Uniforms and Workplace Supplies™

First Quarter 2025 Results

January 31, 2025

Forward looking statements

This presentation 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 and statements regarding our strategy for growth, future product development, regulatory approvals, competitive position and expenditures. In some cases, forward-looking statements can be identified by words such as “FY25 Outlook", "Fiscal 2025 Outlook,” “continue to,” “strategy,” “guidance,” “opportunities,” “focus,” “expect,” “will be,” “pipeline”, “believe,” 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 including, but not limited to: unfavorable economic conditions; increases in fuel and energy costs; the failure to retain current customers, renew existing customer contracts and obtain new customer contracts; natural disasters, global calamities, climate change, pandemics, strikes and other adverse incidents; competition in our industry; increased operating costs and obstacles to cost recovery due to the pricing and cancellation terms of our support services contracts; our leverage and reliance on an accounts receivable securitization facility; a determination by our customers to reduce their outsourcing or use of preferred vendors; risks associated with suppliers from whom our products are sourced; challenge of contracts by our customers; our expansion strategy and our ability to successfully integrate the businesses we acquire and costs and timing related thereto; currency risks and other risks associated with international operations; our inability to hire and retain key or sufficient qualified personnel or increases in labor costs; continued or further unionization of our workforce; 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; increases or changes in income tax rates or tax-related laws; risks related to recent U.S. tariff announcements; 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 considerations; any failure by Aramark to perform its obligations under the various separation agreements entered into in connection with the separation and distribution; a determination by the IRS that the distribution or certain related transactions are taxable; and the timing and occurrence (or non-occurrence) of other transactions, events and circumstances which may be beyond our control. 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 Vestis’ filings with the Securities and Exchange Commission. 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.

Q1 2025 results

Solid Q1 results demonstrating stabilization in the business

- Improving net volume trends driven by growth in national accounts and lower customer losses
- Revenue +0.1% sequentially versus Q4-24, excluding FX
- Retention of 92.9%, up 30bps Y/Y and up 280bps sequentially vs. Q4-24
- Adj EBITDA +1% and Adj EBITDA Margin +10bps sequentially vs. Q4-24

Delivering against key commercial and operational initiatives

- Positive in-year trends for new sales, customer retention, and pricing
- Efficient operations initiatives driving favorable net productivity

Reaffirming FY25 guidance

- Expect sequential improvement throughout the year as we continue to implement our strategic initiatives and cost structure enhancements
- Improving Y/Y growth rates in 2H as we move past tough comps in 1H

Revenue
$684M
(4.7)% Y/Y
Flat Q/Q

Adjusted EBITDA[1]
$81M
(17)% Y/Y
+1% Q/Q

Adjusted EBITDA Margin[1]
11.9%
(180) bps Y/Y
+10 bps Q/Q

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See Appendix for definitions. 1) See appendix for reconciliation of GAAP to non-GAAP financial measures

Key messages

1. Commercial momentum driving acceleration in new sales growth through FY25
2. Delivering operational advancements to elevate the customer experience
3. Driving productivity initiatives that support structurally higher profitability
4. Positioned to deliver growth and operating leverage with prudent investments
5. Sequential improvement in results through FY25 and attractive exit rate heading into FY26

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Continuing to advance Vestis' long-term strategy

High-Quality Growth

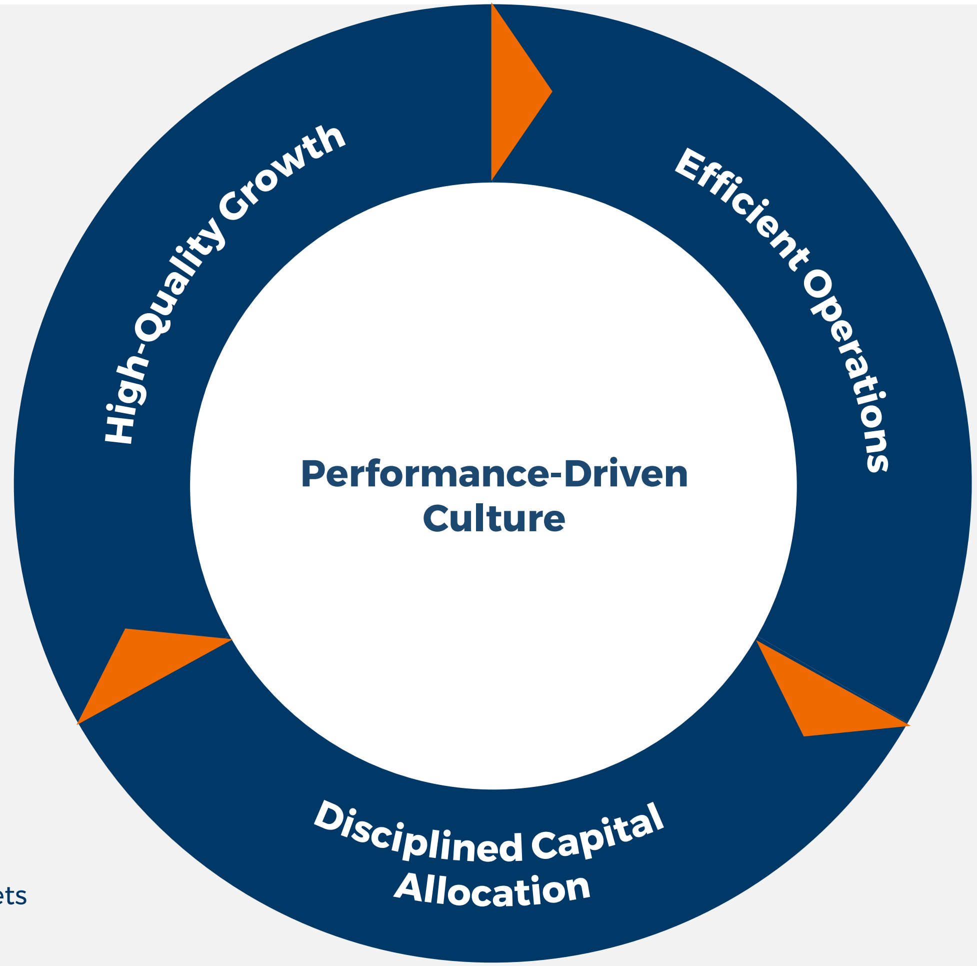
Prioritize highest margin growth in the base and targeted, high-quality new growth

- ✓ Positive sales productivity trends under new Field Sales leadership and structure
- ✓ National Account wins and healthy pipeline
- ✓ 50% Y/Y growth in revenue from route sales with existing customers

Disciplined Capital Allocation

Seek to operate within a target net leverage range, maintain a flexible financial position and invest in high return opportunities

- ✓ Capex ~3% of sales
- ✓ Remain focused on de-levering the balance sheet through cash generation and monetizing latent assets



Efficient Operations

Enhance workforce productivity, optimize network | logistics, and strategically manage costs and merchandise inventory

- ✓ Continue to advance Logistics initiatives with 15 optimization events in Q1
- ✓ Driving Merchandise Reuse efficiencies – Q1 Used Fill Ratio +10% Y/Y to record high

Performance-Driven Culture

Build a high-performing team with capabilities aligned to our strategy and a data-driven approach to decision making

- ✓ Teammate turnover continues to improve, led by frontline plant and service teammates
- ✓ Continue to drive improved teammate safety metrics

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Driving capital-light growth and operating leverage

Fixed Assets

Estimated idle wash plant capacity

~35%

Grow Customer Base

- Targeting new uniform customers who are likely to be future customers of multiple products
- Driving route density

Retain Existing Customers

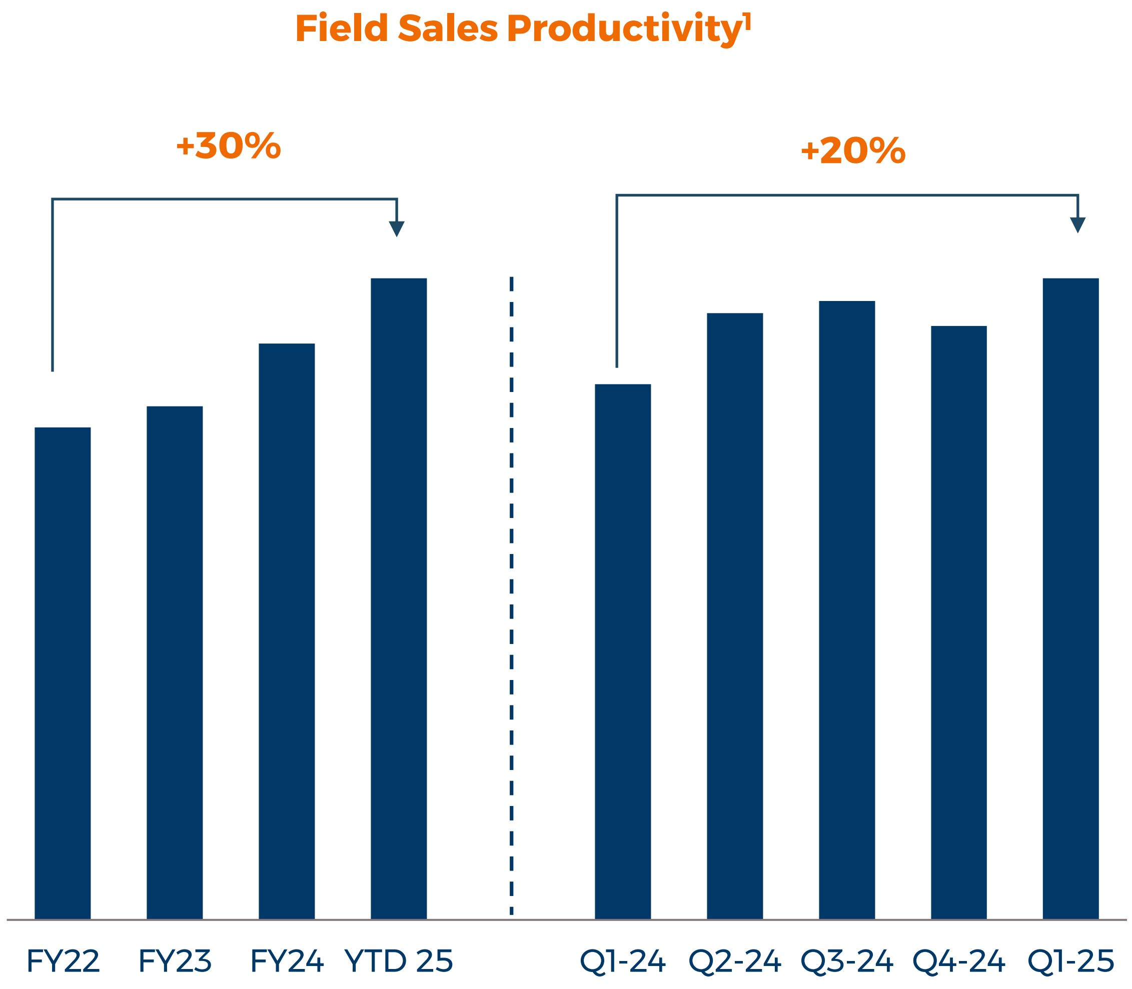
- Established customers contribute at higher margins as merchandise amortizes over time
- Grow recurring revenue base over time

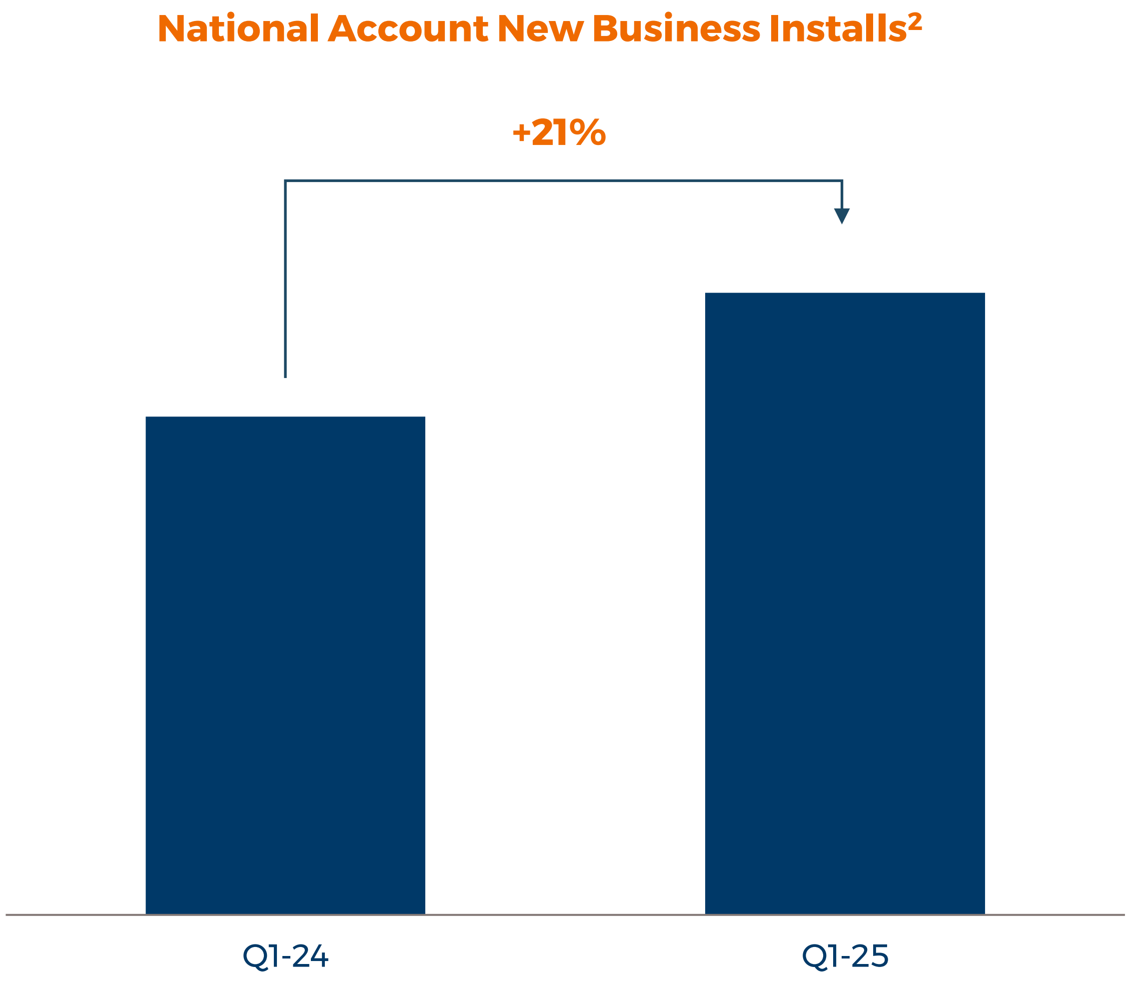
Capture Wallet Share

- Enhance customer penetration by cross-selling higher margin products on existing routes
- Leveraging fixed assets to obtain increased revenue per stop

Growing volumes to increase utilization and drive operating leverage on fixed assets already in place

Building commercial momentum





1) Average weekly recurring revenue sold per sales representative indexed to FY22
2) National account weekly recurring revenue installed

FINANCIAL RESULTS

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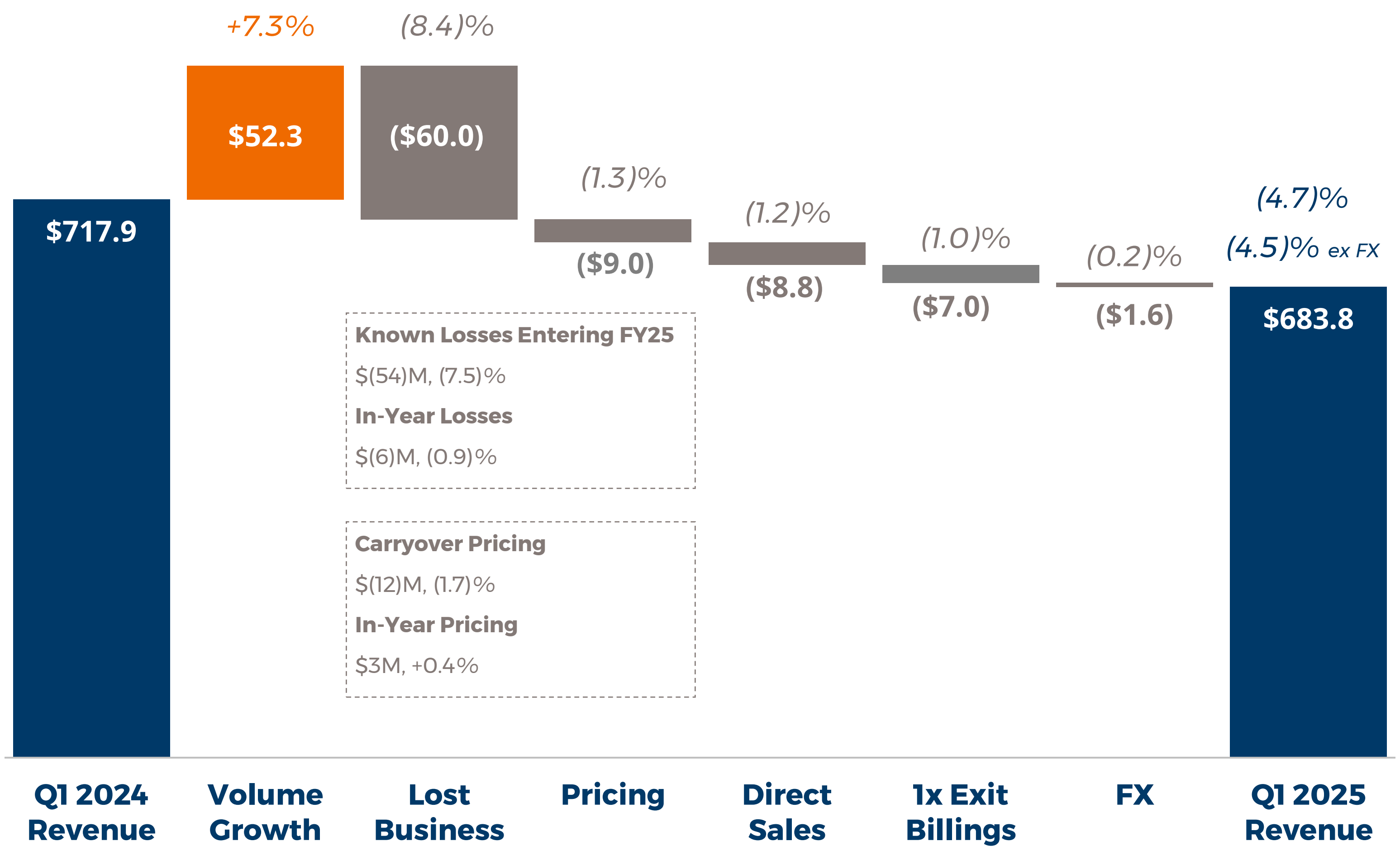
Q1 2025 revenue performance

($ millions)

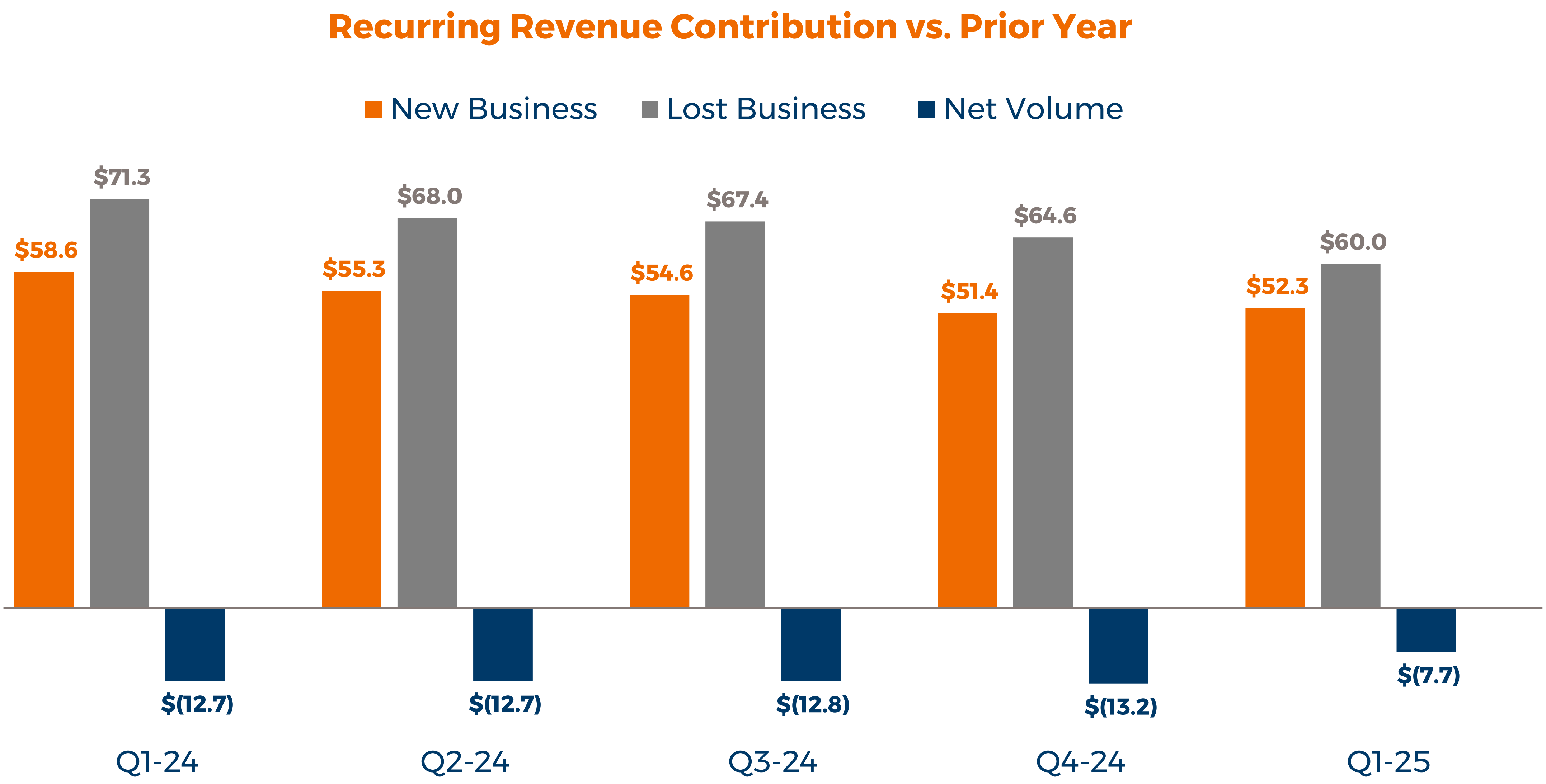


Note: Percentages may not sum due to rounding

- Q1 Revenue was up 20bps sequentially versus Q4-24, ex FX
- New customers contributed approximately 600bps to Y/Y growth
- Growth with existing customers contributed 140bps to Y/Y growth
- Lost Business down approximately 40% Y/Y and sequentially
  - Improving trends for both carryover and in-year losses
- As expected, 40bps of in-year pricing actions were more than offset by the negative impact from the rollback of prior year pricing actions
  - More favorable pricing comps as we move through the year

Net volume is improving in FY25

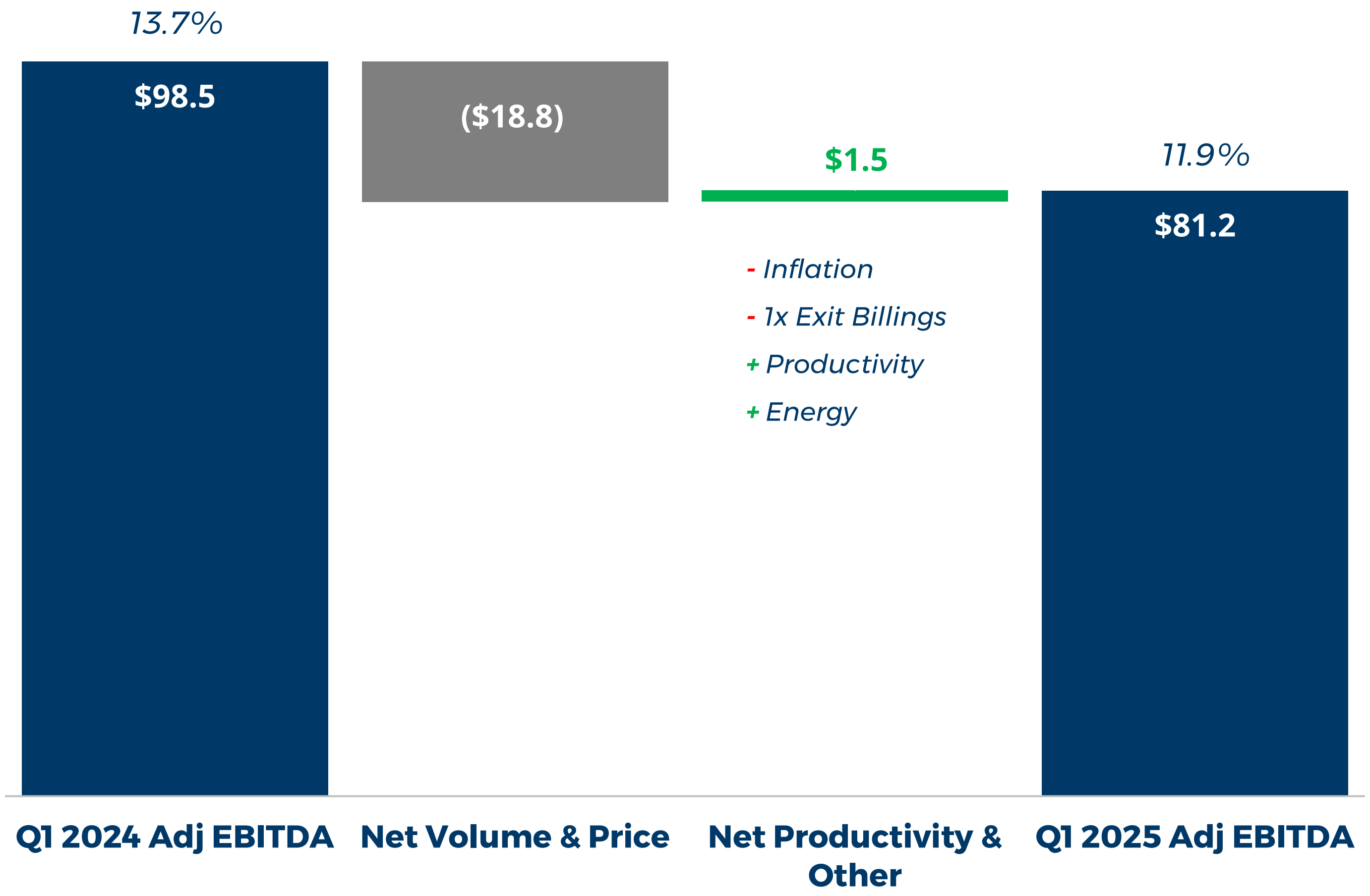
($ millions)



Note: Slide revised versus initial presentation

Q1 2025 adjusted EBITDA performance

($ millions)



- Q1 Adj EBITDA was up approximately 1% sequentially versus Q4-24
- Q1 Adj EBITDA margin +10bps sequentially versus Q4-24
- On a Y/Y basis, operating leverage on new business was more than offset by the impact of lost business and the tough Y/Y pricing compare
- Cost reduction initiatives and lower energy costs drove favorable net productivity, while absorbing headwinds from lapping 1x customer exit billings

See Appendix for reconciliation of GAAP to non-GAAP financial measures

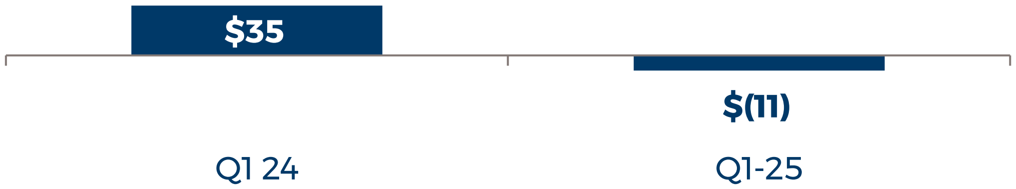
Q1 2025 cash flow performance

($ millions)

Operating Cash Flow

Capital Expenditures, net

Free Cash Flow



See Appendix for reconciliation of GAAP to non-GAAP financial measures.

- Operating cash flow reflects lower EBITDA between years and approximately $20M of accounts receivable collections that shifted into January due to the timing of the holidays and our quarter-end date
- We have already recovered the $20 million collections deficit from the last week of the fiscal December during the first two weeks of January
- $6M investment in inventory during the quarter to support growth
- We continue to expect our cash conversion rate to be on average approximately 50% on an annual basis

Strengthening our balance sheet

($ millions)

	$ Millions
FY23 Ending Debt[1]	**1,633**
Less: Debt Repayment, net[2]	(324)
FY24 Ending Debt[1]	**1,309**
Less: Debt Repayment, net[2]	(16)
Q1 FY25 Ending Debt[1]	**1,293**
Less: Cash	(19)
Q1 FY25 Net Debt	**1,274**
Q1 FY25 LTM Adjusted EBITDA	336
Q1 FY25 Net Debt to Adj EBITDA	**3.80x**

- Remain committed to strengthening our balance sheet by de-levering with long-term target leverage range of 1.5-2.5x
- During Q1, we reduced term loan debt by $20M using a portion of the proceeds from the sale of the AUSJ minority stake
- Net debt has declined by $333M since the end of Fiscal 2023
- Expect net leverage to decline by the end of Fiscal 2025 driven by a combination of cash generation and higher LTM Adjusted EBITDA

See Appendix for reconciliation of GAAP to non-GAAP financial measures
1) Includes debt and finance lease. 2) Principal repayment of debt, net of change in finance lease obligation

Re-iterating Fiscal 2025 outlook[1]

		Commentary
Revenue	**$2.8B to $2.83B** *(0.2)% to +0.9% growth*	• Core revenue +1-2% with positive contribution from both net volume and pricing • Core revenue excludes $28M of one-time customer exit billings and direct sale revenue in FY24 • Assumes FX rates remain consistent with current levels
Adj EBITDA	**$345M to $360M** *12.3% to 12.7% margin*	• Improvement throughout the year as we continue to execute our strategic initiatives and cost structure enhancements • Core EBITDA +MSD and margin +40bps excluding one-time items in FY24
Free Cash Flow	*~50% Adj EBITDA to FCF Conversion*	• Cash flow includes $15M separation related cash costs excluded from Adjusted EBITDA

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See Appendix for a discussion of forward-looking non-GAAP information and for definitions of non-GAAP measures

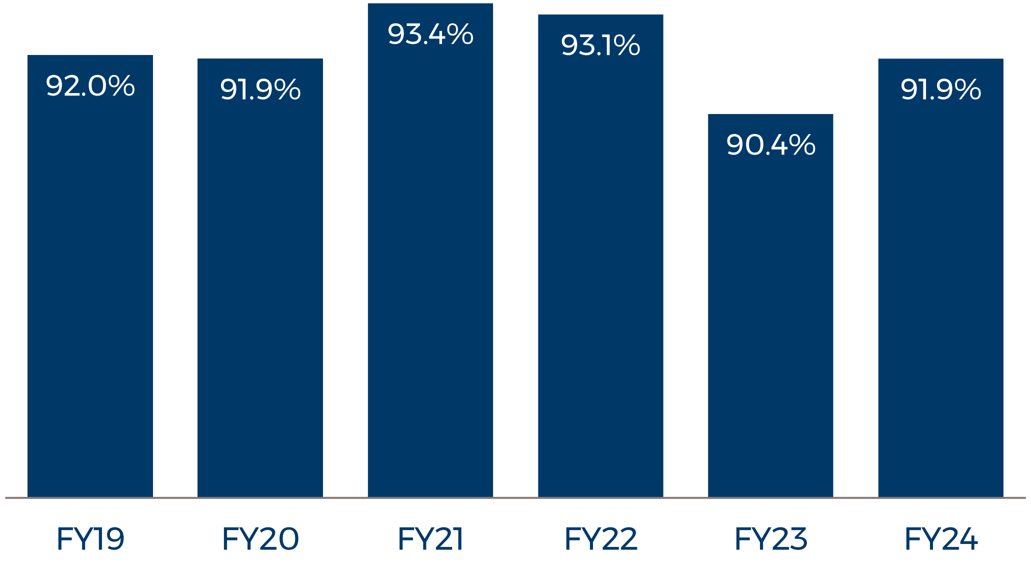
1) Fiscal 2025 guidance is provided on a normalized 52-week fiscal year basis. Fiscal 2025 reported financials will include the impact of a 53rd week, with the extra week impacting the fourth quarter

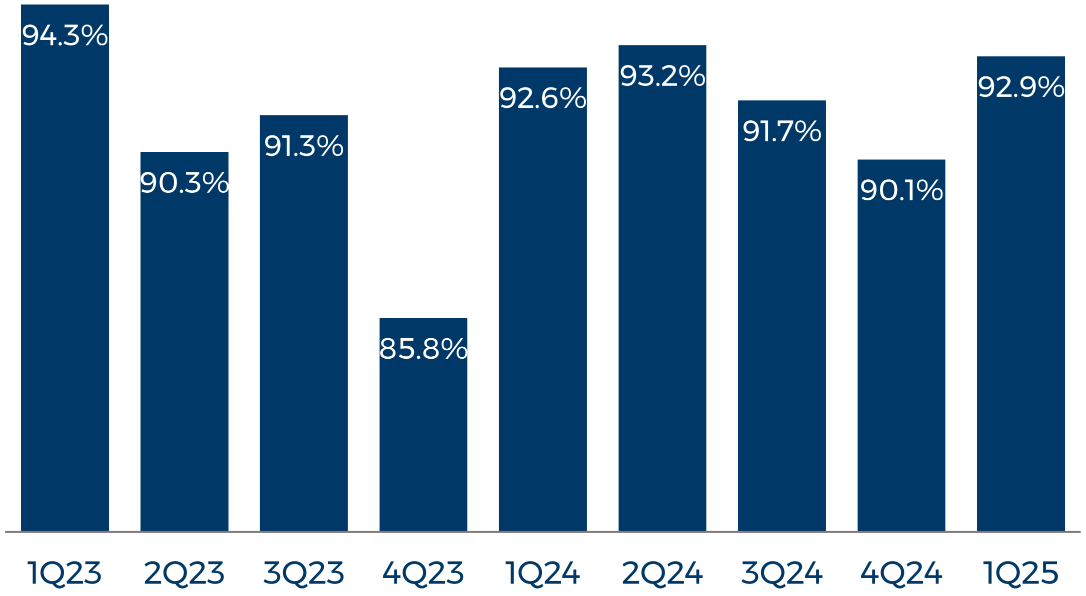
Q&A

APPENDIX

Customer retention

Recurring Revenue Customer Retention[1]





1) Retention is defined as lost annualized recurring revenue for the period reported divided by total company annualized recurring revenue for the trailing 52 weeks. This metric takes the full annualized impact of a lost customer in the period it is reported.

Q1 revenue breakdown

U.S.
$622M
(4.8)%

Canada
$62M
(4.0)%

Workplace Supplies
$415M
(0.9)%

Uniforms
$269M
(10.2)%

Fiscal 2025 outlook – modeling assumptions

Modeling Assumptions	
Depreciation & Amortization	$145 to $150 million
Share-Based Compensation	$15 to $20 million
Separation Related Costs	$15 million
Interest Expense	$85 to $90 million
A/R Facility Costs[1]	~$15 million
Effective Tax Rate	~27%
Shares Outstanding	~132 million
Capex	~3% of revenue
Sale of AUSJ Minority Stake	$(0.01) to $(0.02) Adj EPS impact in FY25 vs. FY24

1) Included in Other Expense, net

Non-GAAP Definitions

This presentation could include certain non-GAAP financial measures, such as Organic Revenue Growth, Adjusted Revenue, Adjusted Operating Income, Adjusted Operating Income Margin, Adjusted EBITDA, Adjusted EBITDA Margin and Free Cash Flow. Vestis utilizes these measures when monitoring and evaluating operating performance. The non-GAAP financial measures presented herein are supplemental measures of Vestis' performance that Vestis believes help investors because they enable better comparisons of Vestis' historical results and allow Vestis' investors to evaluate its performance based on the same metrics that Vestis uses to evaluate its performance and trends in its results. Vestis' presentation of these metrics has limitations as an analytical tool and should not be considered in isolation or as a substitute for analysis of Vestis' results as reported under U.S. GAAP. Because of their limitations, these non-GAAP financial measures should not be considered as measures of cash available to Vestis to invest in the growth of Vestis' business or that will be available to Vestis to meet its obligations. Vestis compensates for these limitations by using these non-GAAP financial measures along with other comparative tools, together with U.S. GAAP financial measures, to assist in the evaluation of operating performance. You should not consider these measures as alternatives to revenue, operating income, operating income margin, net income, net income margin or net cash provided by operating activities determined in accordance with U.S. GAAP. Vestis believes that these non-GAAP financial measures, in addition to the corresponding U.S. GAAP financial measures, are important supplemental measures which exclude non-cash or other items that may not be indicative of or are unrelated to Vestis' core operating results and the overall health of Vestis. Non-GAAP financial measures as presented by Vestis may not be comparable to other similarly titled measures of other companies because not all companies use identical calculations.

Organic Revenue Growth

Organic revenue growth measures our revenue growth trends excluding the impact of acquisitions and foreign currency, and we believe it is useful for investors to understand growth through internal efforts. We define "organic revenue growth" as the growth in revenues, excluding (i) Acquisitions and (ii) the impact of foreign currency exchange rate changes, (iii) the impact of the 53rd week, when applicable.

Adjusted Revenue

Adjusted Revenue represents revenue as determined in accordance with U.S. GAAP, adjusted to eliminate the impact of the 53rd Week, when applicable.

Adjusted Operating Income

Adjusted Operating Income represents Operating Income adjusted for Amortization Expense of Acquired Intangibles; Share-based Compensation Expense; Severance and Other Charges; Merger and Integration Related Charges; Separation Related Charges; Estimated Impact of 53rd Week, when applicable; and Gain, Losses, Settlements and Other Items impacting comparability. Adjusted results are presented in order to reflect the results in a manner that allows a better understanding of operational activities separate from the financial impact of decisions made for the long-term benefit of the company and other items impacting comparability between periods. Similar adjustments have been recorded in earlier periods and similar types of adjustments can reasonably be expected to be recorded in future periods.

Adjusted Operating Income Margin

Adjusted Operating Income Margin represents Adjusted Operating Income as a percentage of Adjusted Revenue.

Adjusted EBITDA

Adjusted EBITDA represents Net Income adjusted for Provision for Income Taxes; Interest Expense and Other, net; and Depreciation and Amortization (EBITDA), further adjusted for Share-based Compensation Expense; Severance and Other Charges; Merger and Integration Charges; Separation Related Charges; Estimated Impact of 53rd Week (when applicable); Gains, Losses, Settlements; and other items impacting comparability. Adjusted results are presented in order to reflect the results in a manner that allows a better understanding of operational activities separate from the financial impact of decisions made for the long-term benefit of the company and other items impacting comparability between periods. Similar adjustments have been recorded in earlier periods and similar types of adjustments can reasonably be expected to be recorded in future periods.

Adjusted EBITDA Margin is Adjusted EBITDA as a percentage of Adjusted Revenue.

Free Cash Flow

Free Cash Flow represents Net cash provided by operating activities adjusted for Purchases of Property and Equipment and Other and Disposals of property and equipment.

Forward Looking Non-GAAP Information

This presentation includes certain non-GAAP financial information that is forward-looking in nature, including without limitation annual revenue growth and adjusted EBITDA margin. Vestis believes that a quantitative reconciliation of such forward-looking information to the most comparable financial measure calculated and presented in accordance with GAAP cannot be made available without unreasonable efforts. A reconciliation of these non-GAAP financial measures would require Vestis to predict the timing and likelihood of among other things future acquisitions and divestitures, restructurings, asset impairments, other charges and other factors not within Vestis' control. Neither these forward-looking measures, nor their probable significance, can be quantified with a reasonable degree of accuracy. Accordingly, the most directly comparable forward-looking GAAP measures are not provided. Forward-looking non-GAAP financial measures provided without the most directly comparable GAAP financial measures may vary materially from the corresponding GAAP financial measures. The estimates of revenue growth for fiscal year 2025 and adjusted EBITDA margin for fiscal year 2025 do not attempt to forecast currency fluctuations and, accordingly, reflect an assumption of constant currency.

Non-GAAP reconciliations / 1Q revenue and adjusted EBITDA

($ millions)

	Three Months Ended December 27, 2024				Three Months Ended December 29, 2023			
	United States	**Canada**	**Corporate**	**Total**	**United States**	**Canada**	**Corporate**	**Total**
Revenue (as reported)	$ 621.7	$ 62.1		$ 683.8	$ 653.2	$ 64.7		$ 717.9
Effect of Currency Translation on Current Year Revenue		1.6		1.6	-	-		-
Adjusted Revenue (Organic)	$ 621.7	$ 63.7		$ 685.4	$ 653.2	$ 64.7		$ 717.9
Revenue Growth (as reported)	(4.8)%	(4.0)%		(4.7)%	2.4%	2.7%		2.5%
Adjusted Revenue Growth (Organic)	(4.8)%	(1.6)%		(4.5)%	2.4%	3.0%		2.5%
Operating Income (U.S. GAAP)	$ 58.0	$ 1.9	$ (29.5)	$ 30.4	$ 74.1	$ 4.6	$ (31.1)	$ 47.6
Amortization Expense	6.7	0.1	-	6.8	6.4	0.1	-	6.5
Share-Based Compensation	-	-	5.2	5.2	-	-	4.7	4.7
Severance and Other Charges	4.0	0.4	-	4.4	0.4	-	-	0.4
Separation Related Charges	-	-	4.6	4.6	-	-	9.0	9.0
Management Fee	(4.9)	4.9		-	(1.9)	1.9	-	-
Gain, Losses, Settlements and Other Items	(0.4)	-	1.1	(0.4)	1.3	-	-	1.3
Subtotal - Operating Income Adjustments	$ 5.4	5.4	9.8	20.6	6.2	2.0	13.7	21.9
Adjusted Operating Income (Non-GAAP)	$ 63.4	$ 7.3	$ (19.7)	$ 51.0	$ 80.3	$ 6.6	$ (17.4)	$ 69.5
Depreciation Expense	27.2	2.6	0.4	30.2	26.0	2.8	0.1	28.9
Adjusted EBITDA (Non-GAAP)	$ 90.6	$ 9.9	$ (19.3)	$ 80.5	$ 106.3	$ 9.4	$ (17.3)	$ 98.4
Operating Income Margin (as reported)	9.3%	3.1%		4.4%	11.3%	7.1%		6.6%
Adjusted Operating Income Margin (Non-GAAP)	10.2%	11.8%		7.5%	12.3%	10.2%		9.7%
Adjusted EBITDA Margin (Non-GAAP)	14.6%	15.9%		11.9%	16.3%	14.5%		13.7%

1) For the three months ended December 27, 2024, the intercompany management fee also includes sourcing support and an allocation of Corporate costs for functional support of the Canadian operations of $3.5 million

Non-GAAP reconciliations / net debt and leverage

($ millions)

	As of December 27, 2024	
Total principal debt outstanding	$	1,142.5
Finance lease obligations		150.2
Less: Cash and cash equivalents		(18.6)
Net Debt (Non-GAAP)	$	1,274.1
Net Leverage (Non-GAAP)		3.80

	Twelve Months Ended December 27, 2024	
Trailing Twelve Months Adjusted EBITDA (Non-GAAP)	$	335.7

Non-GAAP reconciliations / TTM adjusted EBITDA

($ millions)

Operating Income for the fiscal year ended September 27, 2024 (as reported in the Company's Form 10-K)	158.0
Amortization Expense	25.9
Share-Based Compensation	16.3
Severance and Other Charges	4.4
Separation Related Charges	22.7
Gain, Losses, and Settlements	10.8
Depreciation Expense	114.8
Trailing Twelve Months Adjusted EBITDA for the period ended September 27, 2024 (Non-GAAP)	352.9
Less Adjusted EBITDA (Non-GAAP) for the quarter ended December 29, 2023	(98.4)
Plus Adjusted EBITDA (Non-GAAP) for the quarter ended December 27, 2024	81.2
Trailing Twelve Months Adjusted EBITDA for the period ended December 27, 2024 (Non-GAAP)	335.7

Non-GAAP reconciliations / free cash flow

($ millions)

	Three Months Ended	
	December 27, 2024	**December 29, 2023**
Net cash provided by operating activities	$ 3.8	$ 51.5
Purchases of property and equipment and other	(14.7)	(16.9)
Disposals of property and equipment	0.3	-
Free Cash Flow (Non-GAAP)	$ (10.6)	$ 34.6

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