EDISON

Corero Network Security

New customer wins support our growth thesis

Software and comp services

2 September 2026

Corero has announced two significant new customer wins that provide further evidence that the growth drivers we highlighted in our recent outlook note are beginning to deliver. Specifically, the new business wins highlight the success of the alliance partner strategy and the favourable impact of new products in broadening the product portfolio.

Year end	Revenue ($m)	EBITDA ($m)	PBT ($m)	EPS (¢)	P/E (x)	EV/sales (x)	EV/EBITDA (x)
12/25	25.5	1.8	(0.3)	(0.05)	N/A	1.8	25.2
12/26e	29.5	3.4	1.0	0.15	66.5	1.6	13.6
12/27e	33.6	5.0	2.3	0.33	29.3	1.4	9.3
12/28e	38.4	7.5	4.6	0.67	14.7	1.2	6.2

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

Alongside one of its strategic partners, Corero has announced a $3.4m, five-year contract with a leading UK Tier-1 telecoms provider. This win validates several elements of the investment case. First, it demonstrates Corero's ability to compete successfully for large Tier-1 customers. Second, it provides further evidence that its strengthened partner strategy is improving access to major opportunities. Third, it highlights how increasingly stringent cybersecurity and resilience requirements are reinforcing demand for Corero's solutions among providers of critical digital infrastructure. The contract also incorporates Corero's newer CORE platform and Layer 7 TLS protection, illustrating the opportunity to broaden its offering beyond traditional distributed denial-of-service (DDoS) protection.

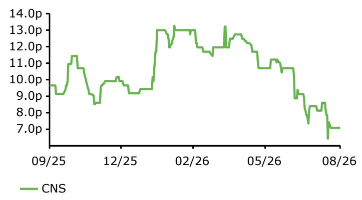
Separately, Corero has secured a three-year, $0.5m contract with another major NeoCloud provider, initially covering two data centres but with potential to expand across the customer's wider estate. With this contract, Corero now provides security products to three of the world's largest NeoCloud operators, strengthening its position in what could become a significant new growth market as investment in AI infrastructure accelerates.

These wins reinforce our view that Corero is entering a faster phase of growth. H126 revenue increased 42%, while the company has already demonstrated substantial operating leverage from its c 90% gross margins and largely established cost base. This news of new contract wins totalling $3.9m shows that the performance in the final stages of 2025 and excellent momentum in H126 is not temporary. Instead, it provides evidence that Corero has entered a new phase of growth as the alliance strategy and new products have materially expanded the pipeline and addressable opportunities.

Our existing forecasts do not assume full success across all these growth initiatives. Continued evidence of this kind therefore strengthens our view that the principal risk to forecasts is increasingly on the upside, while the valuation has yet to reflect the potential medium-term growth and margin profile of the business. Our detailed valuation analysis in our recent outlook note highlights a fair value of 12.5–17.0p per share or upside of 70–130%.

Price	**7.25p**
Market cap	**£37m**
Net cash/(debt) at end 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

Corero Network Security is a research client of Edison Investment Research Limited

EDISON

General disclaimer and copyright

This report has been commissioned by Corero Network Security and prepared and issued by Edison, in consideration of a fee payable by Corero Network Security. Edison Investment Research standard fees are £60,000 pa for the production and broad dissemination of a detailed note (Outlook) following by regular (typically quarterly) update notes. Fees are paid upfront in cash without recourse. Edison may seek additional fees for the provision of roadshows and related IR services for the client but does not get remunerated for any investment banking services. We never take payment in stock, options or warrants for any of our services.

Accuracy of content: All information used in the publication of this report has been compiled from publicly available sources that are believed to be reliable, however we do not guarantee the accuracy or completeness of this report and have not sought for this information to be independently verified. Opinions contained in this report represent those of the research department of Edison at the time of publication. Forward-looking information or statements in this report contain information that is based on assumptions, forecasts of future results, estimates of amounts not yet determinable, and therefore involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of their subject matter to be materially different from current expectations.

Exclusion of Liability: To the fullest extent allowed by law, Edison shall not be liable for any direct, indirect or consequential losses, loss of profits, damages, costs or expenses incurred or suffered by you arising out or in connection with the access to, use of or reliance on any information contained on this note.

No personalised advice: The information that we provide should not be construed in any manner whatsoever as, personalised advice. Also, the information provided by us should not be construed by any subscriber or prospective subscriber as Edison's solicitation to effect, or attempt to effect, any transaction in a security. The securities described in the report may not be eligible for sale in all jurisdictions or to certain categories of investors.

Investment in securities mentioned: Edison has a restrictive policy relating to personal dealing and conflicts of interest. Edison Group does not conduct any investment business and, accordingly, does not itself hold any positions in the securities mentioned in this report. However, the respective directors, officers, employees and contractors of Edison may have a position in any or related securities mentioned in this report, subject to Edison's policies on personal dealing and conflicts of interest.

Australia

Edison Investment Research Pty Ltd (Edison AU) is the Australian subsidiary of Edison. Edison AU is a Corporate Authorised Representative (1252501) of Crown Wealth Group Pty Ltd who holds an Australian Financial Services Licence (Number: 494274). This research is issued in Australia by Edison AU and any access to it, is intended only for "wholesale clients" within the meaning of the Corporations Act 2001 of Australia. Any advice given by Edison AU is general advice only and does not take into account your personal circumstances, needs or objectives. You should, before acting on this advice, consider the appropriateness of the advice, having regard to your objectives, financial situation and needs. If our advice relates to the acquisition, or possible acquisition, of a particular financial product you should read any relevant Product Disclosure Statement or like instrument.

New Zealand

The research in this document is intended for New Zealand resident professional financial advisers or brokers (for use in their roles as financial advisers or brokers) and habitual investors who are "wholesale clients" for the purpose of the Financial Advisers Act 2008 (FAA) (as described in sections 5(c) (1)(a), (b) and (c) of the FAA). This is not a solicitation or inducement to buy, sell, subscribe, or underwrite any securities mentioned or in the topic of this document. For the purpose of the FAA, the content of this report is of a general nature, is intended as a source of general information only and is not intended to constitute a recommendation or opinion in relation to acquiring or disposing (including refraining from acquiring or disposing) of securities. The distribution of this document is not a "personalised service" and, to the extent that it contains any financial advice, is intended only as a "class service" provided by Edison within the meaning of the FAA (i.e. without taking into account the particular financial situation or goals of any person). As such, it should not be relied upon in making an investment decision.

United Kingdom

This document is prepared and provided by Edison for information purposes only and should not be construed as an offer or sol icitation for investment in any securities mentioned or in the topic of this document. A marketing communication under FCA Rules, this document has not been prepared in accordance with the legal requirements designed to promote the independence of investment research and is not subject to any prohibition on dealing ahead of the dissemination of investment research.

This Communication is being distributed in the United Kingdom and is directed only at (i) persons having professional experience in matters relating to investments, i.e. investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "FPO") (ii) high net-worth companies, unincorporated associations or other bodies within the meaning of Article 49 of the FPO and (iii) persons to whom it is otherwise lawful to distribute it. The investment or investment activity to which this document relates is available only to such persons. It is not intended that this document be distributed or passed on, directly or indirectly, to any other class of persons and in any event and under no circumstances should persons of any other description rely on or act upon the contents of this document.

This Communication is being supplied to you solely for your information and may not be reproduced by, further distributed to or published in whole or in part by, any other person.

United States

Edison relies upon the "publishers' exclusion" from the definition of investment adviser under Section 202(a)(11) of the Investment Advisers Act of 1940 and corresponding state securities laws. This report is a bona fide publication of general and regular circulation offering impersonal investment-related advice, not tailored to a specific investment portfolio or the needs of current and/or prospective subscribers. As such, Edison does not offer or provide personal advice and the research provided is for informational purposes only. No mention of a particular security in this report constitutes a recommendation to buy, sell or hold that or any security, or that any particular security, portfolio of securities, transaction or investment strategy is suitable for any specific person.

London | New York | Frankfurt
20 Red Lion Street
London, WC1R 4PS
United Kingdom