

September 14, 2017



# Coda Octopus Group Inc. Reports Fiscal Third Quarter 2017 Financial Results

Coda Octopus Group, Inc. (CODA) (Nasdaq:CODA) announced its unaudited financial results for the fiscal third quarter ended July 31, 2017.

CODA reported total revenue of \$5.044 million for the three months ended July 31, 2017 compared to \$4.279 million for the three months ended July 31, 2016. The Company reported net income of \$1.125 million for its fiscal third quarter 2017 compared to approximately \$1.101 million for the comparable quarter of 2016. Operating expenses for the fiscal third quarter were \$1.917 million compared to \$1.578 million for the comparable quarter of 2016.

For the nine months ended July 31, 2017 CODA achieved revenues of \$15.681 million, up from \$14.800 million for the first nine months of fiscal year 2016, and net income of \$3.972 million, up from \$2.973 million for the first nine months of 2016. In the first nine months of the 2017 fiscal year, beginning November 1, 2016, revenues increased by 5.9% and net income increased by 33.6%, compared to the first nine months of fiscal year 2016. Total operating expenses for the first nine months of fiscal year 2017 compared to the first nine months of fiscal year 2016 increased by 5.5%, from \$5.156 million to \$5.441 million. The Company's reports are available at [www.nasdaq.com/symbol/coda/sec-filings](http://www.nasdaq.com/symbol/coda/sec-filings)

Annmarie Gayle, CODA's CEO, commented: "I am very pleased to announce another set of good results for the Group. The results for the first nine months of fiscal year 2017 are tracking significant progress. We have achieved good growth in both sales and net income, despite the adverse effects on our sales due to uncertainties in defense budgetary and spending priorities of the new U.S. Administration. Additionally, this past quarter we incurred increased costs associated with the refinancing of our high-yield debt with a traditional banking line with HSBC, SEC reporting, and our uplisting to Nasdaq.

"Looking ahead, we are optimistic that our Engineering Services business will increase its pace of growth once the Administration's priorities settle, and that the fruits of our next-generation Research and Development program will impact our Products business beginning in the next year. Several new product launches, incorporating our real-time 3D sonars, are planned and we expect to see continued growth for the Group in the months ahead."

## About Coda Octopus Group, Inc.

Originally founded in 1994 as Coda Technologies, the Coda Octopus Group's patented real-time 3D subsea sonar technology, Echoscope®, enables real-time 3D imaging and mapping in zero visibility conditions underwater, and is used globally in numerous applications including defense, marine construction, oil and gas subsea infrastructure installation and surveys, and port and harbor security. For further information, please visit

<http://www.codaoctopusgroup.com> or contact us at: [cogi@codaoctopusgroup.com](mailto:cogi@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, 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 registration statement on Form 10 filed with the Securities and Exchange Commission on March 29, 2017. 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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