

dakota insights

SOFTWARE & TECHNOLOGY TRANSACTIONS

REPORT

OCTOBER 2025



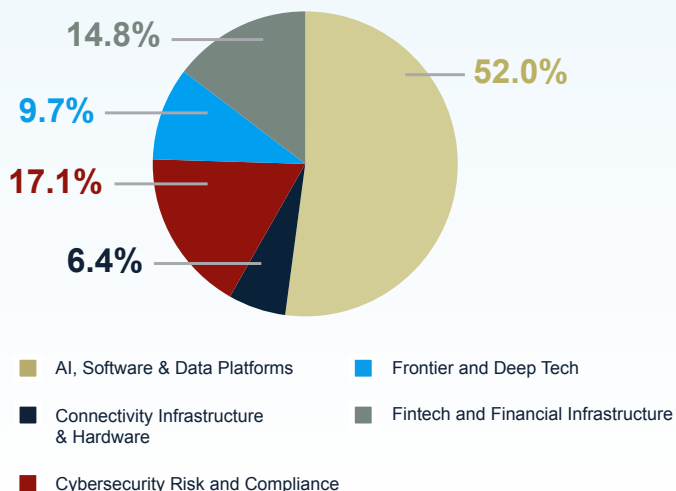
EXECUTIVE SUMMARY

In October 2025, the technology sector displayed strong deal activity driven by industry acquisitions, private equity buy-outs, and significant investments in artificial intelligence and data infrastructure companies. The month's largest transaction was BlackRock, NVIDIA, and Microsoft's \$40 billion buyout of Aligned Data Centers, demonstrating the ongoing appetite for hyperscale infrastructure assets and cloud services. Other notable transactions included Qualtrics' \$6.75 billion acquisition of Press Ganey Forsta, reflecting the sector's increasing focus on advanced analytics and experience management platforms. To finance its acquisition of AOL, Bending Spoons secured a \$2.8 billion syndicated debt financing package. J.P. Morgan was among the lead banks in the transaction, rather than being the sole investor.

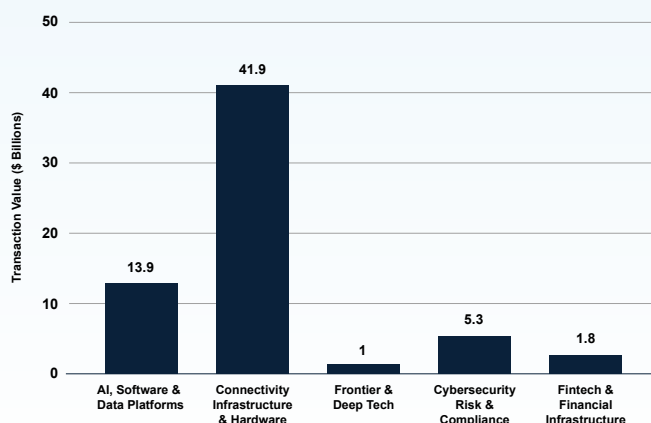
Investor activity signaled a strong pivot toward AI-native platforms and enterprise software solutions. This was evidenced by NVIDIA-backed rounds in generative AI, including Poolside's \$1 billion raise, alongside series investments in Uniphore, Fireworks AI, and Fal, each securing \$250–260 million in growth or venture financing. Additionally, private equity sponsors remained active, with Francisco Partners management leading the \$2.2 billion take-private of Jamf Holding Corp and Warburg Pincus acquiring PSI Software SE for \$811 million. Capital flowed into a range of sectors, led by cybersecurity, through Veeam Software's acquisition of Securiti and General Catalyst's investment in Chainguard, and extending to fintech, data platforms, semiconductor technology, and vertical SaaS solutions for logistics and healthcare.

The diversity of deal flow demonstrated continued investor confidence in digital transformation, cloud infrastructure, and AI-driven enterprise automation. Strategic buyers and major venture funds targeted a range of segments, from analytics software to core banking platforms, edge automation, and frontier technology. As the year approaches its final quarter, the momentum of transactions suggests the sector is poised for further consolidation and innovation, with buyers prioritizing assets that accelerate operational efficiency, enhance machine learning adoption, and build future-proof infrastructure for institutional markets.

PERCENTAGE OF TOTAL INDUSTRIALS TRANSACTIONS BY VERTICAL (DEAL COUNT)



CAPITAL DEPLOYED BY VERTICAL



KEY VERTICALS

Connectivity Infrastructure & Hardware

Transaction Value: \$41.8bn

Digital infrastructure transactions were led in October by the \$40 billion acquisition of Aligned Data Centers by a consortium including BlackRock, NVIDIA, and Microsoft, demonstrating continued demand for hyperscale colocation and cloud infrastructure solutions. Zebra Technologies also executed a \$1.3 billion bolt-on acquisition for Elo Touch Solutions, capitalizing on enterprise demand for robust touchscreen components and connectivity hardware in mission-critical environments.

Semiconductor innovation continued with Tachyum's \$220 million Series C for energy-efficient processors, supporting big data analytics and AI applications across manufacturing and cloud markets. Additional investments in Movandi (\$40 million) and Netceed Group (\$81 million) reflected ongoing commitment to millimeter wave wireless solutions, telecom infrastructure, and next-generation connectivity, while Redcentric Data Centres Limited (\$169 million) alongside Integrated Modular Data Center LLC (\$15.3 million) supported cloud, network, environmental control for enterprise-grade operations.

AI, Software & Data Platforms

Transaction Value: \$13.9bn

October saw AI, software, and data platforms remain the focal point of technology sector innovation, with vital investments and acquisitions defining the space. Notably, Poolside raised \$1 billion from NVIDIA, accelerating generative AI tool development for software engineering. Meanwhile, Bending Spoons secured a \$2.8 billion syndicated debt financing package, led in the U.S. by J.P. Morgan, to support its acquisition of AOL, future M&A initiatives, and product investments, illustrating the firm's leadership in digital product innovation and scalable AI-driven applications. These deals highlight investor conviction in platforms that enhance developer productivity and enterprise operational agility.

Additional momentum came from AI infrastructure platforms like Fireworks AI, which closed a \$250 million Series C to bolster high-performance inference capacity for enterprise applications. Other significant transactions in the vertical included Qualtrics' \$6.75 billion acquisition of Press Ganey Forsta, extending analytics and experience management across sectors. Growth rounds in Fal and Uniphore focused on deploying machine learning with advanced conversational security, signaling high demand for enterprise-grade AI solutions.



Cybersecurity Risk & Compliance

Transaction Value: \$5.4bn

The cybersecurity vertical experienced notable deal flow as threats escalated and organizations sought zero-trust solutions. Veeam Software's \$1.7 billion flagship acquisition of Securiti put a spotlight on data control and compliance, offering cloud-native platforms for security and risk teams to safeguard critical assets. Chainguard further bolstered the vertical with a \$280 million growth financing commitment from General Catalyst, signaling strong market demand for zero-trust supply-chain security and software integrity platforms.

Additional action included Sublime Security's innovative email threat prevention platform, which raised \$150 million Series C, and ConductorOne's \$79 million round, both targeting automation and AI-driven protection against targeted business attacks. The sector's surge was augmented by General Catalyst and venture funds investing in network management software along with compliance solutions. Transactions spanned risk management for DevOps, cloud environments, and policy-based attack surface monitoring.

Fintech & Financial Infrastructure

Transaction Value: \$1.8bn

Fintech continued to attract capital, with Ripple's \$1 billion acquisition of GTreasury serving as a flagship transaction in October. GTreasury's cloud-based treasury platform, trusted by global CFOs, integrates cash, payments, and risk management, demonstrating the strategic value of converged financial software for institutional clients. SavvyMoney secured a US\$225 million growth-equity investment, supported by PSG and Canapi Ventures, to accelerate its platform for financial institutions with embedded credit-insights, lending solutions that drive deposit growth.

Venture investors backed innovative fintech startups, with DualEntry (\$90 million) and Thought Machine (undisclosed growth round) pioneering cloud-native banking and modern ERP platforms for mid-market companies. M&A activity extended to ezyCollect (\$43 million acquisition), which streamlines payment management for enterprise customers. Vertical SaaS providers like Hyperlayer and ShopMy also received venture funding to build specialized core-banking and financial-wellness solutions for fast-growing client segments.

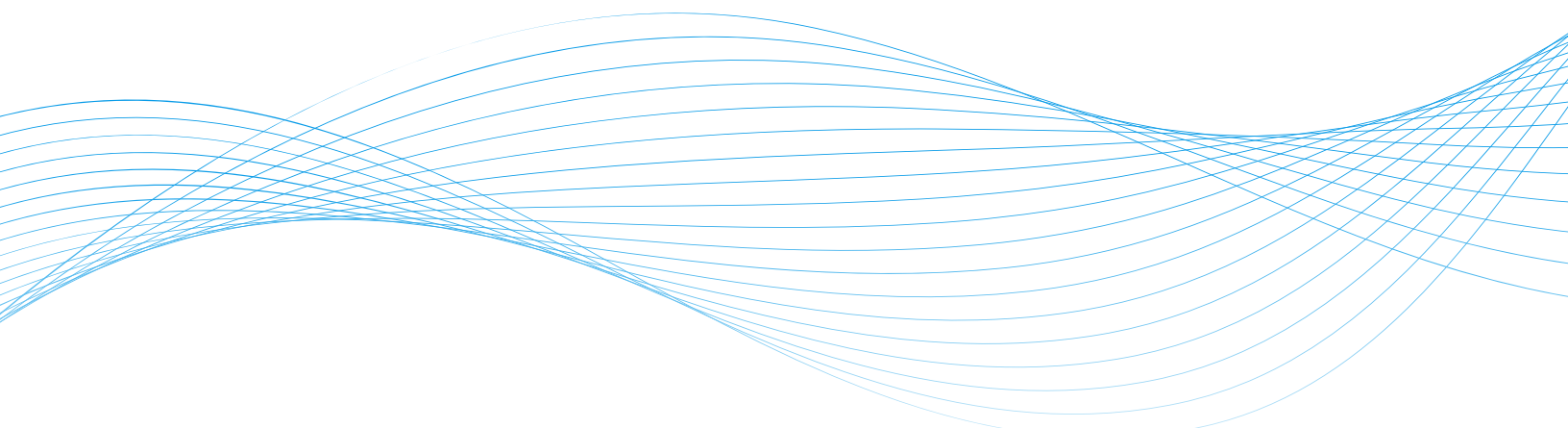


Frontier and Deep Tech

Transaction Value: \$1bn

Frontier and deep tech deal activity in October 2025 showcased breakthroughs in scientific research, advanced manufacturing, quantum computing, and autonomous systems. A landmark transaction in this space was Periodic Labs' \$300 million venture seed round led by Andreessen Horowitz, DST, NVIDIA, and Accel, fueling the development of autonomous laboratories as well as AI "scientists" designed to accelerate experimental science and technological discovery. This investment exemplifies the growing convergence of artificial intelligence, laboratory automation, and physical experimentation, paving the way for new methodologies in research-intensive fields.

Noteworthy as well was Substrate Inc.'s \$100 million deal for next-generation semiconductors and hardware foundations, supporting advances in high-performance computing, fabrication, and customizable chip foundries. Other significant deals included Peregrine Energy Solutions' \$130 million funding to bolster clean energy and grid support technology, along with General Intuition's \$134 million round for spatial-temporal AI models that enable smarter autonomous navigation systems across robotics, gaming, and drone-based search and rescue. These high-impact transactions reflect investor confidence in deep tech's transformative potential across sectors, spanning energy, materials, artificial intelligence, and semiconductors, affirming the critical role of foundational R&D plus domain-specific hardware in shaping future industrial and societal innovation.



TRANSACTION NEWS

This table showcases five of the largest and most significant transactions in the technology sector during October, selected for their impressive scale and importance.

TOP 5 INDUSTRIALS TRANSACTIONS - OCTOBER 2025

Rank	Name	Description	Type	Sub-Type	Vertical	Value	Buyer
1	Aligned Data Centers	Sustainable, scalable data centers providing efficient, adaptive colocation solutions.	Buyout/ Private Equity	Secondary Buyout	Connectivity Infrastructure & Hardware	\$40bn	BlackRock, NVIDIA, Microsoft
2	Press Ganey Forsta	Delivers integrated experience insights to improve healthcare performance and satisfaction.	Acquisition/ Merger	Strategic Acquisition	AI, Software & Data Platforms	\$6.8bn	Qualtrics
3	Bending Spoons	Innovative app developer creating impactful mobile software and digital experiences.	Credit	Structured Credit	AI, Software & Data Platforms	\$2.8bn	J.P. Morgan Chase Bank, BNP Paribas, Crédit Agricole CIB
4	Jamf Holding Corp	Manages and secures Apple devices for organizations worldwide with ease.	Buyout/ Private Equity	Take-Private/ Public-to-Private	Cybersecurity Risk and Compliance	\$2.2bn	Francisco Partners Management, L.P.
5	Securiti	Unified data privacy, security, and governance platform for global compliance.	Acquisition/ Merger	Strategic Acquisition	Cybersecurity Risk and Compliance	\$1.7bn	Veeam Software



KEY TRENDS & INSIGHTS

- **AI and Machine Learning Dominate Investment Flows:** Artificial intelligence and generative technology platforms are leading capital deployment, with landmark rounds in Poolside and Fireworks AI reflecting sustained investor enthusiasm for enterprise machine learning infrastructure as well as AI-native application ecosystems. The proliferation of funding into AI engineering tools and model infrastructure suggests investors are not just chasing hype but building out the full production stack, from training compute to enterprise deployment, solidifying AI's central role in the modern software economy.
- **Consolidation Accelerates Across Data Infrastructure:** Private equity and corporate giants are driving a consolidation wave in mission-critical technology infrastructure. The acquisition of Aligned Data Centers and Francisco Partners' take-private of Jamf Holding Corp highlight the strategic premium placed on scalability and vertical integration. This consolidation signals a maturing phase in infrastructure investment where data, energy efficiency, and compute capability are increasingly viewed as interdependent assets powering the next decade of digital growth.
- **Cybersecurity Transactions Intensify:** Security, privacy, and compliance remain key strategic priorities, with capital flowing into zero-trust and data-protection platforms. Headline moves such as Veeam Software's acquisition of Securiti and Chainguard's growth financing indicate ongoing consolidation of the cyber resilience and governance landscape. As enterprise attack surfaces expand alongside AI adoption, investors are targeting security automation and integrated data-governance solutions that can scale across hybrid cloud and regulated sectors.
- **Deep Tech and Frontier Innovation Gain Momentum:** Investors are extending beyond traditional SaaS into scientific computing, autonomous labs, and energy transition technologies. Financings in Periodic Labs, Substrate Inc., and Peregrine Energy Solutions reinforce growing conviction in long-horizon innovation with hardware–software convergence. These developments highlight a re-emergence of deep science ventures as venture-scale opportunities, bridging AI, material science, and energy infrastructure.
- **Private Equity Shifts Toward Platform Creation:** PE firms are increasingly focusing on vertical platform roll-ups within cloud, security, and developer tooling, aiming to capture value across integrated tech stacks. This reflects a move away from standalone assets toward portfolio synergy and ecosystem control. The approach positions sponsors as long-term consolidators of fragmented niches, reinforcing the blurred boundary between traditional buyouts and strategic corporate behavior.
- **Strategic Corporates Reassert Influence:** Corporate acquirers, particularly NVIDIA, Microsoft, and BlackRock, are blurring lines between financial and strategic investment. Their cross-sector participation underscores a race to secure compute, data infrastructure, and AI integration capabilities. As corporates become more active co-investors alongside private equity and venture capital, the technology M&A landscape is evolving toward hybrid deal structures that fuse strategic control with capital efficiency.



LOOKING FORWARD

Technology sector deal flow is expected to remain strong, carried by ongoing investment in artificial intelligence, scalable infrastructure, and vertical SaaS platforms. Firms that lead in AI adoption and cloud upgrades will benefit most as demand shifts toward generative and agentic AI, along with advanced compliance solutions in cybersecurity.

As inflation and regulatory scrutiny continue to influence capital allocations, buyers are prioritizing resilient supply chains alongside high-return innovation such as quantum computing and autonomous systems. Overall, organizations that focus on operational resilience and rapid tech integration will be best positioned to capture future growth in 2026.

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