AI M&A Activity: Q3 2026

Forty artificial intelligence transactions were announced between 1 July and 26 August 2026. Thirty were acquisitions of control, of which twelve published a price totalling **$20.5 billion**. The other ten committed **$75.0 billion**.

The mechanism is structural. A buyer who wants an AI capability has four ways to obtain it and only one is an acquisition. It can licence the technology non-exclusively and hire the team, leaving the target alive as a legal entity. It can take a non-controlling stake and attach a supply agreement. Or it can contract for compute capacity and never touch the equity. Three of the four transfer no controlling asset, so none produces a premerger notification or reaches a notification-derived count.

The quarter's record carries the evidence. Nvidia paid Poolside a **$6 billion** non-exclusive licence fee on 20 August, invested **$1 billion** more at a **$12 billion** pre-money valuation, and offered employment to **109** engineers including all three founders, while Poolside continued as an independent company. On 17 August Nvidia invested **$1.5 billion** in SB Energy and guaranteed up to **$105 billion** behind a 20-year OpenAI lease in Ohio. On 11 August CoreWeave disclosed more than **$25 billion** of net new customer commitments added in early Q3.

Windsor Drake calls this **The Unfiled Deal**. Capability is transferring at scale through instruments that generate no merger filing, no public price and, in the licence case, no payment to the cap table. The consequence for a founder is easy to miss: the structure the buyer chooses decides who gets paid, and two transactions of identical size distribute the money to different people. This report sets out the four structures, why the published counts disagree, and what a seller should do about it.

How active was AI M&A in Q3 2026?

The census covers transactions announced between 1 July and 26 August 2026, a partial quarter, entering when AI capability, AI infrastructure or AI-enabled data is the stated subject and the transaction is confirmed against an announcement, a filing or a top-tier institution.

Table 1. AI Transactions Announced 1 July to 26 August 2026, by Structure

Structure	Transactions	Share of count	What transfers
Acquisition of control	30	75%	The entity or its assets
Compute and capacity commitment	5	13%	Contracted capacity
Minority investment plus commercial terms	3	8%	A non-controlling stake
Licence plus team hire	2	5%	A licence and employment
Total	40	100%	

Source: Windsor Drake census computed from company announcements, SEC filings on EDGAR and institutional reporting. Q3 is a partial quarter.

The acquirers are more varied than the sector's reputation suggests. Four semiconductor companies bought AI capability inside eight weeks: AMD and Taalas, Microchip and Hailo, d-Matrix and Wallaroo, Navitas and Claros. Security buyers pursued one thesis, that machine and agent identities now outnumber human ones, through Cyera and Oasis Security at about **$1 billion**, Okta and Permiso, and CrowdStrike and XM Cyber. Vertical software bought perception, in Procore and DroneDeploy at about **$845 million**.

Where did the capital in AI dealmaking actually go?

Counting transactions and counting capital give opposite answers, and the gap is the finding. The ten transactions that were not acquisitions committed roughly **3.7 times** the published price of the thirty acquisitions.

Table 2. Committed Capital by Structure, Q3 2026

Structure	Transactions	Committed capital	Term
Compute and capacity commitment	5	$59.0 billion	6 to 20 years
Acquisitions that published a price	12 of 30	$20.5 billion	At closing
Licence plus team hire	2	$8.5 billion	On signature
Minority investment plus commercial terms	3	$7.5 billion	On subscription
Structured alternatives, total	10	$75.0 billion	

Source: Windsor Drake computation from figures published by a party or appearing in an SEC filing. Nvidia credit support of up to $105 billion behind PORTS-Pike is stated separately, being a guarantee rather than a payment.

The two columns measure different things, deliberately. An acquisition price settles at closing; a compute commitment runs for six to twenty years. That difference is the substance of the argument: capital here is deployed on contract terms instead of purchase terms, which is why it does not appear where dealmakers are trained to look. At PORTS-Pike, SB Energy will build at least **10 gigawatts** of new generation to serve **8 IT-gigawatts** contracted to Nvidia infrastructure, with OpenAI paying only as completed capacity is delivered. AMD ran the inversion on 27 July, taking market-priced warrants over its own customer Core Scientific alongside a partnership reported at approximately **$14 billion**.

Why do published AI deal counts disagree with each other?

Because most counts are assembled from merger notifications, and three of the four structures generate none. The 2026 Hart-Scott-Rodino base threshold, set by the Federal Trade Commission in January 2026, is **$133.9 million**. A licence plus a team hire crosses no threshold at any size, because no equity and no controlling asset changes hands. A compute contract is recorded as backlog, and a minority stake is counted as venture funding rather than M&A.

The divergence shows in the aggregates. PwC records global technology, media and telecommunications deal value rising **48%** across January to May 2026 while volume fell **9%**. EY records US technology deals above $100 million at **$324.0 billion** for the three months to July 2026, up **161%**. Yet PwC also finds AI cited in about **33%** of the hundred largest 2025 deals and **17%** in the first half of 2026. Value accelerated while stated AI rationale halved, which is what happens when AI deals stop being filed as acquisitions.

PitchBook records the five largest technology acquirers completing **7** AI deals in 2024, **14** in 2025 and **12** in 2026 to date, against combined infrastructure spending approaching **$600 billion**. Nvidia is the exception that proves the pattern, with **15** AI acquisitions since 2022 alongside the licence structures it authored. A count of acquisitions measures one structure only.

What is a licence plus team hire, and who is using it?

The buyer licences the technology non-exclusively and hires the people, and the target survives with its own shareholders and charter. Jensen Huang described Nvidia's Groq arrangement in exactly those terms: Nvidia was adding employees and licensing the intellectual property, and was not acquiring the company. That licence reached full production inside the quarter, the Groq 3 LPX line shipping on 24 August 2026 under an explicit licence footer.

Table 3. Licence Plus Team Hire: The Established Precedents

Buyer and target	Date	Published consideration	Who moved
Microsoft and Inflection AI	March 2024	$650 million	Co-founders, about 70 staff
Amazon and Adept	June 2024	$25 million licence	Co-founders, most staff
Google and Character.AI	August 2024	$2.7 billion	30 of 130 employees
Meta and Scale AI	June 2025	$14.3 billion for 49%	The chief executive
Google and Windsurf	July 2025	$2.4 billion in licence fees	Founders to DeepMind
Nvidia and Enfabrica	September 2025	Above $900 million	Chief executive, staff
Nvidia and Groq	December 2025	Reported about $20 billion	Founder, president, team
Nvidia and Poolside	August 2026	$6 billion licence, $1 billion equity	Three founders, 109 engineers

Source: Company announcements and institutional reporting. Values for Groq and Poolside are as reported rather than company-confirmed.

Nvidia has run this structure three times in eleven months for roughly **$27 billion** of combined consideration, none of it filed as a merger. Google was reported on 5 August 2026 to be negotiating the same form with Mechanize at above **$1.5 billion**, against a seed round earlier in 2026 at roughly a **$500 million** valuation. Nvidia separately invested about **$5 billion** in Safe Superintelligence on 27 July, took **4.5%** of Naver for **$1 billion** the same day, and disclosed a **9.3%** Nebius holding on 21 July. The structure is available whenever value sits in people and models; contracted revenue, proprietary data rights and transferable customers are what force control instead.

What did buyers pay for AI companies in Q3 2026?

Twelve of the thirty acquisitions published consideration, and five carry terms taken directly from an SEC filing rather than coverage of one. The comparable multiples behind them sit in AI Valuations Q3 2026.

Table 4. The Twelve Q3 2026 AI Acquisitions That Published a Price

Buyer and target	Date	Consideration	Structure
Stripe and OpenRouter	16 Aug	Above $7 billion, reported	Acquisition
Thoma Bravo and Accelerant	13 Aug	$20.25 a share, above $4 billion	Take-private
Visa and BioCatch	3 Aug	$2.4 billion	Acquisition, cash
Nielsen and DoubleVerify	6 Aug	$13.60 a share, about $2.15 billion	Take-private
Tempus AI and Personalis	20 Jul	$16.25 a share, about $1.5 billion	Stock with cash election
Cyera and Oasis Security	28 Jul	About $1 billion, reported	Acquisition
Procore and DroneDeploy	29 Jul	About $845 million	Acquisition, cash
Francisco Partners and Weave	18 Aug	$7.40 a share, about $650 million	Take-private
Progress Software and Domo platform	22 Jul	$400 million	Asset purchase
Navitas and Claros	25 Aug	Up to $232.8 million	Acquisition
Okta and Permiso Security	30 Jul	About $200 million, reported	Acquisition
Descartes and Tai Software	24 Aug	$100 million	Acquisition

Source: Company announcements and SEC Forms 8-K for DoubleVerify, Weave, Accelerant, Personalis and DroneDeploy. Entries marked reported come from institutional reporting.

Sponsors transacted at scale and bought AI-adjacent software rather than model developers. Thoma Bravo agreed Accelerant at a **49%** premium, with a company termination fee of **$56.9 million** rising to **$136.5 million**. Francisco Partners agreed Weave at a **34%** premium and Nielsen agreed DoubleVerify at a **30%**

premium. The thesis in each case is that an established data asset becomes more valuable once AI is applied to it, which The Sponsor Exit 2026 examines in full.

Are regulators going to close the structural gap?

Enforcement in the quarter concerned deal structuring, not market shares.

Table 5. Merger Control and Regulatory Events, 1 July to 26 August 2026

Authority	Date	Action	Read-across
Federal Trade Commission	13 Jul	Record $12 million in penalties for deal splitting	Aggregation across tranches
European Commission	16 Jul	Android opened to competing AI assistants	Gatekeeper distribution risk
Department of Justice	23 Jul	Targeted Second Request process resumed	Shorter US clearance paths
European Commission	27 Jul	AI Omnibus in force; high-risk duties moved to 2027	Compliance cost deferred
Federal Trade Commission	31 Jul	Early termination in IonQ and SkyWater	Vertical deals clearing quickly
Department of the Treasury	7 Aug	347 CFIUS covered transactions in 2025, 114 investigated	Refile cycles in outside dates
Department of Justice	19 Aug	Seismic and Highspot closed on AI-driven entry	An AI disruption defence exists
Federal Trade Commission	24 Aug	Order on a $100 million payment for a rival to exit	Talent transfers carry Section 1 risk

Source: Federal Trade Commission; US Department of Justice Antitrust Division; European Commission; US Department of the Treasury.

Three bear on structure directly. The **$12 million** penalty punished a purchase sized below the threshold paired with a contemporaneous minority investment in the seller, close to the architecture several AI transactions now use. The Seismic and Highspot closing statement gives US buyers an entry defence resting on AI-native competitors, tested against ordinary-course documents. And the 24 August order, which forced a non-compete waiver so an exiting party could re-recruit its staff, supplies a theory for attacking talent-and-licence transfers under Section 1. In the United Kingdom the Competition and Markets Authority cleared Microsoft and Inflection at Phase 1 in 2024 after treating a hire plus associated arrangements as a merger situation.

What does this mean for a founder planning an exit?

The financing backdrop is the strongest of this cycle and visibly maturing. Microsoft reported commercial remaining performance obligations of **$678 billion**, up **84%**, for the quarter ended 30 June 2026, alongside

$115.9 billion of fiscal 2026 capital expenditure; Amazon spent **$98.4 billion** in the first half of 2026. Goldman Sachs Research puts global AI investment at **$1 trillion** for 2026 against close to **$500 billion** of AI-related debt issued year to date.

That financing has drawn official attention of a different kind. The Bank of England's July 2026 Financial Stability Report puts AI companies at roughly half of S&P 500 capitalisation against a quarter in 2022, and records AI issuers at **41%** of non-refinance US high-yield issuance in 2026 to date, from **1%** of the index at end-2025. Public markets have already split: through 25 August 2026 the semiconductor index stands **63.6%** higher on the year while application software stands **4.8%** lower. Rule of 40 2026 sets out that repricing.

Demand for the capability is not in question. McKinsey's State of AI survey, fielded across 1,719 respondents between 4 May and 8 June 2026, finds **44%** of organisations scaling AI across the enterprise and **40%** of large enterprises scaling AI agents, up from 27% a year earlier. EY's CEO Outlook found **48%** of chief executives pursuing acquisitions or divestments to accelerate access to AI, with **57%** focused on strategic alliances and **45%** exploring joint ventures: the framework restated as a survey. Conditions favour beginning preparation now, with clearance paths shorter and the buyer universe wider. The variable a seller controls is structural readiness, which takes months to build.

Key takeaways for founders

1. Establish the structure before you discuss the price

Four structures were in use and each pays different people. Thirty acquisitions paid cap tables; ten alternatives paid companies, founders or landlords. Determine which form your likely acquirer runs as its house structure before the first conversation.

2. A buyer's preferred structure is observable in advance

Nvidia licensed and hired four times in eight weeks. Stripe, Visa, AMD, Databricks and ServiceNow bought companies. Map each buyer's last three transactions by legal form rather than size; precedent predicts what will be proposed to you.

3. Make the entity worth owning, not just the roster

A licence plus a team hire is available whenever value sits in people. Nvidia paid **$6 billion** to licence and hire from Poolside without buying it. Contracted revenue, proprietary data rights and transferable customers are what force a control transaction instead.

4. Published deal counts understate the market you are selling into

Ten of forty Q3 transactions generate no merger filing, so a benchmark built on notification-derived data describes a smaller and slower market than the real one. Build the comparable set from announcements and filings, and name every constituent.

5. The buyer universe now runs well past the model labs

Thirty acquisitions spread across more than twenty distinct acquirers: four semiconductor companies, four security platforms, several vertical software vendors and two sponsors buying whole listed companies. A buyer list confined to big technology misses most of the market.

6. Treat reportability as the live regulatory risk

Enforcement in the quarter targeted deal structuring rather than market shares. Aggregation across tranches, warrants and board seats is where the exposure sits, and the FTC's largest premerger penalty on record punished exactly the architecture AI deals now favour.

- Federal Trade Commission
- Federal Trade Commission, AI partnerships staff report
- U.S. Department of Justice Antitrust Division
- Competition and Markets Authority
- European Commission, AI Act and AI Omnibus
- European Commission, Digital Markets Act
- U.S. Department of the Treasury, CFIUS
- U.S. Securities and Exchange Commission, EDGAR
- PwC, Global M&A Industry Trends 2026
- EY, M&A activity insights and CEO Outlook
- PitchBook, Building, Backing and Buying AI
- CB Insights, State of AI
- McKinsey & Company, The State of AI
- Bain & Company, Global Private Equity Report 2026
- Goldman Sachs Research
- Bank of England, Financial Stability Report
- European Central Bank, Financial Stability Review
- Bank for International Settlements
- Georgetown University, CSET
- Nasdaq, index closing values

Methodology Note

Framework: The Unfiled Deal. A Windsor Drake framework. It holds that AI capability transfers through four structures, three of which generate no premerger notification, and that the structure a buyer selects determines which of a target's stakeholders is paid. The structural assignments here are the firm's judgement and are published so they can be argued with.

Source standard. Inputs are restricted to company announcements, primary filings on SEC EDGAR, regulators and central banks, exchanges, bulge-bracket bank research, the major consultancies and elite data houses. Boutique vendors and rival advisory firms are excluded. A figure reported by an institution rather than published by a party is labelled as reported at every appearance.

The counting basis. The census covers transactions announced between 1 July and 26 August 2026, so the third quarter is partial and is labelled as such throughout. A transaction enters when AI capability, AI infrastructure or AI-enabled data is the stated subject and it is confirmed against one of the sources above. Forty met that standard. Transactions announced before 1 July are excluded even where they closed inside the window.

How deal structures were classified. Each transaction is assigned to one of four structures on the basis of what the parties signed. An acquisition of control transfers the entity or its assets. A licence plus team hire pairs a non-exclusive licence with employment offers while the target survives. A minority investment plus commercial terms pairs a non-controlling stake with a supply agreement. A compute commitment is a multi-year capacity contract. A transaction carrying two limbs is counted once, under the limb carrying the capital.

How the figures were computed. Acquisition value of $20.5 billion is the sum of published consideration across the twelve acquisitions that published a price. Structured capital of $75.0 billion is the sum of licence fees, equity investments and contracted commitments over the stated term of each agreement. Both are Windsor Drake computations from published figures, as is index performance, calculated from Nasdaq closing values to 25 August 2026. Nvidia credit support of up to $105 billion behind PORTS-Pike is excluded from the structured sum, being a guarantee rather than a payment.

Constituents excluded, and attribution. The Windsor Drake Exit Index covers fintech transactions and was excluded from every figure here, which rests entirely on the public record of AI transactions. Two large in-window take-privates, Bernhard Capital and Bowman Consulting and Grant Thornton Advisors and CBIZ, were excluded because neither gives an AI rationale. Third-party figures carry the institution and the date at every appearance, and house computation is identified as such. Sector valuation multiples sit in AI Valuations Q3 2026.