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SOFTWARE & TECHNOLOGY TRANSACTIONS REPORT

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EXECUTIVE SUMMARY

Private capital deployment in July reached over \$210B across 250+ transactions, marking one of the most active months of the year as investors concentrated on AI, infrastructure, and security. The market favored scale over experimentation, with large-cap M&A and platform buyouts driving the majority of value.

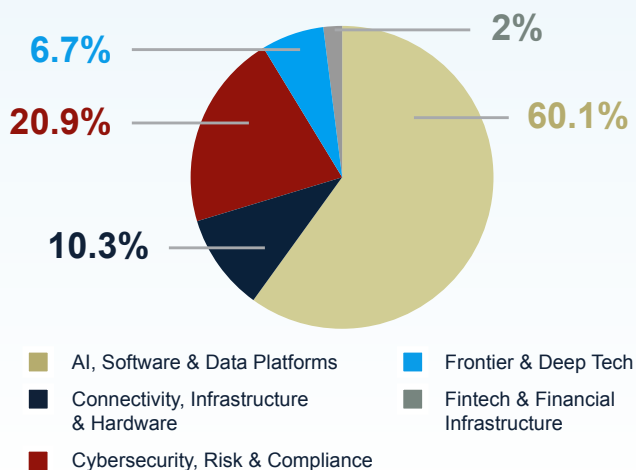
AI, Software & Data Platforms led with \$93B (44% of capital; 60% of deals), fueled by Synopsys' \$35B acquisition of Ansys and mega-rounds for OpenAI, Anthropic, and xAI. Connectivity, Infrastructure & Hardware followed at \$83B (39% of capital), anchored by Blackstone's \$35B bid for SFR and HPE's \$14B purchase of Juniper Networks. Cybersecurity accounted for \$29B (14% of capital), dominated by Palo Alto Networks' \$25B CyberArk deal, underscoring identity security as a strategic priority in the AI era.

By investment type, PE and M&A represented 84% of capital deployed, targeting infrastructure-heavy, cash-flow-stable assets. Venture capital captured 63% of deal volume but only 3% of capital, concentrated in early-stage AI, security, and infrastructure plays. The reopening of the IPO market was signaled by Figma's \$1B listing on the NYSE, which ended July with a ~\$56B market cap.

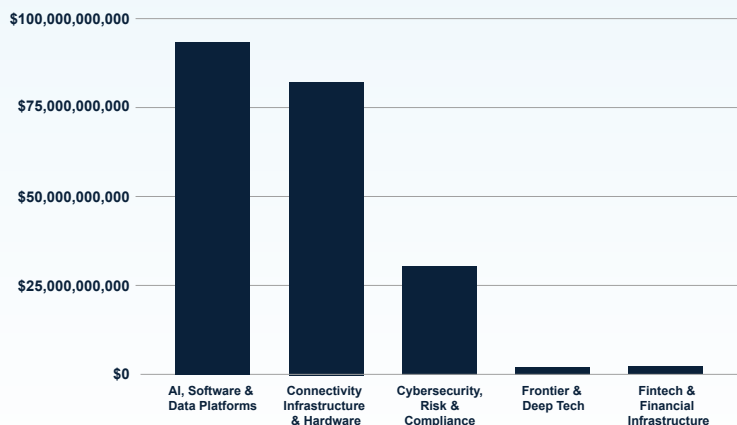
Key Takeaways for Investors and Operators:

- **AI Infrastructure Expansion** – Large-scale funding rounds for OpenAI (\$8B Series F), Anthropic (\$5B), and xAI (\$2B) reflect sustained investor appetite for foundational models, specialized accelerators, and agentic software.
- **Cybersecurity Consolidation** – Palo Alto Networks' \$25B acquisition of CyberArk underscores strategic demand for integrated identity and access management in an AI-driven security landscape.
- **Connectivity & Edge Compute** – Blackstone's \$35B bid for SFR and HPE's \$14B acquisition of Juniper Networks highlight the premium on fiber, networking, and low-latency infrastructure to support AI workloads.
- **Platform M&A Momentum** – Synopsys' \$35B purchase of Ansys illustrates the strategic value of acquiring full-stack platforms that combine software, infrastructure, and domain expertise.

▶ PERCENTAGE OF TOTAL HEALTHCARE TRANSACTIONS BY VERTICAL (DEAL COUNT)



▶ CAPITAL DEPLOYED BY VERTICAL



KEY SEGMENTS

AI, Software & Data Platforms

Transaction Value: \$93 Bn

AI, Software & Data Platforms dominated tech-related capital flows in July 2025, accounting for \$93 billion in transaction value and 60% of all tech-related deal activity. Investor appetite remained strongest for AI infrastructure, agentic applications, verticalized AI platforms, and enterprise automation. The defining deal of the month was Synopsys (NASDAQ: SNPS) acquiring Ansys (NASDAQ: ANSS) for \$35B, combining semiconductor design and verification tools with market-leading simulation software to create a full-stack platform for advanced AI chip development. CoreWeave's (NASDAQ: CRWV) \$9B acquisition of Core Scientific (NASDAQ: CORZ) marked a significant expansion of GPU-native cloud capacity, positioning CoreWeave as a vertically integrated provider of high-performance compute for AI workloads and underscoring the convergence of compute, energy, and infrastructure as a core investment theme in the AI economy. Blackstone (NYSE: BX) announced its \$6.5B acquisition of Enverus from Hellman & Friedman and Genstar Capital, reinforcing the strategic value of AI-powered energy and commodity analytics. Capgemini (EPA: CAP) acquired WNS Holdings (NYSE: WNS) for \$4.4B, expanding its AI-enabled outsourcing and analytics capabilities to serve enterprise-scale clients.

Foundation model and infrastructure activity remained robust. OpenAI raised \$8.3B in a second Series F, pushing its valuation to \$300B, while Anthropic explored a \$3–5B round at a \$170B valuation. Other notable deals included Anaconda's \$150M Series C, Motive's \$150M Series G, and Observe's \$156M Series C, underscoring the interest in enterprise-grade AI tooling. Vertical AI platforms also gained traction, with Carbyne's \$100M raise to scale its emergency response platform, Paxia's acquisition by Liberty Hall Capital Partners, and growth rounds for Gradient Labs, Unify, and Caspian all highlighted AI's expanding role in industry-specific workflows.

Public markets saw Figma's \$1.2B IPO at a \$19B valuation, marking renewed investor appetite for next-generation software listings. As Dylan Field, co-founder and CEO of Figma, noted:

“It used to be that design was an afterthought. Now design is more than form and function. Design is how you win or lose. Design is bigger than design — and the world needs more designers in charge.”

Corporate venture capital activity also accelerated, with leading incumbents using investment arms to deepen AI exposure. NVIDIA (NASDAQ: NVDA) invested in Reka, Fireworks AI, and Perplexity AI, the latter raising \$100M at an \$18B valuation. Snowflake (NYSE: SNOW), through Snowflake Ventures, participated in rounds for Hightouch, Observe, and Reka. ServiceNow (NYSE: NOW), via ServiceNow Ventures, backed Genesys Cloud Systems.

Yet, macro and sector-specific headwinds remain: U.S.–China semiconductor tensions, debates over data governance and IP ownership, cost of compute, and model commoditization all featured in diligence considerations for infrastructure-heavy growth rounds. Investors continue to favor foundation model companies, agentic infrastructure layers, and vertical AI platforms with deep enterprise integration as core long-term bets.



Connectivity, Infrastructure, & Hardware

Transaction Value: \$83 Bn

Connectivity, Infrastructure & Hardware saw significant momentum in July 2025, with more than \$83 billion in announced and completed transaction value across M&A, private equity, venture, and credit markets. From AI-native network infrastructure and rural broadband buildouts to low-power edge semiconductors and IoT platform plays, the sector is experiencing an aggressive wave of investment and consolidation as global connectivity demand surges and telco infrastructure modernizes.

Several of the month's most prominent deals took place at the top end of the spectrum. Hewlett Packard Enterprise (NYSE: HPE) completed its \$14 billion acquisition of Juniper Networks (NYSE: JNPR), marking one of the largest networking platform takeovers in recent memory. In Europe, SFR, the French telecom operator, is reportedly the target of a \$35 billion carveout bid led by Blackstone. Meanwhile, Metronet, a U.S. fiber-to-the-home provider, finalized its \$9.8 billion sale to a 50/50 joint venture between KKR and T-Mobile, accelerating wholesale and residential fiber deployment. In a parallel transaction, GIC emerged as the frontrunner to acquire a significant minority stake in the MasOrange–Zegona Broadband JV, valuing the asset at up to \$8.1 billion.

Edge and IoT infrastructure also remained active. io Products, a smart home device manufacturer, was acquired by OpenAI for \$6.5 billion, marking a major strategic step toward distributed edge AI deployment. Ambiq Micro (NYSE: AMBQ), a developer of ultra-low-power semiconductors for wearables and IoT, went public and ended the month with a market cap of \$773 million. Across private equity, Cox Communications divested its connected asset tracking division, Cox 2M, to Cognoscos, backed by Riverwood Capital and Susquehanna, in a move that underscores growing investor appetite for enterprise IoT infrastructure.

“AI is attempting to break out of the cloud. A lot of computation requires energy, so to move it out to battery-powered devices that are all around us, you’ve got to have a low-power solution.”

— Scott Hanson, Founder and Chief Technology Officer of Ambiq

Emerging companies also captured investor attention. Augmodo raised \$37.5 million to scale its SmartBadge™ retail analytics platform. Airalo, the global eSIM provider, secured a \$220 million Series C round led by CVC Asia. NetBox Labs raised \$35 million to commercialize open-source networking software. Startups like Xemelgo, Blues, and Emergent Connect received early-stage funding to support real-time asset tracking, IoT security, and modular connectivity infrastructure.

Strategic activity remained intense. AT&T (NYSE: T) acquired \$650 million in secondary shares of Israeli telecom software firm DriveNets. Ericsson entered discussions to take a minority position in Intel's newly spun-off networking and edge business, NEX. Other strategic investors included Zebra Ventures (Xemelgo), Arm Holdings (Ambiq Micro), and Meta and Google, whose stakes in Jio reflect broader connectivity ambitions across emerging markets.

Despite tailwinds, the sector still faces infrastructure buildout friction, high capital intensity, and margin compression in rural deployment. At the same time, vendor consolidation in the telecom stack presents challenges for upstarts pursuing large-scale enterprise clients. However, infrastructure platforms that deliver low-latency, scalable, AI-native connectivity are attracting premium valuations from both strategics and financial sponsors.

Networking infrastructure, edge compute, and low-power hardware emerged as the defining investment themes across July. As AI workloads increasingly demand intelligent bandwidth and hyper-distributed processing, investors are underwriting the physical backbone required to power the next generation of software, automation, and real-time decision-making.



Cybersecurity, Risk & Compliance

Transaction Value: \$29 Bn

Cybersecurity, Risk & Compliance remained a cornerstone of enterprise software investment in July 2025, with total disclosed transaction value reaching \$29 billion. This figure includes several landmark acquisitions, a surge of growth equity financings, and robust early-stage venture activity, underscoring the increasing importance of cyber resilience in the age of AI adoption, cloud proliferation, and global regulatory pressure.

Several of the month's most prominent transactions clustered around platform cybersecurity, compliance automation, and AI-native defense infrastructure. Palo Alto Networks (NASDAQ: PANW) announced its acquisition of CyberArk Software (NASDAQ: CYBR) for \$25 billion in a landmark cash-and-stock deal, consolidating its position in identity security. Meanwhile, LevelBlue, a new joint venture between AT&T and WillJam Ventures, acquired Aon's cybersecurity and IP litigation units, rebranding them under the Stroz Friedberg name. In the mid-market, PE sponsors like Nautic Partners, Thrive, and Hg completed platform and secondary buyouts in the IT services and compliance segments.

Early-stage activity was equally active. Noma Security raised \$100 million in a Series B round led by Evolution Equity Partners, with participation from Databricks Ventures and Ballistic. SAFE, a cyber risk quantification startup, secured \$70 million to expand its agentic AI reasoning models. Wallarm, Dropzone AI, and BlinkOps each raised \$50M+ Series B/C rounds to modernize SOC (Security Operations Center) workflows, secure APIs, and build autonomous micro-agents, respectively, highlighting growing investor conviction in next-gen cyber infrastructure.

The standout public-market-facing deal was Palo Alto's CyberArk acquisition. The deal not only reflects the appetite for identity and access management (IAM) platforms, but also signals that well-positioned, high-margin cybersecurity assets are attracting strategic buyers at premium valuations.

“Our market entry strategy has always been to enter categories at their inflection point, and we believe that moment for Identity Security is now. This strategy has guided our evolution from a next-gen firewall company into a multi-platform cybersecurity leader. Today, the rise of AI and the explosion of machine identities have made it clear that the future of security must be built on the vision that every identity requires the right level of privilege controls”

— Nikesh Arora, Chairman and CEO of Palo Alto Networks

Investor behavior continues to favor platform-driven architecture, autonomous security agents, and compliance-centric tools that deliver transparency and trust in AI-era environments. Strategic investments from Microsoft (M12), AT&T, Meta, JP Morgan, and Databricks suggest major incumbents are actively deepening their cybersecurity exposure, particularly in domains that intersect with AI governance, privacy, and secure deployment. Still, challenges remain. Buyers flagged concerns around customer consolidation, go-to-market scale, and talent bottlenecks in security engineering. Meanwhile, the rapid evolution of AI-generated threats has outpaced many legacy defense systems.

Cybersecurity infrastructure, security operations center automation, and AI compliance emerged as the most consistent themes across July's deal activity. These areas attracted investment across venture, growth equity, and M&A, with diverse syndicates betting on startups that deliver real-time threat detection, secure software development lifecycles, and zero-trust control layers. While competition is intensifying and regulatory complexity continues to mount, the foundational role of cybersecurity in digital transformation remains a core long-term thesis for investors.



Fintech & Financial Infrastructure

Transaction Value: \$3 Bn

Fintech & Financial Infrastructure remained an active and resilient vertical in July 2025, with over \$3 billion in announced and completed transaction value. Deal activity was driven by a mix of M&A, growth capital injections, and credit facilities aimed at modernizing back-office workflows, expanding B2B payments rails, and scaling access to private market investments. While overall volume trailed AI and infrastructure-heavy segments, fintech continues to attract investor attention as it underpins both legacy financial systems and emerging digital finance models.

The largest transaction of the month was iCapital's \$820 million financing round, valuing the company at \$7.5 billion. The platform enables wealth managers and advisors to access private equity, hedge funds, and credit—bringing institutional-caliber investment tools to a broader base. T. Rowe Price (NASDAQ: TROW) and Surgo Capital Partners led the round, reinforcing the long-term strategic value of alternatives distribution in a wealthtech context.

Meanwhile, Ramp, the corporate spend management platform, raised \$500 million in Series E-2 funding at a \$22.5 billion valuation. The New York-based fintech company continues to automate procurement, payments, and expense operations for mid-market and enterprise clients using an AI-native platform. The round was led by ICONIQ Growth, and marks one of the largest private fintech raises of the year to date.

“45 days ago: I said, ‘Let the robots chase receipts.’ And we raised \$200M to do just that. Today, they’re not just chasing receipts. They’re filing your expenses, booking your travel, paying your invoices, and closing your books. And we’ve raised another \$500M at a \$22.5 billion valuation to pick up the pace.”

— Eric Glyman, CEO of Ramp

In M&A, Vartana, an AI-powered B2B sales and embedded financing platform, was acquired by Capchase, consolidating the category of enterprise-focused lending infrastructure. The deal underscores rising investor and operator focus on real-time financing options embedded directly within enterprise software. At the same time, Quicken, the personal and small business finance platform backed by Aquiline Capital Partners, is reported to be exploring a sale process with a potential \$1.5 billion price tag.

Strategic and credit market activity also played a role. UK-based Flo Group (Cash Flo) secured a £8.5M (\$10.8M) working capital facility from Aldermore to fuel expansion of its funding solutions for recruitment agencies. The transaction reflects a broader trend of non-equity financing mechanisms supporting fintech growth in capital-intensive verticals like SME lending.

Despite continued investor interest, macro headwinds remain. Rising cost of capital, regulatory friction in credit markets, and increasing customer acquisition costs continue to challenge fintech operators across segments. Yet companies that can demonstrate strong payment velocity, recurring B2B use cases, and AI-native operational efficiencies are commanding premium valuations and durable syndicate support.

AI-powered spend platforms, embedded credit infrastructure, and private markets access tools emerged as July's core themes. With a growing emphasis on intelligent automation and workflow integration, fintech platforms are evolving from single-purpose apps to horizontal infrastructure layers serving global finance.



Frontier & Deep Tech

Transaction Value: \$3 Bn

Frontier & Deep Tech drew renewed capital and strategic attention in July 2025, with over \$3 billion in transaction value spanning quantum computing, blockchain infrastructure, defense technology, and deep industrial innovation. From multi-billion-dollar M&A to pre-seed rounds in programmable infrastructure and decentralized AI tooling, the category continues to attract cross-border, multi-stage investor syndicates with a long-term view.

Quantum computing remained the most consistently funded vertical. China's SpinQ raised a Series B round led by CCB PE Investment and Liangxi Sci-Tech City Fund to expand its superconducting and NMR quantum computing platforms. Japan's Qubitcore, spun out of OIST, secured pre-seed backing to build a distributed 1,000-qubit-class system, while Nordic initiative QuNorth announced a \$92.8 million commitment from EIFO and the Novo Nordisk Foundation to deploy a commercial-grade quantum machine.

Software-led quantum platforms also saw traction. Israel's Qedma raised \$26 million in a Series A round led by Glilot Capital Partners to advance quantum error mitigation software. Classiq, focused on developer tooling and quantum algorithm synthesis, extended its Series C with new funding from SoftBank Vision Fund 2 and CDP Venture Capital. Dutch photonics startup QuiX Quantum raised \$17 million from Invest-NL, the European Commission, and others to develop optical quantum processors.

In decentralized infrastructure, The Open Platform (TOP) raised \$28.5 million at a \$1 billion valuation to grow its Telegram-native blockchain ecosystem. Ephemera, the developer behind XMTP (a decentralized messaging protocol), secured a \$20 million Series B round led by Union Square Ventures, with participation from a16z Crypto and Lightspeed Faction. Poseidon and ARO Network closed seed and pre-seed rounds, respectively, to build decentralized data and edge compute layers optimized for AI training flows.

Defense and national security tech also remained active. France's Idemia divested its public security unit to Advent International in a \$2.3 billion carve-out. Vultron, developer of the federal-focused Agentic Operating System, raised \$22 million from Greycroft, while Greece-based Delian Alliance Industries secured \$14 million to expand development of autonomous AI-equipped defense systems. Ukrainian communications firm Teletactica raised a \$1.5 million seed round to scale its jamming-resistant infrastructure.

Industrial deep tech saw modest but meaningful movement. Arago, a French deeptech startup, raised \$26 million to advance JEF, its energy-efficient optical AI chip. Nascent Materials, a U.S.-based battery innovation startup, received a \$750,000 equity investment from the New Jersey Economic Development Authority, continuing a trend of state-backed cleantech innovation at the materials layer.

Commutator Studios, a German startup building quantum error management systems, also secured \$1.7 million in seed funding from Backtrace Capital and Preston-Werner Ventures, highlighting investor appetite for modular, stack-agnostic quantum infrastructure.

Across the board, quantum systems, decentralized infrastructure, and defense-aligned compute dominated deal flow. Sovereign funding vehicles, traditional VCs, and frontier-focused corporates increasingly co-invested, reflecting a broader convergence of state interests, scientific advancement, and compute independence.



TRANSACTION NEWS

The table below highlights the top five transactions in software and technology technology, each notable for its scale, strategic positioning, and alignment with major investment themes. These companies stood out not just for their transaction size, but for their importance across high-growth verticals such as AI-native software, cybersecurity, networking infrastructure, and next-gen telecom platforms.

TOP FIVE TECHNOLOGY TRANSACTIONS - JULY 2025

Rank	Target / Investor	Description	Asset Class	Financing Type	Vertical	Transaction Value
1	Ansys (NASDAQ: ANSS) / Synopsys (NASDAQ: SNPS)	Provides engineering simulation software used to model complex physical systems across multiple industries.	Buyout/PE	M&A	AI, Software & Data Platforms	\$35,000,000,000
2	SFR / Blackstone (NYSE: BX)	Operates as a leading French telecom provider acquired under a platform strategy to expand connectivity infrastructure.	Buyout/PE	Platform	Connectivity, Infrastructure & Hardware	\$35,000,000,000
3	CyberArk Software (NASDAQ: CYBR) / Palo Alto Networks (NASDAQ: PANW)	Offers privileged access management and cybersecurity solutions; being acquired by Palo Alto Networks in a \$25B cash-and-stock deal.	Buyout/PE	M&A	Cybersecurity, Risk & Compliance	\$25,000,000,000
4	Juniper Networks (NYSE: JNPR) / Hewlett Packard Enterprise (NYSE: HPE)	Develops AI-native networking and cloud infrastructure solutions for enterprise and telecom customers.	Buyout/PE	M&A	Connectivity, Infrastructure & Hardware	\$14,000,000,000
5	Metronet / KKR (NYSE: KKR), T-Mobile (NASDAQ: TMUS)	Delivers fiber-optic internet services and recently expanded into whole-sale distribution via a residential partnership with T-Mobile Fiber.	Buyout/PE	Platform	Connectivity, Infrastructure & Hardware	\$9,800,000,000

Insights

- Four of the five top-scoring transactions fall within Connectivity or Infrastructure-related verticals, highlighting sustained investor conviction in bandwidth, digital infrastructure, and secure networks.
- Ansys and CyberArk reflect strategic consolidation moves in software and cybersecurity. The \$25B acquisition of CyberArk by Palo Alto Networks underscores demand for identity-first security in the AI era.
- SFR and Metronet signal strong platform-building momentum in broadband and fiber. These deals are part of a broader telecom infrastructure play by private equity buyers (Blackstone/KKR) betting on data demand and distributed networks.
- Juniper Networks' acquisition brings attention to the growing category of AI-native networking, aligning with enterprise needs for performance, automation, and scalability in hybrid cloud environments.



KEY TRENDS IN DEALMAKING

- **AI Dominance:** AI software and data platforms attracted the highest volume of activity by deal count and capital, with foundational model developers like OpenAI, Anthropic, and xAI raising significant rounds.
- **Infrastructure Focus:** Connectivity, infrastructure, and hardware also was a key area of focus with \$83Bn deployed, driven by large-scale telecom transactions and private equity interest in core infrastructure assets.
- **Strategic M&A:** There was active strategic M&A across enterprise and infrastructure software, with notable acquisitions like Synopsys' \$35 billion acquisition of Ansys and Palo Alto Networks' \$25 billion acquisition of CyberArk, highlighting demand for scalable platform software and identity-first security.
- **Public Market Return:** Figma's \$1 billion IPO on the NYSE signaled a return to public listings for next-generation software platforms, underscoring growing confidence in platforms that support AI-powered workflows.
- **Cybersecurity Resilience:** Cybersecurity remained a cornerstone of enterprise software investment, with significant transaction value and a focus on platform cybersecurity, compliance automation, and AI-native defense infrastructure.
- **Fintech Modernization:** Focus on back-office automation, B2B payments, and private market access, highlighted by Ramp's \$500M raise for its AI-powered spend management platform.
- **Frontier Tech Convergence:** Frontier & Deep Tech saw renewed attention, particularly in quantum computing, blockchain infrastructure, and defense technology, with Web3-native compute being absorbed into the broader AI infrastructure stack

LOOKING FORWARD

The demand for intelligent infrastructure, secure digital ecosystems, and efficient financial workflows will continue to drive deal activity in the coming months.

Attractive opportunities remain in:

- **AI Infrastructure & Agentic Software:** Continued investment in foundational models, specialized AI accelerators, and agentic software solutions that automate complex enterprise workflows.
- **Platform Cybersecurity & Identity:** Focus on integrated cybersecurity platforms, identity and access management (IAM), and AI-native defense mechanisms that address evolving threat landscapes.
- **Next-Gen Connectivity & Edge:** Investments in fiber-optic networks, 5G infrastructure, and edge computing solutions that support low-latency AI workloads and distributed data processing.
- **Fintech Modernization & Embedded Finance:** Opportunities in B2B payments, spend management platforms, and embedded credit solutions that enhance operational efficiency and expand access to financial services.

Overall, July reinforced the compelling long-term thesis for investing in foundational technology, particularly those layers enabling the next wave of AI-driven innovation and secure digital transformation.



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