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Cloud Security Valuation & Market Intelligence Report : Q1 2026

JANUARY 2026

Executive Summary: A Market Divided (Q1 2026)

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Cloud security splits between integrated Code-to-Cloud CNAPP platforms and distressed point solutions. AI-Native/Agentic capabilities command premium valuations; regulation and AI spend set budgets.



Platform consolidation: Google Cloud's **\$32B Wiz** deal validates CNAPP and signals the end of standalone CSPM in enterprise buying.



Valuation bifurcation: AI-Native/Agentic platforms trade at **25x+ revenue**; traditional SaaS compresses to **6-10x**, guided by Rule of 40/60.

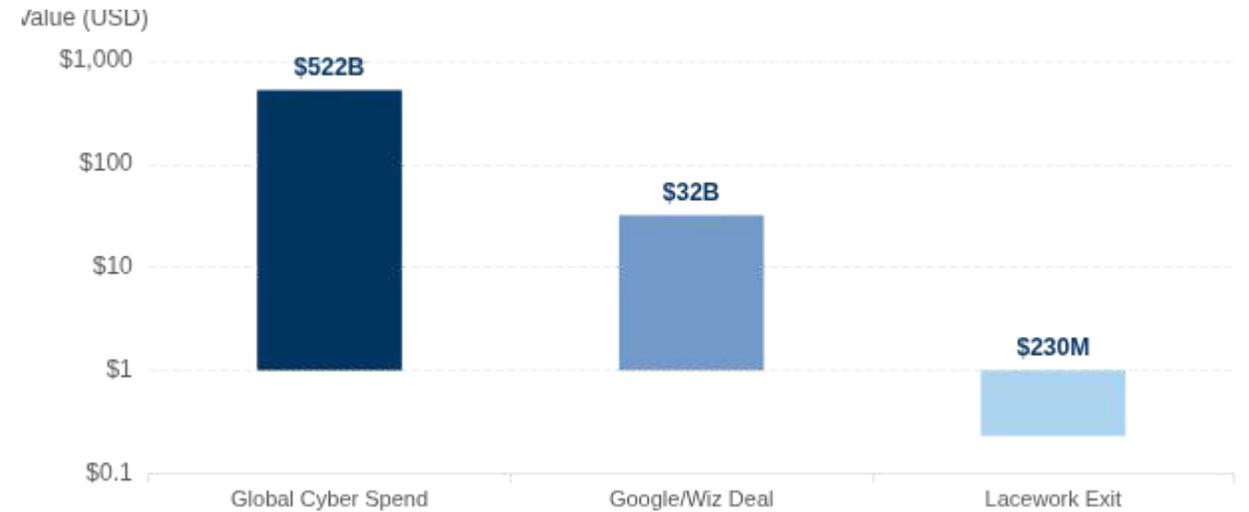


Efficiency warning: Fortinet's acquisition of Lacework for **\$230M** (vs. \$8.3B peak) underscores the shift away from "growth at all costs."



Budget catalysts: **DORA**, **SEC 4-day**, and **EU AI Act** unlock protected spend; AI infra supercycle lifts security consumption.

Market Dynamics: Deal Values vs. Total Addressable Market (2026)



AI PREMIUM

25x+

Revenue Multiple

WIZ DEAL

\$32B

Record Valuation

2026 SPEND

\$522B

Global Cyber Market

Sources (from provided report): Cybersecurity Ventures; AI Tool Report (Wiz); CRN/BankInfoSecurity (Lacework); Bookman Capital/Reddit (AI SaaS multiples).

Executive Snapshot: Growth, AI Infrastructure, Regulation

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Growth leaders (CWPP, Agentic AI), AI infrastructure supercycle impact, and regulatory triggers expanding protected budgets.



Growth Leaders (2025 – 2030): CWPP to **\$22.45B** (23.41% CAGR), CSPM to **\$10.63B** (15.2% CAGR), Agentic AI to **\$7.84B** (33.83% CAGR).



AI Infrastructure Supercycle: 2026 IT spend projected at **\$6.08T**; Data Center Systems growing **+19%**. Security demand rises with workload density, Shadow AI/NHI sprawl, and consumption-based pricing.



Regulatory Triggers: DORA enforcement (Jan 17, 2025), SEC 4-day incident disclosure, and EU AI Act high-risk rules fully applicable by **Aug 2, 2026**—unlocking resilient, compliance-driven budgets.

Sources: Mordor Intelligence (CSPM/CWPP/Agentic AI); Gartner IT Spend (2026); DORA; SEC Cyber Disclosure; EU AI Act.

AGENTIC AI

33.83%

CAGR (2025–2030)

CWPP

23.41%

CAGR (2025–2030)

CSPM

15.2%

CAGR (2025–2030)

AI INFRA

+\$19%

Data Center Systems (2026)

DORA

Enforced

Jan 17, 2025 (EU financial sector)

EU AI ACT

Aug 2, 2026

High-risk rules applicable

Table of Contents

Cloud Security (CSPM/CWPP/CNAPP) Valuation & Outlook — Q1 2026

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1 Executive Overview

Market split, AI-native premium, \$522B spend trajectory.

2 Market Size & Growth

CSPM, CWPP, Agentic AI forecasts (2025–2030).

3 Competitive Landscape

Platforms (PANW, CrowdStrike, Wiz), Lacework lesson, challengers.

4 Valuations & Deals

Multiples by segment; Google/Wiz \$32B; Fortinet/Lacework.

5 Technology & GTM Economics

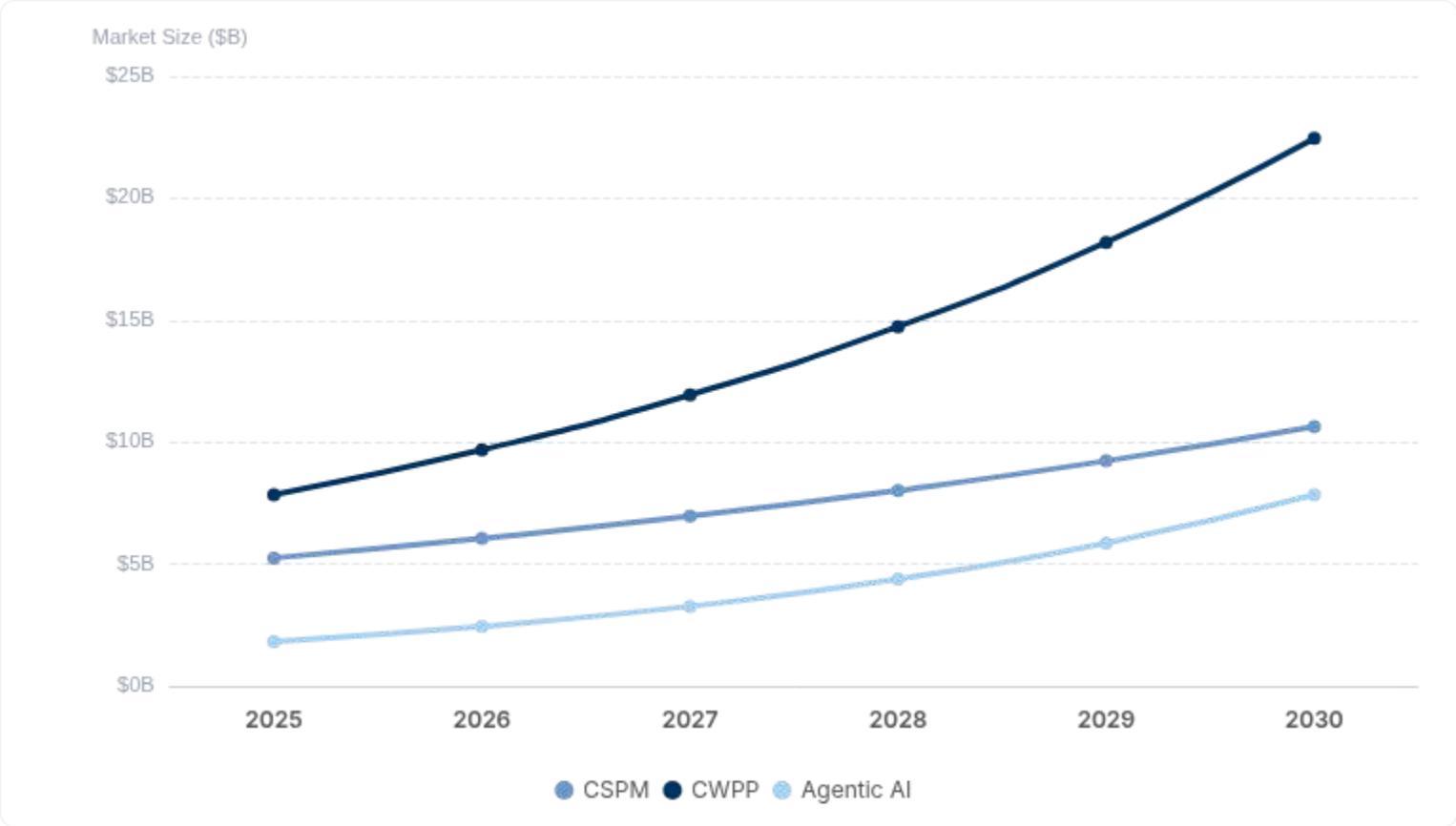
Agentic AI, runtime supremacy; CAC payback, NRR benchmarks.

6 Regulation, Threats & Outlook

DORA, SEC, EU AI Act; AI attacks; 2026–2030 forecast.

Market Size by Segment: 2025–2030 (Projection)

CSPM, CWPP, and Agentic AI market growth based on provided start/end values and CAGR projections.



- **Runtime-led Growth**

CWPP outpaces CSPM as buyers prioritize protecting live workloads (containers, serverless, AI inference) in real time.

- **Agentic Acceleration**

Agentic AI security is the fastest-growing segment, driven by autonomous SOC workflows and non-human identity governance.

- **CSPM Commoditization**

CSPM is now a baseline feature within CNAPP; growth shifts to remediation, services, and lifecycle integration.

CSPM (2030)
\$10.63B
CAGR 15.2% | 2025: \$5.25B

CWPP (2030)
\$22.45B
CAGR 23.41% | 2025: \$7.84B

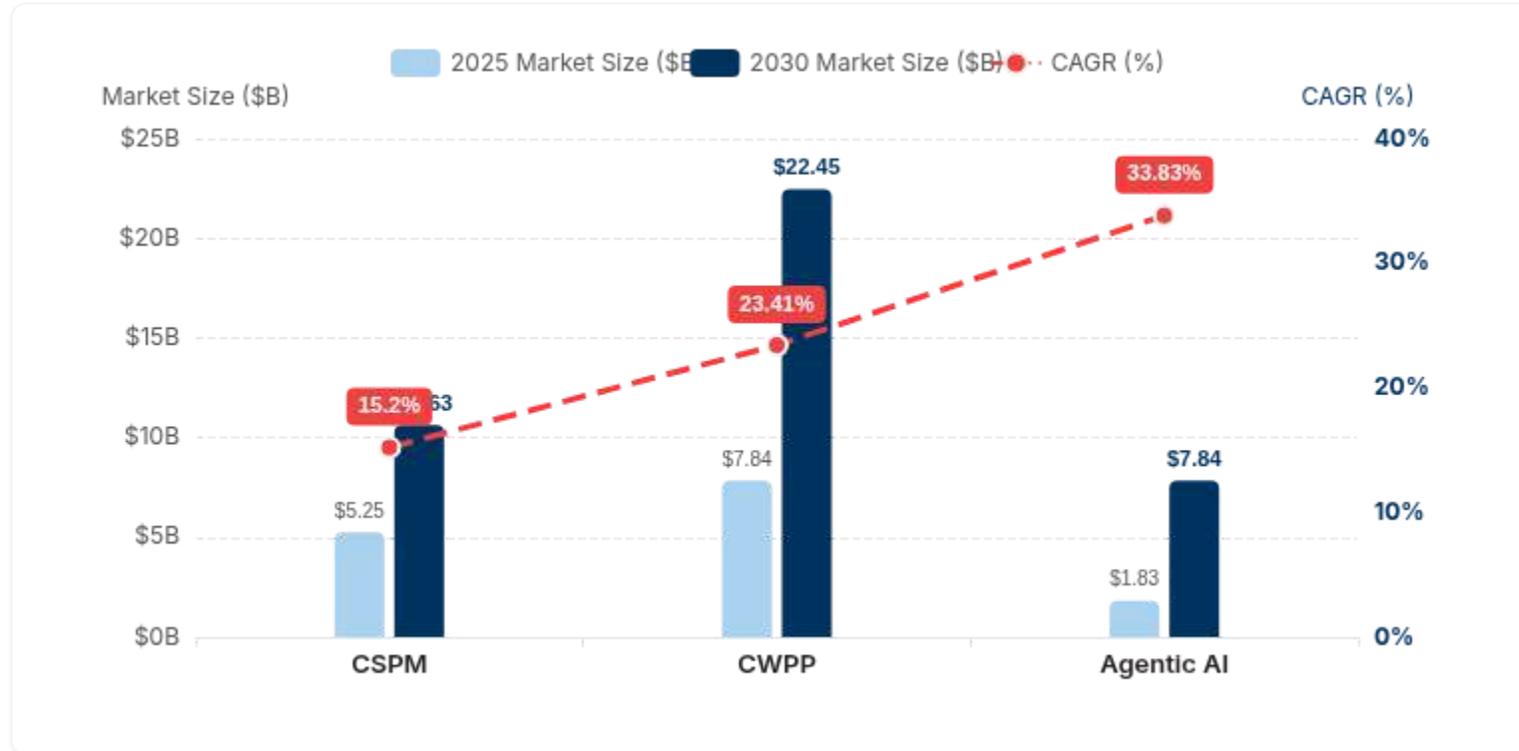
AGENTIC AI (2030)
\$7.84B
CAGR 33.83% | 2025: \$1.83B

Sources: Mordor Intelligence (CSPM, CWPP, Agentic AI segments) [8,9,10].

CSPM Analysis: Baseline Capability vs. High-Growth Peers

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While CSPM doubles to \$10.63B by 2030, its 15.2% CAGR trails the runtime (CWPP) and agentic AI segments.



CSPM GROWTH

15.2%

CAGR (2025–2030)

CWPP GROWTH

23.4%

Runtime Premium

AGENTIC GROWTH

33.8%

AI Automation Demand

- **Baseline Commoditization**

CSPM has become a "table stakes" feature within broader CNAPP suites. Standalone misconfiguration detection no longer commands premium valuation multiples.

- **Growth Divergence**

As the chart illustrates, capital is shifting toward runtime protection (CWPP) and autonomous AI security, which offer higher growth velocity (23–34% CAGR) compared to CSPM.

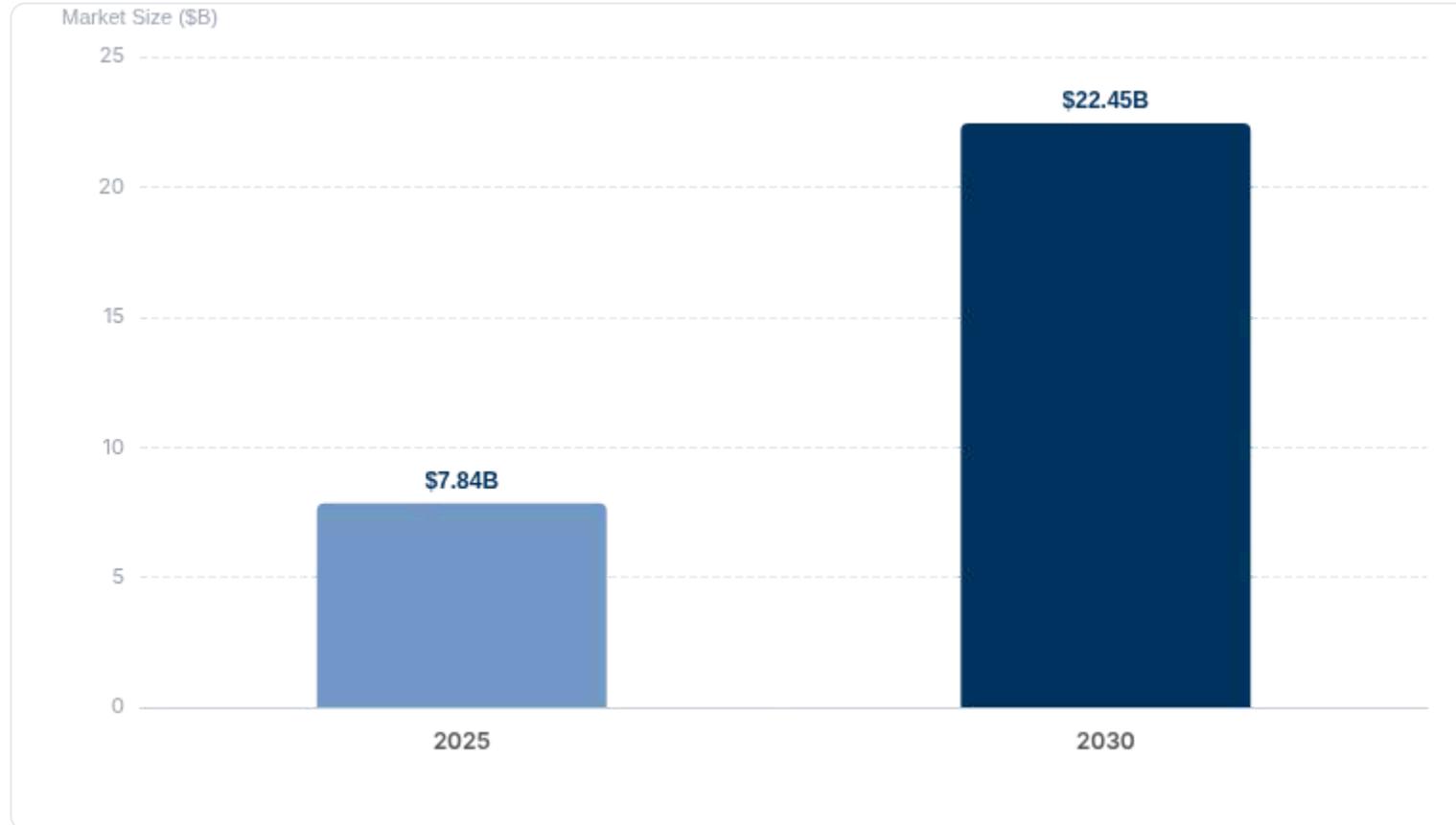
- **Services-Led Expansion**

Future CSPM revenue is increasingly services-led, focused on closing the "alert-to-fix" gap rather than pure license expansion.

Source: Mordor Intelligence (Segment CAGRs); Internal Analysis (Growth Divergence).

CWPP: RUNTIME SUPREMACY

Cloud Workload Protection Platforms grow to \$22.45B by 2030 (23.41% CAGR); eBPF-based deep observability leads runtime defense.



MARKET SIZE 2025

\$7.84B

Baseline year

MARKET SIZE 2030

\$22.45B

Projection

CAGR ('25-'30)

23.41%

High growth

TECH FOCUS

eBPF

Deep kernel observability

- **Runtime-first defense**

Buyers prioritize stopping live attacks (ransomware, cryptojacking) across containers, serverless, and AI inference workloads—beyond static posture checks.

- **eBPF deep observability**

eBPF enables high-fidelity telemetry and enforcement in production with minimal overhead—ideal for high-density AI/GPU clusters.

- **Platform attach & retention**

CWPP is the growth engine within CNAPP suites, boosting upsell, NRR, and unified response alongside CSPM and CDR.

Source: Mordor Intelligence — Cloud Workload Protection Market Size & Trends 2025–2030 (CWPP) [Report citation provided].

AGENTIC AI SECURITY: FASTEST-GROWING SEGMENT

From \$1.83B to \$7.84B (33.83% CAGR). Autonomous SOC capabilities driving 50% enterprise adoption by 2028.



CAGR (2025–2030)

33.83%

Sector Outperformer

2028 MILESTONE

~50%

Enterprise Adoption

2030 TAM

\$7.84B

Total Addressable Market

- **Autonomous SOC Revolution**

AI agents now investigate and remediate Tier 1–2 incidents without human intervention, directly addressing the massive cyber skills gap.

- **Non-Human Identity Surge**

Explosion of machine identities (bots, service accounts) creates a new attack surface ("Shadow AI") that only agentic platforms can govern at scale.

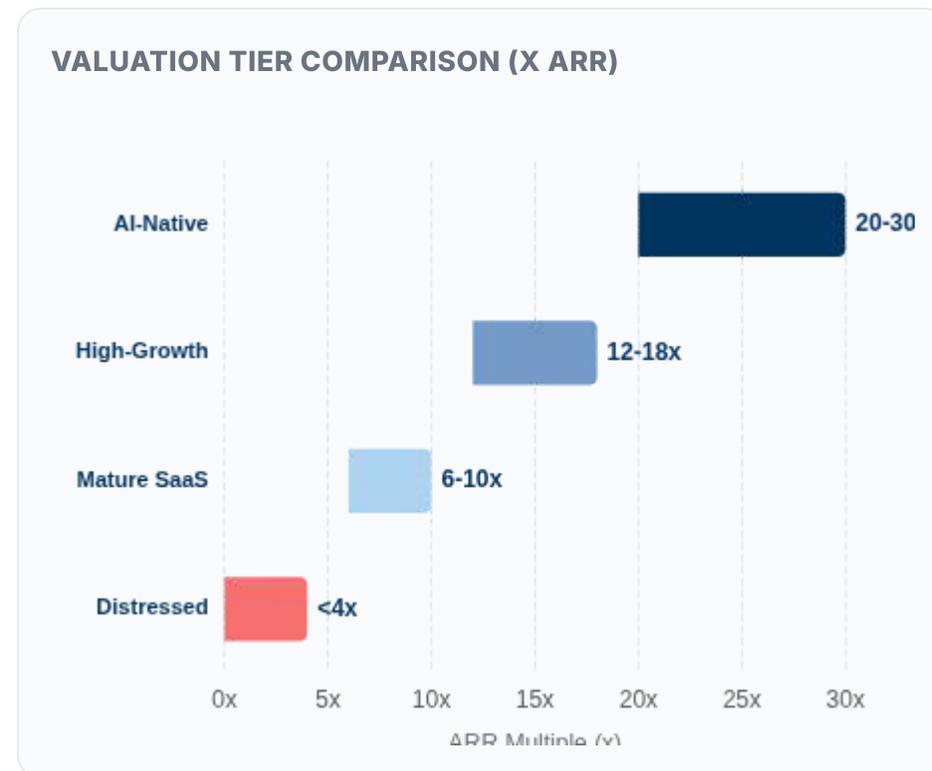
- **Adoption S-Curve**

By 2028, half of all enterprises will deploy specialized AI security platforms. Investors are pricing in a premium for true agentic workflows over basic GenAI wrappers.

Valuation Multiples: Private Market Tiers (Q1 2026)

ARR multiple bands from the provided report; reflects bifurcation between AI-native platforms and legacy/feature assets.

Tier	ARR Multiple	Strategic Notes
AI-Native / Agentic	20-30x	Autonomous remediation; agentic workflows; proprietary data moats.
High-Growth Cyber Platforms	12-18x	30-50% growth, strong retention; platform attach and efficiency focus.
Mature / Standard Growth SaaS	6-10x	20-30% growth; good unit economics; less AI leverage.
Distressed / Feature Assets	<4x	High burn, slowing growth, narrow scope; consolidation candidates.



The Barbell Effect

Capital concentrates in AI-native and efficient platforms (12x-30x), while feature/legacy assets trade at steep discounts (<4x).

Agentic AI Premium

AI SaaS shows outsized multiples (median ~25.8x) versus traditional SaaS (2.5x-7.0x) when automation and proprietary data drive outcomes.

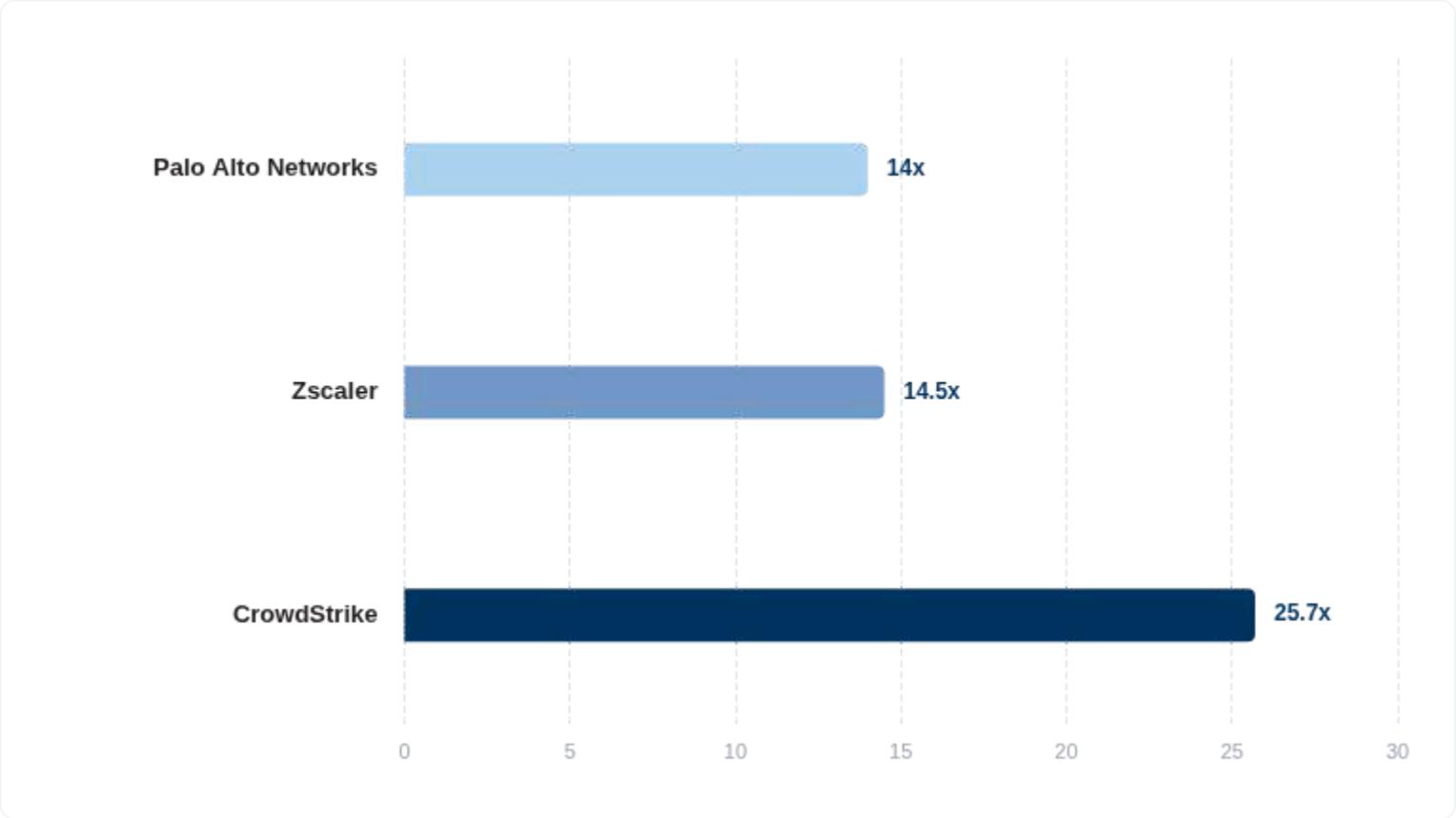
EFFICIENCY SIGNALS

Multiples correlate strongly with the **Rule of 60** (Growth + FCF margin), **CAC Payback** (<18 months), and **Net Dollar Retention** (120%+). Investors pay a premium for "efficient growth" over "growth at all costs."

Source: Provided Q1 2026 report (Private Market Multiples: AI-Native/Agentic 20-30x; High-Growth 12-18x; Mature 6-10x; Distressed <4x).

PUBLIC MARKET BENCHMARKS: EV/REVENUE MULTIPLES

Q1 FY26 context. Platform leaders trade at premium valuations vs. broader security peers.



- Platform Premium**

CrowdStrike (~25.7x) anchors the sector’s ceiling as a scaled, AI-native platform. Zscaler and Palo Alto sustain double-digit multiples.

- Rule of 60 Effect**

Higher valuations correlate with growth plus margin efficiency. Next-Gen ARR at Palo Alto is valued above legacy hardware revenue.

- Agentic Advantage**

Autonomous/AI-native capabilities reinforce data gravity and durable multiples versus point solutions.

CROWDSTRIKE
25.7x
EV/Revenue (Gold standard)

ZSCALER
14.5x
Premium platform

PALO ALTO
14.0x
NGS ARR premium

Sources: Finbox (CrowdStrike EV/Rev); Company filings and investor materials (Dec 31, 2025).

Landmark Transactions: Cloud Security 2025–Q1 2026

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Key deals that re-priced CNAPP, validated Identity as the control plane, and underscored platform efficiency.

Buyer	Target	EV	Segment	Strategic Rationale
Alphabet (Google)	Wiz	\$32B	Cloud / CNAPP	Re-priced cloud security; agentless CNAPP becomes cornerstone of Google Cloud. Sets sector ceiling.
Palo Alto Networks	CyberArk	~\$25B	Identity Security	Elevates Identity as the control plane, unifying PAM/ITDR with CNAPP/SASE.
Fortinet	Lacework	~\$0.2B	CNAPP	Feature vs. platform cautionary tale; capital efficiency and unit economics trump growth-at-all-costs.
Various	Platform Add-ons	Varies	SecOps / Data	Programmatic consolidation to expand code-to-cloud coverage and agentic remediation capabilities.

Comparative Deal Valuation (Billions USD)



Sources: Provided report and citations (Google/Wiz clearance; Fortinet–Lacework). Strategic synthesis aligned to Q1 2026 market analysis. *Lacework valuation (~\$200M–\$230M) reflects asset sale dynamics.

● Platform Premium ● Distressed / Asset Sale

Deal Deep Dive: Google to Acquire Wiz (\$32B)

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CNAPP category validation; sets a new ceiling for cloud security asset valuations.

Transaction Profile



ENTERPRISE VALUE

\$32.0 Billion

All-cash consideration



VALUATION MULTIPLE

~60x ARR

Assumes ~\$500M ARR at signing



STRATEGIC SECTOR

Cloud Security CNAPP



REGULATORY STATUS

Cleared (late 2025)

Pending close in 2026

Note: ARR estimate and multiple are directional based on market reports.

Strategic Rationale & Market Impact

- **CNAPP as Operating Layer**

Elevates CNAPP to core security fabric; validates unified code-to-cloud risk correlation.

- **Competitive Pressure**

Forces AWS/Microsoft to enhance native security; weakens standalone CSPM outlook.

- **AI-Native Advantage**

Leverages Gemini for autonomous fixes, reinforcing the investor premium for agentic AI.

- **Repricing the Sector**

Establishes platform premium separate from point-solutions, accelerating M&A.

Case Study: The Lacework Lesson (Fortinet Acquisition) WINDSOR DRAKE

From \$8.3B peak valuation to ~\$225M exit. A cautionary tale on capital efficiency.

Transaction Profile

PEAK VALUATION
\$8.3 Billion
2021 Round (Sutter Hill)

CAPITAL RAISED
\$1.8 Billion
Total Funding

EXIT VALUE
~\$225M
Aug 2024 (Fortinet)

STRATEGIC FIT

CNAPP Runtime AI

Capital Journey: Raised vs. Realized Value



Burn Rate Reality

Raised \$1.8B but unit economics lagged. Massive S&M spend couldn't overcome lack of platform breadth in a consolidated market.

Feature vs. Platform

Buyers favored unified CNAPP (Wiz/PANW) over Lacework's deep but narrow runtime focus. Point solutions face valuation caps.

2026 Implication

Growth at all costs is dead. 2026 valuations demand efficient growth (Rule of 40/60) and clear AI-driven ROI.

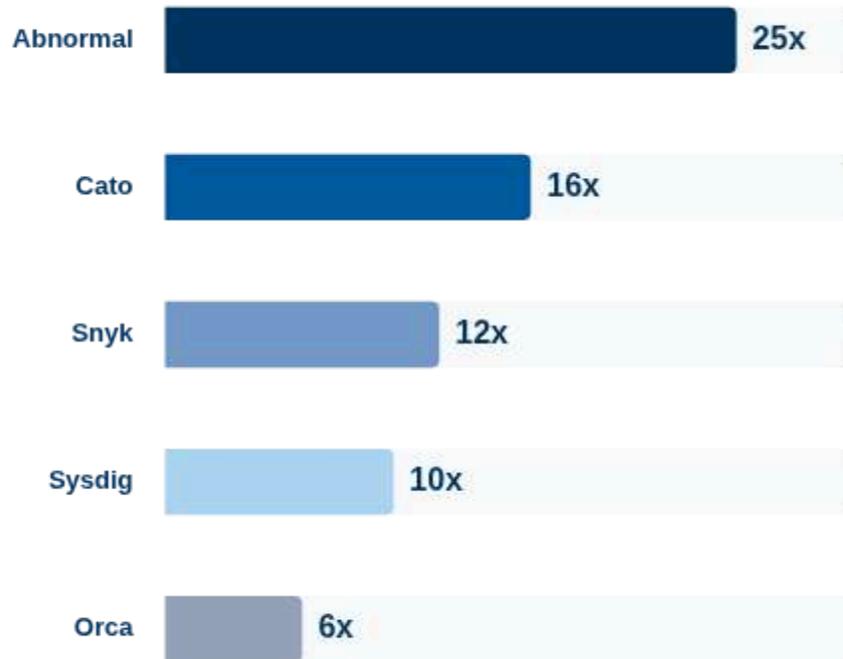
IPO Pipeline & Strategic Positioning Matrix (2026)

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Comparison of top IPO contenders by valuation multiple, growth efficiency, and scale.

Valuation Multiples Ranking

EV / ARR MULTIPLE (X)



Abnormal Security AI-NATIVE LEADER **25x**

ARR GROWTH **85%** VALUATION **\$5.0B**

Cato Networks SASE / IPO PRIME **16x**

ARR GROWTH **55%** VALUATION **\$4.8B**

Snyk DEVSECOPS SCALE **12x**

ARR GROWTH **35%** VALUATION **\$7.4B**

Sysdig RUNTIME SPECIALIST **10x**

ARR GROWTH **42%** VALUATION **\$2.5B**

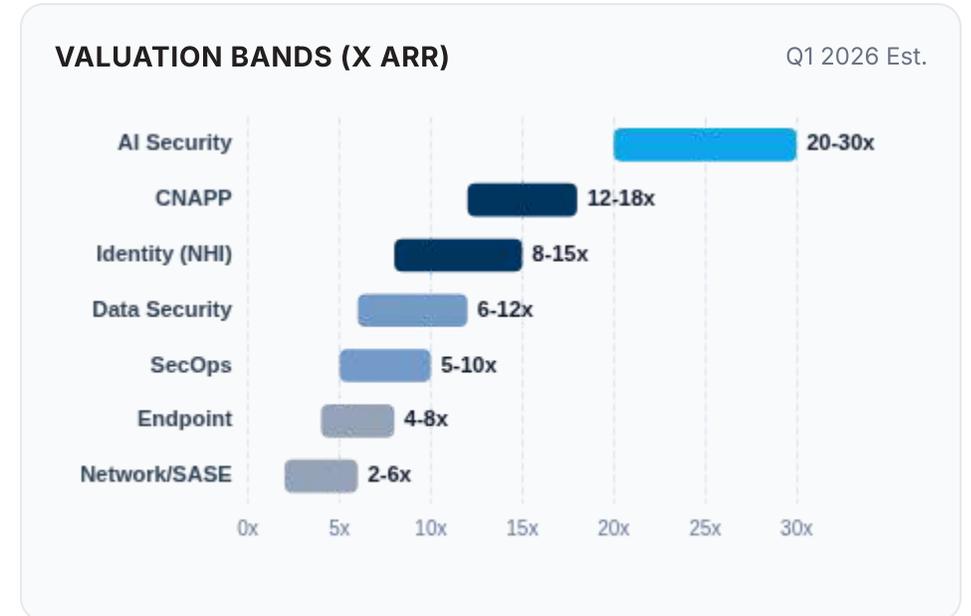
Orca Security CONSOLIDATION **6x**

ARR GROWTH **20%** VALUATION **\$1.8B**

Subsector Landscape: Growth Drivers & Valuation Bands

Comparison of key cybersecurity subsectors by growth drivers and Q1 2026 valuation multiples.

SUBSECTOR	KEY DRIVERS	GROWTH	EV/REV
AI Security (Agentic)	Autonomous remediation; AI pipeline & agent protection	Fastest	20-30x
CNAPP	Code → Cloud correlation; platform consolidation	High	12-18x
Identity (NHI)	NHI surge; ITDR integration with runtime defense	High	8-15x
Data Security (DSPM)	AI data governance; compliance (SEC/DORA/EU AI)	Mid-High	6-12x
SecOps (XDR/CDR)	Agentic SOC automation; marketplace/MSSP channels	Mid	5-10x
Endpoint Security	Mature attach-driven XDR; consolidation	Mid	4-8x
Network / SASE	Legacy refresh; platform bundling	Low-Mid	2-6x

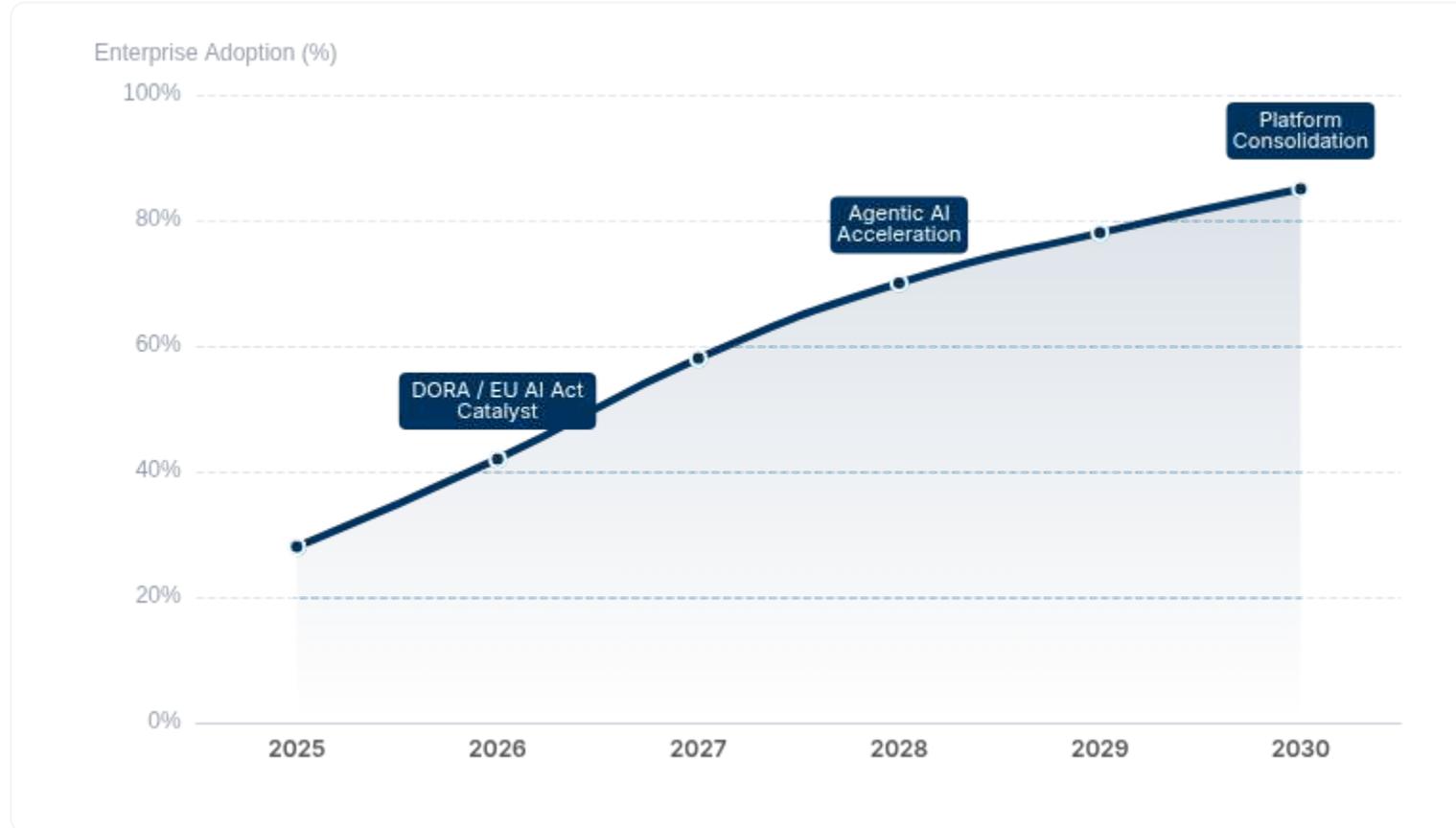


Valuation Dynamics

- **Premium Tier (20x+):** AI Security & Agentic platforms command the highest multiples, driven by autonomous capabilities and scarcity value.
- **Platform Core (12x-18x):** CNAPP and Modern Identity remain the anchor tenants of cloud security budgets.
- **Consolidation Pressure:** Legacy Network and Endpoint layers face multiple compression as they are absorbed into broader platforms.

CNAPP Outlook: Unified Code-to-Cloud

Platform convergence trajectory toward 80%+ adoption; driven by regulatory compliance and AI workload density.



- **Convergence Timeline**

Rapid shift from point solutions (CSPM/CWPP silos) to unified platforms, accelerating in 2026 due to DORA and EU AI Act enforcement.

- **Consumption Economics**

As AI compute drives cloud bills, CNAPP revenue scales via per-workload or %-of-spend pricing without requiring new sales cycles.

- **Wiz Deal Re-prices Sector**

\$32B acquisition validates CNAPP as the "Cloud Security OS," raising the bar for autonomous remediation and platform breadth.

WIZ BENCHMARK

\$32B

~60x ARR; Validates platform thesis

PRICING MODEL

Consumption

Scale with AI compute & workloads

CONSOLIDATION

>80%

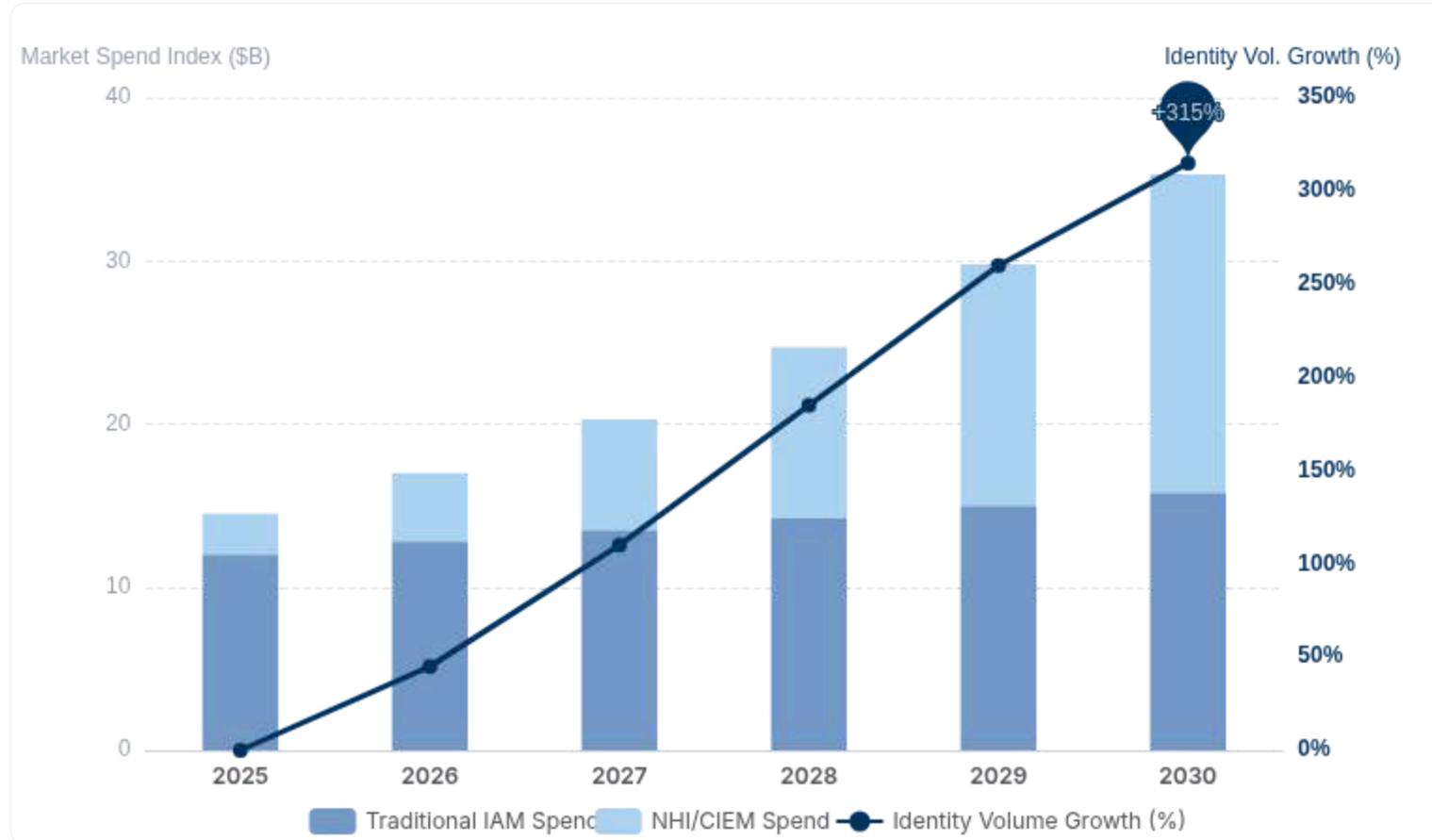
Projected adoption by 2030

Sources (provided): Google/Wiz acquisition context; CNAPP adoption trends & regulatory drivers per report narrative.

Identity & Non-Human Identity (NHI): Market Explosion

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Dual-threat expansion: Identity volumes surge +300% (driven by AI agents) while CIEM/NHI market spend accelerates.



- **Volume Velocity**

Identity counts are rising exponentially (>300%), driven by ephemeral workloads, microservices, and autonomous AI agents that require unique credentials.

- **The NHI Market Gap**

While traditional IAM spend grows steadily, the NHI/CIEM segment is exploding to address the "machine gap," becoming a primary budget line item by 2027.

- **Control Plane Shift**

Security logic is moving from network perimeters to identity governance. Securing the "who" (human) and "what" (machine) is now the critical control point.

- **Attack Surface Expansion**

Non-human identities are over-privileged and under-monitored. Attackers are pivoting from phishing humans to hijacking service accounts.

IDENTITY VOLUME

+315%

Growth by 2030 (vs 2025)

NHI DOMINANCE

82 : 1

Machine-to-Human Ratio

MARKET DRIVER

AI Agents

Fueling CIEM/ITDR spend

Source: Provided report (NHI surge metrics); Market expansion contextualized with volume growth trends (300%+).

Agentic AI Security: Capability Evolution Matrix

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Progression from passive detection to autonomous remediation (2025–2030).

	Phase 1: Passive (Legacy/2024)	Phase 2: Active (Copilot/2026)	Phase 3: Autonomous (Agentic/2028+)
Detection (Signal)	Static Rules & Signatures	Anomaly ML & Correlation	Predictive Threat Modeling
Analysis (Context)	Manual Triage (Log Sifting)	GenAI Summaries & Natural Language	Auto-Investigation & Root Cause
Remediation (Action)	Alert Only (Ticket Creation)	Suggested Fixes (Copy/Paste Code)	Self-Healing (Code Rewrites)

- **Phase 1: Passive Detection**

Traditional CSPM/CWPP focus on visibility and alerting. Relies on human analysts to correlate logs and define rules. High false positive rate.

- **Phase 2: Active Response**

GenAI Copilots assist triage and suggest code fixes. "Human-on-the-loop" model where AI accelerates but doesn't execute final changes.

- **Phase 3: Autonomous Remediation**

Agentic systems independently verify risks, generate fix PRs, test, and merge. "Human-out-of-the-loop" for standard classes of vulnerabilities.

TARGET STATE

Autonomous SOC

Tier 1-2 incidents handled without humans

TIME-TO-FIX

<10 Minutes

Reduction from days/weeks (Traditional)

VALUATION IMPACT

20x–30x ARR

Premium for agentic capability sets

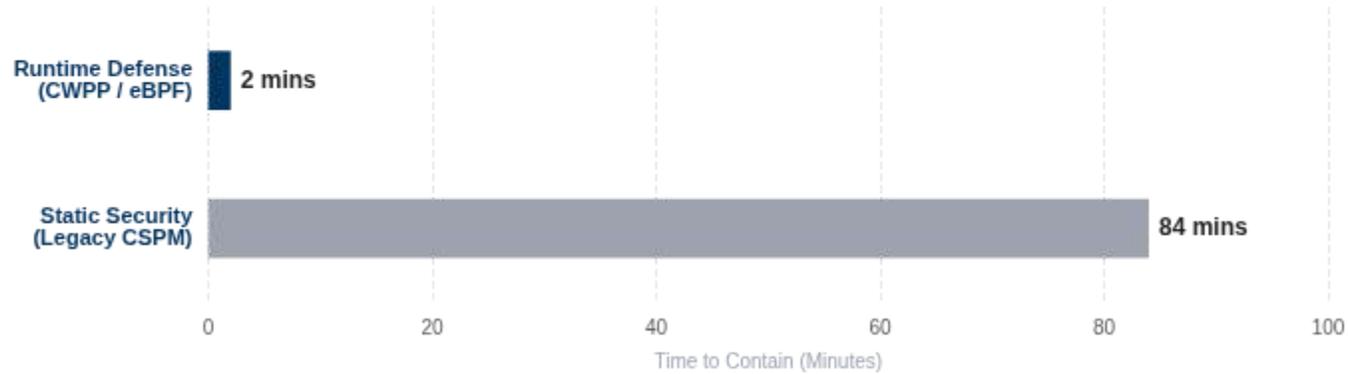
Sources: Mordor Intelligence (Agentic AI Growth); Gartner (AI Security Trends 2026); Report Analysis (Valuation & Capabilities).

Runtime Supremacy: eBPF, Breakout Time, AI Workloads

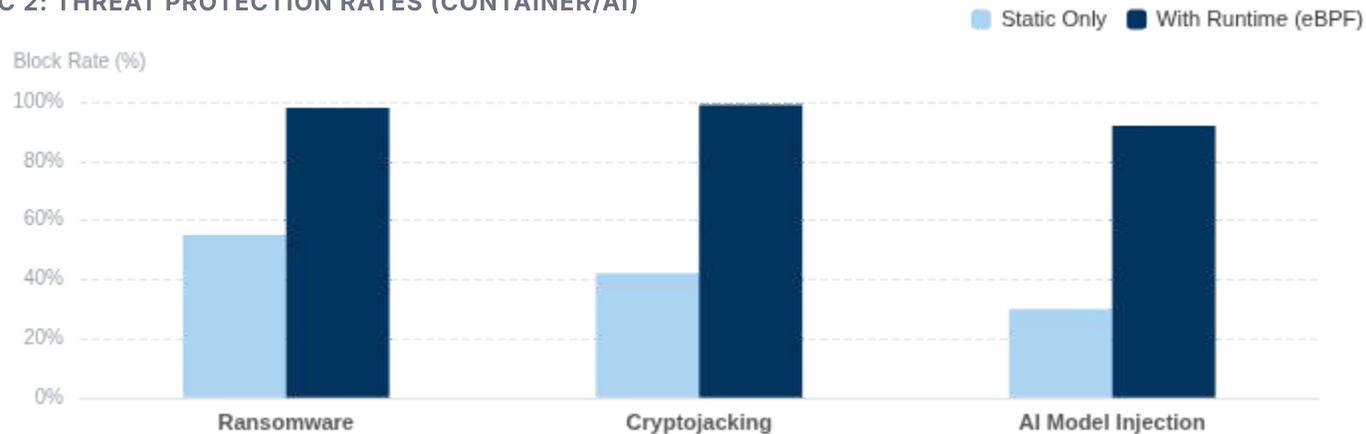
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CWPP runtime controls reduce breakout time from hours to minutes and ensure high-fidelity protection for AI workloads.

METRIC 1: BREAKOUT TIME REDUCTION



METRIC 2: THREAT PROTECTION RATES (CONTAINER/AI)



- **The "Minutes" Standard**

Adversaries now laterally move in <84 minutes. Runtime solutions utilizing eBPF detect and block anomalous processes in near real-time (seconds), closing the critical exposure window.

- **eBPF Deep Observability**

Unlike sidecars or agents that sit in user space, eBPF runs safely in the kernel, providing 100% visibility into syscalls, file access, and network traffic with minimal overhead.

- **AI & Crypto Defense**

Resource-intensive attacks (cryptojacking) and AI model theft require behavioral runtime analysis. Static scanning misses 40%+ of these dynamic, fileless threats.

Source: Provided Report — "Runtime is King (Again)", Sysdig eBPF metrics, Breakout Time analysis.

GTM Efficiency Benchmarks: CAC Payback & NRR Impact

Benchmarks from provided report: CAC payback by segment and how Net Revenue Retention (NRR) correlates with valuation multiples.

Segment	Best-in-Class (Premium Valuation)	Median (Standard)	Concerning (Discounted)
SMB	CAC Payback < 12 mo	~15 mo	> 18 mo
Mid-Market	CAC Payback < 14 mo	~16 mo	> 20 mo
Enterprise	CAC Payback < 18 mo	~22 mo	> 30 mo

- **Why NRR matters:** Higher NRR boosts LTV, enabling higher CAC while preserving unit economics and valuation.
- **How to improve CAC payback:** Platform bundling (CSPM + CWPP + CDR), cloud marketplaces (EDP/MACC), and MSSP channels shorten cycles.
- **Enterprise note:** Longer cycles require higher ACV and expansion motion to maintain sub-18 month payback.

TOP-TIER NRR

120%-140%

Leaders (CrowdStrike, Wiz, Palo Alto) expand via land-and-expand.

PREMIUM MULTIPLE

15x+ EV/Rev

Requires efficient CAC payback and high NRR.

DISCOUNT RISK

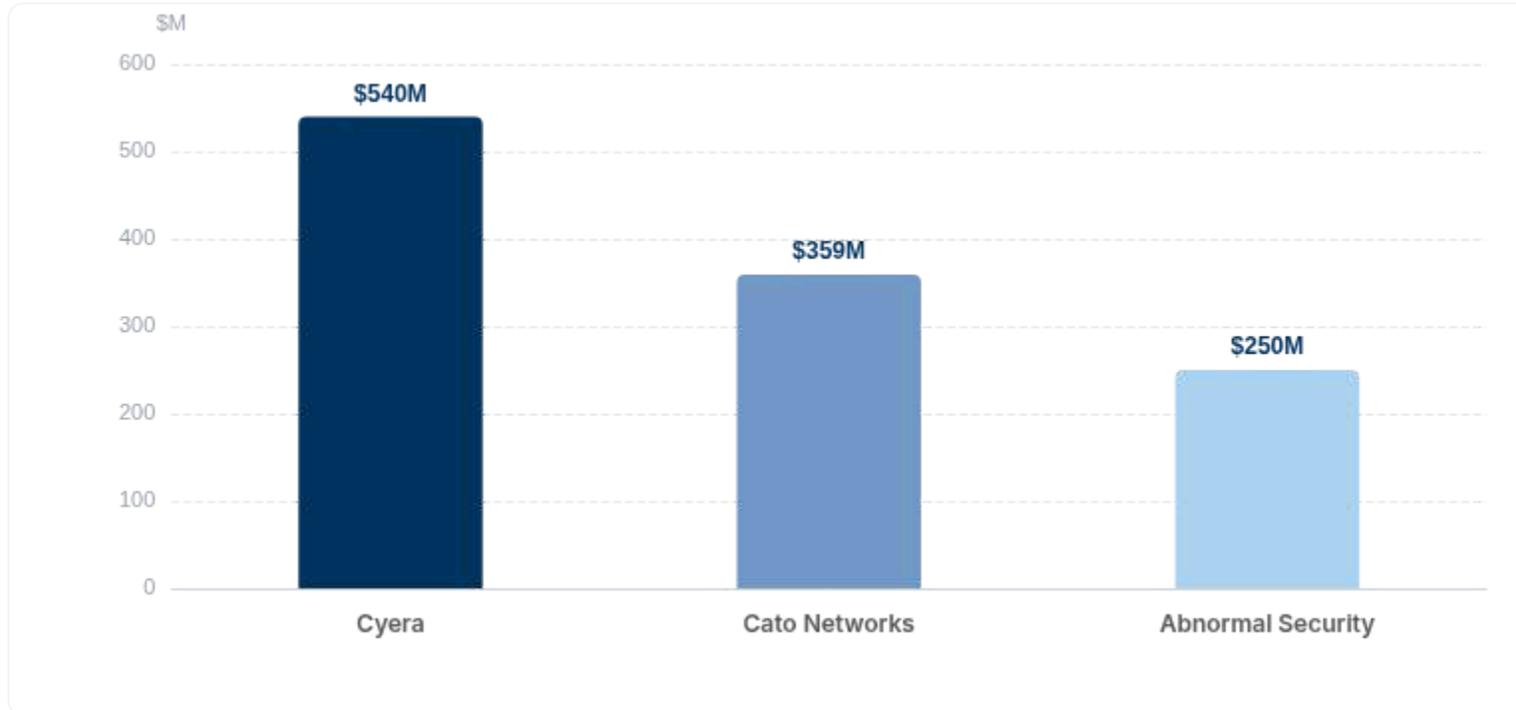
< 5x EV/Rev

Payback > 24 months; low efficiency signals.

Valuation correlation from report: Best-in-class payback trades at the upper end (15x+ revenue). Payback > 24 months often trades < 5x revenue.

VC & PE Funding Patterns: Q1 2026 Context

Capital concentrates in late-stage mega-rounds; Series B/C squeeze; PE roll-ups set valuation floors.



- **Mega-Round Concentration**

Growth equity concentrates in late-stage leaders to prepare for IPOs and category leadership (e.g., Cyera \$540M, Cato \$359M, Abnormal \$250M).

- **Series B/C Squeeze**

Mid-stage companies without platform breadth or efficient unit economics face flat/down rounds and consolidation via M&A.

- **PE Platform Roll-Ups**

Sponsors acquire anchor assets and bolt on point solutions (e.g., CIEM/DLP) to build platforms, establishing a valuation floor around 4–6x revenue.

MEGA-ROUNDS

\$540M • \$359M • \$250M

Cyera • Cato Networks • Abnormal

SERIES B/C

Squeeze

Flat/down rounds; feature M&A

PE AGGREGATION

Roll-Ups

Valuation floor ~4–6x revenue

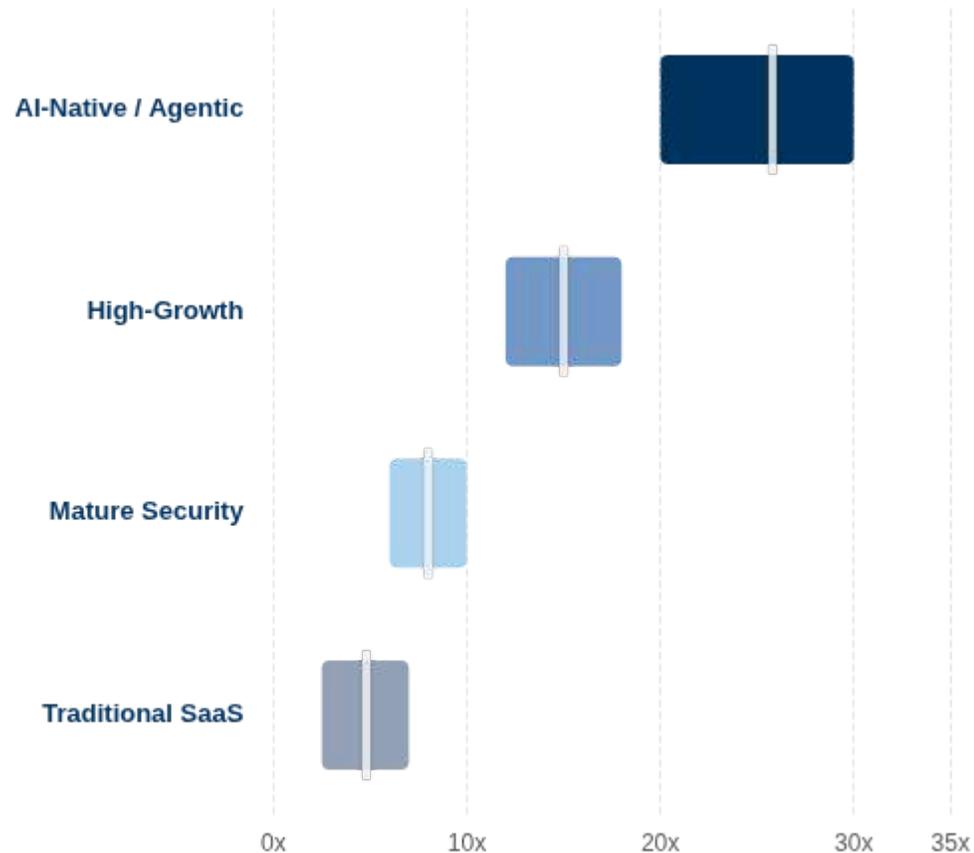
Sources (provided report): Cato Networks raise [17]; Abnormal Security \$250M; Cyera \$540M; Funding patterns & PE roll-ups (report text).

Valuation Multiples Analysis: The Agentic Premium

Comparative analysis of AI-native valuation tiers versus traditional SaaS benchmarks (Q1 2026).

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EV / REVENUE MULTIPLES BY CATEGORY



THE AGENTIC PREMIUM

~25.8x Median

AI-Native platforms command a massive premium over traditional SaaS, driven by autonomous remediation capabilities and "Rule of 60" efficiency.

- **High-Growth (12x–18x):** Scale-up platforms showing >40% growth but lacking fully autonomous capabilities trade in the mid-teens.
- **Traditional SaaS (2.5x–7x):** The baseline for standard software has compressed, highlighting the bifurcation between legacy and AI-driven assets.

Mature Tier

6x–10x

Distressed

<4x

Source: Cloud Security Market Intelligence Report Q1 2026.
Ranges reflect Q1 private market deal flow.

Strategic Buyer Landscape: Big Three Platforms & PE Sponsors

Q1 2026 CNAPP consolidation and agentic AI drive premiums; programmatic roll-ups shape the rest of the market.

Platform Consolidators

Strategic

Palo Alto Networks

Prisma Cloud

Platform consolidator leveraging NGS ARR growth and large deals to bundle CNAPP + SASE + AI security.

CNAPP

Identity/ITDR

SASE

CrowdStrike

Falcon Cloud Sec

Efficiency leader. Single-agent footprint enables rapid attach of cloud modules with low CAC and high NRR.

XDR/SecOps

Marketplace

CWPP

Wiz (Google Cloud)

Agentless CNAPP

Cornerstone of Google Cloud security post \$32B acquisition; fast TTV and security graph underpin platform.

CNAPP

Multi-Cloud

AI Fix

Private Equity Sponsors

PE

Thoma Bravo

Roll-Up

Anchor platforms with add-ons across identity, data, and SecOps; disciplined efficiency focus.

Vista Equity Partners

Platform Ops

Operational value creation and bolt-on strategies to expand platform breadth and margins.

Francisco Partners

Carve-Outs

Carve-outs/take-privates; build category platforms with programmatic M&A in mid-market cyber.

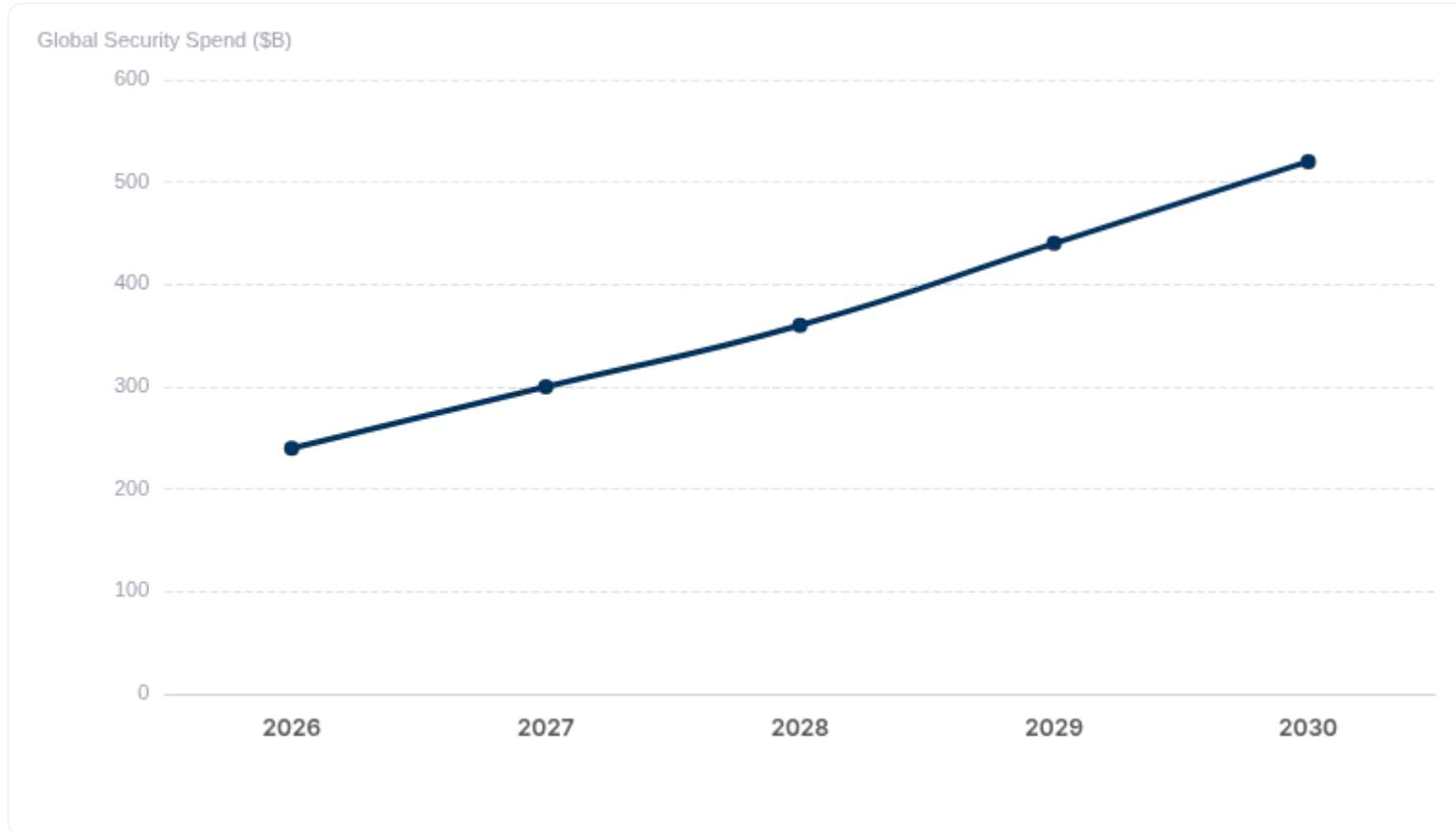
What commands premiums in 2026

- Unified code-to-cloud platforms with autonomous remediation (agentic AI).
- Runtime protection (CWPP) + Identity (ITDR/CIEM) + strong GTM efficiency.

Forecast 2026–2030: Spend Trajectory & Segment Mix

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Trajectory toward ~\$520B by 2030. Segment CAGRs: Agentic AI 33.83%, CWPP 23.41%, CSPM 15.2%.



- **Global Spend Uptrend**

Projected rise toward ~\$520B by 2030 as cloud and AI infrastructure scale. Consumption pricing lifts security outlays alongside workloads.

- **Segment Mix Signals**

Agentic AI grows fastest (33.83%) as remediation automates; CWPP leads runtime resilience (23.41%); CSPM steady baseline (15.2%).

- **Regulatory Catalysts**

DORA, SEC incident disclosure, and EU AI Act sustain protected security budgets through 2030.

AGENTIC AI

33.83% CAGR

Autonomous SOC & AI security

CWPP

23.41% CAGR

Runtime protection growth

CSPM

15.2% CAGR

Baseline misconfig posture

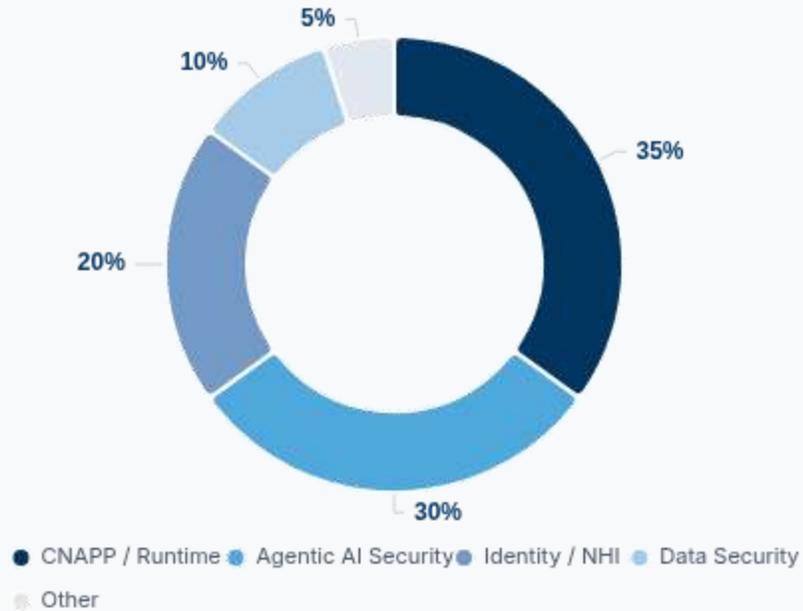
Sources: Cybersecurity Ventures (global spend trajectory); Mordor Intelligence (CSPM/CWPP/Agentic AI CAGRs: 15.2%, 23.41%, 33.83%).

Investment Themes: 2026 Allocation Priorities

Projected 2026 capital allocation reveals a shift toward unified Runtime platforms and Agentic AI.

2026 Capital Allocation Mix

Projected



MARKET SIGNAL

85% of investment targets high-growth segments: CNAPP consolidation, Agentic AI, and Identity governance, leaving niche point solutions behind.



Platform Consolidation

CNAPP

Integrated suites drive pricing power; unifies CSPM & CWPP into a single risk graph.



Autonomous Remediation

AGENTIC AI

AI that fixes Tier 1-2 incidents commands 25x+ revenue multiples over passive alerts.



Shift-Left → Shield-Right

RUNTIME

Focus shifts to runtime protection (CWPP) to block live attacks in production environments.



Non-Human Identity

IDENTITY

Governance of service accounts and AI agents becomes the new identity control plane.



Data Gravity

DSPM

Correlating runtime behaviors with AI data flows to map blast radius and leakage risks.



Regulatory Moats

COMPLIANCE

DORA, SEC rules, and EU AI Act unlock protected budgets and create defensible value.

Appendix: Sources & Methodology

Comprehensive index of data sources, market intelligence, and valuation methodologies used in the Q1 2026 report.

Source Category	Primary Citation (hyperlinked)	Application in Report
Cybersecurity Ventures	Cybersecurity Market Report 2025-2026	Global spend trajectory (projected \$522B by year-end).
Mordor Intelligence	CSPM Market Analysis CWPP Market Growth Agentic AI Segment	Segment sizes and CAGR validations (CSPM, CWPP, Agentic).
Gartner / DataCentre	Worldwide IT Spending Forecast 2026 Top Strategic Trends	AI infrastructure supercycle data; "Shadow AI" sprawl metrics.
Regulatory Frameworks	DORA Implementation Guide 2026 EU AI Act Compliance Timeline	Compliance-driven budget catalysts and reporting deadlines.
Wiz / Google Deal	Hindustan Times: Deal Clearance Reuters: Wiz Valuation Analysis	Valuation markers (~60x ARR) and strategic rationale context.
Lacework / Fortinet	BankInfoSecurity Analysis CRN: Fortinet Completes Acquisition	Capital efficiency cautionary tale; asset repricing analysis.
Public Company Data	CrowdStrike IR (10-K) Palo Alto Networks IR Zscaler Quarterly	Benchmarks for EV/Revenue multiples (CRWD ~25.7x, etc.).
CNAPP & Identity	Gartner Magic Quadrant: CNAPP TechCrunch: NHI Funding	Identity-first security trends; Non-Human Identity (NHI) growth.
IPO Pipeline Data	Crunchbase Unicorn Board PitchBook NVCA Venture Monitor	2026 IPO candidate readiness; late-stage valuation thresholds.
Regional & Vertical	Grand View Research (APAC) Statista (Global BFSI Cyber Spend)	Asia-Pacific growth rates (16% CAGR); BFSI revenue share (~30%).
VC / PE Landscape	Dealroom.co Cyber Funding Q4 2025 Thoma Bravo Portfolio	Private market capital flows; PE roll-up strategy benchmarks.
Strategic M&A	MergerMarket Technology Company Press Releases (Cisco/Splunk)	Comparison of strategic M&A premiums vs. financial sponsor exits.
Report Methodology	Windsor Drake Proprietary Valuation Framework (Internal)	Valuation tier logic (AI-Native vs. Legacy) & Rule of 60 calc.

* Note: All third-party data cited under fair use for market intelligence purposes. Valuation tiers derived from proprietary transaction analysis. Cloud Security (CSPM/CWPP) Market Intelligence Report Q1 2026