

March 17, 2026



Coda Octopus Group Reports Fiscal First Quarter 2026 Financial Results

ORLANDO, FL, March 17, 2026 (GLOBE NEWSWIRE) -- Coda Octopus Group, Inc. ("CODA" or the "Company") (Nasdaq: CODA) a global market leader in real-time 4D/5D/6D imaging sonar technology for real-time subsea intelligence and cutting-edge diving augmented reality technology (DAVD), today reported its unaudited financial results for its fiscal first quarter ended January 31, 2026 (FQ2026).

Annamarie Gayle, CODA's Chairman and CEO, commented: "I am pleased with our overall results of operations in FQ2026, especially the increase in revenue by 28.8%. Notable factors in our FQ2026 are that all our business units increased revenue in the FQ2026 period. Our core business, the Marine Technology Business increased revenue by 47.4% or approximately \$1m over the FQ2025 Period. In the FQ2026, this segment's revenue mix had a bias towards Echoscope sales, reflecting an increase in sales from the strategic region of Asia by 63.4% to approximately \$2.6m compared to \$1.5m in the FQ2025.

The numbers shown below have been rounded to one decimal point, unless two decimal points are required for clarity. The full FQ2026 financials can be found in CODA's Form 10-Q filed with the SEC on March 17, 2026.

- Total revenue was approximately \$6.7 million compared to \$5.2 million in FQ2025, representing an increase of 28.8%.
- Revenue from our core business (Marine Technology Business) was \$3.4 million compared to \$2.3 million in FQ2025, representing a 47.4% increase.
- Revenue from our Defense Engineering Services Business was \$1.8 million compared to \$1.6 million in FQ2025, representing an increase of 9.2%.
- Revenue from the Acoustics Sensors and Material Business was \$1.6 million compared to \$1.3 million in FQ2025, representing an increase of 20.7%.
- Gross profit was \$4.4 million compared to \$3.4 million in FQ2025. Gross margin was 65.1% compared to 65.8% in FQ2026, reflecting the mix and geography of sales reported in the Period.
- Operating income was \$1.0 million in FQ2026 compared to \$0.7 million in F2026, representing an increase of 52.6%.
- Operating margin was 15.1% compared to 12.7% in FQ2025, reflecting the increase in our consolidated net revenue and increase in our gross profit.
- Pre-tax income was approximately \$1.2 million in FQ2026 compared to \$0.9 million in FQ2026, representing an increase of 26.9%.
- Net income after taxes was \$0.93 million in FQ2026 compared to \$0.91 million in FQ2025, an increase of 1.9%.
- Diluted earnings per share in FQ2026 was \$0.08 compared to \$0.08 in FQ2025.
- Pre-tax income as a percentage of revenues for FQ2026 was approximately 17.7% compared to 17.9% in FQ2025. Research and Development expenditures for FQ2026 were approximately \$0.6 million compared to approximately \$0.5 million in FQ2025,

representing an increase of 11.6%. SG&A in FQ2026 was approximately \$2.8 million compared to \$2.2 million in FQ2025, representing an increase of 23.7%.

Our cash balance at the end of FQ2026 of \$30.4 million represents an increase of \$1.8 million over October 31, 2025, when this figure was \$28.7 million.

Annmarie Gayle, CODA's Chairman and CEO, commented: "Despite the uncertain global policy environment, I am pleased with our overall financial results in our FQ2026 and the diversification of our revenue structure. Our core business, the Marine Technology Business, sells its products and solutions worldwide and in the FQ2026, we saw a 31.0% increase in equipment sales which were \$2,271,880 compared to \$1,734,741 in the comparable FQ2025 period. We also saw an increase in rental demand from our European Rental Hub and equipment rental revenue increased by 232.8% or \$746,957 compared to \$224,443 in the comparable FQ2025 period. As we anticipated, DAVD sales were down as a result of delays in the finalization of fiscal year 2026 Defense spending appropriations and we are also waiting for the completion of the Approved Navy USE (ANU) assessment for the new generation of DAVD Untethered System (DUS) a pre-requisite for purchasing the DUS systems for use by the Navy divers. We therefore believe that fiscal year 2026 DAVD sales will be backended. With the completion in fiscal 2025 of the DUS Hardening Program where our focus was on research and development for the DUS for the Military market and under which we developed and released to the customer the new generation of DUS, our focus has now pivoted to business development around the broader global adoption of this disruptive technology with a focus on the European Navy sector.

We are also very pleased with the opportunities we are seeing for our recently release Echoscope PIPE *NANO GEN SERIES*[®]. In the Current Quarter we continued with strong customer engagements in the form of trials and integration work.. In general, Echoscope currently accounts for approximately 80% of Marine Technology Business revenues. With the launch of the *NANO GEN Series* and strong ongoing customer engagement, we believe that we are well-positioned to capture significant value in the expanding Defense and underwater robotics markets. The *NANO GEN SERIES* of our sonars enable small platforms to enhance situational awareness and consolidate multiple sensors into a single power-efficient unit, delivering both real time 3D spatial awareness and forward-looking obstacle avoidance. Beyond subsea vehicle applications, the *NANO GEN Series* is also ideal for diver-wearable systems, diving platforms (highly synergistic with our DAVD solutions), and a wide range of underwater robotics. The Unmanned Underwater Vehicle (UUV) market, valued at \$4.8 billion in 2024, is projected to reach \$11.1 billion by 2030, driven by the growing complexity of maritime threats and the demand for cost-effective, low-risk technologies. As a result, ROVs, UUVs and underwater drones are becoming critical components of modern Defense strategies worldwide.

The Company's full financial results, including its results for the TQ2025, are available at www.nasdaq.com/symbol/coda/sec-filings.

Conference Call

CODA will host a conference call today, March 17, 2026, at 10:00 a.m. Eastern Time (7:00 a.m. Pacific Time) to discuss its results for its Fiscal First Quarter ended January 31, 2026.

CODA management will provide prepared remarks, followed by a question-and-answer

period.

Date: Tuesday, March 17, 2026

Time: 10:00 a.m. Eastern time (7:00 a.m. Pacific time)

U.S. dial-in numbers: 1-877-451-6152 or 1-201-389-0879

International number: 1-201-389-0879

Conference ID: 13758973

The conference call will broadcast live and be available for replay [here](#).

Persons interested in attending are required to call the conference telephone number approximately 10 minutes before the start time. An operator will register your name and organization. If you have any difficulty connecting with the conference call, please press *0.

A replay of the call will be available after approximately 2:00 p.m. Eastern time on the same day through Tuesday, March 31, 2026 at 11:59 p.m. ET.

Telephone replay numbers: 1-844-512-2921 or 1-412-317-6671

International replay number: 1-412-317-6671

Access ID: 13758973

About Coda Octopus Group, Inc.

The Company, founded in 1994, is an established supplier to the underwater/subsea market. It supplies a range of hardware and software solutions to this market which includes key proprietary real time 4D/5D/6D imaging sonars, marketed under the name Echoscope[®] and Echoscope PIPE[®] addressing the underwater imaging sensor market along with new generation augmented reality diving technology, Diver Augmented Vision Display (DAVD) system. The Company's Echoscope PIPE[®] sonar generates real-time 3D/4D/5D images of moving objects underwater including in zero visibility water conditions. Echoscope technology is used globally for numerous applications in both the commercial offshore market and defense underwater markets. Applications for the Echoscope[®] technology include complex mapping underwater, subsea intervention, subsea asset placements, salvage and recovery, search and rescue, offshore renewables cable installations and surveys, marine construction, subsea infrastructure installation, mining applications, robotics (3D Perception and Depth), breakwater construction and monitoring, decommissioning, diving applications and port and harbor security.

The recently launched new generation of diving technology, DAVD, has the potential to change the way global diving operations are performed (both in the Defense and Commercial space) because it is a fully integrated singular system for topside control and fully connected diver HUD system, allowing both the topside and diver to share a range of critical information and visualize the same underwater scene. Furthermore, the DAVD integrates the Company's sonar technology, which allows dive operations to be performed in zero visibility conditions, a common problem that besets these operations.

The Company acquired Precision Acoustics Limited in October 2025, an acoustics sensor and materials business and is a recognized leader in the ultrasound and acoustic measurement field. Specializing in acoustic hydrophone design and innovative acoustic materials, they provide a comprehensive range of products and solutions, with a primary

focus on medical imaging and Non-Destructive Testing (NDT). NDT is used to validate the viability of structures such as aircraft, ship hulls, wellheads and other subsea structures. Their expertise extends to working closely with national and global standard-setting bodies (such as the National Physical Laboratory of the UK), contributing to the establishment of the primary measurement standards in the industry. They are also accredited to perform calibration services for medical devices and is accredited to ISO/IEC 17025 standard, and they are one of only two organizations in the United Kingdom with this certification, alongside the National Physical Laboratory (NPL). Globally, only a handful of facilities hold ISO/IEC 17025 accreditation for these measurements. Ultrasonic free-field sensitivity calibration is critical for markets that require precision ultrasonic measurement, strict safety compliance, and full metrological traceability. These include regulated and high-risk applications, such as diagnostic and therapeutic medical ultrasound, defense and underwater acoustics, where free-field calibration is essential to ensure accurate beam sensitivity and minimal interference.

The Company also includes two discrete Defense Engineering Services Business, Coda Octopus Martech Ltd (UK based) and Coda Octopus Engineering, Inc. (U.S. based) whose primary business model is to supply sub-assemblies into broader mission critical programs in the capacity of sub-contractors to the Prime Defense Contractors. Their scope of supply under these programs typically includes concept, design, prototype, manufacturing, and post-sale support. This gives them the opportunity to have repeat orders for these sub-assemblies through the life of these programs.

For further information, please visit <http://www.codaoctopusgroup.com> or contact us at coda@codaoctopusgroup.com.

Forward Looking Statements

This press release contains forward-looking statements concerning Coda Octopus Group, Inc. within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. When used in this document, the words “may”, “would”, “could”, “will”, “intend”, “plan”, “anticipate”, “believe”, “estimate”, “expect”, “assume” and similar expressions are intended to identify forward-looking statements. Those forward-looking statements include, without limitation, statements regarding the Company's expectations for the growth of the Company's operations and revenue. Such statements are subject to certain risks and uncertainties, and actual circumstances, events or results may differ materially from those projected in such forward-looking statements. Factors that could cause or contribute to differences include, but are not limited to, fluctuations in foreign exchange rates, changes in global economic condition, tariff and trade policies, reduction in government spending in the Defense Sector, customer demand, geopolitical issues, the outcome of our ongoing research and development efforts relating to our products including our patented real time 3D solutions or DAVD; our ability to develop the sales force required to achieve our development and other factors that affect our business set forth in our Annual Report on Form 10-K for the year ended October 31, 2025, filed with the Securities and Exchange Commission on January 29, 2026 as amended on our Form 10-K/A, filed with the Securities and Exchange Commission on February 26, 2026, and in our Quarterly Report on Form 10-Q for the quarter ended January 31, 2026 filed with the Securities and Exchange Commission on March 17, 2026. Coda Octopus Group, Inc., does not undertake and specifically disclaims any obligation to update or revise

such statements to reflect new circumstances or unanticipated events as they occur.

Contact:

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Coda Octopus Group, Inc.

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CODA OCTOPUS GROUP, INC.
Consolidated Balance Sheets
January 31, 2026 and October 31, 2025

	2026 Unaudited	2025
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 30,446,369	\$ 28,682,615
Accounts Receivable, net	3,784,960	3,732,806
Inventory	14,195,378	13,636,512
Unbilled Receivables	1,906,633	2,988,779
Prepaid Expenses	365,303	434,021
Other Current Assets	461,892	531,469
Total Current Assets	51,160,535	50,006,202
FIXED ASSETS		
Property and Equipment, net	7,371,004	7,295,791
Right of Use Asset, net	374,597	372,647
Total Fixed Assets	7,745,601	7,668,438
OTHER ASSETS		
Goodwill	3,639,334	3,639,334
Intangible Assets, net	3,076,109	3,179,588
Total Other Assets	6,715,443	6,818,922
Total Assets	\$ 65,621,579	\$ 64,493,562

CODA OCTOPUS GROUP, INC.
Consolidated Balance Sheets (Continued)
January 31, 2026 and October 31, 2025

	2026 Unaudited	2025
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
CURRENT LIABILITIES		
Accounts Payable	\$ 957,766	\$ 1,407,439
Current portion of operating lease liabilities	37,441	34,862
Accrued Expenses and Other Current Liabilities	2,538,054	2,475,952
Deferred Revenue	1,159,868	1,722,796
Total Current Liabilities	4,693,129	5,641,049
LONG TERM LIABILITIES		

Deferred Tax Liability, net	327,728	317,949
Non-current operating lease liabilities	364,893	360,070
Deferred Revenue, less current portion	50,487	59,080
	<u>743,108</u>	<u>737,099</u>
Total Long Term Liabilities		
Total Liabilities	<u>5,436,237</u>	<u>6,378,148</u>
Commitments and contingencies		
STOCKHOLDERS' EQUITY		
Common Stock, \$.001 par value; 150,000,000 shares authorized, 11,270,575 issued and outstanding as of January 31, 2026 and October 31, 2025	11,271	11,271
Preferred Stock \$.001 par value; 5,000,000 shares authorized, zero issued and outstanding as of January 31, 2026 and October 31, 2025.	-	-
Treasury Stock	(61,933)	(61,933)
Additional Paid-in Capital	63,348,283	63,321,294
Accumulated Other Comprehensive Loss	(766,441)	(1,878,657)
Accumulated Deficit	(2,345,838)	(3,276,561)
	<u>60,185,342</u>	<u>58,115,414</u>
Total Stockholders' Equity		
Total Liabilities and Stockholders' Equity	<u>\$ 65,621,579</u>	<u>\$ 64,493,562</u>

CODA OCTOPUS GROUP, INC.
Consolidated Statements of Income and Comprehensive Income
(Unaudited)

	Three Months Ended January 31,	
	<u>2026</u>	<u>2025</u>
Net Revenues	\$ 6,710,112	\$ 5,209,715
Cost of Revenues	<u>2,343,078</u>	<u>1,781,245</u>
Gross Profit	4,367,034	3,428,470
OPERATING EXPENSES		
Research & Development	606,102	543,126
Selling, General & Administrative	<u>2,750,862</u>	<u>2,223,322</u>
Total Operating Expenses	<u>3,356,964</u>	<u>2,766,448</u>
INCOME FROM OPERATIONS	<u>1,010,070</u>	<u>662,022</u>
OTHER INCOME (EXPENSE)		
Other Income	4,433	78,667
Interest Income	<u>172,270</u>	<u>194,171</u>
Total Other Income	<u>176,703</u>	<u>272,838</u>
INCOME BEFORE INCOME TAX EXPENSE	1,186,773	934,860
INCOME TAX (EXPENSE) BENEFIT		
Current Tax (Expense)	(263,216)	(48,874)
Deferred Tax Benefit	<u>7,166</u>	<u>26,989</u>
Total Income Tax (Expense)	<u>(256,050)</u>	<u>(21,885)</u>

NET INCOME	<u>\$ 930,723</u>	<u>\$ 912,975</u>
NET INCOME PER SHARE:		
Basic	<u>\$ 0.08</u>	<u>\$ 0.08</u>
Diluted	<u>\$ 0.08</u>	<u>\$ 0.08</u>
WEIGHTED AVERAGE SHARES:		
Basic	<u>11,270,575</u>	<u>11,213,989</u>
Diluted	<u>11,290,802</u>	<u>11,299,737</u>
NET INCOME	<u>\$ 930,723</u>	<u>\$ 912,975</u>
Foreign Currency Translation Adjustment	<u>1,112,216</u>	<u>(1,028,586)</u>
Total Other Comprehensive Income/(Loss)	<u>\$ 1,112,216</u>	<u>\$ (1,028,586)</u>
COMPREHENSIVE INCOME/(LOSS)	<u>\$ 2,042,939</u>	<u>\$ (115,611)</u>



Coda Octopus Group, Inc.
Leaders in Cutting-Edge Underwater Technologies

Source: Coda Octopus Group, Inc.