REFINITIV

DELTA REPORT

10-Q

JILL - J.JILL, INC.

10-Q - OCTOBER 28, 2023 COMPARED TO 10-Q - JULY 29, 2023

The following comparison report has been automatically generated

TOTAL DELTAS	471
CHANGES	181
DELETIONS	120
ADDITIONS	170

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 July 29, October 28, 2023

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: 001-38026

J.Jill, Inc.
(Exact Name of Registrant as Specified in its Charter)

Delaware	**45-1459825**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
4 Batterymarch Park, Quincy, MA 02169	**02169**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (617) 376-4300

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

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common Stock, $0.01 par value	JILL	New York Stock Exchange

Indicate by check mark whether the registrant (1) has 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 registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has 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 the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the 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	☐

If an emerging growth company, indicate by check mark if the registrant has 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 the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Securities registered pursuant to Section 12(g) of the Act: None

As of August 28, 2023 December 1, 2023 the registrant had 10,602,705 shares of common stock, $0.01 par value per share, outstanding.

Table of Contents

PART I—FINANCIAL INFORMATION

Item 1. Financial Statements

J.Jill, Inc.

CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(in thousands, except share data)

	July 29, 2023	January 28, 2023	October 28, 2023	January 28, 2023
Assets				
Current assets:				
Cash and cash equivalents	$ 48,903	$ 87,053	$ 64,115	$ 87,053

Accounts receivable	3,660	7,039	6,210	7,039
Inventories, net	45,689	50,585	56,652	50,585
Prepaid expenses and other current assets	17,920	16,143	16,629	16,143
Total current assets	116,172	160,820	143,606	160,820
Property and equipment, net	53,755	53,497	53,883	53,497
Intangible assets, net	69,717	73,188	67,981	73,188
Goodwill	59,697	59,697	59,697	59,697
Operating lease assets, net	116,979	119,118	112,389	119,118
Other assets	440	97	492	97
Total assets	$ 416,760	$ 466,417	$ 438,048	$ 466,417
Liabilities and Shareholders' Equity (Deficit):				
Current liabilities:				
Accounts payable	$ 37,162	$ 39,306	$ 48,981	$ 39,306
Accrued expenses and other current liabilities	37,222	49,730	42,858	49,730
Current portion of long-term debt	8,750	3,424	8,750	3,424
Current portion of operating lease liabilities	34,995	34,527	35,415	34,527
Total current liabilities	118,129	126,987	136,004	126,987

REFINITIV

Long-term debt, net of discount and current portion	150,296	195,517	148,731	195,517
Long-term debt, net of discount - related party	—	9,719	—	9,719
Deferred income taxes	11,025	10,059	10,738	10,059
Operating lease liabilities, net of current portion	117,264	123,101	110,008	123,101
Other liabilities	933	1,253	909	1,253
Total liabilities	397,647	466,636	406,390	466,636
Commitments and contingencies (see Note 11)				
Shareholders' Equity (Deficit)				
Common stock, par value $0.01 per share; 50,000,000 shares authorized; 10,602,705 and 10,165,361 shares issued and outstanding at July 29, 2023 and January 28, 2023, respectively	107	102		
Common stock, par value $0.01 per share; 50,000,000 shares authorized; 10,603,506 and 10,165,361 shares issued and outstanding at October 28, 2023 and January 28, 2023, respectively			107	102
Additional paid-in capital	211,514	212,005	212,443	212,005
Accumulated deficit	(192,508)	(212,326)	(180,892)	(212,326)
Total shareholders' equity (deficit)	19,113	(219)	31,658	(219)
Total liabilities and shareholders' equity (deficit)	$ 416,760	$ 466,417	$ 438,048	$ 466,417

The accompanying notes are an integral part of these condensed consolidated financial statements.

Table of Contents

J.Jill, Inc.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (UNAUDITED)

(in thousands, except share and per share data)

	For the Thirteen Weeks Ended		For the Twenty-Six Weeks Ended		For the Thirteen Weeks Ended		For the Thirty-Nine Weeks Ended	
	July 29, 2023	July 30, 2022	July 29, 2023	July 30, 2022	October 28, 2023	October 29, 2022	October 28, 2023	October 29, 2022
Net sales	$ 155,669	$ 160,343	$ 305,089	$ 317,412	$ 150,125	$ 150,204	$ 455,214	$ 467,616
Costs of goods sold (exclusive of depreciation and amortization)	44,260	47,869	86,140	95,475	42,283	45,181	128,423	140,656
Gross profit	111,409	112,474	218,949	221,937	107,842	105,023	326,791	326,960
Selling, general and administrative expenses	83,365	84,281	165,511	169,859	85,694	84,873	251,161	254,624
Impairment of long-lived assets					21	1,300	66	1,408
Operating income	28,044	28,193	53,438	52,078	22,127	18,850	75,564	70,928
Loss on debt refinancing	—	—	12,702	—	—	—	12,702	—

Interest expense, net	6,157	3,547	11,214	7,205	5,794	4,348	17,008	11,553
Interest expense, net - related party	—	929	1,074	1,731	—	1,092	1,074	2,823
Income before provision for income taxes	21,887	23,717	28,448	43,142	16,333	13,410	44,780	56,552
Income tax provision	6,665	5,912	8,630	10,922	4,717	4,491	13,346	15,413
Net income and total comprehensive income	$ 15,222	$ 17,805	$ 19,818	$ 32,220	$ 11,616	$ 8,919	$ 31,434	$ 41,139
Per share data (Note 8):								
Net income per common share:								
Basic	$ 1.08	$ 1.28	$ 1.40	$ 2.32	$ 0.82	$ 0.64	$ 2.22	$ 2.95
Diluted	$ 1.06	$ 1.25	$ 1.38	$ 2.27	$ 0.80	$ 0.62	$ 2.19	$ 2.89
Weighted average common shares:								
Basic	14,158,837	13,930,366	14,111,124	13,902,457	14,169,955	13,962,467	14,130,734	13,922,460
Diluted	14,367,751	14,252,429	14,345,179	14,211,768	14,448,228	14,297,925	14,379,529	14,240,486

The accompanying notes are an integral part of these condensed consolidated financial statements.

J.Jill, Inc.

CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY (DEFICIT) (UNAUDITED)

(in thousands, except common share data)

	Common Stock		Additional Paid-in	Accumulated	Total Shareholders' Equity (Deficit)	Common Stock		Additional Paid-in	Accumulated	Total Shareholders'
	Shares	Amount	Capital	Deficit	(Deficit)	Shares	Amount	Capital	Deficit	Equity (Deficit)
Balance, January 28, 2023	10,165,361	$ 102	$ 212,005	$ (212,326)	$ (219)	10,165,361	$ 102	$ 212,005	$ (212,326)	$ (219)
Vesting of restricted stock units	227,237	2	(2)	—	—	227,237	2	(2)	—	—
Surrender of shares to pay withholding taxes	(66,423)	—	(1,930)	—	(1,930)	(66,423)	—	(1,930)	—	(1,930)
Equity-based compensation	—	—	878	—	878	—	—	878	—	878
Exercise of warrants	254,627	3	(3)	—	—	254,627	3	(3)	—	—
Net income	—	—	—	4,596	4,596	—	—	—	4,596	4,596

Balance, April 29, 2023	10,580,802	$ 107	$ 210,948	$ (207,730)	$ 3,325	10,580,802	$ 107	$ 210,948	$ (207,730)	$ 3,325
Vesting of restricted stock units	39,334	—	—	—	—	39,334	—	—	—	—
Surrender of shares to pay withholding taxes	(17,431)	—	(371)	—	(371)	(17,431)	—	(371)	—	(371)
Equity-based compensation	—	—	937	—	937	—	—	937	—	937
Net income	—	—	—	15,222	15,222	—	—	—	15,222	15,222
Balance, July 29, 2023	10,602,705	$ 107	$ 211,514	$ (192,508)	$ 19,113	10,602,705	$ 107	$ 211,514	$ (192,508)	$ 19,113
Vesting of restricted stock units						1,293	—	—	—	—
Surrender of shares to pay withholding taxes						(492)	—	(13)	—	(13)
Equity-based compensation						—	—	942	—	942
Net income						—	—	—	11,616	11,616
Balance, October 28, 2023						10,603,506	$ 107	$ 212,443	$ (180,892)	$ 31,658

	Common Stock		Additional Paid-in	Accumulated	Total Shareholders'

	Shares	Amount	Capital	Deficit	Deficit
Balance, January 29, 2022	10,001,422	$ 100	$ 209,747	$ (254,501)	$ (44,654)
Vesting of restricted stock units	146,852	—	—	—	—
Surrender of shares to pay withholding taxes	(48,430)	—	(821)	—	(821)
Equity-based compensation	—	—	742	—	742
Net income	—	—	—	14,415	14,415
Balance, April 30, 2022	10,099,844	$ 100	$ 209,668	$ (240,086)	$ (30,318)
Vesting of restricted stock units	62,090	2	(2)	—	—
Surrender of shares to pay withholding taxes	(13,430)	—	(244)	—	(244)
Equity-based compensation	—	—	976	—	976
Net income	—	—	—	17,805	17,805
Balance, July 30, 2022	10,148,504	$ 102	$ 210,398	$ (222,281)	$ (11,781)

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Shareholders' Deficit
	Shares	Amount			
Balance, January 29, 2022	10,001,422	$ 100	$ 209,747	$ (254,501)	$ (44,654)
Vesting of restricted stock units	146,852	—	—	—	—
Surrender of shares to pay withholding taxes	(48,430)	—	(821)	—	(821)
Equity-based compensation	—	—	742	—	742
Net income	—	—	—	14,415	14,415
Balance, April 30, 2022	10,099,844	$ 100	$ 209,668	$ (240,086)	$ (30,318)
Vesting of restricted stock units	62,090	2	(2)	—	—
Surrender of shares to pay withholding taxes	(13,430)	—	(244)	—	(244)
Equity-based compensation	—	—	976	—	976
Net income	—	—	—	17,805	17,805
Balance, July 30, 2022	10,148,504	$ 102	$ 210,398	$ (222,281)	$ (11,781)
Vesting of restricted stock units	4,863	—	—	—	—
Surrender of shares to pay withholding taxes	(1,429)	—	(27)	—	(27)

Equity-based compensation	—	—	897	—	897
Net income	—	—	—	8,919	8,919
Balance, October 29, 2022	10,151,938	$ 102	$ 211,268	$ (213,362)	$ (1,992)

The accompanying notes are an integral part of these condensed consolidated financial statements.

Table of Contents

J.Jill, Inc.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

(in thousands)

	For the Twenty-Six Weeks Ended		For the Thirty-Nine Weeks Ended	
	July 29, 2023	July 30, 2022	October 28, 2023	October 29, 2022
Net Income	$ 19,818	$ 32,220	$ 31,434	$ 41,139
Operating activities:				
Adjustments to reconcile net income to net cash provided by operating activities				
Depreciation and amortization	11,057	13,042	16,847	19,445
Impairment of long-lived assets			66	1,408
Adjustment for exited retail stores	—	(246)	(632)	(246)
Loss on disposal of fixed assets	46	163	65	231
Loss on debt refinancing	12,702	—	12,702	—
Noncash interest expense, net	2,191	2,609	2,826	4,138
Equity-based compensation	1,815	1,718	2,757	2,615
Deferred rent incentives	(71)	(189)	(116)	(539)
Deferred income taxes	966	—	679	(472)
Changes in operating assets and liabilities:				
Accounts receivable	3,379	1,721	829	(2,168)
Inventories, net	4,896	1,641	(6,067)	(4,105)
Prepaid expenses and other current assets	(1,777)	(152)	(486)	(1,034)
Accounts payable	(2,992)	(9,937)	9,453	(2,767)

Accrued expenses and other current liabilities	(12,586)	(3,445)	(8,183)	14,336
Operating lease assets and liabilities	(3,230)	(3,696)	(4,844)	(5,360)
Other noncurrent assets and liabilities	(599)	8	(648)	99
Net cash provided by operating activities	35,615	35,457	56,682	66,720
Investing activities:				
Purchases of property and equipment	(3,512)	(548)	(5,822)	(2,467)
Capitalized software	(3,593)	(1,613)	(4,938)	(2,706)
Net cash used in investing activities	(7,105)	(2,161)	(10,760)	(5,173)
Financing activities:				
Principal repayments on Term Loan	(2,187)	—	(4,374)	—
Principal repayments on Priming Term Loan	(201,349)	(6,332)	(201,349)	(6,332)
Principal repayments on Subordinated Term Loan-related party	(21,181)	—	(21,181)	—
Proceeds from issuance of Term Loan	164,050	—	164,050	—
Third-party debt financing costs	(3,692)	—	(3,692)	—
Surrender of shares to pay withholding taxes	(2,301)	(1,065)	(2,314)	(1,092)
Net cash used in financing activities	(66,660)	(7,397)	(68,860)	(7,424)
Net change in cash and cash equivalents	(38,150)	25,899	(22,938)	54,123
Cash and cash equivalents:				
Beginning of Period	87,053	35,957	87,053	35,957
End of Period	$ 48,903	$ 61,856	$ 64,115	$ 90,080

The accompanying notes are an integral part of these condensed consolidated financial statements.

Table of Contents

J.Jill, Inc.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

1. Description of Business

J.Jill, Inc., “J.Jill” or the “Company”, 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.

2. Summary of Significant Accounting Policies

Basis of Presentation

Our interim condensed consolidated financial statements are unaudited. All significant intercompany balances and transactions have been eliminated in consolidation. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) have been omitted, in accordance with the rules of the Securities and Exchange Commission (the “SEC”) associated with reporting of interim period financial information. We consistently applied the accounting policies described in our Annual Report on Form 10-K (the “2022 Annual Report”) for the fiscal year ended January 28, 2023 (“Fiscal Year 2022”) in preparing these unaudited interim condensed consolidated financial statements. J.Jill operates on a 52- or 53-week fiscal year that ends on the Saturday that is closest to January 31. Each fiscal year generally is comprised of four 13-week fiscal quarters, although in the years with 53 weeks, the fourth quarter represents a 14-week period. The fiscal year ending February 3, 2024 (“Fiscal Year 2023”) is comprised of 53 weeks and Fiscal Year 2022 is comprised of 52 weeks.

In the opinion of management, these interim condensed consolidated financial statements contain all normal and recurring adjustments necessary to state fairly the financial position and results of operations of the Company. The consolidated balance sheet as of January 28, 2023 is derived from the audited consolidated balance sheet as of that date. The unaudited results of operations for the thirteen and twenty-six thirty-nine weeks ended July 29, 2023 October 28, 2023 are not necessarily indicative of future results or results to be expected for Fiscal Year 2023. You should read these statements in conjunction with our audited consolidated financial statements and related notes in our 2022 Annual Report.

Financial Statement Presentation

Certain reclassifications have been made to prior periods to conform with the current period presentation. On the consolidated statement of cash flows, the Company reclassified amounts for capitalized software purchases for the twenty-six thirty-nine weeks ended July 30, 2022 October 29, 2022 from purchases of property and equipment to a separate financial statement line item within investing activities to conform to the current presentation for the twenty-six thirty-nine weeks ended July 29, 2023 October 28, 2023 of capitalized software purchases.

Cost of Goods Sold

Cost of goods sold (“COGS”) includes the direct costs of sold merchandise, which include customs, taxes, duties, commissions and inbound shipping costs, inventory shrinkage and adjustments and reserves for excess, aged and obsolete inventory. COGS does not include distribution center costs and allocations of indirect costs, such as occupancy, depreciation, amortization, or labor and benefits.

Selling, General and Administrative Expenses

Selling, general and administrative expenses consist primarily of payroll and related expenses, occupancy costs, information systems costs and other operating expenses related to our stores and to our operations at our the headquarters, including utilities, depreciation and amortization. These expenses also include consist of marketing expense, including catalog production and mailing costs, warehousing, distribution and outbound shipping costs, customer service operations, consulting and software services, professional services and other administrative costs.

Table of Contents

Recently Issued Accounting Pronouncements

In October 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2023-06, "Disclosure Improvements: Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative". This ASU amends the FASB Accounting Standards Codification in response to the SEC's disclosure update and simplification initiative. This guidance will be applied prospectively with effective date for each amendment to be the date on which the SEC's removal of that related disclosure from Regulation S-X or Regulation S-K becomes effective, with early adoption prohibited. The Company is assessing what impact this guidance will have on the Company's condensed consolidated financial statements.

3. Revenues

Disaggregation of Revenue

Net sales consist primarily of revenues, net of merchandise returns and discounts, generated from the sale of apparel and accessory merchandise through retail stores ("Retail") and through our website and catalog orders ("Direct"). Net sales also include shipping and handling fees collected from customers, royalty revenues and marketing reimbursements related to our private label credit card agreement. Retail revenue is recognized at the time of sale and Direct revenue is recognized upon shipment of merchandise to the customer. The following table presents disaggregated revenues by source (in thousands):

For the Thirteen Weeks Ended		For the Twenty-Six Weeks Ended		For the Thirteen Weeks Ended		For the Thirty-Nine Weeks Ended	
July 29, 2023	July 30, 2022	July 29, 2023	July 30, 2022	October 28, 2023	October 29, 2022	October 28, 2023	October 29, 2022

Retail	$ 86,110	$ 87,081	$ 168,314	$ 171,293	$ 82,051	$ 81,800	$ 250,365	$ 253,093
Direct	69,559	73,262	136,775	146,119	68,074	68,404	204,849	214,523
Net sales	$ 155,669	$ 160,343	$ 305,089	$ 317,412	$ 150,125	$ 150,204	$ 455,214	$ 467,616

Contract Liabilities

The Company recognizes a contract liability when it has received consideration from the customer and has a future obligation to the customer. Total contract liabilities consisted of the following (in thousands):

	October 28, 2023	January 28, 2023
Contract liabilities:		
Signing bonus (1)	—	$ 82
Unredeemed gift cards	5,184	7,131
Total contract liabilities	$ 5,184	$ 7,213

	July 29, 2023	January 28, 2023
Contract liabilities:		
Signing bonus (1)	$ 12	$ 82
Unredeemed gift cards	5,508	7,131
Total contract liabilities	$ 5,520	$ 7,213

(1) Signing bonus is included in Accrued expenses and other current liabilities on the Company's consolidated balance sheets as of July 2023 and January 28, 2023.

The Company recognized revenue related to gift card redemptions and breakage for the thirteen and twenty-six thirty-nine weeks ended July 29, 2023 October 28, 2023 of approximately $2.6 2.0 million and $5.5 7.5 million, respectively, and for the thirteen and twenty-six thirty-nine weeks ended July 30, 2022 October 29, 2022 of approximately $2.5 1.8 million and $5.5 7.3 million, respectively. Revenue recognized consists of gift cards that were part of the unredeemed gift card balance at the beginning of the period as well as gift cards that were issued and redeemed during the period.

Performance Obligations

The Company has a As of August 2023, the remaining, immaterial balance of the performance obligation for a the signing bonus related to the private label credit card agreement that is being amortized to revenue evenly through the third quarter of Fiscal Year 2023. was fully amortized.

Unredeemed gift cards require a performance obligation for revenue to be recognized, but substantially all gift cards are redeemed in the first year of issuance.

Practical Expedients and Policy Elections

The Company excludes from its revenue all amounts collected from customers for sales taxes that are remitted to taxing authorities.

Shipping and handling activities that occur after control of related goods transfers to the customer are accounted for as fulfillment activities rather than assessing these activities as performance obligations.

The Company does not disclose remaining performance obligations that have an expected duration of one year or less.

Table of Contents

4. Goodwill and Other Intangible Assets

The balance of goodwill was $59.7 million at July 29, 2023 October 28, 2023 and January 28, 2023. The accumulated goodwill impairment losses as of July 29, 2023 October 28, 2023 are $137.3 million.

A summary of other intangible assets as of July 29, 2023 October 28, 2023 and January 28, 2023 is as follows (in thousands):

	July 29, 2023					October 28, 2023				
	Weighted Average Useful Life (Years)	Gross	Accumulated Amortization	Accumulated Impairment	Carrying Amount	Weighted Average Useful Life (Years)	Gross	Accumulated Amortization	Accumulated Impairment	Carrying Amount
Indefinite-lived:										

Trade name	N/A	$ 58,100	$ —	$ 24,100	$ 34,000	N/A	$ 58,100	$ —	$ 24,100	$ 34,000
Definite-lived:										
Customer relationships	13.2	134,200	95,863	2,620	35,717	13.2	134,200	97,599	2,620	33,981
Total intangible assets		$ 192,300	$ 95,863	$ 26,720	$ 69,717		$ 192,300	$ 97,599	$ 26,720	$ 67,981

		January 28, 2023			
	Weighted Average Useful Life (Years)	Gross	Accumulated Amortization	Accumulated Impairment	Carrying Amount
Indefinite-lived:					
Trade name	N/A	$ 58,100	$ —	$ 24,100	$ 34,000
Definite-lived:					
Customer relationships	13.2	134,200	92,392	2,620	39,188
Total intangible assets		$ 192,300	$ 92,392	$ 26,720	$ 73,188

Total amortization expense for these amortizable intangible assets was $1.7 million and $1.9 million for the thirteen weeks ended July 29, 2023 October 28, 2023 and July 30, 2022 October 29, 2022, respectively, and $3.5 5.2 million and

$3.8 5.6 million for the twenty-six thirty-nine weeks ended July 29, 2023 October 28, 2023 and July 30, 2022 October 29, 2022, respectively.

Impairment Tests

Goodwill and indefinite-lived intangible assets are not amortized but are reviewed for impairment at least annually, at fiscal year-end, or more frequently when events or changes in circumstances indicate that the carrying value may not be recoverable. Definite-lived intangible assets are reviewed for impairment when events or circumstances indicate that the carrying value may not be recoverable. Judgments regarding indicators of potential impairment are based on market conditions and operational performance of the business.

During the twenty-six thirty-nine weeks ended July 29, 2023 October 28, 2023 and July 30, 2022 October 29, 2022, the Company did not identify any events or circumstances that indicated the fair value of a reporting unit was less than its carrying value.

Table of Contents

5. Debt

The components of the Company's outstanding long-term debt at July 29, 2023 October 28, 2023 and January 28, 2023 were as follows (in thousands):

	At July 29, 2023				At October 28, 2023			
	Outstanding Balance	Original Issue Discount	Capitalized Fees & Expenses	Balance Sheet	Outstanding Balance	Original Issue Discount	Capitalized Fees & Expenses	Balance Sheet
Term Loan due 2028	$ 172,813	$ (10,325)	$ (3,442)	$ 159,046	$ 170,625	$ (9,858)	$ (3,286)	$ 157,481
Less: Current portion	(8,750)	—	—	(8,750)	(8,750)	—	—	(8,750)

Net long-term debt	$ 164,063	$ (10,325)	$ (3,442)	$ 150,296	$ 161,875	$ (9,858)	$ (3,286)	$ 148,731

	At January 28, 2023			
	Outstanding Balance	Original Issue Discount	Capitalized Fees & Expenses	Balance Sheet
Priming Term Loan due 2024	$ 201,349	$ (786)	$ (1,622)	$ 198,941
Subordinated Term Loan due 2024	20,548	—	(10,829)	9,719
Totals	221,897	(786)	(12,451)	208,660
Less: Current portion	(3,424)	—	—	(3,424)
Net long-term debt	$ 218,473	$ (786)	$ (12,451)	$ 205,236

Term Loan Credit Agreement

On April 5, 2023, the Company and Jill Acquisition LLC (the “Borrower”) entered into a Term Loan Credit Agreement (the “Term Loan Credit Agreement”) by and among the lenders party thereto and Jefferies Finance LLC, as administrative and collateral agent. The Term Loan Credit Agreement provides for a secured term loan facility in an aggregate principal amount of $175.0 million with a maturity date of May 8, 2028 (the “Term Loan Facility”). Loans under the Term Loan Credit Agreement bear interest at the Borrower’s election at (1) Base Rate (as defined in the Term Loan Credit Agreement) plus 7.00% or (2) Adjusted Term SOFR (as defined in the Term Loan Credit Agreement) plus 8.00%, with Adjusted Term SOFR subject to a floor rate of 1.00%.

The Term Loan Facility is to be repaid in quarterly payments of $2.2 million from July 28, 2023 to May 2, 2025, and $3.3 million from August 1, 2025 to April 28, 2028 with the balance of the Term Loan Facility due upon maturity on May 8, 2028. In conjunction with the entry into the Term Loan Credit Agreement, the Company paid $3.7 million in third-party fees related to legal, consulting, agent and other fees. Of these costs, $3.1 million were deferred and presented as a direct reduction from the carrying amount of long-term debt on the consolidated balance sheets as of July 29, 2023 October 28, 2023 and are amortized through the line item “Interest Expense” in the Company’s condensed consolidated statements of operations and comprehensive income over the term of the Term Loan Credit Agreement using the effective interest method. On July 28, 2023 October 27, 2023, the Company made a quarterly payment of $2.2 million. million in accordance with the Term Loan Credit Agreement.

The Borrower’s obligations under the Term Loan Credit Agreement are guaranteed by the Company and J.Jill Gift Card Solutions, Inc., a Florida corporation (“Jill Gift Card Solutions” and collectively with the Company, the “Guarantors”), and are secured by substantially all of the real and personal property of the Borrower and the Guarantors, subject to certain customary exceptions. The Term Loan Credit Agreement includes customary negative covenants for term loan agreements of this type, including covenants limiting the ability of the Borrower and the Guarantors to, among other things, incur additional indebtedness, create liens on assets, make investments, loans or advances, engage in mergers, consolidations, sales of assets and purchases, pay dividends and distributions, enter into transactions with affiliates, and make payments in respect of junior indebtedness, in each case subject to customary exceptions for term loan agreements of this type. The Term Loan Credit Agreement also includes certain customary representations and warranties, affirmative covenants, certain financial covenants and events of default, including but not limited to, payment defaults, breaches of representations and warranties, covenant defaults, certain events under the Employee Retirement Income Security Act of 1974 ("ERISA"), certain final non-appealable judgments that are not covered by a reputable and solvent insurance company, certain defaults under other indebtedness, change of control and certain Title 11 proceedings.

As of July 29, 2023 October 28, 2023, the Company was in compliance with all covenants.

Table of Contents

Priming and Subordinated Term Loans

The proceeds from the Term Loan Credit Agreement, combined with a portion of the Company's existing cash on hand, were used to repay in full the outstanding balance of $225.4 million, inclusive of $3.6 million interest, under the Priming Term Loan Credit Agreement (the "Priming Credit Agreement") and the Subordinated Term Loan Credit Agreement (the "Subordinated Credit Agreement"). All security interests and liens incurred in connection with the Priming Credit Agreement and Subordinated Credit Agreement have been released. The prepayment of the Priming Credit Agreement and Subordinated Credit Agreement was in accordance with the terms of such agreements.

A portion of the transaction was accounted for as a debt modification. As a result, approximately $0.4 million of deferred costs will continue to be deferred and amortized using the effective interest method through May 8, 2028, the maturity date of the Term Loan Facility. These fees are presented as a direct reduction from the carrying amount of long-term debt on the consolidated balance sheets. For repayment of the remaining portion of the Priming Credit Agreement and for the entirety of the Subordinated Credit Agreement, the Company recorded a loss on debt refinancing of $12.7 million of which $9.3 million relates to the Subordinated Credit Agreement, inclusive of the write-off of original issue discount, and deferred debt issuance costs and other fees, in the line item "Loss on debt refinancing" in its condensed consolidated statements of operations and comprehensive income and in the condensed consolidated statement of cash flows during the twenty-six thirty-nine weeks ended July 29, 2023 October 28, 2023. No debt refinancing gains or losses were recognized during the twenty-six thirty-nine weeks ended July 30, 2022 October 29, 2022.

The Company was in compliance with all covenants under the Priming Credit Agreement and the Subordinated Credit Agreement at the time of their repayment.

Asset-Based Revolving Credit Agreement

The Company is party to a secured $40.0 million asset-based revolving credit facility agreement (the "ABL Credit Agreement" and, such facility, the "ABL Facility").

On May 10, 2023, the Company entered into Amendment No. 6 to the ABL Credit Agreement (the "ABL Amendment"), by and among the Company, J.Jill Gift Card Solutions, the other guarantors party thereto the other lenders party thereto, and CIT Finance LLC, as the administrative agent and collateral agent.

The ABL Amendment extended the maturity date of the ABL Credit Agreement from May 8, 2024 to May 10, 2028 (or 180 days prior to the maturity date of the Company's Term Loan Credit Agreement if the maturity date of such Term Loan Facility has not been extended to a date that is at least 180 days after the maturity date of the ABL Credit Agreement). The other terms and conditions of the ABL Facility remain substantially unchanged. The benchmark interest rate applicable to the loans under the ABL Facility is the forward-looking secured overnight financing rate.

Borrowings under the ABL Facility are secured by a first lien on accounts receivable and inventory. In connection with the ABL Facility, the Company is subject to various financial reporting (including with respect to liquidity), financial and other covenants. Affirmative covenants include providing timely quarterly and annual financial statements and prompt notification of the occurrence of any event of default or any other event, change or circumstance that has had, or could reasonably be expected to have, a material adverse effect as defined in the ABL Facility. In addition, there are negative covenants, including certain restrictions on the Company's ability to incur additional indebtedness, create liens, enter into transactions with affiliates, transfer assets, pay dividends, consolidate or merge with other entities, make advances, investments and loans or modify its organizational documents. The ABL Facility also includes certain financial maintenance covenants, including a requirement to maintain a fixed charge coverage ratio greater than or equal to 1.00:1.00 if availability under the ABL Facility is less than specified levels. As of July 29, 2023 October 28, 2023 and January 28, 2023, the Company was in compliance with all covenants.

The Company had no short-term borrowings under the Company's ABL Facility as of July 29, 2023 October 28, 2023 and January 28, 2023. The Company's available borrowing capacity under the ABL Facility as of July 29, 2023 October 28, 2023 and January 28, 2023 was $34.2 million and $30.0 million, respectively. At July 29, 2023 October 28, 2023 and January 28, 2023, there were outstanding letters of credit of $5.8 million and $7.0 million, respectively, which reduced the availability under the ABL Facility. As of July 29, 2023 October 28, 2023, the maximum commitment for letters of credit was $10.0 million.

Table of Contents

6. Fair Value Measurements

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

Valuation techniques used to measure fair value require the Company to maximize the use of observable inputs and minimize the use of unobservable inputs. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Financial assets and liabilities carried at fair value are to be classified and disclosed in one of the following three levels of the fair value hierarchy, of which the first two are considered observable and the last is considered unobservable:

- Level 1 - Quoted prices in active markets for identical assets or liabilities.
- Level 2 - Observable inputs, other than Level 1 prices, such as quoted prices for similar assets or liabilities in active markets; quoted prices for similar assets or liabilities in markets that are not active; or other inputs other than quotec prices that are observable or can be corroborated by observable market data for substantially the full term of the as: or liabilities, including interest rates and yield curves, and market corroborated inputs.
- Level 3 - Unobservable inputs for the assets or liabilities that are supported by little or no market activity and that ar significant to the fair value of the assets or liabilities. These are valued based on management's estimates and assumptions that market participants would use in pricing the asset or liabilities.

The following table presents the carrying value and fair value hierarchy for debt as of July 29, 2023 October 28, 2023 and January 28, 2023, respectively (in thousands):

		Fair Value as of July 29, 2023				Fair Value as of October 28, 2023		
	Carrying Value	Level 1	Level 2	Level 3	Carrying Value	Level 1	Level 2	Level 3
Financial instruments not carried at fair value:								
Total debt	$ 159,046	$ —	$ 166,968	$ —	$ 157,481	$ —	$ 163,030	$ —
Total financial instruments not carried at fair value	$ 159,046	$ —	$ 166,968	$ —	$ 157,481	$ —	$ 163,030	$ —

		Fair Value as of January 28, 2023		
	Carrying Value	Level 1	Level 2	Level 3
Financial instruments not carried at fair value:				

Total debt	$	208,660	$	—	$	223,616	$	—
Total financial instruments not carried at fair value	$	208,660	$	—	$	223,616	$	—

The Company's debt instruments include the Term Loan Credit Agreement as of July 29, 2023 October 28, 2023, and the Priming Credit Agreement and Subordinated Credit Agreement as of January 28, 2023. The debt instruments are recorded at cost, net of debt issuance costs and any related discount. The fair value of the debt instruments is obtained based on observable market prices quoted on public exchanges for similar instruments.

The Company believes that the carrying amounts of its other financial instruments, including cash, accounts receivable, accounts payable and any amounts drawn on its revolving credit facilities, consisting primarily of instruments without extended maturities, based on management's estimates, approximates their fair value due to the short-term maturities of these instruments.

Assets and Liabilities with Recurring Fair Value Measurements - Certain assets and liabilities may be measured at fair value on an ongoing basis. We did not elect to apply the fair value option for recording financial assets and financial liabilities. Other than total debt, we do not have any assets or liabilities which we measure at fair value on a recurring basis.

Assets and Liabilities with Nonrecurring Fair Value Measurements - Certain assets and liabilities are not measured at fair value on an ongoing basis. These assets and liabilities, which include long-lived assets, goodwill, intangible assets, and debt are subject to fair value adjustment in certain circumstances. From time to time, the fair value is determined on these assets and liabilities as part of related impairment tests or for disclosure purposes. See *Note 4. Goodwill and Other Intangible Assets*, for additional information.

Table of Contents

7. Income Taxes

The Company recorded an income tax provision of $6.7 4.7 million and $5.9 4.5 million during the thirteen weeks ended July 29, 2023 October 28, 2023 and July 30, 2022 October 29, 2022, respectively. The Company recorded an income tax provision of $8.6 13.3 million and $10.9 15.4 million for the twenty-six thirty-nine weeks ended July 29, 2023 October 28, 2023 and July 30, 2022 October 29, 2022, respectively.

The effective tax rate for the thirteen and twenty-six thirty-nine weeks ended July 29, 2023 October 28, 2023 differs from the federal statutory rate of 21% primarily due to the impact of state and local income taxes, executive compensation limitations and non-deductible expenses. The effective tax rate for the thirteen and twenty-six thirty-nine weeks ended July 30, 2022 October 29, 2022 differs from the federal statutory rate of 21% primarily due to the impact of state and local income taxes, return to provision adjustments and partial release of its valuation allowance on state deferred tax assets.

As of July 29, 2023 October 28, 2023, the Company maintained a $1.4 1.3 million valuation allowance against the state deferred tax assets. The Company will continue to evaluate the positive and negative evidence available and may reduce the valuation allowance in the future if the Company's recent profitability trends continue during the remainder of Fiscal Year 2023.

8. Net Income Per Share

The following table summarizes the computation of basic and diluted net income per common share ("EPS") (in thousands, except share and per share data):

	For the Thirteen Weeks Ended		For the Twenty-Six Weeks Ended		For the Thirteen Weeks Ended		For the Thirty-Nine Weeks Ended	
	July 29, 2023	July 30, 2022	July 29, 2023	July 30, 2022	October 28, 2023	October 29, 2022	October 28, 2023	October 29, 2022
Numerator								
Net income attributable to common shareholders	$ 15,222	$ 17,805	$ 19,818	$ 32,220	$ 11,616	$ 8,919	$ 31,434	$ 41,139
Denominator								
Weighted average number of common shares outstanding	10,594,381	10,120,226	10,512,944	10,093,098	10,605,208	10,152,538	10,543,699	10,112,911
Assumed exercise of warrants	3,564,456	3,810,140	3,598,180	3,809,359	3,564,747	3,809,929	3,587,035	3,809,549
Weighted average common shares, basic	14,158,837	13,930,366	14,111,124	13,902,457	14,169,955	13,962,467	14,130,734	13,922,460

Dilutive effect of equity compensation awards	208,914	322,063	234,055	309,311	278,273	335,458	248,795	318,026
Weighted average common shares, diluted	14,367,751	14,252,429	14,345,179	14,211,768	14,448,228	14,297,925	14,379,529	14,240,486
Net income per common share, basic	$ 1.08	$ 1.28	$ 1.40	$ 2.32	$ 0.82	$ 0.64	$ 2.22	$ 2.95
Net income per common share, diluted	$ 1.06	$ 1.25	$ 1.38	$ 2.27	$ 0.80	$ 0.62	$ 2.19	$ 2.89

Equity compensation awards are excluded from the diluted earnings per share calculation when their inclusion would have an antidilutive effect such as when the Company has a net loss for the reporting period, or if the assumed proceeds per share of the award is in excess of the related fiscal period's average price of the Company's common stock. Accordingly, 146,356 35,195 and 90,775 72,248 shares for the thirteen and twenty-six thirty-nine weeks ended July 29, 2023 October 28, 2023, respectively, and 136,096 110,982 and 148,839 136,546 shares for the thirteen and twenty-six thirty-nine weeks ended July 30, 2022 October 29, 2022, respectively, were excluded from the diluted earnings per share calculation because their inclusion would be antidilutive.

For the thirteen and twenty-six thirty-nine weeks ended July 29, 2023 October 28, 2023 and July 30, 2022 October 29, 2022, warrants issued to the Subordinated Credit Agreement holders have been included in the denominator for basic and diluted EPS calculations as the exercise of the warrants is near certain because the exercise price is non-substantive in relation to the fair value of the common shares to be issued upon exercise.

Table of Contents

9. Equity-Based Compensation

In conjunction with the initial public offering ("IPO"), on March 9, 2017, the Company established the J.Jill, Inc. Omnibus Equity Incentive Plan, as amended and restated on June 1, 2023 (the "A&R Plan"), which reserves common stock for issuance upon exercise of options, or in respect of granted awards. The A&R Plan is administered by the Compensation

Committee of the Board of Directors (the "Committee"). The Committee has the authority to determine the type, size and terms and conditions of awards to be granted and to grant such awards.

On June 29, 2023, the Company registered an additional 750,000 shares of its common stock at par value of $0.01 per share. As of July 29, 2023 October 28, 2023, the A&R Plan has 2,043,453 shares of common stock reserved for issuance to awards granted by the Committee with an aggregate of 1,117,373 1,118,111 shares remaining for future issuance.

During the twenty-six thirty-nine weeks ended July 29, 2023 October 28, 2023, the Committee approved and granted restricted stock units ("RSUs") and performance-based restricted stock units ("PSUs") under the A&R Plan.

Restricted Stock Units

For the twenty-six thirty-nine weeks ended July 29, 2023 October 28, 2023 and July 30, 2022 October 29, 2022, the Committee granted RSUs under the A&R Plan, which vest in one to three equal annual installments, beginning one year from the date of grant. The grant-date fair value of RSUs is recognized as expense on a straight-line basis over the requisite service period, which is generally the vesting period. For the twenty-six thirty-nine weeks ended July 29, 2023 October 28, 2023 and July 30, 2022 October 29, 2022, the fair market value of RSUs was determined based on the market price of the Company's shares on the date of the grant.

The following table summarizes the RSU awards activity for the twenty-six thirty-nine weeks ended July 29, 2023 October 28, 2023:

	Number of RSUs	Weighted Average Grant Date Fair Value	Number of RSUs	Weighted Average Grant Date Fair Value
Unvested units outstanding at January 28, 2023	678,510	$ 11.78	678,510	$ 11.78
Granted	88,673	$ 25.00	88,673	$ 25.00
Vested	(266,571)	$ 12.95	(267,864)	$ 12.97
Forfeited	(29,773)	$ 13.12	(30,019)	$ 13.03
Unvested units outstanding at July 29, 2023	470,839	$ 13.57		
Unvested units outstanding at October 28, 2023			469,300	$ 13.57

As of July 29, 2023 October 28, 2023, there was $5.4 4.6 million of total unrecognized compensation expense related to unvested RSUs, which is expected to be recognized over a weighted-average service period of 1.9 2.4 years. The total fair value of RSUs vested during the twenty-six thirty-nine weeks ended July 29, 2023 October 28, 2023 and July 30, 2022 October 29, 2022 was $3.5 million and $2.8 2.9 million, respectively.

Performance Stock Units

For the twenty-six thirty-nine weeks ended July 29, 2023 October 28, 2023, the Company granted PSUs, a portion of which are based on achieving an Adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA") goal and the remaining portion is based on achieving an annualized absolute total shareholder return ("TSR") growth goal.

Each PSU award reflects a target number of shares ("Target Shares") that may be issued to the award recipient provided the employee continues to provide services to the Company through January 31, 2026 ("Fiscal Year 2025"). For Adjusted EBITDA based PSUs, the number of units earned will be determined based on the achievement of the predetermined Adjusted EBITDA goals at the end of each performance period ending January 29, 2024, February 1, 2025 ("Fiscal Year 2024"), and Fiscal Year 2025, respectively, and for TSR based PSUs, the number of units earned will be determined based on the achievement of the predetermined TSR growth goal at the end of Fiscal Year 2025. The TSR is based on J Jill's 30-trading day average beginning and closing price of the three-year performance period, assuming the reinvestment of dividends. Depending on the performance results based on Adjusted EBITDA and TSR, the actual number of shares that a grant recipient receives at the end of the vesting period may range from 0% to 200% of the Target Shares granted. PSUs are converted into shares of common stock upon vesting, under the terms of the A&R Plan.

The fair value of the PSUs granted during the twenty-six thirty-nine weeks ended July 29, 2023 October 28, 2023 for which the performance is based on an Adjusted EBITDA goal was determined based on the market price of the Company's shares on the date of the grant. Additionally, for those awards whose performance is based on a TSR growth goal, the fair value was estimated on the grant date using a Monte Carlo simulation with the below noted assumptions:

Monte Carlo Simulation Assumptions	
Risk Free Interest Rate	3.87 %
Expected Dividend Yield	—
Expected Volatility	74.98 %
Expected Term	2.84 years

Table of Contents

The Company recognizes equity-based compensation expense related to Adjusted EBITDA goal-based PSUs based on the Company's estimate of the percentage of the award that will be achieved. The Company evaluates the estimate on these awards on a quarterly basis and adjusts equity-based compensation expense related to these awards, as appropriate. For the TSR goal-based PSUs, the equity-based compensation expense is recognized on a straight-line basis over the three year three-year performance period based on the grant-date fair value of these PSUs.

The following table summarizes the PSU awards activity for the twenty-six thirty-nine weeks ended July 29, 2023 October 28, 2023:

	Number of PSUs	Weighted Average Grant Date Fair Value		Number of PSUs	Weighted Average Grant Date Fair Value	
Unvested units outstanding at January 28, 2023	—		—	—		—
Granted	65,928	$	30.50	65,928	$	30.50
Forfeited	(3,514)	$	30.50	(3,514)	$	30.50
Unvested units outstanding at July 29, 2023	62,414	$	30.50			
Unvested units outstanding at October 28, 2023				62,414	$	30.50

As of July 29, 2023 October 28, 2023, there was $1.7 1.6 million of total unrecognized compensation expense related to unvested PSUs, which is expected to be recognized over a weighted-average service period of 2.5 2.3 years.

Equity-based compensation expense for all award types of $0.9 million and $1.8 2.8 million was recorded in the Selling, general and administrative expenses in the consolidated statement of operations and comprehensive income for the thirteen and twenty-six thirty-nine weeks ended July 29, 2023 October 28, 2023, respectively and $1.0 0.9 million and $1.7 2.6 million for the thirteen and twenty-six thirty-nine weeks ended July 30, 2022 October 29, 2022, respectively.

10. Related Party Transactions

TowerBrook Capital Partners, LP (“TowerBrook”) controls a majority of the voting power of our outstanding voting stock, and as a result we are a controlled company within the meaning of the New York Stock Exchange (the “NYSE”) corporate governance standards.

On September 30, 2020, the Company entered into the Subordinated Credit Agreement, with a group of lenders that includes certain affiliates of TowerBrook and the Chairman of our board of directors.

As of April 5, 2023, the Subordinated Credit Agreement was repaid in full. Refer to Note 5. *Debt* for additional information on repayment of the Subordinated Credit Agreement.

For the thirteen weeks ended July 29, 2023 October 28, 2023, the Company did not incur any Interest expense, net - related party associated with the Subordinated Credit Agreement. For the twenty-six thirty-nine weeks ended July 29, 2023 October 28, 2023, the Company incurred $1.0 1.1 million of Interest expense, net - related party associated with the Subordinated Credit Agreement in the condensed consolidated statement of operations and comprehensive income. For the thirteen and twenty-six thirty-nine weeks ended July 30, 2022 October 29, 2022, the Company incurred $0.9 1.1 million and $1.7 2.8 million, respectively, of Interest expense, net - related party associated with the Subordinated Credit Agreement in the condensed consolidated statement of operations and comprehensive income.

For the thirteen weeks ended July 29, 2023 October 28, 2023, the Company incurred an immaterial amount of other related party transactions.

11. Commitments and Contingencies

Legal Proceedings

The Company is subject to various legal proceedings that arise in the ordinary course of business. Although the outcome of such proceedings cannot be predicted with certainty, management does not believe that the Company is presently party to any legal proceedings the resolution of which management believes would have a material adverse effect on the Company's business, financial condition, operating results or cash flows. The Company establishes reserves for specific legal matters when the Company determines that the likelihood of an unfavorable outcome is probable, and the loss is reasonably estimable.

Table of Contents

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

The following discussion and analysis should be read in conjunction with our condensed consolidated financial statements and related notes thereto included elsewhere in this quarterly report on Form 10-Q (the "Quarterly Report"). The following discussion contains forward-looking statements that reflect our plans, estimates and assumptions. Our actual results could differ materially from those discussed in the forward-looking statements. Factors that could cause such differences are discussed in the sections of this Quarterly Report titled "Risk Factors" and "Special Note Regarding Forward-Looking Statements."

We operate on a 52- or 53-week fiscal year that ends on the Saturday that is closest to January 31. Each fiscal year generally is comprised of four 13-week fiscal quarters, although in the years with 53 weeks, the fourth quarter represents a 14-week period. The fiscal year ending February 3, 2024 ("Fiscal Year 2023") is comprised of 53 weeks and fiscal year ended January 28, 2023 ("Fiscal Year 2022") is comprised of 52 weeks.

All references in this Quarterly Report to "J.Jill," "we," "our," "us," "the Company" or similar terms are to J.Jill, Inc. and its subsidiaries.

Overview

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.

Factors Affecting Our Operating Results

Various factors are expected to continue to affect our results of operations going forward, including the following:

Overall Economic Trends. Consumer purchases of clothing and other merchandise generally decline during recessionary periods and other periods when disposable income is adversely affected, and consequently our results of operations may be affected by general economic conditions. For example, reduced consumer confidence, lower availability, inflationary pressures and higher cost of consumer credit may reduce demand for our merchandise and may limit our ability to increase or sustain prices. The growth rate of the market could be affected by macroeconomic conditions in the United States. Additionally, the occurrence or reoccurrence of any significant pandemic, regional conflicts, or other geopolitical disruptions could impact our sales and business operations.

Consumer Preferences and Fashion Trends. Our ability to maintain our appeal to existing customers and attract new customers depends on our ability to anticipate fashion trends. During periods in which we have successfully anticipated fashion trends, we have generally had more favorable results.

Competition. The retail industry is highly competitive and retailers compete based on a variety of factors, including design, quality, price and customer service. Levels of competition and the ability of our competitors to more accurately predict fashion trends and otherwise attract customers through competitive pricing or other factors may impact our results of operations.

Our Strategic Initiatives. The ongoing implementation of strategic initiatives will continue to have an impact on our results of operations. These initiatives include our ecommerce platform and our initiative to upgrade and enhance our information systems, including ongoing initiatives to the upgrade of our order management system and the completion of the rollout of our new Point of Sale ("POS") systems. Although initiatives of this nature are designed to create growth in our business and continue improvement in our operating results, the timing of expenditures related to these initiatives, as well as the achievement of returns on our investments, may affect our results of operations in future periods.

Pricing and Changes in Our Merchandise Mix or Supply Chain Issues. Our product offering changes from period to period, as do the prices at which goods are sold and the margins we are able to earn from the sales of those goods. The levels at which we are able to price our merchandise are influenced by a variety of factors, including the quality of our products, cost of production, prices at which our competitors are selling similar products, sourcing and/or distributing product, and the willingness of our customers to pay for products.

Potential Changes in Tax Laws and/or Regulations. Changes in tax laws in any of the multiple jurisdictions in which we operate, or adverse outcomes from tax audits that we may be subject to in any of the jurisdictions in which we operate, could adversely affect our business, financial condition and operating results. Additionally, any potential changes with respect to tax and trade policies, tariffs and government regulations affecting trade between the U.S. and other countries could adversely affect our business, as we source the majority of our merchandise from manufacturers located outside of the U.S.

How We Assess the Performance of Our Business

In assessing the performance of our business, we consider a variety of financial and operating metrics, including financial measures calculated in accordance with U.S. generally accepted accounting principles ("GAAP") and non-GAAP financial measures, including the following:

Net sales consist primarily of revenues, net of merchandise returns and discounts, generated from the sale of apparel and accessory merchandise through our retail stores ("Retail") and through our website and catalog orders ("Direct"). Net sales also include shipping and handling fees collected from customers, royalty revenues and marketing reimbursements related to our private label credit card agreement. Retail revenue is recognized at the time of sale and Direct revenue is recognized upon shipment of merchandise to the customer.

Net sales are impacted by the size of our active customer base, product assortment and availability, marketing and promotional activities and the spending habits of our customers. Net sales are also impacted by the migration of single-channel customers to omnichannel customers who, on average, spend three times more than single-channel customers.

Total company comparable sales include net sales generated from our retail stores that have been open for more than 52 weeks and from our Direct channel. This measure highlights the performance of existing stores open during the period, while excluding the impact of new store openings and closures. When a store in the total company comparable store base is temporarily closed for four or more days within a fiscal week, the store is excluded from the comparable store base; if it is temporarily closed for three or fewer days within a fiscal week, the store is included within the comparable store base. Certain of our competitors and other retailers may calculate total company comparable sales differently than we do. As a result, the reporting of our total company comparable sales may not be comparable to sales data made available by other companies.

Number of stores reflects all stores open at the end of a reporting period. In connection with opening new stores, we incur pre-opening costs. Pre-opening costs include expenses incurred prior to opening a new store and primarily consist of payroll, travel, training, marketing, initial opening supplies and costs of transporting initial inventory and fixtures to retail stores, as well as occupancy costs incurred from the time of possession of a store site to the opening of that store. In connection with closing stores, we incur store-closing costs. Store-closing costs primarily consist of lease termination penalties and costs of transporting inventory and fixtures to other store locations. These pre-opening and store-closing costs are included in selling, general and administrative expenses and are generally incurred and expensed within 30 days of opening a new store or closing a store.

Gross profit is equal to our net sales less costs of goods sold. Gross profit as a percentage of our net sales is referred to as gross margin.

Costs of goods sold ("COGS") includes the direct costs of sold merchandise, inventory shrinkage, and adjustments and reserves for excess, aged and obsolete inventory. We review our inventory levels on an ongoing basis to identify slow-moving merchandise and use markdowns to liquidate these products. Changes in the assortment of our products may also impact our gross profit. The timing and level of markdowns are driven by customer acceptance of our merchandise. The Company's COGS, and consequently gross profit, may not be comparable to those of other retailers, as inclusion of certain costs vary across the industry.

The variability in COGS is due to raw materials, transportation and freight costs. These costs fluctuate based on certain factors beyond our control, including labor conditions, inbound transportation or freight costs, energy prices, currency fluctuations and commodity prices. We place orders with merchandise suppliers in U.S. dollars and, as a result, are not exposed to significant foreign currency exchange risk.

Selling, general and administrative ("SG&A") expenses include all operating costs not included in COGS. These expenses include all payroll and related expenses, occupancy costs, information systems costs and other operating expenses related to our stores and to our operations at our headquarters, including utilities, depreciation and amortization. These expenses also include marketing expense, including catalog production and mailing costs, warehousing, distribution and outbound shipping costs, customer service operations, consulting and software services, professional services and other administrative costs. Additionally, our outbound shipping costs may fluctuate due to surcharges from shipping vendors based on demand for shipping services.

With the exception of store selling expenses, certain marketing expenses and incentive compensation, SG&A expenses generally do not vary proportionately with net sales. As a result, SG&A expenses as a percentage of net sales are usually higher in lower-volume periods and lower in higher-volume periods.

Table of Contents

Adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA") and Adjusted EBITDA Margin. Adjusted EBITDA represents net income plus net interest expense, provision for income taxes, depreciation and amortization, equity-based compensation expense, goodwill and indefinite-lived intangible assets impairment, asset impairments, write-off of property and equipment, loss on debt refinancing, adjustments for exited retail stores, and other non-recurring expenses, items, consisting of professional fees, retention expenses and costs related to the COVID-19 pandemic. 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. Adjusted EBITDA margin represents, for any period, Adjusted EBITDA as a percentage of net sales.

While we believe that Adjusted EBITDA is useful in evaluating our business, Adjusted EBITDA is a non-GAAP financial measure that has limitations as an analytical tool. Adjusted EBITDA should not be considered an alternative to, or substitute for, net income, which is calculated in accordance with GAAP. In addition, other companies, including companies in our industry, may calculate Adjusted EBITDA differently or not at all, which reduces the usefulness of Adjusted EBITDA as a tool for comparison. We recommend that you review the reconciliation of Adjusted EBITDA to net income, the most directly comparable GAAP financial measure, and the calculation of the resultant Adjusted EBITDA margin below and not rely solely on Adjusted EBITDA or any single financial measure to evaluate our business.

Reconciliation of Net Income to Adjusted EBITDA and Calculation of Adjusted EBITDA Margin

The following table provides a reconciliation of net income to Adjusted EBITDA and the calculation of Adjusted EBITDA margin for the periods presented.

	For the Thirteen Weeks Ended		For the Twenty-Six Weeks Ended		For the Thirteen Weeks Ended		For the Thirty-Nine Weeks Ended	
(in thousands)	July 29, 2023	July 30, 2022	July 29, 2023	July 30, 2022	October 28, 2023	October 29, 2022	October 28, 2023	October 29, 2022
Statements of Operations Data:								
Net income	$ 15,222	$ 17,805	$ 19,818	$ 32,220	$ 11,616	$ 8,919	$ 31,434	$ 41,139
Interest expense, net	6,157	$ 3,547	11,214	7,205	5,794	$ 4,348	17,008	11,553
Interest expense, net - related party	—	$ 929	1,074	1,731	—	$ 1,092	1,074	2,823
Income tax provision	6,665	$ 5,912	8,630	10,922	4,717	$ 4,491	13,346	15,413
Depreciation and amortization	5,491	$ 6,331	11,062	13,044	5,792	$ 6,406	16,854	19,450

Equity-based compensation expense (a)	937	$ 976	1,815	1,718	942	$ 897	2,757	2,615
Write-off of property and equipment (b)	26	$ 71	46	163	19	$ 68	65	231
Loss on debt refinancing (c)	—	$ —	12,702	—	—	$ —	12,702	—
Adjustment for exited retail stores (d)	—	$ (3)	—	(246)	(632)	$ —	(632)	(246)
Impairment of long-lived assets (e)	45	$ —	45	108	21	$ 1,300	66	1,408
Other non-recurring items (f)	2	$ 4	2	4	—	$ 2	2	6
Adjusted EBITDA	$ 34,545	$ 35,572	$ 66,408	$ 66,869	$ 28,269	$ 27,523	$ 94,676	$ 94,392
Net sales	$ 155,669	$ 160,343	$ 305,089	$ 317,412	$ 150,125	$ 150,204	$ 455,214	$ 467,616
Adjusted EBITDA margin	22.2%	22.2%	21.8%	21.1%	18.8%	18.3%	20.8%	20.2%

(a) Represents expenses associated with equity incentive instruments granted to our management and board of director
Incentive instruments are accounted for as equity-classified awards with the related compensation expense recogniz

based on fair value at the date of the grant.

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

(c) Represents loss on the repayment of Priming Term Loan Credit Agreement (the “Priming Credit Agreement”) and the Subordinated Term Loan Credit Agreement (the “Subordinated Credit Agreement”).

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

(e) Represents impairment of long-lived assets related to leasehold improvements.

(f) Represents items management believes are not indicative of ongoing operating performance, including professional fees, retention expenses and costs related to the COVID-19 pandemic.

Table of Contents

Results of Operations

Thirteen weeks ended July 29, 2023 October 28, 2023 Compared to Thirteen weeks ended July 30, 2022 October 29, 2022

The following table summarizes our consolidated results of operations for the periods indicated:

	For the Thirteen Weeks Ended				Change from the Thirteen Weeks Ended July 30, 2022 to the Thirteen Weeks Ended July 29, 2023		For the Thirteen Weeks Ended				Change from the Thirteen Weeks Ended October 29, 2022 to the Thirteen Weeks Ended October 28, 2023	
	July 29, 2023		July 30, 2022				October 28, 2023		October 29, 2022			
(in thousands)	Dollars	% of Net Sales	Dollars	% of Net Sales	$ Change	% Change	Dollars	% of Net Sales	Dollars	% of Net Sales	$ Change	% Change

Net sales	$ 155,669	100.0%	$ 160,343	100.0%	$ (4,674)	(2.9)%	$ 150,125	100.0%	$ 150,204	100.0%	$ (79)	(0.1)%
Costs of goods sold	44,260	28.4%	47,869	29.9%	(3,609)	(7.5)%	42,283	28.2%	45,181	30.1%	(2,898)	(6.4)%
Gross profit	111,409	71.6%	112,474	70.1%	(1,065)	(0.9)%	107,842	71.8%	105,023	69.9%	2,819	2.7%
Selling, general and administrative expenses	83,365	53.6%	84,281	52.6%	(916)	(1.1)%	85,694	57.1%	84,873	56.5%	821	1.0%
Impairment of long-lived assets							21	—	1,300	0.9%	(1,279)	(98.4)%
Operating income	28,044	18.0%	28,193	17.6%	(149)	(0.5)%	22,127	14.7%	18,850	12.5%	3,277	17.4%

Interest expense, net	6,157	4.0%	3,547	2.2%	2,610	73.6%	5,794	3.9%	4,348	2.9%	1,446	33.3%
Interest expense, net - related party	—	—	929	0.6%	(929)	(100.0)%	—	—	1,092	0.7%	(1,092)	(100.0)%
Income before provision for income taxes	21,887	14.1%	23,717	14.8%	(1,830)	(7.7)%	16,333	10.9%	13,410	8.9%	2,923	21.8%
Income tax provision	6,665	4.3%	5,912	3.7%	753	12.7%	4,717	3.1%	4,491	3.0%	226	5.0%
Net income	$ 15,228	9.8%	$ 17,805	11.1%	$ (2,583)	(14.5)%	$ 11,616	7.7%	$ 8,919	5.9%	$ 2,697	30.2%

Net Sales

Net sales for the thirteen weeks ended July 29, 2023 October 28, 2023 decreased $4.7 million $0.1 million, or 2.9% 0.1%, to $155.7 million $150.1 million from $160.3 million $150.2 million for the thirteen weeks ended July 30, 2022 October 29, 2022. At the end of those same periods, we operated 245 and 247 retail stores, respectively. The decrease in net sales was driven primarily by higher estimated returns offset by an increase in total company comparable sales of 1.9% for the thirteen weeks ended October 28, 2023.

Our Retail channel contributed 54.7% of our net sales in the thirteen weeks ended October 28, 2023 and 54.5% in the thirteen weeks ended October 29, 2022. Our Direct channel contributed 45.3% of our net sales in the thirteen weeks ended October 28, 2023 and 45.5% in the thirteen weeks ended October 29, 2022.

Gross Profit and Costs of Goods Sold

Gross profit for the thirteen weeks ended October 28, 2023 increased $2.8 million, or 2.7%, to $107.8 million from $105.0 million for the thirteen weeks ended October 29, 2022. The gross margin for the thirteen weeks ended October 28, 2023 was 71.8% compared to 69.9% for the thirteen weeks ended October 29, 2022. The increase in gross profit and gross margin for the thirteen weeks ended October 28, 2023 was driven largely by favorability from freight, lower average product cost, the mix of full price selling and lower promotions, compared to the thirteen weeks ended October 29, 2022.

Selling, General and Administrative Expenses

SG&A expenses for the thirteen weeks ended October 28, 2023 increased $0.8 million, or 1.0%, to $85.7 million from $84.9 million for the thirteen weeks ended October 29, 2022. The increase is driven primarily by a $0.8 million increase in Compensation and Benefits expense compared to the thirteen weeks ended October 29, 2022.

As a percentage of net sales, SG&A expenses were 57.1% for the thirteen weeks ended October 28, 2023 compared to 56.5% for the thirteen weeks ended October 29, 2022.

Table of Contents

Interest Expense, Net

Interest expense, net was $5.8 million and $5.4 million for the thirteen weeks ended October 28, 2023 and October 29, 2022, respectively. The increase was due to a higher interest rate offset by a lower principal balance for the thirteen weeks ended October 28, 2023. Interest expense, net, consists of interest expense on the Term Loan Facility and ABL Facility for the thirteen weeks ended October 28, 2023 and, on the Company’s former term loan facility prior to repayment in full on May 8, 2022, Priming Credit Agreement, Subordinated Credit Agreement and ABL Facility for the thirteen weeks ended October 29, 2022, partially offset by interest earned on cash for the thirteen weeks ended October 28, 2023 and October 29, 2022.

Income Tax Provision

The income tax provision was $4.7 million for the thirteen weeks ended October 28, 2023 compared to $4.5 million for the thirteen weeks ended October 29, 2022, while our effective tax rates for the same periods were 28.9% and 33.5%, respectively. The effective tax rate during the thirteen weeks ended October 28, 2023 is lower primarily due to the impact of state and local income taxes, executive compensation limitations and non-deductible expenses.

Thirty-Nine weeks ended October 28, 2023 Compared to Thirty-Nine weeks ended October 29, 2022

The following table summarizes our consolidated results of operations for the periods indicated:

	For the Thirty-Nine Weeks Ended	Change from the Thirty-Nine Weeks Ended October 29, 2022 to the Thirty-Nine Weeks

(in thousands)	October 28, 2023		October 29, 2022		Ended October 28, 2023	
	Dollars	% of Net Sales	Dollars	% of Net Sales	$ Change	% Change
Net sales	$ 455,214	100.0 %	$ 467,616	100.0 %	$ (12,402)	(2.7)%
Costs of goods sold	128,423	28.2 %	140,656	30.1 %	(12,233)	(8.7)%
Gross profit	326,791	71.8 %	326,960	69.9 %	(169)	(0.1)%
Selling, general and administrative expenses	251,161	55.2 %	254,624	54.5 %	(3,463)	(1.4)%
Impairment of long-lived assets	66	0.0 %	1,408	0.3 %	(1,342)	(95.3)%
Operating income	75,564	16.6 %	70,928	15.2 %	4,636	6.5 %
Loss on debt refinancing	12,702	2.8 %	—	0.0 %	12,702	100.0 %
Interest expense, net	17,008	3.7 %	11,553	2.5 %	5,455	47.2 %
Interest expense, net - related party	1,074	0.2 %	2,823	0.6 %	(1,749)	(62.0)%
Income before provision for income taxes	44,780	9.8 %	56,552	12.1 %	(11,772)	(20.8)%
Income tax provision	13,346	2.9 %	15,413	3.3 %	(2,067)	(13.4)%
Net income	$ 31,434	6.9 %	$ 41,139	8.8 %	$ (9,705)	(23.6)%

Net Sales

Net sales for the thirty-nine weeks ended October 28, 2023 decreased $12.4 million, or 2.7%, to $455.2 million from $467.6 million for the thirty-nine weeks ended October 29, 2022. At the end of those same periods, we operated 245 and 247 retail stores, respectively. The decrease in net sales was driven primarily by a decrease in total company comparable sales of 1.3% 0.7% and higher estimated returns for the thirteen thirty-nine weeks ended July 29, 2023 October 28, 2023.

Our Retail channel contributed 55.3% 55.0% of our net sales in the thirteen thirty-nine weeks ended July 29, 2023 October 28, 2023 and 54.3% 54.1% in the thirteen thirty-nine weeks ended July 30, 2022 October 29, 2022. Our Direct channel contributed 44.7% 45.0% of our net sales in the thirteen thirty-nine weeks ended July 29, 2023 October 28, 2023 and 45.7% 45.9% in the thirteen thirty-nine weeks ended July 30, 2022 October 29, 2022.

Gross Profit and Costs of Goods Sold

Gross profit for the thirteen thirty-nine weeks ended July 29, 2023 October 28, 2023 decreased $1.1 million $0.2 million, or 0.9% 0.1%, to $111.4 million $326.8 million from $112.5 million $327.0 million for the thirteen thirty-nine weeks ended July 30, 2022 October 29, 2022. The gross margin for the thirteen thirty-nine weeks ended July 29, 2023 October 28, 2023 was 71.6% 71.8% compared to 70.1% 69.9% for the thirteen thirty-nine weeks ended July 30, 2022 October 29, 2022.

The increase in gross margin for the thirteen thirty-nine weeks ended July 29, 2023 October 28, 2023 was driven largely by lower freight costs compared to the thirteen thirty-nine weeks ended July 30, 2022 October 29, 2022.

Selling, General and Administrative Expenses

SG&A expenses for the thirteen thirty-nine weeks ended July 29, 2023 October 28, 2023 decreased $0.9 million $3.5 million, or 1.1% 1.4%, to $83.4 million $251.2 million from $84.3 million $254.6 million for the thirteen thirty-nine weeks ended July 30, 2022 October 29, 2022. The decrease is driven primarily by a $0.8 million $2.6 million decrease in depreciation and amortization expense and a $1.4 million decrease in compensation expense compared to the thirteen thirty-nine weeks ended July 30, 2022 October 29, 2022.

Table of Contents

As a percentage of net sales, SG&A expenses were 53.6% 55.2% for the thirteen thirty-nine weeks ended July 29, 2023 October 28, 2023 compared to 52.6% 54.5% for the thirteen thirty-nine weeks ended July 30, 2022.

Interest Expense, Net

Interest expense, net was $6.2 million and $4.5 million for the thirteen weeks ended July 29, 2023 and July 30, 2022, respectively. Interest expense, net, consists of interest expense on the Term Loan Facility and ABL Facility for the thirteen weeks ended July 29, 2023 and, on the Company's former term loan facility prior to repayment in full on May 8, 2022, Priming Credit Agreement, Subordinated Credit Agreement and ABL Facility for the thirteen weeks ended July 30, 2022, partially offset by interest earned on cash for the thirteen weeks ended July 29, 2023 and July 30, 2022.

Income Tax Provision

The income tax provision was $6.7 million for the thirteen weeks ended July 29, 2023 compared to $5.9 million for the thirteen weeks ended July 30, 2022, while our effective tax rates for the same periods were 30.5% and 24.9%, respectively. The effective tax rate during the thirteen weeks ended July 29, 2023 is higher primarily due to the impact of state and local income taxes, executive compensation limitations and non-deductible expenses.

Table of Contents

Twenty-six weeks ended July 29, 2023 Compared to Twenty-six weeks ended July 30, 2022

The following table summarizes our consolidated results of operations for the periods indicated:

	For the Twenty-Six Weeks Ended		Change from the Twenty-Six Weeks Ended July 30, 2022 to the Twenty-Six Weeks
(in thousands)	**July 29, 2023**	**July 30, 2022**	**Ended July 29, 2023**

	Dollars	% of Net Sales	Dollars	% of Net Sales	$ Change	% Change
Net sales	$ 305,089	100.0 %	$ 317,412	100.0 %	$ (12,323)	(3.9)%
Costs of goods sold	86,140	28.2 %	95,475	30.1 %	(9,335)	(9.8)%
Gross profit	218,949	71.8 %	221,937	69.9 %	(2,988)	(1.3)%
Selling, general and administrative expenses	165,511	54.3 %	169,859	53.5 %	(4,348)	(2.6)%
Operating income	53,438	17.5 %	52,078	16.4 %	1,360	2.6 %
Loss on debt refinancing	12,702	4.2 %	—	—	12,702	100.0 %
Interest expense, net	11,214	3.7 %	7,205	2.3 %	4,009	55.6 %
Interest expense, net - related party	1,074	0.4 %	1,731	0.5 %	(657)	(38.0)%
Income (loss) before provision for income taxes	28,448	9.3 %	43,142	13.6 %	(14,694)	(34.1)%
Income tax provision	8,630	2.8 %	10,922	3.4 %	(2,292)	(21.0)%
Net income (loss)	$ 19,818	6.5 %	$ 32,220	10.2 %	$ (12,402)	(38.5)%

Net Sales

Net sales for the twenty-six weeks ended July 29, 2023 decreased $12.3 million, or 3.9%, to $305.1 million from $317.4 million for the twenty-six weeks ended July 30, 2022. At the end of those same periods, we operated 245 and 247 retail stores, respectively. The decrease in net sales was driven primarily by a decrease in total company comparable sales of 2.0%.

Our Retail channel contributed 55.2% of our net sales in the twenty-six weeks ended July 29, 2023 and 54.0% in the twenty-six weeks ended July 30, 2022. Our Direct channel contributed 44.8% of our net sales in the twenty-six weeks ended July 29, 2023 and 46.0% in the twenty-six weeks ended July 30, 2022.

Gross Profit and Costs of Goods Sold

Gross profit for the twenty-six weeks ended July 29, 2023 decreased $3.0 million, or 1.3%, to $218.9 million from $221.9 million for the twenty-six weeks ended July 30, 2022. The gross margin for the twenty-six weeks ended July 29, 2023 was 71.8% compared to 69.9% for the twenty-six weeks ended July 30, 2022. The increase in gross margin for the twenty-six weeks ended July 29, 2023 was driven largely by lower freight costs compared to the twenty-six weeks ended July 30, 2022.

Selling, General and Administrative Expenses

SG&A expenses for the twenty-six weeks ended July 29, 2023 decreased $4.3 million, or 2.6%, to $165.5 million from $169.9 million for the twenty-six weeks ended July 30, 2022. The decrease is driven by a $2.2 million decrease in compensation and a $2.0 million decrease in depreciation and amortization expense compared to the twenty-six weeks ended July 30, 2022.

As a percentage of net sales, SG&A expenses were 54.3% for the twenty-six weeks ended July 29, 2023 compared to 53.5% for the twenty-six weeks ended July 30, 2022 October 29, 2022.

Loss on debt refinancing

During the twenty-six thirty-nine weeks ended July 29, 2023 October 28, 2023, the Company recognized a loss on debt refinancing of $12.7 million related to entering into a Term Loan Credit Agreement and the repayment of the Priming Credit Agreement and Subordinated Credit Agreement, as discussed in the Liquidity and Capital Resources section below. The Company did not incur any gain or loss on debt refinancing during the twenty-six thirty-nine weeks ended July 30, 2022 October 29, 2022.

Table of Contents

Interest Expense, Net

Interest expense, net was $12.3 million $18.1 million and $8.9 million $14.4 million for the twenty-six thirty-nine weeks ended July 29, 2023 October 28, 2023 and July 30, 2022 October 29, 2022, respectively. The increase was due to a higher interest rate offset by a lower principal balance for the thirty-nine weeks ended October 28, 2023. Interest expense, net, during the twenty-six thirty-nine weeks ended July 29, 2023 October 28, 2023 and July 30, 2022 October 29, 2022 consists of interest expense on the Term Loan, Priming Credit Agreement and Subordinated Credit Agreement prior to refinancing on April 5, 2023, and ABL Facility, partially offset by interest earned on cash.

Income Tax Provision

The income tax provision was $8.6 million $13.3 million for the twenty-six thirty-nine weeks ended July 29, 2023 October 28, 2023 compared to $10.9 $15.4 for the twenty-six thirty-nine weeks ended July 30, 2022 October 29, 2022, while our effective tax rates for the same periods were 30.3% 29.8% and 25.3% 27.3%, respectively. The effective tax rate during the twenty-six thirty-nine weeks ended July 29, 2023 October 28, 2023 is higher lower primarily due to the impact of state and local income taxes, executive compensation limitations and non-deductible expenses.

Liquidity and Capital Resources

General

Our primary sources of liquidity and capital resources are cash generated from operating activities and availability under our ABL facility (governed by the "ABL Credit Agreement" and, such facility the "ABL Facility"), so long as certain conditions related to the maturity of the Term Loan Credit Agreement are met. As of July 29, 2023 October 28, 2023, we had $48.9 million $64.1 million in cash and $34.2 million of total availability under our ABL Facility. In addition, through our shelf registration statement on file with the SEC, depending on conditions prevailing in the public capital markets, we may from time to time issue equity securities in one or more series in one or more offerings.

On April 5, 2023, the Company entered into a Term Loan Credit Agreement (the "Term Loan Credit Agreement"). The Term Loan Credit Agreement provides for a secured term loan facility in an aggregate principal amount of $175.0 million with a maturity date of May 8, 2028. The proceeds of the Term Loan Credit Agreement, combined with a portion of the Company's existing cash on hand, were used to fully repay the Priming Credit Agreement and the Subordinated Credit Agreement. All security interests and liens incurred in connection with the Priming Credit Agreement and Subordinated Credit Agreement have been released.

The Term Loan Credit Agreement includes customary negative covenants, including covenants limiting the ability of the Borrower to, among other things, incur additional indebtedness, create liens on assets, make investments, loans or advances, engage in mergers, consolidations, sales of assets and purchases, pay dividends and distributions, enter into transactions with affiliates, and make payments in respect of junior indebtedness.

The Term Loan Credit Agreement also has certain customary representations and warranties (see *Note 5. Debt* to the condensed consolidated financial statements included in this Quarterly Report). As of July 29, 2023 October 28, 2023, the Company is in compliance with all covenants.

On May 10, 2023, the Company entered into Amendment No. 6 to the ABL Credit Agreement (the "ABL Amendment").
The ABL Amendment extended the maturity date of the ABL Credit Agreement from May 8, 2024 to May 10, 2028 (or 180 days prior to the maturity date of the Company's Term Loan Credit Agreement if the maturity date of such term loan has not been extended to a date that is at least 180 days after the maturity date of the ABL Credit Agreement). The other terms and conditions of the ABL Credit Facility remain substantially unchanged.

We believe our cash and cash equivalents balance, along with our future cash flows from operations, capacity for borrowings under the ABL Facility and access to credit and capital markets, provide sufficient liquidity to meet the needs of our business operations and to satisfy our projected cash requirements for the next 12 months and the foreseeable future.

Table of Contents

Cash Flow Analysis

The following table shows our cash flows information for the periods presented:

	For the Twenty-Six Weeks Ended		For the Thirty-Nine Weeks Ended	
(in thousands)	**July 29, 2023**	**July 30, 2022**	**October 28, 2023**	**October 29, 2022**
Net cash provided by operating activities	$ 35,615	$ 35,457	$ 56,682	$ 66,720

Net cash used in investing activities	(7,105)	(2,161)	(10,760)	(5,173)
Net cash used in financing activities	(66,660)	(7,397)	(68,860)	(7,424)

Net Cash Provided by Operating Activities

Net cash provided by operating activities increased decreased by $0.2 million $10.0 million during the twenty-six thirty-nine weeks ended July 29, 2023 October 28, 2023 compared to the twenty-six thirty-nine weeks ended July 30, 2022 October 29, 2022. The increase decrease was driven primarily by improved operating performance, excluding the one-time charge related to a loss on debt refinancing during the twenty-six weeks ended July 29, 2023, and a decrease in net cash used for by working capital of $1.0 million $8.9 million. The net cash provided by working capital decrease was driven primarily driven by lower cash outflows accrued expenses of $6.9 million $22.5 million and higher payments for inventory of $2.0 million, offset by a change in accounts payable of $12.2 million due to timing of payments for and lower accounts payable, $3.3 million due to decreased inventory levels offset by accrued expenses and other current liabilities, mainly management incentives receivable of $6.5 million, and other net expenses of $3.5 million $3.0 million.

Net cash provided by operating activities during the twenty-six thirty-nine weeks ended July 29, 2023 October 28, 2023 was $35.6 million $56.7 million. Key elements of cash provided by operating activities were (i) net income of $19.8 million $31.4 million, (ii) adjustments to reconcile net income to net cash provided by operating activities of $28.7 million $35.2 million, primarily driven by loss on debt refinancing and depreciation and amortization, and (iii) uses of cash totaling $12.9 million $9.9 million for net operating assets and liabilities.

Net cash provided by operating activities during the twenty-six thirty-nine weeks ended July 30, 2022 October 29, 2022 was $35.5 million $66.7 million. Key elements of cash provided by operating activities were (i) net income of $32.2 million $41.1 million, (ii) adjustments to reconcile net income to net cash provided by operating activities of $17.1 million $26.6 million, primarily driven by depreciation and amortization, and (iii) uses of cash totaling $13.9 million $1.0 million for net operating assets and liabilities to support increased sales, primarily driven by higher payments for accounts payable, merchandise inventory offset by higher accrued expenses and lease liabilities. other current liabilities, including an $8.3 million federal income payment received from the IRS in error.

Net Cash Used in Investing Activities

Net cash used in investing activities during the twenty-six thirty-nine weeks ended July 29, 2023 October 28, 2023 and July 30, 2022 October 29, 2022 was $7.1 million $10.8 million and $2.2 million $5.2 million, respectively, representing purchases of property, equipment, software and equipment related technology-related investments, in stores and information systems. including the new POS system.

Net Cash Used in Financing Activities

Net cash used in financing activities was $66.7 million $68.9 million for the twenty-six thirty-nine weeks ended July 29, 2023 October 28, 2023 compared to $7.4 million for the twenty-six thirty-nine weeks ended July 30, 2022 October 29, 2022.

The change was primarily driven by the repayment of the previously existing Priming and Subordinated Credit Agreements for the twenty-six thirty-nine weeks ended July 29, 2023 October 28, 2023 offset by the proceeds from issuance of the Term Loan.

Dividends

The payment of cash dividends in the future, if any, will be at the discretion of our board of directors and will depend upon such factors as earnings levels, capital requirements, restrictions imposed by applicable law, our overall financial condition, restrictions in our debt agreements and any other factors deemed relevant by our board of directors. As a holding company, our ability to pay dividends depends on our receipt of cash dividends from our operating subsidiaries, which may further restrict our ability to pay dividends as a result of restrictions on their ability to pay dividends to us, under our debt agreements and under future indebtedness that we or they may incur.

Credit Facilities

There were no short-term borrowings outstanding under the Company's ABL Facility as of July 29, 2023 October 28, 2023 and January 28, 2023. At July 29, 2023 October 28, 2023 and January 28, 2023, the Company had outstanding letters of credit in the amount of $5.8 million and $7.0 million, respectively, and had a maximum additional borrowing capacity of $34.2 million and $30.0 million, respectively.

Table of Contents

Contractual Obligations

The Company's contractual obligations consist primarily of debt obligations, interest payments, operating leases and purchase orders for merchandise inventory. These contractual obligations impact the Company's short-term and long-term liquidity and capital resource needs.

Contingencies

We are subject to various legal proceedings that arise in the ordinary course of business. Although the outcome of such proceedings cannot be predicted with certainty, management does not believe that we are presently party to any legal proceedings the resolution of which management believes would have a material adverse effect on our business, financial condition, operating results or cash flows. We establish reserves for specific legal matters when we determine that the likelihood of an unfavorable outcome is probable and the loss is reasonably estimable.

Off-Balance Sheet Arrangements

We are not a party to any off-balance sheet arrangements.

Critical Accounting Policies and Significant Estimates

The most significant accounting estimates involve a high degree of judgment or complexity. Management believes the estimates and judgments most critical to the preparation of our condensed consolidated financial statements and to the understanding of our reported financial results include those made in connection with revenue recognition, including accounting for gift card breakage and estimated merchandise returns; estimating the value of inventory; impairment assessments for goodwill and other indefinite-lived intangible assets, and long-lived assets. Management evaluates its policies and assumptions on an ongoing basis.

Our significant accounting policies related to these accounts in the preparation of our condensed consolidated financial statements are described under the heading “Management Discussion and Analysis of Financial Condition and Results of Operations – Critical Accounting Policies and Significant Estimates” in our Annual Report on Form 10-K for the fiscal year ended January 28, 2023 (the “2022 Annual Report”). As of the date of this filing, there were no significant changes to any of the critical accounting policies and estimates previously described in our 2022 Annual Report.

Special Note Regarding Forward-Looking Statements

This Quarterly Report contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are generally identified by the use of forward-looking terminology, including the terms “anticipate,” “believe,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “should,” “target,” “will,” “would” and, in each case, their negative or other various or comparable terminology. All statements other than statements of historical facts contained in this Quarterly Report, including statements regarding our strategy, future operations, future financial position, future revenue, projected costs, prospects, plans, objectives of management and expected market growth are forward-looking statements.

These forward-looking statements involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. All written and oral forward-looking statements made in connection with this Quarterly Report that are attributable to us or persons acting on our behalf are expressly qualified in their entirety by the Risk Factors set forth in our 2022 Annual Report and other cautionary statements included therein and herein.

These forward-looking statements reflect our views with respect to future events as of the date of this Quarterly Report and are based on assumptions and subject to risks and uncertainties. Given these uncertainties, you should not place undue reliance on these forward-looking statements. These forward-looking statements represent our estimates and assumptions only as of the date of this Quarterly Report and, except as required by law, we undertake no obligation to update or review publicly any forward-looking statements, whether as a result of new information, future events or otherwise after the date of this Quarterly Report. We anticipate that subsequent events and developments will cause our views to change. We qualify all of our forward-looking statements by these cautionary statements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Market Risk

There have been no material changes in our exposure to market risk during the second third quarter of Fiscal Year 2023. For a discussion of the Company's exposure to market risk, refer to Part II, Item 7A, "Quantitative and Qualitative Disclosures About Market Risk," contained in the Company's 2022 Annual Report.

Item 4. Controls and Procedures

The Company's management, including its Chief Executive Officer and Chief Financial and Operating Officer, have conducted an evaluation of the effectiveness of disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended), as of the end of the period covered by this Quarterly Report. Based on that evaluation, the Chief Executive Officer and Chief Financial and Operating Officer concluded as of July 29, 2023 October 28, 2023, that the disclosure controls and procedures are effective in ensuring that all material information required to be filed in this Quarterly Report has been recorded, processed, summarized and reported when required and the information is accumulated and communicated to the Company's management, including its Chief Executive Officer and Chief Financial and Operating Officer, as appropriate, to allow timely decisions regarding required disclosure.

There have not been any changes in the Company's internal control over financial reporting that occurred during the second third quarter of Fiscal Year 2023 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings

For information regarding legal proceedings as of July 29, 2023 October 28, 2023, refer to *Note 11. Commitments and Contingencies* to our condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report.

Item 1A. Risk Factors

Factors that could cause our actual results to differ materially from those in this report are described under the heading "Risk Factors" in our 2022 Annual Report. Any of these factors could result in a significant or material adverse effect on our results of operations or financial condition. As of the date of this Quarterly Report, there have been no material changes to the risk factors previously disclosed in our 2022 Annual Report. However, additional risk factors not presently known to us or that we currently deem immaterial may also impair our business or results of operations and we may disclose changes to such factors or disclose additional factors from time to time in our future filings with the Securities and Exchange Commission.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

The exhibits listed on the Exhibit Index are filed or furnished as part of this Quarterly Report.

Exhibit Index

Exhibit Number	Description
3.1	Certificate of Incorporation of J.Jill, Inc. (incorporated by reference from Exhibit 3.1 to the Company's Form 10-K, filed on April 28, 2017 (File No. 0001-38026))
3.2	Certificate of Amendment to the Certificate of Incorporation of J.Jill, Inc. (incorporated by reference from Exhibit 3.1 to the Company's Form 8-K, filed on November 9, 2020 (File No. 001-38026)).
3.3	Bylaws of J.Jill, Inc. (incorporated by reference from Exhibit 3.2 to the Company's 10-K, filed on April 28, 2017 (File No. 001-38026)).
31.1* 10.1†	Amendment No. 1 Executive Employment Agreement effective February 15, 2024

31.1 Certification of Principal Executive Officer required by Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

31.2* 31.2 Certification of Principal Financial Officer required by Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

32.1* 32.1 Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

Table of Contents

32.2* 32.2 Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

24

Table of Contents

101.INS Inline XBRL Instance Document (the Instance Document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document)

101.SCH Inline XBRL Taxonomy Extension Schema Document

101.CAL Inline XBRL Taxonomy Extension Calculation Linkbase Document

101.DEF Inline XBRL Taxonomy Extension Definition Linkbase Document

101.LAB Inline XBRL Taxonomy Extension Label Linkbase Document

101.PRE Inline XBRL Taxonomy Extension Presentation Linkbase Document

104 Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibits 101)

---

* Furnished herewith. † Management contract or compensatory plan or arrangement.

Table of Contents

SIGNATURES

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

	J.Jill, Inc.
Date: August 31, 2023 December 5, 2023	By: /s/ Claire Spofford
	Claire Spofford
	Chief Executive Officer, President and Director
Date: August 31, 2023 December 5, 2023	By: /s/ Mark Webb
	Mark Webb
	Executive Vice President, Chief Financial and Operating Officer

Exhibit 10.1

0000950170-23-068143img108354757_0.jpg

November 1, 2023

Claire Spofford

Dear Claire:

We are amending your Employment Agreement dated October 3, 2020 (the "Agreement"). These changes will take effect on February 15, 2024 (the "Effective Date"). Capitalized terms used in this letter (the "Amendment") shall have the meanings given to them in the Agreement.

Section 3(c) Compensation is hereby deleted in its entirety and replaced with the following:

(c) *Benefits and Perquisites*. Executive shall be entitled to participate in the employee benefit plans and programs of the J.Jill Companies in accordance with the terms of such plans and programs and shall be entitled to the same perquisites as are made available to other senior executive employees of the J.Jill Companies. In addition, Executive will receive a housing stipend in the amount of Ninety Thousand Dollars ($90,000) per year for the first three (3) years of Executive's employment. The three-year period shall be measured from Executive's Start Date. Executive shall receive the yearly housing stipend in installments of Seven Thousand Five Hundred Dollars ($7,500), payable monthly in advance. After such three-year period, Executive will receive a housing stipend in an amount not to exceed One Hundred Fifty Thousand Dollars ($150,000) for the next one (1) year of Executive's employment and a housing stipend in an amount not to exceed One Hundred Seventy Thousand Dollars ($170,000) for the following (1) year of Executive's employment. This two-year period will begin February 15, 2024 and end February 14, 2026 during which time Executive shall receive the yearly housing stipend in installments of Seven Thousand One Hundred Dollars ($7,100) after taxes, payable monthly in advance. In addition, during the Term, Executive shall be entitled to reimbursement for expenses reasonably incurred in connection with an annual physical with a provider of Executive's choice, and up to Twenty Five Thousand Dollars ($25,000) of professional fees incurred in connection with income tax planning and return preparation per year.

This Amendment shall be governed in all respects by, and construed in accordance with, the laws of the State of Delaware. The Parties hereby consent to the exclusive and sole jurisdiction and venue of the state and federal courts located in Delaware for the litigation of disputes not subject to arbitration and waive any claims of improper venue, lack of personal jurisdiction or lack of subject matter jurisdiction as to any such disputes.

By signing below, you are indicating that you agree with the terms of this Amendment and choose to accept this offer.

Sincerely,

Date: November 1, 2023	By:	/s/ Kathleen Stevens
		Kathleen Stevens
		Vice President General Counsel and Secretary

ACCEPTANCE:

I have read this letter and agree with the terms and conditions of my employment as set forth above.

Date: November 1, 2023	By:	/s/ Claire Spofford
		Claire Spofford
		Chief Executive Officer, President and Director

Exhibit 31.1

CERTIFICATION PURSUANT TO

RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Claire Spofford, certify that:

1. I have reviewed this Quarterly Report of J.Jill, Inc. (the "Company") on Form 10-Q for the period ended July 29, 2023 October 28, 2023;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material 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 ir 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 Securities 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 consolid subsidiaries, is made known to us by others within those entities, particularly during the period in which this report being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to b 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 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 t 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 reportin and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control ove 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 th registrant's internal control over financial reporting.

Date: August 31, 2023 December 5, 2023

By: /s/ Claire Spofford

Claire Spofford

Chief Executive Officer, President and Director

Exhibit 31.2

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS AMENDED, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Mark Webb, certify that:

1. I have reviewed this Quarterly Report of J.Jill, Inc. (the "Company") on Form 10-Q for the period ended July 29, 2023 October 28, 2023;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material ' 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 ir 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(s) 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 Securities 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 consolid subsidiaries, is made known to us by others within those entities, particularly during the period in which this report being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to b designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting anc 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 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 t 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 reportin and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control o 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 th registrant's internal control over financial reporting.

Date: August 31, 2023 December 5, 2023

By: /s/ Mark Webb

Mark Webb

Executive Vice President, Chief Financial and Operating 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 of J.Jill, Inc. (the "Company") on Form 10-Q for the period ended July 29, 2023 October 28, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

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

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

Date: August 31, 2023 December 5, 2023

By: /s/ Claire Spofford

Claire Spofford

Chief Executive Officer, President and Director

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 of J.Jill, Inc. (the "Company") on Form 10-Q for the period ended July 29, 2023 October 28, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

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

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

Date: August 31, 2023 December 5, 2023

By: /s/ Mark Webb

Mark Webb

Executive Vice President, Chief Financial and Operating Officer

DISCLAIMER

THE INFORMATION CONTAINED IN THE REFINITIV CORPORATE DISCLOSURES DELTA REPORT™ IS A COMPARISON OF TWO FINANCIALS PERIODIC REPORTS. THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE REPORT INCLUDING THE TEXT AND THE COMPARISON DATA AND TABLES. IN NO WAY DOES REFINITIV OR THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BASED UPON THE INFORMATION PROVIDED IN THIS REPORT. USERS ARE ADVISED TO REVIEW THE APPLICABLE COMPANY'S ACTUAL SEC FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS.