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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

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**FORM 8-K**

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**CURRENT REPORT**

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

**Date of Report (Date of earliest event reported): March 18, 2019**

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**VERRA MOBILITY CORPORATION**

(Exact name of registrant as specified in its charter)

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**Delaware**  
**(State or other jurisdiction**  
**of incorporation)**

**1-37979**  
**(Commission**  
**File Number)**

**81-3563824**  
**(IRS Employer**  
**Identification No.)**

**1150 N. Alma School Road**  
**Mesa, Arizona**  
**(Address of principal executive offices)**

**85201**  
**(Zip Code)**

**(480) 443-7000**  
**(Registrant's telephone number, including area code)**

**N/A**  
**(Former name or former address, if changed since last report)**

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Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

- Emerging growth company
  - 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.
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**Item 2.02 Results of Operations and Financial Condition.**

On March 18, 2019, Verra Mobility Corporation (the “**Company**”) issued a press release announcing its financial results for the fourth quarter and fiscal year ended December 31, 2018. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The information in this Item 2.02 and Exhibit 99.1 attached hereto is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, except as expressly set forth by specific reference in such filing.

**Item 7.01 Regulation FD Disclosure.**

The Company will host a conference call and live webcast to discuss its 2018 financial results on March 19, 2019, at 8 a.m. Eastern time. On March 18, 2019, the Company disseminated an investor presentation to be used in connection with the earnings call. A copy of the investor presentation is furnished as Exhibit 99.2 to this Current Report on Form 8-K.

The information furnished in this Item 7.01, and Exhibit 99.2 attached hereto is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, except as may be expressly set forth by specific reference in such filing.

The Company expressly disclaims any obligation to update or revise any of the information contained in the investor presentation.

The investor presentation is available on the Company’s investor relations website located at [ir.verramobility.com](http://ir.verramobility.com), although the Company reserves the right to discontinue that availability at any time.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

<b>Exhibit Number</b>	<b>Description of Exhibits</b>
99.1	<a href="#">Press Release, dated March 18, 2019, issued by Verra Mobility Corporation.</a>
99.2	<a href="#">Investor Presentation, dated March 18, 2019, given by Verra Mobility Corporation.</a>

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: March 18, 2019

**Verra Mobility Corporation**

By: /s/ Patricia Chiodo

Name: Patricia Chiodo

Title: Chief Financial Officer



## Verra Mobility Announces Fourth Quarter and Full Year 2018 Financial Results

**MESA, Arizona – March 18, 2019** – Verra Mobility Corporation (NASDAQ: VRRM) (the “**Company**” or “**Verra Mobility**”) a leading provider of smart mobility technology solutions, today announced financial results for the fourth quarter and full year ended December 31, 2018.

Total revenue for the fourth quarter increased to \$95.1 million compared to \$63.2 million for fourth quarter of 2017. Total revenue for the full year 2018 increased to \$370.1 million compared to \$232.1 million for full year 2017.

“We are pleased with our execution during the fourth quarter and fiscal year 2018; this was an outstanding and transformative year for the Company. We closed two highly strategic acquisitions and became a publicly traded company through the SPAC transaction with Gores Holdings II,” said David Roberts, Chief Executive Officer of Verra Mobility. “I could not be prouder of the team and the hard work that was accomplished to make this transformation seamless.”

The Company reports its results of operations based on two operating segments: Commercial Services and Government Solutions. Commercial Services delivers market-leading automated toll and violations management and title and registration solutions to rental car companies, fleet management companies and other large fleet owners. Government Solutions delivers market-leading automated safety solutions to municipalities and school districts, including services and technology that enable photo enforcement via road safety camera programs related to red light, speed, school bus, and city bus lanes.

### Fourth Quarter 2018 Financial Highlights

- Revenues of \$95.1 million
- Net loss of \$38.0 million
- Adjusted EBITDA of \$47.3 million, representing 49.7% of total revenue
- Commercial Services segment generated total revenue of \$58.4 million and segment profit of \$33.2 million
- Government Solutions segment generated total revenue of \$36.7 million and segment profit of \$13.1 million
- Cash flow used in consolidated operations was \$94,000

The Company recorded certain out-of-period adjustments which reduced revenue in the fourth quarter of 2018, in the aggregate amount of \$4.2 million pertaining to prior 2018 quarters. These adjustments, had they been recorded in the period they originated, would have decreased revenue, as a percentage of quarterly revenue, as follows: Q1: -1.4%, Q2: -0.9%, Q3: -2.2% and

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Q4: +4.4%. The overall impact of these adjustments are immaterial to the Company's consolidated financial statements.

#### **Full Year 2018 Financial Highlights**

- Revenues of \$370.1 million
- Net Loss of \$58.4 million
- Adjusted EBITDA of \$197.6 million, representing 53.4% of total revenue
- Commercial Services segment generated total revenue of \$222.6 million and segment profit of \$121.6 million
- Government Solutions segment generated total revenue of \$147.5 million and segment profit of \$56.1 million
- Cash flow from operations was \$46.0 million

#### **Quarterly Conference Call**

Verra Mobility will host a conference call and live webcast to discuss financial results for investors and analysts at 5:00 a.m. Pacific Time (8:00 a.m. Eastern Time) on March 19, 2019. To access the conference call, dial (800) 263-0877 for the U.S. or Canada or (646) 828-8143 with conference ID # 3538970. The webcast will be available live on the Investors section of the company website at [www.verramobility.com](http://www.verramobility.com). An audio replay of the call will also be available to investors by phone beginning at approximately 8:00 a.m. Pacific Time on March 19, 2019, until 8:59 p.m. Pacific Time on April 2, 2019, by dialing (844) 512-2921 for the U.S. or Canada or (412) 317-6671 for international callers, and entering passcode #3538970. In addition, an archived webcast will be available on the Investors section of the company website at [www.verramobility.com](http://www.verramobility.com).

#### **Forward-Looking Statements**

This press release contains forward-looking statements which address The Company's expected future business and financial performance, and often contain words such as "goal," "target," "future," "estimate," "expect," "anticipate," "intend," "plan," "believe," "seek," "project," "may," "should," or "will" and similar expressions. Examples of forward-looking statements include, among others, statements regarding the benefits of the Company's strategic acquisitions; changes in the market for our products and services; expected operating results, such as revenue growth; expansion plans and opportunities; and earnings guidance related to 2018 financial and operational metrics. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those currently anticipated. Risks and uncertainties that may affect future results include those that are described from time to time in the Company's filings with the Securities and Exchange Commission ("**SEC**"), which are available on the Company's Investor Relations website, <http://ir.verramobility.com>, and on the SEC website, [www.sec.gov](http://www.sec.gov). These forward-looking statements represent the judgment of the Company, as of the date of this release, and Verra Mobility disclaims any intent or obligation to update forward-looking statements. This press release should be read in conjunction with the information included in the Company's other press releases, reports and other filings with the SEC. Understanding the information contained in these filings is important in order to fully understand the Company's reported financial results and our business outlook for future periods.

#### **Non-GAAP Financial Information**

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In addition to disclosing financial results that are determined in accordance with U.S. generally accepted accounting principles (“**GAAP**”), the Company also discloses certain non-GAAP financial information in this press release. These financial measures are not recognized measures under GAAP and they are not intended to be and should not be considered in isolation or as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP. EBITDA, adjusted EBITDA and adjusted EBITDA margin are non-GAAP financial measures as defined by SEC rules. This non-GAAP financial information may be determined or calculated differently by other companies. Reconciliations of these non-GAAP measurements to the most directly comparable GAAP financial measurements have been provided in the financial statement tables included in this press release, and investors are encouraged to review the reconciliation.

### **About Verra Mobility**

Verra Mobility is committed to developing and using the latest in technology and data intelligence to help make transportation safer and easier. As a global company, Verra Mobility sits at the center of the mobility ecosystem – one that brings together vehicles, devices, information, and people to solve the most complex challenges faced by our customers and the constituencies they serve.

Verra Mobility serves the world's largest commercial fleets and rental car companies to manage tolling transactions and violations for millions of vehicles. A leading provider of connected systems, Verra Mobility processes millions of transactions each year through connectivity with more than 50 individual tolling authorities and more than 400 issuing authorities. Verra Mobility also fosters the development of safe cities, partnering with law enforcement agencies, transportation departments and school districts across North America operating thousands of red-light, speed, bus lane and school bus stop arm safety cameras. For more information, visit [www.verramobility.com](http://www.verramobility.com).

### **Investor Contact**

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**VERRA MOBILITY CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**

	December 31, 2018	December 31, 2017
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 65,048,194	\$ 8,724,945
Restricted cash	2,033,186	1,784,665
Accounts receivable, net	87,510,691	60,180,536
Unbilled receivables	12,955,507	4,802,074
Prepaid expenses and other current assets	17,600,270	15,788,912
<b>Total current assets</b>	<b>185,147,848</b>	<b>91,281,132</b>
Installation and service parts, net	9,282,064	9,066,913
Property and equipment, net	69,242,811	65,370,696
Intangible assets, net	514,541,531	203,749,221
Goodwill	564,723,498	294,414,522
Other non-current assets	1,845,443	982,731
<b>Total assets</b>	<b>\$ 1,344,783,195</b>	<b>\$ 664,865,215</b>
<b>Liabilities and stockholders' equity</b>		
Current liabilities:		
Accounts payable	\$ 45,188,357	\$ 20,158,977
Accrued liabilities	14,443,967	10,086,622
Current portion of long-term debt	9,103,518	3,250,000
<b>Total current liabilities</b>	<b>68,735,842</b>	<b>33,495,599</b>
Long-term debt, net of current portion and deferred financing costs	860,249,164	425,439,034
Other long-term liabilities	3,368,710	2,689,145
Payable related to tax receivable agreement	69,996,334	
Asset retirement obligation	6,749,822	6,373,125
Deferred tax liabilities	33,627,191	49,603,691
<b>Total Liabilities</b>	<b>1,042,727,063</b>	<b>517,600,594</b>
<b>Commitments and Contingencies</b>		
<b>Stockholders' equity</b>		
Preferred stock, \$.0001 par value, 1,000,000 shares authorized with no shares issued and outstanding as of December 31, 2018 and 2017	—	—
Common stock, \$.0001 par value, 260,000,000 shares authorized with 156,056,642 and 60,483,804 shares issued and outstanding as of December 31, 2018 and 2017, respectively	15,606	6,048
Common stock contingent consideration	73,150,000	—
Additional paid-in capital	348,017,132	129,020,351
Retained earnings (accumulated deficit)	(113,306,294)	18,238,222
Accumulated other comprehensive loss	(5,820,312)	—
<b>Total stockholders' equity</b>	<b>302,056,132</b>	<b>147,264,621</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 1,344,783,195</b>	<b>\$ 664,865,215</b>

**VERRA MOBILITY CORPORATION AND SUBSIDIARIES**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**

Unaudited	Three months ended	
	December 31, 2018	December 31, 2017
Service revenue	\$ 93,822,287	\$ 61,268,951
Product sales	1,283,125	1,895,085
Total revenue	95,105,412	63,164,036
Cost of service revenue	1,570,255	812,854
Cost of product sales	1,021,797	1,118,821
Operating expenses	28,582,987	21,703,161
Selling, general and administrative expenses	53,517,772	14,832,998
Depreciation, amortization, impairment, and (gain) loss on disposal of assets, net	28,523,027	13,868,581
Total costs and expenses	113,215,838	52,336,415
Income from operations	(18,110,426)	10,827,621)
Interest expense	17,011,457	9,022,518
Loss on extinguishment of debt	16,335,105	—
Other income (expense), net	(1,793,712)	(837,012)
Total other expense	31,552,850	8,185,506
Income (loss) before income taxes	(49,663,276)	2,642,115)
Income tax provision (benefit)	(11,708,873)	(26,539,460)
Net income	\$ (37,954,403)	\$ (29,181,575)



**VERRA MOBILITY CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
**AND COMPREHENSIVE INCOME (LOSS)**

	Successor		Predecessor	
	Year Ended December 31, 2018	Period from June 1, 2017 to December 31, 2017	Period From January 1, 2017 to May 31, 2017	Year Ended December 31, 2016
Service revenue	\$ 365,075,935	\$ 135,655,277	\$ 92,530,939	\$ 212,514,712
Product sales	5,069,785	2,583,410	1,340,191	18,234,874
Total revenue	<u>370,145,720</u>	<u>138,238,687</u>	<u>93,871,130</u>	<u>230,749,586</u>
Cost of service revenue	5,787,699	1,936,063	1,369,445	2,638,070
Cost of product sales	3,446,929	1,590,018	963,504	9,505,473
Operating expenses	108,883,622	50,471,055	35,967,664	83,762,399
Selling, general and administrative expenses	136,068,633	44,882,140	40,884,179	53,033,871
Depreciation, amortization, impairment and (gain) loss on disposal of assets, net	103,352,668	33,112,553	12,613,143	33,916,936
Total costs and expenses	<u>357,539,551</u>	<u>131,991,829</u>	<u>91,797,935</u>	<u>182,856,749</u>
Income from operations	12,606,169	6,246,858	2,073,195	47,892,837
Interest expense	69,550,214	20,857,920	875,102	2,706,499
Loss on extinguishment of debt	26,486,179	—	—	—
Other income, net	(8,794,596)	(2,172,261)	(1,294,299)	(2,470,776)
Total other expense (income)	<u>87,241,797</u>	<u>18,685,659</u>	<u>(419,197)</u>	<u>235,723</u>
(Loss) income before income tax (benefit) provision	(74,635,628)	(12,438,801)	2,492,392	47,657,114
Income tax (benefit) provision	(16,241,112)	(30,677,023)	1,252,793	18,661,030
Net (loss) income	<u>\$ (58,394,516)</u>	<u>\$ 18,238,222</u>	<u>\$ 1,239,599</u>	<u>\$ 28,996,084</u>
<b>Other comprehensive income (loss):</b>				
Foreign currency translation adjustment	(5,820,312)	—	—	—
Change in interest rate swap valuation, net of taxes	—	—	—	50,255
Total comprehensive (loss) income	<u>\$ (64,214,828)</u>	<u>\$ 18,238,222</u>	<u>\$ 1,239,599</u>	<u>\$ 29,046,339</u>
<b>Earnings (loss) per share:</b>				
Basic weighted average shares outstanding	87,320,072	60,483,804		
Basic earnings (loss) per share	\$ (0.67)	\$ 0.30	(1)	(1)
Diluted weighted average shares outstanding	87,320,072	60,483,804		
Diluted earnings (loss) per share	\$ (0.67)	\$ 0.30	(1)	(1)

(1) Basis and diluted earnings (loss) per share for the Predecessor Period are not presented due to lack of comparability with the Successor Period.

**VERRA MOBILITY CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

	Successor		Predecessor	
	Year Ended December 31, 2018	Period from June 1, 2017 to December 31, 2017	Period From January 1, 2017 to May 31, 2017	Year Ended December 31, 2016
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Net (loss) income	\$ (58,394,516)	\$ 18,238,222	\$ 1,239,599	\$ 28,996,084
Adjustments to reconcile net (loss) income to net cash provided by operating activities:				
Depreciation and amortization	103,346,438	33,151,063	12,574,006	33,814,562
Loss on extinguishment of debt	26,486,179	—	—	—
Deferred financing cost amortization	9,167,979	1,981,476	143,241	475,596
Accretion expense	396,374	153,542	106,404	185,021
Write-downs of installation and service parts and (gain) loss on disposal of assets	6,230	(38,510)	39,137	102,374
Installation and service parts expense	1,238,512	565,198	177,124	1,382,686
Bad debt expense	6,024,939	3,441,004	2,181,957	7,881,872
Deferred income taxes	(24,434,693)	(31,083,621)	(3,326,978)	(3,204,635)
Stock-based compensation	2,271,874	—	—	(618,911)
Changes in operating assets and liabilities:				
Accounts receivable, net	(23,721,307)	(17,152,616)	6,107,664	(17,409,068)
Unbilled receivables	(6,123,612)	(362,336)	1,945,493	(2,655,961)
Prepaid expense and other current assets	2,959,758	4,202,237	(1,581,750)	(2,584,650)
Other assets	(845,281)	139,856	322,260	294,181
Accounts payable and accrued liabilities	7,125,305	(4,846,446)	22,413,747	(703,321)
Other Liabilities	512,648	(77,736)	(508,181)	(2,114,649)
Net cash provided by operating activities	46,016,827	8,311,333	41,833,723	43,841,181
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Acquisition of business, net of cash and restricted cash acquired	(536,698,777)	(537,853,861)	—	(21,232,989)
Purchases of installation and service parts and property and equipment	(26,576,364)	(15,873,607)	(8,952,667)	(14,825,371)
Cash proceeds from the sale of assets and insurance recoveries	418,238	191,788	166,603	1,007,478
Net cash provided by (used in) investing activities	(562,856,903)	(553,535,680)	(8,786,064)	(35,050,882)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>				
Successor borrowings on revolver	468,306	18,530,956	—	—
Successor repayment on revolver	(468,306)	(18,530,956)	—	—
Successor borrowings of long-term debt	1,103,800,000	444,250,000	—	—
Successor repayment of long-term debt	(654,850,879)	(1,625,000)	—	—
Successor payment of debt issuance costs	(31,752,670)	(15,917,442)	—	—
Payment of debt extinguishment costs	(12,186,961)	—	—	—
Capitalization from Merger with Gores Holdings II	803,293,629	—	—	—
Payment of underwriting and transaction costs	(24,023,524)	—	—	—
Predecessor borrowings on note payable	—	—	40,752,179	187,920,609
Predecessor repayments on note payable	—	—	(68,213,359)	(147,521,410)
Predecessor payments of debt issue costs	—	—	(30,000)	(332,500)
Capital contribution from Greenlight	169,258,843	—	—	—
Successor distribution to selling shareholders	(779,270,105)	—	—	—
Proceeds from issuance of common stock	—	129,026,399	—	—
Payment of cash dividend	—	—	—	(47,107,808)
Net cash provided by (used in) by financing activities	574,268,333	555,733,957	(27,491,180)	(7,041,109)
Effect of exchange rate changes on cash and cash equivalents	(856,487)	—	—	—
Net increase in cash, cash equivalents and restricted cash	56,571,770	10,509,610	5,556,479	1,749,190
Cash, cash equivalents and restricted cash - beginning of period	10,509,610	—	4,345,567	2,596,377
Cash, cash equivalents and restricted cash - end of period	\$ 67,081,380	\$ 10,509,610	\$ 9,902,046	\$ 4,345,567

**VERRA MOBILITY CORPORATION AND SUBSIDIARIES**  
**ADJUSTED EBITDA RECONCILIATION**

(\$ in thousands)	Successor	Successor	Successor	Successor	Predecessor	
	For the Three Months Ended December 31, 2018	For the Three Months Ended December 31, 2017	For the Year Ended December 31, 2018	Period from June 1, 2017 to December 31, 2017	Period from January 1, 2017 to May 31, 2017	For the Year Ended December 31, 2016
Net income (loss)	\$ (37,954)	\$ 29,182	\$ (58,395)	\$ 18,238	\$ 1,240	\$ 28,996
Interest expense	17,011	9,023	69,550	20,858	875	2,706
Income tax provision expense (benefit)	(11,709)	(26,539)	(16,241)	(30,677)	1,253	18,661
Depreciation and amortization	28,508	13,895	103,346	33,151	12,574	33,815
EBITDA	(4,144)	25,559	98,260	41,570	15,942	84,178
Transaction and other related expenses (i)	30,855	135	56,443	10,190	21,772	1,154
Transformation expenses (ii)	727	1,451	8,766	3,913	—	—
Loss on extinguishment of debt (iii)	16,335	—	26,486	—	—	—
Sponsor Fees and expenses (iv)	1,250	1,804	5,383	4,228	—	—
Non-cash amortization of contract inducement (v)	—	—	—	—	277	1,784
Stock-based compensation (vi)	2,272	—	2,272	—	—	—
Adjusted EBITDA	<u>\$ 47,295</u>	<u>\$ 28,950</u>	<u>\$ 197,610</u>	<u>\$ 59,901</u>	<u>\$ 37,991</u>	<u>\$ 87,116</u>

- (i) Adjustments to add back deal fees incurred in relation to the ATS Merger (as defined below), Verra Mobility's acquisition of Highway Toll Administration, LLC and Euro Parking Collection plc in March and April 2018, respectively and the Business Combination with Gores Holdings II, Inc. in October 2018. Consists primarily of acquisition services to advisors, professional fees and other expenses.
- (ii) One-time costs including costs of strategy consultants, procurement optimization and IT optimization
- (iii) Costs incurred to refinance the Company's credit facility and term loans. Includes prepayment penalties, the write-off of deferred financing costs, lender fees and third-party costs to issue the new debt.
- (iv) Sponsor management fees paid to Platinum Equity.
- (v) Adjustments for amortization of a tolling contract with a major RAC.
- (vi) Non-cash stock based compensation.

**Basis of Presentation**

On May 31, 2017, the Company was acquired by Greenlight Acquisition Corporation ("**Acquirer**") pursuant to the Agreement and Plan of Merger, dated April 15, 2017 by and among the Company, Greenlight Merger Corporation, a wholly-owned subsidiary of Acquirer, ("**Merger Sub**") and Acquirer whereby the Company merged with and into Merger Sub with the former surviving (the "**ATS Merger**"). Acquirer is ultimately owned by certain private equity investment vehicles sponsored by Platinum Equity, LLC.

Pursuant to the ATS Merger, a new basis of accounting at fair value was established in accordance with U.S. GAAP under Accounting Standards Codification ("**ASC**") Topic 805, Business Combinations. The new stepped-up basis was pushed down by Acquirer to the Company. The consolidated financial statements and footnotes contained herein are presented in distinct periods to indicate the application of two different bases of accounting between the periods presented. The period from January 1, 2017 to May 31, 2017 has been labeled "**Predecessor**" and has been prepared using the historical basis of accounting of the Predecessor. The periods from June 1, 2017 to September 30, 2017 and from January 1, 2018 to September 30, 2018 have been labeled "**Successor**." The accompanying condensed

consolidated statements of operations, cash flows and certain footnotes include a black line division separating the Predecessor Period from the Successor Period. As a result of purchase accounting, the pre-ATS Merger and post-ATS Merger condensed consolidated statements of operations and cash flows are not comparable.

Segment profit (loss) is based on revenues and income (loss) from operations before depreciation, amortization, impairment and gain (loss) on disposal of assets and after other income, net. Depreciation, amortization, impairment and gain (loss) on disposal of assets, interest expense, loss on extinguishment of debt and income taxes are not indicative of operating performance, and, as a result are not included in the operating and reportable segments. Other income, net consists primarily of credit card rebates earned on the prepayment of tolls and therefore included in Segment profit (loss). There are no significant non-cash items reported in Segment profit (loss).

*EBITDA and adjusted EBITDA.*

EBITDA is defined as net income, net of interest expense, income taxes, depreciation and amortization. Adjusted EBITDA further excludes certain non-cash expenses, loss on extinguishment of debt and other transactions that management believes are not indicative of our business. Because EBITDA and adjusted EBITDA, as defined, exclude some but not all items that affect our cash flow from operating activities, they may not be comparable to similarly titled performance measures presented by other companies. EBITDA and adjusted EBITDA margins are calculated as EBITDA and adjusted EBITDA, respectively, divided by total revenues expressed as a percentage.

We present EBITDA and adjusted EBITDA because we believe they provide useful information regarding our ability to meet our future debt payment requirements, capital expenditures and working capital requirements and an overall evaluation of our financial condition. EBITDA and adjusted EBITDA have certain limitations as analytical tools and should not be used as substitutes for net income, cash flows from operations, or other consolidated income or cash flow data prepared in accordance with GAAP.



# Verra Mobility Q4 and Full Year Investor Presentation

**For the Quarter and the Full Year Ended December 31, 2018**

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### **Forward-Looking Statements**

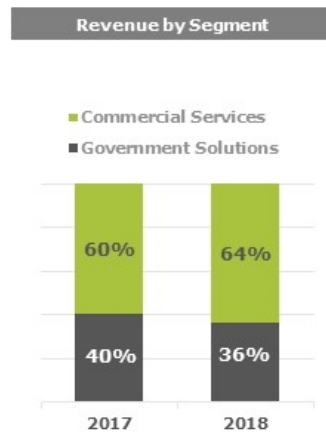
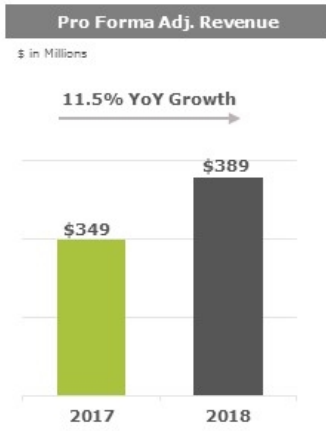
This presentation includes "forward looking statements" within the meaning of the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as "forecast," "intend," "seek," "target," "anticipate," "believe," "expect," "estimate," "plan," "outlook," and "project" and other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. Such forward-looking statements include projected financial information. Such forward-looking statements with respect to revenues, earnings, run rate synergies and cost items, performance, strategies, prospects and other aspects of the business of Verra Mobility Corporation and its subsidiaries (collectively, "Verra Mobility") are based on current expectations that are subject to risks and uncertainties. A number of factors could cause actual results or outcomes to differ materially from those indicated by such forward looking statements. These factors include, but are not limited to: (1) the inability to launch new products or services or to profitably expand into new markets; (2) changes in applicable laws or regulations; (3) the possibility that Verra Mobility may be adversely affected by other economic, business or competitive factors; (4) the inability to recognize the anticipated benefits of the business combination with Gores Holdings, II, Inc.; and (5) other risks and uncertainties indicated from time to time in documents filed or to be filed with the Securities and Exchange Commission (the "SEC") by Verra Mobility. You are cautioned not to place undue reliance upon any forward-looking statements, including the projections, which speak only as of the date made. Verra Mobility does not undertake any commitment to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise.

### **Non-GAAP Financial Information**

This presentation uses certain non-GAAP financial information, including earnings before interest, taxes, depreciation and amortization ("EBITDA") and adjusted EBITDA, which further excludes certain non-cash expenses, loss on extinguishment of debt and other transactions management believes are not indicative of Verra Mobility's business. Verra Mobility believes that these non-GAAP measures of financial results provide useful information to management and investors regarding certain financial and business trends relating to Verra Mobility's financial condition and results of operations. These financial measures are not recognized measures under GAAP and they are not intended to be and should not be considered in isolation or as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP. EBITDA, adjusted EBITDA and adjusted EBITDA margin are non-GAAP financial measures as defined by SEC rules. This non-GAAP financial information may be determined or calculated differently by other companies. A reconciliation of Verra Mobility's non-GAAP financial information to GAAP financial information is provided in the Appendix hereto and in Verra Mobility's Form 8-K, filed with the SEC, with the earnings press release for the period indicated.

# Consolidated Full Year Results

## For the Year Ended December 31, 2018



### Basis of Presentation:

Verra Mobility made two acquisitions earlier in 2018; the data presented has been adjusted as if the acquisition were included in the results for all periods. The unadjusted and pro forma adjusted results of operations are included in the appendix to this presentation. All pro forma adjustments are in the commercial reporting segment.

### Run-Rate Synergies:

Run-Rate Synergies reflect the impact of actions taken in 2018 in connection with our acquisitions that we expect to be realized in 2019.

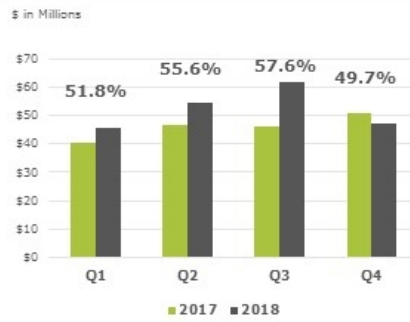
# Consolidated Q4 Results

For the quarter ended December 31, 2018

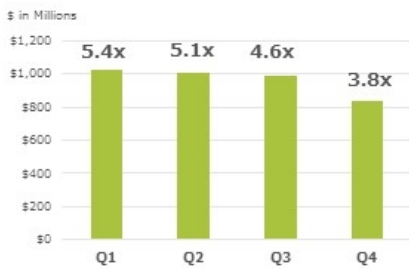
## Pro Forma Adj. Revenue and YoY Growth



## Pro Forma Adj. EBITDA and Margin



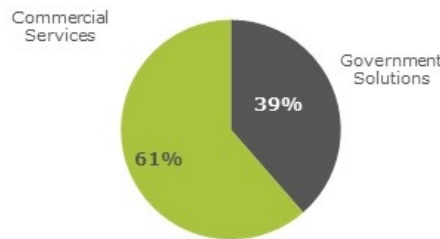
## Net Debt and Leverage



### Total debt net of cash

Leverage calculated as net debt divided by TTM Pro Forma Adjusted EBITDA for each period. Q4 includes \$10M of run-rate synergies

## Q4 Revenue by Segment



## Commentary Q4 2019

- Revenue of \$95.1M in the fourth quarter increased 1% from the same quarter in the prior year.
- The company recorded \$4.2M of out-of-period adjustments to revenue in Q4. The impact as a percentage of revenue on Q1 (1.4%), Q2 (0.9%), Q3 (2.2%) and Q4 +4.4% is immaterial to our consolidated results.
- Q4 2018 EBITDA was negatively impacted by a \$1.8M legal settlement
- Our cash position increased by \$13M in the quarter to \$65M
- Total Debt dropped from \$1.04 Billion at the end of Q3 to \$904 Million at the end of Q4.

### Basis of Presentation:

Verra Mobility made two acquisitions earlier in 2018; the data presented has been adjusted as if the acquisitions were included in the results for all periods. The unadjusted and pro forma adjusted results of operations are included in the appendix to this presentation. All pro forma adjustments are in the Commercial Services segment.



# Consolidated Q4 Results by segment

For the quarter ended December 31, 2018

## Commercial Services

Pro Forma Adj. Revenue and YoY Growth



Adj. EBITDA and Margin

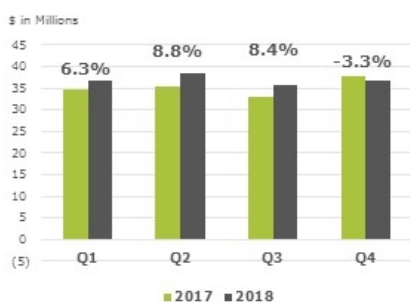


### Commercial Services Commentary

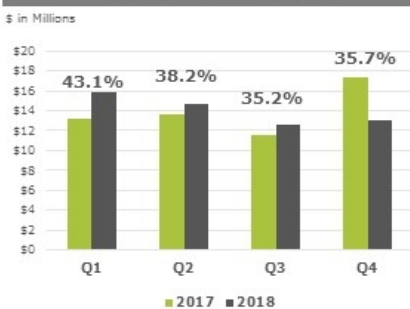
- Revenue of \$58.4M in Q4 increased 3.7% from the same quarter in the prior year
- The company recorded \$4.2M of out-of-period adjustments to revenue in Q4 impacting Commercial Services revenue.
- Q4 2018 EBITDA was negatively impacted by a \$1.8M legal settlement
- Full year 2018 pro forma adj. revenue of \$241.4M grew \$33.4M or 16% from \$208.0M for the full year 2017
- Full year 2018 pro forma adj. EBITDA of \$153.2M grew \$25.4M or \$19.9% from \$127.8M for the full year 2017

## Government Solutions

Revenue and YoY Growth



Adj. EBITDA and Margin



### Government Solutions Commentary

- Revenue of \$36.7M in Q4 decreased by \$1.2M or 3.3% from the same quarter in the prior year.
- The decrease in revenue was primarily driven by declines in red light due to the loss of Miami earlier in 2018, offset by growth in speed products and lower product sales, which are sporadic in nature.
- Full year 2018 revenue of \$147.5M grew \$6.8M or 4.8% from \$140.7M for full year 2017
- Full year 2018 Adj. EBITDA of \$56.1M remained flat compared to full year 2017 of \$55.9M.

# Consolidated Full Year 2019 Guidance

For the Year Ended December 31, 2019

(\$ in millions)	2018	Full Year 2019 Outlook	
		Low	High
Revenue <sup>(1)</sup>	\$ 389	\$ 428	\$ 436
YoY Growth		10%	12%
Adjusted EBITDA <sup>(1) (2)</sup>	\$ 219	\$ 235	\$ 240
Adjusted EBITDA %	56.3%	55.0%	55.0%

Revenue Breakdown by Period



- Full year 2019 revenue is expected to grow by 10% to 12% over full year 2018
- We expect to generate 54% of our revenue in the second half of 2019
- Two of our new offerings in the Commercial Services Segment, Peasy and expansion of RAC tolling in Europe, are expected to ramp up in 2019 contributing to the stronger second half
- Our Street Light Maintenance (SLM) contract within the Government Solutions business segment will end in April of 2019. We will not rebid on this contract to retain focus on offerings that are closer to our core. SLM generated ~\$3M of revenue in 2018
- We anticipate product sales to increase in 2019, these sales will be heavily weighted to the back half of the year and generally have lower margins than service revenue.
- Our investment in Peasy and our European expansion will continue in 2019. These costs along with the costs of becoming a public company will impact Adjusted EBITDA Margins in 2019

**(1) Basis of Presentation:**

Verra Mobility made two acquisitions in 2018; the data presented has been adjusted as if the acquisitions were included in the results for all periods. The unadjusted and pro forma adjusted results of operations are included in the appendix to this presentation. All pro forma adjustments are in the Commercial Services segment.

**(2) Run-Rate Synergies:**

Adjusted EBITDA for 2018 includes \$10 million of run-rate synergies which reflect the impact of actions taken in 2018 in connection with our acquisitions that we expect to be realized in 2019.

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# Appendix

# Quarterly Results of Operations as Reported

Unaudited (\$ in thousands)	For the Three Months Ended							
	March 31, 2017	June 30, 2017	September 30, 2017	December 31, 2017	March 31, 2018	June 30, 2018	September 30, 2018	December 31, 2018
Service revenue	\$ 54,297	\$ 57,011	\$ 55,609	\$ 61,269	\$ 69,006	\$ 97,044	\$ 105,204	\$ 99,822
Product sales	408	1,145	481	1,895	235	1,153	2,399	1,288
Total revenue	54,705	58,156	56,089	63,164	69,241	98,197	107,602	95,106
Cost of service revenue	763	892	838	813	831	1,651	1,735	1,570
Cost of product sales	325	826	284	1,119	172	878	1,375	1,022
Total cost of revenues	1,088	1,718	1,122	1,932	1,003	2,529	3,110	2,592
Operating expenses	21,434	21,599	21,703	21,703	23,681	28,800	27,820	28,583
Selling, general and administrative expenses	11,921	43,182	15,851	14,853	33,276	27,588	21,687	53,518
Depreciation, amortization, impairment, and (gain) loss on disposal of assets, net	7,361	10,275	14,222	13,869	18,544	27,496	28,790	28,523
Total costs and expenses	41,809	76,773	52,878	52,336	76,504	86,412	81,407	113,216
Income from operations	12,896	(18,617)	3,212	10,828	(7,263)	11,785	26,195	(18,110)
Interest expense	588	3,176	8,947	9,023	12,646	19,579	20,313	17,011
Loss on extinguishment of debt	-	-	-	-	10,151	-	-	16,335
Other (income) expense, net	(742)	(814)	(1,074)	(837)	(1,293)	(2,766)	(2,942)	(1,794)
Total other expense	(154)	2,362	7,873	8,186	21,505	16,814	17,371	31,553
Income (loss) before income taxes	13,052	(20,979)	(4,662)	2,642	(28,768)	(5,029)	8,825	(48,668)
Income tax provision (benefit)	4,919	(6,490)	(1,314)	(26,539)	(6,610)	(234)	2,312	(11,709)
Net income	\$ 8,132	\$ (14,489)	\$ (3,347)	\$ 29,182	\$ (22,158)	\$ (4,795)	\$ 6,513	\$ (37,954)
<b>Bridge to Adj EBITDA</b>								
Net Income	\$ 8,132	\$ (14,489)	\$ (3,347)	\$ 29,182	\$ (22,158)	\$ (4,795)	\$ 6,513	\$ (37,954)
Interest Expense	588	3,176	8,947	9,023	12,646	19,579	20,313	17,011
Income tax provision expense (benefit)	4,919	(6,490)	(1,314)	(26,539)	(6,610)	(234)	2,312	(11,709)
Depreciation and Amortization	7,354	10,242	14,234	13,895	18,550	27,497	28,792	28,508
EBITDA	20,994	(7,561)	18,519	25,559	2,428	42,047	57,929	(4,144)
Transaction and other related	485	31,312	21	135	18,103	5,817	1,669	30,855
Transformation expense	-	-	2,462	1,451	1,740	5,395	905	727
Stock Based Compensation	-	-	-	-	-	-	-	2,272
Loss on extinguishment of debt	-	-	-	-	10,151	-	-	16,335
Sponsor Fees and expenses	-	595	1,829	1,804	1,358	1,342	1,433	1,250
Acquisition earn-out	-	-	-	-	-	-	-	-
Non-Recurring Severance	-	-	-	-	-	-	-	-
Non-cash amortization of contract inducement	166	111	-	-	-	-	-	-
Adjusted EBITDA	21,654	24,456	22,833	28,950	33,780	54,600	61,936	47,295

# Quarterly Pro Forma Results of Operations

Unaudited (\$ in thousands)	For the Three Months Ended							
	March 31,	June 30,	September 30,	December 31,	March 31,	June 30,	September 30,	December 31,
	2017	2017	2017	2017	2018	2018	2018	2018
Service revenue	\$ 76,411	\$ 85,755	\$ 86,427	\$ 91,689	\$ 87,788	\$ 97,044	\$ 105,204	\$ 93,822
Product sales	403	1,145	461	1,895	235	1,153	2,399	1,283
Total revenue	76,815	86,900	86,908	93,584	88,023	98,197	107,603	95,105
Cost of service revenue	1,198	1,322	1,371	1,523	1,193	1,651	1,735	1,570
Cost of product sales	325	826	284	1,119	172	878	1,879	1,022
Total cost of revenues	1,523	2,148	1,655	2,642	1,365	2,529	3,614	2,592
Operating expenses	22,231	22,364	22,513	22,671	18,853	18,800	27,820	28,583
Selling, general and administrative expenses	18,739	31,616	24,692	24,529	46,156	27,388	21,667	53,518
Depreciation, amortization, impairment, and (gain) loss on disposal of assets, net	7,845	10,797	14,769	14,472	18,969	27,486	28,792	28,523
Total costs and expenses	30,337	66,926	69,629	64,315	63,342	66,412	81,407	113,216
Income from operations	28,477	(8)	28,279	28,269	(7,318)	11,785	26,195	(18,110)
Interest expense	597	3,202	8,981	9,057	12,679	19,579	20,313	17,011
Loss on extinguishment of debt	-	-	-	-	10,151	-	-	16,335
Other (income) expense, net	(745)	(817)	(1,077)	(845)	(1,298)	(2,766)	(2,942)	(1,794)
Income before taxes	(148)	3,385	7,904	6,212	21,932	16,814	17,371	31,553
Income (loss) before income taxes	28,626	(2,411)	15,375	21,057	(28,850)	(5,029)	8,825	(48,663)
Income tax provision (benefit)	5,157	(6,166)	(987)	(26,320)	(6,362)	(234)	2,312	(11,709)
Net income	\$ 23,469	\$ 3,756	\$ 16,361	\$ 47,377	\$ (22,489)	\$ (4,795)	\$ 6,513	\$ (37,954)
<b>Bridge to Adj EBITDA</b>								
Net income	23,469	3,756	16,361	47,377	(22,489)	(4,795)	6,513	(37,954)
Interest expense	597	3,202	8,981	9,057	12,679	19,579	20,313	17,011
Income tax provision expense (benefit)	5,157	(6,166)	(987)	(26,320)	(6,362)	(234)	2,312	(11,709)
Depreciation and Amortization	7,845	10,797	14,769	14,472	18,969	27,486	28,792	28,508
<b>EBITDA</b>	37,068	11,592	39,125	44,586	2,798	42,046	57,929	(4,144)
Transaction and other related	493	31,312	21	135	18,103	5,817	1,669	30,553
Transformation expense	-	-	2,462	1,451	1,740	5,393	905	727
Stock Based Compensation	-	-	-	-	-	-	-	2,172
Loss on extinguishment of debt	-	-	-	-	10,151	-	-	16,335
Sponsor Fees and expenses	-	595	1,829	1,804	1,358	1,342	1,433	1,250
Non-cash amortization of contract inducement	166	111	-	-	-	-	-	-
HTA Adjustments	2,383	2,758	2,758	2,758	11,467	-	-	-
BP CA Adjustments	75	75	75	75	-	-	-	-
<b>Adjusted EBITDA</b>	40,185	46,439	46,272	50,809	45,617	54,599	61,936	47,295
<b>Bridge to Adjusted Revenue</b>								
Revenue	76,815	86,900	86,908	93,584	88,023	98,197	107,603	95,105
Non-Cash Amortization of Contract Incentive	-	-	-	-	-	-	-	-
HTA	283	658	658	658	-	-	-	-
Verra Mobility	225	75	-	-	-	-	-	-
<b>Adjusted Revenue</b>	79,323	87,633	87,566	94,242	88,023	98,197	107,603	95,105

## Quarterly HTA Results of Operations

<i>Unaudited (\$ In thousands)</i>	For the Three Months Ended March 31, 2017	For the Three Months Ended June 30, 2017	For the Three Months Ended September 30, 2017	For the Three Months Ended December 31, 2017	For the Two Months Ended February 28, 2018
Service revenue	\$ 21,779	\$ 25,830	\$ 27,525	\$ 26,294	\$ 15,828
Product sales					
Total revenue	<u>21,779</u>	<u>25,830</u>	<u>27,525</u>	<u>26,294</u>	<u>15,828</u>
Cost of service revenue					
Cost of product sales					
Operating expenses	-	-	-	-	4,362
Selling, general and administrative expenses	6,404	7,669	7,924	9,232	12,270
Depreciation, amortization, impairment, and (gain) loss on disposal of assets, net	475	513	538	594	398
Total costs and expenses	<u>6,879</u>	<u>8,182</u>	<u>8,462</u>	<u>9,826</u>	<u>17,030</u>
Income from operations	14,900	17,648	19,063	16,468	(1,202)
Interest expense	9	26	34	34	33
Other (income) expense, net					
Total other expense	<u>9</u>	<u>26</u>	<u>34</u>	<u>34</u>	<u>33</u>
Income (loss) before income taxes	14,891	17,622	19,029	16,434	(1,235)
Income tax provision (benefit)	92	109	117	101	10
Net income	<u>\$ 14,799</u>	<u>\$ 17,513</u>	<u>\$ 18,912</u>	<u>\$ 16,333</u>	<u>\$ (1,245)</u>
 <b><u>Bridge to Adj EBITDA</u></b>					
Net income	\$ 14,799	\$ 17,513	\$ 18,912	\$ 16,333	\$ (1,245)
Interest Expense	9	26	34	34	33
Income tax provision expense (benefit)	92	109	117	101	10
Depreciation and Amortization	475	513	538	594	398
EBITDA	<u>15,375</u>	<u>18,161</u>	<u>19,601</u>	<u>17,062</u>	<u>(804)</u>
Transaction and other related	625	625	625	625	-
Transformation expense	-	-	-	-	11,467
Non-cash amortization of contract Inducement	283	658	658	658	-
Pro Forma Credit Card Rebates	875	875	875	875	-
Capitalized Internal Labor	500	500	500	500	-
Other	100	100	100	100	-
Adjusted EBITDA	<u>17,758</u>	<u>20,919</u>	<u>22,359</u>	<u>19,820</u>	<u>10,663</u>
Total HTA Adjustments to EBITDA	2,383	2,758	2,758	2,758	11,467

# Quarterly EPC Results of Operations

Unaudited (\$ in thousands)	For the Three Months Ended March 31, 2017	For the Three Months Ended June 30, 2017	For the Three Months Ended September 30, 2017	For the Three Months Ended December 31, 2017	For the Three Months Ended March 31, 2018
Service revenue	\$ 2,335	\$ 2,914	\$ 3,293	\$ 4,126	\$ 2,954
Products sales					
Total revenue	2,335	2,914	3,293	4,126	2,954
Cost of service revenue	435	481	532	711	361
Cost of product sales					
Operating expenses	797	765	809	968	810
Selling, general and administrative expenses	415	765	938	464	610
Depreciation, amortization, impairment, and (gain) loss on disposal of assets, net	9	10	10	10	27
Total costs and expenses	1,656	1,971	2,289	2,152	1,808
Income from operations	680	943	1,004	1,973	1,147
Interest expense	-	-	-	0	0
Other (income) expense, net	(3)	(3)	(3)	(8)	(6)
Total other expense	(3)	(3)	(3)	(7)	(6)
Income (loss) before income taxes	683	946	1,007	1,981	1,152
Income tax provision (benefit)	145	214	211	119	238
Net income	\$ 538	\$ 732	\$ 797	\$ 1,862	\$ 914
<b>Bridge to Adj EBITDA</b>					
Net Income	\$ 538	\$ 732	\$ 797	\$ 1,862	\$ 914
Interest Expense					
Income tax provision expense (benefit)	145	214	211	119	238
Depreciation and Amortization	9	10	10	10	27
EBITDA	692	956	1,017	1,990	1,179
Transaction and other related Transformation expense					
Loss on extinguishment of debt					
Sponsor fees and expenses					
Acquisition earn-out					
Non-Recurring Severance					
Non-cash amortization of contract inducement					
Other Adjustments	75	75	75	75	-
Adjusted EBITDA	767	1,031	1,092	2,065	1,179
Total EPC Adjustments to EBITDA	75	75	75	75	-

# Quarterly Segment Results of Operations

## Commercial Services

Unaudited (\$ in thousands)	For the Three Months Ended							
	March 31, 2017	June 30, 2017	September 30, 2017	December 31, 2017	March 31, 2018	June 30, 2018	September 30, 2018	December 31, 2018
<b>Segment Revenue</b>								
Verra Mobility Commercial Services	20,087	22,826	23,235	25,234	32,447	59,771	71,972	58,422
HTA	21,779	25,830	27,525	26,294	15,828	-	-	-
EPC	2,335	2,914	3,293	4,126	2,954	-	-	-
Other	508.16	733	658	658	-	-	-	-
Adjusted Pro Forma Revenue	<u>44,709</u>	<u>52,303</u>	<u>54,712</u>	<u>56,312</u>	<u>51,229</u>	<u>59,771</u>	<u>71,972</u>	<u>58,422</u>
<b>Segment EBITDA</b>								
Verra Mobility Commercial Services	7,753	11,196	11,218	11,548	2,322	36,716	49,419	33,166
HTA	15,375	18,161	19,601	17,062	(804)	-	-	-
EPC	692	956	1,017	1,990	1,179	-	-	-
Other	2,624	2,944	2,833	2,833	27,100	2,985	-	1,067
Adjusted Pro Forma EBITDA	<u>26,445</u>	<u>33,257</u>	<u>34,670</u>	<u>33,434</u>	<u>29,797</u>	<u>39,701</u>	<u>49,419</u>	<u>34,233</u>

## Government Solutions

Unaudited (\$ in thousands)	For the Three Months Ended							
	March 31, 2017	June 30, 2017	September 30, 2017	December 31, 2017	March 31, 2018	June 30, 2018	September 30, 2018	December 31, 2018
<b>Segment Revenue</b>								
Verra Mobility Government Solutions	<u>34,613</u>	<u>35,330</u>	<u>32,854</u>	<u>37,930</u>	<u>36,794</u>	<u>38,426</u>	<u>35,630</u>	<u>36,684</u>
<b>Segment EBITDA</b>								
Verra Mobility Government Solutions	<u>13,242</u>	<u>13,678</u>	<u>11,604</u>	<u>17,378</u>	<u>15,844</u>	<u>14,677</u>	<u>12,542</u>	<u>13,080</u>



