



Artificial Intelligence

M&A Update and Industry Snapshot

Q3 and YTD 2025

October 6, 2025



Who We Are?

Formed in 2009, Solganick & Co. is a data-driven **investment bank** and **mergers and acquisitions (M&A) advisory firm** focused exclusively on the **Software** and **IT Services** sectors.

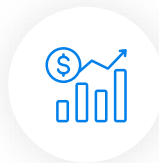


We advise buyers and sellers of technology companies on M&A and operational strategies to execute transactions that maximize shareholder value.

Our M&A transactions have the following characteristics:



Deal Size Range:
\$20M to \$250M+



Revenues:
\$10M to \$250M+



Client Ownership:
75% founder-led;
private; 25% PE/VC-
backed



EBITDA:
\$2M to \$25M+

Offices located in **Dallas** and **Los Angeles**

Our Industry Expertise

Industry Expertise & Proprietary Access to Active Buyers and Sellers

Sub-sectors Include:

- Artificial Intelligence
- Application Partners
- Cloud Computing
- Cybersecurity
- Data Analytics
- Digital Transformation
- Edge Computing
- Education, Learning and Training, and HR Tech
- Fintech
- Governance, Risk, and Compliance
- Healthcare IT
- IT Consulting and Managed Services Providers
- Software Development and Engineering

IT Services



Artificial Intelligence and Data Analytics Consulting



Industry Vertical IT Consulting and MSPs



Application Partners, Cloud, Cybersecurity, Software Development, Digital Transformation



Managed Service Providers (MSPs and MSSPs), Managed Print Services, IT Staffing/Services

Software



Artificial Intelligence and Data Analytics



Cybersecurity




























Fintech, Healthcare IT, Edtech, HRtech, GRC



Cloud, Edge Computing, Machine Learning, IoT, Embedded Systems

Select M&A Transaction Experience

Technology Services  has been acquired by ACCORDION	AI, Cloud, Data NEXTIRA has been acquired by accenture	Cloud, Data  has merged with 66degrees backed by 	Data Analytics  has been acquired by Atos	Technology Services  has been acquired by Undisclosed Buyer
Technology Services  has merged with DataStorage CORPORATION	AI, Data  has been recapitalized by 	Technology Services  has been acquired by 	Technology Services  has been acquired by  backed by 	Edtech Software  has been recapitalized by 
AI  has been acquired by 	Technology Services  has been acquired by  backed by 	Data Analytics  has been acquired by WIPFLI	Cybersecurity  has been acquired by  <small>*Transaction completed at another investment bank</small>	Cybersecurity  has been acquired by eSENTIRE backed by  <small>*Transaction completed at another investment bank</small>

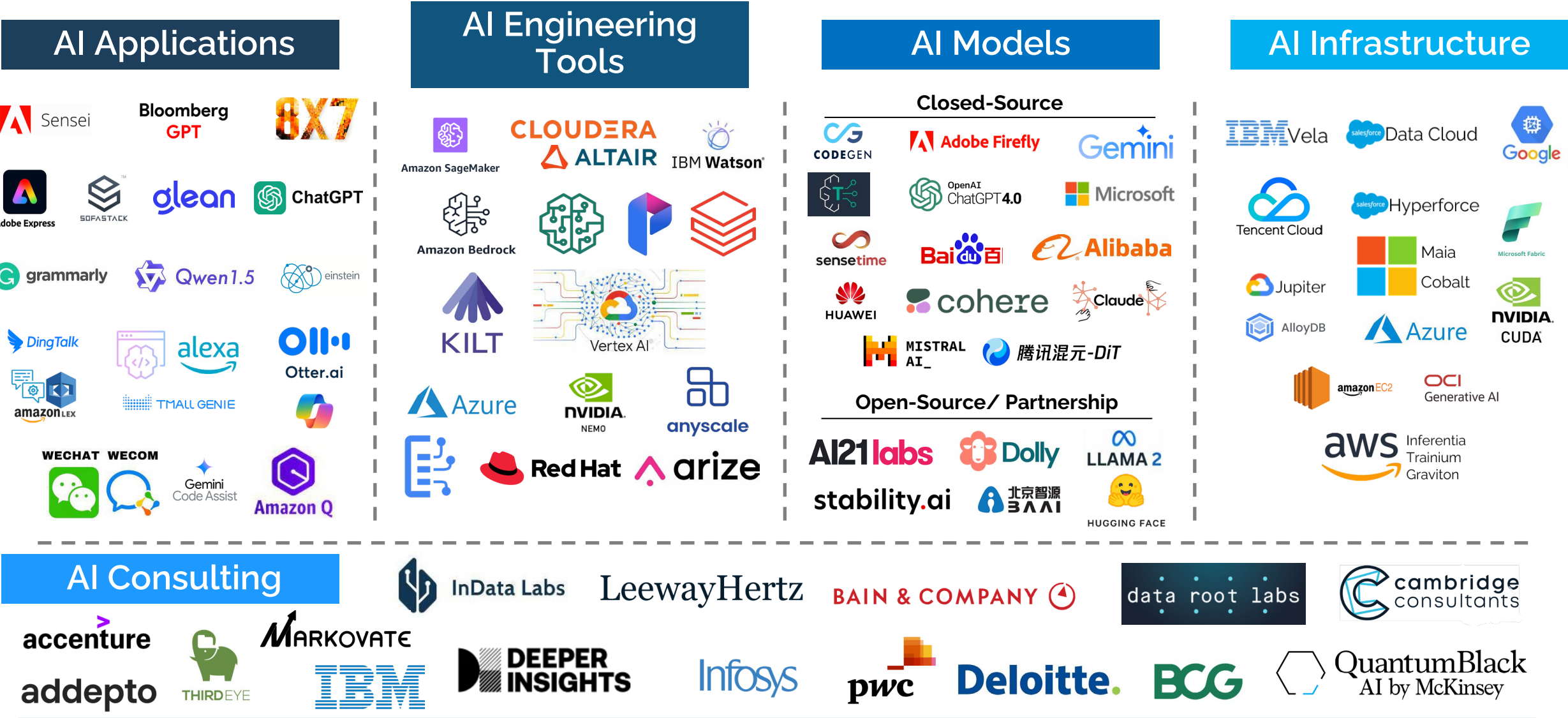
Highlighted Transaction: *Nextira*

Solganick Advises Nextira in its Sale to Accenture

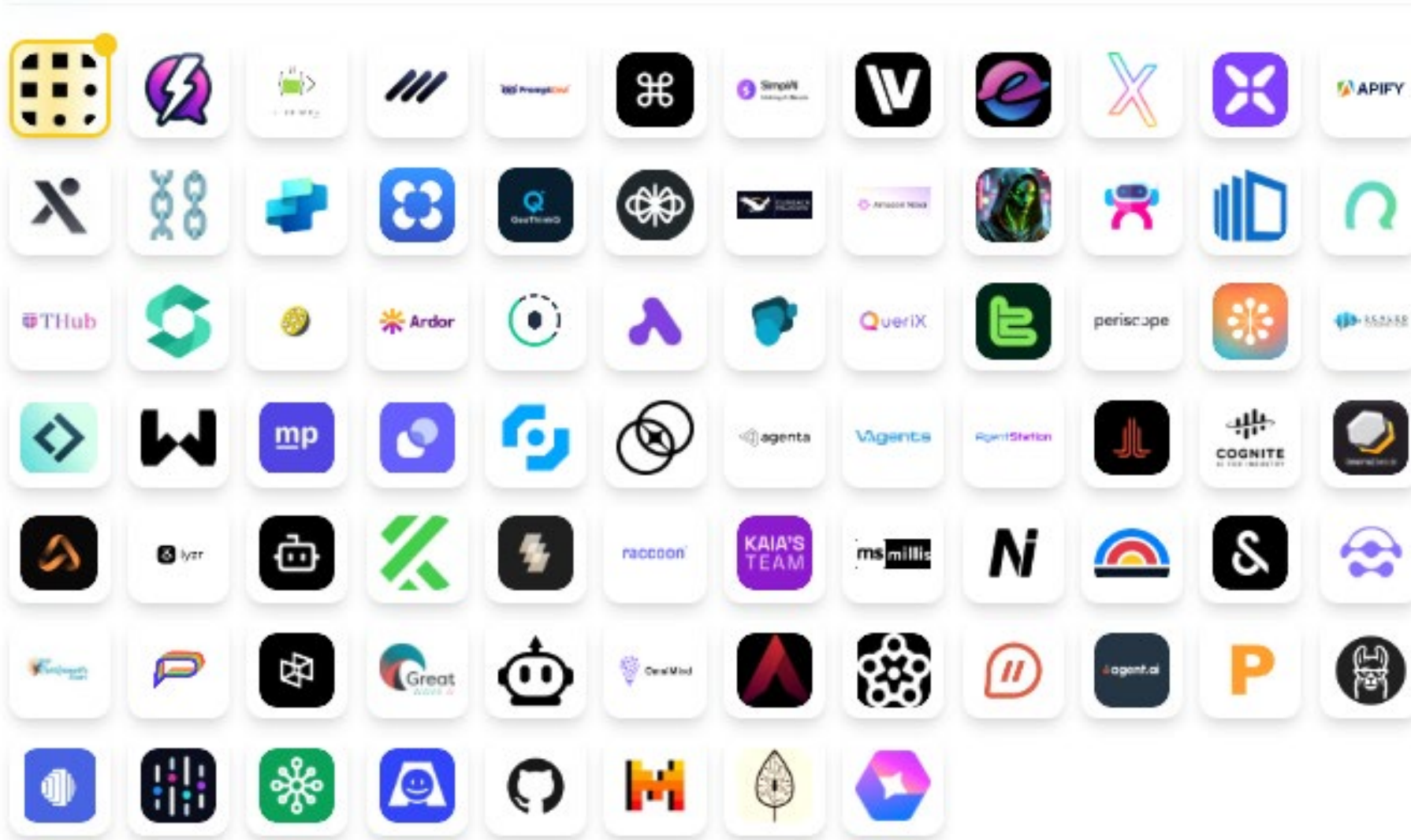
- Nextira, an AWS Premier Partner headquartered in Austin, TX, uses AWS to deliver cloud-native innovation, artificial intelligence, predictive analytics, and immersive experiences for their clients.
- Because of Solganick & Co.'s deep experience within technology services, including the buyer universe, valuation drivers, and overall M&A environment, Solganick & Co. was engaged to run a highly targeted, efficient and competitive M&A process.
- The Solganick team worked closely with Nextira management to attractively position the business and ultimately receive several attractive offers exceeding initial valuation expectations.
- Solganick & Co. supported the entire M&A process, including the client's initial selection of Accenture as well as successful transaction negotiations.
- The transaction was completed in June 2023.

AI, Cloud, Data NEXTIRA has been acquired by accenture	Artificial Intelligence
	Cloud Computing
	Data & Analytics

Industry Landscape by Artificial Intelligence Stack Layer



Industry Landscape: AI Agents



171 Total Agents
19 Free Agents
30 Open Source

AI Agents in this list include:

- Agentverse
- Alloy
- Chatvolt
- Code Brew Labs
- Beam AI
- PromptOwl
- Langbase
- SimplAI
- Vessium
- Epsilla
- aiXplain
- Xpander AI
- Apify Store
- NexusGPT
- Langflow
- Microsoft Copilot Studio
- Amazon Nova Act

Artificial Intelligence Industry Update – YTD and Q3 2025


- The artificial intelligence market is projected to reach **\$758 billion in 2025**, with an annual growth rate of **27.7%** expected through 2030.
- The first half of 2025 has continued the robust investment, acquisition, and adoption momentum from the prior year, driven by enterprise demand for agentic AI, multi-modal models, and specialized reasoning solutions. Acquisition interest remains high among large tech, SaaS vendors, and strategic buyers seeking to incorporate AI-powered processes into their platforms.

Key Trends in the AI Market

- **Agentic AI:** Autonomous software agents now orchestrate workflows, collaborate, and execute work beyond simple chatbot functions—a strategy heavily promoted by large vendors such as OpenAI, Microsoft, and Google.
- **Multi-Modality:** AI systems increasingly assimilate data from various sources (text, audio, video), broadening their enterprise and consumer use cases.
- **Enterprise Adoption:** AI-enabled tools for process automation, compliance, security, and personalization are prime targets for M&A, fueling industry consolidation and valuation growth.

Technology Spotlight: AI Agents

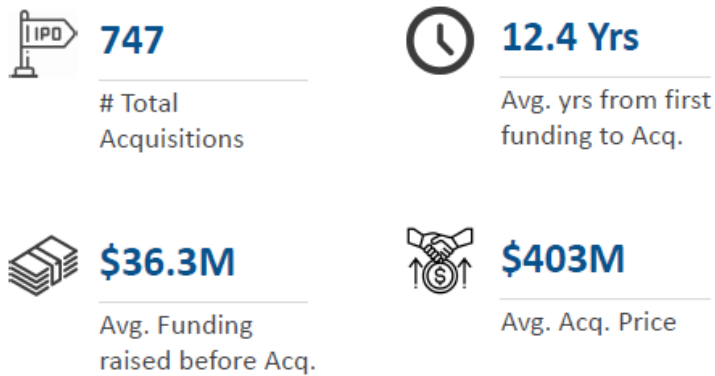
Agentic AI is intelligent enough to independently develop reliable approaches to real-world action as humans do. Where robots execute preprogramming step-wise in response to external *triggers*, AI agents develop their "ruleset" in real-time by processing environmental *percept* data, leading to context-appropriate actions that would be otherwise unfeasible to automate. AI agents can bridge the "agency gap" between human-like responsiveness and that of today's chatbots or LLM-based assistants, as the below graphic from Gartner illustrates.



Business leaders are excited by the potential of AI agents to actualize the promise of an AI "productivity revolution", as the technology moves from information to execution applications. Sample vendors of agentic AI include **AWS Bedrock, Cognigy, OneReach AI, Google Vertex, and Superface.**

AI M&A Activity Stats – YTD 2025

Key Stats



AI M&A Market Trends, YTD 2025

Global M&A hits \$2.6 trillion, boosted by AI and quest for growth.

- Big Tech firms including Microsoft, Alphabet, Amazon, and Meta, have amplified spending on AI infrastructure and incorporated strategic M&A, with combined capital expenditures projected to hit **\$320 billion in 2025**.
- Notable transactions in AI M&A include vertical integration moves (e.g., acquisition of core infrastructure and leading platforms) and the acquisition of startups specializing in AI workflow enhancement and system autonomy.
- The strongest category in AI for M&A transactions announced in 2025 is the "Software & Services" segment, with particular emphasis on applied AI, agentic AI (autonomous agents), and AI development infrastructure. This focus reflects not only record investment volumes from both traditional strategics and Big Tech but also a **major shift in buyers seeking integration of AI directly into enterprise workflows instead of just foundational large language models**.
- **Applied AI**—AI embedded directly into tangible business solutions, such as healthcare, financial technology, and manufacturing—has seen a **47%** year-over-year rise in investments.
- **Agentic AI**, or systems that can autonomously execute workflows and decision-making, is emerging as a prominent frontier, drawing substantial capital and acquisition interest from major technology companies.
- There is renewed activity in acqui-hiring, especially for high-demand AI talent, alongside a rising trend of acquiring mature startups with proven enterprise adoption.
- Solganick continues to see increased M&A demand for companies that are AI-enabled, including software, cybersecurity, and consulting services companies.

October 2, 2025 - OpenAI has finalized a secondary share sale totaling \$6.6 billion, allowing current and former employees to sell stock at a record \$500 billion valuation, according to CNBC and Bloomberg. Bloomberg was first to report that the deal had closed.

CNBC reported in August that OpenAI was looking to conduct a secondary share sale at a valuation of \$500 billion, with investors including Thrive Capital, SoftBank, Dragoneer Investment Group, Abu Dhabi's MGX, and T. Rowe Price.

In a statement to CNBC, MGX said it is "pleased to be a core partner to OpenAI" and looks forward to continuing to build on its "strong relationship as a significant investor across multiple funding rounds."

While OpenAI had authorized up to \$10.3 billion in shares for sale — an increase from the original \$6 billion target — only about two-thirds of that amount ultimately changed hands.

The share sale marks OpenAI's second major tender offer in less than a year, following a \$1.5 billion deal with SoftBank in November.

This latest transaction cements OpenAI's status as the world's most valuable privately held company, surpassing SpaceX's valuation of \$456 billion.

Top AI M&A Transactions, Q1-Q3 2025

1. **Alphabet (Google)** acquired **Wiz** (Cloud Security/AI) for **\$32 billion**, one of the largest AI deals to date, strengthening Google Cloud's cybersecurity and generative AI footprint. Deal announced March 2025.
2. **Meta** acquired 49% of **Scale AI** for **\$14.8 billion**, taking a strategic stake to capture data labeling infrastructure and large-scale LLM evaluation talent. Deal announced June 2025.
3. **CoreWeave** acquired **Core Scientific** for **\$9 billion**, greatly expanding AI computing infrastructure capacity and highlighting the pivot from crypto to AI data center workloads. Deal announced July 2025.
4. **ServiceNow** acquired **Moveworks** for **\$2.85 billion** (cash and stock), bringing advanced enterprise AI assistants and automation into its workflow and IT service platform. Deal announced March 2025.
5. **OpenAI** acquired **io** (Jony Ive's AI hardware startup) for **\$6.5 billion**, enhancing OpenAI's potential to deliver proprietary AI hardware as inference and model demands surge. Deal announced May 2025.
6. **OpenAI** acquired **Windsurf** for an estimated **\$3 billion**, an AI operations and deployment platform, for an undisclosed sum, adding specialized AI infrastructure capabilities to its stack. Deal announced May 2025.
7. **IBM** acquired **Seek AI** (verticalized data agents) for an undisclosed sum, focusing on fueling watsonx and regulated industry AI expansion. Deal announced June 2025.
8. **Workday** acquired **Sanalabs** for **\$1.1 billion** which adds an AI interfaced collaborative learning and knowledge management platform for enterprises. Deal announced September 2025.
9. **Accenture** acquired **Orlade Group** (AI/data-driven project consulting), part of an ongoing push to lead in AI-driven transformation for industrial and energy sectors. Deal announced September 2025.
10. **OpenAI** acquired **Statsig** for **\$1.1 billion** (all stock) to acquire the product testing and experimentation platform, which will also bring Statsig's CEO to OpenAI as CTO of Applications. Deal announced September 2025.

Artificial Intelligence M&A Transactions, September 2025

Acquisition Date	Seller	Buyer	Acquisition Price (USD)	Sector	Seller Summary
Sept 30, 2025	Fine	HoneyBook		Application Development	AI vibe coding and rapid application development startup
Sept 29, 2025	Pieces Technologies	Smarter Technologies		Healthcare Tech	Healthcare clinical AI solution to unite inpatient documentation with revenue cycle intelligence
Sep 25, 2025	WEALTHAWK	Praxis Solutions		Investment Tech	Provider of an AI platform for wealth manager prospect identification
Sep 16, 2025	Lakera	Check Point Software		Cybersecurity	Developer of AI and SaaS-based observability platform for computer vision developers
Sep 16, 2025	Sanalabs	Workday	\$1.1B	Enterprise Search	AI interfaced collaborative learning and knowledge management platform for enterprises
Sep 11, 2025	Calypso	F5 Networks	\$180M	Machine Learning Platforms	Provider of AI based custom solutions
Sep 10, 2025	GenStaq	RevRag		Machine Learning Orchestration	Provider of a workflow orchestration platform for LLM-driven applications
Sep 09, 2025	VideoVerse	Minute Media		Video Creation Tools	Provider of AI-powered video editing and content creation and management solutions
Sep 09, 2025	Streamr	Magnite		Interactive Advertising	AI-powered platform for generating and launching video ads on streaming TV apps
Sep 08, 2025	Ignition	Klue		Marketing Tech, Product Management	Developer of product management software providing AI-driven competitive and customer insights
Sep 08, 2025	Alex	OpenAI		Application Development	Provider of application development solutions
Sept 8, 2025	Observe AI	SentinelOne		Data	Data streaming platform for AI-native telemetry pipeline management
Sep 04, 2025	Cycle	Atlassian		Enterprise Collaboration, Workflow Automation	Cloud-based workflow automation, data, feedback and project management suite solutions for enterprises
Sept 3, 2025	OpenPipe	CoreWeave		Generative AI, AI Infrastructure	Converting LLM prompts into models for product engineers
Sept 2, 2025	Statsig	OpenAI	\$1.1B	Software Testing and Data	Software experimentation company that helps organizations test features and leverage real-time data in their operations.

Artificial Intelligence M&A Transactions, August 2025

Acquisition Date	Seller	Buyer	Acquisition Price (USD)	Sector	Summary
Aug 28, 2025	Orby	Uniphore		RPA, Workflow Automation	Cloud-based workflow automation solutions for enterprises
Aug 27, 2025	ViSenze	Rezolve		Fashion Tech, Visual Search	AI-based visual search and recognition tools for e-tailers
Aug 27, 2025	Onum	CrowdStrike		Cybersecurity, AI Defense	Real-time telemetry pipeline management.
Aug 26, 2025	Tecton	Databricks		AI Infrastructure, Machine Learning Platforms	Provider of a platform for building machine learning models
Aug 26, 2025	Trag	Aikido		Application Development	AI Code Review for Effortless Development
Aug 25, 2025	MadKudu	HG Insights		Salesforce Automation, Lead Generation Platform	offering Sales Process engagement Solutions
Aug 22, 2025	PAIGE	Tempus	\$81.3M	Healthcare IT	Provider of an AI-enabled computational pathology and diagnostic tool for providers and researchers
Aug 22, 2025	Unbabel	TransPerfect		AI Infrastructure	Provider of an AI based translation platform
Aug 21, 2025	Atero	Crusoe		AI Infrastrucure, Software Computing Platforms	Developer of a unified memory platform for artificial intelligence workloads
Aug 20, 2025	Capitalise.ai	Kraken		Investment Tech, Fintech	AI-based trading automation solution for brokerage firms
Aug 19, 2025	AuthenticID	Incode		Cybersecurity	Provider of AI-powered identity verification and fraud prevention solutions
Aug 18, 2025	Beams	Comply365		Aviation Safety	Developer of artificial intelligence platform for aviation safety risk management
Aug 15, 2025	FlowiseAI	Workday		AI Infrastructure, Generative AI	Provider of no code LLM app builder
Aug 13, 2025	Emotion3D	indie	\$20M	Connected Vehicles, Safety and Security	3D depth sensing solutions for in-cabin intelligence & comfort
Aug 08, 2025	WaveForms	Meta		AI Infrastructure, Deep Learning Platforms	Developer of audio language models for real-time voice conversation
Aug 06, 2025	Invisible	Perplexity		AI Agent Infrastructure	Provider of artificial intelligence systems and process automation for enterprises
Aug 05, 2025	Prompt Security	SentinelOne		Cybersecurity	Platform for enterprise Generative AI security
Aug 05, 2025	Daedalean	Destinus	\$225M	Drones, Aerospace Tech, Self Driving Tech	Developer of airborne systems for flight autonomy
Aug 04, 2025	Deepomatic	IQGeo		AI Infrastructure, Fraud Detection	AI-based visual automation for field operation
Aug 04, 2025	Elerian	Connect		Big Data Analytics, Speech Analytics	Provider of an AI-based conversational solution for call centers

Artificial Intelligence M&A Transactions, July 2025

Acquisition Date	Seller	Buyer	Acquisition Price (USD)	Sector	Summary
Jul 31, 2025	Loris	Contentsquare		Salesforce Automation, Analytics	Platform offering conversational intelligence solutions
Jul 30, 2025	Craiyon	SoftwareONE	\$639.5M	Online Photos, Editing	AI-based text-to-image creation platform
Jul 28, 2025	Cognigy	NICE	\$955M	Salesforce Automation, Marketing Tech	Platform to develop conversational AI solutions
Jul 24, 2025	Triever	Mintlify		AI Infrastructure	Infrastructure for building AI search into applications
Jul 23, 2025	Genie	Doss		eCommerce, Inventory Management	Developer of inventory management software for Shopify-based businesses
Jul 23, 2025	Bee	Amazon		Wearable Technology	Provider of AI-based wearable device for various applications
Jul 15, 2025	Windsurf	Cognition		Application Development	Provider of AI-powered code editor enhancing developer productivity
Jul 14, 2025	AYES	Synapse ITS		Geographic Information Systems, Navigation	AI-based navigation assistant for visually impaired people
Jul 14, 2025	PlayAI	Meta		AI Infrastructure, Voice Generator	Provider of AI voice generator
Jul 10, 2025	Kraftful	Amplitude		Marketing Tech, Analytics	AI based product feedback analytics platform
Jul 08, 2025	Forwrd	Pendo		Predictive Analytics, No Code	AI based platform offering no code predictive analytics solutions
Jul 08, 2025	Airport.ai	15below		Chatbots	Virtual assistant for air travelers
Jul 03, 2025	Cipia	Harman International		Edge Computing, Driver Monitoring	Provider of computer vision-based driver and occupancy monitoring solution
Jul 01, 2025	Superhuman	Grammarly		Productivity Software, Email Management	Provider of an AI-powered email scheduling app
Jul 01, 2025	Nuclia	Progress		Application Development, APIs	Provider of RAG-as-a-Service platform, AI search, and generative AI solutions

Recent Major Acquisitions

- **iO** (\$6.5 billion): OpenAI's biggest acquisition to date, bringing Jony Ive, the former Apple designer, and his team to develop AI-powered hardware.
- **Statsig** (\$1.1 billion): An all-stock deal to acquire the product testing and experimentation platform, which will also bring Statsig's CEO to OpenAI as CTO of Applications.

Other Notable Acquisitions

- **Windsurf**: Acquired to enhance the developer ecosystem with advanced coding capabilities.
- **Rockset**: The acquisition of the database analytics provider boosted OpenAI's retrieval infrastructure.
- **Global Illumination**: This acquisition brought in a team with expertise in product building from their experience at Instagram.
- **Multi**: A New York-based startup focused on screen-sharing and collaboration tools.

Why These Acquisitions?

- **Hardware Expansion**: The acquisition of iO signals OpenAI's move into building AI-first hardware, not just software.
- **Enhanced Developer Tools**: Acquisitions like Windsurf and Statsig aim to provide superior tools for developers and improve product development processes.
- **Talent Acquisition**: Many acquisitions, such as iO and Statsig, also serve to bring in key talent and expertise, particularly from renowned figures like Jony Ive and Statsig's CEO.
- **Strategic Integration**: OpenAI aims to integrate the acquired companies' technologies to power its products and improve its infrastructure.

September 24, 2025 - Open AI and NVIDIA ink \$100B AI chip deal.

OpenAI and Nvidia have signed a letter of intent for a \$100B partnership that could reshape how AI systems are trained and deployed. The plan calls for at least 10 gigawatts of Nvidia hardware to support OpenAI's next-generation AI infrastructure, which will train and run future models aimed at superintelligence.

To support the rollout, Nvidia intends to invest up to \$100 billion in OpenAI as the systems are deployed. The first phase is scheduled to go live in the second half of 2026, powered by Nvidia's upcoming Vera Rubin platform.

<https://www.artificialintelligence-news.com/news/openai-and-nvidia-plan-100-b-chip-deal-for-ai-future/>

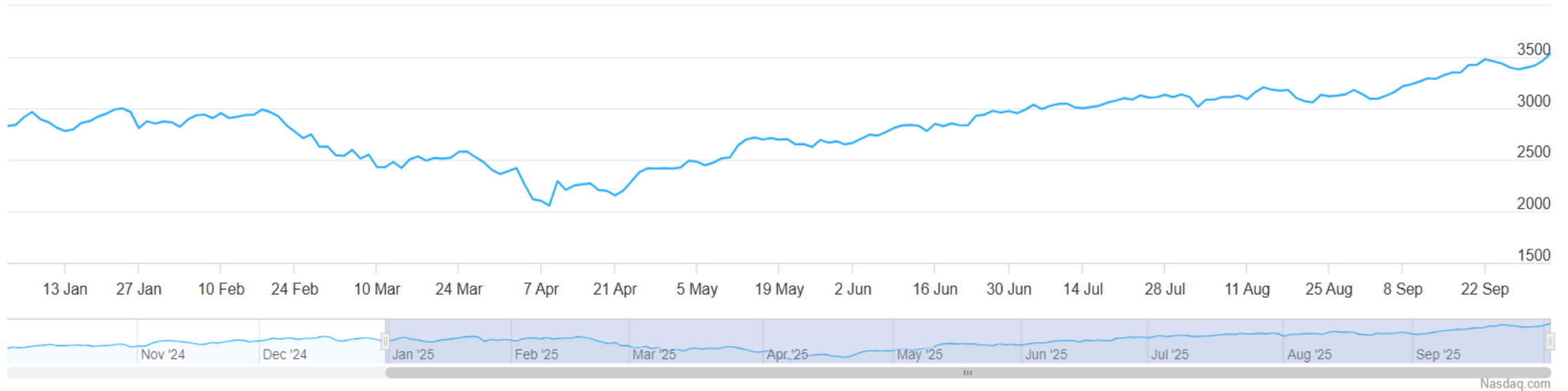
NASDAQ AI Index: NQINTEL has returned 24.9% YTD 2025

NQINTEL NASDAQ CTA ARTIFICIAL INTELLIGENCE INDEX
10/3/2025

1D 1M 3M 6M **YTD** 1Y 3Y 5Y 10Y ALL

YTD: +24.92% Return

INDEX COMPARISON RESET ↻



Nasdaq provides either actual historical index values or back-tested histories for certain indexes. All back-tested index values for periods prior to the launch date of an index are merely indicative, and they are provided "AS IS" for informational and educational purposes only... [See More](#)

Companies included: NVIDIA, Palantir, AMD, Advanced Micro Devices, Akamai Technologies, Google, Alibaba, Amazon, Apple, Broadcom, C3.AI, and others.

Top AI Company Valuations

- **OpenAI:** Valued at \$500 billion after a secondary share sale, making it the most valuable private startup in the world.
- **Nvidia:** Surpassed a \$4 trillion market capitalization in 2025, driven by its dominance in AI-focused chip production for data centers and enterprise applications.
- **Anthropic:** Reached a valuation of \$61.5 billion in March 2025, focusing on AI safety and large language models.
- **Databricks:** Valued around \$43 billion, known for its unified analytics and AI platform widely used for enterprise data and machine learning.
- **Scale AI:** Recognized as one of the most valuable AI startups, instrumental in data labeling and infrastructure for machine learning at large companies.

These valuations underscore the rapid growth and investor optimism in the AI sector, marking a historic period for both private and public AI leaders

Top Items to Value AI Companies

The most important items to value artificial intelligence (AI) companies typically include core financial, technical, and strategic metrics along with market positioning factors.

Key Financial Metrics

- Revenue growth rates, especially annual recurring revenue (ARR), are a strong indicator of business momentum.
- Gross margins, which reflect the scalability and efficiency of AI solutions.
- Customer acquisition cost (CAC) and customer lifetime value (LTV), to assess profitability per client.
- EBITDA and net income, indicating operational efficiency and bottom-line performance.
- Retention rates and churn, signaling customer satisfaction and stickiness.

Technical & Product Differentiators

- Uniqueness and defensibility of proprietary AI models or algorithms.
- Quality and amount of proprietary data, which can create a sustainable competitive advantage.
- Strength and maturity of the engineering team and leadership, which influences future innovation.
- Product roadmap and pace of new feature release, showing adaptability and commitment to innovation.

Market & Strategic Position

- Total addressable market (TAM) and sector trends to gauge long-term opportunity.
- Customer base quality, including flagship or enterprise adoption.
- Strategic partnerships and ecosystem integrations, which expand reach and stickiness.
- Regulatory environment and compliance readiness, especially in sensitive verticals.

Other Valuation items:

- Comparable company multiples (like EV/Revenue or EV/EBITDA) for benchmarking.
- Intellectual property and moat.

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