

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

Earnings Overview

Verra Mobility Q3 2022 Earnings Presentation

For the Quarter Ended September 30, 2022



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” or the “Company”) are based on current expectations and judgements of the Company as of the date of this release. The Company disclaims any intent or obligation to update forward-looking statements hereafter. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such forward-looking statements, including but not limited to (1) the impacts on our operations and business resulting from our delayed 2021 Form 10-K filing (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. These risks, uncertainties and other factors are further described under “Risk Factors,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in the documents filed with the SEC from time to time.

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 and other transactions that management believes are not indicative of Verra Mobility’s ongoing operating performance.

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.

Executive Summary

Key Highlights

- Attractive macro trends and NYC camera installs continue to drive strong growth in Commercial Services and Government Solutions
 - Commercial Services - Q3 2022 results represent 11% revenue growth over Q3 2019
 - Government Solutions - NYC camera installation effectively completed during the 3rd quarter
- Strong QTD top-line performance across all business segments
 - Commercial Services – 11% Y-o-Y growth
 - Government Solutions – 20% Y-o-Y service revenue growth
 - Parking Solutions – delivering results in line with expectations and poised for double-digit growth for the year

Financial Guidance

- Increasing guidance to the higher-end of the range for revenue and adjusted EBITDA

Share Repurchase Program

- Completed a 2nd ASR in the third quarter for which we paid about \$68 million and received an initial delivery of 3.3 million shares
- We expect the final outcome of the full share buyback program to result in the repurchase of approximately 8 million shares

Financial Highlights

Q3 2022 Total Revenue

\$198 million

Q3 2022 Adjusted EBITDA ¹

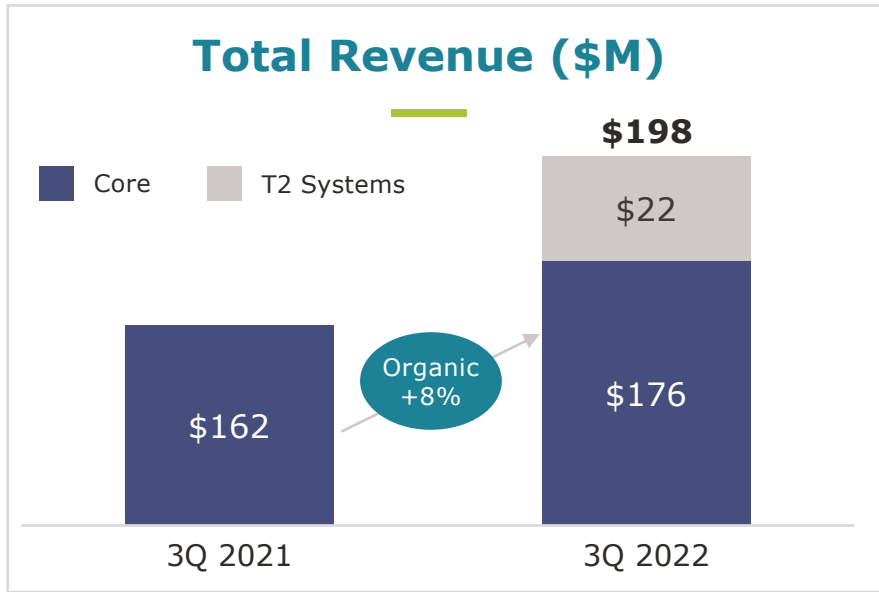
\$91 million

Q3 2022 Free Cash Flow

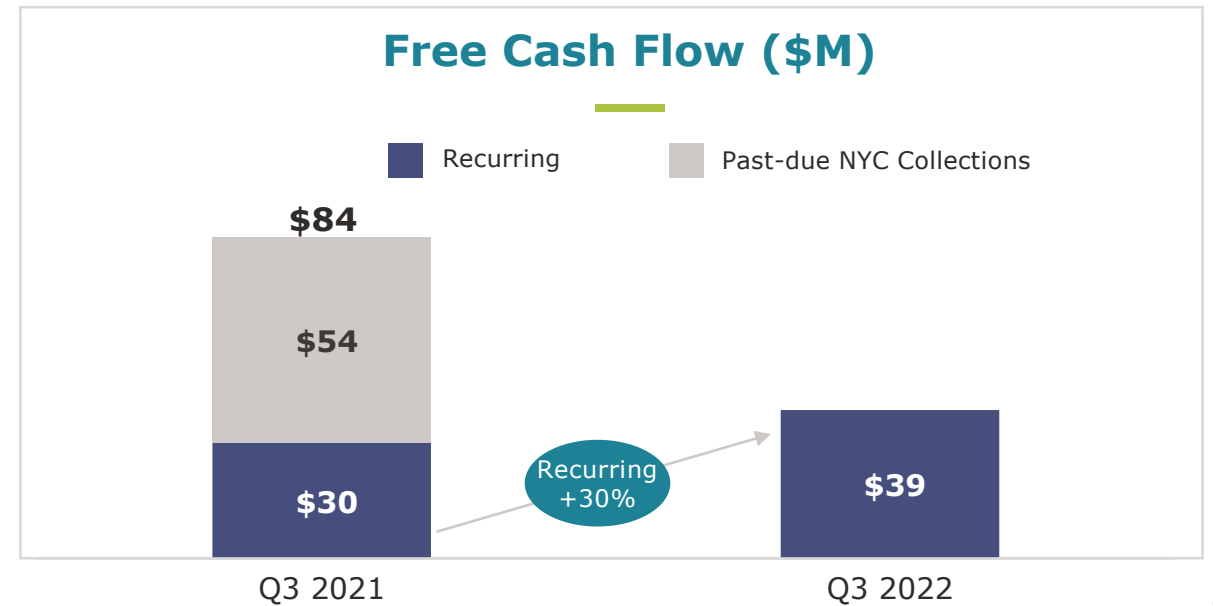
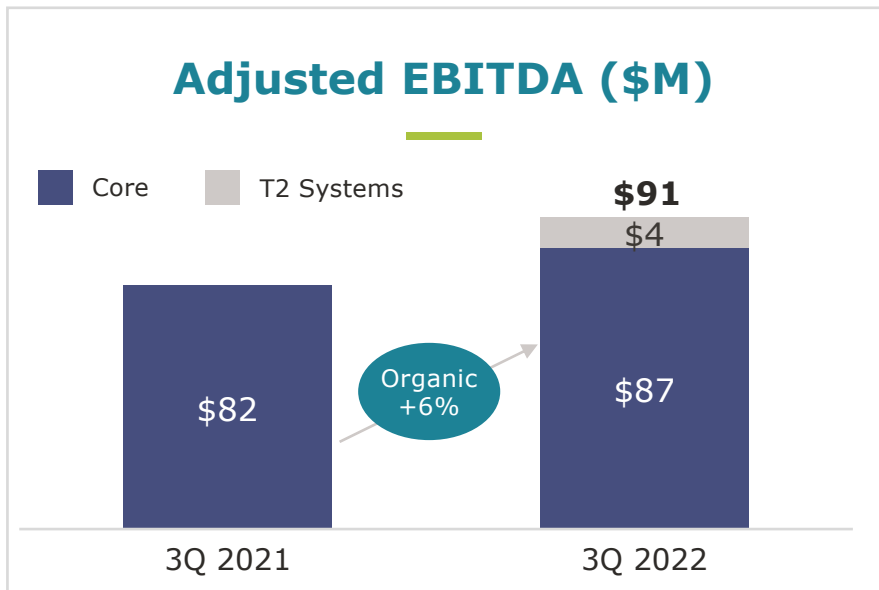
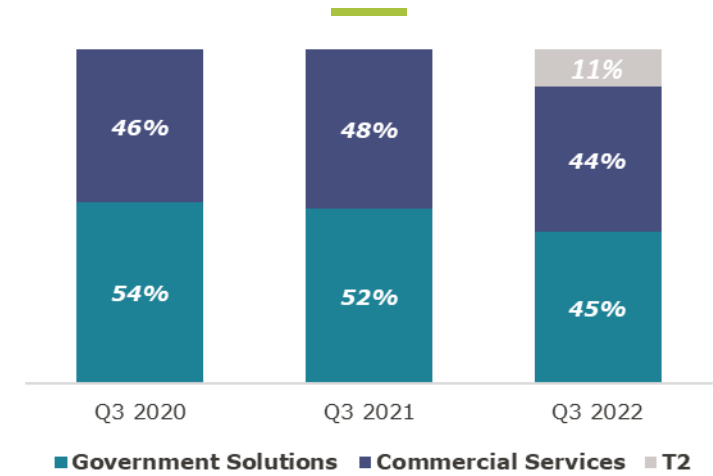
\$39 million

¹ Adjusted EBITDA and Adjusted EBITDA margin are non-GAAP financial measures. For a reconciliation of these non-GAAP financial measures, see the appendix.

Verra Mobility Consolidated Results

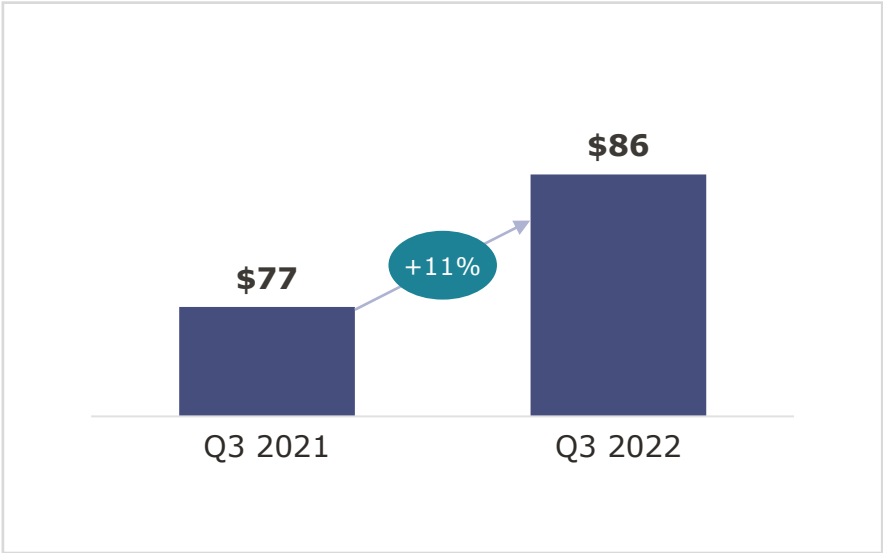


Revenue Mix by Business Segment

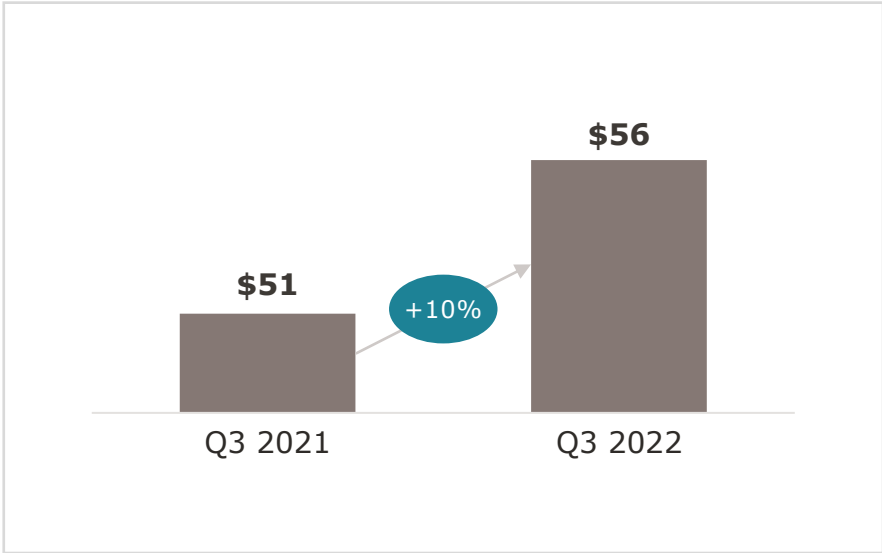


Results by Segment – Commercial Services

Total Revenue & YoY Growth



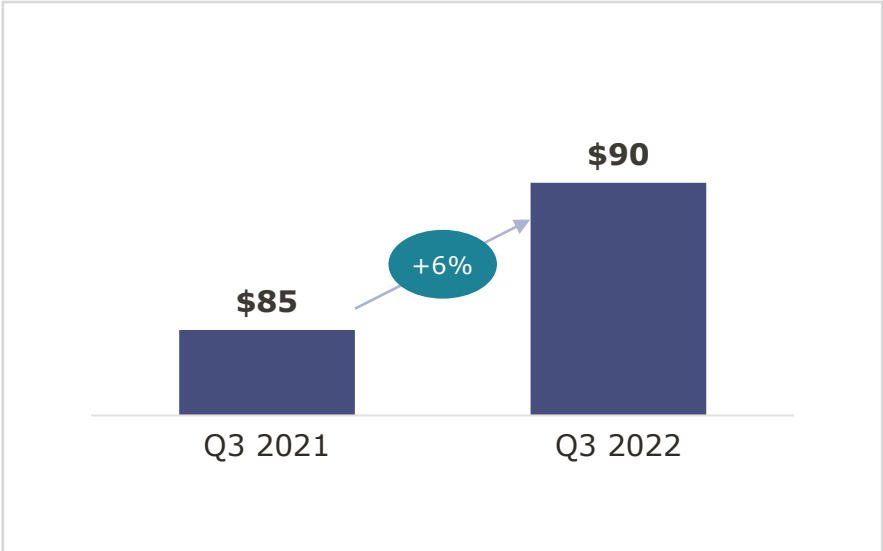
Adjusted EBITDA & YoY Growth



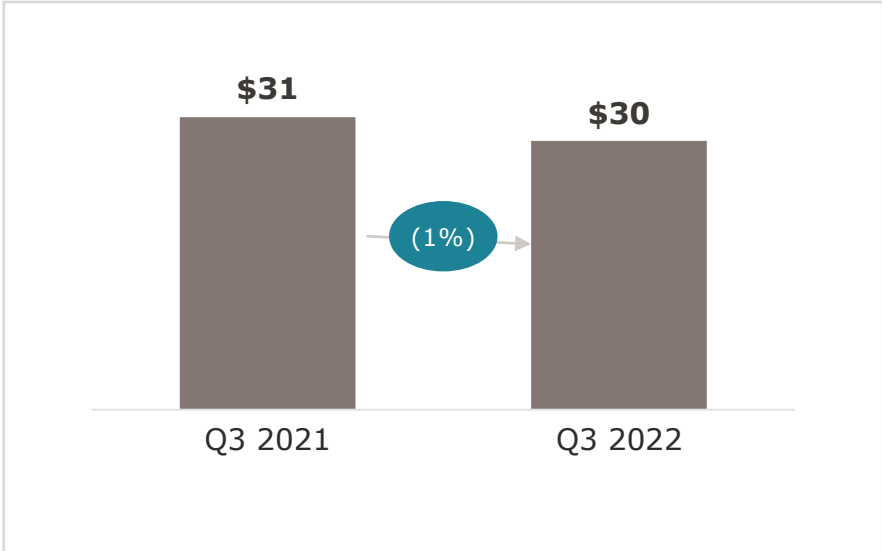
Robust travel demand and strong secular trends driving strong revenue growth & profitability

Results by Segment – Government Solutions

Total Revenue & YoY Growth



Adjusted EBITDA & YoY Growth



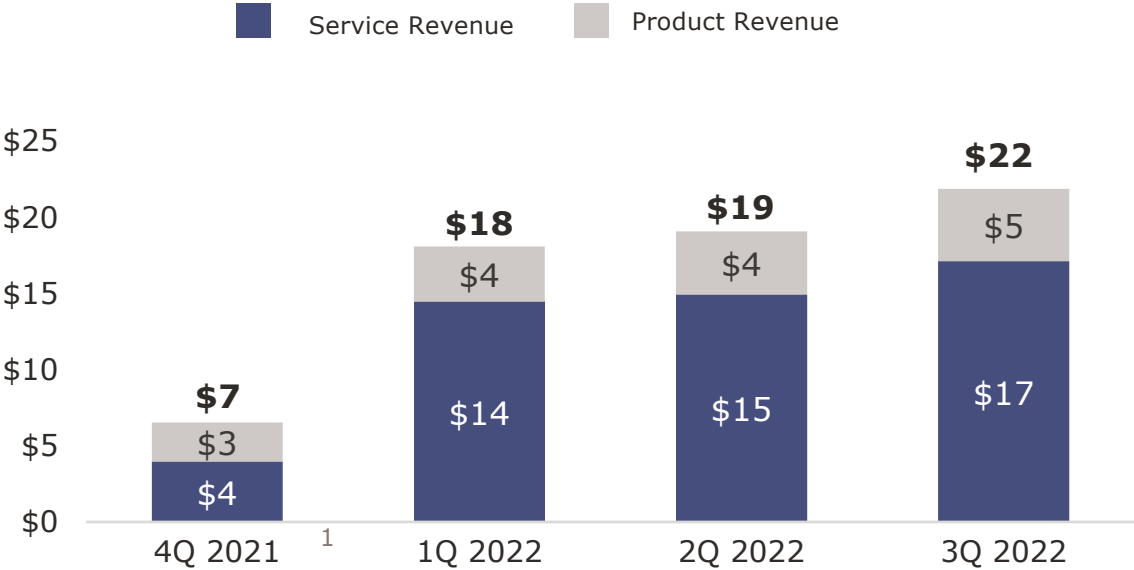
(\$ in Millions)	Q3-2022	
	\$	YoY
Service Revenue	\$ 77.4	20%
Product Revenue	\$ 12.3	(39%)
Total Revenue	\$ 89.7	6%

Revenue growth fueled by NYC School Zone Speed expansion

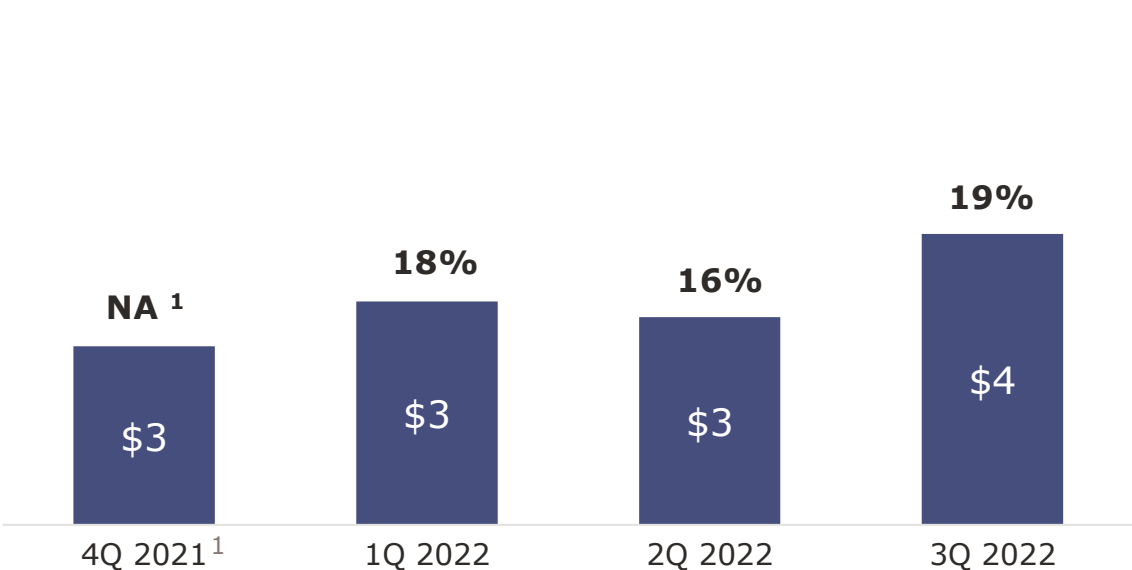


Results by Segment – Parking Solutions

Total Revenue (\$M)



Adjusted EBITDA & Margins (\$M)



Parking Solutions (T2 Systems) financial results in-line with deal thesis



¹ Closed T2 Systems acquisition on December 7, 2021; profitability positively impacted by stub reporting period

Strong Adjusted EPS and De-levering performance

Adjusted EPS

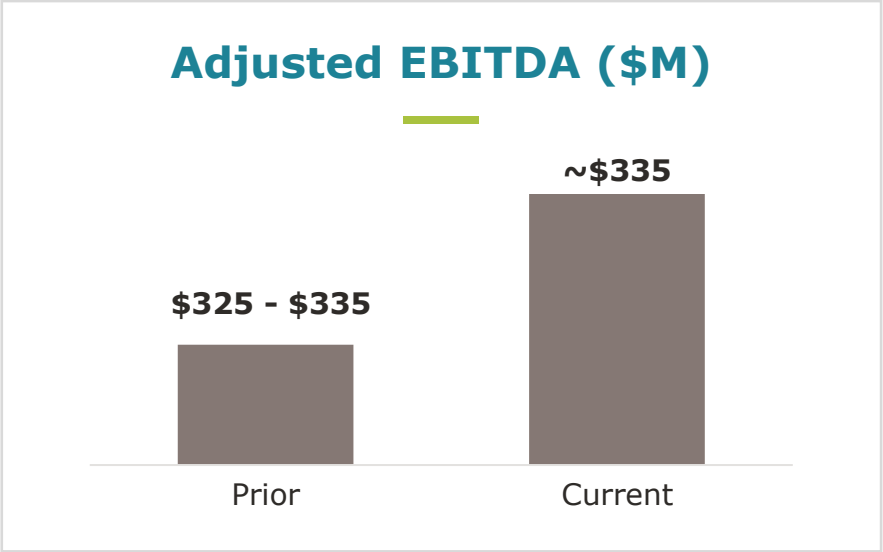
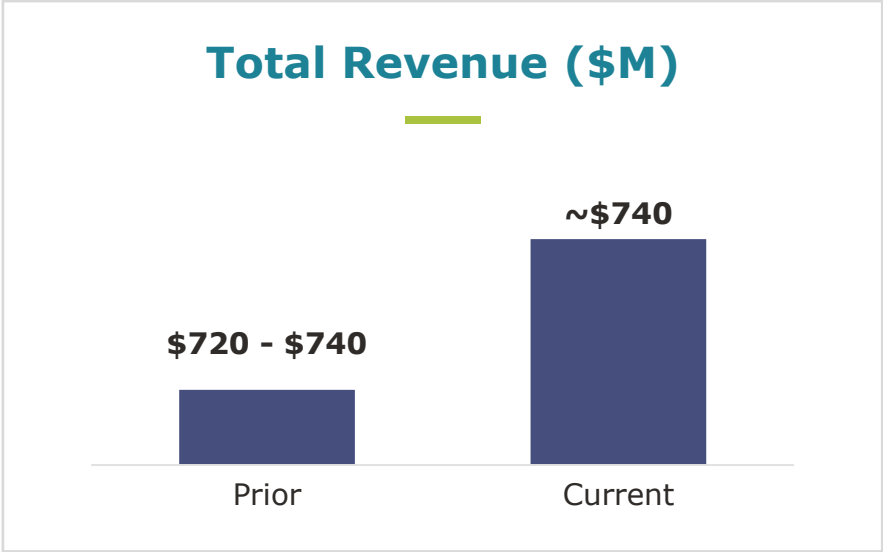


Net Debt & Leverage



Demonstrated post-pandemic earnings power and De-levering

2022 Updated Financial Outlook

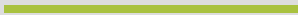


Strong secular trends driving service revenue growth...travel demand has remained robust through the 1st 9-months of 2022

Adjusted EBITDA margins consistent with prior expectations

Expecting to deliver results at the higher-end of the ranges for Revenue and Adj. EBITDA

Appendix



Verra Mobility Quarterly Results

2020 - 2022

Unaudited (\$ in millions)	Full Year 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Full Year 2021	Q1 2022	Q2 2022	Q3 2022
Service revenue	\$336.3	\$89.8	\$116.4	\$141.8	\$144.8	\$492.8	\$161.1	\$174.5	\$180.6
Product sales	57.3	0.1	12.2	20.3	25.1	57.7	9.3	13.0	17.0
Total revenue	\$393.6	\$89.9	\$128.7	\$162.1	\$170.0	\$550.6	\$170.4	\$187.5	\$197.7
Cost of service revenue	4.0	0.9	1.3	1.4	1.7	5.3	3.8	3.7	4.1
Cost of product sales	29.6	0.0	6.1	9.4	14.2	29.8	6.0	8.3	11.3
Operating expenses	115.7	30.5	36.4	48.3	48.1	163.4	51.1	55.2	60.5
Selling, general and administrative expenses	89.7	28.4	26.2	31.6	37.2	123.4	41.6	40.2	41.1
Depreciation, amort, and (gain) loss on disposal of assets, net	116.8	28.3	27.0	29.5	32.0	116.8	35.9	34.9	35.0
Total costs and expenses	\$355.8	\$88.1	\$97.2	\$120.2	\$133.2	\$438.7	\$138.4	\$142.3	\$152.2
Income (loss) from operations	37.8	1.8	31.5	41.9	36.7	111.9	32.0	45.2	45.5
Interest expense, net	40.9	9.2	11.7	11.6	12.5	44.9	14.3	14.5	20.3
Change in fair value of private placement warrants	1.1	2.1	8.1	(5.1)	2.5	7.6	3.7	(6.6)	(2.3)
Tax receivable agreement adj	6.9	-	1.7	-	(2.7)	(1.0)	-	(1.0)	-
Loss on extinguishment of debt	-	5.3	-	-	-	5.3	-	-	(3.0)
Other (income) expense, net	(11.9)	(3.0)	(2.8)	(3.5)	(3.6)	(12.9)	(2.9)	(4.0)	(2.5)
Total other expense	\$37.0	\$13.6	\$18.6	\$3.1	\$8.7	\$44.0	\$15.1	\$2.9	\$12.5
Income (loss) before income taxes	0.9	(11.8)	12.9	38.8	28.0	67.9	16.9	42.3	33.0
Income tax provision (benefit)	5.4	(2.9)	8.9	11.5	8.9	26.5	6.8	12.6	8.4
Net (loss) income	(\$4.6)	(\$8.9)	\$4.0	\$27.3	\$19.1	\$41.4	\$10.0	\$29.6	\$24.6
Bridge to adj. EBITDA									
Net (loss) income	(\$4.6)	(\$8.9)	\$4.0	\$27.3	\$19.1	\$41.4	\$10.0	\$29.6	\$24.6
Interest expense, net	40.9	9.2	11.7	11.6	12.5	44.9	14.3	14.5	20.3
Income tax provision (benefit)	5.4	(2.9)	8.9	11.5	8.9	26.5	6.8	12.6	8.4
Depreciation and amortization	116.6	28.2	27.0	29.5	32.0	116.8	35.7	34.5	35.1
EBITDA	\$158.3	\$25.6	\$51.6	\$80.0	\$72.5	\$229.6	\$66.8	\$91.3	\$88.3
Transaction and other related	1.9	4.1	3.3	2.7	3.8	14.0	0.2	0.3	3.0
Transformation expense	1.1	0.3	0.4	0.8	0.2	1.7	0.1	0.2	0.3
Loss on extinguishment of debt	-	5.3	-	-	-	5.3	-	-	(3.0)
TRA adjustment	6.9	-	1.7	-	(2.7)	(1.0)	-	(1.0)	-
Change in fair value of private placement warrants	1.1	2.1	8.1	(5.1)	2.5	7.6	3.7	(6.6)	(2.3)
Stock-based compensation	12.6	2.9	3.6	3.7	3.6	13.8	4.4	4.6	4.6
Adjusted EBITDA	\$181.8	\$40.3	\$68.6	\$82.1	\$80.0	\$270.9	\$75.3	\$88.8	\$90.9

Verra Mobility Quarterly Results

Segment Results of Operations

Commercial Services

Unaudited (\$ in millions)	Full Year 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Full Year 2021	Q1 2022	Q2 2022	Q3 2022
Total Revenue									
Commercial Services	\$180.9	\$45.7	\$66.5	\$77.3	\$71.5	\$260.9	\$73.5	\$84.9	\$86.1
Segment Adj EBITDA									
Commercial Services	\$97.2	\$22.6	\$42.8	\$51.3	\$43.8	\$160.4	\$46.6	\$56.5	\$56.4

Government Solutions

Unaudited (\$ in millions)	Full Year 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Full Year 2021	Q1 2022	Q2 2022	Q3 2022
Total Revenue									
Government Solutions	\$212.7	\$44.2	\$62.2	\$84.8	\$92.0	\$283.2	\$78.8	\$83.5	\$89.7
Segment Adj EBITDA									
Government Solutions	\$84.7	\$17.8	\$25.8	\$30.7	\$33.6	\$107.9	\$25.5	\$29.2	\$30.4

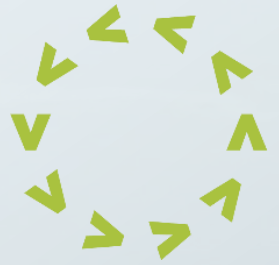
Parking Solutions

Unaudited (\$ in millions)	Full Year 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Full Year 2021	Q1 2022	Q2 2022	Q3 2022
Total Revenue									
Parking Solutions	\$0.0	\$0.0	\$0.0	\$0.0	\$6.5	\$6.5	\$18.1	\$19.1	\$21.9
Segment Adj EBITDA									
Parking Solutions	\$0.0	\$0.0	\$0.0	\$0.0	\$2.6	\$2.6	\$3.2	\$3.0	\$4.2

Verra Mobility Adj. Net Income and Adj. Diluted EPS Reconciliations

(in \$MM, except <i>per share</i> data)	Q4 2021	Q1 2022	Q2 2022	Q3 2022
Net Income	\$ 19.1	\$ 10.0	\$ 29.6	\$ 24.6
Amortization of intangibles	23.1	27.3	27.2	26.6
Transaction and other related expenses	3.8	0.2	0.3	3.0
Transformation expenses	0.2	0.1	0.2	0.3
Change in fair value of private placement warrants	2.5	3.7	(6.6)	(2.3)
Tax receivable agreement liability adjustment	(2.7)	-	(1.0)	-
Loss on extinguishment of debt	-	-	-	(3.0)
Stock-based compensation	3.6	4.4	4.6	4.6
Total adjustments before income tax effect	30.6	35.8	24.6	29.2
Income tax effects on adjustments ¹	(10.8)	(10.3)	(10.3)	(11.0)
Total adjustments after income tax effect	19.8	25.5	14.3	18.2
Adjusted Net Income	\$ 38.9	\$ 35.6	\$ 44.0	\$ 42.7
Adjusted EPS	\$ 0.24	\$0.22	\$ 0.27	\$ 0.27
Diluted weighted average shares outstanding	159,965	160,749	160,344	158,304

¹ Beginning in the third quarter of 2022, we removed the (i) change in fair value of private placement warrants and (ii) gain on extinguishment of debt from total adjustments before income tax effect prior to applying our annual estimated effective income tax rate to calculate the income tax effect on adjustments. These discrete items are being removed because they do not impact taxable income. In addition, we began using our annual estimated effective tax rate in lieu of the period-to-date effective tax rate from our consolidated statements of operations, in calculating the income tax effect on total adjustments to net income. We believe that our annual estimated effective income tax rate provides investors a more meaningful effective tax rate than our period-to-date effective tax rate, which included the discrete items named above. As a result, our revised Adjusted Net Income and Adjusted EPS for the three months ended September 30, 2021, are \$42.4 million and \$0.26, as compared to \$44.9 million and \$0.27, which were previously reported. We are not recasting the non-GAAP presentation of Adjusted Net Income or Adjusted EPS for other prior periods because the impact of the adjustment is not significant.



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