Cybersecurity Monthly Market Review

February Cybersecurity M&A and Capital Markets Report

Deal Velocity Accelerates as AI Security Trades and Capital Concentrates at the Top

February 2026

Momentum CYBER

Momentum CYBER

What Happened in Cybersecurity?

Monthly Deal Report | February 2026

37

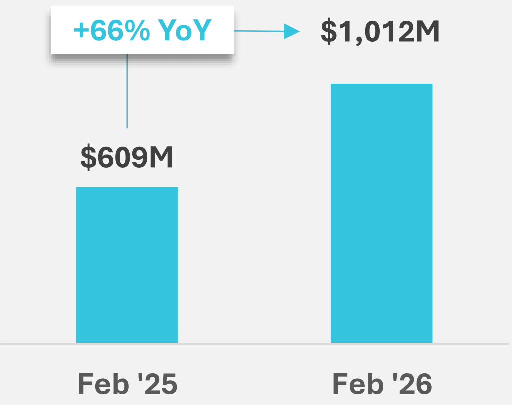
M&A Deals

The 4th highest monthly deal count ever recorded

$1.0B

M&A Value

From 8 deals, including Check Point's 3 acquisitions



CHECK POINT

Makes three moves...

CYATA

CYCLOPS

Rotate

Worth $150M

61

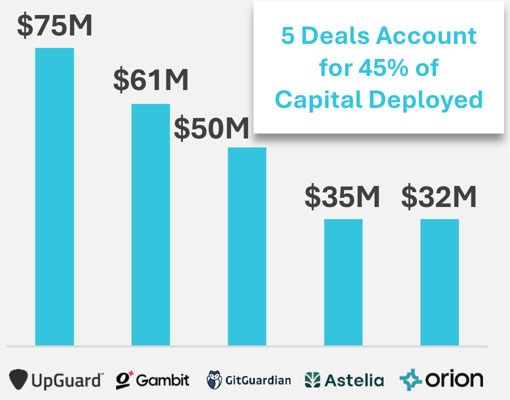
Financing Deals

15% lower than the 13-month median count

$563M

Financing Value

Risk & Compliance startups raised the most capital across the most deals



INSIGHT PARTNERS

Springcoast PARTNERS

Lead the way...

GitGuardian

Financed by

INSIGHT PARTNERS

02/11, $50M

UpGuard

Financed by

Springcoast PARTNERS

02/26, $75M

Join Us at AIxCYBER in Austin on March 12th

Cocktails & Conversation | Executive Insights on AI & Cybersecurity

AIxCyber | March 12, 2026

4:00–7:00 PM

South Congress Hotel, Austin, TX

AIxCyber convenes leading founders, investors, and operators for an executive-level discussion at the intersection of AI and cybersecurity.

The evening begins with a panel conversation exploring capital concentration, agentic AI, strategic M&A signals, and the evolving structure of the cybersecurity market, followed by a cocktail networking reception.

Presented by Momentum Cyber

Table of Contents

I. 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

CYBER cloud

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*

24 *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 Kreimenndahl
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

- Pillr — a subsidiary of novacoast — acquired by opentext — Momentum Cyber
- Solutions Granted — acquired by SonicWall — a portfolio company of FP Francisco Partners — Momentum Cyber
- Onspring — strategic investment by Capital IP — Momentum Cyber
- GreatHorn — acquired by Stage — Momentum Cyber
- Reciprocity — strategic investment by FP Francisco Partners — Momentum Cyber
- Apptega — strategic investment by Mainsail Partners — Momentum Cyber
- Infocyte — acquired by datto — Momentum Cyber
- fishtech group — merged with Herjavec Group — a portfolio company of Apax Partners — Momentum Cyber
- SecBI — acquired by Logpoint — Momentum Cyber
- RiskSense — acquired by ivanti — Momentum Cyber
- Herjavec Group — acquired by Apax Partners — Momentum Cyber
- alcide — acquired by Rapid7 — Momentum Cyber
- mistnet (Enterprise security. Demystified.) — acquired by LogRhythm — a portfolio company of Thomabravo — Momentum Cyber
- iboss — strategic investment by NightDragon, FP Francisco Partners — Momentum Cyber
- Goldman Sachs, ClearSky, NightDragon — acquired White Ops — Momentum Cyber
- pwc — acquired eagledream technologies — Momentum Cyber
- Goldman Sachs, ClearSky — strategic investment in White Ops — Momentum Cyber
- pwc — acquired Service Catalyst — Momentum Cyber
- JASK — acquired by sumo logic — Momentum Cyber
- Interset — acquired by Micro Focus — Momentum Cyber
- ADT, NightDragon — strategic investment in sam — Momentum Cyber
- ADT — acquired Secure Designs, Inc. (Managed Internet Security Solutions) — Momentum Cyber
- ICEBRG — acquired by Gigamon — Momentum Cyber
- Bradford Networks — acquired by Fortinet — Momentum Cyber
- Weblife — acquired by proofpoint — Momentum Cyber
- ADT — acquired Datashield — Momentum Cyber
- DomainTools — board advisory — Momentum Cyber
- ZeroFox Alliance — acquired *Undisclosed Consumer Security Company* — Momentum Cyber
- Cyphort — acquired by Juniper Networks — Momentum Cyber
- iSheriff — acquired by mimecast — Momentum Cyber

CYBER cloud 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

4,112+
Cyber Companies Tracked

33,409+
Strategic & Investor Contacts

Transaction Database

Proprietary Insights	3,300+	10,800+	1,500+	7,900+	15+
Undisclosed Valuations	*M&A Transactions*	*Financing Transactions*	*Cybersecurity Buyers*	*Cybersecurity Investors*	*Years Tracking Transactions*

Exposure Outreach & Impact

1,147,930+
Emails Sent

8,272+
Pages of Content Created

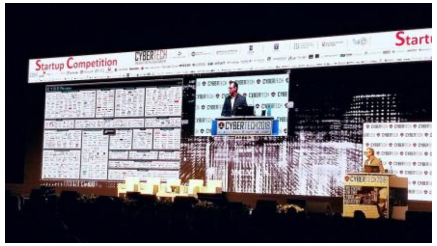
Proprietary Industry Content

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

II. Executive Summary

February Strategic Deal Flow

Increased M&A activity is the top trend we are seeing in early 2026

M&A Activity

There were **37** M&A transactions announced in February 2026; a **16% increase** YoY

The month included **$1.0B** in total disclosed deal value in February from 8 disclosed deals

The most active sectors across M&A were Security Services (**13 deals**), Risk & Compliance (**4 deals**), AI Security (**4 deals**), and Data Security (**4 deals**)

Notable M&A Deals (Feb. 2026)	AllTrue.ai	SquareX	CYATA	KOI
	Acquired by	Acquired by	Acquired by	Acquired by
	VARONIS	zscaler	CHECK POINT	paloalto NETWORKS
	02/03, $126M	02/05, ND	02/12, ND	02/17, $400M

Financing Activity

There were **61** Financing transactions completed in February 2026; a **24%** decrease YoY

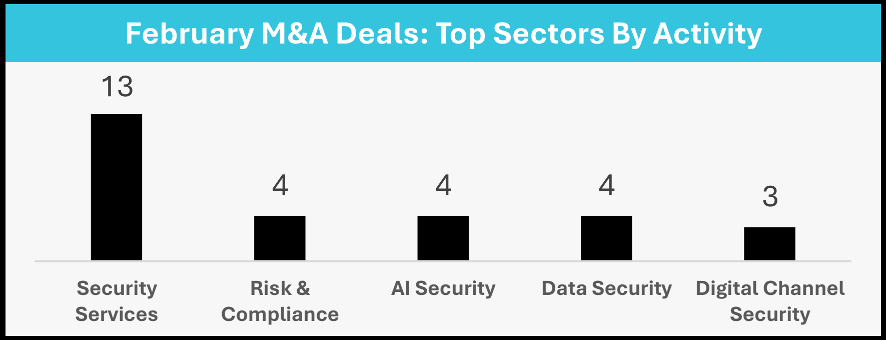
The month included **$563M** in total capital deployed, with a median deal size of **$12M**

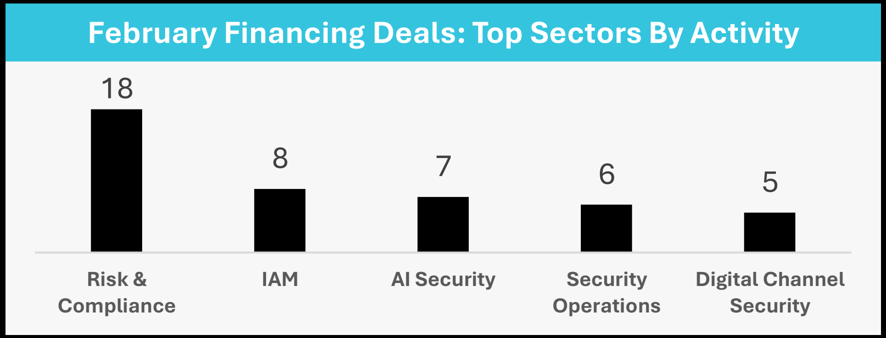
The most active sectors across Financing were Risk & Compliance (**18 deals**), Identity & Access Management (**8 deals**), and AI Security (**7 deals**)

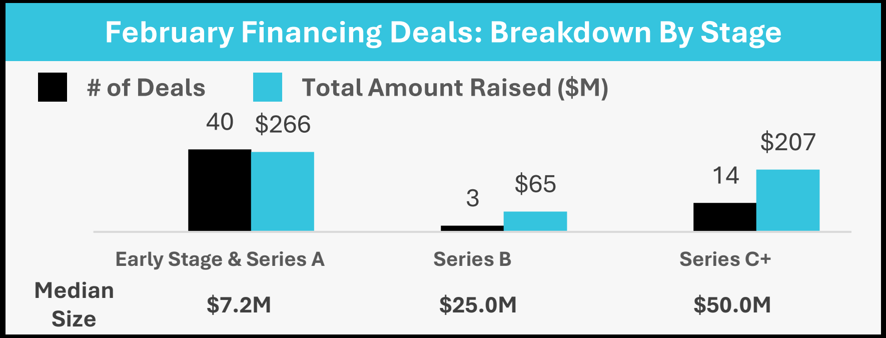
Notable Financing Deals (Feb. 2026)	orion	GitGuardian	VulnCheck	UpGuard
	Financed by	Financed by	Financed by	Financed by
	NORWEST	INSIGHT PARTNERS	SORENSON CAPITAL	Springcoast PARTNERS
	02/03, $32M	02/11, $50M	02/17, $25M	02/26, $75M

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

By The Numbers…







M&A Deal Spotlight

Select, transformative M&A transactions from February 2026

Date	Target	Acquirer	EV ($M)	Sector	Impact
02/03	AllTrue.ai	VARONIS	$126	AI Security	Extends Varonis' data security platform with AllTrue.ai's AI trust, and security management to help enterprises safely govern AI
02/03	magna5	AEA	ND	Security Services	Extends Magna5's managed IT platform with AEA's capital to accelerate cybersecurity and compliance expansion
02/03	liferaft	Securitas	ND	Security Operations	Extends Securitas' security services with LifeRaft's SaaS threat intelligence to enhance real-time risk awareness
02/04	MIGHTYID	semperis	$20	Identity & Access Management	Extends Semperis' identity resilience platform with MightyID's identity discovery and governance to strengthen identity security
02/05	SquareX	zscaler	ND	Digital Channel Security	Extends Zscaler's Zero Trust platform with SquareX's browser security to protect unmanaged and BYOD devices
02/10	ARCO CYBER	SOPHOS / THOMABRAVO	ND	Risk & Compliance	Extends Sophos' platform with Arco Cyber's AI-driven risk governance capabilities

Date	Target	Acquirer	EV ($M)	Sector	Impact
02/12	CYATA	CHECK POINT	ND	AI Security	Extends Check Point's AI security platform with Cyata's agent discovery and governance to control autonomous AI risks
02/12	CYCLOPS	CHECK POINT	ND	Security Operations	Strengthens exposure and ASM with Cyclops' continuous asset discovery across cloud, on-prem, SaaS, and OT
02/12	Rotate	CHECK POINT	ND	Security Services	Accelerates Check Point's MSP and workspace strategy by adding Rotate's managed security provider platform expertise
02/12	Acuvity	proofpoint. / THOMABRAVO	ND	AI Security	Extends Proofpoint's platform with Acuvity's AI security and governance to unify protection for humans, data, and AI agents
02/17	Defy security	Booz Allen	ND	Digital Channel Security	Extends Booz Allen's commercial business with Defy's strategic consulting and technology services to accelerate growth
02/17	KOI	paloalto NETWORKS	$400	Endpoint Security	Extends Palo Alto Networks' security platform with Koi's agentic endpoint protection to secure autonomous AI workloads

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

Financing Deal Spotlight

Select, transformative Financing transactions from February 2026

Date	Target	Lead Investor(s)	Investment ($M)	Sector	Impact
02/03	orion	NORWEST	$32	Data Security	Funds Orion's mission to build DLP beyond policies, accelerating development of AI-aware, context-driven data protection
02/05	nullify	SYN Ventures	$13	AI Security	Funds Nullify's growth of its AI workforce for product security to scale automated vulnerability discovery and remediation
02/09	lema	TEAM8	$24	Risk & Compliance	Accelerates Lema AI's agentic platform to modernize third-party risk with continuous, automated vendor assessments
02/10	reco	Zeev Ventures	$30	AI Security	Supports Reco.ai's expansion of its SaaS AI security platform to meet surging enterprise demand for automated risk protection
02/10	THARROS	BlueDelta Capital Partners	$30	Risk & Compliance	Accelerates Tharros' federal cybersecurity expansion to scale talent and selectively acquire mission-critical expertise
02/11	GitGuardian	Insight Partners	$50	AI Security	Accelerates GitGuardian's growth of its secrets detection platform to meet rising demand for automated developer-centric security

Date	Target	Lead Investor(s)	Investment ($M)	Sector	Impact
02/11	Nucleus	delta-v	$20	Security Operations	Accelerates Nucleus' expansion to scale detection, response, and analyst productivity across enterprises
02/17	VulnCheck	Sorenson Capital	$25	Security Operations	Accelerates VulnCheck's expansion of its vulnerability intelligence platform to scale risk-driven testing and remediation
02/18	VENICE	IVP	$25	Identity & Access Management	Funds Venice's development of its AI-native platform to redefine cloud workload protection and threat detection at scale
02/24	Astelia	Index Ventures	$35	Risk & Compliance	Accelerates Astelia's AI-driven exposure management platform to transform risk prioritization and vulnerability precision at scale
02/25	Gambit	Kleiner Perkins	$61	Risk & Compliance	Accelerates Gambit's AI resilience platform to uncover hidden risks and ensure continuous business continuity
02/26	UpGuard	Springcoast Partners	$75	Risk & Compliance	Accelerates UpGuard's leadership in cyber risk and posture management by scaling platform capabilities and market expansion

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

III. Industry Insights

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%	**22%**	**$96B**
YoY M&A deal value growth	*YoY M&A deal count growth*	*Total disclosed M&A deal value*
400	**165**	**109**
M&A transactions in 2025	*M&A deals completed by PEs*	*Q2 M&A transactions (highest ever)*

Momentum RESEARCH

siliconANGLE

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.

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

Recent MC Research

Key insights shaping cybersecurity capital markets

Cybersecurity Monthly Market Review

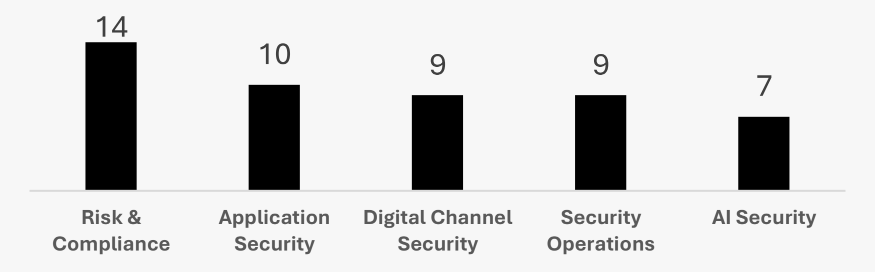
January 2026

Summary: January 2026 marked one of the strongest openings to a year on record, with 38 M&A transactions, the third-highest monthly deal count ever, and $1.4B in disclosed value, driven by renewed strategic urgency and headline acquisitions from CrowdStrike. Financing saw 72 transactions and $1.3B deployed, with AI Security commanding 30% of capital while Risk & Compliance led in deal volume. Large transactions have continued in both M&A and venture, reinforcing a market defined by consolidation at the top.

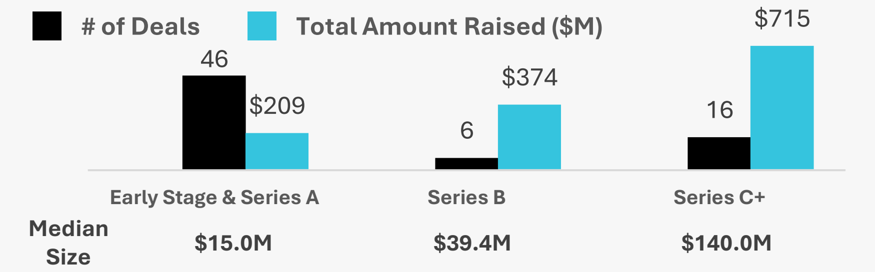
By The Numbers...

January M&A Deals: Top Sectors By Activity

January Financing Deals: Top Sectors By Activity



January Financing Deals: Breakdown By Stage

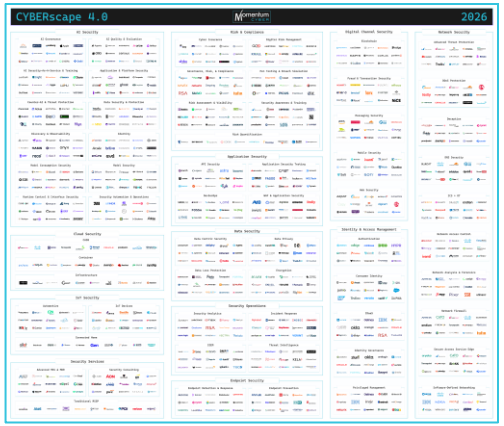


Recent MC Research

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

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.

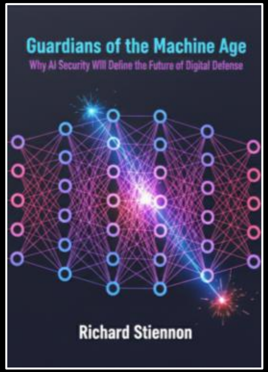
For nearly two decades, **IT-Harvest** has been one of the industry's most trusted sources of independent cybersecurity intelligence. Under the leadership of **Richard Stiennon** — author, speaker, and former Gartner VP — the firm has consistently provided data-driven insight into how new technologies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

MC in the Media

Key insights shaping cybersecurity capital markets

Record Cybersecurity M&A Activity

SiliconANGLE covers Momentum's 2025 record M&A findings

Summary: Momentum Cyber's research on record-breaking cybersecurity M&A in 2025 was featured by SiliconANGLE, reinforcing a market narrative of accelerating consolidation, strong strategic buyer urgency, and resilient valuations. Coverage highlights a record year for disclosed M&A value and deal volume, with momentum expected to extend into 2026 as security infrastructure and AI-driven risk remain top enterprise priorities.

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)*

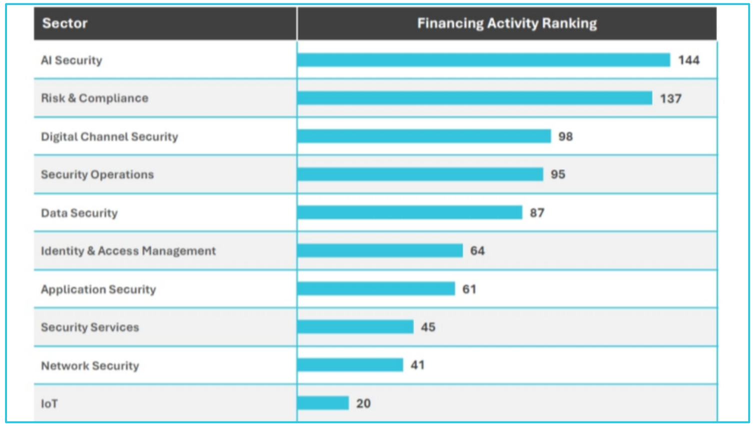
Press Feature: SiliconANGLE covers Momentum Cyber's analysis of record-breaking cybersecurity M&A activity in 2025, with transaction volume and valuations reaching unprecedented levels. The firm's latest market intelligence reveals heightened consolidation across the sector as enterprises prioritize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

MC in the Media

Key insights shaping cybersecurity capital markets

Cybersecurity Firms Chase AI

DarkReading highlights extreme capital inflows and AI security



Summary: DarkReading reports that VC investment in cybersecurity startups surged dramatically in 2025, driven by intense focus on AI-native security solutions and talent-centric innovation. According to Momentum Cyber data, total VC investment reached $119B in ’25, with 400 M&A transactions representing the bulk of capital and 820 financing deals totaling $21B. AI security firms led funding activity with 144 deals, while risk & compliance companies followed closely with 137 deals, underscoring how investor demand is concentrating on AI-enabled capabilities.

By The Numbers...

$119B
Total Cyber investments (2025)

820
Financing deals in 2025

400
M&A deals in 2025

144
AI Security startup transactions (2025)

137
Risk & Compliance deals in 2025

38
January ’26 M&A Deals

Momentum RESEARCH

DARK READING

Press Feature: DarkReading highlights the unprecedented expansion of VC into cybersecurity in 2025, emphasizing that AI-native solutions and talent-focused firms captured the largest share of investor funding. The article underscores nearly $120B in total VC investment, with AI security deals leading the surge, framing the broader market narrative of concentrated capital flows and sustained momentum into early 2026.

MC in the Media

Key insights shaping cybersecurity capital markets

Deal Flow & Market Signals

Resilient Cyber Podcast featuring Eric McAlpine

Summary: Momentum Cyber Founder Eric McAlpine joined Chris Hughes at Resilient Cyber to unpack the structural shifts shaping cybersecurity M&A and capital markets. The discussion explored the emergence of a two-tier funding market, strategic buyer dominance, AI security's rapid formation as a subsector, and why mid-market exits define the true health of cyber M&A. The episode also highlighted leadership moves as leading indicators of acquisition strategy, the growing impact of repeat founders, and new data linking headcount growth to materially higher exit valuations.

By The Numbers...

92%
Disclosed M&A value by Strategics

330+
AI Security vendors tracked

99%
Higher valuations for companies growing pre-exit

400
M&A transactions in 2025

1,568+
Unique Cyber buyers since 2010

$96B
Total disclosed M&A deal value

Momentum RESEARCH

RESILIENT CYBER

Press Feature: Eric McAlpine joined Resilient Cyber to discuss record-setting M&A activity, strategic buyer resurgence, AI security's rapid formation, and the hidden signals driving deal flow, from leadership transitions to headcount inflection points. The episode reframes cybersecurity M&A through the lens of mid-market exits, repeat founders, and capital concentration dynamics.

IV. M&A Activity in Cybersecurity

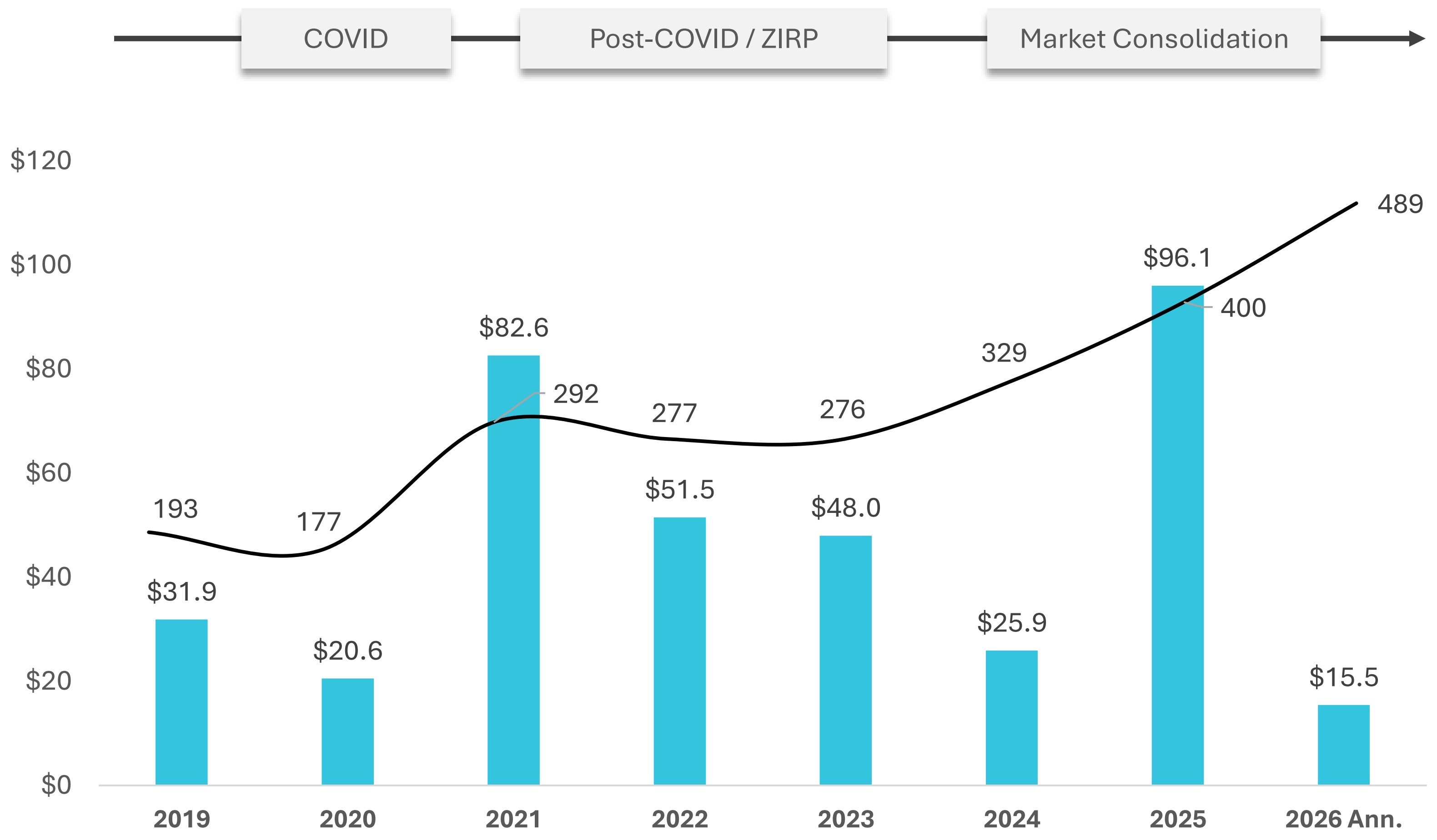
Annual Cybersecurity M&A Deal Value and Count

Of the 194 months tracked, February 2026 was for 4th in deal count

- **February 2026 in Review:** February saw **$1.0B** spent across **37** transactions, highlighted by three key strategic deals by Check Point. Deal value was up **66%** YoY, while deal count was up **19%**

- **4th Highest Count Month:** February 2026 saw 37 transactions, the 4th most cybersecurity M&A deals ever recorded. This trails only June 2025 (**42 deals**), May 2025 (**39 deals**), and January 2026 (**38 deals**). If this trend continues, we can expect to see another record-breaking year in cyber M&A. Our industry is on pace for 489 deals through the first 2 months

Yearly Cybersecurity M&A Activity ($B)

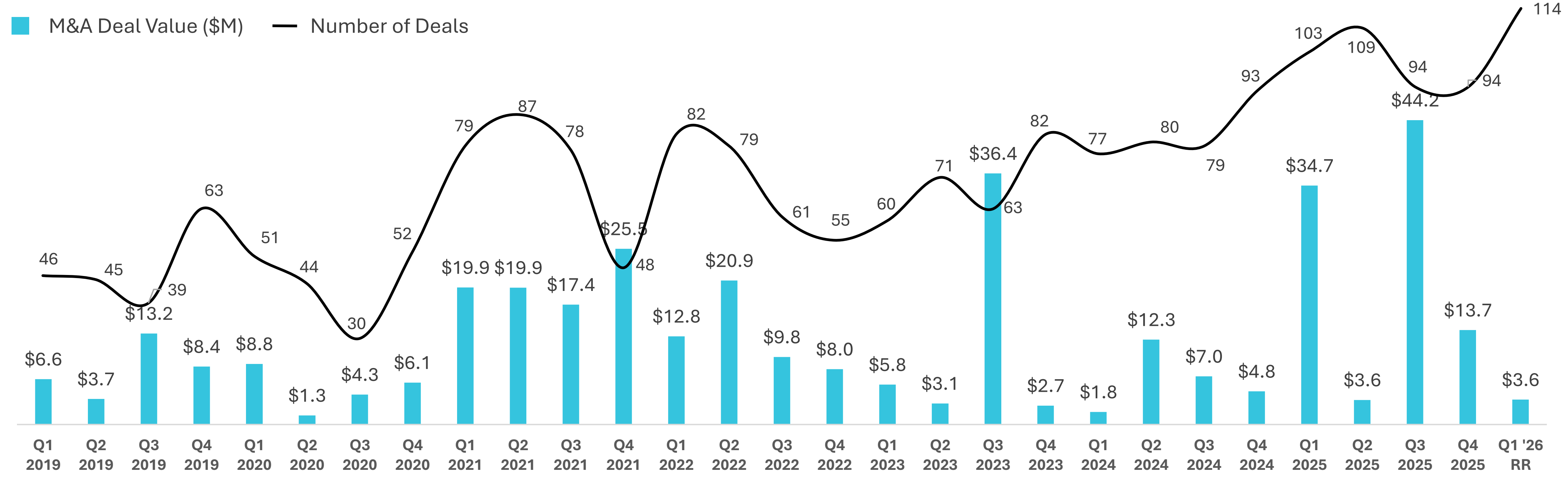


Source: Pitchbook, 451 Research, Momentum Cyber proprietary transaction database. As of 02/28/2026.

Cybersecurity M&A Activity Exceeds Pre-COVID Levels

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

Quarterly Cybersecurity M&A Activity ($B)



M&A Value YoY Growth (%)																												
64%	45%	98%	47%	34%	(64%)	(67%)	(28%)	126%	1393%	300%	320%	(36%)	5%	(44%)	(68%)	(55%)	(85%)	272%	(66%)	(69%)	303%	(81%)	75%	1804%	(71%)	532%	186%	(90%)
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%	12%

Source: Pitchbook, 451 Research, Momentum Cyber proprietary transaction database. As of 02/28/2026.

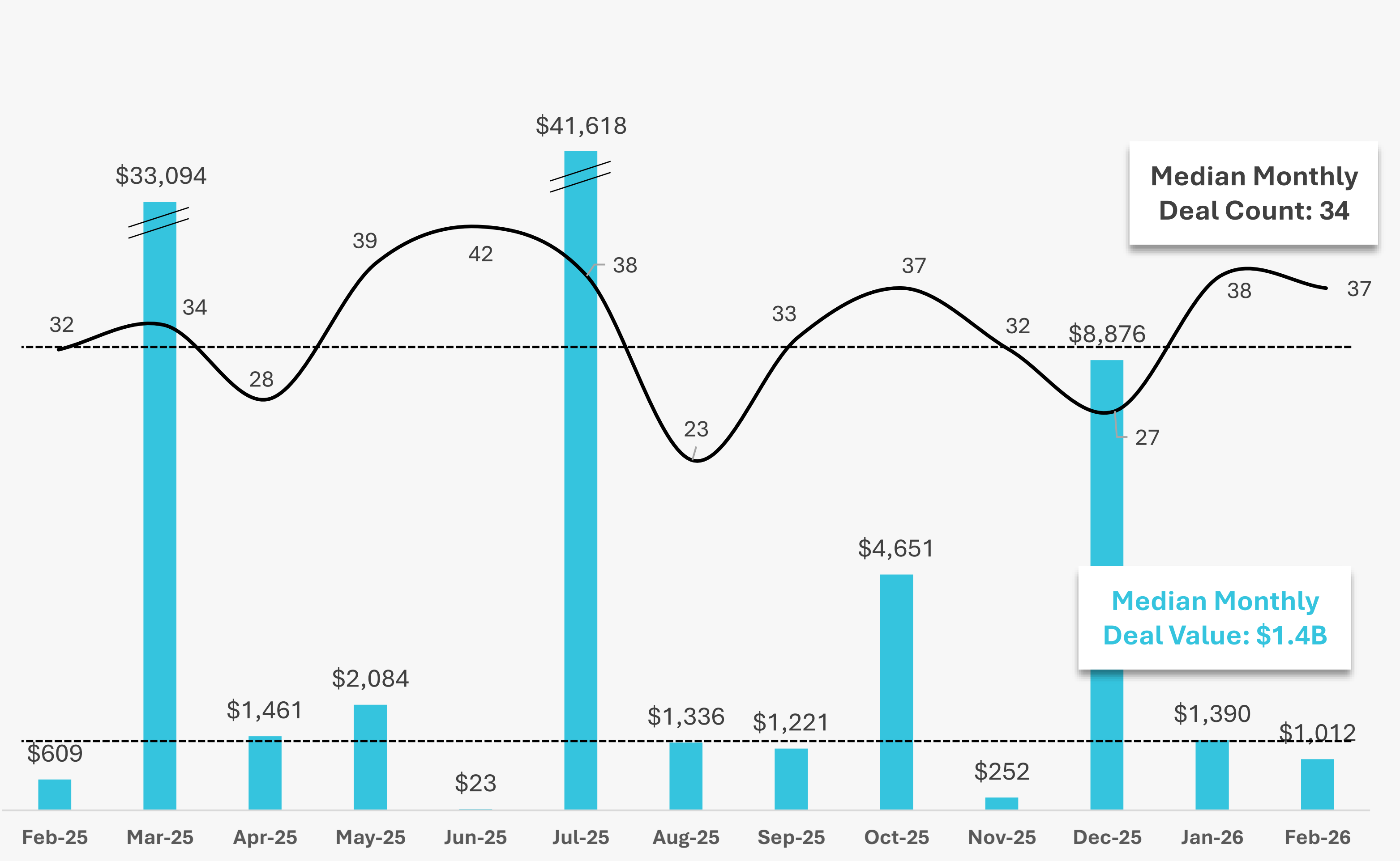
Monthly Cybersecurity M&A Deal Value and Count

Only 8 of the 37 M&A deals in February were disclosed, amounting to $1.0B in value

- **Increased Count:** In February, M&A activity achieved the **4th highest mark** 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 Palo Alto's acquisition of KOI (**$400M**), Varonis' pick up of AllTrue.ai (**$126M**) Check Point's acquisitions of Cyata, Cyclops Security, and Rotate for a combined **$150M**, Black Box's acquisiton of 2S Inovações Tecnológicas (**$30M**), Semperis' pick-up of MightyID (**$20M**), and others

Monthly Cybersecurity M&A Activity L13M ($M)



Source: Pitchbook, 451 Research, Momentum Cyber proprietary transaction database. As of 02/28/2026.

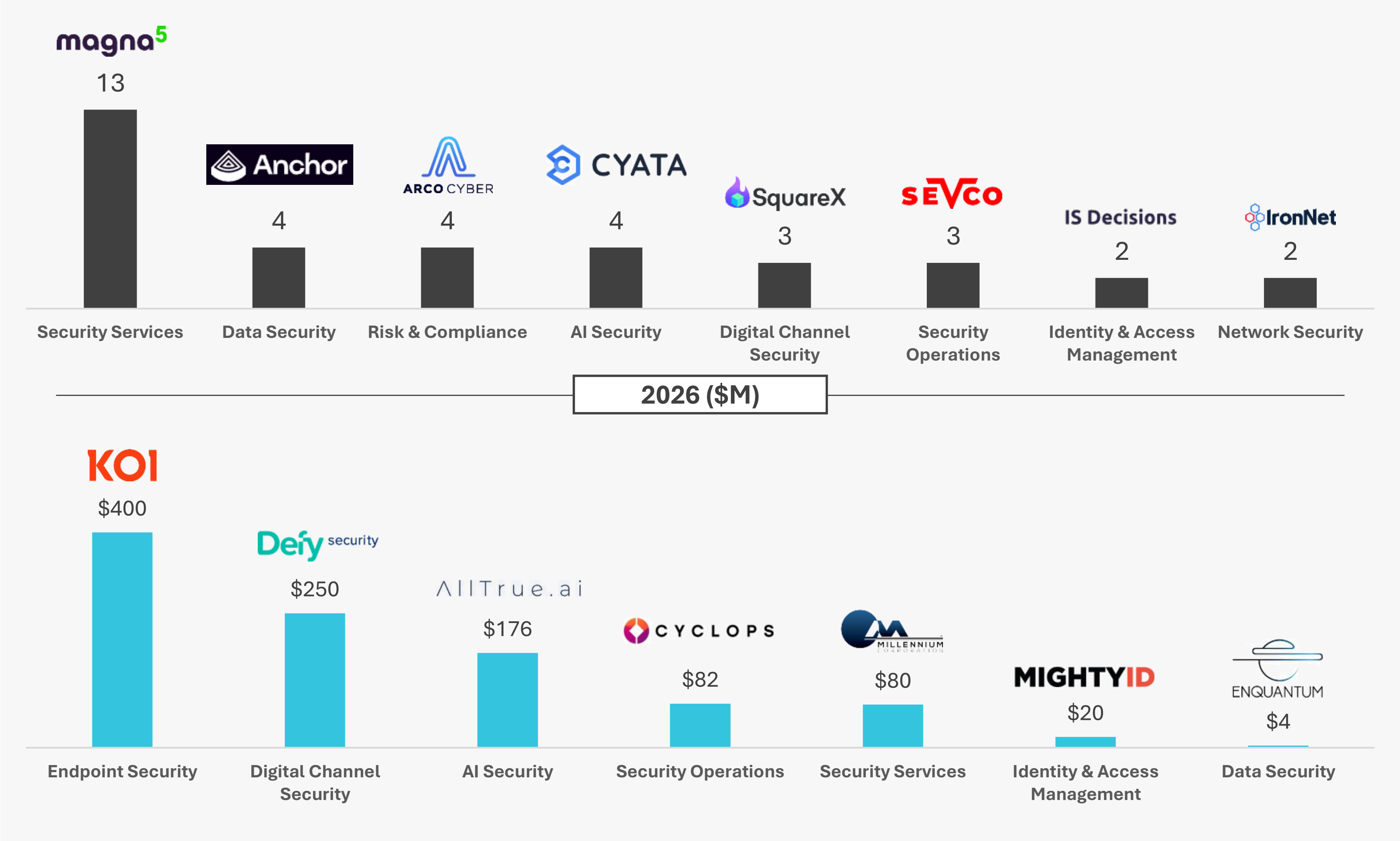
Cybersecurity M&A Transactions Based on Company Segment

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

- In February 2026, buyers prioritized proven operational categories, with **Security Services** generating the highest count and a consistent mix across **Data Security, Risk & Compliance, and AI Security**

- The buying window for AI-enabled cybersecurity companies has opened, with 7 such deals in the first two months 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

AI Security Had 4 M&A Deals in February – The Segment Only Had 10 All of Last Year



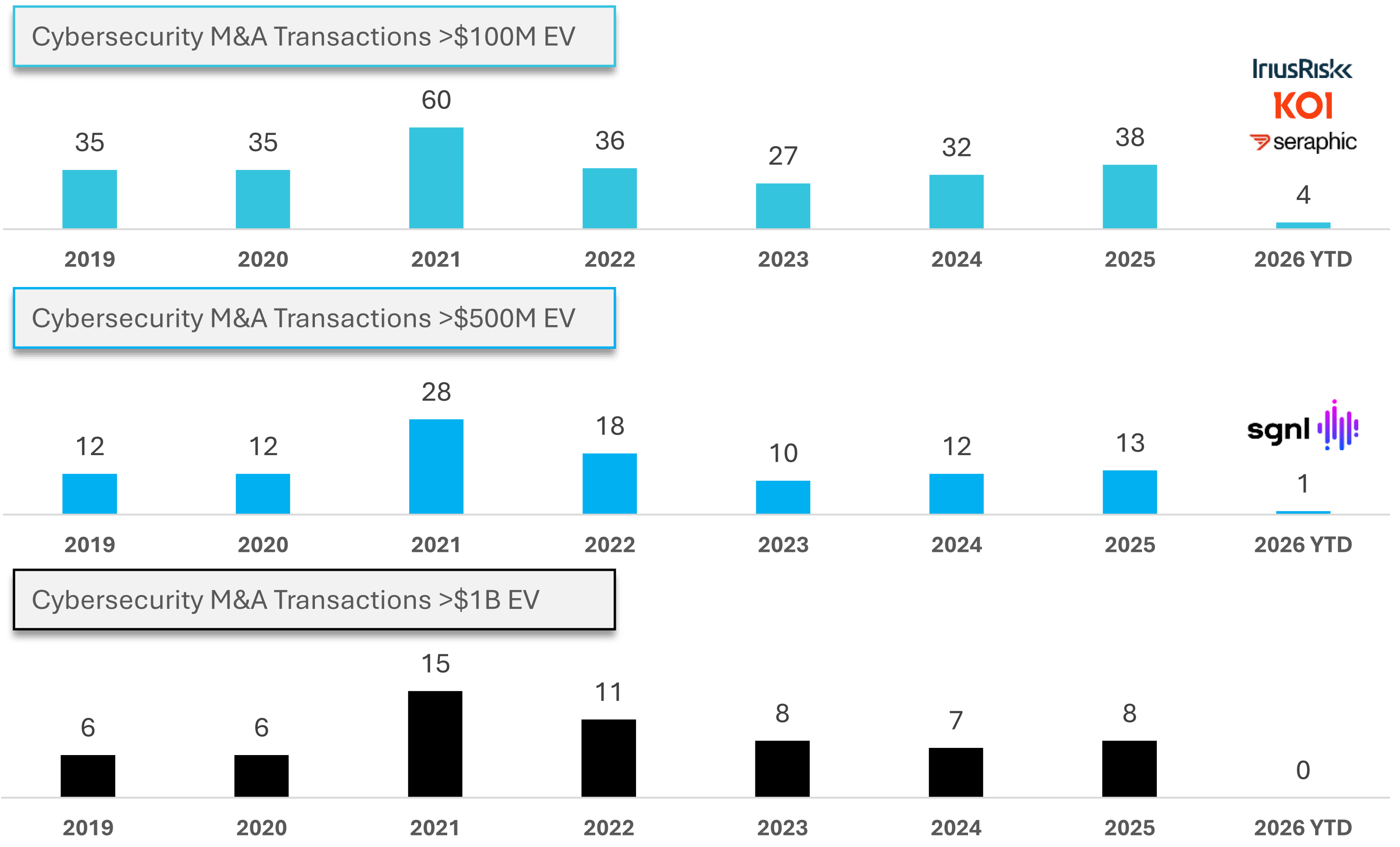
Source: Pitchbook, 451 Research, Momentum Cyber proprietary transaction database. As of 02/28/2026.
Note: Cybersecurity segments Cloud Security and IoT did not have M&A deals in February 2026.

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

Large Cybersecurity Transactions Are Back



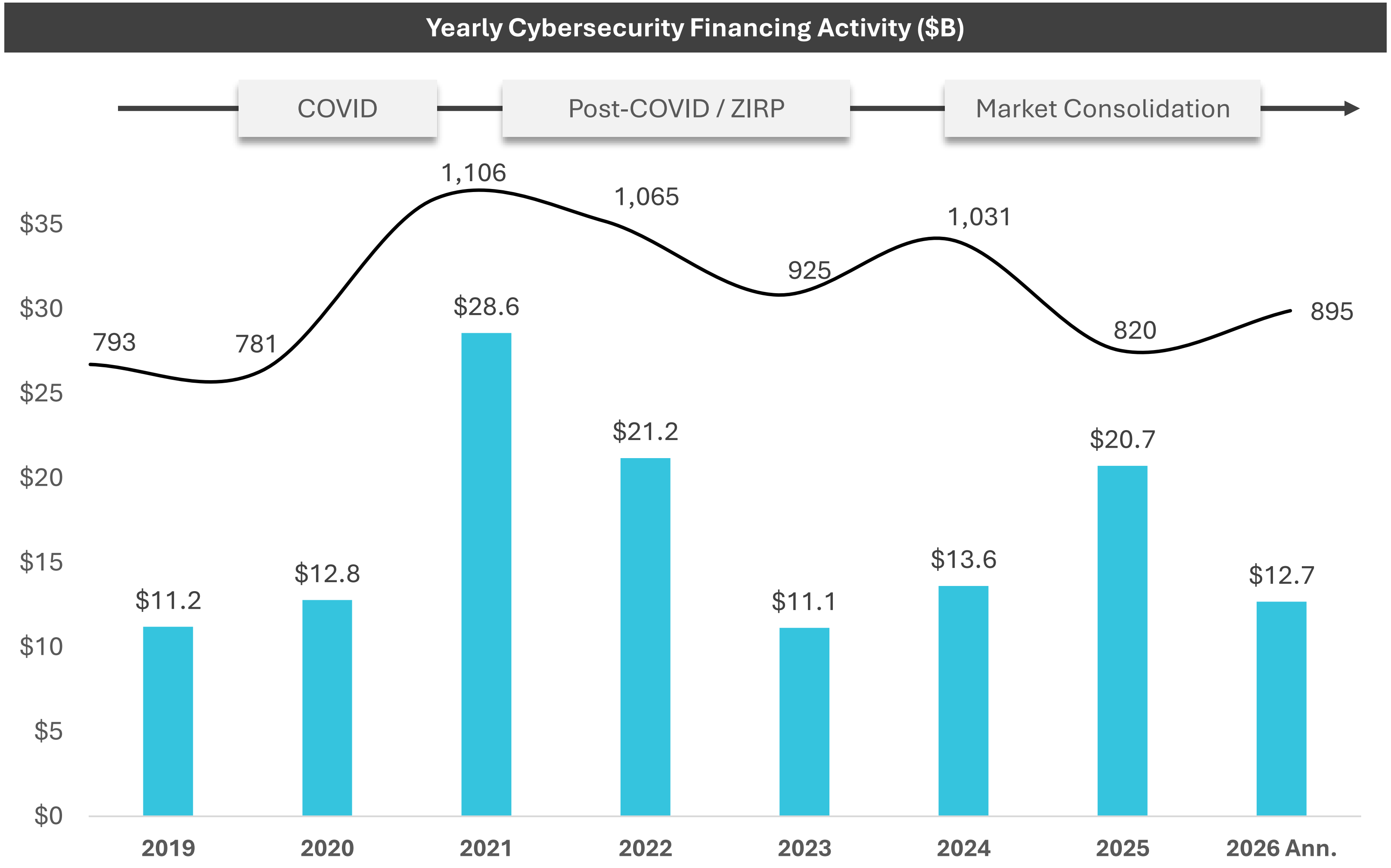
Source: Pitchbook, 451 Research, Momentum Cyber proprietary transaction database. Note: Only includes deals with publicly disclosed enterprise values. As of 02/28/2026.

V. Financing Activity in Cybersecurity

Annual Cybersecurity Financing Deal Value and Count

February financing activity in line with previous year deal flow

- **February in Review:** February 2026 witnessed **$563M** raised across **61** transactions, highlighted by deals from companies like UpGuard, GitGuardian, Astelia, and others. Deal value was down **10%**, while deal count was down **24%** YoY
- **Deal Sizes Normalize as Capital Broadens:** Median cybersecurity financing size declined to **$12M** in February 2026, down from **$15M** in 2025, reflecting a more balanced mix of early- and mid-stage investments
- **AI Momentum Lifts the Broader Market:** While Risk & Compliance led February capital deployment, strong funding across AI Security highlights a rising-tide dynamic across cybersecurity subsectors

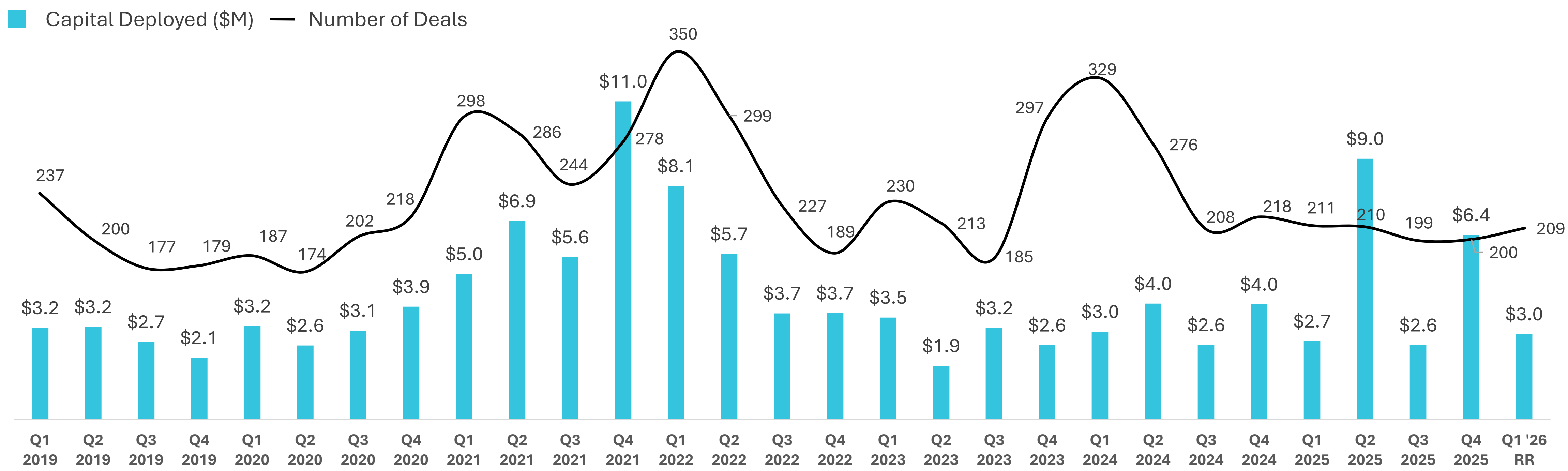


Source: Pitchbook, Momentum Cyber proprietary transaction database. As of 02/28/2026.

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%	9%

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%)	(3%)

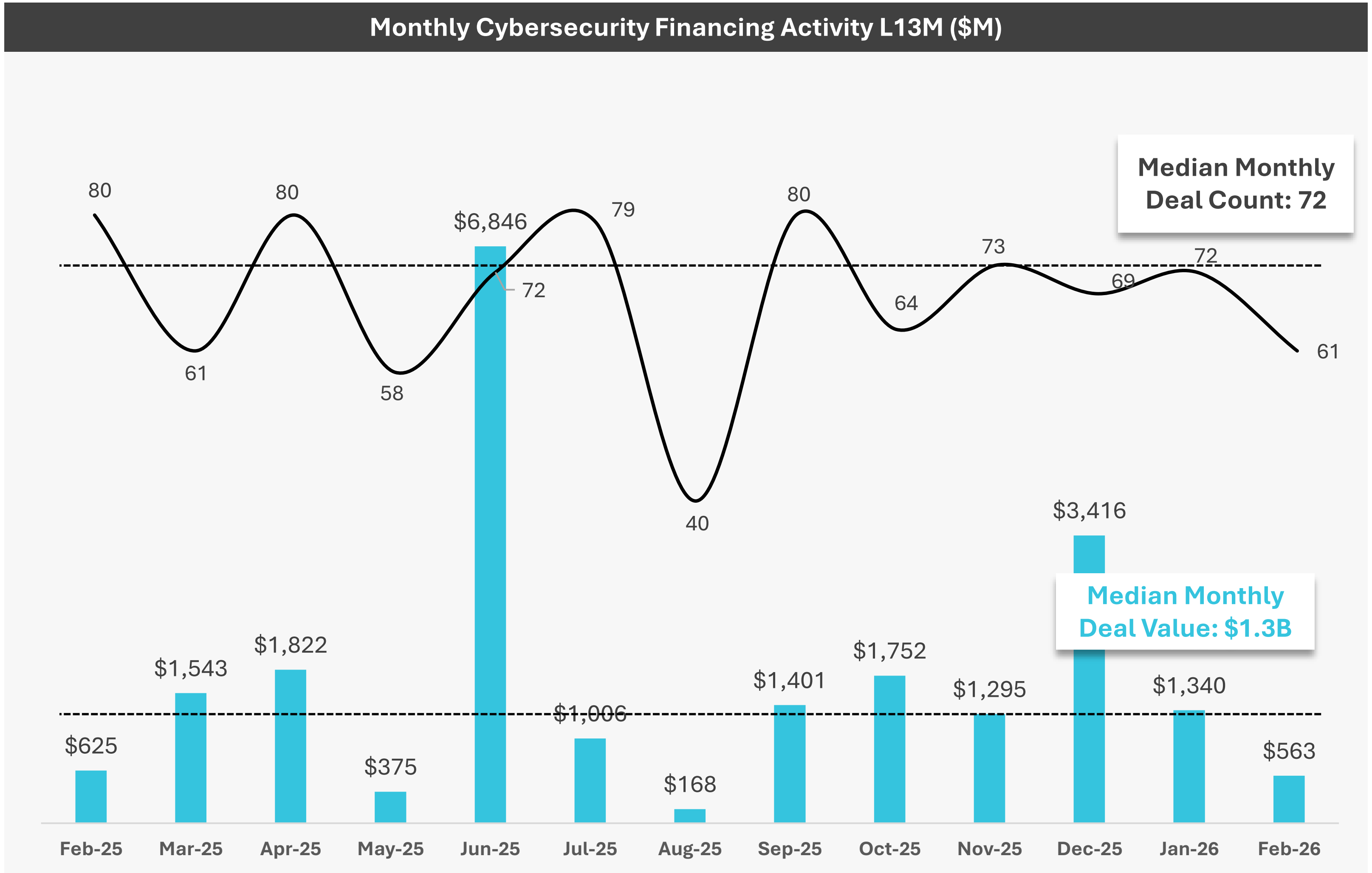
Source: Pitchbook, 451 Research, Momentum Cyber proprietary transaction database. As of 02/28/2026.

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

- **February Activity in Line with Recent Medians:** February 2026 recorded **61** financing transactions totaling **$563M**, tracking below 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 February's $563M was driven by several large raises, including UpGuards's **$75M** Series C, Gambit Security's **$61M** Series A, GitGuardian's **$50M** Series C, Astelia's **$35M** Series A, and more, highlighting continued investor appetite for scaled platforms



Source: Pitchbook, Momentum Cyber proprietary transaction database. As of 02/28/2026.

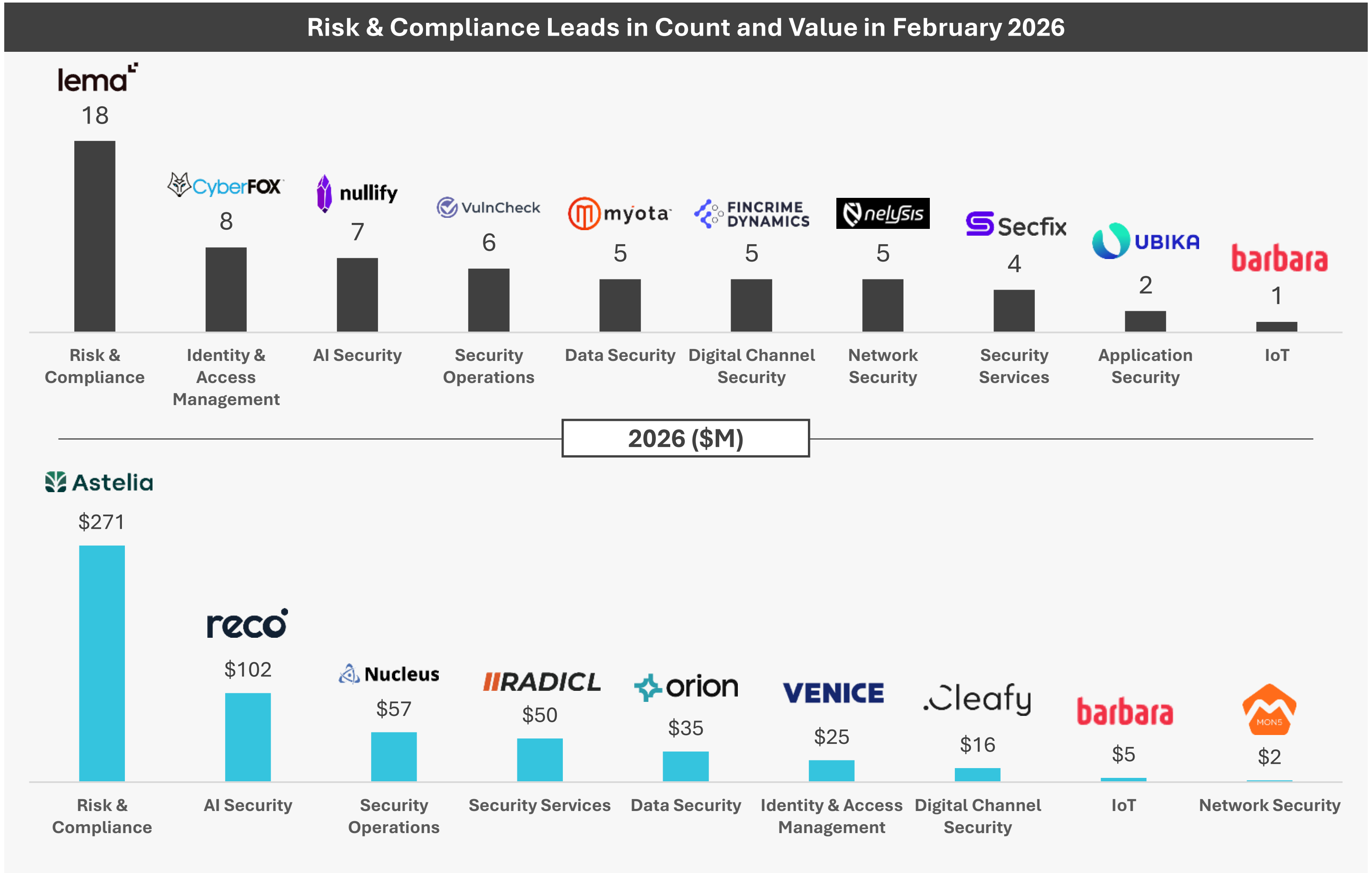
Cybersecurity VC Transactions By Segment

February 2026 saw strong capital deployment, led by Risk & Compliance companies raising funds

- **AI Security Continues to Command Capital:** February 2026 financing activity reinforced investor conviction in AI-driven security platforms, with AI Security capturing **20% 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:** February 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

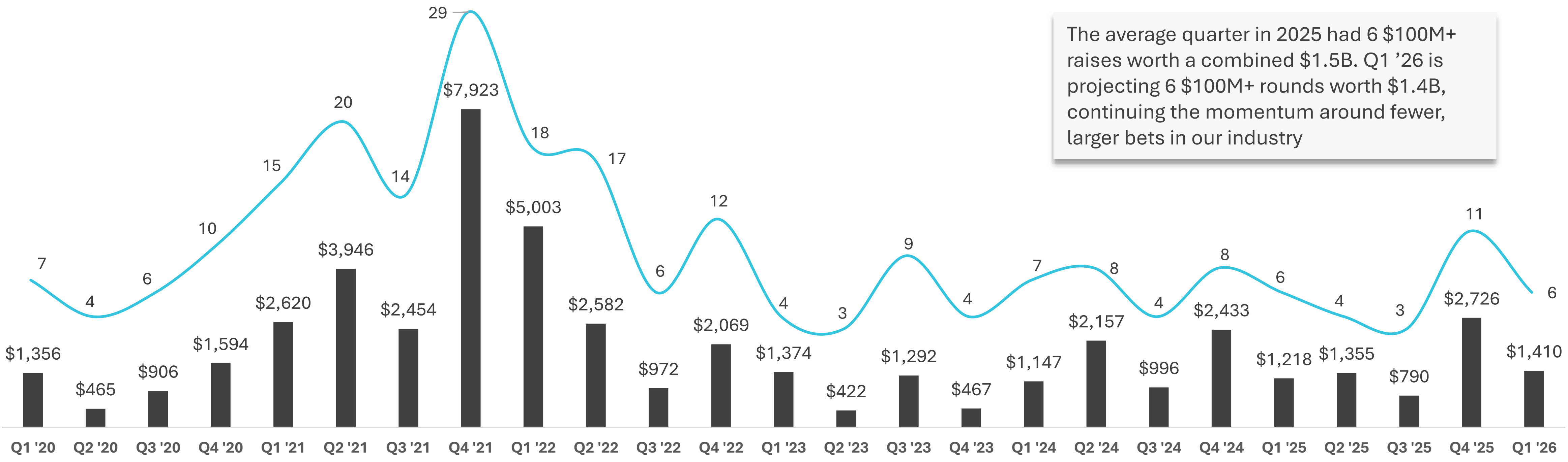


Source: Pitchbook, Momentum Cyber proprietary transaction database. As of 02/28/2026.

A Cybersecurity Market of Fewer, Bigger Bets

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

Quarterly Cybersecurity Financings Over $100M ($M)



The average quarter in 2025 had 6 $100M+ raises worth a combined $1.5B. Q1 ’26 is projecting 6 $100M+ rounds worth $1.4B, continuing the momentum around fewer, larger bets in our industry

Median Investment: **$124**	Median Investment: **$150**	Median Investment: **$140**	Median Investment: **$126**	Median Investment: **$159**	Median Investment: **$200**
Median Valuation: **$1,173**	Median Valuation: **$1,635**	Median Valuation: **$1,200**	Median Valuation: **$1,615**	Median Valuation: **$2,450**	Median Valuation: **$1,850**

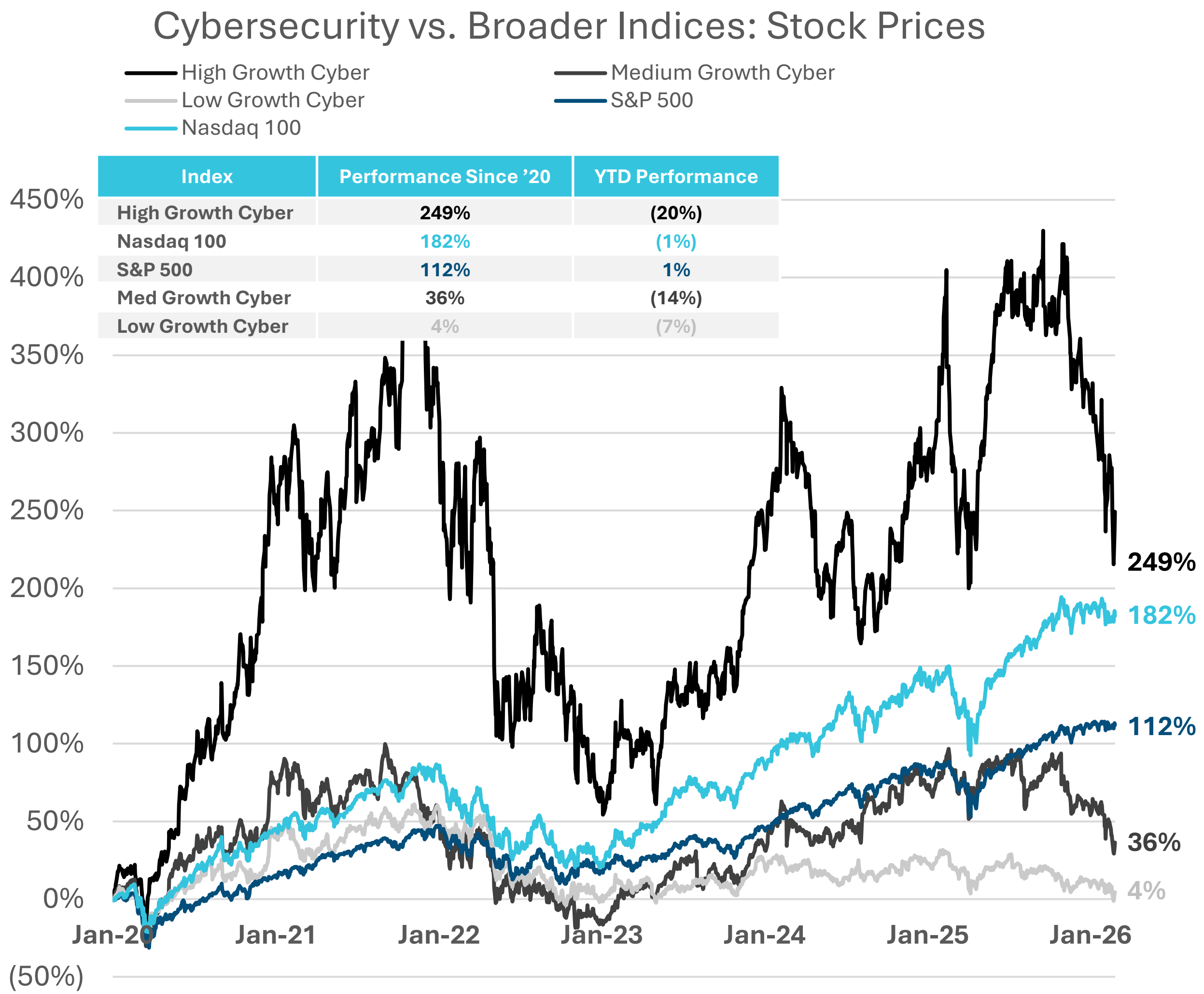
Source: Pitchbook, Momentum Cyber proprietary transaction database. Not including debt deals.

VI. Public Markets Update & Analysis

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

High-growth public Cybersecurity companies trade at 6.6x EV / ’26 Revenue and have outperformed major indices since 2020

Metric	High-Growth	Medium-Growth	Low-Growth	All
Revenue Multiple	6.6x	3.2x	3.2x	**4.1x**
EBITDA Multiple	31.0x	12.7x	9.0x	**12.5x**
Ro40	39%	27%	37%	**37%**
Revenue Growth	22%	11%	6%	**10%**
EBITDA Margin	20%	15%	35%	**27%**
Gross Margin	78%	77%	83%	**80%**
R&D Spend	29%	21%	18%	**21%**
S&M Spend	54%	35%	23%	**35%**
Rev / Employee ($K)	$339K	$443K	$393K	**$379K**
Market Cap ($M)	$10,874	$2,712	$2,294	**$4,581**

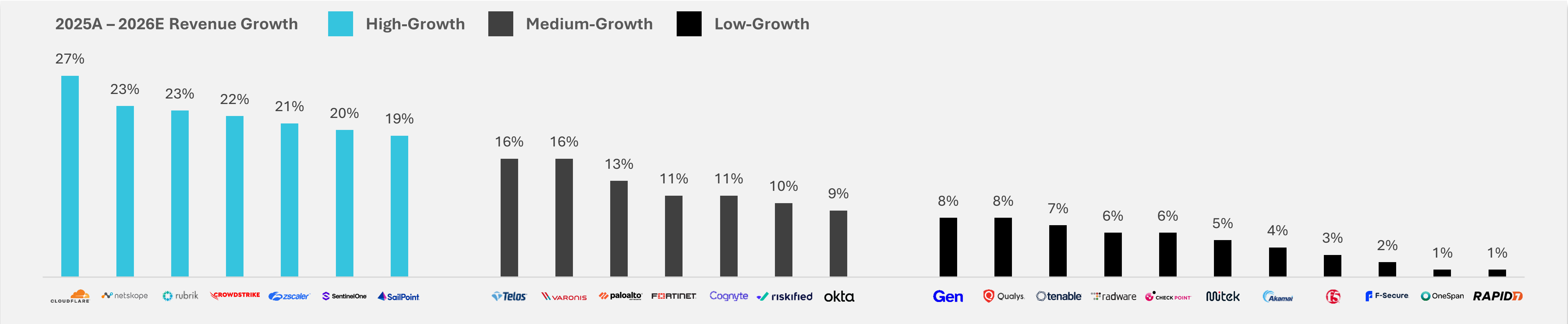


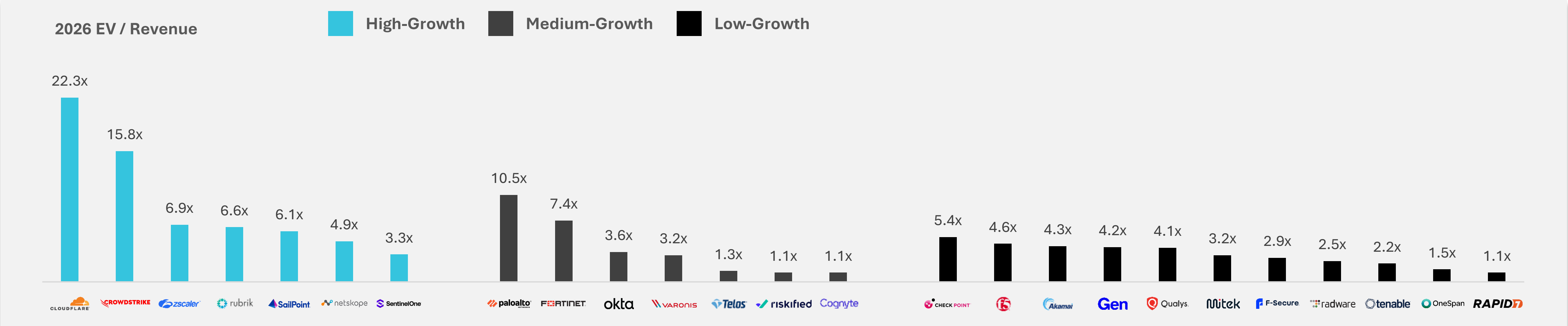
Index	Performance Since ’20	YTD Performance
High Growth Cyber	249%	(20%)
Nasdaq 100	182%	(1%)
S&P 500	112%	1%
Med Growth Cyber	36%	(14%)
Low Growth Cyber	4%	(7%)

Source: Pitchbook, Company Filings, as of 02/27/2025.

Valuation Divide Reflects Efficiency and Growth Quality

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

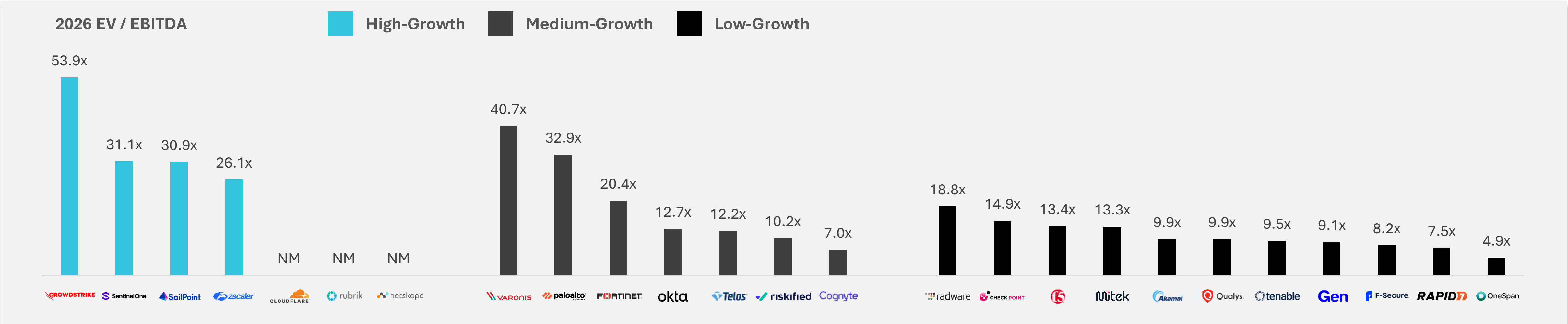


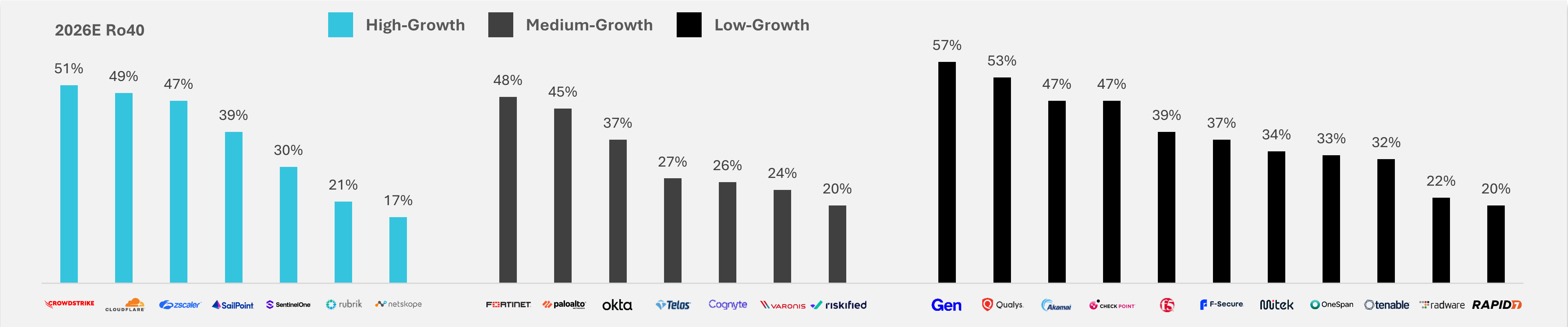


Source: Pitchbook, Company Filings, as of 02/27/2025.

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



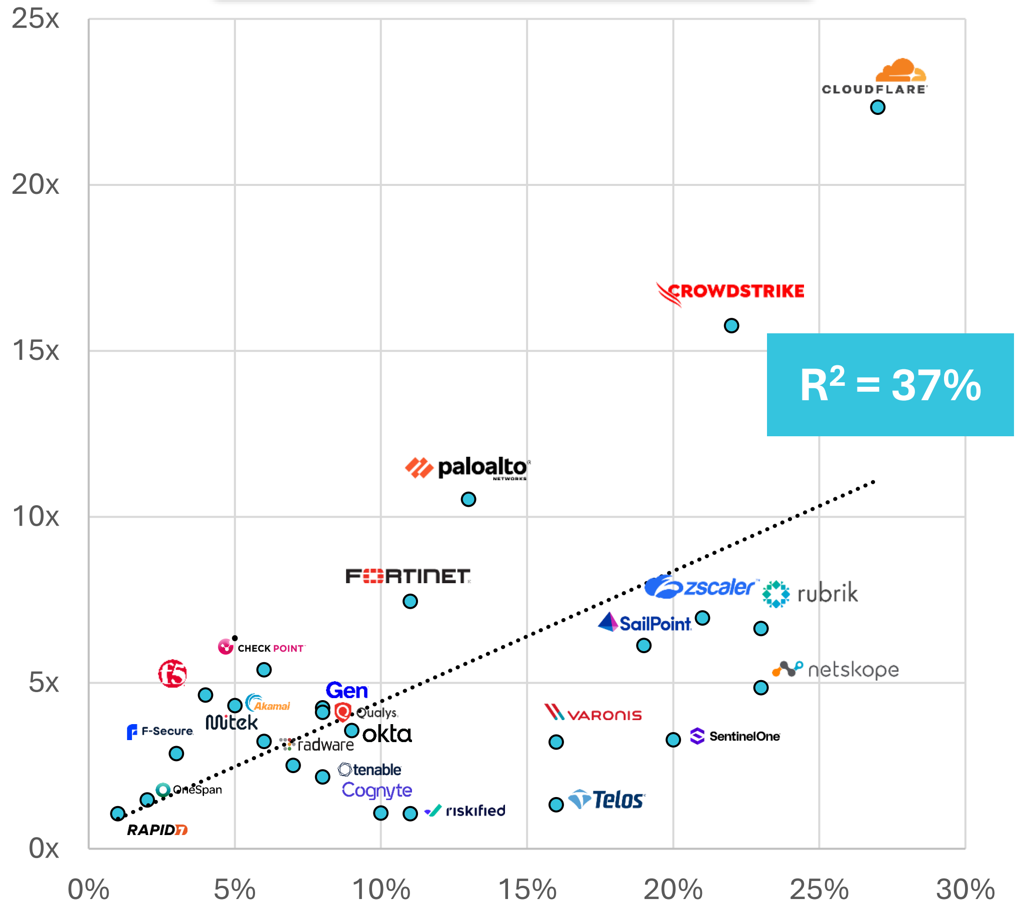


Source: Pitchbook, Company Filings, as of 02/27/2025.

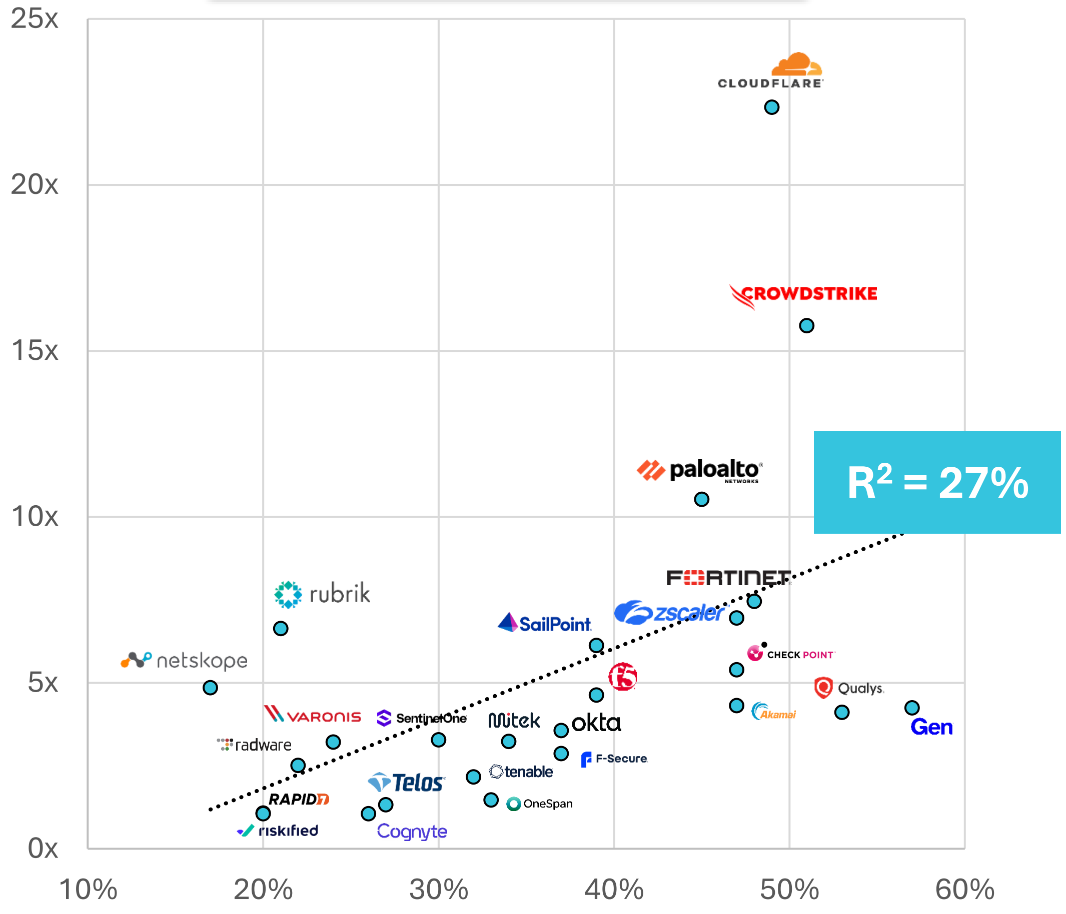
Growth Still Key Indicator of Valuation, But Doesn't Tell Full Story

Revenue growth to EV / Rev has an R^2 score of 46%, telling us that more goes into valuation than just growth

Growth vs. EV / '26 Rev



Ro40 vs. EV / '26 Rev



High-Growth Cybersecurity Public Comps

($ in millions) Company	EV / Revenue 2026E	EV / EBITDA 2026E	Revenue Growth '26E / '25A	EBITDA Margin 2026E	Rule of 40 2026E	Gross Margin 2026E	Revenue 2026E	EBITDA 2026E	One-Year Stock	EV
High-Growth										
CrowdStrike	15.8x	53.9x	22%	29%	51%	78%	$5,848	$1,708	(8%)	$92,134
Cloudflare	22.3x	NM	27%	22%	49%	76%	$2,726	$600	19%	$60,878
zscaler	6.9x	26.1x	21%	27%	47%	80%	$3,603	$959	(20%)	$25,041
rubrik	6.6x	NM	23%	(1%)	21%	81%	$1,569	($18)	(21%)	$10,412
SailPoint	6.1x	30.9x	19%	20%	39%	78%	$1,274	$252	(44%)	$7,795
netskope	4.9x	NM	23%	(6%)	17%	78%	$864	($51)	NM	$4,196
SentinelOne	3.3x	31.1x	20%	11%	30%	78%	$1,200	$127	(39%)	$3,942
Median (High-Growth)	**6.6x**	**31.0x**	**22%**	**20%**	**39%**	**78%**	**$1,569**	**$252**	**(21%)**	**$10,412**
Mean (High-Growth)	**9.4x**	**35.5x**	**22%**	**14%**	**36%**	**79%**	**$2,441**	**$511**	**(19%)**	**$29,200**

Source: Pitchbook, Company Filings, as of 02/27/2025.

Medium-Growth Cybersecurity Public Comps

($ in millions) Company	EV / Revenue 2026E	EV / EBITDA 2026E	Revenue Growth '26E / '25A	EBITDA Margin 2026E	Rule of 40 2026E	Gross Margin 2026E	Revenue 2026E	EBITDA 2026E	One-Year Stock	EV
Medium-Growth										
paloalto networks	10.5x	32.9x	13%	32%	45%	77%	$11,180	$3,582	(24%)	$117,746
FORTINET	7.4x	20.4x	11%	36%	48%	81%	$7,519	$2,740	(29%)	$56,016
okta	3.6x	12.7x	9%	28%	37%	82%	$3,169	$887	(19%)	$11,297
VARONIS	3.2x	40.7x	16%	8%	24%	80%	$719	$57	(47%)	$2,313
Cognyte	1.1x	7.0x	11%	15%	26%	73%	$444	$67	(26%)	$467
riskified	1.1x	10.2x	10%	11%	20%	52%	$375	$39	(13%)	$402
Telos	1.3x	12.2x	16%	11%	27%	39%	$190	$21	33%	$251
Median (Med-Growth)	**3.2x**	**12.7x**	**11%**	**15%**	**27%**	**77%**	**$719**	**$67**	**(24%)**	**$2,313**
Mean (Med-Growth)	**4.0x**	**19.4x**	**12%**	**20%**	**33%**	**69%**	**$3,371**	**$1,056**	**(18%)**	**$26,927**

Source: Pitchbook, Company Filings, as of 02/27/2025.

Low-Growth Cybersecurity Public Comps

($ in millions) Company	EV / Revenue 2026E	EV / EBITDA 2026E	Revenue Growth '26E / '25A	EBITDA Margin 2026E	Rule of 40 2026E	Gross Margin 2026E	Revenue 2026E	EBITDA 2026E	One-Year Stock	EV
Low-Growth										
Gen	4.2x	8.7x	8%	49%	57%	83%	$5,091	$2,494	(19%)	$21,606
Akamai	4.3x	10.2x	5%	42%	47%	73%	$4,399	$1,860	26%	$18,963
Check Point	5.4x	13.1x	6%	41%	47%	88%	$2,889	$1,188	(31%)	$15,576
F5	4.6x	13.0x	4%	36%	39%	84%	$3,187	$1,137	(6%)	$14,753
Qualys	4.1x	9.0x	8%	45%	53%	84%	$718	$326	(32%)	$2,950
tenable	2.2x	8.8x	8%	25%	32%	82%	$1,065	$263	(50%)	$2,307
RAPID7	1.1x	5.6x	1%	19%	20%	74%	$866	$163	(79%)	$915
radware	2.5x	17.5x	7%	14%	22%	82%	$322	$46	(1%)	$809
Mitek	3.2x	11.4x	6%	28%	34%	84%	$195	$56	49%	$632
F-Secure	2.9x	8.3x	3%	35%	37%	84%	$175	$61	9%	$504
OneSpan	1.5x	4.8x	2%	31%	33%	74%	$245	$75	(33%)	$360
Median (Low-Growth)	**3.2x**	**9.0x**	**6%**	**35%**	**37%**	**83%**	**$866**	**$263**	**(19%)**	**$2,307**
Mean (Low-Growth)	**3.3x**	**10.0x**	**5%**	**33%**	**38%**	**81%**	**$1,741**	**$697**	**(15%)**	**$7,216**

Source: Pitchbook, Company Filings, as of 02/27/2025.

Appendix

M&A Transaction List (February 2026)

Date	Target	Company Type	Acquirer	Acquirer Type	EV ($M)	LTM Revenue ($M)	EV / LTM Revenue
Feb-26	RealNetworks	Digital Channel Security	TransUnion	PE-Backed Strategic	ND	ND	ND
Feb-26	Maple Woods Enterprises	Security Services	Logicalis US	PE-Backed Strategic	ND	ND	ND
Feb-26	Summit Security Group	Security Services	Aldrich Services	PE-Backed Strategic	ND	ND	ND
Feb-26	AllTrue.ai	AI Security	Varonis	PE-Backed Strategic	$126	ND	ND
Feb-26	LifeRaft	Security Operations	Securitas	Strategic	ND	$10	ND
Feb-26	Magna5	Security Services	AEA Investors	Strategic	ND	ND	ND
Feb-26	Risk Solutions International	Security Services	Great American Group	PE-Backed Strategic	ND	ND	ND
Feb-26	MightyID	Identity & Access Management	Semperis	PE-Backed Strategic	$20	ND	ND
Feb-26	GlobalSuite Solutions	Risk & Compliance	Maguar Capital Management	Strategic	ND	ND	ND
Feb-26	SquareX	Digital Channel Security	Zscaler	PE-Backed Strategic	ND	ND	ND
Feb-26	Vespia	Risk & Compliance	Veriff	PE Platform	ND	ND	ND
Feb-26	Enquantum	Data Security	Reliance Global Group	PE-Backed Strategic	$4	ND	ND
Feb-26	Idna	Security Services	NXO France	Strategic	ND	$5	ND
Feb-26	Anchor Security	Data Security	Keycard Labs	Strategic	ND	ND	ND
Feb-26	Arco Cyber	Risk & Compliance	Sophos	PE-Backed Strategic	ND	ND	ND
Feb-26	C2 Computer Services	Security Services	Entech Computer Services	Strategic	ND	ND	ND
Feb-26	Autonomous Plane	Application Security	Endor Labs	PE-Backed Strategic	ND	ND	ND
Feb-26	Cyata	AI Security	Check Point Software	PE-Backed Strategic	Conf.	ND	ND
Feb-26	Acuvity	AI Security	Proofpoint	PE-Backed Strategic	ND	ND	ND
Feb-26	V-Key	Data Security	Tower Capital Asia	PE-Backed Strategic	ND	ND	ND
Feb-26	Cyclops Security	Security Operations	Check Point Software	Strategic	Conf.	ND	ND
Feb-26	2S Inovações Tecnológicas	Security Services	Black Box	Strategic	$30	ND	ND
Feb-26	Rotate	Security Services	Check Point Software	Strategic	Conf.	ND	ND
Feb-26	IS Decisions	Identity & Access Management	Aries Global	PE Platform	ND	ND	ND

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

M&A Transaction List (February 2026)

Date	Target	Company Type	Acquirer	Acquirer Type	EV ($M)	LTM Revenue ($M)	EV / LTM Revenue
Feb-26	Security Lab	Security Services	Reevo	Strategic	ND	ND	ND
Feb-26	Defy Security	Digital Channel Security	Booz Allen	PE Platform	Conf.	ND	ND
Feb-26	KOI	Endpoint Security	Palo Alto Networks	PE-Backed Strategic	$400	ND	ND
Feb-26	IronNet	Network Security	ITC Secure	PE-Backed Strategic	ND	ND	ND
Feb-26	Stripe OLT Consulting	Security Services	Little Fish	PE-Backed Strategic	ND	ND	ND
Feb-26	Adaptiv Networks	Network Security	Scale Computing	Strategic	ND	ND	ND
Feb-26	IronCircle	Risk & Compliance	Quickstart	Strategic	ND	ND	ND
Feb-26	Millennium Corporation	Security Services	Markon Solutions	PE Platform	ND	ND	ND
Feb-26	Astralas	Security Services	Bastion Security Group	PE Platform	ND	ND	ND
Feb-26	1touch.io	AI Security	Pure Storage	PE-Backed Strategic	ND	ND	ND
Feb-26	Sevco Security	Security Operations	Arctic Wolf	PE-Backed Strategic	Conf.	ND	ND
Feb-26	Kaïstos	Security Services	Heliaq	PE Platform	ND	$2	ND
Feb-26	SKV Technology	Data Security	Quantum eMotion	Strategic	ND	ND	ND

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

Financing Transaction List (February 2026)

Date	Target	Company Type	Deal Amount	Post Valuation	Funding Type
Feb-26	Pluto Security	AI Security	ND	ND	Early Stage VC
Feb-26	ThirdLaw	AI Security	ND	ND	Early Stage VC
Feb-26	UBIKA	Application Security	ND	ND	Later Stage VC
Feb-26	Tunic Pay	Digital Channel Security	ND	ND	Early Stage VC
Feb-26	FinCrime Dynamics	Digital Channel Security	ND	ND	Later Stage VC
Feb-26	KYXStart	Identity & Access Management	ND	ND	Early Stage VC
Feb-26	Proofline	Identity & Access Management	ND	ND	Early Stage VC
Feb-26	Entersekt	Identity & Access Management	ND	ND	PE Growth/Expansion
Feb-26	Bohr Quantum Technology	Network Security	ND	ND	Later Stage VC
Feb-26	NELYSIS	Network Security	ND	ND	Later Stage VC
Feb-26	BynarIO	Risk & Compliance	ND	ND	Early Stage VC
Feb-26	AttackIQ	Risk & Compliance	ND	ND	Later Stage VC
Feb-26	Sayari	Risk & Compliance	ND	ND	PE Growth/Expansion
Feb-26	Cyberlabs	Risk & Compliance	ND	ND	Seed / Accelerator
Feb-26	CyberFox	Identity & Access Management	ND	ND	PE Growth/Expansion
Feb-26	NNEAT	Risk & Compliance	ND	ND	Seed / Accelerator
Feb-26	SecureNavi	Risk & Compliance	ND	ND	Seed / Accelerator
Feb-26	Refute	Security Operations	$6.8	$25.4	Seed / Accelerator
Feb-26	Orion Security	Data Security	$32.0	ND	Series A
Feb-26	Umanitek	Identity & Access Management	ND	ND	Early Stage VC
Feb-26	Tatum Security	Identity & Access Management	ND	ND	Series A
Feb-26	RADICL	Security Services	$31.0	$107.0	Series A
Feb-26	Myota	Data Security	$3.0	$46.5	Series A
Feb-26	Nullify	AI Security	$12.5	ND	Seed / Accelerator

Source: Pitchbook, Momentum Cyber proprietary transaction database.

Financing Transaction List (February 2026)

Date	Target	Company Type	Deal Amount	Post Valuation	Funding Type
Feb-26	Provally	Application Security	$0.1	$2.5	Early Stage VC
Feb-26	Confidencial	Data Security	ND	ND	Seed / Accelerator
Feb-26	Fr0ntierX	Data Security	ND	ND	Seed / Accelerator
Feb-26	Zecurity	Network Security	ND	ND	Seed / Accelerator
Feb-26	Zepo Intelligence	Risk & Compliance	ND	ND	Seed / Accelerator
Feb-26	SafeHill	Risk & Compliance	ND	ND	Seed / Accelerator
Feb-26	ThreatMate	Risk & Compliance	ND	ND	Seed / Accelerator
Feb-26	BestDefense.io	Security Operations	ND	ND	Seed / Accelerator
Feb-26	RevEng.ai	Security Operations	ND	ND	Seed / Accelerator
Feb-26	Signet California	Identity & Access Management	ND	ND	Seed / Accelerator
Feb-26	MON5	Network Security	$2.0	ND	Early Stage VC
Feb-26	Lema	Risk & Compliance	$24.0	$49.5	Series A
Feb-26	6clicks	Risk & Compliance	$10.0	ND	Series B
Feb-26	Reco	AI Security	$30.0	$185.0	Series B
Feb-26	Clearly AI	AI Security	$5.0	ND	Seed / Accelerator
Feb-26	Tehama	Network Security	ND	ND	Seed / Accelerator
Feb-26	Tharros	Risk & Compliance	$30.0	ND	Later Stage VC
Feb-26	GitGuardian	AI Security	$50.0	ND	Series C
Feb-26	Swear.com	Risk & Compliance	$3.2	ND	Seed / Accelerator
Feb-26	Nucleus Security	Security Operations	$20.0	$175.0	Series C
Feb-26	Cyberserval	Security Services	ND	ND	Later Stage VC
Feb-26	VulnCheck	Security Operations	$25.0	$196.0	Series B
Feb-26	Venice	Identity & Access Management	$25.0	ND	Series A
Feb-26	Barbara	IoT	$5.3	ND	Later Stage VC

Source: Pitchbook, Momentum Cyber proprietary transaction database.

Financing Transaction List (February 2026)

Date	Target	Company Type	Deal Amount	Post Valuation	Funding Type
Feb-26	Caspia Technologies	Security Operations	$5.0	ND	Later Stage VC
Feb-26	FanLock	Digital Channel Security	ND	ND	Seed / Accelerator
Feb-26	Copla	Risk & Compliance	$7.7	ND	Early Stage VC
Feb-26	DeltaSpike	Security Services	$7.1	ND	Later Stage VC
Feb-26	Light Rider	Data Security	$0.1	ND	Seed / Accelerator
Feb-26	Evoke	AI Security	$4.0	ND	Seed / Accelerator
Feb-26	Astelia	Risk & Compliance	$35.0	ND	Series A
Feb-26	Gambit Security	Risk & Compliance	$61.0	ND	Series A
Feb-26	Secfix	Security Services	$12.0	ND	Series A
Feb-26	Cleafy	Digital Channel Security	$14.1	ND	Later Stage VC
Feb-26	UpGuard	Risk & Compliance	$75.0	ND	Series C
Feb-26	ThreatAware	Risk & Compliance	$25.0	ND	PE Growth/Expansion
Feb-26	Skipr	Digital Channel Security	$2.0	ND	Seed / Accelerator

Source: Pitchbook, Momentum Cyber proprietary transaction database.

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