

# Cybersecurity Monthly Market Review

## April Cybersecurity M&A and Capital Markets Report

*April Normalizes After Record Q1, as Large Deals Slow  
and Timelines Shift*

April 2026



# What Happened in Cybersecurity?

## Monthly Deal Report | April 2026

40

### M&A Deals

8% higher than the 12-month median deal count

\$857M

### M&A Value

From 3 deals, including 2 acquisitions by PE firms

\$1,481M → -42% YoY



Apr '25

\$857M



Apr '26

### Large Strategics, PEs & VCs All Make Moves in April

Acquired by CISCO

Acquired by BRIDGEPOINT

Acquired by PALO ALTO NETWORKS

Acquired by CYERA

51

### Financing Deals

31% lower than the 12-month median count

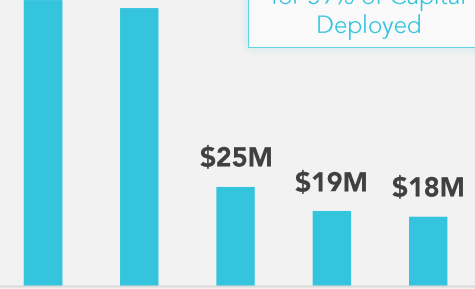
\$347M

### Financing Value

38% of which comes from AI Security companies

\$72M \$70M

5 Deals Account for 59% of Capital Deployed



### Artemis

Financed by



04/15, \$70M

Series A

### cloudsmith

Financed by



04/23, \$72M

Series C



# Table of Contents

I.	About Momentum Cyber	3
II.	Transaction Highlight	10
III.	Executive Summary	14
IV.	M&A Activity	18
V.	Financing Activity	24
VI.	Public Markets Update	29
	Appendix – Deal List	37



# I. About Momentum Cyber



# Firm Overview

The premier trusted advisor to the global Cybersecurity industry

“ Clients 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 Clients & 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...

**2014**

Founded

**27**

Years In Cyber

**24**

Team Members

**69**

Cybersecurity Transactions

**\$26B**

Cybersecurity Deal Value

**\$385M**

Average Cybersecurity Deal Value

**500+**

Total M&A Deals

**\$300B+**

Total Transaction Deal Value

**4,250+**

Cyber Companies Tracked

**40,000+**

Extensive Cyber Network

**35,000+**

Executives, Boards, & CISOs

**5,000+**

VC & PE Investors

# Why Momentum Cyber?

Momentum Cyber Provides Exceptional Advice. No Exceptions.



## Domain Expertise

- **Deep Sector Knowledge**  
Exclusive focus on Cybersecurity with unmatched market insight

- **Transaction Track Record**  
65+ Cybersecurity deals spanning sell-side M&A, buy-side work for multinational companies, and capital raises across VC, PE Growth, and Credit Funds

- **Domain Credibility**  
Trusted advisor with decades of experience and senior-level engagement across the cybersecurity industry's leaders and investors



## Unrivalled Access

- **Global Network**  
35,000+ global strategic and investor relationships across Cybersecurity

- **Full-Service Support**  
Access to MC's General Counsel and wealth managers to assist with favorable tax structuring post close and legal advice throughout the process

- **Client Connectivity**  
Deep relationships with industry leaders and operators across various sectors with multiple exits and strategic initiatives executed

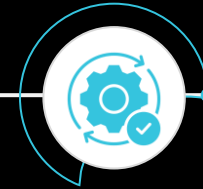


## Unconflicted Advice

- **True Advisory Model**  
Strategic advice fully aligned with the client's vision & goals

- **Trusted Partnership**  
A holistic advisory approach supporting clients throughout their strategic journey from capital formation to exit planning & execution

- **Navigating Inflection Points**  
Helping clients navigate pivotal strategic decisions with clarity and confidence



## Precise Execution

- **Speed & Precision**  
Rapidly distills data into compelling positioning for investors

- **Operational Efficiency**  
Investors / buyers to reduce burden on leadership and minimize business disruption

- **Process Flexibility**  
Simultaneously execute multiple strategic paths to drive a competitive process that will increase probability of the desired outcome

# Experienced Dealmakers & Operators...

Highly experienced dealmakers and research team supported by top-tier senior strategic partners



**J. Eric McAlpine**  
Founder & CEO | Managing Partner



**Vilyam Yegikyan**  
Vice President | Chief of Staff



**Ashley Thomas**  
Partner | General Counsel



**Alexandra Boyles**  
Strategic Partner | Transaction Planning



**Mark R. Carney**  
Strategic Partner | Offensive Security



**Lawrence M. Chu**  
Strategic Partner | Legal



**Michael E. Crean**  
Strategic Partner | Security Services



**David J. Cummings**  
Strategic Partner | IT Service Providers



**Trey Ford**  
Strategic Partner | Public Policy



**Eric M. Foster**  
Strategic Partner | AI Security & MDR



**Chris Gerritz**  
Strategic Partner | EDR



**Chris Hughes**  
Strategic Partner | Research



**Eamon M. Keenan**  
Senior Associate | Deal Execution



**TK Kessler**  
Strategic Partner | Sales & GTM



**Chad Kreimendahl**  
Strategic Partner | GRC



**Greg C. Martin**  
Strategic Partner | Application Security



**Coralie R. McAlpine**  
Associate | Events & Marketing



**Vivek Menon**  
Chief Data Officer & CISO



**Raffael Marty**  
Strategic Partner | Cyber Executive



**Srikanth Parepally**  
Strategic Partner | Offensive/AI Security



**Jake M. Pollock**  
Director | Research



**Kevin A. Taylor**  
Senior Analyst | Deal Execution



**Kelli Tejada**  
Strategic Partner | Marketing



**Larry Whiteside Jr.**  
Strategic Partner | C-Suite

# ...With A Tremendous Advisory Track Record in Cybersecurity

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

<p>\$250M Series B</p> <p>Momentum CYBER</p>	<p>on its sale to</p> <p>a portfolio company of</p> <p>Momentum CYBER</p>	<p>a subsidiary of</p> <p>on its sale to</p> <p>Momentum CYBER</p>	<p>merged with</p> <p>a portfolio company of</p> <p>Momentum CYBER</p>	<p>on its sale to</p> <p>Momentum CYBER</p>	<p>strategic investment by</p> <p>Momentum CYBER</p>	<p>on its sale to</p> <p>Momentum CYBER</p>	<p>on its sale to</p> <p>Momentum CYBER</p>	<p>has acquired</p> <p>Momentum CYBER</p>	<p>has acquired</p> <p>Momentum CYBER</p>
<p>on its sale to</p> <p>a portfolio company of</p> <p>Momentum CYBER</p>	<p>on its sale to</p> <p>Momentum CYBER</p>	<p>has acquired</p> <p>Momentum CYBER</p>	<p>strategic investment in</p> <p>Momentum CYBER</p>	<p>on its sale to</p> <p>Momentum CYBER</p>	<p>on its sale to</p> <p>Momentum CYBER</p>	<p>has acquired</p> <p>Momentum CYBER</p>	<p>has acquired</p> <p>Momentum CYBER</p>	<p>strategic investment in</p> <p>Momentum CYBER</p>	<p>strategic investment by</p> <p>Momentum CYBER</p>
<p>on its sale to</p> <p>Momentum CYBER</p>	<p>strategic investment by</p> <p>Momentum CYBER</p>	<p>on its sale to</p> <p>Momentum CYBER</p>	<p>strategic investment by</p> <p>Momentum CYBER</p>	<p>on its sale to</p> <p>Momentum CYBER</p>	<p>on its sale to</p> <p>Momentum CYBER</p>	<p>on its sale to</p> <p>Momentum CYBER</p>	<p>board advisory</p>	<p>has acquired</p> <p>Undisclosed Consumer Security Company</p>	<p>strategic investment by</p> <p>Momentum CYBER</p>

# CYBER<sup>cloud</sup> Momentum's Proprietary 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



**4,325**  
Cyber  
Companies  
Tracked



**41,234**  
Strategic &  
Investor  
Contacts

## Transaction Database

**Proprietary  
Insights**

Undisclosed  
Valuations

**3,400+**

M&A  
Transactions

**11,000+**

Financing  
Transactions

**1,500+**

Cybersecurity  
Buyers

**7,900+**

Cybersecurity  
Investors

**15+**

Years  
Tracking  
Transactions

## Exposure & Impact



**1.3M**  
Emails Sent



**8,411**  
Pages of Content Created

## Proprietary Industry Content



Monthly, Quarterly, Mid-  
Year, & Annual Reports



CYBERScape 4.0  
(1,000+ Companies)



Sector Reports & Deep Dives



Events & Gatherings



Public Speaking & Keynotes



Podcasts & Webinars

# Award Winning Advice

Major accolades along with coverage from top-tier media outlets

## Award Winning Advice



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*



Most Innovative Cyber M&A Firm  
*Cyber Defense InfoSec Awards*

# Major Media Coverage

WSJ

Forbes



Bloomberg

DARK  
READING



VentureBeat

ZD  
NET

CRN



The Washington Post



## II. Transaction Highlight



# A Landmark \$250 Million Series B Funding

TENEX.AI Secures \$250M Series B to Bring Elite Cyber Defense to Every Organization.

March 2026

# TENEX.AI

has raised \$250M of Series B funding led by

## CROSSPOINT CAPITAL

### Momentum CYBER

Served as exclusive financial and strategic advisor to TENEX

#### Transaction Overview

On March 31st, 2026, TENEX.AI raised \$250 million in Series B funding led by Crosspoint Capital Partners. The new capital will accelerate TENEX's global expansion and significantly scale the human expertise behind its AI-native managed detection and response (MDR) service, expanding the elite team of defenders and engineers delivering cybersecurity outcomes that no product-only approach can match.

#### With Participation From



SHIELD CAPITAL



FLORIDA OPPORTUNITY FUND

DeepWork CAPITAL

“ TENEX has reimagined the managed security services industry and built something differentiated: an AI-native platform with elite human expertise to protect enterprises at scale. The company stops threats with the speed needed to defend an AI-enabled advisory and is delivering that value with an excellent financial model. ”

– Greg Clark, Managing Partner, Crosspoint Capital Partners



“ Everyone in this industry is talking about AI. Everyone else is bolting AI onto the same services and platforms that have been failing enterprises for years. We started over – the only AI SOC company led by operators who've done this before, with founding engineers from the hyperscalers and the leading AI labs. Not bolted on. Not borrowed. Native. ”

– Eric Foster, Founder & CEO, TENEX.AI



“ Most of the MDR market is still trying to bolt AI onto architectures that were never designed for it. TENEX went back to first principles and built natively — and the growth shows what that difference means in the market. Enterprises are voting with their budgets, and we're proud to back the team that's earning that trust. ”

– Zach Sivertson, Managing Director, Crosspoint Capital Partners



“ Enterprise security teams are being asked to do more with the same resources against threats that grow more sophisticated every quarter. That equation doesn't work without AI. TENEX has built the platform that changes that equation – combining AI-native detection with experienced human judgment at a scale I haven't seen elsewhere. That's why I'm here. ”

– Bashar Abouseido, President, TENEX.AI



#### Press Release Highlights

# #1

On the 2026 Cyber 150



# 250+

New hires



# 318%

YoY Growth



# \$10M

Revenue in < 6 months



# \$25M

Generated in TCV



# F500+

Enterprise customers



# Company Overview

The Leading AI-Native, Human-Led SOC That Triage Every Alert, Investigates Every Threat, And Frees Your Team For Strategic Work.

## Company Overview

TENEX.AI is an AI-Native Managed Detection and Response (MDR) provider delivering a Next-Generation Security Operations Center (SOC) powered by domain-specific artificial intelligence and elite human expertise.

Built from the ground up around AI, TENEX.AI combines cybersecurity-trained language models — purpose-trained on threat intel and attacker tactics — with world-class analysts to eliminate noise, surface real threats, and guide every critical decision.

## Founders & Management



**Eric Foster**  
Founder & CEO



**Venkata Koppaka**  
Co-Founder & CTO



**Ryan Shreve**  
Co-Founder & CFO/COO



**Bashar Abouseido**  
President



**Jan Grzymala-Busse**  
CISO & Head of SecOps



**Edwin Solis**  
Co-Founder & CRO



**Paul Edmonds**  
Chief of Staff

## Platform Overview

100%

Alert Coverage

98%

False Positives Eliminated

<1

Min. Triage Time

10x

Faster Detection

24/7

Human + AI Coverage

### 1. Triage



AI scores & ranks every alert in <1 min

### 2. Investigate



Autonomous correlation across full stack

### 3. Respond



Automated remediation & expert guidance

### 4. Adapt



Models improve with every analyst loop

## Core Platform Features

### Managed Detection & Response



100% alert coverage with sub-10-minute triage across all environments, 24/7

### Threat Management



Autonomous threat investigation correlating data across security stack

### Security Automation



300+ tool orchestration for consistent detection, response, and mitigation

### Incident Response



Real-time expert guidance, automated remediation, and clear containment steps

### Domain-Specific AI Models



Cybersecurity-trained LLMs that understand attacker behavior

### Hyperscaler Native



Deep native integration with Google, Microsoft, and AWS security ecosystems

# Investor Overview

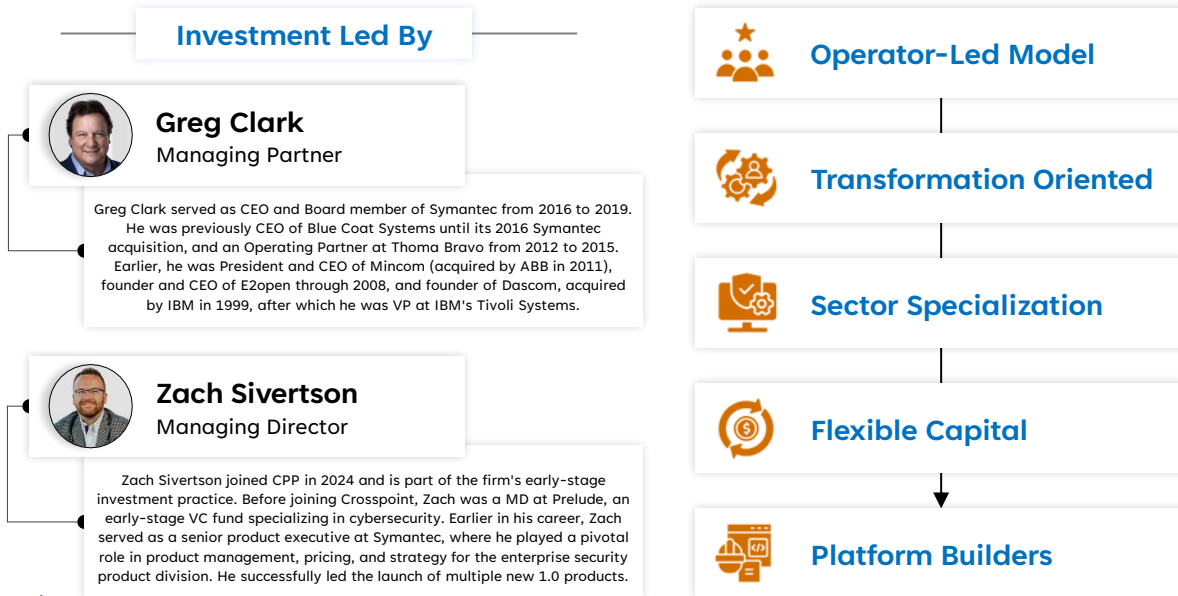
The Premier Global Cybersecurity Investment Firm – Deep Sector Expertise With An Operator Focus.

## Firm Overview

**Crosspoint Capital Partners** is a leading private equity and growth equity firm focused exclusively on cybersecurity, privacy, and infrastructure software. Founded by industry veterans, the firm combines deep sector expertise with an operator-led approach to partner with management teams and build market-leading technology platforms.

With approximately **\$8 billion** in assets under management, **Crosspoint Capital** provides flexible capital across growth and buyout strategies, supporting companies at critical inflection points in their lifecycle.

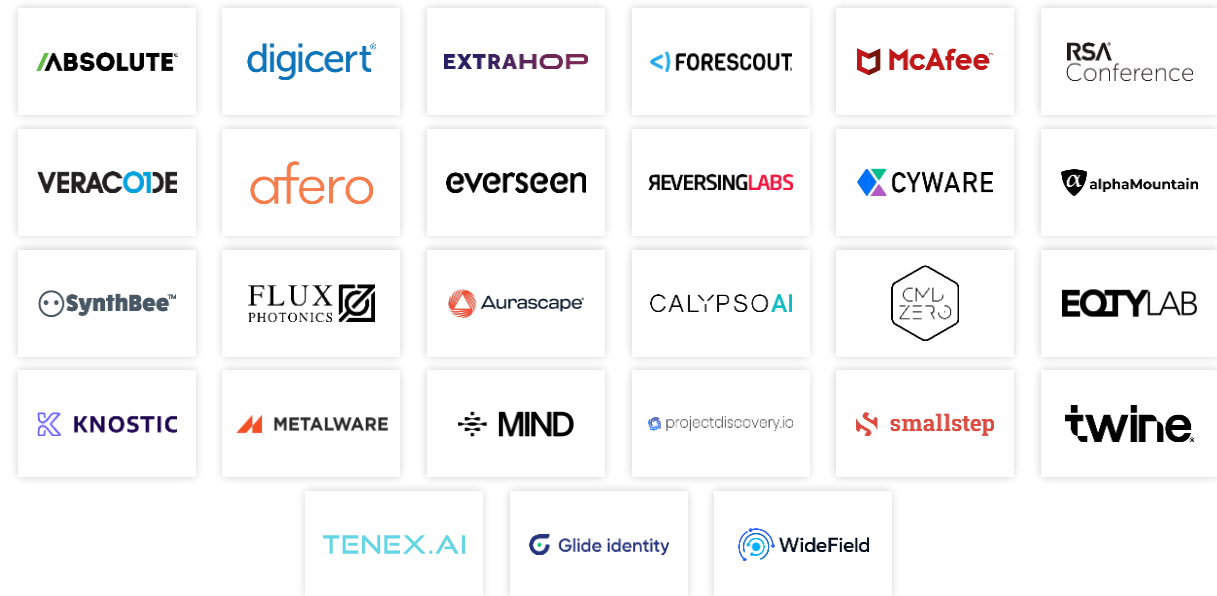
## Investment Focus & Capabilities



## Investment Strategy

- Buyout** | Well-positioned companies with strong products and potential for operational improvement and expansion via adjacencies.
- Growth Equity** | Disruptive companies with proven traction in large markets where Crosspoint can help the business scale.
- Early Stage** | Extraordinary founders with bold ideas and a vision to make our digital world a safer and more productive place.

## Portfolio Companies





### **III. Executive Summary**

# April Strategic Deal Flow

April saw an increase PE activity, specifically for Cyber Services businesses

## M&A Activity

There were **40** M&A transactions announced in April; a **38% increase** YoY

The month included **\$857M** in total disclosed deal value from **3** disclosed deals

The most active sectors across M&A were Security Services (**17 deals**), Risk & Compliance (**9 deals**), and AI Security (**5 deals**)

### Notable M&A April 2026

**VISO TRUST**  
Acquired by  
**PROTECH PSG**  
04/20, ND

**Quarkslab**  
Acquired by  
**AIRBUS**  
04/21, ND

**ryft**  
Acquired by  
**CYERA**  
04/23, \$130M

**IC CONSULT**  
Acquired by  
**Bridgepoint**  
04/27, \$495M

## Financing Activity

There were **51** Financing transactions completed in April; a **37% decrease** YoY

The month included **\$347M** in total capital deployed, with a median deal size of **\$9M**

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

### Notable Financing April 2026

**trent**  
Financed by  
**LOCALGLOBE**  
04/07, \$13M

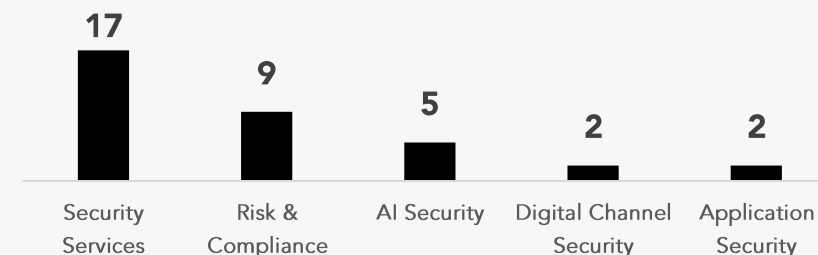
**Artemis**  
Financed by  
**Felicis**  
04/15, \$70M

**spectrum**  
Financed by  
**TECH OPERATORS VENTURE CAPITAL**  
04/22, \$19M

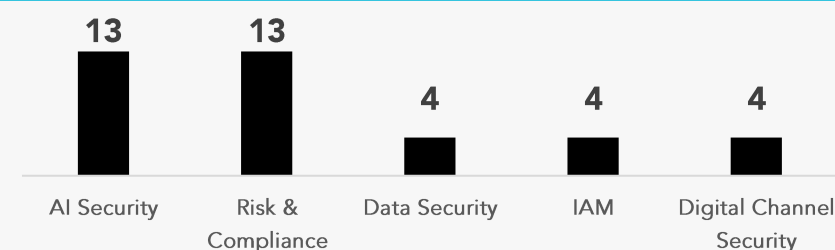
**cloudsmith**  
Financed by  
**INSIGHT PARTNERS TCV**  
04/23, \$72M

# By The Numbers...

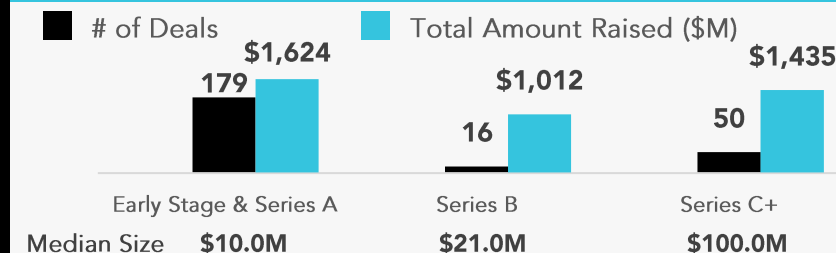
## April M&A Deals: Top Sectors By Activity



## April Financing Deals: Top Sectors By Activity


















## 2026 YTD Financing Deals: Breakdown By Stage



# M&A Deal Spotlight

Select, transformative M&A transactions from April 2026

Date	Target	Acquirer	EV (\$M)	Sector	Impact
04/02	 ZERO POINT SECURITY	 FORTRA <small>TA</small>	ND	Risk & Compliance	Extends Fortra's offensive security portfolio with Zero-Point's red team training to advance adversary-focused skills and cyber resilience
04/06	 SECURITY CENTRIC	 VIRTUAL IT GROUP	ND	Security Services	Extends VITG's cybersecurity platform with Security Centric's MDR and advisory expertise to strengthen SOC capabilities and mid-market offerings
04/07	 CyberNINES	 ControlCase	ND	Risk & Compliance	Extends ControlCase's compliance platform with CyberNINES' CMMC expertise to deliver end-to-end federal cybersecurity certification
04/09	 Galileo	 CISCO	ND	AI Security	Extends Cisco's Splunk platform with Galileo's AI observability to make agentic systems more trustworthy, reliable, and secure at scale
04/10	 Lumeus	 fiddler	ND	AI Security	Extends Fiddler's AI control plane with Lumeus' agent governance to secure coding agents across the full AI lifecycle
04/20	 VISO TRUST	 PROTECHT PSG	ND	Risk & Compliance	Extends Protecht's GRC platform with VISO TRUST's AI-driven third-party risk capabilities to unify and scale vendor risk management

Date	Target	Acquirer	EV (\$M)	Sector	Impact
04/21	 Armour Comms	 PententAmio	ND	Digital Channel Security	Extends PententAmio's secure communications platform with Armour's encryption capabilities to enhance secure mobility and government-focused solutions
04/21	 Quarkslab	 AIRBUS	ND	Application Security	Advances Airbus' vertical integration strategy, building a sovereign European cyber platform for defense and government customers
04/21	 imagineX <small>(Cybersecurity Business)</small>	 TEKSTREAM <small>The People to Power Your Success</small>	ND	Security Services	Extends TekStream's platform with ImagineX's advisory and GRC capabilities to deliver end-to-end digital resilience across the security lifecycle
04/23	 ryft	 CYERA	\$130	AI Security	Extends Cyera's platform with Ryft's AI-ready data lake to enable secure, traceable data access for agentic AI at scale
04/27	 iC CONSULT	 Bridgepoint	\$495	Security Services	Positions iC Consult for accelerated global expansion under Bridgepoint to scale identity security and build a leading IAM platform
04/30	 portkey	 paloalto <small>NETWORKS</small>	ND	AI Security	Extends Palo Alto Networks' AI security platform with Portkey's AI gateway capabilities to secure and manage enterprise AI agents at scale

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

# Financing Deal Spotlight

Select, transformative Financing transactions from April 2026

Date	Target	Lead Investor(s)	Investment (\$M)	Sector	Impact
04/07	trent	LOCALGLOBE	\$13	AI Security	Advances Trent AI's agentic security platform to secure autonomous AI systems with continuous, multi-agent protection across the full lifecycle
04/10	AIM	SAMSUNG VENTURE INVESTMENT	\$7	AI Security	Accelerates AIM Intelligence's AI security platform to scale red-teaming and guardrails as enterprises deploy generative AI globally
04/14	Ralio	SVV	\$3	Digital Channel Security	Enables Ralio to build the payments infrastructure layer for AI agents with embedded guardrails for secure, autonomous transactions
04/15	Artemis	Felicis	\$70	AI Security	Advances Artemis' AI-native platform to detect and respond to machine-speed, AI-driven attacks across the full security operations lifecycle
04/21	PHIN	SQUADRA	\$6	Risk & Compliance	Advances Phin's platform to reduce human-driven breach risk through automated awareness training and phishing simulation at scale
04/22	spectrum	TECHOPERATORS VENTURE CAPITAL	\$19	AI Security	Advances Spectrum's detection platform to close coverage gaps with automated threat detection across existing security stacks

Date	Target	Lead Investor(s)	Investment (\$M)	Sector	Impact
04/23	copperhelm	tlw partners	\$7	AI Security	Advances Copperhelm's agentic cloud security platform to replace manual workflows with autonomous threat detection and real-time remediation
04/23	rilian	8VC	\$18	Security Operations	Advances Rilian's agentic AI platform to deploy autonomous cyber capabilities across defense, sovereign, and air-gapped environments
04/23	cloudsmith	INSIGHT PARTNERS TCV	\$72	Application Security	Accelerates Cloudsmith's platform to secure and govern AI-generated software supply chains at enterprise scale
04/27	QUINTELLIGENCE	ELEVATOR VENTURES	\$9	Security Operations	Accelerates QuoIntelligence's unified risk intelligence platform to deliver EU-compliant, ready-to-act threat intelligence without in-house teams
04/29	BUG BOUNTY SWITZERLAND	Direttissima	\$15	Risk & Compliance	Accelerates Bug Bounty Switzerland's AI-driven security testing platform to scale continuous, autonomous testing globally
04/29	General Analysis	ALTOS VENTURES	\$10	AI Security	Advances General Analysis' AI security platform to close the gap in securing autonomous agents through continuous red-teaming and validation

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



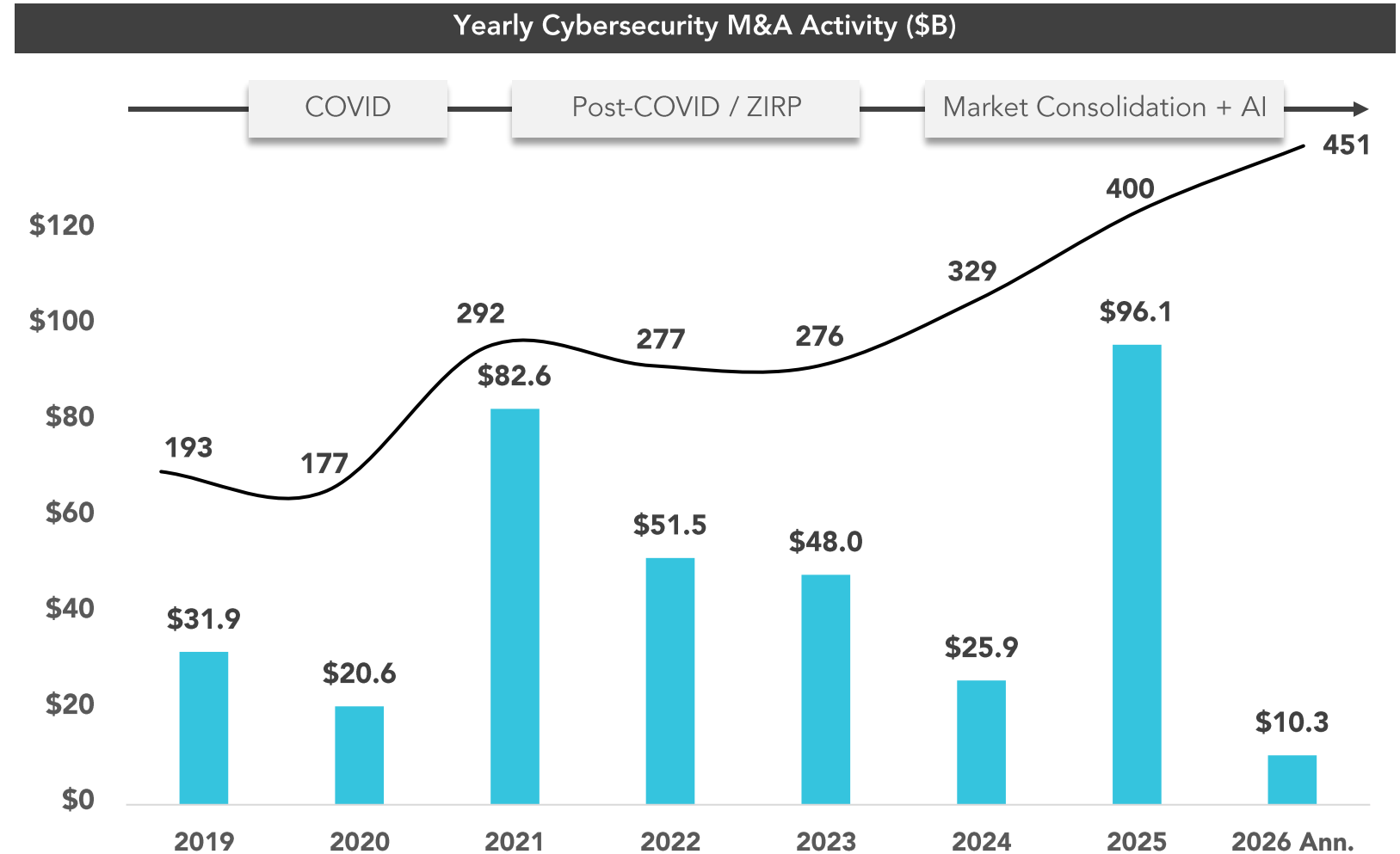
## IV. M&A Activity



# Annual Cybersecurity M&A Deal Value and Count

In April, Cybersecurity M&A kept pace with the record-breaking momentum witnessed in Q1 2026

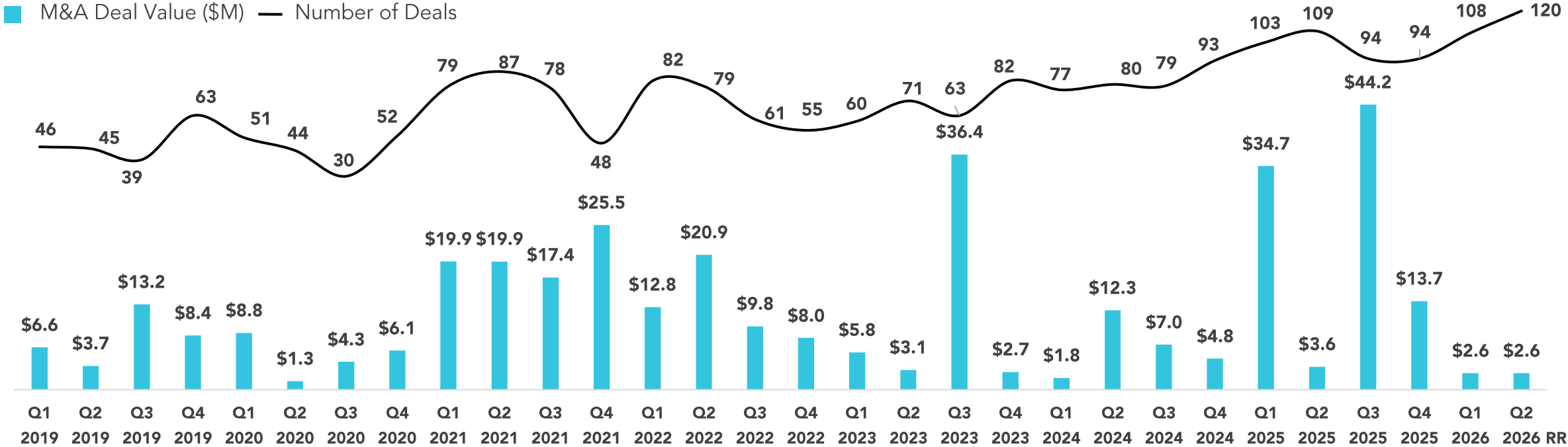
- April 2026 in Review:** April 2026 saw **\$857M** spent across **40** transactions, highlighted by key strategic deals by some of the largest incumbents in our sector. Deal count was up **38%** compared to April '25, while deal value was down YoY. April 2025 saw 3 \$100M+ deals, including Palo Alto's acquisition of Protect AI for \$700M and Ridgeview Partners' purchase of Radiant Logic for \$500M
- High Velocity Month:** April 2026 saw **40** transactions, **8%** up from the trailing 12-month median. With the record setting activity from Q1, the annualized deal flow is still the highest we have ever tracked, with **451** deals projected to close in 2026



# Cybersecurity M&A Activity Exceeds Pre-COVID Levels

Q1 2026 saw the 2<sup>nd</sup> highest number of M&A deals ever and Q2 2026 keeping the pace as SaaS transactions are put on hold

Quarterly Cybersecurity M&A Activity (\$B)



**M&A Value YoY Growth (%)**

64% 45% 98% 47% 34% (64%) (67%) (28%) 126% 999% 300% 320% (36%) 5% (44%) (68%) (55%) (85%) 272% (66%) (69%) 303% (81%) 75% 999% (71%) 532% 186% (93%) (82%)

**Number of M&A Deals YoY Growth (%)**

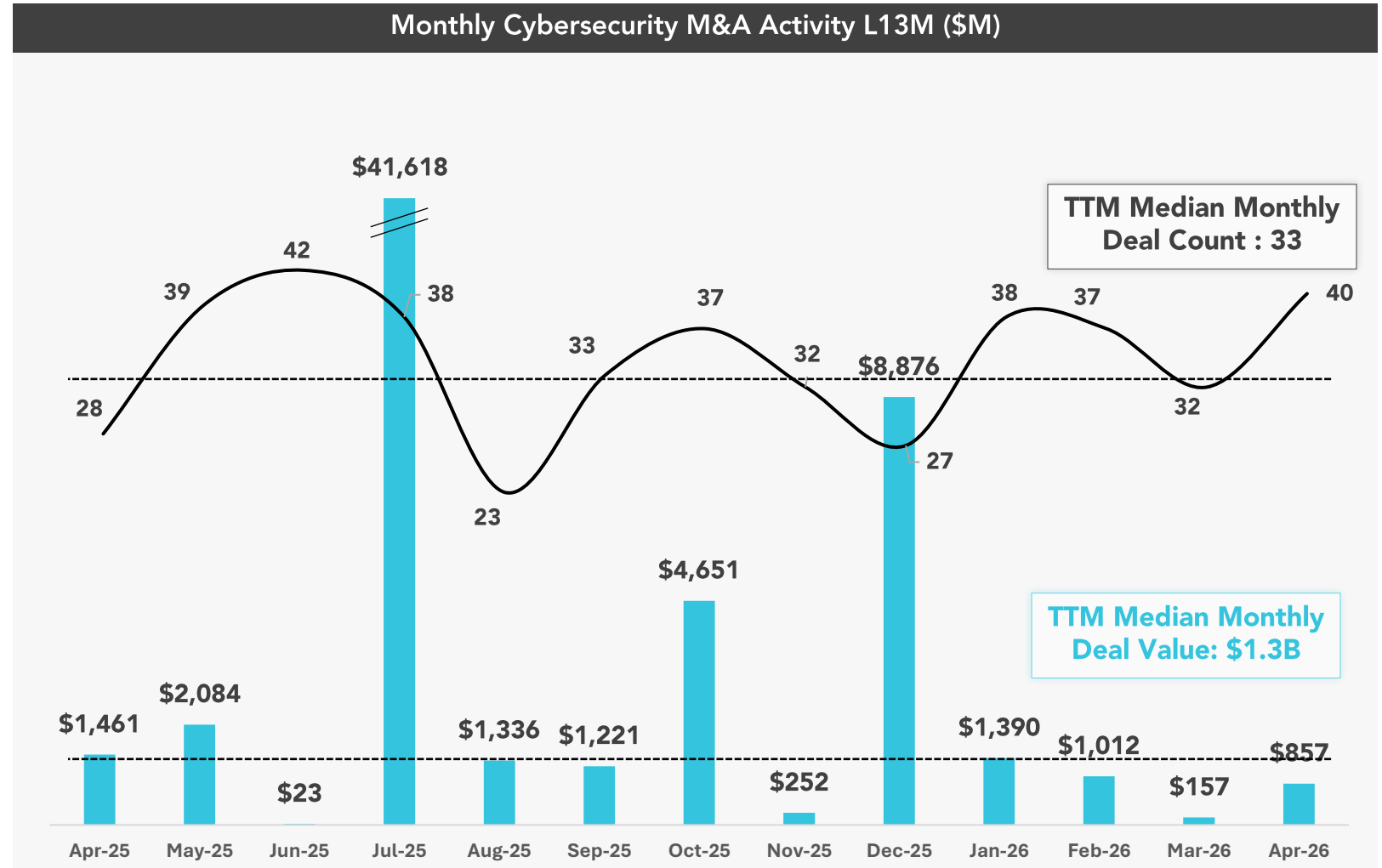
19% 0% 0% 47% 11% (2%) (23%) (17%) 55% 98% 160% (8%) 4% (9%) (22%) 15% (27%) (10%) 3% 49% 28% 13% 25% 13% 34% 36% 19% 3% 4% 25%

Source: Pitchbook, 451 Research, Momentum Cyber proprietary transaction database. As of 04/30/2026.

# Monthly Cybersecurity M&A Deal Value and Count

April witnessed 40 M&A deals, only 3 of which had a disclosed deal value

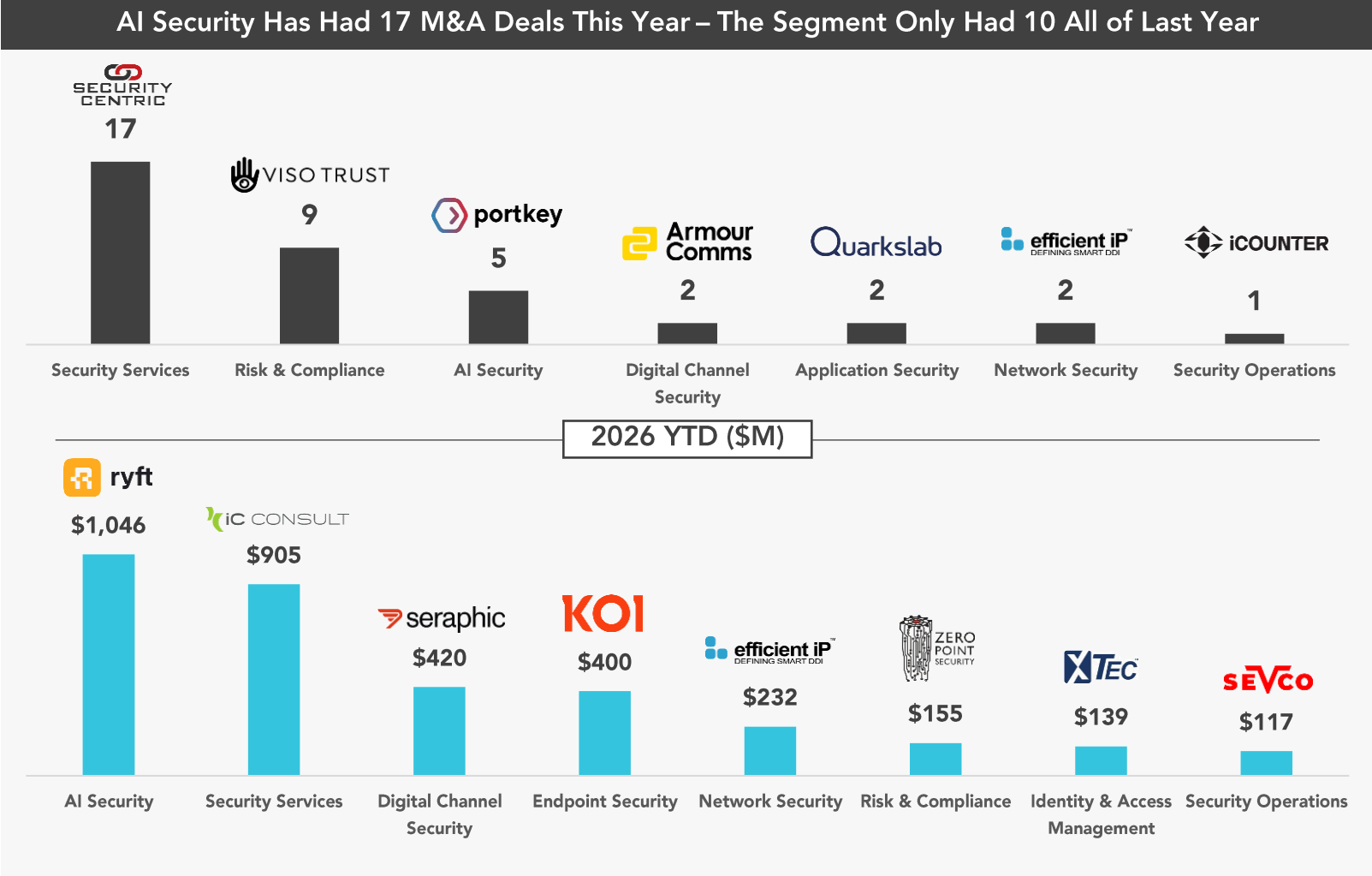
- **Deal Count:** April recorded **40** M&A deals, 8% above the median monthly total of 33
- **Market Timing Shift:** Industry conversations suggest that software & SaaS cybersecurity companies originally targeting Q4 '25 or Q1 '26 processes have pushed timelines to Q3–Q4 '26, amid growing investor hesitancy toward SaaS companies as AI reshapes growth expectations and valuation frameworks
- **Services in Focus:** Cyber Services have stayed in the driver seat in M&A, particularly among PE sponsors, as verticalized cyber services assets appeared more frequently in deal conversations



# Cybersecurity M&A Transactions Based on Company Segment

AI Security is projected to see a 400%+ increase in M&A activity in 2026 as AI startups finally begin to trade

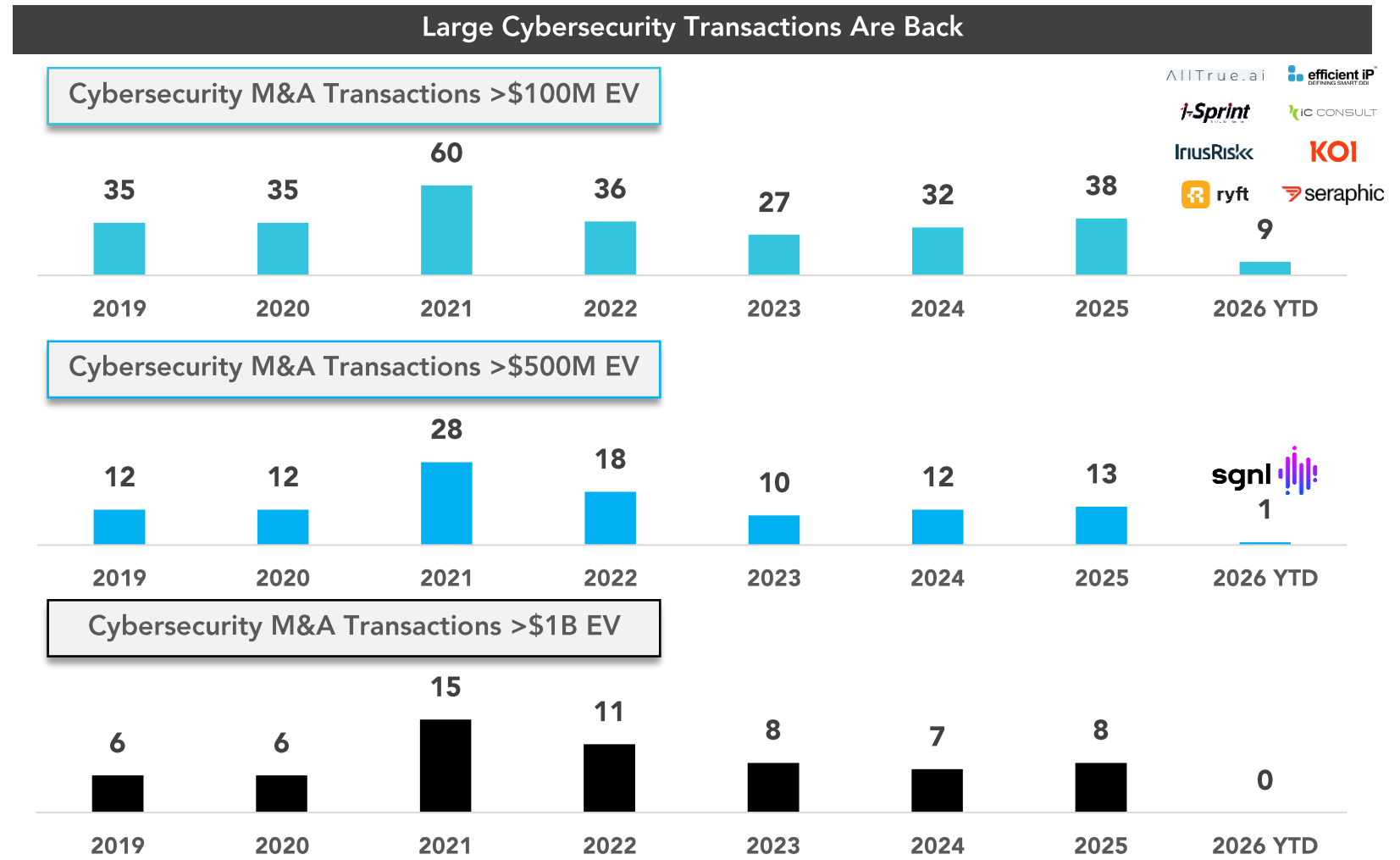
- Through the first 4 months of 2026, buyers prioritized proven operational categories, with **Security Services** generating the highest count and a consistent mix across **Risk & Compliance, AI Security, and Digital Channel Security**
- The buying window for AI-enabled cybersecurity companies has opened, with 17 such deals in the first four months of the year. AI Security has emerged as a priority for buyers, with early deal activity accelerating and already driving the highest aggregate transaction value in 2026 YTD



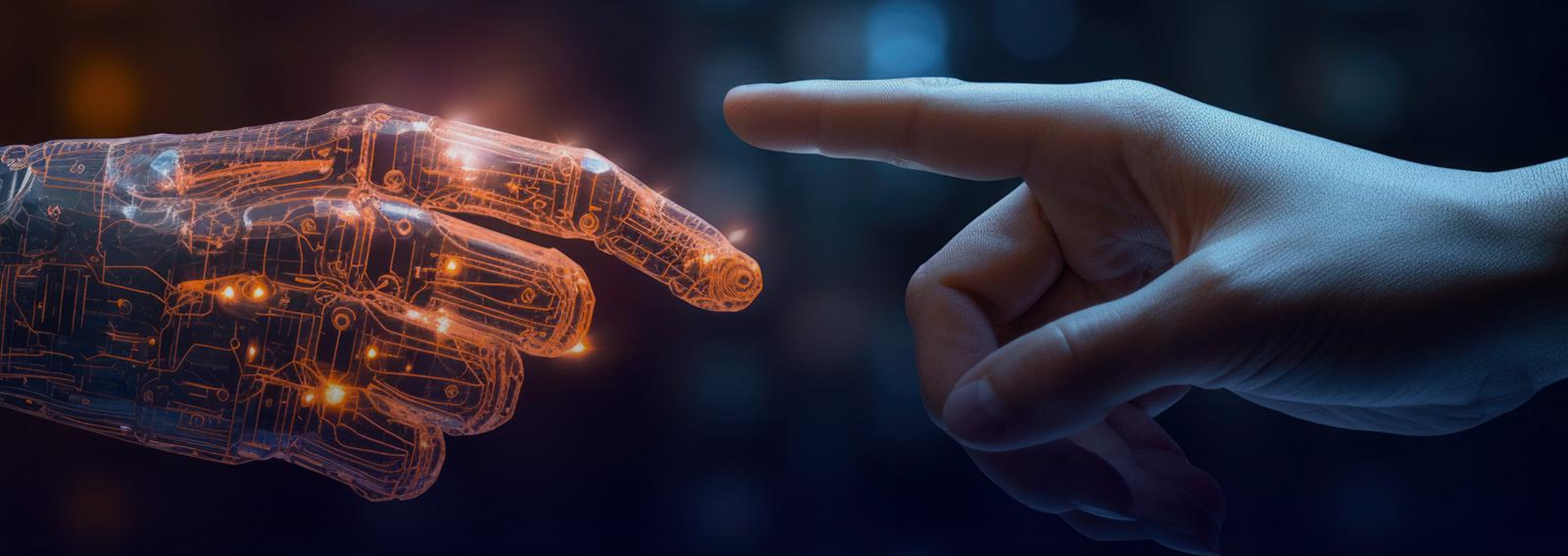
# Large Cybersecurity M&A Slows in Early 2026

We have witnessed 9 disclosed M&A deals worth more than \$100M in 2026, tracking below the records set in previous years

- Large cybersecurity M&A has normalized below peak levels, with activity tracking slightly under recent years and a notable absence of \$1B+ transactions in 2026
- 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



Source: Pitchbook, 451 Research, Momentum Cyber proprietary transaction database.  
 Note: Only includes deals with publicly disclosed enterprise values. As of 04/30/2026.

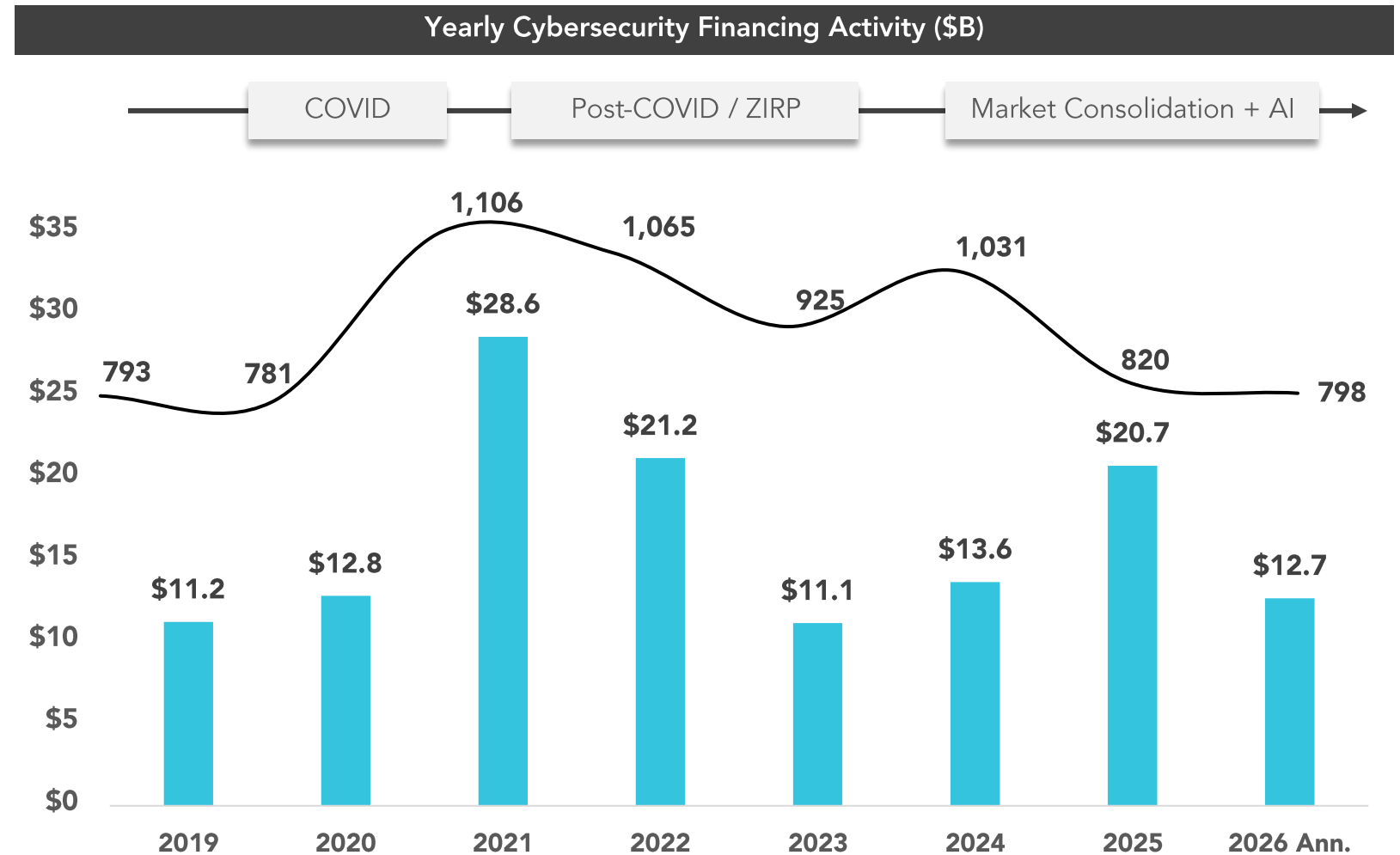


## **V. Financing Activity**

# Annual Cybersecurity Financing Deal Value and Count

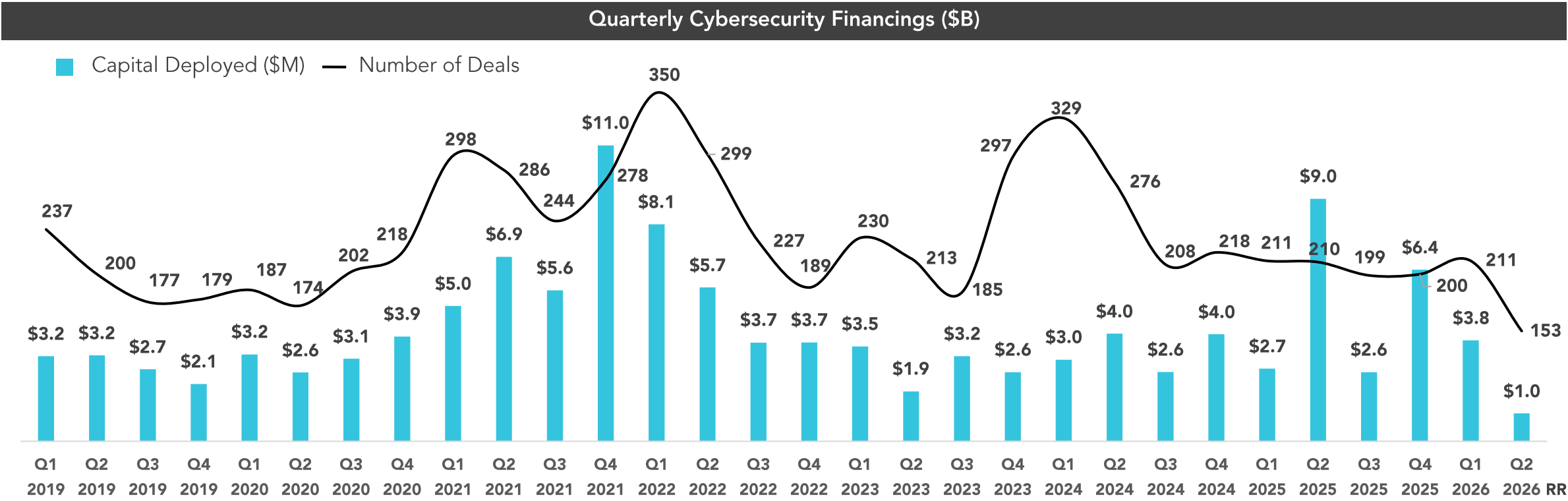
April financing activity took a step back after a strong Q1

- **April 2026 in Review:** April 2026 witnessed **\$347M** raised across **51** transactions, highlighted by deals from companies like Cloudsmith, Spectrum, and others. Deal value was down **81%**, while deal count was down **37%** YoY
- **Deal Sizes Normalize as Capital Broadens:** Median cybersecurity financing size declined to **\$9M** in April, 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 and AI Security led April in deal count, AI Security & AppSec (Cloudsmith, \$72M Series C) surpassed all other sectors in capital deployment



# Cybersecurity Funding Exceeds Pre-COVID Levels

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



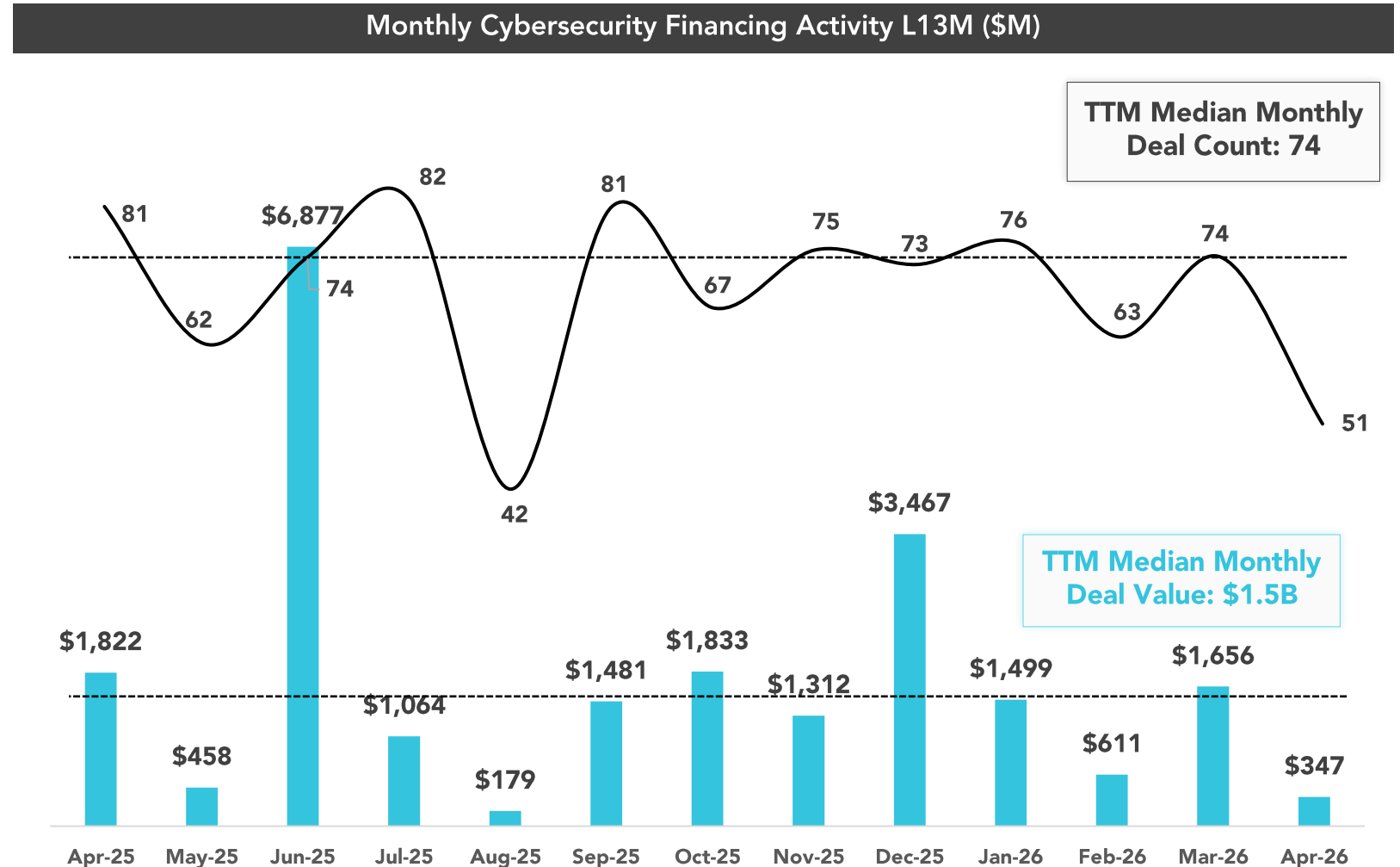
Capital Deployed YoY Growth (%)																													
159%	33%	18%	(24%)	2%	(20%)	15%	83%	56%	168%	83%	182%	61%	(17%)	(35%)	(67%)	(56%)	(68%)	(14%)	(30%)	(14%)	116%	(19%)	55%	(11%)	125%	(0%)	60%	33%	(89%)
Number of Financings YoY Growth (%)																													
7%	(4%)	(5%)	(5%)	(21%)	(13%)	14%	22%	59%	64%	21%	28%	17%	5%	(7%)	(32%)	(34%)	(29%)	(19%)	57%	43%	30%	12%	(27%)	(36%)	(24%)	(4%)	(8%)	(7%)	(29%)

Source: Pitchbook, 451 Research, Momentum Cyber proprietary transaction database. As of 04/30/2026.

# 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 trouble raising

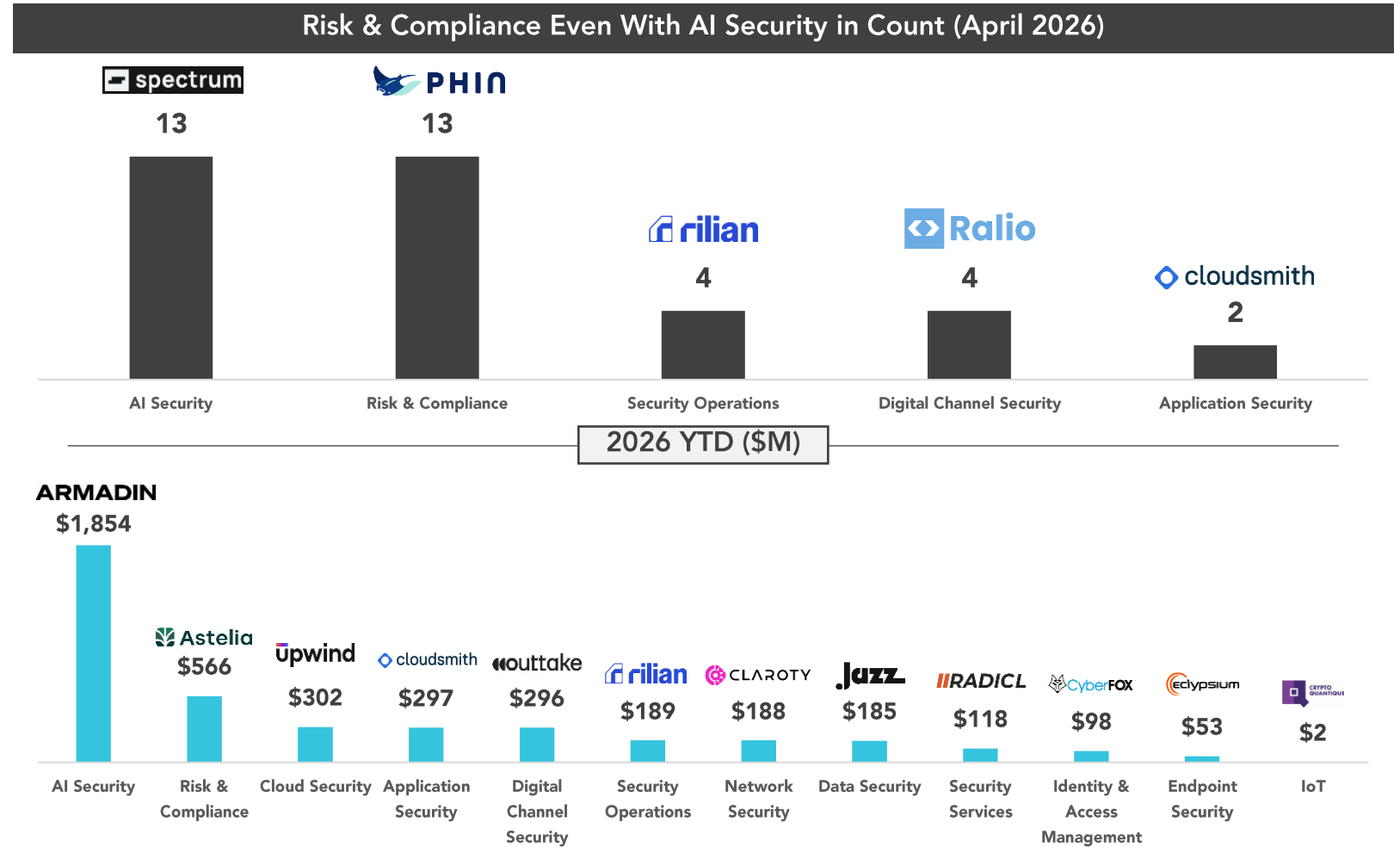
- April Activity Down Versus Recent Medians:** April 2026 recorded **51** financing transactions totaling **\$347M**, tracking below the 13-month median of **74** deals and **\$1.5B** in monthly capital deployed, showing a slight fallback from the accelerated cybersecurity financing environment
- Capital Concentrated in a Handful of Large Rounds:** A meaningful portion of April's \$347M was driven by several large raises, including Cloudsmith's **\$72M** Series C, Artemis' **\$70M** Series A, Spectrum's **\$19M** Seed Round, and Trent AI's **\$13M** Seed Round. There were no large Series B or C rounds in April, straying from the recent trend of sizable mid-stage funding rounds in the current environment



# Cybersecurity VC Transactions By Segment

April 2026 saw less capital deployment than other months, led by AppSec, Compliance, and AI Security companies raising capital

- AI Security Continues to Command Capital:** April 2026 financing activity reinforced investor conviction in AI-driven security platforms, with 13 AI Security companies raising new rounds and moving out of stealth as enterprises prioritize securing AI-enabled and cloud-native environments
- Risk & Compliance Remains a Volume Leader:** Risk & Compliance was even with AI Security for the most deals this month, 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:** April 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





# VI. Public Markets Update

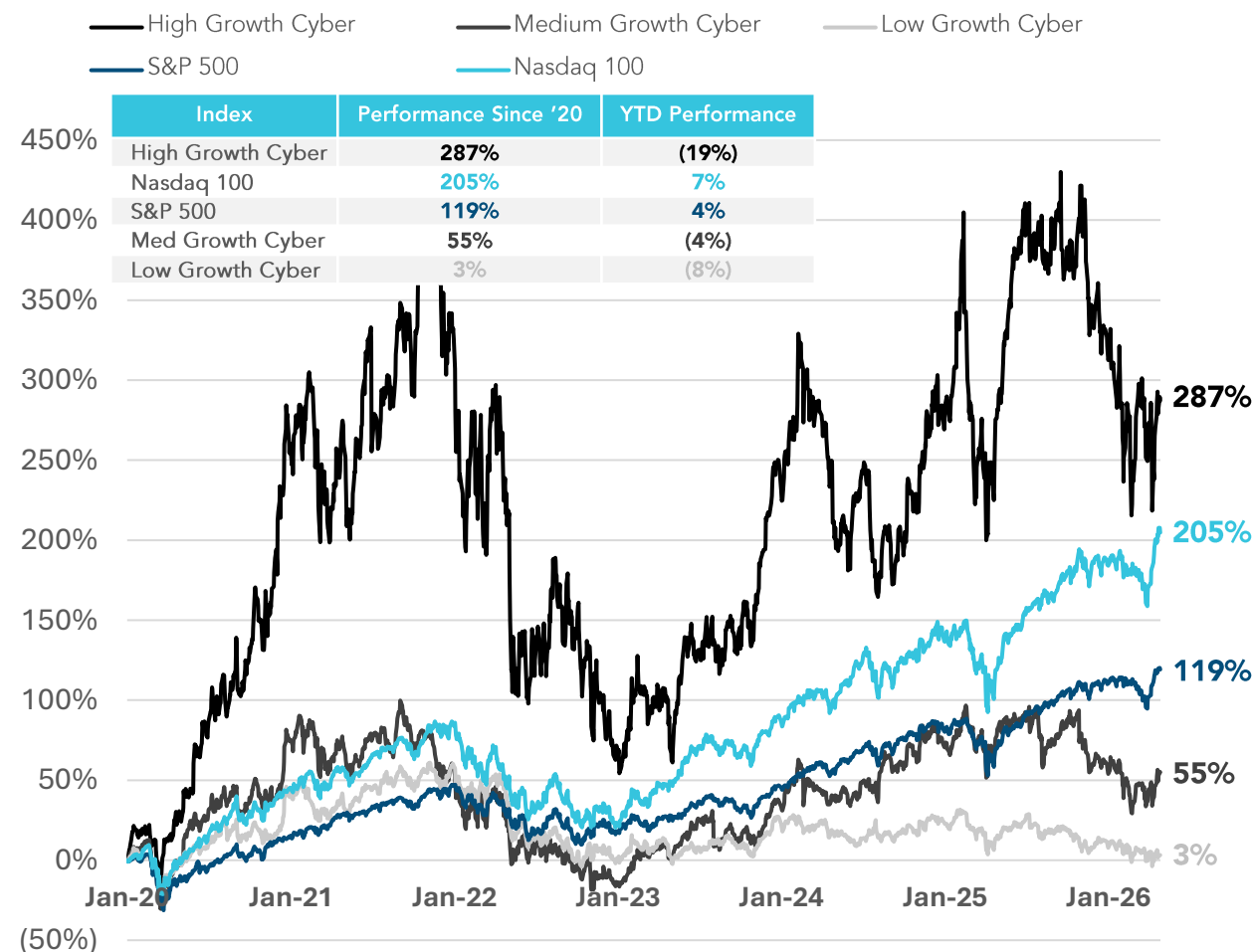


# High Growth Cyber Has Outpaced the S&P and the Nasdaq

High-growth public Cybersecurity companies trade at 5.6x EV / '26 Revenue and have outperformed major indices since 2020

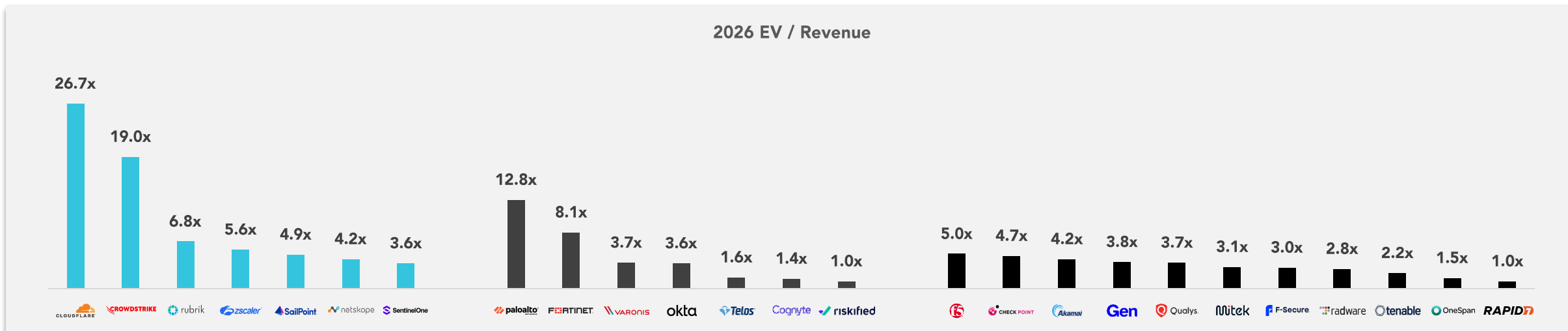
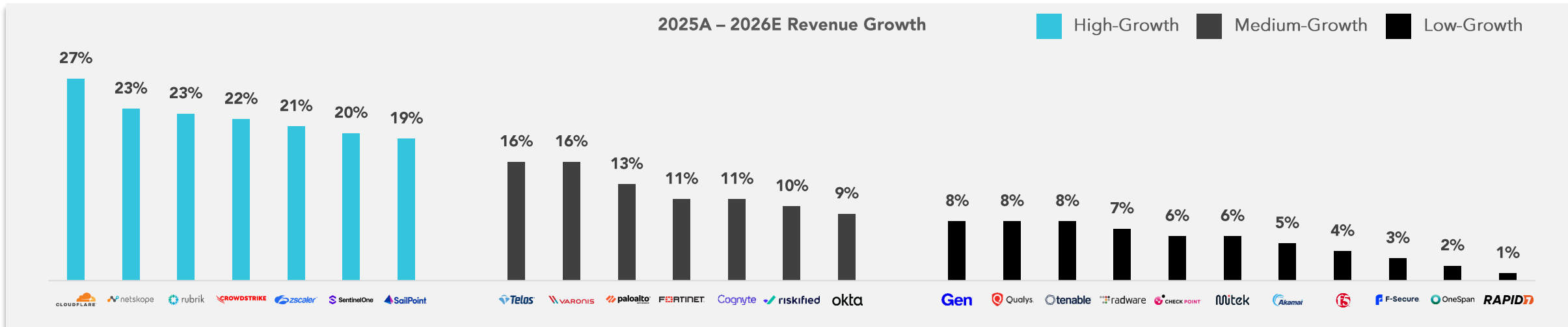
Metric	High-Growth	Medium-Growth	Low-Growth	All
Revenue Multiple	5.6x	3.6x	3.1x	3.7x
EBITDA Multiple	29.6x	14.5x	8.9x	12.1x
Ro40	39%	27%	37%	37%
Revenue Growth	22%	11%	6%	10%
EBITDA Margin	20%	15%	35%	27%
Gross Margin	78%	77%	83%	80%
R&D Spend	28%	21%	18%	21%
S&M Spend	52%	35%	23%	35%
Rev / Employee (\$K)	\$357K	\$451K	\$393K	\$379K
Market Cap (\$M)	\$11,233	\$2,921	\$2,341	\$4,985

## Cybersecurity vs. Broader Indices: Stock Prices



# Valuation Divide Reflects Efficiency and Growth Quality

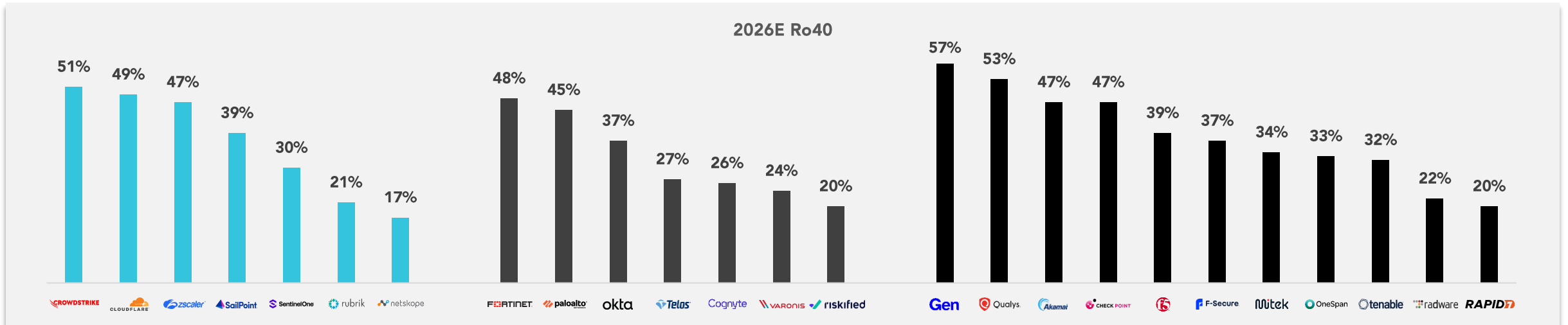
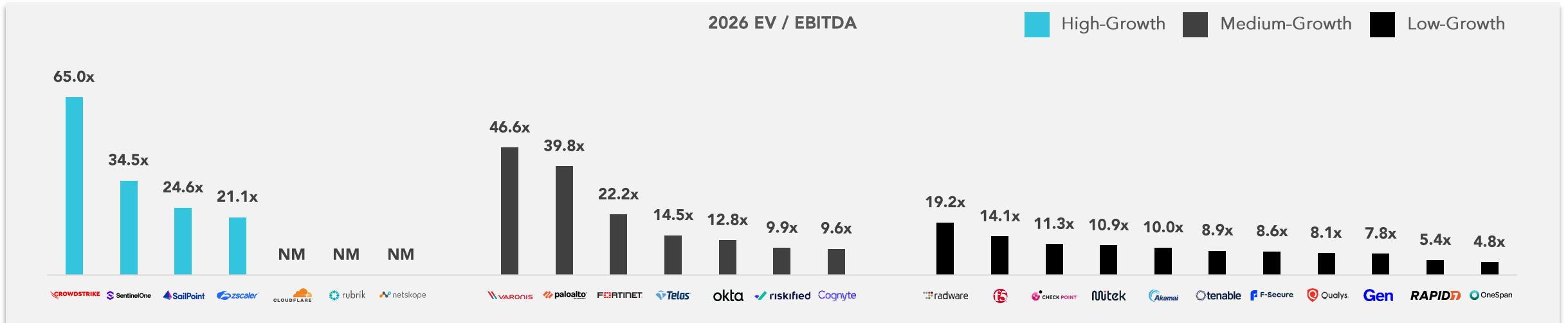
High-growth Cyber companies are keeping premium multiples on stronger forward metrics



Source: Pitchbook, Company Filings, as of 04/30/2026.

# 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

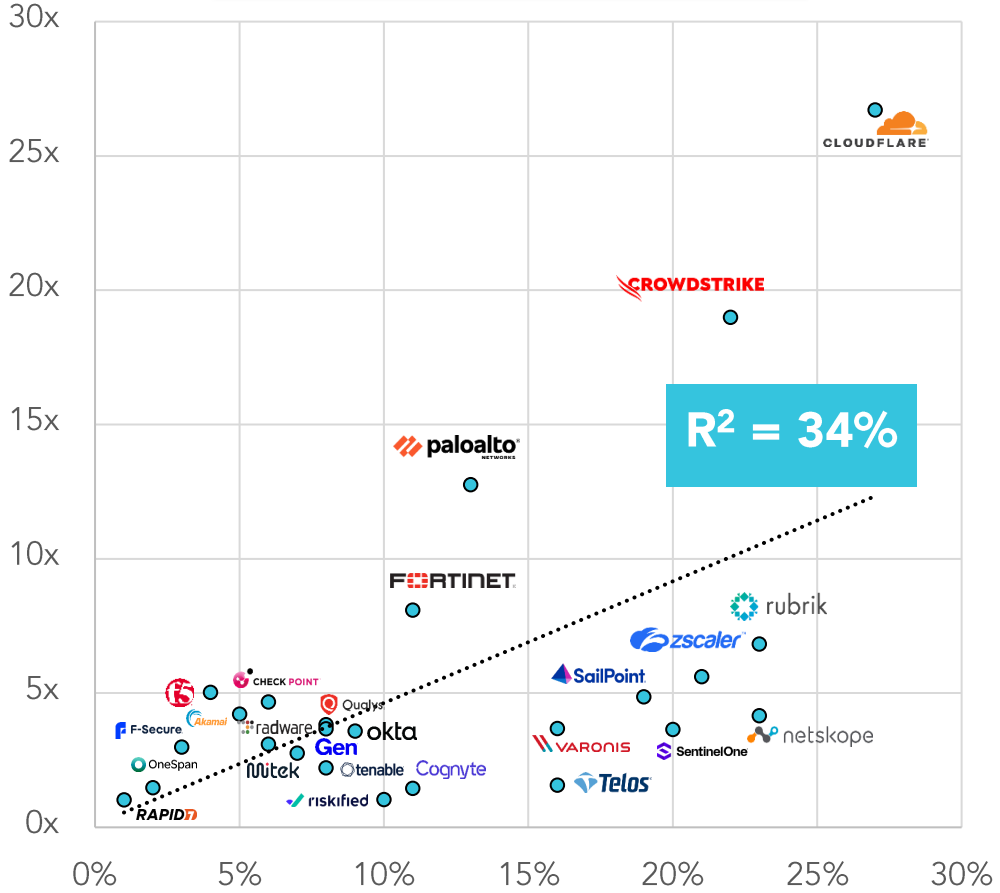


Source: Pitchbook, Company Filings, as of 04/30/2026.

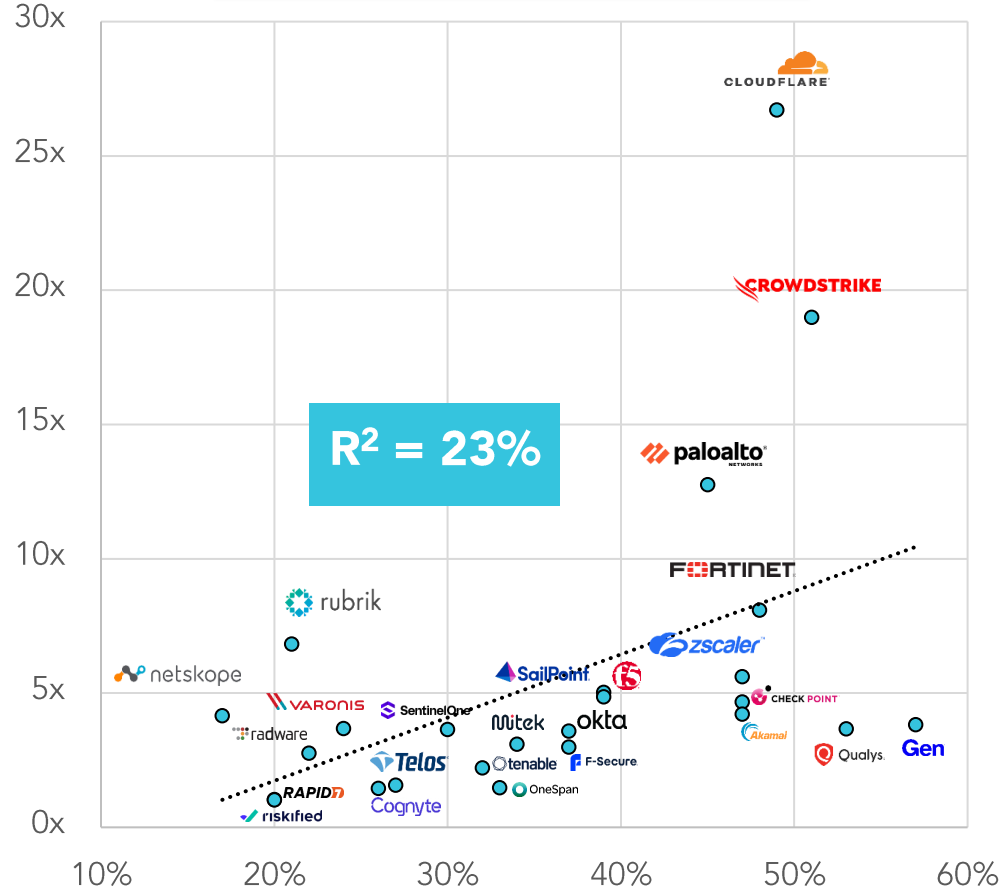
# Growth Still Key Indicator of Valuation

Revenue growth to EV / Rev has an  $R^2$  score of 32%, telling us that more goes into valuation than just growth

Growth vs. EV / '26 Rev










Ro40 vs. EV / '26 Rev



Source: Pitchbook, Company Filings, as of 04/30/2026.








# High-Growth Cybersecurity Public Comps

Scaled leaders command premium multiples

(\$ 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		
High-Growth										
 CROWDSTRIKE	19.0x	65.0x	22%	29%	51%	78%	\$5,848	\$1,708	7%	\$111,026
 CLOUDFLARE	26.7x	NM	27%	22%	49%	76%	\$2,726	\$600	76%	\$72,805
 zscaler	5.6x	21.1x	21%	27%	47%	80%	\$3,603	\$959	(39%)	\$20,230
 rubrik	6.8x	NM	23%	(1%)	21%	81%	\$1,569	(\$18)	(24%)	\$10,701
 SailPoint	4.9x	24.6x	19%	20%	39%	78%	\$1,274	\$252	(30%)	\$6,194
 SentinelOne	4.2x	NM	23%	(6%)	17%	78%	\$864	(\$51)	NM	\$3,592
 netskope	3.6x	34.5x	20%	11%	30%	78%	\$1,200	\$127	(21%)	\$4,371
Median	5.6x	29.6x	22%	20%	39%	78%	\$1,569	\$252	(22%)	\$10,701
Mean	10.1x	36.3x	22%	14%	36%	79%	\$2,441	\$511	(5%)	\$32,703





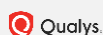





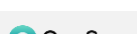
# Medium-Growth Cybersecurity Public Comps

Solid operators trading at mid-range multiples

(\$ 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	12.8x	39.8x	13%	32%	45%	77%	\$11,180	\$3,582	1%	\$142,619
 FORTINET	8.1x	22.2x	11%	36%	48%	81%	\$7,519	\$2,740	(17%)	\$60,840
 okta	3.6x	12.8x	9%	28%	37%	82%	\$3,169	\$887	(27%)	\$11,348
 VARONIS	3.7x	46.6x	16%	8%	24%	80%	\$719	\$57	(41%)	\$2,646
 Cognyte	1.4x	9.6x	11%	15%	26%	73%	\$444	\$67	(3%)	\$643
 riskified	1.0x	9.9x	10%	11%	20%	52%	\$375	\$39	(3%)	\$388
 Telos	1.6x	14.5x	16%	11%	27%	39%	\$190	\$21	65%	\$299
<b>Median</b>	<b>3.6x</b>	<b>14.5x</b>	<b>11%</b>	<b>15%</b>	<b>27%</b>	<b>77%</b>	<b>\$719</b>	<b>\$67</b>	<b>(3%)</b>	<b>\$2,646</b>
<b>Mean</b>	<b>4.6x</b>	<b>22.2x</b>	<b>12%</b>	<b>20%</b>	<b>33%</b>	<b>69%</b>	<b>\$3,371</b>	<b>\$1,056</b>	<b>(4%)</b>	<b>\$31,255</b>

# Low-Growth Cybersecurity Public Comps

Mature profiles with discounted valuations

(\$ 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										
 Akamai	3.8x	7.8x	8%	49%	57%	83%	\$5,091	\$2,494	(25%)	\$19,450
 Gen	4.2x	10.0x	5%	42%	47%	73%	\$4,399	\$1,860	20%	\$18,538
 5	5.0x	14.1x	4%	36%	39%	84%	\$3,187	\$1,137	12%	\$16,025
 CHECK POINT	4.7x	11.3x	6%	41%	47%	88%	\$2,889	\$1,188	(35%)	\$13,476
 Qualys	3.7x	8.1x	8%	45%	53%	84%	\$718	\$326	(33%)	\$2,631
 tenable	2.2x	8.9x	8%	25%	32%	82%	\$1,065	\$263	(38%)	\$2,354
 radware	2.8x	19.2x	7%	14%	22%	82%	\$322	\$46	14%	\$888
 RAPID7	1.0x	5.4x	1%	19%	20%	74%	\$866	\$163	(75%)	\$882
 Mitek	3.1x	10.9x	6%	28%	34%	84%	\$195	\$56	68%	\$604
 F-Secure	3.0x	8.6x	3%	35%	37%	84%	\$175	\$61	(5%)	\$525
 OneSpan	1.5x	4.8x	2%	31%	33%	74%	\$245	\$75	(24%)	\$362
<b>Median</b>	<b>3.1x</b>	<b>8.9x</b>	<b>6%</b>	<b>35%</b>	<b>37%</b>	<b>83%</b>	<b>\$866</b>	<b>\$263</b>	<b>(24%)</b>	<b>\$2,354</b>
<b>Mean</b>	<b>3.2x</b>	<b>9.9x</b>	<b>5%</b>	<b>33%</b>	<b>38%</b>	<b>81%</b>	<b>\$1,741</b>	<b>\$697</b>	<b>(11%)</b>	<b>\$6,885</b>



# Appendix



# M&A Transaction List (April 2026)

Date	Target	Company Type	Acquirer	Acquirer Type	EV (\$M)	LTM Revenue (\$M)	EV / LTM Revenue
Apr-26	Rhebo	Network Security	Everfield	PE-Backed Strategic	ND	ND	ND
Apr-26	CompliancePoint	Risk & Compliance	Wipfli	PE-Backed Strategic	ND	ND	ND
Apr-26	Portkey	AI Security	Palo Alto Networks	Strategic	ND	ND	ND
Apr-26	DQS	Risk & Compliance	Montagu	PE Platform	ND	ND	ND
Apr-26	Fabrix Security	Identity & Access Management	Silverfort	Strategic	ND	ND	ND
Apr-26	Secure Annex	Application Security	Socket	Strategic	ND	ND	ND
Apr-26	iC Consult	Security Services	Bridgepoint Group	PE Platform	\$495	ND	ND
Apr-26	Andxor Soluzioni	Identity & Access Management	Credentel	Strategic	ND	ND	ND
Apr-26	Alverad Technology Focus	Security Services	SGS	Strategic	ND	ND	ND
Apr-26	Ryft	AI Security	Cyera	Strategic	\$130	ND	ND
Apr-26	AgenticSec	AI Security	LayerX	Strategic	ND	ND	ND
Apr-26	iON	Security Services	Management Buyout	Strategic	ND	ND	ND
Apr-26	IOvations	Security Services	Alchemy Technology Group	PE-Backed Strategic	ND	ND	ND
Apr-26	Daintta	Security Services	LDC	PE Platform	ND	ND	ND
Apr-26	Quarkslab	Application Security	Airbus	Strategic	ND	ND	ND
Apr-26	Cyberwatch	Security Services	Netum Group	Strategic	ND	\$1	ND
Apr-26	ImagineX (Cybersecurity Business)	Security Services	TekStream Solutions	PE-Backed Strategic	ND	ND	ND
Apr-26	Armour Communications	Digital Channel Security	PentenAmio	PE-Backed Strategic	ND	ND	ND
Apr-26	Emulated Criminals	Risk & Compliance	Suzu Labs	Strategic	ND	ND	ND
Apr-26	VISO TRUST	Risk & Compliance	Protecht	PE-Backed Strategic	ND	ND	ND
Apr-26	Teron Labs	Security Services	Applus+	PE-Backed Strategic	ND	ND	ND
Apr-26	Efficient IP	Network Security	Francisco Partners	PE Platform	Conf.	ND	ND
Apr-26	Zen Cyber	Security Services	TrustBIX	Strategic	ND	ND	ND
Apr-26	Cable	Risk & Compliance	Synctera	Strategic	ND	ND	ND

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

# M&A Transaction List (April 2026)

Date	Target	Company Type	Acquirer	Acquirer Type	EV (\$M)	LTM Revenue (\$M)	EV / LTM Revenue
Apr-26	Rimstorm	Security Services	Boost	PE-Backed Strategic	ND	ND	ND
Apr-26	Infosentry	Security Services	Axeco	PE Platform	ND	\$5	ND
Apr-26	The Security Factory	Risk & Compliance	Axeco	PE Platform	ND	ND	ND
Apr-26	Innovate IT	Security Services	CloudComputinggg	PE-Backed Strategic	ND	ND	ND
Apr-26	Kovr.ai	Risk & Compliance	Fortreum	PE-Backed Strategic	ND	ND	ND
Apr-26	Quixxi	Digital Channel Security	WhiteHawk	Strategic	ND	\$0	ND
Apr-26	Lumeus	AI Security	Fiddler Labs	Strategic	ND	ND	ND
Apr-26	Galileo	AI Security	Cisco	Strategic	ND	ND	ND
Apr-26	ParseIntel	Security Operations	iCOUNTER	Strategic	ND	ND	ND
Apr-26	5th Gear Technology	Security Services	Mobile Mentor	Strategic	ND	ND	ND
Apr-26	CyberNINES	Risk & Compliance	ControlCase	PE-Backed Strategic	ND	ND	ND
Apr-26	Subset	Security Services	Truesec	PE-Backed Strategic	ND	\$7	ND
Apr-26	Security Centric	Security Services	Virtual IT Group	PE-Backed Strategic	ND	ND	ND
Apr-26	Anitian	Security Services	Arkenstone Defense	Strategic	ND	ND	ND
Apr-26	Coralium	Security Services	Advans Group	PE-Backed Strategic	ND	ND	ND
Apr-26	Zero Point Security	Risk & Compliance	Fortra	PE-Backed Strategic	ND	ND	ND

# Financing Transaction List (April 2026)

Date	Target	Company Type	Deal Amount	Post Valuation	Funding Type
Apr-26	Bug Bounty Switzerland	Risk & Compliance	\$15	ND	Series A
Apr-26	General Analysis	AI Security	\$10	ND	Seed / Accelerator
Apr-26	Sequiro	Security Services	ND	ND	PE Growth/Expansion
Apr-26	Sensorfu	Network Security	\$2	ND	Later Stage VC
Apr-26	QuoIntelligence	Security Operations	\$9	ND	Series A
Apr-26	Faberlens	AI Security	\$0	ND	Seed / Accelerator
Apr-26	OpenOrigins	Risk & Compliance	\$17	ND	Later Stage VC
Apr-26	Cloudsmith	Application Security	\$72	ND	Series C
Apr-26	Rilian Technologies	Security Operations	\$18	ND	Seed / Accelerator
Apr-26	Copperhelm	AI Security	\$7	ND	Seed / Accelerator
Apr-26	Deep Algorithms Solutions	Digital Channel Security	\$2	ND	Later Stage VC
Apr-26	Spectrum	AI Security	\$19	ND	Seed / Accelerator
Apr-26	Ystorian	Risk & Compliance	\$0	ND	Seed / Accelerator
Apr-26	Phin	Risk & Compliance	\$6	ND	Later Stage VC
Apr-26	Autonomous Cyber	AI Security	\$3	ND	Early Stage VC
Apr-26	eyeDP	Risk & Compliance	ND	ND	Seed / Accelerator
Apr-26	SpartanX	AI Security	ND	ND	Seed / Accelerator
Apr-26	SecondSight	Risk & Compliance	\$12	ND	Later Stage VC
Apr-26	Stellar Cyber	Security Operations	\$25	ND	Debt
Apr-26	NeoSec	AI Security	ND	ND	Seed / Accelerator
Apr-26	Artemis	AI Security	\$70	ND	Series A
Apr-26	Ditto.ID	Identity & Access Management	\$15	ND	Later Stage VC
Apr-26	Acompany	Data Security	\$6	ND	Debt
Apr-26	Ralio	Digital Channel Security	\$3	\$7	Seed / Accelerator

Source: Pitchbook, Momentum Cyber proprietary transaction database.

# Financing Transaction List (April 2026)

Date	Target	Company Type	Deal Amount	Post Valuation	Funding Type
Apr-26	Hacktron AI	Risk & Compliance	\$3	ND	Seed / Accelerator
Apr-26	Crush Security	Risk & Compliance	ND	ND	Seed / Accelerator
Apr-26	LuxQuanta	Data Security	\$1	ND	Early Stage VC
Apr-26	KnowSilo	Security Services	\$1	ND	Seed / Accelerator
Apr-26	Cloud Storage Security	Endpoint Security	ND	\$35	Series C
Apr-26	AIM Intelligence	AI Security	\$7	ND	Series A
Apr-26	Provally	Application Security	ND	ND	Seed / Accelerator
Apr-26	Trent AI	AI Security	\$15	ND	Seed / Accelerator
Apr-26	Cyberhill Partners	Security Services	\$11	ND	Later Stage VC
Apr-26	PrismLayer	AI Security	\$1	ND	Seed / Accelerator
Apr-26	Satark AI	Security Operations	ND	\$4	Seed / Accelerator
Apr-26	KATSH.ID	Identity & Access Management	\$0	\$8	Seed / Accelerator
Apr-26	Mallory	AI Security	ND	ND	Early Stage VC
Apr-26	Tier4 AI	AI Security	ND	ND	Early Stage VC
Apr-26	Bitmark	Digital Channel Security	ND	ND	Later Stage VC
Apr-26	SHIELD	Digital Channel Security	ND	ND	PE Growth/Expansion
Apr-26	KELA Cyber	Network Security	ND	ND	Seed / Accelerator
Apr-26	Avistar.AI	Identity & Access Management	ND	ND	Early Stage VC
Apr-26	CalCom	Risk & Compliance	ND	ND	PE Growth/Expansion
Apr-26	Certicom	Data Security	ND	ND	PE Growth/Expansion
Apr-26	GCC Team	Security Services	ND	ND	Early Stage VC
Apr-26	Hackersjack	Risk & Compliance	ND	ND	PE Growth/Expansion
Apr-26	Helix	Identity & Access Management	ND	ND	Early Stage VC
Apr-26	Melurna	Risk & Compliance	ND	ND	Seed / Accelerator

Source: Pitchbook, Momentum Cyber proprietary transaction database.

# Financing Transaction List (April 2026)

Date	Target	Company Type	Deal Amount	Post Valuation	Funding Type
Apr-26	Periculus	Risk & Compliance	ND	ND	PE Growth/Expansion
Apr-26	Secured Quantum Services	Data Security	ND	ND	Later Stage VC
Apr-26	ZebSoft	Risk & Compliance	ND	ND	Early Stage VC



# Industry Insights



# Market Intelligence

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 volume 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)



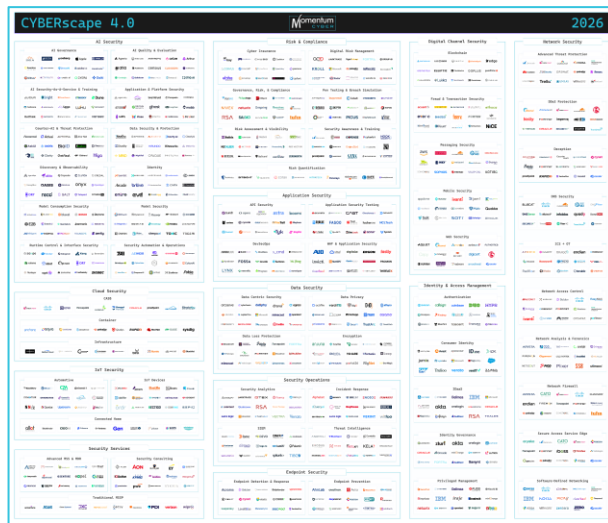
**Press Feature:** SiliconANGLE covers Momentum Cyber's analysis of record-breaking cybersecurity M&A activity in 2025, with transaction volume and valuations reaching unprecedented levels. The firm's latest market intelligence reveals heightened consolidation across the sector as enterprises prioritize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

# Market Intelligence

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...

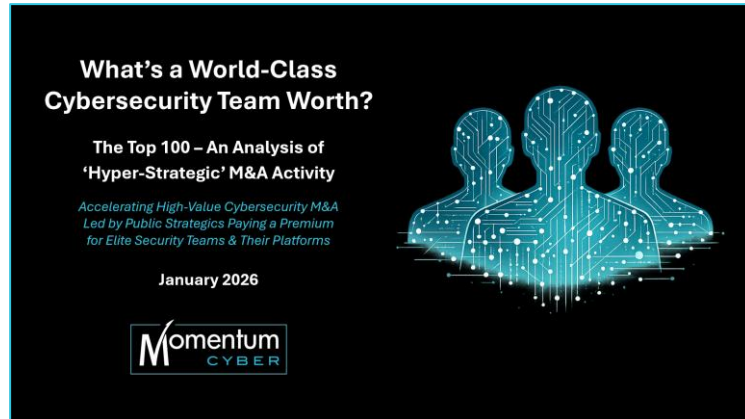
- ❑ **1,562** cybersecurity companies
- ❑ **1,000** unique cybersecurity companies
- ❑ **12** core, thoughtfully curated sectors
- ❑ **62** subsectors
- ❑ New and improved AI Security segment
- ❑ A clean, simplified taxonomy that makes it easier than ever to navigate an industry that evolves at unprecedented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

# Market Intelligence

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

# Market Intelligence

Key insights shaping Cybersecurity Capital Markets

## AI Security Capital Markets Report

An Analysis of Financing Acceleration & Premium Valuations



**Summary:** AI cybersecurity capital markets are a financing-led, late-stage-driven ecosystem where capital concentration and platform scale dictate outcomes. Over \$15B has flowed into the sector, with investors clustering around a small set of AI-native leaders that command premium 15–20x+ revenue multiples. The findings highlight a market still in build mode, where governance, identity, and emerging model-layer security define the next wave of consolidation and value creation.

## By The Numbers...

**\$15B+**

Total disclosed capital deployed across AI Security

**\$1B**

Most capital deployed one quarter (Q3 '24 & Q2 '25)

**144**

AI Security financings completed in 2025

**330**

Early-Stage financings completed since 2022

**\$3.4B**

Series C+ capital deployed since 2022

**44**

Series C+ transactions since 2022

**\$1.5B**

Median Series C+ valuation

**15-20x+**

AI Security EV / Rev multiple range

**2022**

Median founding year for companies in the AIxCYBERScape

# 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



**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.

# MC In The Media

Key insights shaping Cybersecurity Capital Markets

## Cybersecurity M&A Is Surging

Interview with ISMG at RSAC



**Summary:** Momentum Cyber's Founder & CEO Eric McAlpine was featured by ISMG in a captivating conversation talking about how investors have recently poured more capital into fewer cybersecurity startups as artificial intelligence continues to reshape how organizations are built and scaled. Recent trends reflect a structural change in funding, where AI-native startups are moving faster from concept to market, attracting large early-stage investments



# Cybersecurity M&A Is Surging as AI Reshapes the Market

Investors are concentrating more capital into fewer cybersecurity startups, driven by AI-native companies that scale faster and attract larger early-stage funding

Eric McAlpine notes a shift toward backing proven founders and AI-driven architectures with immediate scaling potential

Key trends: AI security is emerging as a defined category, startups should prioritize building durable businesses, and strategic buyers are leading M&A over private equity.

**"Some of these AI companies are shipping code at an alarming pace. We're starting to see just the velocity of being able to develop code at such a pace where you're now able to fuel go-to-market right out of the gate"**

# MC In The Media

Key insights shaping Cybersecurity Capital Markets

## Cybersecurity Firms Are Bucking the Trend

Cybersecurity deal making soars, but clouds loom



**Summary:** Axios featured Momentum Cyber data showing cybersecurity dealmaking remained strong in Q1, with 108 M&A transactions, the second-highest on record and up 4% year-over-year, highlighting continued strategic activity despite no megadeals. Venture markets were also active, with AI security startups leading funding and private equity accounting for 45% of deal flow, though rising uncertainty around AI-driven market shifts and valuation volatility is prompting caution among investors about dealmaking momentum for the rest of the year.

# AXIOS

## Cybersecurity Deal Making Soars, But Clouds Loom

**"The final day of Q1 told a story of its own. Just under \$400M in capital was deployed on March 31 alone, across three significant Series B rounds: TENEX (\$250M), Depthfirst (\$80M), and Linx Security (\$50M). These companies had not yet participated in the early-stage 'Seed to C' wave we are witnessing, and they're now raising money at a scale that reflects real investor conviction. While the divide between the 'haves' and 'have-nots' has widened, some pretty spectacular companies like TENEX are capitalizing on investor urgency and demand to back the future leaders of this industry."**

# 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.

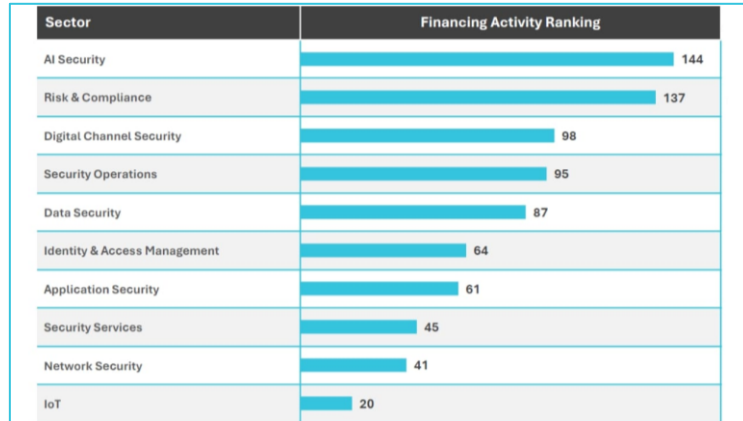
# MC In The Media

Key insights shaping Cybersecurity M&A

# DARK READING

## 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



**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.



# Join Us at AlxCYBER in Austin on March 12<sup>th</sup>

Cocktails & Conversation | Executive Insights on AI & Cybersecurity

AlxCyber | March 12, 2026

4:00–7:00 PM

South Congress Hotel, Austin, TX

AlxCyber 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



# AIXCYBER

Executive Insights on AI & Cybersecurity 2026

The \$119 Billion Bet: Why Agentic AI Just Made Cybersecurity the Most Strategic and Valuable Market in Tech



**Doug Merritt**  
CEO, Aviatix



**Eric Foster**  
Founder & CEO, TENEX.AI



**Greg Genung**  
Founder & CEO, Snowfire AI



**Creighton Hicks**  
Partner, LiveOak Ventures



**Eric McAlpine**  
Founder & CEO, Momentum Cyber



MARCH 12<sup>TH</sup>, 2026 | 4PM - 7PM | SOUTH CONGRESS HOTEL

# Key Takeaways From **AIxCYBER**...

Executive Insights on AI & Cybersecurity 2026

A discussion on why agentic AI is reshaping cybersecurity, accelerating consolidation, and creating the next wave of market leaders

## Panelists

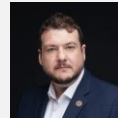
**Eric McAlpine**  
Founder & CEO, Momentum Cyber



**Doug Merritt**  
Chairman & CEO, Aviatix



**Eric Foster**  
CEO & Founder, TENEX.AI



**Greg Genung**  
CEO & Founder, Snowfire.AI



**Creighton Hicks**  
Partner, Live Oak Ventures



## What Was Discussed?

**AI Landscape Shock:** AI is transforming both offense and defense faster than prior platform shifts

**Architectural Divide:** Security teams face growing fragmentation across tools, clouds, workloads, and ownership models

**Financial Environment:** Capital is flowing to platform-scale companies that can close structural gaps and lead consolidation

## Key Takeaway

The next generation of **cyber winners** will be defined by their ability to secure **AI-driven environments**, reduce **architectural complexity**, and capture **platform-level value**

# Cybersecurity Monthly Market Review

## April Cybersecurity M&A and Capital Markets Report



### Momentum Cyber Group

500 West 2<sup>nd</sup> Street  
Suite 1900  
Austin, TX 78701



### Legal Disclosures

This document is solely for information and discussion purposes, and it is intended for institutional and sophisticated investors only. The information contained in this document is not sufficient to serve as the basis of an investment decision. This document is based upon sources believed to be reliable; however, we do not guarantee the sources' accuracy. All information provided in this document is provided without warranty of any kind. There can be no assurance that the statements, estimates or forecasts (if any) will be achieved and actual results may be materially different. This document does not constitute a solicitation of or an offer to sell or issue securities of any kind. To learn more about the companies that are the subject of this document, contact us at [Jake@momentumcyber.com](mailto:Jake@momentumcyber.com).