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 May 2, 2026

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 June 4, 2026 the registrant had 14,951,415 shares of common stock, $0.01 par value per share, outstanding.

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PART I—FINANCIAL INFORMATION

Item 1. Financial Statements

J.Jill, Inc.
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)
(in thousands, except share data)

	May 2, 2026	January 31, 2026
Assets		
Current assets:		
Cash and cash equivalents	$ 36,297	$ 41,015
Accounts receivable, net	8,505	4,322
Inventories, net	63,922	70,066
Prepaid expenses and other current assets	25,711	25,786
Total current assets	134,435	141,189
Property and equipment, net	56,535	56,794
Intangible assets, net	55,183	56,322
Goodwill	59,697	59,697
Operating lease assets, net	124,106	128,944
Other assets	7,515	7,270
Total assets	$ 437,471	$ 450,216
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	$ 44,094	$ 57,650
Accrued expenses and other current liabilities	34,184	30,864
Current portion of long-term debt	1,594	1,875
Current portion of operating lease liabilities	38,568	40,259
Total current liabilities	118,440	130,648
Long-term debt, net of discount and current portion	71,319	71,435
Deferred income taxes	15,461	14,403
Operating lease liabilities, net of current portion	106,990	111,231
Other liabilities	970	1,000
Total liabilities	313,180	328,717
Commitments and contingencies (see Note 12)		
Shareholders' Equity		
Common stock, par value $0.01 per share; 50,000,000 shares authorized; 15,677,489 and 15,522,614 shares issued at May 2, 2026 and January 31, 2026 respectively; and 14,951,415 and 14,865,040 shares outstanding at May 2, 2026 and January 31, 2026, respectively	159	157
Additional paid-in capital	239,876	240,981
Treasury stock, at cost, 726,074 and 657,574 shares at May 2, 2026 and January 31, 2026, respectively	(11,681)	(10,888)
Accumulated deficit	(104,063)	(108,751)
Total shareholders' equity	124,291	121,499
Total liabilities and shareholders' equity	$ 437,471	$ 450,216

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

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	
	May 2, 2026	May 3, 2025
Net sales	$ 144,427	$ 153,624
Costs of goods sold (exclusive of depreciation and amortization)	45,734	43,267
Gross profit	98,693	110,357
Selling, general and administrative expenses	89,718	91,088
Impairment of long-lived assets	214	207
Operating income	8,761	19,062
Interest expense	1,871	2,789
Interest income	(347)	(388)
Income before provision for income taxes	7,237	16,661
Income tax provision	2,549	4,969
Net income and total comprehensive income	$ 4,688	$ 11,692
Per share data (Note 9):		
Net income per common share:		
Basic	$ 0.32	$ 0.76
Diluted	$ 0.31	$ 0.76
Weighted average common shares:		
Basic	14,880,999	15,314,474
Diluted	14,975,282	15,390,957
Cash dividends declared per common share	$ 0.09	$ 0.08

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

J.Jill, Inc.
CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY (UNAUDITED)
(in thousands, except share data)

	Common Stock		Additional Paid- in Capital	Treasury Stock		Accumulated Deficit	Total Shareholders' Equity
	Shares	Amount		Shares	Amount		
Balance, January 31, 2026	15,522,614	$ 157	$ 240,981	(657,574)	$ (10,888)	$ (108,751)	$ 121,499
Vesting of equity awards	235,795	2	(2)	—	—	—	—
Surrender of shares to pay withholding taxes	(80,920)	—	(1,006)	—	—	—	(1,006)
Repurchase of treasury stock	—	—	—	(68,500)	(793)	—	(793)
Quarterly cash dividend and dividend equivalents declared ($0.09 per share)	—	—	(1,343)	—	—	—	(1,343)
Equity-based compensation	—	—	1,246	—	—	—	1,246
Net income	—	—	—	—	—	4,688	4,688
Balance, May 2, 2026	15,677,489	$ 159	$ 239,876	(726,074)	$ (11,681)	$ (104,063)	$ 124,291

	Common Stock		Additional Paid- in Capital	Treasury Stock		Accumulated Deficit	Total Shareholders' Equity
	Shares	Amount		Shares	Amount		
Balance, February 1, 2025	15,344,053	$ 153	$ 242,781	(19,831)	$ (523)	$ (136,642)	$ 105,769
Vesting of equity awards	238,696	3	187	—	—	—	190
Surrender of shares to pay withholding taxes	(93,075)	—	(2,043)	—	—	—	(2,043)
Repurchase of treasury stock	—	—	—	(186,800)	(3,526)	—	(3,526)
Quarterly cash dividend and dividend equivalents declared ($0.08 per share)	—	—	(1,075)	—	—	—	(1,075)
Equity-based compensation	—	—	966	—	—	—	966
Net income	—	—	—	—	—	11,692	11,692
Balance, May 3, 2025	15,489,674	156	240,816	(206,631)	(4,049)	(124,950)	111,973

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

J.Jill, Inc.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
(in thousands)

	For the Thirteen Weeks Ended	
	May 2, 2026	May 3, 2025
Net income	$ 4,688	$ 11,692
Operating activities:		
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	5,249	5,345
Impairment of long-lived assets	214	207
Adjustment for exited retail stores	(296)	(232)
Loss on disposal of fixed assets	36	151
Noncash interest expense	82	303
Equity-based compensation	1,252	966
Deferred rent incentives	(13)	(32)
Deferred income taxes	1,058	(773)
Changes in operating assets and liabilities:		
Accounts receivable	(4,183)	(4,353)
Inventories, net	6,144	737
Prepaid expenses and other current assets	75	(848)
Accounts payable	(14,035)	(7,884)
Accrued expenses and other current liabilities	2,549	1,606
Operating lease assets and liabilities	(857)	(1,645)
Other noncurrent assets and liabilities	(276)	96
Net cash provided by operating activities	1,687	5,336
Investing activities:		
Purchases of property and equipment	(2,568)	(2,237)
Capitalized software	(225)	(487)
Net cash used in investing activities	(2,793)	(2,724)
Financing activities:		
Principal repayments on term loan	(469)	—
Share repurchase costs, net of commission and fees	(794)	(3,526)
Surrender of shares to pay withholding taxes	(1,006)	(2,043)
Quarterly cash dividend paid to shareholders	(1,343)	(1,225)
Net cash used in financing activities	(3,612)	(6,794)
Net change in cash and cash equivalents and restricted cash	(4,718)	(4,182)
Cash and cash equivalents and restricted cash:		
Beginning of Period	41,378	35,790
End of Period [(a)]	$ 36,660	$ 31,608

(a) Includes $0.4 million of restricted cash for the thirteen weeks ended May 2, 2026 and May 3, 2025. The Company recorded restricted cash in Prepaid expenses and other current assets as presented in the condensed consolidated balance sheets.

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

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 255 stores nationwide and a robust ecommerce platform. J.Jill is headquartered outside Boston, Massachusetts.

J.Jill, Inc. is a holding company. Jill Acquisition LLC, its wholly-owned subsidiary, and J.Jill Gift Card Solutions, Inc., a wholly-owned subsidiary of Jill Acquisition LLC, are the operating companies for the business assets.

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 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 “2025 Annual Report”) for the fiscal year ended January 31, 2026 (“Fiscal Year 2025”) 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 January 30, 2027 (“Fiscal Year 2026”) and Fiscal Year 2025 are both 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 31, 2026 is derived from the audited consolidated balance sheet as of that date. The unaudited results of operations for the thirteen weeks ended May 2, 2026 are not necessarily indicative of future results or results to be expected for Fiscal Year 2026. You should read these statements in conjunction with our audited consolidated financial statements and related notes in our 2025 Annual Report.

Restricted Cash

The Company's restricted cash balance represents an imprest cash account used to fund employee healthcare costs. The balance of restricted cash as of May 2, 2026 and May 3, 2025 was $0.4 million, which is included in Prepaid expenses and other current assets on the condensed consolidated balance sheets.

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

	For the Thirteen Weeks Ended	
	May 2, 2026	May 3, 2025
Cash and cash equivalents	$ 36,297	$ 31,245
Restricted cash reported in Prepaid expenses and other current assets	363	363
Total cash, cash equivalents, and restricted cash shown in the consolidated statements of cash flows	$ 36,660	$ 31,608

Accounts Receivable

The beginning balances at January 31, 2026 for accounts receivable arising from contracts with customers was $4.3 million with ending balances included in accounts receivable on the condensed consolidated balance sheets.

The beginning balances at February 1, 2025 for accounts receivable arising from contracts with customers was $5.0 million with ending balances included in accounts receivable on the condensed consolidated balance sheets.

The Company's accounts receivable relates primarily to payments due from banks for credit and debit card transactions for approximately 2 to 5 days of sales. These receivables do not bear interest. The Company occasionally sells inventory to liquidators, and if these sales occur near the end of a reporting period, they are also included in Accounts receivable on the condensed consolidated balance sheets.

Cost of Goods Sold

Cost of goods sold ("COGS") consists of the direct costs of sold merchandise, which include customs, taxes, tariffs, 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 operations at the headquarters, including utilities, depreciation and amortization. These expenses also consist of marketing expense, including catalog production and mailing costs, warehousing, distribution and outbound shipping costs, customer service operations, consulting and software services, natural disasters, professional services and other administrative costs.

Cloud-Based Software Arrangements

The costs incurred to implement cloud computing arrangements hosted by third party vendors are capitalized when incurred during the application development phase, and recognized as Prepaid expenses and other current assets for the current portion or Other assets for the long-term portion in the condensed consolidated balance sheets. Implementation costs are subsequently amortized on a straight-line basis over the expected term of the related cloud service, beginning on the date the related software or module is ready for its intended use. The amortization of cloud-based software implementation costs is recorded as a component of Selling, general, and administrative expenses, in the condensed consolidated statement of operations and comprehensive income, the same line item as the expense for the associated hosting arrangement. The carrying value of cloud computing implementation costs are tested for impairment when an event or circumstance indicates that the asset might be impaired. Cloud computing arrangement implementation costs are classified within operating activities in the condensed consolidated statements of cash flows.

For the thirteen weeks ended May 2, 2026, the Company amortized $0.6 million of cloud-based software implementation costs. For the thirteen weeks ended May 3, 2025, the Company amortized $0.5 million of cloud-based software implementation costs.

As of May 2, 2026, the Company had $9.7 million of gross capitalized cloud-based software implementation costs and $0.6 million of related accumulated amortization, for a net balance of $9.1 million, made up of $2.6 million recorded within Prepaid expenses and other current assets and $6.5 million recorded within Other assets in the Company's condensed consolidated balance sheets.

As of January 31, 2026, the Company had $11.3 million of gross capitalized cloud-based software implementation costs and $2.2 million of related accumulated amortization, for a net balance of $9.1 million, made up of $2.4 million recorded within Prepaid expenses and other current assets and $6.7 million recorded within Other assets in the Company's condensed consolidated balance sheets.

Change in Accounting Estimate

Effective in the first quarter of 2025, the Company revised its methodology for estimating the Direct sales returns reserve. Previously, the reserve was calculated based on catalog offer code tracking data. After upgrading its Order Management System ("OMS") in March 2025, the Company transitioned to a curve-based model that aligns with the methodology used to estimate returns for its Retail channel. The new model is expected to provide a more accurate reflection of customer return behavior.

Additionally, in the first quarter of 2025, the Company reduced the allowable return window for Direct and Retail sales from 90 to 60 days, which also impacted the estimate of expected returns. The Company further revised its methodology for estimating the Retail sales returns reserve in the third quarter of 2025. The Company no longer includes an exchange assumption to better align the reserve with the data provided under its new OMS. These changes have been accounted for as changes in accounting estimates and applied prospectively in accordance with applicable accounting guidance. The impact of these changes is not material to the consolidated financial statements.

Recently Issued Accounting Pronouncements

In December 2025, the Financial Accounting Standards Board ("FASB") issued Accounting Standard Update ("ASU") No.

2025-12, Codification Improvements. This update makes technical corrections and clarifications to the Codification, including conforming amendments and editorial changes. The amendments are effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods within those annual reporting periods with early adoption permitted. The adoption of this guidance is not expected to have a material impact on the Company's consolidated financial statements or disclosures.

In December 2025, the FASB also issued ASU No. 2025-11, Interim Reporting (Topic 270): Narrow-Scope Improvements. This update clarifies certain interim reporting requirements and is intended to reduce diversity in practice. The amendments relate primarily to the presentation and disclosure of interim financial information. The amendments are effective for interim reporting periods within annual reporting periods beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the impact of this guidance on its interim financial reporting.

In September 2025, the FASB issued ASU No. 2025-06, "Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software." This ASU modernizes the capitalization criteria for internal-use software by eliminating references to project-stage phases and clarifying when capitalization should begin. The guidance is effective for fiscal years beginning after December 15, 2027, including interim periods within those fiscal years, with early adoption permitted. The Company is currently evaluating the impact of this guidance on its consolidated financial statements and related disclosures.

In November 2024, the FASB issued ASU 2024-03, "Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40)." Additionally, in January 2025, the FASB issued ASU 2025-01 to clarify the effective date of ASU 2024-03. These standards provide guidance to expand disclosures related to the disaggregation of income statement expenses. The standard requires, in the notes to the financial statements, disclosure of specified information about certain costs and expenses which includes purchases of inventory, employee compensation, depreciation, and intangible asset amortization included in each relevant expense caption. This guidance is effective for fiscal years beginning after December 15, 2026, and interim periods within annual reporting periods beginning after December 15, 2027, on a retrospective or prospective basis, with early adoption permitted. The Company is currently evaluating the impact that this guidance will have on its disclosures in the Company's consolidated financial statements.

In October 2023, the FASB issued 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 ("ASC") in response to the SEC's disclosure update and simplification initiative. This guidance will be applied prospectively with the 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. If by June 30, 2027, the SEC has not removed the related disclosures from Regulation S-X or Regulation S-K, the pending amendments will not become effective for any entity. The Company is assessing what impact this guidance will have on its disclosures in the Company's consolidated financial statements.

Recently Adopted Accounting Pronouncements

In December 2023, the FASB issued ASU 2023-09, "Improvements to Income Tax Disclosures." This ASU requires enhanced income tax disclosures, including disaggregation of information in the rate reconciliation table and disaggregated information related to income taxes paid. The other amendments in this update improve the effectiveness and comparability of disclosures by (1) adding disclosures of pretax income (or loss) and income tax expense (or benefit), and (2) removing disclosures that are no longer considered cost beneficial or relevant. The Company adopted this ASU during the fourth quarter of Fiscal Year 2025 and updated its disclosures accordingly.

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 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 or upon shipment if the sale is not immediately fulfilled, 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	
	May 2, 2026	May 3, 2025
Retail	$ 78,553	$ 81,813
Direct	65,874	71,811
Net sales	$ 144,427	$ 153,624

Remaining Performance Obligations

As of May 2, 2026, the transaction price allocated to remaining performance obligations amounts to $0.4 million, which relates to the marketing and promotion of the Company’s private label credit card program. This amount will be recognized as revenue evenly through January 2031.

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):

	May 2, 2026	January 31, 2026
Upfront payment (1)	385	$ 405
Unredeemed gift cards (2)	6,175	7,370
Total contract liabilities	$ 6,560	$ 7,775

(1) The current and noncurrent portions of the upfront payment received in connection with the private label credit card agreement are included in Accrued expenses and other current liabilities and Other long-term liabilities, respectively, in the Company’s condensed consolidated balance sheets.

(2) The unredeemed gift cards balance is included in Accrued expenses and other current liabilities in the Company’s condensed consolidated balance sheets. Revenue recognized for the thirteen weeks ended May 2, 2026 and May 3, 2025 related to the contract liability balance at the beginning of each fiscal year was $1,921 and $2,020.

The Company recognized revenue related to gift card redemptions and breakage for the thirteen weeks ended May 2, 2026 of approximately $3.3 million and for the thirteen weeks ended May 3, 2025 of approximately $3.2 million. 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.

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 the transaction price allocated to remaining performance obligations for contracts with customers that have an expected duration of one year or less. The Company applies the optional exemption to not disclose the transaction price allocated to remaining performance obligations where revenue represents sales-or-usage-based royalty. This optional exemption applies to royalty payments received from allowing a third party to use the J.Jill brand in providing a private label credit card to its customers through January 31, 2031. These royalties are based on an agreed-upon percentage of sales generated through the use of the private label credit card.

4. Asset Impairments

Long-lived Asset Impairments

For the thirteen weeks ended May 2, 2026, the Company recorded noncash impairment charges of $0.2 million primarily related to leasehold improvements at certain store locations driven by the actual performance at these locations. The Company reduced the net carrying value of certain long-lived assets to their estimated fair value, which was determined using a discounted cash flows method.

For the thirteen weeks ended May 3, 2025, the Company recorded $0.2 million of noncash impairment charges primarily related to leasehold improvements at certain store locations driven by the actual performance at these locations. The Company reduced the net carrying value of certain long-lived assets to their estimated fair value, which was determined using a discounted cash flows method.

Goodwill and Other Intangible Assets

The balance of goodwill was $59.7 million at May 2, 2026 and January 31, 2026. The accumulated goodwill impairment losses as of May 2, 2026 and January 31, 2026 were $137.3 million.

A summary of other intangible assets as of May 2, 2026 and January 31, 2026 is as follows (in thousands):

		May 2, 2026			
	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	110,397	2,620	21,183
Total intangible assets		$ 192,300	$ 110,397	$ 26,720	$ 55,183

		January 31, 2026			
	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	109,258	2,620	22,322
Total intangible assets		$ 192,300	$ 109,258	$ 26,720	$ 56,322

Total amortization expense for these amortizable intangible assets was $1.1 million and $1.2 million for the thirteen weeks ended May 2, 2026 and May 3, 2025, respectively.

The estimated amortization expense for each of the next five years and thereafter is as follows (in thousands):

Fiscal Year	Estimated Amortization Expense
2026(1)	3,417
2027	4,418
2028	4,246
2029	4,109
2030	4,023
Thereafter	970
Total	$ 21,183

(1) Represents amortization expense for the remainder of Fiscal Year 2026.

Impairment Tests

Goodwill and indefinite-lived intangible assets are not amortized but are reviewed for impairment at least annually, 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 thirteen weeks ended May 2, 2026 and May 3, 2025, the Company did not identify any events or circumstances that indicated the fair value of a reporting unit was less than its carrying value.

5. Debt

The components of the Company's outstanding long-term debt as of May 2, 2026 and January 31, 2026 were as follows (in thousands):

	May 2, 2026			
	Outstanding Principal Balance	Original Issue Discount	Capitalized Fees & Expenses	Balance Sheet
Term loan due 2030	$ 74,531	$ (696)	$ (922)	$ 72,913
Less: Current portion	(1,594)	—	—	(1,594)
Net long-term debt	$ 72,937	$ (696)	$ (922)	$ 71,319

	January 31, 2026			
	Outstanding Principal Balance	Original Issue Discount	Capitalized Fees & Expenses	Balance Sheet
Term loan due 2030	$ 75,000	$ (727)	$ (963)	$ 73,310
Less: Current portion	(1,875)	—	—	(1,875)
Net long-term debt	$ 73,125	$ (727)	$ (963)	$ 71,435

Term Loan Credit Agreement

On December 12, 2025, the Company and Jill Acquisition LLC (the "Borrower") entered into a new Term Loan Credit Agreement (the "2025 Term Loan Credit Agreement"), with the lenders party thereto from time to time and CCP Agency, LLC, as administrative agent and as collateral agent. The 2025 Term Loan Credit Agreement provides for a senior secured term loan facility in an aggregate principal amount of $75.0 million with a maturity date of December 12, 2030 (the "2025 Term Loan Facility"). As of May 2, 2026, the outstanding principal balance under the 2025 Term Loan Credit Agreement was $74.5 million.

The proceeds from the 2025 Term Loan Facility were used to pay off in full all outstanding principal balance under the Term Loan Credit Agreement dated as of April 5, 2023 (the "2023 Term Loan Credit Agreement"). All security interests and liens granted in connection with the 2023 Term Loan Credit Agreement were released.

A portion of the transaction was accounted for as a debt modification. As a result, approximately $1.0 million of deferred costs will continue to be deferred and amortized using the effective interest method through December 12, 2030, the maturity date of the 2025 Term Loan Credit Agreement. These fees are presented as a direct reduction from the carrying amount of long-term debt on the condensed consolidated balance sheets.

Loans under the 2025 Term Loan Credit Agreement bear an upfront fee of 1.00% and interest at the Borrower's election at (1) the Base Rate (as defined in the 2025 Term Loan Credit Agreement) plus 4.50% through August 1, 2026 and 4.25% thereafter or (2) Term SOFR (as defined in the 2025 Term Loan Credit Agreement) plus 5.50% through August 1, 2026 and 5.25% thereafter, subject to a floor rate of 1.00%.

The 2025 Term Loan Facility is to be repaid in quarterly payments of approximately $0.5 million on the last business day of each fiscal quarter of the borrower, commencing with the fiscal quarter ended May 2, 2026, until January 30, 2027 and of approximately $0.2 million commencing on the fiscal quarter ending May 1, 2027 and each fiscal quarter thereafter, with the remaining aggregate principal amount of Initial Term Loans (as defined in the 2025 Term Loan Credit Agreement) then outstanding to be paid on maturity on December 12, 2030. Additionally, the 2025 Term Loan Facility is subject to mandatory repayment, subject to certain exceptions, including (i) 100% of the net proceeds of any issuance or incurrence of indebtedness other than debt permitted in the 2025 Term Loan Credit Agreement, (ii) 100% of the net cash proceeds of certain asset sales/insurance proceeds, subject to reinvestment rights and certain other exceptions, and (iii) an annual payment ranging from 25%-75%, based on the First Lien Net Leverage Ratio, of the annual Excess Cash Flow, less certain voluntary prepayments made during the year, as defined in the 2025 Term Loan Credit Agreement.

The 2025 Term Loan Facility may be voluntarily prepaid after the one-year anniversary without premium or penalty but on or prior to the one-year anniversary, subject to a premium of 1.0% of the aggregate principal amount being prepaid.

The obligations under the 2025 Term Loan Credit Agreement were guaranteed by the Company and J.Jill Gift Card Solutions, Inc., and were secured by substantially all of the real and personal property of the Borrower and the guarantors, subject to customary exceptions. The agreement included customary representations and warranties, affirmative and negative covenants, financial covenants, and events of default.

During Fiscal Year 2025, in conjunction with entering into the 2025 Term Loan Credit Agreement, the Company incurred $0.3 million of third-party fees which were expensed as incurred.

As of May 2, 2026, the Company was in compliance with all covenants contained in its outstanding debt arrangements.

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”), as amended, with a maturity date of May 10, 2028 (or 180 days prior to the maturity date of the Company’s 2025 Term Loan Credit Agreement if the maturity date of such 2025 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 Company had no short-term borrowings under the Company’s ABL Facility as of May 2, 2026 and January 31, 2026. The Company’s available borrowing capacity under the ABL Facility as of May 2, 2026 and January 31, 2026 was $35.7 million. During the thirteen weeks ended May 2, 2026 and May 3, 2025, no amount was drawn or outstanding under the ABL Facility.

As of May 2, 2026 and January 31, 2026, there were outstanding letters of credit of $4.3 million, which reduced the availability under the ABL Facility. As of May 2, 2026, the maximum commitment for letters of credit was $15.0 million.

As of May 2, 2026, the Company was in compliance with all financial covenants in effect.

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 quoted prices that are observable or can be corroborated by observable market data for substantially the full term of the assets 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 are 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 May 2, 2026 and January 31, 2026, respectively (in thousands):

		Fair Value as of May 2, 2026		
	Carrying Value	**Level 1**	**Level 2**	**Level 3**
Financial instruments not carried at fair value:				
Total debt	$ 72,913	$ —	$ 75,398	$ —
Total financial instruments not carried at fair value	$ 72,913	$ —	$ 75,398	$ —

		Fair Value as of January 31, 2026		
	Carrying Value	**Level 1**	**Level 2**	**Level 3**
Financial instruments not carried at fair value:				
Total debt	$ 73,310	$ —	$ 75,607	$ —
Total financial instruments not carried at fair value	$ 73,310	$ —	$ 75,607	$ —

The Company's debt instruments include the 2025 Term Loan Credit Agreement. 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 and liability-classified stock options, 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, and intangible assets, are subject to fair value adjustments as part of the related impairment tests. Assumptions used to measure these fair value adjustments are classified as Level 3 inputs. Other than impairment accounting adjustments, no adjustments to fair value or fair value measurements were required for non-financial assets and liabilities for all periods presented. See *Note 4 - Asset Impairments*, for additional information.

7. Income Taxes

The Company recorded an income tax provision of $2.5 million and $5.0 million during the thirteen weeks ended May 2, 2026 and May 3, 2025, respectively.

The effective tax rate was 35.2% and 29.8% for the thirteen weeks ended May 2, 2026 and May 3, 2025, respectively.

The effective tax rate for the thirteen weeks ended May 2, 2026 differs from the federal statutory rate of 21% primarily due to the impact of state and local income taxes, stock compensation shortfalls and executive compensation limitations. The effective tax rate for the thirteen weeks ended May 3, 2025 differs from the federal statutory rate of 21% primarily due to the impact of state and local income taxes and executive compensation limitations.

8. Shareholders' Equity

Share Repurchase Program

On December 6, 2024, the Board of Directors (the "Board") approved a share repurchase program (the "Share Repurchase Program"), under which the Company is authorized to repurchase up to $25.0 million of the Company's common stock for two years following the authorization date. Under the Share Repurchase Program, shares of the Company's common stock may be purchased from time to time through open market or private transactions, block trades, or such other manner as the Company may determine, in accordance with applicable insider trading and other securities laws and regulations under the Exchange Act and share repurchase parameters determined by the Board.

During the thirteen weeks ended May 2, 2026, the Company repurchased 68,500 shares of its common stock for an aggregate purchase price of $0.8 million. As of May 2, 2026, the Company had $13.3 million of availability remaining under its stock repurchase authorization. The purchase price of these share repurchases, and the related fees, have been classified as Treasury stock in the accompanying condensed consolidated balance sheets as of May 2, 2026. There were 186,800 shares repurchased by the Company during the thirteen weeks ended May 3, 2025.

The timing and the number of shares repurchased are subject to the discretion of the Company and may be affected by market conditions and other factors. The Share Repurchase Program does not obligate the Company to acquire any particular amount of common stock and may be modified, suspended or terminated at any time.

Dividends

During the thirteen weeks ended May 2, 2026, the Board declared a quarterly cash dividend payment of $0.09 per share of common stock (the "Dividend"). The Dividend was payable on April 28, 2026 to stockholders of record of issued and outstanding shares of the Company's common stock as of April 14, 2026. During the thirteen weeks ended May 2, 2026, the Company paid $1.3 million in dividends. While dividends are generally recorded as a reduction to Retained earnings, since the Company has an accumulated deficit, dividends are recorded as a reduction to Additional paid-in capital on the condensed consolidated balance sheets.

The Company intends to pay cash dividends quarterly in the future, subject to market conditions and at the discretion of the Board. The Company's ability to pay dividends in the future is based on a number of factors, such as earnings levels, capital requirements, restrictions imposed by applicable law, our overall financial condition, restrictions in our debt agreements and the ability of our operating subsidiaries to pay dividends to us as a holding company.

9. 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	
	May 2, 2026	May 3, 2025
Numerator		
Net income	$ 4,688	$ 11,692
Denominator		
Weighted average number of common shares outstanding	14,880,999	15,314,474
Weighted average common shares, basic	14,880,999	15,314,474
Dilutive effect of share-based awards	94,283	76,483
Weighted average common shares, diluted	14,975,282	15,390,957
Net income per common share, basic	$ 0.32	$ 0.76
Net income per common share, diluted	$ 0.31	$ 0.76

Share-based 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, 344,520 and 262,565 shares for the thirteen weeks ended May 2, 2026 and May 3, 2025, respectively, were excluded from the diluted earnings per share calculation because their inclusion would be antidilutive.

10. Share-Based Payment

On March 11, 2025, the Board approved and authorized an amendment and restatement (the "Amendment") to the Company's Amended and Restated 2017 Omnibus Equity Incentive Plan (the "A&R Plan"). The A&R Plan is administered by the Compensation Committee of the Board (the "Committee"). The Committee has the authority to determine the type, size and terms and conditions of awards granted under the A&R Plan.

On June 27, 2025, the Company registered an additional 750,000 shares of its common stock at par value of $0.01 per share. As of May 2, 2026, the A&R Plan has 2,793,453 shares of common stock reserved for issuance to awards granted by the Committee with an aggregate of 767,986 shares remaining for future issuance.

During the thirteen weeks ended May 2, 2026 and May 3, 2025, the Board approved and granted Restricted Stock Units ("RSUs"), dividend equivalent RSUs, Performance Stock Units ("PSUs") and dividend equivalent PSUs under the A&R Plan.

Restricted Stock Units

For the thirteen weeks ended May 2, 2026 and May 3, 2025, the Board 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. In connection with the cash dividend paid on the Company's common stock and in accordance with the terms of the A&R Plan, participants holding RSUs were credited with dividend equivalent RSUs, which are subject to the same vesting terms as the RSUs. For the thirteen weeks ended May 2, 2026 and May 3, 2025, 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 thirteen weeks ended May 2, 2026:

	Number of RSUs	Weighted Average Grant Date Fair Value
Unvested units outstanding at January 31, 2026	580,411	$ 18.61
Granted	387,285	$ 12.14
Vested	(223,458)	$ 19.84
Forfeited	(32,430)	$ 18.26
Unvested units outstanding at May 2, 2026	711,808	$ 15.83

As of May 2, 2026, there was $9.8 million of total unrecognized compensation expense related to unvested RSUs, which is expected to be recognized over a weighted-average service period of 2.0 years. The total fair value of RSUs vested during the thirteen weeks ended May 2, 2026 and May 3, 2025 was $4.4 million and $4.4 million, respectively.

Performance Stock Units

For the thirteen weeks ended May 2, 2026 and May 3, 2025, the Board 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 throughout the three-year performance period of the award. 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 year, 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 a three-year performance period. 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. In connection with the cash dividend paid on the Company's common stock and in accordance with the terms of the A&R Plan, participants holding PSUs were credited with dividend equivalent PSUs, a portion of which are based on an Adjusted EBITDA goal and the remaining portion is based on achieving an annualized TSR growth goal, each subject to the same vesting terms as the corresponding PSUs.

The fair value of the PSUs granted during the thirteen weeks ended May 2, 2026 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 using a Monte Carlo simulation as of the grant date. These valuations were based on the assumptions noted below:

Monte Carlo Simulation Assumptions	
Risk Free Interest Rate	3.84%
Expected Dividend Yield	—
Expected Volatility	49.89%
Expected Term	2.82 years

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

The following table summarizes the PSU awards activity for the thirteen weeks ended May 2, 2026:

	Number of PSUs	Weighted Average Grant Date Fair Value
Unvested units outstanding at January 31, 2026	205,037	$ 22.89
Granted	161,742	$ 12.71
Forfeited	(33,474)	$ 19.26
Unvested units outstanding at May 2, 2026	333,305	$ 17.95

As of May 2, 2026, there was $2.8 million of total unrecognized compensation expense related to unvested PSUs, which is expected to be recognized over a weighted-average service period of 2.3 years.

Share-based compensation expense for RSUs and PSUs was recorded in the Selling, general and administrative expenses in the condensed consolidated statement of operations and comprehensive income. The Company recorded $1.2 million for the thirteen weeks ended May 2, 2026, and $1.0 million for the thirteen weeks ended May 3, 2025. As per the terms of the A&R Plan, as the dividend equivalent awards are subject to the same vesting conditions as their underlying awards, the Company did not record any additional share-based compensation expense associated with these awards.

Stock Options

On December 9, 2024, the Company entered into a consulting agreement with Elm St Advisors, LLC ("Elm Street"), which was subsequently amended on March 11, 2025 (as amended, the "Consulting Agreement"). The Consulting Agreement resulted in a net award of 33,334 stock options to Elm Street, which vested on February 7, 2025. The amendment resulted in the cancellation of 66,666 of the original 100,000 stock options initially awarded under the Consulting Agreement, and accordingly, the reversal of $0.3 million of compensation expense was reversed in Selling, general and administrative expenses on the condensed consolidated statements of operations and comprehensive income during the thirteen weeks ended May 3, 2025. The stock options expire three years from the December 9, 2024 grant date. As of May 3, 2025, there was no unrecognized compensation cost as the stock options were fully vested.

The Company applied liability accounting to the stock options prior to their vesting since the Board retained sole discretion over the determination of the milestone achievements and the related vesting, as described in the Consulting Agreement. Upon vesting the stock options became equity-classified and the corresponding liability was reclassified from Accrued expenses and other current liabilities to Additional paid-in capital on the condensed consolidated balance sheets.

The fair value of the stock options as of February 7, 2025 was calculated using the Black-Scholes option-pricing model with the following assumptions:

Black Scholes Options Pricing Model	
Risk Free Interest Rate	4.27%
Expected Dividend Yield	1.00%
Expected Volatility	45.90%
Expected Term	1.59 years

During the thirteen weeks ended May 2, 2026, the outstanding stock options, including previously issued stock options have a weighted average fair value of $30.17, weighted average exercise price of $59.85 and a weighted average remaining contractual term of 1.1 years.

11. Related Party Transactions

For the thirteen weeks ended May 2, 2026 and May 3, 2025, the Company incurred immaterial amounts in connection with related party transactions. As of May 2, 2026 and January 31, 2026, the Company owed its related parties immaterial amounts.

12. 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 financial statements. The Company establishes reserves for specific legal matters, including legal costs, when the Company determines that the likelihood of an unfavorable outcome is probable, and the loss is reasonably estimable.

13. Segment Reporting

Operating Segments

The Company operates through two operating segments, Retail and Direct, based on the criteria used by the Chief Operating Decision Maker ("CODM") to monitor performance and allocate resources. For reporting purposes, these operating segments have been aggregated into a single reportable segment due to their similar economic characteristics and shared resources. The segment derives its revenues from the sale of apparel and accessory merchandise through the retail stores and website and catalog orders.

Performance Assessment and Resource Allocation

The Company's CODM is the Chief Executive Officer. To assess the performance of the Company, the CODM primarily uses net income to analyze shopping behaviors and allocate resources effectively to enhance sales and margins. Net income is integral to the annual budgeting and forecasting process, with monthly reviews of variances from actuals against plan and forecast when making decisions on marketing spend, capital investments, and personnel. The accounting policies of the segment are the same as those described in the summary of significant accounting policies.

An extract of the financial information that is regularly provided to the CODM for the Company's single reportable segment is listed below:

	For the Thirteen Weeks Ended	
	May 2, 2026	May 3, 2025
Net sales	$ 144,427	$ 153,624
Costs of goods sold (exclusive of depreciation and amortization)	45,734	43,267
Selling expenses	49,707	47,774
Marketing expenses	12,995	14,239
General and administrative expenses	19,271	21,009
Other segment items [(a)]	12,032	15,643
Net income and total comprehensive income	$ 4,688	$ 11,692

(a) Other segment items represent the Company's OMS upgrade, management incentives, impairments of long-lived assets, interest expense, interest income, income taxes, and depreciation and amortization.

Geographic Information

All of the Company's identifiable assets are located in the United States, which is where the Company is domiciled. The Company has immaterial sales outside the United States. No customer represents more than 10% of total revenues for any period presented.

14. Subsequent Events

Dividends

On June 3, 2026, the Board declared a quarterly cash dividend of $0.09 per share, payable on July 8, 2026 to stockholders of record of issued and outstanding shares of the Company's common stock as of June 24, 2026.

U.S. Tariff Matter

Following the Supreme Court ruling, the Court of International Trade issued an order directing Customs and Border Protection ("CBP") to begin paying refunds for tariffs enacted under the International Emergency Economic Powers Act ("IEEPA") immediately. The CBP has begun developing a new system to process the unprecedented volume of IEEPA tariff refunds. The CBP is proceeding with a phased rollout of refunds. Subsequent to year-end, the Company submitted refund claims to CBP related to tariffs previously paid under the IEEPA. These claims were submitted following court rulings that invalidated certain IEEPA tariffs and directed CBP to implement a refund process. Subsequent to quarter end and as of the date these financial statements were issued, the Company began receiving refunds, but the complete refund process is ongoing and subject to administrative implementation by the CBP. Accordingly, management concluded that the matter represents a non-recognized subsequent event under ASC 855, and no receivable has been recorded as of May 2, 2026.

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 January 30, 2027 ("Fiscal Year 2026") and fiscal year ended January 31, 2026 ("Fiscal Year 2025") are both 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 255 stores nationwide and a robust ecommerce platform. J.Jill is headquartered outside Boston, Massachusetts.

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 and abroad. Additionally, the occurrence or reoccurrence of any significant pandemic, regional conflicts, or other geopolitical disruptions, or a prolonged shutdown of the United States government, 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 inventory enhancement. 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.

Tariffs. The imposition of tariffs (including U.S. tariffs imposed or threatened to be imposed on a number of countries and any tariffs imposed by such countries) have impacted and could continue to impact our supply chain resulting in increased input costs, including the cost of certain raw materials and packaging. During the thirteen weeks ended May 2, 2026, the U.S. Supreme Court ruled that many of the tariffs previously imposed under the International Emergency Economic Powers Act were invalid. The ultimate availability, timing, and amount of any potential refunds of such tariffs remain highly uncertain and are subject to further legal, regulatory, and administrative developments. In addition, the U.S. Administration initiated new tariffs and may impose additional tariffs. As a result, there remains significant uncertainty regarding the duration and scope of existing and future tariffs and the impact of such tariffs will continue to vary, including based on where inputs are sourced from and shipped to. In addition, any supply chain constraints, inflationary impacts or reduced consumer demand for our products as a result of such tariffs or ongoing macroeconomic uncertainty have impacted and could continue to impact our results. We will continue to evaluate the nature and extent of the impact of these tariffs on our business, to identify actions to potentially mitigate, where possible, any unfavorable impacts on our business and to monitor the regulatory and administrative developments around the potential refund of tariffs previously paid and assess their impact on our future results.

Risks Associated with Ongoing Conflicts. Ongoing or escalating geopolitical tensions and military activity, including conflicts involving the Middle East, Iran, Ukraine, and Venezuela, may adversely affect the Company's business, financial condition, and results of operations. Heightened geopolitical instability in the Middle East has contributed to uncertainty in global economic and financial conditions, including potential constraints affecting key shipping routes such as the Strait of Hormuz, and increased volatility in energy, fuel, and transportation markets, as well as contributing to volatility in labor, financial, and commodity markets. These developments may disrupt global supply chains, including the availability and cost of fuel, energy, transportation, and other critical materials, which would have an adverse effect on our results of operations. Disruptions to fuel and energy supply, including as a result of government-imposed restrictions, sanctions, export controls, or other regulatory actions, could materially increase the Company's operating costs or require the temporary suspension or shutdown of certain mining operations where reliable access to fuel or power is essential to safe and continuous operations. Heightened geopolitical tensions may also increase cybersecurity risks, including threats to energy infrastructure, logistics providers, financial systems, and other third-party service providers.

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 measures, such as:

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 or upon shipment if the sale is not immediately fulfilled, 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 sales net of returns 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. Our comparable sales are based on a 52-week period. The total company comparable sales calculation shifts the weeks in the fiscal year containing the fifty-third week to align like-for-like. 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") consists of the direct costs of sold merchandise, which include customs, taxes, tariffs, 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. 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 consist primarily of all payroll and related expenses, occupancy costs, information systems costs and other operating expenses related to our stores and operations at our headquarters, including utilities, depreciation and amortization. These expenses also consist of marketing expense, including catalog production and mailing costs, warehousing, distribution and outbound shipping costs, customer service operations, consulting and software services, natural disasters, 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.

Adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA") and Adjusted EBITDA Margin. Adjusted EBITDA represents net income plus (less) depreciation and amortization, income tax provision, interest expense, interest income, equity-based compensation expense, write-off of property and equipment, amortization of cloud-based software implementation costs, adjustment for exited retail stores, impairment of long-lived assets, and other non-recurring items, primarily consisting of non-ordinary course professional fees, non-employee share-based payments, CEO transition costs, severance expense and legal settlements and fees associated with certain non-recurring transactions and events. We present Adjusted EBITDA on a consolidated basis because management uses it as a supplemental measure in assessing our operating performance, and we believe that it is helpful to investors, securities analysts and other interested parties as a measure of our comparative operating performance from period to period. We also use Adjusted EBITDA as one of the primary methods for planning and forecasting overall expected performance of our business and for evaluating on a quarterly and annual basis actual results against such expectations. Further, we recognize Adjusted EBITDA as a commonly used measure in determining business value and as such, use it internally to report results. 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.

(in thousands)	For the Thirteen Weeks Ended May 2, 2026	May 3, 2025
Statements of Operations Data:		
Net income	$ 4,688	$ 11,692
Add (Less):		
Depreciation and amortization	5,252	5,349
Income tax provision	2,549	4,969
Interest expense	1,871	2,789
Interest income	(347)	(388)
Adjustments:		
Equity-based compensation expense [(a)]	1,252	966
Write-off of property and equipment [(b)]	36	151
Amortization of cloud-based software implementation costs [(c)]	554	457
Adjustment for exited retail stores [(d)]	(296)	(232)
Impairment of long-lived assets [(e)]	214	207
Other non-recurring items [(f)]	948	1,375
Adjusted EBITDA	$ 16,721	$ 27,335
Net sales	$ 144,427	$ 153,624
Adjusted EBITDA margin	11.6%	17.8%

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

Results of Operations

Thirteen weeks ended May 2, 2026 Compared to Thirteen weeks ended May 3, 2025

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

	For the Thirteen Weeks Ended				Change from the Thirteen Weeks Ended May 3, 2025 to the Thirteen Weeks Ended May 2, 2026	
	May 2, 2026		May 3, 2025			
(in thousands)	Dollars	% of Net Sales	Dollars	% of Net Sales	$ Change	% Change
Net sales	$ 144,427	100.0%	$ 153,624	100.0%	$ (9,197)	(6.0)%
Costs of goods sold	45,734	31.7%	43,267	28.2%	2,467	5.7%
Gross profit	98,693	68.3%	110,357	71.8%	(11,664)	(10.6)%
Selling, general and administrative expenses	89,718	62.1%	91,088	59.3%	(1,370)	(1.5)%
Impairment of long-lived assets	214	0.1%	207	0.1%	7	3.4%
Operating income	8,761	6.1%	19,062	12.4%	(10,301)	(54.0)%
Interest expense	1,871	1.3%	2,789	1.8%	(918)	(32.9)%
Interest income	(347)	(0.2)%	(388)	(0.3)%	41	10.6%
Income before provision for income taxes	7,237	5.0%	16,661	10.8%	(9,424)	(56.6)%
Income tax provision	2,549	1.8%	4,969	3.2%	(2,420)	(48.7)%
Net income	$ 4,688	3.2%	$ 11,692	7.6%	$ (7,004)	(59.9)%

Net Sales

Net sales for the thirteen weeks ended May 2, 2026 decreased $9.2 million, or 6.0%, to $144.4 million from $153.6 million for the thirteen weeks ended May 3, 2025. At the end of those same periods, we operated 255 and 249 retail stores, respectively. The decrease in net sales was primarily due to a decrease in total company comparable sales of 8.7%, the decrease was primarily driven by a decline in unit sales partially offset by an increase in the average unit retail price compared to the thirteen weeks ended May 3, 2025.

Retail contributed 54.4% of our net sales in the thirteen weeks ended May 2, 2026 and 53.3% in the thirteen weeks ended May 3, 2025. Our Direct channel contributed 45.6% of our net sales in the thirteen weeks ended May 2, 2026 and 46.7% in the thirteen weeks ended May 3, 2025.

Gross Profit and Costs of Goods Sold

Gross profit for the thirteen weeks ended May 2, 2026 decreased $11.7 million, or 10.6%, to $98.7 million from $110.4 million for the thirteen weeks ended May 3, 2025. The gross margin for the thirteen weeks ended May 2, 2026 was 68.3% compared to 71.8% for the thirteen weeks ended May 3, 2025. The decrease in gross profit and gross margin for the thirteen weeks ended May 2, 2026 was driven by higher full-price promotional rates, higher mix of markdown sales, and increased tariffs compared to the thirteen weeks ended May 3, 2025.

Selling, General and Administrative Expenses

SG&A expenses for the thirteen weeks ended May 2, 2026 decreased $1.4 million, or 1.5%, to $89.7 million from $91.1 million for the thirteen weeks ended May 3, 2025. The decrease was primarily driven by $2.0 million decrease in consulting and professional fees, that is primarily due to the cancelation of the Elm Street Consulting Agreement during the second quarter of 2025, and $1.5 million in marketing expenses. These decreases were partially offset by $1.2 million increase in selling expenses and an aggregated $0.9 million increase across hosting, recruiting, supplies, and compensation and benefits expenses.

As a percentage of net sales, SG&A expenses were 62.1% for the thirteen weeks ended May 2, 2026 and 59.3% for the thirteen weeks ended May 3, 2025.

Impairment of long-lived assets

The Company recorded $0.2 million of impairment charges for the thirteen weeks ended May 2, 2026 and May 3, 2025.

Interest Expense

Interest expense was $1.9 million and $2.8 million for the thirteen weeks ended May 2, 2026 and May 3, 2025, respectively. The decrease was due to a lower interest rate for the thirteen weeks ended May 2, 2026 as a result of the debt refinancing that took place in December 2025.

Interest Income

For the thirteen weeks ended May 2, 2026, the Company earned interest on cash of $0.3 million, compared to $0.4 million for the thirteen weeks ended May 3, 2025. The decrease was primarily due to lower interest rate for the thirteen weeks ended May 2, 2026.

Income Tax Provision

The income tax provision was $2.5 million for the thirteen weeks ended May 2, 2026 compared to $5.0 million for the thirteen weeks ended May 3, 2025, while our effective tax rates for the same periods were 35.2% and 29.8%, respectively. The effective tax rate during the thirteen weeks ended May 2, 2026 is higher primarily due to the impact of state and local income taxes, stock compensation shortfalls and executive compensation limitations.

Liquidity and Capital Resources

General

Our primary sources of liquidity and capital resources are cash and cash equivalents generated from operating activities and availability under our ABL Facility, so long as certain conditions related to the maturity of the 2025 Term Loan Credit Agreement are met. As of May 2, 2026, we had $36.3 million in cash and $35.7 million of total availability under our ABL Facility. In addition, through our shelf registration statement on file with the SEC or through private transactions, and depending on conditions prevailing in the public and private capital markets, we may from time to time issue equity securities in one or more series in one or more offerings.

On December 6, 2024, the Board approved a share repurchase program (the "Share Repurchase Program"), under which the Company is authorized to repurchase up to $25.0 million of the Company's common stock for two years following the authorization date. Under the Share Repurchase Program, shares of the Company's common stock may be purchased from time to time through open market or private transactions, block trades, or such other manner as the Company may determine, in accordance with applicable insider trading and other securities laws and regulations under the Exchange Act. The timing and the number of shares repurchased are subject to the discretion of the Company and may be affected by market conditions and other factors. The Share Repurchase Program does not obligate the Company to acquire any particular amount of common stock and may be modified, suspended or terminated at any time.

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, make voluntary prepayments, pay dividends, repurchase shares, and to satisfy our projected cash requirements for the next 12 months and the foreseeable future.

Credit Facilities

On December 12, 2025, the Company and Jill Acquisition LLC (the “Borrower”) entered into a new Term Loan Credit Agreement (the “2025 Term Loan Credit Agreement”), with the lenders party thereto from time to time and CCP Agency, LLC, as administrative agent and as collateral agent. The 2025 Term Loan Credit Agreement provides for a senior secured term loan facility in an aggregate principal amount of $75.0 million with a maturity date of December 12, 2030 (the “2025 Term Loan Facility”). As of May 2, 2026, the outstanding principal balance under the 2025 Term Loan Credit Agreement was $74.5 million.

The proceeds from the 2025 Term Loan Facility were used to pay off in full all outstanding principal balance under the Term Loan Credit Agreement dated as of April 5, 2023 (the “2023 Term Loan Credit Agreement”). All security interests and liens granted in connection with the 2023 Term Loan Credit Agreement were released.

The 2025 Term Loan Facility is to be repaid in quarterly payments of approximately $0.5 million on the last business day of each fiscal quarter of the borrower, commencing with the fiscal quarter ended May 2, 2026, until January 30, 2027 and of approximately $0.2 million commencing on the fiscal quarter ending May 1, 2027 and each fiscal quarter thereafter, with the remaining aggregate principal amount of Initial Term Loans then outstanding to be paid on maturity on December 12, 2030. Additionally, the 2025 Term Loan Facility is subject to mandatory repayment, subject to certain exceptions, including (i) 100% of the net proceeds of any issuance or incurrence of indebtedness other than debt permitted in the 2025 Term Loan Credit Agreement, (ii) 100% of the net cash proceeds of certain asset sales/insurance proceeds, subject to reinvestment rights and certain other exceptions, and (iii) an annual payment ranging from 25%-75%, based on the First Lien Net Leverage Ratio, of the annual Excess Cash Flow, less certain voluntary prepayments made during the year, as defined in the 2025 Term Loan Credit Agreement.

The 2025 Term Loan Facility may be voluntarily prepaid after the one-year anniversary without premium or penalty but on or prior to the one-year anniversary, subject to a premium of 1.0% of the aggregate principal amount being prepaid.

The obligations under the 2025 Term Loan Credit Agreement were guaranteed by the Company and J.Jill Gift Card Solutions, Inc., and were secured by substantially all of the real and personal property of the Borrower and the guarantors, subject to customary exceptions. The agreement included customary representations and warranties, affirmative and negative covenants, financial covenants, and events of default.

During Fiscal Year 2025, in conjunction with entering into the 2025 Term Loan Credit Agreement, the Company incurred $0.3 million of third-party fees which were expensed as incurred.

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”), as amended, with a maturity date of May 10, 2028 (or 180 days prior to the maturity date of the Company’s 2025 Term Loan Credit Agreement if the maturity date of such 2025 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).

There were no short-term borrowings outstanding under the Company’s ABL Facility as of May 2, 2026 and January 31, 2026. At May 2, 2026 and January 31, 2026, the Company had outstanding letters of credit in the amount of $4.3 million and had a maximum additional borrowing capacity of $35.7 million.

As of May 2, 2026, the Company is in compliance with all covenants contained in its outstanding debt arrangements.

Cash Flow Analysis

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

	For the Thirteen Weeks Ended	
(in thousands)	**May 2, 2026**	**May 3, 2025**
Net cash provided by operating activities	$ 1,687	$ 5,336
Net cash used in investing activities	(2,793)	(2,724)
Net cash used in financing activities	(3,612)	(6,794)

Net cash provided by operating activities

Net cash provided by operating activities decreased by $3.6 million during the thirteen weeks ended May 2, 2026 compared to the thirteen weeks ended May 3, 2025. The decrease during the thirteen weeks ended May 2, 2026 was driven by a decrease in net income of $7.0 million, offset by adjustments to reconcile net income of $1.7 million and changes in operating assets and liabilities of

$1.7 million. The change in operating assets and liabilities was driven primarily by decreased payments for inventory of $5.4 million, due to the timing of receipt of goods and tariffs, accrued expenses and other current liabilities of $0.9 million, operating lease assets and liabilities of $0.8 million due primarily to lease amortization, and accounts receivable of $0.2 million. The change in operating assets and liabilities was offset by lower cash inflows relating to timing of payments for accounts payable of $6.2 million, largely reflecting higher merchandising payables, prepaid expenses and other current assets of $0.9 million, and timing of payments relating to other noncurrent assets of $0.4 million.

Net cash provided by operating activities during the thirteen weeks ended May 2, 2026 was $1.7 million. Key elements of cash provided by operating activities were (i) net income of $4.7 million, (ii) adjustments to reconcile net income to net cash provided by operating activities of $7.6 million, primarily driven by depreciation and amortization, and equity-based compensation, and (iii) uses of cash totaling $10.6 million for net operating assets and liabilities.

Net cash provided by operating activities during the thirteen weeks ended May 3, 2025 was $5.3 million. Key elements of cash provided by operating activities were (i) net income of $11.7 million, (ii) adjustments to reconcile net income to net cash provided by operating activities of $5.9 million, primarily driven by depreciation and amortization, and equity-based compensation, and (iii) uses of cash totaling $12.3 million for net operating assets and liabilities.

Net cash used in investing activities

Net cash used in investing activities during the thirteen weeks ended May 2, 2026 and the thirteen weeks ended May 3, 2025 was $2.8 million and $2.7 million, respectively, representing purchases of property and equipment related investments in stores and software and technology related investments.

Net cash used in financing activities

Net cash used in financing activities was $3.6 million for the thirteen weeks ended May 2, 2026 compared to $6.8 million for the thirteen weeks ended May 3, 2025. Net cash used in financing activities for the thirteen weeks ended May 2, 2026 consisted primarily of the quarterly cash dividend paid to shareholders, share repurchase costs, net of commission and fees, surrender of shares to pay withholding taxes, and principal repayments on the 2025 Term Loan. Net cash used in financing activities for the thirteen weeks ended May 3, 2025 consisted primarily of share repurchase costs, net of commission and fees, surrender of shares to pay withholding taxes, and quarterly cash dividend paid to shareholders.

Dividends

During the thirteen weeks ended May 2, 2026, the Board declared a quarterly cash dividend payment of $0.09 per share of common stock (the “Dividend”). The Dividend was payable on April 28, 2026 to stockholders of record of issued and outstanding shares of the Company’s common stock as of April 14, 2026. During the thirteen weeks ended May 2, 2026, the Company paid $1.3 million in dividends. While dividends are generally recorded as a reduction to Retained earnings, since the Company has an accumulated deficit, dividends are recorded as a reduction to Additional paid-in capital.

The Company intends to pay cash dividends quarterly in the future, subject to market conditions and at the discretion of the Board. Our ability to pay dividends in the future is based on a number of factors such as earnings levels, capital requirements, restrictions imposed by applicable law, our overall financial condition, restrictions in our debt agreements and the ability of our operating subsidiaries to pay dividends to us as a holding company.

Subsequent to May 2, 2026, on June 3, 2026, the Board declared a quarterly cash dividend of $0.09 per share, payable on July 8, 2026 to stockholders of record of issued and outstanding shares of the Company’s common stock as of June 24, 2026.

Self-Insured Group Health Insurance Reserves

In January 2025, the Company transitioned to a self-insured group health insurance program up to certain stop-loss limits. Such costs are accrued based on known claims and an estimation of incurred but not reported (“IBNR”) claims. IBNR claims are estimated using historical claim information and actuarial estimates.

Contractual Obligations

The Company’s contractual obligations consist primarily of debt obligations, interest payments, operating leases, purchase orders for merchandise inventory, and cloud computing related agreements. 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, including legal costs, 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 consolidated financial statements and to the understanding of our reported financial results include those made in connection with revenue recognition, including accounting for outstanding gift cards that will ultimately not be redeemed ("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; estimating of IBNR claims. Management evaluates its policies and assumptions on an ongoing basis.

During Fiscal Year 2025, the Company revised its methodology for estimating the sales returns reserve. See *Note 2 - Summary of Significant Accounting Policies* for additional information.

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 31, 2026 (the "2025 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 2025 Annual Report. See *Note 2 - Summary of Significant Accounting Policies* to the condensed consolidated financial statements included in this Quarterly Report for additional information regarding changes in our estimates.

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 2025 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 first quarter of Fiscal Year 2026. 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 2025 Annual Report.

Subsequent to May 2, 2026, on June 3, 2026, the Board declared a quarterly cash dividend of $0.09 per share, payable on July 8, 2026 to stockholders of record of issued and outstanding shares of the Company's common stock as of June 24, 2026. The Company intends to pay cash dividends quarterly in the future, subject to market conditions and the discretion and approval by the Board of any such dividends.

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 May 2, 2026, 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 were no changes to the Company's internal control over financial reporting that occurred during the first quarter of Fiscal Year 2026 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 May 2, 2026, refer to *Note 12. 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 2025 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 2025 Annual Report. 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

Share repurchase activity during the thirteen weeks ended May 2, 2026 was as follows:

Period	Total Number of Shares Purchased (a)	Average Price Paid per Share (b)	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs (b)
February 1, 2026 - February 28, 2026	—	$ —	—	$ 14,132,040
March 1, 2026 - April 4, 2026	—	$ —	—	$ 14,132,040
April 5, 2026 - May 2, 2026	68,500	$ 11.55	68,500	$ 13,340,865
	68,500		68,500	

(a) On December 6, 2024, the Company's Board of Directors authorized the repurchase of up to $25.0 million of the Company's Common Stock. Under the authorization, shares of Common Stock may be purchased from time to time in open market or private transactions, block trades or such other manner as the Company may determine, in accordance with applicable insider trading and other securities laws and regulations of the Exchange Act and share repurchase parameters determined by the Board. The timing and the number of shares repurchased are subject to the discretion of the Company and may be affected by market conditions and other factors. Total number of shares purchased are determined based on the settlement date of such trades. As of May 2, 2026, the Company had $13.3 million of availability remaining under its stock repurchase authorization.

(b) The amounts do not give effect to any fees, commissions or other costs associated with repurchases of shares.

Item 3. Defaults Upon Senior Securities

None

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

a) None.

b) None.

c) On December 12, 2025, J.Jill's Executive Vice President, Chief Financial and Operating Officer, Mark Webb, entered into a Rule 10b5-1 trading plan ("Mr. Webb's Plan") having conditions that, if satisfied, could lead to his sale of up to 30,000 shares of J.Jill common stock, subject to volume and pricing limits. Mr. Webb's Plan commenced on March 16, 2026 and will cease upon the earlier of September 18, 2026 or the date all 30,000 shares of common stock included in Mr. Webb's Plan have been sold. Mr. Webb's Plan is intended to satisfy the affirmative defense conditions of Rule 10b5-1(c)(1) promulgated under the Exchange Act.

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*	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*	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*	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.
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.
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 with Embedded Linkbase Documents.
104	Cover Page formatted as inline XBRL and contained in Exhibits 101.

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

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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: June 10, 2026

By: /s/ Mary Ellen Coyne
Mary Ellen Coyne
Chief Executive Officer, President and Director

Date: June 10, 2026

By: /s/ Mark Webb
Mark Webb
Executive Vice President, Chief Financial and Operating Officer

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, Mary Ellen Coyne, certify that:

1. I have reviewed this Quarterly Report of J.Jill, Inc. (the "Company") on Form 10-Q for the period ended May 2, 2026;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in 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 consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: June 10, 2026

By: /s/ Mary Ellen Coyne

Mary Ellen Coyne
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 May 2, 2026;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer(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 consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: June 10, 2026

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 May 2, 2026, 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; and

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

Date: June 10, 2026

By: /s/ Mary Ellen Coyne

Mary Ellen Coyne
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 May 2, 2026 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; and

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

Date: June 10, 2026

By: /s/ Mark Webb
Mark Webb
Executive Vice President, Chief Financial and Operating Officer