the Company's customers, product discontinuances or otherwise, exceed the anticipated level of expenses, the Company's current sources of funds may be insufficient to meet the Company's cash requirements.

Any such developments, if significant, could reduce the Company's revenues and operating income and could adversely affect Products Corporation's ability to comply with certain financial and/or other covenants under the DIP Facilities and in such event the Company could be required to take measures, including, among other things, reducing discretionary spending. For further discussion of certain risks associated with the Company's business and indebtedness, see Item 1A. "Risk Factors" in the Company's 2021 Form 10-K, the First Quarter 10-Q and the Second Quarter 10-Q.

Off-Balance Sheet Transactions

The Company does not maintain any off-balance sheet transactions, arrangements, obligations or other relationships with unconsolidated entities or others that are reasonably likely to have a material current or future effect on the Company's financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

Discussion of Critical Accounting Policies

For a discussion of the Company's critical accounting policies, see the Company's 2021 Form 10-K.

Recently Evaluated and/or Adopted Accounting Pronouncements and Recently Issued Accounting Pronouncements

See Note 1., "Description of Business and Summary of Significant Accounting Policies," to the Company's Unaudited Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Not applicable as a smaller reporting company.

Item 4. Controls and Procedures

(a) Evaluation of Disclosure Controls and Procedures. The Company maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in the Company's reports under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to management, including the Company's Chief Executive Officer and Interim Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. The Company's management, with the participation of the Company's Chief Executive Officer and Interim Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures as of the end of the fiscal period covered by this Report on Form 10-Q. Based upon such evaluation, the Company's Chief Executive Officer and Interim Chief Financial Officer have concluded that the Company's disclosure controls and procedures were effective as of September 30, 2022.

(b) Changes in Internal Control Over Financial Reporting ("ICFR"). There have not been any changes in the Company’s internal control over financial reporting during the quarter ended September 30, 2022 that have materially affected, or are reasonably likely to materially affect, the Company’s internal control over financial reporting.

Forward-Looking Statements

This Quarterly Report on Form 10-Q for the period ended September 30, 2022, as well as the Company's other public documents and statements, may contain forward-looking statements that involve risks and uncertainties, which are subject to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on the beliefs, expectations, estimates, projections, assumptions, forecasts, plans, anticipations, targets, outlooks, initiatives, visions, objectives, strategies, opportunities, drivers, focus and intents of the Company's management. While the Company believes that its estimates and assumptions are reasonable, the Company cautions that it is very difficult to predict the impact of known and unknown factors, and, of course, it is impossible for the Company to anticipate all factors that could affect its results. The Company's actual results may differ materially from those discussed in such forward-looking statements. Such statements include, without limitation, the Company's expectations, plans and estimates (whether qualitative or quantitative) as to:

(i) the outcome of the Company's Chapter 11 Cases in the Bankruptcy Court;

(ii) the Company's debtor-in-possession financing and the various conditions to which such debtor-in-possession financing is subject and the risk that these conditions may not be satisfied for various reasons, including for reasons outside of the Company's control;

(iii) the Company's future financial performance and/or sales growth;

(iv) the effect on sales of decreased consumer spending in response to weak economic conditions or weakness in the consumption of beauty products in one or more of the Company's segments, whether due to COVID-19 or otherwise; geopolitical risks, such as the ongoing Russia-Ukraine conflict; macroeconomic headwinds, such as high inflation or a potential recession/economic contraction; adverse changes in tariffs, foreign currency exchange rates, foreign currency controls and/or government-mandated pricing controls; decreased sales of the Company's products as a result of increased competitive activities by the Company's competitors and/or decreased performance by third-party suppliers, whether due to shortages of raw materials or otherwise, changes in consumer purchasing habits, including with respect to retailer preferences and/or among sales channels; inventory management by the Company's customers; inventory de-stocking by certain retail customers; space reconfigurations or reductions in display space by the Company's customers; retail store closures in the brick-and-mortar channels where the Company sells its products, as consumers continue to shift purchases to online and e-commerce channels; changes in pricing, marketing, advertising and/or promotional strategies by the Company's customers; less than anticipated results from the Company's existing or new products or from its advertising, promotional, pricing and/or marketing plans; or if the Company's expenses, including, without limitation, for the purchase of permanent displays, capital expenditures, debt service payments and costs, cash tax payments, pension and other post-retirement plan contributions, payments in connection with the Company's restructuring programs, severance not otherwise included in the Company's restructuring programs, business and/or brand acquisitions (including, without limitation, through licensing transactions), if any, additional debt and/or equity repurchases, if any, costs related to litigation, discontinuing non-core business lines and/or entering and/or exiting certain territories and/or channels of trade, advertising, promotional and marketing activities or for sales returns related to any reduction of space by the Company's customers, product discontinuances or otherwise, exceed the anticipated level of expenses;

(v) the Company's belief that continuing to execute its business initiatives could include taking advantage of additional opportunities to reposition, repackage or reformulate one or more brands or product lines, launching additional new products, acquiring businesses or brands (including through licensing transactions, if any), divesting or discontinuing non-core business lines (which may include exiting certain territories), further refining its approach to retail merchandising and/or taking further actions to optimize its manufacturing, sourcing and organizational size and structure, any of which, the intended purpose would be to create value through improving the Company's financial performance, could result in the Company making investments and/or recognizing charges related to executing against such opportunities, which activities may be funded with operating revenues, cash on hand, funds available under the DIP Facilities, other permissible borrowings and/or other permitted additional sources of capital, which actions could increase the Company's total debt;

(vi) the Company's plans to remain focused on its 3 key strategic pillars to drive its future success and growth, including (1) strengthening its iconic brands through innovation and relevant product portfolios; (2) building its capabilities to better communicate and connect with its consumers through media channels where they spend the most time; and (3) ensuring availability of its products where consumers shop, both in-store and increasingly online;

(vii) the effect of restructuring activities, restructuring costs and charges, the timing of restructuring payments and the benefits from such activities;

(viii) the Company's expected principal sources of funds, including operating revenues, cash on hand and funds available for borrowing under the DIP Facilities, and other permissible borrowings, as well as the availability of funds from the Company taking certain measures, including, among other things, reducing discretionary spending and the Company's expectation to generate additional liquidity from cost reductions resulting from its cost reduction initiatives, as well as funds provided by selling certain assets;

(ix) the Company's expected principal uses of funds, including amounts required for payment of operating expenses including in connection with the purchase of permanent wall displays; capital expenditure requirements; debt service payments and costs; cash tax payments; pension and other post-retirement benefit plan contributions; payments in connection with the Company's restructuring programs; severance not otherwise included in the Company's restructuring programs; business and/or brand acquisitions (including, without limitation, through licensing transactions), if any; debt and/or equity repurchases, if any; costs related to litigation; and payments in connection with discontinuing non-core business lines and/or exiting and/or entering certain territories and/or channels of trade (including, without limitation, that the Company may also, from time-to-time, seek to retire or purchase its outstanding debt obligations and/or equity in open market purchases, block trades, privately negotiated purchase transactions or otherwise and may seek to refinance some or all of its indebtedness based upon market conditions and that any such retirement or purchase of debt and/or equity may be funded with operating cash flows of the business or other sources and will depend upon prevailing market conditions, liquidity requirements, contractual restrictions and other factors, and the amounts involved may be material); and its estimates of the amount and timing of such operating and other expenses;

(x) matters concerning the impact on the Company from changes in interest rates and foreign exchange rates;

(xi) the Company's expectation to efficiently manage its working capital, including, among other things, initiatives intended to optimize inventory levels over time; centralized procurement to secure discounts and efficiencies; prudent management of trade receivables, accounts payable and controls on general and administrative spending; and the Company's belief that in the ordinary course of business, its source or use of cash from operating activities may vary on a quarterly basis as a result of a number of factors, including the timing of working capital flows;

(xii) the Company's expectations regarding its future net periodic benefit cost for its U.S. and international defined benefit plans;

(xiii) the Company's expectation that its tax provision and effective tax rate in any individual quarter and year-to-date period will vary and may not be indicative of the Company's tax provision and effective tax rate for the full year and the Company's expectations regarding whether it will be required to establish additional valuation allowances on its deferred tax assets; and

(xiv) the Company's belief that the outcome of all pending legal proceedings in the aggregate is not reasonably likely to have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows, but that in light of the uncertainties involved in legal proceedings generally, the ultimate outcome of a particular matter could be material to the Company's operating results for a particular period depending on, among other things, the size of the loss or the nature of the liability imposed and the level of the Company's income for that particular period;

Statements that are not historical facts, including statements about the Company's beliefs and expectations, are forward-looking statements. Forward-looking statements can be identified by, among other things, the use of forward-looking language such as "estimates," "objectives," "visions," "projects," "forecasts," "focus," "drive towards," "plans," "targets," "strategies," "opportunities," "assumptions," "drivers," "believes," "intends," "outlooks," "initiatives," "expects," "scheduled to," "anticipates," "seeks," "may," "will" or "should" or the negative of those terms, or other variations of those terms or comparable language, or by discussions of strategies, targets, long-range plans, models or intentions. Forward-looking statements speak only as of the date they are made, and except for the Company's ongoing obligations under the U.S. federal securities laws, the Company undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Investors are advised, however, to consult any additional disclosures the Company made or may make in the Company's 2021 Form 10-K and in its Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, in each case filed with the SEC (which, among other places, can be found on the SEC's website at http://www.sec.gov, as well as on the Company's corporate website at www.revloninc.com). Except as expressly set forth in this Quarterly Report on Form 10-Q, the information available from time-to-time on such websites shall not be deemed incorporated by reference into this Quarterly Report on Form 10-Q. A number of important factors could cause actual results to differ materially from those contained in any forward-looking statement. (See also Item 1A. "Risk Factors" in this Quarterly Report on Form 10-Q for risks associated with the Chapter 11 Cases and the 2021 Form 10-K, the First Quarter 10-Q and the Second Quarter 10-Q for further discussion of risks associated with the Company's business). In addition to factors that may be described in the Company's filings with the SEC, including

this filing, the following factors, among others, could cause the Company's actual results to differ materially from those expressed in any forward-looking statements made by the Company:

(i) Various risks associated with the Chapter 11 Cases, including, but not limited to, the Debtors' ability to obtain Bankruptcy Court approval with respect to any relief sought in the Chapter 11 Cases, the effects of the Bankruptcy Petitions on the Company and on the interests of various stakeholders, Bankruptcy Court rulings during the Chapter 11 Cases and the outcome of the Chapter 11 Cases in general, the length of time the Debtors will remain in Chapter 11, risks associated with any third-party motions during the Chapter 11 Cases, the potential adverse effects of the Chapter 11 Cases on the Company's liquidity or results of operations and increased legal and other professional costs necessary to execute the Company's reorganization, the conditions to which the Company's debtor-in-possession financing is subject and the risk that these conditions may not be satisfied for various reasons, including for reasons outside of the Company's control, whether the Company will emerge, in whole or in part, from insolvency proceedings as a going concern, employee attrition and the Company's ability to retain senior management and other key personnel due to the distractions and uncertainties imposed in part by the Chapter 11 Cases and the trading price and volatility of the Company's common stock;

(ii) unanticipated circumstances or results affecting the Company's financial performance and or sales growth, including: greater than anticipated levels of consumers choosing to purchase their beauty products through e-commerce and other social media channels and/or greater than anticipated declines in the brick-and-mortar retail channel, or either of those conditions occurring at a rate faster than anticipated; the Company's inability to address the pace and impact of the new commercial landscape, such as its inability to enhance its e-commerce and social media capabilities and/or increase its penetration of e-commerce and social media channels; the Company's inability to drive a successful long-term omni-channel strategy and significantly increase its e-commerce penetration; difficulties, delays and/or the Company's inability to (in whole or in part) develop and implement effective content to enhance its online retail position, improve its consumer engagement across social media platforms and/or transform its technology and data to support efficient management of its digital infrastructure; the Company incurring greater than anticipated levels of expenses and/or debt to facilitate the foregoing objectives, which could result in, among other things, less than anticipated revenues and/or profitability; decreased consumer spending in response to weak economic conditions or weakness in the consumption of beauty products in one or more of the Company's segments, whether attributable to COVID-19 or otherwise; adverse changes in tariffs, foreign currency exchange rates, foreign currency controls and/or government-mandated pricing controls; decreased sales of the Company's products as a result of increased competitive activities by the Company's competitors; decreased performance by third-party suppliers, whether due to COVID-19, shortages of raw materials or otherwise; and/or supply disruptions at the Company's manufacturing facilities, whether attributable to COVID-19 or shortages of raw materials, components, and labor, or transportation constraints or otherwise; changes in consumer preferences, such as reduced consumer demand for the Company's color cosmetics and other current products, including new product launches; changes in consumer purchasing habits, including with respect to retailer preferences and/or among sales channels, whether attributable to COVID-19 or otherwise; lower than expected customer acceptance or consumer acceptance of, or less than anticipated results from, the Company's existing or new products, whether attributable to COVID-19 or otherwise; higher than expected retail store closures in the brick-and-mortar channels where the Company sells its products, as consumers continue to shift purchases to online and e-commerce channels, whether attributable to COVID-19 or otherwise; higher than expected purchases of permanent displays, capital expenditures, debt service payments and costs, cash tax payments, pension and other post-retirement plan contributions, payments in connection with the Company's restructuring programs, severance not otherwise included in the Company's restructuring programs, business and/or brand acquisitions (including, without limitation, through licensing transactions), if any, debt and/or equity repurchases, if any, costs related to litigation, discontinuing non-core business lines and/or entering and/or exiting certain territories and/or channels of trade, advertising, promotional and marketing activities or for sales returns related to any reduction of space by the Company's customers, product discontinuances or otherwise or lower than expected results from the Company's advertising, promotional, pricing and/or marketing plans, whether attributable to COVID-19 or otherwise; decreased sales of the Company's existing or new products, whether attributable to COVID-19 or otherwise; actions by the Company's customers, such as greater than expected inventory management and/or de-stocking, and greater than anticipated space reconfigurations or reductions in display space and/or product discontinuances or a greater than expected impact from pricing, marketing, advertising and/or promotional strategies by the Company's customers, whether attributable to COVID-19 or otherwise; and changes in the competitive environment and actions by the Company's competitors, including, among other things, business combinations, technological breakthroughs, implementation of new pricing strategies, new product offerings, increased advertising, promotional and marketing spending and advertising, promotional and/or marketing successes by competitors;

(iii) in addition to the items discussed in (i) above, the effects of and changes in economic conditions (such as volatility in the financial markets, whether attributable to COVID-19 or otherwise, inflation, increasing interest rates, monetary conditions and foreign currency fluctuations, tariffs, foreign currency controls and/or government-mandated pricing controls, as well as in trade, monetary, fiscal and tax policies in international markets), political conditions (such as military actions and terrorist activities) and natural disasters;

(iv) unanticipated costs or difficulties or delays in completing projects associated with continuing to execute the Company's business initiatives or lower than expected revenues or the inability to create value through improving the Company's financial performance as a result of such initiatives, including lower than expected sales, or higher than expected costs, including as may arise from any additional repositioning, repackaging or reformulating of one or more brands or product lines, launching of new product lines, including higher than expected expenses, including for sales returns, for launching its new products, acquiring businesses or brands (including through licensing transactions, if any), divesting or discontinuing non-core business lines (which may include exiting certain territories or converting the Company's go-to-trade structure in certain countries to other business models), further refining its approach to retail merchandising and/or difficulties, delays or increased costs in connection with taking further actions to optimize the Company's manufacturing, sourcing, supply chain or organizational size and structure (including difficulties or delays in and/or the Company's inability to optimally implement its restructuring programs and/or less than expected benefits from such programs and/or more than expected costs in implementing such programs, which could cause the Company not to realize the projected cost reductions), as well as the unavailability of cash generated by operations, cash on hand and/or funds under the DIP Facilities, and/or other permissible borrowings and/or from other permissible additional sources of capital to fund such potential activities;

(v) difficulties, delays in or less than expected results from the Company's efforts to execute on its 3 key strategic pillars to drive its future success and growth, including, without limitation: (1) less than effective new product development and innovation, less than expected acceptance of its new products and innovations by the Company's consumers and/or customers in one or more of its segments and/or less than expected levels of execution vis-à-vis its new product launches with its customers in one or more of its segments or regions, in each case whether attributable to COVID-19 or otherwise; (2) less than expected levels of advertising, promotional and/or marketing activities for its new product launches, less than expected acceptance of its advertising, promotional, pricing and/or marketing plans and/or brand communication by consumers and/or customers in one or more of its segments, less than expected investment in advertising, promotional and/or marketing activities or greater than expected competitive investment, in each case whether attributable to COVID-19 or otherwise; and/or (3) difficulties or disruptions impacting the Company's ability to ensure availability of its products where consumers shop, both in-store and increasingly online, including, without limitation, difficulties with, delays in or the inability to achieve the Company's expected results, such as due to, among other things, the Company's business experiencing greater than anticipated disruptions due to COVID-19 related uncertainty or other related factors making it more difficult to maintain relationships with employees, business partners or governmental entities and/or other unanticipated circumstances, trends or events affecting the Company's financial performance, including decreased consumer spending in response to the COVID-19 pandemic and related conditions and restrictions, weaker than expected economic conditions due to the COVID-19 pandemic and its related restrictions and conditions continuing for periods longer than currently estimated, or other weakness in the consumption of beauty-related products, lower than expected acceptance of the Company's new products, adverse changes in foreign currency exchange rates, decreased sales of the Company's products as a result of increased competitive activities by the Company's competitors, the unavailability of one or more forms of additional credit in the current capital markets and/or decreased performance by third party suppliers;

(vi) difficulties, delays or unanticipated costs or charges or less than expected cost reductions and other benefits resulting from the Company's restructuring activities, higher than anticipated restructuring charges and/or payments and/or changes in the expected timing of such charges and/or payments; and/or less than expected additional sources of liquidity from such initiatives;

(vi) lower than expected operating revenues, cash on hand and/or funds available under the DIP Facilities, and/or other permissible borrowings or generated from cost reductions resulting from the implementation of cost control initiatives, and/or from selling certain assets; higher than anticipated operating expenses, such as referred to in clause (viii) below; and/or less than anticipated cash generated by the Company's operations or unanticipated restrictions or taxes on repatriation of foreign earnings;

(vii) the unavailability of funds under the DIP Facilities, and/or other permissible borrowings; the unavailability of funds from difficulties, delays in or the Company's inability to take other measures, such as reducing discretionary spending and/or less than expected liquidity from cost reductions resulting from the implementation of its restructuring programs and from other cost reduction initiatives, and/or from selling certain assets;

(viii) higher than expected operating expenses, such as higher than expected purchases of permanent displays, capital expenditures, debt service payments and costs, cash tax payments, pension and other post-retirement plan contributions, payments in connection with the Company's restructuring programs, severance not otherwise included in the Company's restructuring programs, business and/or brand acquisitions (including, without limitation, through licensing transactions), if any, additional debt and/or equity repurchases, if any, costs related to litigation, discontinuing non-core business lines and/or entering and/or exiting certain territories and/or channels of trade, advertising, promotional and marketing activities or for sales returns related to any reduction of space by the Company's customers, product discontinuances or otherwise;

(ix) unexpected significant impacts on the Company from changes in interest rates or foreign exchange rates;

(x) difficulties, delays or the inability of the Company to efficiently manage its cash and working capital;

(xi) lower than expected returns on pension plan assets and/or lower discount rates, which could result in higher than expected cash contributions, higher net periodic benefit costs and/or less than expected net periodic benefit income;

(xii) unexpected significant variances in the Company's tax provision, effective tax rate and/or unrecognized tax benefits, such as due to the issuance of unfavorable guidance, interpretations, technical clarifications and/or technical corrections legislation by the U.S. Congress, the U.S. Treasury Department or the IRS, unexpected changes in foreign, state or local tax regimes in response to the Tax Act, and/or changes in estimates that may impact the calculation of the Company's tax provisions, as well as changes in circumstances that could adversely impact the Company's expectations regarding the establishment of additional valuation allowances on its deferred tax assets;

(xiii) unanticipated adverse effects on the Company's business, prospects, results of operations, financial condition and/or cash flows as a result of unexpected developments with respect to the Company's legal proceedings; and/or

(xiv) difficulties or delays that could affect the Company's ability to consummate one or more transactions, such as due to the Company's respective businesses experiencing disruptions due to transaction-related uncertainty or other factors.

Factors other than those listed above could also cause the Company's results to differ materially from expected results. This discussion is provided pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995.

The Company cautions that trading in the Company's securities during the pendency of the Chapter 11 Cases is highly speculative and poses substantial risks. Trading prices for the Company's securities may bear little or no relationship to the actual recovery, if any, by holders of the Company's securities in the Chapter 11 Cases. Holders of shares of the Company's Class A Common Stock could experience a complete loss on their investment, depending on the outcome of the Chapter 11 Cases.

Website Availability of Reports, Corporate Governance Information and Other Financial Information

The Company maintains a comprehensive corporate governance program, including Corporate Governance Guidelines for Revlon’s Board of Directors, Revlon’s Board Guidelines for Assessing Director Independence and the charter for Revlon’s Audit Committee. Revlon maintains a corporate investor relations website, www.revloninc.com, where stockholders and other interested persons may review, without charge, among other things, Revlon's corporate governance materials and certain SEC filings (such as Revlon's Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, current reports on Form 8-K, proxy statements, annual reports, Section 16 reports reflecting certain changes in the stock ownership of Revlon’s directors and Section 16 officers, and certain other documents filed with the SEC), each of which are generally available on the same business day as the filing date with the SEC on the SEC’s website http://www.sec.gov. Products Corporation's SEC filings are also available on the SEC's website http://www.sec.gov. In addition, under the section of the website entitled, "Corporate Governance," Revlon posts printable copies of the latest versions of its Corporate Governance Guidelines, Board Guidelines for Assessing Director Independence and charters for Revlon's Audit Committee, as well as the Company's Code of Conduct and Business Ethics, which includes the Company's Code of Ethics for Senior Financial Officers, and the Audit Committee Pre-Approval Policy. From time-to-time, the Company may post on www.revloninc.com certain presentations that may include material information regarding its business, financial condition and/or results of operations. The business and financial materials and any other statement or disclosure on, or made available through, the websites referenced herein shall not be deemed incorporated by reference into this report.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

The Company is involved in various routine legal proceedings incidental to the ordinary course of its business. The Company believes that the outcome of all pending legal proceedings in the aggregate is not reasonably likely to have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows. However, in light of the uncertainties involved in legal proceedings generally, the ultimate outcome of a particular matter could be material to the Company's operating results for a particular period depending on, among other things, the size of the loss or the nature of the liability imposed and the level of the Company's income for that particular period.

On June 15, 2022, the Debtors filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code in the Bankruptcy Court. The information contained in Note 1-General-*Going Concern* of the notes to the condensed consolidated financial statements is incorporated herein by reference. As a result of such bankruptcy filings, substantially all proceedings pending against the Debtors have been stayed.

Adversary Complaints

<u>August 12, 2022 Adversary Complaint</u>

On August 12, 2022, Citi filed an Adversary Complaint (the "August 12, 2022 Adversary Complaint") against Revlon, Inc., Products Corporation, and several of Products Corporation's subsidiaries in the U.S. Bankruptcy Court for the Southern District of New York, Case No. 22-10760-dsj [Docket No. 373]. The August 12, 2022 Adversary Complaint arises out of the District Court's judgment entered on February 16, 2021 in the Citibank Litigation described elsewhere in this Quarterly Report on Form 10-Q. Because the Second Circuit vacated the District Court's judgment and remanded the case for further proceedings (*In re Citibank August 11, 2020 Wire Transfers*, No. 21-487 (2d Cir. 2022)), the parties agreed to stay the adversary proceeding pending disposition of the District Court litigation.

October 31, 2022 Adversary Complaint

On October 31, 2022, a group of lenders under the Term Credit Agreement, dated as of September 7, 2016, by and among Products Corporation, as borrower, Revlon, Inc., the lenders from time to time parties thereto and Citibank, N.A, as administrative agent and collateral agent (as amended, restated, supplemented or otherwise modified from time to time, the "2016 Credit Agreement") filed an Adversary Complaint against Revlon, Inc., Products Corporation, several of Products Corporation's subsidiaries, and several of Products Corporation's contractual counterparties, including Jefferies Finance LLC, Jefferies LLC, and several lenders under the 2020 BrandCo Credit Agreement, dated May 7, 2020, by and among Products Corporation, Jefferies Finance LLC, as administrative agent and collateral agent, and certain financial institutions that are lenders or the affiliates of lenders under Products Corporation's 2016 Credit Agreement, in the U.S. Bankruptcy Court for the Southern District of New York (the " October 31, 2022 Adversary Complaint"), Case No. 22-10760-dsj [Docket No. 956].

The October 31, 2022 Adversary Complaint alleges various spurious causes of action, stemming from various alleged breaches of the provisions of the 2016 Credit Agreement, including claims for breach of contract, declaratory judgment, breach of the implied covenant of good faith and fair dealing, conversion, aiding and abetting conversion, unjust enrichment, equitable subordination, tortious interference with contract, and constructive trust. The October 31, 2022 Adversary Complaint seeks various forms of relief, including declaratory relief, specific performance, rescission of certain existing agreements, injunctive relief, damages, costs and expenses, attorneys' fees, and pre-judgment interest. The Company believes that the lawsuit is without merit and intends to vigorously contest its claims.

Item 1A. Risk Factors

In addition to the other information in this Quarterly Report on Form 10-Q, when evaluating the Company's business, investors should consider carefully the below risk factors which have been updated since the Company's 2021 Form 10-K, the First Quarter 10-Q and the Second Quarter 10-Q.

The risk factors in this Quarterly Report on Form 10-Q below should be carefully considered, including the risk factors discussed in "Risk Factors" and other risks discussed in our 2021 Form 10-K, the First Quarter 10-Q and the Second Quarter 10-Q. These risks could materially and adversely affect our results, operations, outlooks, plans, goals, growth, reputation, cash flows, liquidity, and stock price. Our business also could be affected by risks that we are not presently aware of or that we currently consider immaterial to our operations.

Risks Associated with Chapter 11 Proceedings

Our Class A Common Stock has been delisted from trading on the New York Stock Exchange, which may negatively impact the trading price of our Class A Common Stock and our stockholders.

On June 16, 2022, we received a letter from the staff of NYSE Regulation stating that it had determined to commence proceedings to delist our Class A Common Stock from the NYSE in light of the Company's commencement of the Chapter 11 Cases. The Company appealed the determination in a timely manner. On October 13, 2022, the NYSE reviewed the Company's appeal. On October 20, 2022, the NYSE informed the Company, and publicly announced its determination following such appeal that the Company is no longer suitable for listing on the NYSE and that the NYSE has suspended trading in the Company's Class A Common Stock (NYSE ticker symbol: REV). On October 21, 2022, the NYSE applied to the Securities and Exchange Commission pursuant to Form 25 to remove the Class A Common Stock of the Company from listing and registration on the NYSE at the opening of business on November 1, 2022. As a result of the suspension and delisting, the Company's Class A Common Stock began trading exclusively on the OTC market on October 21, 2022 under the symbol REVRQ. The NYSE's decision to delist our Class A Common Stock may adversely impact its liquidity, impair our stockholders' ability to buy and sell our Class A Common Stock, impair our ability to raise capital, and the market price of our Class A Common Stock could decrease. Delisting our Class A Common Stock could also adversely impact the perception of our financial condition and have additional negative ramifications, including loss of confidence by our employees, the loss of institutional investor interest and fewer business opportunities.

Risks Related to the Company's Industry, Business and Operations

The Company depends on its Oxford, North Carolina facility for production of a substantial portion of its products. Prolonged and significant disruptions, delays or reductions in capacity at this facility and/or at other Company or third-party facilities at which the Company's products are manufactured could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows. Such delays, difficulties and reductions in capacity in manufacturing can result in product shortages, declines in sales, and reputational impact as well as significant remediation and related costs associated with addressing such shortages.

The Company produces a substantial portion of its products at its Oxford, North Carolina facility. Significant unscheduled downtime or a reduction in capacity at this facility, or at other Company facilities and/or third-party facilities at which the Company's products are manufactured, whether due to the impact of the Company's Chapter 11 filing and related vendor negotiations or to equipment breakdowns, power failures, natural disasters (due to climate change or otherwise), pandemics (including COVID-19), weather conditions hampering delivery schedules, shortages of raw materials and products, technology disruptions or other disruptions, including those caused by transitioning manufacturing across these facilities, or any other cause could have a material adverse effect on the Company's ability to provide products to its customers, which could have a material adverse effect on the Company's sales, business, prospects, reputation, results of operations, financial condition and/or cash flows. For example, as of September 30, 2022, the Oxford, North Carolina facility was operating at 28% of its target production rate. While we expect continued improvements in production capacity at our Oxford, North Carolina facility as more vendors become unlocked and orders are released, there can be no assurance that improvements, if any, will be sustained into the fourth quarter of 2022, including the upcoming important holiday retail season. Additionally, if product sales exceed the Company's forecasts, internal or third-party production capacities and/or the Company's ability to procure sufficient levels of finished goods, raw materials and/or components from third-party suppliers, the Company could, from time-to-time, not have an adequate supply of products to meet customer demands, which could have a material adverse effect on the Company's business, prospects, reputation, results of operations, financial condition and/or cash flows.

Volatility in costs, together with delays and disruptions in the supply of materials and services, as a result of continued global supply chain disruptions and ongoing vendor negotiations during the Chapter 11 proceedings, have had and could continue to have an adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.

The Company purchases raw materials, including essential oils, alcohols, chemicals, containers and packaging components, from various third-party suppliers. Substantial cost increases, delays and the unavailability of raw materials or other commodities, as a result of ongoing vendor negotiations during the Chapter 11 proceedings and continued global supply chain disruptions, and higher costs for energy, transportation and other necessary services have adversely affected and may continue to adversely affect the Company's profit margins if it is unable to wholly or partially offset them, such as by achieving cost efficiencies in its supply chain, manufacturing and/or distribution activities. In addition, the Company purchases certain finished goods, raw materials, packaging and other components from single-source suppliers or a limited number of suppliers and if the Company is required to find alternative sources of supply, these new suppliers may have to be qualified under applicable industry, governmental and Company-mandated vendor standards, which can require additional investment and be time-consuming. Any significant disruption to the Company's manufacturing or sourcing of products or raw materials, packaging and other components for any reason (including the recent global supply chain disruptions) could materially impact the Company's inventory levels and interrupt and delay the Company's supply of products to its retail customers. For example, as disclosed in the Debtors' filings in the Chapter 11 Cases, the Company is currently unable to timely fill almost one-third of customer demand for its products. While the Company is working to expedite lower level components to address the expected shipping shortfall during the holiday season, there can be no assurance that the Company's efforts will be successful.

Also, the Company is continually looking for opportunities to provide essential business services in a more cost-effective manner. In some cases, the Company outsources certain functions that it believes can be performed more efficiently by third parties, such as in the areas of IT, finance, tax and human resources. These third parties could fail to provide the expected level of services, provide them on a timely basis or to provide them at the expected fees. Such events, if not promptly remedied, could have a material adverse effect on the Company's business, prospects, reputation, results of operation, financial condition and/or cash flows.

Item 3. Default upon Senior Securities

None

Item 5. Other Information

None

Item 6. Exhibits

*10.1	Key Employee Incentive Plan
*10.2	Form of Award for Key Employee Incentive Plan
*10.3	Key Employee Retention Plan
*31.1	Certification of Debra Perelman, Chief Executive Officer, dated November 8, 2022, pursuant to Rule 13a-14(a)/15d-14(a) of the Exchange Act.
*31.2	Certification of Matt Kvarda, Interim Chief Financial Officer, dated November 8, 2022, pursuant to Rule 13a-14(a)/15d-14(a) of the Exchange Act.
*31.3	Certification of Debra Perelman, Chief Executive Officer, dated November 8, 2022, pursuant to Rule 13a-14(a)/15d-14(a) of the Exchange Act.
*31.4	Certification of Matt Kvarda, Interim Chief Financial Officer, dated November 8, 2022, pursuant to Rule 13a-14(a)/15d-14(a) of the Exchange Act.
**32.1	Certification of Debra Perelman, Chief Executive Officer, dated November 8, 2022, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
**32.2	Certification of Matt Kvarda, Interim Chief Financial Officer, dated November 8, 2022, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
**32.3	Certification of Debra Perelman, Chief Executive Officer, dated November 8, 2022, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
**32.4	Certification of Matt Kvarda, Interim Chief Financial Officer, dated November 8, 2022, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

*101.INS	Inline XBRL Instance Document
*101.SCH	Inline XBRL Taxonomy Extension Schema
*101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase
*101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase
*101.LAB	Inline XBRL Taxonomy Extension Label Linkbase
*101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase
*104	Cover Page Interactive Data File, formatted in Inline XBRL and contained in Exhibit 101

*Filed herewith.
**Furnished herewith.

S I G N A T U R E S

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, each Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Dated: November 8, 2022

Revlon, Inc.
(Registrant)

By: /s/ Debra Perelman	By: /s/ Matthew Kvarda	By: /s/ Christine Chen
Debra Perelman President, Chief Executive Officer & Director	Matthew Kvarda Interim Chief Financial Officer	Christine Chen Interim Chief Accounting Officer & Controller

Revlon Consumer Products Corporation
(Registrant)

By: /s/ Debra Perelman	By: /s/ Matthew Kvarda	By: /s/ Christine Chen
Debra Perelman President, Chief Executive Officer & Director	Matthew Kvarda Interim Chief Financial Officer	Christine Chen Interim Chief Accounting Officer & Controller

Exhibit 10.1

REVLON, INC.

2022 KEY EMPLOYEE INCENTIVE PLAN

1. Purpose. The purpose of this Revlon, Inc. 2022 Key Employee Incentive Plan (this "**Plan**") is to promote the interests of Revlon, Inc., a Delaware corporation, or any successor corporation (together with their subsidiaries, the "**Company**") by providing incentives to key management personnel of the Company to make extraordinary efforts to execute the strategic objectives of the Company in the manner most beneficial to the Company and its stakeholders.

2. Effective Date. This Plan is effective as of September 14, 2022.

3. Definitions. Capitalized terms used and not defined in the body of this Plan have the meanings assigned to them in Appendix A.

4. Eligible Participants. The "**Participants**" under this Plan shall be the Initial Participants and any New Participants.

(a) New Participants. Participants that become eligible to participate under this Plan during the Performance Period will be eligible to receive a Quarterly Payment or Catch Up Payment in an amount which is pro-rated beginning on the first day of the New Participant's full-time employment with the Company.

5. KEIP Payments Generally.

(a) Quarterly Payments.

(i) Each Participant shall be eligible to earn a Quarterly Payment for each Fiscal Quarter with respect to each Metric, subject to the provisions of this Plan and the Award Letter, including the Participant's Continuous Service through the end of such Fiscal Quarter, except as otherwise provided in Section 6(a).

(ii) The Award Letter shall set forth the Participant's Target KEIP Opportunity, and the threshold, target and, for the 2023 Performance Period, maximum amount of each Quarterly Payment. The actual amount of the Quarterly Payment earned by the Participant for a Fiscal Quarter shall be determined based on the level of achievement of the applicable Quarterly Goal. No Quarterly Payment shall be payable if the applicable Quarterly Goal is achieved at less than the threshold level. The Quarterly Payment payable to each Participant for such Fiscal Quarter with respect to such Metric (as a percentage of the target amount of such Quarterly Payment) will be determined based on linear interpolation between such levels. An example of the calculation of a Quarterly Payment is set forth in Appendix B.

(iii) Promptly after financials for a Fiscal Quarter are available, the Committee shall certify the level of achievement of the Quarterly Goal for such Fiscal Quarter with respect to each Metric and the amount of the Quarterly Payment earned by each Participant with respect to each Metric. Each Quarterly Payment shall be paid to the Participant in cash by the Company. Each Quarterly Payment that is earned for a Fiscal Quarter shall be paid as soon as practicable following the end of such Fiscal Quarter, and in no event later than (A) 45 days after the end of such Fiscal Quarter, for the Fiscal Quarters ending September 30, 2022, March 31, 2023, June 30, 2023 and September 30, 2023, (B) March 15, 2023, for the Fiscal Quarter ending December 31, 2022, or (C) March 15, 2024, for the Fiscal Quarter ending December 31, 2023.

(iv) Notwithstanding the foregoing, if the Effective Date occurs before December 31, 2023, then immediately prior to the Effective Date, an amount equal to the maximum Quarterly Payment that each Participant is eligible to earn with respect to each Metric for the Fiscal Quarter in which the Effective Date occurs, as prorated to reflect the pre-Effective Date portion of such Fiscal Quarter, shall be placed into escrow by the Debtors' estates. Each such escrowed amount shall be applied toward payment of the amount of the Quarterly Payment that is earned by each Participant with respect to each Metric for the full Fiscal Quarter in which the Effective Date occurs, as determined pursuant to Section 5(a)(iii). For clarity, (x) if the applicable escrowed amount exceeds the amount of the Quarterly Payment that is earned by a Participant with respect to a Metric for the full Fiscal Quarter in which the Effective Date occurs, such excess shall not be paid to the Participant and instead shall be returned to the Company, and (y) if the amount of the Quarterly Payment that is earned by a Participant with respect to a Metric for the full Fiscal Quarter in which the Effective Date occurs exceeds the applicable escrowed amount, the Participant shall receive the full amount of such Quarterly Payment (including the escrowed amount and an additional amount equal to such excess).

(b) Catch Up Payments.

(i) Each Participant shall be eligible to earn a Catch Up Payment for each Performance Period with respect to each Metric, subject to the provisions of this Plan and the Award Letter, including the Participant's Continuous Service through the end of such Performance Period except as otherwise provided in Section 6(a) and Section 4(a).

(ii) The amount of a Participant's Catch Up Payment with respect to a Metric for a Performance Period will equal the excess, if any, of (x) the aggregate amount earned by the Participant with respect to such Metric for such Performance Period based on the level of achievement of the Catch Up Goal for such Performance Period over (y) the aggregate amount of the Quarterly Payments paid to the Participant with respect to such Metric based on the level of achievement of the Quarterly Goals for the Fiscal Quarters in such Performance Period. An example of the calculation of a Catch Up Payment is set forth in Appendix C.

(iii) Promptly after financials for the last Fiscal Quarter in a Performance Period are available, the Committee shall certify the level of achievement of the Catch Up Goal for such Performance Period with respect to each Metric and the amount of the Catch Up Payment earned by each Participant with respect to each Metric. Each Catch Up shall be paid to the Participant in cash by the Company. Each Catch Up Payment that is earned for a Performance Period shall be paid as soon as practicable following the end of such Performance Period (and in no event later than March 15 of the year following such Performance Period).

6. Termination of Employment; Forfeitures.

(b) Qualifying Termination. Notwithstanding anything herein to the contrary, upon a Participant's Qualifying Termination, the Participant (or his or her estate, if applicable) shall be entitled to payment of the following amounts, as applicable:

(i) an amount equal to the product of (A) the Quarterly Payments earned for the Fiscal Quarter in which the Qualifying Termination occurs, determined based on the level of achievement of the Quarterly Goals for such Fiscal Quarter, *multiplied* by (B) a fraction, (x) the numerator of which is the number of calendar days that the Participant was in Continuous Service during such Fiscal Quarter (or, if fewer, the number of calendar days as set forth in the Participant's Award Letter), and (y) the denominator of which is the total number of calendar days in such Fiscal Quarter; and

(ii) an amount equal to the product of (A) the Catch Up Payment earned for the Performance Period in which the Qualifying Termination occurs, determined based on the level of achievement of the Catch Up Goals for such Performance Period, *multiplied* by (B) a fraction, (x) the numerator of which is the number of calendar days that the Participant was in Continuous Service during such Performance Period (or, if fewer, the number of calendar days as set forth in the Participant's Award Letter), and (y) the denominator of which is the total number of calendar days in such Performance Period.

Notwithstanding the foregoing, the Participant's entitlement to the payments set forth in this Section 6(a) shall be subject to the Participant's (or, if applicable, his or her estate's) execution and non-revocation of a release of claims against the Company and its affiliates (which shall also include a release of claims against the Participant by the Company and its affiliates) in the form provided by the Company (the "**Release**") during the period specified in the Release. Each payment set forth in this Section 6(a) shall be made to the Participant on the applicable date specified in Section 5 (or, if later, on the first regularly scheduled payroll date following the effective date of the Release); provided that, if the period during which the Participant may execute the Release spans two calendar years, such payment will in all events be made in the second calendar year.

(a) Non-Qualifying Termination and Clawback. Upon termination of a Participant's Continuous Service for any reason other than a Qualifying Termination, (i) the Participant shall forfeit eligibility to receive any KEIP Payments with respect to any Fiscal Quarter that ends after such termination and (ii) with the exception of Victoria Dolan, if such termination occurs prior to the earlier of (x) the Confirmation Date or (y) December 31, 2023, the Participant will be required to repay to the Company, promptly (and in any event not later than 30 days) following such termination, (1) if the Participant is not Debra Perelman, 50% of the aggregate amount of any KEIP Payments previously paid to the Participant, or (2) if the Participant is Debra Perelman, 100% of the aggregate amount of any KEIP Payments previously paid to the Participant, in each case, net of any taxes withheld on the Participant's behalf or, subject to the Participant's timely submission of appropriate documentation to the Company, paid or payable by the Participant with respect to such KEIP Payments; provided in no case will the amount of taxes that are netted from the repayment obligation exceed those paid based on the Participant's applicable tax rate. This repayment will be due no later than 30 days following such resignation or termination.

(b) Reallocation. In the event that a Participant forfeits eligibility to earn a KEIP Payment pursuant to Section 6, such KEIP Payment shall return to the KEIP Pool and may be allocated to a New Participant who replaces such Participant as long as the New Participant is employed on a full-time basis with the Company, as determined in the reasonable discretion of the Administrator, subject, in all cases, to the terms of this Plan and any bankruptcy court order authorizing this Plan.

7. Plan Administration. This Plan shall be administered by the Committee or its designee (the "**Administrator**"), subject to the terms of this Plan and any bankruptcy court order authorizing this Plan. Subject to any limitations set forth herein, the Administrator shall have the full authority and discretion to take any action as may be necessary to administer and attain the objectives of this Plan and may delegate the authority to administer this Plan to an officer of the Company, provided that no officer of the Company who is also a Participant may administer this Plan on the officer's own behalf. The Administrator (or its delegate) and the bankruptcy court with jurisdiction shall have full power and authority to construe and interpret this Plan and any interpretation by the Administrator (or its delegate) or the bankruptcy court with jurisdiction shall be binding on all Participants and shall be accorded the maximum deference permitted by law. Such designations, determinations, interpretations and decisions by the Administrator or the bankruptcy court with jurisdiction need not be the same with respect to each Participant (whether such Participants are similarly situated or not).

(a) General. All rights and interests of Participants under this Plan shall be non-assignable and nontransferable, and otherwise not subject to pledge or encumbrance, whether voluntary or involuntary, other than by will or by the laws of descent and distribution. In connection with a Sale Event, the Company may assign this Plan's sponsorship, in whole or in part.

(b) Adjustments. The Committee may, in its discretion, equitably adjust any Metrics or Goals on a pro forma basis or otherwise to take into account (i) any acquisitions or dispositions consummated during the Performance Periods or other unusual and non-recurring events otherwise affecting the Metrics or Goals, (ii) any material change in the Company's business plan or (iii) any other event or circumstance the Committee determines to be appropriate; provided that, in each case of (i), (ii) and (iii), prior to the Confirmation Date, the Committee shall only be permitted to make a downward adjustment to any such Metrics or Goals to take into account a partial sale of the Company's assets. The determination of the Metrics or Goals (and calculations relating thereto) and any adjustments thereto by the Committee shall be final, conclusive and binding on all Participants and other persons.

(c) Manner of Payment; Withholding. Any KEIP Payment shall be made to a Participant either (i) in the same manner as the Participant receives his or her regular paycheck or (ii) by certified mail at the last known address of the Participant in the records of the Company. The Company shall withhold all applicable taxes and any other required withholdings with respect to any KEIP Payment.

(d) Unfunded Arrangement; Exclusion of Compensation. Subject to Section 5(a)(iv), the Company shall not be required to establish any special or separate fund or to make any other segregation of assets to ensure the payment of any award provided for hereunder. KEIP Payments shall not be considered as extraordinary, special incentive compensation, and shall not be included as "earnings," "wages," "salary," or "compensation" in any pension, welfare, life insurance, or other employee benefit plan or arrangement of the Company, except as otherwise provided in any such other benefit plan or arrangement.

(e) Amendment and Termination. The Company, in its sole discretion, shall have the right to modify, supplement, suspend or terminate this Plan at any time; provided that in no event shall any amendment, modification, supplement or termination adversely affect the rights of any Participant regarding any KEIP Payment without the prior written consent of the Participant; provided, further, that any material amendment to this Plan, such as an increase in the KEIP Pool, or any amendment that results in a modification to the terms of the bankruptcy court order approving this Plan will be subject to the prior approval of the Committee and any bankruptcy court with jurisdiction, as applicable. Subject to the foregoing, this Plan shall terminate upon the satisfaction of all obligations of the Company hereunder.

(f) No Right to Continued Employment. Nothing contained in this Plan shall in any way affect the right and power of the Company to discharge any Participant or otherwise terminate the Participant's employment at any time or for any reason or to change the terms of the Participant's employment in any manner.

(g) Expenses of Plan. Any expense incurred in administering this Plan shall be borne by the Company.

(h) Captions. Captions preceding the sections hereof are inserted solely as a matter of convenience and in no way define or limit the scope or intent of any provision hereof.

(i) Governing Law. The administration of this Plan shall be governed by the substantive laws of the State of New York, without regard to principles of conflicts of laws. Any persons who now are or shall subsequently become Participants in this Plan shall be deemed to consent to this provision.

(j) Jurisdiction. By accepting an award under this Plan, each Participant (i) agrees that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Plan, whether in contract, tort or otherwise, shall be brought in the federal or state courts in the State of New York, so long as one of such courts shall have subject-matter jurisdiction over such suit, action or proceeding, and that any cause of action arising out of this Plan shall be deemed to have arisen from a transaction of business in the State of New York, *provided*, that during the pendency of the Chapter 11 Cases, any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Plan, whether in contract, tort or otherwise, shall be brought in the Bankruptcy Court for the Southern District of New York and (ii) hereby irrevocably consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding which is brought in any such court has been brought in an inconvenient forum.

(k) Notices. All notices and other communications under this Plan shall be in writing and shall be given by hand delivery to the other party or confirmed fax or overnight courier, or by postage paid first class mail, addressed as follows:

If to the Participant:

The address of his principal residence as it appears in the Company's records.

If to the Company:

Revlon, Inc.
1 New York Plaza
New York, NY 10004
Attention: Andrew Kidd; Ely Bar-Ness

or to such other address as any party shall have furnished to the other in writing in accordance with this Section 7(k). Notice and communications shall be effective when actually received by the addressee if given by hand delivery or confirmed fax, when deposited with a courier service if given by overnight courier, or two business days following mailing if delivered by first class mail.

(l) Section 409A.

(i) This Plan is intended to either comply with, or be exempt from, the requirements of Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations and guidance thereunder ("**Section 409A**"). To the extent that this Plan is not exempt from the requirements of Section 409A, this Plan is intended to comply with the requirements of Section 409A and shall be limited, construed and interpreted in accordance with such intent. Each Participant's right to receive any installment payments under this Plan shall be treated as a right to receive a series of separate payments and, accordingly, each such installment payment shall at all times be considered a separate and distinct payment as permitted under Section 409A. Notwithstanding the foregoing, in no event whatsoever shall the Company be liable for any additional tax, interest, income inclusion or other penalty that may be imposed on a Participant by Section 409A or for damages for failing to comply with Section 409A.

(ii) Notwithstanding anything in this Plan to the contrary, any compensation or benefits payable under this Plan that is considered nonqualified deferred compensation under Section 409A and is designated under this Plan as payable upon a Participant's termination of employment shall be payable only upon the Participant's "separation from service" with the Company within the meaning of Section 409A (a "**Separation from Service**").

(iii) Notwithstanding anything in this Plan to the contrary, if a Participant is deemed by the Company at the time of the Participant's Separation from Service to be a "specified employee" for purposes of Section 409A, to the extent delayed commencement of any portion of the benefits to which the Participant is entitled under this Plan is required in order to avoid a prohibited distribution under Section 409A, such portion of the Participant's benefits shall not be provided to the Participant prior to the earlier of (A) the expiration of the six-month period measured from the date of the Participant's Separation from Service or (B) the date of the Participant's death. Upon the first business day following the expiration of the applicable Section 409A period, all payments deferred pursuant to the preceding sentence shall be paid in a lump sum to the Participant (or the Participant's estate or beneficiaries), and any remaining payments due to the Participant under this Plan shall be paid as otherwise provided herein.

Appendix A

Definitions

"**2022 Performance Period**" means the period beginning on July 1, 2022 and ending on December 31, 2022.

"**2023 Performance Period**" means the period beginning on January 1, 2023 and ending on December 31, 2023.

"**Award Letter**" means the award letter delivered to a Participant granting the Participant the opportunity to earn KEIP Payments.

"**Board**" means the Board of Directors of the Company.

"**Catch Up Goals**" means (i) for the 2022 Performance Period, the threshold and target performance goals for each Metric for such Performance Period, as established by the Committee and set forth in Appendix C, and (ii) for the 2023 Performance Period, the threshold, target and maximum performance goals for each Metric for such Performance Period, as determined in accordance with Appendix C.

"**Catch Up Payment**" means a payment earned by a Participant for a Performance Period based on the level of achievement of the Catch Up Goal with respect to a Metric, as described in Section 5(b).

"**Cause**" means (i) gross neglect by the Participant of the Participant's duties of employment, (ii) conviction of the Participant of any felony, (iii) conviction of the Participant of any lesser crime or offense involving the property of the Company, (iv) willful misconduct by the Participant in connection with the performance of the Participant's duties of employment or other material breach by the Participant of any material written employment agreement between the Participant and the Company, (v) any breach by the Participant of the Revlon Code of Conduct and Business Ethics or (vi) any other willful misconduct on the part of the Participant which would make the Participant's continued employment by the Company prejudicial in any material respect to the best interests of the Company. If and to the extent any event of Cause is capable of cure in the good faith determination of the Company, the Company shall provide notice of such event of Cause to the Participant, who shall then have 10 days to cure such event of Cause to the satisfaction of the Company, it being acknowledged and agreed that the Company's good faith determination as to whether a Cause event is subject to cure shall be final and binding upon the parties.

"**Chapter 11 Cases**" means the jointly administered cases of *Revlon, Inc.*, Case No. 22-10760 (DSJ), and its debtor affiliates pending in the Bankruptcy Court for the Southern District of New York.

"**Committee**" means the Restructuring Committee of the Board, or any other committee authorized by the Board. If no committee is duly authorized by the Board with respect to this Plan, the term "Committee" shall be deemed to refer to the Board for all purposes of this Plan.

"**Confirmation Date**" means the date of confirmation of any joint chapter 11 plan in the Chapter 11 Cases.

"**Continuous Service**" means, with respect to a Participant, the Participant's continuous employment or engagement with the Company from the grant date of the Participant's award hereunder through the applicable date.

“**Debtors**” means, collectively, the debtors in the Chapter 11 Cases.

“**DIP Business Plan**” means the business forecast developed in connection with sizing of the Debtors’ postpetition debtor-in-possession financing facility.

“**Disability**” has the meaning set forth in the employment or services agreement between a Participant and the Company, if such an agreement exists and contains a definition of Disability or term of similar import; otherwise “Disability” means the Participant’s physical or mental disability, whether total or partial, such that the Participant is unable to perform the Participant’s services for: (i) a period of six consecutive months or (ii) shorter periods aggregating six months during any 12 month period.

“**Effective Date**” means the effective date of any joint chapter 11 plan confirmed in the Chapter 11 Cases.

“**Fiscal Quarter**” means each of the following three-month periods that constitute the Performance Periods: (i) July 1, 2022 through September 30, 2022, (ii) October 1, 2022 through December 31, 2022, (iii) January 1, 2023 through March 31, 2023, (iv) April 1, 2023 through June 30, 2023, (v) July 1, 2023 through September 30, 2023 and (vi) October 1, 2023 through December 31, 2023.

“**Goals**” means, collectively, the Quarterly Goals and the Catch Up Goals.

“**Initial Participants**” means the following individuals: (i) Debra Perelman, President and Chief Executive Officer, (ii) Victoria Dolan, Chief Financial Officer, (iii) Ely Bar-Ness, Chief Human Resources Officer, (iv) Martine Williamson, Chief Marketing Officer, (v) Keyla Lazardi, Chief Scientific Officer, (vi) Thomas Cho, Chief Supply Chain Officer, (vii) Andrew Kidd, EVP and General Counsel and (viii) the employee who holds the position of President, Americas (or, if no employee holds the position of President, Americas as of the effective date of this Plan, the first employee to hold such position after the effective date of this Plan).

“**KEIP Payment**” means a Quarterly Payment or a Catch Up Payment, as applicable.

“**KEIP Pool**” means the aggregate amount of the KEIP Payments that may be earned by all Participants under this Plan, which (i) for the 2022 Performance Period, shall not exceed (A) $7,443,083, assuming that the Quarterly Goals for such Performance Period are achieved at the threshold level, or (B) $14,886,166, assuming that the Quarterly Goals for such Performance Period are achieved at the target level, and (ii) for the 2023 Performance Period, shall not exceed (A) $7,043,083, assuming that the Quarterly Goals for such Performance Period are achieved at the threshold level, (B) $14,086,166, assuming that the Quarterly Goals for such Performance Period are achieved at the target level, or (C) $ 21,129,249, assuming that the Quarterly Goals for such Performance Period are achieved at the maximum level.

“**KERP**” means the key employee retention plan adopted by the Company as of July 1, 2022.

“**Metrics**” means, collectively, Tested Recurring EBITDA, Tested Cumulative Operating Net Cash Flow and Tested Net Sales.

“**New Participant**” means an individual who replaces a Participant (including an Initial Participant or another New Participant) whose employment with the Company terminates; provided that such individual (i) performs job functions that are substantially similar to the job functions that such Participant performed, (ii) is not a relative of an insider of the Company unless the participation by such individual in this Plan is approved by (A) the Committee and the

AdHoc Group of BrandCo Lenders or (B) further bankruptcy court order and (iii) is considered a full-time employee of the Company, meaning the New Participant is not employed on a part-time basis.

"**Performance Period**" means the 2022 Performance Period or the 2023 Performance Period, as applicable.

"**Quarterly Goals**" means the threshold, target and, for the 2023 Performance Period, maximum performance goals for each Metric for each Fiscal Quarter, as established by the Committee and set forth in Appendix B.

"**Quarterly Payment**" means a payment earned by a Participant for a Fiscal Quarter with respect to a Metric based on the level of achievement of the Quarterly Goal with respect to such Metric, as described in Section 5(a).

"**Qualifying Termination**" means, with respect to a Participant, a termination of the Participant's Continuous Service at any time prior to December 31, 2023 due to the Participant's (i) involuntary termination by the Company without Cause or (ii) death or Disability.

"**Sale Event**" means a direct or indirect sale, disposition or other transfer to one or more acquirors of (i) beneficial or direct voting control of the Company, (ii) all or substantially all of the assets of the Company, (iii) a majority of the value of the equity securities of the Company or (iv) a sale of the business unit for which a Participant works.

"**Target KEIP Opportunity**" means, with respect to a Participant, the aggregate amount of the Participant's Quarterly Payments, assuming that the Quarterly Goals for the Performance Periods are achieved at the target level.

"**Tested Cumulative Operating Net Cash Flow**" means the net cash flow set forth in the DIP Business Plan forecast, excluding any expenses related to adequate assurances, DIP fees and interests, professional fees, this Plan, the KERP, capital expenditures or normal course bonus accruals.

"**Tested Net Sales**" means gross revenues from sales of products less expected product returns, trade discounts, and customer allowances.

"**Tested Recurring EBITDA**" means GAAP operating income, adjusted to exclude depreciation and amortization expense, non-cash stock-based compensation expense and restructuring and other adjustments, including "internal" and "external" non-recurring items, and excluding any reduction for normal course bonus accruals, this Plan, the KERP or any residual expensing for equity awards.

Appendix B

Quarterly Payments

Quarterly Goals

The threshold and target Quarterly Goals for each Metric for each Fiscal Quarter in the 2022 Performance Period are as follows:

Tested Recurring EBITDA

Fiscal Quarter Ending	Quarterly Goals ($ in millions)	
	Threshold	Target
September 30, 2022	37.7	41.9
December 31, 2022	109.4	121.6

Tested Cumulative Operating Net Cash Flow

Fiscal Quarter Ending	Quarterly Goals ($ in millions)	
	Threshold	Target
September 30, 2022	(261.9)	(238.1)
December 31, 2022	20.6	22.9

Tested Net Sales

Fiscal Quarter Ending	Quarterly Goals ($ in millions)	
	Threshold	Target
September 30, 2022	418.7	465.3
December 31, 2022	582.4	647.1

The threshold, target and maximum Quarterly Goals for each Metric for each Fiscal Quarter in the 2023 Performance Period will be derived from the higher of the amounts set forth in either (a) the Company's 2023 business plan or (b) the DIP Business Plan (collectively, the "Business Plans"). The Company's 2023 business plan will be developed in the Company's sole discretion (subject to the oversight and approval of the Board) in the second half of 2022. Specifically, (a) threshold performance will represent 90% of the amounts derived from the Business Plans; (b) target performance will represent 100% of the amounts derived from the Business Plans; and (c) maximum performance will represent 120% of the amounts derived from the Business Plans.

Amounts set forth for the 2023 year in the DIP Business Plan are as follows:

Tested Recurring EBITDA

Fiscal Quarter Ending	Quarterly Goal Floors ($ in millions)		
	Threshold	Target	Maximum
March 31, 2023	49.6	55.1	66.2
June 30, 2023	64.5	71.7	86.0
September 30, 2023	67.8	75.3	90.4
December 31, 2023	131.8	146.4	175.7

Tested Cumulative Operating Net Cash Flow

Fiscal Quarter Ending	Quarterly Goal Floors ($ in millions)		
	Threshold	Target	Maximum
March 31, 2023	55.3	61.5	73.8
June 30, 2023	88.5	98.3	117.9
September 30, 2023	188.1	209.0	250.8
December 31, 2023	371.3	412.5	495.0

Tested Net Sales

Fiscal Quarter Ending	Quarterly Goals ($ in millions)		
	Threshold	Target	Maximum
March 31, 2023	435.8	484.3	581.1
June 30, 2023	441.4	490.5	588.6
September 30, 2023	465.7	517.5	620.9
December 31, 2023	632.2	702.4	842.9

<u>Payment Amounts</u>

The amount of the Quarterly Payment payable to each Participant for each Fiscal Quarter with respect to each Metric (as a percentage of the target amount of such Quarterly Payment), assuming that the Quarterly Goal for such Fiscal Quarter with respect to such Metric is achieved at the threshold, target or, for the 2023 Performance Period, maximum level, is as follows:

Performance Period	Quarterly Payment (% of target amount)		
	Threshold	Target	Maximum
2022	50%	100%	N/A
2023	50%	100%	150%

If the Quarterly Goal for a Fiscal Quarter with respect to a Metric is achieved above the threshold level and below the target level, or, for Fiscal Quarters in the 2023 Performance Period, above the target level and below the maximum level, the Quarterly Payment payable to each Participant for such Fiscal Quarter with respect to such Metric (as a percentage of the target amount of such

Quarterly Payment) will be determined based on linear interpolation between such levels. For the avoidance of doubt, (i) the amount of the Quarterly Payment payable to a Participant for a Fiscal Quarter in the 2022 Performance Period will in no event exceed the target amount of such Quarterly Payment and (ii) no Quarterly Payment shall be made with respect to such Metric if the Metric threshold is not achieved.

The following example is provided for purposes of illustration only:

- A Participant's target Quarterly Payment for the Fiscal Quarter ending September 30, 2022 with respect to Tested Recurring EBITDA is $30,000.
- The Quarterly Goal for such Fiscal Quarter with respect to Tested Recurring EBITDA is achieved at $38.0 million (i.e., between the threshold and target levels).
- The Participant's Quarterly Payment for such Fiscal Quarter with respect to Tested Recurring EBITDA is $16,071 (i.e., $15,000 + (($38.0 million – $37.7 million) / ($41.9 million – 37.7 million)) x ($30,000 – (50% x $30,000)).

Appendix C

Catch Up Payments

The threshold and target Catch Up Goals for each Metric for the 2022 Performance Period are as follows:

Tested Recurring EBITDA

Performance Period	Catch Up Goals ($ in millions)	
	Threshold	Target
2022 Performance Period	147.1	163.5

Tested Cumulative Operating Net Cash Flow

Performance Period	Catch Up Goals ($ in millions)	
	Threshold	Target
2022 Performance Period	20.6	22.9

Tested Net Sales

Performance Period	Catch Up Goals ($ in millions)	
	Threshold	Target
2022 Performance Period	1,001.1	1,112.4

In the case of Tested Recurring EBITDA and Tested Net Sales, the threshold, target and maximum Catch Up Goals for such Metric for the 2023 Performance Period will equal the sum of the threshold, target and maximum Quarterly Goals for such Metric for the 2023 Performance Period, as determined in accordance with Appendix B. In the case of Tested Cumulative Operating Net Cash Flow, the threshold, target and maximum Catch Up Goals for such Metric for the 2023 Performance Period will equal the Quarterly Goal for such Metric for the last Fiscal Quarter in the 2023 Performance Period, as determined in accordance with Appendix B.

If the Catch Up Goal for a Performance Period with respect to a Metric is achieved above the threshold level and below the target level, or, for the 2023 Performance Period, above the target level and below the maximum level, the Catch Up Payment payable to each Participant for such Performance Period with respect to such Metric (as a percentage of the target amount of such Catch Up Payment) will be determined based on linear interpolation between such levels. For the avoidance of doubt, the amount of the Catch Up Payment payable to a Participant for the 2022 Performance Period will in no event exceed the target amount of such Catch Up Payment.

Exhibit 10.2

REVLON

Personal & Confidential

September 23, 2022

Re: <u>KEIP Participation</u>

Dear :

In light of your past and future contributions to Revlon, Inc. (the "**Company**"), we would like to offer you an incentive award under the Company's 2022 Key Employee Incentive Plan (the "**Plan**"). The Plan provides incentive compensation to key management personnel of the Company and its subsidiaries, in order to incentivize extraordinary efforts to execute the strategic objectives of the Company in the manner most beneficial to the Company and its stakeholders. This letter (this "**Award Letter**") sets forth our agreement regarding your participation in the Plan, and the terms and conditions of your participation therein. Capitalized terms used but not defined in this Award Letter have the meanings given to such terms in the Plan.

For valuable consideration, the receipt and sufficiency of which are hereby acknowledged, you and the Company hereby agree that you are designated as a Participant in the Plan.

Your Target KEIP Opportunity is **$[●]**. The tables included on <u>Exhibit A</u> attached hereto set forth the threshold, target and maximum amounts of your Quarterly Payment with respect to each Metric for each Fiscal Quarter, and the aggregate threshold, target and maximum amounts of your Quarterly Payments for each Performance Period and for both Performance Periods in total.

The actual amount of each Quarterly Payment will be determined based on the level of achievement of the Quarterly Goal for the Fiscal Quarter, and may range from 50% to 100% of the target amount of the Quarterly Payment for each Fiscal Quarter in the 2022 Performance Period, provided that the threshold is achieved, and from 50% to 150% of the target amount of the Quarterly Payment for each Fiscal Quarter in the 2023 Performance Period, provided that the threshold is achieved. No payment will be made if the threshold is not achieved. The Quarterly Goals for the 2022 Performance Period are set forth in <u>Appendix B</u> to the Plan. The Quarterly Goals for the 2023 Performance Period will be determined in accordance with <u>Appendix B</u> to the Plan.

You may also be eligible for Catch Up Payments with respect to a Metric. The actual amount of each Catch Up Payment will be determined based on the level of achievement of the Catch Up Goal for the Performance Period, as reduced by any Quarterly Payments with respect to the Metric that you receive for the Performance Period. The Catch Up Goals for the 2022 Performance Period are set forth in <u>Appendix C</u> to the Plan. The Catch Up Goals for the 2023 Performance Period will be determined in accordance with <u>Appendix C</u> to the Plan.

Upon termination of your Continuous Service for any reason other than a Qualifying Termination, you will forfeit your eligibility to receive any KEIP Payments with respect to any Fiscal Quarter that ends after such termination. In addition, if such resignation or termination for any reason other than a Qualifying Termination occurs prior to December 31, 2023 (or, if earlier, the Confirmation Date), you will be required to repay to the Company 50% of the aggregate amount of any KEIP Payments previously paid to you, net of any taxes withheld on your behalf or, subject to your timely submission of appropriate documentation to the Company, paid or payable by you with respect to such KEIP Payments; provided in no case will the amount of taxes that are netted from the repayment obligation exceed those paid based on your applicable tax rate. This repayment will be due no later than 30 days following such resignation or termination.

Each KEIP Payment is subject to the terms and conditions of the Plan, a copy of which is enclosed. Please read the Plan document carefully. The Plan and this Award Letter constitute the entire agreement between the parties and supersede all prior communications, agreements and understandings, written or oral, with respect to the terms and conditions of your award. By signing this Award Letter, you acknowledge and agree that your participation in the Plan and entitlement to earn any KEIP Payment hereunder supersedes your entitlement to your annual short-term bonus opportunity for 2022, including any guarantees and to any equity or equity-based compensation granted to you in 2022 and, consequently, that any equity or equity-based compensation granted to you in 2022 is hereby forfeited for no additional consideration. In the event of a conflict between the terms of this Award Letter and the Plan, and except as otherwise set forth in this Award Letter, the terms of the Plan shall govern.

Notwithstanding any disclosure by the Company of the fact or content of this Award Letter, whether in whole or in part, you hereby covenant and agree that you shall keep confidential this Award Letter and the terms hereof, including your eligibility for the KEIP Payments and the amounts thereof, except as required by applicable law. Notwithstanding the foregoing, you may disclose to your attorney, your spouse, and your tax and financial advisors the fact and content of this Award Letter.

[*remainder of page intentionally left blank*]

Thank you for being part of our team and for your contribution to the Company’s success.

Sincerely yours,

Revlon, Inc.
By: ______________
Name: Ely Bar-Ness
Title: Chief Human Resources Officer

Accepted and Agreed:

____

____
Date:

Exhibit A

	Threshold Quarterly Payment			
Fiscal Quarters Ending / Performance Periods	**Tested Recurring EBITDA ($)**	**Tested Cumulative Operating Net Cash Flow ($)**	**Tested Net Sales ($)**	**Total (All Metrics) ($)**
September 30, 2022				
December 31, 2022				
2022 Performance Period				
March 31, 2023				
June 30, 2023				
September 30, 2023				
December 31, 2023				
2023 Performance Period				
Both Performance Periods				

	Target Quarterly Payment			
Fiscal Quarters Ending / Performance Periods	**Tested Recurring EBITDA ($)**	**Tested Cumulative Operating Net Cash Flow ($)**	**Tested Net Sales ($)**	**Total (All Metrics) ($)**
September 30, 2022				
December 31, 2022				
2022 Performance Period				
March 31, 2023				
June 30, 2023				
September 30, 2023				
December 31, 2023				
2023 Performance Period				
Both Performance Periods				

	Maximum Quarterly Payment			
Fiscal Quarters Ending / Performance Periods	**Tested Recurring EBITDA ($)**	**Tested Cumulative Operating Net Cash Flow ($)**	**Tested Net Sales ($)**	**Total (All Metrics) ($)**
September 30, 2022				
December 31, 2022				
2022 Performance Period[1]				
March 31, 2023				
June 30, 2023				
September 30, 2023				
December 31, 2023				
2023 Performance Period				
Both Performance Periods				

[1] The amount in the Maximum Quarterly Payment Chart for the 2022 Performance Period is equal to the Target Quarterly Payment Amount for the 2022 Performance Period.

REVLON, INC.

2022 KEY EMPLOYEE RETENTION PLAN

1. Purpose. The purpose of this Revlon, Inc. 2022 Key Employee Retention Plan (this "**Plan**") is to promote the interests of Revlon, Inc., a Delaware corporation, or any successor corporation (collectively with its subsidiaries, the "**Company**") by providing retention payments to certain employees of the Company whose duties are critically important to the Company's ability to successfully manage its business, particularly in light of the challenging business environment facing the Company.

2. Effective Date of this Plan. This Plan is effective as of July 1, 2022 (the "**Effective Date**").

3. General. The compensation provided under this Plan is intended to be in addition to all other compensation payable to Participants under any employment agreement or incentive plan or program in effect with the Company.

4. Definitions. For the purposes of this Plan:

(a) "**Award Letter**" means the award letter delivered to a Participant that sets forth the Participant's Total KERP Payment.

(b) "**Board**" means the Board of Directors of the Company.

(c) "**Cause**" shall have the meaning set forth in the employment or services agreement between the Participant and the Company, if such an agreement exists and contains a definition of "Cause" or term of similar import; otherwise Cause shall mean (i) gross neglect by the Participant of the Participant's duties of employment, (ii) conviction of the Participant of any felony, (iii) conviction of the Participant of any lesser crime or offense involving the property of the Company, (iv) willful misconduct by the Participant in connection with the performance of the Participant's duties of employment or other material breach by the Participant of any agreement between the Participant and the Company, (v) any breach by the Participant of the Revlon Code of Conduct and Business Ethics or (vi) any other conduct on the part of the Participant which would make the Participant's continued employment by the Company prejudicial in any material respect to the best interests of the Company. If and to the extent any event of Cause is capable of cure in the good faith determination of the Company, the Company shall provide notice of such event of Cause to the Participant, who shall then have 10 days to cure such event of Cause to the satisfaction of the Company, it being acknowledged and agreed that the Company's good faith determination as to whether a Cause event is subject to cure shall be final and binding upon the parties.

(d) "**Code**" means the Internal Revenue Code of 1986, as amended and the regulations thereunder, as they may from time to time be in effect (and any applicable Internal Revenue Service guidance thereunder).

(e) "**Committee**" means the Restructuring Committee of the Board, or any other committee authorized by the Board. If no committee is duly authorized by the Board with respect to this Plan, the term "**Committee**" shall be deemed to refer to the Board for all purposes of this Plan.

(f) "**Disability**" shall have the meaning set forth in the employment or services agreement between a Participant and the Company, if such an agreement exists and contains a definition of Disability or term of similar import; otherwise "Disability" means the Participant's physical or mental disability, whether total or partial, such that the Participant is unable to perform the Participant's services for: (i) a period of six consecutive months or (ii) shorter periods aggregating six months during any 12 month period.

(g) "**Good Reason**" means, without the Participant's consent: (i) a reduction in the Participant's annual base salary of more than 20% or (ii) the required relocation of the Participant's principal place of employment to a location that increases the Participant's one-way commute by more than 35 miles (it being understood that temporary relocations on account of disaster or other disruption shall not constitute Good Reason). Notwithstanding the foregoing, the events described in clauses (i) and (ii) above shall not constitute Good Reason unless the Participant notifies the Company in writing within 10 days of the event giving rise to Good Reason and the Company has failed to cure the circumstances giving rise to Good Reason within 30 days following such notice by the Participant (the "**Cure Period**"). If the Company fails to so cure prior to the expiration of the Cure Period, then the Participant may tender his or her resignation for Good Reason, such resignation to be effective no later than 15 days following the end of the Cure Period; it being understood that if the Participant fails to resign within such 15 day period, the Participant's right to terminate his or her employment for Good Reason on account of such event shall be deemed to be waived.

(h) "**KERP Payment**" means each of Payment 1, Payment 2, Payment 3, Payment 4, Payment 5 and Payment 6.

(i) "**KERP Payment Pool**" means the aggregate amount of all KERP Payments available to all Participants under this Plan, which in no case shall be greater than $15.375 million.

(j) "**Participant**" shall have the meaning as set forth in <u>Section 5</u> of this Plan.

(k) "**Payment 1**" means 25% of the Total KERP Payment.

(l) "**Payment 2**" means 25% of the Total KERP Payment.

(m) "**Payment 3**" means 12.5% of the Total KERP Payment.

(n) "**Payment 4**" means 12.5% of the Total KERP Payment.

(o) "**Payment 5**" means 12.5% of the Total KERP Payment.

(p) "**Payment 6**" means 12.5% of the Total KERP Payment.

(q) "**Relevant Date**" means (i) September 30, 2022 for Payment 1, (ii) December 31, 2022 for Payment 2, (iii) March 31, 2023 for Payment 3, (iv) June 30, 2023 for Payment 4, (v) September 30, 2023 for Payment 5 and (vi) December 31, 2023 for Payment 6.

(r) "**Relevant Period**" with respect to a KERP Payment means (i) in the case of Payment 1, the period beginning on the Effective Date and ending on September 30, 2022, and (ii) in each of each other KERP Payment, the period (A) beginning on the day immediately following the Relevant Date for the immediately preceding KERP Payment and (B) ending on the Relevant Date for such KERP Payment.

(s) "**Sale Event**" means a direct or indirect sale, disposition or other transfer to one or more acquirors of (i) beneficial or direct voting control of the Company, (ii) all or substantially all of the assets of the Company, (iii) a majority of the value of the equity securities of the Company or (iv) a sale of the business unit for which a Participant works.

(t) "**Total KERP Payment**" means the amount set forth in the Participant's Award Letter.

5. Eligible Participants. Each employee selected by the Committee to participate in the Plan who receives an Award Letter shall be a "**Participant**" under this Plan.

6. Terms of Participation. Each Participant shall be eligible to receive each KERP Payment, subject to the provisions of this Plan and the Award Letter, including but not limited to, the Participant's continued employment with the Company through the Relevant Date for such KERP Payment (in accordance with Section 8(c)), except as otherwise provided in Section 7(a).

7. Termination of Employment; Forfeitures.

(a) Termination Without Cause; Death, Disability; Resignation for Good Reason. Notwithstanding anything herein to the contrary, upon a Participant's involuntary termination by the Company without Cause, termination due to the Participant's death or Disability, or upon the Participant's resignation for Good Reason, the Participant (or his or her estate, if applicable) shall receive payment of an amount equal to (x) the KERP Payment for the Relevant Period in which such termination occurs *multiplied* by (y) a fraction, (i) the numerator of which is the number of calendar days that the Participant was employed during such Relevant Period, and (ii) the denominator of which is the total number of calendar days in such Relevant Period; provided, however, that the Participant's entitlement to such payment shall be subject to the Participant's (or, if applicable, his or her estate's) execution and non-revocation of a release of claims against the Company and its affiliates in the form provided by the Company during the period specified in such release. Such payment shall be paid to the Participant on the Company's first regularly scheduled payroll date that is at least three business days following the effective date of such release; provided that, if the period during which the Participant may execute such release spans two calendar years, such payment will in all events be made in the second calendar year. For the avoidance of doubt, in no case shall the Participant's failure to accept a comparable offer of employment from an acquiror in a Sale Event be considered an involuntary termination by the Company without Cause or a resignation by the Participant for Good Reason.

(b) Termination for Cause; Voluntary Resignation other than for Good Reason; Forfeiture and Clawback. Upon a Participant's voluntary resignation other than for Good Reason or termination by the Company for Cause, (i) the Participant shall forfeit eligibility to receive any KERP Payments that have not yet been paid to the Participant and (ii) if such resignation or termination occurs prior to the earlier of (i) the date of confirmation of a joint chapter 11 plan in the jointly administered cases of *Revlon, Inc.*, Case No. 22-10760 (DSJ), and its debtor affiliates (the "Chapter 11 Cases") pending in the Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court")or (ii) June 30, 2023, the Participant will be required to repay to the Company, promptly (and in any event not later than 30 days) following such resignation or termination, any KERP Payments previously paid to the Participant, net of any taxes paid or payable by the Participant with respect to such KERP Payments.

(c) Reallocation. In the event that a Participant forfeits or is otherwise no longer entitled to receive a KERP Payment (including due to a forfeiture under Section 7(b)), such KERP Payment shall return to the KERP Payment Pool and may be allocated to new or existing Participants, as determined in the reasonable discretion of the Administrator, or if the Administrator delegates its authority to an officer of the Company pursuant to Section 8, as determined in the reasonable direction of such officer, subject, in all cases, to the terms of this Plan and any bankruptcy court order authorizing this Plan.

8. Plan Administration. This Plan shall be administered by the Chief Human Resources Officer of the Company or his designee (the "**Administrator**"), subject to the terms of this Plan

and any bankruptcy court order authorizing this Plan. Subject to any limitations set forth herein, the Administrator shall have the full authority and discretion to take any action as may be necessary to administer and attain the objectives of this Plan and may delegate the authority to administer this Plan to an officer of the Company, provided that no officer of the Company who is also a Participant may administer this Plan on the officer's own behalf. The Administrator (or its delegate) shall have full power and authority to construe and interpret this Plan and any interpretation by the Administrator (or its delegate) shall be binding on all Participants and shall be accorded the maximum deference permitted by law. Such designations, determinations, interpretations and decisions by the Administrator need not be the same with respect to each Participant (whether such Participants are similarly situated or not).

(a) General. All rights and interests of Participants under this Plan shall be non-assignable and nontransferable, and otherwise not subject to pledge or encumbrance, whether voluntary or involuntary, other than by will or by the laws of descent and distribution. In connection with any Sale Event, the Company may assign this Plan's sponsorship, in whole or in part.

(b) Form and Timing of Payment; Withholding. Any payment due under this Plan shall be made to a Participant in either (i) the same manner as the Participant receives his or her regular paycheck or (ii) by certified mail at the last known address of the Participant in the records of the Company. Subject to Section 7(a), KERP Payments, to the extent earned, shall be made on the Company's first regularly scheduled payroll date following the applicable Relevant Date (and in any event not later than 30 days after the applicable Relevant Date). The Company shall withhold all applicable taxes and any other required withholdings with respect to the payment of any award pursuant to this Plan.

(c) Unfunded Arrangement; Exclusion of Compensation. The Company shall not be required to establish any special or separate fund or to make any other segregation of assets to ensure the payment of any award provided for hereunder. KERP Payments shall not be considered as extraordinary, special incentive compensation, and shall not be included as "earnings," "wages," "salary," or "compensation" in any pension, welfare, life insurance, or other employee benefit plan or arrangement of the Company, except as otherwise provided in any such other benefit plan or arrangement.

(d) Amendment and Termination. The Company, in its sole discretion, shall have the right to modify, supplement, suspend or terminate this Plan at any time; provided that in no event shall any amendment or termination adversely affect the rights of any Participant regarding any KERP Payment without the prior written consent of the Participant; provided, further, that any material amendment to this Plan, such as an increase in the KERP Payment Pool, may be subject to the prior approval of the Committee and any bankruptcy court with jurisdiction, as applicable. Subject to the foregoing, this Plan shall terminate upon the satisfaction of all obligations of the Company hereunder.

(e) Sale Event. Upon a Sale Event, the Company shall seek to have the acquiror assume the KERP Payments applicable to each Participant who transfers to such acquiror. If the KERP Payments are not so assumed, this Plan will terminate with respect to each such Participant, provided that the Participant will receive the KERP Payment for the Relevant Period during which the closing of such Sale Event occurs, prorated for the number of days elapsed in the Relevant Period through such closing.

(f) No Right to Continued Employment. Nothing contained in this Plan shall in any way affect the right and power of the Company to discharge any Participant or otherwise terminate the Participant's employment at any time or for any reason or to change the terms of the Participant's employment in any manner.

(g) Expenses of Plan. Any expense incurred in administering this Plan shall be borne by the Company.

(h) Captions. Captions preceding the sections hereof are inserted solely as a matter of convenience and in no way define or limit the scope or intent of any provision hereof.

(i) Governing Law. The administration of this Plan shall be governed by the substantive laws of the State of New York, without regard to principles of conflicts of laws. Any persons who now are or shall subsequently become Participants in this Plan shall be deemed to consent to this provision.

(j) Jurisdiction. By accepting an award under this Plan, each Participant (i) agrees that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Plan, whether in contract, tort or otherwise, shall be brought in the federal or state courts in the State of New York, so long as one of such courts shall have subject-matter jurisdiction over such suit, action or proceeding, and that any cause of action arising out of this Plan shall be deemed to have arisen from a transaction of business in the State of New York, *provided*, that during the pendency of the Chapter 11 Cases, any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Plan, whether in contract, tort or otherwise, shall be brought in the Bankruptcy Court and (ii) hereby irrevocably consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding which is brought in any such court has been brought in an inconvenient forum.

(k) Notices. All notices and other communications under this Plan shall be in writing and shall be given by hand delivery to the other party or confirmed fax or overnight courier, or by postage paid first class mail, addressed as follows:

If to the Participant:
The address of his principal residence as it appears in the Company's records.

If to the Company:
Revlon, Inc.
1 New York Plaza
New York, NY 10004
Attention: Andrew Kidd; Ely Bar-Ness

or to such other address as any party shall have furnished to the other in writing in accordance with this Section8(k). Notice and communications shall be effective when actually received by the addressee if given by hand delivery or confirmed fax, when deposited with a courier service if given by overnight courier, or two business days following mailing if delivered by first class mail.

(a) Section 409A.

(i) This Plan is intended to either comply with, or be exempt from, the requirements of Section 409A of the Code ("**Section 409A**"). To the extent that this Plan is not exempt from the requirements of Section 409A, this Plan is intended to comply with the requirements of Section 409A and shall be limited, construed and interpreted in accordance with such intent. Each Participant's right to receive any installment payments under this Plan shall be treated as a right to receive a series of separate payments and, accordingly, each such installment payment shall at all times be considered a separate and distinct payment as permitted under Section 409A. Notwithstanding the foregoing, in no event whatsoever shall the Company be liable for any additional tax, interest, income inclusion or other penalty that may be imposed on a Participant by Section 409A or for damages for failing to comply with Section 409A.

(ii) Notwithstanding anything in this Plan to the contrary, any compensation or benefits payable under this Plan that is considered nonqualified deferred compensation under Section 409A and is designated under this Plan as payable upon a Participant's termination of employment shall be payable only upon the Participant's "separation from service" with the Company within the meaning of Section 409A (a "**Separation from Service**").

(iii) Notwithstanding anything in this Plan to the contrary, if a Participant is deemed by the Company at the time of the Participant's Separation from Service to be a "specified employee" for purposes of Section 409A, to the extent delayed commencement of any portion of the benefits to which the Participant is entitled under this Plan is required in order to avoid a prohibited distribution under Section 409A, such portion of the Participant's benefits shall not be provided to the Participant prior to the earlier of (A) the expiration of the six-month period measured from the date of the Participant's Separation from Service or (B) the date of the Participant's death. Upon the first business day following the expiration of the applicable Section 409A period, all payments deferred pursuant to the preceding sentence shall be paid in a lump sum to the Participant (or the Participant's estate or beneficiaries), and any remaining payments due to the Participant under this Plan shall be paid as otherwise provided herein.

Exhibit 31.1

CERTIFICATIONS

I, Debra Perelman, certify that:

1. I have reviewed this quarterly report on Form 10-Q (the "Report") of Revlon, Inc. (the "Registrant");

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: November 8, 2022

/s/ Debra Perelman
Debra Perelman
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATIONS

I, Matthew Kvarda, certify that:

1. I have reviewed this quarterly report on Form 10-Q (the "Report") of Revlon, Inc. (the "Registrant");

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: November 8, 2022

/s/ Matthew Kvarda
Matthew Kvarda
Interim Chief Financial Officer

Exhibit 31.3

CERTIFICATIONS

I, Debra Perelman, certify that:

1. I have reviewed this quarterly report on Form 10-Q (the "Report") of Revlon Consumer Products Corporation (the "Registrant");

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: November 8, 2022

/s/ Debra Perelman
Debra Perelman
President and Chief Executive Officer

Exhibit 31.4

CERTIFICATIONS

I, Matthew Kvarda, certify that:

1. I have reviewed this quarterly report on Form 10-Q (the "Report") of Revlon Consumer Products Corporation (the "Registrant");

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: November 8, 2022

/s/ Matthew Kvarda
Matthew Kvarda
Interim Chief Financial Officer

Exhibit 32.1

CERTIFICATION 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 Revlon, Inc. (the "Company") for the period ended September 30, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Debra Perelman, Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Debra Perelman
Debra Perelman
Chief Executive Officer

November 8, 2022

Exhibit 32.2

**CERTIFICATION 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 Revlon, Inc. (the "Company") for the period ended September 30, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Matthew Kvarda, Interim Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Matthew Kvarda
Matthew Kvarda
Interim Chief Financial Officer

November 8, 2022

Exhibit 32.3

CERTIFICATION 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 Revlon Consumer Products Corporation (the "Company") for the period ended September 30, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Debra Perelman, Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Debra Perelman
Debra Perelman
Chief Executive Officer

November 8, 2022

Exhibit 32.4

CERTIFICATION 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 Revlon Consumer Products Corporation (the "Company") for the period ended September 30, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Matthew Kvarda, Interim Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Matthew Kvarda
Matthew Kvarda
Interim Chief Financial Officer

November 8, 2022