

January 28, 2021



# Coda Octopus Group Reports Fiscal 2020 Financial Results

**ORLANDO, FL, Jan. 28, 2021 (GLOBE NEWSWIRE) --** Coda Octopus Group, Inc. (CODA) (Nasdaq: CODA) today reported its audited financial results for its fiscal year ended October 31, 2020.

Annmarie Gayle, CODA's Chairman and CEO, commented: "I am pleased to report our annual results for fiscal year ended October 31, 2020. Although our financial results in the 2020 fiscal year were significantly down over the prior fiscal year due to the curtailment of our business operations caused by the coronavirus pandemic, I believe that despite these challenges our team performed exceptionally well in continuing to execute and deliver customer projects, where possible. We were severely limited in our ability to travel to provide offshore activities that are key to our business. We therefore focused our primary operational goals around advancing ongoing development projects, such as the Diver Augmented Vision Display (DAVD) diver management system for the U.S. Navy. We have now completed the Gen 2 DAVD system, which is currently with the Project Sponsor, NAVSEA, for field trials. In fiscal year 2020 we completed several additional significant developments around our sonar technology solution portfolio and the new Thermite<sup>®</sup> Octal mission computers, which we plan to bring to the market in fiscal year 2021, when the restriction on travel lifts."

CODA reported total revenue of approximately \$20.043 million for the fiscal year ended October 31, 2020, compared to \$25.057 million for the prior fiscal year, a decrease of 20%. The Company reported net income before taxes of approximately \$3.402 million for the fiscal year ended October 31, 2020, compared to \$6.233 million for the prior fiscal year, a decrease of 45.5%. Net income after taxes reduced to \$3.344 million for the fiscal year ended October 31, 2020, compared to \$5.225 million in the prior fiscal year, a decrease of 36.0%. These reductions in revenues and profitability are the result of the impact of the coronavirus pandemic.

Net income before tax as a percentage of revenues was 17.0% for the fiscal year ended October 31, 2020, versus 24.9% during the prior fiscal year. Operating expenses for the fiscal year ended October 31, 2020 were \$9.926 million compared to \$10.176 million for the prior fiscal year, a decrease of 2.5%, attributable to a decrease in Selling, General and Administrative (SG&A) expenditures of \$673,297. For FY 2021, the Company anticipates both R&D and SG&A expenditures to remain broadly at the same level of FY 2020. Earnings per share on an undiluted basis were \$0.31 per share for the fiscal year ended October 31, 2020 versus \$0.49 for the prior fiscal year and on a diluted basis \$0.30 versus \$0.49 for the same period.

The Company's full financial results including its Annual Report for Fiscal Year 2020 are available at [www.nasdaq.com/symbol/coda/sec-filings](http://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 brands: Echoscope® and Echoscope PIPE®. These advanced sonars provide real-time 3D, 4D, 5D and 6D imaging, and are used globally in numerous applications including defense, marine and port construction, renewables and oil and gas subsea infrastructure installation and surveys, 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](http://www.codaoctopusgroup.com) or contact us at [coda@codaoctopusgroup.com](mailto: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, 2020, filed with the Securities and Exchange Commission on January 28, 2021. 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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