Corporate Presentation
December 2017
The Safeguard Advantages

- **Strong Portfolio** of tech-enabled companies across several verticals
- **Talented Team** with deep domain expertise and operating experience
- **Flexible, Multi-Stage Capital Deployment Approach** that is not constrained by the typical Limited Partner fund structure
- **Scalable Operating Model** to accommodate a larger portfolio of companies
- **Extensive Network** with access to early- and growth-stage technology opportunities including Enterprises, Advisors, Accelerators and Universities
Capital Deployment Objectives

Target Company Profile

Safeguard Scientifics targets technology-driven businesses in healthcare, financial services and digital media.

Particular focus on technology drivers involving:

- Internet of Everything
- Security
- Artificial Intelligence*

* Includes Predictive Analytics and Machine Learning

Deal Size

Initial Capital: $5M - $15M
Follow-On Capital: $5M - $10M

Total Target Size:
Generally Less Than $25M

Deal Structure

Position:
Typically Lead Financial Sponsor

Ownership Target: 20%-50%
Involvement: Board Representation
## Partner Companies: Overview

### Technology

<table>
<thead>
<tr>
<th>Healthcare</th>
<th>Financial Services and Other</th>
<th>Digital Media</th>
</tr>
</thead>
<tbody>
<tr>
<td>AdvantEdge</td>
<td>NovaSom</td>
<td>APPRENDIA</td>
</tr>
<tr>
<td>AKTANA</td>
<td>Prognos</td>
<td>CASK</td>
</tr>
<tr>
<td>cloudmine</td>
<td>Propeller</td>
<td>Lumesis</td>
</tr>
<tr>
<td>INFOBIONIC</td>
<td>syapse</td>
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<tr>
<td>meQuilibrium</td>
<td>Trice</td>
<td>T REX</td>
</tr>
<tr>
<td>MOXE</td>
<td>zipnosis</td>
<td>TRANSACTIS</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Partner Companies: By Revenue Stage

- **Initial Revenue**
  - Revenue: Up to $5M
  - Companies:
    - AKTANA
    - InfoBionic
    - Brickwork
    - Lumesis
    - meQuilibrium
    - Syapse
    - Cloudmine
    - MOXE
    - TRex
    - FullMeasure
    - Propeller
    - Trice
    - Hoopla
    - QuantricMind
    - Zipnosis

- **Expansion Revenue**
  - Revenue: $5M-20M
  - Companies:
    - Apprenda
    - Sonobi
    - SPONGECCELL
    - AdvantEdge
    - Clutch
    - Transactis
    - MediaMath
    - Prognos
    - WebLinc

- **High Traction Revenue**
  - Revenue: $20M+
  - Companies:
    - MediaMath
    - Transactis
    - WebLinc
    - NovaSom
Partner Companies: By Age*

* Represents # of years since initial Safeguard capital deployment.
Aggregate revenue guidance for 2017 and prior years reflects revenue on a net basis. Revenue figures utilized for certain companies pertain to periods prior to Safeguard’s involvement with said companies and are based solely on information provided to Safeguard by such companies. Safeguard reports the revenue of its equity and cost method partner companies on a one-quarter lag basis. Revenue for all years has been revised to exclude Nexxt, Inc. (formerly known as Beyond.com), Good Start Genetics and Pneuron, which were exited or written-off during 2017.
# Partner Companies: Transactis

**Headquarters**  
New York, NY

**Revenue Stage**  
Expansion

**Elevator Pitch**  
Leading provider of electronic billing and payment solutions. Enables businesses of all sizes to replace paper bills, statements, invoices, payments and documents with more efficient digital alternatives.

**Partnerships / Customers**  

**Market Opportunity**  
Fewer than 25% of bills are presented electronically in the U.S. The channel-oriented Transactis model features up-to-date SaaS infrastructure and is positioned to grow with an EBPP market that is expanding at a compound annual rate of 16% (Source: Latente Group).

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**August 2014**  
Initial Capital Deployed

**$14.5M**  
Total Capital Deployed

**24%**  
SFE Primary Ownership

**Series D, Series E**  
Funding Stages
Partner Companies: Trice Medical

**Trice Medical**

**Headquarters**  
King of Prussia, PA

**Revenue Stage**  
Initial Revenue

**Elevator Pitch**  
Pioneered and evolved a fully integrated camera-enabled technology, the mi-eye 2, which provides a clinical solution optimized for the physician’s office.

**Partnerships / Customers**  
OpenClinica Enterprise, Pacific Medical, Punumbra, TikaMobile

**Market Opportunity**  
Addressable market opportunity is approximately $10B, including 32M office visits for related knee and shoulder pain and 8M+ MRIs annually in the U.S. alone.

**July 2014**  
Initial Capital Deployed

**$10.2M**  
Total Capital Deployed

**25%**  
SFE Primary Ownership

**Series B, Series C**  
Funding Stages

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# Partner Companies: MediaMath

<table>
<thead>
<tr>
<th>Headquarters</th>
<th>Revenue Stage</th>
</tr>
</thead>
<tbody>
<tr>
<td>New York, NY</td>
<td>High Traction</td>
</tr>
</tbody>
</table>

**Elevator Pitch**

Global technology company that is leading the movement to revolutionize traditional marketing and drive transformative results for marketers.

**Partnerships / Customers**

Facebook, IBM, iSocket, Microsoft, Oracle, Time Inc. and Yahoo!

**Market Opportunity**

Worldwide digital ad spending will reach $224B in 2017 and represent 38% of total paid media outlays. The format is expected to see double-digit growth through at least 2020. (eMarketer)
## Partner Company Holdings at 9/30/17

<table>
<thead>
<tr>
<th>Partner Companies</th>
<th>Stage</th>
<th>Category</th>
<th>Acquisition Year</th>
<th>Primary Ownership%</th>
<th>Carrying Value (in millions)</th>
<th>Cost (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>AdvantEdge Healthcare Solutions</td>
<td>Expansion</td>
<td>Healthcare</td>
<td>2006</td>
<td>40%</td>
<td>$5.0</td>
<td>$16.3</td>
</tr>
<tr>
<td>Aktana</td>
<td>Initial Revenue</td>
<td>Healthcare</td>
<td>2016</td>
<td>25%</td>
<td>4.9</td>
<td>9.7</td>
</tr>
<tr>
<td>Apprenda</td>
<td>Expansion</td>
<td>Other</td>
<td>2013</td>
<td>29%</td>
<td>8.5</td>
<td>22.1</td>
</tr>
<tr>
<td>Brickwork</td>
<td>Initial Revenue</td>
<td>Digital Media</td>
<td>2016</td>
<td>20%</td>
<td>3.6</td>
<td>4.2</td>
</tr>
<tr>
<td>Cask Data</td>
<td>Initial Revenue</td>
<td>Other</td>
<td>2015</td>
<td>31%</td>
<td>7.4</td>
<td>12.6</td>
</tr>
<tr>
<td>CloudMine</td>
<td>Initial Revenue</td>
<td>Healthcare</td>
<td>2015</td>
<td>47%</td>
<td>3.7</td>
<td>7.5</td>
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<tr>
<td>Clutch Holdings</td>
<td>Expansion</td>
<td>Digital Media</td>
<td>2013</td>
<td>43%</td>
<td>8.8</td>
<td>16.3</td>
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<tr>
<td>Full Measure Education</td>
<td>Initial Revenue</td>
<td>Digital Media</td>
<td>2015</td>
<td>42%</td>
<td>6.7</td>
<td>11.0</td>
</tr>
<tr>
<td>Hoopla Software</td>
<td>Initial Revenue</td>
<td>Digital Media</td>
<td>2011</td>
<td>26%</td>
<td>0.2</td>
<td>5.1</td>
</tr>
<tr>
<td>InfoBionic</td>
<td>Initial Revenue</td>
<td>Healthcare</td>
<td>2014</td>
<td>40%</td>
<td>1.6</td>
<td>19.4</td>
</tr>
<tr>
<td>Lumesis</td>
<td>Initial Revenue</td>
<td>Financial Services</td>
<td>2012</td>
<td>44%</td>
<td>1.7</td>
<td>6.3</td>
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<tr>
<td>MediaMath</td>
<td>High Traction</td>
<td>Digital Media</td>
<td>2009</td>
<td>20.4%</td>
<td>2.9</td>
<td>25.5</td>
</tr>
<tr>
<td>meQuilibrium</td>
<td>Initial Revenue</td>
<td>Healthcare</td>
<td>2015</td>
<td>37%</td>
<td>6.1</td>
<td>10.5</td>
</tr>
<tr>
<td>Moxe Health</td>
<td>Initial Revenue</td>
<td>Healthcare</td>
<td>2016</td>
<td>32%</td>
<td>3.9</td>
<td>4.5</td>
</tr>
<tr>
<td>NovaSom</td>
<td>High Traction</td>
<td>Healthcare</td>
<td>2011</td>
<td>32%</td>
<td>1.6</td>
<td>23.6</td>
</tr>
<tr>
<td>Prognos (fka Medivo)</td>
<td>Expansion</td>
<td>Healthcare</td>
<td>2011</td>
<td>35%</td>
<td>4.2</td>
<td>11.6</td>
</tr>
<tr>
<td>Propeller Health</td>
<td>Initial Revenue</td>
<td>Healthcare</td>
<td>2014</td>
<td>24%</td>
<td>7.2</td>
<td>14.0</td>
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<tr>
<td>QuanticMind</td>
<td>Initial Revenue</td>
<td>Digital Media</td>
<td>2015</td>
<td>25%</td>
<td>8.1</td>
<td>11.5</td>
</tr>
<tr>
<td>Sonobi</td>
<td>Expansion</td>
<td>Digital Media</td>
<td>2015</td>
<td>22%</td>
<td>5.8</td>
<td>8.4</td>
</tr>
<tr>
<td>Spongecell</td>
<td>Expansion</td>
<td>Digital Media</td>
<td>2012</td>
<td>23%</td>
<td>6.6</td>
<td>18.0</td>
</tr>
<tr>
<td>Syapse</td>
<td>Initial Revenue</td>
<td>Healthcare</td>
<td>2014</td>
<td>26%</td>
<td>3.4</td>
<td>13.3</td>
</tr>
<tr>
<td>T-REX</td>
<td>Initial Revenue</td>
<td>Financial Services</td>
<td>2016</td>
<td>21%</td>
<td>5.4</td>
<td>6.0</td>
</tr>
<tr>
<td>Transactis</td>
<td>Expansion</td>
<td>Financial Services</td>
<td>2014</td>
<td>24%</td>
<td>9.5</td>
<td>14.5</td>
</tr>
<tr>
<td>Trice Medical</td>
<td>Initial Revenue</td>
<td>Healthcare</td>
<td>2014</td>
<td>25%</td>
<td>4.1</td>
<td>10.2</td>
</tr>
<tr>
<td>WebLinc</td>
<td>Expansion</td>
<td>Digital Media</td>
<td>2014</td>
<td>38%</td>
<td>8.0</td>
<td>14.0</td>
</tr>
<tr>
<td>Zipnosis</td>
<td>Initial Revenue</td>
<td>Healthcare</td>
<td>2015</td>
<td>25%</td>
<td>4.2</td>
<td>7.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>$133.1</strong></td>
<td><strong>$323.1</strong></td>
</tr>
</tbody>
</table>
# Pro Forma Potential Value of Interests in Partner Companies

$ in millions

<table>
<thead>
<tr>
<th></th>
<th>PRO FORMA BASED ON CoC</th>
<th>PRO FORMA BASED ON CoC TRACK</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cost of Partner Companies</strong></td>
<td>$323.1</td>
<td>$323.1</td>
</tr>
<tr>
<td>x Cash-on-Cash Return</td>
<td>2.0 (1)</td>
<td>1.5 (2)</td>
</tr>
<tr>
<td><strong>Pro Forma Proceeds</strong></td>
<td>$646.2</td>
<td>$484.7</td>
</tr>
<tr>
<td><strong>Current Carrying Value of Partner Company Interests</strong></td>
<td>$133.9</td>
<td>$133.9</td>
</tr>
</tbody>
</table>

The past performance of our interests in former partner companies may not be indicative of future results. The potential value of the Partner Companies, or any specific Partner Company, may not correspond to any indicated historical values or performance levels.

(1) Safeguard targets a minimum aggregate cash-on-cash return of 2.0x.
(2) Data from 1/1/06 through 9/30/17. Includes all exits and write-offs of new partner companies since 1/1/06.
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(1) Data from 1/1/06 through 9/30/17. Includes all exits and write-offs of new partner companies since 1/1/06.
(2) Safeguard targets a minimum aggregate cash-on-cash return of 2.0x.
# Success Stories

<table>
<thead>
<tr>
<th>Capital Deployment (Yr)</th>
<th>Acquired By</th>
<th>Realized (Yr)</th>
<th>SFE Proceeds</th>
<th>SFE CoC Return</th>
</tr>
</thead>
<tbody>
<tr>
<td>PUTNEY</td>
<td>Dechra</td>
<td>2016</td>
<td>$59.3M</td>
<td>4x</td>
</tr>
<tr>
<td>drivefactor</td>
<td>CSC</td>
<td>2015</td>
<td>$10.2M</td>
<td>2x</td>
</tr>
<tr>
<td>Sotera</td>
<td>Forcite Capital</td>
<td>2014</td>
<td>$4.2M</td>
<td>2x</td>
</tr>
<tr>
<td>CRESCENDO</td>
<td>Myriad</td>
<td>2014</td>
<td>$41.3M</td>
<td>4x</td>
</tr>
<tr>
<td>Alverix</td>
<td>BD</td>
<td>2014</td>
<td>$17.4M</td>
<td>2x</td>
</tr>
<tr>
<td>ThingWorx</td>
<td>PTC</td>
<td>2013</td>
<td>$47.0M</td>
<td>5x</td>
</tr>
<tr>
<td>Portico</td>
<td>McKesson</td>
<td>2011</td>
<td>$38.2M</td>
<td>4x</td>
</tr>
<tr>
<td>Advanced BioHealing</td>
<td>Shire</td>
<td>2011</td>
<td>$138.2M</td>
<td>13x</td>
</tr>
<tr>
<td>Avid</td>
<td>Lilly</td>
<td>2010</td>
<td>$41.3M</td>
<td>3x</td>
</tr>
<tr>
<td>CLARIEN</td>
<td>GE Healthcare</td>
<td>2010</td>
<td>$207.8M</td>
<td>3x</td>
</tr>
</tbody>
</table>
NOLs and Capital Loss Carryforwards

(in millions)

2009: $360.1
2010: $266.5
2011: $184.3
2012: $171.0
2013: $204.2
2014: $224.3
2015: $209.8
2016: $225.4

NOLs
Exit Proceeds
Equity Incentive Compensation

- Key Attributes
  - Structured to align with shareholder interest
  - Consistent with carried interest methodology
  - Two-thirds of vesting based on performance criteria

- Performance Vesting
  - Upon achievement of cash-on-cash return thresholds (2.0x-3.0x) on pools of capital deployed

- Insider Ownership
  - Ownership requirements of 2x-4x base salary for senior management
Why Own Safeguard (NYSE:SFE)?

- Access to early- and growth-stage technology companies
- SFE currently trades at discount to net asset value and cost
- Full value of partner companies not reflected in share price
- Team has deep domain expertise and operating experience
Connect with Us.

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Request a Meeting:
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www.safeguard.com
Forward-Looking Statements

Statements contained in this presentation that are not historical facts are forward-looking statements which involve certain risks and uncertainties including, but not limited to, risks associated with our ability to make good decisions about the deployment of capital, the fact that our partner companies may vary from period to period, our substantial capital requirements and absence of liquidity from our partner company holdings, fluctuations in the market prices of our publicly traded partner company holdings, competition, our inability to obtain maximum value for our partner company holdings, our ability to attract and retain qualified employees, market valuations in sectors in which our partner companies operate may decline, our inability to control our partner companies, our need to manage our assets to avoid registration under the Investment Company Act of 1940, and risks associated with our partner companies, including the fact that most of our partner companies have a limited history and a history of operating losses, face intense competition and may never be profitable, the effect of economic conditions in the business sectors in which our partner companies operate, and other uncertainties as described in our filings with the Securities and Exchange Commission, including our Annual Report on Form 10-K. As a result of these and other factors, the Company’s past financial performance should not be relied on as an indication of future performance.

Safeguard does not assume any obligation to update any forward-looking statements or other information contained in this presentation.

All data current as of September 30, 2017.