

Corero Network Security

Ending 2025 with exceptional orders

Q425 results

Corero Network Security had an excellent end to 2025, with an exceptional level of order intake in the final quarter. After the challenges seen earlier in the year, the progression of order intake over H225 and the increase in annualised recurring revenue (ARR) demonstrate a business now fully aligned to, and benefiting from, a customer shift towards subscription-based purchasing. While we keep our forecasts unchanged, they are looking increasingly conservative given the current levels of demand and sales execution.

Year end	Revenue (\$m)	EBITDA (\$m)	PBT (\$m)	EPS (¢)	EV/sales (x)	EV/EBITDA (x)	P/E (x)
12/24	24.6	3.0	1.0	0.16	2.7	22.2	86.0
12/25e	24.7	(0.2)	(2.3)	(0.33)	2.7	N/A	N/A
12/26e	28.7	2.7	0.3	0.05	2.3	24.3	N/A
12/27e	33.5	4.9	2.2	0.32	2.0	13.7	42.2

Note: EBITDA, PBT and EPS are normalised, excluding amortisation of acquired intangibles, exceptional items and share-based payments.

Corero's FY25 order intake was \$33.8m, an increase of 20% y-o-y. After the shift in customer purchasing (to subscription-based in lieu of software/capex) early in the year that resulted in a Q125 order intake decline, over the remainder of 2025 growth in new order intake accelerated strongly (Q225: 13%, Q325: 23%) with exceptional growth of 74% in Q425. The overall book-to-bill (B2B) for the year was 137%, with H225's B2B of 154% being the highest in the company's history.

Year-end 2025 ARR of \$23.9m was an increase of 23% versus year-end 2024. This demonstrates continued momentum in the ARR build from the 25% increase seen at H125, the period during which the business experienced the marked shift in customer purchasing towards subscription-based solutions.

One of the most impressive aspects of Corero's performance over the year was the traction and early successes of new products. In 2025, over 40 units of the new 400GB platform were sold, while five customers purchased the new Corero Observability & Resiliency Ecosystem platform. Both of these products were brought to market earlier in the year.

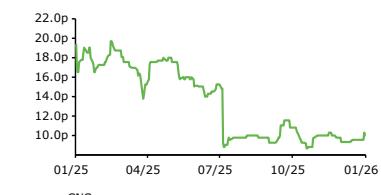
Corero's FY25 figures are ahead of management's guidance of \$24.0–25.5m, with expected FY25 revenues of \$25.5m, a 4% increase y-o-y (H225: 18%). An expected EBITDA profit of \$1.0m comfortably beats the guided figure of a loss of \$1.5m to break even (Edison forecast: loss of \$0.2m). The company has announced an expected FY25 year-end net cash position of \$4.0m, compared to our \$2.3m forecast. This better-than-expected performance, largely driven by the improved profitability, sees Corero return to net cash flow positive in H225, well ahead of management's expected time frame of H226. We expect the full detailed and audited results for FY25 to be released in mid-March and, for the moment, we leave our forecasts unchanged. However, given the order momentum seen in Q425 and the overall performance of the business over H225, our current forecasts appear increasingly conservative.

Software and comp services

12 January 2026

Price	10.00p
Market cap	£52m
Net cash/(debt) at 31 December 2025	\$4.0m
Shares in issue	512.2m
Free float	32.0%
Code	CNS
Primary exchange	AIM
Secondary exchange	OTCQX

Share price performance



Business description

Corero Network Security is a leading provider of DDoS attack detection and mitigation solutions, protecting organisations against external and internal threats and ensuring the ability to continually operate web-based services.

Analysts

Dan Ridsdale	+44 (0)20 3077 5700
Neil Steer	+44 (0)20 3077 5700

tmt@edisongroup.com
[Edison profile page](#)

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