

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

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

For the quarterly period ended April 3, 2026

OR

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

(State or other jurisdiction of incorporation or organization)

1035 Alpharetta Street, Suite 2100, Roswell, Georgia

(Address of Principal Executive Offices)

92-2573927

(I.R.S. Employer
Identification Number)

30075

(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 May 4, 2026, the registrant had 132,105,082 shares of common stock outstanding.

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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 and geopolitical instability including as a result of the military conflict among the United States, Israel and Iran, 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 disruptions in international shipping through the Strait of Hormuz and the military conflicts in the Middle East and Ukraine;
- 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;
- 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		Six months ended	
	April 3, 2026	March 28, 2025	April 3, 2026	March 28, 2025
Revenue	\$ 659,437	\$ 665,249	\$ 1,322,825	\$ 1,349,029
Operating Expenses:				
Cost of services provided (exclusive of depreciation and amortization)	485,752	489,991	977,969	985,251
Depreciation and amortization	34,568	35,882	68,909	72,818
Selling, general and administrative expenses	112,338	147,946	232,590	269,131
Total Operating Expenses	632,658	673,819	1,279,468	1,327,200
Operating Income (Loss)	26,779	(8,570)	43,357	21,829
Loss (Gain) on Sale of Equity Investment	—	—	—	2,150
Interest Expense, net	21,065	22,329	43,256	45,426
Other Expense (Income), net	3,203	3,293	6,149	6,905
Income (Loss) Before Income Taxes	2,511	(34,192)	(6,048)	(32,652)
Provision (Benefit) for Income Taxes	(85)	(6,362)	(2,253)	(5,654)
Net Income (Loss)	\$ 2,596	\$ (27,830)	\$ (3,795)	\$ (26,998)
Weighted Average Shares Outstanding:				
Basic	132,012	131,751	131,958	131,672
Diluted	133,050	131,751	131,958	131,672
Earnings (Loss) per share:				
Basic	\$ 0.02	\$ (0.21)	\$ (0.03)	\$ (0.21)
Diluted	\$ 0.02	\$ (0.21)	\$ (0.03)	\$ (0.21)

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	
	April 3, 2026	March 28, 2025
Net Income (Loss)	\$ 2,596	\$ (27,830)
Other Comprehensive Income (Loss), net of tax:		
Pension plan adjustments	87	—
Foreign currency translation adjustments	(3,249)	1,238
Other Comprehensive Income (Loss), net of tax	(3,162)	1,238
Comprehensive Income (Loss)	\$ (566)	\$ (26,592)

	Six months ended	
	April 3, 2026	March 28, 2025
Net Income (Loss)	\$ (3,795)	\$ (26,998)
Other Comprehensive Income (Loss), net of tax:		
Pension plan adjustments	(1)	—
Foreign currency translation adjustments	11	(1,919)
Other Comprehensive Income (Loss), net of tax	10	(1,919)
Comprehensive Income (Loss)	\$ (3,785)	\$ (28,917)

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)

	April 3, 2026	October 3, 2025
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 50,340	\$ 29,748
Receivables (net of allowances: \$34,690 and \$32,677, respectively)	149,544	162,295
Inventories, net	174,958	179,020
Rental merchandise in service, net	391,823	405,625
Other current assets	84,020	73,343
Total current assets	850,685	850,031
Property and Equipment, at cost:		
Land, buildings and improvements	564,557	565,677
Equipment	1,158,794	1,172,877
	1,723,351	1,738,554
Less - Accumulated depreciation	(1,073,845)	(1,075,092)
Total property and equipment, net	649,506	663,462
Goodwill	961,750	961,732
Other Intangible Assets, net	175,457	188,837
Operating Lease Right-of-use Assets	85,872	85,108
Other Assets	149,924	157,730
Total Assets	\$ 2,873,194	\$ 2,906,900
LIABILITIES AND EQUITY		
Current Liabilities:		
Current maturities of financing lease obligations	\$ 30,015	\$ 35,234
Current operating lease liabilities	20,780	20,189
Accounts payable	154,514	158,362
Accrued payroll and related expenses	90,721	93,897
Accrued expenses and other current liabilities	102,789	101,282
Total current liabilities	398,819	408,964
Long-Term Borrowings	1,115,457	1,155,143
Noncurrent Financing Lease Obligations	134,702	131,071
Noncurrent Operating Lease Liabilities	76,644	77,032
Deferred Income Taxes	182,806	177,337
Other Noncurrent Liabilities	97,564	91,709
Total Liabilities	2,005,992	2,041,256
Commitments and Contingencies (see Note 8)		
Equity:		
Common stock, par value \$0.01 per share, 350,000,000 shares authorized, 132,101,879 and 131,859,470 issued and outstanding as of April 3, 2026 and October 3, 2025, respectively	1,321	1,319
Additional paid-in capital	942,872	937,531
(Accumulated deficit) retained earnings	(50,674)	(46,879)
Accumulated other comprehensive loss	(26,317)	(26,327)
Total Equity	867,202	865,644
Total Liabilities and Equity	\$ 2,873,194	\$ 2,906,900

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)

	<u>Common Stock</u>			(Accumulated Deficit) Retained Earnings	Accumulated Other Comprehensive Loss	Total Parent's Equity
	Shares Outstanding	Par Value	Additional Paid-In Capital			
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>
Net Income (Loss)	—	—	—	2,596	—	2,596
Other Comprehensive Income (Loss)	—	—	—	—	(3,162)	(3,162)
Share-based compensation expense	—	—	3,374	—	—	3,374
Issuance of common stock upon exercise of stock options or awards of restricted stock units	128	1	(1)	—	—	—
Tax payments related to shares withheld for share based compensation plans	—	—	(34)	—	—	(34)
Balance, April 3, 2026	<u>132,102</u>	<u>\$ 1,321</u>	<u>\$ 942,872</u>	<u>\$ (50,674)</u>	<u>\$ (26,317)</u>	<u>\$ 867,202</u>

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

	<u>Common Stock</u>			Retained Earnings	Accumulated Other Comprehensive Loss	Total Parent's Equity
	Shares Outstanding	Par Value	Additional Paid-In Capital			
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>
Net Income (Loss)	—	—	—	(27,830)	—	(27,830)
Dividends Declared (\$0.035 per common share)	—	—	—	(4,611)	—	(4,611)
Other Comprehensive Income (Loss)	—	—	—	—	1,238	1,238
Share-based compensation expense	—	—	7,977	—	—	7,977
Issuance of common stock upon exercise of stock options or awards of restricted stock units	80	1	(1)	—	—	—
Tax payments related to shares withheld for share based compensation plans	—	—	(90)	—	—	(90)
Balance, March 28, 2025	<u>131,781</u>	<u>\$ 1,318</u>	<u>\$ 939,440</u>	<u>\$ (33,654)</u>	<u>\$ (30,830)</u>	<u>\$ 876,274</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)

	Six months ended	
	April 3, 2026	March 28, 2025
Cash flows from operating activities:		
Net Income (Loss)	\$ (3,795)	\$ (26,998)
Adjustments to reconcile Net Income (Loss) to Net cash provided by operating activities:		
Depreciation and amortization	68,909	72,818
Deferred income taxes	5,463	(7,126)
Share-based compensation expense	5,717	13,157
Asset write-down	460	189
Loss on sale of equity investment, net	—	2,150
(Gain) Loss on disposals of property and equipment	(3,311)	(972)
Amortization of debt issuance costs	1,893	1,771
Changes in operating assets and liabilities:		
Receivables, net	12,759	12,942
Inventories, net	4,065	(34,578)
Rental merchandise in service, net	13,812	(330)
Other current assets	(10,604)	(12,029)
Accounts payable	(4,529)	(5,158)
Accrued expenses and other current liabilities	7,622	11,073
Changes in other noncurrent liabilities	(3,715)	(14,924)
Changes in other assets	2,308	(750)
Other operating activities	(1,116)	(797)
Net cash provided by operating activities	<u>95,938</u>	<u>10,438</u>
Cash flows from investing activities:		
Purchases of property and equipment and other	(22,076)	(28,242)
Proceeds from disposals of property and equipment	6,813	5,198
Proceeds from sale of equity investment	—	36,792
Other investing activities	—	(4,547)
Net cash (used in) provided by investing activities	<u>(15,263)</u>	<u>9,201</u>
Cash flows from financing activities:		
Proceeds from long-term borrowings	75,000	40,000
Payments of long-term borrowings	(116,000)	(30,000)
Payments of financing lease obligations	(18,701)	(16,822)
Dividend payments	—	(13,822)
Other financing activities	(376)	(1,795)
Net cash used in financing activities	<u>(60,077)</u>	<u>(22,439)</u>
Effect of foreign exchange rates on cash and cash equivalents	(6)	596
Increase (decrease) in cash and cash equivalents	20,592	(2,204)
Cash and cash equivalents, beginning of period	29,748	31,010
Cash and cash equivalents, end of period	<u>\$ 50,340</u>	<u>\$ 28,806</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 and six months ended April 3, 2026 and March 28, 2025, the financial position as of April 3, 2026 and October 3, 2025, and the cash flows for the six months ended April 3, 2026 and March 28, 2025 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 approximate 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 \$34.7 million and \$32.7 million, as of April 3, 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 April 3, 2026 and October 3, 2025, the Company's reserve for inventory was approximately \$19.6 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):

	April 3, 2026	October 3, 2025
Raw Materials	\$ 38,826	\$ 41,167
Work in Process	1,066	1,128
Finished Goods	135,066	136,725
Inventories, net	\$ 174,958	\$ 179,020

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 April 3, 2026 and March 28, 2025, the Company recorded \$88.4 million and \$88.0 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). During the six months ended April 3, 2026 and March 28, 2025, the Company recorded \$177.0 million and \$174.9 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, internal use software, consideration payable to a customer at the beginning of the contract, noncurrent pension assets, certain preparation costs and long-term receivables.

The internal use software costs, that are included in "Other Assets," 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. Such internal use software as of April 3, 2026 and October 3, 2025 was \$29.9 million (cost of \$160.9 million less accumulated amortization of \$131.0 million) and \$32.1 million (cost of \$158.4 million less accumulated amortization of \$126.3 million), respectively. Amortization expense related to

internal use software, which is included within selling, general and administrative expenses on the Condensed Consolidated Statements of Income (Loss), was \$2.4 million and \$3.3 million for the three months ended April 3, 2026 and March 28, 2025, respectively. For the six months ended April 3, 2026 and March 28, 2025, amortization expense related to internal use software was \$4.7 million and \$6.5 million, respectively.

Employee sales commissions represent commission payments made to employees related to new or retained business contracts.

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 April 3, 2026, eight properties with an aggregate carrying value of \$4.5 million were classified as held for sale. As of October 3, 2025, four properties with an aggregate carrying value of \$4.2 million were classified as held for sale. During the three months ended April 3, 2026, we sold two properties for \$6.5 million, one of which was previously classified as held for sale. Properties held for sale as of April 3, 2026 and October 3, 2025 are all included within the Company's United States segment.

Accrued Expenses and Other Current Liabilities

As of April 3, 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 \$20.2 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 \$40.5 million and \$36.9 million, as of April 3, 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.

Following 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 and six months ended April 3, 2026, the Company paid interest related to principal debt of \$18.2 million and \$38.3 million, respectively. During the three and six months ended March 28, 2025, the Company paid interest related to principal debt of \$20.5 million and \$43.8 million, respectively.

During the three and six months ended April 3, 2026, the Company paid cash for income taxes of \$2.2 million and \$6.6 million, respectively. During the three and six months ended March 28, 2025, the Company paid cash for income taxes of \$0.7 million and \$6.2 million, respectively.

As of April 3, 2026 and October 3, 2025, the Company had \$7.5 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.

During the three and six months ended April 3, 2026, the Company entered into new finance leases of approximately \$12.0 million and \$17.4 million, respectively. During the three and six months ended March 28, 2025, the Company entered into new finance leases of approximately \$9.8 million and \$22.7 million, respectively. See Note 6. *Leases*.

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 \$30 million to \$35 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 second quarter of fiscal 2026, the Company recognized \$9.3 million of third-party consulting fees and \$1.0 million of severance and related employee costs. For the six months ended April 3, 2026, the Company recognized \$17.1 million of third-party consulting fees and \$6.5 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 April 3, 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		17,083
Payments		(16,201)
Balance as of April 3, 2026	\$	<u>2,203</u>

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 April 3, 2026 and March 28, 2025, the Company recognized severance and related employee costs of \$1.0 million and \$7.6 million, respectively, which were recorded within "Selling, general

and administrative expenses." During the six months ended April 3, 2026 and March 28, 2025, the Company recognized severance and related employee costs of \$6.5 million and \$12.0 million, respectively, which were recorded within "Selling, general and administrative expenses." As of April 3, 2026 and October 3, 2025, accrued severance and related employee obligations were \$4.4 million and \$7.4 million, respectively.

The following table summarizes the unpaid obligations for severance and related costs as of April 3, 2026, which are included in "Accrued payroll and related expenses" on the Condensed Consolidated Balance Sheets.

Balance at start of year	\$	7,392
Charges		6,452
Payments		(9,488)
Balance as of April 3, 2026	\$	<u>4,356</u>

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 six months ended April 3, 2026 are as follows (in thousands):

	October 3, 2025	Translation	April 3, 2026
United States	\$ 896,237	\$ —	\$ 896,237
Canada	65,495	18	65,513
Total	<u>\$ 961,732</u>	<u>\$ 18</u>	<u>\$ 961,750</u>

Other intangible assets consist of (in thousands):

	April 3, 2026			October 3, 2025		
	Gross Amount	Accumulated Amortization	Net Amount	Gross Amount	Accumulated Amortization	Net Amount
Customer relationship assets	\$ 387,603	\$ (228,220)	\$ 159,383	\$ 387,602	\$ (214,835)	\$ 172,767
Trade names	16,074	—	16,074	16,070	—	16,070
	<u>\$ 403,677</u>	<u>\$ (228,220)</u>	<u>\$ 175,457</u>	<u>\$ 403,672</u>	<u>\$ (214,835)</u>	<u>\$ 188,837</u>

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 April 3, 2026 and March 28, 2025 was approximately \$6.7 million and \$6.6 million, respectively. Amortization of intangible assets for the six months ended April 3, 2026 and March 28, 2025 was approximately \$13.4 million and \$13.2 million, respectively.

NOTE 4. BORROWINGS:

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

	April 3, 2026	October 3, 2025
Senior secured term loan facility, due September 2028	\$ 466,000	\$ 477,500
Senior secured term loan facility, due February 2031	661,500	665,000
Senior secured revolving facility, due September 2028	—	26,000
Total principal debt issued	1,127,500	1,168,500
Unamortized debt issuance costs	(10,751)	(11,959)
Unamortized discounts	(1,292)	(1,398)
Less - current portion	—	—
Long-term borrowings, net of current portion	<u>\$ 1,115,457</u>	<u>\$ 1,155,143</u>

Credit Agreement

On September 29, 2023, the Company entered into a senior secured credit agreement (as amended by the First Amendment and the Second Amendment described below, the "Credit Agreement"). The Credit Agreement initially consisted of (i) an \$800 million term loan A-1 due September 2025 ("Term Loan A-1"), (ii) a \$700 million term loan A-2 due September 2028 ("Term Loan A-2") and (iii) a \$300 million revolving credit facility with a maturity date of September 29, 2028 (the "Revolving Credit Facility"). On February 22, 2024, the Company entered into an amendment to the credit agreement (the "First Amendment") and refinanced the 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. On May 1, 2025, the Company entered into a second amendment to the credit agreement (the "Second Amendment").

During fiscal 2025, the Company made principal repayments of \$20.0 million on its Term loan A-2. During the second quarter of fiscal 2026, the Company paid principal amounts of \$11.5 million and \$3.5 million on its Term Loan A-2 and Term Loan B-1, respectively.

Under the Credit Agreement, the Company is required to maintain a maximum consolidated total net leverage ratio, as defined in the Credit Agreement. The Second Amendment increased the maximum 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. The maximum consolidated total net leverage ratio will remain at 4.50x for the first quarter of fiscal 2027 through maturity.

The Second 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. In

addition, the Credit Agreement also established a minimum interest coverage ratio, as defined in the Credit Agreement, of at least 2.00x for the term of the Credit Agreement.

As part of the Second Amendment, the Company also agreed to limit the aggregate size of its A/R Facility (as defined in Note 13, *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 maximum consolidated total 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 the Second Amendment, the Company paid fees of \$1.6 million, which were deferred and are being amortized on the same basis as the previously unamortized debt issuance costs.

As of April 3, 2026, no borrowings were outstanding on the Company's Revolving Credit Facility, and \$5.8 million of letters of credit were outstanding, leaving \$294.2 million available for borrowing under the Revolving Credit Facility.

As of April 3, 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 the three and six months ended April 3, 2026 and March 28, 2025, and will adjust to SOFR plus 200 basis points once the Company reaches a 3.30x consolidated total net leverage ratio 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% during the three and six months ended April 3, 2026, and was 2.25% during the three and six months ended March 28, 2025.

The weighted-average interest rate for our senior secured term loan facilities was 6.27% and 6.87% for the six months ended April 3, 2026 and March 28, 2025, 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				Six months ended			
	April 3, 2026		March 28, 2025		April 3, 2026		March 28, 2025	
United States:								
Uniforms	\$ 222,721	37.2 %	\$ 233,145	38.5 %	\$ 450,382	37.5 %	\$ 478,923	39.0 %
Workplace Supplies	376,187	62.8 %	372,929	61.5 %	751,427	62.5 %	748,867	61.0 %
Total United States	598,908	100.0 %	606,074	100.0 %	1,201,809	100.0 %	1,227,790	100.0 %
Canada:								
Uniforms	\$ 21,606	35.7 %	\$ 21,696	36.7 %	\$ 43,764	36.2 %	\$ 44,893	37.0 %
Workplace Supplies	38,923	64.3 %	37,479	63.3 %	77,252	63.8 %	76,346	63.0 %
Total Canada	60,529	100.0 %	59,175	100.0 %	121,016	100.0 %	121,239	100.0 %
Total Revenue:								
Uniforms	\$ 244,327	37.1 %	\$ 254,841	38.3 %	\$ 494,146	37.4 %	\$ 523,816	38.8 %
Workplace Supplies	\$ 415,110	62.9 %	\$ 410,408	61.7 %	\$ 828,679	62.6 %	\$ 825,213	61.2 %
Total	\$ 659,437	100.0 %	\$ 665,249	100.0 %	\$ 1,322,825	100.0 %	\$ 1,349,029	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. Variable consideration may arise from multiple sources, including performance-based incentives (such as rebates or discounts tied to the achievement of certain volume levels) as well as pricing adjustments, including off-cycle price increases, surcharges, and other customer-specific pricing actions, where the ultimate amount of consideration is subject to customer acceptance or contractual terms. To determine the transaction price, the Company estimates variable consideration using the most likely amount method, based on the specific contract provisions, known performance results, and historical experience with similar arrangements. The Company evaluates whether estimates of variable consideration should be constrained by assessing whether it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty is resolved. This assessment includes consideration of factors such as contractual terms, customer acceptance patterns, historical realization rates, and observed trends in customer activity and performance, as well as the magnitude of potential reversals.

The Company's performance period generally corresponds with either a weekly or monthly invoice period. No significant constraints on the Company's revenue recognition were applied during the three and six months ended April 3, 2026 nor the three and six months ended March 28, 2025. The Company reassesses these estimates

during each reporting period. The Company records liabilities for certain forms of variable consideration, such as rebates and discounts, 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 April 3, 2026 and March 28, 2025, the Company recorded \$5.8 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). During the six months ended April 3, 2026 and March 28, 2025, the Company recorded \$11.4 million and \$10.8 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 April 3, 2026 and October 3, 2025, deferred sales commissions of \$21.9 million and \$21.6 million were recorded within "Other current assets," respectively, and \$82.0 million and \$85.5 million were 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		Six months ended	
	April 3, 2026	March 28, 2025	April 3, 2026	March 28, 2025
Lease costs:				
Operating lease costs	\$ 11,783	\$ 11,138	\$ 22,604	\$ 22,127
Finance lease costs	\$ 10,997	\$ 10,245	\$ 22,133	\$ 20,470

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

	Six months ended	
	April 3, 2026	March 28, 2025
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 13,917	\$ 12,323
Operating cash flows from finance leases	3,787	3,542
Financing cash flows from finance leases	18,701	16,822

	Three months ended		Six months ended	
	April 3, 2026	March 28, 2025	April 3, 2026	March 28, 2025
Lease assets obtained in exchange for lease obligations:				
Operating leases	\$ 6,031	\$ 13,885	\$ 9,312	\$ 16,279
Finance leases	\$ 11,991	\$ 9,808	\$ 17,382	\$ 22,740

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

	April 3, 2026	October 3, 2025
Weighted average remaining lease term (in years)		
Operating leases	5.6	5.8
Finance leases	5.5	5.8
Weighted average discount rate		
Operating leases	7.1 %	6.9 %
Finance leases	4.7 %	4.7 %

Future minimum lease payments under non-cancelable leases as of April 3, 2026 are as follows (in thousands):

	Operating leases	Finance leases	Total
2026 (remaining six months)	\$ 13,655	\$ 22,137	\$ 35,792
2027	25,622	39,277	64,899
2028	22,313	36,085	58,398
2029	17,573	30,983	48,556
2030	13,125	29,285	42,410
Thereafter	26,841	32,264	59,105
Total future minimum lease payments	\$ 119,129	\$ 190,031	\$ 309,160
Less: Interest	(21,705)	(25,314)	(47,019)
Present value of lease liabilities	\$ 97,424	\$ 164,717	\$ 262,141

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		Six months ended	
	April 3, 2026	March 28, 2025	April 3, 2026	March 28, 2025
TBOs	\$ 607	\$ 2,129	\$ 800	\$ 3,849
RSUs	2,403	2,505	4,496	4,809
PSUs	364	3,343	421	4,499
	\$ 3,374	\$ 7,977	\$ 5,717	\$ 13,157

The below table summarizes the number of shares granted during the six months ended April 3, 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	1,526	\$ 7.04
PSUs	748	\$ 8.38
Total	3,194	

Time-Based Options

The TBOs granted during the six months ended April 3, 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 six months ended April 3, 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, certain retention awards granted in fiscal 2025 and awards granted to the Board of Directors, 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. For the RSUs granted as retention awards in fiscal 2025, vesting is scheduled to occur 66.7% on the second anniversary of the grant date, and the remaining portion of the award vests on the third anniversary of the grant date. Awards granted to the Board of Directors vest on or about the first anniversary of the grant date, or, if the grant is made as a deferral of fees under our Deferred Compensation Plan, the awards vest quarterly during the year of grant. 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 six months ended April 3, 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 first quarter of fiscal 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 April 3, 2026 and October 3, 2025, the Company had \$8.6 million and \$9.8 million, respectively, recorded as liabilities within Accrued expenses and other current liabilities, and \$23.3 million and \$22.2 million, respectively, 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 April 3, 2026 and October 3, 2025, the Company has \$12.4 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. Plaintiffs filed a motion for class certification on April 10, 2026. Defendants' opposition to plaintiffs' motion for class certification is due on June 11, 2026, and plaintiffs' reply is due on August 10, 2026.

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 *Gribe v. Scott, et al.*, Case No. 1:25-cv-02726-TWT and *Hollin v. Scott, et al.*, Case No. Case 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 Gribe 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, Gribe 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 Gribe 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 filed a motion to dismiss the amended complaint on February 12, 2026. On April 14, 2026, plaintiffs filed an opposition brief. Defendants' reply brief is due on May 20, 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 *Gribe 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, Gripe 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 Gripe 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):

	United States	Canada	Total
Three Months Ended April 3, 2026			
Revenue	\$ 598,908	\$ 60,529	\$ 659,437
Cost of services provided (exclusive of depreciation and amortization)	441,757	43,995	485,752
Depreciation and amortization	31,695	2,458	34,153
Selling, general and administrative expenses	75,675	12,129	87,804
Reportable segment operating income	<u>49,781</u>	<u>1,947</u>	<u>51,728</u>
Corporate and other			(24,949)
Interest Expense, Net			(21,065)
Other (Expense) Income, net			(3,203)
(Loss) Income Before Income Taxes			<u>2,511</u>
Capital expenditures	<u>11,774</u>	<u>916</u>	<u>12,690</u>
	United States	Canada	Total
Six Months Ended April 3, 2026			
Revenue	\$ 1,201,809	\$ 121,016	\$ 1,322,825
Cost of services provided (exclusive of depreciation and amortization)	889,501	88,468	977,969
Depreciation and amortization	63,263	4,834	68,097
Selling, general and administrative expenses	163,057	23,606	186,663
Reportable segment operating income	<u>85,988</u>	<u>4,108</u>	<u>90,096</u>
Corporate and other			(46,739)
Interest Expense, Net			(43,256)
Other (Expense) Income, net			(6,149)
(Loss) Income Before Income Taxes			<u>(6,048)</u>
Capital expenditures	<u>20,664</u>	<u>1,412</u>	<u>22,076</u>
Property and equipment as of April 3, 2026 - Reportable Segments	<u>\$ 560,645</u>	<u>\$ 73,688</u>	<u>\$ 634,333</u>
- Corporate			<u>15,173</u>
- Total			<u>\$ 649,506</u>
Total assets as of April 3, 2026 - Reportable Segments	<u>\$ 2,553,114</u>	<u>\$ 275,432</u>	<u>\$ 2,828,546</u>
- Corporate			<u>44,648</u>
- Total			<u>\$ 2,873,194</u>

	United States	Canada	Total
Three Months Ended March 28, 2025			
Revenue	\$ 606,074	\$ 59,175	\$ 665,249
Cost of services provided (exclusive of depreciation and amortization)	446,570	43,421	489,991
Depreciation and amortization	32,968	2,533	35,501
Selling, general and administrative expenses	107,984	11,142	119,126
Reportable segment operating income	<u>18,552</u>	<u>2,079</u>	<u>20,631</u>
Corporate and other			(29,201)
Gain (Loss) on Sale of Equity Investments, net			—
Interest Expense, Net			(22,329)
Other (Expense) Income, net			(3,293)
(Loss) Income Before Income Taxes			<u>(34,192)</u>
Capital expenditures	<u>12,604</u>	<u>906</u>	<u>13,510</u>
Six Months Ended March 28, 2025			
Revenue	\$ 1,227,790	\$ 121,239	\$ 1,349,029
Cost of services provided (exclusive of depreciation and amortization)	897,785	87,466	985,251
Depreciation and amortization	66,818	5,240	72,058
Selling, general and administrative expenses	186,602	24,542	211,144
Reportable segment operating income	<u>76,585</u>	<u>3,991</u>	<u>80,576</u>
Corporate and other			(58,747)
Gain (Loss) on Sale of Equity Investments, net			(2,150)
Interest Expense, Net			(45,426)
Other (Expense) Income, net			(6,905)
(Loss) Income Before Income Taxes			<u>(32,652)</u>
Capital expenditures	<u>26,896</u>	<u>1,346</u>	<u>28,242</u>
Property and equipment as of October 3, 2025 - Reportable Segments	<u>\$ 573,709</u>	<u>\$ 74,171</u>	<u>\$ 647,880</u>
- Corporate			15,582
- Total			<u>\$ 663,462</u>
Total assets as of October 3, 2025 - Reportable Segments	<u>\$ 2,605,553</u>	<u>\$ 263,805</u>	<u>\$ 2,869,358</u>
- Corporate			37,542
- 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		Six months ended	
	April 3, 2026	March 28, 2025	April 3, 2026	March 28, 2025
Earnings (Loss):				
Net Income (Loss)	\$ 2,596	\$ (27,830)	\$ (3,795)	\$ (26,998)
Shares:				
Basic weighted-average shares outstanding	132,012	131,751	131,958	131,672
Effect of dilutive securities ⁽¹⁾	1,038	—	—	—
Diluted weighted-average shares outstanding	133,050	131,751	131,958	131,672
Basic Earnings (Loss) Per Share				
Basic Earnings (Loss) Per Share	\$ 0.02	\$ (0.21)	\$ (0.03)	\$ (0.21)
Diluted Earnings (Loss) Per Share				
Diluted Earnings (Loss) Per Share	\$ 0.02	\$ (0.21)	\$ (0.03)	\$ (0.21)
Antidilutive securities ⁽¹⁾	2,953	3,411	3,125	2,977

(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 and six months ended April 3, 2026 and March 28, 2025 due to the net loss incurred in the respective periods.

NOTE 11. INCOME TAXES:

The Company's effective tax rate was (3.4)% and 18.6% for the three months ended April 3, 2026 and March 28, 2025, respectively. For the six months ended April 3, 2026 and March 28, 2025, the Company's effective tax rate was 37.3% and 17.3%, respectively. The Company's effective tax rate for the three and six months ended April 3, 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 and six months ended March 28, 2025 differed from the U.S. statutory rate primarily due to the consolidated pre-tax book loss relative to the impacts of 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 material amounts were paid to Aramark, under the various agreements described above, during the three and six months ended April 3, 2026 or March 28, 2025, and no material amounts were due from or to Aramark, associated with the above agreements, as of April 3, 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 April 3, 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 \$211.3 million and \$202.5 million, respectively. Additionally, during the six months ended April 3, 2026, the Company transferred accounts receivable of \$1,292.8 million to the SPE, and the Company collected \$1,293.7 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 \$141.9 million and \$151.6 million were pledged by the SPE as collateral to the Purchasers as of April 3, 2026 and October 3, 2025, respectively.

Fees incurred for the A/R Facility are reflected within Other Expense (Income), net in the Condensed Consolidated Statements of Income (Loss). Such fees were \$2.8 million and \$3.2 million for the three months ended April 3, 2026 and March 28, 2025, respectively. For the six months ended April 3, 2026 and March 28, 2025, such fees were \$5.7 million and \$6.6 million, respectively. The fees are considered to be a loss on the sale of accounts receivable.

Cash activity related to the A/R Facility is reflected in Net cash provided by operating activities in the Condensed Consolidated Statements of Cash Flows.

NOTE 14. EQUITY:
Accumulated Other Comprehensive Income (Loss)

The changes in each component of accumulated other comprehensive income (loss), net of tax, for the three and six months ended April 3, 2026 and March 28, 2025 were as follows (in thousands):

	Three Months Ended April 3, 2026		
	Foreign Currency Translation	Pension-related	Total Accumulated Other Comprehensive Income (Loss)
Balance as of January 2, 2026	\$ (17,518)	\$ (5,637)	\$ (23,155)
Other comprehensive income (loss)	(3,249)	87	(3,162)
Balance as of April 3, 2026	\$ (20,767)	\$ (5,550)	\$ (26,317)

	Six Months Ended April 3, 2026		
	Foreign Currency Translation	Pension-related	Total Accumulated Other Comprehensive Income (Loss)
Balance as of October 3, 2025	\$ (20,778)	\$ (5,549)	\$ (26,327)
Other comprehensive income (loss)	11	(1)	10
Balance as of April 3, 2026	\$ (20,767)	\$ (5,550)	\$ (26,317)

	Three Months Ended March 28, 2025		
	Foreign Currency Translation	Pension-related	Total Accumulated Other Comprehensive Income (Loss)
Balance as of December 27, 2024	\$ (26,969)	\$ (5,099)	\$ (32,068)
Other comprehensive income (loss)	1,238	—	1,238
Balance as of March 28, 2025	\$ (25,731)	\$ (5,099)	\$ (30,830)

	Six Months Ended March 28, 2025		
	Foreign Currency Translation	Pension-related	Total Accumulated Other Comprehensive Income (Loss)
Balance as of September 27, 2024	\$ (23,812)	\$ (5,099)	\$ (28,911)
Other comprehensive loss	(11,369)	—	(11,369)
Amounts reclassified from accumulated other comprehensive loss (1)	9,450	—	9,450
Net current period other comprehensive loss	(1,919)	—	(1,919)
Balance as of March 28, 2025	\$ (25,731)	\$ (5,099)	\$ (30,830)

(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 and six months ended March 28, 2025, the Company paid dividends in the amount of \$9.2 million and \$13.8 million, respectively. No dividends were paid during the three and six months ended April 3, 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 and six months ended April 3, 2026 and March 28, 2025 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 regions currently experiencing conflict, including the Middle East and Eastern Europe, instability in these regions has contributed to increased volatility in global energy markets and broader economic uncertainty. For example, the ongoing tensions between the United States, Israel and Iran have resulted in disruptions to international shipping through the Strait of Hormuz, a waterway where approximately 20% of the world's oil supply transits daily. These conditions have resulted in inflationary pressures, particularly in labor and energy costs, as well as fluctuations in foreign currency exchange rates. Elevated energy prices, including fuel and utility costs, could have a material impact, and may continue in the future to adversely impact our cost of operations given our route-based service model and processing facilities. In addition, these global macroeconomic conditions may impact our customer spending decisions. In response to increased energy costs during the second fiscal quarter of 2026, we have implemented an energy surcharge to help mitigate the impact on our operating results.

The extent to which these macroeconomic conditions and geopolitical developments will impact our operational and financial performance will depend on future developments, including the duration and severity of geopolitical instability, such as any ongoing or future closures of the Strait of Hormuz or other reductions or disruptions in global energy supply; governmental responses to inflation and trade policies; and our ability to mitigate cost increases through pricing actions and operational efficiencies. Many of these factors are outside of our control and remain 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 our 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 \$30 million to \$35 million, with approximately \$25 million related to third-party consulting and support, and up to \$10 million in severance and related costs. During the second quarter of fiscal 2026, the Company recognized \$9.3 million of third-party consulting fees and \$1.0 million of severance costs related to the Company's business transformation. For the six months ended April 3, 2026, the Company recognized \$17.1 million of third-party consulting fees and \$6.5 million of severance costs related to the business 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 April 3, 2026 compared with March 28, 2025

The following table presents an overview of our results along with the amount of and percentage change between periods for the three months ended April 3, 2026 and March 28, 2025 (dollars in thousands).

	Three Months Ended		Change	Change
	April 3, 2026	March 28, 2025	\$	%
Revenue	\$ 659,437	\$ 665,249	\$ (5,812)	(0.9%)
Operating Expenses:				
Cost of services provided ⁽¹⁾	485,752	489,991	(4,239)	(0.9%)
Depreciation and amortization	34,568	35,882	(1,314)	(3.7%)
Selling, general and administrative expenses	112,338	147,946	(35,608)	(24.1%)
Total Operating Expenses	632,658	673,819	(41,161)	(6.1%)
Operating Income (Loss)	26,779	(8,570)	35,349	(412.5%)
Interest Expense, net	21,065	22,329	(1,264)	(5.7%)
Other Expense (Income), net	3,203	3,293	(90)	(2.7%)
Income (Loss) Before Income Taxes	2,511	(34,192)	36,703	(107.3%)
Provision (Benefit) for Income Taxes	(85)	(6,362)	6,277	(98.7%)
Net Income (Loss)	\$ 2,596	\$ (27,830)	\$ 30,426	(109.3%)

(1) Exclusive of depreciation and amortization

Consolidated revenue of \$659.4 million decreased \$5.8 million, or 0.9%, for the three months ended April 3, 2026 compared to the three months ended March 28, 2025. The decline in revenue compared to the prior year reflects a \$10.5 million decline in uniforms offset by a \$4.7 million increase in workplace supplies resulting from sales product mix shifting which occurred prior to the commencement of the Plan. Consolidated revenue was positively impacted by \$2.7 million from the impact of foreign exchange on currency related to our Canadian business.

Cost of services provided decreased \$4.2 million, or 0.9%, for the three months ended April 3, 2026 compared to the three months ended March 28, 2025. The decrease was primarily driven by a \$5.1 million decline in merchandise costs and a \$4.3 million reduction in delivery costs. These decreases were offset by a \$5.2 million increase in plant operating costs.

Depreciation and amortization expense of \$34.6 million for the three months ended April 3, 2026 decreased \$1.3 million, or 3.7%, compared to the three months ended March 28, 2025.

Selling, general and administrative expenses ("SG&A") decreased \$35.6 million, or 24.1%, for the three months ended April 3, 2026 compared to the three months ended March 28, 2025. The decrease in SG&A was primarily driven by headcount reductions and other cost savings measures resulting from the Plan, a \$16.2 million decrease in the Company's bad debt expense, a \$3.3 million decrease in separation-related charges, a \$4.6 million decrease in share-based compensation, and a \$7 million decrease in severance related costs, which were partially offset by \$9.3 million of third-party consulting costs related to the Company's business transformation. The decrease in the bad debt allowance was primarily due to a \$15 million charge to the Company's allowance for credit losses in the three months ended March 28, 2025 based on updated estimates of collectability. The remaining improvement in bad debt expense of \$1.2 million was attributable to improvements in accounts receivable related to certain working capital initiatives.

Operating income of \$26.8 million increased by \$35.3 million, or 412.5%, for the three months ended April 3, 2026 compared to the three months ended March 28, 2025 from the impact of changes in revenue and costs noted above.

Interest expense, net, decreased \$1.3 million for the three months ended April 3, 2026 compared to the three months ended March 28, 2025 primarily due to lower borrowings and lower interest rates.

Other expense, net of other income (which consists primarily of A/R Facility fees), decreased \$0.1 million for the three months ended April 3, 2026 compared to the three months ended March 28, 2025.

The provision for income taxes for the three months ended April 3, 2026 was recorded at an effective rate of (3.4)% compared to an effective rate of 18.6% for the three months ended March 28, 2025. The lower effective tax rate was due to the impact of changes in year over year earnings.

Net income of \$2.6 million for the three months ended April 3, 2026 represented an improvement of \$30.4 million, or 109.3%, compared to a net loss of \$27.8 million for the three months ended March 28, 2025, primarily due to the reduced operating expenses as noted above.

Results of Operations Six Months Ended April 3, 2026 compared with March 28, 2025

The following table presents an overview of our results along with the amount of and percentage change between periods for the six months ended April 3, 2026 and March 28, 2025 (dollars in thousands).

	Six months ended		Change	
	April 3, 2026	March 28, 2025	\$	%
Revenue	\$ 1,322,825	\$ 1,349,029	\$ (26,204)	(1.9%)
Operating Expenses:				
Cost of services provided ⁽¹⁾	977,969	985,251	(7,282)	(0.7%)
Depreciation and amortization	68,909	72,818	(3,909)	(5.4%)
Selling, general and administrative expenses	232,590	269,131	(36,541)	(13.6%)
Total Operating Expenses	<u>1,279,468</u>	<u>1,327,200</u>	<u>(47,732)</u>	<u>(3.6%)</u>
Operating Income (Loss)	43,357	21,829	21,528	98.6%
Loss (Gain) on Sale of Equity Investments	—	2,150	(2,150)	(100.0%)
Interest Expense, net	43,256	45,426	(2,170)	(4.8%)
Other Expense (Income), net	6,149	6,905	(756)	(10.9%)
Income (Loss) Before Income Taxes	<u>(6,048)</u>	<u>(32,652)</u>	<u>26,604</u>	<u>(81.5%)</u>
Provision (Benefit) for Income Taxes	<u>(2,253)</u>	<u>(5,654)</u>	<u>3,401</u>	<u>(60.2%)</u>
Net Income (Loss)	<u>\$ (3,795)</u>	<u>\$ (26,998)</u>	<u>\$ 23,203</u>	<u>(85.9%)</u>

(1) Exclusive of depreciation and amortization

Consolidated revenue of \$1,322.8 million decreased \$26.2 million, or 1.9%, for the six months ended April 3, 2026 compared to the six months ended March 28, 2025. The decline in revenue compared to the prior year reflects a \$29.7 million decline in uniforms offset by a \$3.5 million increase in workplace supplies, resulting from sales product mix shifting which occurred prior to the commencement of the Plan on 0.8% lower overall volume levels measured as pounds processed in our plants. Consolidated revenue was positively impacted by \$2.9 million from the impact of foreign exchange on currency related to our Canadian operations.

Cost of services provided decreased \$7.3 million, or 0.7%, for the six months ended April 3, 2026 compared to the six months ended March 28, 2025. The decrease was primarily driven by a \$10.2 million decline in merchandise costs and a \$5.6 million reduction in delivery costs. These decreases were partially offset by an \$8.9 million increase in plant operating costs.

Depreciation and amortization expense of \$68.9 million for the six months ended April 3, 2026 decreased \$3.9 million, or 5.4%, compared to the six months ended March 28, 2025.

Selling, general and administrative expenses ("SG&A") decreased \$36.5 million, or 13.6%, for the six months ended April 3, 2026 compared to the six months ended March 28, 2025. The decrease in SG&A was primarily driven by headcount reductions and other cost savings measures, a \$17.7 million decrease in the Company's bad debt expense, a \$6.5 million decrease in separation-related charges, a \$7.4 million decrease in share-based compensation, and a \$5.8 million decrease in severance related costs. These decreases were partially offset by \$17.1 million of third-party consulting costs related to the Company's business transformation. The decrease in the bad debt allowance was primarily due to a \$15 million charge to the Company's allowance for credit losses in the three months ended March 28, 2025 based on updated estimates of collectability. The remaining improvement in bad debt expense of \$2.7 million was attributable to improvements in accounts receivable related to certain working capital initiatives. Share-based compensation for the six months ended March 28, 2025 was impacted by the acceleration of awards associated with the departure of certain executives during the period.

Operating income of \$43.4 million increased by \$21.5 million, or 98.6%, for the six months ended April 3, 2026 compared to the six months ended March 28, 2025 from the impact of changes in revenue and costs noted above.

Interest expense, net, decreased \$2.2 million for the six months ended April 3, 2026 compared to the six months ended March 28, 2025 primarily due to lower borrowings and lower interest rates.

Other expense, net of other income, decreased \$0.8 million for the six months ended April 3, 2026 compared to the six months ended March 28, 2025, due, in part, to a decrease in A/R Facility fees of \$0.4 million.

The provision for income taxes for the six months ended April 3, 2026 was recorded at an effective rate of 37.3% compared to an effective rate of 17.3% for the six months ended March 28, 2025. The higher effective tax rate was primarily driven by changes in year-over-year earnings, as well as the impact of permanent tax items, federal tax credits, and discrete tax items recognized in each period.

Net loss of \$3.8 million for the six months ended April 3, 2026 represented an improvement of \$23.2 million, or 85.9%, compared to a net loss of \$27.0 million for the six months ended March 28, 2025, due to the impact of changes to revenue and expenses noted above.

Results of Operations—United States Results Three Months Ended April 3, 2026 compared with March 28, 2025

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 April 3, 2026 and March 28, 2025 (dollars in thousands).

	Three Months Ended		Change	Change
	April 3, 2026	March 28, 2025	\$	%
Segment Revenue	\$ 598,908	\$ 606,074	\$ (7,166)	(1.2%)
Segment Operating Income	49,781	18,552	31,229	168.3%
Segment Operating Income %	8.3%	3.1%		

United States revenue of \$598.9 million decreased \$7.2 million, or 1.2%, for the three months ended April 3, 2026 compared to the three months ended March 28, 2025 on lower overall volumes. The decline in revenue was driven by a \$10.4 million decline in uniform revenue, offset by a \$3.2 million increase in workplace supplies, resulting from sales product mix shifting which occurred prior to the commencement of the Plan.

Segment operating income of \$49.8 million for the three months ended April 3, 2026 increased \$31.2 million, or 168.3%, compared to the three months ended March 28, 2025, primarily driven by reduced operating expenses, partially offset by a decrease in revenue during the three months ended April 3, 2026, as described above.

Segment operating income margin increased approximately 530 basis points from 3.1% for the three months ended March 28, 2025 to approximately 8.3% for the three months ended April 3, 2026.

Results of Operations—United States Results Six Months Ended April 3, 2026 compared with March 28, 2025

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 six months ended April 3, 2026 and March 28, 2025 (dollars in thousands).

	Six months ended		Change	Change
	April 3, 2026	March 28, 2025	\$	%
Segment Revenue	\$ 1,201,809	\$ 1,227,790	\$ (25,981)	(2.1%)
Segment Operating Income	85,988	76,585	9,403	12.3%
Segment Operating Income %	7.2%	6.2%		

United States revenue of \$1,201.8 million decreased \$26.0 million, or 2.1%, for the six months ended April 3, 2026 compared to the six months ended March 28, 2025. The decline in revenue compared to the prior year reflects a \$28.5 million decline in uniforms and a \$2.6 million increase in workplace supplies, resulting from sales product mix shifting which occurred prior to the commencement of the Plan.

Segment operating income of \$86.0 million for the six months ended April 3, 2026 increased \$9.4 million, or 12.3%, compared to the six months ended March 28, 2025, primarily driven by reduced operating expenses, partially offset by a decrease in revenue during the six months ended April 3, 2026, as described above.

Segment operating income margin increased approximately 90 basis points from 6.2% for the six months ended March 28, 2025 to approximately 7.2% for the six months ended April 3, 2026.

Results of Operations—Canada Results Three Months Ended April 3, 2026 compared with March 28, 2025

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 April 3, 2026 and March 28, 2025 (dollars in thousands).

	Three Months Ended		Change	Change
	April 3, 2026	March 28, 2025	\$	%
Segment Revenue	\$ 60,529	\$ 59,175	\$ 1,354	2.3%
Segment Operating Income	1,947	2,079	(132)	(6.3)%
Segment Operating Income %	3.2%	3.5%		

Canada revenue of \$60.5 million increased \$1.4 million, or 2.3%, for the three months ended April 3, 2026 compared to the three months ended March 28, 2025, which includes a positive impact from the impact of foreign exchange on currency of \$2.7 million. The increase in revenue compared to the prior year primarily reflects a \$1.4 million increase in workplace supplies.

Segment operating income of \$1.9 million for the three months ended April 3, 2026 decreased \$0.1 million, or 6.3%, compared to the three months ended March 28, 2025.

Segment operating income margin decreased approximately 30 basis points from 3.5% for the three months ended March 28, 2025, to approximately 3.2% for the three months ended April 3, 2026.

Results of Operations—Canada Results Six Months Ended April 3, 2026 compared with March 28, 2025

The following table presents an overview of our Canada reportable segment results along with the amount of and percentage change between periods for the six months ended April 3, 2026 and March 28, 2025 (dollars in thousands).

	Six months ended		Change	
	April 3, 2026	March 28, 2025	\$	%
Segment Revenue	\$ 121,016	\$ 121,239	\$ (223)	(0.2%)
Segment Operating Income	4,108	3,991	117	2.9 %
Segment Operating Income %	3.4%	3.3%		

Canada revenue of \$121.0 million decreased \$0.2 million, or 0.2%, for the six months ended April 3, 2026 compared to the six months ended March 28, 2025, net of a positive impact from the impact of foreign exchange on currency of \$2.9 million. The decline in revenue compared to the prior year reflects a \$1.1 million decline in uniforms and a \$0.9 million increase in workplace supplies.

Segment operating income of \$4.1 million for the six months ended April 3, 2026 increased \$0.1 million, or 2.9%, compared to the six months ended March 28, 2025.

Segment operating income margin increased approximately 10 basis points from 3.3% for the six months ended March 28, 2025, to approximately 3.4% for the six months ended April 3, 2026.

Liquidity and Capital Resources

Overview

As part of our capital structure, we entered into a senior secured credit agreement (as amended by the First Amendment and the Second Amendment described below, the “Credit Agreement”) on September 29, 2023, which initially consisted of (i) a term loan A-1 tranche due September 2025 in the amount of \$800 million (“Term Loan A-1”), (ii) a term loan A-2 tranche due September 2028 in the amount of \$700 million (“Term Loan A-2”) and (iii) a \$300 million revolving credit facility. On February 22, 2024, we entered into an amendment to our credit agreement (the “First Amendment”) and refinanced our 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. On May 1, 2025, we entered into an amendment to our credit agreement (the “Second Amendment”). As part of the Second Amendment, 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 consolidated total net leverage ratio below or equal to 4.50x as of the last day of two consecutive quarters through the end of fiscal 2026.

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 our 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 and six months ended April 3, 2026 and March 28, 2025, and will adjust to SOFR plus 200 basis points once we achieve a 3.30x consolidated total net leverage ratio, 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 our consolidated total net leverage ratio, as defined in the Credit Agreement. The applicable margin on Term Loan A-2 was 2.50% during the three and six months ended April 3, 2026, and was 2.25% during the three and six months ended March 28, 2025.

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 April 3, 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 \$211.3 million and \$202.5 million, respectively.

As of April 3, 2026, we had approximately \$50.3 million of cash and cash equivalents and no borrowings outstanding on the revolving credit facility. Maximum availability under our revolving credit facility is \$300 million, of which \$294.2 million was available for borrowing as of April 3, 2026. The availability under the revolver is net of letters of credit of \$5.8 million. As of April 3, 2026, we had \$1,127.5 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):

	Six months ended	
	April 3, 2026	March 28, 2025
Net cash provided by operating activities	\$ 95,938	\$ 10,438
Net cash (used in) provided by investing activities	(15,263)	9,201
Net cash used in financing activities	(60,077)	(22,439)

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 \$95.9 million for the six months ended April 3, 2026 and \$10.4 million for the six months ended March 28, 2025. The increase in net cash provided by operating activities of \$85.5 million was due, in part, to the change in operating assets and liabilities of \$65.2 million, when comparing the six months ended April 3, 2026 to the six months ended March 28, 2025, as well as to the lower net loss for the six months ended April 3, 2026 compared with the six months ended March 28, 2025. The net loss for the six months ended April 3, 2026 was \$3.8 million compared to a net loss of \$27.0 million for the six months ended March 28, 2025 (see "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, among other things, 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 \$15.3 million for the six months ended April 3, 2026 compared to net cash provided by investing activities of \$9.2 million for the six months ended March 28, 2025. The decrease of \$24.5 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 \$6.2 million lower year-over-year purchases of property and equipment and lower acquisition-related investments of \$4.6 million. During the three months ended April 3, 2026, the Company sold two properties for \$6.5 million, one of which was previously identified as held-for-sale. 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 six months ended April 3, 2026, cash used in financing activities was primarily impacted by the following:

- proceeds from long-term borrowings of \$75.0 million;
- payments of long-term borrowings of \$116.0 million; and
- payments related to finance leases of \$18.7 million.

During the six months ended March 28, 2025, cash used in financing activities was primarily impacted by the following:

- proceeds from long-term borrowings of \$40.0 million;
- payments for long-term borrowings of \$30.0 million;
- payments related to finance leases of \$16.8 million; and
- dividend payments of \$13.8 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.

For example, the Credit Agreement requires that we maintain a maximum consolidated total net leverage ratio. The Second Amendment increased the maximum consolidated total net leverage ratio under the Credit Agreement 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, the maximum consolidated total net leverage ratio will remain at 4.50x for the first quarter of fiscal 2027 through maturity. Consolidated total net leverage ratio is defined under the Credit Agreement as consolidated total indebtedness over unrestricted cash divided by Adjusted EBITDA (as defined in the Credit Agreement). 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.

As part of the Second Amendment, we also agreed to limit the aggregate size of our 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 we achieve a maximum consolidated total 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 addition, the Credit Agreement also established a minimum interest coverage ratio, defined as Adjusted EBITDA (as defined in the Credit Agreement) 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.

As of April 3, 2026, the Company was 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 six months ended April 3, 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.

Elevated energy prices, including fuel and utility costs could have an adverse impact, and may continue in the future to adversely impact our cost of operations given our route-based service model and processing facilities. In addition, these global macroeconomic conditions may impact our customer spending decisions. In response to increased energy costs during the second fiscal quarter of 2026, we have implemented an energy surcharge to help mitigate the impact on our operating results.

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 April 3, 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 April 3, 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 April 3, 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, except as follows:

The conflict between the United States, Israel, and Iran and related geopolitical instability has affected, and may continue to adversely affect our business.

In February 2026, the United States and Israel launched a military offensive against Iran, which retaliated with missile attacks across the region. The conflict has caused disruptions in international shipping through the Strait of Hormuz, a waterway where approximately 20% of the world's oil supply transits daily. Although we do not have direct operations in regions currently experiencing conflict, including the Middle East, the ongoing conflict and any further escalation, including additional military actions, retaliatory measures, sanctions, disruptions to trade or transportation routes, cyberattacks, or other governmental or market responses, has and could continue to lead to significant disruption of global energy supplies and increases in global energy prices, heighten inflationary pressures on our input costs and supply chain, adversely affect global supply chains, energy markets, commodity prices, currency exchange rates, financial markets and overall macroeconomic conditions, and adversely impact customer spending patterns in markets in which we operate. While we believe the impacts of the conflict between the United States, Israel, and Iran may continue to have an effect on our business, financial condition and results of operations, we are unable to predict the extent or nature of these impacts at this time.

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 April 3, 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
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 April 3, 2026 formatted in inline XBRL: (i) Condensed Consolidated Balance Sheets as of April 3, 2026 and October 3, 2025; (ii) Condensed Consolidated Statements of Income (Loss) for the three and six months ended April 3, 2026 and March 28, 2025; (iii) Condensed Consolidated Statements of Comprehensive Income (Loss) for the three and six months ended April 3, 2026 and March 28, 2025; (iv) Condensed Consolidated Statements of Cash Flows for the six months ended April 3, 2026 and March 28, 2025; (v) Condensed Consolidated Statements of Changes in Equity for the three and six months ended April 3, 2026 and March 28, 2025; 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.

**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 April 3, 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: May 12, 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 April 3, 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: May 12, 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 April 3, 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.

May 12, 2026

/s/ Jim Barber

Jim Barber

President and Chief Executive Officer

/s/ Adam K. Bowen

Adam K. Bowen

Interim Chief Financial Officer