

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

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): August 9, 2021

VERRA MOBILITY CORPORATION

(Exact name of registrant as specified in its charter)

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)

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))

Securities registered pursuant to Section 12(b) of the Act:

<i>(Title of each class)</i>	<i>(Trading symbol)</i>	<i>(Name of each exchange on which registered)</i>
Class A common stock, par value \$0.0001 per share	VRRM	Nasdaq Capital Market

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.

Item 2.02 Results of Operations and Financial Condition.

On August 9, 2021, Verra Mobility Corporation (the “*Company*”) issued a press release announcing its financial results for the second quarter ended June 30, 2021. 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 second quarter 2021 financial results on August 9, 2021, at 5 p.m. Eastern time. The Company disseminated an earnings presentation on August 9, 2021 to be used in connection with the earnings call. A copy of the earnings presentation is furnished as Exhibit 99.2 to this Current Report on Form 8-K and incorporated into this Item 7.01 by reference. Additionally, an investor presentation that will be used by the Company in presenting to certain existing and potential stockholders of the Company at upcoming investor conferences is attached as Exhibit 99.3 to this Current Report on Form 8-K and incorporated into this Item 7.01 by reference.

The information furnished in this Item 7.01 and Exhibits 99.2 and 99.3 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 presentations.

The presentations are available on the Company’s investor relations website located at ir.verramobility.com, although the Company reserves the right to discontinue that availability at any time.

Item 8.01 Other Events.

On August 9, 2021, the Company announced that its Board of Directors approved a stock repurchase program which authorizes the Company to repurchase up to \$100 million of its Class A common stock over the next twelve months from time to time in open market transactions or in privately negotiated transactions as permitted under applicable rules and regulations. A copy of the press release is attached as Exhibit 99.4 and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description of Exhibits
99.1	Press Release, dated August 9, 2021, issued by Verra Mobility Corporation.
99.2	Q2 2021 Earnings Presentation, dated August 9, 2021, given by Verra Mobility Corporation.
99.3	Investor Presentation, dated August 9, 2021, given by Verra Mobility Corporation.
99.4	Press Release, dated August 9, 2021, issued by Verra Mobility Corporation.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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: August 9, 2021

Verra Mobility Corporation

By: /s/ Patricia Chiodo

Name: Patricia Chiodo

Title: Chief Financial Officer



**Verra Mobility Reports Second Quarter 2021 Financial Results
Announces \$100 Million Share Repurchase Program**

- Net income for the second quarter of 2021 was \$4.0 million, or \$0.02 per share
- Reports second quarter revenue of \$128.7 million; total year-to-date revenue of \$218.5 million
- Generated cash flows from operations of \$37.5 million
- Collected \$28.1 million in the second quarter of 2021 against the outstanding City of New York Department of Transportation receivable
- Provides full year 2021 guidance; expects stronger growth in second half of 2021

Mesa, AZ, August 9, 2021 – Verra Mobility (NASDAQ: VRRM), a leading provider of smart mobility technology solutions, announced today the financial results for the three and six months ended June 30, 2021.

“We delivered second-quarter revenue of \$128.7 million as a surge in leisure travel led to solid growth and profitability across both business segments,” stated David Roberts, Chief Executive Officer of Verra Mobility. “This stellar performance was led by our Commercial Services segment, which grew triple digits year-over-year and 41% sequentially as robust demand for rental cars remained strong in our key tolling markets. Our Government Solutions segment continues to benefit from the NYC school zone speed camera program. In addition, traffic patterns improved throughout the quarter as local agencies reactivated their red-light and speed enforcement programs, resulting in nearly 41% year-over-year growth in our service revenue. On a consolidated basis, strong flow-through in both business segments led to triple-digit year-over-year adjusted EBITDA growth with margins improving to approximately 53%. Overall, we are very pleased with our performance for the first half of 2021. Given the improving business metrics and favorable travel trends, we are reintroducing guidance to reflect a much stronger second half of 2021.”

Second Quarter 2021 Financial Highlights

- **Revenue:** Total revenue for the second quarter of 2021 was \$128.7 million, an increase of 61% compared to \$79.8 million for the second quarter of 2020. The increase was attributable to service revenue resulting from improved travel demand that positively impacted the rental car industry in our Commercial Services segment, and growth in both speed and red-light programs in our Government Solutions segment.
- **Net income (loss):** Net income for the second quarter of 2021 was \$4.0 million, or \$0.02 per share based on 166.0 million diluted weighted average shares outstanding. Net loss for the comparable 2020 period was \$(23.7) million, or \$(0.15) per share, based on 161.7 million diluted weighted average shares outstanding.
- **Adjusted Earnings Per Share (EPS):** Adjusted EPS for the second quarter of 2021 was \$0.10 per share compared to \$0.07 per share for the second quarter of 2020.
- **Adjusted EBITDA:** Adjusted EBITDA was \$68.6 million for the second quarter of 2021, compared to \$27.6 million for the same period last year. Adjusted EBITDA margin was 53% of total revenue for 2021 and 35% for 2020.

The Company reports its results of operations based on two operating segments:

- **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, school districts and government agencies, including services and technology that enable photo enforcement related to speed, red-light, school bus, and city bus lane management.

Second Quarter 2021 Segment Detail

- The Commercial Services segment generated total revenue of \$66.5 million, a 144% increase compared to \$27.3 million in the same period in 2020. Segment profit was \$42.7 million, a 494% increase from \$7.2 million in the prior year. The significant increases in revenue and profit resulted from improved travel demand that positively impacted the rental car industry. The segment profit margin was 64% for 2021 and 26% for the same period in 2020.
- The Government Solutions segment generated total revenue of \$62.2 million, an 18% increase compared to \$52.5 million in the same period in 2020. The increase was due to growth in both speed and red-light programs which was partially offset by a decrease in product sales due to a single customer's buying patterns variability year over year. The segment profit was \$25.5 million, a 25% increase from \$20.3 million in the prior year. The segment profit margin was 41% for 2021 and 39% for 2020.

First Half of 2021 Financial Highlights

- **Revenue:** Total revenue for the first half of 2021 was \$218.5 million, an increase of 11% compared to \$196.5 million for the first half of 2020. The increase was attributable to service revenue resulting from improved travel demand that positively impacted the rental car industry in our Commercial Services segment, and growth in both speed and red-light programs in our Government Solutions segment.
- **Net loss:** Net loss for the first half of 2021 was \$4.9 million, or \$0.03 per share, based on 162.3 million diluted weighted average shares outstanding. Net loss for the comparable 2020 period was \$1.6 million, or \$0.01 per share, based on 161.3 million diluted weighted average shares outstanding.
- **Adjusted EBITDA:** Adjusted EBITDA was \$108.9 million for the first half of 2021, compared to \$82.5 million in the first half of 2020. Adjusted EBITDA margin was 50% of total revenue for the first half of 2021 and 42% for 2020.

Liquidity: As of June 30, 2021, cash and cash equivalents were \$147.3 million and we generated \$37.5 million in cash flows from operations for 2021. As of June 30, 2021, we had total debt of \$1.0 billion, net of cash on hand, our net debt was \$854.5 million, and a \$57.0 million availability to borrow on the revolver that is undrawn.

Restatement of Previously Reported Financial Information

We restated our consolidated financial statements as of December 31, 2020 and 2019 and for the years ended December 31, 2020, 2019, and 2018, including interim periods within the fiscal years 2020 and 2019. This was based on recent guidance by the U.S. Securities and Exchange Commission (the "SEC") on April 12, 2021 regarding the accounting for warrants issued by special purpose acquisition companies ("SPACs"). As a result, this press release includes restated information for the affected prior periods which should be read in conjunction with the restated information in our Annual Report on Form 10-K/A filed with the SEC on May 17, 2021. The new accounting treatment for warrants impacts net loss in prior periods but has no impact on revenue, Adjusted EBITDA, or total cash flows.

Redflex Acquisition: On June 17, 2021, we completed the previously announced acquisition of Redflex Holdings Limited, a public company limited by shares, incorporated in Australia and listed on the Australian Securities Exchange ("Redflex"). Redflex is a provider of intelligent traffic management products and services that are sold and

managed in the Asia Pacific, North America, United Kingdom, Europe, and Middle East regions. Redflex develops, manufactures, and operates a wide range of platform-based solutions, utilizing advanced sensor and image capture technologies that enable active management of state and local motorways.

Pursuant to the Scheme Implementation Agreement entered into by us and Redflex on January 21, 2021, as amended by the Deed of Amendment and Consent, dated April 30, 2021, we purchased one hundred percent of the outstanding equity of Redflex at A\$0.96 per share at consideration of A\$152.5 million, or approximately US\$117.9 million.

Business Outlook:

Guidance provided by Verra Mobility is subject to change as a variety of factors can affect actual results. Those factors are identified in the safe harbor language at the end of this press release.

Verra Mobility has provided the following forward-looking non-GAAP financial measures: Adjusted EBITDA, Free Cash Flow, Adjusted Net Income and Adjusted EPS. The business metrics are defined below and the Company has provided reconciliations of these forward-looking non-GAAP financial measures to the most directly comparable GAAP financial measures. In addition, the recent acquisition of Redflex includes preliminary allocations of the fair values of the assets acquired and liabilities assumed as of the acquisition date. Purchase price allocations are subject to change within the measurement period (up to one year from the acquisition date).

2021 Full Year Guidance:

- Consolidated revenue, which includes contribution from Redflex is expected to be in the range of \$510 million and \$530 million, a year-over-year increase of 30% to 35% from 2020 full year revenue and 14% to 18% compared to 2019 full year revenue.
- Consolidated Adjusted EBITDA, which includes contribution from Redflex is expected to be in the range of \$240 to \$245 million as compared to \$181.8 million in 2020 and \$241.4 million in 2019.

Conference Call Details

Date: August 09, 2021

Time: 5:00 p.m. Eastern Time (2:00 p.m. Pacific Time)

U.S. and Canadian Callers Dial-in: (800) 263-0877

Outside of U.S. and Canada Dial-in: (646) 828-8143 with conference ID #4136050

Webcast Information: Available live in the “Investor Relations” section of the Company’s website at <http://ir.verramobility.com>.

An audio replay of the call will also be available until 11:59 p.m. Eastern Time on August 23, 2021, by dialing (844) 512-2921 for the U.S. or Canada and (412) 317-6671 for international callers and entering passcode #9932116. In addition, an archived webcast will be available in the “News & Events” section of the Investor Relations page of the Company’s website at <http://ir.verramobility.com>.

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 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. As a leading provider of connected systems, Verra Mobility processes millions of transactions each year through integration and connectivity with hundreds of tolling and issuing authorities. Verra

Mobility also fosters the development of safe cities, partnering with law enforcement agencies, transportation departments and school districts mainly across North America operating thousands of red-light, speed, bus lane and school bus stop arm safety cameras. Arizona-based Verra Mobility operates in North America, Australia, Europe and Asia. For more information, visit 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 may contain words such as "goal," "target," "future," "estimate," "expect," "anticipate," "intend," "plan," "believe," "seek," "project," "may," "should," "will" or 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 2021 financial and operational metrics. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those currently anticipated. 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 impact of payment delays related to the outstanding receivables with the City of New York Department of Transportation ("NYCDOT") (2) the disruption to our business and results of operations as a result of the COVID-19 pandemic; (3) the impact of the COVID-19 pandemic on our revenues from key customers in the rental car industry and from photo enforcement programs; (4) customer concentration in our Commercial Services and Government Solutions segments; (5) decreases in the prevalence of automated photo enforcement or the use of tolling; (6) risks and uncertainties related to our government contracts, including but not limited to administrative hurdles, legislative changes, termination rights, audits and investigations; (7) decreased interest in outsourcing from our customers; (8) our ability to properly perform under our contracts and otherwise satisfy our customers; (9) our ability to compete in a highly competitive and rapidly evolving market; (10) our ability to keep up with technological developments and changing customer preferences; (11) the success of our new products and changes to existing products and services; (12) our ability to successfully integrate our recent or future acquisitions; (13) failures in or breaches of our networks or systems, including as a result of cyber-attacks; and (14) other risks and uncertainties indicated from time to time in documents filed or to be filed with the SEC by Verra Mobility. The forward-looking statements herein 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 Measures

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 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, Free Cash Flow, Adjusted Net Income and Adjusted EPS are non-GAAP financial measures as defined by SEC rules. These non-GAAP financial measures 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 reconciliations.

VERRA MOBILITY CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

(\$ in thousands except per share data)	June 30, 2021	December 31, 2020
		(As restated)
Assets		
Current assets:		
Cash and cash equivalents	\$ 147,346	\$ 120,259
Restricted cash	3,159	633
Accounts receivable (net of allowance for credit loss of \$12.7 million and \$11.5 million at June 30, 2021 and December 31, 2020, respectively)	214,925	168,783
Unbilled receivables	23,871	14,045
Prepaid expenses and other current assets	32,255	24,317
Total current assets	421,556	328,037
Installation and service parts, net	10,186	7,944
Property and equipment, net	94,308	70,284
Operating lease assets	34,662	29,787
Intangible assets, net	340,637	342,139
Goodwill	641,517	586,435
Other non-current assets	16,325	2,699
Total assets	\$ 1,559,191	\$ 1,367,325
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 47,403	\$ 34,509
Accrued liabilities	44,728	15,636
Payable to related party pursuant to tax receivable agreement, current portion	5,202	4,791
Current portion of long-term debt	9,410	9,104
Total current liabilities	106,743	64,040
Long-term debt, net of current portion	966,066	832,941
Operating lease liabilities, net of current portion	32,720	27,986
Payable to related party pursuant to tax receivable agreement, net of current portion	64,329	67,869
Private placement warrant liabilities	41,000	30,866
Asset retirement obligation	10,059	6,409
Deferred tax liabilities, net	20,790	21,148
Other long-term liabilities	1,059	494
Total liabilities	1,242,766	1,051,753
Commitments and contingencies		
Stockholders' equity		
Preferred stock, \$.0001 par value	—	—
Common stock, \$.0001 par value	16	16
Common stock contingent consideration	36,575	36,575
Additional paid-in capital	379,235	373,620
Accumulated deficit	(99,773)	(94,850)
Accumulated other comprehensive income	372	211
Total stockholders' equity	316,425	315,572
Total liabilities and stockholders' equity	\$ 1,559,191	\$ 1,367,325

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

(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
(\$ in thousands, except per share data)				
		(As restated)		(As restated)
Service revenue	\$ 116,426	\$ 62,815	\$ 206,189	\$ 162,312
Product sales	12,231	16,994	12,326	34,210
Total revenue	128,657	79,809	218,515	196,522
Cost of service revenue	1,332	1,013	2,212	2,232
Cost of product sales	6,144	9,060	6,171	17,750
Operating expenses	36,434	26,699	66,926	58,958
Selling, general and administrative expenses	26,229	20,821	54,672	46,707
Depreciation, amortization and (gain) loss on disposal of assets, net	27,012	29,166	55,277	58,412
Total costs and expenses	97,151	86,759	185,258	184,059
Income (loss) from operations	31,506	(6,950)	33,257	12,463
Interest expense, net	11,680	9,539	20,844	21,990
Change in fair value of private placement warrants	8,067	8,334	10,134	(7,133)
Tax receivable agreement liability adjustment	1,661	4,446	1,661	4,446
Loss on extinguishment of debt	—	—	5,334	—
Other income, net	(2,798)	(1,523)	(5,811)	(4,448)
Total other expenses	18,610	20,796	32,162	14,855
Income (loss) before income taxes	12,896	(27,746)	1,095	(2,392)
Income tax provision (benefit)	8,904	(4,024)	6,018	(810)
Net income (loss)	\$ 3,992	\$ (23,722)	\$ (4,923)	\$ (1,582)
Other comprehensive income (loss):				
Change in foreign currency translation adjustment	351	(508)	161	(3,875)
Total comprehensive income (loss)	\$ 4,343	\$ (24,230)	\$ (4,762)	\$ (5,457)
Net income (loss) per share:				
Basic	\$ 0.02	\$ (0.15)	\$ (0.03)	\$ (0.01)
Diluted	\$ 0.02	\$ (0.15)	\$ (0.03)	\$ (0.01)
Weighted average shares outstanding:				
Basic	162,378	161,710	162,338	161,317
Diluted	166,028	161,710	162,338	161,317

VERRA MOBILITY CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(\$ in thousands)	Six Months Ended June 30,	
	2021	2020 (As restated)
Cash Flows from Operating Activities:		
Net loss	\$ (4,923)	\$ (1,582)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	55,227	58,409
Amortization of deferred financing costs and discounts	2,722	2,106
Change in fair value of private placement warrants	10,134	(7,133)
Tax receivable agreement liability adjustment	1,661	4,446
Loss on extinguishment of debt	5,334	—
Credit loss expense	3,863	10,723
Deferred income taxes	(825)	(2,496)
Stock-based compensation	6,481	6,039
Other	257	691
Changes in operating assets and liabilities:		
Accounts receivable, net	(42,970)	(43,183)
Unbilled receivables	(2,098)	7,476
Prepaid expenses and other assets	(1,177)	7,979
Accounts payable and accrued liabilities	4,337	(17,863)
Other liabilities	(545)	(3,069)
Net cash provided by operating activities	37,478	22,543
Cash Flows from Investing Activities:		
Acquisition of business, net of cash and restricted cash acquired	(107,004)	—
Purchases of installation and service parts and property and equipment	(8,257)	(14,301)
Cash proceeds from the sale of assets	159	49
Net cash used in investing activities	(115,102)	(14,252)
Cash Flows from Financing Activities:		
Borrowings of long-term debt	996,750	—
Repayment of long-term debt	(881,281)	(24,227)
Payment of debt issuance costs	(6,507)	(922)
Payment of debt extinguishment costs	(1,066)	—
Proceeds from exercise of stock options	87	—
Payment of employee tax withholding related to RSUs vesting	(953)	(352)
Net cash provided by (used in) financing activities	107,030	(25,501)
Effect of exchange rate changes on cash and cash equivalents	207	(1,270)
Net increase (decrease) in cash, cash equivalents and restricted cash	29,613	(18,480)
Cash, cash equivalents and restricted cash - beginning of period	120,892	132,430
Cash, cash equivalents and restricted cash - end of period	\$ 150,505	\$ 113,950

VERRA MOBILITY CORPORATION

ADJUSTED EBITDA RECONCILIATION (Unaudited)

(\$ in thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020 (As restated)	2021	2020
Net income (loss)	\$ 3,992	\$ (23,722)	\$ (4,923)	\$ (1,582)
Interest expense, net	11,680	9,539	20,844	21,990
Income tax provision (benefit)	8,904	(4,024)	6,018	(810)
Depreciation and amortization	27,013	29,159	55,227	58,409
EBITDA	51,589	10,952	77,166	78,007
Transaction and other related expenses (i)	3,306	80	7,432	603
Transformation expenses	362	515	694	515
Change in fair value of private placement warrants (ii)	8,067	8,334	10,134	(7,133)
Tax receivable agreement liability adjustment (iii)	1,661	4,446	1,661	4,446
Loss on extinguishment of debt (iv)	—	—	5,334	—
Stock-based compensation (v)	3,573	3,271	6,481	6,039
Adjusted EBITDA	\$ 68,558	\$ 27,598	\$ 108,902	\$ 82,477

- (i) Transaction and other related expenses incurred in the three and six months ended June 30, 2021 primarily relate to costs for the acquisition of Redflex and certain costs for the debt offering of senior unsecured notes and refinancing the first lien term loan during the period. Transaction and other related expenses incurred in the six months ended June 30, 2020 primarily relate to costs associated with our Pagatelia acquisition and certain costs for refinancing our debt.
- (ii) This consists of adjustments to the private placement warrants liability from the remeasurement to fair value at the end of each reporting period.
- (iii) We recorded a \$1.7 million charge for the three and six months ended June 30, 2021 and a \$4.4 million charge for the three and six months ended June 30, 2020. The TRA liability adjustment in 2021 is arising from higher estimated state tax rates due to changes in statutory rates, whereas in 2020 it is arising from higher estimated state tax rates due to a change in apportionment.
- (iv) The loss on extinguishment of debt for the six months ended June 30, 2021 consists of a \$4.0 million write-off of pre-existing deferred financing costs and \$1.3 million of lender and third-party costs associated with the issuance of the new first lien term loan.
- (v) Stock-based compensation represents the non-cash charge related to the issuance of awards under the Verra Mobility Corporation 2018 Equity Incentive Plan.

FREE CASH FLOW (Unaudited)

(\$ in thousands)	Six Months Ended June 30,	
	2021	2020
Net cash provided by operating activities	\$ 37,478	\$ 22,543
Purchases of installation and service parts and property and equipment	(8,257)	(14,301)
Free cash flow	\$ 29,221	\$ 8,242

ADJUSTED EPS (Unaudited)

(In thousands, except per share data)	Three Months Ended June 30,	
	2021	2020 (As restated)
Net income (loss)	\$ 3,992	\$ (23,722)
Amortization of intangibles	21,242	23,531
Transaction and other related expenses	3,306	80
Transformation expenses	362	515
Change in fair value of private placement warrants	8,067	8,334
Tax receivable agreement liability adjustment	1,661	4,446
Stock-based compensation	3,573	3,271
Total adjustments before income tax effect	38,211	40,177
Income tax effect on adjustments	(26,383)	(5,827)
Total adjustments after income tax effect	11,828	34,350
Adjusted Net Income	\$ 15,820	\$ 10,628
Adjusted EPS	\$ 0.10	\$ 0.07
Diluted weighted average shares outstanding	166,028	161,710

The Adjusted Net Income and Adjusted EPS for the six months ended June 30, 2021 and 2020 were not presented as they were not meaningful due to the disproportionate effective tax rate for the six months ended June 30, 2021.

EBITDA and Adjusted EBITDA

We define EBITDA as net income (loss) adjusted to exclude interest expense, net, income taxes, depreciation and amortization. Adjusted EBITDA further excludes certain non-cash expenses and other transactions that management believes are not indicative of our ongoing operating performance. EBITDA and Adjusted EBITDA, as defined, exclude some but not all items that affect our cash flow from operating activities. As a result, they may not be comparable to similarly titled performance measures presented by other companies.

We use these metrics to measure our performance from period to period both at the consolidated level as well as within our operating segments, to evaluate and fund incentive compensation programs and to compare our results to those of our competitors. In addition to Adjusted EBITDA being a significant measure of performance for management purposes, we also believe that this presentation provides useful information to investors regarding financial and business trends related to our results of operations and that when non-GAAP financial information is viewed with GAAP financial information, investors are provided with a more meaningful understanding of our ongoing operating performance. EBITDA and Adjusted EBITDA have certain limitations as analytical tools and should not be used as substitutes for net income (loss), cash flows from operations, or other consolidated income or cash flow data prepared in accordance with GAAP.

Free Cash Flow

We define “Free Cash Flow” as cash flow from operations less capital expenditures.

Adjusted Net Income

We define “Adjusted Net Income” as net income (loss) adjusted to exclude amortization of intangibles and certain non-cash or non-recurring expenses.

Adjusted EPS

We define “Adjusted EPS” as Adjusted Net Income divided by the diluted weighted average shares for the period.

Investor Relations Contact

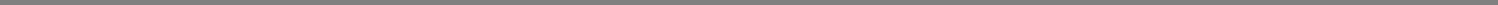
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Earnings Overview

Verra Mobility Q2 Earnings Presentation
For the Quarter Ended June 30, 2021



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, 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 impact of payment delays related to the outstanding receivables with the City of New York Department of Transportation ("NYCDOT"); (2) the disruption to our business and results of operations as a result of the COVID-19 pandemic; (3) the impact of the COVID-19 pandemic on our revenues from key customers in the rental car industry and from photo enforcement programs; (4) customer concentration in our Commercial Services and Government Solutions segments; (5) decreases in the prevalence of automated photo enforcement or the use of tolling; (6) risks and uncertainties related to our government contracts, including but not limited to administrative hurdles, legislative changes, termination rights, audits and investigations; (7) decreased interest in outsourcing from our customers; (8) our ability to properly perform under our contracts and otherwise satisfy our customers; (9) our ability to compete in a highly competitive and rapidly evolving market; (10) our ability to keep up with technological developments and changing customer preferences; (11) the success of our new products and changes to existing products and services; (12) our ability to successfully integrate our recent or future acquisitions; (13) failures in or breaches of our networks or systems, including as a result of cyber-attacks; and (14) 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.



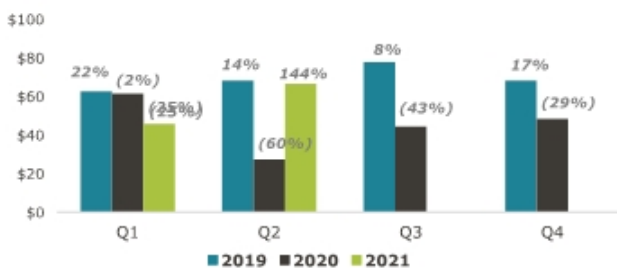
Q2 Results by Segment – Commercial Services

For the Quarter Ended June 30, 2021

Commercial Services

Revenue & YoY Growth

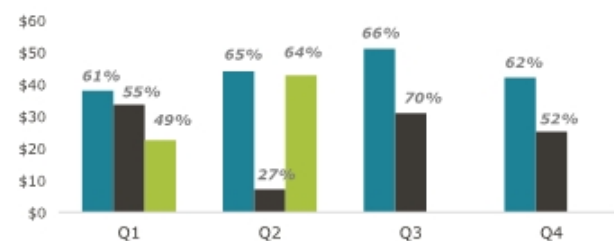
\$ in Millions



■ 2019 ■ 2020 ■ 2021

Adj. EBITDA & Margin %

\$ in Millions



■ 2019 ■ 2020 ■ 2021

Commercial Services Commentary

- Revenue of \$66.5M in Q2 increased 143.8% from the same quarter in the prior year
- Adjusted EBITDA of \$42.8M in the quarter increased \$35.5M or 487.8% from the same period of the prior year
- Operating expenses of \$16.0M in Q2 2021 increased by \$5.2M or 48.7% from the same period in the prior year, reflecting cost cutting measures taken in response to the Covid-19 impact on revenue
- SG&A of \$9.5M for Q2 2021 decreased by \$0.7M or 7.0% over the same period in the prior year
- We are pleased with our revenue recovery and our EBITDA margins which are best in class during the worst times
 - Revenue is within \$2M of 2019 levels
 - EBITDA is within \$1.5M of 2019 levels



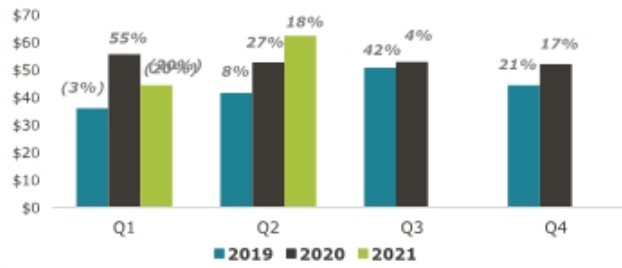
Q2 Results by Segment – Government Solutions

For the Quarter Ended June 30, 2021

Government Solutions

Revenue & YoY Growth

\$ in Millions



■ 2019 ■ 2020 ■ 2021

Adj. EBITDA & Margin %

\$ in Millions



■ 2019 ■ 2020 ■ 2021

Government Solutions Commentary

	Q1-2020	Q2-2020	Q1-2021	Q2-2021
(S in Millions)				
Service Revenue	\$38,255	\$35,542	\$44,074	\$49,947
Product Revenue	\$17,216	\$16,995	\$95	\$12,231
Total Revenue	\$55,471	\$52,537	\$44,169	\$62,178

- Revenue of \$62.2M in Q2 increased 18.4% from the same quarter in the prior year
- Service Revenue improvement of \$14.4M was offset by a decrease in product revenue of \$4.8M
- Product revenue reflects the installation of 158 systems in NYC. Product revenue is dependent on a few customers who buy their equipment and is a less predictable revenue stream
- We closed on the Redflex acquisition on June 18th which added \$3.3M of revenue in Q2 2021 with no prior year comparison
- Adjusted EBITDA of \$25.8M in the quarter increased \$5.5M or 26.9% from the same period of the prior year

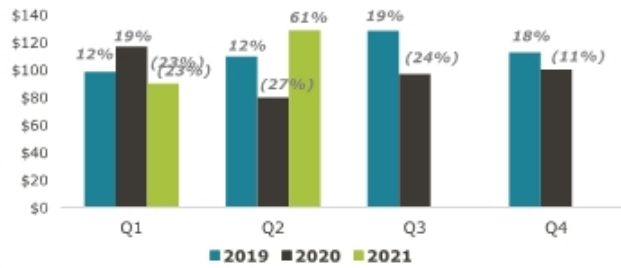
Consolidated Q2 Results

For the Quarter Ended June 30, 2021

Verra Mobility

Revenue & YoY Growth

\$ in Millions



■ 2019 ■ 2020 ■ 2021

Adj. EBITDA & Margin %

\$ in Millions



■ 2019 ■ 2020 ■ 2021

Q2 Commentary

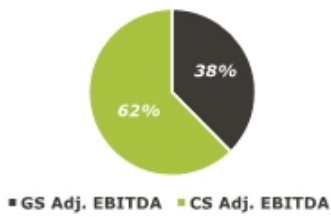
- Total revenue increased by \$48.8 million to \$128.7 million or 61.2% in Q2 2021 from \$79.8 million in Q2 2020
- Service Revenue of \$116.4M exceeded 2019 pre-pandemic levels with a nice rebound in tolling for RACs and the continued growth in fixed speed program photo enforcement
- Adjusted EBITDA of \$68.6 million, increased from \$27.6 million or 148.4% in Q2 of 2021
- Adjusted EBITDA grew approximately \$9M or 15% over the same quarter in 2019 with similar margins around 53%, hurdling pre-pandemic levels



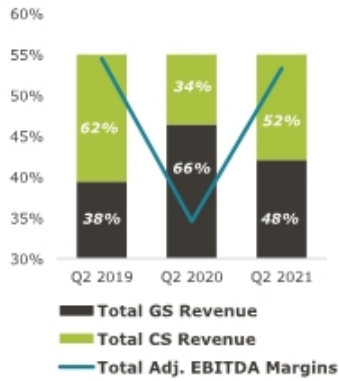
Consolidated Q2 Results

For the Quarter Ended June 30, 2021

Q2 Adj EBITDA Mix by Business Segment



Revenue Mix & Adj. EBITDA Margins



Net Debt & Leverage



Q2 Commentary

- Generated cash flow from operations of \$37.5 million in Q2 2021
- Cash on hand increased to \$147.3 million at the end of Q2 2021 from \$120.3 million at the end of Q4 2020
- Leverage decreased due to an increase in EBITDA
- The company has total debt of \$998.4 million and a \$57.0 million revolver that is undrawn
- We believe that cash from operations and cash on hand will be sufficient to run the company for the next 12 months and beyond

Guidance

We are very pleased with our performance during the first half of the year and want to provide some insight to the second half of 2021

	Full Year 2021		
	Low	High	Mid
Service Revenue	\$455	\$470	\$462
Product Revenue	\$55	\$60	\$58
Total Revenue	\$510	\$530	\$520
Adj. EBITDA	\$240	\$245	243
Adj. EBITDA Margin	47%	47%	47%

Service Revenue – At Mid-Point

- Includes ~\$35M of revenue from Redflex and ~\$27M from VRRM
 - VRRM standalone service revenue would exceed FY 2019 by \$10M
- Implied YoY Service Revenue growth of 27% organically and 38% inclusive of our recent acquisition

Product Revenue

- Includes installation of NYC speed cameras and project revenue from Redflex

Adj EBITDA

- Implies some margin compression in 2H due to a continued shift in revenue mix toward the lower margin GS business and the incorporation of Redflex which has historically operated at mid-single digit margins

Cash and Leverage

- Total debt is expected to be \$995M
- We expect to end the year with ~\$300M of cash on hand
- The company de-levers very quickly in 2H



APPENDIX

Consolidated Results of Operations

Unaudited (\$ in millions)	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Full Year 2020	Q1 2021	Q2 2021
Service revenue	\$99.5	\$62.8	\$83.0	\$91.0	\$336.3	\$89.8	\$116.4
Product sales	17.2	17.0	13.9	9.2	57.3	0.1	12.2
Total revenue	\$116.7	\$79.8	\$96.9	\$100.2	\$393.6	\$89.9	\$128.7
Cost of service revenue	1.2	1.0	0.9	0.8	4.0	0.9	1.3
Cost of product sales	8.7	9.1	7.1	4.7	29.6	0.0	6.1
Operating expenses	32.3	26.7	26.5	30.2	115.7	30.5	36.4
Selling, general and administrative expenses	25.9	20.8	17.5	25.4	89.7	28.4	26.2
Depreciation, amortization, and (gain) loss on disposal of assets, net	29.2	29.2	29.6	28.8	116.8	28.3	27.0
Total costs and expenses	\$97.3	\$86.8	\$81.6	\$90.1	\$355.8	\$88.1	\$97.2
Income (loss) from operations	19.4	(7.0)	15.3	10.1	37.8	1.8	31.5
Interest expense, net	12.5	9.5	9.6	9.3	40.9	9.2	11.7
Change in fair value of private placement warrants	(15.5)	8.3	(4.4)	12.7	1.1	2.1	8.1
Loss from tax receivable agreement adj	-	4.4	-	2.4	6.9	-	1.7
Loss on extinguishment of debt	-	-	-	-	-	5.3	-
Other (income) expense, net	(2.9)	(1.5)	(5.0)	(2.5)	(11.9)	(3.0)	(2.8)
Total other expense	(\$5.9)	\$20.8	\$0.2	\$21.9	\$37.0	\$13.6	\$18.6
Income (loss) before income taxes	25.4	(27.7)	15.0	(11.8)	0.9	(11.8)	12.9
Income tax provision (benefit)	3.2	(4.0)	4.0	2.3	5.4	(2.9)	8.9
Net (loss) income	\$22.1	(\$23.7)	\$11.1	(\$14.1)	(\$4.6)	(\$8.9)	\$4.0
Bridge to adj. EBITDA							
Net (loss) income	\$22.1	(\$23.7)	\$11.1	(\$14.1)	(\$4.6)	(\$8.9)	\$4.0
Interest expense, net	12.5	9.5	9.6	9.3	40.9	9.2	11.7
Income tax provision (benefit)	3.2	(4.0)	4.0	2.3	5.4	(2.9)	8.9
Depreciation and amortization	29.3	29.2	29.4	28.7	116.6	28.2	27.0
EBITDA	\$67.1	\$11.0	\$54.1	\$26.2	\$158.3	\$25.6	\$51.6
Transaction and other related	0.5	0.1	0.1	1.2	1.9	4.1	3.3
Transformation expense	-	0.5	0.6	(0.0)	1.1	0.3	0.4
Loss on extinguishment of debt	-	-	-	-	-	5.3	-
TRA adjustment	-	4.4	-	2.4	6.9	-	1.7
Change in fair value of private placement warrants	(15.5)	8.3	(4.4)	12.7	1.1	2.1	8.1
Stock-based compensation	2.8	3.3	3.2	3.4	12.6	2.9	3.6
Adjusted EBITDA	\$54.9	\$27.6	\$53.5	\$45.8	\$181.8	\$40.3	\$68.6



Verra Mobility acquired Redflex June 18th, 2021. Q2 2021 includes 12 days of Redflex actuals.

Segment Results of Operations

Commercial Services

Unaudited (\$ in millions)	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Full Year 2020	Q1 2021	Q2 2021
Segment Revenue							
Commercial Services	\$61.2	\$27.3	\$44.2	\$48.2	\$180.9	\$45.7	\$66.5
Segment Adj EBITDA							
Commercial Services	\$33.6	\$7.3	\$31.0	\$25.2	\$97.2	\$22.6	\$42.8

Government Solutions

Unaudited (\$ in millions)	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Full Year 2020	Q1 2021	Q2 2021
Segment Revenue							
Government Solutions	\$55.5	\$52.5	\$52.8	\$52.0	\$212.7	\$44.2	\$62.2
Segment Adj EBITDA							
Government Solutions	\$21.2	\$20.3	\$22.5	\$20.6	\$84.7	\$17.8	\$25.8



Verra Mobility acquired Redflex June 18th, 2021. Q2 2021 includes 12 days of Redflex actuals.



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Thank You

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Investor Overview

Verra Mobility Q2 Investor Presentation
For the Quarter Ended June 30, 2021



Forward-looking statements

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Use of Non-GAAP Financial Measures

This presentation includes non-GAAP financial measures, including earnings before interest, taxes, depreciation and amortization ("EBITDA"), Pro Forma Adjusted EBITDA, Free Cash Flow, Free Cash Flow Margin and Pro Forma Adjusted Revenue. Pro Forma Adjusted EBITDA is defined as EBITDA, as adjusted as described in this presentation for historical costs and estimated cost savings and synergies. Free Cash Flow is defined as EBITDA minus capital expenditures and Free Cash Flow Margin is defined as Free Cash Flow divided by revenue. Pro Forma Adjusted Revenue adjusts revenue for non-cash amortization of contract incentive and certain pre-acquisition results. You can find the reconciliation of these measures to the nearest comparable GAAP measures elsewhere in this presentation.

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. Verra Mobility's management uses these non-GAAP measures to compare Verra Mobility's performance to that of prior periods for trend analyses, for purposes of determining management incentive compensation, and for budgeting and planning purposes. These measures are used in monthly financial reports prepared for management and Verra Mobility's board of directors. Verra Mobility believes that the use of these non-GAAP financial measures provides an additional tool for investors to use in evaluating ongoing operating results and trends. Management of Verra Mobility does not consider these non-GAAP measures in isolation or as an alternative to financial measures determined in accordance with GAAP.

Other companies may calculate non-GAAP measures differently, and therefore the non-GAAP measures of Verra Mobility included in this presentation may not be directly comparable to similarly titled measures of other companies.

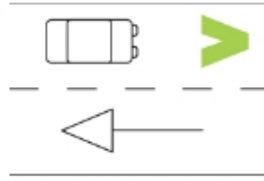


SAFE. SMART. CONNECTED.

A global leader in smart transportation, we work alongside our customers to relentlessly develop customized technology solutions to solve complex transportation challenges.



Building safer cities
by installing, maintaining and managing leading technology that positively impacts driver behavior and enhances road safety.



Enabling smarter roadways
by providing the integrated technology to help rental car companies and large fleet operators manage tolls, violations, and vehicle title and registrations.



Developing more connected systems
by seamlessly connecting people, technology and data across the smart mobility ecosystem.

As mobility becomes more complex, connected and automated, Verra Mobility works behind the scenes to help make transportation safer and easier.

We operate in two business segments

Who we are

Commercial Services



What we do

The Commercial Services segment generates revenue by providing fully outsourced tolling and violations management and title and registration services to our customers through integrated technologies that both reduce cost and add value.

Who we serve

- Rental Car Companies (RACs)
- Fleet Management Companies (FMCs)
- Large Fleet Operators

\$205M Service Revenue*

Government Solutions



What we do

The Government Solutions segment generates revenue by contracting with municipalities and school districts to provide the hardware, software, installation, maintenance and support they need to identify, issue, enforce, and successfully adjudicate traffic violations.

Who we serve

- Municipalities
- Counties
- School districts
- Other governmental entities

\$176M Service Revenue*



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* TTM Service Revenue for the period ending June 30, 2021

Commercial Services

Providing tolling, violation management and title/registration services

Toll Management

Rental fleet toll collection and management, reducing in-house administrative burdens while providing convenience to the driver – daily or flat fee

Commercial fleet toll collection and management driving value for customers



United States & a portion of Canada

Violations

Manage toll, parking and photo enforcement violations for rental car and commercial fleets, reducing violation-related expenses and late fees

European toll and violation collection and management for issuing authorities for administrative fees



United States & Europe

Title and Registration

Rental car and commercial fleet title and registration for data management and services fee



United States

\$205M Service Revenue*



* TTM Service Revenue for the period ending June 30, 2021

Government Solutions

Increasing road safety by changing driver behavior

Red-Light Safety Cameras

Capture and process images and video of vehicles running red lights



Speed Safety Cameras

Capture and process images and video of vehicles exceeding speed limits



Stop-Arm Safety Cameras

Capture and process images and video of vehicles illegally passing school buses



Bus Lane Cameras

Capture and process images and video of vehicles violating city bus lane restrictions



\$176M Service + \$35M Product = \$211M Total Revenue*



VERRA
MOBILITY

* TTM Revenue for the period ending June 30, 2021

Why invest in Verra Mobility?

Leadership, business model and strong financial performance



A market leader with highly differentiated platforms

- Leading provider of road safety cameras in the U.S.
- Leading provider of toll and violation management to rental car and fleet management companies in U.S.



Contracted, recurring revenue business model

- Contracts with the three largest U.S. rental car companies
- Large install base = recurring revenue



Proven financial performance

- Solid financial results with robust margins
- Historically strong free cash flow conversion
- CAGR for services from 2017-2019 = 10%

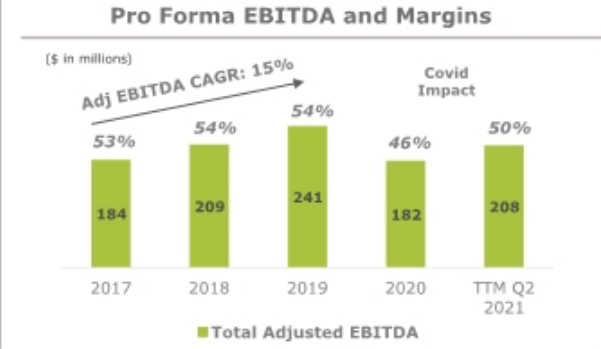
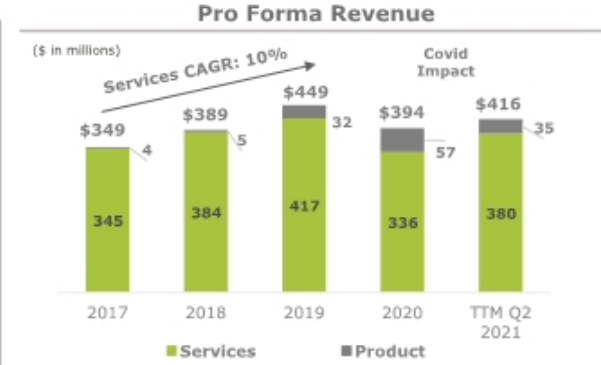


Platform for future growth

- European expansion
- M&A

Proven financial performance

Strong revenue and profitability create beneficial cash flow



Basis of Presentation: Verra Mobility acquired Redflex June 18th, 2021. The post acquisition June results includes only 12 days of Redflex representing \$3.3 million in revenue and \$0.5 million adjusted EBITDA. 7

Future growth

Verra Mobility has multiple levers for sustained growth

1

Benefit from Strong Industry Tailwind

- Further migration to cashless and all-electronic tolling
 - Intensified public attention given to traffic safety issues for drivers, pedestrians, bicyclists and law enforcement
-

2

Expand Mobility Platform

- Leverage existing capabilities to further penetrate ride and car sharing markets
 - Collaborate with OEMs to connect directly to vehicles electronically, including autonomous vehicles
-

3

Expand Globally

- European Tolling & Violations has a large addressable market
 - Natural extension of existing products to European fleet vehicles with existing Verra Mobility customers
-

4

Pursue Accretive Acquisitions

- Increase competitive positioning and strengthen portfolio with highly strategic acquisitions
 - Create value through successful integration and synergy realization
-



M&A Principles

Evaluation Criteria

1 Strategic Fit

- Connect all activities to Verra Mobility's strategy
- Find opportunities where Verra Mobility's and the target's assets, when combined, can create unique value

2 Financial Discipline

- Protect Verra Mobility's capital: seek returns above the cost of capital required for the deal

3 Integration Focus

- Establish close partnership with the broader organization
- Ensure cultural fit and change management discipline
- Establish processes for short and long-term execution and accountability

4 Programmatic Process

- Develop a robust and replicable process to identify, execute, and integrate firms into Verra Mobility

5 Discovery Mindset

- Cultivate a mindset of discovery; seek to uncover asymmetric information
- Generate a robust pipeline of potential deals through research, networks, internal contacts, etc.
- Strong views, weakly held

Strategic
Fit

Financial
Discipline

Integration
Focus

Programmatic Process

Discovery Mindset

APPENDIX

Verra Mobility Adj. Pro Forma Revenue Reconciliation

2016 – 2018

Verra Mobility

Unaudited (\$ in millions)	2016	2017	2018 *
Verra Mobility (Pre-HTA, Pre-EPC) Adj. Revenue	\$233.4	\$232.4	\$370.1
HTA Adj. Revenue	88.3	103.7	15.8
EPC Reported Revenue	11.1	12.6	3.0
Verra Mobility Adj. Pro Forma Revenue	\$332.8	\$348.7	\$388.9



* Note: Fiscal year end December 31st. HTA and EPC based on Q1 for 2018. See following appendix pages for reconciliation of Verra Mobility (Pre-HTA, Pre-EPC), HTA and EPC.

Verra Mobility Adj. Pro Forma Revenue Reconciliation

2016 – 2018

Unaudited (\$ in millions)	2016	2017	2018
Verra Mobility (Pre-HTA, Pre-EPC) Reported Services Revenue	\$212.5	\$228.2	\$365.1
Adjustments:			
Non-cash Amortization of Contract Incentive	1.8	0.3	0.0
Sunshine State Tag Agency, Inc. Pre-acquisition Results	0.8	0.0	0.0
Verra Mobility (Pre-HTA, Pre-EPC) Adjusted Services Revenue	\$215.2	\$228.5	\$365.1
Verra Mobility (Pre-HTA, Pre-EPC) Reported Product Revenue	18.2	3.9	5.1
Verra Mobility (Pre-HTA, Pre-EPC) Total Adjusted Revenue	\$233.4	\$232.4	\$370.1
HTA Reported Revenue	\$88.3	\$101.4	\$15.8
Adjustments:			
Non-cash Amortization of Contract Incentive	0.0	2.3	0.0
HTA Adjusted Revenue	\$88.3	\$103.7	\$15.8
EPC Reported Revenue	\$11.1	\$12.6	\$3.0
Total Adj. Pro Forma Revenue	\$332.8	\$348.7	\$388.9



Verra Mobility Adj. Pro Forma EBITDA Reconciliation

2016 – 2018

Verra Mobility

Unaudited (\$ in millions)	2016	2017	2018 *
Verra Mobility (Pre-HTA, Pre-EPC) Adj. EBITDA	\$87.1	\$97.9	\$197.6
HTA Adj. EBITDA	67.4	80.9	10.7
EPC Adj. EBITDA	4.0	5.0	1.2
Verra Mobility Adj. Pro Forma EBITDA	\$158.5	\$183.8	\$209.5



* Note: Fiscal year end December 31st. HTA and EPC based on Q1 for 2018. See following appendix pages for reconciliation of Verra Mobility (Pre-HTA, Pre-EPC), HTA and EPC.

Verra Mobility (Pre-HTA, Pre-EPC) Adj. EBITDA Reconciliation

2016 – 2018

Verra Mobility (Pre-HTA, Pre-EPC)

Unaudited (\$ in millions)	2016	2017	2018
Net Income	\$29.0	\$19.5	(\$58.4)
Definitional Adjustments:			
Depreciation and amortization	33.8	45.7	103.3
Interest expense, net	2.7	21.7	69.6
Income taxes	18.7	(29.4)	(16.2)
Total definitional adjustments	\$55.2	\$38.0	\$156.7
Reported EBITDA	\$84.2	\$57.5	\$98.3
Adjustments:			
Transaction and other related expenses	1.2	32.0	56.4
Transformation expenses	0.0	3.9	8.8
Loss on extinguishment of debt	0.0	0.0	26.5
Sponsor Fees and expenses	0.0	4.2	5.4
Non-cash amortization of contract inducement	1.8	0.3	0.0
Stock-based compensation	0.0	0.0	2.3
Total adjustments	\$2.9	\$40.4	\$99.4
Adjusted EBITDA	\$87.1	\$97.9	\$197.6



HTA Adj. EBITDA Reconciliation

2015 – 2017

HTA

Unaudited (\$ in millions)	2015	2016	2017
Net Income	\$48.6	\$60.7	\$67.6
Definitional Adjustments:			
Depreciation and amortization	0.4	1.4	2.1
Interest expense, net	(0.0)	0.0	0.1
Income taxes	0.3	0.3	0.4
Total definitional adjustments	\$0.7	\$1.7	\$2.6
Reported EBITDA	\$49.4	\$62.4	\$70.2
Adjustments:			
Extraordinary adjustments - primarily seller expenses	0.0	0.0	2.5
Contract incentive - non-cash amortization	0.0	0.0	2.3
Gain/loss on sale of equipment, net	0.0	0.3	0.0
Pro forma cc rebates	2.3	2.7	3.5
Capitalized internal labor	2.0	2.0	2.0
Other	0.0	0.0	0.4
Total adjustments	4.3	5.0	10.7
Adjusted EBITDA	\$53.7	\$67.4	\$80.9

EPC Adj. EBITDA Reconciliation

2015 – 2017

EPC

Unaudited (\$ in millions)	2015	2016	2017
Net Income	\$2.9	\$2.3	\$3.6
Definitional Adjustments:			
Depreciation and amortization	0.0	0.0	0.0
Interest expense, net	(0.1)	(0.0)	(0.0)
Income taxes	0.8	0.4	1.0
Total definitional adjustments	\$0.8	\$0.4	\$1.0
Reported EBITDA	\$3.7	\$2.7	\$4.6
Adjustments:			
Extraordinary expenses add back	0.0	1.3	0.3
Legal fees – appointment of new directors	0.0	0.0	0.0
Board of directors fees add back	0.1	0.0	0.0
Total adjustments	0.1	1.3	0.3
Adjusted EBITDA	\$3.8	\$4.0	\$5.0

Verra Mobility Quarterly Results

2020 – 2021

Unaudited (\$ in millions)	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Full Year 2020	Q1 2021	Q2 2021
Service revenue	\$99.5	\$62.8	\$83.0	\$91.0	\$336.3	\$89.8	\$116.4
Product sales	17.2	17.0	13.9	9.2	57.3	0.1	12.2
Total revenue	\$116.7	\$79.8	\$96.9	\$100.2	\$393.6	\$89.9	\$128.7
Cost of service revenue	1.2	1.0	0.9	0.8	4.0	0.9	1.3
Cost of product sales	8.7	9.1	7.1	4.7	29.6	0.0	6.1
Operating expenses	32.3	26.7	26.5	30.2	115.7	30.5	36.4
Selling, general and administrative expenses	25.9	20.8	17.5	25.4	89.7	28.4	26.2
Depreciation, amortization, and (gain) loss on disposal of assets, net	29.2	29.2	29.6	28.8	116.8	28.3	27.0
Total costs and expenses	\$97.3	\$86.8	\$81.6	\$90.1	\$355.8	\$88.1	\$97.2
Income (loss) from operations	19.4	(7.0)	15.3	10.1	37.8	1.8	31.5
Interest expense, net	12.5	9.5	9.6	9.3	40.9	9.2	11.7
Change in fair value of private placement warrants	(15.5)	8.3	(4.4)	12.7	1.1	2.1	8.1
Loss from tax receivable agreement adj	-	4.4	-	2.4	6.9	-	1.7
Loss on extinguishment of debt	-	-	-	-	-	5.3	-
Other (income) expense, net	(2.9)	(1.5)	(5.0)	(2.5)	(11.9)	(3.0)	(2.8)
Total other expense	(\$5.9)	\$20.8	\$0.2	\$21.9	\$37.0	\$13.6	\$18.6
Income (loss) before income taxes	25.4	(27.7)	15.0	(11.8)	0.9	(11.8)	12.9
Income tax provision (benefit)	3.2	(4.0)	4.0	2.3	5.4	(2.9)	8.9
Net (loss) income	\$22.1	(\$23.7)	\$11.1	(\$14.1)	(\$4.6)	(\$8.9)	\$4.0
Bridge to adj. EBITDA							
Net (loss) income	\$22.1	(\$23.7)	\$11.1	(\$14.1)	(\$4.6)	(\$8.9)	\$4.0
Interest expense, net	12.5	9.5	9.6	9.3	40.9	9.2	11.7
Income tax provision (benefit)	3.2	(4.0)	4.0	2.3	5.4	(2.9)	8.9
Depreciation and amortization	29.3	29.2	29.4	28.7	116.6	28.2	27.0
EBITDA	\$67.1	\$11.0	\$54.1	\$26.2	\$158.3	\$25.6	\$51.6
Transaction and other related	0.5	0.1	0.1	1.2	1.9	4.1	3.3
Transformation expense	-	0.5	0.6	(0.0)	1.1	0.3	0.4
Loss on extinguishment of debt	-	-	-	-	-	5.3	-
TRA adjustment	-	4.4	-	2.4	6.9	-	1.7
Change in fair value of private placement warrants	(15.5)	8.3	(4.4)	12.7	1.1	2.1	8.1
Stock-based compensation	2.8	3.3	3.2	3.4	12.6	2.9	3.6
Adjusted EBITDA	\$54.9	\$27.6	\$53.5	\$45.8	\$181.8	\$40.3	\$68.6



Segment Results of Operations

2020 – 2021

Commercial Services

Unaudited (\$ in millions)	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Full Year 2020	Q1 2021	Q2 2021
Segment Total Revenue							
Commercial Services	\$61.2	\$27.3	\$44.2	\$48.2	\$180.9	\$45.7	\$66.5
Segment Adj EBITDA							
Commercial Services	\$33.6	\$7.3	\$31.0	\$25.2	\$97.2	\$22.6	\$42.8

Government Solutions

Unaudited (\$ in millions)	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Full Year 2020	Q1 2021	Q2 2021
Segment Total Revenue							
Government Solutions	\$55.5	\$52.5	\$52.8	\$52.0	\$212.7	\$44.2	\$62.2
Segment Adj EBITDA							
Government Solutions	\$21.2	\$20.3	\$22.5	\$20.6	\$84.7	\$17.8	\$25.8



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VERRA MOBILITY ANNOUNCES \$100 MILLION SHARE REPURCHASE PROGRAM

MESA, Ariz., August 09, 2021 /PRNewswire/ -- Verra Mobility (NASDAQ: VRRM), a leading provider of smart mobility technology solutions, today announced that its Board of Directors approved a share repurchase program which authorizes the Company to repurchase up to \$100 million of its Class A common stock over the next twelve months.

“We expect to generate significant free cash flow this year through a combination of our highly attractive recurring revenue model and the anticipated collection of outstanding receivables,” stated David Roberts, the chief executive officer of Verra Mobility. “Our capital allocation strategy has always focused on investing for growth through M&A and then returning excess cash to shareholders. However, at current valuations, we believe the repurchase of our shares represents an attractive investment opportunity to redeploy excess capital and enhance long-term shareholder value creation.”

Under the stock repurchase program, the Company may repurchase shares of its Class A common stock from time to time in open market transactions or in privately negotiated transactions as permitted under applicable rules and regulations. Repurchases may be conducted and may be suspended or terminated at any time without notice. The extent to which the Company repurchases shares of its Class A common stock and the timing of such purchases will depend upon market conditions, the Company’s capital position, and other considerations as may be considered by the Company in its sole discretion. Repurchases may also be made pursuant to a trading plan under Rule 10b5-1 under the Securities Exchange Act of 1934, as amended, which would permit shares to be repurchased when the Company might otherwise be precluded from doing so because of self-imposed trading blackout periods or other regulatory restrictions.

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 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. As a leading provider of connected systems, Verra Mobility processes millions of transactions each year through integration and connectivity with hundreds of tolling and 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. Arizona-based Verra Mobility operates in North America, Europe, Asia, and Australia. For more information, visit 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 may contain words such as “goal,” “target,” “future,” “estimate,” “expect,” “anticipate,” “intend,” “plan,” “believe,” “seek,” “project,” “may,” “should,” “will” or 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 2021 financial and operational metrics. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those currently anticipated. 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 impact of payment delays related to the outstanding receivables with the City of New York Department of Transportation (“NYCDOT”); (2) the disruption to our business and results of operations as a result of the COVID-19 pandemic; (3) the impact of the COVID-19 pandemic on our revenues from key customers in the rental car industry and from photo enforcement programs; (4) customer concentration in our Commercial Services and Government Solutions segments; (5) decreases in the prevalence of automated photo enforcement or the use of tolling; (6) risks and uncertainties related to our government contracts, including but not limited to administrative hurdles, legislative changes, termination rights, audits and investigations; (7) decreased interest in outsourcing from our customers; (8) our ability to properly perform under our contracts and otherwise satisfy our customers; (9) our ability to compete in a highly competitive and rapidly evolving market; (10) our ability to keep up with technological developments and changing customer preferences; (11) the success of our new products and changes to existing products and services; (12) our ability to successfully integrate our recent or future acquisitions; (13) failures in or breaches of our networks or systems,

including as a result of cyber-attacks; and (14) 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. The forward-looking statements herein 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.

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