
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 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): January 24, 2019

RED VIOLET, INC.
(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation
or organization)

001-38407
(Commission
File Number)

82-2408531
(I.R.S. Employer
Identification Number)

2650 North Military Trail, Suite 300, Boca Raton, FL 33431
(Address of principal executive offices)

561-757-4000
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

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

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

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01 Regulation FD Disclosure.

On January 24, 2019, Red Violet, Inc. (the “Company”) posted a corporate presentation on its website that provides a current overview about the Company. The corporate presentation is attached as Exhibit 99.1 to this Current Report on Form 8-K.

The information in this Item 7.01 of this Current Report on Form 8-K and Exhibit 99.1 attached hereto shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits.

99.1 [Corporate Presentation dated January 24, 2019](#)

SIGNATURES

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

Red Violet, Inc.

Date: January 24, 2019

By: /s/ Derek Dubner
Derek Dubner
Chief Executive Officer (Principal Executive Officer)

TRANSFORMING DATA INTO INTELLIGENCE

Company
Overview
January 2019

Cautionary Statement

This presentation contains "forward-looking statements," as that term is defined under the Private Securities Litigation Reform Act of 1995 (PSLRA), which statements may be identified by words such as "expects," "plans," "projects," "will," "may," "anticipate," "believes," "should," "intends," "estimates," and other words of similar meaning. Such forward-looking statements include non-historical statements about our expectations, beliefs or intentions regarding our business, technologies and products, financial condition, strategies or prospects. There are a number of important factors that could cause actual results or events to differ materially from those indicated by such forward-looking statements, including: the risks set forth in red violet's Information Statement filed as Exhibit 99.1 to red violet's current report filed with the SEC on March 27, 2018, as may be supplemented or amended by red violet's Quarterly Reports on Form 10-Q, as well as the other factors described in the filings that red violet makes with the SEC from time to time.

You are cautioned not to place undue reliance on these forward-looking statements, which are based on red violet's expectations as of the date of this presentation and speak only as of the date of this presentation. red violet undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Without limiting the foregoing, the inclusion of the financial projections in this presentation should not be regarded as an indication that the Company considered, or now considers, them to be a reliable prediction of the future results. The financial projections were not prepared with a view towards public disclosure or with a view to complying with the published guidelines of the Securities Exchange Commission, the guidelines established by the American Institute of Certified Public Accountants with respect to prospective financial information, or with U.S. generally accepted accounting principles. Neither the Company's independent auditors, nor any other independent accountants, have compiled, examined or performed any procedures with respect to the financial projections, nor have they expressed any opinion or any other form of assurance on such information or its achievability. Although the financial projections were prepared based on assumptions and estimates that the Company's management believes are reasonable, the Company provides no assurance that the assumptions made in preparing the financial projections will prove accurate or that actual results will be consistent with these financial projections. Projections of this type involve significant risks and uncertainties, should not be read as guarantees of future performance or results and will not necessarily be accurate indicators of whether or not such results will be achieved.

Management evaluates the financial performance of our business on a variety of key indicators, including non-GAAP metrics of adjusted EBITDA, adjusted gross profit and adjusted gross margin. Adjusted EBITDA is a financial measure equal to net loss, the most directly comparable financial measure based on US GAAP, excluding interest income, depreciation and amortization, share-based compensation expense, litigation costs, insurance proceeds in relation to settled litigation, transition service income, write-off of long-lived assets and others. We define adjusted gross profit as revenue less cost of revenue (exclusive of depreciation and amortization), and adjusted gross margin as adjusted gross profit as a percentage of revenue.

Who We Are



We are a software and services company specializing in big data analysis, providing cloud-based, mission-critical information solutions to enterprises in a variety of industries.

Our mission is to transform data into intelligence, utilizing our proprietary technology platform to solve complex problems for our clients. Through our intelligent platform, CORE™, we uncover the relevance of disparate data points to deliver end-to-end results for our customers. Our analytical capabilities enable us to build comprehensive datasets in real-time and provide insights on people, businesses, assets, and their interrelationships.

Our Brands



Through leading-edge, proprietary technology and a massive data repository, our data and analytical solutions harness the power of data fusion, uncovering the relevance of disparate data points and converting them into comprehensive and insightful views of people, businesses, assets and their interrelationships. We empower clients across markets and industries to better execute all aspects of their business, from managing risk, conducting investigations, and identifying fraud and abuse, to collecting debts.

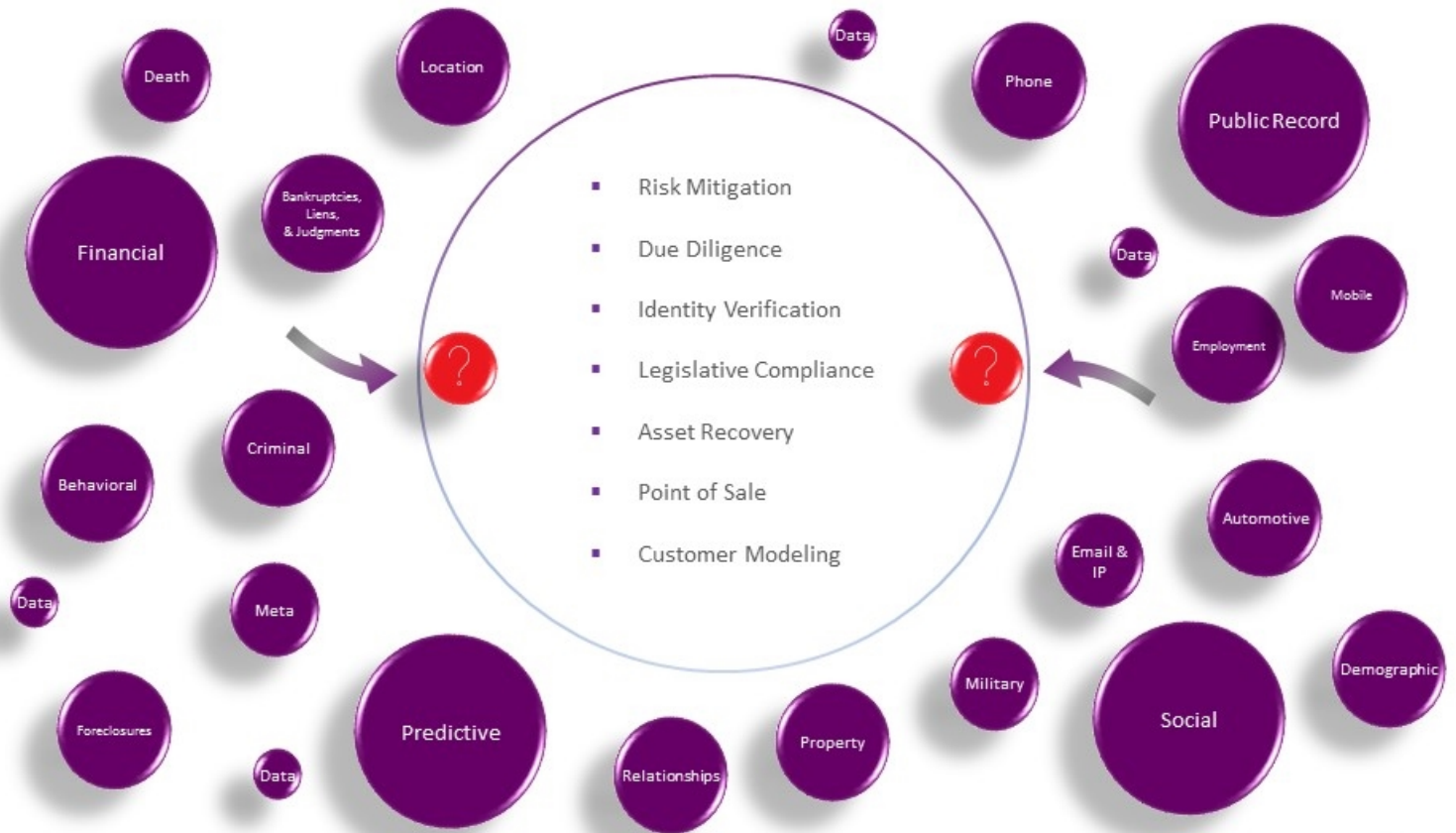


Despite the continued expansion of information technology, certain industries remain dependent on personal interactions with consumers. Engagements often occur with a professional having zero or minimal verified knowledge of the other party.

Leveraging massive data resources and complex analytics, FOREWARN provides instant knowledge, prior to a face-to-face engagement with a consumer, to help professionals better understand and address risk. Additionally, large numbers of interactions can be scheduled more efficiently, and handled more effectively, with added verification of each individual consumer.

Challenges Facing Businesses Today

With data being generated on a massive scale from both traditional and emerging sources, businesses are struggling to glean the intelligence needed to properly address mission-critical business functions



Our Solutions

Powered by our proprietary technology platform CORE, red violet delivers solutions that empower clients across markets and industries to better execute all aspects of their business

Risk Management Solutions



idiCORE



FOREWARN
red violet company

Data Analytics and Custom Solutions (examples)



Location and Behavioral Analytics











Customer Analysis and Profiling

Supply Chain Fraud Analytics



Our Business Model Provides a Compelling Investment Opportunity

| | | | |
|---|---|---|---|
|  FIXED COST-MODEL We acquire data using flat-rate, unlimited use long-term contracts, so as revenue scales our cost of revenue does not ✓ |  SUBSCRIPTION BASED 64% of monthly revenue attributable to customer contracts, generally with annual contracts or longer, with auto renewal ⁽¹⁾ ✓ |  NEXT-GENERATION TECHNOLOGY PLATFORM Proprietary data and industry agnostic platform drives cost-efficient solutions across industries ✓ |  SIGNIFICANT GROWTH 89% year-over-year revenue growth in Q3 '18 ✓ |
|  LARGE GROWING MARKET \$10B+ serviceable market today with ~\$100B in total addressable market ⁽²⁾ ✓ |  RECURRING REVENUE Over 95% customer annualized revenue retention as customers integrate our platform into their business processes ⁽¹⁾ ✓ |  TREMENDOUS OPERATING LEVERAGE \$300K increase in adjusted gross profit provided \$245K increase in adjusted EBITDA in Q3 '18 vs Q2 '18, greater than 80% contribution ✓ |  EXPERIENCED MANAGEMENT TEAM Team previously built current industry competitors which were acquired for an aggregate of approximately \$1B ✓ |

(1) As of September 30, 2018

(2) IDC Worldwide Semiannual Big Data and Analytics Spending Guide, August 2018

Opportunity in Large and Growing TAM



Serviceable Risk Analytics⁽¹⁾: \$10B +
Addressable U.S. Big Data &
Business Analytics⁽²⁾: \$88B +

**Serviceable & Addressable
Market Today:
>\$98 Billion**

Potential Global Big Data & Business Analytics Market⁽²⁾



⁽¹⁾ MarketsandMarkets Risk Analytics Global Forecast, May 2017

⁽²⁾ IDC Worldwide Semiannual Big Data and Analytics Spending Guide, August 2018

Growth Drivers

Adoption

Penetration

Custom Solutions

Expansion

Adoption

New customer adoption through proven, scalable sales model



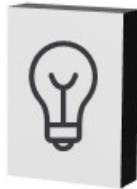
Penetration

Further penetration of, and expanded spend from, customer base



Custom Solutions

Custom solutions to solve complex problems for enterprise customers



Expansion

Expanding product suite, new markets, additional channels



Continued Top Line Growth

Total Revenue

(\$ in thousands)



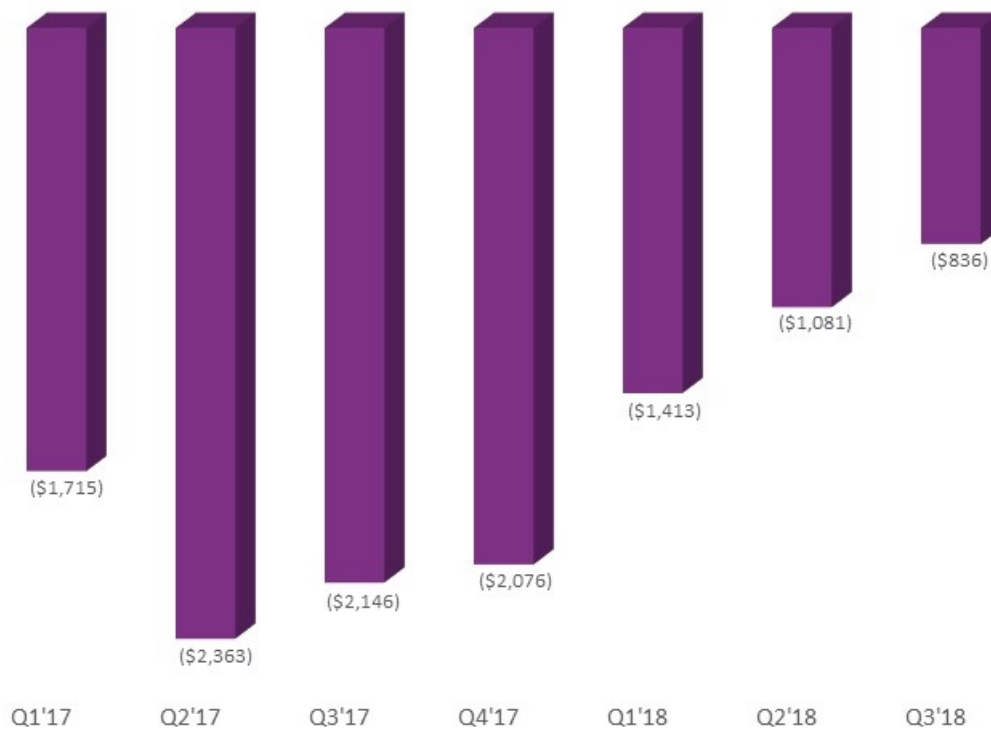
Strong Customer Adoption and Retention



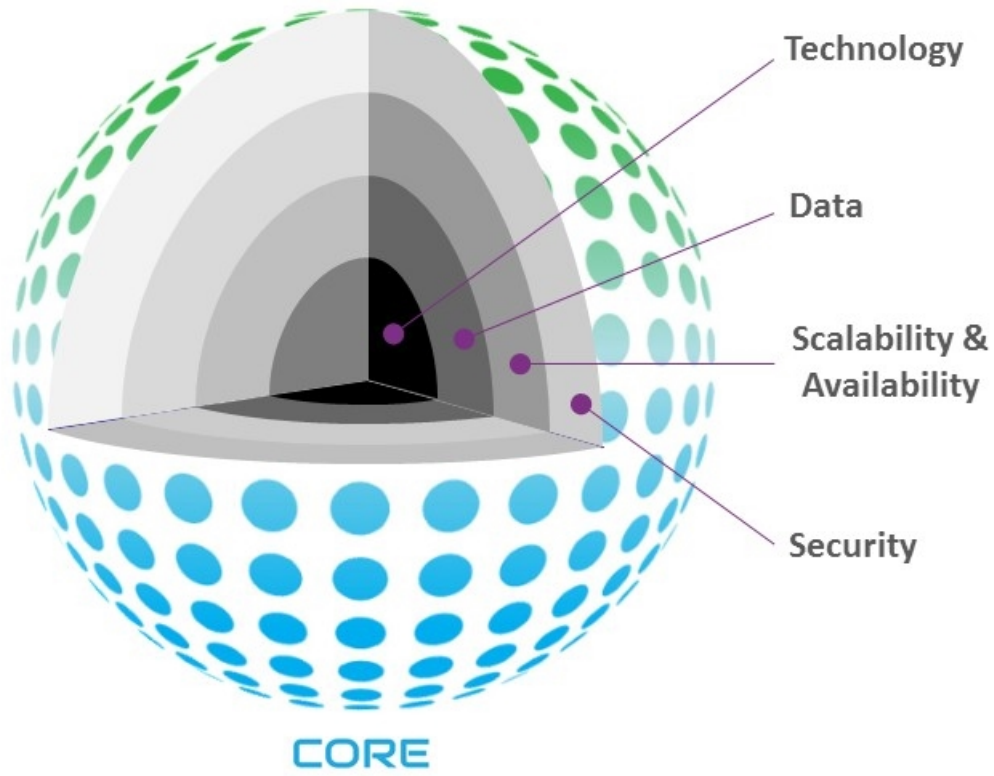
Operating Leverage Drives Path to Profitability

Adjusted EBITDA

(\$ in thousands)

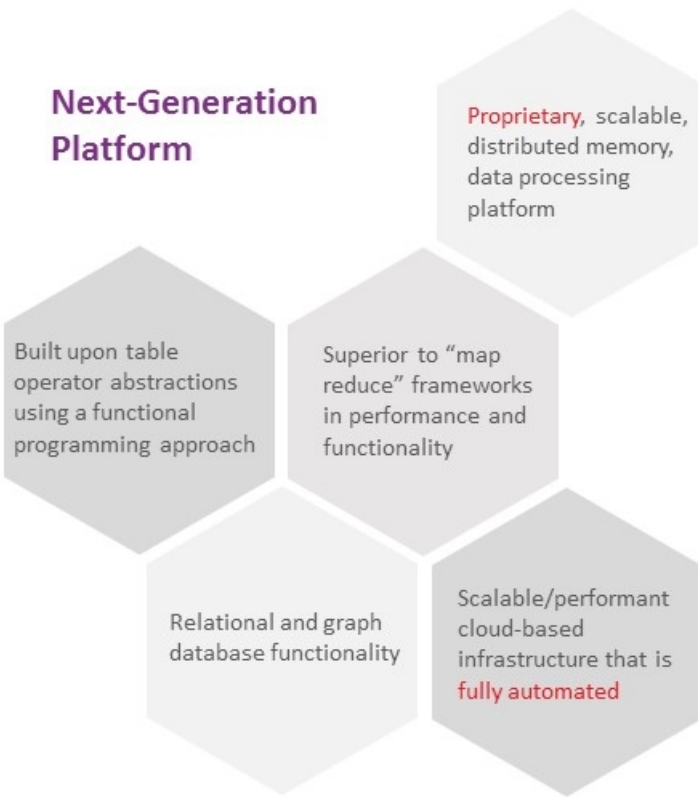


Differentiation

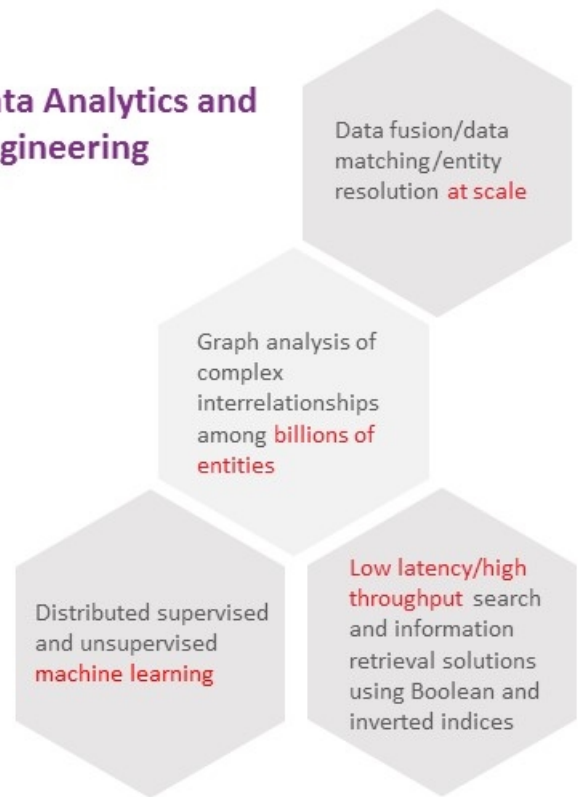


Harnessing the power of data fusion and advanced analytics, we transform data into intelligence, in a fast and efficient manner

Next-Generation Platform



Data Analytics and Engineering



Massive and Comprehensive Database

Massive Repository

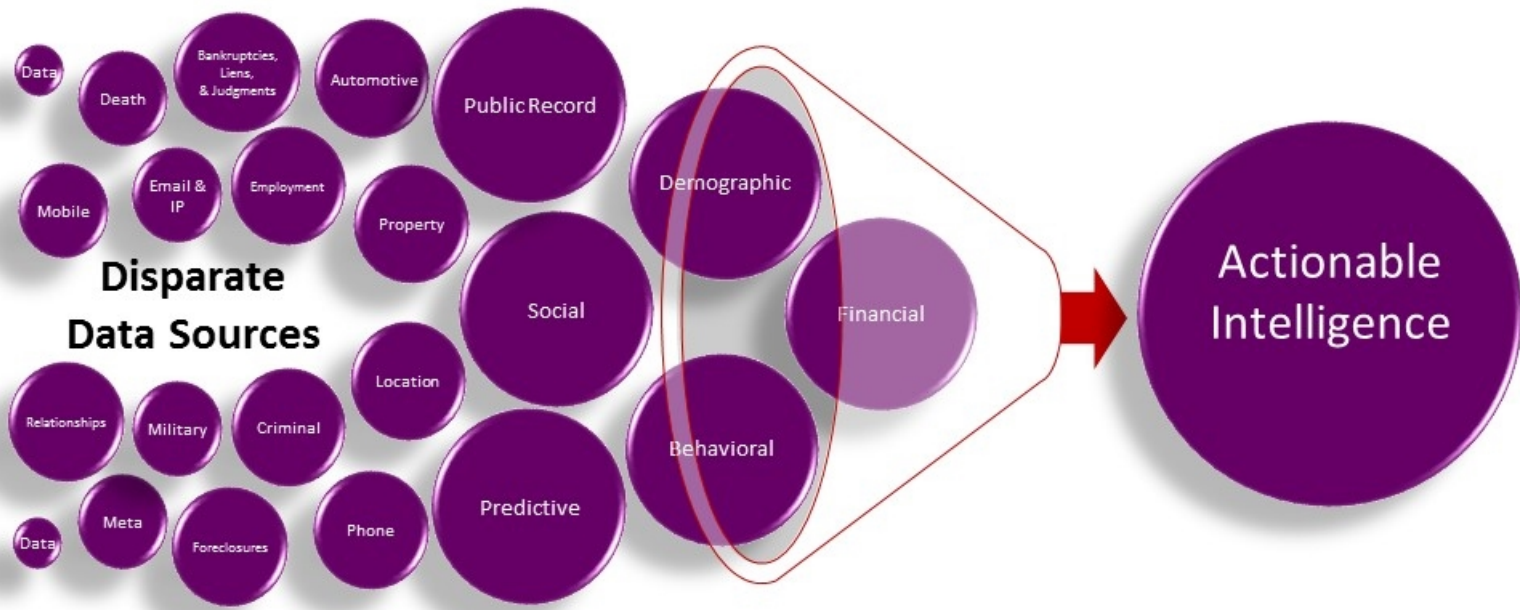
- Approximately 9 PB (raw)
- Full data builds of 400 TB uncompressed, 40 TB compressed

Continually Updated

- Billions of records added in the last 6 months

Comprehensive Coverage

- In excess of a trillion total records
- Tens of billions of financial records
- Billions of motor vehicle records
- Hundreds of millions of criminal records
- Billions of peripheral records
- Hundreds of billions of behavioral signals
- Tens of millions of business records



Scalability and Availability

We uncover the relevance of disparate data points utilizing our analytical capabilities to provide real-time and insightful views of people, businesses, assets and their interrelationships

Multiple Access Methods and Tools

Flexible Application Programming Interfaces (**API**) built to handle simple requests and complex integrations

Best-in-class **Batch Processing** platform for ingestion, processing, and delivery of large data files

Automated **Monitoring** solutions to track changes in consumer, business, and asset data points

Designed for accelerated development of **Custom Solutions** based on any access method

Online access through an intuitive interface designed to provide fast and effective results

Scalability and Availability

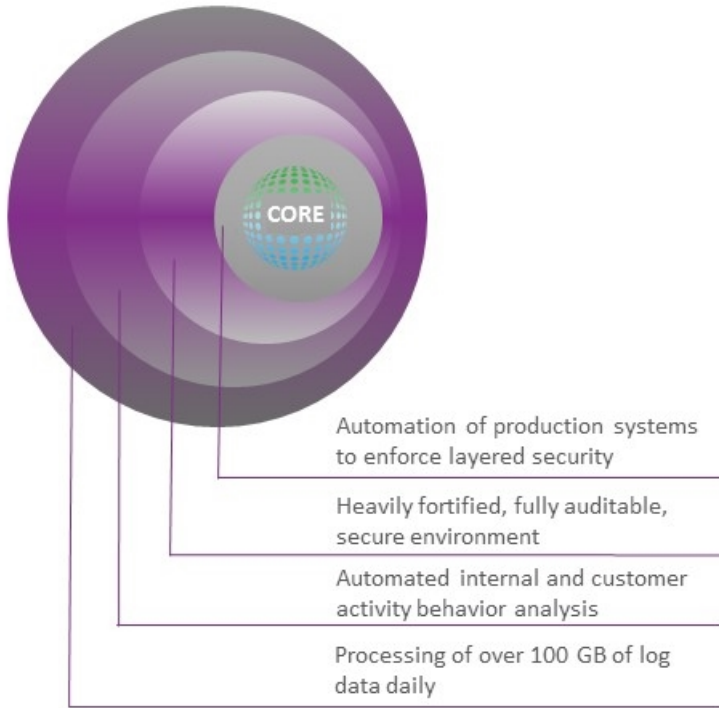
Handling burst rates of over 40 million detailed searches per day

Monitoring daily changes on over 100 million consumers in 30 minutes of processing time

Scalable to virtually unlimited capacity and performance

Built in a secure payment card industry (PCI) compliant environment, we operate in datacenters across the U.S. using an intelligent framework and leveraging a microservices architecture

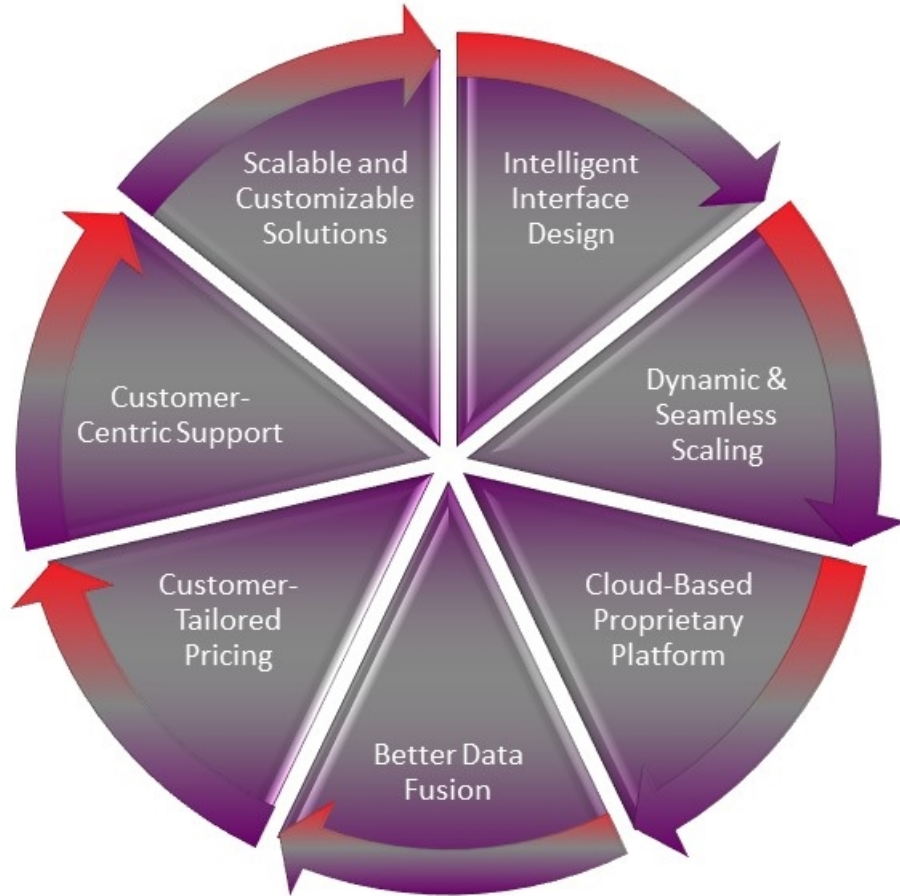
Leading-Edge Security Features



Secure Environment

- SOC 2 (all 5 trust principles)
- PCI DSS 3.2 Level 1 (most critical)
- ISO 27001:2013
- Sarbanes Oxley
- Regular third-party penetration testing
- Continual internal/external security scans

Why We Win



Scalable Go-To-Market Strategy



Derek Dubner - Chief Executive Officer

- Over 20 years of experience in the data and analytics industry
- Built leading information management companies which sold for an aggregate value of approximately \$1 billion



James Reilly - President

- 18 years of executive experience in data markets



Dan MacLachlan- Chief Financial Officer

- 14 years of experience as the CFO of data-driven technology companies



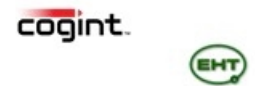
Jeff Dell - Chief Information Officer

- Over 20 years of experience in Information Security as an executive in data-driven technology companies



Angus Macnab – Chief Technology Officer

- Over 15 years of experience in data science, engineering, and scientific computing





Appendix:
GAAP to Non-GAAP
Reconciliations

GAAP to Non-GAAP Reconciliations

| (In thousands) | Q1'17 | Q2'17 | Q3'17 | Q4'17 | Q1'18 | Q2'18 | Q3'18 |
|--|------------|-------------|------------|------------|------------|------------|------------|
| Net loss | \$ (2,893) | \$ (12,133) | \$ (3,334) | \$ (3,140) | \$ (2,084) | \$ (1,494) | \$ (1,252) |
| Interest income, net | - | - | - | - | - | - | (31) |
| Depreciation and amortization | 216 | 220 | 288 | 414 | 451 | 478 | 508 |
| Share-based compensation expense | 458 | 1,225 | 563 | 625 | 165 | 49 | 218 |
| Litigation costs | 504 | 8,325 | 337 | 25 | - | 9 | 125 |
| Insurance proceeds in relation to settled litigation | - | - | - | - | - | - | (350) |
| Transition service income | - | - | - | - | - | (158) | (56) |
| Write-off of long-lived assets and others | - | - | - | - | 55 | 35 | 2 |
| Adjusted EBITDA | \$ (1,715) | \$ (2,363) | \$ (2,146) | \$ (2,076) | \$ (1,413) | \$ (1,081) | \$ (836) |

| (In thousands) | Q1'17 | Q2'17 | Q3'17 | Q4'17 | Q1'18 | Q2'18 | Q3'18 |
|---|----------|----------|----------|----------|----------|----------|----------|
| Revenue | \$ 1,572 | \$ 1,993 | \$ 2,306 | \$ 2,707 | \$ 3,325 | \$ 3,909 | \$ 4,360 |
| Cost of revenue (exclusive of depreciation and amortization) | 1,401 | 1,843 | 1,955 | 1,867 | 2,017 | 2,084 | 2,233 |
| Adjusted gross profit | \$ 171 | \$ 150 | \$ 351 | \$ 840 | \$ 1,308 | \$ 1,825 | \$ 2,127 |
| Adjusted gross margin | 11% | 8% | 15% | 31% | 39% | 47% | 49% |

Management evaluates the financial performance of our business on a variety of key indicators, including non-GAAP metrics of adjusted EBITDA, adjusted gross profit and adjusted gross margin. Adjusted EBITDA is a financial measure equal to net loss, the most directly comparable financial measure based on US GAAP, excluding interest income, depreciation and amortization, share-based compensation expense, litigation costs, insurance proceeds in relation to settled litigation, transition service income, write-off of long-lived assets and others, as noted above. We define adjusted gross profit as revenue less cost of revenue (exclusive of depreciation and amortization), and adjusted gross margin as adjusted gross profit as a percentage of revenue.

We present adjusted EBITDA, adjusted gross profit and adjusted gross margin as supplemental measures of our operating performance because we believe they provide useful information to our investors as they eliminate the impact of certain items that we do not consider indicative of our cash operations and ongoing operating performance. In addition, we use them as an integral part of our internal reporting to measure the performance of our business, evaluate the performance of our senior management and measure the operating strength of our business.

Adjusted EBITDA, adjusted gross profit and adjusted gross margin are measures frequently used by securities analysts, investors and other interested parties in their evaluation of the operating performance of companies similar to ours and are indicators of the operational strength of our business. Adjusted EBITDA eliminates the uneven effect of considerable amounts of non-cash depreciation and amortization, share-based compensation expense and write-off of long-lived assets, and the impact of other items. Adjusted gross profit and adjusted gross margin are calculated by using cost of revenue (exclusive of depreciation and amortization).

Adjusted EBITDA, adjusted gross profit and adjusted gross margin are not intended to be performance measures that should be regarded as an alternative to, or more meaningful than, either loss before income taxes or net loss as indicators of operating performance or to cash flows from operating activities as a measure of liquidity. The way we measure adjusted EBITDA, adjusted gross profit and adjusted gross margin may not be comparable to similarly titled measures presented by other companies, and may not be identical to corresponding measures used in our various agreements.

