

**VERRA
MOBILITY™**
Safe. Smart. Connected.

Earnings Overview

Verra Mobility Q3 2024 Earnings Presentation
For the Quarter Ended September 30, 2024



FORWARD-LOOKING STATEMENTS

This presentation contains forward-looking statements which address our 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. Forward-looking statements include statements regarding changes and trends in the market for our products and services, expected operating results and metrics, such as revenue growth, expansion plans and opportunities, 2024 full year guidance, including expected total revenue, Adjusted EBITDA, Adjusted EPS, Adjusted Free Cash Flow and Net Leverage, and the underlying assumptions for the 2024 full year guidance, including expected weighted average fully-diluted share count, effective tax rate and cash taxes, expected depreciation and amortization, expected interest expense, net and total net cash interest, expected change in working capital and expected capital expenditures, and the preliminary 2025 outlook, including anticipated travel volumes and the impact on revenue growth in the Commercial Service segment, the expected timing for converting backlog to revenue in the Government Solutions segment, as well as anticipated business development investments in the Government Solutions segment. Forward-looking statements involve risks and uncertainties and a number of factors could cause actual results to differ materially from those currently anticipated. These factors include, but are not limited to, customer concentration in our Commercial Services and Government Solutions segments including risks impacting such segments, including travel demand and legislation; risks related to our contract with the New York City Department of Transportation, which comprises a material portion of our revenue and expires on December 31, 2024, including risks relating to securing an extension of the contract and winning the competitive procurement process for a new contract; risks and uncertainties related to our government contracts, including legislative changes, termination rights, delays in payments, audits and investigations; decreases in the prevalence or political acceptance of, or an increase in governmental restrictions regarding, automated and other similar methods of photo enforcement, parking solutions or the use of tolling; our ability to successfully implement our acquisition strategy or integrate acquisitions; failure in or breaches of our networks or systems, including as a result of cyber-attacks or other incidents; risks and uncertainties related to our international operations/our ability to develop and successfully market new products and technologies into new markets; our failure to acquire necessary intellectual property or adequately protect our intellectual property; our ability to manage our substantial level of indebtedness; our ability to maintain an effective system of internal controls, including our ability to remedy our material weakness on a timely basis; our ability to properly perform under our contracts and otherwise satisfy our customers; decreased interest in outsourcing from our customers; our ability to keep up with technological developments and changing customer preferences; our ability to compete in a highly competitive and rapidly evolving market; risks and uncertainties related to our share repurchase program; risks and uncertainties related to litigation, disputes and regulatory investigations; our reliance on specialized third-party vendors and service providers; and other risks and uncertainties indicated from time to time in documents we filed or will file with the Securities and Exchange Commission (the “SEC”). In addition, no assurance can be given that any plan, initiative, projection, goal, commitment, expectation, or prospect set forth in this release can or will be achieved. This presentation should be read in conjunction with the information included in our other press releases, reports and other filings with the SEC. Additional information regarding the factors that may cause actual results to differ materially from these forward-looking statements is available in our SEC filings, including our 2023 Annual Report on Form 10-K and Quarterly Report on Form 10-Q for the third quarter of 2024. These forward-looking statements speak only as of the date of this release and except to the extent required by applicable law, the Company does not assume any obligation to update or revise any forward-looking statement, whether as a result of new information, future events and developments or otherwise. Understanding the information contained in these filings is important in order to fully understand our reported financial results and our business outlook for future periods.

Use of Non-GAAP Financial Measures

This presentation uses certain non-GAAP financial information, including earnings before interest, taxes, depreciation and amortization (“EBITDA”), adjusted EBITDA, Free Cash Flow, Adjusted Free Cash Flow, Adjusted EPS, Net Debt and Net Leverage.

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, adjusted EBITDA margin, Segment Adjusted EBITDA, adjusted EPS, Free Cash Flow, adjusted Free Cash Flow, Net Debt and Net Leverage 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.

Verra Mobility is not providing a quantitative reconciliation of Adjusted EBITDA, Adjusted EPS, Adjusted Free Cash Flow and Net Leverage to the nearest GAAP metric in our 2024 financial guidance, in reliance on the “unreasonable efforts” exception for forward-looking non-GAAP measures set forth in SEC rules because certain financial information, the probable significance of which cannot be determined, is not available and cannot be reasonably estimated without unreasonable effort and expense.

Q3 2024 Financial Highlights

Total Revenue

\$226 million; 7% YoY growth

Adjusted EBITDA¹

\$105 million; 8% YoY growth

Adj. EPS¹

\$0.32; 10% YoY growth

Adjusted Free Cash Flow¹

\$85 million in Q3; 51% YTD Adj
FCF Conversion ²

Executive Summary

- **Strong consolidated third quarter top-line performance**
 - Commercial Services: 11% Y-o-Y growth driven by strong travel demand
 - Government Solutions: 7% Y-o-Y **service revenue** growth driven by core market acceleration
 - Parking Solutions: SaaS and Services revenue declined 4% Y-o-Y primarily due to a decline in installation and other professional services; SaaS-only revenue grew low-single-digits over the prior year quarter
- **Increasing 2024 Adjusted Free Cash Flow guidance and reaffirming all other financial guidance metrics**

Q3 24' Strategic Highlights

TSA throughput volume about 104 percent of 3Q 2023

Strong Q3 contract awards in Government Solutions – up to \$22 million of incremental full run-rate ARR potential bringing the YTD total up to \$45 million

Subsequent to the end of the quarter, awarded the San Francisco Municipal Transportation Agency Speed Safety Pilot contract

New York red-light expansion bill was signed into law allowing for the expansion of cameras at 450 additional intersections in the city of New York

Net leverage reduced to 2.2x driven by strong free cash flow generation

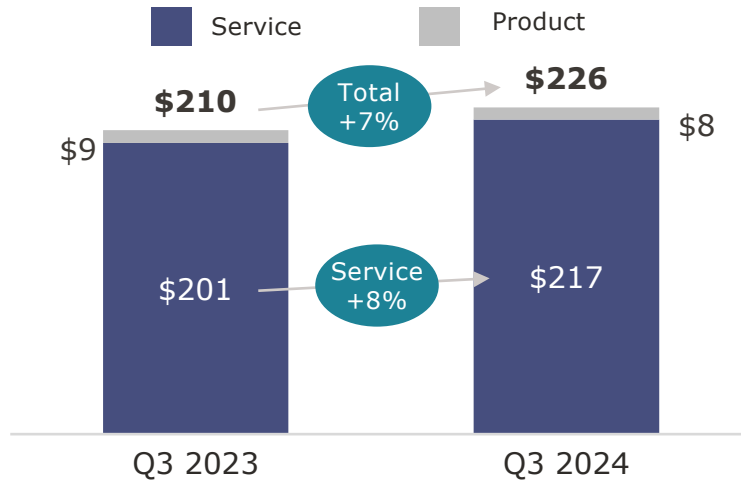
¹ Adjusted EBITDA, Adjusted EBITDA margin, Adjusted EPS, Free Cash Flow, Adjusted Free Cash Flow, Adjusted FCF conversion, Net Debt and Net Leverage are non-GAAP financial measures. For a reconciliation of these non-GAAP financial measures, see the appendix. Page 15 reconciles Adjusted EBITDA to Net Income; page 17 reconciles Adjusted Net Income and Adjusted EPS and page 18 reconciles Free Cash Flow and Adjusted Free Cash Flow

² Adj. FCF Conversion defined as Adjusted Free Cash Flow divided by Adjusted EBITDA

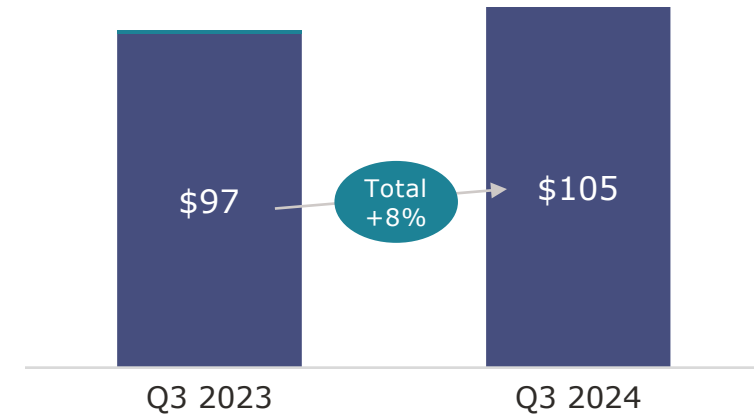
Strong top-line growth driven by travel & speed enforcement trends

Consolidated – Q3 Results

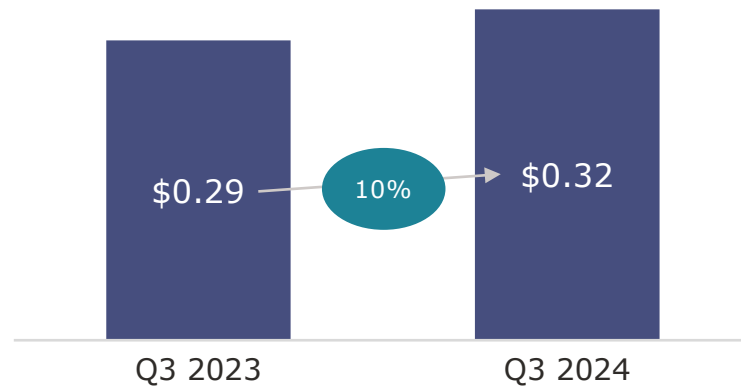
Total Revenue (\$M)



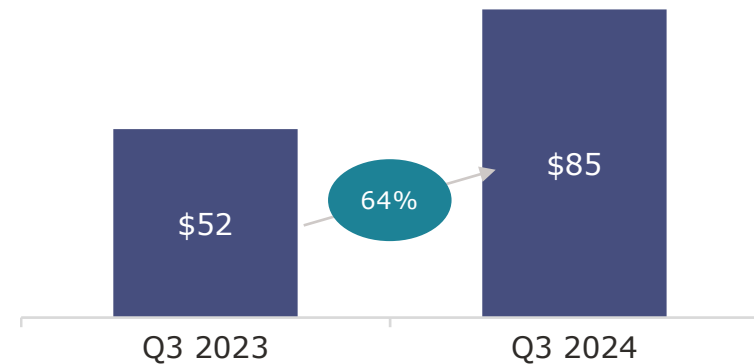
Adjusted EBITDA (\$M) *



Adjusted EPS *



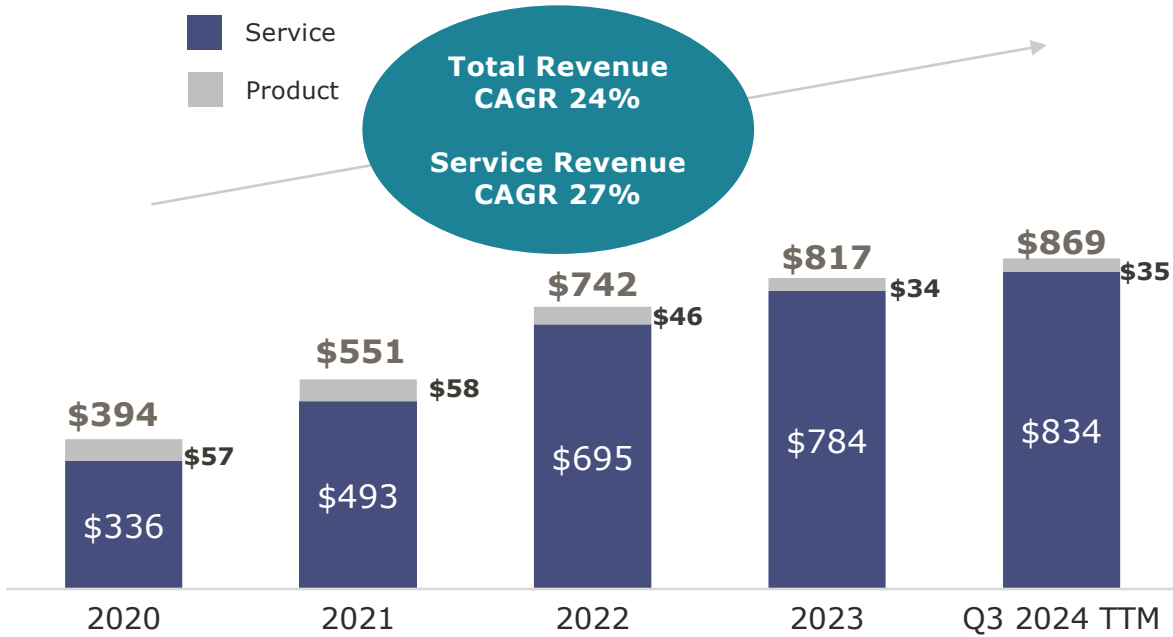
Adjusted Free Cash Flow (\$M) *



* Reconciliations of non-GAAP measures (Adjusted EBITDA, Adjusted EPS and Adjusted Free Cash Flow) are contained in the Appendix. Page 15 reconciles Adjusted EBITDA to Net Income; page 17 reconciles Adjusted Net Income and Adjusted EPS and page 18 reconciles Free Cash Flow and Adjusted Free Cash Flow

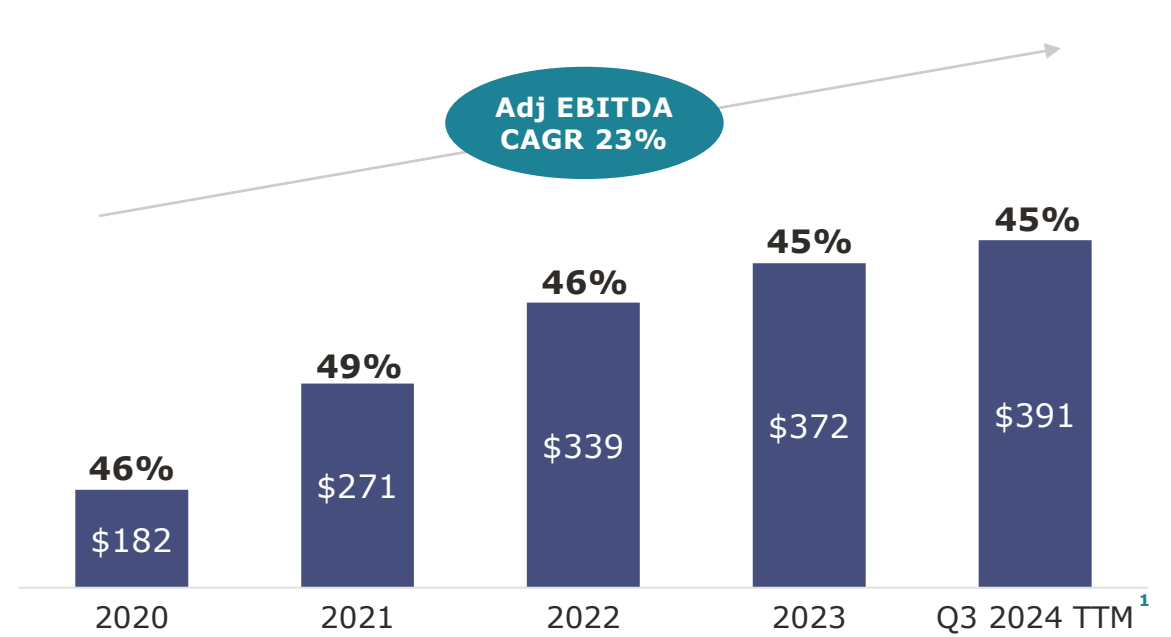
Core Businesses Drive Strong Growth and FCF Conversion

Total Revenue Breakdown (\$M)




96% Service Revenue
 (primarily recurring revenue)

Adjusted EBITDA & Margins * (\$M)



Adj. Free Cash Flow % Adj. EBITDA *

13% 62% 50% 40% 44%

Strong and consistent Free Cash Flow conversion over this period



• Reconciliations of non-GAAP measures (Adjusted EBITDA, Adjusted EPS and Adjusted Free Cash Flow) are contained in the Appendix

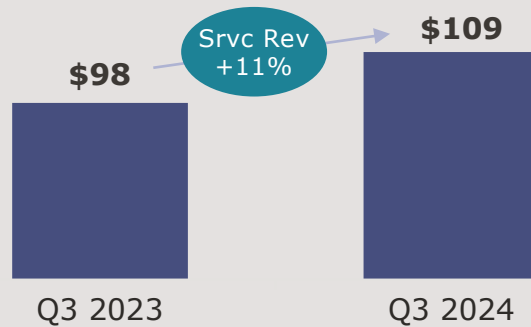
¹ TTM refers to Trailing Twelve Months Adjusted EBITDA and is calculated by adding the sum of the current quarter's and the prior three quarters' Adjusted EBITDA

* Adjusted Free Cash Flow represents Net Cash Provided by Operating Activities, excluding the one-time \$22.1 million tax-adjusted PlusPass legal settlement costs, less Capex

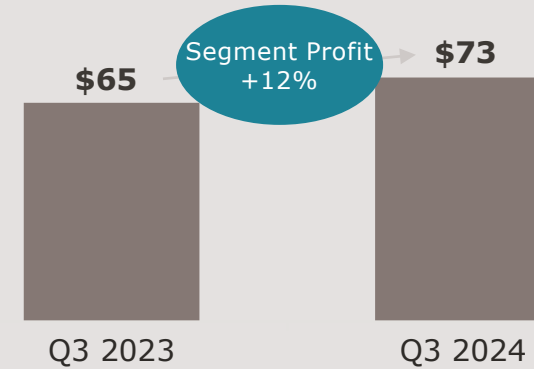
Robust travel demand driving strong performance

Commercial Services – Q3 Results

Total Revenue & YoY Growth



Segment Profit & YoY Growth



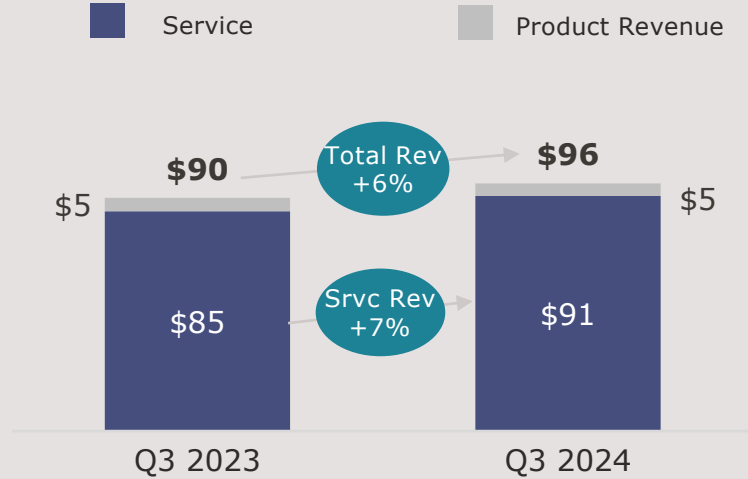
Q3 – Key Highlights

- Third quarter Revenue up 11% over Q3 2023 due to strength in RAC tolling and Fleet management
 - RAC tolling revenue up 6% over Q3 2023 due to increased travel volume and adoption
 - Fleet management (FMC) revenue up 9% (\$1 million) over Q3 2023 due to new vehicle enrollment and toll counts
- Segment Profit margins up 30 bps over Q3 2023 due to the strength in RAC tolling

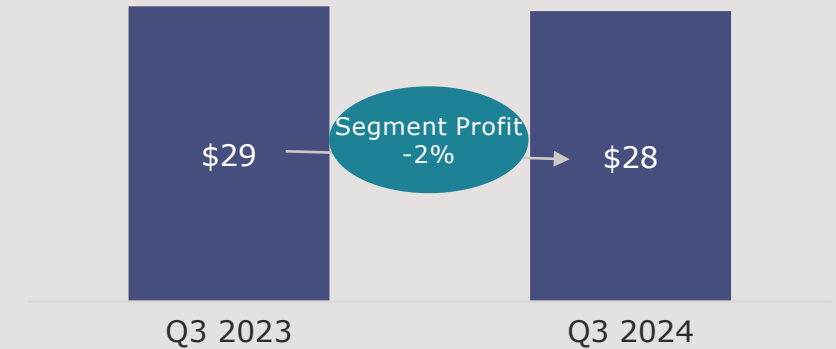
Revenue fueled by core market acceleration

Government Services – Q3 Results

Total Revenue & YoY Growth



Segment Profit & YoY Growth



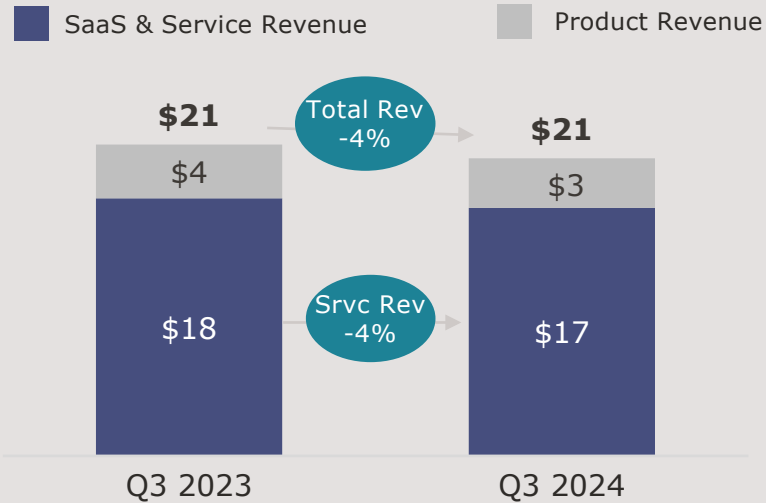
Q3 – Key Highlights

- Service Revenue growth of 7% driven by 12% growth outside of New York City (new awards & expansion of existing programs)
- Q3 Segment Profit margins down versus the prior year due to increased spending on business development efforts, the non-capitalized portion of our platform investments and a favorable non-recurring bad debt adjustment in the prior year period

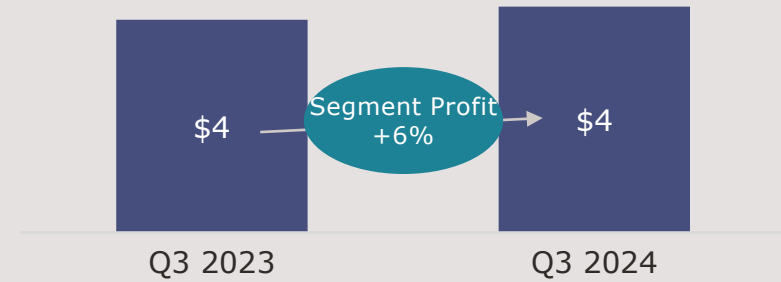
Revenue driven by Recurring SaaS and Services Growth

T2 Systems – Q3 Results

Total Revenue & YoY Growth



Segment Profit & YoY Growth



Q3 – Key Highlights

- Recurring SaaS subscription revenue increased low-single digits over last year; product sales and related professional services causing service revenue and total revenue decline
- Segment Profit favorably impacted by a decrease in cost of product sales, operating expenses, and selling and general expenses

Strong, Flexible Balance Sheet + Robust Cash Flow

Capital Summary & Financial Highlights (\$M)

September 30, 2024

Cash & Cash Equivalents **\$206**

Debt **\$1,050**

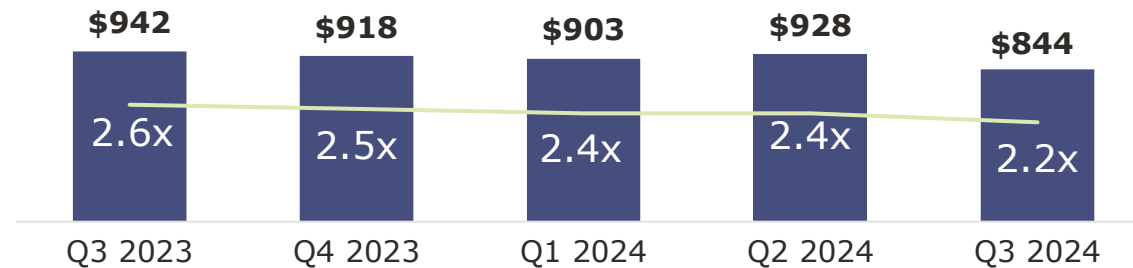
Shareholder's Equity **\$487**

Available Credit (Revolving Credit Facility) **\$75**

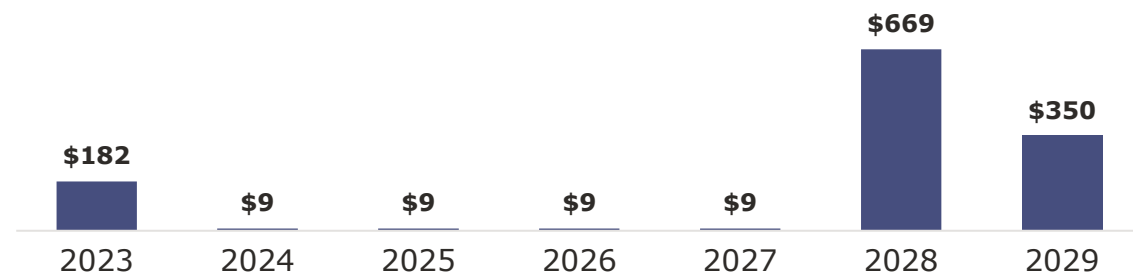
Cash & Cash Equivalents **\$206**

Total Available Liquidity \$281

Net Leverage * Improvement (\$M)



Weighted Avg. Debt Maturity of ~5 Years¹ (\$M)



Consistent cash generation enabled rapid de-levering through Q3 2024 & no debt maturities until 2028



* A reconciliation for Net Leverage is contained in the Appendix.

¹ Term Loan Debt has a 2028 Maturity; priced at Term SOFR + 225 bps effective with most recent re-pricing. Fixed Rate debt priced at 5.500% and due 2029.

Increasing 2024 Adjusted Free Cash Flow guidance and reaffirming all other financial guidance metrics

In millions, except per share data & net leverage

1 Total Revenue growth of ~8% for the full year
 CS driven by strong travel demand plus increased adoption
 GS driven by strong backlog and sales pipeline
 T2 driven by higher mix of SaaS & services partially offset by slowing product and related installation services revenue

2 Adj. EPS, Adj. FCF and Net Debt exclude all incremental capital allocation investments ¹

	Original Guidance <i>As of February 29, 2024</i>	Current Guidance <i>As of October 31, 2024</i>
Total Revenue	\$865 - \$880	Upper end of range No change to 1Q raise
Adj. EBITDA	\$395 - \$405	Upper end of range No change to 1Q raise
Adj. EPS	\$1.15 - \$1.20	Upper end of range No change to 1Q raise
Adj. Free Cash Flow	\$155 - \$165	Upper end of range
Net Leverage	~2.0 x	No change

Well positioned to deliver attractive returns for investors



¹ Adj. EPS, Adj. FCF and Net Debt guidance take into account all capital allocation investments made through 3Q 2024; any additional capital allocation investments are not contemplated in these guidance measures

Additional 2024 Guidance Assumptions



2024 fully diluted share count of approximately 168 million shares (weighted average for the year)



Effective tax rate of 30% including State taxes; approximately \$55 million in 2024 total **cash** taxes paid



2024 depreciation and amortization expected to be approximately \$110 million



2024 total interest expense expected to be about \$75 million; ~\$75 million in **net cash interest paid**



2024 change in working capital expected to result in a use of cash of approximately \$35 million, excluding the one-time \$31.5 million PlusPass legal settlement costs



2024 capital expenditures expected to be approximately \$75 million – incremental investments for revenue generating cameras and platform investments in GS

Appendix

KEY DEFINITIONS

EBITDA and Adjusted EBITDA

We define "EBITDA" as net income adjusted to exclude interest expense, net, income taxes, depreciation and amortization. "Adjusted EBITDA" further excludes certain non-cash expenses and non-recurring items.

Adjusted EBITDA Margin

We define "Adjusted EBITDA Margin" as Adjusted EBITDA as a percentage of total revenue.

Adjusted EPS

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

Adjusted Free Cash Flow

We define "Adjusted Free Cash Flow" as Free Cash Flow which further excludes certain one-time and non-recurring items such as the PlusPass legal settlement expense.

Adjusted Net Income

We define "Adjusted Net Income" as net income adjusted to exclude amortization of intangibles and certain non-cash or non-recurring expenses such as change in fair value of private placement warrants, change in fair value of interest rate swap, loss on extinguishment of debt, among other items.

Annual recurring revenue (ARR)

Annual recurring revenue (ARR) is a key metric that enables measurement of progress in growing our recurring revenue business. ARR represents the annual contract value of all new customer contracts and expansion of programs for existing clients. "Full run-rate ARR" refers to twelve months' of recurring service revenue generated upon a contract or program being implemented and operational.

Change in working capital

We define change in working capital as the change in operating assets and liabilities

Capital expenditures

We define capital expenditures as the purchases of installation and service parts and property and equipment

Free Cash Flow

We define "Free Cash Flow" as net cash flow provided by operating activities less capital expenditures (purchases of installation and service parts and property and equipment).

KEY DEFINITIONS, Continued

Net Debt

We define “Net Debt” as total long-term debt (including current portion of long-term debt) excluding original issue discounts and unamortized deferred financing costs, less cash and cash equivalents.

Net Leverage

We define “Net Leverage” as Net Debt divided by the trailing twelve months Adjusted EBITDA as of the current quarter-end. The trailing twelve months Adjusted EBITDA is the sum of the year-to-date Adjusted EBITDA reported in the current year and the applicable quarter-to-date Adjusted EBITDA amounts reported in the prior year period (for example, the trailing twelve months Adjusted EBITDA as of September 30, 2024 is the sum of the nine months ended September 30, 2024 and the three months ended December 31, 2023).

Trailing Twelve Months

Trailing Twelve Months or “TTM” refers to the trailing four quarters and is calculated by adding the sum of the current quarter’s and the prior three quarters’ financial metric being measured

TSA Throughput Volume

TSA throughput volume represents the number of airline passengers passing through Transportation Security Administration checkpoints.

Verra Mobility Quarterly Results

2021 – Q3 2024

Unaudited (\$ in millions)	Full Year 2021	Q4 2022	Full Year 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Full Year 2023	Q1 2024	Q2 2024	Q3 2024
Service revenue	\$492.8	\$179.0	\$695.2	\$184.7	\$196.0	\$201.0	\$201.8	\$783.6	\$202.7	\$212.0	\$217.3
Product sales	57.7	7.1	46.4	7.2	\$8.4	8.9	9.2	33.7	7.0	10.4	8.3
Total revenue	\$550.6	\$186.1	\$741.6	\$191.9	\$204.5	\$209.9	\$211.0	\$817.3	\$209.7	\$222.4	\$225.6
Cost of service revenue	5.3	4.7	16.3	4.2	4.3	5.2	4.5	18.2	4.3	4.6	\$5.4
Cost of product sales	29.8	5.3	30.9	5.4	6.0	6.9	7.0	25.2	5.3	7.8	\$5.6
Operating expenses	163.4	59.5	226.3	61.8	65.7	68.9	76.9	273.3	70.6	74.9	76.0
Selling, general and administrative expenses	123.4	40.2	163.1	40.0	43.2	42.3	73.1	198.5	48.2	46.3	47.9
Depreciation, amort, and (gain) loss on disposal of assets, net	116.8	34.3	140.2	30.3	29.1	27.6	26.2	113.2	27.0	27.5	26.7
Total costs and expenses	\$438.7	\$144.0	\$576.9	\$141.8	\$148.3	\$150.8	\$187.7	\$628.5	\$155.4	\$161.3	\$161.7
Income (loss) from operations	111.9	42.0	164.7	50.1	56.2	59.2	23.3	188.8	54.4	\$61.2	\$63.9
Interest expense, net	44.9	20.3	69.4	22.7	22.8	20.4	20.9	86.7	19.6	18.8	18.7
Change in fair value of private placement warrants	7.6	(9.3)	(14.4)	14.6	10.9	(0.6)	-	25.0	-	-	-
Tax receivable agreement adj	(1.0)	0.2	(0.7)	-	-	-	(3.1)	(3.1)	-	-	-
Loss on interest rate swap	-	1.3	(1.0)	2.8	(4.8)	0.1	2.8	0.8	(0.4)	-	0.9
Loss on extinguishment of debt	5.3	-	(3.0)	1.3	0.2	2.0	-	3.5	0.6	-	0.0
Other (income) expense, net	(12.9)	(3.3)	(12.7)	(3.8)	(4.5)	(4.5)	1.6	(11.1)	(4.5)	(5.2)	(4.3)
Total other expense	\$44.0	\$7.0	\$37.6	\$37.7	\$24.6	\$17.4	\$22.2	\$101.8	\$15.4	\$13.6	\$15.4
Income (loss) before income taxes	67.9	35.0	127.1	12.4	31.6	41.8	1.1	87.0	39.0	47.6	48.5
Income tax provision (benefit)	26.5	6.8	34.6	7.8	12.5	11.5	(1.9)	30.0	9.8	13.4	13.8
Net (loss) income	\$41.4	\$28.2	\$92.5	\$4.6	\$19.1	\$30.3	\$3.0	\$57.0	\$29.1	\$34.2	\$34.7
Bridge to adj. EBITDA											
Net (loss) income	\$41.4	\$28.2	\$92.5	\$4.6	\$19.1	\$30.3	\$3.0	\$57.0	\$29.1	\$34.2	\$34.7
Interest expense, net	44.9	20.3	69.4	22.7	22.8	20.4	20.9	86.7	19.6	18.8	18.7
Income tax provision (benefit)	26.5	6.8	34.6	7.8	12.5	11.5	(1.9)	30.0	9.8	13.4	13.8
Depreciation and amortization	116.8	33.4	138.7	30.3	29.0	27.5	26.2	113.1	26.9	27.5	26.6
EBITDA	\$229.6	\$88.7	\$335.2	\$65.4	\$83.4	\$89.7	\$48.2	\$286.8	\$85.5	\$93.9	\$93.8
Transaction and other related	14.0	(0.1)	3.4	0.3	0.1	0.2	5.8	6.3	1.5	0.1	2.5
Transformation expense	1.7	0.6	1.1	0.0	0.7	1.6	0.9	3.2	(0.0)	1.6	1.0
Legal settlement	-	-	-	-	-	-	31.5	31.5	-	-	-
Loss on extinguishment of debt	5.3	-	(3.0)	1.3	0.2	2.0	-	3.5	0.6	-	0.0
Impairment of long-lived assets	-	1.3	1.3	-	-	-	-	-	-	-	-
Loss on interest rate swap	-	(1.0)	(1.0)	2.8	(4.8)	0.1	2.8	0.8	(0.4)	(0.0)	0.9
TRA adjustment	(1.0)	0.2	(0.7)	-	-	-	(3.1)	(3.1)	-	-	-
Change in fair value of private placement warrants	7.6	(9.3)	(14.4)	14.6	10.9	(0.6)	-	25.0	-	-	-
Stock-based compensation	13.8	3.0	16.7	3.4	4.5	4.4	5.1	17.5	5.6	6.6	6.4
Adjusted EBITDA	\$270.9	\$83.6	\$338.5	\$87.9	\$95.0	\$97.4	\$91.3	\$371.5	\$92.8	\$102.2	\$104.7

Verra Mobility Quarterly Results

Segment Results of Operations

Commercial Services

Unaudited (\$ in millions)	Full Year 2021	Full Year 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Full Year 2023	Q1 2024	Q2 2024	Q3 2024
Total Revenue										
Commercial Services	\$260.9	\$326.0	\$85.6	\$94.5	\$98.1	\$94.5	\$372.8	\$95.9	\$104.0	\$109.1
Segment Profit										
Commercial Services	\$160.4	\$208.5	\$53.6	\$61.1	\$65.3	\$62.2	\$242.2	\$60.8	\$69.5	\$72.9

Government Solutions

Unaudited (\$ in millions)	Full Year 2021	Full Year 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Full Year 2023	Q1 2024	Q2 2024	Q3 2024
Total Revenue										
Government Solutions	\$283.2	\$336.7	\$85.9	\$88.3	\$90.3	\$94.0	\$358.4	\$94.2	\$97.7	\$95.9
Segment Profit										
Government Solutions	\$107.9	\$115.8	\$31.5	\$30.4	\$28.6	\$24.1	\$114.5	\$29.2	\$29.9	\$28.1

Parking Solutions

Unaudited (\$ in millions)	Full Year 2021	Full Year 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Full Year 2023	Q1 2024	Q2 2024	Q3 2024
Total Revenue										
Parking Solutions	\$6.5	\$79.0	\$20.3	\$21.8	\$21.5	\$22.5	\$86.1	\$19.7	\$20.7	\$20.6
Segment Profit										
Parking Solutions	\$2.6	\$14.2	\$2.9	\$3.5	\$3.5	\$5.0	\$14.9	\$2.8	\$2.8	\$3.7

Verra Mobility Adj. Net Income and Adjusted EPS Reconciliations

(in \$MM, except <i>per share</i> data)	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024
Net Income	\$30.3	\$3.0	\$29.1	\$34.2	\$34.7
Amortization of intangibles	18.9	16.7	16.7	16.7	16.8
Transaction and other related expenses	0.2	0.1	1.5	0.1	2.5
Transformation expenses	1.6	0.9	-	1.6	1.0
Change in fair value of private placement warrants	(0.6)	-	-	-	-
Legal settlement	-	31.5	-	-	-
Tax settlement payment related to a prior acquisition	-	5.7	-	-	-
Tax receivable agreement liability adjustment	-	(3.1)	-	-	-
Tax receivable agreement imputed interest	-	(3.6)	-	-	-
Loss on extinguishment of debt	2.0	-	0.6	-	0.03
Change in fair value of interest rate swap	0.2	3.0	(0.1)	0.2	1.2
Stock-based compensation	4.4	5.1	5.6	6.6	6.4
Total adjustments before income tax effect	\$26.7	\$56.4	\$24.3	\$25.3	27.8
Income tax effects on adjustments ¹	(7.8)	(19.6)	(7.1)	(7.6)	(8.4)
Total adjustments after income tax effect	18.9	36.8	17.2	17.7	19.5
Adjusted Net Income	\$49.2	\$39.9	\$46.4	\$51.9	54.3
Adjusted EPS	\$0.29	\$0.24	\$0.27	\$0.31	\$0.32
Diluted weighted average shares outstanding	169,497	168,585	168,726	168,615	167,624
Annual estimated effective income tax rate	31%	31%	30%	30%	30%

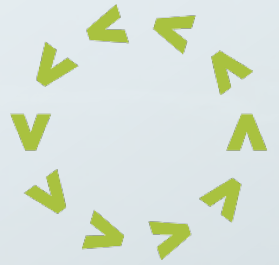
Verra Mobility Free Cash Flow Reconciliation, incl. % of Adj. EBITDA

(\$MM)	2019	2020	2021	2022	2023	Q3 2024 TTM
Adjusted EBITDA	\$ 241	\$ 182	\$ 271	\$ 339	\$372	\$391
Net cash provided by operating activities	\$ 134	\$ 47	\$ 193	\$ 218	\$206	\$219
Purchases of installation and service parts and property and equipment	(30)	(24)	(25)	(48)	(57)	(68)
Free Cash Flow	\$ 104	\$ 23	\$ 168	\$ 170	\$149	\$150
Legal settlement	-	-	-	-	-	32
Income tax effect on adjustment ¹	-	-	-	-	-	(9)
Adjusted Free Cash Flow	\$104	\$23	\$168	\$170	\$149	\$172
Adjusted Free Cash Flow Conversion %	43%	13%	62%	50%	40%	44%

¹ The annual estimated effective income tax rate to calculate the income tax effect on the legal settlement adjustment is 30.0%.

Verra Mobility Net Debt and Net Leverage Reconciliation

(\$MM)	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024
2021 Term Loan, due 2028	\$ 707	\$ 705	\$ 702	\$ 700	\$700
Plus: Senior Notes, due 2029	\$ 350	\$ 350	\$ 350	\$ 350	\$350
Long-term Debt, excluding original issue discounts and unamortized deferred financing costs	\$ 1,057	\$ 1,055	\$1,052	\$1,050	\$1050
Less: Cash and Cash Equivalents	\$ 114	\$ 136	\$ 150	\$ 122	\$206
Net Debt	\$ 942	\$ 918	\$ 903	\$ 928	\$844
Divided by: Trailing Twelve Months Adjusted EBITDA *	\$ 364	\$ 372	\$ 376	\$ 384	\$391
Net Leverage	2.6x	2.5x	2.4x	2.4x	2.2x



**VERRA
MOBILITY™**
Safe. Smart. Connected.

Thank You

<http://ir.verramobility.com/>

