

7 January 2025

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR"), and is disclosed in accordance with the Company's obligations under Article 17 of MAR.



Corero Network Security plc
("Corero" or the "Company")

Trading Update

Delivered good progress in FY 2024 with ARR up 16% to 19.5 million and order intake up 13% to 28.2 million

Increased order intake and ARR growth underpin continued momentum for the business into 2025

[Corero \(AIM: CNS\) \(OTCQX: DDOSE\)](#) the distributed denial of service ("DDoS") protection specialists, provides the following trading update for the year ended 31 December 2024¹ ("FY 2024").

The Group has traded well across the year with sales momentum building steadily as management continued to accelerate Corero's go-to-market strategy. Trading across FY 2024 is expected, subject to audit, to be broadly in line with market expectations⁴, with solid financial progress delivered across the following key performance indicators:

- ARR² increased +16% to 19.5 million year over year
- Order Intake³ ("Orders") increased +13% to 28.2 million
- EBITDA⁶ expected to grow to between 2.1 million to 2.5 million from 1.8 million in FY 2023
- Over 70% increase in new customer acquisition
- Continued high customer retention at 97% with strong pipeline for FY 2025
- Revenue increased +10% to 24.6 million

Annualised Recurring Revenues ("ARR"), a key reporting metric for the Group, increased 16% to 19.5 million as at 1 January 2025 (ARR at 1 January 2024: 16.9 million), driven by continued demand for Corero's subscription-based and DDoS Protection as-a-Service ("DDPaaS") products.

Subject to audit, revenue for FY 2024 is expected to be approximately 24.6 million, an increase of 10% from the prior year (FY 2023: 22.3 million), whilst EBITDA is expected to be in the range of 2.1 million to 2.5 million inclusive of an IFRS 2 share-based charge of 0.5 million (FY 2023: 1.8 million inclusive of an IFRS 2 share-based charge of 0.2 million). The fundamentals of our business remain positive and position Corero well for FY 2025 and beyond. Management is encouraged by the FY 2024 exit rate of ARR and new Orders and remains confident that 2025 market expectations⁵ will be achieved.

Order intake, which reflects revenues recognised over the lifetime of each contract, grew 13% to 28.2 million for FY 2024 (FY 2023: 24.8 million).

Cash at 31 December 2024 was 5.3 million, with no outstanding debt (net cash 31 December 2023: 5.2 million). Cash receipts totalling 4.8 million related to new customer orders invoiced in Q4 2024 are due and expected

to be received in early Q1 2025.

Carl Herberger, CEO of Corero, commented:

"2024 has been a year of significant change for Corero and I am pleased the business has continued to grow as we further strengthened our go-to-market and technology capabilities during my first twelve months as CEO.

We continue to accelerate our transition to a SaaS-based revenue model which is creating a more robust financial footing for the business with ARR increasing at a much higher rate, which has an impact on short-term revenue growth.

The alignment of our sales and marketing activities to our accelerated go-to-market strategy has generated strong Order and ARR growth and our pipeline has never been healthier. Continued demand for Corero's market-leading solution is supported by our impressive customer retention and renewal rates.

In Q4 2024, we announced the launch of our new product platform, CORE, demonstrating Corero's ability to innovate and enhance our position as a technology leader.

I am confident Corero will leverage its strong business fundamentals and enhanced capabilities to deliver continued growth in 2025 and beyond."

¹ All numbers for year ending 31 December 2024 disclosed within this announcement are management estimates based on current information and are unaudited.

² ARR is defined as the normalised annualised recurring revenues and includes recurring revenues from contract values of annual support, software subscriptions including terms greater than one year, and from DDoS Protection-as-a-Service ("DDPaaS") contracts.

³ Order intake is defined as orders received from customers in the period.

⁴ 2024 market estimates being 25.35 million revenue and 2.45 million EBITDA inclusive of IFRS 2 charges.

⁵ 2025 market estimates being 28.80 million revenue and 3.75 million EBITDA inclusive of IFRS 2 charges.

⁶ EBITDA is defined as earnings before interest, tax, depreciation, and amortisation.

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About Corero Network Security

Corero Network Security is a leading provider of DDoS protection solutions, specialising in automatic detection and protection solutions with network visibility, analytics, and reporting tools. Corero's technology protects against external and internal DDoS threats in complex edge and subscriber environments, ensuring internet service availability. With operational centres in Marlborough, Massachusetts, USA, and Edinburgh, UK, Corero is headquartered in London and listed on the London Stock Exchange's AIM market (ticker: CNS) and the US OTCQX market (OTCQX: DDOSF).

For more information, visit www.corero.com, and follow us on [LinkedIn](#) and [X](#).

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