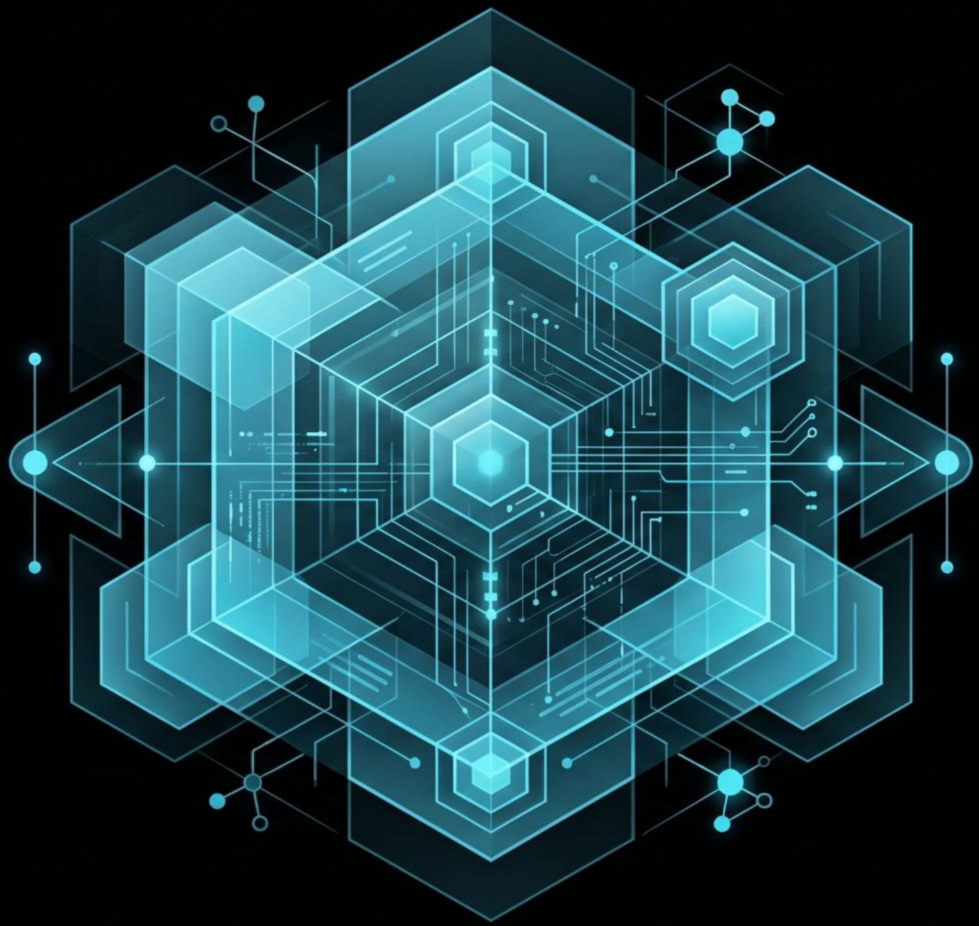
Cybersecurity Monthly Market Review

July Cybersecurity M&A and Capital Markets Report

Incumbents Make Moves, VC-Backed Platforms Make a Splash, and Minority Capital Surges Ahead of Black Hat

July 2026



Momentum Cyber

MERGERS & ACQUISITIONS | CAPITAL ADVISORY | MARKET INTELLIGENCE

Momentum CYBER

What Happened in Cybersecurity?

Monthly Deal Report | July 2026

31

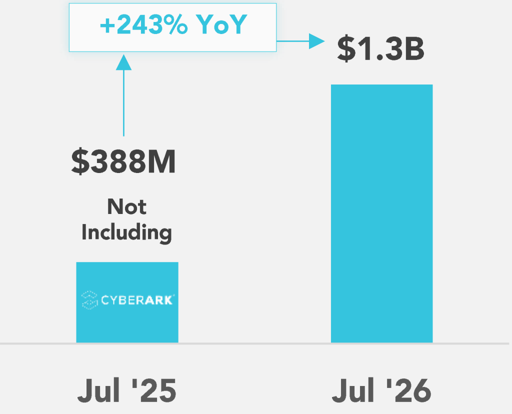
M&A Deals

6% below the TTM average

$1.3B

M&A Value

From 4 deals, all 4 acquisitions by Strategics



A Mix Of VC-Backed Companies, Strategics, and PE Made Deals

- PERMISO Acquired by okta
- Lansweeper Acquired by Bridgepoint
- XM Cyber Acquired by CROWDSTRIKE
- OASIS Acquired by CYERA

62

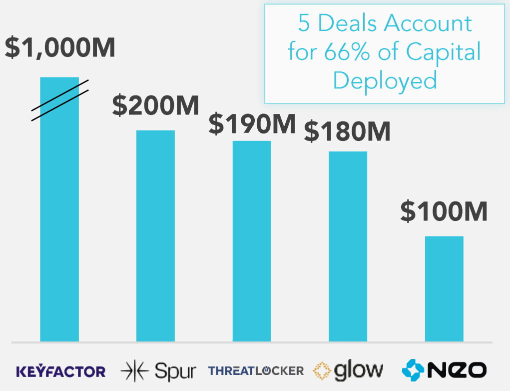
Financing Deals

11% lower than the TTM average

$2.5B

Financing Value

43% of which comes from IAM companies



Large IAM & AI Security Financings Driving Momentum in July '26

- KEYFACTOR Financed by SUMMIT PARTNERS
- THREATLOCKER Financed by ELEPHANT
- glow Financed by SEQUOIA
- NEO Financed by ANDREESSEN HOROWITZ, Bessemer Venture Partners

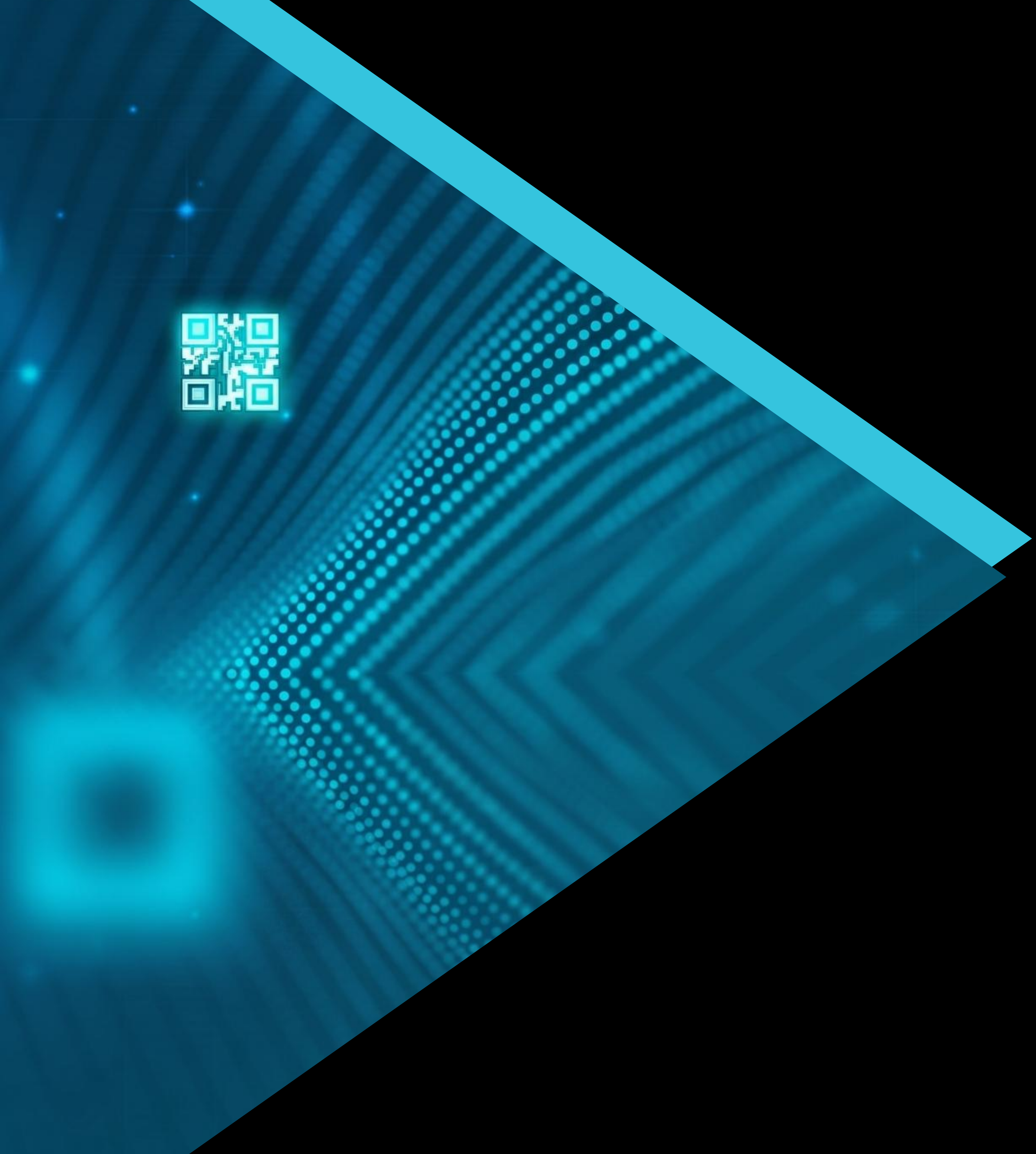


Table of **Contents**

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

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...

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

41,000+
Extensive Cyber Network

36,000+
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
Director | Chief of Staff


Ashley Thomas
Partner | General Counsel


Jake Pollock
Director | Research


Eamon M. Keenan
Senior Associate | Deal Execution


Kevin A. Taylor
Senior Analyst | Deal Execution


Esteban Bejarano
Analyst | Deal Execution


Coralie R. McAlpine
Associate | Events & Marketing


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


TK Kessler
Strategic Partner | Sales & GTM


Chad Kreimendahl
Strategic Partner | GRC


Greg C. Martin
Strategic Partner | Application Security


Vivek Menon
Chief Data Officer & CISO


Raffael Marty
Strategic Partner | Cyber Executive


Srikanth Parepally
Strategic Partner | Offensive/AI Security


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

- TENEX.AI — $250M Series B — Crosspoint Capital — Momentum Cyber
- Solutions Granted — on its sale to SonicWall — a portfolio company of Francisco Partners — Momentum Cyber
- Pillr — a subsidiary of novacoast — on its sale to opentext — Momentum Cyber
- fishtech group — merged with Herjavec Group — a portfolio company of Apax Partners — Momentum Cyber
- Herjavec Group — on its sale to Apax Partners — Momentum Cyber
- Onspring — strategic investment by Capital IP — Momentum Cyber
- JASK — on its sale to sumo logic — Momentum Cyber
- RiskSense — on its sale to ivanti — Momentum Cyber
- pwc — has acquired eagledream technologies — Momentum Cyber
- pwc — has acquired Service Catalyst — Momentum Cyber
- mistnet (Enterprise security. Demystified.) — on its sale to LogRhythm — a portfolio company of Thoma Bravo — Momentum Cyber
- alcide — on its sale to Rapid7 — Momentum Cyber
- Goldman Sachs, ClearSky, NightDragon — has acquired White Ops — Momentum Cyber
- Goldman Sachs, ClearSky — strategic investment in White Ops — Momentum Cyber
- Bradford Networks — on its sale to Fortinet — Momentum Cyber
- WebLife — on its sale to proofpoint — Momentum Cyber
- ADT — has acquired Datashield — Momentum Cyber
- ADT — has acquired Secure Designs, Inc. (Managed Internet Security Solutions) — Momentum Cyber
- ADT, NightDragon — strategic investment in sam — Momentum Cyber
- Apptega — strategic investment by Mainsail Partners — Momentum Cyber
- Infocyte — on its sale to datto — Momentum Cyber
- iboss — strategic investment by Francisco Partners — Momentum Cyber
- SecBI — on its sale to Logpoint — Momentum Cyber
- Reciprocity — strategic investment by Francisco Partners — Momentum Cyber
- Interset — on its sale to Micro Focus — Momentum Cyber
- Iceberg — on its sale to Gigamon — Momentum Cyber
- GreatHorn — on its sale to Stage — Momentum Cyber
- DomainTools — board advisory — Momentum Cyber
- ZeroFox Alliance — has acquired *Undisclosed Consumer Security Company* — Momentum Cyber
- iboss — strategic investment by NightDragon, Francisco Partners — Momentum Cyber

CYBER cloud 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

4,489
Cyber Companies Tracked

40,379
Strategic & Investor Contacts

Transaction Database

Proprietary Insights	**3,400+**	**11,000+**	**1,500+**	**7,900+**	**15+**
Undisclosed Valuations	*M&A Transactions*	*Financing Transactions*	*Cybersecurity Buyers*	*Cybersecurity Investors*	*Years Tracking Transactions*

Exposure & Impact

1.5M
Emails Sent

8,611
Pages of Content Created

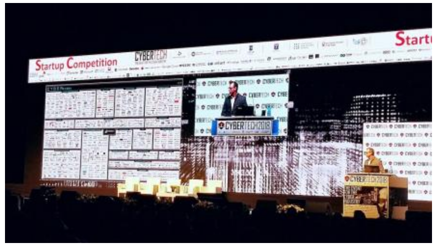
Proprietary Industry Content

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	SC MEDIA
Bloomberg	DARK READING	TechCrunch
VentureBeat	MORNING BREW	CRN
Thomson Reuters	INVESTOR'S BUSINESS DAILY	SECURITYWEEK

II. Executive Summary

Momentum RESEARCH

July 2026 Strategic Deal Flow

July 2026 saw an increase in transaction activity by large incumbents

M&A Activity

There were **31** M&A transactions announced in July 2026; an **18% decrease** YoY

The month included **$1.3B** in total disclosed deal value from **4** disclosed deals

The most active sectors across M&A were Security Services **(10 deals)**, Identity & Access Management **(4 deals)**, and Risk & Compliance **(4 deals)**

Notable M&A
July 2026

OASIS	Acquired by	CYERA	07/07, $1.0B
Lansweeper	Acquired by	Bridgepoint	07/27, ND
XM Cyber	Acquired by	CROWDSTRIKE	07/16, ND
PERMISO	Acquired by	okta	07/30, $200M

Financing Activity

There were **62** Financing transactions completed in July 2026; a **24%** decrease YoY

The month included **$2.5B** in total capital deployed, with a median deal size of **$13M**

The most active sectors across Financing were AI Security **(16 Deals)**, Security Operations **(9 deals)**, and Risk & Compliance **(7 deals)**

Notable Financing
July 2026

KEYFACTOR	Financed by	SUMMIT PARTNERS	07/07, $1.0B
THREATLOCKER	Financed by	ELEPHANT	07/29, $190M
glow	Financed by	SEQUOIA	07/22, $180M
Neo	Financed by	ANDREESSEN HOROWITZ, Bessemer Venture Partners	07/20, $100M

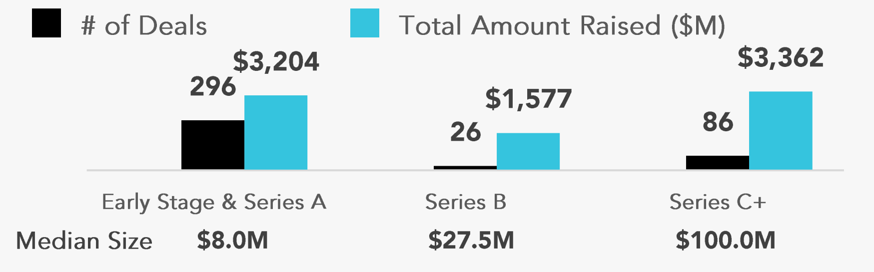
Source: Pitchbook, 451 Research, Momentum Cyber proprietary transaction database.

By The Numbers…

July 2026 M&A Deals: Top Sectors By Activity

July 2026 Financing Deals: Top Sectors By Activity

2026 YTD Financing Deals: Breakdown By Stage



M&A Deal Spotlight

Select, transformative M&A transactions from July 2026

Date	Target	Acquirer	EV ($M)	Sector	Impact
07/01	sam seamless network	Qualcomm	$100	IoT	Extends Qualcomm's telecom cybersecurity business with SAM's network protection platform to secure connected devices
07/07	OASIS	CYERA	$1,000	AI Security	Extends Cyera's data security platform with Oasis' non-human identity controls to secure what AI agents can see and do
07/07	evo a Barracuda company	Barracuda	ND	Identity & Access Management	Extends BarracudaONE with Evo's MSP-focused IAM and PAM capabilities to deliver complete identity resilience through one platform
07/16	XM Cyber	CROWDSTRIKE	ND	Risk & Compliance	Extends CrowdStrike's Falcon Exposure Management platform with XM Cyber's attack path technology to prioritize exploitable risk
07/27	Lansweeper	Bridgepoint	ND	Network Security	Positions Lansweeper for global expansion under Bridgepoint, with investment in AI, cybersecurity capabilities, and selective M&A
07/30	PERMISO	okta	$200	Identity & Access Management	Extends Okta's identity platform with Permiso's ITDR capabilities to protect human, machine, and agentic identities across multi-cloud environments

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

Financing Deal Spotlight

Select, transformative Financing transactions from July 2026

Date	Target	Lead Investor(s)	Investment ($M)	Sector	Impact
07/07	KEYFACTOR	SUMMIT PARTNERS	$1,000	Identity & Access Management	Accelerates Keyfactor's trust infrastructure platform to secure machine identities across the AI and post-quantum enterprise
07/20	NEO	ANDREESSEN HOROWITZ Bessemer Venture Partners	$100	AI Security	Advances Neo's agentic software control platform to secure and govern enterprise AI agents at scale
07/22	glow	SEQUOIA	$180	Endpoint Security	Advances Glow's prevention-first endpoint security platform to protect employee devices against AI-driven threats and autonomous agents
07/28	Spur	INSIGHT PARTNERS	$200	Security Operations	Scales Spur's IP intelligence platform to combat rising abuse from VPNs, residential proxies, bots, and AI-driven infrastructure
07/29	THREATLOCKER	ELEPHANT	$190	Security Operations	Scales ThreatLocker's Zero Trust platform to strengthen AI security, accelerate product innovation, and expand internationally
07/29	ONYX	Bessemer Venture Partners	$113	AI Security	Scales Onyx's AI control layer to govern enterprise agents, enforce safeguards, and detect risky behavior in real time

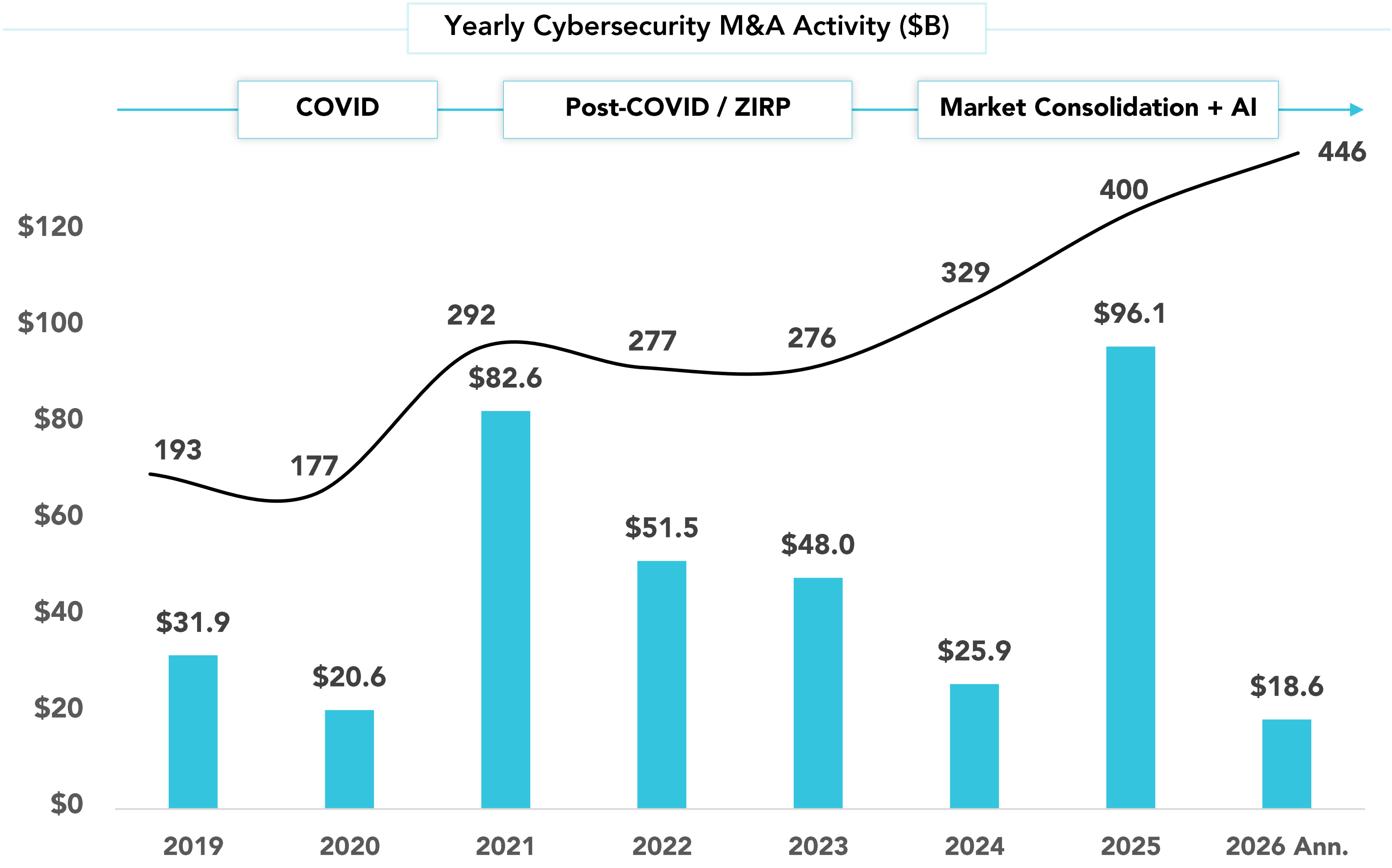
III. M&A Activity

Annual Cybersecurity M&A Deal Value and Count

In July, Cybersecurity M&A kept pace with the record-breaking momentum we saw through the first six months of the year

- **July 2026 in Review:** July 2026 saw **$1.3B** spent across **31** transactions, highlighted by key strategic deals by the largest public cyber companies and additional acquisitions by some of the top VC-backed cyber companies. Deal count was down **18%** compared to July '25, while deal value was up YoY when adjusted for Palo Alto Networks' acquisition of CyberArk

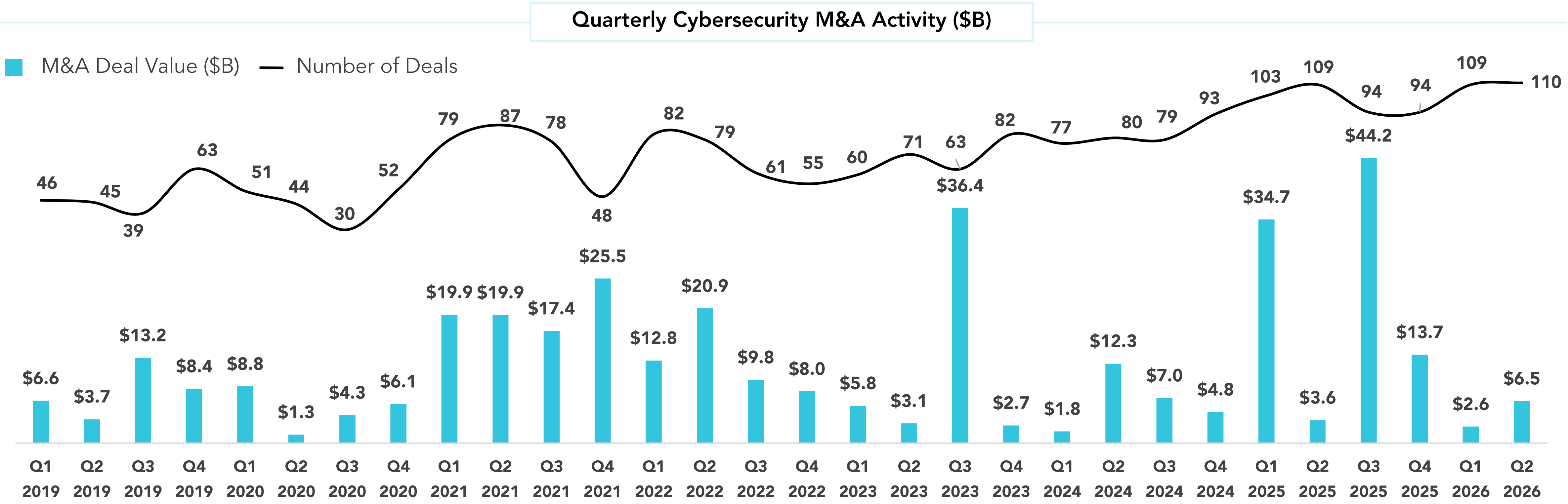
- **Strong Month:** July 2026 saw **31** transactions, just under the TTM median. With the record-setting activity from H1 '26, the annualized deal flow is the highest we have ever tracked, with **446** deals projected to close in 2026. Cyera made a splash with the second $1B+ deal of the year, acquiring Oasis for $1B



Source: Pitchbook, 451 Research, Momentum Cyber proprietary transaction database. As of 07/30/2026.

Cybersecurity M&A Activity Exceeds Pre-COVID Levels

Q2 2026 saw the highest number of M&A deals ever – 110 deals in one quarter



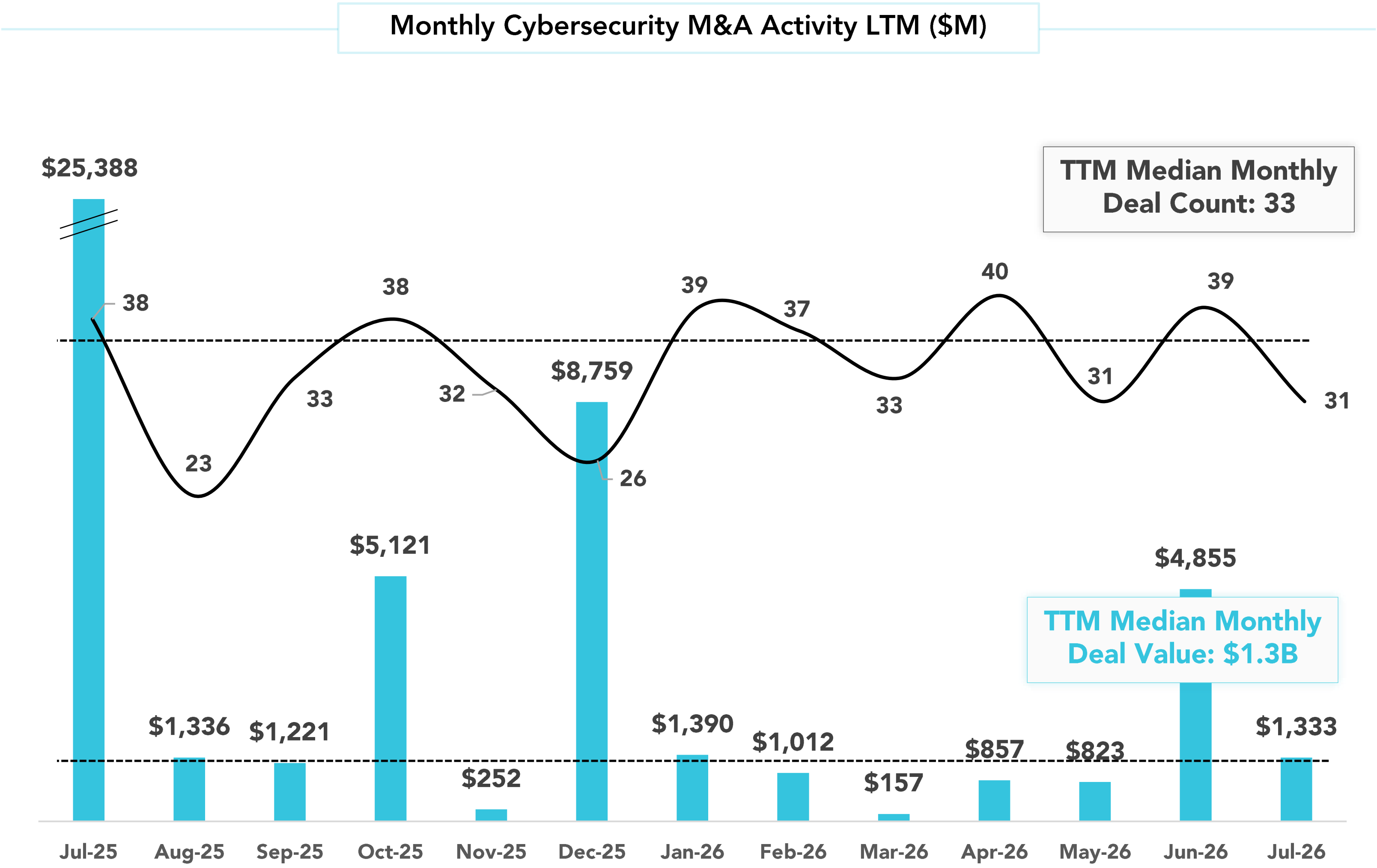
M&A Value YoY Growth (%)	64%	45%	98%	47%	34%	(64%)	(67%)	(28%)	126%	999%	300%	320%	(36%)	5%	(44%)	(68%)	(55%)	(85%)	272%	(66%)	(69%)	303%	(81%)	75%	999%	(71%)	532%	186%	(93%)	82%
Number of M&A Deals YoY Growth (%)	19%	0%	0%	47%	11%	(2%)	(23%)	(17%)	55%	98%	160%	(8%)	4%	(9%)	(22%)	15%	(27%)	(10%)	3%	49%	28%	13%	25%	13%	34%	36%	19%	3%	5%	(3%)

Source: Pitchbook, 451 Research, Momentum Cyber proprietary transaction database. As of 07/30/2026.

Monthly Cybersecurity M&A Deal Value and Count

July witnessed 31 M&A deals, only 4 of which had a disclosed deal value

- **Deal Count:** July recorded **31** M&A deals, in line with the TTM 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 H2 '26 to allow investor worries around AI-related disruptions to settle. Some AI Security companies are now mature enough to trade, so expect increased M&A deal flow in the coming months
- **Services in Focus:** Cyber Services have stayed in the driver's seat in M&A, particularly among PE sponsors, as verticalized cyber services assets appeared more frequently in deal conversations



Source: Pitchbook, 451 Research, Momentum Cyber proprietary transaction database. As of 07/30/2026.

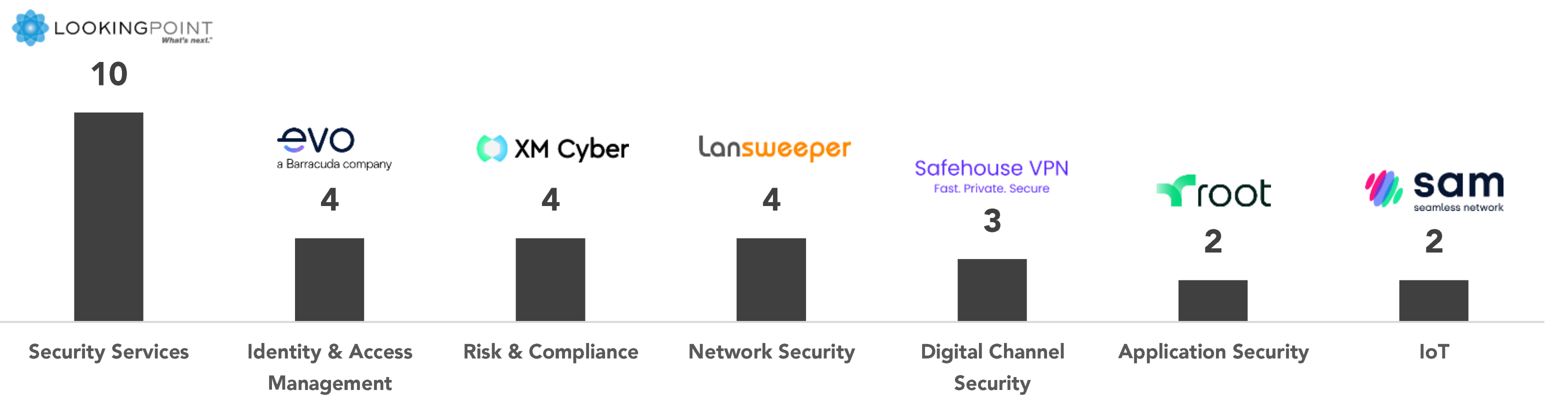
Cybersecurity M&A Transactions Based on Company Segment

AI Security is projected to see a 500%+ increase in M&A activity in 2026 as AI startups finally begin to trade

- Through the first 6 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 IAM**

- The buying window for AI-native cybersecurity companies has opened, with 29 such deals in the first six months of the year. AI Security has emerged as a priority for buyers, with early deal activity accelerating and already driving the second highest aggregate transaction value in 2026 YTD

AI Security Has Had 30 M&A Deals This Year – The Segment Only Had 10 All of Last Year

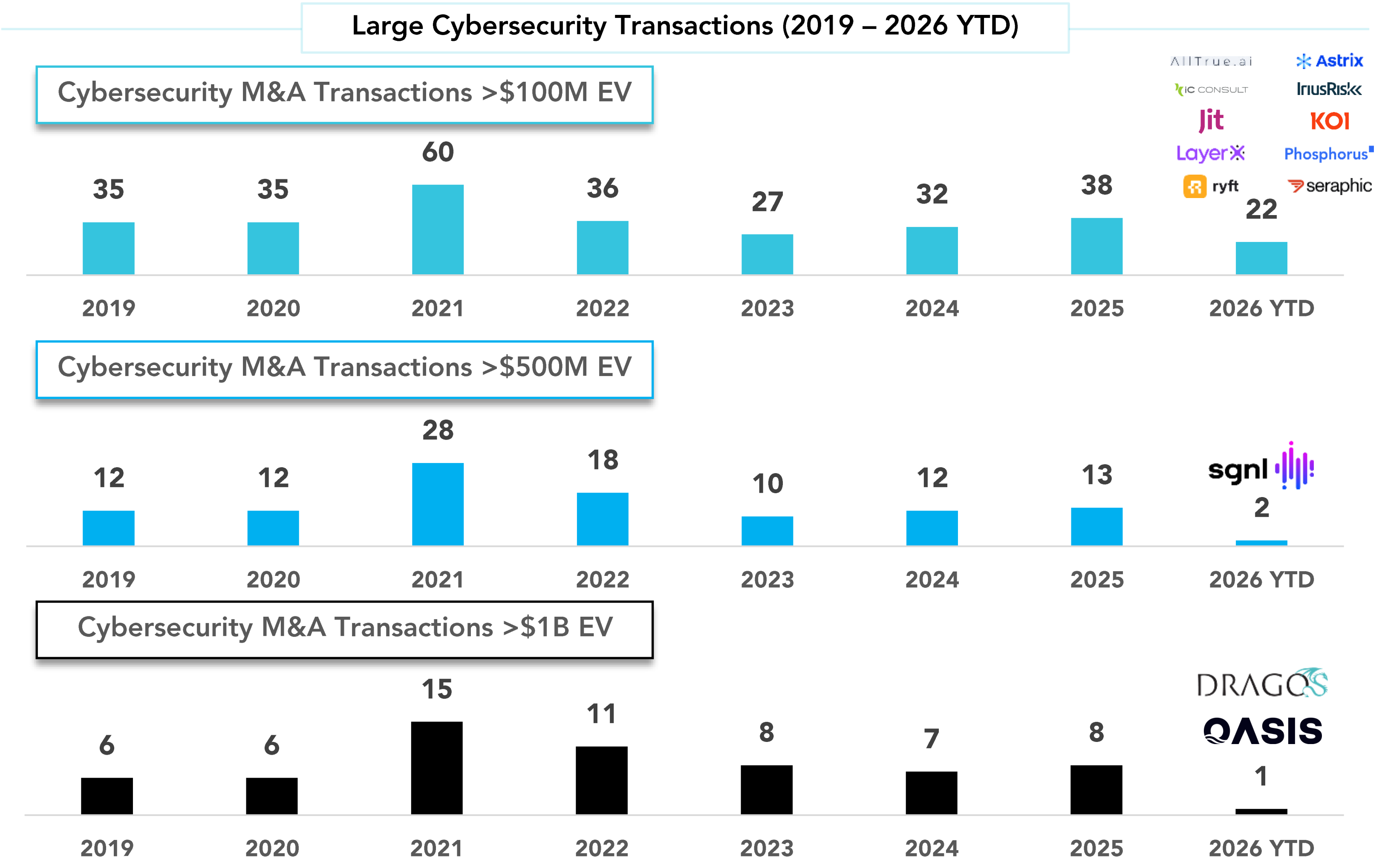


2026 YTD ($M)

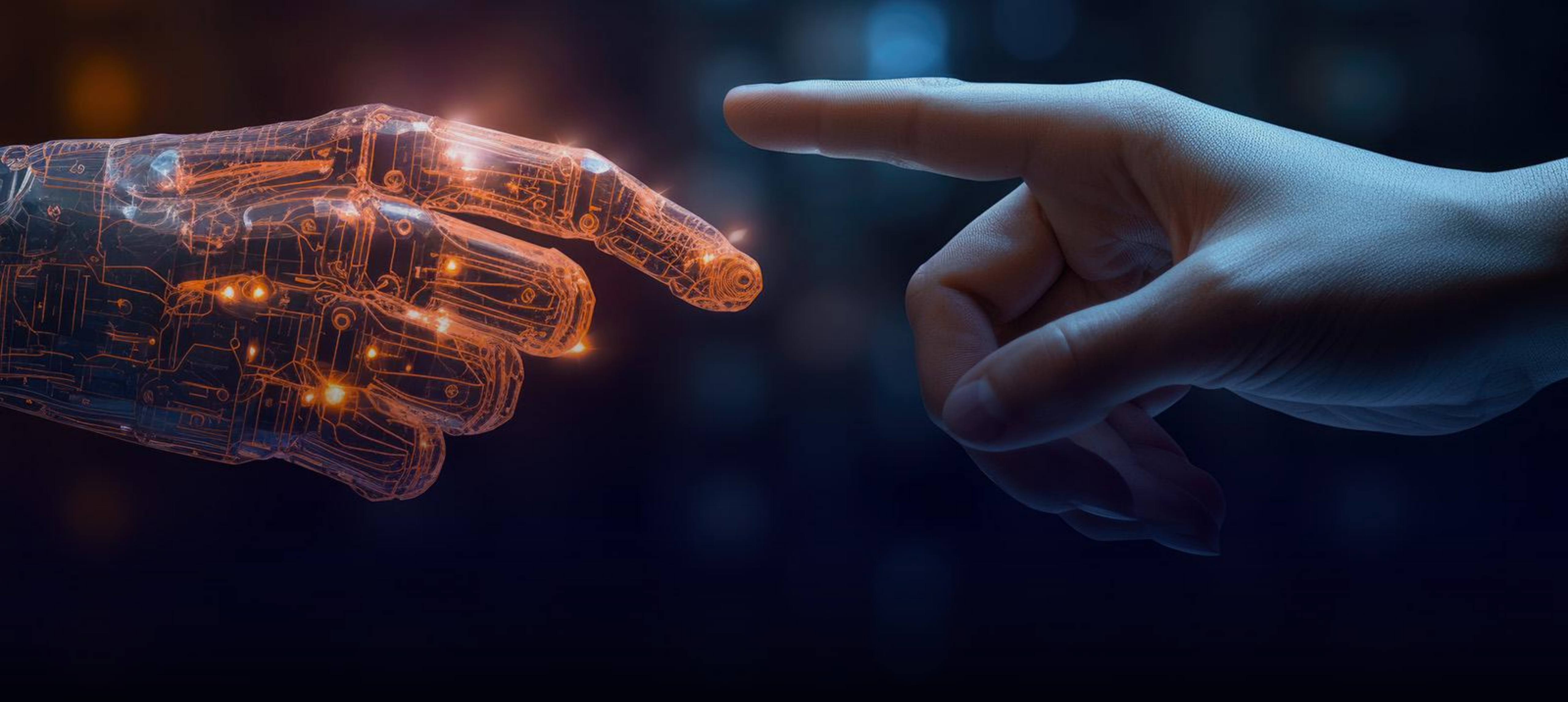
Large Cybersecurity M&A Matches Last Year's Pace in 2026

We have witnessed 22 disclosed M&A deals worth more than $100M in 2026, tracking in line with the new normal post-2021

- Large cybersecurity M&A has normalized below the capital event of 2021, with activity tracking right around recent years
- 2026 has seen **22 deals worth >$100M** in total EV, including acquisitions from **Accenture**, **Akamai**, **Cisco**, **CrowdStrike**, **Palo Alto**, **Torq**, and more
- We expect more mega-deals through year-end, with public strategics, scaled VC-backed platforms, and frontier AI labs becoming increasingly active as model security, data control, identity, and AI infrastructure protection become more highly prioritized
- All that to say, only **1 in 6** 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 07/30/2026.

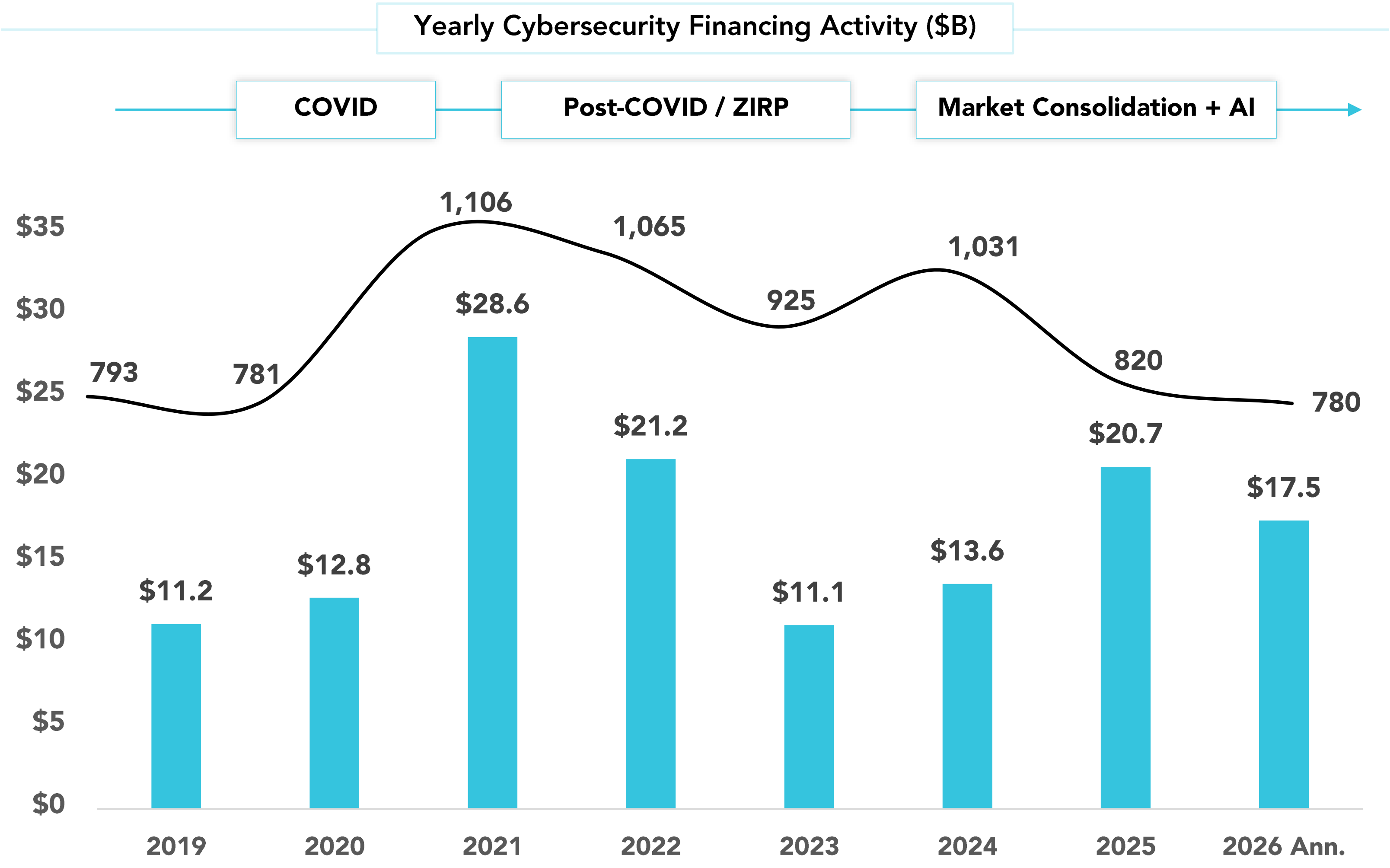


IV. Financing Activity

Annual Cybersecurity Financing Deal Value and Count

July recorded the second highest monthly capital deployment of 2026

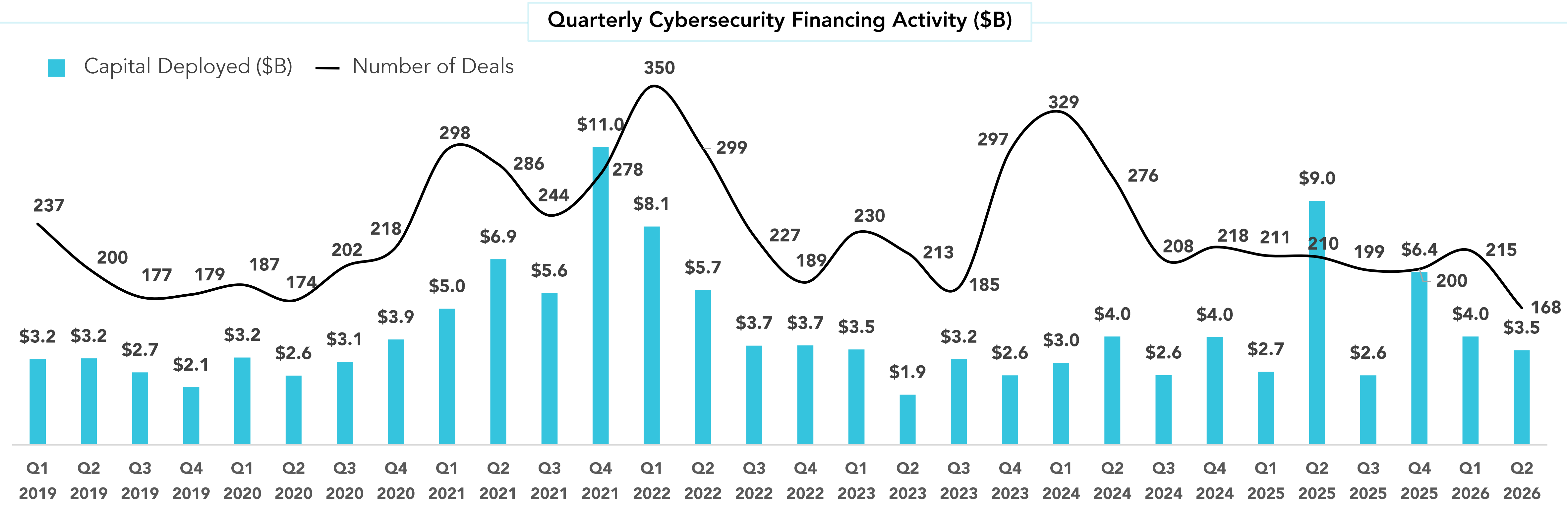
- **July 2026 in Review:** July 2026 witnessed **$2.5B** raised across **62** transactions, highlighted by deals from companies like Keyfactor, ThreatLocker, Glow, Neo Security, and others. Deal value was up **138%**, while deal count was down **24%** YoY
- **Deal Sizes Normalize as Capital Broadens:** Median cybersecurity financing size declined to **$13M** in July '26, down from **$15M** in 2025, reflecting a more balanced mix of early- and mid-stage investments
- **Large Private Equity Deals:** Private Equity may be making a comeback in the financing space, with one deal that accounted for around 40% of all financing capital deployed this month – Keyfactor's **$1B** raise led by Summit Partners. Moreover, Insight Partners led a **$200M** raise for SPUR. This is something we are keeping our eye on in the second half of 2026



Source: Pitchbook, Momentum Cyber proprietary transaction database. As of 07/30/2026.

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%	41%	(62%)

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%)	(5%)	(23%)

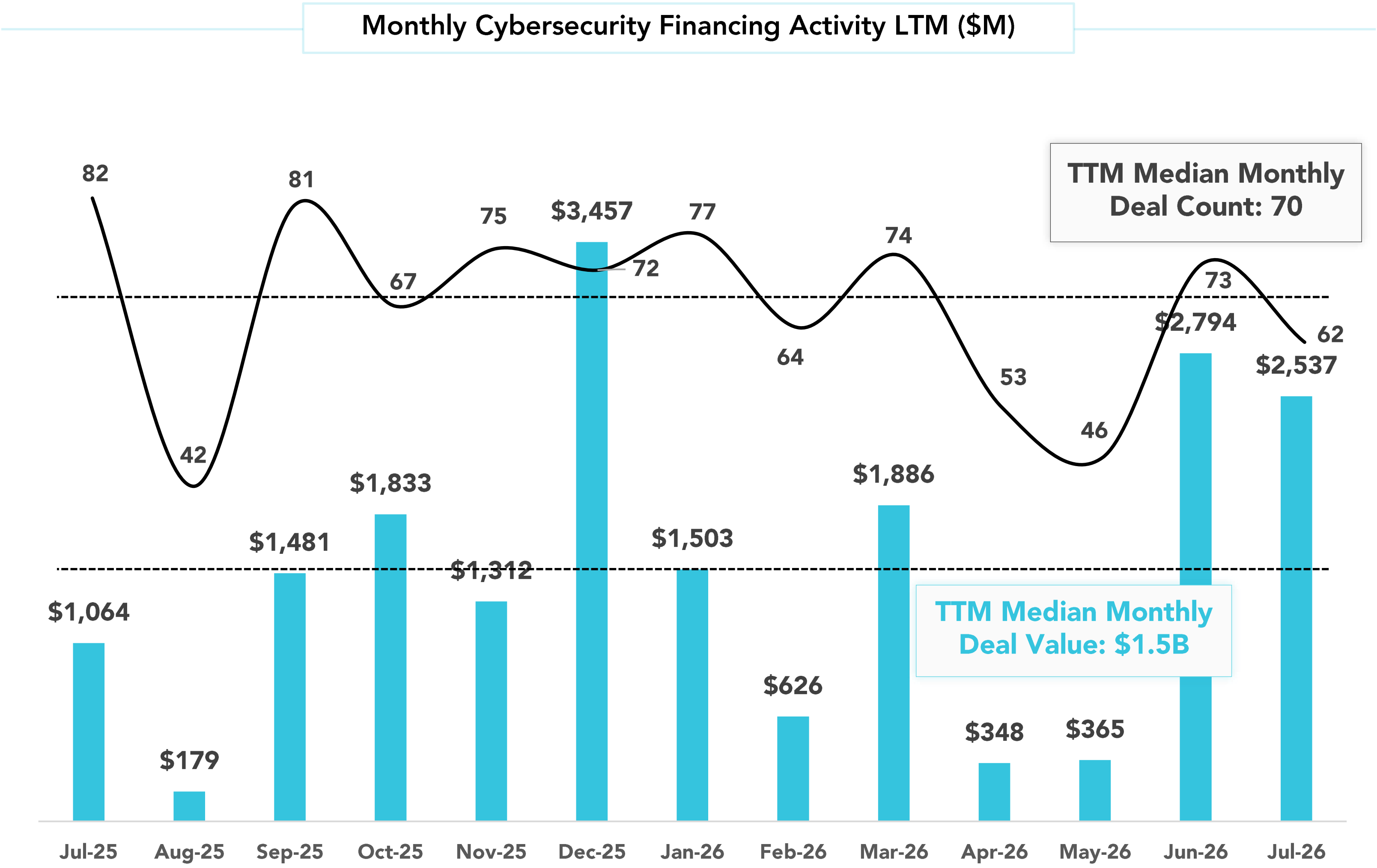
Source: Pitchbook, 451 Research, Momentum Cyber proprietary transaction database. As of 07/30/2026.

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

- **July Count On Par Versus Recent Medians:** July 2026 recorded **62** financing transactions which is just below the TTM median of 70 deals. However, the month totaled **$2.5B in capital deployed**, which tracks above the TTM median of **$1.5B**, showing a slight acceleration in the cybersecurity financing environment

- **Capital Concentrated in a Handful of Large Rounds:** A meaningful portion of **July's $2.5B** was driven by several large raises, including Keyfactor's **$1B** PE Growth raise, ThreatLocker's **$190M** Series F, and Glow's **$180M** Series A. These deals are more in line with the recent trend of sizable mid-stage funding rounds in the current environment

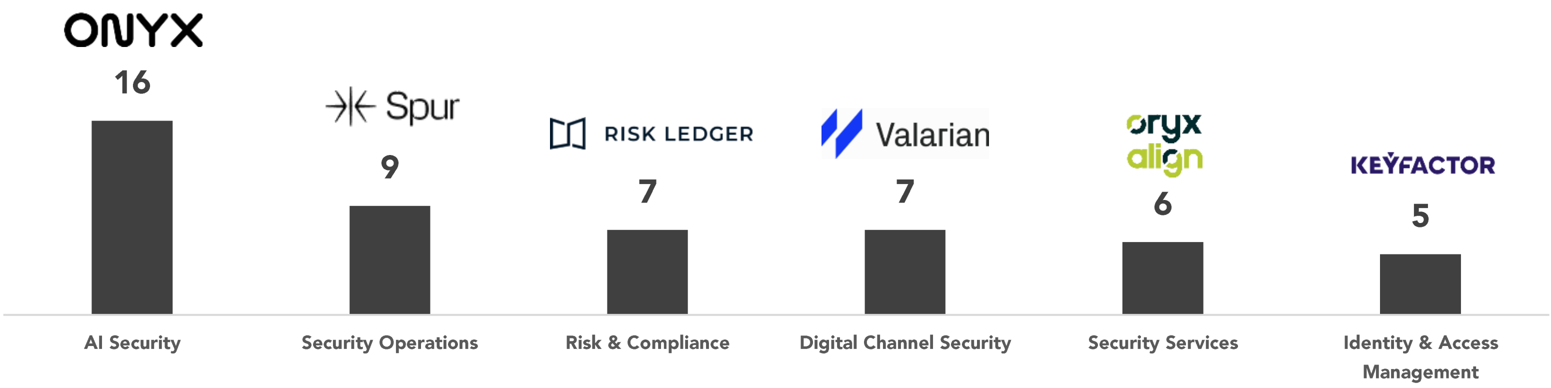


Cybersecurity VC Transactions By Segment

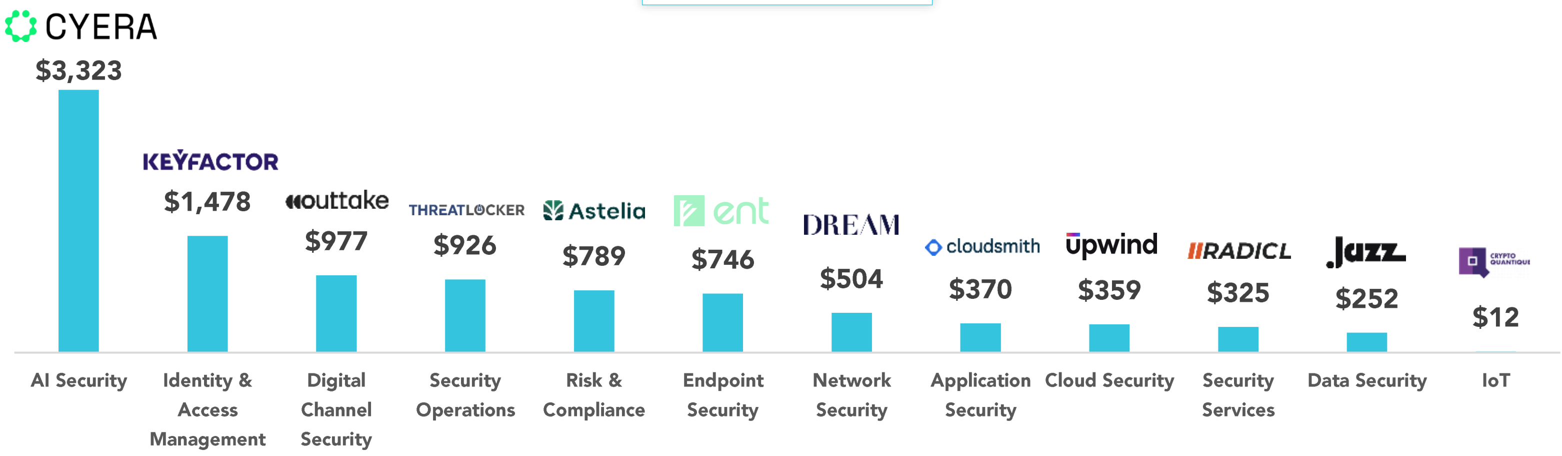
July 2026 saw the second most capital deployment this year, led by IAM and AI Security companies raising capital

- **AI Security Continues to Command Capital:** July 2026 financing activity reinforced investor conviction in AI-driven security platforms, with 16 AI Security companies raising new rounds and moving out of stealth as enterprises prioritize securing AI-enabled and cloud-native environments
- **Identity & Access Management Remains a Core Funding Category:** IAM remained one of the most active financing segments this month, reflecting sustained investor demand for platforms addressing workforce identity, machine identity, privileged access, and the expanding access control challenges created by NHI
- **Divergent Capital and Volume Dynamics Persist:** July activity highlights a continued split between capital-intensive AI platforms and high-velocity Risk & Compliance / IAM formation, a dynamic that defined much of 2025 and is carrying into 2026

AI Security Led the Month in Deal Count



2026 YTD ($M)



V. Beneath The Numbers

Momentum RESEARCH

WSJ

"The trust is there because they have the record. They have the connections because the relationships that drove the success of their first or second startup are **only going to be an accelerant to their third**"

- Eric McAlpine, Founder & CEO, Momentum Cyber

Momentum CYBER

Cyber Investors Are Concentrating Their Bets On Proven Founders

		Led by	
Jul-26	glow	Sequoia	Series A | $180M
Jul-26	Neo	Andreessen Horowitz; Bessemer Venture Partners	Series A | $100M
Jun-26	XTwenty	Accel	Series B | $100M
Jun-26	ent	Decibel; Crosspoint Capital; Sequoia	Early Stage | $100M
Mar-26	Tenex.AI	Crosspoint Capital	Series B | $250M
Mar-26	Oasis	Craft	Series B | $120M
Mar-26	Armadin	Accel	Series A | $190M
Mar-26	Kai	Evolution Equity Partners	Series A | $125M
Mar-26	Exaforce	HarbourVest; Mayfield; Khosla Ventures	Series B | $125M
Jan-26	Upwind	Bessemer Venture Partners	Series B | $250M
Dec-25	Saviynt	KKR	Series B | $700M
Dec-25	7AI	Index Ventures	Series A | $130M

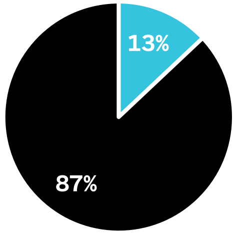
Denotes Momentum Cyber Client / Transaction.

Cyber Investors Are Concentrating Their Bets On Proven Founders

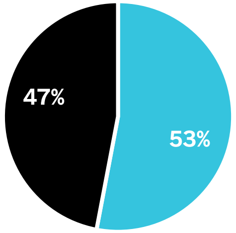
Repeat and proven founders are dominating the Series A & B financing landscape

Massive Rounds ($100M+) vs. All Series A & B Since Dec-2025

Series A and B Deal Flow By Count



Series A and B Deal Value By $ Volume



WSJ July 20th, 2026

"The trust is there because they have the record. They have the connections because the relationships that drove the success of their first or second startup are **only going to be an accelerant to their third**"

- Eric McAlpine, Founder & CEO, Momentum Cyber

Company	Founder	Co-Founder(s)	Prior Founder / Leadership Roles	Lead Investor	Deal Date	Deal Amount ($M)	Deal Type	Post-Val ($M)	Founded	Sector
glow	Roi Tiger	Omer Singer	Meta, onavo	SEQUOIA	Jul-26	**$180**	Series A	**$1,200**	2025	Endpoint Security
NEO	Nick Warner	Shlomi Salem	SentinelOne	Andreessen Horowitz, Bessemer Venture Partners	Jul-26	**$100**	Series A	**ND**	2025	AI Security
TWENTY	Joe Lin	Leo Olson	paloalto networks	Accel	Jun-26	**$100**	Series B	**$1,000**	2024	Security Services
ent	Elias (Lou) Manousos	Brandon Dixon	PassiveTotal, RiskIQ	Decibel, Crosspoint Capital, SEQUOIA	Jun-26	**$100**	Early Stage	**$554**	2025	Endpoint Security
TENEX.AI	Eric Foster	Venkata Koppaka, Ryan Shreve, Edwin Solis	cyderes, RiskIQ	Crosspoint Capital	Mar-26	**$250**	Series B	**$1,000**	2024	AI Security
OASIS	Danny Brickman	Amit Zimerman	Cyber MDX	CRAFT	Mar-26	**$120**	Series B	**ND**	2022	AI Security
ARMADIN	Kevin Mandia	David Slater, Evan Peña, Travis Lanham	Mandiant	Accel	Mar-26	**$190**	Series A	**ND**	2025	AI Security
Kai	Galina Antova	Damiano Bolzoni	Claroty, Security Matters	evolution equity partners	Mar-26	**$125**	Series A	**$385**	2024	AI Security
Exaforce	Ankur Singla	-	contrail systems, Volterra	HarbourVest, khosla ventures, Mayfield	Mar-26	**$125**	Series B	**$725**	2023	AI Security
upwind	Amiram Shachar	-	Spot by NetApp	Bessemer Venture Partners	Jan-26	**$250**	Series B	**ND**	2022	Cloud Security
Saviynt	Sachin Nayyar	-	securonix	KKR	Dec-25	**$700**	Series B	**$3,000**	2009	IAM
7AI	Lior Div	-	cybereason	Index Ventures	Dec-25	**$131**	Series A	**ND**	2023	AI Security

Denotes Momentum Cyber Client / Transaction.

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

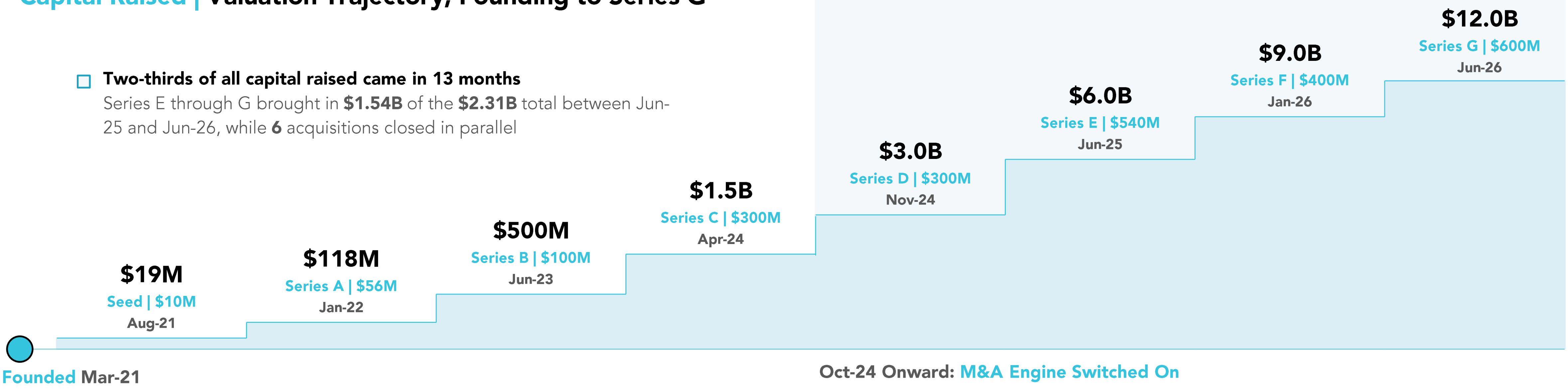
CYERA Capital Raises & Capital Deployed Timeline

The most capitalized company in cyber is deploying that capital to close product gaps and extend its lead

$2.3B	Total capital raised across 8 rounds
$12.0B	Post-money valuation at Series G (Jun-26)
632x	Valuation growth since the Aug-21 seed round
6	Acquisitions since Oct-24 | ~$1.3B+ disclosed

Capital Raised | Valuation Trajectory, Founding to Series G

- **Two-thirds of all capital raised came in 13 months**
  Series E through G brought in **$1.54B** of the **$2.31B** total between Jun-25 and Jun-26, while **6** acquisitions closed in parallel



Capital Deployed | Six Acquisitions in 22 Months, Closing Product Gaps Across The Data Security Stack

Oct-24	Trail Security	**Undisclosed** | Data Security
Jun-25	Shape	**Undisclosed** | Not Cyber
Jun-25	Otterize	**Undisclosed** | Data Security
Apr-26	ryft	**$130M** | AI Security
May-26	Genie	**Undisclosed** | Endpoint
Jul-26	OASIS	**$1,000M** | AI Security

Source: Pitchbook, 451 Research, Momentum Cyber proprietary transaction database.
Note: Timeline not to scale.

CYERA M&A Transaction List

Which companies has cybersecurity's most capitalized company been acquiring?

Date	Target	Company Sector	Company Sub-Sector	Employees	EV ($M)
Jul-26	OASIS	AI Security	Discovery & Observability	178	$1,000
May-26	Genie	Endpoint Security	Endpoint Prevention	5	ND
Apr-26	ryft	AI Security	Data Security & Protection	22	$130
Jun-25	Otterize	Data Security	Data Centric Security	9	ND
Jun-25	Shape	Not Cybersecurity	Not Cybersecurity	12	ND
Oct-24	Trail Security	Data Security	DLP	23	$162

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

VI. Public Markets Update

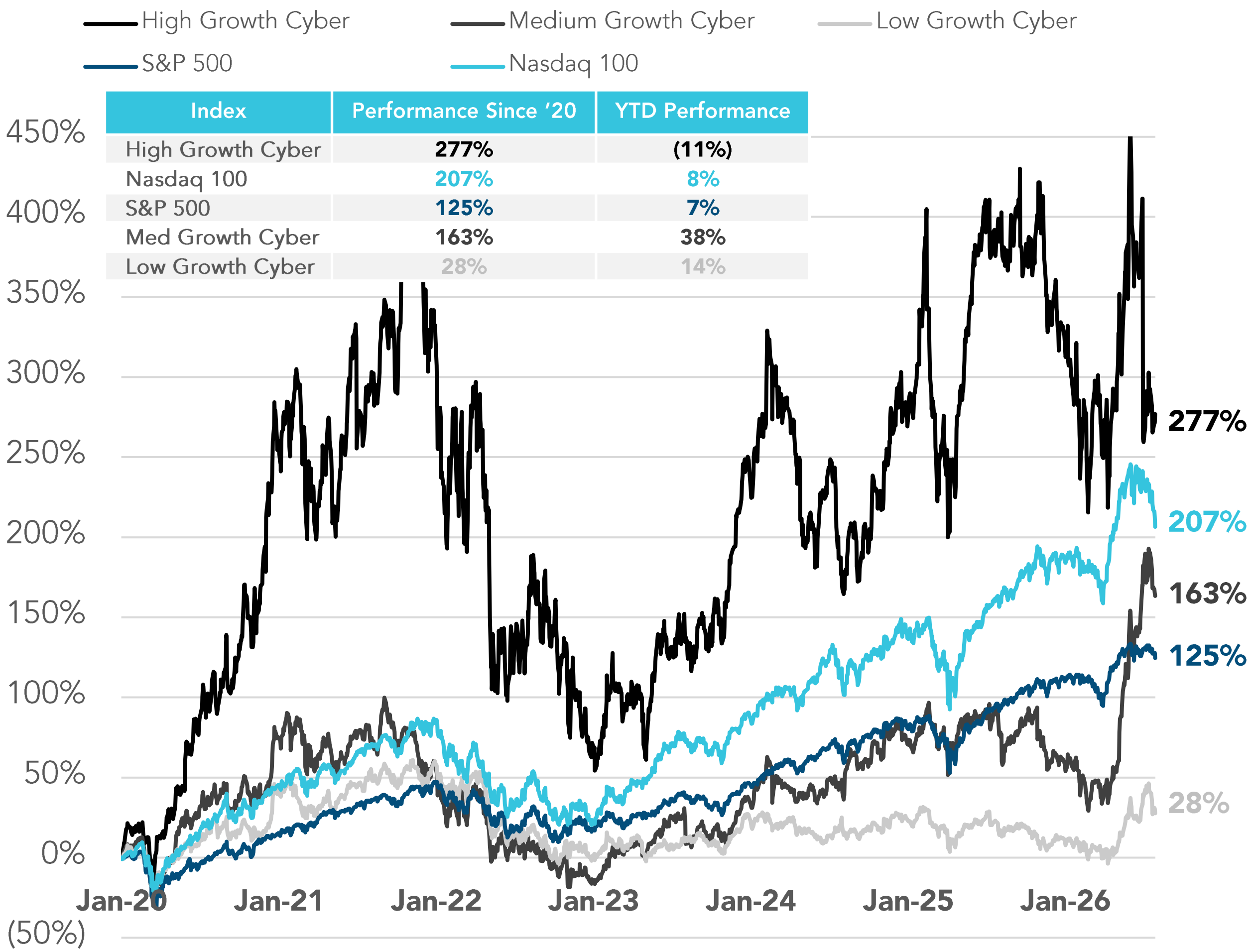
Momentum RESEARCH

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

High-growth public Cybersecurity companies trade at 6.8x EV / '26 Revenue and have outperformed major indices since 2020

Metric	High-Growth	Medium-Growth	Low-Growth	All
Revenue Multiple	6.8x	6.2x	3.7x	**4.8x**
EBITDA Multiple	34.3x	19.2x	11.8x	**13.5x**
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%	17%	**22%**
S&M Spend	50%	34%	25%	**35%**
Rev / Employee ($K)	$374K	$458K	$399K	**$399K**
Market Cap ($M)	$14,801	$4,669	$3,477	**$6,349**

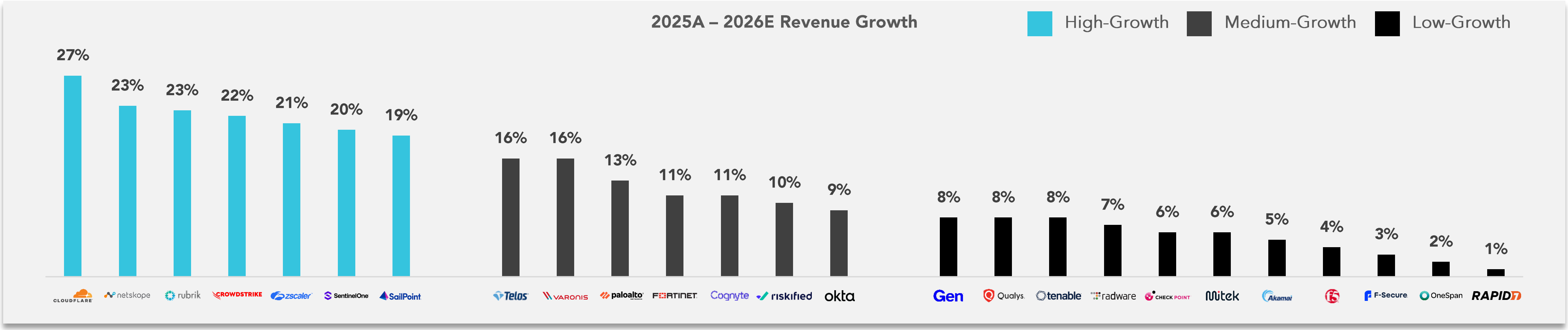
Cybersecurity vs. Broader Indices: Stock Prices

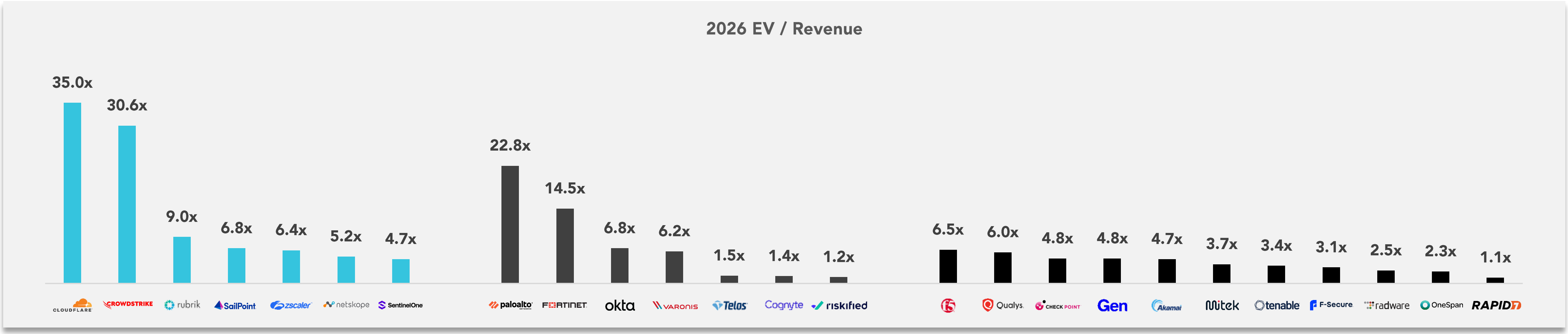


Source: Pitchbook, Company Filings, as of 07/30/2026.

Valuation Divide Reflects Efficiency and Growth Quality

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

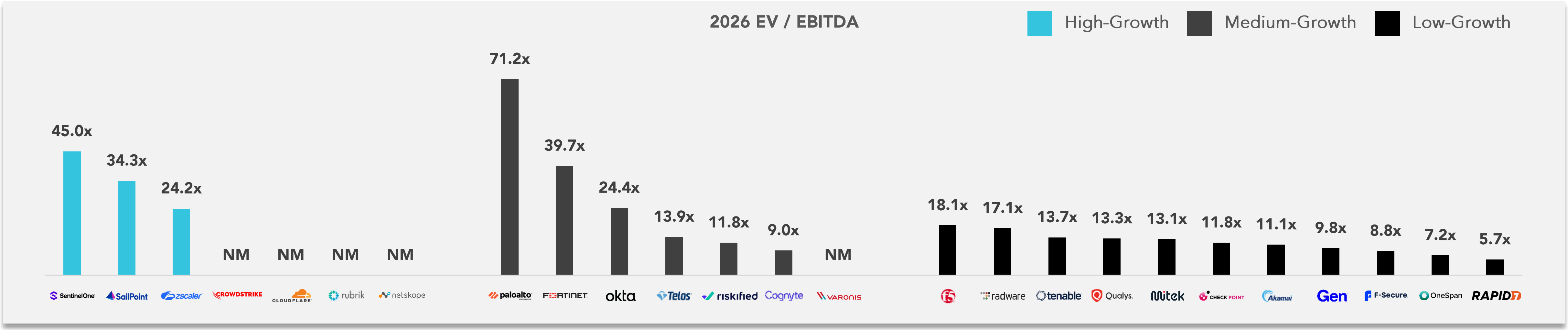


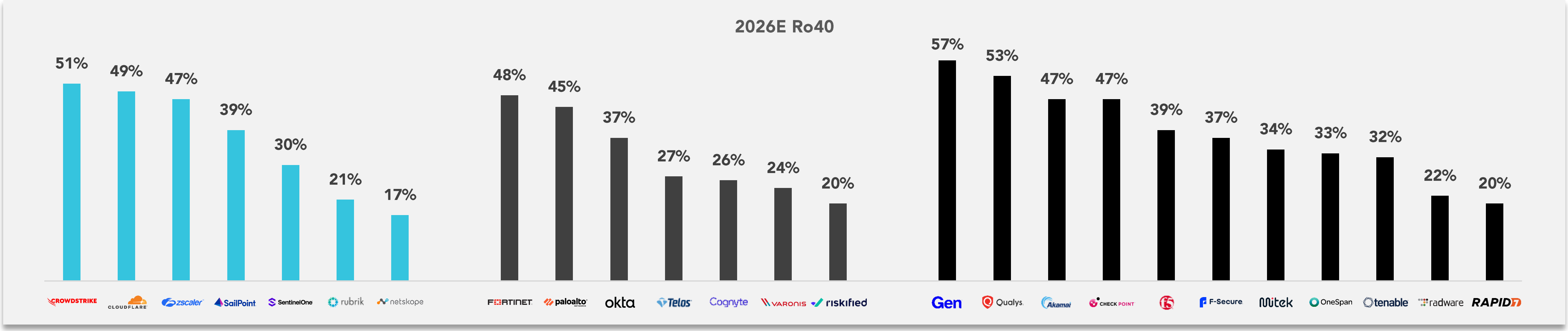


Source: Pitchbook, Company Filings, as of 07/30/2026.

High-Growth Cyber Also Trades at Higher EBITDA Multiples

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

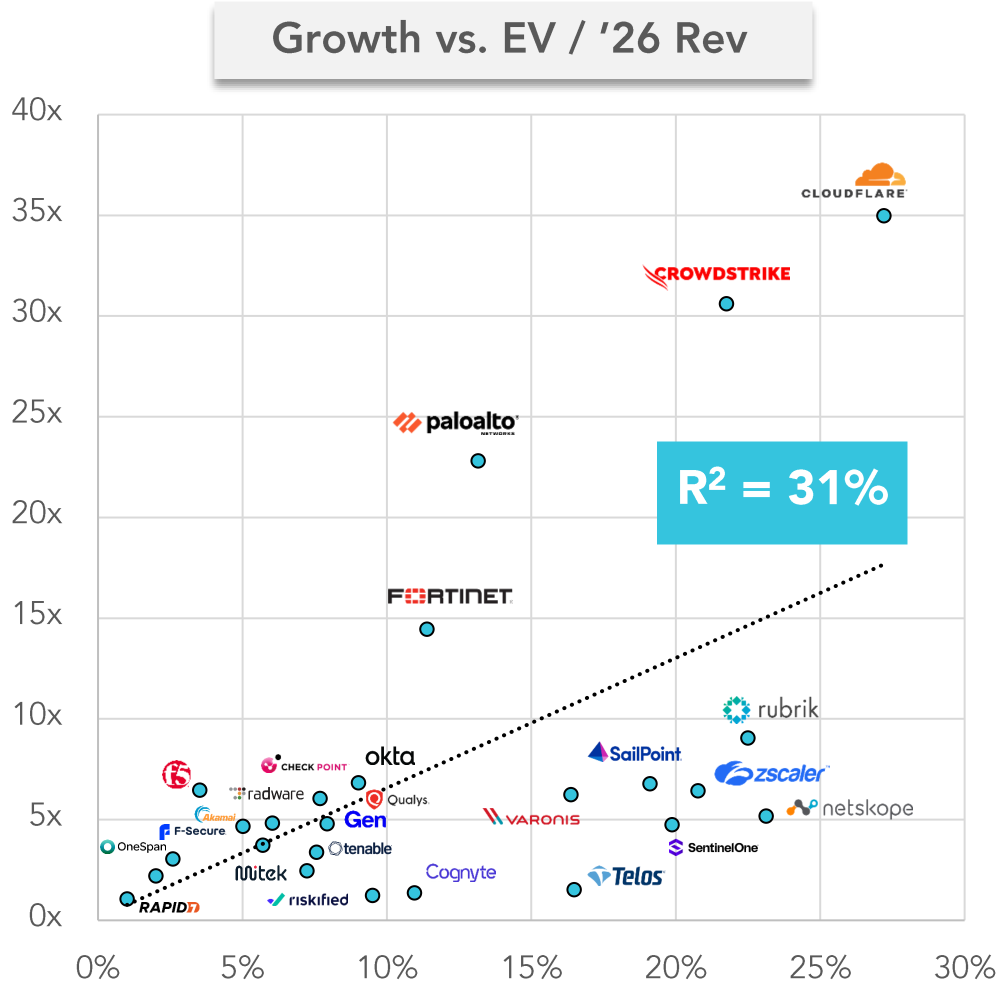


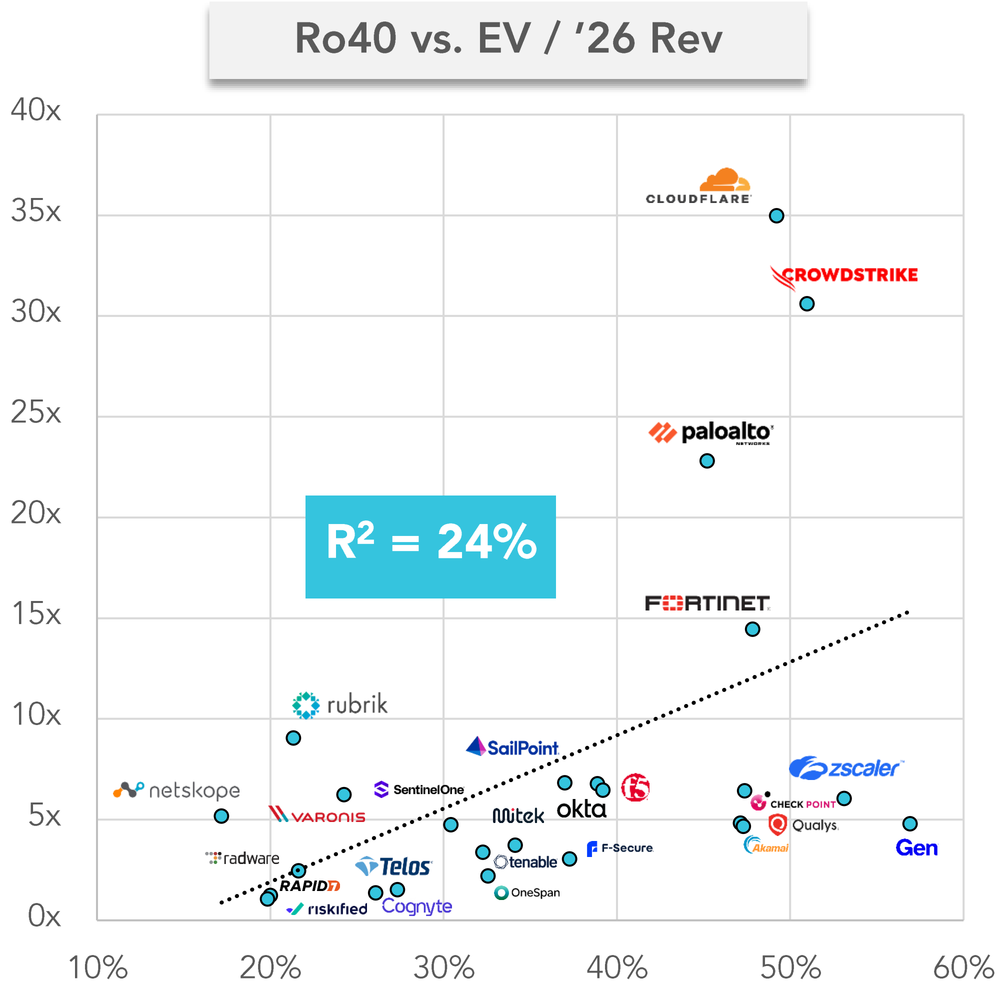


Source: Pitchbook, Company Filings, as of 07/30/2026.

Growth Still Key Indicator of Valuation

Revenue growth to EV / Rev has an R^2 score of 31%, telling us that more goes into valuation than just growth





Source: Pitchbook, Company Filings, as of 07/30/2026.

High-Growth Cybersecurity Public Comps

Scaled leaders command premium multiples

($ 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	30.6x	NM	22%	29%	51%	78%	$5,848	$1,708	56%	$178,965
Cloudflare	35.0x	NM	27%	22%	49%	76%	$2,726	$600	32%	$95,329
zscaler	6.4x	24.2x	21%	27%	47%	80%	$3,603	$959	(48%)	$23,188
rubrik	9.0x	NM	23%	(1%)	21%	81%	$1,569	($18)	(20%)	$14,198
SailPoint	6.8x	34.3x	19%	20%	39%	78%	$1,274	$252	(27%)	$8,627
SentinelOne	4.7x	45.0x	20%	11%	30%	78%	$1,200	$127	(2%)	$5,692
netskope	5.2x	NM	23%	(6%)	17%	78%	$864	($51)	NM	$4,474
Median	**6.8x**	**34.3x**	**22%**	**20%**	**39%**	**78%**	**$1,569**	**$252**	**(11%)**	**$14,198**
Mean	**14.0x**	**34.5x**	**22%**	**14%**	**36%**	**79%**	**$2,441**	**$511**	**(1%)**	**$47,211**

Source: Pitchbook, Company Filings, as of 07/30/2026.

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	22.8x	71.2x	13%	32%	45%	77%	$11,180	$3,582	65%	$254,992
FORTINET	14.5x	39.7x	11%	36%	48%	81%	$7,519	$2,740	43%	$108,684
okta	6.8x	24.4x	9%	28%	37%	82%	$3,169	$887	38%	$21,618
VARONIS	6.2x	NM	16%	8%	24%	80%	$719	$57	(18%)	$4,487
Cognyte	1.4x	9.0x	11%	15%	26%	73%	$444	$67	(2%)	$605
riskified	1.2x	11.8x	10%	11%	20%	52%	$375	$39	3%	$466
Telos	1.5x	13.9x	16%	11%	27%	39%	$190	$21	68%	$288
Median	**6.2x**	**19.2x**	**11%**	**15%**	**27%**	**77%**	**$719**	**$67**	**38%**	**$4,487**
Mean	**7.8x**	**28.3x**	**12%**	**20%**	**33%**	**69%**	**$3,371**	**$1,056**	**28%**	**$55,877**

Source: Pitchbook, Company Filings, as of 07/30/2026.

Low-Growth Cybersecurity Public Comps

Mature profiles with discounted valuations

($ 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	4.8x	9.8x	8%	49%	57%	83%	$5,091	$2,494	(9%)	$24,397
F5	6.5x	18.1x	4%	36%	39%	84%	$3,187	$1,137	35%	$20,602
Akamai	4.7x	11.1x	5%	42%	47%	73%	$4,399	$1,860	41%	$20,553
CHECK POINT	4.8x	11.8x	6%	41%	47%	88%	$2,889	$1,188	(37%)	$13,956
Qualys	6.0x	13.3x	8%	45%	53%	84%	$718	$326	(1%)	$4,340
tenable	3.4x	13.7x	8%	25%	32%	82%	$1,065	$263	(5%)	$3,598
RAPID7	1.1x	5.7x	1%	19%	20%	74%	$866	$163	(57%)	$922
radware	2.5x	17.1x	7%	14%	22%	82%	$322	$46	(0%)	$792
Mitek	3.7x	13.1x	6%	28%	34%	84%	$195	$56	81%	$730
OneSpan	2.2x	7.2x	2%	31%	33%	74%	$245	$75	2%	$542
F-Secure	3.1x	8.8x	3%	35%	37%	84%	$175	$61	10%	$535
Median	**3.7x**	**11.8x**	**6%**	**35%**	**37%**	**83%**	**$866**	**$263**	**(0%)**	**$3,598**
Mean	**3.9x**	**11.8x**	**5%**	**33%**	**38%**	**81%**	**$1,741**	**$697**	**5%**	**$8,270**

Source: Pitchbook, Company Filings, as of 07/30/2026.

VII. 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)

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

Market Intelligence

Key insights shaping Cybersecurity Capital Markets

Cybersecurity Mid-Year Market Review

H1 2026 Cybersecurity M&A and Capital Markets Report

Summary: Cybersecurity M&A broke records in H1 2026, with 219 transactions putting the year on pace for 438 deals — the highest count Momentum Cyber has ever tracked. June capped the half as the strongest month of the year, highlighted by Accenture's $4.175B acquisition of Dragos, NetRise, and runZero, the first $1B+ deal of 2026. With AI Security now driving 40% of financing value and maturing into an M&A reality, we expect more mega-deals from public strategics and scaled platforms through year-end.

By The Numbers…

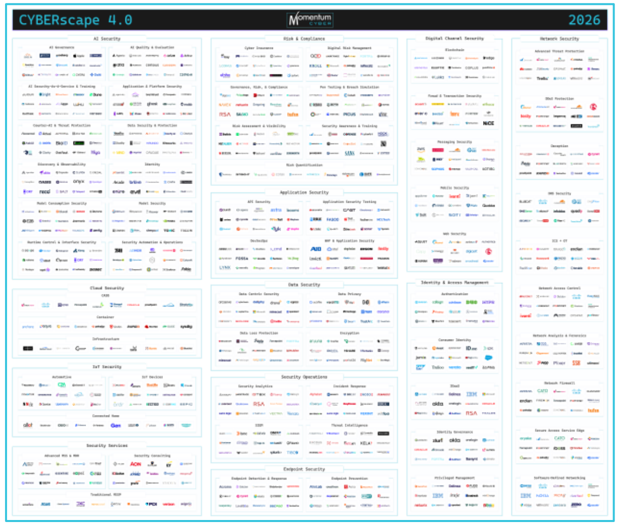
219 *M&A transactions*	**126** *M&A deals completed by Strategics*	**$9.1B** *Total disclosed M&A deal value*
82 *Cyber Services M&A transactions*	**93** *M&A deals completed by PEs*	**88%** *% Of M&A capital deployed by Strategics*
29 *AI Security M&A transactions*	**129** *SaaS Security M&A transactions*	**19** *# of $100M+ M&A deals*
383 *Financing rounds in H1 2026*	**79** *AI Security financings*	**41** *Capital raises ≥ $50M*

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

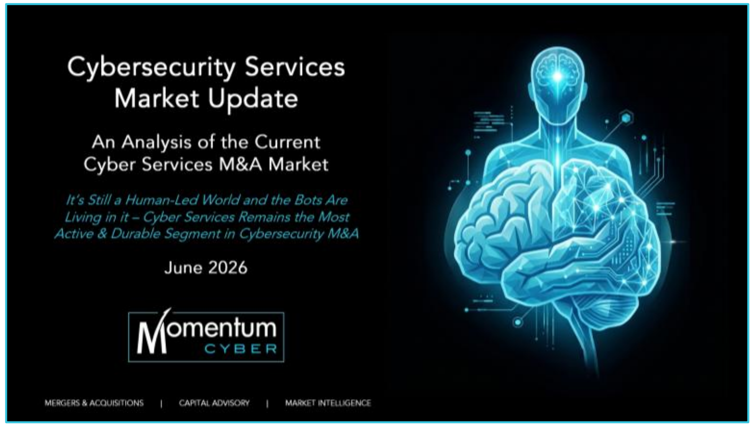
2022
Median founding year for companies in the AIxCYBERscape

Market Intelligence

Key insights shaping Cybersecurity Capital Markets

Cybersecurity Services Market Update

An Analysis of the Current Cyber Services M&A Market



Summary: Cybersecurity Services capital markets are an M&A and human ecosystem where fragmentation, recurring revenue, and AI-driven complexity are accelerating consolidation. Services reached a record 45 M&A deals in Q1 2026, with activity projected to reach 170 deals for the year as PE-backed roll-ups and strategic buyers target consulting, MSSP, and advanced MDR platforms. The findings highlight a durable market where AI is not replacing services but increasing demand for expert-led defense.

By The Numbers...

45 *Cyber Services deals in Q1 '26 (most ever)*	**15%** *7-year deal count CAGR*	**52%** *Of Cyber Services deals completed by PE*
170 *Projected 2026 Cyber Services deals*	**2:1** *Enterprise spend on Services vs. Product*	**174** *Security Consulting deals since 2024*
105% *Projected YoY M&A growth for Advanced MSS & MDR firms*	**48%** *North American share of global Cyber Services M&A*	**39%** *Cyber Services share of Total Cyber M&A in 2026*

"Cybersecurity Services has quietly become the **most durable engine** in Cybersecurity M&A. Enterprises spend **two dollars on services for every dollar on products**, the supplier base is deeply fragmented, and Private Equity now drives more than half of all deals. That's a roll-up machine built to run for a decade.

Everyone keeps predicting AI will hollow out Cybersecurity services. **The market is saying the opposite** — Q1 2026 was the most active quarter we've ever tracked. AI isn't replacing human-led defense; it's **accelerating demand for it**."

Eric McAlpine
Founder & CEO

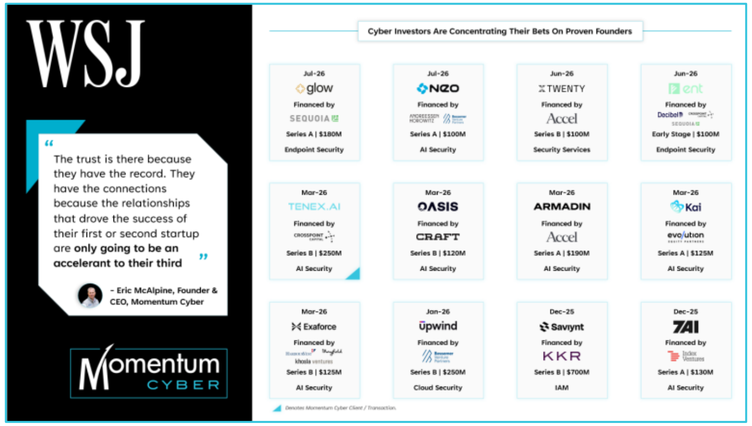
MC In The Media

Key insights shaping Cybersecurity M&A

WSJ

Investors Back Battle-Tested Cyber Execs

WSJ's James Rundle on repeat founders and AI security capital



Summary: The WSJ featured Momentum Cyber in a piece on the surge of capital flowing to AI security startups led by veteran cybersecurity executives. The article centered on Neo, a Boston-based company founded by former SentinelOne leaders Nick Warner and Shlomi Salem with tech veteran Eran Shirazi, which launched from stealth with $100M in combined seed and Series A funding. Momentum Cyber data anchored the trend: 79 funding rounds involved AI security startups in the first half of 2026 alone.

By The Numbers...

79	13%	53%
AI security funding rounds, H1 '26	*2nd time+ founders share of Series A & B raises (deal count)*	*2nd time+ founders share of Series A & B raises (deal value)*

"The trust is there because they have the record. They have the connections because the relationships that drove the success of their first or second startup are only going to be an accelerant to their third"

- Eric McAlpine, Founder & CEO, Momentum Cyber

Momentum RESEARCH WSJ

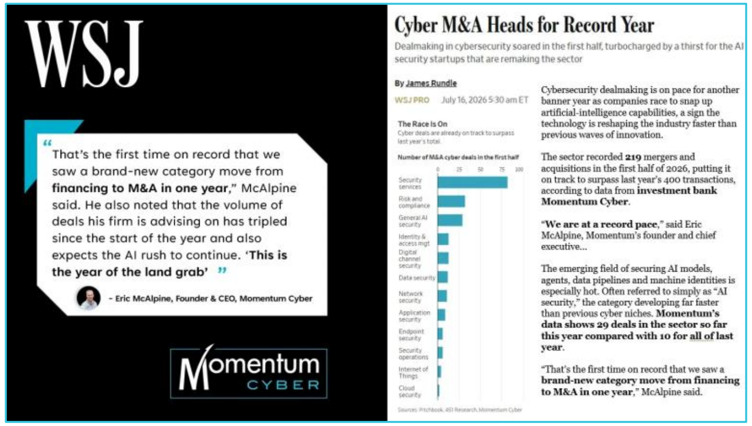
Press Feature: WSJ placed Neo within a broader wave of repeat founders — Mandiant's Kevin Mandia, Cybereason's Lior Div, and Cyderes' Eric Foster among them — raising outsized rounds for their next ventures. McAlpine's commentary explored why investors are rewarding experience as AI reshapes enterprise security: trust follows track record.

MC In The Media

Key insights shaping Cybersecurity M&A

Cyber M&A Heads For A Record Year

WSJ covers Momentum's H1 2026 findings



WSJ

"That's the first time on record that we saw a brand-new category move from **financing to M&A in one year**," McAlpine said. He also noted that the volume of deals his firm is advising on has tripled since the start of the year and also expects the AI rush to continue. **'This is the year of the land grab'** "

- Eric McAlpine, Founder & CEO, Momentum Cyber

Momentum CYBER

Cyber M&A Heads for Record Year

Dealmaking in cybersecurity soared in the first half, turbocharged by a thirst for the AI security startups that are remaking the sector

By James Rundle

WSJ PRO July 16, 2026 5:30 am ET

The Race Is On

Cyber deals are already on track to surpass last year's total

Number of M&A cyber deals in the first half

Sources: Pitchbook, 451 Research, Momentum Cyber

Cybersecurity dealmaking is on pace for another banner year as companies race to snap up artificial-intelligence capabilities, a sign the technology is reshaping the industry faster than previous waves of innovation.

The sector recorded **219** mergers and acquisitions in the first half of 2026, putting it on track to surpass last year's 400 transactions, according to data from **investment bank Momentum Cyber**.

"We are at a record pace," said Eric McAlpine, Momentum's founder and chief executive...

The emerging field of securing AI models, agents, data pipelines and machine identities is especially hot. Often referred to simply as "AI security," the category developing far faster than previous cyber niches. **Momentum's data shows 29 deals in the sector so far this year compared with 10 for all of last year.**

"That's the first time on record that we saw a **brand-new category move from financing to M&A in one year**," McAlpine said.

Summary: The WSJ featured Momentum Cyber research showing cybersecurity dealmaking on a record-setting pace in 2026, driven by an accelerating race for AI security capabilities. The sector recorded 219 M&A transactions in H1 2026, putting the market on track to surpass 2025's full-year total of 400 deals. AI security has emerged as the fastest-developing category Momentum tracks, jumping from 10 deals across all of 2025 to 29 in the first half of 2026 alone — the first time a brand-new category has moved from financing into M&A inside a single year.

By The Numbers...

10 → 29
AI security deals, FY '25 vs. H1 '26

400+
2026 M&A activity annualized

219
H1 '26 M&A transactions

> "This is the year of the land grab"

- Eric McAlpine, Founder & CEO, Momentum Cyber

Momentum RESEARCH

WSJ

Press Feature: WSJ used Momentum Cyber's data to frame an unusually strategic-heavy market, with tech and cybersecurity acquirers accounting for 88% of disclosed first-half spend. Eric McAlpine noted the firm is advising on roughly triple the deal volume it was handling at the start of the year and closed the piece with his call on where the market heads next.

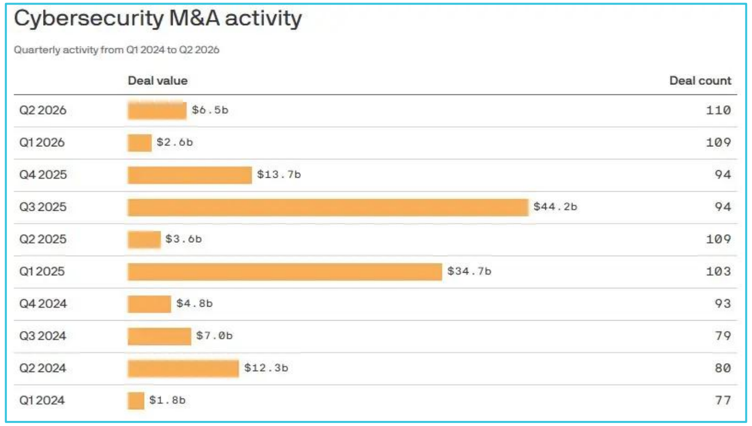
MC In The Media

Key insights shaping Cybersecurity M&A

AXIOS

More Deals, Fewer Dollars

Axios Pro Cites Momentum's H1 2026 market data



Cybersecurity M&A activity

Quarterly activity from Q1 2024 to Q2 2026

	Deal value	Deal count
Q2 2026	$6.5b	110
Q1 2026	$2.6b	109
Q4 2025	$13.7b	94
Q3 2025	$44.2b	94
Q2 2025	$3.6b	109
Q1 2025	$34.7b	103
Q4 2024	$4.8b	93
Q3 2024	$7.0b	79
Q2 2024	$12.3b	80
Q1 2024	$1.8b	77

Summary: Axios Pro Deals cited Momentum Cyber's H1 2026 research on a striking divergence in the cybersecurity M&A market: record deal count paired with sharply lower deal value. The sector logged a record 219 transactions in the first half — up 3% from H1 2025 and 39% from H1 2024 — while total disclosed value fell to $9.1B, less than a quarter of the $38.3B recorded a year earlier. Roughly 90% of first-half deals were strategic, well above the typical 60%, as private equity pulled back amid caution around AI-driven disruption.

By The Numbers...

219
H1 '26 M&A transactions (record)

$9.1B
H1 '26 disclosed M&A value

~90%
Strategic share of H1 deals

+39%
Deal count growth vs. H1 '24

$38.3B
H1 '25 disclosed value

110
Q2 '26 transactions

Momentum RESEARCH

AXIOS

Press Feature: Axios Pro built its coverage around Momentum Cyber's H1 2026 dataset, framing cybersecurity as a sector still transacting through the broader SaaS repricing — just not at mega-deal scale. Eric McAlpine's commentary ran throughout the piece, including his outlook that dealmaking in vertical-specific security and AI security platforms is set to accelerate through the balance of 2026.

MC In The Media

Key insights shaping Cybersecurity M&A

IT BREW

2026 Is The Year Of The Land Grab

IT Brew sits down with Eric McAlpine on the year ahead

IT BREW

Summary: IT Brew interviewed Momentum Cyber Founder & CEO Eric McAlpine on what follows a record 2025 — a year defined by mega deals including Google's $32B acquisition of Wiz and Palo Alto Networks' $25B acquisition of CyberArk. McAlpine framed 2026 as a land-grab year, with strategic buyers acquiring at an unprecedented pace to modernize their platforms around AI. He described a bifurcated market: a buyer's market for SaaS-native vendors still proving their AI pivot, and a seller's market for genuine AI-native security innovation.

By The Numbers…

92%	87%	400
Strategic share of 2025 M&A volume	*Strategic share YTD 2026*	*M&A transactions in 2025*

"Last year, AI was the new kid on the block. This year, it's very much center stage for deal making."

- Eric McAlpine, Founder & CEO, Momentum Cyber

Momentum RESEARCH

IT BREW

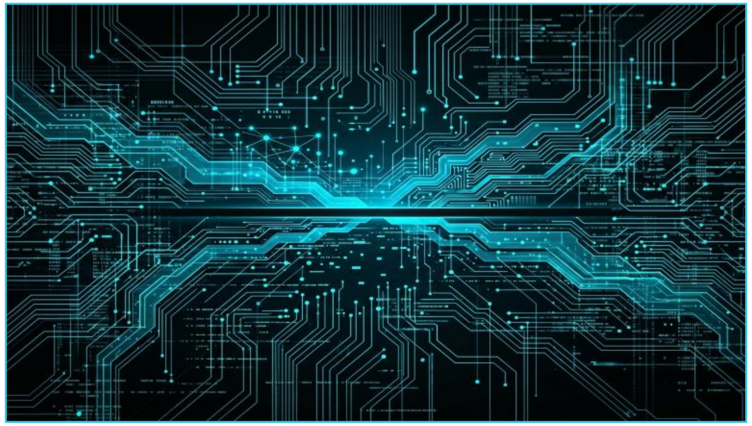
Press Feature: IT Brew featured McAlpine's outlook on where buyer demand is concentrating heading into H2 2026, with AI governance and agentic identity drawing the most strategic attention as identity vendors and pure-play AI companies converge on the same problem. Hyperscalers and frontier labs will play a meaningful role in the industry through acquisition.

MC In The Media

Key insights shaping Cybersecurity M&A

AI Drives Cybersecurity Investments

DarkReading covers Momentum's Q1 findings



Summary: DarkReading featured Momentum Cyber's Q1 2026 market data and commentary from Founder & CEO Eric McAlpine on how AI is reshaping cybersecurity capital markets. The article highlights a rare role reversal in which financing volume outpaced M&A value, as investors place larger bets on AI-native startups while non-native AI companies face tougher fundraising conditions and seek strategic exits. MC's data shows Q1 cybersecurity M&A remained active with 109 transactions, while $3.8B in financing exceeded $2.6B in M&A volume.

By The Numbers...

109	$3.8B	$2.6B
Q1 Cyber M&A transactions	*Q1 financing volume*	*Q1 disclosed M&A value*

"There's an insatiable appetite for cybersecurity right now, and there's a lot of consolidation happening within the space"

- Eric McAlpine, Founder & CEO, Momentum Cyber

Press Feature: DarkReading cited Momentum Cyber's research and Eric McAlpine's perspective on an AI-driven market shift, where capital is concentrating around AI-native companies, M&A remains active, and consolidation is accelerating across the cybersecurity landscape. McAlpine also pointed to AI frontier model providers and hyperscalers as likely strategic acquirers, predicting a major cyber acquisition in the next 12 to 18 months.

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

iSMG INFORMATION SECURITY MEDIA GROUP

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 109 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.

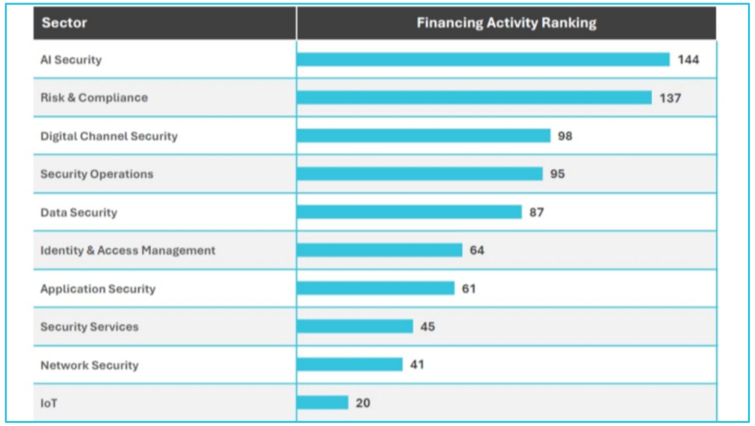
MC In The Media

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	820	400
Total Cyber investments (2025)	*Financing deals in 2025*	*M&A deals in 2025*
144	**137**	**38**
AI Security startup transactions (2025)	*Risk & Compliance deals in 2025*	*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's Latest Cyber Gathering | AIxCYBER

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

Key Takeaways From AI x CYBER...

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, Aviatrix

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

Appendix

M&A Transaction List (July 2026)

Date	Target	Company Type	Acquirer	Acquirer Type	EV ($M)	LTM Revenue ($M)	EV / LTM Revenue
Jul-26	Permiso Security	Identity & Access Management	Okta	Strategic	$200	ND	ND
Jul-26	Kinzit Technologies	Security Services	Net@Work	PE-Backed Strategic	ND	ND	ND
Jul-26	Layer27	Security Services	Katalyst	Strategic	ND	ND	ND
Jul-26	Cofide	Identity & Access Management	Keyfactor	PE-Backed Strategic	ND	ND	ND
Jul-26	Secturion Systems	Network Security	The Carlyle Group	PE Platform	ND	ND	ND
Jul-26	Lansweeper	Network Security	Bridgepoint	PE Platform	ND	ND	ND
Jul-26	Safehouse VPN	Digital Channel Security	TAC Security	Strategic	ND	ND	ND
Jul-26	Workstreet	Risk & Compliance	Coalesce Capital	PE Platform	ND	ND	ND
Jul-26	Aleph-Networks	Risk & Compliance	Verdoso	PE Platform	ND	ND	ND
Jul-26	AvanGuard	Security Services	Exiptel	Strategic	ND	ND	ND
Jul-26	SafeStack	Risk & Compliance	NINJIO	PE-Backed Strategic	ND	ND	ND
Jul-26	Camb IT	Security Services	Owlis Technology Group	PE-Backed Strategic	ND	ND	ND
Jul-26	Fourthline	Identity & Access Management	Veridas	Strategic	ND	ND	ND
Jul-26	XM Cyber	Risk & Compliance	CrowdStrike	Strategic	ND	ND	ND
Jul-26	Crestline Cybersecurity	Security Services	ITCS	Strategic	ND	ND	ND
Jul-26	Trugard	Digital Channel Security	Webacy	Strategic	ND	ND	ND
Jul-26	CardinalOps	Security Operations	Cribl	Strategic	ND	ND	ND
Jul-26	ADO Security	Security Services	DataExpert	PE-Backed Strategic	ND	ND	ND
Jul-26	LookingPoint	Security Services	Presidio	PE-Backed Strategic	ND	ND	ND
Jul-26	Data Rudder	Digital Channel Security	Nuclea	Strategic	ND	ND	ND
Jul-26	Handreamnet	Network Security	Daekyo CNS	Strategic	$33	ND	ND
Jul-26	Simetry	IoT	Wireless Logic	PE-Backed Strategic	ND	ND	ND
Jul-26	Oasis Security	AI Security	Cyera	Strategic	$1,000	ND	ND
Jul-26	Evo Security	Identity & Access Management	Barracuda Networks	PE-Backed Strategic	ND	ND	ND

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

M&A Transaction List (July 2026)

Date	Target	Company Type	Acquirer	Acquirer Type	EV ($M)	LTM Revenue ($M)	EV / LTM Revenue
Jul-26	Better Auth	Application Security	Vercel	Strategic	ND	ND	ND
Jul-26	FullProxy	Security Services	Viatel Technology Group	PE-Backed Strategic	ND	ND	ND
Jul-26	A&R Solutions	Security Services	F12.net	PE-Backed Strategic	ND	ND	ND
Jul-26	SAM Seamless Network	IoT	Qualcomm	Strategic	$100	ND	ND
Jul-26	All It Services	Security Services	Evergreen	PE-Backed Strategic	ND	ND	ND
Jul-26	MainTegrity	Network Security	IBM	Strategic	ND	ND	ND
Jul-26	Root.io	Application Security	Aikido	Strategic	ND	ND	ND

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

Financing Transaction List (July 2026)

Date	Target	Company Type	Deal Amount	Post Valuation	Funding Type
Jul-26	SecurityBreak	AI Security	$0	ND	Seed / Accelerator
Jul-26	Cantina	AI Security	$8	ND	Seed / Accelerator
Jul-26	Coco	AI Security	$0	$1	Seed / Accelerator
Jul-26	DataBahn	Data Security	$40	ND	Series B
Jul-26	Discern Security	Risk & Compliance	$13	ND	Series A
Jul-26	Onyx	AI Security	$113	ND	Series B
Jul-26	ThreatLocker	Security Operations	$190	ND	Series F
Jul-26	Hush Security	AI Security	$30	ND	Series A
Jul-26	Kiken Technologies	Data Security	$0	ND	Seed / Accelerator
Jul-26	Act Security	Cloud Security	$40	ND	Series A
Jul-26	Mate Security	Security Operations	$35	ND	Series A
Jul-26	SPUR	Security Operations	$200	ND	PE Growth/Expansion
Jul-26	Beelzebub	AI Security	$3	ND	Seed / Accelerator
Jul-26	Way Security	Identity & Access Management	$30	ND	Early Stage VC
Jul-26	TestSudo	AI Security	$0	ND	Seed / Accelerator
Jul-26	AegisAI	Digital Channel Security	$36	$164	Series A
Jul-26	Abstract Security	Security Operations	$25	ND	Series A
Jul-26	Ossprey	Application Security	$3	ND	Seed / Accelerator
Jul-26	StrongestLayer	Security Operations	$4	ND	Seed / Accelerator
Jul-26	Zafran	Risk & Compliance	ND	ND	Later Stage VC
Jul-26	Capsule Security	AI Security	ND	ND	Seed / Accelerator
Jul-26	Native	Cloud Security	ND	ND	Seed / Accelerator
Jul-26	Glow	Endpoint Security	$180	$1,200	Series A
Jul-26	Neo Security	AI Security	$100	ND	Series A

Source: Pitchbook, Momentum Cyber proprietary transaction database.

Financing Transaction List (July 2026)

Date	Target	Company Type	Deal Amount	Post Valuation	Funding Type
Jul-26	Xentra	Security Services	$4	ND	PE Growth/Expansion
Jul-26	Defensx	Endpoint Security	$13	$39	Seed / Accelerator
Jul-26	Empirical Security	Security Operations	$25	$136	Series A
Jul-26	Twenty	Security Services	$30	$1,200	Early Stage VC
Jul-26	Sensity	AI Security	$6	ND	Later Stage VC
Jul-26	Miru Labs	AI Security	$2	ND	Early Stage VC
Jul-26	pQCee	Data Security	$4	ND	Seed / Accelerator
Jul-26	Beacon Security	AI Security	$13	ND	Seed / Accelerator
Jul-26	Cranium AI	AI Security	$20	$469	Series A
Jul-26	Traceforce	AI Security	$1	ND	Seed / Accelerator
Jul-26	Oak	Identity & Access Management	$60	ND	Seed / Accelerator
Jul-26	Auguria	Security Operations	ND	ND	Seed / Accelerator
Jul-26	KaufmanIT	Security Services	ND	ND	Debt
Jul-26	ARGOS Identity	Identity & Access Management	$3	$21	Later Stage VC
Jul-26	Risk Ledger	Risk & Compliance	$32	ND	Series B
Jul-26	Pulse Security AI	Risk & Compliance	$8	$35	Seed / Accelerator
Jul-26	Casco	AI Security	$13	$101	Series A
Jul-26	ZeamiCyberSecurity	Security Operations	$0	ND	Early Stage VC
Jul-26	LimaCharlie	Security Operations	$2	ND	Later Stage VC
Jul-26	iolite secure	Network Security	ND	ND	Early Stage VC
Jul-26	QIZ Security	Data Security	$17	ND	Seed / Accelerator
Jul-26	Elliptic	Digital Channel Security	$120	$670	Series D
Jul-26	Zeron	Risk & Compliance	ND	ND	Seed / Accelerator
Jul-26	TenetX	AI Security	$7	$35	Seed / Accelerator

Source: Pitchbook, Momentum Cyber proprietary transaction database.

Financing Transaction List (July 2026)

Date	Target	Company Type	Deal Amount	Post Valuation	Funding Type
Jul-26	FranceVerif	Digital Channel Security	$1	ND	Seed / Accelerator
Jul-26	Savi Security	Digital Channel Security	$7	ND	Seed / Accelerator
Jul-26	Keyfactor	Identity & Access Management	$1,000	ND	PE Growth/Expansion
Jul-26	Arkenstone Defense	Risk & Compliance	$43	$75	Seed / Accelerator
Jul-26	MazeBolt	Network Security	ND	ND	Early Stage VC
Jul-26	OryxAlign	Security Services	ND	ND	PE Growth/Expansion
Jul-26	Valarian	Digital Channel Security	$50	ND	Series A
Jul-26	Vigilant Sec	Security Services	$4	ND	Seed / Accelerator
Jul-26	Dawnguard	Application Security	$3	ND	Seed / Accelerator
Jul-26	AuthMe	Identity & Access Management	ND	ND	Seed / Accelerator
Jul-26	Axyom	Risk & Compliance	ND	ND	Early Stage VC
Jul-26	Delphinus Engineering	Security Services	ND	ND	PE Growth/Expansion
Jul-26	Merkle Science	Digital Channel Security	ND	ND	Later Stage VC
Jul-26	PotatoNet	Digital Channel Security	ND	ND	Seed / Accelerator

Source: Pitchbook, Momentum Cyber proprietary transaction database.

Cybersecurity Monthly Market Review

July Cybersecurity M&A and Capital Markets Report

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