
CROWDSTRIKE®
Endpoint + Zero Trust Security Platform
Connected. Intelligent. Protective.
ENDPOINT THREAT DETECTION
FALCON TELEMETRY
ZERO TRUST ACCESS
SECURE CLOUD TRAFFIC
RISK LOW
ZSCALER®
SASE, Zero Trust Access & Cloud Security
Momentum CYBER
Illustrative Visualization

Executive Summary

Momentum Cyber views CrowdStrike's announced **$43.9B acquisition of Zscaler as a defining moment in cybersecurity platform consolidation**. CrowdStrike already owns a leading endpoint and threat-detection platform; Zscaler brings Zero Trust access, SASE, and cloud security. Together, they would form a **$10B+ ARR business** spanning how enterprises detect threats and control access to applications and data. This is not simply a move to chase Palo Alto Networks. It is a decision to **acquire an entirely complementary set of security control points** rather than spend years building them organically.

The strategic fit is compelling, but the combination must still earn its scale. The companies already collaborate and share more than 2,000 customers, giving CrowdStrike a head start on integration. Roughly 8,000 Zscaler-only customers add a significant cross-selling opportunity. Yet a 34% offer premium, two sizable product architectures, and greater vendor concentration raise the stakes. **This deal succeeds only if the two platforms deliver better security outcomes and a simpler operating model, not just a larger portfolio.**

The Central Risks

Concentration Without Integration

Can CrowdStrike turn two strong platforms into one coordinated security architecture without creating customer dependency, product disruption, or regulatory friction?

01 The Strategic Thesis

Buy The Control Points
Don't Rebuild Them

Zscaler extends Falcon beyond endpoint protection into **Zero Trust access and policy enforcement,** closing a major platform gap without recreating the stack organically

02 The Economic Thesis

A Powerful Cross-Sell Engine
If Execution Delivers

More than **2,000 shared accounts** and 8,000 Zscaler-only customers support the targeted **$1B in annualized revenue synergies** within 30 months of closing

Four Industry Implications

Endpoint Meets Zero Trust

Falcon's threat intelligence can inform access decisions, while Zscaler extends enforcement beyond the device to **users, applications, data, and AI agents**

A New Budget Consolidator

One supplier covering endpoint, threat detection, access, and cloud security could **replace multiple contracts** and capture a larger share of CISO budgets

Not Simply Chasing PANW

Zscaler complements CrowdStrike's strengths through **Zero Trust and SASE**, rather than replicating Palo Alto's firewall-led architecture

The Next Wave of M&A

Competitors may acquire specialists across **identity, data, and AI security** to close portfolio gaps as the platform leaders consolidate

CROWDSTRIKE / zscaler : A $43.9B Acquisition To Unite Endpoint & Zero Trust

An All-Stock Combination At 11.3x Zscaler ARR, Creating A $10B+ Recurring-Revenue Cybersecurity Platform

01 Deal Snapshot

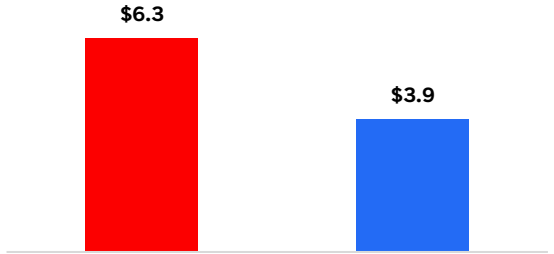
THE LARGEST CYBER M&A DEAL EVER ANNOUNCED
A $43.9B All-Stock Deal

Item	Detail
Announcement	November 23, 2026
Acquirer	CROWDSTRIKE
Target	zscaler
Structure	100% All-Stock Acquisition
Enterprise Value	$43.9B, or $260.41 per ZS share
Exchange Ratio	1.135 CRWD Shares / ZS Share
Offer Premium	34% vs. Nov. 20 Close
Ownership	84.1% CRWD / 15.9% ZS
Expected Close	H2 CrowdStrike FY 2028
Zscaler Leadership	Jay Chaudhry Retained

02 Combined Scale

TWO CLOUD-NATIVE CATEGORY LEADERS
$10B+ Combined ARR

Latest Reported ARR ($B) | Oct. 31, 2026



$10.14B Combined ARR

Distribution & Security Data

- 2,000+ Shared Customers | 16 Integrations
- 8,000+ Zscaler-Only Customers
- 750B+ Zscaler Transactions Daily
- Adds Category Leader In Network Security And Zero-Trust

03 Valuation & Synergies

PAYING FOR STRATEGIC PLATFORM SCALE
Not Just Stand-Alone Revenue

CrowdStrike is acquiring a scaled Zero Trust Platform, new distribution, a complementary security enforcement layer, and security capabilities that complement Falcon

Metric	Read
Offer Premium	34%
CY29 Incremental TAM[1]	$185B+
EV / Current ARR	11.3x
Transaction Value	$43.9B

$1.0B
Revenue Synergies
Within 30 Months[1]

$500M
Cost Synergies
Within 18-24 Months[1]

Management expects immediate FCF-per-share accretion before synergies[1]

Source: CrowdStrike / Zscaler Transaction Announcement (Nov. 23, 2026); CrowdStrike Q3 FY2027 Results; Zscaler Q1 FY2027 Results; Momentum Cyber Analysis. (1) Management Expectations.

The Why

CrowdStrike Is Buying The Network Enforcement Layer To Connect Falcon's Endpoint Intelligence With Every User, App & AI Agent

01 The Falcon Gap

FALCON SEES THE ACTOR
The Exchange Secures The Connection

CROWDSTRIKE Brings	zscaler Adds
Endpoint & Workload Threat Prevention	**Zero Trust Exchange Inline Enforcement**
Identity & Cloud Security Context	**ZIA / ZPA / Branch & Cloud Security**
Threat Intel & Next-Gen SIEM	**User, Agent & App Access Policy**
AI Agent Runtime Visibility & Signals	**Network Traffic & Data Inspection**

The Gap: **Falcon protects what runs; Zscaler adds direct control over what users, devices, and agents can reach**

02 Strategic Rationale

FROM ALLIANCE TO OWNERSHIP
Integrate Detection, Policy & Response

A — One Security Data Layer
Bring Falcon telemetry and 750B+ daily Zscaler transactions into a more complete security data set

B — AI Safety At Both Control Points
Agents run on devices, travel across the network and access cloud models; policy must act at both points

C — Unify Beyond Existing Integrations
2,000+ joint customers and 16 integrations prove alignment; ownership unifies the product roadmap

D — One Commercial Motion
Falcon Flex would make the combined suite easier to buy, deploy, and expand through one contract

Strategic Wedge: **Connect endpoint detection with inline network enforcement to coordinate response**

03 The Platform Build

THE POST-CLOSE VISION
One Platform | One Data Layer | One Flex Contract

FALCON SENSOR
Device • Workload Identity • Cloud

ZERO TRUST
User • Agent • App Connections

FALCON NEXT-GEN SIEM + SAFEMIND
Unified Telemetry, Detection, and Response

COORDINATED SECURITY ENFORCEMENT
One Detection → One Decision → One Response

FALCON FLEX | ONE CONTRACT

Why Buy Instead Of Build?: **Move beyond 16 product integrations to one data layer, roadmap, and commercial model**

Source: CrowdStrike / Zscaler Acquisition Announcement and Joint Investor Presentation (Nov. 23, 2026); Momentum Cyber Analysis. Post-closing integration benefits represent management expectations.

The Read

A Transformative Platform Acquisition At A Full Price; The Strategic Fit Is Clear, But The Economics Still Need To Be Earned

01 Market Read

THE PLATFORM ARMS RACE ACCELERATES
Acquiring Control Points Is Replacing Organic Expansion

A

Platform Consolidation Accelerates

CrowdStrike is buying an entirely complementary enforcement layer rather than replicating Palo Alto's firewall-led architecture. Endpoint detection and Zero Trust access are increasingly converging into a broader security platform

B

Scale Creates Competitive Pressure

Consolidating security budgets under fewer vendors strengthens large platforms, but increases concentration risk. Palo Alto, Netskope, Cato and Check Point could benefit from customers seeking independent alternatives

C

Mega-Deals Create Downstream M&A

Wiz, CyberArk and now Zscaler demonstrate the scale of platform consolidation. Competitors will increasingly look to acquire specialists across identity, data and AI security to close capability gaps

02 Financial Read

A FULL PRICE FOR STRATEGIC CONTROL
Cross-Sell And Operating Leverage Must Justify The Premium

$43.9B
Enterprise Value

11.3x
Current ARR Multiple

$1.0B
Annualized Revenue Synergies

$500M
Annualized Cost Synergies Within 18-24 Months

The all-stock structure preserves CRWD's cash while giving ZS shareholders exposure to the combined platform. The exchange ratio also leaves the transaction's value exposed to CRWD's share price

CrowdStrike is buying long-term growth and strategic control, not near-term earnings. The premium must be earned through sustained ARR growth, measurable cross-sell and margin expansion

03 Execution Watchlist

JUDGING THE COMBINATION
Four Tests Of Integration, Growth And Customer Trust

I.

Product & Data Integration

Can CrowdStrike unify endpoint and network telemetry into one actionable security data layer, or will the businesses remain separate products connected by integrations?

II.

Cross-Sell & Retention

Can Falcon Flex convert ~8,000 Zscaler-only accounts into broader platform customers while maintaining strong retention across both businesses?

III.

Network Security & Customer Trust

Can the combined platform expand its SASE and Zero Trust footprint without overstating firewall replacement capabilities or creating customer concentration concerns?

IV.

Regulatory Approval & Synergy Delivery

Does the deal clear regulatory scrutiny on schedule, and can management realize the projected revenue and cost synergies without disrupting growth?

Integration stalls, customer retention weakens, regulatory delays mount, or projected synergies fail to translate into sustainable growth and cash flow

Source: CrowdStrike / Zscaler Acquisition Announcement and Investor Presentation (Nov. 23, 2026); Reuters; WSJ; Public Industry Commentary; Momentum Cyber Analysis. Synergies represent management projections.

Tuck-In M&A Helped Build Both Platforms

Selected CrowdStrike and Zscaler Acquisitions Since 2018

CROWDSTRIKE

- **2020**
  - preempt $96M | Identity Threat Detection & Response
- **2021**
  - humio $400M | Logging
  - SecureCircle $61M | DLP
- **2022**
  - Reposify $19M | External Attack Surface Management
  - BIONIC $350M | Application Security Posture Management
- **2023**
  - FLOW. $115M | DSPM
  - ADAPTIVE SHIELD $200M | SSPM
- **2024**
  - pangea $260M | AI Runtime
  - onum $253M | SIEM
- **2025**
  - sgnl $740M | IAM
  - seraphic $420M | Web Sec
- **2026**
  - XM Cyber ND | Exposure Mgmt.
  - dreadnode $95M | Red Teaming
  - fiddler $400M | Observability
  - zscaler $43.9B

zscaler

- **2018**
  - TrustPath $15M | AI Threat Detection
- **2019**
  - Appsulate $13M | Browser Security
- **2020**
  - cloudneeti $9M | CSPM
  - EDGEWISE $33M | Cloud Infra.
- **2021**
  - Trustdome $31M | CIEM
  - SMOKESCREEN $12M | Deception
- **2022**
  - ShiftRight ND | IR Automation
- **2023**
  - CANONIC $16M | SaaS Supply Chain Security
- **2024**
  - Avalor $350M | Exposure Mgmt.
  - AIRGAP $124M | Microseg
- **2025**
  - redcanary $675M | MDR
  - splx $41M | AI Red Teaming
- **2026**
  - SquareX $113M | Browser Sec
  - SYMMETRY $153M | DSPM

Source: Company Materials, Momentum Cyber Proprietary Transaction Database, Momentum Cyber Analysis.

Momentum CYBER

HEADQUARTERS

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