

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

x QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended January 2, 2026

OR

o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number: 001-41783



Vestis Corporation

(Exact name of registrant as specified in its charter)

Delaware

92-2573927

(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer
Identification Number)

1035 Alpharetta Street, Suite 2100, Roswell, Georgia

30075

(Address of Principal Executive Offices)

(Zip Code)

(470) 226-3655

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

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, par value \$0.01 per share	VSTS	New York Stock Exchange

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

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, a 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	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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

As of February 2, 2026, the registrant had 131,948,938 shares of common stock outstanding.

TABLE OF CONTENTS

	Page
<u>PART I - Financial Information</u>	
<u>Item 1.</u>	<u>5</u>
<u>Condensed Financial Statements (Unaudited)</u>	<u>5</u>
<u>Condensed Consolidated Statements of Income (Loss)</u>	<u>5</u>
<u>Condensed Consolidated Statements of Comprehensive Income (Loss)</u>	<u>6</u>
<u>Condensed Consolidated Balance Sheets</u>	<u>7</u>
<u>Condensed Consolidated Statements of Changes in Equity</u>	<u>8</u>
<u>Condensed Consolidated Statements of Cash Flows</u>	<u>9</u>
<u>Notes to Condensed Consolidated Financial Statements</u>	<u>10</u>
<u>Item 2.</u>	<u>29</u>
<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	<u>29</u>
<u>Item 3.</u>	<u>36</u>
<u>Quantitative and Qualitative Disclosures About Market Risk</u>	<u>36</u>
<u>Item 4.</u>	<u>37</u>
<u>Controls and Procedures</u>	<u>37</u>
<u>PART II - Other Information</u>	<u>38</u>
<u>Item 1.</u>	<u>38</u>
<u>Legal Proceedings</u>	<u>38</u>
<u>Item 1A.</u>	<u>38</u>
<u>Risk Factors</u>	<u>38</u>
<u>Item 2.</u>	<u>38</u>
<u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	<u>38</u>
<u>Item 3.</u>	<u>38</u>
<u>Defaults Upon Senior Securities</u>	<u>38</u>
<u>Item 4.</u>	<u>38</u>
<u>Mine Safety Disclosures</u>	<u>38</u>
<u>Item 5.</u>	<u>38</u>
<u>Other Information</u>	<u>38</u>
<u>Item 6.</u>	<u>39</u>
<u>Exhibits</u>	<u>39</u>

Cautionary Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q contains “forward-looking statements” within the meaning of the securities laws. All statements that reflect our expectations, assumptions or projections about the future, other than statements of historical fact, are forward-looking statements, including, without limitation, statements relating to future operations and financial performance (including volume growth, pricing, sales and cash flows) and statements regarding our strategy for growth, future product development, regulatory approvals, competitive position and expenditures. These statements include, but are not limited to, statements related to our expectations regarding the performance of our business, our financial results, our operations, our liquidity and capital resources, the conditions in our industry and our growth strategy. In some cases, forward-looking statements can be identified by words such as “believe,” “aim,” “anticipate,” “estimate,” “expect,” “future,” “goal,” “have confidence,” “intend,” “likely,” “look to,” “may,” “potential,” “outlook,” “guidance,” “project,” “plan,” “seek,” “see,” “should,” “will,” “will be,” “will continue,” “will likely,” and other words and terms of similar meaning or the negative versions of such words. These forward-looking statements are subject to risks and uncertainties that may change at any time, and actual results or outcomes may differ materially from those that we expected. Forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties, and changes in circumstances that are difficult to predict. Although we believe that the expectations reflected in any forward-looking statements we make are based on reasonable assumptions, we can give no assurance that these expectations will be met and it is possible that actual results may differ materially from those indicated by these forward-looking statements due to a variety of risks and uncertainties.

Such risks and uncertainties include, but are not limited to:

- unfavorable macroeconomic conditions including as a result of government shutdowns, inflationary pressures and higher interest rates;
- the failure to retain current customers, renew existing customer contracts and obtain new customer contracts, which could result in continued stock volatility and potential future goodwill impairment charges;
- competition in our industry;
- our ability to comply with certain financial ratios, tests and covenants in our credit agreement, including the net leverage ratio;
- our significant indebtedness and ability to meet debt obligations and our reliance on an accounts receivable securitization facility;
- our ability to successfully execute or achieve the expected benefits of our business transformation and restructuring plan and other measures we may take in the future;
- increases in fuel and energy costs and other supply chain challenges and disruptions, including as a result of military conflicts in Ukraine and the Middle East;
- implementation of new or increased tariffs and ongoing changes in U.S. and foreign government trade policies, including potential modifications to existing trade agreements and retaliatory measures by foreign governments;
- increased operating costs and obstacles to cost recovery due to the pricing and cancellation terms of our support services contracts;
- a determination by our customers to reduce their outsourcing or use of preferred vendors;
- the outcome of legal proceedings to which we are or may become subject, including securities litigation claims that could result in significant legal expenses and settlement and damage awards;
- risks associated with suppliers from whom our products are sourced;
- challenge of contracts by our customers;
- currency risks and other risks associated with international operations, including compliance with a broad range of laws and regulations, including the United States Foreign Corrupt Practices Act;
- increases in labor costs or inability to hire and retain key or sufficient qualified personnel;
- continued or further unionization of our workforce or any labor strikes;
- our expansion strategy and our ability to successfully integrate the businesses we acquire and costs and timing related thereto;
- risks associated with our international operations;
- natural disasters, global calamities, climate change, civil or political unrest, terrorist attacks, pandemics, or other public health crises, and other adverse incidents;
- liability resulting from our participation in multiemployer-defined benefit pension plans;

- liability associated with noncompliance with applicable law or other governmental regulations;
- laws and governmental regulations including those relating to the environment, wage and hour and government contracting;
- unanticipated changes in tax law;
- new interpretations of or changes in the enforcement of the government regulatory framework;
- a cybersecurity incident or other disruptions in the availability of our computer systems or privacy breaches;
- stakeholder expectations relating to environmental, social and governance (“ESG”) considerations which may expose us to liabilities and other adverse effects on our business;
- any failure by Aramark to perform its obligations under the various separation agreements entered into in connection with the Separation;
- a determination by the IRS that the Separation or certain related transactions are taxable.

The above list of factors is not exhaustive or necessarily in order of importance. For additional information on identifying factors that may cause actual results to vary materially from those stated in forward-looking statements, see the discussions under Item 1A "Risk Factors," Item 3 "Legal Proceedings" and Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations" and other sections of our Annual Report on Form 10-K, filed with the Securities and Exchange Commission ("SEC") on December 2, 2025 and any updates or amendments we make in future filings. There may be other factors not presently known to us or which we currently consider to be immaterial that could cause our actual results to differ materially from those projected in any forward-looking statements we make. Any forward-looking statement speaks only as of the date on which it is made, and we assume no obligation to update or revise such statement, whether as a result of new information, future events or otherwise, except as required by applicable law.

PART I - Financial Information**Item 1. Financial Statements (Unaudited)**

VESTIS CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (LOSS) (UNAUDITED)
(in thousands, except per share amounts)

	Three months ended	
	January 2, 2026	December 27, 2024
Revenue	\$ 663,388	\$ 683,780
Operating Expenses:		
Cost of services provided (exclusive of depreciation and amortization)	492,217	495,260
Depreciation and amortization	34,341	36,936
Selling, general and administrative expenses	120,252	121,185
Total Operating Expenses	<u>646,810</u>	<u>653,381</u>
Operating Income (Loss)	16,578	30,399
Loss (Gain) on Sale of Equity Investment	—	2,150
Interest Expense, net	22,191	23,097
Other Expense (Income), net	2,946	3,612
Income (Loss) Before Income Taxes	(8,559)	1,540
Provision (Benefit) for Income Taxes	(2,168)	708
Net Income (Loss)	<u>\$ (6,391)</u>	<u>\$ 832</u>
Weighted Average Shares Outstanding:		
Basic	131,904	131,590
Diluted	131,904	132,115
Earnings (Loss) per share:		
Basic	\$ (0.05)	\$ 0.01
Diluted	\$ (0.05)	\$ 0.01

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

VESTIS CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) (UNAUDITED)
(in thousands)

	Three months ended	
	January 2, 2026	December 27, 2024
Net Income (Loss)	\$ (6,391)	\$ 832
Other Comprehensive Income (Loss), net of tax:		
Pension plan adjustments	(88)	—
Foreign currency translation adjustments	3,260	(3,157)
Other Comprehensive Income (Loss), net of tax	<u>3,172</u>	<u>(3,157)</u>
Comprehensive Income (Loss)	<u><u>\$ (3,219)</u></u>	<u><u>\$ (2,325)</u></u>

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

VESTIS CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)
(in thousands, except share and per share amounts)

	January 2, 2026	October 3, 2025
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 41,547	\$ 29,748
Receivables (net of allowances: \$35,161 and \$32,677, respectively)	152,985	162,295
Inventories, net	169,097	179,020
Rental merchandise in service, net	404,329	405,625
Other current assets	85,105	73,343
Total current assets	<u>853,063</u>	<u>850,031</u>
Property and Equipment, at cost:		
Land, buildings and improvements	558,588	565,677
Equipment	<u>1,173,716</u>	<u>1,172,877</u>
Less - Accumulated depreciation	1,732,304	1,738,554
Total property and equipment, net	<u>(1,084,181)</u>	<u>(1,075,092)</u>
Goodwill	648,123	663,462
Other Intangible Assets, net	182,423	188,837
Operating Lease Right-of-use Assets	84,788	85,108
Other Assets	152,845	157,730
Total Assets	<u><u>\$ 2,884,021</u></u>	<u><u>\$ 2,906,900</u></u>
LIABILITIES AND EQUITY		
Current Liabilities:		
Current maturities of financing lease obligations	\$ 35,352	\$ 35,234
Current operating lease liabilities	19,955	20,189
Accounts payable	147,851	158,362
Accrued payroll and related expenses	89,670	93,897
Accrued expenses and other current liabilities	<u>99,395</u>	<u>101,282</u>
Total current liabilities	<u>392,223</u>	<u>408,964</u>
Long-Term Borrowings	1,148,793	1,155,143
Noncurrent Financing Lease Obligations	127,386	131,071
Noncurrent Operating Lease Liabilities	76,161	77,032
Deferred Income Taxes	181,879	177,337
Other Noncurrent Liabilities	93,151	91,709
Total Liabilities	<u>2,019,593</u>	<u>2,041,256</u>
Commitments and Contingencies (see Note 8)		
Equity:		
Common stock, par value \$0.01 per share, 350,000,000 shares authorized, 131,974,473 and 131,859,470 issued and outstanding as of January 2, 2026 and October 3, 2025, respectively	1,320	1,319
Additional paid-in capital	939,533	937,531
(Accumulated deficit) retained earnings	(53,270)	(46,879)
Accumulated other comprehensive loss	<u>(23,155)</u>	<u>(26,327)</u>
Total Equity	<u>864,428</u>	<u>865,644</u>
Total Liabilities and Equity	<u><u>\$ 2,884,021</u></u>	<u><u>\$ 2,906,900</u></u>

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

VESTIS CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)
(in thousands)

Common Stock							Total Parent's Equity
Shares Outstanding	Par Value	Additional Paid-In Capital	(Accumulated Deficit) Retained Earnings	Accumulated Other Comprehensive Loss			
Balance, October 3, 2025	131,859	\$ 1,319	\$ 937,531	\$ (46,879)	\$ (26,327)	\$ 865,644	
Net Income (Loss)	—	—	—	(6,391)	—	(6,391)	
Other Comprehensive Income (Loss)	—	—	—	—	3,172	3,172	
Share-based compensation expense	—	—	2,343	—	—	—	2,343
Issuance of common stock upon exercise of stock options or awards of restricted stock units	115	1	(1)	—	—	—	—
Tax payments related to shares withheld for share based compensation plans	—	—	(340)	—	—	(340)	
Balance, January 2, 2026	<u>131,974</u>	<u>\$ 1,320</u>	<u>\$ 939,533</u>	<u>\$ (53,270)</u>	<u>\$ (23,155)</u>	<u>\$ 864,428</u>	

VESTIS CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)
(in thousands)

Common Stock							Total Parent's Equity
Shares Outstanding	Par Value	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss			
Balance, September 27, 2024	131,482	\$ 1,315	\$ 928,082	\$ 2,565	\$ (28,911)	\$ 903,051	
Net Income	—	—	—	832	—	832	
Dividends Declared (\$0.035 per common share)	—	—	—	(4,610)	—	(4,610)	
Other Comprehensive Income (Loss) ⁽¹⁾	—	—	—	—	(3,157)	(3,157)	
Share-based compensation expense	—	—	5,180	—	—	5,180	
Issuance of common stock upon exercise of stock options or awards of restricted stock units	219	2	—	—	—	—	2
Tax payments related to shares withheld for share based compensation plans	—	—	(1,708)	—	—	(1,708)	
Balance, December 27, 2024	<u>131,701</u>	<u>\$ 1,317</u>	<u>\$ 931,554</u>	<u>\$ (1,213)</u>	<u>\$ (32,068)</u>	<u>\$ 899,590</u>	

(1) Includes \$9.5 million of cumulative currency translation adjustment that was derecognized as a result of the Company's sale of its equity method investment during the three months ended December 27, 2024.

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

VESTIS CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
(in thousands)

	Three months ended	
	January 2, 2026	December 27, 2024
Cash flows from operating activities:		
Net Income (Loss)	\$ (6,391)	\$ 832
Adjustments to reconcile Net Income (Loss) to Net cash provided by operating activities:		
Depreciation and amortization	34,341	36,936
Deferred income taxes	4,170	(3,279)
Share-based compensation expense	2,343	5,180
Asset write-down	460	—
Loss on sale of equity investment, net	—	2,150
(Gain) Loss on disposals of property and equipment	(265)	—
Amortization of debt issuance costs	940	846
Changes in operating assets and liabilities:		
Receivables, net	9,815	(12,321)
Inventories, net	10,105	(4,992)
Rental merchandise in service, net	1,851	(1,321)
Other current assets	(9,767)	(17,850)
Accounts payable	(7,253)	2,773
Accrued expenses and other current liabilities	721	2,531
Changes in other noncurrent liabilities	(5,709)	(6,708)
Changes in other assets	2,233	178
Other operating activities	93	(1,175)
Net cash provided by operating activities	<u>37,687</u>	<u>3,780</u>
Cash flows from investing activities:		
Purchases of property and equipment and other	(9,386)	(14,732)
Proceeds from disposals of property and equipment	265	344
Proceeds from sale of equity investment	—	36,792
Other investing activities	—	(4,550)
Net cash (used in) provided by investing activities	<u>(9,121)</u>	<u>17,854</u>
Cash flows from financing activities:		
Proceeds from long-term borrowings	48,000	—
Payments of long-term borrowings	(55,000)	(20,000)
Payments of financing lease obligations	(9,186)	(8,303)
Dividend payments	—	(4,601)
Other financing activities	(342)	(1,706)
Net cash used in financing activities	<u>(16,528)</u>	<u>(34,610)</u>
Effect of foreign exchange rates on cash and cash equivalents	<u>(239)</u>	<u>530</u>
Increase (decrease) in cash and cash equivalents	11,799	(12,446)
Cash and cash equivalents, beginning of period	29,748	31,010
Cash and cash equivalents, end of period	<u>\$ 41,547</u>	<u>\$ 18,564</u>

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

VESTIS CORPORATION**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)****NOTE 1. NATURE OF BUSINESS AND BASIS OF PRESENTATION:**

Vestis Corporation ("Vestis", the "Company", "our", "we", or "us") is a leading provider of uniforms and workplace supplies across the United States and Canada. The Company provides uniforms, mats, towels, linens, restroom supplies, first-aid supplies and safety products. The Company's customer base participates in a wide variety of industries, including manufacturing, hospitality, retail, government, automotive, healthcare, food processing and pharmaceuticals. The Company serves customers ranging from small, family-owned operations with a single location to large corporations and national franchises with multiple locations. The Company's customers value the uniforms and workplace supplies it delivers as its services and products can help them reduce operating costs, enhance their brand image, maintain a safe and clean workplace and focus on their core business. The Company leverages its broad footprint and its supply chain, delivery fleet and route logistics capabilities to serve customers on a recurring basis, typically weekly, and primarily through multi-year contracts. In addition, the Company offers customized uniforms through direct sales agreements, typically for large, regional or national companies.

The Company manages and evaluates its business activities based on geography and, as a result, determined that its United States and Canada businesses are its operating segments. The Company's operating segments are also its reportable segments. The United States and Canada reportable segments both provide a range of uniforms and workplace supplies programs. The Company's uniforms business generates revenue from the rental, servicing and direct sale of uniforms to customers, including the design, sourcing, manufacturing, customization, personalization, delivery, laundering, sanitization, repair and replacement of uniforms. The uniform options include shirts, pants, outerwear, gowns, scrubs, high visibility garments, particulate-free garments and flame-resistant garments, along with shoes and accessories. The Company's workplace supplies business generates revenue from the rental and servicing of workplace supplies, including managed restroom supply services, first-aid supplies and safety products, floor mats, towels and linens.

On September 30, 2023 (the "Distribution Date"), Aramark completed the previously announced spin-off of Vestis (the "Separation"). The Separation was completed through a distribution of the Company's common stock to holders of record of Aramark's common stock as of the close of business on September 20, 2023 (the "Distribution"), which resulted in the issuance of approximately 131.2 million shares of common stock, which includes 0.5 million shares contributed to an Aramark donor advised fund for charitable contributions. Aramark stockholders of record received one share of Vestis common stock for every two shares of common stock, par value \$0.01, of Aramark. As a result of the Separation, the Company became an independent public company. Our common stock is listed under the symbol "VSTS" on the NYSE. In connection with the Separation, the Company entered into or adopted several agreements that provide a framework for the relationship between the Company and Aramark. See Note 12. "Related Parties" for more information on these agreements.

Basis of Presentation

The Condensed Consolidated Financial Statements (the "Financial Statements") were prepared in accordance with generally accepted accounting principles in the United States ("U.S. GAAP") and pursuant to the rules and regulations of the U.S. Securities and Exchange Commission ("SEC") applicable to interim financial statements. The Financial Statements reflect the historical results of operations and comprehensive income for the three months ended January 2, 2026 and December 27, 2024, the financial position as of January 2, 2026 and October 3, 2025, and the cash flows for the three months ended January 2, 2026 and December 27, 2024 for the Company and are denominated in United States ("U.S.") dollars. Certain prior period amounts have been reclassified to conform to the current period presentation.

Certain information and footnote disclosures normally included in the Financial Statements prepared in accordance with U.S. GAAP have been condensed or omitted pursuant to such rules and regulations, although the Company believes that the disclosures made are adequate to make the information not misleading. These Financial

Statements reflect, in the opinion of management, all material adjustments (which include only normal recurring adjustments) necessary to fairly state, in all material respects, the Company's financial position, results of operations and cash flows for the periods presented. All intercompany transactions and balances within the Company have been eliminated.

It is suggested that these Financial Statements be read in conjunction with the Consolidated and Combined Financial Statements and the notes thereto included in the Company's Annual Report on Form 10-K for the fiscal year ended October 3, 2025. There have been no material changes in the accounting policies and accounting standard updates followed by the Company during the current fiscal year.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts in the Financial Statements and accompanying notes. The Company utilizes key estimates in preparing the financial statements including revenue recognition, litigation and claims, environmental estimates, goodwill, intangibles, allowance for credit losses, inventories and rental merchandise in service, costs to obtain a contract, insurance reserves, income taxes and long-lived assets. These estimates are based on historical information, current trends and information available from other sources. Actual results could materially differ from those estimates.

Fair Value of Financial Assets and Financial Liabilities

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Assets and liabilities recorded at fair value are classified based upon the level of judgment associated with the inputs used to measure their fair value. The hierarchical levels related to the subjectivity of the valuation inputs are defined as follows:

- *Level 1*—inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets
- *Level 2*—inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument
- *Level 3*—inputs to the valuation methodology are unobservable and significant to the fair value measurement

Recurring Fair Value Measurements

The Company's financial instruments consist primarily of cash and cash equivalents, accounts receivable, accounts payable, financing leases, derivatives and borrowings. Management believes that the carrying value of cash and cash equivalents, accounts receivable, accounts payable, financing leases and borrowings are representative of their respective fair values.

Nonrecurring Fair Value Measurements

The Company's assets measured at fair value on a nonrecurring basis include assets held for sale, long-lived assets, indefinite-lived intangible assets and goodwill. The Company reviews the carrying amounts of such assets at least annually or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Any resulting asset impairment would require that the asset be recorded at its fair value. The resulting fair value measurement of the assets are considered to be Level 3 measurements.

Receivables

Receivables represent amounts due from customers and are presented net of allowance for credit losses. Judgment and estimates are used in determining the collectability of receivables and evaluating the adequacy of the

allowance for credit losses. The Company estimates and reserves for its credit loss exposure based on historical experience, current general and specific industry economic conditions and reasonable and supportable forecasts that affect the collectability of the reported amount in estimating credit losses. Credit loss expense is classified within Selling, general and administrative expenses in the Condensed Consolidated Statements of Income (Loss). The allowance for credit losses was \$35.2 million and \$32.7 million, as of January 2, 2026 and October 3, 2025, respectively.

Inventories

Inventories are valued at the lower of cost (principally the first-in, first-out method) or net realizable value. The Company records valuation adjustments to its inventories if the cost of inventory on hand exceeds the amount it expects to realize from the ultimate sale or disposal of the inventory. These estimates are based on management's judgment regarding future demand and market conditions and analysis of historical experience. As of January 2, 2026 and October 3, 2025, the Company's reserve for inventory was approximately \$18.9 million and \$18.6 million, respectively. The inventory reserve is determined based on history and projected customer consumption and specific identification.

The components of inventories, net of allowances, are as follows (in thousands):

	January 2, 2026	October 3, 2025
Raw Materials	\$ 37,945	\$ 41,167
Work in Process	1,587	1,128
Finished Goods	129,565	136,725
Inventories, net	<u><u>\$ 169,097</u></u>	<u><u>\$ 179,020</u></u>

Rental Merchandise in Service

Rental merchandise in service represents personalized work apparel, linens and other rental items in service. Rental merchandise in service is valued at cost less amortization, calculated using the straight-line method. Rental merchandise in service is amortized over its useful life, which primarily range from one to four years. The amortization rates are based on the Company's specific experience and wear tests performed by the Company. These factors are critical to determining the amount of rental merchandise in service and related Cost of services provided (exclusive of depreciation and amortization) that are presented in the Financial Statements. Material differences may result in the amount and timing of operating income if management makes significant changes to these estimates.

During the three months ended January 2, 2026 and December 27, 2024, the Company recorded \$88.6 million and \$86.9 million, respectively, of amortization related to rental merchandise in service and other inventoriable costs within Cost of services provided (exclusive of depreciation and amortization) on the Condensed Consolidated Statements of Income (Loss).

Other Assets

“Other assets,” as presented in the Condensed Consolidated Balance Sheets, is primarily comprised of the noncurrent portion of employee sales commissions, computer software costs, consideration payable to a customer at the beginning of the contract, noncurrent pension assets, certain preparation costs and long-term receivables.

Employee sales commissions represent commission payments made to employees related to new or retained business contracts. Computer software costs represent capitalized costs incurred to purchase or develop software for internal use and are amortized over the estimated useful life of the software, generally a period of three to 10 years.

Equity Method Investment

In the first quarter of fiscal 2025, the Company sold its equity stake in Aramark Uniform Services Japan Corporation for \$36.8 million and recognized a loss of \$2.2 million. The loss on the sale was recorded within Loss (Gain) on Sale of Equity Investment within the Condensed Consolidated Statements of Income (Loss).

Assets Held for Sale

Assets held for sale are recorded at the lower of their carrying value or estimated selling price less estimated costs to sell and are classified within Other Current Assets on the Condensed Consolidated Balance Sheets. Depreciation is suspended upon classification as held for sale. The highest and best use of these assets is as real estate properties for use or lease and the Company intends to sell them to third parties as quickly as practicable. As of January 2, 2026, eight properties with an aggregate carrying value of \$6.0 million were classified as held for sale. As of October 3, 2025, 4 properties with an aggregate carrying value of \$4.2 million were classified as held for sale. Properties held for sale as of January 2, 2026 and October 3, 2025 are all included within the Company's United States segment.

Accrued Expenses and Other Current Liabilities

As of January 2, 2026 and October 3, 2025, Accrued Expenses and Other Current Liabilities on the Condensed Consolidated Balance Sheets include insurance accruals related to automotive, general liability and workers' compensation reserves of \$18.6 million and \$16.1 million, respectively. The remaining components consist primarily of unearned income, interest, taxes and environmental reserves (see Note 8. *Commitments and Contingencies*).

Other Noncurrent Liabilities

Other Noncurrent Liabilities as presented in the Condensed Consolidated Balance Sheets include the long-term portion of insurance reserves related to automotive, general liability and workers' compensation reserves of \$39.1 million and \$36.9 million, as of January 2, 2026 and October 3, 2025, respectively. The remaining components consist primarily of environmental reserves (see Note 8. *Commitments and Contingencies*), asset retirement obligations (see Note 8. *Commitments and Contingencies*), and the noncurrent portion of deferred income.

Since the Separation from Aramark on September 30, 2023, the Company has primarily been self-insured for workers' compensation, general, and automotive liabilities. Self-insured liabilities are based upon actuarial methods to estimate the future cost of claims and related expenses that have been reported but not settled and have been incurred but not yet reported. These estimates are reviewed and adjusted as the facts and circumstances change. Self-insured liabilities are included in "Accrued Expenses and Other Current Liabilities" and "Other Noncurrent Liabilities" in the Condensed Consolidated Balance Sheets based on the expected timing of ultimate settlement.

Supplemental Cash Flow Information

During the three months ended January 2, 2026 and December 27, 2024, the Company paid interest related to principal debt of \$20.1 million and \$23.2 million, respectively.

During the three months ended January 2, 2026 and December 27, 2024, the Company paid cash for income taxes of \$4.4 million and \$5.6 million, respectively.

As of January 2, 2026 and October 3, 2025, the Company had \$3.3 million and \$6.5 million, respectively, of capital expenditures recorded within "Accounts Payable" and "Accrued expenses and other current liabilities" on the Condensed Consolidated Balance Sheets.

NOTE 2. TRANSFORMATION, RESTRUCTURING AND SEVERANCE:

During the first quarter of fiscal 2026, the Company approved and initiated a multi-year business transformation and restructuring plan (the "Plan") designed to enhance operational efficiency, improve execution across the

organization and strengthen long-term performance. Developed in collaboration with leading third-party advisors, the Plan is structured around three strategic priorities: Operational Excellence, Commercial Excellence, and Asset and Network Optimization.

Implementation activities associated with the Plan began during the first quarter of fiscal 2026. Based on information currently available, management estimates that total costs associated with the Plan will be approximately \$25 million to \$30 million (primarily related to the U.S. segment), consisting largely of third-party consulting and advisory services and severance and related employee costs. These estimates are subject to change as implementation of the Plan progresses. During the first quarter of fiscal 2026, the Company recognized \$7.8 million of third-party consulting fees and \$5.5 million of severance and related employee costs.

The following table summarizes the unpaid obligations related to the Plan (excluding severance and related employee costs) as of January 2, 2026. Such unpaid obligations are included in "Accounts Payable" on the Condensed Consolidated Balance Sheets and the related expenses are recorded within "Selling, general and administrative expenses" on the Condensed Consolidated Statements of Income (Loss). Payments during the period primarily relate to amounts accrued in prior periods as well as charges incurred during the quarter.

Balance at start of year	\$	1,321
Charges		7,811
Payments		(8,996)
Balance as of January 2, 2026	\$	136

The Company undertook workforce reduction actions designed to improve operational efficiency and effectiveness during fiscal 2025 and, as part of the Plan, in the first quarter of fiscal 2026. Severance and related employee costs are recognized when the Company has committed to a workforce reduction plan, the plan has been communicated to affected employees, and the related obligations are reasonably estimable.

During the three months ended January 2, 2026 and December 27, 2024, the Company recognized severance and related employee costs of \$5.5 million and \$4.3 million, respectively, which were recorded within "Selling, general and administrative expenses." As of January 2, 2026 and October 3, 2025, accrued severance and related employee obligations were \$7.3 million and \$7.4 million, respectively.

The following table summarizes the unpaid obligations for severance and related costs as of January 2, 2026, which are included in "Accrued payroll and related expenses" on the Condensed Consolidated Balance Sheets.

Balance at start of year	\$	7,392
Charges		5,498
Payments		(5,626)
Balance as of January 2, 2026	\$	7,264

NOTE 3. GOODWILL AND OTHER INTANGIBLE ASSETS:

Goodwill represents the excess of the fair value of consideration paid for an acquired entity over the fair value of assets acquired and liabilities assumed in a business combination. Goodwill is not amortized and is subject to an impairment test that is conducted annually, during the fourth fiscal quarter, or more frequently if a change in circumstances or the occurrence of events indicates that potential impairment exists. If the results of a qualitative assessment indicate a more likely than not determination of impairment, or if a qualitative assessment is not performed, a quantitative test is performed by comparing the estimated fair value, using a discounted cash flow method and/or market method for each reporting unit, with its estimated net book value. The annual impairment test for goodwill that was performed during the fourth quarter of fiscal 2025, using a quantitative testing approach, revealed no impairment, as the estimated fair value of each reporting unit exceeded its respective carrying value.

In the annual assessment, the fair value of each reporting unit was estimated using a combination of the income and market approaches, incorporating management's most recent forecasts and market participant assumptions. The income approach included the application of discounted cash flow models, utilizing discount and terminal growth rate assumptions.

The determination of fair value for the reporting units includes assumptions, which are considered Level 3 inputs, that are subject to risks and uncertainties. The discounted cash flow calculations are dependent on several subjective factors, including the timing of future cash flows, the underlying margin projection assumptions, future growth rates and the discount rate. The market method is dependent on several factors including the determination of market multiples and future cash flows.

If our future operating results do not meet current forecasts, or we experience a sustained decline in our market capitalization, or if assumptions or estimates in the fair value calculations change, or if margin projections or future growth rates vary from what was expected, and such factors are determined to be indicative of a reduction in fair value within either of the Company's reporting units, the Company may be required to record future goodwill impairment charges.

Changes in total goodwill for our reporting units during the three months ended January 2, 2026 are as follows (in thousands):

	October 3, 2025	Translation	January 2, 2026
United States	\$ 896,237	\$ —	\$ 896,237
Canada	65,495	1,047	66,542
Total	\$ 961,732	\$ 1,047	\$ 962,779

Other intangible assets consist of (in thousands):

	January 2, 2026			October 3, 2025		
	Gross Amount	Accumulated Amortization	Net Amount	Gross Amount	Accumulated Amortization	Net Amount
	\$ 387,660	\$ (221,562)	\$ 166,098	\$ 387,602	\$ (214,835)	\$ 172,767
Customer relationship assets	\$ 387,660	\$ (221,562)	\$ 166,098	\$ 387,602	\$ (214,835)	\$ 172,767
Trade names	16,325	—	16,325	16,070	—	16,070
	\$ 403,985	\$ (221,562)	\$ 182,423	\$ 403,672	\$ (214,835)	\$ 188,837

Customer relationship assets as of October 3, 2025 (in the table above) include additions of \$3.7 million related to an asset acquisition that closed during the first quarter of fiscal 2025. Amortization of intangible assets for the three months ended January 2, 2026 and December 27, 2024 was approximately \$6.7 million and \$6.6 million, respectively.

NOTE 4. BORROWINGS:

Long-term borrowings, net, are summarized in the following table (in thousands):

	January 2, 2026	October 3, 2025
Senior secured term loan facility, due September 2028	\$ 477,500	\$ 477,500
Senior secured term loan facility, due February 2031	665,000	665,000
Senior secured revolving facility, due September 2028	19,000	26,000
Total principal debt issued	1,161,500	1,168,500
Unamortized debt issuance costs	(11,361)	(11,959)
Unamortized discounts	(1,346)	(1,398)
Less - current portion	—	—
Long-term borrowings, net of current portion	<u><u>\$ 1,148,793</u></u>	<u><u>\$ 1,155,143</u></u>

Credit Agreement

On February 22, 2024, the Company entered into Amendment No. 1 to its Credit Agreement dated September 29, 2023 (as amended, the "Credit Agreement") and refinanced its \$800 million Term Loan A-1 due September 2025 ("Term Loan A-1") with an \$800 million Term Loan B-1 due February 2031 ("Term Loan B-1"). The Term Loan B-1 requires \$2.0 million of principal payments each quarter until the maturity date, at which point the remaining unpaid principal amount is due. In connection with Amendment No. 1, the Company recorded approximately \$11.1 million and \$2.0 million of Term Loan B-1 debt issuance costs and original issue discount, respectively, which are presented as a reduction of debt in the Condensed Consolidated Balance Sheets, and which are being amortized as a component of interest expense over the term of the related debt using the effective interest method.

During fiscal 2024, the Company paid principal amounts of \$202.5 million and \$135 million on its Term Loan A-2 and Term Loan B-1. As a result of these payments, the Company met its quarterly principal payment obligations through the maturity date of both term loans. Additionally, during fiscal 2025, the Company made principal repayments of \$20.0 million on its Term loan A-2.

As of January 2, 2026, there was \$19 million outstanding on the Company's \$300 million revolving credit facility and \$5.8 million of letters of credit outstanding, leaving \$275.2 million available for borrowing under the revolving credit facility.

Fiscal 2025 Amendment to Credit Agreement

On May 1, 2025, the Company entered into Amendment No. 2 to its Credit Agreement. The amendment increased the net leverage covenant ratio from 4.50x to (i) 5.25x for any fiscal quarter ending prior to July 3, 2026, (ii) 5.00x for the fiscal quarter ending July 3, 2026 and (iii) 4.75x for the fiscal quarter ending October 2, 2026. Pursuant to the credit agreement, as amended, the net leverage covenant ratio will remain at 4.50x for the first quarter of fiscal 2027 through maturity.

This amendment also provided a \$15 million bad debt expense adjustment to EBITDA in the fiscal quarter ended March 28, 2025 solely for the purposes of determining compliance with the financial covenants.

The principal amounts of both the revolving credit facility commitment and the term loans remained unchanged following Amendment No. 2.

As part of Amendment No. 2, the Company agreed to limit the aggregate size of its A/R Facility (as defined in Note 14, *Accounts Receivable Securitization Facility*, below) and any other receivables facilities to \$250 million and restrict all dividends and share repurchases, in each case until the earlier of (i) any fiscal quarter ending after October 2, 2026 so long as the Company is then in compliance with the financial covenants and (ii) when the

Company achieves a net leverage ratio below or equal to 4.50x as of the last day of two consecutive quarters through the end of fiscal 2026. In connection with Amendment No. 2, the Company paid fees of \$1.6 million, which were deferred and are being amortized on the same basis as the previous unamortized debt issuance costs.

As of January 2, 2026, the Company was in compliance with all covenants under the Credit Agreement.

Interest

The Term Loan B-1 interest rate is the Secured Overnight Financing Rate ("SOFR") plus a margin that is between 2.0% and 2.25%, depending on the Company's Consolidated Total Net Leverage Ratio, as defined in the Credit Agreement. The applicable margin on Term Loan B-1 was 2.25% during both the three months ended January 2, 2026 and December 27, 2024, and will adjust to SOFR plus 200 basis points once the Company reaches a 3.30x Net Leverage as defined in the Credit Agreement.

The Term Loan A-2 interest rate is SOFR plus a Credit Spread Adjustment of 10 basis points and a margin that is between 1.5% and 2.50%, depending on the Company's Consolidated Total Net Leverage Ratio, as defined in the Credit Agreement. The applicable margin on Term Loan A-2 was 2.50% and 2.33% during the three months ended January 2, 2026 and December 27, 2024, respectively.

The weighted-average interest rate for our senior secured term loan facilities was 6.39% and 7.08% for the three months ended January 2, 2026 and December 27, 2024, respectively. The carrying amounts of the Company's senior secured term loan facilities approximate their fair value as the interest rates are variable and reflective of market rates.

NOTE 5. REVENUE RECOGNITION:

Disaggregation of Revenue

The following table presents revenue disaggregated by revenue source (in thousands):

	Three months ended		
	January 2, 2026	December 27, 2024	
United States:			
Uniforms	\$ 227,661	37.8 %	\$ 245,778 39.5 %
Workplace Supplies	375,240	62.2 %	375,938 60.5 %
Total United States	602,901	100.0 %	621,716 100.0 %
Canada:			
Uniforms	\$ 22,158	36.6 %	\$ 23,197 37.4 %
Workplace Supplies	38,329	63.4 %	38,867 62.6 %
Total Canada	60,487	100.0 %	62,064 100.0 %
Total Revenue:			
Uniforms	\$ 249,819	37.7 %	\$ 268,975 39.3 %
Workplace Supplies	\$ 413,569	62.3 %	\$ 414,805 60.7 %
Total	\$ 663,388	100.0 %	\$ 683,780 100.0 %

Revenue Recognition Policy

The Company generates and recognizes approximately 95% of its total revenue from route servicing contracts on both Uniforms, which the Company generally manufactures, and Workplace Supplies, such as mats, towels, and

linens that are procured from third-party suppliers. Revenue from these contracts represent a single-performance obligation and are recognized over time as services are performed based on the nature of services provided and contractual rates (output method). The Company generates its remaining revenue primarily from the direct sale of uniforms to customers, with such revenue being recognized when the Company's performance obligation is satisfied, typically upon the transfer of control of the promised product to the customer. Revenue is recognized in an amount that reflects the consideration the Company expects to be entitled to in exchange for the services or products described above and is presented net of sales and other taxes we collect on behalf of governmental authorities.

Certain customer route servicing contracts include terms and conditions that include components of variable consideration, which are typically in the form of consideration paid to a customer based on performance metrics specified within the contract. Some contracts provide for customer discounts or rebates that can be earned through the achievement of specified volume levels. Each component of variable consideration is earned based on the Company's actual performance during the measurement period specified within the contract. To determine the transaction price, the Company estimates the variable consideration using the most likely amount method, based on the specific contract provisions and known performance results during the relevant measurement period. When assessing if variable consideration should be limited, the Company evaluates the likelihood of whether uncontrollable circumstances could result in a significant reversal of revenue.

The Company's performance period generally corresponds with the monthly invoice period. No significant constraints on the Company's revenue recognition were applied during the three months ended January 2, 2026 or the three months ended December 27, 2024. The Company reassesses these estimates during each reporting period. The Company maintains a liability for these discounts and rebates within Accrued expenses and other current liabilities on the Condensed Consolidated Balance Sheets. Variable consideration can also include consideration paid to a customer at the beginning of a contract. This type of variable consideration is capitalized as an asset (in "Other Assets" and "Other current assets" on the Condensed Consolidated Balance Sheets) and is amortized over the life of the contract as a reduction to revenue in accordance with the accounting guidance for revenue recognition.

Contract Balances

The Company defers sales commissions earned by its sales force that are considered to be incremental and recoverable costs of obtaining a contract. The deferred costs are amortized using the portfolio approach on a straight-line basis over the average period of benefit, approximately nine years, and are assessed for impairment on a periodic basis. Determination of the amortization period and the subsequent assessment for impairment of the contract cost asset requires judgment. The Company expenses sales commissions as incurred if the amortization period is one year or less.

During the three months ended January 2, 2026 and December 27, 2024, the Company recorded \$5.6 million and \$5.4 million, respectively, of expense related to deferred employee sales commissions within "Selling, general and administrative expenses" on the Condensed Consolidated Statements of Income (Loss).

As of January 2, 2026 and October 3, 2025, the Company had \$21.9 million and \$21.6 million recorded within "Other current assets," respectively, and \$83.2 million and \$85.5 million recorded within "Other Assets," respectively, on the Company's Condensed Consolidated Balance Sheets.

NOTE 6. LEASES:

The Company has lease arrangements primarily related to real estate, vehicles and equipment. Finance leases primarily relate to vehicles. The Company assesses whether an arrangement is a lease, or contains a lease, upon inception of the related contract. A right-of-use asset and corresponding lease liability are not recorded for leases with an initial term of 12 months or less ("short-term leases").

Variable lease payments, which primarily consist of real estate taxes, common area maintenance charges, insurance costs and other operating expenses, are not included in the operating lease right-of-use asset or operating lease liability balances and are recognized in the period in which the expenses are incurred. The Company's lease

terms may include options to extend or terminate the lease when it is reasonably certain they will be exercised or not, respectively. Options to extend lease terms that are reasonably certain of exercise are recognized as part of the operating lease right-of-use asset and operating lease liability balances.

The Company is required to discount its future minimum lease payments using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate. The Company uses a portfolio approach to determine the incremental borrowing rate based on the geographic location of the lease and the remaining lease term. The incremental borrowing rate is calculated using a base line rate plus an applicable margin.

The following table summarizes operating lease costs, consisting of fixed lease costs, variable lease costs and short-term lease costs. Additionally, the table summarizes finance lease costs, consisting of amortization of right-of-use asset and interest on lease liabilities (in thousands):

	Three months ended	
	January 2, 2026	December 27, 2024
Lease costs:		
Operating lease costs	\$ 10,821	\$ 10,989
Finance lease costs	\$ 11,136	\$ 10,225

Supplemental cash flow information related to leases for the periods reported was as follows (in thousands):

	Three months ended	
	January 2, 2026	December 27, 2024
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 7,309	\$ 6,167
Operating cash flows from finance leases	1,822	1,851
Financing cash flows from finance leases	9,186	8,303
Lease assets obtained in exchange for lease obligations:		
Operating leases	\$ 3,281	\$ 2,394
Finance leases	5,391	12,932

Other information related to operating lease right-of-use assets, net and operating lease liabilities was as follows:

	January 2, 2026		October 3, 2025	
Weighted average remaining lease term (in years)				
Operating leases	5.7		5.8	
Finance leases		5.5		5.8
Weighted average discount rate				
Operating leases	7.0 %		6.9 %	
Finance leases		4.8 %		4.7 %

Future minimum lease payments under non-cancelable leases as of January 2, 2026 are as follows (in thousands):

	Operating leases	Finance leases	Total
2026 (remaining nine months)	\$ 20,678	\$ 31,788	\$ 52,466
2027	25,739	38,570	64,309
2028	22,177	34,280	56,457
2029	17,409	29,118	46,527
2030	12,427	47,103	59,530
Thereafter	26,130	6,742	32,872
Total future minimum lease payments	\$ 124,560	\$ 187,601	\$ 312,161
Less: Interest	(28,444)	(24,863)	(53,307)
Present value of lease liabilities	<u>\$ 96,116</u>	<u>\$ 162,738</u>	<u>\$ 258,854</u>

NOTE 7. SHARE-BASED COMPENSATION:

From time to time, the Company grants equity awards to its executives and certain other employees. The following table summarizes share-based compensation expense (in thousands) for time-based employee stock options ("TBOs"), time-based restricted stock units ("RSUs") and performance stock units ("PSUs" classified within Selling, general and administrative expenses on the Condensed Consolidated Statements of Income (Loss):.

	Three months ended	
	January 2, 2026	December 27, 2024
TBOs	\$ 193	\$ 1,720
RSUs	2,093	2,304
PSUs	57	1,156
	<u>\$ 2,343</u>	<u>\$ 5,180</u>

The below table summarizes the number of shares granted during the three months ended January 2, 2026 along with the associated weighted-average grant-date fair values per unit:

	Equity Awards Granted (in thousands)	Weighted-Average Grant-Date Fair Value (dollars per share)
TBOs	920	\$ 2.81
RSUs	1,262	\$ 6.96
PSUs	748	\$ 8.38
Total	<u>2,930</u>	

Time-Based Options

The TBOs granted during the three months ended January 2, 2026, vest solely based upon continued employment over a three-year time period. All TBOs remain exercisable for ten years from the date of grant. The fair value of the TBOs granted was estimated using the Black-Scholes option pricing model. The expected volatility was derived from a peer group's historical volatility as Vestis does not have sufficient historical volatility based on the expected term of the underlying options. The dividend yield for the grants was based on the annualized value of the quarterly dividend on the grant date. The expected life represents the period of time that options granted are expected to be outstanding and is calculated using the simplified method, as permitted under SEC rules and regulations. The simplified method uses the midpoint between an option's vesting date and contractual term. The risk-free rate is based on the United States Treasury security with terms equal to the expected life of the option as of

the grant date. Compensation expense for TBOs is recognized on a straight-line basis over the vesting period during which employees perform related services. The unvested units are subject to forfeiture if employment is terminated other than due to death, disability or retirement, and the units are nontransferable while subject to forfeiture.

The below table summarizes the TBO valuation assumptions used in the Black-Scholes model during the three months ended January 2, 2026:

Expected volatility	32.84%
Expected dividend yield	—%
Expected life (in years)	6.0
Risk-free interest rate	3.87%

Time-Based Restricted Stock Units

Except for a grant to the Company's Chief Executive Officer during fiscal 2025, the agreements for RSU grants generally provide for vesting and settlement in shares of 33% of each grant on each of the first three anniversaries of the grant date, provided the participant remains employed with Vestis through each such anniversary. For the RSUs granted to the Company's Chief Executive Officer in fiscal 2025, vesting is scheduled to occur on the third anniversary of the grant date. The grant-date fair value of each RSU is based on the fair value of Vestis' common stock on the grant date. Participants holding RSUs receive additional RSU equivalents for dividends. Any such RSU equivalents are paid in shares. The unvested units are subject to forfeiture if employment is terminated for reasons other than death, disability or retirement, and the units are nontransferable while subject to forfeiture.

Performance Stock Units

Under the Vestis Corporation 2023 Long-Term Incentive Plan, Vestis is authorized to grant PSUs to its employees. A participant is eligible to become vested in a number of PSUs equal to a percentage, higher or lower, of the target number of PSUs granted based on the level of Vestis' achievement of the performance condition. During the three months ended January 2, 2026, Vestis granted PSUs subject to the level of achievement of cumulative adjusted EBITDA results, cumulative adjusted free cash flow results and a total shareholder return modifier for the cumulative performance period of three years and the participant's continued employment with Vestis. Vestis accounts for these grants as performance-based awards, with a market condition, valued utilizing the Monte Carlo Simulation pricing model, which calculates multiple potential outcomes for an award and establishes fair value based on the most likely outcome. The unvested units are subject to forfeiture if employment is terminated other than due to death, disability or retirement, and the units are nontransferable while subject to forfeiture.

NOTE 8. COMMITMENTS AND CONTINGENCIES:

From time to time, the Company and its subsidiaries are party to various legal actions, proceedings and investigations involving claims incidental to the conduct of their business or otherwise related to the Company, including actions by customers, employees, government entities and third parties, including under federal, state, international, national, provincial and local employment laws, wage and hour laws, discrimination laws, immigration laws, human health and safety laws, import and export controls and customs laws, environmental laws, false claims or whistleblower statutes, tax codes, antitrust and competition laws, customer protection statutes, procurement regulations, intellectual property laws, supply chain laws, the Foreign Corrupt Practices Act and other anti-corruption laws, lobbying laws, motor carrier safety laws, data privacy and security laws, or alleging negligence and/or breaches of contractual and other obligations. Based on information currently available, advice of counsel, available insurance coverage, established reserves and other resources, except as set forth below with respect to the shareholder class action lawsuits and shareholder derivative action lawsuits, the Company does not believe that any such actions are likely to be, individually or in the aggregate, material to its business, financial condition, results of operations or cash flows. However, in the event of unexpected further developments, it is possible that the ultimate resolution of these matters, or other similar matters, if unfavorable, may be materially adverse to the Company's business, financial condition, results of operations or cash flows.

During the quarter ended January 2, 2026, the Company entered into a substitute insurance collateral facility with a third-party provider to support insurance collateral requirements totaling approximately \$24.8 million. The facility replaces prior bank and surety-backed letters of credit and does not represent funded indebtedness. The Company's obligation under the arrangement is contingent and limited to amounts, if any, drawn under the facility. Related fees associated with the arrangement are being amortized to interest expense over the term of the facility.

The Company is involved with environmental investigation and remediation activities at certain sites that it currently or formerly owned or operated or to which it sent waste for disposal (including sites which were previously owned and/or operated by businesses acquired by the Company or sites to which such businesses sent waste for disposal). The Company initially provides for estimated costs of environmental-related activities relating to its past operations and third-party sites for which commitments or clean-up plans have been developed and when such costs can be reasonably estimated based on industry standards and professional judgment. These estimated costs, which are mostly undiscounted, are determined based on currently available facts regarding each site. If the reasonably estimable costs can only be identified as a range and no specific amount within that range can be determined more likely, the minimum of the range is used. The Company continuously assesses its potential liability for investigation and remediation-related activities and adjusts its environmental-related accruals as information becomes available upon which more accurate costs can be reasonably estimated. As of January 2, 2026 and October 3, 2025, the Company had \$9.7 million and \$9.8 million, respectively, recorded as liabilities within Accrued expenses and other current liabilities, and \$22.2 million at both balance sheet dates, recorded as liabilities within Other Noncurrent Liabilities on the Company's Condensed Consolidated Balance Sheets.

The Company records the fair value of a liability for an asset retirement obligation both as an asset and a liability when there is a legal obligation associated with the retirement of a tangible long-lived asset and the liability can be reasonably estimated. The Company has identified certain conditional asset retirement obligations at various current and closed facilities. These obligations relate primarily to asbestos abatement, underground storage tank closures and restoration of leased properties to the original condition. Using investigative, remediation and disposal methods that are currently available to the Company, the estimated costs of these obligations were accrued. As of January 2, 2026 and October 3, 2025, the Company has \$12.3 million and \$12.0 million, respectively, recorded as liabilities within Other Noncurrent Liabilities on the Company's Condensed Consolidated Balance Sheets.

With respect to the below matters, the Company cannot predict the outcome of these legal matters, nor can it predict whether any outcome may be materially adverse to its business, financial condition, results of operations or cash flows. The Company intends to vigorously defend these matters.

On May 17, 2024, a purported Vestis shareholder commenced a putative class action lawsuit against Vestis and certain of its officers, in the United States District Court for the Northern District of Georgia, captioned Plumbers, Pipefitters and Apprentices Local No. 112 Pension Fund v. Vestis Corporation, et al., Case No.1:24-cv-02175-SDG. The lawsuit is purportedly brought on behalf of purchasers of Vestis' common stock between October 2, 2023 and May 1, 2024, inclusive. The complaint alleges claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, based on allegedly false or misleading statements generally related to the Company's business and operations, pricing practices, and financial results and outlook. The lawsuit seeks unspecified damages and other relief. On September 23, 2024, the Court appointed co-lead plaintiffs and on November 22, 2024, plaintiffs filed an amended complaint. Defendants filed a motion to dismiss the amended complaint on February 25, 2025. A hearing on the motion to dismiss took place on August 29, 2025. On September 30, 2025, the Court entered an order denying defendants' motion to dismiss. On October 30, 2025, Defendants filed answers to the amended complaint and fact discovery has commenced.

On June 4, 2024, a purported Vestis shareholder commenced a putative class action lawsuit against Vestis, in the Court of Chancery of the State of Delaware, captioned O'Neill v. Vestis Corp., Case No. 2024-0600-JTL. The lawsuit is purportedly brought on behalf of Vestis' shareholders. The complaint alleges a single claim for declaratory judgment, seeking to invalidate and void Section II.5(d) of Vestis' Amended and Restated Bylaws, effective September 29, 2023. On October 7, 2024, the Court granted a stipulation to consolidate multiple related actions involving similar company defendants, including the Vestis action, solely for purposes of adjudicating an omnibus motion to dismiss the complaints in each of those actions. On October 11, 2024, Vestis and the other

consolidated defendants filed an omnibus motion to dismiss. The Court held a hearing on the omnibus motion to dismiss on May 14, 2025 and Vestis is awaiting the Court's decision.

On May 16, 2025 and August 8, 2025, respectively, purported Vestis shareholders commenced derivative actions against certain of Vestis' current and former directors and former officers, in the United States District Court for the Northern District of Georgia. The cases are captioned Gribé v. Scott, et al., Case No. 1:25-cv-02726-TWT and Hollin v. Scott, et al., Case No. 1:25-cv-04498-TWT. Both complaints seek unspecified damages on behalf of Vestis and certain other relief, such as certain reforms to corporate governance and internal procedures. The complaints (in which Vestis is named as a nominal defendant) contain similar allegations to the parallel securities class action, entitled Plumbers, Pipefitters and Apprentices Local No. 112 Pension Fund v. Vestis Corporation, et al., Case No. 1:24-cv-02175-SDG. The complaints generally allege, among other things, breaches of fiduciary duties in connection with the oversight of Vestis' public statements and internal controls, and that Vestis was damaged as a result of the breaches of fiduciary duties. The complaints also allege, among other things, claims against the individual defendants for unjust enrichment, abuse of control, gross mismanagement, waste of corporate assets, and claims against Vestis' former officers for contribution under Section 10(b) of the Securities Exchange Act of 1934. On June 17, 2025, prior to the filing of the Hollin complaint, the parties to the Gribé action made a joint application to stay the action pending resolution of the motion to dismiss filed in the Plumbers, Pipefitters and Apprentices Local No. 112 Pension Fund v. Vestis Corporation, et al., case. On June 18, 2025, the Court granted the parties' joint application and stayed the action pending further order of the Court. On September 9, 2025, Gribé and Hollin made a motion to consolidate their cases, to appoint lead counsel, and to stay the consolidated derivative action. On September 11, 2025, the Court granted the motion, thereby: (i) consolidating the Gribé and Hollin cases under the caption *In re Vestis Corporation Derivative Litigation*, Case No. 1:25-cv-02726-TWT, (ii) appointing lead counsel for the consolidated derivative action, and (iii) staying the consolidated derivative action pending further order of the Court. On October 21, 2025, two additional purported Vestis shareholders, Bruce Harms and Thomas Dove, filed their own complaints (see descriptions below) and then subsequently filed a motion to vacate the leadership structure provided by the Court's September 11, 2025 order. That motion to vacate is currently pending. On October 30, 2025, plaintiff Hollin voluntarily dismissed his case against the Company in the consolidated derivative action, which the court approved on October 31, 2025.

On June 9, 2025, a purported Vestis shareholder commenced a putative class action lawsuit against Vestis and certain of its former officers, in the United States District Court for the Southern District of New York, captioned Torres v. Vestis Corporation, et al., Case No. 1:25-cv-04844. The lawsuit is purportedly brought on behalf of purchasers of Vestis' common stock between May 2, 2024 and May 6, 2025, inclusive. The complaint alleges claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, based on allegedly false or misleading statements generally related to our business and operations, pricing practices, and financial results and outlook. The lawsuit seeks unspecified damages and other relief. Motions for appointment as lead plaintiff and lead counsel were filed with the Court on August 8, 2025. On August 25, 2025, the Court appointed the Board of Trustees of the Police Officers' Retirement Plan and Trust Fund for the City of Miramar ("City of Miramar") to serve as lead plaintiff and also appointed lead counsel. The City of Miramar filed a first amended complaint on October 24, 2025. Defendants' deadline to respond to the amended complaint is February 12, 2026.

On July 29, 2025 and August 5, 2025, respectively, purported Vestis shareholders commenced derivative actions against certain of Vestis' current and former directors and former officers, in the United States District Court for the Southern District of New York. The cases are captioned Gribé v. Scott, et al., Case No. 1:25-cv-06234 and Hollin v. Scott, et al., Case No. 1:25-cv-06414. Both complaints seek unspecified damages on behalf of Vestis and certain other relief, such as certain reforms to corporate governance and internal procedures. The complaints (in which Vestis is named as a nominal defendant) contain similar allegations to the parallel securities class action pending in the same court, entitled Board of Trustees of the Police Officers' Retirement Plan and Trust Fund for the City of Miramar v. Vestis Corporation, et al. (formerly Torres v. Vestis Corporation, et al.), Case No. 1:25-cv-04844. The complaints generally allege, among other things, breaches of fiduciary duties in connection with the oversight of Vestis' public statements and internal controls, and that Vestis was damaged as a result of the breaches of fiduciary duties. The complaints also allege, among other things, claims against the individual defendants for violation of Section 14(a) of the Exchange Act, unjust enrichment, abuse of control, gross mismanagement, waste of corporate assets, and claims against Vestis' former officers for contribution under Section 10(b) of the Securities Exchange Act of 1934. On August 22, 2025, Gribé and Hollin made a motion to consolidate their cases, to appoint lead counsel, and to stay the consolidated derivative action. On August 26, 2025, the Court granted the motion, thereby: (i) consolidating the Gribé and Hollin cases under the caption *In re Vestis Corporate Derivative Litigation*, Case No. 1:25-cv-06234-GHW, (ii) appointing lead counsel for the consolidated derivative action, and (iii) staying

the consolidated derivative action pending further order of the Court. On October 29, 2025, plaintiff Hollin filed a notice of voluntary dismissal of his case against the Company. On November 13, 2025, the Court entered an order dismissing Hollin's individual claims from the consolidated derivative action.

On September 10, 2025 and October 6, 2025, respectively, purported Vestis shareholders commenced derivative actions against certain of Vestis' current and former directors and former officers, in the United States District Court for the Northern District of Georgia. Those cases are captioned Harms v. Scott, et al., Case No. 1:25-cv-05156-TWT and Dove v. Scott, et al., Case No. 1:25-cv-057331-TWT. Both complaints seek unspecified damages on behalf of Vestis and certain other relief, such as certain reforms to corporate governance and internal procedures. The complaints (in which Vestis is named as a nominal defendant) contain similar allegations to the securities class actions, entitled Plumbers, Pipefitters and Apprentices Local No. 112 Pension Fund v. Vestis Corporation, et al., Case No. 1:24-cv-02175-SDG, also pending in the Northern District of Georgia and Board of Trustees of the Police Officers' Retirement Plan and Trust Fund for the City of Miramar v. Vestis Corporation, et al., Case No. 1:25-cv-04844, pending in the United States District Court for the Southern District of New York. The complaints generally allege, among other things, breaches of fiduciary duties in connection with the oversight of Vestis' public statements and internal controls, and that Vestis was damaged as a result of the breaches of fiduciary duties. The complaints also allege, among other things, claims against the individual defendants for violation of Section 14(a) of the Exchange Act, aiding and abetting breach of fiduciary duty, unjust enrichment, waste of corporate assets, and claims against Vestis' former officers for contribution under Sections 10(b) and 21A of the Securities Exchange Act of 1934. Both the Harms and Dove cases were consolidated into the derivative action entitled *In re Vestis Corporation Derivative Litigation*, Case No. 1:25-cv-02726-TWT (described above). Harms and Dove filed a motion to vacate the leadership structure in the consolidated derivative action that was ordered by the court. That motion to vacate is currently pending.

NOTE 9. BUSINESS SEGMENTS:

The Company manages and evaluates its business activities based on geography and, as a result, determined that its United States and Canada businesses are its operating segments. The United States and Canada operating segments both provide a full range of uniform programs, restroom supply services and first-aid and safety products, as well as ancillary items such as floor mats, towels and linens. The Company's operating segments are also its reportable segments. Corporate includes administrative expenses not specifically allocated to an individual segment. The chief operating decision maker (the Chief Executive Officer) evaluates the performance of its reportable segment, based primarily on segment operating income, and uses this information to make strategic decisions and to allocate resources. The accounting policies of the reportable segments are the same as those described in Note 1. *Nature of Business and Basis of Presentation*. Financial information by segment is presented in the tables that follow (in thousands):

[Table of Contents](#)

	United States	Canada	Total
Three Months Ended January 2, 2026			
Revenue	\$ 602,901	\$ 60,487	\$ 663,388
Cost of services provided (exclusive of depreciation and amortization)	447,744	44,473	492,217
Depreciation and amortization	31,568	2,376	33,944
Selling, general and administrative expenses	87,382	11,477	98,859
Reportable segment operating income	<u>36,207</u>	<u>2,161</u>	<u>38,368</u>
Corporate and other			(21,790)
Interest Expense, Net			(22,191)
Other (Expense) Income, net			(2,946)
(Loss) Income Before Income Taxes			<u>(8,559)</u>
Capital expenditures	<u>8,890</u>	<u>496</u>	<u>9,386</u>
Property and equipment as of January 2, 2026 - Reportable Segments	\$ 557,745	\$ 74,326	\$ 632,071
- Corporate			<u>16,052</u>
- Total			<u>\$ 648,123</u>
Total assets as of January 2, 2026 - Reportable Segments	\$ 2,564,139	\$ 275,664	\$ 2,839,803
- Corporate			<u>44,218</u>
- Total			<u>\$ 2,884,021</u>
Three Months Ended December 27, 2024			
Revenue	\$ 621,716	\$ 62,064	\$ 683,780
Cost of services provided (exclusive of depreciation and amortization)	451,215	44,045	495,260
Depreciation and amortization	33,850	2,707	36,557
Selling, general and administrative expenses	78,618	13,400	92,018
Reportable segment operating income	<u>58,033</u>	<u>1,912</u>	<u>59,945</u>
Corporate and other			(29,546)
Gain (Loss) on Sale of Equity Investments, net			(2,150)
Interest Expense, Net			(23,097)
Other (Expense) Income, net			(3,612)
(Loss) Income Before Income Taxes			<u>1,540</u>
Capital expenditures	<u>14,292</u>	<u>440</u>	<u>14,732</u>
Property and equipment as of October 3, 2025 - Reportable Segments	\$ 573,709	\$ 74,171	\$ 647,880
- Corporate			<u>15,582</u>
- Total			<u>\$ 663,462</u>
Total assets as of October 3, 2025 - Reportable Segments	\$ 2,605,553	\$ 263,805	\$ 2,869,358
- Corporate			<u>37,542</u>
- Total			<u>\$ 2,906,900</u>

NOTE 10. EARNINGS (LOSS) PER SHARE:

Basic earnings (loss) per share is computed using the weighted average number of common shares outstanding during the periods presented. Diluted earnings (loss) per share is computed using the weighted average number of common shares outstanding adjusted to include the potentially dilutive effect of stock awards.

The following table sets forth the computation of basic and diluted earnings (loss) per share attributable to the Company's stockholders (in thousands, except per share data):

	Three months ended	
	January 2, 2026	December 27, 2024
Earnings (Loss):		
Net Income (Loss)	\$ (6,391)	\$ 832
Shares:		
Basic weighted-average shares outstanding	131,904	131,590
Effect of dilutive securities ⁽¹⁾	—	525
Diluted weighted-average shares outstanding	<u>131,904</u>	<u>132,115</u>
Basic Earnings (Loss) Per Share	\$ (0.05)	\$ 0.01
Diluted Earnings (Loss) Per Share	\$ (0.05)	\$ 0.01
Antidilutive securities⁽¹⁾	2,428	2,683

(1) Diluted earnings (loss) per share excludes certain shares issuable under share-based compensation plans because the effect would have been antidilutive. There was no dilutive effect of share-based awards for the three months ended January 2, 2026 due to the net loss incurred in the period.

NOTE 11. INCOME TAXES:

The Company's effective tax rate was 25.3% and 45.9% for the three months ended January 2, 2026 and December 27, 2024, respectively. The Company's effective rate for the three months ended January 2, 2026 differed from the U.S. statutory rate primarily due to our consolidated pre-tax book loss relative to the impacts of state taxes, permanent book/tax differences consisting mainly of nondeductible expenses, and our international operations in jurisdictions with higher income tax rates. The Company's effective tax rate for the three months ended December 27, 2024 differed from the U.S. statutory rate primarily due to state taxes, permanent book/tax differences and our international operations in jurisdictions with higher income tax rates.

NOTE 12. RELATED PARTIES:

As discussed in Note 1, the Company became an independent public company on September 30, 2023. In connection with the Separation, the Company entered into or adopted several agreements that provide a framework for the relationship between the Company and Aramark, including, but not limited to the following:

Separation and Distribution Agreement - governs the rights and obligations of the parties regarding the distribution following the completion of the separation, including the transfer of assets and assumption of liabilities, and establishes certain rights and obligations between the Company and Aramark following the distribution, including procedures with respect to claims subject to indemnification and related matters.

Transition Services Agreement - governs services between the Company and Aramark and their respective affiliates to provide each other on an interim, transitional basis, various services, including, but not limited to, administrative, information technology and cybersecurity support services and certain finance, treasury, tax and governmental function services. The services commenced on the distribution date and terminate no later than 24

months following the distribution date. The services under the Transition Services Agreement were completed prior to the end of fiscal 2024.

Tax Matters Agreement - governs the parties' respective rights, responsibilities and obligations with respect to tax liabilities and benefits, tax attributes, the preparation and filing of tax returns, the control of audits and other tax proceedings and other matters regarding taxes. In addition, the Company is restricted from taking actions that could prevent the distribution and certain related transactions from being tax-free for U.S. federal income tax purposes.

Employee Matters Agreement - governs the allocation of liabilities and responsibilities relating to employment matters, employee compensation, benefit plans and programs and other related matters.

No amounts were paid to Aramark, under the various agreements described above, during the three months ended January 2, 2026 or December 27, 2024, and no amounts were due from or to Aramark, associated with the above agreements, as of January 2, 2026.

NOTE 13. ACCOUNTS RECEIVABLE SECURITIZATION FACILITY:

On August 2, 2024, Vestis Services, LLC ("Vestis Services") and certain other subsidiaries (together with Vestis Services, the "Originators") entered into a three-year \$250 million accounts receivable securitization facility (the "A/R Facility"). Under the A/R Facility, Vestis Services and certain other wholly-owned subsidiaries of the Company transfer accounts receivable and certain related assets to VS Financing, LLC, a bankruptcy remote special purpose entity formed as a wholly-owned subsidiary of Vestis Services (the "SPE"), who in turn, may sell the receivables to one or more financial institutions (the "Purchasers"). The net proceeds of the A/R Facility were used to repay a portion of the outstanding borrowings under the existing term loans. The A/R Facility is scheduled to terminate on August 2, 2027, unless terminated earlier pursuant to its terms. The Company incurred approximately \$1.4 million of costs in connection with entering into the A/R Facility which are recorded within Other Assets in the Condensed Consolidated Balance Sheet and are being amortized on a straight-line basis to Other Expense (Income), net over the term of the A/R Facility.

As of January 2, 2026 and October 3, 2025, the total value of accounts receivable sold from the SPE to the Purchasers under the A/R Facility and derecognized from the Company's Condensed Consolidated Balance Sheet was \$217.2 million and \$202.5 million, respectively. Additionally, during the three months ended January 2, 2026, the Company transferred accounts receivable of \$678.8 million to the SPE, and the Company collected \$672.0 million of accounts receivable transferred to the SPE under the A/R Facility. The Company continuously transfers receivables to the SPE and the SPE transfers ownership and control of certain receivables that meet certain qualifying conditions which are sold to the Purchasers in exchange for cash. Unsold accounts receivable of \$143.8 million and \$151.6 million were pledged by the SPE as collateral to the Purchasers as of January 2, 2026 and October 3, 2025, respectively.

The Company incurred fees for the A/R Facility of \$2.9 million and \$3.4 million for the three months ended January 2, 2026 and December 27, 2024, respectively, which were reflected within Other Expense (Income), net in the Condensed Consolidated Statements of Income (Loss). The fees due to the Purchaser are considered to be a loss on the sale of accounts receivable.

Cash activity related to the facility is reflected in Net cash provided by operating activities in the Condensed Consolidated Statement of Cash Flows.

NOTE 14. EQUITY:

Accumulated Other Comprehensive Loss

The changes in each component of accumulated other comprehensive loss, net of tax, for the three months ended January 2, 2026 and December 27, 2024 were as follows (in thousands):

	Three Months Ended January 2, 2026		
	Foreign Currency Translation	Pension-related	Total Accumulated Other Comprehensive Loss
Balance as of October 3, 2025	\$ (20,778)	\$ (5,549)	\$ (26,327)
Other comprehensive income (loss)	3,260	(88)	3,172
Amounts reclassified from accumulated other comprehensive (loss) income	—	—	—
Net current period other comprehensive income (loss)	3,260	(88)	3,172
Balance as of January 02, 2026	\$ (17,518)	\$ (5,637)	\$ (23,155)

	Three Months Ended December 27, 2024		
	Foreign Currency Translation	Pension-related	Total Accumulated Other Comprehensive Loss
Balance as of September 27, 2024	\$ (23,812)	\$ (5,099)	\$ (28,911)
Other comprehensive loss	(12,607)	—	(12,607)
Amounts reclassified from accumulated other comprehensive loss (1)	9,450	—	9,450
Net current period other comprehensive loss	(3,157)	—	(3,157)
Balance as of December 27, 2024	\$ (26,969)	\$ (5,099)	\$ (32,068)

(1) Represents cumulative currency translation adjustment that was derecognized as a result of the Company's sale of its equity method investment during the three months ended December 27, 2024.

Dividends

For the three months ended December 27, 2024, the Company paid dividends in the amount of \$4.6 million. No dividends were paid during the three months ended January 2, 2026.

As part of the May 1, 2025 amendment to the Company's Credit Agreement disclosed in Note 4. *Borrowings*, the Company agreed to restrict all dividends and share repurchases until the earlier of (i) any fiscal quarter ending after October 2, 2026 so long as the Company is then in compliance with the financial covenants and (ii) when the Company achieves a net leverage ratio below or equal to 4.50x as of the last day of two consecutive quarters through the end of fiscal 2026.

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

The following discussion and analysis of Vestis Corporation's ("Vestis", the "Company", "our", "we" or "us") financial condition and results of operations for the three months ended January 2, 2026 and December 27, 2024 should be read in conjunction with our audited Consolidated and Combined Financial Statements and the notes to those statements for the fiscal year ended October 3, 2025 included in our Annual Report on Form 10-K, filed with the Securities and Exchange Commission ("SEC") on December 2, 2025.

This discussion contains forward-looking statements, such as our plans, objectives, opinions, expectations, anticipations, intentions, and beliefs, that are based upon our current expectations but that involve risks and uncertainties. Actual results and the timing of events could differ materially from those anticipated in those forward-looking statements as a result of a number of factors, including those set forth under "Cautionary Note Regarding Forward-Looking Statements" and elsewhere in this Quarterly Report on Form 10-Q.

All amounts discussed are in thousands of U.S. dollars, unless otherwise indicated.

Company Overview

We are a leading provider of uniforms and workplace supplies across the United States and Canada. We provide a full range of uniform programs, managed restroom supply services, first aid supplies and safety products, as well as ancillary items such as floor mats, towels, and linens across the United States and Canada. We compete with national, regional, and local providers who vary in size, scale, capabilities and product and service offering. Primary methods of competition include product quality, service quality and price. Notable competitors of size include Cintas Corporation and UniFirst Corporation, as well as numerous regional and local competitors. Additionally, many businesses perform certain aspects of our product and service offerings in-house rather than outsourcing them to a third party and leveraging the benefits of full-service programs.

Our full-service uniform offering includes the design, sourcing, manufacturing, customization, personalization, delivery, laundering, sanitization, repair, and replacement of uniforms. Our uniform options include shirts, pants, outerwear, gowns, scrubs, high visibility garments, particulate-free garments, and flame-resistant garments, along with shoes and accessories. We service our customers on a recurring rental basis, typically weekly, delivering clean uniforms while, during the same visit, picking up worn uniforms for inspection, cleaning and repair or replacement. In addition to our weekly, recurring customer contracts, we offer customized uniforms through direct sales agreements, typically for large, regional, or national companies.

In addition to uniforms, we also provide workplace supplies including managed restroom supply services, first aid supplies and safety products, floor mats, towels, and linens. Similar to our uniform offering, on a recurring rental basis, generally weekly, we pick up used and soiled floor mats, towels and linens, replacing them with clean products. We also restock restroom supplies, first aid supplies and safety products as needed.

We manage and operate our business in two reportable segments, United States and Canada. Both segments provide uniforms and workplace supplies, as described above, to customers within their specific geographic territories.

Fiscal Year

Our fiscal year is the 52- or 53-week period which ends on the Friday nearest to September 30th. The fiscal year ended October 3, 2025, referred to as fiscal 2025, was a 53-week period and the fiscal year ending October 2, 2026, referred to as fiscal 2026, is a 52-week period.

Key Trends Affecting Our Results of Operations

We serve the uniforms, mats, towels, linens, restroom supplies, first-aid supplies and safety products industry within the United States and Canada. This includes businesses that outsource these services through rental programs or direct purchases, as well as non-programmers, or businesses that maintain these services in-house. We believe that demand in this industry is largely influenced by macro-economic conditions, employment levels, increasing

standards for workplace hygiene and safety and an ongoing trend of businesses outsourcing non-core, back-end operations. As a result of the diversity of our customers and the wide variety of industries in which they participate, demand for our products and services is not specifically linked to the cyclical nature of any one sector.

Global events, including ongoing geopolitical events, have adversely affected global economies, disrupted global supply chains and labor force participation, and created significant volatility and disruption of financial markets. While we do not have direct operations in Russia and Ukraine or in Israel, conflicts in those regions further disrupted global supply chains and heightened volatility and disruption of global financial markets. The ongoing volatility and disruption of financial markets caused by these global events, as well as other current global economic factors, triggered inflation in labor and energy costs and has driven significant changes in foreign currencies. The impact on our longer-term operational and financial performance will depend on future developments, including our response and governmental response to inflation, tariffs, the duration and severity of the ongoing volatility and disruption of global financial markets and our ability to effectively hire and retain personnel. Some of these future developments are outside of our control and are highly uncertain.

On May 1, 2025, we amended our Credit Agreement. As part of the amendment, among other things, we agreed to restrict all dividends and share repurchases until the earlier of (i) any fiscal quarter ending after October 2, 2026 so long as we are then in compliance with the financial covenants and (ii) when we achieve a net leverage ratio below or equal to 4.5x as of the last day of two consecutive quarters through the end of fiscal 2026.

Our financial performance and a prolonged decrease in our stock price during fiscal 2025 resulted in a triggering event for a goodwill impairment test for both of our reporting units in fiscal 2025. While no impairment of goodwill was recognized in fiscal 2025, if our future operating results do not meet current forecasts or if we experience a sustained decline in our market capitalization that is determined to be indicative of a reduction in fair value of one or more of our reporting units within either of our segments, we may be required to record future impairment charges for goodwill.

Transformation and Restructuring Plan

During the first quarter of fiscal 2026, we approved and initiated a formal multi-year business transformation and restructuring plan (the “Plan”) to support the Company’s initiatives to make the Company more agile, efficient and customer focused. Developed in collaboration with leading third-party advisors, the Plan is structured around three strategic priorities: Commercial Excellence, Operational Excellence and Asset and Network Optimization. These priorities establish a clear framework for near-term performance improvement and long-term value creation through disciplined execution, continuous improvement and a relentless focus on serving customers.

- Operational Excellence. Implementing a standardized operating framework across its facilities and business units and streamlining the Company’s organizational structure in order to improve operating leverage, simplify execution, modernize core processes and systems and create a more scalable and efficient cost structure.
- Commercial Excellence. Executing commercial initiatives to improve customer retention, enhance profitability, and support a return to sustainable growth. Vestis is expanding product offerings and deploying new processes, tools and systems designed to strengthen customer segmentation, optimize strategic pricing and reinforce commercial discipline.
- Asset & Network Optimization. Rationalizing network redundancies, reallocating equipment to higher-utilization markets, and making targeted capital investments to improve reliability and asset performance.

Plan implementation began during the first quarter of fiscal 2026 and is expected to generate annual operating cost savings of at least \$75 million by the end of fiscal 2026 and to also enhance revenue. Currently, we anticipate that the Plan will be substantially complete by the end of fiscal 2027 and we estimate costs of the Plan to be in the range of \$25 million to \$30 million, with approximately \$20 million related to third-party consulting and support, and up to \$10 million in severance and related costs. During the first quarter of fiscal 2026, the Company recognized \$7.8 million of third-party consulting fees and \$5.5 million of severance costs related to the transformation.

The estimate of the charges that the Company expects to incur in connection with the Plan, and the timing thereof, are subject to a number of assumptions and actual amounts may differ materially from estimates. In addition, the Company may incur other charges not currently contemplated due to unanticipated events that may occur, including in connection with the implementation of the Plan.

Results of Operations Three Months Ended January 2, 2026 compared with December 27, 2024

The following table presents an overview of our results along with the amount of and percentage change between periods for the three months ended January 2, 2026 and December 27, 2024 (dollars in thousands).

	Three Months Ended		Change		Change	
	January 2, 2026	December 27, 2024	\$	%		
Revenue	\$ 663,388	\$ 683,780	\$ (20,392)	(3.0%)		
Operating Expenses:						
Cost of services provided ⁽¹⁾	492,217	495,260	(3,043)	(0.6%)		
Depreciation and amortization	34,341	36,936	(2,595)	(7.0%)		
Selling, general and administrative expenses	120,252	121,185	(933)	(0.8%)		
Total Operating Expenses	646,810	653,381	(6,571)	(1.0%)		
Operating Income (Loss)	16,578	30,399	(13,821)	(45.5%)		
Loss (Gain) on Sale of Equity Investments	—	2,150	(2,150)	(100.0%)		
Interest Expense, net	22,191	23,097	(906)	(3.9%)		
Other Expense (Income), net	2,946	3,612	(666)	(18.4%)		
Income (Loss) Before Income Taxes	(8,559)	1,540	(10,099)	(655.8%)		
Provision (Benefit) for Income Taxes	(2,168)	708	(2,876)	(406.2%)		
Net Income (Loss)	\$ (6,391)	\$ 832	\$ (7,223)	(868.1%)		

(1) Exclusive of depreciation and amortization

Consolidated revenue of \$663.4 million decreased \$20.4 million, or 3.0%, for the three months ended January 2, 2026 compared to the three months ended December 27, 2024. The decline in revenue compared to the prior year reflects a \$19.2 million decline in uniforms and a \$1.2 million decline in workplace supplies on consistent total overall volume levels measured as pounds processed in our plants. The decline in revenue is attributable to a product mix shift towards more workplace supplies, which includes linen, that brings lower overall revenue per pound when compared to uniforms. Consolidated revenue was positively impacted by \$0.2 million from the impact of foreign exchange on currency related to our Canadian operations.

Cost of services provided decreased \$3.0 million, or 0.6%, for the three months ended January 2, 2026 compared to the three months ended December 27, 2024. The decrease was primarily driven by a \$5.0 million decline in merchandise costs and a \$1.3 million reduction in delivery costs. These decreases were partially offset by a \$3.7 million increase in plant operating costs.

Depreciation and amortization expense of \$34.3 million for the three months ended January 2, 2026 decreased \$2.6 million, or 7.0%, compared to the three months ended December 27, 2024.

Selling, general and administrative expenses ("SG&A") decreased \$0.9 million, or 0.8%, for the three months ended January 2, 2026 compared to the three months ended December 27, 2024. The decrease in SG&A was primarily driven by headcount reductions and other cost savings measures, a \$3.3 million decrease in separation-related charges, as well as a \$2.8 million decrease in share-based compensation, which were partially offset by transformation costs of \$7.8 million.

Operating income of \$16.6 million decreased from \$30.4 million, or 45.5%, for the three months ended January 2, 2026 compared to the three months ended December 27, 2024 from the impact of changes in revenue and costs noted above.

Interest expense, net, decreased \$0.9 million for the three months ended January 2, 2026 compared to the three months ended December 27, 2024 primarily due to lower interest rates.

Other expense, net of other income, decreased \$0.7 million for the three months ended January 2, 2026 compared to the three months ended December 27, 2024 primarily due to a decrease in A/R Facility fees of \$0.5 million.

The provision for income taxes for the three months ended January 2, 2026 was recorded at an effective rate of 25.3% compared to an effective rate of 45.9% for the three months ended December 27, 2024. The lower effective tax rate was due to the impact of tax adjustments, largely share-based compensation and changes in year over year earnings.

Net loss of \$6.4 million for the three months ended January 2, 2026 represented a decrease of \$7.2 million, or 868.1%, compared to net income of \$0.8 million for the three months ended December 27, 2024, due to the impact of changes to revenue and expenses noted above.

Results of Operations—United States Results Three Months Ended January 2, 2026 compared with December 27, 2024

The following table presents an overview of our United States reportable segment results along with the amount of and percentage change between periods for the three months ended January 2, 2026 and December 27, 2024 (dollars in thousands).

	Three Months Ended		Change		Change	
	January 2, 2026	December 27, 2024	\$	%		
Segment Revenue	\$ 602,901	\$ 621,716	\$ (18,815)	(3.0%)		
Segment Operating Income	36,207	58,033	(21,826)	(37.6%)		
Segment Operating Income %	6.0%	9.3%				

United States revenue of \$602.9 million decreased \$18.8 million, or 3.0%, for the three months ended January 2, 2026 compared to the three months ended December 27, 2024. The decline in revenue compared to the prior year reflects an \$18.1 million decline in uniforms and a \$0.7 million decline in workplace supplies on consistent total overall volume levels measured as pounds processed in our plants. The decline in revenue is attributable to a product mix shift towards more workplace supplies, which includes linen, that brings lower overall revenue per pound when compared to uniforms.

Segment operating income of \$36.2 million for the three months ended January 2, 2026 decreased \$21.8 million, or 37.6%, compared to the three months ended December 27, 2024, primarily driven by the decrease in revenue during the three months ended January 2, 2026, as described above.

Segment operating income margin decreased approximately 330 basis points from 9.3% for the three months ended December 27, 2024 to approximately 6.0% for the three months ended January 2, 2026.

Results of Operations—Canada Results Three Months Ended January 2, 2026 compared with December 27, 2024

The following table presents an overview of our Canada reportable segment results along with the amount of and percentage change between periods for the three months ended January 2, 2026 and December 27, 2024 (dollars in thousands).

	Three Months Ended		Change	Change
	January 2, 2026	December 27, 2024		
Segment Revenue	\$ 60,487	\$ 62,064	\$ (1,577)	(2.5%)
Segment Operating Income	2,161	1,912	249	13.0 %
Segment Operating Income %	3.6%	3.1%		

Canada revenue of \$60.5 million decreased \$1.6 million, or 2.5%, for the three months ended January 2, 2026 compared to the three months ended December 27, 2024. The decline in revenue compared to the prior year reflects a \$1.1 million decline in uniforms and a \$0.5 million decline in workplace supplies on consistent total overall volume levels measured as pounds processed in our plants. The decline in revenue is attributable to a product mix shift towards more workplace supplies, which includes linen, that brings lower overall revenue per pound when compared to uniforms. Canada revenue was positively impacted by \$0.2 million from the impact of foreign exchange on currency.

Segment operating income of \$2.2 million for the three months ended January 2, 2026 increased \$0.2 million, or 13.0%, compared to the three months ended December 27, 2024.

Segment operating income margin increased approximately 50 basis points from 3.1% for the three months ended December 27, 2024, to approximately 3.6% for the three months ended January 2, 2026.

Liquidity and Capital Resources*Overview*

As part of our capital structure, we entered into a Credit Agreement on September 29, 2023 (the "Credit Agreement"). The Credit Agreement included senior secured term loan facilities consisting of term loan A-1 tranche due September 2025 in the amount of \$800 million ("Term Loan A-1"), term loan A-2 tranche due September 2028 in the amount of \$700 million ("Term Loan A-2") and a revolving credit facility. On February 22, 2024, we entered into Amendment No. 1 to our Credit Agreement and refinanced our Term Loan A-1 ("Term Loan A-1") with an \$800 million Term Loan B-1 due February 2031 ("Term Loan B-1"). The Term Loan B-1 requires \$2.0 million of principal payments each quarter until the maturity date, at which point the remaining unpaid principal amount is due.

The Term Loan B-1 interest rate is at the Secured Overnight Financing Rate ("SOFR") plus a margin that is between 2.0% and 2.25%, depending on the Company's Consolidated Total Net Leverage Ratio, as defined in the Credit Agreement. The applicable margin on Term Loan B-1 was 2.25% during the three months ended January 2, 2026 and December 27, 2024, and will adjust to SOFR plus 200 basis points once the Company reaches a 3.30x Net Leverage as defined in the Credit Agreement.

The Term Loan A-2 interest rate is SOFR plus a Credit Spread Adjustment of 10 basis points and a margin that is between 1.5% and 2.50%, depending on the Company's Consolidated Total Net Leverage Ratio, as defined in the Credit Agreement. The applicable margin on Term Loan A-2 was 2.50% and 2.33% during the three months ended January 2, 2026 and December 27, 2024, respectively.

On May 1, 2025, the Company amended its Credit Agreement. As part of the amendment, the Company agreed to restrict all dividends and share repurchases until the earlier of (i) any fiscal quarter ending after October 2, 2026 so long as the Company is then in compliance with the financial covenants and (ii) when the Company achieves a

net leverage ratio below or equal to 4.50x as of the last day of two consecutive quarters through the end of fiscal 2026.

On August 2, 2024, Vestis Services, LLC ("Vestis Services") and certain other subsidiaries of the Company entered into a three-year \$250.0 million accounts receivable securitization facility (the "A/R Facility"). Under the A/R Facility, Vestis Services and certain other wholly-owned subsidiaries of the Company transfer accounts receivable and certain related assets to VS Financing, LLC, a bankruptcy remote special purpose entity formed as a wholly-owned subsidiary of Vestis Services ("SPE"), who in turn, may sell the receivables to one or more financial institutions ("Purchasers"). The net proceeds of the A/R Facility were used to repay a portion of the outstanding borrowings under the existing term loans. The A/R Facility is scheduled to terminate on August 2, 2027, unless terminated earlier pursuant to its terms. As of January 2, 2026 and October 3, 2025, the total value of accounts receivable sold from the SPE to the Purchasers under the A/R Facility and derecognized from the Company's Condensed Consolidated Balance Sheet was \$217.2 million and \$202.5 million, respectively.

As of January 2, 2026, we had approximately \$41.5 million of cash and cash equivalents and \$275.2 million of availability under our revolving credit facility. As of January 2, 2026, we had \$1,161.5 million of total principal debt compared to \$1,168.5 million as of October 3, 2025. The servicing of this debt will be supported by cash flows from our operations.

The table below summarizes our cash activity (in thousands):

	Three months ended	
	January 2, 2026	December 27, 2024
Net cash provided by operating activities	\$ 37,687	\$ 3,780
Net cash (used in) provided by investing activities	(9,121)	17,854
Net cash used in financing activities	(16,528)	(34,610)

Reference to the Condensed Consolidated Statements of Cash Flows will facilitate an understanding of the discussion that follows.

Cash Flows Provided by (Used in) Operating Activities

Net cash provided by operating activities was \$37.7 million for the three months ended January 2, 2026 and \$3.8 million for the three months ended December 27, 2024. The increase in net cash provided by operating activities of \$33.9 million was due, in part, to the change in operating assets and liabilities of \$41.0 million, when comparing the three months ended January 2, 2026 to the three months ended December 27, 2024, partially offset by the net loss for the three months ended January 2, 2026 of \$6.4 million compared to net income for the three months ended December 27, 2024 of \$0.8 million, as discussed in "Results of Operations" above.

The change in operating assets and liabilities was, in part, due to improved management and collections of accounts receivable, increased utilization of the A/R Facility, strategic shifts in inventory management and changes in accounts payable and accrued expenses (that reflect reduced operational spending, partly related to decreased revenue and partly related to certain cost reduction initiatives).

Cash Flows Provided by (Used in) Investing Activities

Net cash used in investing activities was \$9.1 million for the three months ended January 2, 2026 compared to net cash provided by investing activities of \$17.9 million for the three months ended December 27, 2024. The decrease of \$27.0 million was primarily due to net proceeds from the sale of an equity investment during the first quarter of fiscal 2025 of \$36.8 million, partially offset by \$5.3 million lower year-over-year purchases of property and equipment and lower acquisition-related investments of \$4.6 million. The acquisition-related investment in the first quarter of fiscal 2025 was related to a tuck-in acquisition.

Cash Flows Provided by (Used in) Financing Activities

During the three months ended January 2, 2026, cash used in financing activities was primarily impacted by the following:

- proceeds from long-term borrowings of \$48.0 million;
- payments of long-term borrowings of \$55.0 million; and
- payments related to finance leases of \$9.2 million.

During the three months ended December 27, 2024, cash used in financing activities was primarily impacted by the following:

- payments for long-term borrowings of \$20.0 million;
- payments related to finance leases of \$8.3 million; and
- dividend payments of \$4.6 million.

Material Cash Requirements

In the normal course of business, we enter into contracts and commitments that obligate us to make payments in the future. There have not been material changes to our cash requirements since our Annual Report on Form 10-K for the fiscal year ended October 3, 2025 filed with the SEC on December 2, 2025. Additional information regarding our obligations under debt and lease arrangements are provided in Note 4. *Borrowings* and Note 6. *Leases* to the Financial Statements contained elsewhere in this Quarterly Report on Form 10-Q.

Covenant Compliance

The Credit Agreement contains a number of covenants that, among other things, restrict, subject to certain exceptions, our ability to: incur additional indebtedness; issue preferred stock or provide guarantees; create liens on assets; engage in mergers or consolidations; sell or dispose of assets; pay dividends, make distributions or repurchase our capital stock; engage in certain transactions with affiliates; make investments, loans or advances; create restrictions on the payment of dividends or other amounts to the Company from its restricted subsidiaries; amend material agreements governing our subordinated debt; repay or repurchase any subordinated debt, except as scheduled or at maturity; make certain acquisitions; change our fiscal year; and fundamentally change our business. The Credit Agreement contains certain customary affirmative covenants. The Credit Agreement also includes customary events of default and other provisions that could require all amounts due thereunder to become immediately due and payable, at the option of the lenders, if we fail to comply with the terms of the Credit Agreement or if other customary events occur.

Under the Credit Agreement, we are required to satisfy and maintain specified financial ratios and other financial condition tests and covenants. Our continued ability to meet those financial ratios, tests and covenants can be affected by events beyond our control, and there can be no assurance that we will meet those ratios, tests and covenants.

Prior to our May 1, 2025 amendment, which is described below, our Credit Agreement required us to maintain a maximum Consolidated Total Net Leverage Ratio, defined as consolidated total indebtedness in excess of unrestricted cash divided by Covenant Adjusted EBITDA (as defined in the Credit Agreement), not to exceed 5.25x for any fiscal quarter ending prior to March 31, 2025, and not to exceed 4.50x for any fiscal quarter ending on or after March 31, 2025, subject to certain exceptions. Consolidated total indebtedness is defined in the Credit Agreement as total indebtedness consisting of debt for borrowed money, finance leases, disqualified and preferred stock and advances under any receivables facility. Covenant Adjusted EBITDA is defined in the Credit Agreement as consolidated net income increased by interest expense, taxes, depreciation and amortization expense, initial public company costs, restructuring charges, write-offs and noncash charges, non-controlling interest expense, net cost savings in connection with any acquisition, disposition, or other permitted investment under the Credit Agreement.

share-based compensation expense, non-recurring or unusual gains and losses, reimbursable insurance costs, cash expenses related to earn outs, and insured losses.

The Credit Agreement establishes a minimum Interest Coverage Ratio, defined as Covenant Adjusted EBITDA divided by consolidated interest expense. The minimum Interest Coverage Ratio is required to be at least 2.00x for the term of the Credit Agreement.

Fiscal 2025 Amendment to Credit Agreement

On May 1, 2025, the Company entered into Amendment No. 2 to its Credit Agreement. This amendment increased the Consolidated Total Net Leverage Ratio from 4.50x to (i) 5.25x for any fiscal quarter ending prior to July 3, 2026, (ii) 5.00x for the fiscal quarter ending July 3, 2026 and (iii) 4.75x for the fiscal quarter ending October 2, 2026. Pursuant to this amendment, the Consolidated Total Net Leverage Ratio will remain at 4.50x for the first quarter of fiscal 2027 through maturity.

This amendment also provided a \$15 million bad debt expense adjustment to Adjusted EBITDA in the fiscal quarter ended March 28, 2025 for the purposes of determining compliance with the financial covenants.

The principal amounts of both the revolving credit facility commitment and term loan facility remain unchanged following this amendment.

As part of this amendment, the Company agreed to limit the aggregate size of its A/R Facility and any other receivables facilities to \$250 million and restrict all dividends and share repurchases, in each case until the earlier of (i) any fiscal quarter ending after October 2, 2026 so long as the Company is then in compliance with the financial covenants and (ii) when the Company achieves a net leverage ratio below or equal to 4.50x as of the last day of two consecutive quarters through the end of fiscal 2026.

At January 2, 2026, we were in compliance with all covenants under the Credit Agreement.

Critical Accounting Policies and Estimates

Our significant accounting policies are described in the notes to the audited Consolidated and Combined Financial Statements included in our Annual Report on Form 10-K, filed with the SEC on December 2, 2025. For a more complete discussion of the critical accounting policies and estimates that we have identified in the preparation of the Financial Statements, please refer to our Management's Discussion and Analysis of Financial Condition and Results of Operations included in our Annual Report on Form 10-K, filed with the SEC on December 2, 2025. Management believes that there have been no significant changes during the three months ended January 2, 2026 to the items that we disclosed as our critical accounting policies and estimates in our Annual Report on Form 10-K for the fiscal year ended October 3, 2025.

In preparing financial statements, management is required to make estimates and assumptions that, among other things, affect the reported amounts of assets, liabilities, revenue, and expenses. These estimates and assumptions are most significant where they involve levels of subjectivity and judgment necessary to account for highly uncertain matters or matters susceptible to change, and where they can have a material impact on our financial condition and operating performance. If actual results were to differ materially from the estimates made, the reported results could be materially affected.

Critical accounting estimates and the related assumptions are evaluated periodically as conditions warrant, and changes to such estimates are recorded as new information or changed conditions require.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Foreign Currency Risk

We are exposed to market risk from changes in foreign currency exchange rates. This exposure results from revenues and profits denominated in foreign currencies being translated into U.S. dollars and from our legal entities entering into transactions denominated in a foreign currency other than their functional currency. We currently do not enter into financial instruments to manage this foreign currency translation risk.

Interest Rate Risk

We are exposed to interest rate risk through fluctuations in interest rates on our debt obligations. Our outstanding Term Loan Facilities bear interest at variable rates. As a result, increases in interest rates could increase the cost of servicing our debt and could materially reduce our profitability and cash flows. There has been no material change to this market risk exposure to interest rates from that which was previously disclosed in Part II, Item 7A, Quantitative and Qualitative Disclosures About Market Risk, in our Annual Report on Form 10-K for the year ended October 3, 2025.

Commodity Price Risk

We are exposed to changes in prices of commodities used in our operations, primarily associated with gasoline, diesel and natural gas fuel. We seek to manage exposure to adverse commodity price changes through our normal operations as well as, from time to time, entering into commodity derivative agreements.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Under the direction of our Chief Executive Officer (“CEO”) and our Chief Financial Officer (“CFO”), we have evaluated the effectiveness of our disclosure controls and procedures as of January 2, 2026 (as defined in Rule 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended). Based on their evaluation, our CEO and CFO concluded that, as of January 2, 2026, our disclosure controls and procedures were effective to provide reasonable assurance that the information required to be disclosed by us in reports filed under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms and is accumulated and communicated to our management, including our principal executive and principal financial officers, to allow timely decisions regarding required disclosures.

There were no changes in our internal control over financial reporting during the fiscal quarter ended January 2, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II

Item 1. Legal Proceedings.

From time to time, Vestis and its subsidiaries are party to various other legal actions, proceedings and investigations involving claims incidental to the conduct of their business or otherwise related to us, including actions by customers, employees, government entities and third parties, including under federal, state, international, national, provincial and local employment laws, wage and hour laws, discrimination laws, immigration laws, human health and safety laws, import and export controls and customs laws, environmental laws, false claims or whistleblower statutes, tax codes, antitrust and competition laws, customer protection statutes, procurement regulations, intellectual property laws, supply chain laws, the Foreign Corrupt Practices Act and other anti-corruption laws, lobbying laws, motor carrier safety laws, data privacy and security laws, or alleging negligence and/or breaches of contractual and other obligations. Based on information currently available, advice of counsel, available insurance coverage, established reserves and other resources, except as set forth below, we do not believe that any such actions are likely to be, individually or in the aggregate, material to our business, financial condition, results of operations or cash flows. However, in the event of unexpected further developments, it is possible that the ultimate resolution of these matters, or other similar matters, if unfavorable, may be materially adverse to our business, financial condition, results of operations or cash flows.

We discuss significant legal proceedings pending against us in Note 8. *Commitments and Contingencies* in the Financial Statements in Part I, Item 1 of this quarterly report on Form 10-Q, which we incorporate herein by reference. We cannot predict the outcome of these legal matters, nor can we predict whether any outcome may be materially adverse to our business, financial condition, results of operations or cash flows. We intend to vigorously defend these matters.

Item 1A. Risk Factors

There have been no material changes to the risk factors disclosed in Part I, Item 1A, "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended October 3, 2025 filed with the SEC on December 2, 2025.

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

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

During the three months ended January 2, 2026, none of our directors or officers (as defined in Rule 16a-1(f) of the Securities Exchange Act of 1934, as amended), adopted, terminated or modified a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (as such terms are defined in Item 408 of Regulation S-K of the Securities Act of 1933, as amended).

Item 6. Exhibits

Exhibit No.	Description
10.1+	Amended and Restated Offer Letter, dated December 15, 2025, by and between Vestis Corporation and Adam K. Bowen (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on December 16, 2025)
10.2+	Amended and Restated Agreement Relating to Employment and Post-Employment Competition, dated December 15, 2025 by and between Vestis Service LLC and Adam K. Bowen (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on December 16, 2025)
10.3*+	2026 Form of Restricted Stock Unit Award Agreement Pursuant to the Vestis Corporation 2023 Long-Term Incentive Plan
10.4*+	2026 Form of Stock Option Award Agreement Pursuant to the Vestis Corporation 2023 Long-Term Incentive Plan
10.5*+	2026 Form of Performance Stock Unit Award Agreement Pursuant to the Vestis Corporation 2023 Long-Term Incentive Plan
19.1*	Vestis Corporation Securities Trading Policy
31.1*	Certification of Jim Barber, Chief Executive Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Adam K. Bowen, Interim Chief Financial Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1*	Certification of Jim Barber, Chief Executive Officer and Adam K. Bowen, Interim Chief Financial Officer, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101	The following financial information from Vestis' Quarterly Report on Form 10-Q for the period ended January 2, 2026 formatted in inline XBRL: (i) Condensed Consolidated Balance Sheets as of January 2, 2026 and October 3, 2025; (ii) Condensed Consolidated Statements of Income (Loss) for the three months ended January 2, 2026 and December 27, 2024; (iii) Condensed Consolidated Statements of Comprehensive Income (Loss) for the three months ended January 2, 2026 and December 27, 2024; (iv) Condensed Consolidated Statements of Cash Flows for the three months ended January 2, 2026 and December 27, 2024; (v) Condensed Consolidated Statements of Changes in Equity for the three months ended January 2, 2026 and December 27, 2024; and (vi) Notes to Condensed Consolidated Financial Statements
104	Inline XBRL for the cover page of this Quarterly Report on Form 10-Q; included in Exhibit 101 Inline XBRL document set

* Filed herewith.

+ Represents a management contract or compensatory arrangement.

SIGNATURE

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, on February 10, 2026.

Vestis Corporation

By: _____ /s/ Adam K Bowen

Name: Adam K. Bowen

Title: Interim Chief Financial Officer
(Principal Financial Officer)

By: _____ /s/ John Laveck

Name: John Laveck

Title: Vice President and Chief Accounting Officer (Principal Accounting Officer)

VESTIS CORPORATION
RESTRICTED STOCK UNIT AWARD AGREEMENT
TERMS & CONDITIONS (TIME VESTING)

Effective as of the Grant Date (where the “**Grant Date**” shall be specified on the attached Grant Notice), the Participant has been granted a Full Value Award under the Vestis Corporation 2023 Long Term Stock Incentive Plan (the “**Plan**”) in the form of time-based restricted stock units (“**RSUs**”) with respect to the number of shares of Common Stock (as set forth on the attached Grant Notice, which shall be referred to as the “**Award**”). The Award is subject to the following terms and conditions (which shall be referred to as the “**Award Agreement**”) and the terms and conditions of the Plan as the same has been and may be amended from time to time. Terms used in this Award Agreement are defined elsewhere in this Award Agreement; provided, however, that, capitalized terms used herein and not otherwise defined shall have the meaning set forth in the Plan.

1. **Vesting and Forfeiture of RSUs.** All RSUs shall be unvested unless and until they become vested and nonforfeitable on the applicable Vesting Date as set forth in this Section 1. Subject to the terms and conditions of this Award Agreement and the Plan, the RSUs will become vested and non-forfeitable on each of the first, second and third anniversaries of the Grant Date (each a “**Vesting Date**”) provided that the Participant’s Termination Date has not occurred as of the applicable Vesting Date. All RSUs that are not vested upon the Participant’s Termination Date shall immediately expire and shall be forfeited and the Participant shall have no further rights thereto. Notwithstanding the foregoing:
 - (a) if the Participant’s Termination Date occurs prior to a Vesting Date as the result of the Participant’s Disability or death, the installment of RSUs scheduled to vest on the next Vesting Date immediately following the Termination Date shall immediately vest and become vested RSUs, the remaining RSUs which are not then vested shall be forfeited for no consideration and the Termination Date shall be the “**Vesting Date**” of the RSUs that vest as of the Termination Date pursuant to this paragraph (a);
 - (b) if the Participant’s Termination Date occurs prior to a Vesting Date as a result of the Participant’s Retirement (defined herein as the Participant’s Termination Date that occurs on or after achieving both age sixty (60) and five (5) years of continuous service with the Company [for the current President & CEO, Retirement shall be defined to occur on or after achieving both age sixty five (65) and four (4) years of continuous service with the Company] and its affiliates and where such termination does not occur for any other reason) on or after the first anniversary of the Grant Date any then outstanding unvested RSUs shall remain outstanding and shall continue to vest and become vested and non-forfeitable on the scheduled Vesting Date(s) that would have applied had the Termination Date not occurred; and
 - (c) in the event of a Change of Control, the terms of Section 9 of the Plan shall control.
2. **Settlement of Award.** Subject to the terms and conditions of this Award, RSUs that have become vested in accordance with Section 1 shall be paid and settled as of the applicable

Vesting Date (and no more than thirty (30) days thereafter). The date on which payment and settlement occurs is referred to as the **“Settlement Date.”** Settlement of vested RSUs on a Settlement Date shall be made in the form of shares of Common Stock with one share of Common Stock being issued in settlement of each vested RSUs, rounded up to the nearest whole share being settled as of such Settlement Date. Upon the settlement of any vested RSUs, the RSUs shall be cancelled. Notwithstanding the foregoing, in the event the Committee permits the Participant to elect to defer settlement of the Award, settlement shall occur in accordance with the terms of the nonqualified deferred compensation plan pursuant to which the deferral is made and, in all events, in accordance with Section 409A of the Code.

3. **Dividend Units.** If on any date while RSUs are outstanding hereunder, the Company pays any dividend on shares of Common Stock (other than a dividend payable in shares of Common Stock), the number of RSUs granted to the Participant shall, as of such dividend payment date, be increased by a number of RSUs equal to: (a) the product of (i) the number of RSUs held by the Participant as of the related dividend record date, multiplied by (ii) a dollar amount equal to the per share amount of any cash dividend, divided by (b) the Fair Market Value of a share of Common Stock on the payment date of such dividend. In the case of any dividend declared on shares of Common Stock that is payable in the form of shares of Common Stock, the number of RSUs granted to the Participant shall be increased by a number equal to the product of (A) the aggregate number of RSUs that have been held by the Participant through the related dividend record date, multiplied by (B) the number of shares of Common Stock (rounded up to the nearest whole share) payable as a dividend on a share of Common Stock. Additional RSUs granted pursuant to this Section 3 shall be subject to the vesting provisions and other terms and conditions as the RSUs to which they relate and shares of Common Stock shall be transferred with respect to all additional RSUs granted pursuant to this Section 3 at the same time as such whole shares of Common Stock are transferred with respect to the RSUs to which such additional RSUs were attributable.
4. **Adjustment of Award.** The number of RSUs awarded pursuant to this Award may be adjusted by the Committee in accordance with the Plan to reflect certain corporate transactions which affect the number, type or value of the RSUs.
5. **Restriction on Transfer.** The RSUs may not be transferred, pledged, assigned, hypothecated or otherwise disposed of in any way by the Participant, except (a) if permitted by the Board or the Committee, (b) by will or the laws of descent and distribution or (c) pursuant to beneficiary designation procedures approved by the Company, in each case in compliance with applicable laws. The RSUs shall not be subject to execution, attachment or similar process. Any attempted assignment, transfer, pledge, hypothecation or other disposition of the RSUs contrary to the provisions of this Award or the Plan shall be null and void and without effect.
6. **Data Protection.** By accepting this Award, the Participant consents to the processing (including international transfer) of personal data as set out in Exhibit A attached hereto for the purposes specified therein and to any additional or different processes required by applicable law, rule or regulation.
7. **Participant’s Employment or Service.** Nothing in this Award shall confer upon the Participant any right to continue in the employ or service of the Company or any of its Affiliates or interfere in any way with the right of the Company and its Affiliates, in their sole discretion, to terminate the Participant’s employment or to increase or decrease the Participant’s compensation at any time.

8. **No Acquired Rights.** The opportunity given to the Participant to participate in the Plan and the grant of this Award is entirely at the discretion of the Committee or the Board and does not obligate the Company or any of its Affiliates to offer such participation in the future (whether on the same or different terms). The Participant's participation in the Plan and the receipt of this Award is outside the terms of the Participant's regular contract of employment and is therefore not to be considered part of any normal or expected compensation and that the termination of the Participant's employment under any circumstances whatsoever will give the Participant no claim or right of action against the Company or its Affiliates in respect of any loss of rights under this Award or the Plan that may arise as a result of any such termination of employment.
9. **Amendments.** The Board may, at any time, amend or terminate the Plan, and the Board or the Committee may amend this Award Agreement, provided that, except as provided in the Plan, no amendment or termination may, in the absence of written consent to the change by the Participant (or, if the Participant is not then living, the affected beneficiary), adversely affect the rights of the Participant or beneficiary under this Award Agreement prior to the date such amendment or termination is adopted by the Board or the Committee, as the case may be.
10. **No Rights of a Stockholder.** The Participant shall not have any rights as a stockholder of the Company until the shares of Common Stock in question have been registered in the Company's register of stockholders.
11. **Unfunded Obligation.** The Award shall not be funded, no trust, escrow or other provisions shall be established to secure payments and distributions due hereunder and this Award shall be regarded as unfunded for purposes of the Employee Retirement Income Security Act of 1974, as amended, and the Code. The Participant shall be treated as a general, unsecured creditor of the Company with respect to amounts payable hereunder, and shall have no rights to any specific assets of the Company.
12. **Withholding.**
 - (a) The Company shall deduct all applicable federal, state, local or other taxes, domestic or foreign, from any cash payment (if applicable) made to the Participant under this Award.
 - (b) For each payment in shares of Common Stock due to the Participant under this Award, the Company shall satisfy its obligation with withhold federal, state, local or other taxes, domestic or foreign, on such payment (together "Taxes") by retaining shares of Common Stock otherwise payable to the Participant having a Fair Market Value on the date the amount of the Taxes is to be determined sufficient to satisfy such withholding obligation calculated using the applicable minimum United States federal income tax withholding rate (currently 22%). The Company shall withhold the whole number of shares of Common Stock sufficient to satisfy the Company's obligation to withhold Taxes on such payment and shall make a cash payment to the Participant on the Settlement Date equal to any difference between the Fair Market Value of the shares so withheld and the amount of such withholding obligation on such payment; provided, however, that if this approach would cause adverse accounting treatment for the Company, the Company shall withhold one less share and require the Participant to pay cash to the Company in an amount equal to the Company's obligation to withhold Taxes in excess of the Fair Market Value of the shares withheld (if any); and provided further, that if the Participant's employment with the Company terminates prior to the issuance or transfer of any remaining shares of Common Stock due to be issued or transferred to the Participant under this Award, the Company may withhold any cash payable by the Participant pursuant to this sentence from any cash otherwise payable to the Participant from the Company or any Affiliate.

(c) Instead of calculating the Company's obligation to withhold Taxes on a payment in shares of Common Stock using the applicable minimum United States federal income tax rate as specified in clause (b) above, a Participant designated as a member of the Company's Leadership Council (or "VLC") and its Affiliates may elect to have the Company determine the amount of such withholding obligation using a United States federal income tax rate that does not exceed the maximum such rate (currently 37%); provided that the amount to be withheld shall not exceed the amount necessary for the Company to treat the issuance of shares of Common Stock in satisfaction of such Award as an equity award for accounting purposes and to comply with the Company's obligation to withhold Taxes on such Award.

(d) In lieu of the tax withholding methods specified above, the Participant may elect to satisfy, in whole or in part, the tax withholding applicable to the Award by (i) the deduction from any amount payable to the Participant in cash (if applicable), or (ii) the delivery of shares of Common Stock owned by the Participant having a Fair Market Value equal to such withholding liability.

13. **Section 409A of the Code.** It is intended that any amounts payable under this Award Agreement shall either be exempt from or comply with section 409A of the Code. The provisions of this Award shall be construed and interpreted in accordance with section 409A of the Code. Notwithstanding any other provision of this Award Agreement to the contrary, if any payment or benefit hereunder is subject to section 409A of the Code, and if such payment or benefit is to be paid or provided on account of the Participant's termination of employment (or other separation from service):

(a) and if the Participant is a specified employee (within the meaning of section 409A(a)(2)(B) of the Code) and if any such payment or benefit is required to be made or provided prior to the first day of the seventh month following the Participant's separation from service or termination of employment, such payment or benefit shall be delayed until the first day of the seventh month following the Participant's termination of employment or separation from service; and

(b) the determination as to whether the Participant has had a termination of employment (or separation from service) shall be made in accordance with the provisions of section 409A of the Code and the guidance issued thereunder without application of any alternative levels of reductions of bona fide services permitted thereunder.

14. **Notices.** All notices, claims, certifications, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given and delivered if personally delivered or if sent by nationally-recognized overnight courier, by telecopy, email or by registered or certified mail, return receipt requested and postage prepaid, addressed as follows:

If to the Company, to it at:

Vestis Corporation
1035 Alpharetta Street, Suite 2100
Roswell, GA 30075
Attention: General Counsel

If to the Participant, to him or her at the address set forth on the signature page hereto; or to such other address as the party to whom notice is to be given may have furnished to the

other party in writing in accordance herewith. Any such notice or other communication shall be deemed to have been received (a) in the case of personal delivery, on the date of such delivery (or if such date is not a business day, on the next business day after the date of delivery), (b) in the case of nationally-recognized overnight courier, on the next business day after the date sent, (c) in the case of telecopy transmission, when received (or if not sent on a business day, on the next business day after the date sent), and (d) in the case of mailing, on the third (3rd) business day following that on which the piece of mail containing such communication is posted.

15. **Waiver of Breach.** The waiver by either party of a breach of any provision of this Award must be in writing and shall not operate or be construed as a waiver of any other or subsequent breach.
16. **Governing Law.** THIS AWARD WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF DELAWARE, WITHOUT GIVING EFFECT TO ANY CHOICE OR CONFLICT OF LAW PROVISION OR RULE (WHETHER OF THE STATE OF DELAWARE OR ANY OTHER JURISDICTION) THAT WOULD CAUSE THE LAWS OF ANY JURISDICTION OTHER THAN THE STATE OF DELAWARE TO BE APPLIED. IN FURTHERANCE OF THE FOREGOING, THE INTERNAL LAW OF THE STATE OF DELAWARE WILL CONTROL THE INTERPRETATION AND CONSTRUCTION OF THIS AWARD, EVEN IF UNDER SUCH JURISDICTION'S CHOICE OF LAW OR CONFLICT OF LAW ANALYSIS, THE SUBSTANTIVE LAW OF SOME OTHER JURISDICTION WOULD ORDINARILY APPLY.
17. **Modification of Rights; Entire Agreement.** The Participant's rights under this Award and the Plan may be modified only to the extent expressly provided under this Award or the Plan. This Award and the Plan (and the other writings referred to herein) constitute the entire agreement between the parties with respect to the subject matter hereof and thereof and supersede all prior written or oral negotiations, commitments, representations and agreements with respect thereto. For the avoidance of doubt, this Award, the Certificate of Grant and the Plan do not supersede any Service Agreement between the Participant and the Company or any of its Affiliates or any other agreement between the Participant and the Company or any of its Affiliates subjecting the Participant to confidentiality, non-solicitation, non-competition and/or other restrictive covenants in favor of the Company or its Affiliates (a "***Restrictive Covenant Agreement***").
18. **Clawback upon Breach of Restrictive Covenants.** In the event the Participant breaches the Participant's Restrictive Covenant Agreement at any time during the Participant's employment with the Company or within the post-termination restricted period applicable under the Restrictive Covenants Agreement, then without limiting any other remedies available to the Company (including, without limitation, remedies involving injunctive relief), the Participant shall immediately forfeit any remaining unvested portion of the Award and the Participant shall be required to return to the Company all shares of Common Stock previously issued in respect of the Award to the extent the Participant continues to own such shares of Common Stock or, if the Participant no longer owns such shares of Common Stock, the Participant shall be required to repay to the Company the pre-tax cash value of such shares of Common Stock calculated based on the Fair Market Value of such shares of Common Stock on the date such shares of Common Stock were issued to the Participant in respect of the Award.

19. Acknowledgements. The Participant acknowledges that the RSUs described in this Award are subject to the Company's Incentive Compensation Recoupment Policy.
20. Severability. It is the desire and intent of the parties hereto that the provisions of this Award be enforced to the fullest extent permissible under the laws and public policies applied in each jurisdiction in which enforcement is sought. Accordingly, if any particular provision of this Award shall be adjudicated by a court of competent jurisdiction to be invalid, prohibited or unenforceable for any reason, such provision, as to such jurisdiction, shall be ineffective, without invalidating the remaining provisions of this Award or affecting the validity or enforceability of such provision in any other jurisdiction. Notwithstanding the foregoing, if such provision could be more narrowly drawn so as not to be invalid, prohibited or unenforceable in such jurisdiction, it shall, as to such jurisdiction, be so narrowly drawn, without invalidating the remaining provisions of this Award or affecting the validity or enforceability of such provision in any other jurisdiction.
21. Administration. The authority to administer and interpret this Award shall be vested in the Committee, and the Committee shall have all powers with respect to this Award as it has with respect to the Plan. Any interpretation of this Award by the Committee and any decision made by it with respect to this Award is final and binding on all persons.

Exhibit A

DATA PROTECTION NOTICE

(a) By participating in the Plan or accepting any rights granted under it, the Participant understands that the Company and its Affiliates and/or agents collect, use, store and process personal data relating to the Participant to fulfill their obligations and exercise their rights under the Plan, issue certificates (if any), statements and communications relating to the Plan and generally administer and manage the Plan, including keeping records of participation levels from time to time. Any such processing will take place as described in this data privacy notice ("***Data Privacy Notice***").

These data will include data:

- (i) already held in the Participant's records such as the Participant's name and address, ID number, payroll number, length of service and whether the Participant works full-time or part time;
- (ii) collected upon the Participant accepting the rights granted under the Plan (if applicable); and
- (iii) subsequently collected by the Company or any of its Affiliates and/or agents in relation to the Participant's continued participation in the Plan, for example, data about shares offered or received, purchased or sold under the Plan from time to time and other appropriate financial and other data about the Participant and his or her participation in the Plan (e.g., the date on which the shares were granted, termination of employment and the reasons of termination of employment or retirement of the Participant).

(b) Personal data about the Participant as described in paragraph (a) above may be transferred not only within the country in which the Participant is based from time to time or within the European Economic Area ("***EEA***"), but also worldwide, to other Affiliates and/or agents and to the following third parties for the purposes described in paragraph (a) above:

- (i) Plan administrators, transfer agents, auditors, brokers, agents and contractors of, and third-party service providers to, the Company or its Affiliates such as printers and mail houses engaged to print or distribute notices or communications about the Plan;
- (ii) regulators, tax authorities, stock or security exchanges and other supervisory, regulatory, governmental or public bodies as required by law;
- (iii) actual or proposed merger or acquisition partners or proposed assignees of, or those taking or proposing to take security over, the business or assets or stock of the Company or its Affiliates and their agents and contractors;
- (iv) other third parties to whom the Company or its Affiliates and/or agents may need to communicate/transfer the data in connection with the administration of the Plan, under a duty of confidentiality to the Company and its Affiliates; and

- (v) the Participant's family members, heirs, legatees and others associated with the Participant in connection with the Plan.

Not all countries, where the personal data may be processed or transferred to, have an equal level of data protection as in Canada, the EU or EEA. Countries to which data are transferred include the United States and Bermuda. The Company, as the responsible data controller of any data processing for the purposes of the Plan, is located in the United States. For any transfers outside the country of origin of the personal data or with a third party, the Company will ensure that appropriate measures are in place to ensure an adequate level of protection for your personal data, including technical or contractual measures where necessary.

For European personal data, onward transfers of personal data within the United States and to Bermuda are generally undertaken with adequate safeguards in place to protect personal data, such as Standard Contractual Clauses issued by the European Commission, which are, where necessary, supplemented with additional measures to provide adequate protection of personal data.

All national and international transfer of personal data is only done in order to fulfill the obligations and rights of the Company and/or its Affiliates under the Plan.

The Participant may access, modify, correct or delete personal data about the Participant, restrict or object to the processing of personal data, or opt to receive personal data in a structured, commonly used, machine readable form which provides the ability to move, copy or transfer personal data to another controller by contacting the local data protection officer in the country in which the Participant is based. Please note, however, that certain personal information about the Participant may be exempt from afore mentioned rights pursuant to applicable data protection laws. In addition, the Participant has the right to lodge a complaint with a competent data protection supervisory authority, in particular in the EU Member State where the Participant resides, works or the place of the alleged infringement. If the Participant has a complaint regarding the manner in which personal information relating to the Participant is dealt with, the Participant should contact the appropriate local data protection officer referred to above.

- (c) The processing (including transfer) of data described above is essential for the administration and operation of the Plan. Therefore, it is essential that his/her personal data is processed in the manner described above.
- (d) The Company will only retain personal data for as long as is required to satisfy the purposes as described in paragraph (a) above, except where otherwise provided or required by law (e.g., in connection with pending litigation).

VESTIS CORPORATION
NONQUALIFIED STOCK OPTION AWARD AGREEMENT
TERMS & CONDITIONS

Effective as of the Grant Date (where the “**Grant Date**” shall be specified on the attached Grant Notice), the Participant has been granted a Nonqualified Stock Option (the “**Option**”) under the Vestis Corporation 2023 Long Term Incentive Plan (the “**Plan**”) with respect to the number of shares of Common Stock and Exercise Price (as set forth on the attached Grant Notice, which shall be referred to as the “**Award**”). The Award is subject to the following terms and conditions (which shall be referred to as the “**Award Agreement**”) and the terms and conditions of the Plan as the same has been and may be amended from time to time. Terms used in this Award Agreement are defined elsewhere in this Award Agreement; provided, however, that, capitalized terms used herein and not otherwise defined shall have the meaning set forth in the Plan.

1. Vesting and Forfeiture of Option and Option Shares. The Option and all Option Shares shall be unvested and unexercisable unless and until they become vested and exercisable on the applicable Vesting Date as set forth in this Section 1. Subject to the terms and conditions of this Award Agreement and the Plan, the Option Shares will become vested and exercisable on the Vesting Date (where such Vesting Date(s) shall be defined on the attached Grant Notice) provided that the Participant’s Termination Date has not occurred as of the applicable Vesting Date. Notwithstanding the foregoing:

- (a) if the Participant’s Termination Date occurs prior to a Vesting Date as the result of the Participant’s Disability or death, the installment of Option Shares scheduled to vest on the next Vesting Date immediately following the Termination Date shall immediately vest and become exercisable Option Shares, the remaining portion of the Option and Option Shares which are not then vested shall be forfeited for no consideration, and the Termination Date shall be the “**Vesting Date**” for the Option Shares that vest as of the Termination Date pursuant to this paragraph (a);
- (b) if the Participant’s Termination Date occurs prior to a Vesting Date as a result of the Participant’s Retirement (defined herein as the Participant’s Termination Date that occurs on or after achieving both age sixty (60) and five (5) years of continuous service with the Company [for the current President & CEO, Retirement shall be defined to occur on or after achieving both age sixty five (65) and four (4) years of continuous service with the Company] and its Affiliates and where such termination does not occur for any other reason) on or after the first anniversary of the Grant Date, any portion of the Option that is outstanding as of the Termination Date will remain outstanding and shall continue to vest and become exercisable on the normal Vesting Date that would have applied had the Termination Date not occurred; and
- (c) in the event of a Change of Control, the terms of Section 9 of the Plan shall control.

2. Exercise.

(a) Subject to this Award Agreement and the Plan, on and after a Vesting Date, the Option may be exercised in whole or in part with respect to the number of Option Shares which are vested and exercisable pursuant to Section 1 above by filing a written notice with the Committee in accordance with rules and procedures established by the Committee; provided, however, that in no event will the Option (or any portion thereof) be exercisable after the Expiration Date (as defined below) of the Option. Any such notice shall specify the number of Option Shares which the Participant elects to purchase and shall be accompanied by payment of the Exercise Price for such Option Shares indicated by the Participant's election (except as otherwise provided by the Committee in connection with a broker-assisted cashless exercise program). For purposes of this Award Agreement, the term "Expiration Date" means the earliest of the following dates:

- (b) (i) the tenth anniversary of the Grant Date;
- (c) (ii) if the Termination Date occurs on account of termination by the Company or its Affiliates for Cause, the Termination Date;
- (d) (iii) if the Termination Date occurs pursuant to paragraph 1(a), the third anniversary of the Termination Date;
- (e) (iv) if the Termination Date occurs pursuant to paragraph 1(b), the third anniversary of the Termination Date with respect to Option Shares that are vested on the Termination Date and, with respect to Option Shares that become vested after the Termination Date, the third anniversary of the applicable Vesting Date; and
- (f) (v) if the Termination Date occurs for any reason other than as set forth in subparagraphs (ii)-(iv) above, the ninety (90) day anniversary of the Termination Date.

(g) The Participant may only exercise the Option with respect to Option Shares to the extent the Option is vested and exercisable with respect to such Option Shares. In no event shall any portion of the Option be exercisable after the Expiration Date. Notwithstanding any other provision of this Award Agreement (other than the provisions of Section 1(b) or (c), no portion of the Option shall become vested and exercisable after the Participant's Termination Date except to the extent that it is vested and exercisable as of the Participant's Termination Date.

(h) Notwithstanding any other provision of this Agreement, to the extent the Option is vested and unexercised as of the last trading date prior to the Expiration Date of the Option (the "Auto-Exercise Date") and if as of the Auto-Exercise Date the Fair Market Value of a share of Common Stock exceeds the per share Exercise Price of the Option by at least \$.01 (such expiring portion of the Option that is so in-the-money, an "Auto-Exercise Eligible Option"), the Participant will be deemed to have automatically exercised such Auto-Exercise Eligible Option (to the extent it has not previously been exercised, forfeited or terminated) as of the close of trading on the Auto-Exercise Date. In the event of an automatic exercise pursuant to this Section 2(c), the Company will reduce the number of Shares issued to the Participant upon such automatic exercise in an amount necessary to satisfy (i) the total Exercise Price obligation for the Auto-Exercise Eligible

Option, and (2) the minimum amount of tax required to be withheld, if any, arising upon the automatic exercise of the Auto-Exercise Eligible Option in accordance with the procedures of Section 11, in each case based on the Fair Market Value of the Shares as of the close of trading on the Auto-Exercise Date.

3. **Payment of Exercise Price.** The Exercise Price shall be payable (a) in cash or its equivalent, (b) by tendering, by actual delivery or by attestation, shares of Common Stock valued at Fair Market Value as of the day of exercise (including by net exercise so that the Company withholds a number of shares of Common Stock that is being exercised) and remit to the Company a sufficient portion of the sale proceeds to pay the entire Exercise Price and any federal, state, and local and/or foreign tax (including any social insurance tax or contribution obligations) withholding resulting from such exercise, (c) by a combination of (a) and (b), and (d) if and to the extent provided by the Committee upon exercise of its reasonable discretion by irrevocably authorizing a third party to sell shares of Common Stock (or a sufficient portion of the shares of Common Stock acquired upon exercise of the Option) and remit to the Company a sufficient portion of the sale proceeds to pay the entire Exercise Price and any federal, state, and local and/or foreign tax (including any social insurance tax or contribution obligations) withholding resulting from such exercise. Shares of Common Stock may not be used to pay any portion of the Exercise Price unless the holder thereof has good title, free and clear of all liens and encumbrances (other than liens and encumbrances imposed under applicable securities laws). Payment of the Exercise Price in the case of an exercise of an Auto-Exercise Eligible Option in accordance with Section 2(c) shall be paid in accordance with Section 2(c).

4. **Adjustment of Award.** The Option and the number of Option Shares subject thereto, may be adjusted by the Committee in accordance with the Plan to reflect certain corporate transactions which affect the number, type or value of the Option or the Option Shares.

5. **Restriction on Transfer.** The Option and the Option Shares (prior to exercise) may not be transferred, pledged, assigned, hypothecated or otherwise disposed of in any way by the Participant, except (a) if permitted by the Board or the Committee, (b) by will or the laws of descent and distribution or (c) pursuant to beneficiary designation procedures approved by the Company, in each case in compliance with applicable laws. The Option and the Option Shares (prior to exercise) shall not be subject to execution, attachment or similar process. Any attempted assignment, transfer, pledge, hypothecation or other disposition of the Option or Option Shares contrary to the provisions of this Award or the Plan shall be null and void and without effect.

6. **Data Protection.** By accepting this Award, the Participant consents to the processing (including international transfer) of personal data as set out in Exhibit A attached hereto for the purposes specified therein and to any additional or different processes required by applicable law, rule or regulation.

7. **Participant's Employment or Service.** Nothing in this Award shall confer upon the Participant any right to continue in the employ or service of the Company or any of its Affiliates or interfere in any way with the right of the Company and its Affiliates, in their sole discretion, to terminate the Participant's employment or to increase or decrease the Participant's compensation at any time.

8. **No Acquired Rights.** The opportunity given to the Participant to participate in the Plan and the grant of this Award is entirely at the discretion of the Committee or the Board and does not obligate the Company or any of its Affiliates to offer such participation in the future (whether on the same or different terms). The Participant's participation in the Plan and the receipt of this Award is outside the terms of the Participant's regular contract of employment and is therefore not to be considered part of any normal or expected compensation and that the termination of the Participant's employment under any circumstances whatsoever will give the

Participant no claim or right of action against the Company or its Affiliates in respect of any loss of rights under this Award or the Plan that may arise as a result of any such termination of employment.

9. Amendments. The Board may, at any time, amend or terminate the Plan, and the Board or the Committee may amend this Award Agreement, provided that, except as provided in the Plan, no amendment or termination may, in the absence of written consent to the change by the Participant (or, if the Participant is not then living, the affected beneficiary), adversely affect the rights of the Participant or beneficiary under this Award Agreement prior to the date such amendment or termination is adopted by the Board or the Committee, as the case may be.

10. No Rights of a Stockholder. The Participant shall not have any rights as a stockholder of the Company until the shares of Common Stock in question have been registered in the Company's register of stockholders.

11. Withholding.

- (a) The Participant will pay, or make provisions satisfactory to the Company for payment of any federal, state, local and other applicable taxes required to be withheld in connection with the exercise of the Option and any issuance or transfer of shares of Common Stock under this Award and to take such action as may be necessary in the opinion of the Company to satisfy all obligations for the payment of such taxes. If Participant has not made payment for applicable taxes or in the case of the exercise of any Auto-Exercise Eligible Option in accordance with Section 2(c), such taxes shall be paid by withholding shares of Common Stock from the issuance or transfer of shares of Common Stock due under this Award, rounded down to the nearest whole share of Common Stock, with the balance to be paid in cash or withheld from compensation or other amount owing to the Participant from the Company or any Affiliate, and the Company and any such Affiliate is hereby authorized to withhold such amounts from any such issuance, transfer, compensation or other amount owing to the Participant.
- (b) If the Participant's employment with the Company terminates prior to the issuance or transfer of any remaining shares of Common Stock due to be issued or transferred to the Participant under this Award, the payment of any applicable withholding taxes with respect to any such issuance or transfer shall be made through the withholding of shares of Common Stock from such issuance or transfer, rounded down to the nearest whole shares of Common Stock, with the balance to be paid in cash or withheld from compensation or other amount owing to the Participant from the Company or any Affiliate, as provided in Section 11(a) above.

12. Notices. All notices, claims, certifications, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given and delivered if personally delivered or if sent by nationally-recognized overnight courier, by telecopy, email or by registered or certified mail, return receipt requested and postage prepaid, addressed as follows:

If to the Company, to it at:

Vestis Corporation
1035 Alpharetta Street, Suite 2100

Roswell, GA 30075
Attention: General Counsel

If to the Participant, to him or her at the address set forth on the signature page hereto; or to such other address as the party to whom notice is to be given may have furnished to the other party in writing in accordance herewith. Any such notice or other communication shall be deemed to have been received (a) in the case of personal delivery, on the date of such delivery (or if such date is not a business day, on the next business day after the date of delivery), (b) in the case of nationally-recognized overnight courier, on the next business day after the date sent, (c) in the case of telecopy transmission, when received (or if not sent on a business day, on the next business day after the date sent), and (d) in the case of mailing, on the third (3rd) business day following that on which the piece of mail containing such communication is posted.

13. Waiver of Breach. The waiver by either party of a breach of any provision of this Award must be in writing and shall not operate or be construed as a waiver of any other or subsequent breach.

14. Governing Law. THIS AWARD WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF DELAWARE, WITHOUT GIVING EFFECT TO ANY CHOICE OR CONFLICT OF LAW PROVISION OR RULE (WHETHER OF THE STATE OF DELAWARE OR ANY OTHER JURISDICTION) THAT WOULD CAUSE THE LAWS OF ANY JURISDICTION OTHER THAN THE STATE OF DELAWARE TO BE APPLIED. IN FURTHERANCE OF THE FOREGOING, THE INTERNAL LAW OF THE STATE OF DELAWARE WILL CONTROL THE INTERPRETATION AND CONSTRUCTION OF THIS AWARD, EVEN IF UNDER SUCH JURISDICTION'S CHOICE OF LAW OR CONFLICT OF LAW ANALYSIS, THE SUBSTANTIVE LAW OF SOME OTHER JURISDICTION WOULD ORDINARILY APPLY.

15. Modification of Rights; Entire Agreement. The Participant's rights under this Award and the Plan may be modified only to the extent expressly provided under this Award or the Plan. This Award and the Plan (and the other writings referred to herein) constitute the entire agreement between the parties with respect to the subject matter hereof and thereof and supersede all prior written or oral negotiations, commitments, representations and agreements with respect thereto. For the avoidance of doubt, this Award, the Certificate of Grant and the Plan do not supersede any Service Agreement between the Participant and the Company or any of its Affiliates or any other agreement between the Participant and the Company or any of its Affiliates subjecting the Participant to confidentiality, non-solicitation, non-competition and/or other restrictive covenants in favor of the Company or its Affiliates (a "**Restrictive Covenant Agreement**").

16. Clawback upon Breach of Restrictive Covenants. In the event the Participant breaches the Participant's Restrictive Covenant Agreement at any time during the Participant's employment with the Company or within the post-termination restricted period applicable under the Restrictive Covenants Agreement, then without limiting any other remedies available to the Company (including, without limitation, remedies involving injunctive relief), the Participant shall immediately forfeit any remaining unvested portion of the Award and the Participant shall be required to return to the Company all shares of Common Stock previously issued in respect of the Award to the extent the Participant continues to own such shares of Common Stock or, if the Participant no longer owns such shares of Common Stock, the Participant shall be required to repay to the Company the pre-tax cash value of such shares of Common Stock calculated based

on the Fair Market Value of such shares of Common Stock on the date such shares of Common Stock were issued to the Participant in respect of the Award.

17. Acknowledgements. The Participant acknowledges that the Option described in this Award is subject to the Company's Incentive Compensation Recoupment Policy.

18. Severability. It is the desire and intent of the parties hereto that the provisions of this Award be enforced to the fullest extent permissible under the laws and public policies applied in each jurisdiction in which enforcement is sought. Accordingly, if any particular provision of this Award shall be adjudicated by a court of competent jurisdiction to be invalid, prohibited or unenforceable for any reason, such provision, as to such jurisdiction, shall be ineffective, without invalidating the remaining provisions of this Award or affecting the validity or enforceability of such provision in any other jurisdiction. Notwithstanding the foregoing, if such provision could be more narrowly drawn so as not to be invalid, prohibited or unenforceable in such jurisdiction, it shall, as to such jurisdiction, be so narrowly drawn, without invalidating the remaining provisions of this Award or affecting the validity or enforceability of such provision in any other jurisdiction.

19. Administration. The authority to administer and interpret this Award shall be vested in the Committee, and the Committee shall have all powers with respect to this Award as it has with respect to the Plan. Any interpretation of this Award by the Committee and any decision made by it with respect to this Award is final and binding on all persons.

Exhibit A

DATA PROTECTION NOTICE

(a) By participating in the Plan or accepting any rights granted under it, the Participant understands that the Company and its Affiliates and/or agents collect, use, store and process personal data relating to the Participant to fulfill their obligations and exercise their rights under the Plan, issue certificates (if any), statements and communications relating to the Plan and generally administer and manage the Plan, including keeping records of participation levels from time to time. Any such processing will take place as described in this data privacy notice ("***Data Privacy Notice***").

These data will include data:

- (i) already held in the Participant's records such as the Participant's name and address, ID number, payroll number, length of service and whether the Participant works full-time or part time;
- (ii) collected upon the Participant accepting the rights granted under the Plan (if applicable); and
- (iii) subsequently collected by the Company or any of its Affiliates and/or agents in relation to the Participant's continued participation in the Plan, for example, data about shares offered or received, purchased or sold under the Plan from time to time and other appropriate financial and other data about the Participant and his or her participation in the Plan (e.g., the date on which the shares were granted, termination of employment and the reasons of termination of employment or retirement of the Participant).

(b) Personal data about the Participant as described in paragraph (a) above may be transferred not only within the country in which the Participant is based from time to time or within the European Economic Area ("***EEA***"), but also worldwide, to other Affiliates and/or agents and to the following third parties for the purposes described in paragraph (a) above:

- (i) Plan administrators, transfer agents, auditors, brokers, agents and contractors of, and third-party service providers to, the Company or its Affiliates such as printers and mail houses engaged to print or distribute notices or communications about the Plan;
- (ii) regulators, tax authorities, stock or security exchanges and other supervisory, regulatory, governmental or public bodies as required by law;
- (iii) actual or proposed merger or acquisition partners or proposed assignees of, or those taking or proposing to take security over, the business or assets or stock of the Company or its Affiliates and their agents and contractors;
- (iv) other third parties to whom the Company or its Affiliates and/or agents may need to communicate/transfer the data in connection with the administration of the Plan, under a duty of confidentiality to the Company and its Affiliates; and

- (v) the Participant's family members, heirs, legatees and others associated with the Participant in connection with the Plan.

Not all countries, where the personal data may be processed or transferred to, have an equal level of data protection as in Canada, the EU or EEA. Countries to which data are transferred include the United States and Bermuda. The Company, as the responsible data controller of any data processing for the purposes of the Plan, is located in the United States. For any transfers outside the country of origin of the personal data or with a third party, the Company will ensure that appropriate measures are in place to ensure an adequate level of protection for your personal data, including technical or contractual measures where necessary.

For European personal data, onward transfers of personal data within the United States and to Bermuda are generally undertaken with adequate safeguards in place to protect personal data, such as Standard Contractual Clauses issued by the European Commission, which are, where necessary, supplemented with additional measures to provide adequate protection of personal data.

All national and international transfer of personal data is only done in order to fulfill the obligations and rights of the Company and/or its Affiliates under the Plan.

The Participant may access, modify, correct or delete personal data about the Participant, restrict or object to the processing of personal data, or opt to receive personal data in a structured, commonly used, machine readable form which provides the ability to move, copy or transfer personal data to another controller by contacting the local data protection officer in the country in which the Participant is based. Please note, however, that certain personal information about the Participant may be exempt from afore mentioned rights pursuant to applicable data protection laws. In addition, the Participant has the right to lodge a complaint with a competent data protection supervisory authority, in particular in the EU Member State where the Participant resides, works or the place of the alleged infringement. If the Participant has a complaint regarding the manner in which personal information relating to the Participant is dealt with, the Participant should contact the appropriate local data protection officer referred to above.

- (c) The processing (including transfer) of data described above is essential for the administration and operation of the Plan. Therefore, it is essential that his/her personal data is processed in the manner described above.
- (d) The Company will only retain personal data for as long as is required to satisfy the purposes as described in paragraph (a) above, except where otherwise provided or required by law (e.g., in connection with pending litigation).

VESTIS CORPORATION
FORM OF PERFORMANCE STOCK UNIT AWARD AGREEMENT
TERMS & CONDITIONS

Effective as of the Grant Date (where the “**Grant Date**” shall be specified on the attached Grant Notice), the Participant has been granted a Full Value Award (the “**Award**”) under the Vestis Corporation 2023 Long Term Stock Incentive Plan (the “**Plan**”) in the form of performance stock units (“**PSUs**”) with respect to the target number of shares of Common Stock (“**Target PSUs**”) as each are set forth on the attached Grant Notice. The Award is subject to the following terms and conditions (which shall be referred to as the “**Award Agreement**”) and the terms and conditions of the Plan as the same has been and may be amended from time to time. Terms used in this Award Agreement are defined elsewhere in this Award Agreement; provided, however, that, capitalized terms used herein and not otherwise defined shall have the meaning set forth in the Plan.

1. **Performance and Service Vesting Conditions.** The number of Target PSUs that shall become earned and vested pursuant to this Award shall be based on achievement of the applicable performance conditions for the applicable “**Performance Period**” as set forth on the attached Grant Notice. The number of Target PSUs that become earned and vested (“**Earned PSUs**”) shall be determined by the Committee following the end of the Performance Period on the date determined by the Committee subject to the terms and conditions of this Award (the “**Determination Date**”).
2. **Unvested Award.** Except as otherwise specifically provided herein, the Participant shall have no right with respect to any payments or other amounts in respect of this Award until last day of the Performance Period (the “**Vesting Date**”) and if the Participant’s Termination Date occurs before the Vesting Date, all then outstanding PSUs subject to this Award shall immediately expire and shall be forfeited for no consideration and the Participant shall have no further rights thereto. Notwithstanding the foregoing:
 - (a) if the Participant’s Termination Date occurs prior to the Vesting Date as the result of the Participant’s Disability or death, the Target PSUs shall remain outstanding and unvested through the Vesting Date and the Specified Portion (as defined below) of the Target PSUs that would have become Earned PSUs (if any) as of the Vesting Date had the Termination Date not occurred shall become Earned PSUs as of the Vesting Date and the Target PSUs that do not become Earned PSUs as of the Vesting Date shall be forfeited for no consideration as of the Vesting Date;
 - (b) if the Participant’s Termination Date occurs prior to the Vesting Date as a result of the Participant’s Retirement (defined herein as the Participant’s Termination Date that occurs on or after achieving both age sixty (60) and five (5) years of continuous service with the Company [for the current President & CEO, Retirement shall be defined to occur on or after achieving both age sixty five (65) and four (4) years of continuous service with the Company] and its Affiliates and where such termination does not occur for any other reason) on or after the first anniversary of the Grant Date, any then outstanding Target PSUs shall remain

outstanding and that number of Target PSUs that would have become Earned PSUs on the Vesting Date had the Termination Date not occurred shall become Earned PSUs on the Vesting Date; and

- (c) in the event of a Change of Control, the terms of Section 9 of the Plan shall control.

For purposes of this Award Agreement, the term "**Specified Portion**" shall mean (i) one-third (1/3) if the Termination Date occurs prior to the beginning of the second fiscal year of the Performance Period, (ii) two-thirds (2/3) if the Termination Date occurs on or after the beginning of the second fiscal year of the Performance Period and prior to the beginning of the third fiscal year of the Performance Period and (iii) the entire Target PSU amount if the Termination Date occurs on or after the beginning of the third fiscal year of the Performance Period as set forth on the attached Grant Notice.

Notwithstanding any provision of the Plan or this Agreement to the contrary, in determining the number of a Participant's Target PSUs that will become Earned PSUs, the Committee may, in its sole and absolute discretion, make adjustments to the performance conditions set forth in the Grant Notice to reduce the number of Earned PSUs, including reducing the number of Earned PSUs to zero.

3. **Settlement of Award.** Subject to the terms and conditions of this Award, Earned PSUs shall be paid and settled on the date determined by the Committee after the end of the Performance Period and after the Determination Date, however, in no case later than two- and one-half months following the Vesting Date. The date on which payment and settlement occurs is referred to as the "**Settlement Date.**" Settlement of Earned PSUs on a Settlement Date shall be made in the form of shares of Common Stock with one share of Common Stock being issued in settlement of each Earned Target PSU, rounded up to the nearest whole share being settled as of such Settlement Date. Upon the settlement of any Earned PSUs, such PSUs shall be cancelled. Any Target PSUs that do not become Earned PSUs on the Determination Date shall be forfeited for no consideration as of the Determination Date and the Participant shall have no further rights with respect thereto. Notwithstanding the foregoing, in the event the Committee permits the Participant to elect to defer settlement of the Award, settlement shall occur in accordance with the terms of the nonqualified deferred compensation plan pursuant to which the deferral is made and, in all events, in accordance with section 409A of the Code.

4. **Dividend Units.** If on any date while Target PSUs are outstanding hereunder, the Company pays any dividend on shares of Common Stock (other than a dividend payable in shares of Common Stock), the number of Target PSUs granted to the Participant shall, as of such dividend payment date, be increased by a number of Target PSUs equal to: (a) the product of (i) the number of Target PSUs held by the Participant as of the related dividend record date, multiplied by (ii) a dollar amount equal to the per share amount of any cash dividend, divided by (b) the Fair Market Value of a share of Common Stock on the payment date of such dividend. In the case of any dividend declared on shares of Common Stock that is payable in the form of shares of Common Stock, the number of Target PSUs granted to the Participant shall be increased by a number equal to the product of (A) the aggregate number of Target PSUs that have been held by the Participant through the related dividend record date, multiplied by (B) the number of shares of Common Stock (rounded up to the nearest whole share) payable as a dividend on a share of Common Stock. Additional Target PSUs granted pursuant to this Section 3

shall be subject to the vesting provisions and other terms and conditions as the Target PSUs to which they relate and shares of Common Stock shall be transferred with respect to all additional Target PSUs granted pursuant to this Section 3 at the same time as such whole shares of Common Stock (rounded up to the nearest whole share) are transferred with respect to the Target PSUs to which such additional Target PSUs were attributable. For the avoidance of doubt, for purposes of this, the number of Target PSUs held by the Participant as of an applicable dividend record date shall be deemed to the aggregate number of additional PSUs (if any) previously credited to the Participant pursuant to this Section 4 in respect of any prior dividend declared on a share of Common Stock since the Grant Date.

5. **Adjustment of Award.** The number of PSUs awarded pursuant to this Award may be adjusted by the Committee in accordance with the Plan to reflect certain corporate transactions which affect the number, type or value of the PSUs.
6. **Restriction on Transfer.** The PSUs may not be transferred, pledged, assigned, hypothecated or otherwise disposed of in any way by the Participant, except (a) if permitted by the Board or the Committee, (b) by will or the laws of descent and distribution or (c) pursuant to beneficiary designation procedures approved by the Company, in each case in compliance with applicable laws. The PSUs shall not be subject to execution, attachment or similar process. Any attempted assignment, transfer, pledge, hypothecation or other disposition of the PSUs contrary to the provisions of this Award or the Plan shall be null and void and without effect.
7. **Data Protection.** By accepting this Award, the Participant consents to the processing (including international transfer) of personal data as set out in Exhibit A attached hereto for the purposes specified therein and to any additional or different processes required by applicable law, rule or regulation.
8. **Participant's Employment or Service.** Nothing in this Award shall confer upon the Participant any right to continue in the employ or service of the Company or any of its Affiliates or interfere in any way with the right of the Company and its Affiliates, in their sole discretion, to terminate the Participant's employment or to increase or decrease the Participant's compensation at any time.
9. **No Acquired Rights.** The opportunity given to the Participant to participate in the Plan and the grant of this Award is entirely at the discretion of the Committee or the Board and does not obligate the Company or any of its Affiliates to offer such participation in the future (whether on the same or different terms). The Participant's participation in the Plan and the receipt of this Award is outside the terms of the Participant's regular contract of employment and is therefore not to be considered part of any normal or expected compensation and that the termination of the Participant's employment under any circumstances whatsoever will give the Participant no claim or right of action against the Company or its Affiliates in respect of any loss of rights under this Award or the Plan that may arise as a result of any such termination of employment.
10. **Amendments.** The Board may, at any time, amend or terminate the Plan, and the Board or the Committee may amend this Award Agreement, provided that, except as provided in the Plan, no amendment or termination may, in the absence of written consent to the change by the Participant (or, if the Participant is not then living, the affected beneficiary), adversely affect the rights of the Participant or beneficiary under this Award Agreement prior to the date such amendment or termination is adopted by the Board or the Committee, as the case may be.

11. No Rights of a Stockholder. The Participant shall not have any rights as a stockholder of the Company until the shares of Common Stock in question have been registered in the Company's register of stockholders.
12. Unfunded Obligation. The Award shall not be funded, no trust, escrow or other provisions shall be established to secure payments and distributions due hereunder and this Award shall be regarded as unfunded for purposes of the Employee Retirement Income Security Act of 1974, as amended, and the Code. The Participant shall be treated as a general, unsecured creditor of the Company with respect to amounts payable hereunder and shall have no rights to any specific assets of the Company.
13. Withholding.
 - (a) The Company shall deduct all applicable federal, state, local or other taxes, domestic or foreign, from any cash payment (if applicable) made to the Participant under this Award.
 - (b) For each payment in shares of Common Stock due to the Participant under this Award, the Company shall satisfy its obligation with withhold federal, state, local or other taxes, domestic or foreign, on such payment (together "Taxes") by retaining shares of Common Stock otherwise payable to the Participant having a Fair Market Value on the date the amount of the Taxes is to be determined sufficient to satisfy such withholding obligation calculated using the applicable minimum United States federal income tax withholding rate (currently 22%). The Company shall withhold the whole number of shares of Common Stock sufficient to satisfy the Company's obligation to withhold Taxes on such payment and shall make a cash payment to the Participant on the Settlement Date equal to any difference between the Fair Market Value of the shares so withheld and the amount of such withholding obligation on such payment; provided, however, that if this approach would cause adverse accounting treatment for the Company, the Company shall withhold one less share and require the Participant to pay cash to the Company in an amount equal to the Company's obligation to withhold Taxes in excess of the Fair Market Value of the shares withheld (if any); and provided further, that if the Participant's employment with the Company terminates prior to the issuance or transfer of any remaining shares of Common Stock due to be issued or transferred to the Participant under this Award, the Company may withhold any cash payable by the Participant pursuant to this sentence from any cash otherwise payable to the Participant from the Company or any Affiliate.
 - (c) Instead of calculating the Company's obligation to withhold Taxes on a payment in shares of Common Stock using the applicable minimum United States federal income tax rate as specified in clause (b) above, a Participant designated as a member of the Company's Leadership Council (or "VLC") and its Affiliates may elect to have the Company determine the amount of such withholding obligation using a United States federal income tax rate that does not exceed the maximum such rate (currently 37%); provided that the amount to be withheld shall not exceed the amount necessary for the Company to treat the issuance of shares of Common Stock in satisfaction of such Award as an equity award for accounting purposes and to comply with the Company's obligation to withhold Taxes on such Award.
 - (d) In lieu of the tax withholding methods specified above, the Participant may elect to satisfy, in whole or in part, the tax withholding applicable to the Award by (i) the deduction from any amount payable to the Participant in cash (if applicable),

or (ii) the delivery of shares of Common Stock owned by the Participant having a Fair Market Value equal to such withholding liability.

14. Section 409A of the Code. It is intended that any amounts payable under this Award Agreement shall either be exempt from or comply with section 409A of the Code. The provisions of this Award shall be construed and interpreted in accordance with section 409A of the Code. Notwithstanding any other provision of this Award Agreement to the contrary, if any payment or benefit hereunder is subject to section 409A of the Code, and if such payment or benefit is to be paid or provided on account of the Participant's termination of employment or service (or other separation from service):

- (a) and if the Participant is a specified employee (within the meaning of section 409A(a)(2)(B) of the Code) and if any such payment or benefit is required to be made or provided prior to the first day of the seventh month following the Participant's separation from service or termination of employment, such payment or benefit shall be delayed until the first day of the seventh month following the Participant's termination of employment or separation from service; and
- (b) the determination as to whether the Participant has had a termination of employment (or other separation from service) shall be made in accordance with the provisions of section 409A of the Code and the guidance issued thereunder without application of any alternative levels of reductions of bona fide services permitted thereunder.

15. Notices. All notices, claims, certifications, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given and delivered if personally delivered or if sent by nationally-recognized overnight courier, by telecopy, email or by registered or certified mail, return receipt requested and postage prepaid, addressed as follows:

If to the Company, to it at:

Vestis Corporation
1035 Alpharetta Street, Suite 2100
Roswell, GA 30075
Attention: General Counsel

If to the Participant, to him or her at the address set forth on the signature page hereto; or to such other address as the party to whom notice is to be given may have furnished to the other party in writing in accordance herewith. Any such notice or other communication shall be deemed to have been received (a) in the case of personal delivery, on the date of such delivery (or if such date is not a business day, on the next business day after the date of delivery), (b) in the case of nationally-recognized overnight courier, on the next business day after the date sent, (c) in the case of telecopy transmission, when received (or if not sent on a business day, on the next business day after the date sent), and (d) in the case of mailing, on the third (3rd) business day following that on which the piece of mail containing such communication is posted.

16. Waiver of Breach. The waiver by either party of a breach of any provision of this Award must be in writing and shall not operate or be construed as a waiver of any other or subsequent breach.

17. **Governing Law.** THIS AWARD WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF DELAWARE, WITHOUT GIVING EFFECT TO ANY CHOICE OR CONFLICT OF LAW PROVISION OR RULE (WHETHER OF THE STATE OF DELAWARE OR ANY OTHER JURISDICTION) THAT WOULD CAUSE THE LAWS OF ANY JURISDICTION OTHER THAN THE STATE OF DELAWARE TO BE APPLIED. IN FURTHERANCE OF THE FOREGOING, THE INTERNAL LAW OF THE STATE OF DELAWARE WILL CONTROL THE INTERPRETATION AND CONSTRUCTION OF THIS AWARD, EVEN IF UNDER SUCH JURISDICTION'S CHOICE OF LAW OR CONFLICT OF LAW ANALYSIS, THE SUBSTANTIVE LAW OF SOME OTHER JURISDICTION WOULD ORDINARILY APPLY.
18. **Modification of Rights; Entire Agreement.** The Participant's rights under this Award and the Plan may be modified only to the extent expressly provided under this Award or the Plan. This Award and the Plan (and the other writings referred to herein) constitute the entire agreement between the parties with respect to the subject matter hereof and thereof and supersede all prior written or oral negotiations, commitments, representations and agreements with respect thereto. For the avoidance of doubt, this Award, the Certificate of Grant and the Plan do not supersede any Service Agreement between the Participant and the Company or any of its Affiliates or any other agreement between the Participant and the Company or any of its Affiliates subjecting the Participant to confidentiality, non-solicitation, non-competition and/or other restrictive covenants in favor of the Company or its Affiliates (a "**Restrictive Covenant Agreement**").
19. **Clawback upon Breach of Restrictive Covenants.** In the event the Participant breaches the Participant's Restrictive Covenant Agreement at any time during the Participant's employment with the Company or within the post-termination restricted period applicable under the Restrictive Covenants Agreement, then without limiting any other remedies available to the Company (including, without limitation, remedies involving injunctive relief), the Participant shall immediately forfeit any remaining unvested portion of the Award and the Participant shall be required to return to the Company all shares of Common Stock previously issued in respect of the Award to the extent the Participant continues to own such shares of Common Stock or, if the Participant no longer owns such shares of Common Stock, the Participant shall be required to repay to the Company the pre-tax cash value of such shares of Common Stock calculated based on the Fair Market Value of such shares of Common Stock on the date such shares of Common Stock were issued to the Participant in respect of the Award.
20. **Acknowledgements.** The Participant acknowledges that the PSUs described in this Award are subject to the Company's Incentive Compensation Recoupment Policy.
21. **Severability.** It is the desire and intent of the parties hereto that the provisions of this Award be enforced to the fullest extent permissible under the laws and public policies applied in each jurisdiction in which enforcement is sought. Accordingly, if any particular provision of this Award shall be adjudicated by a court of competent jurisdiction to be invalid, prohibited or unenforceable for any reason, such provision, as to such jurisdiction, shall be ineffective, without invalidating the remaining provisions of this Award or affecting the validity or enforceability of such provision in any other jurisdiction. Notwithstanding the foregoing, if such provision could be more narrowly drawn so as not to be invalid, prohibited or unenforceable in such jurisdiction, it shall, as to such jurisdiction, be so narrowly drawn, without invalidating the remaining provisions of this Award or affecting the validity or enforceability of such provision in any other jurisdiction.

22. Administration. The authority to administer and interpret this Award shall be vested in the Committee, and the Committee shall have all powers with respect to this Award as it has with respect to the Plan. Any interpretation of this Award by the Committee and any decision made by it with respect to this Award is final and binding on all persons.

Exhibit A

DATA PROTECTION NOTICE

(a) By participating in the Plan or accepting any rights granted under it, the Participant understands that the Company and its Affiliates and/or agents collect, use, store and process personal data relating to the Participant to fulfill their obligations and exercise their rights under the Plan, issue certificates (if any), statements and communications relating to the Plan and generally administer and manage the Plan, including keeping records of participation levels from time to time. Any such processing will take place as described in this Data Protection Notice (“Data Protection Notice”).

These data will include data:

- (i) already held in the Participant’s records such as the Participant’s name and address, ID number, payroll number, length of service and whether the Participant works full-time or part time;
- (ii) collected upon the Participant accepting the rights granted under the Plan (if applicable); and
- (iii) subsequently collected

by the Company or any of its Affiliates and/or agents in relation to the Participant’s continued participation in the Plan, for example, data about shares offered or received, purchased or sold under the Plan from time to time and other appropriate financial and other data about the Participant and his or her participation in the Plan (e.g., the date on which the shares were granted, termination of employment and the reasons of termination of employment or retirement of the Participant).

(b) Personal data about the Participant as described in paragraph (a) above may be transferred not only within the country in which the Participant is based from time to time or within the European Economic Area (“EEA”), but also worldwide, to other Affiliates and/or agents and to the following third parties for the purposes described in paragraph (a) above:

- (i) Plan administrators, transfer agents, auditors, brokers, agents and contractors of, and third-party service providers to, the Company or its Affiliates such as printers and mail houses engaged to print or distribute notices or communications about the Plan;
- (ii) regulators, tax authorities, stock or security exchanges and other supervisory, regulatory, governmental or public bodies as required by law;
- (iii) actual or proposed merger or acquisition partners or proposed assignees of, or those taking or proposing to take security over, the business or assets or stock of the Company or its Affiliates and their agents and contractors;

- (iv) other third parties to whom the Company or its Affiliates and/or agents may need to communicate/transfer the data in connection with the administration of the Plan, under a duty of confidentiality to the Company and its Affiliates; and
- (v) the Participant's family members, heirs, legatees and others associated with the Participant in connection with the Plan.

Not all countries, where the personal data may be processed or transferred to, have an equal level of data protection as in Canada, the EU or EEA. Countries to which data are transferred include the United States and Bermuda. The Company, as the responsible data controller of any data processing for the purposes of the Plan, is located in the United States. For any transfers outside the country of origin of the personal data or with a third party, the Company will ensure that appropriate measures are in place to ensure an adequate level of protection for your personal data, including technical or contractual measures where necessary.

For European personal data, onward transfers of personal data within the United States and to Bermuda are generally undertaken with adequate safeguards in place to protect personal data, such as Standard Contractual Clauses issued by the European Commission, which are, where necessary, supplemented with additional measures to provide adequate protection of personal data.

All national and international transfer of personal data is only done in order to fulfill the obligations and rights of the Company and/or its Affiliates under the Plan.

The Participant may access, modify, correct or delete personal data about the Participant, restrict or object to the processing of personal data, or opt to receive personal data in a structured, commonly used, machine readable form which provides the ability to move, copy or transfer personal data to another controller by contacting the local data protection officer in the country in which the Participant is based. Please note, however, that certain personal information about the Participant may be exempt from afore mentioned rights pursuant to applicable data protection laws. In addition, the Participant has the right to lodge a complaint with a competent data protection supervisory authority, in particular in the EU Member State where the Participant resides, works or the place of the alleged infringement. If the Participant has a complaint regarding the manner in which personal information relating to the Participant is dealt with, the Participant should contact the appropriate local data protection officer referred to above.

- (c) The processing (including transfer) of data described above is essential for the administration and operation of the Plan. Therefore, it is essential that his/her personal data is processed in the manner described above.
- (d) The Company will only retain personal data for as long as is required to satisfy the purposes as described in paragraph (a) above, except where otherwise provided or required by law (e.g., in connection with pending litigation).

VESTIS CORPORATION
SECURITIES TRADING POLICY

Set forth below is the policy of Vestis Corporation and its subsidiaries (the “Corporation”) regarding securities trading (the “Policy”). This Policy applies to all employees and directors of the Corporation and is subject to change without prior notification. Please note that this Policy supplements the restrictions set forth in the Business Conduct Policy of the Corporation and the other policies of the Corporation.

Any violation of this securities trading policy may result in immediate dismissal and may subject the individual involved to both civil and criminal penalties. This is an extremely important matter, and we urge you to read the following with care.

This Policy is divided into two parts, Section I sets forth the trading restrictions and policies that apply to each member of the Corporation’s Board of Directors (the “Board”) and each of the Corporation’s employees, as well as his or her respective spouse, minor children and any other family members having the same home as him or her (“Immediate Family”), as well as, unless an exemption is specifically authorized by the Board, any other account for which he or she makes or influences investment decisions, such as an account for a member of his or her family who consults him or her about investment decisions or a trust account or other account as to which he or she has investment authority (“Controlled Accounts”).

Section II contains additional trading restrictions applicable to the Board, executive officers and certain other designated employees (the “Designated Employees”). From time to time, certain other employees may be designated as “Designated Employees” due to their position, responsibilities or their actual or potential access to material information.

This Policy continues in effect until the opening of the first Window Period (as defined below) after termination of employment or other relationship with the Corporation, except that the pre-clearance requirements set forth in Section II continue to apply to directors and executive officers for up to six months after the termination of his or her status as a director or executive officer.

I. Directors and All Employees

1. Prohibitions Against Trading on or Tipping Non-Public Information

The federal securities laws and rules promulgated thereunder prohibit any person that is aware of material, non-public information from purchasing or selling securities and from communicating such information to any other person for such use. Material information is any information that a reasonable investor would consider important in determining whether to buy,

sell or hold securities. Non-public information is information that has not been effectively disseminated to the investing public.

The sole exception to this prohibition is if the purchase or sale is made pursuant to a pre-existing written plan or arrangement complying with Rule 10b5-1 promulgated under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and approved in advance by the Corporation’s Legal Department. The adoption and terms of Rule 10b5-1 trading plans must comply with all applicable rules and regulations. During the period that a person is aware of material, non-public information and absent a pre-existing written plan or arrangement pursuant to Rule 10b5-1, he or she will have to forgo a proposed transaction in the Corporation’s securities, even though he or she may have planned to make the purchase or sale before learning of the material, non-public information and even though failure to execute the purchase or sale may result in an economic loss to, or nonrealization of anticipated profit by, the person possessing such information. For additional requirements relating to Rule 10b5-1 trading plans, see Appendix A.

This Policy is intended to protect the Corporation’s employees, Board members and their families, and the Corporation from insider trading violations. However, the guidance set forth in this Policy is not intended to replace your responsibility to understand and comply with the legal prohibition on insider trading. Appropriate judgment should be exercised in connection with all securities trading. If you have specific questions regarding this Policy or applicable law, please contact the persons listed at the end of this Policy.

Employees and Board members may not purchase or sell securities issued by the Corporation or any other company with which the Corporation transacts business while aware of material, non-public information concerning the Corporation or such other company, respectively.

It is also the Corporation’s policy that all non-public information concerning the Corporation, its clients, suppliers and competitors, which is obtained by the Corporation’s employees or the Board in the course of his or her employment or Board membership may not be communicated to any other person (including relatives, friends or business associates or in any consultant capacity and regardless of the purpose for which such communication may be made), except to the extent necessary to perform authorized work for the Corporation or as otherwise specifically permitted by law, nor should such information be discussed with any person within the Corporation under circumstances where it could be overheard.

Non-public information relating to the Corporation is the property of the Corporation and the unauthorized disclosure of such information is forbidden. Written information should be appropriately safeguarded and should not be left where it may be seen by persons not entitled to the information. The unauthorized disclosure of information could result in serious consequences to the Corporation and such other companies, whether or not such disclosure is made for the purpose of facilitating improper trading in securities.

In addition to other circumstances in which it may be applicable, this confidentiality policy must be strictly adhered to in responding to inquiries about the Corporation that may be made by the press, financial analysts or other members of the financial community. It is important that responses to any such inquiries be made on behalf of the Corporation by a designated person. Accordingly, neither the Board nor employees of the Corporation should respond to such inquiries unless expressly authorized to do so. Any such inquiries should be referred to the Vice President, Investor Relations. For further information about the Corporation's policy with respect to disclosure of material, non-public information, see the Corporation's Policy on Fair Disclosure to Investors.

The term "security" or "securities" is defined very broadly by the securities laws and includes: stock (common and preferred), stock options, warrants, bonds, notes, debentures, convertible instruments, put or call options (i.e., exchange-traded options), and other similar instruments.

2. Material, Non-Public Information

A determination as to whether information is material or non-public depends on all of the related facts and circumstances. Information that you should consider material includes, but is not limited to:

- quarterly or annual results;
- guidance on earnings estimates and changing or confirming such guidance on a later date;
- mergers, acquisitions, tender offers, joint ventures, or changes in assets;
- new products or discoveries;
- developments regarding customers or suppliers, including the acquisition or loss of an important contract;
- changes in control or in senior management;
- changes in compensation policy;
- change in the Corporation's independent registered public accounting firm or notification that the Corporation may no longer rely on such firm's report;
- financings and other events regarding the Corporation securities (e.g., defaults on securities, calls of securities for redemption, share repurchase plans, stock splits, public or private sales of securities, changes in dividends and changes to the rights of securityholders);
- significant write-offs;
- significant litigation or governmental investigations;
- significant cybersecurity breaches; and
- bankruptcy, corporate restructuring or receivership.

In addition, it should be emphasized that material information does not have to relate to a company's business. For example, information about the contents of a forthcoming publication in the financial press that is expected to affect the market price of a security could be material. Courts often resolve close cases in favor of finding the information material. Therefore, you should err on the side of caution and keep in mind that the Securities and Exchange Commission's ("SEC") rules and regulations provide that the mere fact that a person is aware of

the information is a bar to trading. It is no excuse that such person's reasons for trading were not based on the information.

For the purpose of this Policy, information is "non-public" until three criteria have been satisfied:

First, the information must have been widely disseminated. Insiders should assume that information has NOT been widely disseminated unless one or more of the following has occurred:

- it has been carried in a "financial" news service such as the Dow Jones Broad Tape;
- it has been carried in a "general" news service such as the Associated Press;
- it has been carried by a national television news service; or
- it has appeared in a filing with the SEC.

Second, the information disseminated must be some form of "official" announcement. In other words, the fact that rumors, speculation, or statements attributed to unidentified sources are public is insufficient to be considered widely disseminated even when the information is accurate.

Third, after the information has been disseminated, a period of time must pass sufficient for the information to be assimilated by the general public. As a general rule, at least 24 hours (several of which must be hours during which the New York Stock Exchange is open for trading) must elapse between the dissemination of information in a national news medium and when that information may be considered public.

3. Stock Options

The Corporation's employees may exercise stock options and hold the underlying securities, notwithstanding the foregoing prohibitions, provided that the exercise price and applicable withholding tax are paid in cash. "Broker's cashless exercises" and option exercises where securities are traded in order to pay the exercise price or withholding may only be executed when the holder is not in possession of material, nonpublic information and in accordance with any applicable restrictions under the Corporation's equity plans.

4. Employee Stock Purchase Plan

The Corporation's employees may participate in Employee Stock Purchase Plan in effect from time to time, including any "cashless participation feature," notwithstanding the prohibitions described herein, provided that such participation is in accordance with the Corporation's policies and procedures in effect at such time. Note that any sale of stock acquired

through such Employee Stock Purchase Plan, other than through the “cashless participation feature” is subject to this Policy.

5. *Prohibition on Short-Term Trading*

Short-term investment activity in the Corporation’s securities, such as trading in or writing options, warrants, puts, calls or similar instruments on the Corporation’s securities or selling such securities “short” (i.e., selling stock that is not owned and borrowing the shares to make delivery), arbitrage trading or “day trading,” is not appropriate under any circumstances, and accordingly is prohibited. Such activities put the personal gain of the trader in conflict with the best interests of the Corporation and its securityholders or otherwise may give the appearance of impropriety.

6. *Hedging Transactions*

Hedging arrangements include any swap, forward, option, future, collar, exchange fund or other derivative transactions or arrangements that hedge or offset, or are designed to hedge or offset, any decrease in the market value of shares of the Corporation’s common stock, or otherwise transfer to another, in whole or in part, any of the economic consequences of ownership of any shares of the Corporation’s common stock at the same time the director or employee holds the stock. The Corporation’s directors and employees may not enter into any hedging transactions with respect to the Corporation’s securities.

7. *Margin Accounts and Pledges*

Securities purchased on margin may be sold by the broker without the customer’s consent if the customer fails to meet a margin call. Similarly, securities held in an account which may be borrowed against or are otherwise pledged (or hypothecated) as collateral for a loan may be sold in foreclosure if the borrower defaults on the loan. Accordingly, if a person purchases securities on margin or pledges them as collateral for a loan, a margin sale or foreclosure sale may occur at a time when such person is aware of material non-public information or otherwise not permitted to trade in the Corporation’s securities. The sale, even though not initiated at the person’s request, is still a sale for such person’s benefit and may subject such person to liability under the insider trading rules if made at a time when such person is aware of material non-public information. Similar cautions apply to a bank or other loans for which a person has pledged stock as collateral. Because of these risks, you should consult with the Corporation’s Legal Department and your own outside legal advisor prior to engaging in any such transactions.

II. Section 16 Reporting Persons and Designated Employees

In addition to the policies set forth in Section I of this Policy, the following sets forth additional restrictions applicable to directors, executive officers, the principal accounting officer and Designated Employees.

1. *General*

In addition to the trading restrictions and policies which apply to all directors and employees as outlined in Section I above, the Corporation requires that (i) all Section 16 Reporting Persons (defined below) and Designated Employees may only trade in the Corporation's securities during Window Periods (as defined below) and (ii) all Section 16 Reporting Persons must obtain prior written approval to purchase, sell, gift or otherwise acquire, transfer or dispose of the Corporation's securities. "Section 16 Reporting Persons" are the Corporation's directors, executive officers and principal accounting officer.

The Window Periods and, for Section 16 Reporting Persons, the pre-clearance requirement applies not only to transactions engaged in by such persons (directly or indirectly, through Rule 10b5-1 plans or otherwise), but also to transactions engaged in by their Immediate Family and Controlled Accounts.

Any violation of the securities trading policy or failure to comply with the approval process may result in serious civil or criminal penalties under the law.

2. Window Periods

Section 16 Reporting Persons and Designated Employees may only trade, transfer and gift the Corporation's securities during a Window Period (or pursuant to a valid Rule 10b5-1 plan adopted during an open Window Period).

A window period generally begins with the trading day on the New York Stock Exchange that is at least one full trading day after the day on which the Corporation makes a public news release of its quarterly or annual earnings for the prior fiscal quarter or fiscal year, as the case may be ("Window Period"). That same trading window closes 14 calendar days prior to the end of the then current fiscal quarter. After the close of the Window Period, Section 16 Reporting Persons and Designated Employees may not purchase, sell, gift or otherwise acquire, transfer or dispose of any of the Corporation's securities.

The prohibition against trading on or tipping material non-public information applies even in a trading Window Period described above. For example, if a material acquisition or divestiture is pending or if a forthcoming publication in the financial press may affect the relevant securities market, you may not trade the Corporation's securities (such occurrence may be referred to as a "blackout"). The Corporation may also close regular Window Periods or decide not to open regular Window Periods for some or all Section 16 Reporting Persons and Designated Employees if any such event occurs or appears likely. All those affected shall not trade in the Corporation's securities while the suspension is in effect, and shall not disclose to others that the Corporation suspended trading for certain individuals. You should consult the General Counsel whenever you are in doubt.

In order to assist you in complying with this Policy, the Corporation plans to deliver an e-mail (or other communication) notifying all Section 16 Reporting Persons and Designated Employees when the Window Period has opened and when the Window Period is scheduled to close. The Corporation's delivery or non-delivery of these e-mails (or other communication)

does not relieve you of your obligation to only trade in the Corporation's securities in full compliance with this Policy.

3. Pre-Clearance Requirements

In addition to the above, Section 16 Reporting Persons may only trade, transfer and gift the Corporation's securities after obtaining pre-approval from the General Counsel or his designee (with any trades pursuant to a Rule 10b5-1 plan deemed approved upon the Corporation's approval of the entry into such Rule 10b5-1 plan). **Approval for trades, transfers and gifts of the Corporation's securities will generally be granted only during a Window Period and the transaction may only be performed during the Window Period in which the approval was granted.**

To the extent possible, requests for approval will be processed within two business days after receipt. If approved, the transaction must be completed within five business days, but in no event after the expiration of the applicable Window Period and in no event if the person comes into possession of material, non-public information or if the pre-clearance is withdrawn. A form of "Request for Approval" is attached to this memorandum. Prior to the opening of each Window Period, the Corporation plans to deliver a communication notifying all Section 16 Reporting Persons to whom pre-clearance requests should be directed. Approval of pre-clearance requests is in the sole discretion of the Corporation.

4. Hardship Exemptions

Those subject to the Window Periods or a blackout pursuant to this Section II may request a hardship exemption for periods outside the Window Periods or during a blackout, as applicable, if they are not in possession of material non-public information and are not otherwise prohibited from trading pursuant to this Policy. Hardship exemptions are granted infrequently and only in exceptional circumstances. Any request for a hardship exemption should be made to the General Counsel. The General Counsel is under no obligation to approve any request for a hardship exemption.

5. Stock Options

Section 16 Reporting Persons and Designated Employees may exercise and hold stock options without regard to the Window Periods where the exercise price and applicable withholding tax are paid in cash. "Broker's cashless exercises" and option exercises where securities are traded in order to pay the exercise price or withholding taxes are subject to pre-approval, must be performed during a Window Period and at a time when the holder is not in possession of material, non-public information, and must be in accordance with the applicable provisions of the Corporation's equity plans.

6. Margin Accounts and Pledges

Because of the heightened risks associated with pledges and margin accounts, no Section 16 Reporting Person or Designated Employee, whether or not in possession of material non-public information, may purchase the Corporation's securities on margin, or borrow against any account in which the Corporation's securities are held, or pledge the Corporation's securities as collateral for a loan, without first obtaining pre-clearance and such transaction must occur during a Window Period and at a time when the holder is not in possession of material, non-public information. Request for approval must be submitted to the General Counsel at least two weeks prior to the execution of the documents evidencing the proposed pledge. The General Counsel is under no obligation to approve any request for pre-clearance and may determine not to permit the arrangement for any reason. Approvals will be based on the particular facts and circumstances of the request, including, but not limited to, the percentage amount that the securities being pledged represent of the total number of the Corporation's securities held by the person making the request and the financial capacity of the person making the request. Notwithstanding the pre-clearance of any request, the Corporation assumes no liability for the consequences of any transaction made pursuant to such request.

7. Requirements for Section 16 Reporting Persons

Each Section 16 Reporting Person is personally responsible for his or her Section 16 reporting compliance. The timely reporting of transactions requires tight interface with brokers handling transactions for our Section 16 Reporting Persons. In order to facilitate timely compliance by the Section 16 Reporting Persons with the requirements of Section 16 of the Exchange Act, Section 16 Reporting Persons should instruct their brokers to comply with the following requirements:

- Not to enter any order (except for orders under active Rule 10b5-1 plans) without first verifying with the Corporation that the transaction was pre-cleared and complying with the brokerage firm's compliance procedures (e.g., Rule 144); and
- To report as soon as practicable, but in any event before the opening of business on the day after the execution of the transaction to the Corporation in writing via e-mail to Legal@vestis.com, the complete details (i.e., date, type of transaction, number of shares and price) of every transaction involving the Corporation's stock, including gifts, transfers, pledges and all Rule 10b5-1 transactions.

Because it is the legal obligation of the reporting person to cause this filing to be made, Section 16 Reporting Persons are strongly encouraged to confirm following any transaction that the broker has immediately e-mailed the required information to the Corporation.

8. Prohibition on Short Swing Profits

Section 16 Reporting Persons of the Corporation are required to comply with the reporting obligations and limitations on short-swing transactions set forth in Section 16 of the

Exchange Act. A Section 16 Reporting Person who purchases and sells the Corporation's securities within a six-month period must disgorge all profits to the Corporation whether or not such Section 16 Reporting Person had knowledge of any material non-public information.

9. Withholding Rate Elections

In connection with the Corporation's exercise of its obligation to withhold taxes on a payment in, or issuance of, shares of the Corporation's common stock under an award granted pursuant to an equity plan of the Corporation, a bonus plan of the Corporation, or otherwise, certain Section 16 Reporting Persons and Designated Employees may be afforded the right to elect that the Corporation determine the amount of such withholding obligation using a United States federal income tax rate that is different than the applicable minimum United States federal income tax rate. Any such election is subject to pre-approval, and must be made during a Window Period and at a time when the Section 16 Reporting Person or Designated Employee is not in possession of material, non-public information, and must be in accordance with the provisions of the applicable equity, bonus or other plan of the Corporation and the applicable award agreement, if any.

III. Potential Criminal And Civil Liability, Disciplinary Action

1. Individual Responsibility

Each person is individually responsible for complying with the securities laws and this Policy, regardless of whether the Corporation has prohibited trading by that person or any other persons. Trading in securities during the window periods and outside of any suspension periods should not be considered a "safe harbor." You are reminded that, whether or not during a window period, no person may trade securities on the basis of material non-public information.

Also bear in mind that any proceeding alleging improper trading will necessarily occur after the trade has been completed and is particularly susceptible to second-guessing with the benefit of hindsight. Therefore, as a practical matter, before engaging in any transaction all persons should carefully consider how enforcement authorities and others might view the transaction in hindsight. Further, whether or not a person possesses material non-public information, it is advisable that all persons invest in the Corporation's securities or the securities of any company that has a substantial relationship with the Corporation from the perspective of a long term investor who would like to participate over time in the Corporation's or such company's earnings growth.

2. Controlling Persons

The securities laws provide that, in addition to sanctions against an individual who trades illegally, penalties may be assessed against what are known as "controlling persons" with respect to the violator. The term "controlling person" is not defined, but includes employers (i.e., the Corporation), its directors, officers and managerial and supervisory personnel. The concept is broader than what would normally be encompassed by a reporting chain. Individuals may be considered "controlling persons" with respect to any other individual whose behavior they have

the power to influence. Liability can be imposed only if two conditions are met. First, it must be shown that the “controlling person” knew or recklessly disregarded the fact that a violation was likely. Second, it must be shown that the “controlling person” failed to take appropriate steps to prevent the violation from occurring. For this reason, the Corporation’s supervisory personnel are directed to take appropriate steps to ensure that those they supervise understand and comply with the requirements set forth in this Policy.

3. Potential Sanctions

a. Liability for Insider Trading and Tipping.

Insiders, controlling persons and the Corporation may be subject to civil penalties, criminal penalties and/or jail for trading in securities when they have material non-public information or for improper transactions by any person (commonly referred to as a “tippee”) to whom they have disclosed material non-public information, or to whom they have made recommendations or expressed opinions on the basis of such information about trading securities. The SEC has imposed large penalties even when the disclosing person did not profit from the trading. The SEC, the stock exchanges and the Financial Industry Regulatory Authority use sophisticated electronic surveillance techniques to uncover insider trading.

b. Possible Disciplinary Actions.

The Corporation’s employees and Board members who violate this Policy will be subject to disciplinary action, up to and including termination of employment for cause, whether or not such person’s failure to comply results in a violation of law. Needless to say, a violation of law, or even an SEC investigation that does not result in prosecution, can tarnish one’s reputation and irreparably damage a career.

IV. Conclusion

We expect all of the Corporation’s employees and Board members to abide by the foregoing trading restrictions and policies. Any violation may result in immediate dismissal and may subject you to both civil and criminal penalties.

In addition, please note that during the course of our commercial relationship with clients, you may obtain material non-public information that could affect the future financial performance of such clients. Please be advised that any trading on the basis of such information may violate the United States securities laws.

Any questions concerning the trading restrictions and policies set forth above should be directed to the persons listed below. You should not try to resolve any uncertainties on your own.

If you have questions, please contact Brian Casey at brian.casey@vestis.com

Effective Date: December 8, 2025

REQUEST FOR APPROVAL TO TRADE IN VESTIS CORPORATIONS' (THE "CORPORATION") SECURITIES

Type of Security [check all applicable boxes]

Common stock

Stock Option

Debt Securities

Number of Shares: _____

Type of Transaction:

Purchase

Stock Option Exercise

Sale

Exercise Price \$ _____/share

Gift

Exercise Price paid as follows:

Rule 10b5-1 Plan

Broker's cashless exchange

Cash

Payroll deduction

Other _____

Withholding tax paid as follows:

Broker's cashless exchange

Cash

Payroll Deduction

Other _____

Status [check all applicable boxes]

Employee

Board Member

Broker Contact Information

Company Name

Contact Name

Telephone Number

Email

Account Number

I am not currently in possession of any material non-public information relating to the Corporation. I hereby certify that the statements made on this form are true and correct. I have also discussed any questions I had with respect to the Corporation's securities trading policy and its applicability to the transactions contemplated hereby with the Legal Department.

Signature

Print Name

Date

Telephone Number:

(office use only)

Request Approved (transaction must be completed within 5 business days after approval)

Request Denied

Request Approved with the following modification:

Signature:

Date:

765324966

Vestis 10b5-1 Plan Parameters

Window Periods Under the Vestis Securities Trading Policy

- Vestis restricts purchases, sales, transfers and entry into 10b5-1 Plans by its directors, executive officers and certain other employees (“insiders”) to a limited “window period” following each quarterly earnings announcement

Entry Into a 10b5-1 Plan

- All 10b5-1 plans will be effected through Fidelity, our equity plan administrator
- Can cover owned shares or vested stock options
- Requires preclearance under Vestis Securities Trading Policy
- Must be entered into during a window period and when the insider is not in possession of material nonpublic information
- Requires Vestis sign-off on the completed Fidelity 10b5-1 Plan document including an acknowledgment to Vestis of certain terms

Conditions and Limitations

- Trading plans must otherwise comply with the conditions and limitations set forth in Rule 10b5-1 of the Securities Exchange Act, including but not limited to the length of time between plan commencement and the first trade thereunder (i.e., “cooling-off periods”), certification requirements and restrictions on overlapping and multiple single trade plans
- *Cooling-Off Periods:*
 - For directors, executive officers and any other Section 16 Reporting Persons the cooling-off period is the later of:
 - 90 days after the adoption or modification of the 10b5-1 Plan; and
 - one full trading day having elapsed following the disclosure of our financial results in a periodic report (Forms 10-K or 10-Q) for the fiscal quarter in which the 10b5-1 Plan was adopted or modified, subject to a maximum cooling-off period of 120 days
 - For all other insiders, the cooling-off period is 30 days after the adoption or modification of the 10b5-1 Plan
- *Required Certifications:*
 - The 10b5-1 plan must include a certification by such insider stating that, on the date of the adoption of the plan, such insider is:
 - not aware of any material nonpublic information about Vestis; and
 - adopting the plan in good faith and not as a part of a plan or scheme to evade the prohibitions of Rule 10b5-1
- *Restrictions on Overlapping Plans:*
 - All insiders must not have any other 10b5-1 plan outstanding during the same period, other than pursuant to one of the exceptions listed below:
 - A later-commencing plan is permitted if it does not authorize trades to begin until after all trades under the earlier-commencing plan are completed or expire without execution. This exception is unavailable in certain circumstances if the earlier-commencing plan is terminated rather than expiring pursuant to its terms; and
 - A plan that authorizes an agent to sell only such securities as are necessary to satisfy tax withholding obligations arising exclusively from the vesting of a compensatory award and does not otherwise allow the insider to exercise control over the timing of such sales

- *Restrictions on Single Trade Plans*
 - All insiders must not have more than one single-trade Rule 10b5-1 plan during any 12-month period¹

Duration

- A minimum of 6 months and a maximum of 1 year

Modification

- Requires preclearance under Vestis Securities Trading Policy
- Must occur during a window period and when the insider is not in possession of material nonpublic information
- Must receive approval from the Vestis General Counsel or their designee

Termination

- Requires Vestis Legal Department preclearance
- Seller should discuss with personal legal advisor
- Can only terminate a 10b5-1 Plan under extraordinary circumstances
- Required to wait one year after termination before entering into another 10b5-1 Plan

Trading Outside an Existing 10b5-1 Plan

- Any such external trading after the applicable cooling-off period must be approved by the Vestis General Counsel or their designee in advance and it is expected that such approval will rarely be granted

¹ A single trade plan is one that is “designed to effect” the open-market purchase or sale of the total amount of securities as a single transaction. The SEC notes that, for this purpose, a plan is “designed to effect” the purchase or sale of securities as a single transaction when the contract, instruction, or plan “has the practical effect of requiring such a result.” In contrast, a plan is not designed to effect a single transaction where the plan leaves the agent discretion over whether to execute the contract, instruction, or plan as a single transaction.

Certification Pursuant to**Rules 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934, as Amended**

I, Jim Barber, President and Chief Executive Officer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Vestis Corporation for the quarter ended January 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 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: February 10, 2026

/s/ Jim Barber

Jim Barber

President and Chief Executive Officer

Certification Pursuant to**Rules 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934, as Amended**

I, Adam K. Bowen, Interim Chief Financial Officer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Vestis Corporation for the quarter ended January 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 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: February 10, 2026

/s/ Adam K. Bowen

Adam K. Bowen

Interim Chief Financial Officer

**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 Vestis Corporation (the “registrant”) on Form 10-Q for the quarter ended January 2, 2026, as filed with the Securities and Exchange Commission on the date hereof (the “report”), we, Jim Barber and Adam K. Bowen, Chief Executive Officer and Interim Chief Financial Officer, respectively, of the registrant, certify, pursuant to 18 U.S.C. § 1350, that to our knowledge:

- (1) The report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the report fairly presents, in all material respects, the financial condition and results of operations of the registrant.

February 10, 2026

/s/ Jim Barber

Jim Barber

President and Chief Executive Officer

/s/ Adam K. Bowen

Adam K. Bowen

Interim Chief Financial Officer