



J.JILL, INC. ANNOUNCES FIRST QUARTER 2025 RESULTS
Q1 FY25 Performance Reflects Disciplined Operating Model
Q1 FY25 Net Sales of \$153.6 Million
Q1 FY25 Gross Margin of 71.8%

Quincy, Mass – June 11, 2025 – J.Jill, Inc. (NYSE:JILL) ("J.Jill" or the "Company") today announced financial results for the first quarter of fiscal year 2025.

“J.Jill is a brand with a long history, an extremely loyal core customer, and so much opportunity ahead, and I am thrilled to join the team as its new CEO,” said Mary Ellen Coyne, Chief Executive Officer and President of J.Jill, Inc. “Having spent the last three decades in women’s apparel I have a proven track record of growing businesses profitably, supported by my deep understanding of the industry and admiration for this underserved customer segment. Since joining at the beginning of May, I have been immersing myself in the business, engaging with our teams, visiting stores, and talking with associates and customers. The fundamentals of this business are solid with a lean operating model, strengthening omni-channel capabilities, and a team committed to excellence. This foundation will serve us well as we navigate a challenging macro environment while establishing our plans for the future.”

For the first quarter ended May 3, 2025:

- Net sales for the first quarter of fiscal 2025 decreased 4.9% to \$153.6 million compared to \$161.5 million for the first quarter of fiscal 2024. The first quarter of fiscal 2025 included an approximately \$2 million headwind related to the OMS cutover.
- Total company comparable sales, which includes comparable store and direct to consumer sales, decreased by 5.7% for the first quarter of fiscal 2025.
- Direct to consumer net sales, which represented 46.7% of net sales, were down 5.4% compared to the first quarter of fiscal 2024.
- Gross profit was \$110.4 million compared to \$117.7 million in the first quarter of fiscal 2024. Gross margin was 71.8% compared to 72.9% in the first quarter of fiscal 2024.
- SG&A was \$91.1 million compared to \$89.1 million in the first quarter of fiscal 2024.
- Operating income was \$19.1 million compared to \$28.4 million in the first quarter of fiscal 2024. Operating income margin for the first quarter of fiscal 2025 was 12.4% compared to 17.6% in the first quarter of fiscal 2024. Adjusted Income from Operations* was \$21.5 million compared to \$29.6 million in the first quarter of fiscal 2024.
- Interest expense was \$2.8 million compared to \$6.4 million in the first quarter of fiscal 2024. Interest income was \$0.4 million in the first quarter of fiscal 2025 compared to \$1.0 million in the first quarter of fiscal 2024.
- During the first quarter of fiscal 2025, the Company recorded an income tax provision of \$5.0 million compared to \$6.2 million in the first quarter of fiscal 2024 and the effective tax rate was 29.8% compared to 27.2% in the first quarter of fiscal 2024.
- Net Income was \$11.7 million compared to \$16.7 million in the first quarter of fiscal 2024.
- Net Income per Diluted Share was \$0.76 for the first quarter of fiscal 2025 compared to \$1.16 in the first quarter of fiscal 2024. Adjusted Net Income per Diluted Share* in the first quarter of fiscal 2025 was \$0.88 compared to \$1.22 in the first quarter of fiscal 2024.

- Adjusted EBITDA* for the first quarter of fiscal 2025 was \$27.3 million compared to \$35.6 million in the first quarter of fiscal 2024. Adjusted EBITDA margin* for the first quarter of fiscal 2025 was 17.8% compared to 22.1% in the first quarter of fiscal 2024.
- The Company closed three stores in the first quarter of fiscal 2025. The store count at the end of the quarter is 249 stores compared to 244 stores at the end of the first quarter of fiscal 2024.

Balance Sheet and Cash Flow Highlights

- Inventory at the end of the first quarter of fiscal 2025 was \$60.6 million compared to \$53.1 million at the end of the first quarter of fiscal 2024.
- Net Cash provided by Operating Activities for the thirteen weeks ended May 3, 2025, was \$5.3 million compared to \$21.5 million for the thirteen weeks ended May 4, 2024. Free cash flow* was \$2.6 million compared to \$19.2 million for the thirteen weeks ended May 4, 2024. The Company ended the first quarter of fiscal 2025 with a cash balance of \$31.2 million.

*Non-GAAP financial measures. Please see “Non-GAAP Financial Measures” and “Reconciliation of GAAP Net Income to Adjusted EBITDA,” “Reconciliation of GAAP Operating Income to Adjusted Income from Operations,” “Reconciliation of GAAP Net Income to Adjusted Net Income,” and “Reconciliation of GAAP Cash from Operations to Free Cash Flow” for more information.

Share Repurchase Authorization

In the first quarter of fiscal 2025, the Company purchased 186,800 shares of common stock at an average price per share of \$18.84, for a total cost of approximately \$3.5 million.

As of May 3, 2025, the Company had \$21.0 million remaining under our currently authorized \$25.0 million share repurchase program, which expires by December 6, 2026. The share repurchase program is expected to be funded through the Company’s existing cash and future free cash flow. The timing of any repurchases and the number of shares repurchased are subject to the discretion of the Company and may be affected by various factors, including general market and economic conditions, the market price of the Company’s common stock, the Company’s earnings, financial condition, capital requirements and levels of indebtedness, legal requirements, and other factors that management may deem relevant. The share repurchase program authorization does not obligate the Company to acquire any shares of its common stock and may be amended, suspended or discontinued at any time. Shares may be repurchased from time to time through open market transactions, block trades, privately negotiated purchase transactions or other purchase techniques and may include purchases effected pursuant to one or more trading plans established pursuant to Rule 10b5-1 under the Securities Exchange Act of 1934.

Quarterly Dividend Payment

On March 19, 2025 the Board declared a quarterly cash dividend of \$0.08 per share, payable on April 16, 2025 to stockholders of record of issued and outstanding shares of the Company’s common stock as of April 2, 2025.

Following the end of the first quarter of fiscal 2025, on June 3, 2025, the Board declared a cash dividend of \$0.08 per share, payable on July 9, 2025 to stockholders of record of issued and outstanding shares of the Company’s common stock as of June 25, 2025.

Outlook

Given the increased uncertainty with respect to the macroeconomic environment, along with the Company’s recent leadership transition, the Company is withdrawing its prior guidance for fiscal 2025 and is temporarily suspending its practice of providing forward guidance with the exception of total capital expenditures and net new store openings.

For the full year Fiscal 2025, the Company has updated its expectations for total capital expenditures and net new store openings to the following:

- Total capital expenditures of \$20.0 million to \$25.0 million
- New net store growth of 1 to 5 new stores

Conference Call Information

A conference call to discuss first quarter 2025 results is scheduled for today, June 11, 2025, at 8:00 a.m. Eastern Time. Those interested in participating in the call are invited to dial (888) 596-4144 or (646) 968-2525 if calling internationally. Please dial in approximately 10 minutes prior to the start of the call and reference Conference ID 7311773 when prompted. A live audio webcast of the conference call will be available online at <http://investors.jjill.com/Investors-Relations/News-Events/events>.

A taped replay of the conference call will be available approximately two hours following the call and can be accessed both online and by dialing (800) 770-2030 or (609) 800-9909. The pin number to access the telephone replay is 7311773. The telephone replay will be available until June 18, 2025.

About J.Jill, Inc.

J.Jill is a national lifestyle brand that provides apparel, footwear and accessories designed to help its customers move through a full life with ease. The brand represents an easy, thoughtful and inspired style that celebrates the totality of all women and designs its products with its core brand ethos in mind: keep it simple and make it matter. J.Jill offers a high touch customer experience through over 200 stores nationwide and a robust ecommerce platform. J.Jill is headquartered outside Boston. For more information, please visit www.jjill.com or <http://investors.jjill.com>. The information included on our websites is not incorporated by reference herein.

Non-GAAP Financial Measures

- To supplement our unaudited condensed consolidated financial statements presented in accordance with generally accepted accounting principles (“GAAP”), we use the following non-GAAP measures of financial performance:
- Adjusted EBITDA, which represents net income plus (less) depreciation and amortization, income tax provision, interest expense, interest income, equity-based compensation expense, write-off of property and equipment, amortization of cloud-based software implementation costs, adjustment for exited retail stores, impairment of long-lived assets, and other non-recurring items, primarily consisting of non-ordinary course professional fees, non-employee share-based payments, and legal settlements and fees associated with certain non-recurring transactions and events. We present Adjusted EBITDA on a consolidated basis because management uses it as a supplemental measure in assessing our operating performance, and we believe that it is helpful to investors, securities analysts and other interested parties as a measure of our comparative operating performance from period to period. We also use Adjusted EBITDA as one of the primary methods for planning and forecasting overall expected performance of our business and for evaluating on a quarterly and annual basis actual results against such expectations. Further, we recognize Adjusted EBITDA as a commonly used measure in determining business value and as such, use it internally to report results. We also use Adjusted EBITDA margin which represents, for any period, Adjusted EBITDA as a percentage of net sales.
 - Adjusted Income from Operations, which represents operating income plus (less) equity-based compensation expense, write-off of property and equipment, adjustment for exited retail stores, impairment of long-lived assets, and other non-recurring items. We present Adjusted Income from Operations because management uses it as a supplemental measure in assessing our operating performance, and we believe that it is helpful to investors, securities analysts, and other interested parties as a measure of our comparative operating performance from period to period.
 - Adjusted Net Income, which represents net income plus income tax provision, equity-based compensation expense, write-off of property and equipment, adjustment for exited retail stores, impairment of long-lived assets, and other non-recurring items. We present Adjusted Net Income because management uses it as a supplemental measure in assessing our operating performance, and we believe that it is helpful to investors, securities analysts and other interested parties as a measure of our comparative operating performance from period to period.
 - Adjusted Net Income per Diluted Share represents Adjusted Net Income divided by the number of fully diluted shares outstanding. Adjusted Net Income per Diluted Share is presented as a supplemental measure in assessing our operating performance, and we believe that it is helpful to investors, securities analysts and other interested parties as a measure of our comparative operating performance from period to period.
 - Free Cash Flow represents cash flow from operations less capital expenditures. Free Cash Flow is presented as a supplemental measure in assessing our liquidity, and we believe that it is helpful to investors, securities analysts and other interested parties as a measure of our comparative liquidity and operating performance from period to period.

While we believe that Adjusted EBITDA, Adjusted EBITDA margin, Adjusted Income from Operations, Adjusted Net Income, Adjusted Diluted EPS and Free Cash Flow are useful in evaluating our business, they are non-GAAP financial measures that have limitations as analytical tools. These non-GAAP measures should not be considered alternatives to, or substitutes for, Net Income, Income from Operations, Net Income per Diluted Share or Cash from Operations, which are calculated in accordance with GAAP. In addition, other companies, including companies in our industry, may calculate these non-GAAP measures differently or not at all, which reduces the usefulness of such non-GAAP financial measures as tools for comparison. We recommend that you review the reconciliation and calculation of Adjusted EBITDA, Adjusted EBITDA margin, Adjusted Income from Operations, Adjusted Net Income, Adjusted Diluted EPS and Free Cash Flow to Net Income, Income from Operations, Net Income per Diluted Share and Cash from Operations, respectively, the most directly comparable GAAP financial measures, under “Reconciliation of GAAP Net Income to Adjusted EBITDA”, “Reconciliation of GAAP Operating Income to Adjusted Income from Operations”, “Reconciliation of GAAP Net Income to Adjusted Net Income” and “Reconciliation of GAAP Cash from Operations to Free Cash Flow” and not rely solely on Adjusted EBITDA, Adjusted EBITDA margin, Adjusted Income from Operations, Adjusted Net Income, Adjusted Net Income per Diluted Share, Free Cash Flow or any single financial measure to evaluate our business.

Forward-Looking Statements

This press release contains, and oral statements made from time to time by our representatives may contain, “forward-looking statements.” All statements other than statements of historical facts contained in this press release, including statements regarding our strategy, future operations, future financial position, future revenue, projected costs, prospects, plans, objectives of management, expected market growth and any activities, events or developments that we intend, expect or believe may occur in the future are forward-looking statements. Such statements are often identified by words such as “could,” “may,” “might,” “will,” “likely,” “anticipates,” “intends,” “plans,” “seeks,” “believes,” “estimates,” “expects,” “continues,” “projects,” “goal,” “target” (although not all forward-looking statements contain these identifying words) and similar references to future periods, or by the inclusion of forecasts or projections. Forward-looking statements are based on our current expectations and assumptions regarding capital market conditions, our business, the economy and other future conditions and are not guarantees of future performance. Because forward-looking statements relate to the future, by their nature, they are inherently subject to a number of risks, uncertainties, potentially inaccurate assumptions and changes in circumstances that are difficult to predict. As a result, our actual results may differ materially from those contemplated by the forward-looking statements. Important factors that could cause actual results to differ materially from those in any forward-looking statements include regional, national or global political, economic, business, competitive, market and regulatory conditions, including risks regarding: (1) our sensitivity to changes in economic conditions and discretionary consumer spending; (2) the material adverse impact of pandemics, other health crises or natural disasters on our operations, business and financial results; (3) our ability to anticipate and respond to changing customer preferences, shifts in fashion and industry trends in a timely manner; (4) our ability to maintain our brand image, engage new and existing customers and gain market share; (5) the impact of operating in a highly competitive industry with increased competition; (6) our ability to successfully optimize our omnichannel operations, including our ability to enhance our marketing efforts and successfully realize the benefits from our investments in new technology, for example our recently implemented point-of-sale system and the forthcoming upgrade to our order management system; (7) our ability to use effective marketing strategies and increase existing and new customer traffic; (8) any interruptions in our foreign sourcing operations and the relationships with our suppliers and agents; (9) any increases in the demand for, or the price of, raw materials used to manufacture our merchandise and other fluctuations in sourcing and distribution costs; (10) any material damage or interruptions to our information systems; (11) our ability to protect our trademarks and other intellectual property rights; (12) our indebtedness restricting our operational and financial flexibility; (13) our ability to manage our inventory levels, size assortments and merchandise mix; (14) the fact that we are no longer a controlled company; (15) the impact of any new or increased tariffs; (16) our management succession plan; and (17) other factors that may be described in our filings with the Securities and Exchange Commission (the “SEC”), including the factors set forth under “Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended February 1, 2025. You are encouraged to read our filings with the SEC, available at www.sec.gov, for a discussion of these and other risks and uncertainties. We caution investors, potential investors and others not to place considerable reliance on the forward-looking statements in this press release and in the oral statements made by our representatives. Any such forward-looking statement speaks only as of the date on which it is made. J.Jill undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise.

(Tables Follow)



J.Jill, Inc.
Consolidated Statements of Operations and Comprehensive Income
(Unaudited)
(Amounts in thousands, except share and per share data)

	For the Thirteen Weeks Ended	
	May 3, 2025	May 4, 2024
Net sales	\$ 153,624	\$ 161,513
Costs of goods sold (exclusive of depreciation and amortization)	43,267	43,776
Gross profit	110,357	117,737
Selling, general and administrative expenses	91,088	89,112
Impairment of long-lived assets	207	253
Operating income	19,062	28,372
Interest expense	2,789	6,436
Interest income	(388)	(988)
Income before provision for income taxes	16,661	22,924
Income tax provision	4,969	6,228
Net income and total comprehensive income	\$ 11,692	\$ 16,696
Net income per common share:		
Basic	\$ 0.76	\$ 1.17
Diluted	\$ 0.76	\$ 1.16
Weighted average common shares:		
Basic	15,314,474	14,256,928
Diluted	15,390,957	14,395,197
Cash dividends declared per common share	\$ 0.08	\$ —



J.Jill, Inc.
Consolidated Balance Sheets
(Unaudited)
(Amounts in thousands, except share data)

	May 3, 2025	February 1, 2025
Assets		
Current assets:		
Cash and cash equivalents	\$ 31,245	\$ 35,427
Accounts receivable	9,370	5,017
Inventories, net	60,557	61,295
Prepaid expenses and other current assets	21,138	20,291
Total current assets	122,310	122,030
Property and equipment, net	53,705	55,325
Intangible assets, net	59,842	61,015
Goodwill	59,697	59,697
Operating lease assets, net	130,105	112,303
Other assets	7,237	7,329
Total assets	<u>\$ 432,896</u>	<u>\$ 417,699</u>
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	\$ 44,304	\$ 51,980
Accrued expenses and other current liabilities	41,682	40,479
Current portion of operating lease liabilities	38,067	34,649
Total current liabilities	124,053	127,108
Long-term debt, net of discount and current portion	69,712	69,419
Deferred income taxes	8,616	9,389
Operating lease liabilities, net of current portion	117,294	104,751
Other liabilities	1,248	1,263
Total liabilities	<u>320,923</u>	<u>311,930</u>
Commitments and contingencies		
Shareholders' Equity		
Common stock, par value \$0.01 per share; 50,000,000 shares authorized; 15,489,674 and 15,344,053 shares issued at May 3, 2025 and February 1, 2025 respectively; and 15,283,043 and 15,324,222 shares outstanding at May 3, 2025 and February 1, 2025, respectively	156	153
Additional paid-in capital	240,816	242,781
Treasury stock, at cost, 206,631 and 19,831 shares at May 3, 2025 and February 1, 2025, respectively	(4,049)	(523)
Accumulated deficit	<u>(124,950)</u>	<u>(136,642)</u>
Total shareholders' equity	111,973	105,769
Total liabilities and shareholders' equity	<u>\$ 432,896</u>	<u>\$ 417,699</u>

J.Jill, Inc.
Reconciliation of GAAP Net Income to Adjusted EBITDA
(Unaudited)
(Amounts in thousands)

	For the Thirteen Weeks Ended	
	May 3, 2025	May 4, 2024
Net income	\$ 11,692	\$ 16,696
Add (Less):		
Depreciation and amortization	5,349	5,827
Income tax provision	4,969	6,228
Interest expense	2,789	6,436
Interest income	(388)	(988)
Adjustments:		
Equity-based compensation expense ^(a)	966	1,254
Write-off of property and equipment ^(b)	151	6
Amortization of cloud-based software implementation costs ^(c)	457	221
Adjustment for exited retail stores ^(d)	(232)	(509)
Impairment of long-lived assets ^(e)	207	253
Other non-recurring items ^(f)	1,375	223
Adjusted EBITDA	\$ 27,335	\$ 35,647
Net sales	153,624	161,513
Adjusted EBITDA margin	17.8%	22.1%

- (a)Represents expenses associated with equity incentive instruments granted to our management and Board of Directors. Incentive instruments are accounted for as equity-classified awards with the related compensation expense recognized based on fair value at the date of the grant.
- (b)Represents net gain or loss on the disposal of fixed assets.
- (c)Represents amortization of capitalized implementation costs related to cloud-based software arrangements that are included within Selling, general and administrative expenses.
- (d)Represents non-cash gains associated with exiting store leases earlier than anticipated.
- (e)Represents impairment of long-lived assets related to right of use assets and leasehold improvements.
- (f)Represents items management believes are not indicative of ongoing operating performance, including non-ordinary course professional fees, non-employee share-based payments, and legal settlements and fees.

J.Jill, Inc.
Reconciliation of GAAP Operating Income to Adjusted Income from Operations
(Unaudited)
(Amounts in thousands)

	For the Thirteen Weeks Ended	
	May 3, 2025	May 4, 2024
Operating income	\$ 19,062	\$ 28,372
Add (Less):		
Equity-based compensation expense ^(a)	966	1,254
Write-off of property and equipment ^(b)	151	6
Adjustment for exited retail stores ^(c)	(232)	(509)
Impairment of long-lived assets ^(d)	207	253
Other non-recurring items ^(e)	1,375	223
Adjusted income from operations	\$ 21,529	\$ 29,599

- (a)Represents expenses associated with equity incentive instruments granted to our management and Board of Directors. Incentive instruments are accounted for as equity-classified awards with the related compensation expense recognized based on fair value at the date of the grant.
- (b)Represents net gain or loss on the disposal of fixed assets.
- (c)Represents non-cash gains associated with exiting store leases earlier than anticipated.
- (d)Represents impairment of long-lived assets related to right of use assets and leasehold improvements.
- (e)Represents items management believes are not indicative of ongoing operating performance, including non-ordinary course professional fees, non-employee share-based payments, and legal settlements and fees.

J.Jill, Inc.
Reconciliation of GAAP Net Income to Adjusted Net Income
(Unaudited)
(Amounts in thousands, except share and per share data)

	For the Thirteen Weeks Ended	
	May 3, 2025	May 4, 2024
Net income	\$ 11,692	\$ 16,696
Add: Income tax provision	4,969	6,228
Income before provision for income tax	16,661	22,924
Adjustments:		
Equity-based compensation expense ^(a)	966	1,254
Write-off of property and equipment ^(b)	151	6
Adjustment for exited retail stores ^(c)	(232)	(509)
Impairment of long-lived assets ^(d)	207	253
Other non-recurring items ^(e)	1,375	223
Adjusted income before income tax provision	19,128	24,151
Less: Adjusted tax provision ^(f)	5,547	6,569
Adjusted net income	\$ 13,581	\$ 17,582
Adjusted net income per share:		
Basic	\$ 0.89	\$ 1.23
Diluted	\$ 0.88	\$ 1.22
Weighted average number of common shares:		
Basic	15,314,474	14,256,928
Diluted	15,390,957	14,395,197

(a) Represents expenses associated with equity incentive instruments granted to our management and Board of Directors. Incentive instruments are accounted for as equity-classified awards with the related compensation expense recognized based on fair value at the date of the grant.

(b) Represents net gain or loss on the disposal of fixed assets.

(c) Represents non-cash gains associated with exiting store leases earlier than anticipated.

(d) Represents impairment of long-lived assets related to right of use assets and leasehold improvements.

(e) Represents items management believes are not indicative of ongoing operating performance, including non-ordinary course professional fees, non-employee share-based payments, and legal settlements and fees.

(f) The adjusted tax provision for adjusted net income is estimated by applying a rate of 29.0% for the first quarter of fiscal 2025 and 27.2% for the first quarter of fiscal 2024.



J.Jill, Inc.
Selected Cash Flow Information
(Unaudited)
(Amounts in thousands)

Summary Data from the Statement of Cash Flows

	For the Thirteen Weeks Ended			
	May 3, 2025		May 4, 2024	
Net cash provided by operating activities	\$	5,336	\$	21,499
Net cash used in investing activities		(2,724)		(2,312)
Net cash used in financing activities	\$	(6,794)		(4,242)
Net change in cash and cash equivalents		(4,182)		14,945
Cash and cash equivalents and restricted cash:				
Beginning of Period		35,790		62,540
End of Period ^(a)	\$	31,608	\$	77,485

a) Includes \$0.4 million of restricted cash for the thirteen weeks ended May 3, 2025 and the thirteen weeks ended May 4, 2024. The Company recorded restricted cash in Prepaid expenses and other current assets as presented in the consolidated balance sheets.

Summary Data from the Statement of Cash Flows

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the consolidated balance sheets that sum to the total of the same such amounts shown in the consolidated statements of cash flows:

	For the Thirteen Weeks Ended			
	May 3, 2025		May 4, 2024	
Cash and cash equivalents	\$	31,245	\$	77,117
Restricted cash reported in Prepaid expenses and other current assets		363		368
Total cash, cash equivalents, and restricted cash shown in the consolidated statements of cash flows	\$	31,608	\$	77,485

Reconciliation of GAAP Cash from Operations to Free Cash Flow

	For the Thirteen Weeks Ended			
	May 3, 2025		May 4, 2024	
Net cash provided by operating activities	\$	5,336	\$	21,499
Less: Capital expenditures ^(a)		(2,724)		(2,312)
Free cash flow	\$	2,612	\$	19,187

a) Capital expenditures reflects net cash used in investing activities, which includes capitalized interest and excludes cash received from landlords for tenant allowances.

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