# Perplexity AI eyes $14bn valuation with $500m funding and potential Apple tie-up



Perplexity AI, an innovative player in the artificial intelligence sector, is reportedly in advanced discussions to secure a substantial $500 million in funding that would elevate its valuation to an impressive $14 billion. This figure represents a significant leap from its previous valuation of $9 billion just six months ago, underscoring the rapid growth and investor interest in AI technologies. The funding round is expected to be led by the well-known venture capital firm Accel, which has a history of backing successful tech innovations.

The company's recent trajectory reflects the burgeoning demand for AI-driven solutions in information retrieval. Perplexity AI offers a distinctly different approach to search functionality by delivering comprehensive answers in sentence form accompanied by links to the original sources, contrasting sharply with traditional search engines that primarily return lists of web links. Amidst rising competition, including offerings from giants like OpenAI and Google, the unique positioning of Perplexity AI has garnered attention from major stakeholders.

Recent reports suggest that Perplexity AI might be on the verge of a transformative partnership with Apple. As Apple explores integrating advanced AI search features into its Safari browser, Perplexity's capabilities could significantly enhance user experience. This follows concerns raised by Eddy Cue, Apple's Senior Vice President of Services, who indicated a decline in searches via Google on Safari, hinting at users seeking newer, AI-powered alternatives.

Despite its rapid growth, Perplexity AI has not shied away from the challenges facing the sector. Founded in 2022, the company currently serves around 30 million users and plans to expand its offerings, including the upcoming launch of its web browser, Comet. This initiative, pitched as a fresh alternative to Google Chrome, aims to enhance user interaction through an “agentic” framework that incorporates AI to assist users in complex tasks.

Historically, Perplexity AI's valuation journey has been striking. It started 2024 at $520 million, rose to $3 billion in the summer, and saw a dramatic tripling in valuation to $9 billion after a funding round in early December. However, its aspirations for an $18 billion valuation in the current cycle have been tapered slightly amid cautious investor sentiment. Nevertheless, the growing excitement surrounding AI technologies suggests that the company remains well-positioned amidst ongoing investor enthusiasm.

Alongside this funding, the startup's revenue dynamics are also noteworthy. Perplexity AI has transitioned from accumulating $5 million in annual revenue to a robust $35 million in just over a year. Much of this revenue is derived from premium subscriptions, highlighting the user base's willingness to invest in enhanced features. As its offerings expand, such as the introduction of voice mode and improved user interface capabilities, the demand for capital to scale operations has never been more critical.

Although the AI landscape is crowded, with notable competition from established tech firms adding generative AI features to their products, Perplexity AI's innovative model presents a unique opportunity for growth. As it navigates through investment rounds and partnerships, the way forward will be closely watched by industry observers keen to understand how it will shape the future of information retrieval in an era increasingly dominated by AI advancements.

While the final details of the funding round and the potential partnership with Apple remain to be confirmed, Perplexity AI is undoubtedly a name to watch as it continues to craft its niche in the competitive artificial intelligence sector.

### Reference Map

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Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

1. <https://www.pymnts.com/artificial-intelligence-2/2025/report-perplexity-ai-discussing-funding-round-that-would-push-valuation-to-14-billion/> - Please view link - unable to able to access data
2. <https://www.reuters.com/technology/ai-firm-perplexity-eyes-14-billion-valuation-fresh-funding-round-wsj-reports-2025-05-12/> - Perplexity AI is reportedly in advanced talks to raise $500 million in a funding round that would value the startup at $14 billion, according to the Wall Street Journal. The funding round is expected to be led by venture capital firm Accel. Perplexity AI offers AI-driven information summaries similar to OpenAI's ChatGPT and Google's Gemini. The company has previously raised funds at a $9 billion valuation and is backed by Nvidia and other investors. Apple is also reportedly considering adding AI search providers like Perplexity to its Safari browser, potentially increasing the startup's visibility among users.
3. <https://www.ft.com/content/7621cd5f-901e-4948-879d-011e0edb3bed> - Perplexity AI, an AI-powered search engine based in San Francisco, is finalizing its fifth funding round in 18 months, aiming for a $14 billion valuation—a $5 billion increase from its previous round in December. The $500 million round, led by venture capital firm Accel, follows increasing investor interest spurred by the broader AI boom. Despite initially targeting an $18 billion valuation, the company adjusted expectations due to investor caution. Previous backers include Nvidia, NEA, IVP, SoftBank's Vision Fund 2, and prominent tech figures like Jeff Bezos and Andrej Karpathy. Perplexity currently serves 30 million users and is focusing on expanding its offerings such as a voice mode and a new "agentic browser" named Comet, intended as a Chrome alternative. The majority of the company’s revenue comes from premium subscriptions, with annualized revenue growing from $5 million in January to $35 million in August last year. CEO Aravind Srinivas noted the need for significant capital to scale the company's infrastructure and user base. Perplexity, with about 200 employees, maintains solid cash reserves but acknowledges that future developments will demand substantial investment.
4. <https://www.bloomberg.com/news/articles/2024-12-18/ai-startup-perplexity-closes-funding-round-at-9-billion-value> - Perplexity AI Inc., an artificial intelligence startup building a search product to compete with Alphabet Inc.’s Google, has closed a $500 million round of funding that triples the company’s valuation to $9 billion, according to a person familiar with the matter. The round was led by Institutional Venture Partners and completed earlier this month. Even by the lofty standards of other top AI startups, Perplexity has seen its valuation soar rapidly this year. In April, Perplexity was valued at $1 billion. That figure rose to $3 billion in June after the startup received an investment from SoftBank Group Corp.’s Vision Fund 2. The new $9 billion valuation includes the amount raised in the latest round. The funding reflects investor enthusiasm for rethinking online search to incorporate generative AI. Perplexity, founded in 2022, has distinguished itself from other AI chatbots by providing more real-time information. But the startup faces growing competition: ChatGPT-maker OpenAI this week began rolling out search features to all users of the chatbot. Microsoft Corp. and Google have also overhauled their search products to include more conversational AI features. Perplexity offers several services in addition to the paid and free versions of its search tool. The startup launched a product that allows organizations to search internal files and introduced new finance-related features, including looking up stock prices and company earnings data. In March, the company said it had more than 15 million active users. The company has also launched a series of revenue-sharing partnerships with major publishers, including Time and Fortune, after it faced accusations of plagiarism from some news outlets. In addition to SoftBank, Perplexity is backed by Amazon.com Inc. founder Jeff Bezos and Nvidia Corp.
5. <https://www.reuters.com/technology/artificial-intelligence/perplexity-ai-talks-raise-funds-18-billion-valuation-bloomberg-news-reports-2025-03-20/> - Perplexity AI, an Nvidia-backed startup that competes with Google’s Gemini and Microsoft-backed OpenAI’s ChatGPT, is in discussions to raise funds at a valuation of $18 billion. This new valuation is double the $9 billion reported in November. The company aims to secure between $500 million and $1 billion in the funding round. Perplexity AI, supported by prominent backers such as Jeff Bezos and Japan’s SoftBank Group, is enhancing its platform to better compete in the rapidly growing AI and chatbot market. Recently, the company introduced Comet, a web browser that leverages AI to perform complex searches and tasks. Despite facing plagiarism accusations from media organizations, Perplexity AI maintains a publisher partnership program to collaborate with news firms. The AI sector continues to attract substantial investor interest, as demonstrated by OpenAI's recent $6.6 billion funding round, potentially valuing it at $157 billion.
6. <https://www.ft.com/content/fd6a895e-d296-4dab-9aab-15a1559ea054> - AI application-based start-ups are rapidly becoming major players in the tech industry, leveraging large language models (LLMs) from providers like OpenAI, Google, and Anthropic. Companies such as Cursor, Perplexity, Synthesia, and ElevenLabs are experiencing explosive growth, with some reaching up to $200 million in annual recurring revenue within a few years. Investment in these AI app start-ups surged to $8.2 billion in 2024, more than doubling from the previous year. The start-ups focus on practical applications, from AI search engines (Perplexity) and legal tools (Harvey) to coding assistants (Cursor). Their agility in adapting to newer, cheaper LLMs gives them a speed advantage over foundational model developers. Valuations are soaring, with Perplexity reaching $9 billion and Anysphere potentially valued above $10 billion. Investors see promise in the application layer of AI, which can yield productivity gains without heavy infrastructure costs. However, concerns remain about customer retention, sustainability of revenues, and competition from established players. Despite this uncertainty, industry leaders believe AI applications mark a transformative platform shift akin to the internet or mobile revolutions.
7. <https://www.bloomberg.com/news/articles/2024-04-23/ai-search-startup-perplexity-valued-at-1-billion-in-funding-round> - Perplexity AI, a startup using artificial intelligence to build a search engine to compete with Alphabet Inc.’s Google, has raised about $63 million in a new funding round that values the company at more than $1 billion. The financing, set to be announced on Tuesday, doubles Perplexity’s valuation from just three months ago. Investor Daniel Gross led the round with participation from billionaire Stanley Druckenmiller, Y Combinator Chief Executive Officer Garry Tan and Figma Inc. CEO Dylan Field.