

February 14, 2022



Coda Octopus Group Reports Fiscal 2021 Financial Results

ORLANDO, FL, Feb. 14, 2022 (GLOBE NEWSWIRE) -- Coda Octopus Group, Inc. (CODA) (Nasdaq: CODA) today reported its audited financial results for its fiscal year ended October 31, 2021.

Annmarie Gayle, CODA's Chairman and CEO, commented: "I am pleased to report our annual results for fiscal year ended October 31, 2021. In the 2021 FY our business operations continued to be constrained by COVID-19 related restrictions and business interruptions globally which impacted on our ability to further business development and expand our business as previously planned. Nevertheless, our financial results improved over the 2020 fiscal year. Our Products Business realized a significant improvement in its financial results in the 2021 FY unlike our Services Business where results were down compared to those of 2020 FY due to a combination of factors including lower than expected order take from its defense customers, slow down in defense procurement and the ongoing pandemic which hampered business development activities thus impacting on order take.

In the 2021 FY we continued the roll out of our latest generation of Echoscope PIPE[®] 4D/5D/6D real time imaging sonar coupled with our recently launched 4G USE[®] top-end control and 3D visualization software. We also performed a number of important demonstrations of our Diver Augmented Vision Display (DAVD) system to commercial offshore providers in Europe and the UK. These demonstrations were successful, and we are expecting to see adoption of the DAVD technology in the commercial offshore diving sector in early 2022.

We also continued to file patents and in 2021 FY we were granted a number of new patents including US11204108 concerning "a method of predicting and adjusting the laying of cable using sonar imaging". This is an important patent in the offshore renewables space that covers a method of tracking and predicting the touchdown point for subsea cables used to connect offshore windfarms to the power grid. Prior to the introduction of this new method, the cable touch down points were manually seeded by an Echoscope[®] operator. This new method now automates this activity and automatically tracks and predicts the cable touch down point, making the process more cost-effective. The Echoscope[®] technology is the only technology for imaging and monitoring moving objects underwater such as cables during this operation".

CODA reported total revenue of approximately \$21.331 million for the fiscal year ended October 31, 2021, compared to \$20.043 million for the prior fiscal year, an increase of 6.4%. The Company reported net income before taxes of approximately \$5.253 million for the fiscal year ended October 31, 2021, compared to \$3.402 million for the prior fiscal year, an increase of 54.4%. Net income after taxes increased to \$4.948 million for the fiscal year ended October 31, 2021, compared to \$3.344 million in the prior fiscal year, an increase of

47.9%.

Net income before tax as a percentage of revenues was 24.6% for the fiscal year ended October 31, 2021, versus 17.0% during the prior fiscal year. Operating expenses for the fiscal year ended October 31, 2021, were \$10.898 million compared to \$9.926 million for the prior fiscal year, an increase of 9.8% which is primarily attributable to an increase in Selling, General and Administrative (SG&A) expenditures. Earnings per share on an undiluted basis were \$0.46 per share for the fiscal year ended October 31, 2021, versus \$0.31 for the prior fiscal year and on a diluted basis \$0.44 versus \$0.30 for the same period.

The Company's full financial results including its Annual Report for Fiscal Year 2021 are available at www.nasdaq.com/symbol/coda/sec-filings.

About Coda Octopus Group, Inc.

The Company, founded in 1994, develops, manufactures, and markets products and solutions including its patented real-time volumetric imaging sonars for the underwater/subsea market. The volumetric imaging sonars within its products portfolio are marketed under the name Echoscope® and Echoscope PIPE®. These range of sonars provide real-time 3D, 4D, 5D and 6D imaging, and are used globally in numerous underwater applications including defense, marine and port construction, renewables and oil and gas subsea infrastructure installation and surveys, salvage, decommission, navigation and port and harbor security. In addition to the Marine Technology business, CODA also manufactures defense products and provides engineering services through Coda Octopus Colmek and Coda Octopus Martech. For further information, please visit www.codaoctopusgroup.com or contact us at coda@codaoctopusgroup.com.

Forward Looking Statement

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. 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, restrictions on our business operations due to the Pandemic, customer demand for our products and market prices; the outcome of our ongoing research and development efforts relating to our products including our patented real time 3D solutions; our ability to develop the sales force required to achieve our development and other examples of forward looking statement set forth in our Annual Report on Form 10-K for the year ended October 31, 2021, filed with the Securities and Exchange Commission on February 14, 2022. 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.

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