



NEWS RELEASE

## J.Jill, Inc. Utilizes Strong Cash Position to Pay Down Debt and Initiate a Quarterly Dividend

5/14/2024

**Provides First Quarter Fiscal 2024 Preliminary Results of Net Sales of About \$160 million and Adjusted EBITDA\* of Approximately \$33 million to \$34 million**

QUINCY, Mass.--(BUSINESS WIRE)-- J.Jill, Inc. (NYSE:JILL) today announced that it has completed a series of debt principal payments and that its Board of Directors has approved a new quarterly dividend program.

The total debt repaid was \$60.4 million which reduced the original \$175 million term loan issued in April 2023 to \$108 million. The \$60.4 million was comprised of a required principal payment of \$2.2 million on April 26, 2024, and a voluntary prepayment of \$58.2 million on May 10, 2024. The voluntary prepayment was in lieu of and incremental to the previously expected Excess Cash Flow payment of \$26.6 million which was rejected by the lenders. Following the voluntary prepayment on May 10, 2024, the company's cash balance was \$28.2 million.

In addition, the Board of Directors declared an initial quarterly cash dividend of \$0.07 per share of the Company's common stock. The dividend is payable on June 12, 2024, to all stockholders of record as of May 29, 2024. The Company intends to pay dividends quarterly in the future, subject to market conditions and approval by the Board of Directors.

Claire Spofford, President and Chief Executive Officer of J.Jill, Inc. stated, "We are pleased to be in a position to leverage the strong cash generation of the business to rapidly de-lever our balance sheet, reduce interest costs, and return capital directly to shareholders. Through this balanced and disciplined approach to capital allocation, we

are maintaining strong financial flexibility to continue to invest in our growth while demonstrating our commitment to driving total shareholder returns.”

## Q1 FY24 Preliminary Results

For the first quarter of fiscal 2024, the Company expects net sales of about \$160 million, an increase of 7% compared to the first quarter of fiscal 2023, and Adjusted EBITDA\* of approximately \$33 million to \$34 million. These preliminary results include the expected benefit from the calendar shift resulting from the 53rd week in fiscal 2023 and are better than prior guidance for the first quarter of fiscal 2024. The prior guidance expected net sales to increase in the low to mid-single digits compared to the first quarter of fiscal 2023 and for Adjusted EBITDA\* to be in the range of \$29.0 million to \$33.0 million. These preliminary results are unaudited, subject to completion of the Company’s financial reporting processes and do not represent a comprehensive statement of our financial results for the first quarter of fiscal 2024.

The Company will release its full financial results for the first quarter fiscal year 2024 before market open on Friday, June 7, 2024. Management will host a conference call that day at 8:00 a.m. Eastern Time to discuss the financial results and its outlook in more detail.

Investors and analysts interested in listening to the call are invited to dial (800) 715-9871 or (646) 307-1963 if calling internationally. Please dial in approximately 10 minutes prior to the start of the call and reference Conference ID 7311773 when prompted. A live audio webcast of the conference call will be available online at <http://investors.jjill.com/Investors-Relations/News-Events/events>.

A taped replay of the conference call will be available approximately two hours following the call and can be accessed both online and by dialing (800) 770-2030 or (609) 800-9909. The pin number to access the telephone replay is 7311773. The telephone replay will be available until Friday, June 14, 2024.

## About J.Jill, Inc.

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

## Information Regarding Preliminary Results

The preliminary estimated financial information contained in this press release reflects management's estimates based solely upon information available to it as of the date of this press release and is not a comprehensive statement of our financial results for the first quarter of fiscal 2024. The preliminary estimated financial results described above constitute forward-looking statements. The preliminary estimated financial information presented above is subject to change, and our actual financial results may differ from such preliminary estimates and such differences could be material. Accordingly, you should not place undue reliance upon these preliminary estimates.

## Non-GAAP Financial Measures

\*The Company has not provided a reconciliation of Adjusted EBITDA outlook for the first quarter of fiscal 2024 to GAAP net income, the most directly comparable GAAP financial measure due to the inherent difficulty, without unreasonable efforts, to predict with reasonable certainty the amount or timing of non-GAAP adjustments that are used to calculate Adjusted EBITDA, including but not limited to: (a) tax-related items, (b) lease expenses for retail stores given ongoing negotiations, and (c) other non-recurring items not indicative of ongoing operating performance. These adjustments are uncertain, depend on various factors that are beyond our control and could have a material impact on net income for the first quarter of fiscal 2024.

To supplement our unaudited consolidated financial statements presented in accordance with generally accepted accounting principles ("GAAP"), we use the following non-GAAP measures of financial performance:

- Adjusted EBITDA, which represents net income (loss) plus interest expense, provision (benefit) for income taxes, depreciation and amortization, equity-based compensation expense, impairments of goodwill, intangible assets and other long-lived assets, fair value adjustments of warrants and derivatives and other non-recurring expenses and one-time items. 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.

While we believe that Adjusted EBITDA is useful in evaluating our business, it 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 (loss) or EPS, which are 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 such non-GAAP financial measures as a tool for comparison.

## Forward-Looking Statements

This press release contains, and oral statements made from time to time by our representatives may contain, “forward-looking statements.” All statements other than statements of historical facts contained in this press release, including statements regarding our strategy, future operations, future financial position, future revenue, projected costs, prospects, plans, objectives of management, expected market growth and any activities, events or developments that we intend, expect or believe may occur in the future are forward-looking statements. Such statements are often identified by words such as “could,” “may,” “might,” “will,” “likely,” “anticipates,” “intends,” “plans,” “seeks,” “believes,” “estimates,” “expects,” “continues,” “projects,” “goal,” “target” (although not all forward-looking statements contain these identifying words) and similar references to future periods, or by the inclusion of forecasts or projections. Forward-looking statements are based on our current expectations and assumptions regarding capital market conditions, our business, the economy and other future conditions and are not guarantees of future performance. Because forward-looking statements relate to the future, by their nature, they are inherently subject to a number of risks, uncertainties, potentially inaccurate assumptions and changes in circumstances that are difficult to predict. As a result, our actual results may differ materially from those contemplated by the forward-looking statements. Important factors that could cause actual results to differ materially from those in any forward-looking statements include regional, national or global political, economic, business, competitive, market and regulatory conditions, including risks regarding: (1) our sensitivity to changes in economic conditions and discretionary consumer spending; (2) the material adverse impact of pandemics or other health crises on our operations, business and financial results; (3) our ability to anticipate and respond to changing customer preferences, shifts in fashion and industry trends in a timely manner; (4) our ability to maintain our brand image, engage new and existing customers and gain market share; (5) the impact of operating in a highly competitive industry with increased competition; (6) our ability to successfully optimize our omnichannel operations, including our ability to enhance our marketing efforts and successfully realize the benefits from our investments in new technology, for example our recently implemented point-of-sale system and the forthcoming upgrade to our order management system; (7) our ability to use effective marketing strategies and increase existing and new customer traffic; (8) any interruptions in our foreign sourcing operations and the relationships with our suppliers and agents; (9) any increases in the demand for, or the price of, raw materials used to manufacture our merchandise and other fluctuations in sourcing and distribution costs; (10) any material damage or interruptions to our information systems; (11) our ability to protect our trademarks and other intellectual property rights; (12) our indebtedness restricting our operational and financial flexibility; (13) our ability to manage our inventory levels, size assortments and merchandise mix; (14) our status as a controlled company; and (15) other factors that may be described in our filings with the Securities and Exchange Commission (the “SEC”), including the factors set forth under “Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended February 3, 2024. You are encouraged to read our filings with the SEC, available at [www.sec.gov](http://www.sec.gov), for a discussion of these and other risks and uncertainties. We caution investors, potential investors and others not to place considerable reliance on the

forward-looking statements in this press release and in the oral statements made by our representatives. Any such forward-looking statement speaks only as of the date on which it is made. J.Jill undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise.

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