

Exhibit 4

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Zacks Small-Cap Research

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Finjan Holdings

(FNJN-NASDAQ)

FNJN: Finjan's Q2 Closes With \$14.7 Million in Revenues Due to Last Minute \$13.4 Million License Deal

Based on the average EV to Sales of comparable companies in the IP business of 2.0xs we believe FNJN common stock could be worth \$8.55 per share.

Current Price (06/29/18)	\$3.40
Valuation	\$8.55

OUTLOOK

With over \$70 million in cash and no debt, Finjan is positioned to grow not only by pursuing IP licensing, but also by penetrating cybersecurity consulting services, mobile services, and investing in new IP via purchase, R&D, and cybersecurity startups. The company just settled with Symantec and its subsidiary Blue Coat, and we now expect other companies to follow. This June quarter it booked a \$13.4 million license fee with Trend Micro. Also Finjan recently purchase a group of cybersecurity patents from IBM that it has just begun to monetize.

SUMMARY DATA

52-Week High	\$3.48
52-Week Low	\$1.76
One-Year Return (%)	3.7
Beta	-0.9
Average Daily Volume (share)	367,073

Shares Outstanding (mil)	28
Market Capitalization (\$mil)	\$94
Short Interest Ratio (days)	1
Institutional Ownership (%)	44
Insider Ownership (%)	9

Annual Cash Dividend	\$0.00
Dividend Yield (%)	0.00

5-Yr. Historical Growth Rates	
Sales (%)	N/A
Earnings Per Share (%)	N/A
Dividend (%)	N/A

P/E using TTM EPS	2.1
P/E using 2018 Estimate	2.9
P/E using 2019 Estimate	4.3

Zacks Rank	N/A
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Risk Level

Above Average

Type of Stock
IndustrySmall-Value
Internet-Software

ZACKS ESTIMATES

Revenue

(in millions of \$)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2016	2.3 A	6.5 A	1.1 A	8.4 A	18.4 A
2017	24.7 A	2.3 A	0.0 A	23.4 A	50.0 A
2018	65.0 A	14.7 E	4.3 E	9.0 E	93.5 E
2019					67.5 E

EPS (GAAP)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2016	-\$0.05 A	-\$0.20 A	-\$0.20 A	\$0.17 A	-\$0.28 A
2017	\$0.69 A	-\$0.29 A	-\$0.16 A	\$1.14 A	\$0.68 A
2018	\$0.93 A	\$0.19 E	-\$0.04 E	\$0.07 E	\$1.16 E
2019					\$0.80 E

WHAT'S NEW

On June 29, 2018 Trend Micro agreed to pay Finjan a **\$13.4 million** license fee, which was paid and booked as revenue that day. The agreement further stipulated that upon acquisition by the Trend Micro of certain entities, Trend Micro will pay additional license fees to Finjan, unless otherwise mutually agreed. Further, the agreement has additional provisions relating to certain unlicensed products of any company that acquires a Trend Micro Party, in which case additional license fees may apply. The parties also entered into related agreements with respect to their respective patents, including the transfer of select security-related patent assets from the Trend Micro to Finjan.

On May 15, 2018, Finjan Blue, Inc., a wholly-owned subsidiary of Finjan Holdings, Inc. was assigned by IBM: 30 U.S. patents, 11 related international patents and one European pending patent application, for an undisclosed amount in cash.

Updating Forecasts

In Q2 Finjan booked \$14.7 million in revenues according to filings, we are adjusting estimates accordingly. This should result in EPS of \$0.19 per share using gross margins of 90%, expenses of \$5.5 million, a 28% tax rate and fully diluted shares of 30.3 million.

For Q3 we have \$1.3 million being received from Carbon Black, and are assuming another \$3 million in licensing fees generated before the end of the quarter giving us a total of \$4.3 million in revenues for the quarter. This could result in an EPS loss of \$0.04 per share.

For the full year of 2018 we are now at \$93.5 million in revenues, of which \$82.4 million have already been paid or are due to be paid by year-end. EPS for the year is **raised to \$1.16 per share** from a previous estimate of \$0.93 per share.

KEY POINTS

- Finjan holds a number of pioneering patents for cybersecurity hardware and software that is relevant to dozens of companies in this space. It recently bought more cybersecurity patents from IBM it just started to monetize.
- It just settled its extensive litigation with Symantec and Blue Coat and we expect other companies to now follow.
- The company is continuing to file new patents and create new cybersecurity products.
- While its patents have already generated \$360M in licensing, the company has the potential to continue to reap large licensing revenues from the \$21 billion market for cybersecurity software, services and appliance market.
- The technology licensing market in the U.S., once an afterthought, has grown [from \\$33 billion in 1994 to \\$68 billion in 2002](#) and is likely over \$100 billion today.
- The company's has a market cap of \$94 million and we estimate it has a current **enterprise value of approximately \$23 million**. Estimating revenues of \$93.5 million in 2018 and an industry multiple of 2.0 times sales, the company could be worth as much as \$187 million in enterprise value or \$257 million market cap. This equates to \$8.55 per share.

OVERVIEW

Finjan Holdings is a patent licensing and enforcement firm based in East Palo Alto, California that owns the patents of its predecessor company Finjan Inc., a cybersecurity company that was founded in Israel in 1997. It invented several technologies that are used in current cybersecurity products today. Its three main patent areas:

- Behavior-based methods to detect and prevent threats from the Internet, including email and Web malware
- “Sandboxing” or stripping applications and running potentially malicious code in a safe environment
- Mobile code replacement where the malicious code is stripped and replaced by safe code

In addition the company recently bought the rights to a number of cybersecurity patents from IBM. It has not yet begun to monetize these patents.

THE PRESENT COMPANY ENFORCEMENT

Company	Date and Location	Status	Patent numbers
Palo Alto Networks (\$1.4 billion)	United States District Court for the Northern District of California on November 4, 2014.	Awaiting review by PTAB. Waiting for stay to be lifted.	6,804,780 ; 6,965,968 ; 7,058,822 ; 7,418,731 ; 7,613,918 ; 7,613,926 ; 7,647,633 ; 8,141,154 ; 8,225,408; and 8,677,494
ESET	United States District Court for the Northern District of California on July 1, 2016 German District Court in Dusseldorf	Suing for minimum of \$44 million. Markman Sept. 24, 2017 Trial no later than Dec 2018. Nullity Action with Blue Coat Nov 21, 2018.	6,154,844 ; 6,804,780 ; 7,975,305; 8,079,086; 9,189,621; and 9,219,755. European Patent No. EP 0965094
Cisco (\$49 billion)	United States District Court for the Northern District of California on January 6, 2017	Initiated January 6, 2017. Markman scheduled June 15, 2018. Trial date June 1, 2020	6,154,844 ; 6,804,780 ; 7,647,633 ; 8,141,154 ; and 8,677,494 .
SonicWall (\$1.4 billion)	United States District Court for the Northern District of California on August 4, 2017	Initiated August 4, 2017. Markman scheduled Oct 12, 2018	6,154,844 ; 6,804,780 ; 6,965,968 ; 7,058,822 ; 7,613,926 ; 7,647,633 ; 7,975,305 ; 8,141,154 ; 8,225,408 ; 8,677,494 .
Bitdefender	United States District Court for the Northern District of California on August 16, 2017	Initiated August 16, 2017.	6,804,780 ; 7,930,299 ; 8,141,154 ; and 8,677,494
Juniper Networks (\$5 billion)	United States District Court for the Northern District of California on September 29, 2017	Initiated September 29, 2017. Mini-trial June 26, 2018	6,154,844 ; 6,804,780 ; 7,613,926 ; 7,647,633 ; 7,975,305 ; 8,141,154 ; 8,225,408 ; 8,677,494 .
Zscaler (\$250 million est.)	United States District Court for the Northern District of California on December 5, 2017	Initiated December 5, 2017.	6,804,780 ; 7,647,633 ; 7,975,305 ; 8,677,494
Check Point Software (\$1.9 billion)	United States District Court for the Northern District of California on May 3, 2018	Initiated May 3, 2018.	6,154,844 ; 6,965,968 ; 7,418,731 ; 7,647,633 ; 8,079,086 ; 8,141,154 ; 8,677,494

Highlighted patent numbers have been successfully defended in court.

RISKS

- All of the revenues booked to date are one-time and not recurring. It will be more difficult to book revenues as more and more companies are no longer targets.
- There is no way to predict the timing of lawsuit settlements or licensing agreements, or even the length or cost of a lawsuit.
- The stock is high risk and is expected to have wide swings in stock price depending on unpredictable events.
- The US government could to legislate new laws on patent enforcement that could affect the company's ability to monetize its patents as it currently expects.

VALUATION

Finjan currently has a cash hoard we estimate to be over \$70 million, no debt, and no preferred stock outstanding. A market value of \$94 million then equates to a current enterprise value of \$23 million. At the end of March, the company had \$2.90 per share in cash and it should be higher than that now.

Valuing an IP company, even with a track record, is very difficult. We look at other IP companies to see how the market values them to make some comparisons. There seems to be two different types of companies in this space, the older stable revenue generating companies like Rambus (RMBS), and the upstarts that trade on events and potential. We can see from the table below, this ranges from Pendrill (PCO) with -\$28 million enterprise value, to Interdigital (IDCC) with an enterprise value of \$2.1 billion and \$287 million in sales expected this year. On average, the companies with revenues trade at an average of 2.0X 2018 estimated calendar revenues.

Using a valuation based on enterprise value to sales is easier for unprofitable companies. Based on an estimate of \$93.5 million in sales in 2018, and the 2.0 times industry average sales multiple, the stock should be worth \$257 million or \$8.55 per share if we add \$70 million in cash to the enterprise value to get market value.

Company	Ticker	Revenue		EV/ EBITDA	EBIDTA Margin	Enterprise Value / Sales		Included in Average?	Enterprise Value
		2018E	LTM			2018E	LTM		
Acacia Research	ACTG	\$77	\$119	1.6x	16%	0.4x	0.3x	y	\$31
Interdigital	IDCC	\$287	\$526	5.9x	67%	7.3x	4.0x	y	\$2,090
Inventergy Global	INVT	NA	\$1	-0.4x	-191%	NA	0.8x	n	\$1
Marathon	MARA	\$33	\$1	-1.7x	-1341%	0.5x	22.2x	y	\$15
Neonode	NEON	\$11	\$10	-3.9x	-43%	1.6x	1.7x	y	\$17
Network-1	NTIP	NA	\$30	0.4x	63%	NA	0.3x	n	\$8
Parkervision	PRKR	\$43	\$0	-1.0x	-9096%	0.4x	93.7x	y	\$17
Pendrell	PCOA	NA	\$43	-1.1x	71%	NA	-0.6x	n	-\$28
Rambus	RMBS	\$399	\$342	25.8x	4%	3.6x	4.1x	y	\$1,420
RPX*	RPXC	\$278	\$330	2.0x	61%	1.4x	1.2x	y	\$400
VirnetX	VHC	NA	\$1	-9.7x	-1780%	NA	171.9x	n	\$203
Quarterhill	QTRH	\$106	\$135	1.7x	45%	1.0x	0.8x	y	\$104
Average				3.8x	-1286%	2.0x	16.0x		\$512

* to be acquired for \$555 million

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