

**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): **March 1, 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 March 1, 2021, Verra Mobility Corporation (the “*Company*”) issued a press release announcing its financial results for the quarter and fiscal year ended December 31, 2020. 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 fourth quarter and full year 2020 financial results on March 1, 2021, at 5 p.m. Eastern time. On March 1, 2021, the Company disseminated an earnings presentation 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 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description of Exhibits
99.1	Press Release, dated March 1, 2021, issued by Verra Mobility Corporation.
99.2	Q4 2020 Earnings Presentation, dated March 1, 2021, given by Verra Mobility Corporation.
99.3	Investor Presentation, dated March 1, 2021, given 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: March 1, 2021

Verra Mobility Corporation

By: /s/ Patricia Chiodo

Name: Patricia Chiodo

Title: Chief Financial Officer



Verra Mobility Announces Fourth Quarter and Full Year 2020 Financial Results

Full year 2020 revenue of \$393.6 million

Generated cash flows from operations of \$46.9 million

Mesa, AZ, March 1, 2021 – Verra Mobility (NASDAQ: VRRM), a leading provider of smart mobility technology solutions, announced today financial results for the fourth quarter and full year ended December 31, 2020.

“We are pleased with our execution throughout this challenging year and we ended 2020 on a high note with a solid quarter. Additionally, we are incredibly excited about the strategic acquisition of Redflex and the value it will add to our Government Solutions segment,” said David Roberts, Chief Executive Officer, Verra Mobility. “As the pandemic’s effect on the global economy subsides, we believe our balanced product portfolio and long-term smart city innovation initiatives give us the ability to maintain momentum throughout 2021 and support our vision to be the global leader in smart transportation.”

Fourth Quarter 2020 Financial Highlights

- **Revenue:** Total revenue for the fourth quarter of 2020 was \$100.2 million, down 11% compared to \$112.5 million for the fourth quarter of 2019. Within total revenue, service revenue was \$91.0 million and product sales contributed \$9.2 million. The decline was mainly in our Commercial Services service revenue, due to the significant impact of the novel coronavirus (“COVID-19”) on the rental car industry, which was partially offset by growth in Government Solutions service revenue.
- **Net (loss) income:** Net loss for the fourth quarter of 2020 was \$(1.4) million, or \$(0.01) per share based on 162.1 million diluted weighted average shares outstanding. Net income for the comparable 2019 period was \$9.2 million, or \$0.06 per share, based on 163.9 million diluted weighted average shares outstanding.
- **Adjusted EBITDA:** Adjusted EBITDA was \$45.8 million for the fourth quarter of 2020, compared to \$59.6 million for the same period last year.

Full Year 2020 Financial Highlights

- **Revenue:** Total revenue for 2020 was \$393.6 million, down 12% compared to \$448.7 million for the 2019 period. Within total revenue, service revenue was \$336.3 million and product sales contributed \$57.3 million. The decline was in our Commercial Services service revenue, due to COVID-19’s significant negative impact on the rental car industry, which was offset by growth in product sales and service revenue in our Government Solutions segment.
- **Net (loss) income:** Net loss for 2020 was \$(3.4) million, or \$(0.02) per share, based on 161.6 million diluted weighted average shares outstanding. Net income for the comparable 2019 period was \$33.3 million, or \$0.21 per share, based on 161.5 million diluted weighted average shares outstanding.
- **Adjusted EBITDA:** Adjusted EBITDA was \$181.8 million for full year 2020, compared to \$241.4 million for 2019.

Liquidity: As of December 31, 2020, cash and cash equivalents were \$120.3 million and we generated \$46.9 million in cash flows from operations for 2020. As of December 31, 2020, we had total debt of \$865.6 million, net of cash on hand our net debt was \$745.4 million, and a \$48.8 million availability to borrow on the revolver that is undrawn.

The operating results for the full year 2020 were impacted by COVID-19, which emerged in late 2019 and has since spread throughout the world. COVID-19 has had and continues to have a significant negative impact on the global economy, including the rental car industry due to reduced airline travel and widespread travel restrictions throughout the world. Refer to the section below entitled, *Forward Looking Statements*, for further discussion on risks and uncertainties.

Pending Acquisition: On January 21, 2021, we entered into a Scheme Implementation Agreement with Redflex Holdings Limited to acquire all of Redflex's outstanding equity for approximately AUD 146.1 million, and the closing of the acquisition is expected to take place in the second quarter of 2021 subject to the satisfaction or waiver of specified conditions. If completed, this would expand our photo enforcement presence in the United States, Australia and Europe.

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 and school districts, including services and technology that enable photo enforcement related to red-light, speed, school bus, and city bus lanes.

Fourth Quarter 2020 Segment Detail

- Commercial Services segment generated total revenue of \$48.2 million, a decrease of 29% compared to the same period in 2019. Segment profit was \$25.2 million, a 40% decrease from \$42.1 million in the prior year. The significant decreases in revenue and profit resulted from COVID-19's negative impact on the rental car industry discussed above, and we anticipate that the impact will result in year over year revenue declines through March 2021. Segment profit margin was 52% for 2020 and 62% for the same period in 2019.
- Government Solutions segment generated total revenue of \$52.0 million growing 17% over the same period in 2019. The growth in this segment is driven by service revenue increase for the period along with a slight increase in product sales. Segment profit was \$20.8 million, a 18% increase from \$17.6 million in the prior year. Segment margin remained steady at 40% in 2020 and 2019.

Quarterly Conference Call

Verra Mobility will host a conference call and live webcast to discuss financial results for investors and analysts at 3:00 p.m. Mountain Time (5:00 p.m. Eastern Time) on March 1, 2021. To access the conference call, dial (877) 407-0784 for the U.S. or Canada and (201) 689-8560 for international callers with conference ID #13715284. The webcast will be 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 9:59 p.m. Mountain Time (11:59 p.m. Eastern Time) on March 15, 2021, by dialing (844) 512-2921 for the U.S. or Canada and (412) 317-6671 for international callers, and entering passcode #13715284. 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 connectivity with more than 50 individual tolling authorities and more than 400 issuing authorities. Verra Mobility also fosters the development of safe cities, partnering with law enforcement agencies, transportation departments and school districts across North America operating thousands of red-light, speed, bus lane and school bus stop arm safety cameras. Arizona-based Verra Mobility operates in more than 15 countries. 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 disruption to our business and results of operations as a result of the COVID-19 pandemic; (2) the impact of the COVID-19 pandemic on our revenues from key customers in the rental car industry and from photo enforcement programs; (3) customer concentration in our Commercial Services and Government Solutions segments; (4) decreases in the prevalence of automated photo enforcement or the use of tolling; (5) risks and uncertainties related to our government contracts, including but not limited to administrative hurdles, legislative changes, termination rights, audits and investigations; (6) decreased interest in outsourcing from our customers; (7) our ability to properly perform under our contracts and otherwise satisfy our customers; (8) our ability to compete in a highly competitive and rapidly evolving market; (9) our ability to keep up with technological developments and changing customer preferences; (10) the success of our new products and changes to existing products and services; (11) our ability to successfully integrate our recent or future acquisitions; (12) failures in or breaches of our networks or systems, including as a result of cyber-attacks; and (13) 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.

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, and Free Cash Flow 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)	December 31, 2020	December 31, 2019
Assets		
Current assets:		
Cash and cash equivalents	\$ 120,259	\$ 131,513
Restricted cash	633	917
Accounts receivable (net of allowance for credit loss of \$11.5 million at December 31, 2020)	168,783	93,514
Unbilled receivables	14,045	20,003
Prepaid expenses and other current assets	24,317	26,491
Total current assets	328,037	272,438
Installation and service parts, net	7,944	8,841
Property and equipment, net	70,284	72,266
Operating lease assets	29,787	32,177
Intangible assets, net	342,139	434,443
Goodwill	586,435	584,150
Other non-current assets	2,699	3,111
Total assets	<u>\$ 1,367,325</u>	<u>\$ 1,407,426</u>
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 34,509	\$ 50,825
Accrued liabilities	15,636	19,547
Payable to related party pursuant to tax receivable agreement, current portion	4,791	5,730
Current portion of long-term debt	9,104	28,779
Total current liabilities	64,040	104,881
Long-term debt, net of current portion	832,941	837,686
Operating lease liabilities, net of current portion	27,986	30,130
Payable to related party pursuant to tax receivable agreement, net of current portion	67,869	61,174
Asset retirement obligation	6,409	6,309
Deferred tax liabilities, net	21,148	25,716
Other long-term liabilities	494	2,183
Total liabilities	1,020,887	1,068,079
Commitments and contingencies		
Stockholders' equity		
Preferred stock, \$.0001 par value	—	—
Common stock, \$.0001 par value	16	16
Common stock contingent consideration	36,575	54,862
Additional paid-in capital	393,995	367,266
Accumulated deficit	(84,359)	(80,220)
Accumulated other comprehensive income (loss)	211	(2,577)
Total stockholders' equity	346,438	339,347
Total liabilities and stockholders' equity	<u>\$ 1,367,325</u>	<u>\$ 1,407,426</u>

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

(In thousands, except per share data)	Three Months Ended December 31,		Year Ended December 31,	
	2020	2019	2020	2019
Service revenue	\$ 90,982	\$ 104,839	\$ 336,274	\$ 416,723
Product sales	9,181	7,622	57,319	32,014
Total revenue	100,163	112,461	393,593	448,737
Cost of service revenue	828	1,171	3,967	5,561
Cost of product sales	4,735	3,487	29,573	13,919
Operating expenses	30,227	31,542	115,729	125,640
Selling, general and administrative expenses	25,446	22,784	89,664	85,493
Depreciation, amortization and (gain) loss on disposal of assets, net	28,842	29,283	116,844	115,771
Impairment of property and equipment	—	—	—	5,898
Total costs and expenses	90,078	88,267	355,777	352,282
Income from operations	10,085	24,194	37,816	96,455
Interest expense, net	9,297	14,108	40,865	60,729
Tax receivable agreement liability adjustment	2,404	—	6,850	(106)
Other income, net	(2,455)	(2,919)	(11,885)	(11,092)
Total other expenses	9,246	11,189	35,830	49,531
Income before income tax provision	839	13,005	1,986	46,924
Income tax provision	2,255	3,825	5,431	13,581
Net (loss) income	\$ (1,416)	\$ 9,180	\$ (3,445)	\$ 33,343
Other comprehensive income:				
Change in foreign currency translation adjustment	4,196	4,980	2,788	3,244
Total comprehensive income (loss)	\$ 2,780	\$ 14,160	\$ (657)	\$ 36,587
Net (loss) income per share:				
Basic	\$ (0.01)	\$ 0.06	\$ (0.02)	\$ 0.21
Diluted	\$ (0.01)	\$ 0.06	\$ (0.02)	\$ 0.21
Weighted average shares outstanding:				
Basic	162,144	159,009	161,632	157,890
Diluted	162,144	163,910	161,632	161,522

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

(\$ in thousands)	For the Year Ended December 31,	
	2020	2019
Cash Flows from Operating Activities:		
Net (loss) income	\$ (3,445)	\$ 33,343
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Depreciation and amortization	116,570	115,566
Amortization of deferred financing costs and discounts	5,437	6,641
Impairment of property and equipment	—	5,898
Tax receivable agreement liability adjustment	6,850	(106)
Credit loss expense	14,387	8,100
Deferred income taxes	(4,746)	(10,894)
Stock-based compensation	12,589	10,012
Installation and service parts expense	677	1,166
Accretion expense	259	350
Loss on disposal of assets	274	205
Changes in operating assets and liabilities:		
Accounts receivable, net	(90,588)	(12,662)
Unbilled receivables	5,964	(6,428)
Prepaid expenses and other assets	3,829	(7,150)
Accounts payable and accrued liabilities	(16,867)	(8,194)
Other liabilities	(4,281)	(2,045)
Net cash provided by operating activities	46,909	133,802
Cash Flows from Investing Activities:		
Acquisition, net of cash and restricted cash acquired	—	(25,519)
Purchases of installation and service parts and property and equipment	(24,260)	(29,685)
Cash proceeds from the sale of assets	107	231
Net cash used in investing activities	(24,153)	(54,973)
Cash Flows from Financing Activities:		
Repayment of long-term debt	(28,779)	(9,104)
Payment of debt issuance costs	(1,078)	(426)
Payment of employee tax withholding related to RSUs vesting	(4,147)	(4,990)
Net cash used in financing activities	(34,004)	(14,520)
Effect of exchange rate changes on cash and cash equivalents	(290)	1,040
Net (decrease) increase in cash, cash equivalents and restricted cash	(11,538)	65,349
Cash, cash equivalents and restricted cash - beginning of period	132,430	67,081
Cash, cash equivalents and restricted cash - end of period	\$ 120,892	\$ 132,430

VERRA MOBILITY CORPORATION
ADJUSTED EBITDA RECONCILIATION (Unaudited)

(\$ in thousands)	Three Months Ended December 31,		For the Year Ended December 31,	
	2020	2019	2020	2019
Net (loss) income	\$ (1,416)	\$ 9,180	\$ (3,445)	\$ 33,343
Interest expense, net	9,297	14,108	40,865	60,729
Income tax provision	2,255	3,825	5,431	13,581
Depreciation and amortization	28,742	29,065	116,570	115,566
EBITDA	38,878	56,178	159,421	223,219
Transaction and other related expenses (i)	1,160	946	1,895	2,368
Transformation expenses (ii)	—	—	1,090	—
Impairment of property and equipment (iii)	—	—	—	5,898
Tax receivable agreement liability adjustment (iv)	2,404	(106)	6,850	(106)
Stock-based compensation (v)	3,397	2,586	12,589	10,012
Adjusted EBITDA	\$ 45,839	\$ 59,604	\$ 181,845	\$ 241,391

- (i) Transaction and other related expenses incurred in 2020 primarily relate to acquisition-related costs mainly for Pagatelia S.L, certain costs for refinancing our debt and deal costs for the pending acquisition with Redflex Holdings Limited. For the 2019 period, these related to secondary offering costs incurred by us for PE Greenlight Holdings, LLC and transaction expenses for the Pagatelia S.L acquisition.
- (ii) Transformation expenses consist of severance and other employee separation costs related to exit activities initiated during the year ended December 31, 2020.
- (iii) This represents an impairment charge on fixed assets that were used and held in our operations.
- (iv) The \$2.4 million and the \$6.8 million of charges for the three and twelve months ended December 31, 2020 reflect the impact of an increase to our deferred tax rate arising from higher estimated state tax rates due to a change in apportionment.
- (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)	For the Year Ended December 31,	
	2020	2019
Net cash provided by operating activities	\$ 46,909	\$ 133,802
Purchases of installation and service parts and property and equipment	(24,260)	(29,685)
Free cash flow	\$ 22,649	\$ 104,117

EBITDA and Adjusted EBITDA

We define EBITDA as net (loss) income 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 (loss) income, 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.

Investor Relations Contact

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

Earnings Overview

Verra Mobility Q4 Earnings Presentation
For the Quarter Ended December 31, 2020

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

Full Year 2020 Results

Revenue & YoY Growth

\$ in Millions

12.3% YoY Decrease



Adj. EBITDA & Margin %

\$ in Millions



Cash from Operations

\$ in Millions



Q4 Results by Segment – Commercial Services

For the Quarter Ended December 31, 2020

Commercial Services



- Commercial Services Commentary**
- Revenue of \$48.2M in Q4 decreased 29.3% from the same quarter in the prior year
 - Adjusted EBITDA of \$25.2M in the quarter decreased \$16.9M or 40.1% from the same period of the prior year
 - The CS segment is closely tied to the rental car industry and saw impacts in Q4 due to reduced demand resulting from Covid-19
 - Operating expenses of \$13.4M in Q4 2020 decreased by \$3.9M or 22.5% 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 \$11.5M for Q4 2020 decreased by \$0.1M over the same period in the prior year
 - Note: Q3 results included \$4.5M of nonrecurring adjustments that benefited EBITDA, \$1.7M reversal of bad debt reserve related to Hertz bankruptcy and \$2.8M settlement against a prior acquisition
 - We are pleased with our revenue recovery and our EBITDA margins which are best in class during the worst times

Q4 Results by Segment – Government Solutions

For the Quarter Ended December 31, 2020

Government Solutions



Government Solutions Commentary

- Revenue of \$52.0M in Q4 increased 17.3% from the same quarter in the prior year
- Service Revenue improved by \$6.1M. During the same period product revenue increased \$1.6M.
- Adjusted EBITDA of \$20.6M in the quarter improved \$3.2M or 18.1% from the same period of the prior year. The increase was the result of improved service & product revenue in the quarter and management of cost



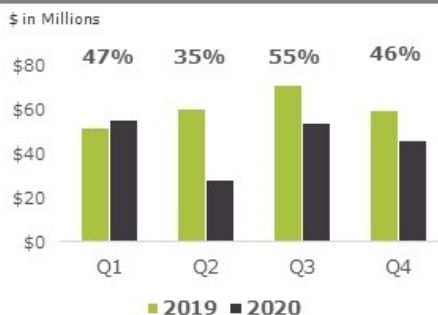
Consolidated Q4 Results

For the Quarter Ended December 31, 2020

Revenue & YoY Growth



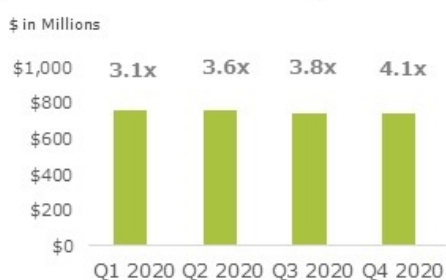
Adj. EBITDA & Margin %



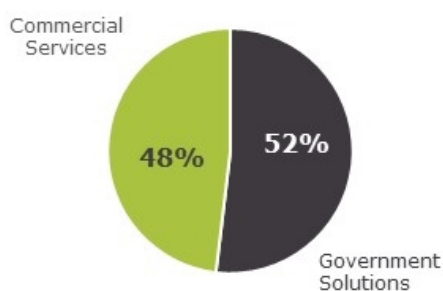
Q4 Commentary

- Total revenue decreased by \$12.3 million to \$100.2 million in Q4 2020 from \$112.5 million in Q4 2019
- Adjusted EBITDA of \$45.8 million, reduced from \$59.6 million in the same quarter of 2019
- Generated cash flow from operations of \$2.6 million in Q4 2020 and \$46.9M YTD
- Cash on hand decreased to \$120.3 million at the end of Q4 from \$129.2 million at the end of Q3.
- Leverage increased due to declines in EBITDA
- The company has First Lien debt which matures in 2025 and a \$75M 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

Net Debt & Leverage



Q4 Revenue by Segment



APPENDIX

Consolidated Results of Operations

Unaudited (\$ in millions)	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Full Year 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Full Year 2020
Service revenue	\$98.1	\$103.1	\$110.8	\$104.8	\$416.7	\$99.5	\$62.8	\$83.0	\$91.0	\$336.3
Product sales	0.4	6.5	17.5	7.6	32.0	17.2	17.0	13.9	9.2	57.3
Total revenue	\$98.5	\$109.6	\$128.2	\$112.5	\$448.7	\$116.7	\$79.8	\$96.9	\$100.2	\$393.6
Cost of service revenue	1.4	1.6	1.4	1.2	5.6	1.2	1.0	0.9	0.8	4.0
Cost of product sales	0.3	2.9	7.2	3.5	13.9	8.7	9.1	7.1	4.7	29.6
Operating expenses	29.3	31.8	33.0	31.5	125.6	32.3	26.7	26.5	30.2	115.7
Selling, general and administrative expenses	20.6	20.9	21.3	22.8	85.5	25.9	20.8	17.5	25.4	89.7
Depreciation, amortization, and (gain) loss on disposal of assets, net	28.9	28.8	28.7	29.3	115.8	29.2	29.2	29.6	28.8	116.8
Impairment of property and equipment	-	5.9	-	-	5.9	-	-	-	-	-
Total costs and expenses	\$80.5	\$91.9	\$91.6	\$88.3	\$352.3	\$97.3	\$86.8	\$81.6	\$90.1	\$355.8
Income (loss) from operations	18.0	17.6	36.7	24.2	96.5	19.4	(7.0)	15.3	10.1	37.8
Interest expense, net	16.0	15.7	14.9	14.1	60.7	12.5	9.5	9.6	9.3	40.9
Loss from tax receivable agreement adj	-	-	-	-	-	-	4.4	-	2.4	6.9
Other (income) expense, net	(2.2)	(3.3)	(2.7)	(2.9)	(11.2)	(2.9)	(1.5)	(5.0)	(2.5)	(11.9)
Total other expense	\$13.8	\$12.3	\$12.2	\$11.2	\$49.5	\$9.5	\$12.5	\$4.6	\$9.2	\$35.8
Income (loss) before income taxes	4.1	5.3	24.5	13.0	46.9	9.9	(19.4)	10.7	0.8	2.0
Income tax provision (benefit)	1.3	1.7	6.7	3.8	13.6	3.2	(4.0)	4.0	2.3	5.4
Net (loss) income	\$2.8	\$3.6	\$17.8	\$9.2	\$33.3	\$6.7	(\$15.4)	\$6.7	(\$1.4)	(\$3.4)
Bridge to adj. EBITDA										
Net (loss) income	\$2.8	\$3.6	\$17.8	\$9.2	\$33.3	\$6.7	(\$15.4)	\$6.7	(\$1.4)	(\$3.4)
Interest expense, net	16.0	15.7	14.9	14.1	60.7	12.5	9.5	9.6	9.3	40.9
Income tax provision (benefit)	1.3	1.7	6.7	3.8	13.6	3.2	(4.0)	4.0	2.3	5.4
Depreciation and amortization	28.9	28.9	28.7	29.1	115.6	29.3	29.2	29.4	28.7	116.6
EBITDA	\$49.1	\$49.8	\$68.1	\$56.2	\$223.2	\$51.6	\$19.3	\$49.7	\$38.9	\$159.4
Transaction and other related	-	1.1	0.3	0.9	2.4	0.5	0.1	0.1	1.2	1.9
Transformation expense	0.0	-	0.0	-	0.0	-	0.5	0.6	(0.0)	1.1
Sponsor Fees and expenses	0.0	-	-	0.0	0.0	-	-	-	-	-
Impairment of property and equipment	-	5.9	-	-	5.9	-	-	-	-	-
TRA adjustment	-	-	-	(0.1)	(0.1)	-	4.4	-	2.4	6.9
Stock-based compensation	2.1	2.8	2.5	2.6	10.0	2.8	3.3	3.2	3.4	12.6
Adjusted EBITDA	\$51.3	\$59.7	\$70.8	\$59.6	\$241.4	\$54.9	\$27.6	\$53.5	\$45.8	\$181.8

Segment Results of Operations

Commercial Services

Unaudited (\$ in millions)	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Full Year 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Full Year 2020
Segment Revenue										
Commercial Services	\$62.6	\$68.1	\$77.6	\$68.2	\$276.5	\$61.2	\$27.3	\$44.2	\$48.2	\$180.9
Segment Adj EBITDA										
Commercial Services	\$38.0	\$44.1	\$51.1	\$42.2	\$175.4	\$33.6	\$7.3	\$31.0	\$25.2	\$97.2

Government Solutions

Unaudited (\$ in millions)	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Full Year 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Full Year 2020
Segment Revenue										
Government Solutions	\$35.9	\$41.5	\$50.6	\$44.3	\$172.3	\$55.5	\$52.5	\$52.8	\$52.0	\$212.7
Segment Adj EBITDA										
Government Solutions	\$13.2	\$15.6	\$19.8	\$17.4	\$66.0	\$21.2	\$20.3	\$22.5	\$20.6	\$84.7



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Investor Overview

Verra Mobility Q4 Investor Presentation
For the Quarter Ended December 31, 2020

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

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.

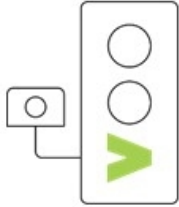


Verra Mobility

Who we are

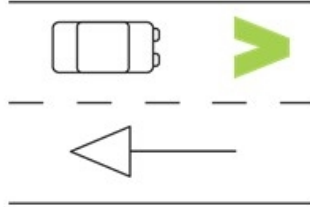
SAFE. SMART. CONNECTED.

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

\$181M 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

\$155M Service Revenue*



* TTM Service Revenue for the period ending December 31, 2020

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

\$181M Service Revenue*



* TTM Service Revenue for the period ending December 31, 2020

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



\$155M Service + \$57M Product = \$213M Total Revenue*



* TTM Revenue for the period ending December 31, 2020

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, reoccurring revenue business model

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

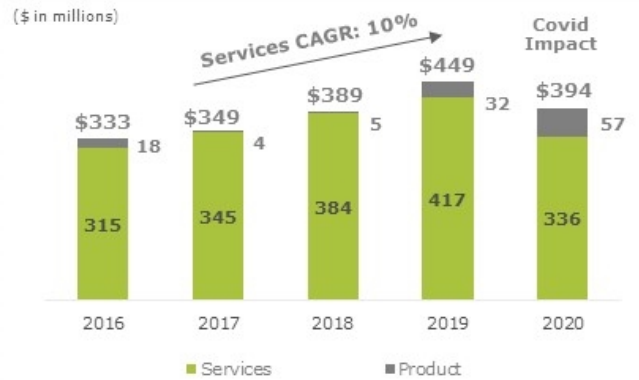
Highly Recurring Revenue



Net-Debt Leverage Ratio



Pro Forma Revenue



Pro Forma EBITDA and Margins



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

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 OEM's 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

2019 – 2020

Unaudited (\$ in millions)	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Full Year 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Full Year 2020
Service revenue	\$98.1	\$103.1	\$110.8	\$104.8	\$416.7	\$99.5	\$62.8	\$83.0	\$91.0	\$336.3
Product sales	0.4	6.5	17.5	7.6	32.0	17.2	17.0	13.9	9.2	57.3
Total revenue	\$98.5	\$109.6	\$128.2	\$112.5	\$448.7	\$116.7	\$79.8	\$96.9	\$100.2	\$393.6
Cost of service revenue	1.4	1.6	1.4	1.2	5.6	1.2	1.0	0.9	0.8	4.0
Cost of product sales	0.3	2.9	7.2	3.5	13.9	8.7	9.1	7.1	4.7	29.6
Operating expenses	29.3	31.8	33.0	31.5	125.6	32.3	26.7	26.5	30.2	115.7
Selling, general and administrative expenses	20.6	20.9	21.3	22.8	85.5	25.9	20.8	17.5	25.4	89.7
Depreciation, amortization, and (gain) loss on disposal of assets, net	28.9	28.8	28.7	29.3	115.8	29.2	29.2	29.6	28.8	116.8
Impairment of property and equipment	-	5.9	-	-	5.9	-	-	-	-	-
Total costs and expenses	\$80.5	\$91.9	\$91.6	\$88.3	\$352.3	\$97.3	\$86.8	\$81.6	\$90.1	\$355.8
Income (loss) from operations	18.0	17.6	36.7	24.2	96.5	19.4	(7.0)	15.3	10.1	37.8
Interest expense, net	16.0	15.7	14.9	14.1	60.7	12.5	9.5	9.6	9.3	40.9
Loss from tax receivable agreement adj	-	-	-	-	-	-	4.4	-	2.4	6.9
Other (income) expense, net	(2.2)	(3.3)	(2.7)	(2.9)	(11.2)	(2.9)	(1.5)	(5.0)	(2.5)	(11.9)
Total other expense	\$13.8	\$12.3	\$12.2	\$11.2	\$49.5	\$9.5	\$12.5	\$4.6	\$9.2	\$35.8
Income (loss) before income taxes	4.1	5.3	24.5	13.0	46.9	9.9	(19.4)	10.7	0.8	2.0
Income tax provision (benefit)	1.3	1.7	6.7	3.8	13.6	3.2	(4.0)	4.0	2.3	5.4
Net (loss) income	\$2.8	\$3.6	\$17.8	\$9.2	\$33.3	\$6.7	(\$15.4)	\$6.7	(\$1.4)	(\$3.4)
Bridge to adj. EBITDA										
Net (loss) income	\$2.8	\$3.6	\$17.8	\$9.2	\$33.3	\$6.7	(\$15.4)	\$6.7	(\$1.4)	(\$3.4)
Interest expense, net	16.0	15.7	14.9	14.1	60.7	12.5	9.5	9.6	9.3	40.9
Income tax provision (benefit)	1.3	1.7	6.7	3.8	13.6	3.2	(4.0)	4.0	2.3	5.4
Depreciation and amortization	28.9	28.9	28.7	29.1	115.6	29.3	29.2	29.4	28.7	116.6
EBITDA	\$49.1	\$49.8	\$68.1	\$56.2	\$223.2	\$51.6	\$19.3	\$49.7	\$38.9	\$159.4
Transaction and other related	-	1.1	0.3	0.9	2.4	0.5	0.1	0.1	1.2	1.9
Transformation expense	0.0	-	0.0	-	0.0	-	0.5	0.6	(0.0)	1.1
Sponsor Fees and expenses	0.0	-	-	0.0	0.0	-	-	-	-	-
Impairment of property and equipment	-	5.9	-	-	5.9	-	-	-	-	-
TRA adjustment	-	-	-	(0.1)	(0.1)	-	4.4	-	2.4	6.9
Stock-based compensation	2.1	2.8	2.5	2.6	10.0	2.8	3.3	3.2	3.4	12.6
Adjusted EBITDA	\$51.3	\$59.7	\$70.8	\$59.6	\$241.4	\$54.9	\$27.6	\$53.5	\$45.8	\$181.8

Segment Results of Operations

2019 – 2020

Commercial Services

Unaudited (\$ in millions)	Full Year 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Full Year 2020
Segment Total Revenue						
Commercial Services	\$276.5	\$61.2	\$27.3	\$44.2	\$48.2	\$180.9
Segment Adj EBITDA						
Commercial Services	\$175.4	\$33.6	\$7.3	\$31.0	\$25.2	\$97.2

Government Solutions

Unaudited (\$ in millions)	Full Year 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Full Year 2020
Segment Total Revenue						
Government Solutions	\$172.3	\$55.5	\$52.5	\$52.8	\$52.0	\$212.7
Segment Adj EBITDA						
Government Solutions Adj EBITDA	\$66.0	\$21.2	\$20.3	\$22.5	\$20.6	\$84.7



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