2035 - THE EDGE AI REVOLUTION: WHEN 80% OF AI MIGRATES TO THE EDGE

From centralized AI to distributed intelligence:
Technologies, Markets and Strategic Issues 2020-2035

Target Sectors

Industry 4.0, Healthcare, Smart Cities, Automotive, IT & Telecom, Retail, Agriculture, Energy & Utilities

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SECTION 4 – FINANCE & M&A

PROJECTIONS 2035

Edge AI : From $24 Billion to $357 Billion in 10 years (CAGR 27.7%)

Latest 2025-2026 Projections: Massive Edge & Cloud Acceleration

Edge AI CAGR (2025-2035)

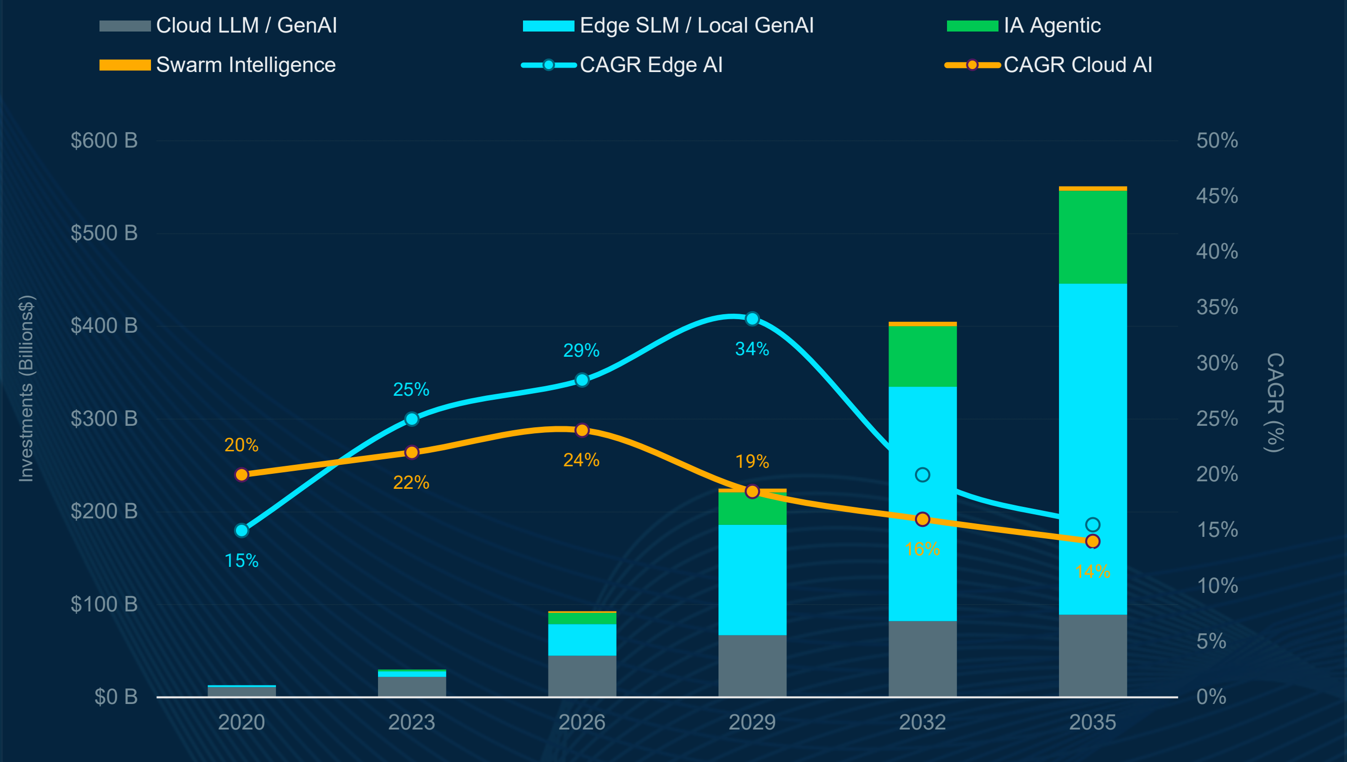
27.7%

2035 target: $240 Mds

Cloud AI CAGR (2025-2035)

18.2%

Sustained but moderate growth



2026 projections confirmed

Analyses confirm a peak CAGR Edge of 34% in 2029 before stabilizing at 24% in 2035 (validated sources: BCC Research, Roots Analysis, Precedence Research). This accelerated growth validates the $357 billion target.

Edge CAGR approx. 28% (peak approx. 34%)

Edge Hardware on Boom

The Edge AI hardware market alone is expected to reach ~$59 billion by 2030, supported by the explosion of embedded SLMs and NPUs.

Cloud AI Massive Growth

Despite the rise of Edge AI, Cloud AI aims for stable growth, remaining the backbone for training and massive foundational models.

CAGR means validated by consensus from 9 external sources (Roots Analysis, BCC Research, Precedence Research).
Note: AI Agentic: explosive growth confirmed (CAGR 40-45%, sources: Fortune Business Insights, Acumen Research, MarketsandMarkets). Swarm Intelligence: niche segment (<2% of the market).

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M&A INTELLIGENCE

$265 Billion at stake : The 10 biggest AI M&A deals

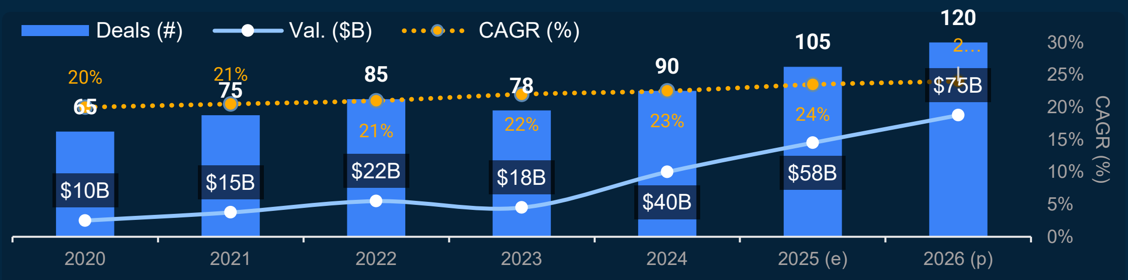
Strategic Divergence: Cloud Consolidation vs. Edge Ecosystem Explosion

Cloud AI (Centralized)

Deals '26: 120

LLM Training | SaaS AI | Foundation Models

Val: $75B



Multiple EBITDA: 15x (2020) → 28x (2026)

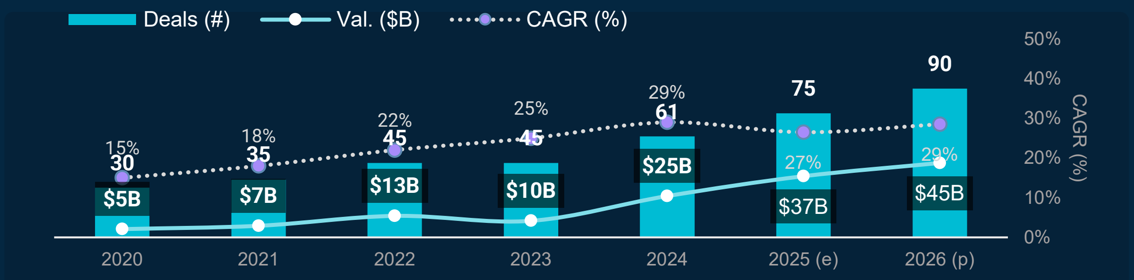
Massive consolidation around hyperscalers. Record EBITDA multiple of 28x in 2026 driven by the race for sovereign LLMs.

Edge AI (Distributed)

Deals '26: 90

Hybrid | Native | Pervasive | On-Device

Val: $45B



Multiple EBITDA: 10x (2020) → 24.5x (2026)

Acceleration of the Pervasive AI segment. Deal flow growth +200% (2020-2026) with focus on specialized hardware.

AI Cloud Buyers

- GOOGLE
- MICROSOFT
- AMAZON
- SALESFORCE
- ORACLE
- IBM

Edge AI Buyers

- NVIDIA
- INTEL
- AMD
- QUALCOMM
- CISCO
- DELL

Top 10 Strategic M&A AI Deals (2020-2026)

Cumulative Valuation: $>265B

#	Deal	Value	Type
01	Broadcom VMware	$69B	CLOUD
02	Microsoft Activision	$68.7B	CLOUD
03	IBM Red Hat	$34B	CLOUD
04	Google Wiz	$32B	CLOUD
05	Cisco Splunk	$28B	CLOUD
06	HPE Juniper	$13.4B	EDGE
07	IBM Confluent	$11B	EDGE
08	NVIDIA Intel	$5B	EDGE
09	AMD ZT Systems	$4.9B	EDGE
10	AMD Multi-Acq.	$2B	EDGE

M & A FUTURE

2031 : The year Edge AI surpasses Cloud in M&A deals

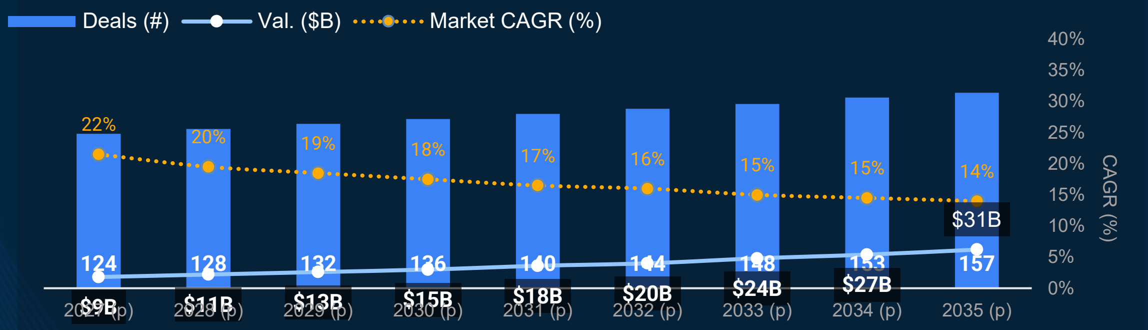
Crossover point 2031: Edge (152 deals) > Cloud (140 deals)

Cloud AI (Hyperscalers)

Deals '35: 157

Val: $31B

LLM Sovereigns | Vertical SaaS | Centralized Infra



M&A CAGR (Avg 2027-35): Deals 3.0% | Val CAGR Var 18.2%

Multiples EBITDA 15x - 25x (Median 22x)

0x | 10x | 20x | 30x

Strong consolidation limit deals (+3%/year). Valuation adjusted to $31B in 2035 (20% of the market) respecting the maturity and saturation assumption.

AI Cloud Buyers

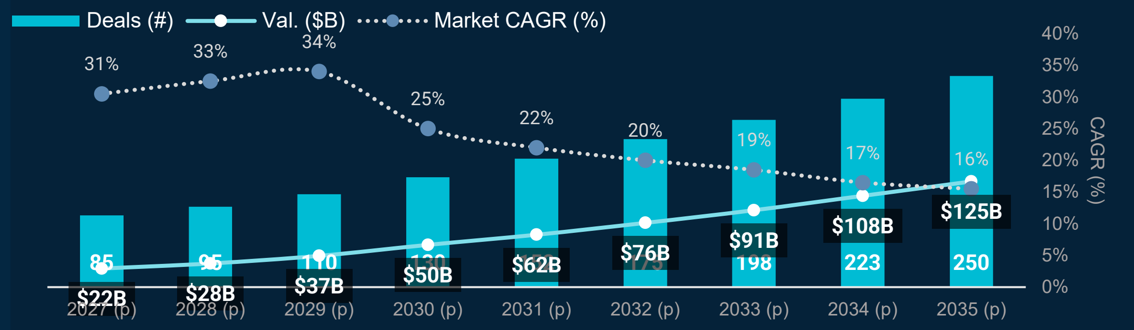
- GOOGLE
- MICROSOFT
- AMAZON
- SALESFORCE
- ORACLE
- ALIBABA

Edge AI (Distributed)

Deals '35: 250

Val: $125B

Quantum Edge | Swarn | Neuromorphic



M&A CAGR (Avg 2027-35): Deals 12.0% | Val CAGR Var 24.5%

Multiples EBITDA 12x - 20x (Median 16x)

0x | 10x | 20x | 30x

Continued expansion generates new deals (+12% per year). Valuation of $125B in 2035 (80%) confirms Edge dominance. Deal crossover point now in 2031 (152 vs. 140).

Edge Buyers

- NVIDIA
- INTEL
- AMD
- QUALCOMM
- APPLE
- TESLA

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STRATEGIC ROADMAP

Edge AI roadmap : 3 phases to a successful transition

Strategic roadmap for a transition to Edge AI

Trajectory

Transition from cloud-first to edge-first architectures for critical inference, driven by latency and privacy.

Models & Architecture

Generalization of SLMs on constrained devices and the rise of swarms of agents (Swarm Intelligence) for collaborative autonomy.

2020 – 2025

- Opportunity : First Edge LLM deployments & TCO optimization
- Opportunity : Critical Latency Reduction (Automotive/IoT)
- Challenge : Limited Hardware Maturity (NPU)
- Challenge : Hybrid MLOps Complexity

2025 – 2030

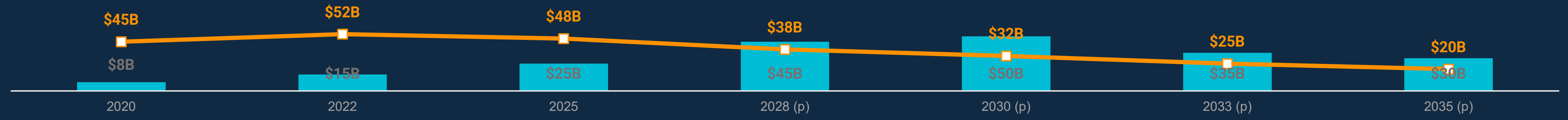
- Opportunity : Autonomous Agentic AI & E2E Automation
- Opportunity : New Business Models (Decentralized SaaS)
- Challenge : Governance & Distributed Security
- Challenge : Heterogeneous interoperability

2030 – 2035

- Opportunity : Swarm Intelligence & Collaboration massive
- Opportunity : Edge AI pervasive (Smart Cities/BioTech)
- Challenge : Ethics & Control of Autonomy
- Challenge : Overall energy consumption

Investment Evolution: CAPEX vs OPEX (2020-2035)

Cepex - Infra Edge Hardware ($Md) Opex - Cloud Cost ($Md)



OPEX (declining after 2022 : -62%)
- Cloud → Edge migration
- Local processing
- Agent Ops automation
- NPU / TPU efficiency
- SLM vs LLM optimization

CAPEX (declining after 2030 : -40%)
- Deployed infrastructure
- Economy of scale
- Technology maturity
- Standardization

0 – 6 months

Initiation & POC

- Select 3-5 priority use cases (Latency < 50ms)
- Launch POCs on Edge LLM/SLM (e.g., Llama-3-8B)
- Evaluate Cloud vs Edge Comparative TCO

6 – 18 months

Hybrid Industrialization

- Deploy a Hybrid MLOps Platform (Train Cloud / Infer Edge)
- Integrate AI Act & Security Governance
- Implementation of the first Autonomous Agents (AgentOps)

18 – 36 months

Scale & Autonomy

- Multi-site scaling & Heterogeneous fleets
- Activation of the Agentic Mesh (Swarm)
- Continuous Latency/Energy Optimization

KPIs for Success

< 10 ms	-40%	+25%	Zero
Target Latency	Cost per Inference	Automation rate	Privacy (Data Egress)

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