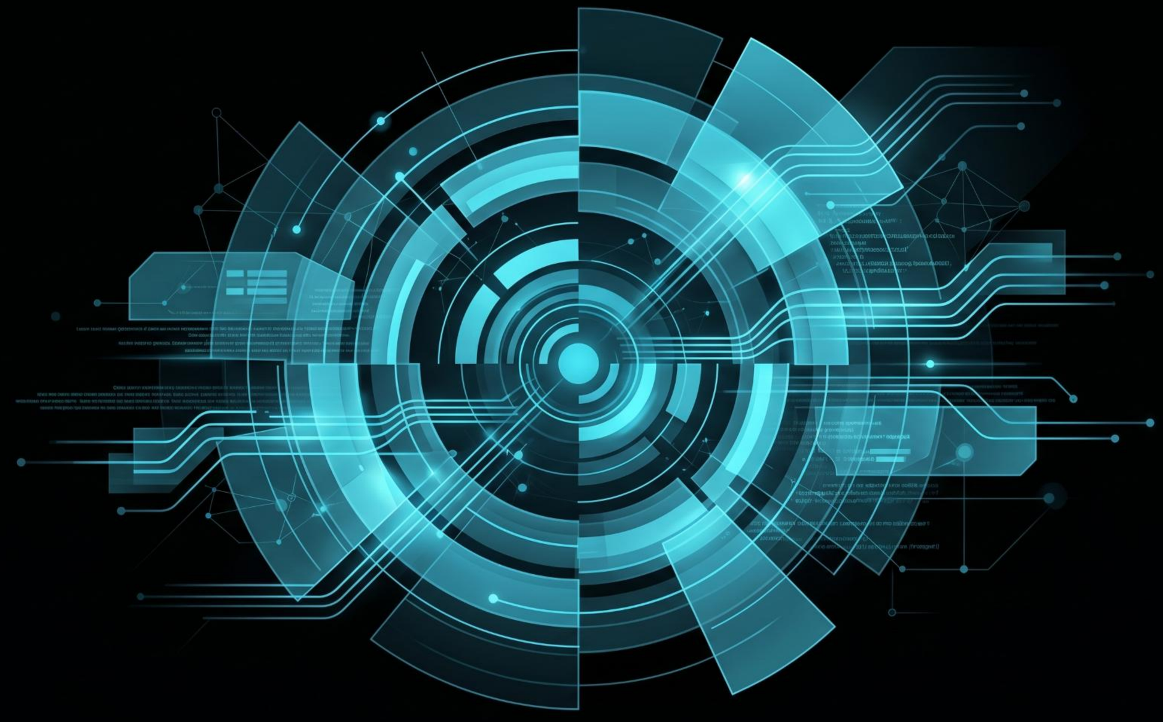
Cybersecurity Monthly Market Review

August Cybersecurity M&A and Capital Markets Report

No Late-Summer Slowdown as M&A Stays Hot, AI Security Commands Capital, and Big Deals Return

August 2026

Momentum CYBER



MERGERS & ACQUISITIONS | CAPITAL ADVISORY | MARKET INTELLIGENCE

Momentum CYBER

What Happened in Cybersecurity?

Monthly Deal Report | August 2026

38

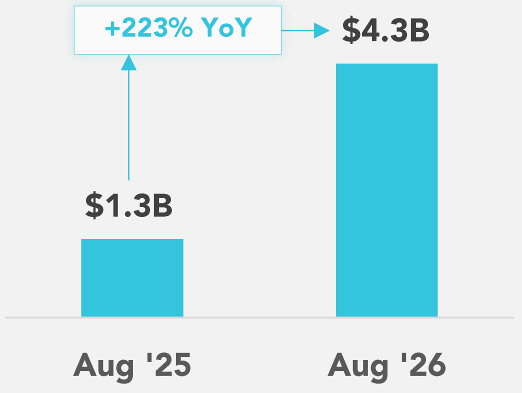
M&A Deals

4% above the TTM average

$4.3B

M&A Value

From 9 deals, 8 of which by Strategics



A Mix Of Public Strategics and VC-Backed Buyers Made Deals

BioCatch Acquired by VISA	arize Acquired by dynatrace
Virtue AI Acquired by FORTINET	RADIANT Acquired by Cribl

45

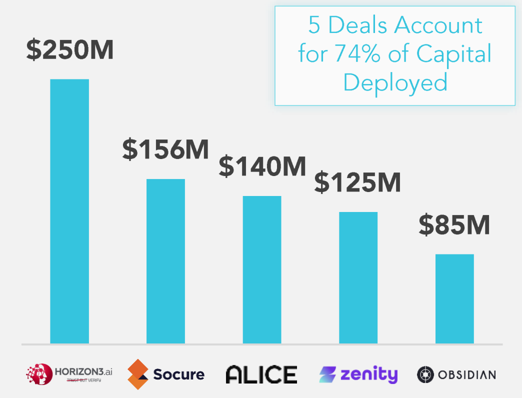
Financing Deals

35% lower than the TTM average

$1.0B

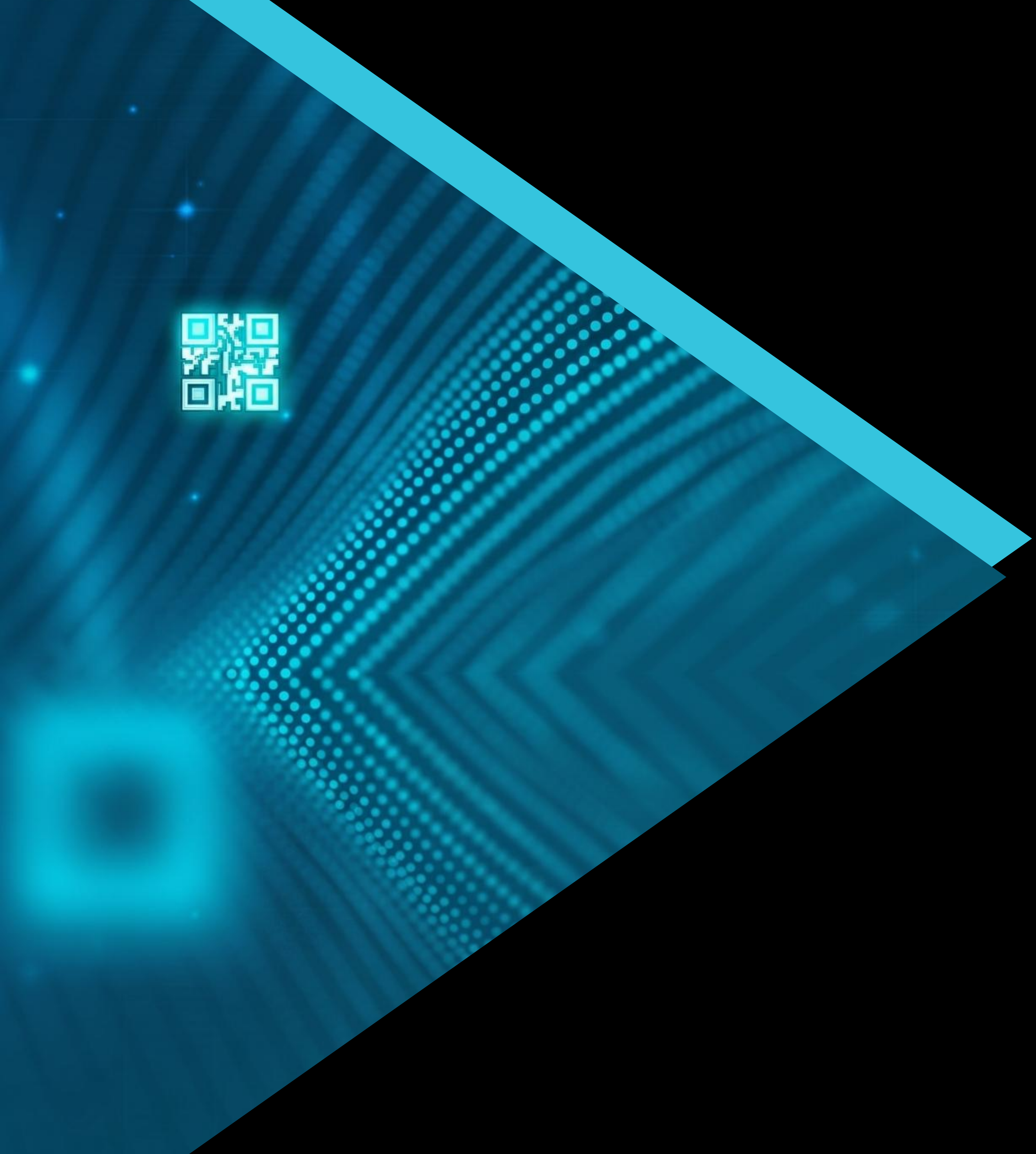
Financing Value

47% of which comes from AI Security companies



Large AI Security Financings Driving Momentum in August '26

HORIZON3.ai Financed by NEA, NightDragon	ALICE Financed by Apax Digital Growth
zenity Financed by NORWEST	OBSIDIAN Financed by Crescent Cove



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I. About Momentum Cyber

Momentum
RESEARCH

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 FP 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 THOMABRAVO — 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 FP FRANCISCO PARTNERS — Momentum Cyber
- SECBI — on its sale to LOGPOINT — Momentum Cyber
- RECIPROCITY — strategic investment by FP FRANCISCO PARTNERS — Momentum Cyber
- INTERSET — on its sale to MICRO FOCUS — Momentum Cyber
- ICEBRG — on its sale to Gigamon® — Momentum Cyber
- GreatHorn — on its sale to STAGE — Momentum Cyber
- DOMAINTOOLS — board advisory — Momentum Cyber
- ZeroFox, Z/O ALLIANCE — has acquired *Undisclosed Consumer Security Company* — Momentum Cyber
- iboss — strategic investment by NIGHTDRAGON, FP FRANCISCO PARTNERS — Momentum Cyber

CYBERcloud 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

4,501 Cyber Companies Tracked

40,991 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

1.7M Emails Sent

8,727 Pages of Content Created

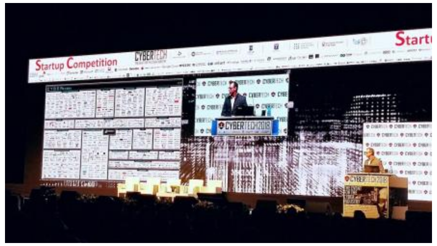
Proprietary Industry Content

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

August 2026 Strategic Deal Flow

August 2026 saw two deals north of $900M

M&A Activity

There were **38** M&A transactions announced in August 2026; a **65% increase** YoY

The month included **$4.3B** in total disclosed deal value from **9** disclosed deals

The most active sectors across M&A were Security Services **(12 deals)**, AI Security **(6 deals)**, and Digital Channel Security **(5 deals)**

Notable M&A
August 2026

BioCatch	Acquired by	VISA	08/07, $2.4B
arize	Acquired by	dynatrace	08/13, $915M
Virtue AI	Acquired by	FORTINET	08/17, ND
RADIANT	Acquired by	Cribl	08/19, ND

Financing Activity

There were **45** Financing transactions completed in August 2026; a **7%** increase YoY

The month included **$1.0B** in total capital deployed, with a median deal size of **$10M**

The most active sectors across Financing were AI Security **(22 Deals)**, Digital Channel Security **(9 deals)**, and Risk & Compliance **(3 deals)**

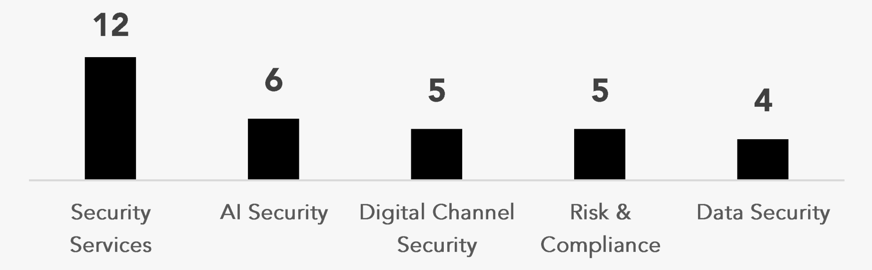
Notable Financing
August 2026

HORIZON3.ai	Financed by	NEA, NightDragon	08/03, $250M
Socure	Financed by	SUMMIT PARTNERS	08/27, $156M
ALICE	Financed by	Apax Digital Growth	08/27, $140M
zenity	Financed by	NORWEST	08/03, $125M

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

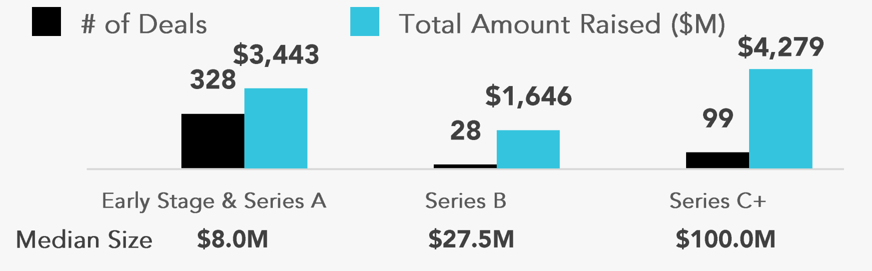
By The Numbers...

August 2026 M&A Deals: Top Sectors By Activity



August 2026 Financing Deals: Top Sectors By Activity

2026 YTD Financing Deals: Breakdown By Stage



M&A Deal Spotlight

Select, transformative M&A transactions from August 2026

Date	Target	Acquirer	EV ($M)	Sector	Impact
08/07	BioCatch	VISA	$2,400	Digital Channel Security	Extends Visa's fraud prevention capabilities with BioCatch's behavioral intelligence to stop scams and account takeovers before payment
08/13	arize	dynatrace	$915	AI Security	Extends Dynatrace's observability platform with Arize's AI monitoring capabilities to improve visibility and reliability across enterprise AI systems
08/17	Virtue AI	FORTINET	ND	AI Security	Extends Fortinet's AI security platform with Virtue AI's continuous testing and runtime protection to secure enterprise AI systems
08/18	at bay	Munich RE	$575	Risk & Compliance	Builds Munich Re's vertically integrated cyber platform by combining insurance, security, and claims into one continuous risk management ecosystem
08/19	RADIANT	Cribl	ND	AI Security	Extends Cribl's telemetry platform with Radiant Security's AI SOC technology to automate alert triage, investigation, and resolution
08/27	FRAVITY	Socure	ND	Digital Channel Security	Extends Socure's RiskOS with Fravity's agentic operations platform to automate fraud, risk, and compliance investigations

Financing Deal Spotlight

Select, transformative Financing transactions from August 2026

Date	Target	Lead Investor(s)	Investment ($M)	Sector	Impact
08/03	HORIZON3.ai	NEA; NightDragon	$250	Risk & Compliance	Scales Horizon3's autonomous pentesting platform to expand globally and build AI attacker-defender learning loops for continuous remediation
08/03	zenity	NORWEST	$125	AI Security	Scales Zenity's AI security platform to govern enterprise agents, enforce runtime controls, and secure agentic workflows at scale
08/04	OBSIDIAN	CRESCENT COVE	$85	AI Security	Scales Obsidian's AI agent security platform to govern access, identity, and data across third-party applications
08/04	OLIGO	BALLISTIC VENTURES	$60	Application Security	Scales Oligo's runtime security platform to detect and stop application-layer threats without slowing production environments
08/10	CORMA	SEQUOIA	$60	AI Security	Advances Corma's defensive AI lab to build autonomous cyber systems capable of matching AI-driven attackers at machine speed
08/27	ALICE	Apax Digital Growth	$140	AI Security	Scales Alice's AI trust and safety platform to test, defend, and monitor models across the full AI lifecycle

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

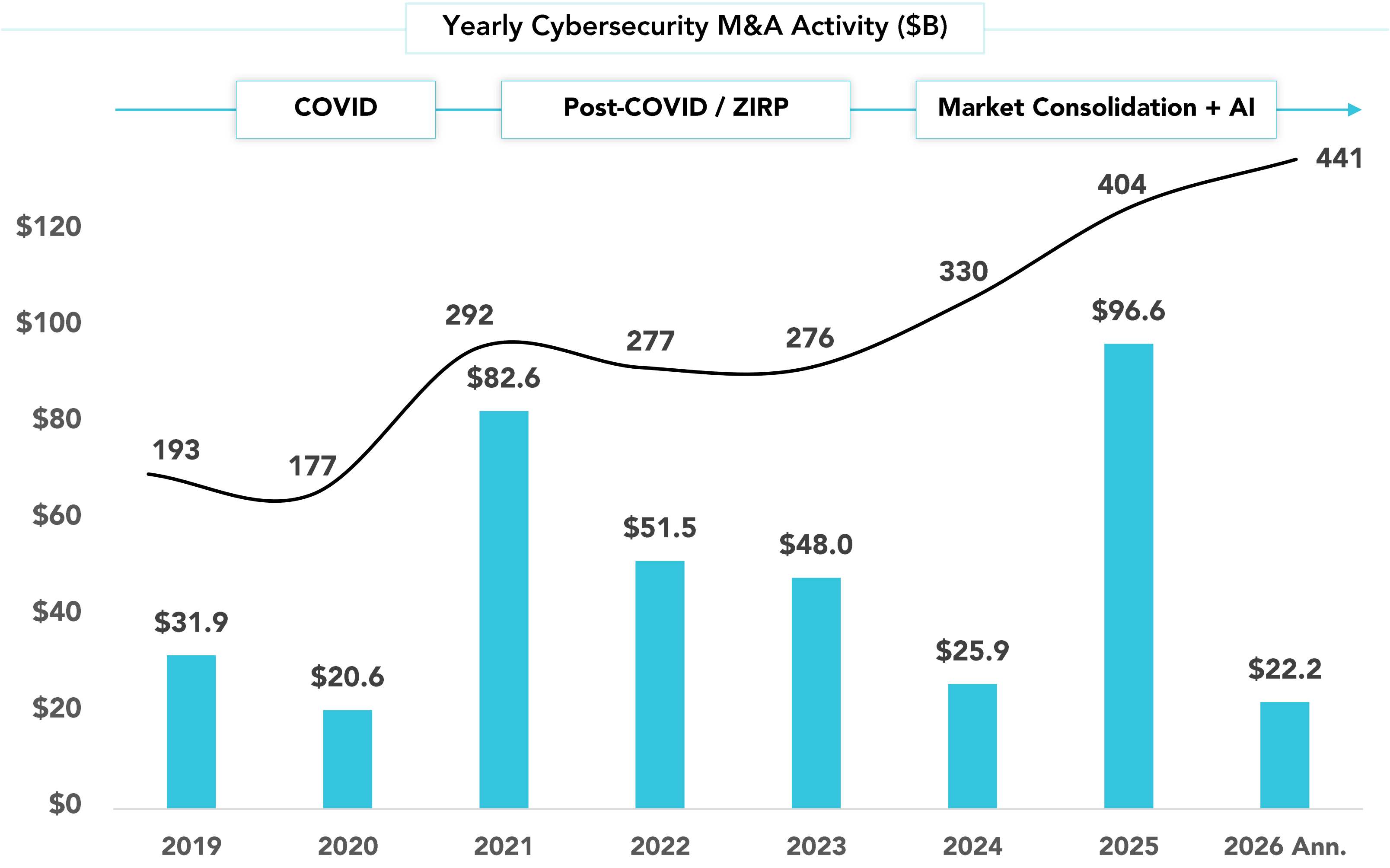
III. M&A Activity

Annual Cybersecurity M&A Deal Value and Count

In August, Cybersecurity M&A accelerated, keeping the momentum we saw through the first seven months of the year

- **August 2026 in Review:** August 2026 saw **$4.3B** spent across **38** transactions, highlighted by key strategic deals by the largest public cyber companies and additional acquisitions by some large financial institutions. Deal count was up **65%** compared to August '25, while deal value was up **223%** YoY

- **Strong Month:** August 2026 saw **38** transactions, above the TTM median. With the record-setting activity this year, the annualized deal flow is the highest we have ever tracked, with **441** deals projected to close in 2026. Visa acquired BioCatch in August in an effort to stop scams and financial fraud before payments even happen

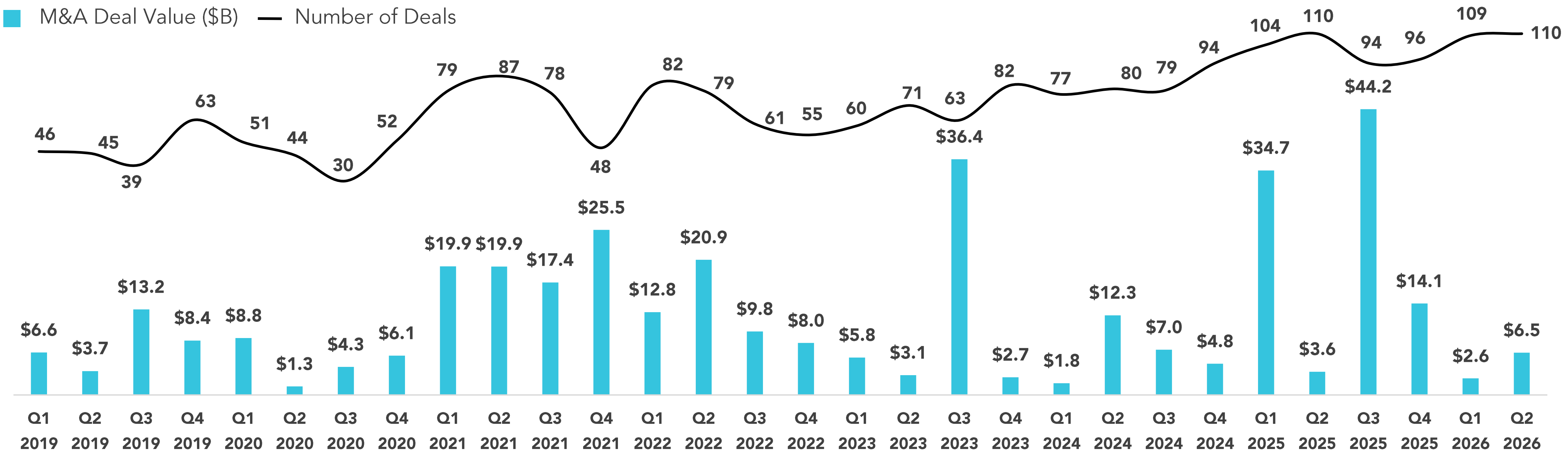


Source: Pitchbook, 451 Research, Momentum Cyber proprietary transaction database. As of 08/31/2026.

Cybersecurity M&A Activity Exceeds Pre-COVID Levels

Q2 2026 tied the highest quarterly M&A deal count ever – 110 deals

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%	5%	(3%)

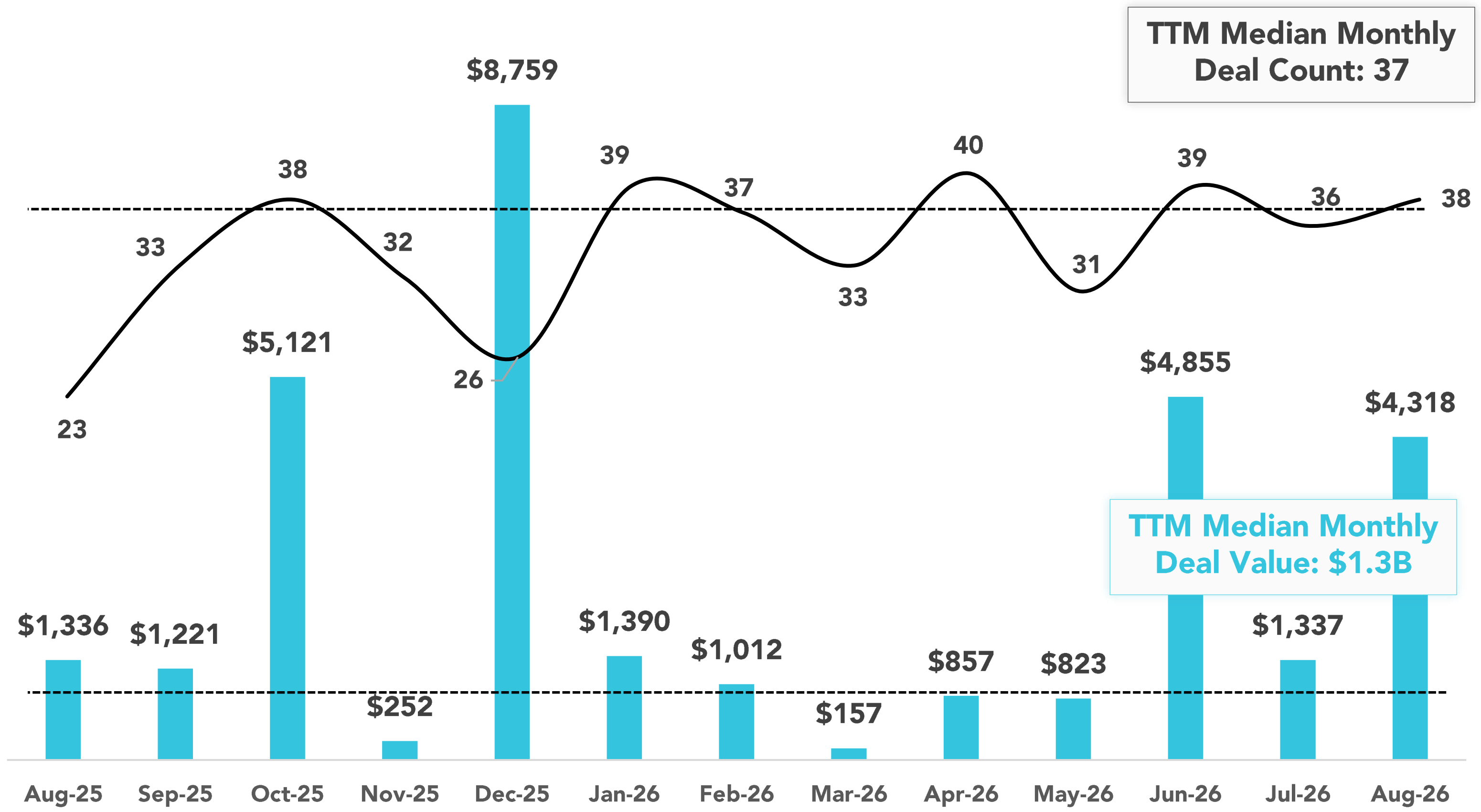
Source: Pitchbook, 451 Research, Momentum Cyber proprietary transaction database. As of 08/31/2026.

Monthly Cybersecurity M&A Deal Value and Count

August witnessed 38 M&A deals, 9 of which had a disclosed deal value

- **Deal Count:** August recorded **38** M&A deals, in line with the TTM median monthly total of 37
- **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. We have seen that become a reality in August, with 23 Cybersecurity product & SaaS companies trading during the month
- **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

Monthly Cybersecurity M&A Activity LTM ($M)



Source: Pitchbook, 451 Research, Momentum Cyber proprietary transaction database. As of 08/31/2026.

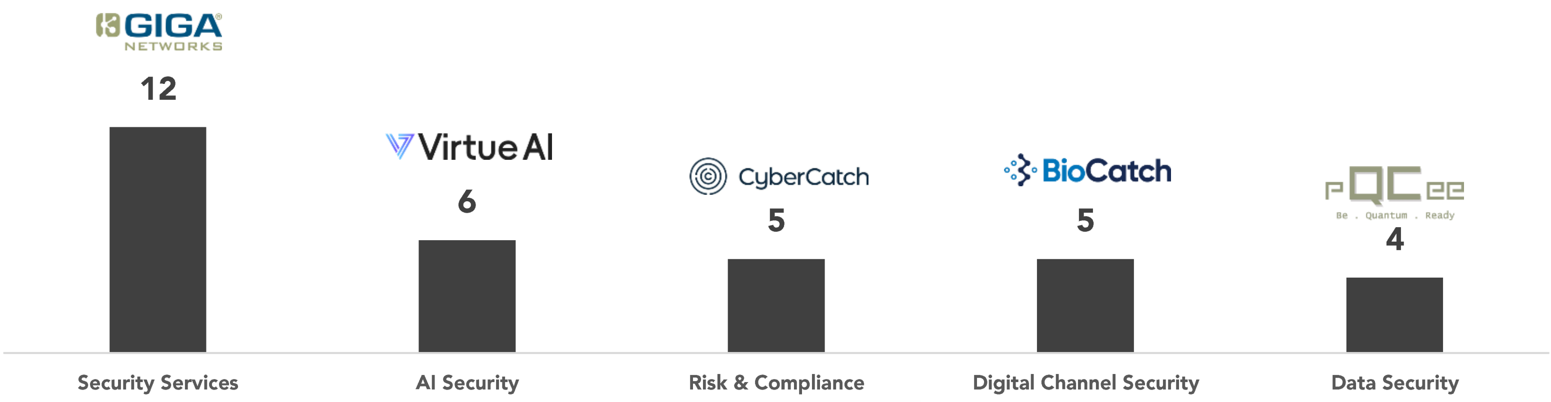
Cybersecurity M&A Transactions Based on Company Segment

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

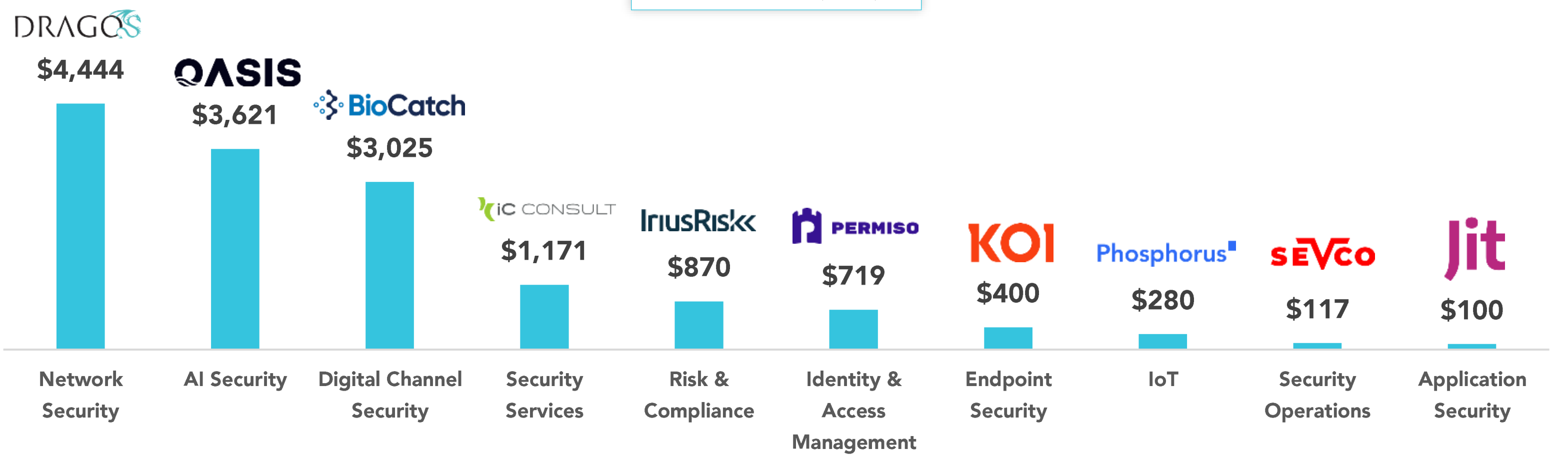
- Through the first 8 months of 2026, buyers prioritized proven operational categories, with **Security Services** generating the highest count and a consistent mix across **Risk & Compliance, AI Security, and IAM**

- The buying window for AI-native cybersecurity companies has opened, with 36 such deals in the first eight months of the year. AI Security has emerged as a priority for buyers, with deal activity accelerating and already driving the second highest aggregate transaction value in 2026 YTD

AI Security Has Had 36 M&A Deals This Year – The Segment Only Had 10 All of Last Year



2026 YTD ($M)

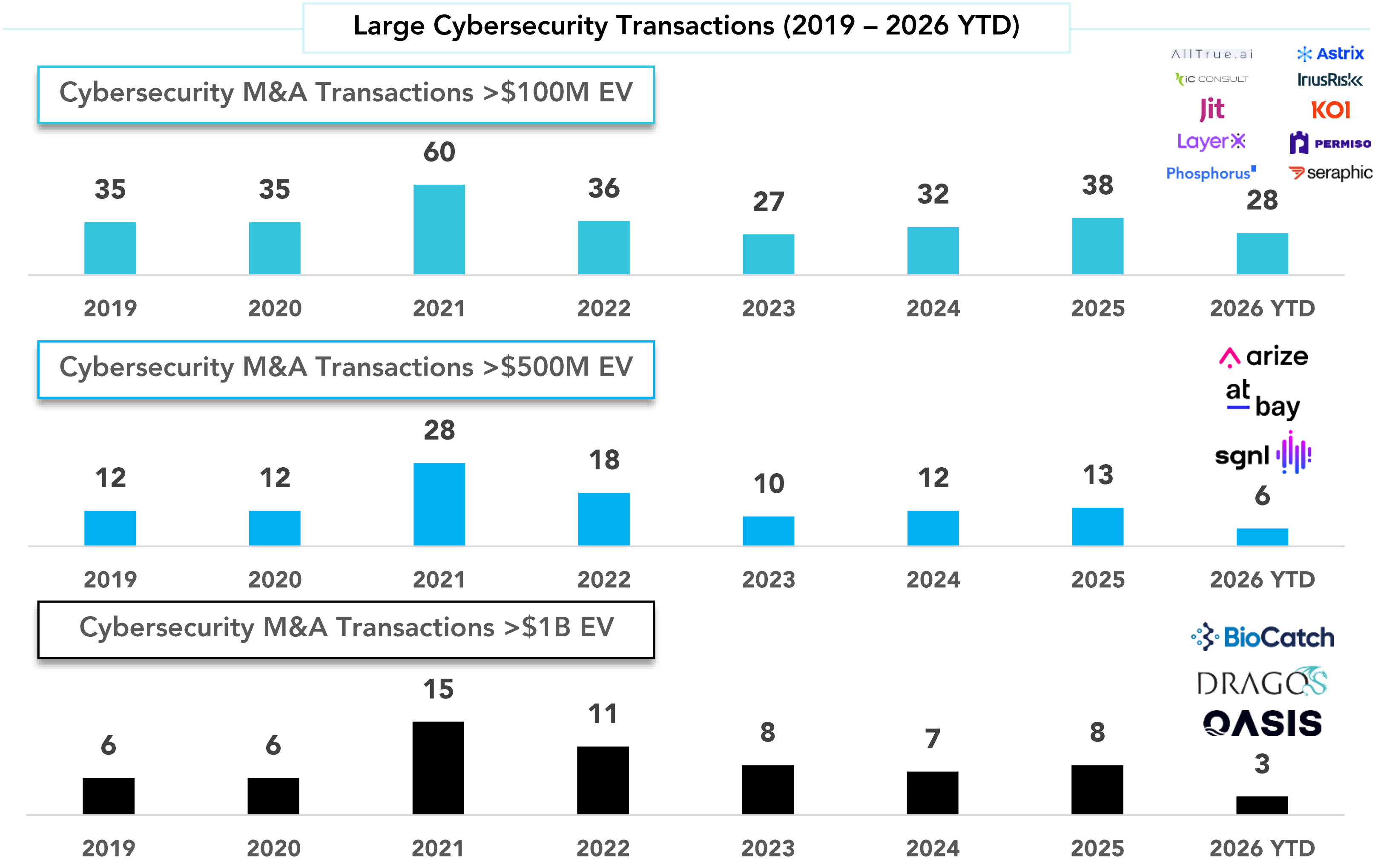


Source: Pitchbook, 451 Research, Momentum Cyber proprietary transaction database. As of 08/31/2026.

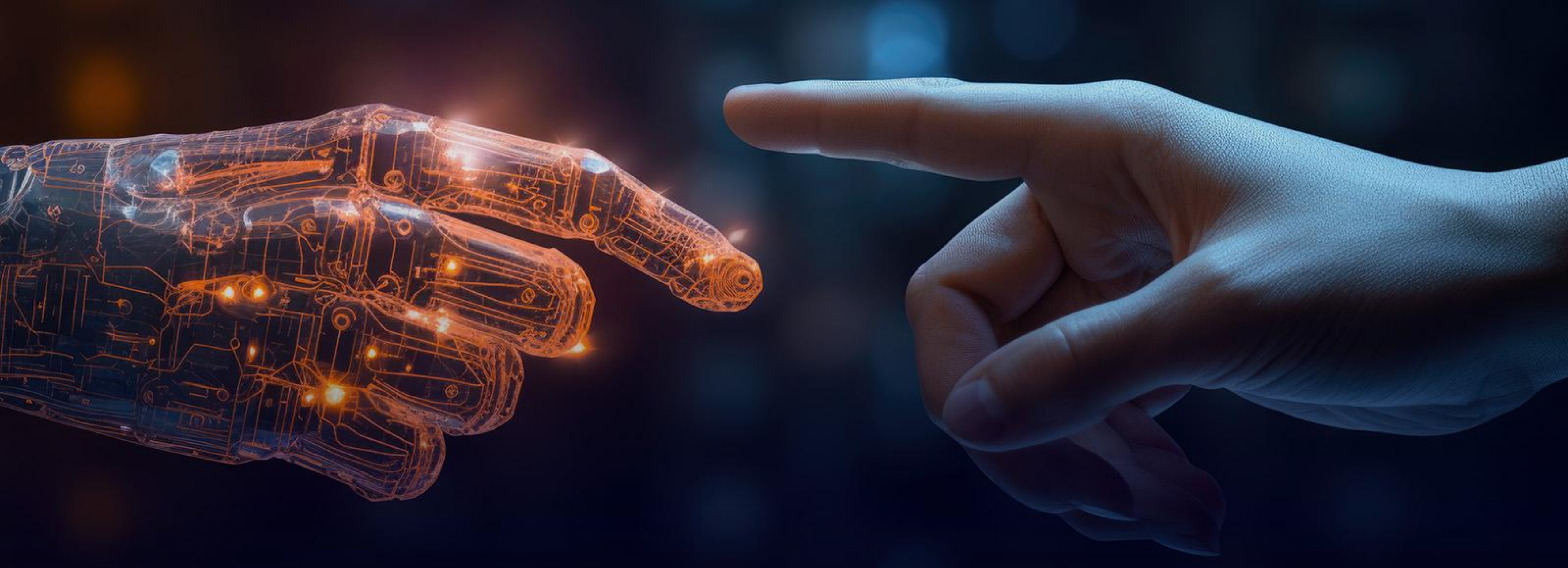
Large Cybersecurity M&A Matches Last Year's Pace in 2026

We have witnessed 28 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 **28 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 08/31/2026.



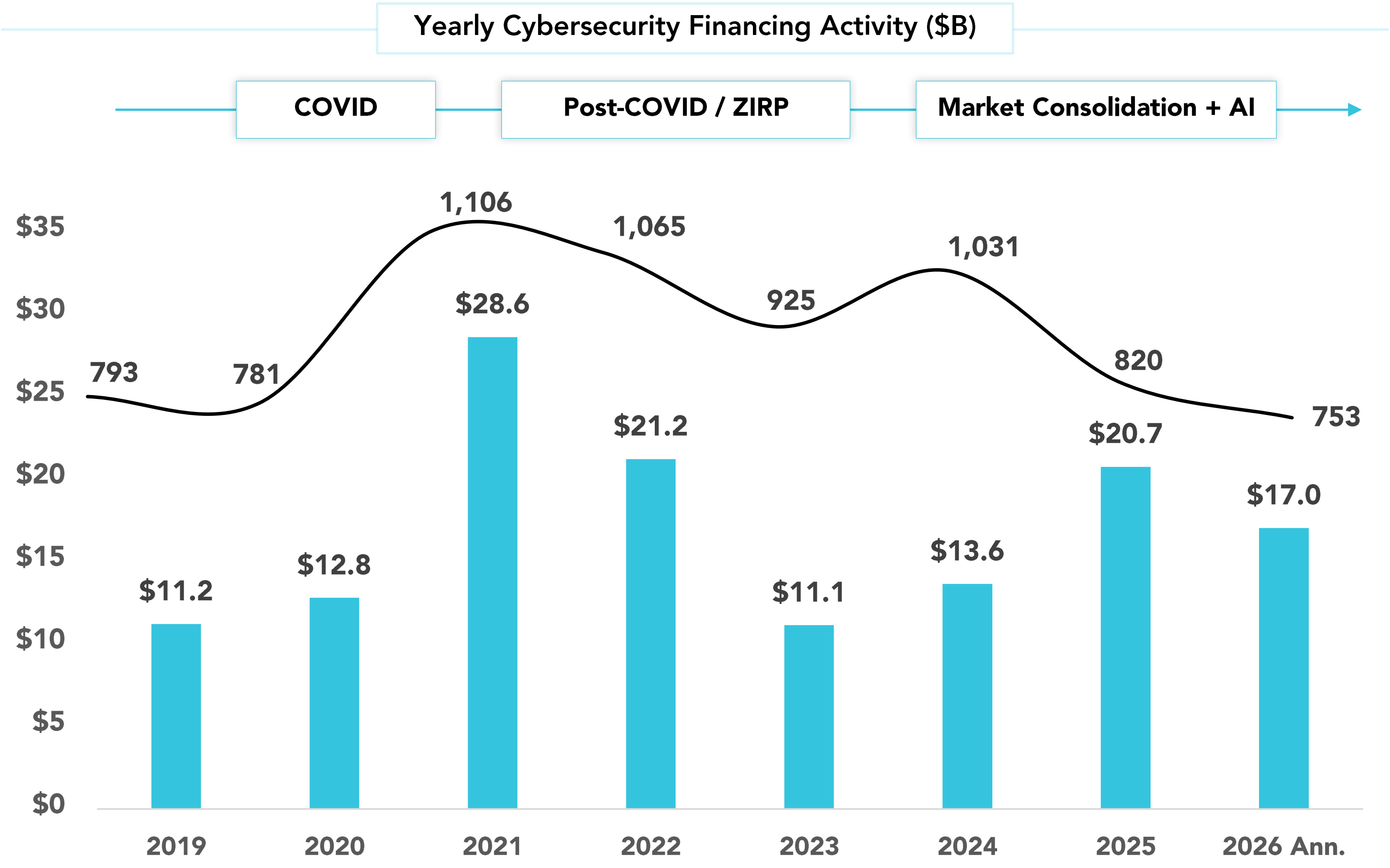
IV. Financing Activity

Momentum RESEARCH

Annual Cybersecurity Financing Deal Value and Count

August recorded less minority investment activity relative to the peak summer months of June and July in 2026

- **August 2026 in Review:** August 2026 witnessed **$1B** raised across **45** transactions, highlighted by deals from companies like Alice, Zenity, Horizon3, Socure, and others. Deal value was up **467%**, while deal count was up **7%** YoY
- **Deal Sizes Normalize as Capital Broadens:** Median cybersecurity financing size declined to **$10M** in August ‘26, down from **$15M** in 2025, reflecting a more balanced mix of early- and mid-stage investments
- **Large Private Equity Deals:** Private Equity has made a comeback in the financing space, with several large deals that accounted for a significant percentage of capital deployed this month – Alice’s **$140M** raise led by Apax and then Summit Partners led a **$156M** Series F raise for Socure. This is something we are keeping our eye on through the second half of 2026

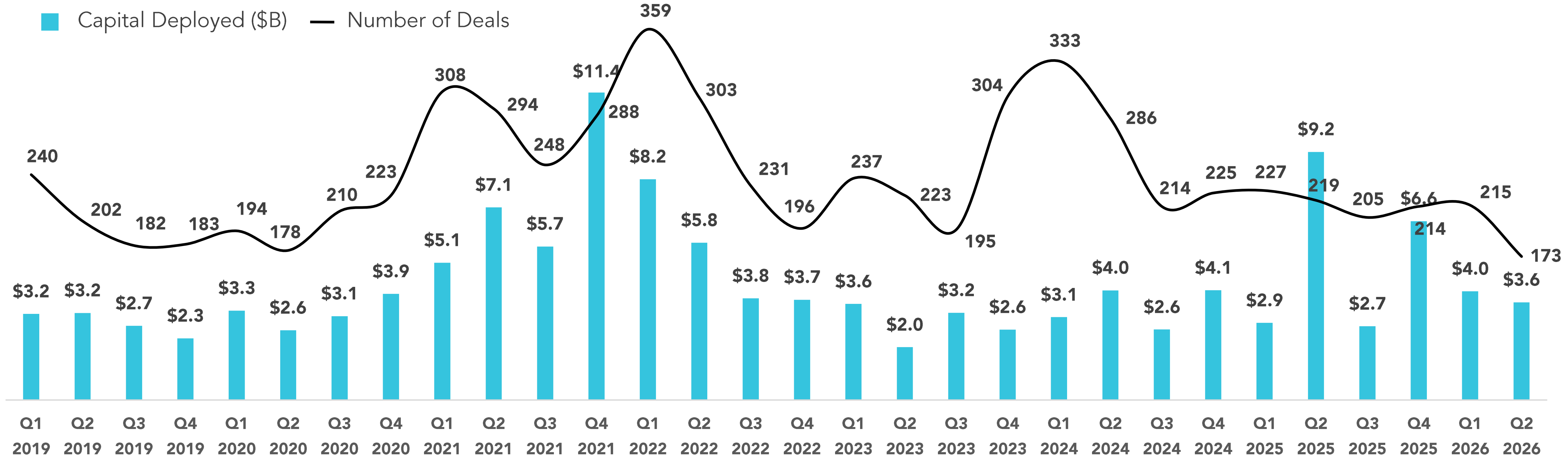


Source: Pitchbook, Momentum Cyber proprietary transaction database. As of 08/31/2026.

Cybersecurity Funding Exceeds Pre-COVID Levels

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

Quarterly Cybersecurity Financing Activity ($B)



Capital Deployed YoY Growth (%)

159%	32%	21%	(21%)	4%	(20%)	13%	72%	53%	176%	83%	190%	61%	(18%)	(34%)	(67%)	(56%)	(66%)	(14%)	(30%)	(14%)	107%	(19%)	56%	(7%)	126%	5%	63%	41%	(61%)

Number of Financings YoY Growth (%)

6%	(4%)	(3%)	(4%)	(19%)	(12%)	15%	22%	59%	65%	18%	29%	17%	3%	(7%)	(32%)	(34%)	(26%)	(16%)	55%	41%	28%	10%	(26%)	(32%)	(23%)	(4%)	(5%)	(5%)	(21%)

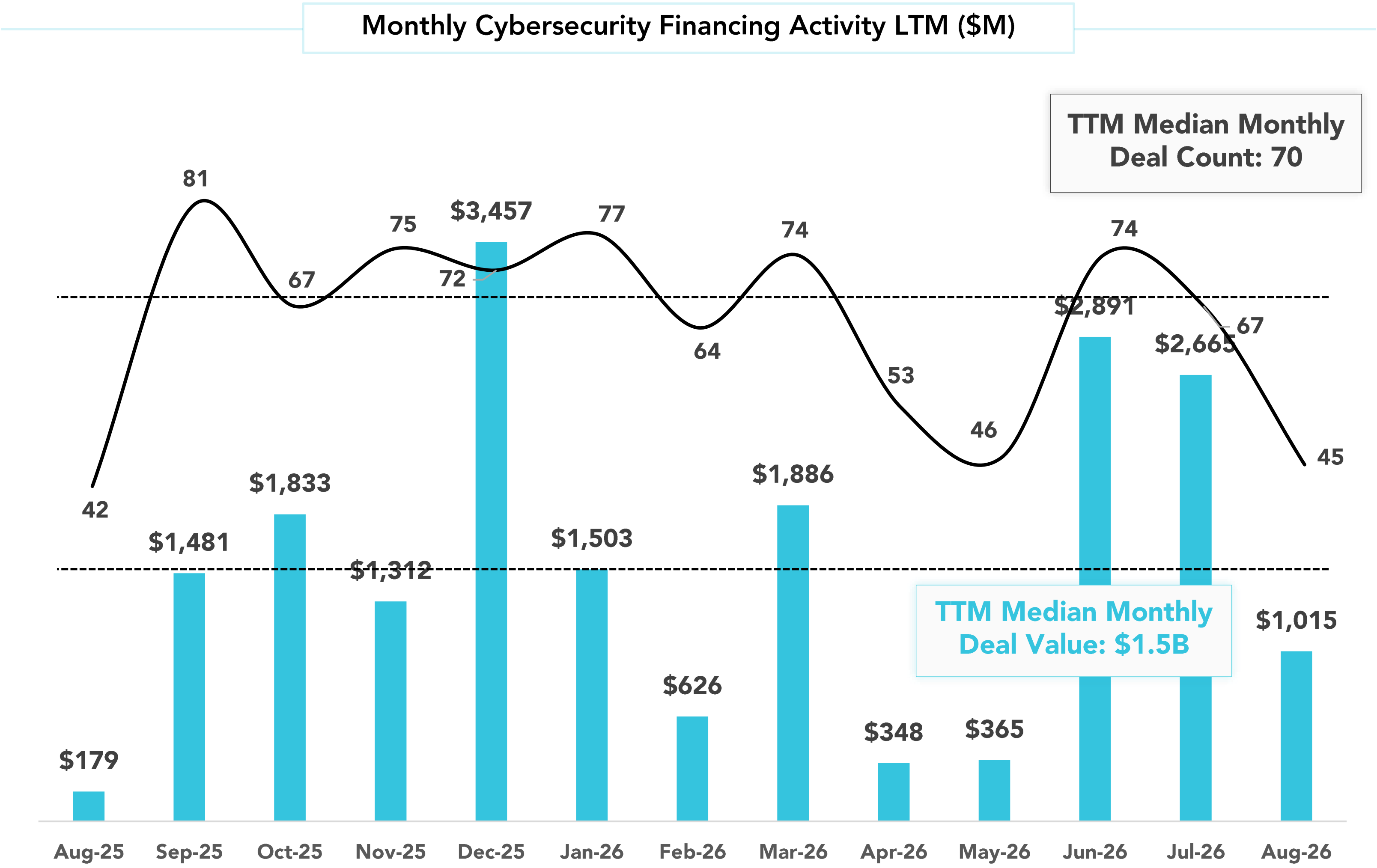
Source: Pitchbook, 451 Research, Momentum Cyber proprietary transaction database. As of 08/31/2026.

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

- **August Count Just Below Recent Medians:** August 2026 recorded **45** financing transactions which is below the TTM median of 70 deals. The month totaled **$1B in capital deployed**, which also tracks below the TTM median of **$1.5B**

- **Capital Concentrated in a Handful of Large Rounds:** A meaningful portion of **August's $1B** was driven by several large raises, including Horizon3's **$250M** Series E raise, Socure's **$156M** Series F, Alice's **$140M** funding round, Zenity's **$125M** Series C, and Obsidian's **$85M** Series D. These deals are more in line with the recent trend of sizable mid-stage funding rounds in the current environment



Source: Pitchbook, Momentum Cyber proprietary transaction database. As of 08/31/2026.

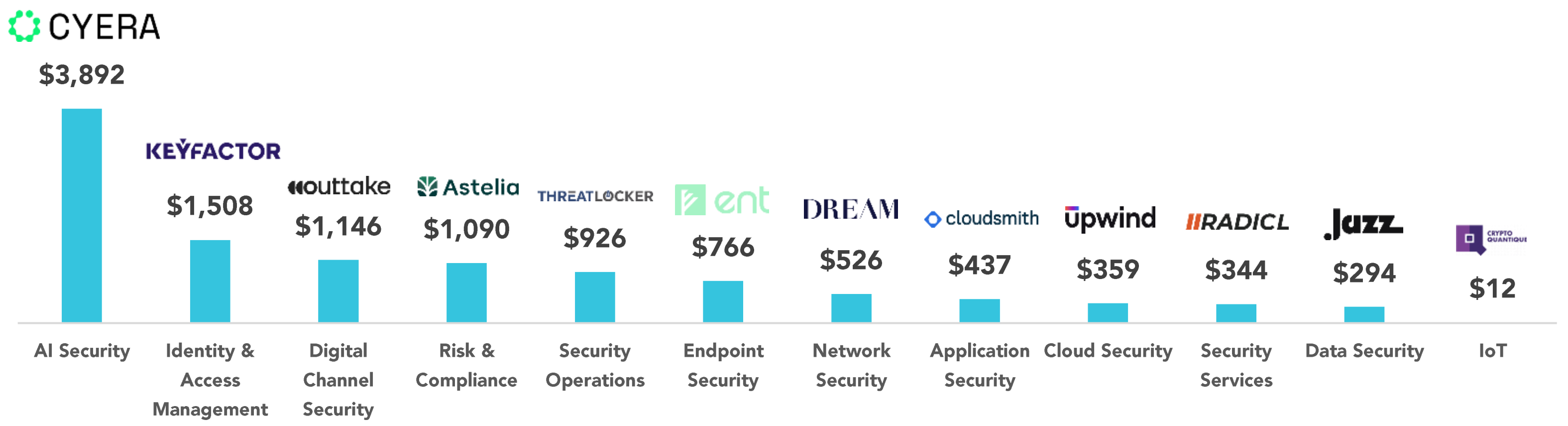
Cybersecurity VC Transactions By Segment

August 2026 saw $1B in capital deployed, led by AI Security and Digital Channel companies raising capital

- **AI Security Continues to Command Capital:** August 2026 financing activity reinforced investor conviction in AI-driven security platforms, with 22 AI Security companies raising new rounds and moving out of stealth as enterprises prioritize securing AI-enabled and cloud-native environments
- **Digital Channel Security & Fraud Remains a Core Funding Category:** Digital trust and fraud prevention remained an active financing segment this month, reflecting sustained investor demand for platforms addressing identity verification, account fraud, financial crime, and the growing scale and sophistication of AI-driven attacks across digital channels
- **Divergent Capital and Volume Dynamics Persist:** August 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)



Source: Pitchbook, Momentum Cyber proprietary transaction database. As of 08/31/2026.

V. Public Markets Update

Momentum RESEARCH

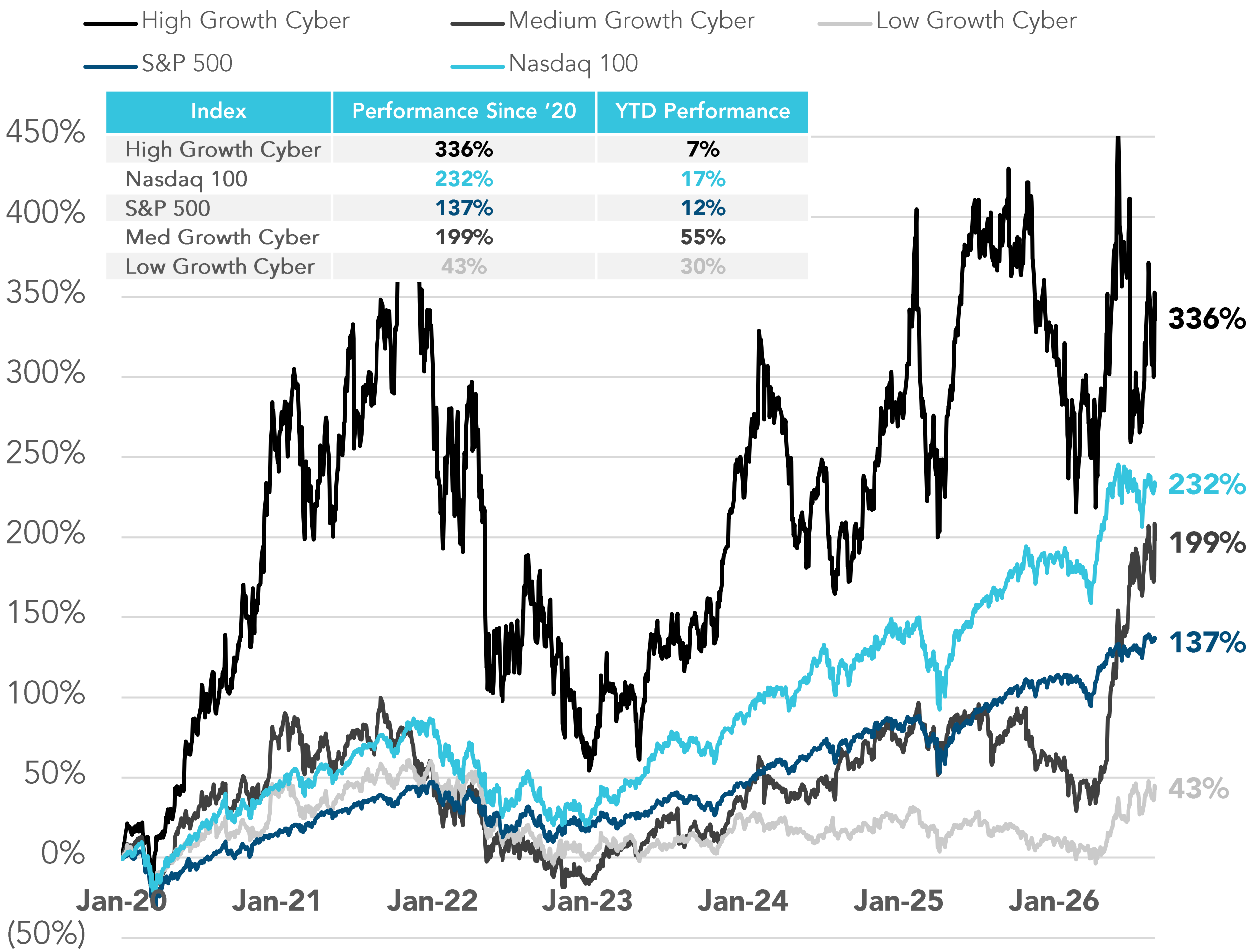
High Growth Cyber Has Outpaced the S&P and the Nasdaq

High-growth public Cybersecurity companies trade at 8.5x EV / '26 Revenue and have outperformed major indices since 2020

Metric	High-Growth	Medium-Growth	Low-Growth	All
Revenue Multiple	8.5x	6.8x	4.1x	**5.7x**
EBITDA Multiple	43.1x	16.1x	11.6x	**16.1x**
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	29%	21%	17%	**21%**
S&M Spend	47%	34%	24%	**35%**
Rev / Employee ($K)	$379K	$481K	$404K	**$401K**
Market Cap ($M)	$19,152	$5,045	$4,147	**$7,497**

Cybersecurity vs. Broader Indices: Stock Prices

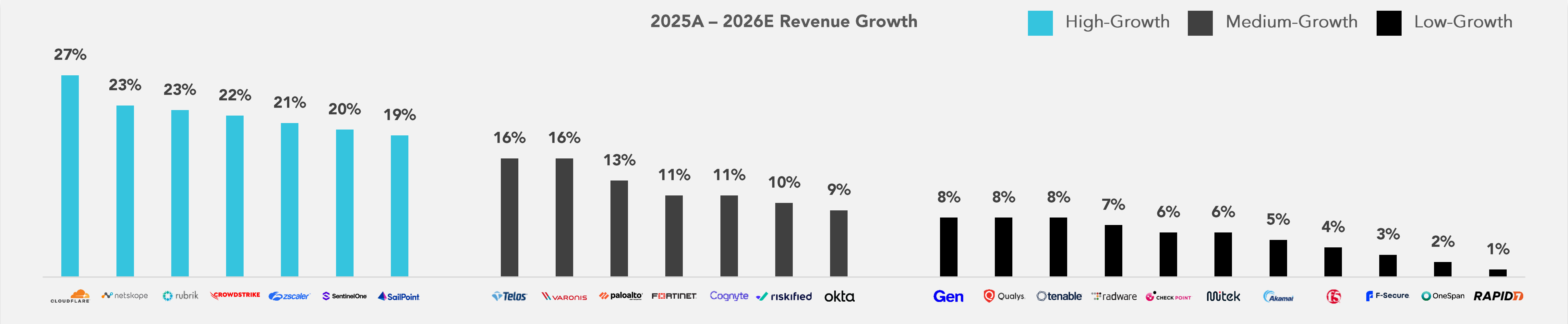
Index	Performance Since '20	YTD Performance
High Growth Cyber	336%	7%
Nasdaq 100	232%	17%
S&P 500	137%	12%
Med Growth Cyber	199%	55%
Low Growth Cyber	43%	30%

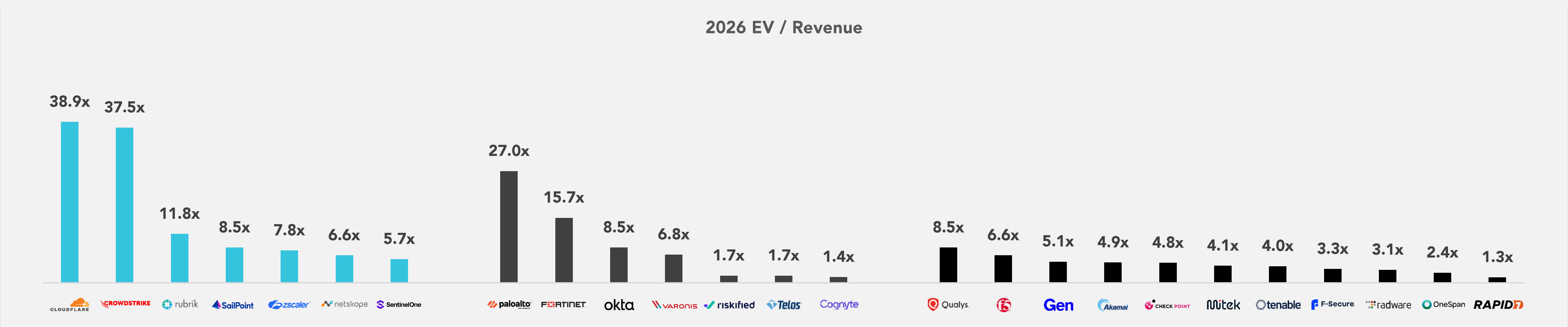


Source: Pitchbook, Company Filings, as of 08/31/2026.

Valuation Divide Reflects Efficiency and Growth Quality

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

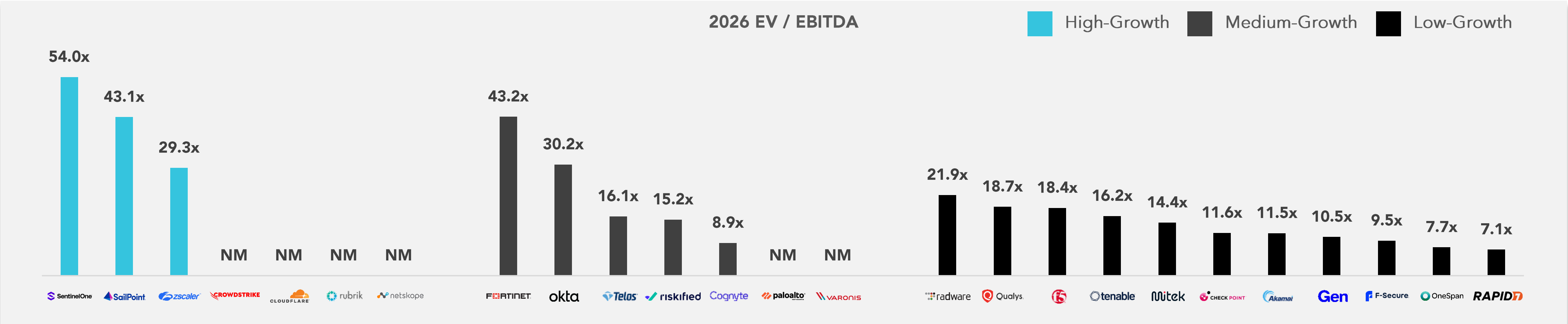


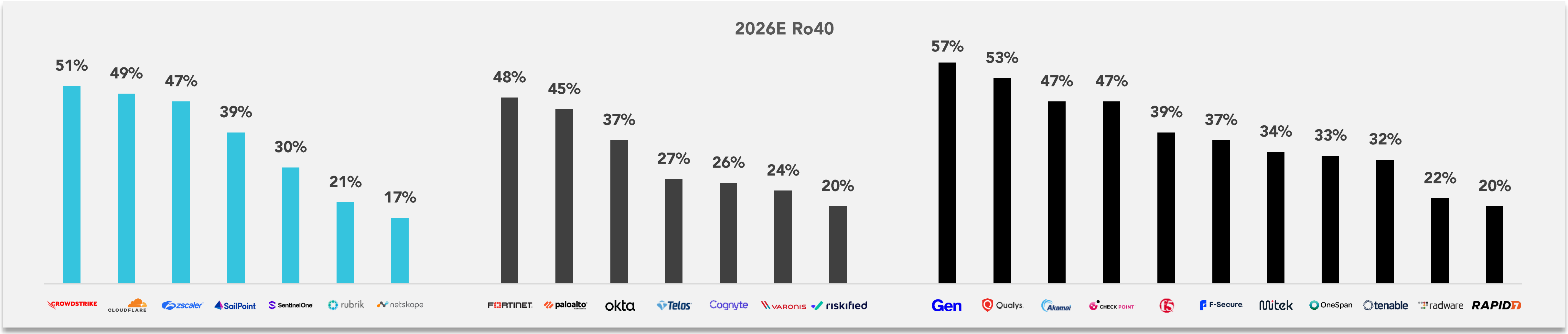


Source: Pitchbook, Company Filings, as of 08/31/2026.

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

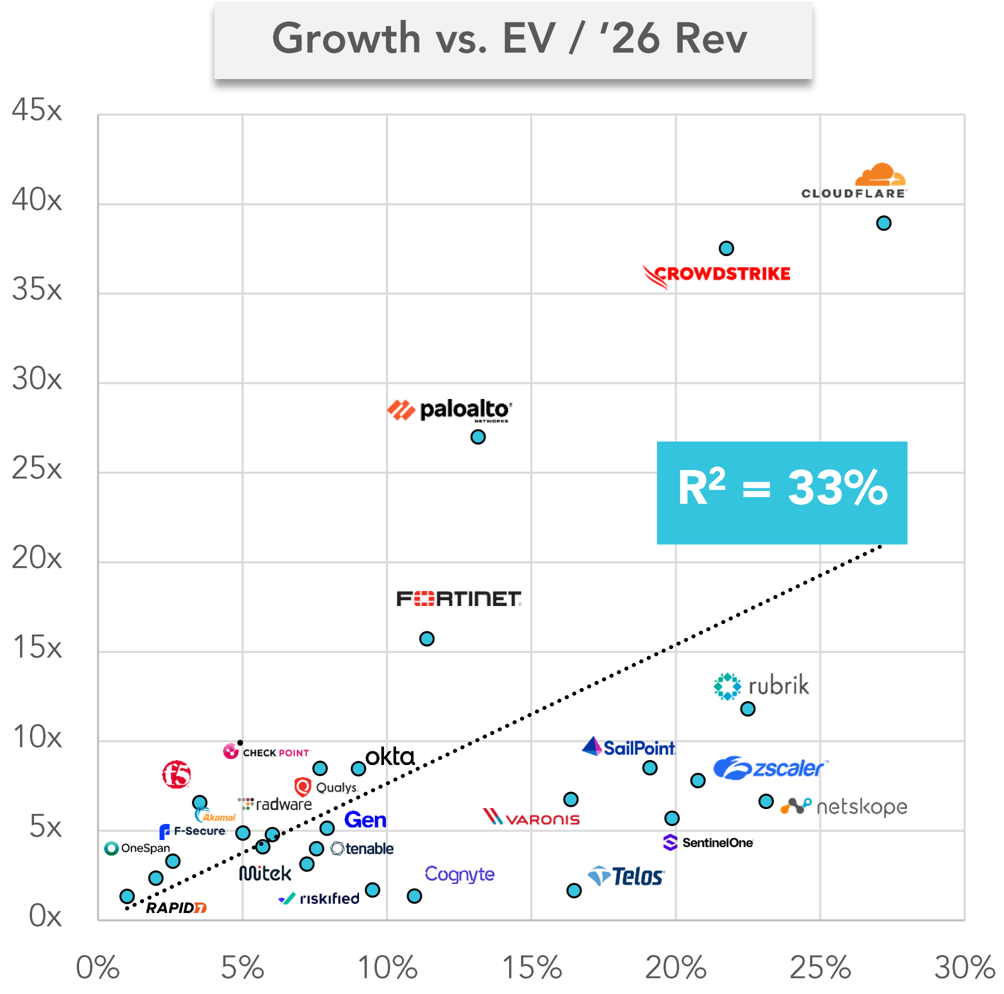


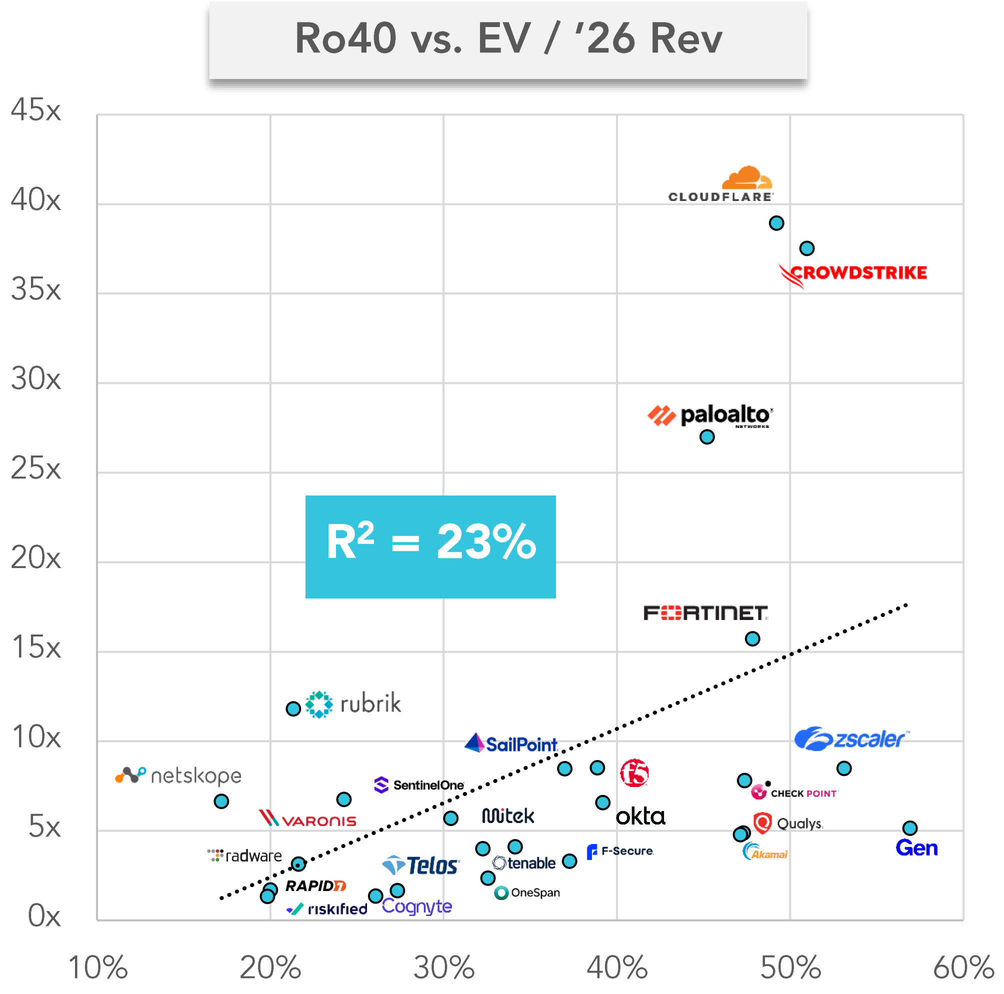


Source: Pitchbook, Company Filings, as of 08/31/2026.

Growth Still Key Indicator of Valuation

Revenue growth to EV / Rev has an R^2 score of 33%, telling us that more goes into valuation than just growth





Source: Pitchbook, Company Filings, as of 08/31/2026.

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	37.5x	NM	22%	29%	51%	78%	$5,848	$1,708	106%	$219,472
CLOUDFLARE	38.9x	NM	27%	22%	49%	76%	$2,726	$600	44%	$106,133
zscaler	7.8x	29.3x	21%	27%	47%	80%	$3,603	$959	(34%)	$28,114
rubrik	11.8x	NM	23%	(1%)	21%	81%	$1,569	($18)	4%	$18,538
SailPoint	8.5x	43.1x	19%	20%	39%	78%	$1,274	$252	(4%)	$10,862
SentinelOne	5.7x	54.0x	20%	11%	30%	78%	$1,200	$127	14%	$6,842
netskope	6.6x	NM	23%	(6%)	17%	78%	$864	($51)	NM	$5,739
Median	**8.5x**	**43.1x**	**22%**	**20%**	**39%**	**78%**	**$1,569**	**$252**	**9%**	**$18,538**
Mean	**16.7x**	**42.2x**	**22%**	**14%**	**36%**	**79%**	**$2,441**	**$511**	**22%**	**$56,528**

Source: Pitchbook, Company Filings, as of 08/31/2026.

Medium-Growth Cybersecurity Public Comps

Solid operators trading at mid-range 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
Medium-Growth										
paloalto networks	27.0x	NM	13%	32%	45%	77%	$11,180	$3,582	95%	$301,806
FORTINET	15.7x	43.2x	11%	36%	48%	81%	$7,519	$2,740	111%	$118,224
okta	8.5x	30.2x	9%	28%	37%	82%	$3,169	$887	79%	$26,814
VARONIS	6.8x	NM	16%	8%	24%	80%	$719	$57	(26%)	$4,863
riskified	1.7x	16.1x	10%	11%	20%	52%	$375	$39	32%	$633
Cognyte	1.4x	8.9x	11%	15%	26%	73%	$444	$67	(1%)	$601
Telos	1.7x	15.2x	16%	11%	27%	39%	$190	$21	(22%)	$314
Median	**6.8x**	**16.1x**	**11%**	**15%**	**27%**	**77%**	**$719**	**$67**	**32%**	**$4,863**
Mean	**8.9x**	**22.7x**	**12%**	**20%**	**33%**	**69%**	**$3,371**	**$1,056**	**38%**	**$64,751**

Source: Pitchbook, Company Filings, as of 08/31/2026.

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										
Gen	5.1x	10.5x	8%	49%	57%	83%	$5,091	$2,494	3%	$26,211
Akamai	4.9x	11.5x	5%	42%	47%	73%	$4,399	$1,860	36%	$21,429
F5	6.6x	18.4x	4%	36%	39%	84%	$3,187	$1,137	26%	$20,971
CHECK POINT	4.8x	11.6x	6%	41%	47%	88%	$2,889	$1,188	(28%)	$13,818
Qualys	8.5x	18.7x	8%	45%	53%	84%	$718	$326	38%	$6,098
tenable	4.0x	16.2x	8%	25%	32%	82%	$1,065	$263	22%	$4,268
radware	1.3x	7.1x	1%	19%	20%	74%	$866	$163	(36%)	$1,155
RAPID7	3.1x	21.9x	7%	14%	22%	82%	$322	$46	13%	$1,013
Mitek	4.1x	14.4x	6%	28%	34%	84%	$195	$56	85%	$803
OneSpan	3.3x	9.5x	3%	35%	37%	84%	$175	$61	23%	$581
F-Secure	2.4x	7.7x	2%	31%	33%	74%	$245	$75	9%	$579
Median	**4.1x**	**11.6x**	**6%**	**35%**	**37%**	**83%**	**$866**	**$263**	**22%**	**$4,268**
Mean	**4.4x**	**13.4x**	**5%**	**33%**	**38%**	**81%**	**$1,741**	**$697**	**17%**	**$8,811**

Source: Pitchbook, Company Filings, as of 08/31/2026.

VI. 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

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

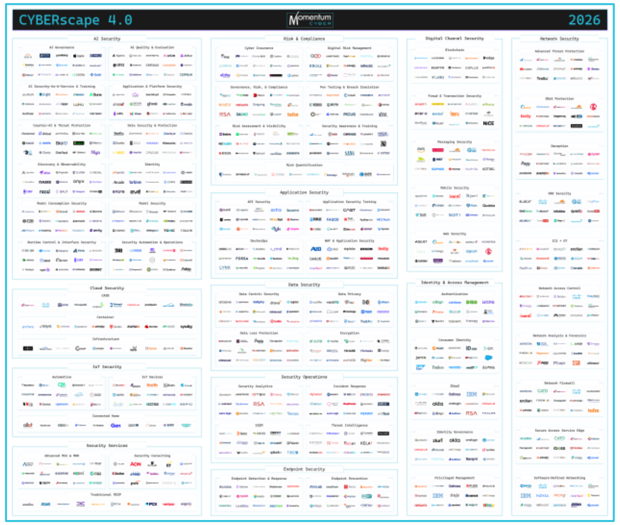
41
Capital raises ≥ $50M

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

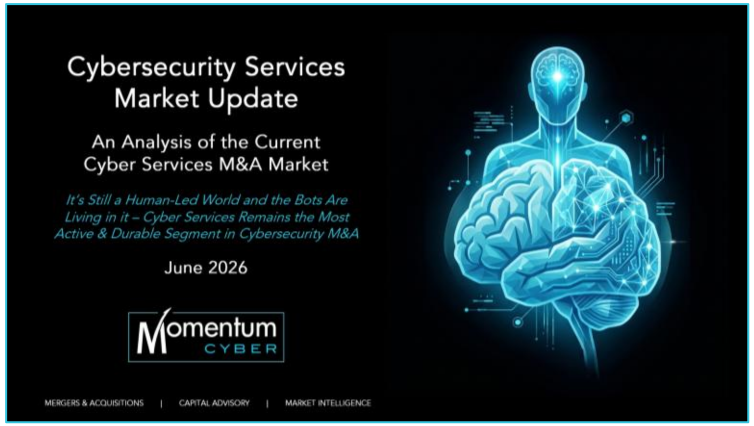
2022
Median founding year for companies in the AIxCYBERscape

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

AVIATRIX

The New Physics Of Cyber

Eric McAlpine joins Aviatrix's Doug Merritt on Cyber Capital Markets

Summary: Momentum Cyber Founder & CEO Eric McAlpine joined Doug Merritt, Chairman & CEO of Aviatrix, on the In Progress podcast for a deep dive into cybersecurity's capital markets. McAlpine walked through why deal count — not headline value — is the truest signal of market health, why strategics now dominate M&A, and why AI security has become the fastest category cycle Momentum Cyber has ever tracked, moving from financing to M&A in under two years.

By The Numbers…

219	86%	29
H1 '26 M&A deals, annualizing to 10%+ last year's pace	*Share of 2026 M&A volume driven by strategic acquirers*	*AI security M&A deals YTD 2026, up from just 10 all of last year*

"

Follow the people and follow the money… If you think about probably one of the most complicated ecosystems out there, it has to be cybersecurity

"

- Eric McAlpine, Founder & CEO, Momentum Cyber

Momentum RESEARCH

IN PROGRESS by Aviatrix

Press Feature: McAlpine outlined the market's shift from detection to prevention, the rise of AI security as Momentum Cyber's fastest-ever category cycle, and his framework for spotting where the next wave of dealmaking lands: "follow the people and follow the money."

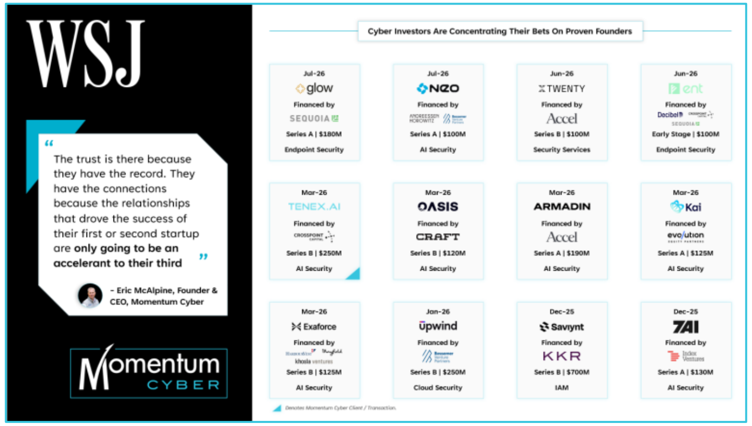
MC In The Media

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.

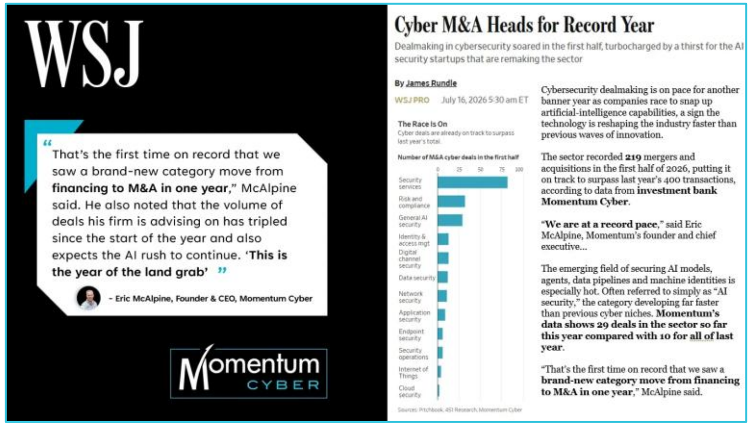
MC In The Media

Key insights shaping Cybersecurity M&A

WSJ

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

0 25 50 75 100

Security services
Risk and compliance
General AI security
Identity & access mgt
Digital channel security
Data security
Network security
Application security
Endpoint security
Security operations
Internet of Things
Cloud security

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	400+	219
AI security deals, FY '25 vs. H1 '26	*2026 M&A activity annualized*	*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.

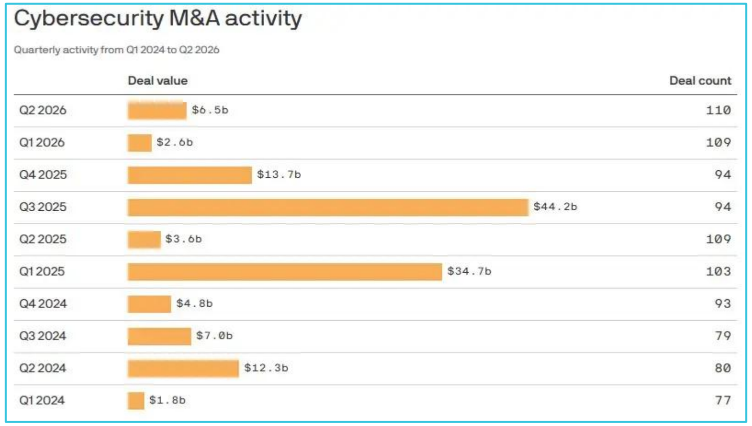
MC In The Media

Key insights shaping Cybersecurity M&A

AXIOS

More Deals, Fewer Dollars

Axios Pro Cites Momentum's H1 2026 market data



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.

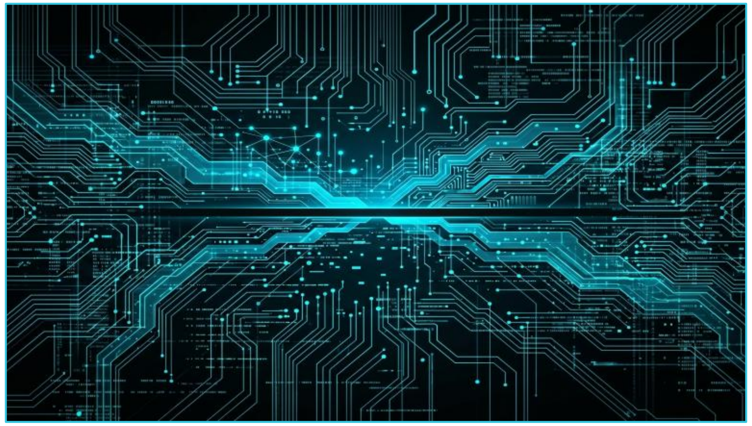
MC In The Media

Key insights shaping Cybersecurity M&A

DARK READING

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

Momentum RESEARCH

DARK READING

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
Total Cyber investments (2025)

820
Financing deals in 2025

400
M&A deals in 2025

144
AI Security startup transactions (2025)

137
Risk & Compliance deals in 2025

38
January ’26 M&A Deals

Momentum RESEARCH

DARK READING

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

MC’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 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 — Momentum Cyber
Founder & CEO, Momentum Cyber

Doug Merritt — AVIATRIX
Chairman & CEO, Aviatrix

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

Greg Genung — SNOWFIRE
CEO & Founder, Snowfire.AI

Creighton Hicks — LiveOak Ventures
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 (August 2026)

Date	Target	Company Type	Acquirer	Acquirer Type	EV ($M)	LTM Revenue ($M)	EV / LTM Revenue
Aug-26	Minimus	Cloud Security	Echo	Strategic	ND	ND	ND
Aug-26	CyberIAM	Identity & Access Management	Integrity360	PE-Backed Strategic	ND	ND	ND
Aug-26	Fravity	Digital Channel Security	Socure	PE-Backed Strategic	ND	ND	ND
Aug-26	Trustpair	Digital Channel Security	Basware	PE-Backed Strategic	ND	ND	ND
Aug-26	SmarterD	Risk & Compliance	Ampcus	Strategic	ND	ND	ND
Aug-26	LoginRadius	Identity & Access Management	Volaris Group	Strategic	ND	ND	ND
Aug-26	MicroAge	Security Services	ScanSource	Strategic	$221	ND	ND
Aug-26	PlexTrac	Security Services	Brinqa	PE-Backed Strategic	ND	ND	ND
Aug-26	Radiant Security	AI Security	Cribl	Strategic	ND	$3	ND
Aug-26	Loyal IT	Security Services	Diatonic Healthcare	PE-Backed Strategic	ND	ND	ND
Aug-26	At-Bay	Risk & Compliance	Munich Re	Strategic	$575	ND	ND
Aug-26	Virtue AI	AI Security	Fortinet	Strategic	ND	ND	ND
Aug-26	Dencrypt	Digital Channel Security	Terma	PE-Backed Strategic	ND	ND	ND
Aug-26	Azure Access Technology	IoT	Dormakaba	Strategic	ND	ND	ND
Aug-26	CyberCatch	Risk & Compliance	Datavault AI	Strategic	$137	Conf.	Conf.
Aug-26	Arize	AI Security	Dynatrace	Strategic	$915	ND	ND
Aug-26	CyberPilot	Risk & Compliance	SEPPmail	PE-Backed Strategic	ND	ND	ND
Aug-26	Quantum.IQ	Data Security	Redwood AI	Strategic	ND	ND	ND
Aug-26	CodeSealer	Application Security	Promon	PE-Backed Strategic	ND	ND	ND
Aug-26	Logmanager	Security Operations	Guardsix	PE-Backed Strategic	ND	$6	ND
Aug-26	4Secure	Data Security	Elvirian	PE-Backed Strategic	ND	ND	ND
Aug-26	BD Emerson	Security Services	Andersen Group	Strategic	ND	ND	ND
Aug-26	FedTec	Security Services	Reply	Strategic	ND	ND	ND
Aug-26	BioCatch	Digital Channel Security	Visa	Strategic	$2,400	ND	ND

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

M&A Transaction List (August 2026)

Date	Target	Company Type	Acquirer	Acquirer Type	EV ($M)	LTM Revenue ($M)	EV / LTM Revenue
Aug-26	JetStream Software	Data Security	NetApp	Strategic	ND	ND	ND
Aug-26	RCC Business IT	Security Services	Image Solutions	Strategic	$2	$2	1.2x
Aug-26	pQCee	Data Security	Universal Digital	Strategic	ND	ND	ND
Aug-26	Milou	AI Security	Aikido Security	Strategic	ND	ND	ND
Aug-26	Enkrypt AI	AI Security	Anaconda	Strategic	ND	ND	ND
Aug-26	Qpoint Technologies	Security Services	Malam Team	Strategic	$9	ND	ND
Aug-26	PAGO Networks	Security Services	LG Uplus	Strategic	ND	ND	ND
Aug-26	Clarity	AI Security	Deel	Strategic	$45	ND	ND
Aug-26	GigaNetworks	Security Services	BlueAlly	PE-Backed Strategic	ND	ND	ND
Aug-26	NetWolves	Security Services	Coeo Solutions	PE-Backed Strategic	$15	ND	ND
Aug-26	Tenica Global Solutions	Security Services	McNally Capital	PE Platform	ND	ND	ND
Aug-26	Xamin	Security Services	Ascend Technologies	PE-Backed Strategic	ND	ND	ND
Aug-26	Grath	Risk & Compliance	AutoRek	PE-Backed Strategic	ND	ND	ND
Aug-26	Kevari	Digital Channel Security	Enformion	Strategic	ND	ND	ND

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

Financing Transaction List (August 2026)

Date	Target	Company Type	Deal Amount	Post Valuation	Funding Type
Aug-26	Socure	Digital Channel Security	$156	$5,200	Later Stage VC
Aug-26	Alice	AI Security	$140	$800	Later Stage VC
Aug-26	Yardstik	Identity & Access Management	$30	ND	Series B
Aug-26	Cybera	Digital Channel Security	$2	ND	Later Stage VC
Aug-26	LayerV	AI Security	$1	ND	Seed / Accelerator
Aug-26	Azonic	Security Operations	ND	ND	Seed / Accelerator
Aug-26	Kazimi	Digital Channel Security	$3	ND	Seed / Accelerator
Aug-26	BitVault	Digital Channel Security	$1	ND	Early Stage VC
Aug-26	Pillsang	Digital Channel Security	ND	ND	Seed / Accelerator
Aug-26	Velatir	AI Security	$6	$24	Seed / Accelerator
Aug-26	Beldex	Digital Channel Security	$8	ND	Later Stage VC
Aug-26	Loom Security	Network Security	$3	ND	Early Stage VC
Aug-26	QiAn Technology	Network Security	$15	ND	PE Growth/Expansion
Aug-26	Strike Graph	Risk & Compliance	$1	ND	Later Stage VC
Aug-26	Tophat Security	Application Security	ND	ND	Series A
Aug-26	Kyvvu	AI Security	$1	ND	Seed / Accelerator
Aug-26	Molt AI	AI Security	$1	ND	Seed / Accelerator
Aug-26	ProSentra	Security Services	$0	ND	Seed / Accelerator
Aug-26	Cytix	Application Security	$7	$29	Series A
Aug-26	Neuromorphic Labs	AI Security	$5	$20	Seed / Accelerator
Aug-26	Mindgard	AI Security	$30	ND	Series A
Aug-26	AlpacaX	AI Security	$0	ND	Early Stage VC
Aug-26	Xeris Technologies	Digital Channel Security	$0	ND	Seed / Accelerator
Aug-26	Corma	AI Security	$60	ND	Seed / Accelerator

Source: Pitchbook, Momentum Cyber proprietary transaction database.

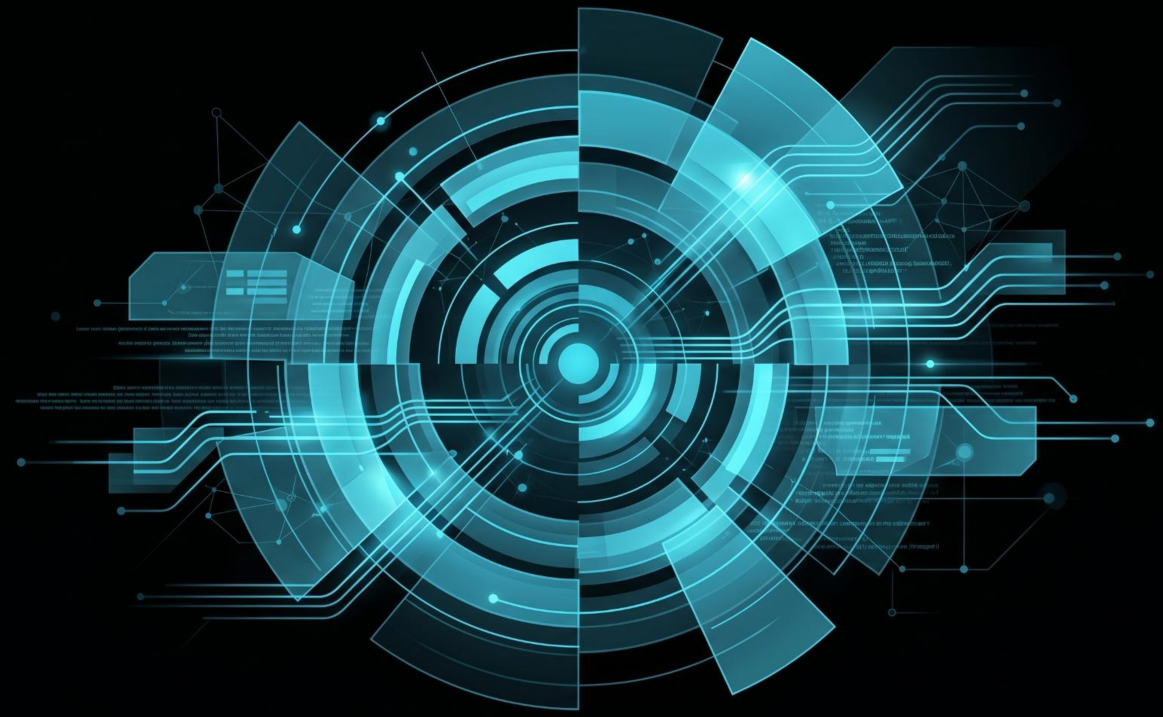
Financing Transaction List (August 2026)

Date	Target	Company Type	Deal Amount	Post Valuation	Funding Type
Aug-26	EmulateAI	AI Security	$0	ND	Seed / Accelerator
Aug-26	Information Security Media Group	Risk & Compliance	ND	ND	PE Growth/Expansion
Aug-26	Obsidian	AI Security	$85	$1,100	Series D
Aug-26	PurpleRain	Network Security	$4	$57	Seed / Accelerator
Aug-26	Oligo Security	Application Security	$60	ND	Early Stage VC
Aug-26	InnerActiv	Data Security	$3	ND	Later Stage VC
Aug-26	Above Security	AI Security	ND	ND	Series A
Aug-26	Horizon3	Risk & Compliance	$250	$2,000	Series E
Aug-26	Zenity	AI Security	$125	ND	Series C
Aug-26	Actualyze AI	AI Security	$7	ND	Seed / Accelerator
Aug-26	Origin	AI Security	$3	ND	Seed / Accelerator
Aug-26	Jericho Security	AI Security	ND	ND	Later Stage VC
Aug-26	Arrakis	AI Security	$8	ND	Seed / Accelerator
Aug-26	X-Biz Techventures	AI Security	ND	ND	Seed / Accelerator
Aug-26	Artifact Lens	AI Security	ND	ND	Early Stage VC
Aug-26	DTWO	AI Security	ND	ND	Early Stage VC
Aug-26	Glosori	Digital Channel Security	ND	ND	PE Growth/Expansion
Aug-26	Latent Defense	AI Security	ND	ND	Early Stage VC
Aug-26	Stealthium	AI Security	ND	ND	Series A
Aug-26	VerifyYou	Digital Channel Security	ND	ND	Seed / Accelerator
Aug-26	Xcidic	Security Services	ND	ND	Later Stage VC

Source: Pitchbook, Momentum Cyber proprietary transaction database.

Cybersecurity Monthly Market Review

August Cybersecurity M&A and Capital Markets Report



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