

# Revlon Announces Commencement of Exchange Offer and Concurrent Consent Solicitation

Sep 29, 2020

NEW YORK--(BUSINESS WIRE)-- Revlon, Inc. (NYSE: REV) announced today the commencement by Revlon Consumer Products Corporation, its direct wholly-owned operating subsidiary (the "**Company**"), of an exchange offer (the "**Exchange Offer**") to exchange any and all of the outstanding \$344,785,000 aggregate principal amount of its 5.75% Senior Notes due 2021 (the "**Notes**") for, at the holder's option, consideration consisting of (i) cash or (ii) if the holder is an Eligible Holder (as defined below), a combination of cash, ABL FILO Term Loans (as defined below) and New BrandCo Second-Lien Term Loans (as defined below), on the terms as set forth in the confidential Offering Memorandum and Consent Solicitation Statement (the "**Offering Memorandum**"), dated September 29, 2020. Concurrently with the Exchange Offer, the Company is soliciting consents (the "**Consent Solicitation**") to eliminate substantially all of the restrictive covenants and certain events of default provisions from the Indenture governing the Notes (the "**Indenture**").

For each \$1,000.00 principal amount of Notes validly tendered, holders will receive either, at their option, (i) \$275.00 in cash (plus a \$50.00 early tender/consent fee payable if such Notes are tendered at or before 5:00 p.m. New York City time on October 13, 2020 (the "**Early Tender Deadline**")), for an aggregate of \$325.00 in cash, or (ii) if the holder is (a)(i) a qualified institutional buyer as defined in Rule 144A under the Securities Act of 1933, as amended (the "**Securities Act**"), (ii) an institutional accredited investor within the meaning of Rule 501(a)(1), (a)(2), (a)(3) or (a)(7) of the Securities Act or (iii) a person that is not a "U.S. person" within the meaning of Regulation S under the Securities Act, (b) not a natural person and (c) not a "Disqualified Institution" (as defined under the 2016 U.S. ABL Facility (as defined below) and related security documents and intercreditor agreements or the 2020 BrandCo Term Loan Facility (as defined below) and related security documents and intercreditor agreements) (an "**Eligible Holder**"), a combination of (1) \$200.00 in cash (plus a \$50.00 early tender/consent fee payable if such Notes are tendered at or before the Early Tender Deadline), for an aggregate of \$250.00 in cash, plus (2) \$145.00 aggregate principal amount of ABL FILO Term Loans, plus (3) \$217.50 aggregate principal amount of New BrandCo Second-Lien Term Loans (collectively, in the case of Eligible Holders, the "**Mixed Consideration**"). Note holders who tender their Notes after the Early Tender Deadline will not be eligible to receive the \$50.00 early tender/consent fee. Eligible Holders electing to receive Mixed Consideration will be required to become lenders under the credit agreements governing the ABL FILO Term Loans and the BrandCo Term Loans and must complete the joinders, questionnaires, tax documentation and other requirements of the respective agents thereunder (including "know your customer" and other similar documentation), as described in the Offering Memorandum. Failure to do so will render invalid a tender of Notes by the electing Eligible Holder.

The Exchange Offer will expire at 11:59 p.m. on October 27, 2020 (the "**Expiration Time**"), subject to earlier termination, withdrawal or extension by the Company at its discretion.

The ABL FILO Term Loans will be "Tranche B" term loans, ranking junior in right of payment to the "Tranche A" revolving loans, under the Asset-Based Revolving Credit Agreement, dated as of September 7, 2016 (as thereafter amended from time to time), by and among the Company, Revlon, Inc., certain local borrowing subsidiaries from time to time party thereto, certain lenders and issuing lenders party thereto and Citibank, N.A., as administrative agent, collateral agent, issuing lender and swingline lender (such agreement, the "**2016 U.S. ABL Facility**" and such Tranche B term loans, the "**ABL FILO Term Loans**").

The New BrandCo Second Lien Term Loans will be "Term B-2 Loans" (ranking junior to the Term B-1 Loans and senior to the Term B-3 Loans with respect to liens on certain specified collateral) under the BrandCo Credit Agreement, dated as of May 7, 2020 (as thereafter amended from time to time), among the Company, Revlon, Inc., the lenders from time to time party thereto and Jefferies Finance LLC, as administrative agent and as collateral agent (such agreement, the "**2020 BrandCo Term Loan Facility**" and such Term B-2 Loans, the "**New BrandCo Second-Lien Term Loans**").

The Company expects to settle the Exchange Offer shortly after the Early Tender Deadline (if the conditions to the Exchange Offer and Consent Solicitation are fulfilled at that time) or the Expiration Time, as the case may be. Accrued and unpaid interest on the Notes will be paid to, but not including, the settlement date (or the early settlement date, if applicable) of the Exchange Offer.

In conjunction with the Exchange Offer, the Company is soliciting consents (the "**Consent Solicitation**") to effectuate proposed amendments, which will eliminate substantially all of the restrictive covenants and certain events of default provisions from the Indenture. Holders who tender their Notes in the Exchange Offer must also, and will be deemed to, deliver their consents with respect to such Notes pursuant to the Consent Solicitation.

The Exchange Offer and Consent Solicitation are subject to the following conditions precedent: (i) the valid tender without valid withdrawal of not less than 95% of the aggregate outstanding principal amount of Notes (and the provision of the related consents for such tendered Notes); (ii) the receipt of all necessary consents from the lenders under the 2016 U.S. ABL Facility and the 2020

BrandCo Term Loan Facility; (iii) the receipt of requisite consents in the Consent Solicitation and the execution of a supplemental indenture to the Indenture to effectuate the proposed amendments; (iv) the aggregate principal amount of ABL FILO Term Loans issued in exchange for tendered Notes shall be no greater than \$50 million; (v) the aggregate principal amount of BrandCo Second-Lien Term Loans issued in exchange for tendered Notes shall be no greater than \$75 million; (vi) satisfaction of the Minimum Liquidity Closing Condition (as defined in the Transaction Support Agreement (as defined below)); and (vii) other general conditions set forth in the Offering Memorandum. The conditions precedent are for the sole benefit of the Company and may be amended or waived, in whole or in part, at any time, by the Company, subject to applicable law and the terms of the Transaction Support Agreement.

In order to effectuate the Exchange Offer, on September 27, 2020, the Company entered into a Transaction Support Agreement (the "**Transaction Support Agreement**") with the Applicable Required Lenders (as defined in the 2020 BrandCo Term Loan Facility) whereby such lenders agreed, subject to the terms thereof, to support the implementation of the Exchange Offer described herein, and to modify or amend the 2020 BrandCo Term Loan Facility, as may be necessary or appropriate.

The Company has retained Jefferies LLC to act as the dealer manager (the "**Dealer Manager**") for the Exchange Offer. Global Bondholder Services Corporation will act as the Information Agent and Exchange Agent for the Exchange Offer. Questions regarding the Exchange Offer should be directed to Jefferies LLC, 520 Madison Avenue, New York, New York 10022, Attn: Alvin Ng, or (212) 336-6677. Requests for documentation should be directed to Global Bondholder Services Corporation at (212) 430-3774 (for banks and brokers) or (866) 470-3900 (for all others).

The Company will be hosting a conference call for all holders of Notes regarding the Exchange Offer and Consent Solicitation at 2:30 p.m. New York City time on Wednesday, September 30, 2020. To listen to the conference call by telephone, dial toll-free 800-786-5706 (if dialing from within the U.S.) or toll-free 08006922011 (if dialing from the United Kingdom). The conference ID is 21970322. A replay of the conference call will be available at 800 633-8284 or 08006920831 with conference ID 21970322.

Presentation materials for the conference call will be furnished to the Securities and Exchange Commission prior to the call and will also be available on the Company's investor relations website at [www.revloninc.com](http://www.revloninc.com).

This announcement is for informational purposes only and is not a solicitation of an offer to purchase the Notes. The Exchange Offer is being made solely pursuant to the Offering Memorandum. The Exchange Offer is not being made to holders of Notes in any jurisdiction in which the making or acceptance thereof would not be in compliance with the securities, blue sky or other laws of such jurisdiction. In any jurisdiction in which the securities laws or blue sky laws require the Exchange Offer to be made by a licensed broker or dealer, the Exchange Offer will be deemed to be made on behalf of the Company by the Dealer Manager, or one or more registered brokers or dealers that are licensed under the laws of such jurisdiction.

None of the Company or its affiliates, the Dealer Manager, the Information Agent, the Exchange Agent or the trustee with respect to the Notes is making any recommendation as to whether holders should tender any Notes in response to the Exchange Offer, and neither the Company nor any such other person has authorized any person to make any such recommendation. Holders must make their own decision as to whether to tender any of their Notes, and, if so, the principal amount of Notes to tender.

## **About Revlon**

Revlon has developed a long-standing reputation as a color authority and beauty trendsetter in the world of color cosmetics and hair care. Since its breakthrough launch of the first opaque nail enamel in 1932, Revlon has provided consumers with high quality product innovation, performance and sophisticated glamour. In 2016, Revlon acquired the iconic Elizabeth Arden company and its portfolio of brands, including its leading designer, heritage and celebrity fragrances. Today, Revlon's diversified portfolio of brands is sold in approximately 150 countries around the world in most retail distribution channels, including prestige, salon, mass, and online. Revlon is among the leading global beauty companies, with some of the world's most iconic and desired brands and product offerings in color cosmetics, skin care, hair color, hair care and fragrances under brands such as Revlon, Revlon Professional, Elizabeth Arden, Almay, Mitchum, CND, American Crew, Creme of Nature, Cutex, Juicy Couture, Elizabeth Taylor, Britney Spears, Curve, John Varvatos, Christina Aguilera and AllSaints.

## **Forward-Looking Statements**

Statements made in this press release, which are not historical facts, are forward-looking and are provided pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements speak only as of the date they are made and the Company undertakes no obligation to publicly update any forward-looking statement, whether to reflect actual results of operations; changes in financial condition; changes in general U.S. or international economic or industry conditions and/or conditions in the Company's reportable segments; changes in estimates, expectations or assumptions; or other circumstances, conditions, developments and/or events arising after the issuance of this press release, except for the Company's ongoing obligations under the U.S. federal securities laws. Forward-looking statements are subject to known and unknown risks and uncertainties and are based on preliminary or potentially inaccurate estimates and assumptions that could cause actual results to differ materially from those expected or implied by the estimated financial information. Such forward-looking statements include, among other things, the Company's ability to consummate the Exchange Offer and Consent Solicitation and the Company's expectations regarding future liquidity, cash flows, mandatory debt payments and other expenditures. Actual results may differ materially from the Company's forward-looking statements for a number of reasons, including as a result of the risks and other items described in Revlon's filings with the SEC, including, without limitation, in Revlon's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K and

amendments thereto, if any, filed with the SEC during 2019 and 2020 (which may be viewed on the SEC's website at <http://www.sec.gov> or on Revlon, Inc.'s website at <http://www.revloninc.com>). Factors other than those referred to above, such as continuing adverse impacts from the ongoing COVID-19 pandemic, could also cause Revlon's results to differ materially from expected results. Additionally, the business and financial materials and any other statement or disclosure on, or made available through, Revlon's website or other websites referenced herein shall not be incorporated by reference into this press release.

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