

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**SCHEDULE TO
(Amendment No. 2)**

**Tender Offer Statement under Section 14(d)(1) or 13(e)(1)
of the Securities Exchange Act of 1934**

Safeguard Scientifics, Inc.
(Name of Subject Company (Issuer) and Filing Person (Offeror))

Common Stock, \$.10 par value
(Title of Class of Securities)

786449207
(CUSIP Number of Class of Securities)

Eric C. Salzman
Chief Executive Officer
Safeguard Scientifics, Inc.
150 N. Radnor Chester Rd., Suite F-200
Radnor, Pennsylvania 19087
(610) 293-0600

(Name, address and telephone number of person authorized to receive notices and communications on behalf of the filing person)

Copies to:

Yelena Barychev, Esq.
Shaun Snitman, Esq.
Alan Lieblich, Esq.
Blank Rome LLP
One Logan Square
130 North 18th Street Philadelphia, Pennsylvania 19103
(215) 569-5500

G. Matthew Barnard, Esq.
General Counsel and Corporate
Secretary
Safeguard Scientifics, Inc.
150 North Radnor Chester Rd.,
Suite F-200
Radnor, Pennsylvania 19087
(610) 975-4989

CALCULATION OF FILING FEE

Transaction Valuation*	Amount of Filing Fee**
\$35,000,000	\$3,818.50

* Calculated solely for purposes of determining the amount of the filing fee. This amount is based upon the offer to purchase for not more than \$35,000,000 in the aggregate of up to 4,430,379 shares of common stock of Safeguard Scientifics, Inc. at the minimum tender offer price of \$7.90 per share in cash.

** The amount of the filing fee, calculated pursuant to Rule 0-11 of the Securities Exchange Act of 1934, as amended, equals \$109.10 per million dollars of the value of the transaction.

Check the box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid: \$3,818.50
Form or Registration No.: Schedule TO

Filing Party: Safeguard Scientifics, Inc.
Date Filed: September 2, 2021

Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

third-party tender offer subject to Rule 14d-1.

- issuer tender offer subject to Rule 13e-4.
- going-private transaction subject to Rule 13e-3.
- amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer:

If applicable, check the appropriate box(es) below to designate the appropriate rule provision(s) relied upon:

- Rule 13e-4(i) (Cross-Border Issuer Tender Offer)
 - Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)
-
-

This Amendment No. 2 (“Amendment No. 2”) amends and supplements the Tender Offer Statement on Schedule TO originally filed with the United States Securities and Exchange Commission by Safeguard Scientifics, Inc., a Pennsylvania corporation (the “Company”), on September 2, 2021, as amended and supplemented on October 4, 2021 (as so amended and supplemented, the “Schedule TO”), in connection with the Company’s offer to purchase for cash up to \$35,000,000 in value of shares of its common stock, \$.10 par value per share, at a purchase price not less than \$7.90 nor greater than \$9.00 per share, net to the seller in cash, less applicable withholding taxes and without interest.

Only those items amended or supplemented are reported in this Amendment No. 2. Except as specifically provided in this Amendment No. 2, the information set forth in the Schedule TO remains unchanged. You should read this Amendment No. 2 together with the Schedule TO, the Offer to Purchase, dated September 2, 2021, and the related Letter of Transmittal.

Item 11. Additional Information.

Item 11 of the Schedule TO is hereby amended and supplemented by adding the following to the end thereof:

“On October 7, 2021, the Company issued a press release announcing the final results of the tender offer, which expired at 5:00 p.m., Eastern Time, on October 1, 2021. A copy of the press release is filed as Exhibit (a)(5)(C) to the Schedule TO and is incorporated herein by reference.”

Item 12. Exhibits.

Item 12 of the Schedule TO is hereby amended and supplemented to add the following exhibit:

(a)(5)(C) Press release announcing final results of the tender offer, dated October 7, 2021.

Exhibit No.	Description
<u>(a)(1)(A)</u>	<u>Offer to Purchase, dated September 2, 2021.*</u>
<u>(a)(1)(B)</u>	<u>Letter of Transmittal.*</u>
<u>(a)(1)(C)</u>	<u>Notice of Guaranteed Delivery.*</u>
<u>(a)(1)(D)</u>	<u>Letter to brokers, dealers, commercial banks, trust companies and other nominees, dated September 2, 2021.*</u>
<u>(a)(1)(E)</u>	<u>Letter to clients for use by brokers, dealers, commercial banks, trust companies and other nominees, dated September 2, 2021.*</u>
(a)(2)	Not applicable.
(a)(3)	Not applicable.
(a)(4)	Not applicable.
<u>(a)(5)(A)</u>	<u>Press release announcing the completion of acquisition of the Company’s ownership interest in Flashtalking, Inc. and Tender Offer, dated September 2, 2021 (incorporated by reference to Exhibit 99.1 to the Company’s current report on Form 8-K filed on September 2, 2021).</u>
<u>(a)(5)(B)</u>	<u>Press release announcing preliminary results of the Tender Offer, dated October 4, 2021.*</u>
<u>(a)(5)(C)</u>	<u>Press release announcing final results of the tender offer, dated October 7, 2021.**</u>

- (b) Not applicable.
- (c) Not applicable.
- (d)(1) [Safeguard Scientifics, Inc. 1999 Equity Compensation Plan, as amended and restated on October 21, 2008 \(incorporated by reference to Exhibit 10.4 to the Company's quarterly report on Form 10-Q filed on November 6, 2008\).](#)
- (d)(2) [Safeguard Scientifics, Inc. 2014 Equity Compensation Plan, as amended and restated on March 5, 2014 \(incorporated by reference to Exhibit 10.1 to the Company's quarterly report on Form 10-Q filed on July 25, 2014\).](#)
- (d)(3) [Safeguard Scientifics, Inc. Executive Deferred Compensation Plan \(amended and restated as of January 1, 2009\) \(incorporated by reference to Exhibit 10.4 to the Company's annual report on Form 10-K filed on March 19, 2009\).](#)
- (d)(4) [Safeguard Scientifics, Inc. Management Incentive Plan \(incorporated by reference to Exhibit 10.1 to the Company's current report on Form 8-K filed on April 25, 2008\).](#)
- (d)(5) [Amended and Restated Safeguard Scientifics, Inc. Transaction Bonus Plan \(incorporated by reference to Exhibit 10.6 to the Company's quarterly report on Form 10-Q filed on August 12, 2020\).](#)
- (d)(6) [Compensation Summary — Non-Employee Directors \(incorporated by reference to Exhibit 10.7 to the Company's annual report on Form 10-K filed on March 5, 2021\).](#)
- (d)(7) [General Release and Agreement between Safeguard Scientifics, Inc. and Brian J. Sisko dated April 20, 2020 \(incorporated by reference to Exhibit 10.1 to the Company's current report on Form 8-K filed on April 21, 2020\).](#)
- (d)(8) [Letter Agreement between Safeguard Scientifics, Inc. and Eric Salzman dated October 1, 2020 \(incorporated by reference to Exhibit 10.1 to the Company's current report on Form 8-K filed on October 1, 2020\).](#)
- (d)(9) [Compensation Agreement by and between Safeguard Scientifics, Inc. and Mark Herndon dated September 17, 2018 \(incorporated by reference to Exhibit 99.1 to the Company's current report on Form 8-K filed on September 18, 2018\).](#)
- (d)(10) [Key Employee Compensation Recoupment Policy \(incorporated by reference to Exhibit 10.2 to the Company's quarterly report on Form 10-Q filed on July 26, 2013\).](#)
- (e) Not applicable.
- (f) Not applicable.
- (g) Not applicable.
- (h) Not applicable.

* Previously filed.

** Filed herewith.

SIGNATURE

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

SAFEGUARD SCIENTIFICS, INC.

By: /s/ Mark A. Herndon

Name: Mark A. Herndon

Title: Senior Vice President and
Chief Financial Officer

Dated: October 7, 2021

**SAFEGUARD ANNOUNCES FINAL RESULTS OF
MODIFIED DUTCH AUCTION TENDER OFFER**

Radnor, PA, October 7, 2021 – Safeguard Scientifics, Inc. (NYSE:SFE) (“Safeguard” or the “Company”) today announced the final results of its previously announced modified “Dutch auction” self-tender offer to purchase for cash up to \$35 million in value of shares of its common stock at a price within (and including) the range of \$7.90 to \$9.00 per share. As described in the tender offer, the Company reserved the right to purchase up to an additional 2% of the Company’s outstanding shares of common stock without amending or extending the offer (the “Additional Shares”). The tender offer expired at 5:00 p.m. Eastern Time on Friday, October 1, 2021.

Based on the final count by Computershare Trust Company, N.A. (the “Depository”), the depository for the tender offer, a total of 5,014,874 shares of common stock were properly tendered and not properly withdrawn at or below the purchase price of \$9.00 per share. Because the number of shares tendered exceeds \$35 million in value, the tender offer is oversubscribed and the Company exercised its right to purchase the Additional Shares. Therefore, in accordance with the terms and conditions specified in the tender offer, the Company will purchase shares of its common stock from all tendering shareholders on a pro rata basis (excluding odd lots and conditional tenders where the condition was not satisfied), disregarding fractions.

In the aggregate, 4,304,826 shares of common stock, including 415,938 Additional Shares, were accepted for payment at the same price of \$9.00 per share for an aggregate purchase price of approximately \$38.7 million, excluding fees and expenses related to the tender offer. Accordingly, on a pro rata basis, including the impact of the Additional Shares purchased, but excluding odd lots and conditional tenders where the condition was not satisfied, and disregarding fractions, approximately 85.9% of the shares for each shareholder who properly tendered shares have been accepted for payment.

The shares accepted for purchase represent approximately 20.7% of the total number of shares of the Company’s common stock issued and outstanding as of October 1, 2021. Based on these numbers as of October 1, 2021, and following settlement of the tender offer, the Company will have 16,491,595 shares of common stock issued and outstanding. The Company will pay for the share repurchases with available cash on hand. The Depository will promptly pay for the shares accepted for purchase pursuant to the tender offer and will return all other shares tendered and not purchased in accordance with the terms and conditions specified in the tender offer. Any questions about the tender offer should be directed to the information agent, Georgeson LLC at (800) 676-0098.

About Safeguard Scientifics

Historically, Safeguard Scientifics has provided capital and relevant expertise to fuel the growth of technology-driven businesses. Safeguard has a distinguished track record of fostering innovation and building market leaders that spans more than six decades. Safeguard is currently pursuing a focused strategy to value-maximize and monetize its ownership interests over a multi-year time frame to drive shareholder value. For more information, please visit www.safeguard.com.

Forward- Looking Statements

Except for the historical information and discussions contained herein, statements contained in this release may constitute “forward-looking statements.” Our forward-looking statements are subject to risks and uncertainties. Forward-looking statements include, but are not limited to, statements related to the terms of the tender offer and Safeguard’s ability to complete the tender offer, statements regarding Safeguard’s ability to maximize the value of monetization opportunities of its ownership interests and drive total shareholder returns. Safeguard’s initiatives taken or contemplated to enhance and unlock value for all of its shareholders, Safeguard’s efforts to execute on and implement its strategy to streamline its organizational structure, reduce its operating costs, pursue monetization opportunities for ownership interests and maximize the return of value to its shareholders, Safeguard’s ability to create, unlock, enhance and maximize shareholder value, the effect of Safeguard’s management succession plan on driving increased organizational effectiveness and efficiencies, the ability of the management team to execute Safeguard’s strategy, the availability of, the timing of, and the proceeds that may ultimately be derived from the monetization of ownership interests, Safeguard’s projections regarding the reduction in its ongoing operating expenses, Safeguard’s projections regarding annualized operating expenses and expected severance expenses, monetization opportunities for ownership interests, and the amount of net proceeds from the monetization of ownership interests that will enable the return of value to Safeguard shareholders after satisfying working capital needs and the timing of such return of value. Such forward-looking statements are not guarantees of future operational or financial performance and are based on current expectations that involve a number of uncertainties, risks and assumptions that are difficult to predict. Therefore, actual outcomes and/or results may differ materially from those expressed or implied by such forward-looking statements. The risks and uncertainties that could cause actual results to differ materially include, among others, our ability to complete the tender offer, the price and amount of shares purchased pursuant to the tender offer, our ability to achieve the benefits contemplated by the tender offer, our ability to make good decisions about the monetization of our ownership interests for maximum value or at all and the return of value to our shareholders, our ability to successfully execute on our strategy to streamline our organizational structure and align our cost structure to increase shareholder value, whether our strategy will better position us to focus our resources on the highest-return opportunities and deliver enhanced shareholder value, the ongoing support of our existing ownership interests, the fact that our companies may vary from period to period, challenges to achieving liquidity from our ownership interests, fluctuations in the market prices of our publicly traded holdings, if any, competition, our inability to obtain maximum value for our ownership interests, our ability to attract and retain qualified employees, market valuations in sectors in which our ownership interests operate, our inability to control our ownership interests, our need to manage our assets to avoid registration under the Investment Company Act of 1940, risks, disruption, costs and uncertainty caused by or related to the actions of activist shareholders, including that if individuals are elected to our Board with a specific agenda, it may adversely affect our ability to effectively implement our business strategy and create value for our shareholders and perceived uncertainties as to our future direction as a result of potential changes to the composition of our Board may lead to the perception of a change in the direction of our business, instability or a lack of continuity that may adversely affect our business, and risks associated with our ownership interests, including the fact that most of our ownership interests have a limited operating 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 companies operate, and other uncertainties described in our filings with the Securities and Exchange Commission. Many of these factors are beyond our ability to predict or control. As a result of these and other factors, the Company’s past operational and financial performance should not be relied on as an indication of future performance. For further details regarding the risks to the tender offer, you should read our filings with the Securities and Exchange Commission related to the tender offer, including Schedule TO and the documents referred to therein. Further information on the above risk factors and other potential factors that could affect our future business, operating results and financial condition is included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2020 and other periodic filings with the Securities and Exchange Commission, including risks under the heading “Risk Factors.” The Company does not assume any obligation to update any forward-looking statements or other information contained in this press release.

###

SAFEGUARD CONTACT:

Mark Herndon
Chief Financial Officer
(610) 975-4913
mherndon@safeguard.com

