Claire Spofford

Thank you, and good morning everyone.

Our first quarter results reflect encouraging progress against initiatives focused on strengthening the operating model and driving healthy margin recovery. Like many in retail, we were pleased to participate in the strong rebound in consumer activity this spring with the accelerated rollout of vaccinations and the lifting of many Covid-19 related restrictions across the country. For the quarter, we delivered topline growth of 42% compared to last year balanced across our retail and direct channels. In addition to the benefit of anniversarying last year's temporary store closures, sales growth was driven by healthy conversion and full price selling in both channels. These results, coupled with continued disciplined inventory management and a more refined promotional cadence, drove strong gross margin expansion for the period leading to Adjusted EBITDA of $17 million for the first quarter.

While traffic continues to recover, our customer is showing us she is really excited to shop with us in stores and online. We saw great response to our product assortments this spring. Customers, both existing and new are really engaging with us and are reacting to our great wear-now offering. From our comfortable knits to our beautiful dresses and inspiring Pure Jill collection, she is gravitating toward novelty and newness both online and in store with a sense of urgency to purchase not reliant on promotion.

As we look forward, we will continue to drive a deliberate cadence of newness to continue to build on the momentum we are seeing. Most recently, we were thrilled with the strong performance we've seen to date in May, particularly over the Mother's Day holiday. With the ability to celebrate holidays and special moments in person with family and friends, our customer is eager to shop and we are thrilled to be delighting her once again.

With respect to our operating model and the ongoing work to strengthen the foundation, we are especially committed to our continued focus on disciplined inventory management. The strong gross margin recovery we saw in Q1 benefitted from our leaner and healthier inventories. This allowed us to sell more at full price and pull back on promotions accordingly. This is a great indicator of a healthier business that we intend to lean into going forward.

In summary, we are very pleased with the progress made during the first quarter, and believe it is an important step forward. We continue to see opportunity to refine our operating model and drive

efficiencies across our organization, and we will be working hard to make progress against these initiatives. We look forward to continuing to delight our customers with incredible product and the shopping experience she trusts us to deliver wherever and whenever she chooses to shop J.Jill.

I will now turn the call over to Mark to review our first quarter financial results in more detail.

Mark Webb

Thank you, Claire and good morning everyone.

As Claire mentioned, the first quarter of 2021 marked another quarter of good progress for J.Jill. Our strategy coming into 2021 following Covid-impacted 2020, was to drive gross margin through lean inventories and lower promos. Our product collections resonated better with customers than anticipated contributing to results above our expectations for the quarter.

Store sales were up 56% over Q1 2020, which was impacted by the temporary store closures related to Covid-19. Also, each month in the first quarter of 2021 was sequentially better than the prior month, when compared against 2019.

Direct sales were above 2019 levels, and up 33% vs Q1 2020 driven by positive customer response to new full-price product collections.

Q1 gross margin was 68%, up almost 1300 basis points over Q1 2020 and up 220 basis points compared to Q1 2019. The improvement in gross margin was driven primarily by better full price selling and lower promotional discounts.

SG&A expenses were $79 million, down $9 million versus prior year and down $26 million versus 2019 driven by work done last year on our operating model that has resulted in refined marketing investment and lower selling and occupancy costs.

Adjusted Income from Operations was $8.8 million compared to Adjusted Loss from Operations of $35.6 million in the first quarter of fiscal 2020. For the first quarter of fiscal 2021, the Company did not incur any impairment charges compared to $52.0 million of impairment charges in the first quarter of fiscal 2020. Please refer to today’s press release for a reconciliation of adjusted income from operations.

Turning to the balance sheet. Total liquidity, as defined in the priming term loan agreement, measured as ending cash balance plus check float, plus ABL availability was $31.3 million at the end of the first quarter.

In line with our goal to manage inventory tightly to support full price selling, inventories at the end of the quarter were down 21% compared to last year's quarter-end.

Warrants related to the Subordinated credit facility and the embedded derivative associated with the priming term loan, were marked to market during the quarter driven by the increase in J.Jill's stock price since the end of fourth quarter 2020, resulting in a non-cash charge to the income statement of approximately $21 million, which caused an increase in the related liabilities of the same amount. Additionally, since the end of the quarter, in accordance with the terms of the Priming Loan, we issued approximately 272,000 additional shares to the Priming Lenders as of May 31. With the continued increase in J.Jill's stock price since end of first quarter, we will recognize an additional $39 million non-cash charge for the final mark-to-market adjustment as of May 31. The value of the warrant and embedded derivative liabilities are considered equity, rather than liabilities, as of May 31 with no further mark-to-market adjustments beyond that date.

Capital expenditures in the quarter were about $500 thousand vs $1.8 million last year. We still expect to spend approximately $10 million in capital for full fiscal year 2021.

We closed 2 stores in the first quarter, ending with 265 stores, and still expect to close about 20 stores for the full year 2021.

As we look to the balance of the year, as Claire mentioned, we are pleased with our strong start to the second quarter and with the momentum in the business. We expect second quarter revenues to continue to rebound as we anniversary temporary store closures from last year, and store traffic levels continue to recover in both lifestyle centers and malls. With respect to gross margin we, like many of our peers in the industry have reported, have and expect to continue to experience supply chain disruption. To date any impact has been negligible, and we will continue to work with our supplier base and logistics providers to mitigate as much as possible going forward. We remain focused on driving full price selling at lower promotional discounts, which should support gross margin expansion through the end of this year.

Thank you, and I will now hand it back over to Claire

Claire Spofford

Thank you Mark, and thank you all for your attention this morning. We are pleased with the momentum we are driving in the business and the great response we are seeing from our customers. I want to thank all of our teams and stakeholders for their ongoing support of J.Jill. We have an incredible brand and great opportunity in front of us to continue to build on the progress we are making. We look forward to updating you again on our next earnings call. Thank you.