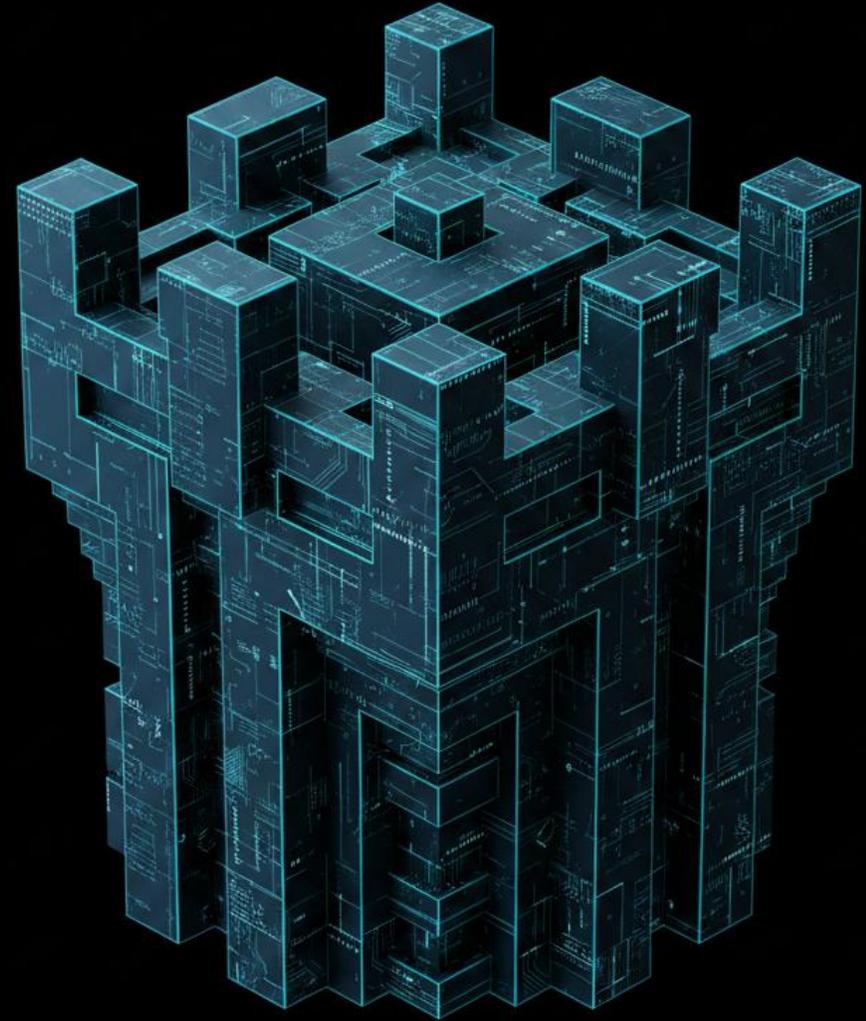


Cybersecurity Monthly Market Review

January Cybersecurity M&A and Capital Markets Report

*Cybersecurity M&A Market Sees Third-
Highest Monthly Deal Count on Record*

January 2026



What Happened in Cybersecurity?

Monthly Deal Report | January 2026

38

M&A Deals

The 3rd highest monthly deal count ever recorded

\$1.4B

M&A Value

From 6 deals, including CrowdStrike's 2 acquisitions

+43% YoY

\$972M

\$1,390M

\$740

\$420

Jan '25

Jan '26

sgnl
seraphic



Makes back-to-back moves...



Acquired by



01/08, \$740M



Acquired by



01/13, \$420M

72

Financing Deals

In line with the 13-month median count

\$1.3B

Financing Value

AI Security led capital deployed, while Risk & Compliance led count

\$400M

\$250M

\$150M

\$140M

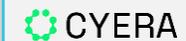
\$69M

CYERA upwind CLAROTY torq aikido

5 Deals Account for 75% of Capital Deployed



Lead the way...



Financed by



01/09, \$400M



Financed by



01/26, \$250M



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About Momentum Cyber



Firm Overview

The Premier Trusted Advisor to the Global Cybersecurity Industry

“ Founders deserve the absolute best in overall investment banking services, industry knowledge, relationships, and senior-level experience. In the complex Cybersecurity ecosystem, no other firm offers a higher set of skills, expertise, and mission-critical advice to leading Founders & CEOs and industry decision-makers. ”

Firm Highlights



Cyber Exit Savvy with Deep Expertise Selling to Strategics & PE



Unrivaled Thought Leadership in Cyber Through Leading Research



Unparalleled Access with Cyber Executives & Board Members

Strategic Advisory Services



Mergers & Acquisitions



Board & Special Situation Advisory



Private Equity, Growth, and Debt Financing

By The Numbers...

68

Cybersecurity Transactions

\$25B+

Cybersecurity Deal Value

\$375M

Average Cybersecurity Deal Value

400+

Total M&A Transactions

\$200B+

Total M&A Transaction Deal Value

6,000+

Cyber Companies Tracked

30,000+

Strategic & Investor Contacts

25,000+

Executives & Board of Directors

3,000+

VC & PE Investor Contacts

22

Team Members & Senior Advisors

27

Years In Cybersecurity

2014

Founding Year of The Firm

A Dedicated Veteran Team Focused on Cybersecurity...

Highly experienced dealmakers and research team supported by top-tier industry senior advisors



J. Eric McAlpine
Founder & CEO,
Managing Partner



Vilyam Yegikyan
Vice President,
Chief of Staff



Ashley Thomas
General Counsel



Jake M. Pollock
Head of Research



Cora L. Schramke
Director,
Operations



Eamon M. Keenan
Associate,
Deal Execution



Kevin A. Taylor
Analyst,
Deal Execution



Coralie R. McAlpine
Associate,
Events & Marketing

World-Class Senior Advisors



Michael E. Crean
Founder & CEO, Solutions
Granted



Mark R. Carney
Founder & CEO, Duro
Advisors



Raffael Marty
EVP & Cybersecurity GM,
Connectwise



Alexandra Boyles
A/C Family Office, Senior
Partner



Trey Ford
Chief Strategy & Trust
Officer, Bugcrowd



Eric M. Foster
Co-Founder & CEO,
TENEX.AI



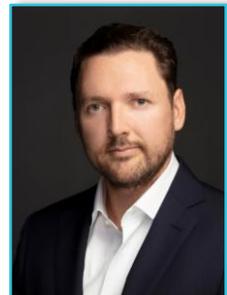
Chad Kreimendahl
Co-Founder & CEO,
Onspring



David J. Cummings
Founder,
Agile Equity



Chris Gerritz
Co-Founder & CPO,
Infocyte



Greg C. Martin
Founder & CEO,
Ghost Security

...With A Tremendous Advisory Track Record in Cybersecurity

Comprehensive coverage closing deals across the cybersecurity landscape for founders – highly founder focused

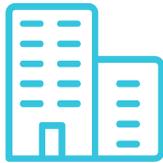
<p>Pillr a subsidiary of novacoast acquired by opentext</p> <p>Momentum CYBER</p>	<p>SOLUTIONS GRANTED acquired by SONICWALL a portfolio company of FP FRANCISCO PARTNERS</p> <p>Momentum CYBER</p>	<p>Onspring strategic investment by CAPITAL IP</p> <p>Momentum CYBER</p>	<p>GreatHorn acquired by STAGE</p> <p>Momentum CYBER</p>	<p>RECIPROCITY strategic investment by FP FRANCISCO PARTNERS</p> <p>Momentum CYBER</p>	<p>Apptega strategic investment by Mainsail Partners</p> <p>Momentum CYBER</p>	<p>Infocyte acquired by datto</p> <p>Momentum CYBER</p>	<p>fishtech group merged with HERJAVEC GROUP a portfolio company of Apax PARTNERS</p> <p>Momentum CYBER</p>	<p>SEC3 acquired by LOGPOINT</p> <p>Momentum CYBER</p>	<p>RISKSENSE acquired by ivanti</p> <p>Momentum CYBER</p>
<p>HERJAVEC GROUP acquired by Apax PARTNERS</p> <p>Momentum CYBER</p>	<p>alcide acquired by RAPID7</p> <p>Momentum CYBER</p>	<p>mistnet Enterprise security. Demystified. acquired by LogRhythm a portfolio company of THOMABRAVO</p> <p>Momentum CYBER</p>	<p>iboss strategic investment by NIGHTDRAGON FP FRANCISCO PARTNERS</p> <p>Momentum CYBER</p>	<p>ClearSky NIGHTDRAGON acquired White Ops</p> <p>Momentum CYBER</p>	<p>pwc acquired eagledream TECHNOLOGIES</p> <p>Momentum CYBER</p>	<p>ClearSky strategic investment in White Ops</p> <p>Momentum CYBER</p>	<p>pwc acquired SERVICE @CATALYST</p> <p>Momentum CYBER</p>	<p>JASK acquired by sumo logic</p> <p>Momentum CYBER</p>	<p>INTERSET acquired by MICRO FOCUS</p> <p>Momentum CYBER</p>
<p>ADT NIGHTDRAGON strategic investment in sam</p> <p>Momentum CYBER</p>	<p>ADT acquired Secure Designs, Inc. Managed Internet Security Solutions</p> <p>Momentum CYBER</p>	<p>ICEBERG acquired by Gigamon</p> <p>Momentum CYBER</p>	<p>BRADFORD NETWORKS acquired by FORTINET</p> <p>Momentum CYBER</p>	<p>WEBLIFE acquired by proofpoint</p> <p>Momentum CYBER</p>	<p>ADT acquired DATASHIELD</p> <p>Momentum CYBER</p>	<p>DOMAINTOOLS board advisory Undisclosed Consumer Security Company</p> <p>Momentum CYBER</p>	<p>ZO A(I)NCE acquired Undisclosed Consumer Security Company</p> <p>Momentum CYBER</p>	<p>CYPHORT acquired by JUNIPER NETWORKS</p> <p>Momentum CYBER</p>	<p>iSHERIFF acquired by mimecast</p> <p>Momentum CYBER</p>

CYBER Momentum's Proprietary Cybersecurity Data Platform

Unparalleled proprietary access & insights provides a significant competitive advantage for our clients

Thousands of hours dedicated to building a robust cyber data platform | Deep relationships, strategic market & industry insights, & proprietary content

Unrivaled Industry Network



4,233+
Cyber
Companies
Tracked



27,823+
Strategic &
Investor
Contacts

Transaction Database

Proprietary
Insights

Undisclosed
Valuations

3,300+

M&A
Transactions

10,800+

Financing
Transactions

1,500+

Cybersecurity
Buyers

7,900+

Cybersecurity
Investors

15+

Years Tracking
Transactions

Exposure Outreach & Impact



1,120,382+
Emails Sent



8,199+
Pages of Content Created

Proprietary Industry Content



Monthly, Quarterly, Mid-
Year, & Annual Reports



CYBERScape 4.0
(1,000+ Companies)



Sector Reports & Deep Dives



Co-Sponsored Content



Public Speaking & Keynotes



Podcasts & Webinars

Award-Winning Advice

Major accolades along with coverage from top-tier media outlets

Award-Winning Advice



Most Innovative Cyber M&A Firm
Cyber Defense InfoSec Awards



Deal of the Year
SC Media Awards



Private Equity Deal of the Year
Americas M&A Atlas Award



Visionary in Strategic Advisory
Global InfoSec Awards

Major Media Coverage

WSJ

Forbes

The Washington Post

Bloomberg

Thomson Reuters

TechCrunch

VentureBeat

ZD
NET

CRN

DARK
READING

SECURITYWEEK
INTERNET AND ENTERPRISE SECURITY NEWS, INSIGHTS & ANALYSIS

SC MEDIA

II.

Executive Summary

January Strategic Deal Flow

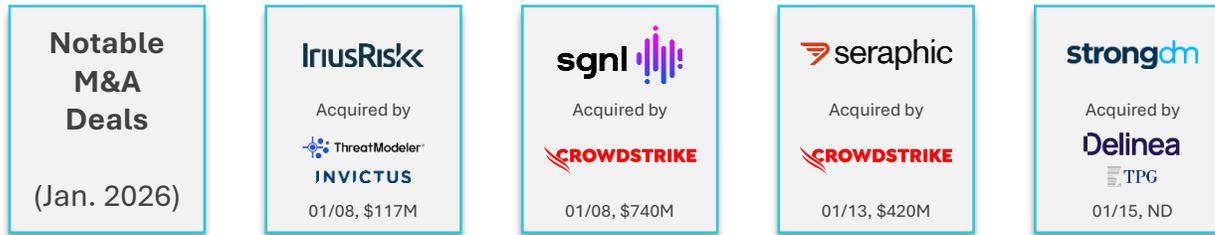
CrowdStrike spending over \$1.1B on two acquisitions stole headlines in January

M&A Activity

There were **38** M&A transactions announced in January 2026; a **3% increase** YoY

The month included **\$1.4B** in total disclosed deal value in January from 6 disclosed deals

The most active sectors across M&A were Security Services (**16 deals**), Risk & Compliance (**10 deals**), AI Security (**3 deals**), and Data Security (**3 deals**)



Financing Activity

There were **72** Financing transactions completed in January 2026; a **1% decrease** YoY

The month included **\$1.3B** in total capital deployed, with a median deal size of **\$10M**

The most active sectors across Financing were Risk & Compliance (**14 deals**), Application Security (**10 deals**), and Digital Channel Security (**9 deals**)

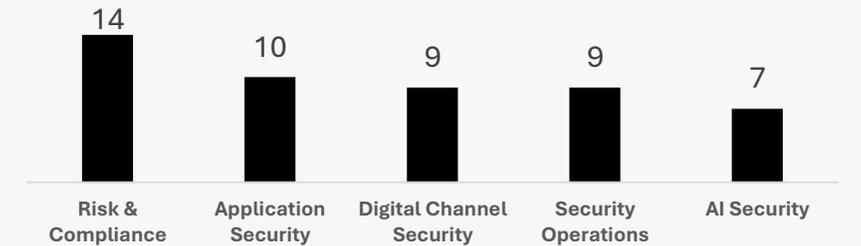


By The Numbers...

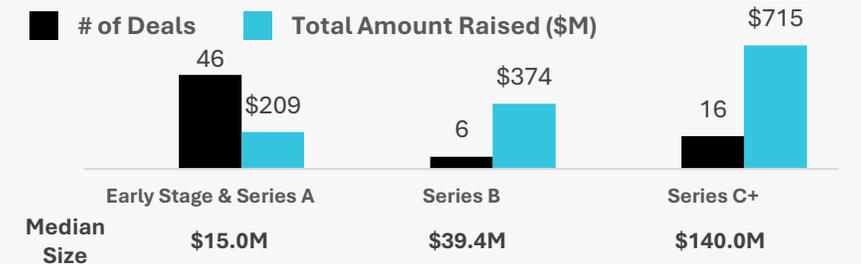
January M&A Deals: Top Sectors By Activity



January Financing Deals: Top Sectors By Activity



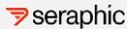
January Financing Deals: Breakdown By Stage



M&A Deal Spotlight

Select, transformative M&A transactions from January 2026

Date	Target	Acquirer	EV (\$M)	Sector	Impact
01/06		 	ND	Risk & Compliance	Accelerates Axiom GRC's U.S. cyber compliance expansion by adding AssurancePoint's SOC and ISO audit and advisory capabilities
01/07			ND	Endpoint Security	Backs TRG's integrated cybersecurity lifecycle platform with capital and operational support to scale services amid rising endpoint complexity
01/08		 	\$117	Risk & Compliance	Unifies threat modeling and secure dev tooling by adding IriusRisk into ThreatModeler's platform for AI-era secure software delivery
01/08			ND	Security Services	Boosts Industrial Defender's OT/ICS cybersecurity scale and innovation with Banneker's growth capital and scaling expertise
01/08			\$740	AI Security	Strengthens CrowdStrike's identity-centric security by integrating SGNL's identity graph and signals to accelerate AI-era identity protection
01/09			\$38	Risk & Compliance	Unifies StandardFusion's cloud GRC into Wolters Kluwer's TeamMate audit platform to strengthen its integrated audit, & GRC leadership

Date	Target	Acquirer	EV (\$M)	Sector	Impact
01/09		 	ND	Risk & Compliance	Adds 3rdRisk's AI-native third-party risk management into Diligent One to extend its GRC platform and automate vendor risk oversight
01/12			ND	Digital Channel Security	Strengthens OneSpan's mobile app security by adding Build38's hardened protection and runtime shielding for next-gen app trust
01/13			\$420	Digital Channel Security	Expands CrowdStrike's proactive security posture by integrating Seraphic's adversary emulation and threat modeling to strengthen detection and response
01/14		 	ND	Risk & Compliance	Expands Infoblox's preemptive security with Axur's external threat, brand abuse, and credential exposure protection
01/15		 	ND	AI Security	Unites Delinea and StrongDM to broaden identity security with combined privileged access and secure access capabilities for the AI era
01/26			ND	Application Security	Extends Radware's API security platform by adding Pynt's pre-production API security testing to deliver continuous lifecycle protection

Source: Pitchbook, 451 Research, Momentum Cyber proprietary transaction database, Press Releases.

Financing Deal Spotlight

Select, transformative Financing transactions from January 2026

Date	Target	Lead Investor(s)	Investment (\$M)	Sector	Impact
01/07	 babylon	 al6z crypto	\$15	Digital Channel Security	Advances trustless BTC collateral infrastructure to unlock native bitcoin for onchain finance
01/09	 CYERA	Blackstone	\$400	AI Security	Scales data security to meet surging enterprise demand for AI-era data protection
01/11	 torq	 merlin ventures	\$140	Security Operations	Accelerates agentic AI security operations to reduce SOC toil and speed incident response
01/12	 Zepo	TIN CAPITAL	\$15	Risk & Compliance	Funds human-centric workspace security to counter AI-enabled social engineering at enterprise scale
01/13	 CloudSEK	 connecticut innovations	\$10	Risk & Compliance	Validates CloudSEK's threat-intel platform with U.S. state-backed capital to expand its U.S. footprint
01/14	 depthfirst	 Accel	\$40	Application Security	Funds applied AI to harden software security as AI-driven exploits accelerate

Date	Target	Lead Investor(s)	Investment (\$M)	Sector	Impact
01/14	 ID RIVER	 VENTURE GUIDES  NEW ERA Capital Partners	\$20	Network Security	Accelerates multi-edge adoption by decoupling edge infrastructure from services and vendor lock-in
01/14	 aikido	 DST GLOBAL	\$69	Application Security	Scales a unified AppSec platform to unicorn status and pushes toward "self-securing software" with AI automation
01/15	 PROJECT ELEVEN	 CASTLE ISLAND VENTURES	\$20	Digital Channel Security	Funds post-quantum migration tooling to future-proof digital asset infrastructure
01/19	 stoik	 IMPALA OPERA Tech Ventures	\$23	Risk & Compliance	Scales cyber risk underwriting with expanded AI capabilities and faster European expansion
01/22	 CLAROTY	 GOLUB growth	\$150	Network Security	Funds Claroty's expansion of its cyber-physical systems security platform to protect critical infra. amid rising OT/IoT threats
01/26	 Upwind	 Bessemer Venture Partners	\$250	Cloud Security	Accelerates Upwind's runtime-first cloud security platform expansion across AI, data, and application risk at scale

Source: Pitchbook, Momentum Cyber proprietary transaction database, Press Releases.

III.

Industry Insights



ICYMI: Recent MC Research

Key insights shaping cybersecurity capital markets

Cybersecurity Almanac

2025 Cybersecurity M&A and Capital Markets Report



Summary: Cybersecurity dealmaking reached historic highs in 2025, with \$96B deployed across 400 M&A transactions, driven by a sharp re-acceleration from strategic buyers. Cloud Security, Identity & Access Management, and Security Services emerged as the most valuable consolidation targets, while AI-native platforms reshaped both financing and acquisition dynamics. The data highlights a clear bifurcation between scaled winners and the long tail of underperforming assets.

By The Numbers...

270%

YoY M&A deal value growth

22%

YoY M&A deal count growth

\$96B

Total disclosed M&A deal value

400

M&A transactions in 2025

165

M&A deals completed by PEs

109

Q2 M&A transactions (highest ever)



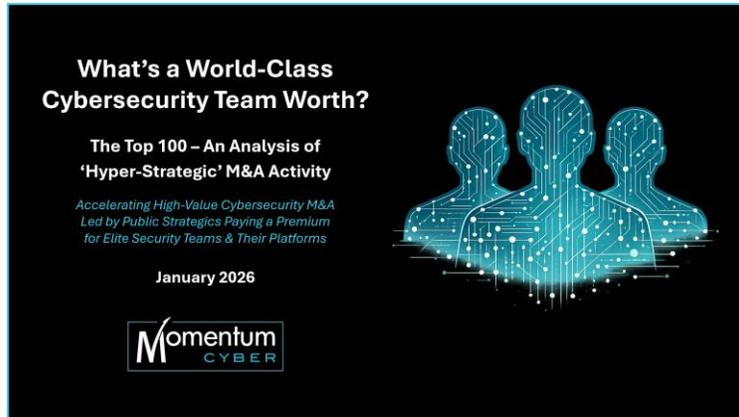
Press Feature: SiliconANGLE covers Momentum Cyber's analysis of record-breaking cybersecurity M&A activity in 2025, with transaction volume and valuations reaching unprecedented levels. The firm's latest market intelligence reveals heightened consolidation across the sector as enterprises prioritize security infrastructure investments

ICYMI: Recent MC Research

Key insights shaping cybersecurity capital markets

What's a World-Class Cyber Team Worth?

The Top 100: An Analysis of Hyper-Strategic M&A Activity



Summary: This report reframes cybersecurity M&A through the lens of enterprise value per employee, revealing how elite teams command outsized outcomes. Across the Top 100 transactions, strategic buyers — led by public acquirers — consistently paid premiums for compact, high-impact teams, with a median value of \$3.7M per employee. The findings underscore a shift toward hyper-strategic acquisitions focused on talent density, execution speed, and AI-driven leverage.

By The Numbers...

457

Disclosed deals
>\$10M since 2019

\$384M

Median deal
value

\$3.7M

Median deal value
per employee

82

Of the Top 100 were
Strategic deals

13

Of the Top 100 were
PE platform deals

5

Of the Top 100 were
PE-backed deals

59

Of the Top 100 were
public acquirers

91

Median employee
count

paloalto
NETWORKS

CROWDSTRIKE

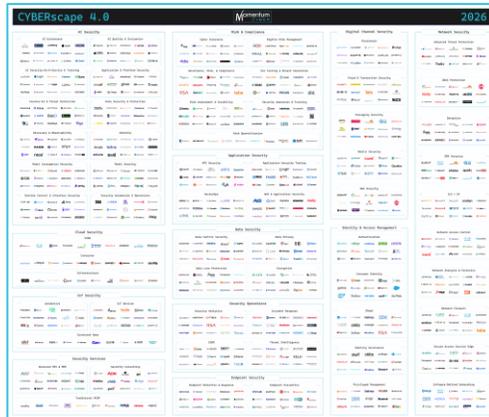
Had the most deals
with 8 & 7 respectively

ICYMI: Recent MC Research

Key insights shaping cybersecurity capital markets

CYBERscape 4.0

Tracking 1,562 cybersecurity companies in a simplified taxonomy



Summary: CYBERscape 4.0 rebuilds the cybersecurity landscape to cut through sector sprawl and reflect how the market has evolved in the AI era. By consolidating the ecosystem into 12 core sectors and 62 subsectors, it provides a clearer, decision-ready view of 1,562 companies. The framework surfaces emerging leaders, elevates AI security as a first-class category, and aligns the market to how operators, investors, and strategics actually navigate cybersecurity today.

By The Numbers...

- ❑ **1,562** cybersecurity companies
- ❑ **1,000** unique cybersecurity companies
- ❑ **12** core, thoughtfully consolidated sectors
- ❑ **62** subsectors
- ❑ New and improved AI Security segment
- ❑ A clean, simplified taxonomy that makes it easier than ever to navigate an industry that evolves at unprecedented speed

ICYMI: Recent MC Research

Key insights shaping cybersecurity capital markets

AI Themes in Cybersecurity in 2026

A foreword from IT-Harvest on how AI is driving the future of cyber

Introduction

Cybersecurity is entering its fastest and most consequential period of change. Artificial intelligence has moved from an emerging technology to a foundational layer of enterprise operations, simultaneously amplifying attacker capabilities and forcing a fundamental rethink of how security is designed, governed, and executed.

For nearly two decades, **IT-Harvest** has been one of the industry's most trusted sources of independent cybersecurity intelligence. Under the leadership of **Richard Stiennon** — author, speaker, and former Gartner VP — the firm has consistently provided data-driven insight into how new technologies reshape security markets and operating models.

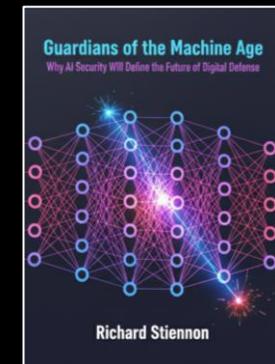
Momentum Cyber is honored to collaborate with Richard and the IT-Harvest team on this year's report. His foreword captures the defining reality of the current cycle: the rapid emergence of AI security as the fastest-forming sub-sector in cybersecurity history, driven by the collision of enterprise AI adoption, automated threats, and immature governance frameworks.

That perspective sets the stage for this analysis. Building on that foundation, this report examines how AI is reshaping both offense and defense, how capital and consolidation are flowing through the cybersecurity ecosystem, and why securing AI systems has become a board-level imperative.

“ In January 2025, I wrote that “By the end of 2025 there will be a noticeable impact on SOCs at large organizations and MDR companies as they deploy AI agents instead of people.” I was wrong. During 2025, AI Security as a category exploded. When I wrote that there were a handful of SOC Automation vendors talking about 100% alert triage and automated case handling. As in everything AI related, time scales are compressed. By April there were 86 vendors in the AI Security Category. Entering 2026, there are over 330! ”



Richard Stiennon
Chief Research Analyst, IT-Harvest



Guardians of the Machine Age
Releasing February 14th, 2026



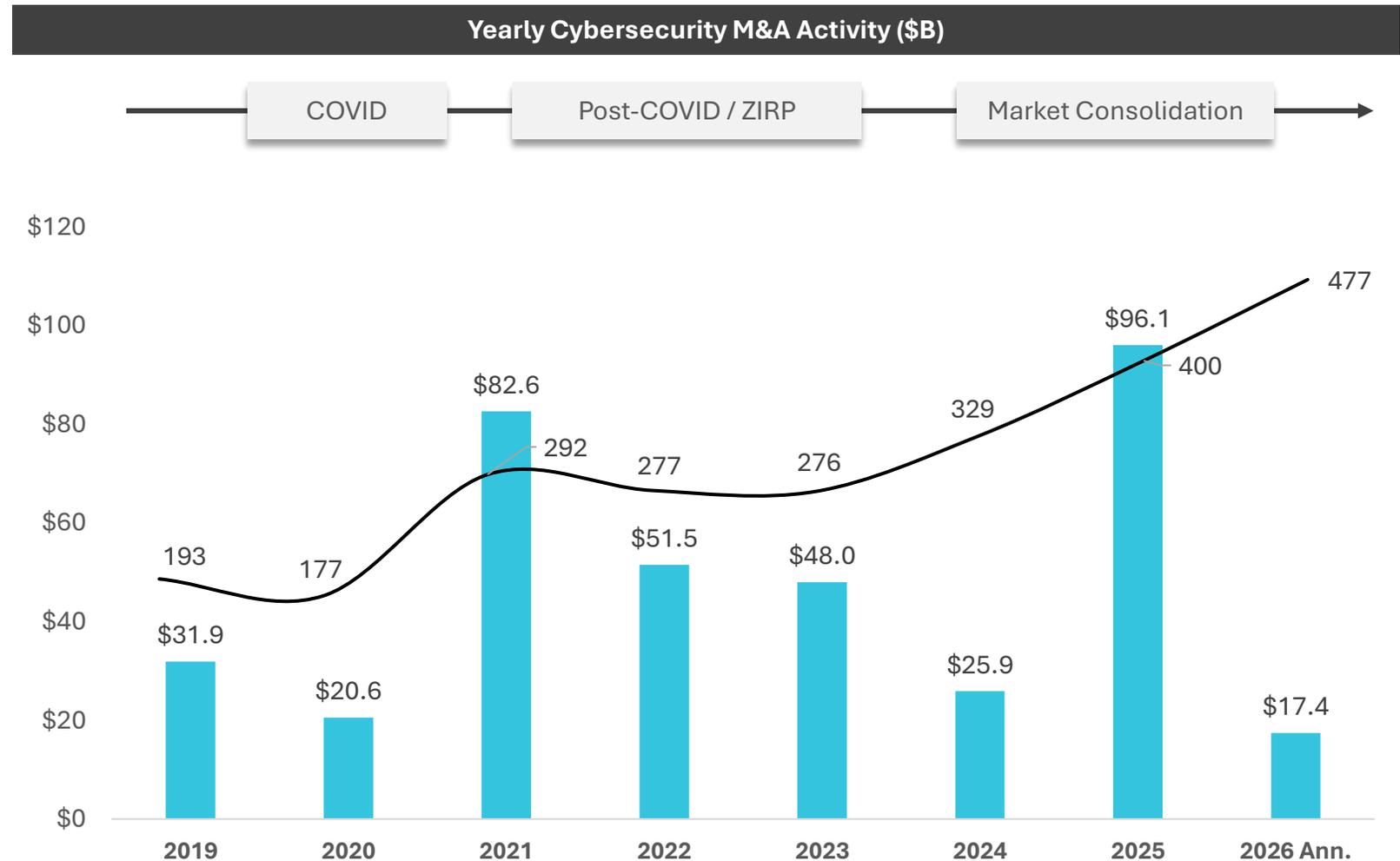
IV.

M&A Activity in Cybersecurity

Annual Cybersecurity M&A Deal Value and Count

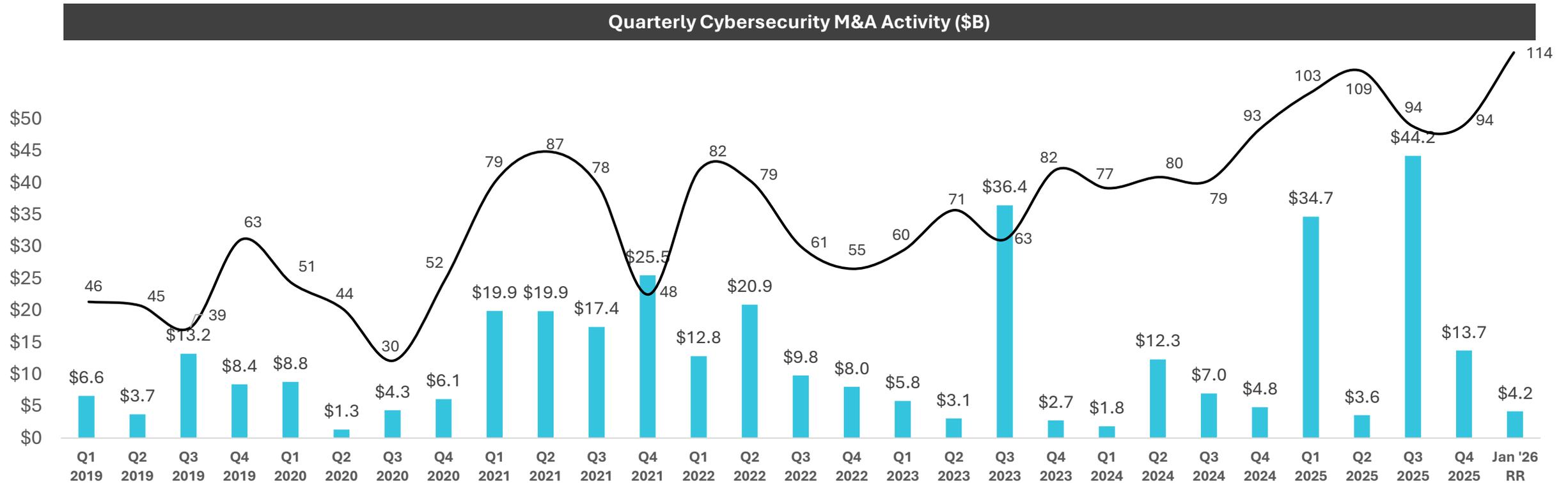
Of the 193 months tracked, January 2026 was ranked 3rd in deal count

- January 2026 in Review:** January saw **\$1.4B** spent across **38** transactions, highlighted by two key strategic deals by CrowdStrike. Deal value was up **43%** YoY, while deal count was up **3%**
- 3rd Highest Count Month:** January 2026 saw 38 transactions, the 3rd most cybersecurity M&A deals ever recorded. This trails only June 2025 (**42 deals**) and May 2025 (**39 deals**). If this trend continues, we can expect to see another record-breaking year in cyber M&A. Our industry is on pace for 477 deals through the first month



Cybersecurity M&A Activity Exceeds Pre-COVID Levels

Q2 2025 witnessed the highest number of M&A deals ever and January 2026 is keeping pace, with run-rate deal flow above the 110 mark



M&A Value YoY Growth (%)

64% 45% 98% 47% 34% (64%) (67%) (28%) 126% 139% 300% 320% (36%) 5% (44%) (68%) (55%) (85%) 272% (66%) (69%) 303% (81%) 75% 180% 4% (71%) 532% 186% (88%)

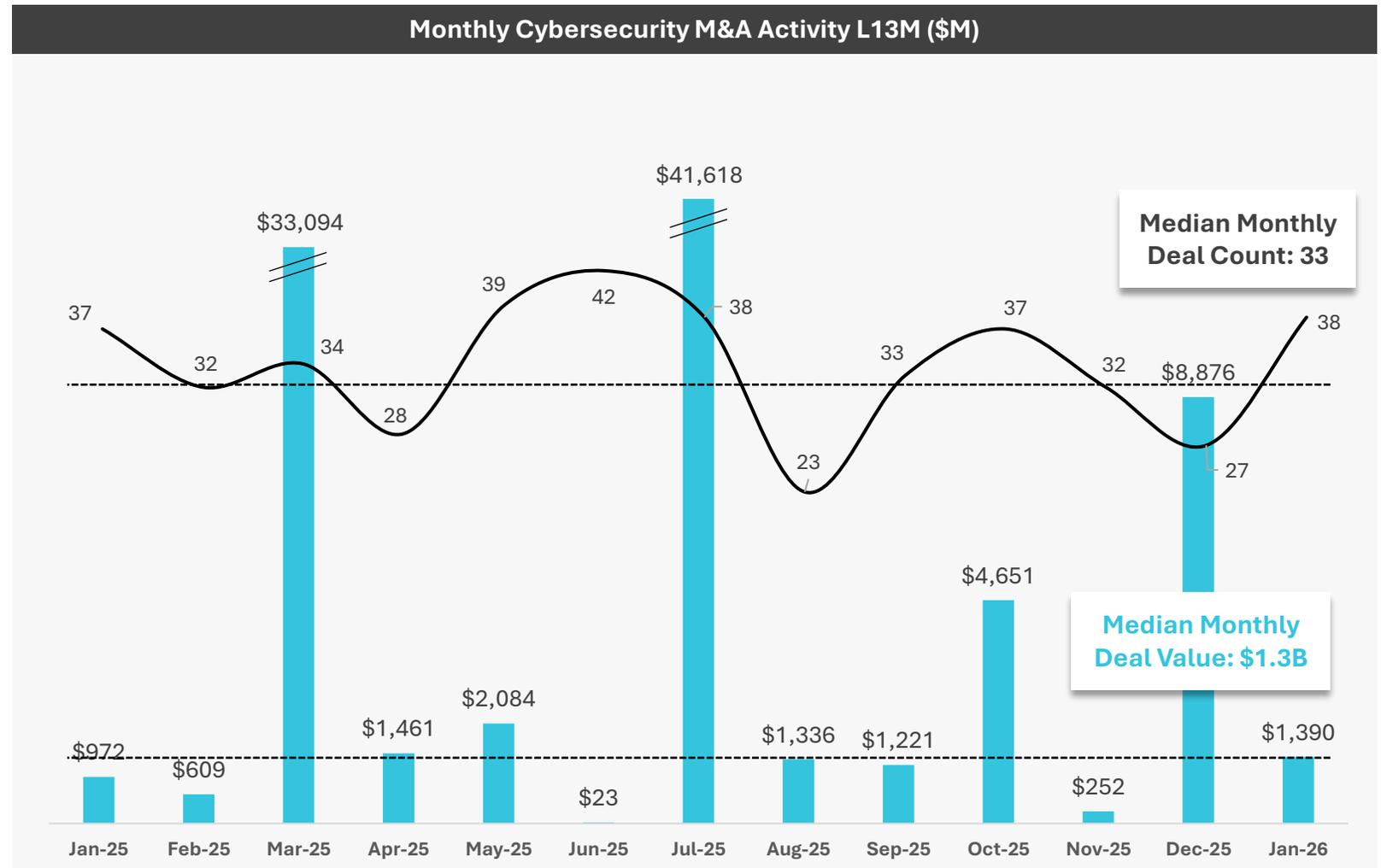
Number of M&A Deals YoY Growth (%)

19% 0% 0% 47% 11% (2%) (23%) (17%) 55% 98% 160% (8%) 4% (9%) (22%) 15% (27%) (10%) 3% 49% 28% 13% 25% 13% 34% 36% 19% 3% 11%

Monthly Cybersecurity M&A Deal Value and Count

Only 6 of the 38 M&A deals in January were disclosed, amounting to \$1.4B in value

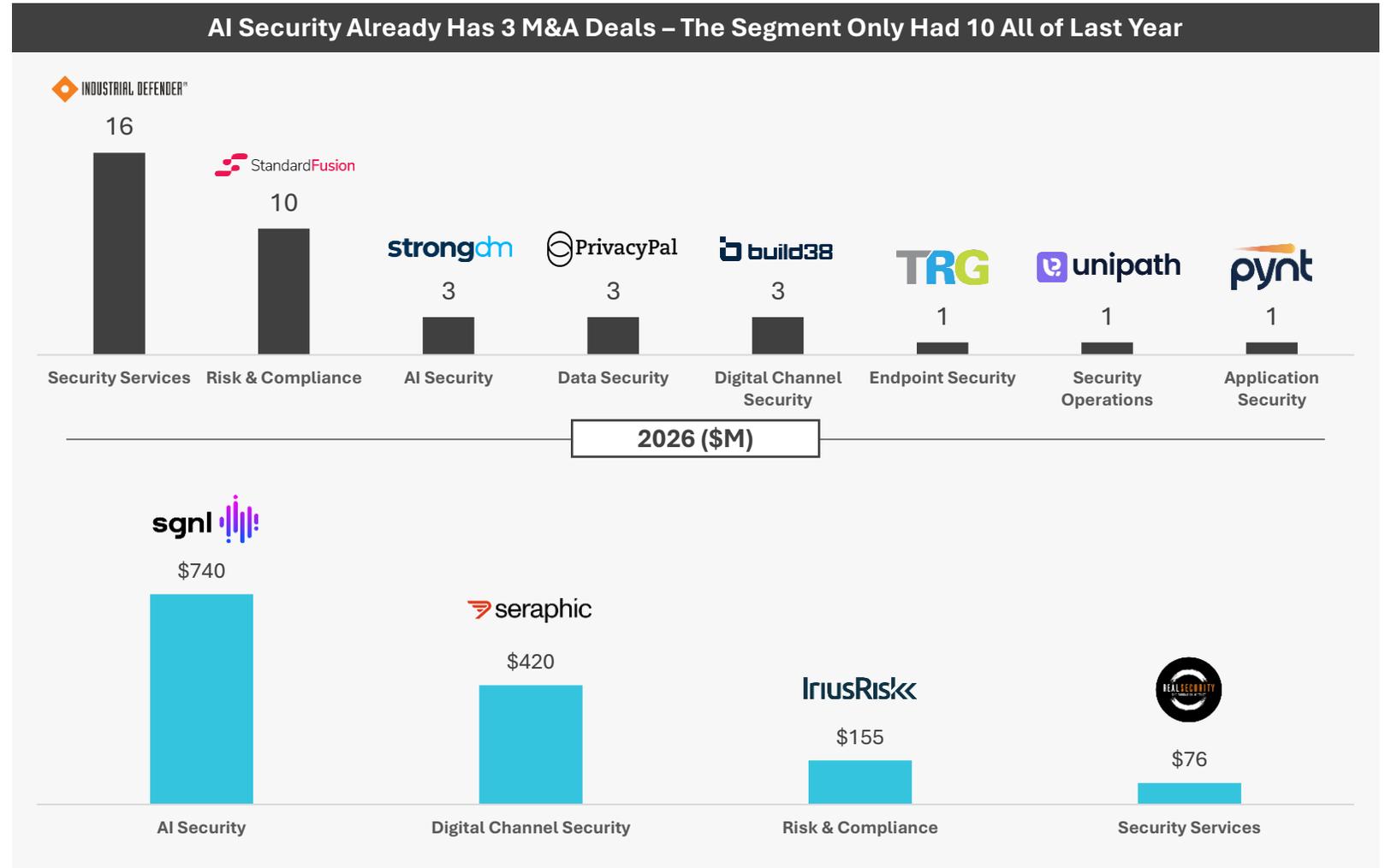
- Increased Count:** In January, M&A activity achieved the **3rd highest mark** over the last 13 months (and ever). Higher deal velocity for cybersecurity as buyers look to consolidate the fragmented submarkets of cyber
- Average Deal Value:** The disclosed M&A deals from this month include CrowdStrike's acquisitions of SGNL (**\$740M**) and Seraphic (**\$420M**), Invictus Growth Partners-backed ThreatModeler's pickup of IriusRisk (**\$117M**), SPX Capital's purchase of Vision Cybersecurity (**\$73M**), Wolters Kluwer's acquisition of StandardFusion (**\$38M**), and Softweb's purchase of Alphabit Cybersecurity (**\$2M**)



Cybersecurity M&A Transactions Based on Company Segment

AI Security is projected to see a 300%+ increase in M&A activity in 2026 as AI startups finally begin to trade

- In January 2026, buyers prioritized proven operational categories, with **Security Services** generating the highest count and a consistent mix across **Risk & Compliance, AI Security, Data Security,** and **Digital Channel Security**
- The buying window for AI-enabled cybersecurity companies has opened, with 3 such deals in the first month of the year. The acquirers who spot these companies early are buying smart, while the rest of the strategic and PE markets will be paying large acquisition premiums

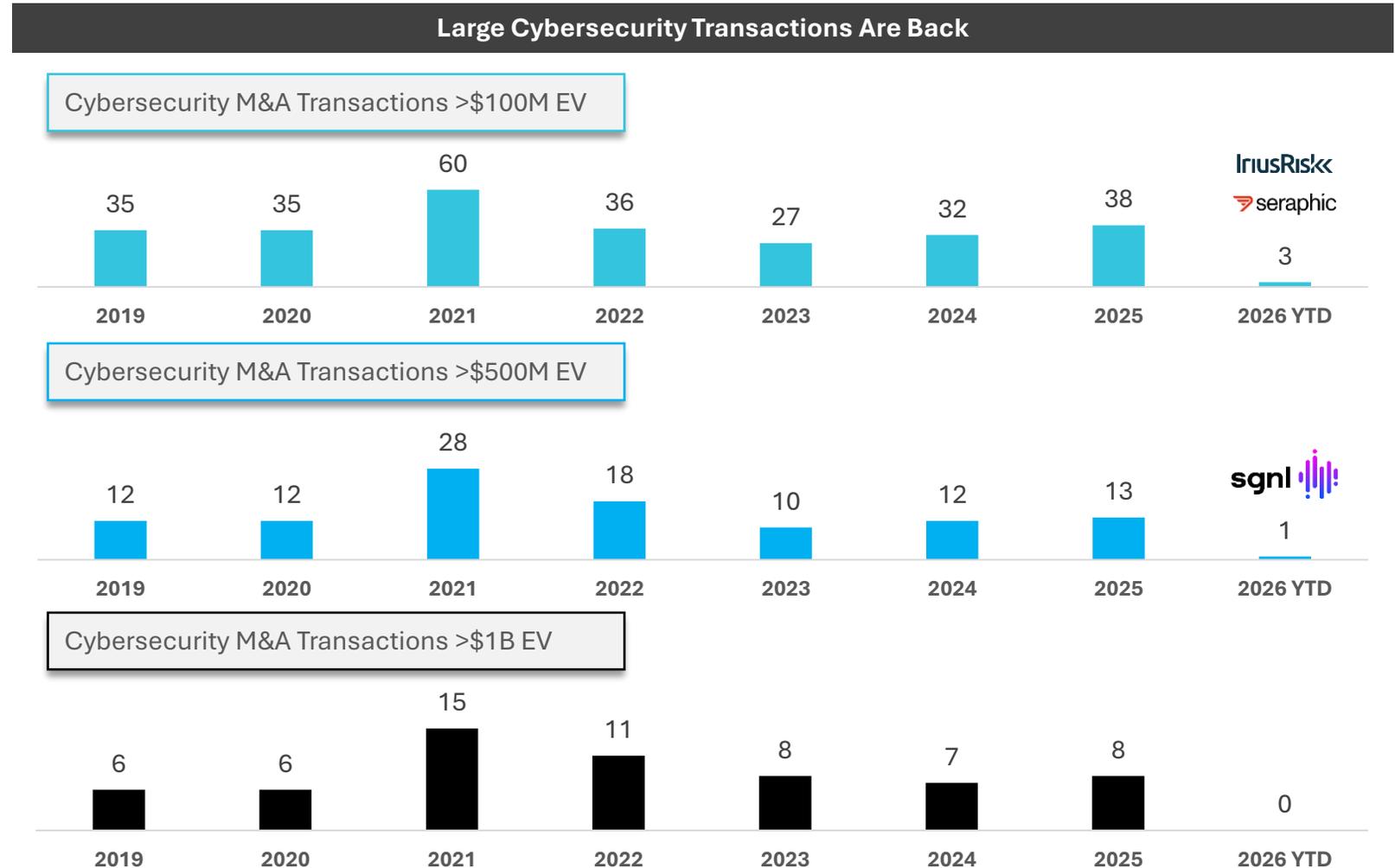


Source: Pitchbook, 451 Research, Momentum Cyber proprietary transaction database. As of 01/31/2026.
 Note: Cybersecurity segments Identity & Access Management, Cloud Security, Network Security, and IoT have not had M&A deals 2026 YTD.

Large Cybersecurity M&A Continues in 2026

Cybersecurity M&A transactions over \$100M in value are at the highest level since the highs of 2021-2022

- Large cybersecurity deals have returned to COVID-highs as Strategics and PE platforms consolidate critical categories like cloud, identity, and infrastructure security
- The comeback of big-ticket M&A is being driven by stronger budgets, maturing SaaS adoption, and a renewed strategic race to own end-to-end security platforms
- All that to say, only **1 in 4** M&A deals disclose the EV paid





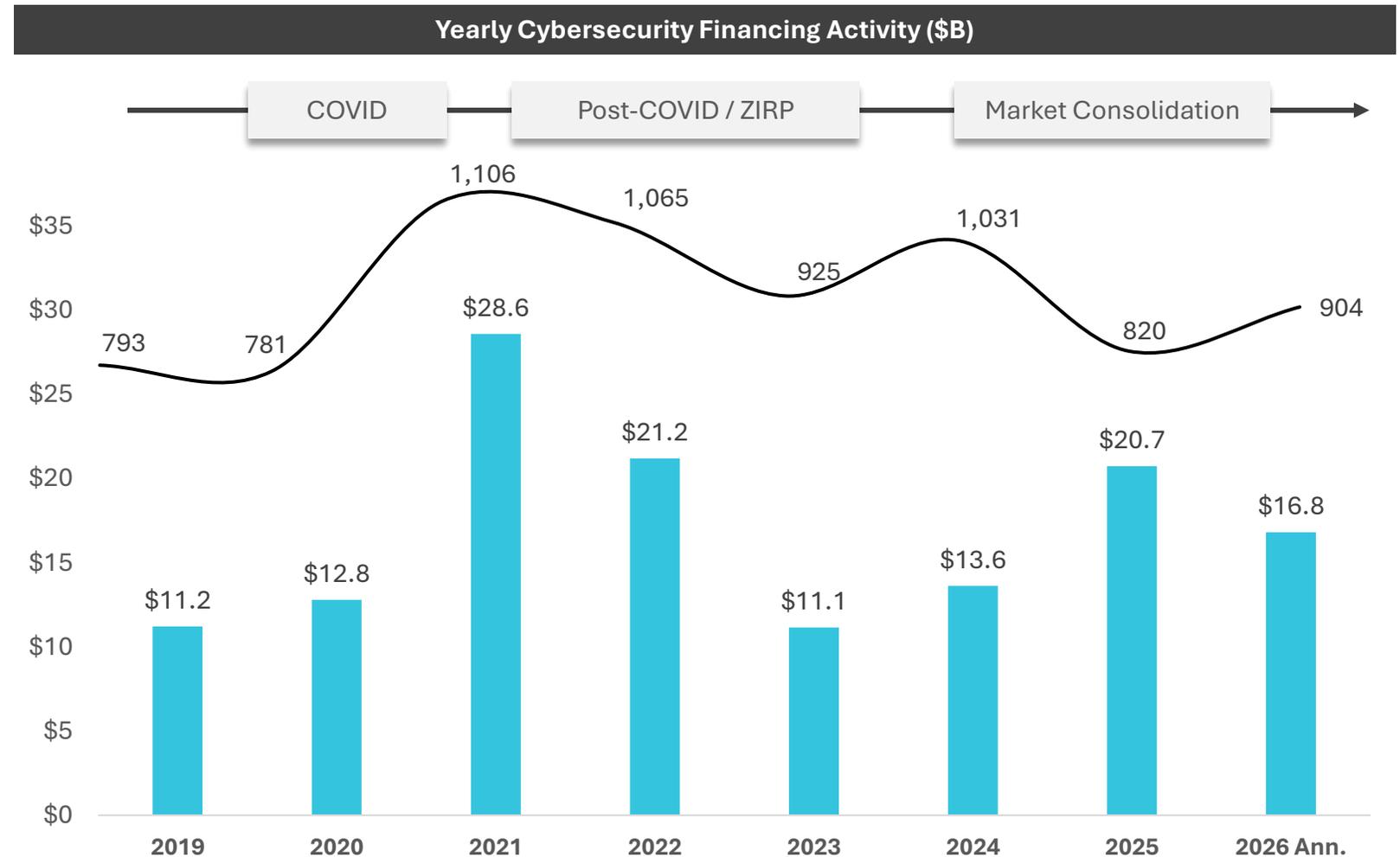
V.

Financing Activity in Cybersecurity

Annual Cybersecurity Financing Deal Value and Count

January financing activity in line with 2025 deal flow

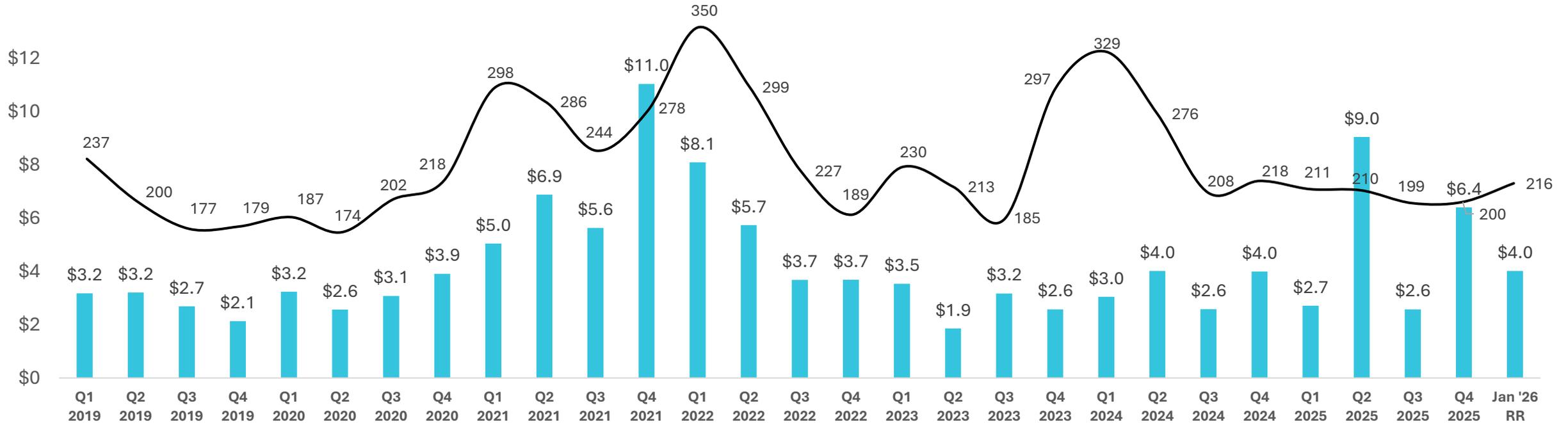
- January in Review:** January 2026 witnessed **\$1.3B** raised across **72** transactions, highlighted by deals from companies like Cyera, Torq, Claroty, Upwind, and others. Deal value was up **146%**, while deal count was down **1% YoY**
- Deal Sizes Normalize as Capital Broadens:** Median cybersecurity financing size declined to **\$10M** in January 2026, down from **\$15M** in 2025, reflecting a more balanced mix of early- and mid-stage investments
- AI Momentum Lifts the Broader Market:** While AI Security led January capital deployment, strong funding across Cloud, Network, and Security Operations highlights a rising-tide dynamic across cybersecurity subsectors



Cybersecurity Funding Exceeds Pre-COVID Levels

Q2 '25 saw the highest amount of capital deployed since 2021

Quarterly Cybersecurity Financings (\$B)



Capital Deployed YoY Growth (%)

159% 33% 18% (24%) 2% (20%) 15% 83% 56% 168% 83% 182% 61% (17%) (35%) (67%) (56%) (68%) (14%) (30%) (14%) 116% (19%) 55% (11%) 125% (0%) 60% 48%

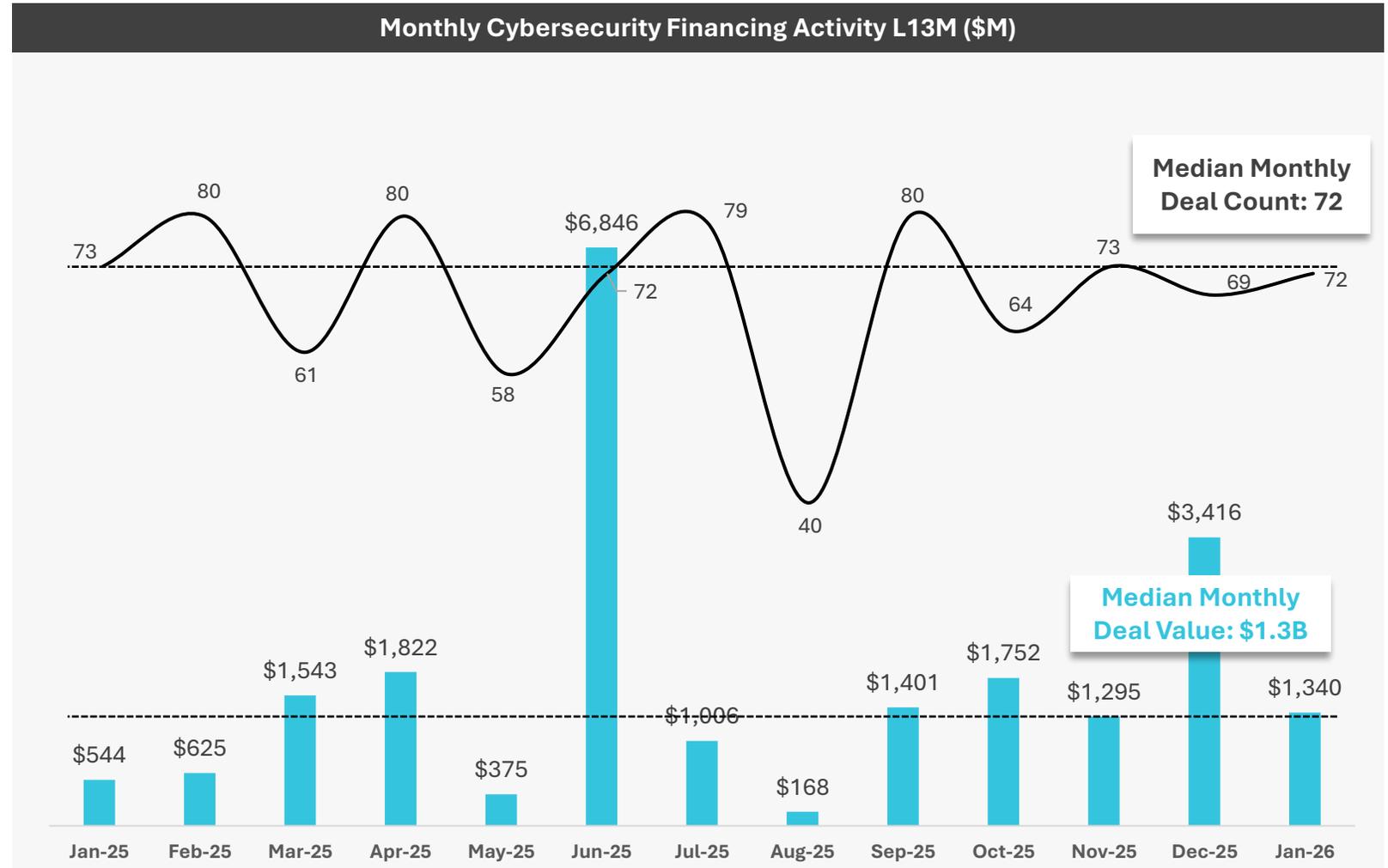
Number of Financings YoY Growth (%)

7% (4%) (5%) (5%) (21%) (13%) 14% 22% 59% 64% 21% 28% 17% 5% (7%) (32%) (34%) (29%) (19%) 57% 43% 30% 12% (27%) (36%) (24%) (4%) (8%) (2%)

Monthly Cybersecurity Financing Deal Value and Count

There is a flight to quality in VC activity, as scaled platforms are drawing strong valuations while early-stage firms have more trouble raising

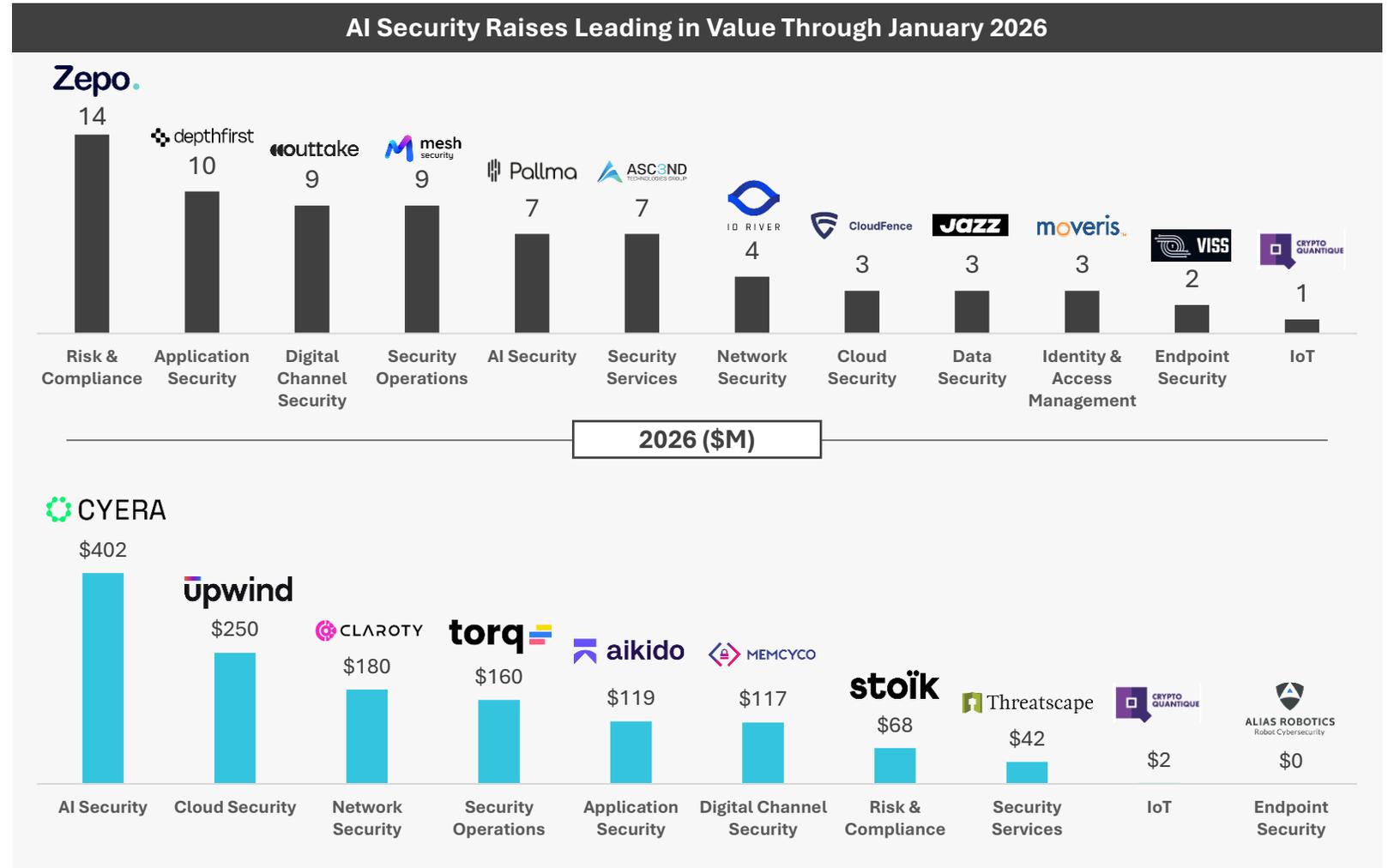
- January Activity in Line with Recent Medians:** January 2026 recorded **72** financing transactions totaling **\$1.3B**, closely tracking the 13-month median of **72** deals and **\$1.3B** in monthly capital deployed, reinforcing the durability of the accelerated cybersecurity financing environment
- Capital Concentrated in a Handful of Large Rounds:** A meaningful portion of January's \$1.3B was driven by several outsized raises, including Cyera's **\$400M** Series F, Upwind's **\$250M** Series B, Claroty's **\$150M** Series F, Torq's **\$140M** Series D, and Aikido Security's **\$69M** Series B, highlighting continued investor appetite for scaled platforms



Cybersecurity VC Transactions By Segment

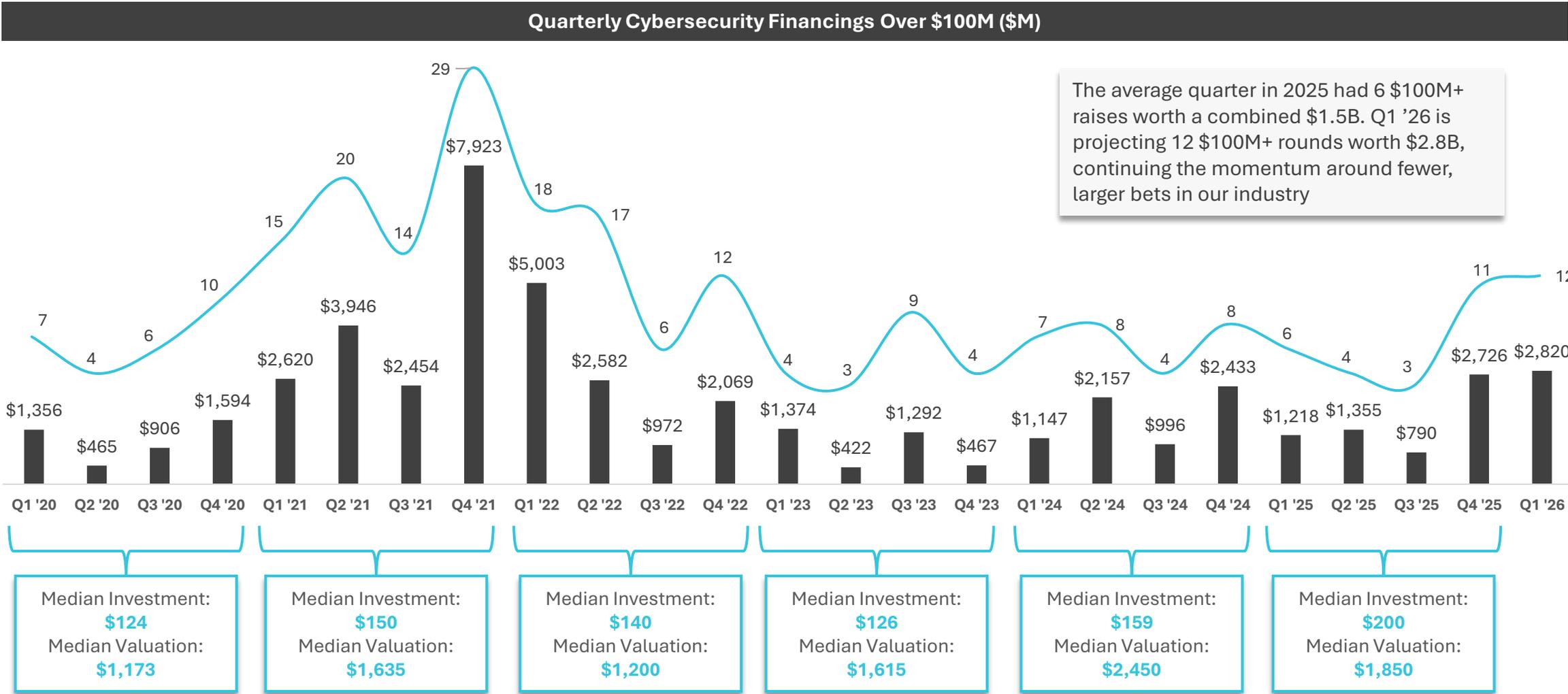
January 2026 saw strong capital deployment, led by AI in dollars invested and Risk & Compliance in deal count

- AI Security Continues to Command Capital:** January 2026 financing activity reinforced investor conviction in AI-driven security platforms, with AI Security capturing **30% of dollars deployed** as enterprises prioritize securing AI-enabled and cloud-native environments
- Risk & Compliance Remains a Volume Leader:** Risk & Compliance once again led the market in deal count, reflecting the category's accessibility for early-stage formation and sustained demand tied to regulatory change, supply chain risk, and AI governance
- Divergent Capital and Volume Dynamics Persist:** January activity highlights a continued split between capital-intensive AI platforms and high-velocity Risk & Compliance formation, a dynamic that defined much of 2025 and is carrying into 2026



A Cybersecurity Market of Fewer, Bigger Bets

Quarterly cybersecurity financings over \$100M show materially larger check sizes in 2026





VI.

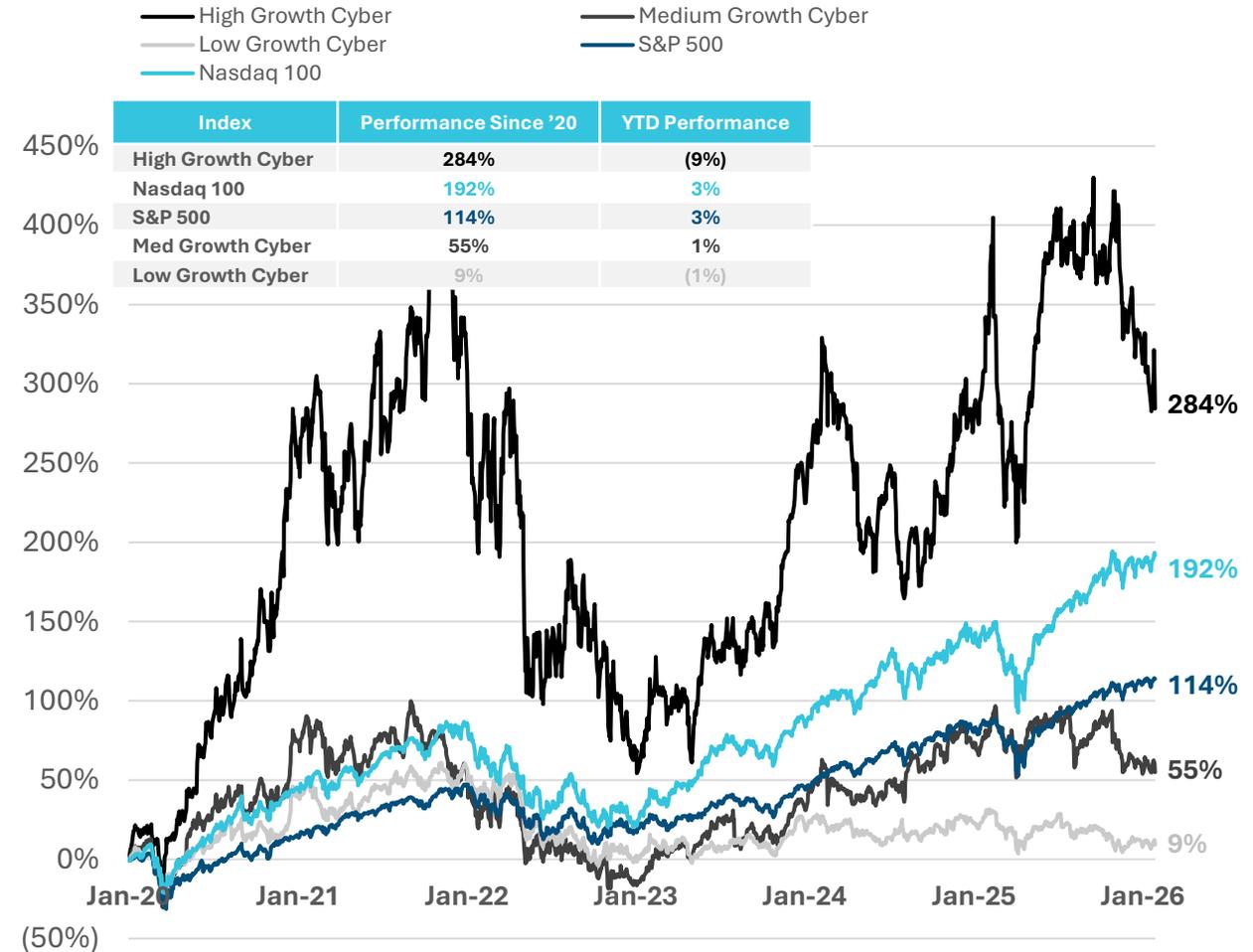
Public Markets Update & Analysis

High Growth Cyber Has Outpaced the S&P and the Nasdaq

High-growth public Cybersecurity companies trade at 7.8x EV / '26 Revenue and have outperformed major indices since 2020

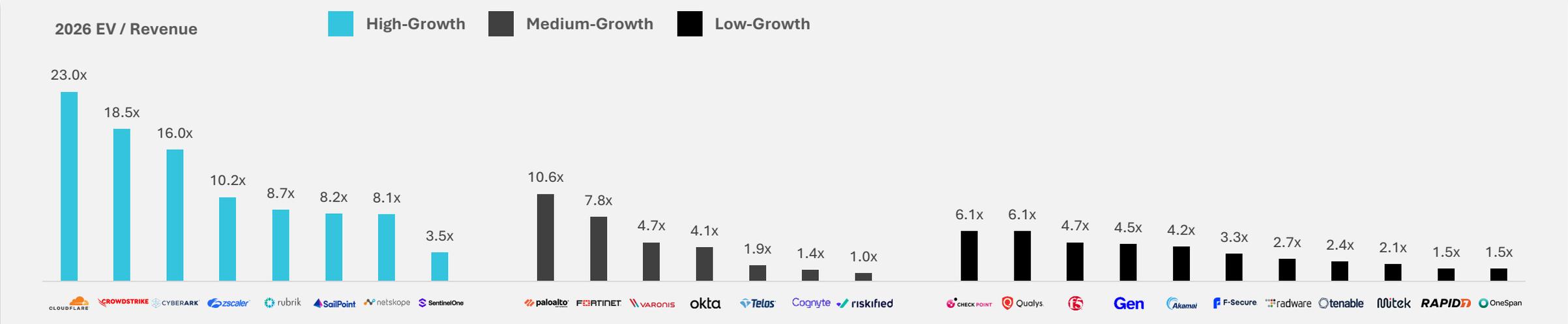
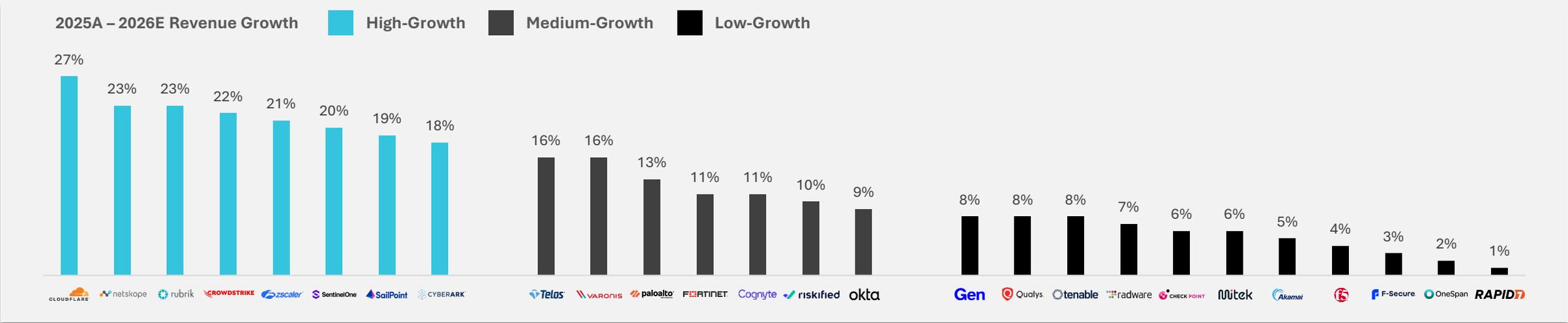
Metric	High-Growth	Medium-Growth	Low-Growth	All
Revenue Multiple	7.8x	4.1x	3.3x	4.6x
EBITDA Multiple	34.7x	17.5x	9.9x	14.8x
Ro40	43%	27%	37%	37%
Revenue Growth	21%	11%	6%	10%
EBITDA Margin	21%	15%	35%	27%
Gross Margin	78%	77%	83%	80%
R&D Spend	27%	21%	18%	22%
S&M Spend	51%	34%	23%	36%
Rev / Employee (\$K)	\$341K	\$437K	\$386K	\$351K
Market Cap (\$M)	\$16,632	\$3,604	\$2,575	\$7,525

Cybersecurity vs. Broader Indices: Stock Prices



Valuation Divide Reflects Efficiency and Growth Quality

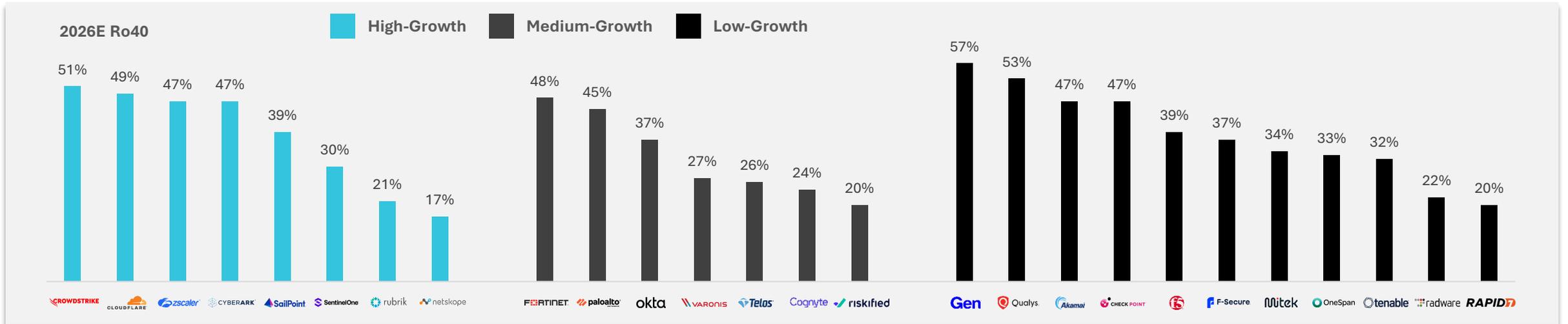
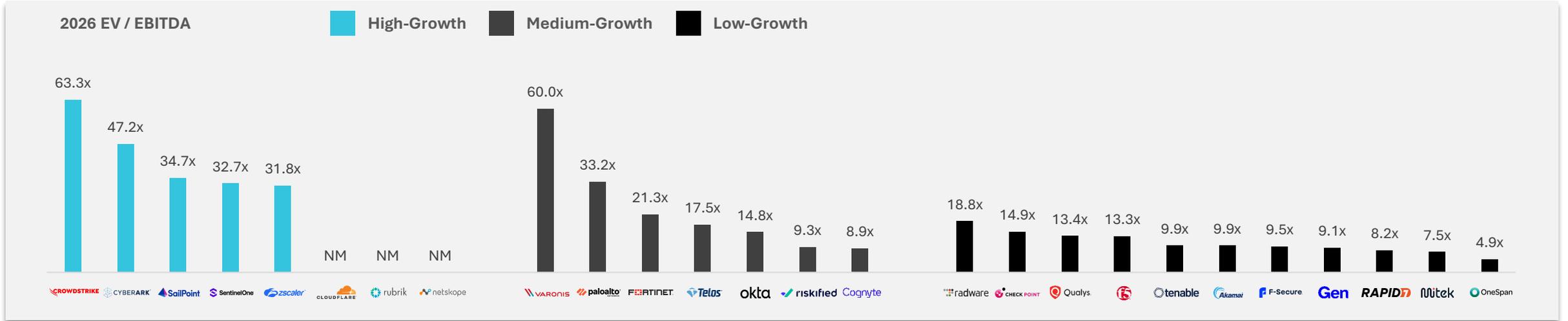
High-growth Cyber companies are keeping premium multiples on stronger forward metrics



Source: Pitchbook, Company Filings, as of 01/30/2025.

High-Growth Cyber Also Trade at Higher EBITDA Multiples

High-growth Cyber companies are performing higher than low growth companies across almost all valuation metrics



Source: Pitchbook, Company Filings, as of 01/30/2025.

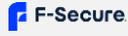
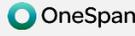
High-Growth Cybersecurity Public Comps

(\$ in millions)	EV / Revenue	EV / EBITDA	Revenue Growth	EBITDA Margin	Rule of 40	Gross Margin	Revenue	EBITDA	One-Year Stock	EV
Company	2026E	2026E	'26E / '25A	2026E	2026E	2026E	2026E	2026E		
 CROWDSTRIKE	18.5x	63.3x	22%	29%	51%	78%	\$5,848	\$1,708	18%	\$108,147
 CLOUDFLARE	23.0x	NM	27%	22%	49%	76%	\$2,726	\$600	36%	\$62,645
 ZSCALER	8.5x	31.8x	21%	27%	47%	80%	\$3,603	\$959	6%	\$30,507
 CYBERARK	13.5x	47.2x	18%	29%	47%	86%	\$1,586	\$454	21%	\$21,415
 RUBRIK	7.1x	NM	23%	(1%)	21%	81%	\$1,569	(\$18)	(15%)	\$11,140
 SAILPOINT	6.9x	34.7x	19%	20%	39%	78%	\$1,274	\$252	NM	\$8,735
 NETSKOPE	6.6x	NM	23%	(6%)	17%	78%	\$864	(\$51)	NM	\$5,699
 SENTINELONE	3.5x	32.7x	20%	11%	30%	78%	\$1,200	\$127	(37%)	\$4,142
Median (High-Growth)	7.8x	34.7x	21%	21%	43%	78%	\$1,578	\$353	12%	\$16,278
Mean (High-Growth)	10.9x	41.9x	22%	16%	38%	80%	\$2,334	\$504	5%	\$31,554

Medium-Growth Cybersecurity Public Comps

(\$ in millions)	EV / Revenue	EV / EBITDA	Revenue Growth	EBITDA Margin	Rule of 40	Gross Margin	Revenue	EBITDA	One-Year Stock	EV
Company	2026E	2026E	'26E / '25A	2026E	2026E	2026E	2026E	2026E		
Medium-Growth										
 paloalto	10.6x	33.2x	13%	32%	45%	77%	\$11,180	\$3,582	(1%)	\$118,947
 FORTINET	7.8x	21.3x	11%	36%	48%	81%	\$7,519	\$2,740	(17%)	\$58,487
 okta	4.1x	14.8x	9%	28%	37%	82%	\$3,169	\$887	(3%)	\$13,147
 VARONIS	4.7x	60.0x	16%	8%	24%	80%	\$719	\$57	(25%)	\$3,408
 Cognyte	1.4x	8.9x	11%	15%	26%	73%	\$444	\$67	1%	\$600
 riskified	1.0x	9.3x	10%	11%	20%	52%	\$375	\$39	(12%)	\$368
 Telos	1.9x	17.5x	16%	11%	27%	39%	\$190	\$21	81%	\$362
Median (Med-Growth)	4.1x	17.5x	11%	15%	27%	77%	\$719	\$67	(3%)	\$3,408
Mean (Med-Growth)	4.5x	23.6x	12%	20%	33%	69%	\$3,371	\$1,056	3%	\$27,903

Low-Growth Cybersecurity Public Comps

(\$ in millions)	EV / Revenue	EV / EBITDA	Revenue Growth	EBITDA Margin	Rule of 40	Gross Margin	Revenue	EBITDA	One-Year Stock	EV
Company	2026E	2026E	'26E / '25A	2026E	2026E	2026E	2026E	2026E		
Low-Growth										
 Gen	4.5x	9.1x	8%	49%	57%	83%	\$5,091	\$2,494	(10%)	\$22,750
 Akamai	4.2x	9.9x	5%	42%	47%	73%	\$4,399	\$1,860	2%	\$18,405
 CHECK POINT	6.1x	14.9x	6%	41%	47%	88%	\$2,889	\$1,188	(12%)	\$17,663
 Cisco	4.7x	13.3x	4%	36%	39%	84%	\$3,187	\$1,137	(3%)	\$15,086
 Qualys	6.1x	13.4x	8%	45%	53%	84%	\$718	\$326	(9%)	\$4,374
 Tenable	2.4x	9.9x	8%	25%	32%	82%	\$1,065	\$263	(48%)	\$2,607
 RAPID7	1.5x	8.2x	1%	19%	20%	74%	\$866	\$163	(68%)	\$1,332
 radware	2.7x	18.8x	7%	14%	22%	82%	\$322	\$46	13%	\$872
 F-Secure	3.3x	9.5x	3%	35%	37%	84%	\$175	\$61	22%	\$577
 Mitek	2.1x	7.5x	6%	28%	34%	84%	\$195	\$56	2%	\$417
 OneSpan	1.5x	4.9x	2%	31%	33%	74%	\$245	\$75	(40%)	\$366
Median (Low-Growth)	3.3x	9.9x	6%	35%	37%	83%	\$866	\$263	(9%)	\$2,607
Mean (Low-Growth)	3.6x	10.8x	5%	33%	38%	81%	\$1,741	\$697	(14%)	\$7,677



Appendix

M&A Transaction List (January 2026)

Date	Target	Company Type	Acquirer	Acquirer Type	EV (\$M)	LTM Revenue (\$M)	EV / LTM Revenue
Jan-26	REAL Security	Security Services	Westcon-Comstor	PE-Backed Strategic	ND	ND	ND
Jan-26	Cyber Guru	Risk & Compliance	Libraesva	PE-Backed Strategic	ND	ND	ND
Jan-26	Unipath	Security Operations	ControlUp	PE-Backed Strategic	ND	ND	ND
Jan-26	Alert Logic	Security Services	LevelBlue	PE-Backed Strategic	ND	ND	ND
Jan-26	Hispacec Sistemas	Security Services	Reevo	Strategic	ND	ND	ND
Jan-26	Pynt	Application Security	Radware	Strategic	ND	ND	ND
Jan-26	The Collective Consulting	Security Services	Van Roey ICT Group	PE-Backed Strategic	ND	ND	ND
Jan-26	Ventura ERM	Security Services	Nava	PE-Backed Strategic	ND	ND	ND
Jan-26	QTrino Labs	Data Security	Satin Creditcare Network	Strategic	ND	ND	ND
Jan-26	StrongDM	AI Security	Delinea	PE-Backed Strategic	ND	\$16	ND
Jan-26	Vision Cybersecurity	Security Services	SPX Capital	PE Platform	\$73	ND	ND
Jan-26	Axur	Risk & Compliance	Infoblox	PE-Backed Strategic	ND	ND	ND
Jan-26	MCP Manager	AI Security	Usercentrics	Strategic	ND	ND	ND
Jan-26	Seraphic	Digital Channel Security	CrowdStrike	Strategic	\$420	ND	ND
Jan-26	Beyond Secure	Security Services	NuView IT	PE-Backed Strategic	ND	ND	ND
Jan-26	Build38	Digital Channel Security	OneSpan	Strategic	ND	ND	ND
Jan-26	Alpha II Service	Data Security	Aurex	PE-Backed Strategic	ND	ND	ND
Jan-26	NetSource One	Security Services	New Charter Technologies	PE-Backed Strategic	ND	ND	ND
Jan-26	elevenM Consulting	Security Services	ctrl:cyber	PE-Backed Strategic	ND	ND	ND
Jan-26	3rdRisk	Risk & Compliance	Diligent	PE-Backed Strategic	ND	ND	ND
Jan-26	OpenSpring	Security Services	TietoEVRY	Strategic	ND	ND	ND
Jan-26	StandardFusion	Risk & Compliance	Wolters Kluwer	Strategic	\$38	ND	ND
Jan-26	SGNL	AI Security	CrowdStrike	Strategic	\$740	ND	ND
Jan-26	Seald	Digital Channel Security	OVHcloud Startup Program	PE Platform	ND	ND	ND

Source: Pitchbook, 451 Research, Momentum Cyber proprietary transaction database.



M&A Transaction List (January 2026)

Date	Target	Company Type	Acquirer	Acquirer Type	EV (\$M)	LTM Revenue (\$M)	EV / LTM Revenue
Jan-26	SignetRisk Analytics	Risk & Compliance	ND	Strategic	ND	ND	ND
Jan-26	Industrial Defender	Security Services	Banneker Partners	PE Platform	ND	ND	ND
Jan-26	iSPIN	Security Services	AdNovum Informatik	PE-Backed Strategic	ND	ND	ND
Jan-26	Ntirety	Security Services	11:11 Systems	PE-Backed Strategic	ND	ND	ND
Jan-26	IriusRisk	Risk & Compliance	ThreatModeler	PE-Backed Strategic	\$117	ND	ND
Jan-26	PrivacyPal	Data Security	Vocodia	Strategic	ND	ND	ND
Jan-26	Alphabit Cybersecurity	Security Services	Softweb	Strategic	\$2	\$1	2.7x
Jan-26	Fortreum	Risk & Compliance	Gryphon Investors	PE Platform	ND	ND	ND
Jan-26	Technology Recovery Group	Endpoint Security	Gemspring Capital	PE Platform	ND	ND	ND
Jan-26	Advantus360	Risk & Compliance	Integrity360	PE-Backed Strategic	ND	ND	ND
Jan-26	AssurancePoint	Risk & Compliance	Axiom GRC	PE-Backed Strategic	ND	ND	ND
Jan-26	Brite	Security Services	Sole Source Capital	PE Platform	ND	ND	ND
Jan-26	Panacea Infosec	Security Services	SGS	Strategic	ND	ND	ND
Jan-26	SIMS Software	Risk & Compliance	TechnoMile	PE-Backed Strategic	ND	ND	ND

Financing Transaction List (January 2026)

Date	Target	Company Type	Deal Amount	Post Valuation	Funding Type
Jan-26	DeepCytes	Security Operations	\$1.4	ND	Seed / Accelerator
Jan-26	Mesh Security	Security Operations	\$12.0	ND	Series A
Jan-26	Outtake	Digital Channel Security	\$40.0	ND	Series B
Jan-26	Pallma AI	AI Security	\$1.6	ND	Seed / Accelerator
Jan-26	Memcyco	Digital Channel Security	\$37.0	ND	Series A
Jan-26	Aisy	Security Operations	\$2.3	ND	Seed / Accelerator
Jan-26	ASC3ND Technologies Group	Security Services	ND	ND	Seed / Accelerator
Jan-26	Dark Horse Technologies	Security Services	ND	ND	Seed / Accelerator
Jan-26	Restonlogic	Security Services	ND	ND	Seed / Accelerator
Jan-26	Upwind Security	Cloud Security	\$250.0	ND	Series B
Jan-26	CipherGateway Networks	Data Security	ND	ND	Series B
Jan-26	Threatscape	Security Services	\$40.4	ND	PE Growth/Expansion
Jan-26	Monarx	Digital Channel Security	\$5.0	\$23.0	Series B
Jan-26	The Security Bulldog	Security Operations	\$0.3	ND	Seed / Accelerator
Jan-26	Symbiotic Security	Application Security	\$10.0	\$31.0	Seed / Accelerator
Jan-26	Claroty	Network Security	\$150.0	\$3,000.0	Series F
Jan-26	TECH5	Identity & Access Management	ND	ND	Debt
Jan-26	Asymmetric Security	Security Operations	\$4.2	ND	Seed / Accelerator
Jan-26	CyberNut	Risk & Compliance	\$9.9	\$24.0	Seed / Accelerator
Jan-26	Synergy Quantum	Data Security	ND	ND	Seed / Accelerator
Jan-26	Stoik	Risk & Compliance	\$23.4	ND	Series C
Jan-26	Balance Theory	Security Services	\$1.6	ND	Debt
Jan-26	Project Eleven	Digital Channel Security	\$20.0	\$123.0	Series A
Jan-26	Aikido Security	Application Security	\$68.8	\$1,006.6	Series B

Source: Pitchbook, Momentum Cyber proprietary transaction database.

Financing Transaction List (January 2026)

Date	Target	Company Type	Deal Amount	Post Valuation	Funding Type
Jan-26	Naoris Protocol	Digital Channel Security	ND	ND	Later Stage VC
Jan-26	IO River	Network Security	\$20.0	ND	Series A
Jan-26	Governata	Risk & Compliance	\$4.0	ND	Seed / Accelerator
Jan-26	DepthFirst	Application Security	\$40.0	\$152.0	Series A
Jan-26	NNEAT	Risk & Compliance	\$0.9	ND	Early Stage VC
Jan-26	CloudSEK	Risk & Compliance	\$10.0	ND	Series B
Jan-26	NetBird	Network Security	\$10.0	ND	Series A
Jan-26	Zepo Intelligence	Risk & Compliance	\$15.0	ND	Seed / Accelerator
Jan-26	Torq	Security Operations	\$140.0	\$1,200.0	Series D
Jan-26	Cyera	AI Security	\$400.0	\$9,000.0	Series F
Jan-26	Tradelok	Risk & Compliance	ND	ND	Later Stage VC
Jan-26	Babylon Labs	Digital Channel Security	\$15.0	ND	Early Stage VC
Jan-26	Crypto Quantique	IoT	\$1.7	ND	Later Stage VC
Jan-26	Zepo Intelligence	Risk & Compliance	ND	ND	Seed / Accelerator
Jan-26	Hush Security	AI Security	ND	ND	Seed / Accelerator
Jan-26	Simbian	AI Security	ND	ND	Seed / Accelerator
Jan-26	SurePath AI	AI Security	ND	ND	Seed / Accelerator
Jan-26	Aira Security	Application Security	ND	ND	Seed / Accelerator
Jan-26	Raven	Application Security	ND	ND	Seed / Accelerator
Jan-26	Opti	Identity & Access Management	ND	ND	Seed / Accelerator
Jan-26	Averlon	Risk & Compliance	ND	ND	Seed / Accelerator
Jan-26	Fortyx Security	Risk & Compliance	ND	ND	Seed / Accelerator
Jan-26	Mate	Security Operations	ND	ND	Seed / Accelerator
Jan-26	Huskeys	Application Security	ND	ND	Seed / Accelerator

Source: Pitchbook, Momentum Cyber proprietary transaction database.

Financing Transaction List (January 2026)

Date	Target	Company Type	Deal Amount	Post Valuation	Funding Type
Jan-26	Jazz	Data Security	ND	ND	Seed / Accelerator
Jan-26	Backslash Security	Application Security	ND	ND	Early Stage VC
Jan-26	CiaoDott	AI Security	ND	ND	Early Stage VC
Jan-26	CloudFence	Cloud Security	ND	ND	Early Stage VC
Jan-26	Fireblocks	Digital Channel Security	ND	ND	Later Stage VC
Jan-26	Saito	Digital Channel Security	ND	ND	Later Stage VC
Jan-26	Alias Robotics	Endpoint Security	\$0.1	ND	Seed / Accelerator
Jan-26	Drata	Risk & Compliance	ND	ND	Later Stage VC
Jan-26	ThreatBook	Security Operations	ND	ND	Later Stage VC
Jan-26	Vidoc Security Lab	Security Operations	ND	ND	Seed / Accelerator
Jan-26	Celare Quantum Communications	Network Security	ND	ND	Seed / Accelerator
Jan-26	Dirigent	AI Security	ND	ND	Early Stage VC
Jan-26	Drip7	Risk & Compliance	ND	ND	Later Stage VC
Jan-26	Enactia	Risk & Compliance	ND	ND	Later Stage VC
Jan-26	Fata Informatica	Security Services	ND	ND	Later Stage VC
Jan-26	Hex Security	Application Security	\$0.1	ND	Seed / Accelerator
Jan-26	Hex Security	Application Security	ND	ND	Early Stage VC
Jan-26	Tectonic	Digital Channel Security	ND	ND	Early Stage VC
Jan-26	VISS	Endpoint Security	ND	ND	Seed / Accelerator
Jan-26	Emproof	Application Security	ND	ND	Later Stage VC
Jan-26	CYSEC	Cloud Security	ND	ND	Later Stage VC
Jan-26	DigitalXForce	Risk & Compliance	\$5.0	\$100.0	Early Stage VC
Jan-26	ASC27	Security Services	ND	ND	PE Growth/Expansion
Jan-26	Moveris	Identity & Access Management	ND	ND	Early Stage VC

Source: Pitchbook, Momentum Cyber proprietary transaction database.

Cybersecurity Monthly Market Review

January Cybersecurity M&A and Capital Markets Report



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