SAFEGUARD℠

Corporate Presentation

August 2018

SFE
LISTED
NYSE

Safeguard Scientifics, Inc.

- Founded in 1953 and NYSE-listed since 1971

- Historically, Safeguard has provided capital and relevant experience to fuel the growth of technology-driven businesses

- Distinguished track record of fostering innovative market leaders

- Attractive portfolio of tech-enabled companies across several verticals

- Safeguard adopted a change in business strategy and operations in early 2018

- Provides financial and management support for existing partner companies

- Focused on maximizing net returns to shareholders within 3 to 5 year period

SFE
LISTED
NYSE

Typical Partner Companies

Target Company Profile

Technology-driven businesses in healthcare, financial services or 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:
20%-50%

Involvement:
Board Representation

SFE
LISTED
NYSE

Partner Companies: Key Facts

	Exits[1]	Proforma Holdings at 6/30/18
Total Capital Deployed	$384.0M	$266.9M
Total # Partner Companies	32	22
Total Capital Realized	$536.9M	
Capital Deployed (Average)	Initial = $6.8M Follow-On = $5.3M	Initial = $6.0M Follow-On = $6.5M
Age with Safeguard (Weighted Average)	4.5 years	4.9 years

[1] Data from 1/01/06 thru 6/30/18 plus the AHS exit and partial MediaMath exit that occurred in early July 2018. Includes all exits and write-offs of new partner companies since 1/1/06.

Partner Companies: Overview

Technology

Healthcare

AKTANA

cloudmine

prognos

INFOBIONIC

Propeller

meQuilibrium

syapse

MOXE

Trice Medical

NovaSom

zipnosis

Financial Services and Other

Lumesis

T REX

TRANSACTIS

Digital Media

BRICKWORK

MediaMath

clutch

QuanticMind

flashtalking

sonobi

hoopla

WebLinc

Partner Companies: By Revenue Stage

INFOBIONIC

BRICKWORK   meQuilibrium   T REX

cloudmine   MOXE   Trice Medical

hoopla   Propeller   zipnosis

Initial Revenue
Revenue: Up to $5M

QuanticMind

AKTANA   sonobi

clutch   syapse

Lumesis   TRANSACTIS

prognos   WebLinc

Expansion
Revenue: $5M-20M

flashtalking

MediaMath

NovaSom

High Traction
Revenue: $20M+

Partner Companies: By Age*

AKTANA

BRICKWORK   T REX

MOXE   zipnosis

cloudmine   sonobi

INFOBIONIC   syapse

meQuilibrium   TRANSACTIS

Propeller   Trice Medical

QuanticMind   WebLinc

Lumesis

clutch   MediaMath

flashtalking   NovaSom

hoopla   prognos

1-3 Years   **3-5 Years**   **5+ Years**

* Represents # of years since initial Safeguard capital deployment.

Aggregate Partner Company Revenue

2018 Aggregate Partner Company Revenue Projected to Increase 18% – 23% YoY
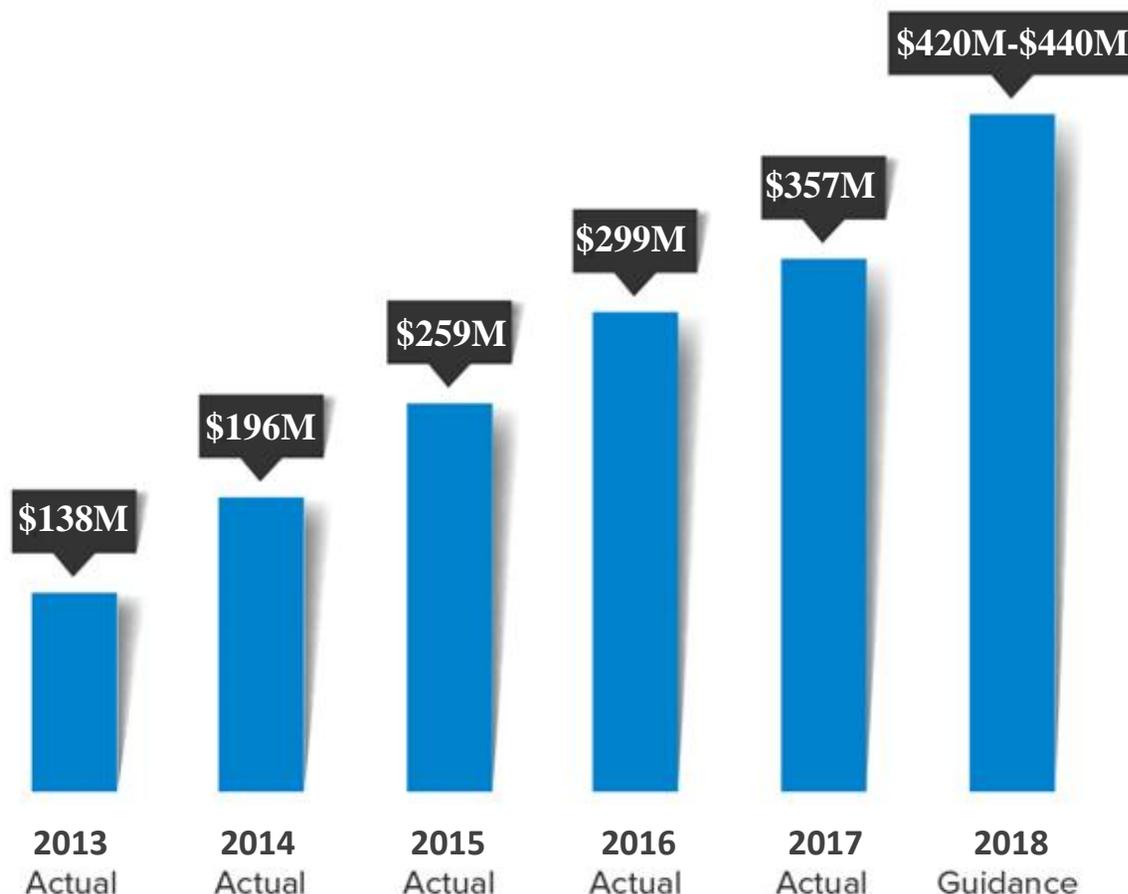
Aggregate revenue guidance for 2018 and prior years reflects revenue on a net basis. Revenue figures utilized for certain companies pertain to periods prior to Safeguard's involvement with said companies and are based solely on information provided to Safeguard by such companies. Safeguard reports the revenue of its equity and cost method partner companies on a one-quarter lag basis. Revenue for all years has been revised to exclude Cask Data and AdvantEdge Healthcare Solutions which were exited during 2018 and Apprenda which was fully written-off during 2018.

SFE
LISTED
NYSE

Aktana Overview

AKTANA

Description

Aktana helps sales and marketing teams transform brand strategy into better performance. Focused exclusively on the life sciences market—which has contributed to multi-year growth rates of more than 100%, and relationships with seven of the world's top 15 pharmaceutical companies—Aktana helps these customers improve their commercial effectiveness by delivering data-driven insights and suggestions directly to sales reps, coordinating multi-channel actions, and providing insight regarding which strategies work best for which customers under which conditions.

Market Opportunity

Total addressable market is approximately $2 billion for pharma and biotech sales rep decision support

Revenue Model

Aktana prices its platform separately for the decision support engine (DSE) (aka top layer)—which provides smart suggestions and insights to pharmaceutical sales representatives within their workflow to help them make better every day decisions—and the Learning Platform (bottom layer). For DSE, Aktana licenses the software based on a per rep per brand basis according to size and number of reps. For the Learning Platform, Aktana charges an annual fee.

Deployment Statistics

Initial Deployment Date:	June 2016
Safeguard / Total Capital Deployed:	$9.7M / $28.3M
Safeguard Ownership:	25% Primary / 21% FD
Revenue Stage:	Expansion
Investment Stage:	Series B
Co-Investors:	HLM Venture Partners, Starfish Ventures

Company Statistics

Market Segment:	Sales Decision Support / Marketing Automations (Life Sciences / Medtech)
Headquarters:	San Francisco, CA
Website:	www.aktana.com
CEO:	David Ehrlich

Competitors

Veeva, Salesforce, IMS, ZS Associates, Vymo, Customer Insourcing

Brickwork Overview

BRICKWORK

Description

Brickwork is one of the first Customer Experience software solution enabling retailers to fully integrate their physical stores into their online presence by empowering retail teams with new digital marketing and customer service tools to engage customers to enter stores with greater intent to purchase. While 90% of sales still occur in physical stores, over 65% of customers start their path to purchase online, and yet the link between a retailer's online presence and physical stores has been largely ignored. The Company has taken advantage of this opportunity, building a platform that incorporates local search engine optimization, appointment scheduling with store reps and events & promotions, to help retailers inform, target and convert online customers into in-store shoppers, influence customer decision-making and improve overall customer experience.

Market Opportunity

Retail is currently a $3.4 trillion industry, $1.3 trillion of which is comprised of brick and mortar sales generated by digital influence (Deloitte). Retailers have been loading up on commerce technologies in order to capture this opportunity. Gartner expects retailers to spend more than $5 billion on digital commerce software in 2018. The Retail industry is still dominated by brick-and-mortar; by 2020, approximately 80% of U.S. retail sales will still take place in brick-and-mortar stores (McKinsey).

Revenue Model

Brickwork's revenue model is comprised of a SaaS-based licensing model for the technology platform and a campaign-based fee model for Support Services. Typically, it's a fixed price arrangement with larger clients. The pricing model consists of a variable pricing structure that is anchored to the number of stores / physical locations a client has running on the platform. Brickwork aims to price at approximately $85 / store / month but can discount this price based on the number of stores integrated.

Deployment Statistics

Initial Deployment Date:	September 2016
Safeguard / Total Capital Deployed:	$4.6M / $9.2M
Safeguard Ownership:	20% Primary / 18% FD
Revenue Stage:	Initial Revenue
Investment Stage:	Series A
Co-Investors:	Advancit Capital, Beanstalk Ventures, Cowboy Ventures, Forerunner Ventures, Recruit Strategic Partners

Company Statistics

Market Segment:	Online and In-Store Retail
Headquarters:	New York, NY
Website:	www.brickworksoftware.com
CEO:	David Munczinski

Competitors

Yext, Booker.com, Sester, Placeable, Where2GetIt

CloudMine Overview

Description

CloudMine empowers healthcare organizations to rapidly and confidently develop connected digital health experiences by reducing complexity, enabling data mobility and ensuring compliance. Through its HIPAA-compliant application platform, Connected Health Cloud, CloudMine is able to provide secure data storage, healthcare-tailored PaaS and unified patient identity for customers across digital health, BioPharma and Healthcare Systems. The platform also provides the foundation for Pharma, Provider and Payer customers to develop applications that engage patients, improve the quality of care and reduce costs. In addition to being HIPPA-compliant, CloudMine is HITECH-compliant, ISO 27001 certified and EU Safe Harbor approved.

Market Opportunity

Safeguard estimates value the potential annual spend on digital health platform solutions like CloudMine's platform-as-a-service at over $2 billion, annually.

Revenue Model

CloudMine offers a subscription-based license, with a current list price based on the number of monthly active users across applications and total memory used by the platform. This includes both ongoing maintenance and support. The average new deal size today is approximately $72,000 / year and the Company has signed multi-year contracts with many of its customers. The pricing model is scalable.

Deployment Statistics

Initial Deployment Date:	February 2015
Safeguard / Total Capital Deployed:	$10.5M / $16.7M
Safeguard Ownership:	47% Primary / 41% FD
Revenue Stage:	Initial Revenue
Investment Stage:	Series A
Co-Investors:	Ben Franklin, DeSimone Group, DreamIt, MentorTech, Mid-Atlantic Angel Group, Robin Hood Ventures

Company Statistics

Market Segment:	Connected Health Cloud
Headquarters:	Philadelphia, PA
Website:	www.cloudmineinc.com
CEO:	Steve Wray

Competitors

Phillips, GE, Salesforce.com, Progress Software, Medable, Datica

Clutch Overview

Description

Clutch is a mobile commerce platform that unifies gifting, loyalty and shopping to bring the most relevant information to consumers and the most targeted customers to merchants. The Company offers an advanced marketing platform that serves as a customer hub delivering deep intelligence, derived from real-time behaviors and transactions across in-store, online, mobile and social channels. Insights generated from the platform allow brands to understand customers at deeper levels and deliver relevant, timely engagement and consistency, thereby earning customer trust and loyalty.

Market Opportunity

The consumer management market is an emerging, multi-billion dollar industry focused on delivering premier brands the ability to maximize relationships with, and the lifetime value of, their customers..

Revenue Model

The majority of Clutch's revenue is transaction-based, while a small portion is via on-boarding fees. The client base includes any consumer business that uses gift and loyalty programs. Once Clutch signs a client, the client pays Clutch a transaction fee for users that use the loyalty and gifting components. The client is incentivized to onboard as many users onto the gifting and loyalty platform as it can, because this will ultimately lead to more transactions and purchases for the client. Clutch believes there are also data monetization opportunities once the platform is integrated.

Deployment Statistics

Initial Deployment Date:	February 2013
Safeguard / Total Capital Deployed:	$16.3M / $19.5M
Safeguard Ownership:	41% Primary / 34% FD
Revenue Stage	Expansion
Investment Stages:	Series A, Series B
Co-Investors:	Ben Franklin Technology Partners

Company Statistics

Market Segment:	Customer Rewards and Loyalty
Headquarters:	Ambler, PA
Website:	www.clutch.com
CEO:	Ned Moore

Competitors

eGain Corporation, Five9, Inc., Hansen Technologies, Ltd., MIND C.T.I, Ltd., Salesforce.com, Inc., Zendesk, Inc., NetSuite Inc., Bazaarvoice, Inc.

Flashtalking Overview

flashtalking"""

Description

Flashtalking is a data-driven ad management and analytics technology company using data to personalize advertising in real-time, analyze its effectiveness and enable optimization that drives better engagement and ROI for sophisticated global brands. With cookie-less tracking, connected log-file and algorithmic attribution, Flashtalking coordinates, augments and analyzes data signals to support clients across desktop, mobile and connected TV. The Company aims to differentiate itself by offering both front-end tools – campaign setup, asset creation, HTML builders, decision trees – as well as back end capabilities that, together, allow analytics and reporting to be as strong as the front-end functions.

Market Opportunity

U.S. internet advertising market spend hit more than $80 billion in 2017, with a nine-year compound annual growth rate of more than 15%, and is expected to hit approximately $115 billion by 2021 (eMarketer). Globally, spend reached more than $225 billion in 2017 and is anticipated to grow at a 9% CAGR through 2021 (eMarketer). With Spongecell integrated into its platform, Flashtalking is well positioned to continue addressing not only the ad-serving and targeting segments of the market, but also the Dynamic Creative Optimization ("DCO") market within the high-growth mobile, video, rich media and display sub-sectors.

Revenue Model

Flashtalking engages into contracts with clients for creative delivery, media measurement and advertising effectiveness solutions. Through their DCO segment (augmented with Spongecell), they provide online marketing services pursuant to the agreements with corporate customers and marketing partners. Cost per Thousand Impressions, Cost per Click and Cost per Action represent the three most common ways in which online advertising is sold and purchased.

Deployment Statistics

Initial Deployment Date:	January 2012 (via Spongecell)
Safeguard / Total Capital Deployed:	$19.2M / na
Safeguard Ownership:	10% Primary / 9% FD
Revenue Stage	High Traction
Investment Stage:	Private Equity-backed
Co-Investors:	TA Associates

Company Statistics

Market Segment:	Digital Ad Management and Analytics
Headquarters:	New York, NY
Website:	www.flashtalking.com
CEO:	John Nardone

Competitors

Criteo, Google, Inc., IACI, Marin Software Incorporated, Sizmek, Inc., Kenshoo

Hoopla Overview

Description

Hoopla provides cloud-based software that helps sales organizations inspire and motivate sales team performance. Its Sales Motivation Platform combines modern game mechanics, employee recognition, motivational communication tools and data analytics to make it easy for sales managers to motivate team performance. Hoopla's platform integrates with enterprise application data and provides broadcast-quality video ("Hoopla TV") and mobile functionality to engage employees in real-time. Through this solution, sales managers develop, manage and optimize contests, competitions and leaderboards around any CRM metric, and broadcast live performance updates throughout the organization via TV, the web and mobile screens.

Market Opportunity

Hoopla is in the employee performance management market. U.S. companies spend approximately $5 billion on employee performance software and almost $38 billion on employee incentives every year. Hoopla's platform takes advantage of data analytics and advanced gamification techniques to enhance performance.

Revenue Model

Hoopla generates substantially all of its revenue from subscription fees for its software-as-a-service application. Specifically, Hoopla generates revenue by selling to businesses that are heavily reliant upon expansive sales forces and interested in monitoring and enhancing sales performance optimization in the U.S. and Europe.

Deployment Statistics

Initial Deployment Date:	December 2011
Safeguard / Total Capital Deployed:	$5.1M / $14.6M
Safeguard Ownership:	26% Primary / 23% FD
Revenue Stage:	Initial Revenue
Investment Stage:	Series B
Co-Investors:	Trinity Ventures, Illuminate

Company Statistics

Market Segment:	Employee Performance Management
Headquarters:	San Jose, CA
Website:	www.hoopla.net
CEO:	Mike Smalls

Competitors

Salesforce.com, Inc., The Ultimate Software Group, Inc., eGain Corporation, Callidus Software, Inc., LevelEleven, Ambition

InfoBionic Overview

Description

InfoBionic is a digital health company focused on creating superior patient monitoring solutions for chronic disease management with an initial market focus on cardiac arrhythmias. InfoBionic has 510(k) clearance from the U.S. Food and Drug Administration ("FDA") for MoMe® Kardia, a wireless, remote monitoring system designed to aid physicians in their diagnosis of cardiac arrhythmia. MoMe® Kardia is comprised of a wearable MoMe Kardia device that can acquire, store and send full disclosure ECG and other related data. This data is continuously transmitted to the cloud-based MoMe Software System using MoMe Device Communication Protocol. The proprietary software analyzes the data, which can be flagged for physician review on a Web-based physician portal.

Market Opportunity

The global addressable market for monitoring cardiac arrhythmia and related events is estimated to be approximately $3 billion worldwide, including $1 billion in the U.S.

Revenue Model

One of InfoBionic's most differentiated features is its unique revenue model, which includes an upfront device sale followed by a monthly subscription fee for unlimited use of the company's cloud-based diagnostic service and portal.

Deployment Statistics

Initial Deployment Date:	March 2014
Safeguard / Total Capital Deployed:	$21.3M / $52.1M
Safeguard Ownership:	40% Primary / 26% FD
Revenue Stage:	Initial Revenue
Investment Stage:	Series B
Co-Investors:	BCBS KS, Broadview Ventures, Excel Venture Management, HealthTechCapital, Mass Medical Angels (MA2), Zaffre Investments

Company Statistics

Market Segment:	Patient Monitoring
Headquarters:	Lowell, MA
Website:	www.infobionic.com
CEO:	Stuart Long

Competitors

iRythm, BioTelemerty, AliveCor, Medi-Lynx, Zywie, Medtronic, Abbott, GE Healthcare, Philips, OSI Systems

Lumesis Overview

Description

Lumesis provides analysis, benchmarking and compliance tools for the municipal bond market. On account of Dodd Frank legislation in the early 2010s and an implosion of the muni bond issuers, financial institutions have been required to remove ratings from their risk and compliance models and conduct bottoms-up analyses on muni bonds, like other credits. However, there are no robust commercialized fundamental analysis or compliance tools in the muni market, only portfolio management and price discover tools. Lumesis fills this void. The Company's solutions enable portfolio managers, investment advisors, compliance professionals, financial advisor networks and issuers / underwriters to heat map portfolios against local economic scenarios, benchmark against industry indices, manage their portfolios against internal credit and risk models, and monitor issuer disclosures.

Market Opportunity

The municipal bond market has doubled in size over the past 10 years. The Company estimates that its current addressable market to this customer base is approximately $1 billion on an annual basis.

Revenue Model

Lumesis licenses financial software products to the municipal fixed income market to be used as analytical and compliance tools. Customers buy licenses, usually covering an annual period. Lumesis also sells data to financial market participants.

Deployment Statistics

Initial Deployment Date:	February 2012
Safeguard / Total Capital Deployed:	$6.3M / $8.6M
Safeguard Ownership:	44% Primary / 43% FD
Revenue Stage:	Expansion
Investment Stages:	Series A, Series B
Co-Investors:	NextStage Capital, Jim Ashton (JA3 Partners)

Company Statistics

Market Segment:	Financial Analytics / Compliance
Headquarters:	Stamford, CT
Website:	www.lumesis.com
CEO:	Gregg Bienstock

Competitors

ValueLine, Inc., Fidessa Group plc, Reis, Inc., Envestnet, Inc., Forrester Research Inc., Financial Engines, Inc., Investment Technology Group, Inc.

MediaMath Overview

Description

MediaMath is a global ad technology company that provides a platform enabling advertising agencies to optimize their display advertising spend across ad exchanges (marketplaces that connect buyers and sellers of display ads) via an algorithmic trading platform. Amidst inherent inefficiency in the market today, as buyers attempt to navigate multiple exchanges, the Company's media buying platform, TerminalOne, effectively integrates all of the exchanges under one platform, thereby filling a deep demand for intelligent buying. This leads MediaMath to be a conduit for every transaction and provides the Company with the ability to analyze every transaction, identify inefficiencies within the market and ultimately provide an automated optimization engine to maximize performance for ad agencies. The Company offers its platform as both a *Managed Service* and a *Self-Service SaaS Platform*, both of which offer extensive analytic and reporting capabilities for measuring performance.

Market Opportunity

According to eMarketer, worldwide digital ad spending is expected to reach $270 billion in 2018 and represents 38% of total paid media outlays. Spend is expected to see double-digit growth through at least 2020.

Revenue Model

MediaMath's TerminalOne Marketing Operating System enables clients to acquire and optimize digital advertising. MediaMath earns revenue as a percentage of customer spend through the platform. In addition, MediaMath generates revenues from services provided based on achievement of targeted deliverables as specified in the agreements with their customers. Deliverables are typically based on delivery of impressions, clicks to a specified web site or specified user actions.

Deployment Statistics

Initial Deployment Date:	July 2009
Safeguard / Total Capital Deployed:	$15.5M / $119.4M
Safeguard Ownership:	13% Primary / 11% FD
Revenue Stage:	High Traction
Investment Stages:	Series B, Series C
Co-Investors:	Akamai Technologies, Catalyst Partners, Observatory Capital Management, QED Investors, Spring Lake Equity Partners, Vocap Ventures
July 2018 Transaction	Sold 39.1% of ownership stake for $45M in cash

Company Statistics

Market Segment:	Digital Advertising / Marketing
Headquarters:	New York, NY
Website:	www.mediamath.com
CEO:	Joe Zawadzki

Competitors

Adobe Systems, Google, Criteo, Trade Desk, Rubicon Project, Telaria

meQuilibrium Overview

Description

meQuilibrium is a HIPAA/HiTRUST compliant, scalable SaaS digital coaching platform that leverages the science of resiliency to deliver clinically validated and highly personalized employee development, leadership development, and talent management solutions to employers, health plans, and wellness providers. The solution increases engagement, productivity, and performance and improved outcomes in retaining and developing top talent and managing stress, health, and well-being. Current customers include Comcast, HP, HP Enterprises, JPM, and Goldman Sachs

Market Opportunity

The Human Capital Management software market, according to industry reports, was estimated at $14.5B in 2017, and is expected to grow to $22.5B by 2023.

Revenue Model

meQuilibrium's product is sold as a PEPY software-as-a-service delivered in a desktop or mobile environment. Most current contracts are 2-3 years in length and each year is typically paid upfront by customers.

Deployment Statistics

Initial Deployment Date:	April 2015
Safeguard / Total Capital Deployed:	$10.5M / $25.2M
Safeguard Ownership:	36% Primary / 32% FD
Revenue Stage:	Initial Revenue
Investment Stage:	Series B
Co-Investors:	Chrysalis Ventures

Company Statistics

Market Segment:	Human Capital Management
Headquarters:	Boston, MA
Website:	www.mequilibrium.com
CEO:	Jan Bruce

Competitors

Castlight Health (CSLT), Limeade, Happify, Headspace, Optum, Success Factors (SAP), Whil, others

Moxe Overview

Description

Moxe Health provides a clinical data clearinghouse, creating a two-sided marketplace by facilitating the bi-directional exchange of clinical, analytic, and administrative data between health systems and payers. Its key product, Substrate, serves as an electronic medical record integration platform, facilitating the real-time exchange of clinical, analytic, and administrative data between payers and their provider networks for risk adjustment and other use cases. Moxe's second product, Convergence, creates a customer portal directly in the provider's EMR workflow, allowing payers to share data and actionable insights directly with physicians. As Moxe's network grows, it will be able to create use cases for patients, providers, and pharma.

Market Opportunity

Per industry reports, the Healthcare IT interoperability market is $1.9B with a 7.4% CAGR through 2024, the Healthcare analytics market is $8.9B with a 27% CAGR through 2022, and the value-based care / population health management software market is expected to reach $32B by 2020.

Revenue Model

Moxe has priced its solution on a per health system site basis ($22.5K per year per site) and a transactional basis ($7 per patient chart pulled). Moving forward, Moxe is implementing PMPM pricing for payer customers by health system site to improve revenue predictability.

Deployment Statistics

Initial Deployment Date:	September 2016
Safeguard / Total Capital Deployed:	$4.5M / $5.2M
Safeguard Ownership:	32% Primary / 32% FD
Revenue Stage:	Initial Revenue
Investment Stage:	Series A
Co-Investors:	na

Company Statistics

Market Segment:	Interoperability
Headquarters:	Madison, WI
Website:	www.moxe.com
CEO:	Dan Wilson

Competitors

Availity, Ciox, Experian, Innovaccer, Inovalon, McKesson Corporation, MRO Corp, Navinet (NantHealth), other interoperability solutions

NovaSom Overview

Description

NovaSom is a leader in obstructive sleep apnea home testing with the AccuSom® home sleep test, a comprehensively supported home sleep test that provides continuous patient support and next-day test results and interpretation for health care professionals. The FDA-cleared AccuSom test is significantly more convenient and comfortable for patients, compared to in-facility testing. Patients are able to test around their own schedule and can sleep in their own bed, which helps eliminate "first night" effect and improves data collection. AccuSom is currently covered for more than 150 million commercially insured U.S. lives. NovaSom is accredited by the Joint Commission as an Ambulatory Care Sleep Diagnostic Center & Telehealth Provider and is classified by CMS as an Independent Diagnostic Testing Facility.

Market Opportunity

The OSA diagnostic market in the U.S. is estimated to be approximately $4 billion and is growing more than 15% annually. Only 3 million sufferers in the U.S. have been diagnosed to date, out of an estimated 40 million moderate to severe OSA sufferers.

Revenue Model

NovaSom's revenue relates to diagnostic testing services. NovaSom is paid for its services primarily by commercial insurance companies, Federal third-party reimbursement programs (which include Medicare), clients and patients.

Deployment Statistics

Initial Deployment Date:	June 2011
Safeguard/Total Capital Deployed:	$26.2M / $86.8M
Safeguard Ownership:	32% Primary / 27% FD
Revenue Stage:	High Traction
Investment Stage:	Series D
Co-Investors:	J&J Development Corporation, Lava Ventures, MedVenture Associates, Quaker BioVentures, TPG Biotech

Company Statistics

Market Segment:	Medical Diagnostics
Headquarters:	Glen Burnie, MD
Website:	www.novasom.com
CEO:	Greg Stokes

Competitors

ResMed (NYSE:RMD), Alere (NYSE:LALR), Healthways (Nasdaq:HWAY); PAREXEL (Nasdaq:PRXL), CAS Medical Systems (Nasdaq:CASM), Masimo Corporation (Nasdaq:MASI), MGC Diagnostics Corporation (Nasdaq:MGCD), BioTelemetry (Nasdaq:BEAT)

Prognos Overview

prognos

Description

Prognos aggregates, harmonizes and analyzes clinical diagnostic data for life sciences, diagnostic companies, and payers, aiming to improve health by tracking and predicting disease. The Prognos Registry of 15 billion clinical records for 180 million patients in over 40 disease areas enables earlier identification of patients who can benefit from enhanced treatment decision-making, risk management, and quality improvement. During its research and development phase as Medivo, Prognos invested in innovations exploring the potential of clinical diagnostic assets and is now realizing the full value of those assets through advanced analytics with over 500 proprietary and learning clinical algorithms.

Market Opportunity

Prognos generates revenue through targeting and analytics services. Based on current monetization strategies, the addressable healthcare analytics market for Prognos' products is estimated to reach $10.8 billion.

Revenue Model

Prognos operates in two verticals – Life Sciences and Payers. In the Life Sciences segment, Prognos contracts with biopharma firms for potential patient identification solutions. Deals vary by condition, but are typically for ~$300-500K per year. In the Payer segment, Prognos contracts with plans for various population risk use cases for ~$1M annually. Prognos has rev share agreements with labs to secure access to the data.

Deployment Statistics

Initial Deployment Date:	November 2011
Safeguard / Total Capital Deployed:	$12.6M / $41.1M
Safeguard Ownership:	29% Primary / 27% FD
Revenue Stage:	Expansion
Investment Stages:	Series B, Series C
Co-Investors:	Hikma Ventures, Cigna Ventures, ARC Angel Fund, Merck GHIF, GIS Strategic Ventures (Guardian Life) , Hermed Capital, Maywic Strategic Inv

Company Statistics

Market Segment:	Healthcare Analytics / AI
Headquarters:	New York, NY
Website:	www.prognos.ai
CEO:	Sundeep Bhan

Competitors

IQVIA, Health Verity, LabCorp, Quest

Propeller Overview

Description

Propeller Health is the leading digital platform for respiratory health management. Through sensors, mobile apps, and services, Propeller Health significantly improves the quality of care, reduces unnecessary morbidity and utilization, and enables a modern, cost-effective, data-driven approach to respiratory health management. Propeller Health works with organizations across the ecosystem, including Aptar, Express Scripts, Walgreens, Dignity Health, and United Healthcare.

Market Opportunity

Asthma and chronic obstructive pulmonary disease ("COPD") currently cost payers and patients in the U.S. more than $100 billion annually. By 2020, the CDC estimates that the cost of medical care for adults in the U.S. with COPD alone will increase 53% to more than $90 billion. We expect Propeller to capture a portion of this total market size.

Revenue Model

Propeller Health is re-aligning its operations around a two-sided network revenue model with the potential to receive a fee from pharma, PBMs, pharmacies, payers, and providers for patient monitoring. Historically, pharma pricing began at $12 PMPM. Recurring SaaS fees are currently ~75% of the total revenue for the company.

Deployment Statistics

Initial Deployment Date:	August 2014
Safeguard / Total Capital Deployed:	$14.3M / $67.9M
Safeguard Ownership:	20% Primary / 18% FD
Revenue Stage:	Initial Revenue
Investment Stages:	Series B, Series C
Co-Investors:	3M Ventures, California Healthcare Foundation, Hikma Ventures, Kapor Capital, Social Capital, SR One, WVC investments

Company Statistics

Market Segment:	Digital Health/Disease Management
Headquarters:	Madison, WI
Website:	www.propellerhealth.com
CEO:	David Van Sickle

Competitors

Adherium Limited (ASX: ADR), Cohero, Flex, MedicomIP, Medullan

QuanticMind Overview

Description

QuanticMind provides a SaaS-based, next generation Search Engine Marketing ("SEM") platform for Paid Search that develops ad management point solutions through machine learning algorithms, distributed cloud computing and in-memory processing to yield better search results for clients. The platform incorporates predictive optimization of keyword advertising campaigns, workflow automation, ad creation management & optimization and real-time reporting, and integrates with most major search engines globally, including Google, Yahoo! and Bing. Through this solution, QuanticMind is able to deliver an intelligent and scalable platform for maximizing advertising performance for enterprises.

Market Opportunity

QuanticMind competes in the digital advertising management sector, a large, established market with a well-defined competitor set. The market opportunity is estimated at more than $15 billion annually.

Revenue Model

QuanticMind sells its solution as a software-as-a-service directly to advertisers as well as through agencies. Contracts are typically one-year terms with monthly billing. Pricing is determined by a tiered schedule based on the gross amount of spend managed by the platform. This averages to approximately 2% of spend.

Deployment Statistics

Initial Deployment Date:	June 2015
Safeguard / Total Capital Deployed:	$11.5M / $31.5M
Safeguard Ownership:	25% Primary / 23% FD
Revenue Stage:	Expansion
Investment Stage:	Series B
Co-Investors:	Foundation Capital, Cervin Ventures

Company Statistics

Market Segment:	Digital Ad Management / Paid Search
Headquarters:	Redwood City, CA
Website:	www.quanticmind.com
CEO:	Chaitanya Chandrasekar

Competitors

Google, Marin, Adobe, Kenshoo, in-house DIY solutions

Sonobi Overview

Description

Sonobi is an ad technology company that builds innovative solutions to bring addressability, quality and scale to the advertising market. The Company's JetStream technology helps unify comScore 250 publishers and Fortune 500 advertisers in their efforts to collaborate, create and deliver more effective communication plans upfront and guaranteed, by bringing the sophistication of data-driven, algorithmic buying technology formerly relegated to the RTB market to the un-disrupted premium market. This allows publishers to maintain control of negotiations as well as pricing control during the execution of sales and enables buyers to leverage publisher audience data retrieved from proprietary integrations with the publishers.

Market Opportunity

The premium online advertising market is anticipated to grow to $43 billion (eMarketer), a market in which programmatic technology has not yet been fully applied. Sonobi is well positioned to develop this important advertising segment, with strong technology, synergistic partnerships, a high-quality publisher base and a growing pipeline.

Revenue Model

Sonobi sells directly to large, premium publishers and then partners with large advertisers and other demand side players such as MediaMath and AppNexus. Revenue is volume-driven. The industry has standardized a percent of spend as an accepted pricing model, and Sonobi currently charges 15% of the spend that goes through the platform.

Deployment Statistics

Initial Deployment Date:	May 2015
Safeguard / Total Capital Deployed:	$10.9M / $21.4M
Safeguard Ownership:	22% Primary / 19% FD
Revenue Stage:	Expansion
Investment Stage:	Series A
Co-Investors:	na

Company Statistics

Market Segment:	Premium Programmatic Ad Technology
Headquarters:	New York, NY
Website:	www.sonobi.com
CEO:	Michael Connolly

Competitors

Criteo, The Rubicon Project, Inc., Sizmek, Inc., Casale Media / Index Exchange

Syapse Overview

Description

Syapse enterprise platform (Syapse Oncology) allows healthcare systems to implement precision oncology programs, enabling oncologists to deliver personalized care to every patient. The data Syapse collects and networks from siloded hospital and laboratory enterprise systems and at the point of care (Syapse Network) allows Syapse to provide solutions for pharma, CROs, etc. (ecosystem partners) including real world evidence generation, identification of patients for clinical trials and hub services.   Syapse customers are leading healthcare providers, such as Intermountain Healthcare, Dignity Health, CHI, Providence,, University of Miami Health System and Aurora Health Care.   Current ecosystem partners include Roche and Medidata.

Market Opportunity

While Syapse's platform can be applied to any disease area, early customers have focused on oncology. In October 2015, Oliver Wyman estimated that the market opportunity for Precision Medicine hubs is $200 billion annually.

Revenue Model

Syapse currently signs three-year license agreements with health systems, currently averaging ~$600K of annual value. Additionally, Syapse is monetizing pharma and other ecosystem relationships, An initial collaboration deal with Roche has the potential for greater than $100M over 10 years depending on certain milestones achieved.

Deployment Statistics

Initial Deployment Date:	June 2014
Safeguard / Total Capital Deployed:	$15.6M / $71.2M
Safeguard Ownership:	20% Primary / 18% FD
Revenue Stage:	Expansion
Investment Stages:	Series B, Series C
Co-Investors:	Amgen Ventures, Ascension Ventures, Merck GHIF, Medidata Ventures, Roche, GE Ventures, Intermountain Healthcare Innovation Fund, Social Capital

Company Statistics

Market Segment:	Precision Medicine
Headquarters:	San Francisco, CA
Website:	www.syapse.com
CEO:	Ken Tarkoff

Competitors

Flatiron Health, Cota, Tempus Health, IBM, NantHealth, IBM Watson

T-REX Overview

Description

T-REX is a financial services company that offers a secure, SaaS enterprise analytics, risk and portfolio management platform to global investment banks, allowing them to finance, securitize and manage historically esoteric assets efficiently and transparently across multiple asset classes including renewables. Through T-REX's secure, proprietary platform, investors, asset managers and developers are empowered to efficiently and transparently finance, securitize and manage their assets. The Company provides valuation and risk analysis tools that allow users to unveil investment opportunities for the hundreds of billions of dollars of capital currently seeking exposure in these sectors.

Market Opportunity

By 2021, the market for structured product analytics tools is expected to exceed $1.4 billion. Today, at major financial institutions, there are fragmented, non-standardized software solutions that are currently being used across the majority of asset classes, giving T-REX a large opportunity to streamline operations for these players. As software spend on financial markets infrastructure for structured products increases, solutions for additional asset classes are currently under development.

Revenue Model

T-REX follows a subscription model, charging a base fee of $20k annually per seat. Enterprise pricing is available for larger clients and is negotiated on a per client basis. As new products for additional asset classes have been developed, T-REX is now in the process of refining its upsell plan for charging additional fees on top of the base price.

Deployment Statistics

Initial Deployment Date:	November 2016
Safeguard / Total Capital Deployed:	$8.0M* / $19.2M*
Safeguard Ownership:	21% Primary / 18% FD
Revenue Stage:	Initial Revenue
Investment Stage:	Series B
Co-Investors:	Ecosystem Integrity Fund, Innogy, Partnership Fund for New York City

Accounts for approved but not yet funded $5M bridge ($2M from Safeguard)

Company Statistics

Market Segment:	Financial Asset Risk Analytics
Headquarters:	New York, NY
Website:	www.trexgroup.com
CEO:	Benji Cohen

Competitors

Acxiom Corporation, Apptio, Inc., BGC Partners, Inc., CBOE Holdings, Inc., Determine, Inc., E*TRADE Financial Corporation, Global Brokerage, Inc., Intercontinental Exchange, Inc., IntraLinks Holdings, Inc., Investment Technology Group, Inc., LogMeIn, Inc., MarketAxess Holdings Inc., TD Ameritrade Holding Corp.

Transactis Overview

Description

Transactis is a leading provider of electronic billing and payment solutions. Its cloud-based electronic bill presentment and payment platform, BillerIQ, is a white-labeled solution that is offered "as-a-service," enabling businesses to rapidly and securely deliver electronic bills, invoices and documents as well as accept payments online, by phone and via mobile devices. The Company goes to market exclusively with resellers—financial institutions, technology companies, printers and business process outsourcers—and acts as a full-service business partner, providing a comprehensive suite of sales, marketing, technical and operational support in conjunction with secure, configurable, white-label solutions.

Market Opportunity

Fewer than 25% of bills are presented electronically in the U.S.; the majority of 1990s-vintage technology and products are on-site at a single biller and are client-server oriented. The channel-oriented model Transactis employs features up-to-date SaaS infrastructure and is positioned to grow with an EBPP market that is expected to expand at a 12% CAGR through 2020 (Payments Industry Intelligence).

Revenue Model

The majority of Transactis' revenue is derived from transaction fees based on billers' data usage, volume of bills presented and number of bills processed and paid. Transactis also provides technical professional services related to the implementation and ongoing support of the platform to its biller customers. As such, Transactis charges billers both a one-time setup fee as well as a monthly maintenance fee. These fees scale based on features and functionality required in addition to volume of bills delivered.

Deployment Statistics

Initial Deployment Date:	August 2014
Safeguard / Total Capital Deployed:	$14.5M / $61.2M
Safeguard Ownership:	24% Primary / 21% FD
Revenue Stage:	Expansion
Investment Stages:	Series D, Series E
Co-Investors:	Capital One, ff Venture Capital, Fifth Third, Harland Clarke, Metamorphic Ventures, PNC, StarVest Partners, TD Bank, Wells Fargo

Company Statistics

Market Segment:	Electronic Billing and Payments
Headquarters:	New York, NY
Website:	www.transactis.com
CEO:	Joe Proto

Competitors

Fiserv, Inc., Checkfree, PaySimple, Bill.com, BillTrust

SFE LISTED NYSE

Trice Overview

Description

Trice Medical was founded to fundamentally improve orthopedic diagnostics. Trice has pioneered fully integrated camera-enabled technologies that provide a clinical solution that is optimized for the physicians' office. Trice Medical's FDA-approved 510(k)-cleared device, mi-eye 2, is a handheld 2.2mm arthroscope, consisting of a needle with an integrated camera and a light source designed for in-office use. With mi-eye 2, physicians can provide real-time analysis, effect faster treatment, and schedule patients for surgery immediately—resulting in quicker outcomes for patients and a more efficient process for doctors. The Company has expanded its proprietary platform for use in the neurosurgical, OB-Gyn, ENT and veterinary spaces.

Market Opportunity

In the U.S., it is estimated that more than 8M orthopedic-focused MRI exams are conducted each year. Private insurers, which cover approximately 80% of all sports medicine injuries, often pay an average of $1.5-2K per MRI— implying an addressable market opportunity for Trice of ~$15B.

Revenue Model

Trice sells the mi-eye needles for approximately $400 per unit, which is consistent with the disposable price point of the VisionScope technology. The companion tablet is offered for a list price of $1,500.

Deployment Statistics

Initial Deployment Date:	July 2014
Safeguard / Total Capital Deployed:	$10.2M / $40.8M
Safeguard Ownership:	25% Primary / 22% FD
Revenue Stage:	Initial Revenue
Investment Stages:	Series B, Series C
Co-Investors:	BioStar Ventures, HealthQuest Capital, Millennium Life Sciences, Smith & Nephew

Company Statistics

Market Segment:	Medical Device
Headquarters:	Malvern, PA
Website:	www.tricemedical.com
CEO:	Jeff O'Donnell, Sr.

Competitors

Arthrex, Karl Storz, Smith & Nephew, Stryker, Depuy Synthes, CONMED, Biomet-Zimmer, J&J

WebLinc Overview

Description

WebLinc develops modern, digital commerce technologies for growing eCommerce-focused companies. WebLinc's cloud products, Workarea and Orderbot, power commerce sites for dynamic, high-growth retailers, enabling them to run global, omnichannel commerce operations, maximize multi-channel revenue and out-pace competition. WebLinc's highly scalable platform provides full brand control, depth of features and the operational flexibility needed to run dynamic retail operations and employ responsive web design.

Market Opportunity

According to comScore, eCommerce grew at a rate of 14% YoY in 2017, and this growth trend is expected to continue well past 2020. Meanwhile offline retail achieved 3.1% YoY growth during the same period, only slightly ahead of inflation (2%). As this trend continues, WebLinc is positioned to continue helping B2B and B2C companies provide the omnichannel experience that customers now expect.

Revenue Model

WebLinc generates revenue as a tech-enabled service. The Company bills a one-time fee to its clients during the process of making their eCommerce sites live. Once the eCommerce site is launched, WebLinc generates revenue via both one-time hourly custom development services and monthly contractual services. Most clients pay for bulk hours per month or per year.

Deployment Statistics

Initial Deployment Date:	August 2014
Safeguard / Total Capital Deployed:	$14.7M / $16.1M
Safeguard Ownership:	38% Primary / 33% FD
Revenue Stage:	Expansion
Investment Stage:	Series A
Co-Investors:	na

Company Statistics

Market Segment:	Online Retail and eCommerce
Headquarters:	Philadelphia, PA
Website:	www.weblinc.com
CEO:	Darren Hill

Competitors

OneView Group plc, Shopify Inc., Zendesk, Inc., Corporation, PFSweb, Inc., SPS Commerce, Inc., Broadleaf Co., Ltd., Crexendo, Inc., Callidus Software Inc.

Zipnosis Overview

Description

Zipnosis partners with health systems nationwide to provide a white-labeled virtual care platform, offering patients convenient access to care while improving clinician efficiency. Zipnosis guides health systems through the virtual care journey and guarantees launch of their virtual care platform in just 60 days. Patients are treated through video, telephone and adaptive online interviews—with available pharmacy and lab integration.

Market Opportunity

The market size for virtual care can be estimated with the addressable number of ambulatory care visits and the fee charged for those visits. There are 1.25B outpatient care visits in the United States per year, and we estimate that 1/3 of these will be suitable for virtual care. For the fee, we use the more conservative figure of $30, since this is the midpoint of Zipnosis' health system customers' current prices. Combining these two numbers – approximately 400M addressable ambulatory visits at $30/visit – yields a market size of over $10 billion.

Revenue Model

Zipnosis' revenue model is based on monthly recurring revenue fees paid by a health system, not on per visit fees.

Deployment Statistics

Initial Deployment Date:	December 2015
Safeguard / Total Capital Deployed:	$7.0M / $20.2M
Safeguard Ownership:	25% Primary / 20% FD
Revenue Stage:	Initial Revenue
Investment Stage:	Series A
Co-Investors:	Arthur Ventures, Ascension Ventures, Fairview Health Services, Hyde Park Venture Partners, Omphalos Ventures, Waterline Ventures

Company Statistics

Market Segment:	Telemedicine
Headquarters:	Minneapolis, MN
Website:	www.zipnosis.com
CEO:	Jon Pearce

Competitors

MDLive, Doctor on Demand, Teladoc, American Well, Bright MD, Carena, Intellivisit

Safeguard Scientifics, Inc.

- Founded in 1953 and NYSE-listed since 1971

- Historically, Safeguard has provided capital and relevant experience to fuel the growth of technology-driven businesses

- Distinguished track record of fostering innovative market leaders

- Attractive portfolio of tech-enabled companies across several verticals

- Safeguard adopted a change in business strategy and operations in early 2018

- Provides financial and management support for existing partner companies

- Focused on maximizing net returns to shareholders within 3 to 5 year period

Corporate Presentation

August 2018