

Cordel Group

Third customer in Australia

Cordel Group has announced a new contract with V/Line, in Victoria, Australia, for an undisclosed amount. The initial contract covers an eight-week data capture programme across 820km of V/Line's Northern and Western corridors, and likely provides a foundation for recurring, high-margin data-as-a-service (DaaS) revenues once complete.

Initial engagement a foundation for DaaS revenues

V/Line is a statutory authority operating regional passenger rail and coach services in Victoria, Australia. The initial contract, for an undisclosed value, covers an eight-week data capture programme across 820km of V/Line's Northern and Western corridors. Once the data is captured, the project will likely open up opportunities for high-margin, recurring DaaS revenues with V/Line, and also with other operators that use the same infrastructure, such as Pacific National and Metro Trains Melbourne. It is worth noting that both LiDAR and video footage will be processed using Cordel's multimodal AI with a number of outputs, ballast profiling, structure clearance, vegetation and level crossing sight distance, enabling DaaS engagements across all four of these use cases.

Contiguous expansion

The contract represents Cordel's third major customer in Australia, alongside ARTC and Aurizon, and demonstrates the company's ability to expand market share supported by reference customers in key geographies. We have seen similar expansion in the UK (Network Rail, Angel Trains, South Eastern and Transport for London). The US is also showing significant promise, where the company is engaged with Amtrak, Genesee & Wyoming and one other Class 1 railroad, with one or two more in late-stage negotiations for the company's Positive Train Control (PTC) solution. Management estimates the addressable market for the company's PTC solutions to be worth an incremental \$8-\$10m a year. A summary of our view on Cordel's investment case can be seen [here](#).

Valuation: Strategic growth and upside potential

Cordel's strategic positioning within the global rail infrastructure industry continues to strengthen. While decision cycles have been protracted, investment in digitisation and safety will remain a priority, and the company's base of reference clients and deployments continues to grow. We believe Cordel's FY26e EV/sales multiple of 2.0x does not adequately reflect its strategic positioning or its growth prospects.

Consensus estimates

Year end	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (p)	EV/sales (x)
6/23	3.0	(0.3)	(0.4)	(0.30)	4.2
6/24	4.4	(1.1)	(1.2)	(0.60)	2.9
6/25	4.8	(0.2)	(0.4)	(0.17)	2.6
6/26e	6.2	0.2	0.0	0.02	2.0

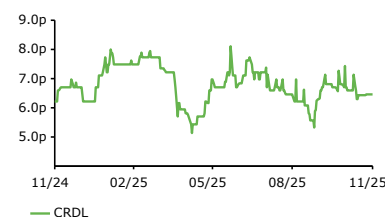
Source: company data, LSEG Data & Analytics

Software and comp services

17 November 2025

Price 6.50p
Market cap £14m

Share price performance



Share details

Code	CRDL
Listing	AIM
Shares in issue	216.9m
Net cash/(debt)	£1.5m

\$1.35/£

Business description

Cordel Group is a technology company specialising in the automation of railway infrastructure inspections using AI and big data. Its platform integrates LiDAR, video and positioning data to provide precise, unattended sensing systems and intelligent analysis, enhancing safety, efficiency and sustainability in rail asset management.

Bull points

- Strong product and market fit.
- Growing reference customer base across geographies and use cases.
- Breakthrough multimodal AI technology expanding the market opportunity
- Operational leverage emerging as the business scales

Bear points

- Limited resources to invest in growth opportunity.
- Large deals are prone to slippage and the economic and political environment is slowing decision-making cycles in some geographies.
- Small in scale.

Analyst

Dan Ridsdale +44 (0)20 3077 5700

tmt@edisongroup.com

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Australia

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