

June 15, 2016



# Coda Octopus Group Inc. Reports Fiscal Second Quarter 2016 Financial Results

Coda Octopus Group, Inc. (CODA) (OTC: CDOC.PK) announced its unaudited financial results for the fiscal second quarter ended April 30, 2016.

CODA reported total revenue of \$5.746 million for the three months ended April 30, 2016 compared to \$5.222 million for the three months ended April 30, 2015. The Company reported net income of \$1.583 million for its fiscal second quarter 2016 compared to approximately \$546,000 for the comparable quarter of 2015. Operating expenses for the fiscal second quarter were \$1.791 million compared to \$2.407 million for the comparable quarter of 2015.

For the six months ended April 30, 2016 CODA achieved revenues of \$10.522 million, up from \$9.583 million for the first half of fiscal year 2015, and net income of \$1.872 million, up from approximately \$815,000 for the first half of 2015. In the first half of the 2016 fiscal year, beginning November 1, 2015, revenues increased by 9.8% and net income increased by 129.7%, compared to the first half of fiscal year 2015. Total operating expenses for the first half of fiscal year 2016 compared to the first half of fiscal year 2015 were reduced by 15.4%, from \$4.228 million to \$3.578 million. The Company's quarterly reports and Fiscal Year 2015 Annual Report are available at <http://www.otcmarkets.com/stock/CDOC/filings>.

Annamarie Gayle, CODA's CEO commented: "These first half results show a continuation of the solid progress made by the Group over recent years, with strong achievements in profitability and in our balance sheet as a whole. Additionally, we are pleased that key indicators in our latest balance sheet include stockholders' equity that reached \$8.9 million on April 30, 2016, compared to \$4.3 million on October 31, 2015.

"We believe that the fundamentals are firmly in place for our operating business segments to continue to grow. Although our products business is still affected by the contraction in oil and gas expenditures, we maintain and improve our position in alternative markets for our industry-leading real-time 3D sub-sea sonar technology. We are also expanding our product sets to include new offerings to our markets. In addition, our engineering service business is looking forward to another strong year of continued growth from both existing and new defense programs that it supports."

## About Coda Octopus Group, Inc.

Originally founded in 1994 as Coda Technologies, the Coda Octopus Group is now headquartered in Lakeland, Florida.

The Group consists of a Marine Products business located in Lakeland, Florida, Edinburgh, Scotland, Perth, Australia, and Bergen, Norway, and engineering businesses, Coda Octopus

Colmek in Salt Lake City, Utah and Coda Octopus Martech in Weymouth, England. Each of the Group companies are technology innovators with a particularly high level of sonar expertise. The Group has facilities in Florida, Utah, the UK, Australia, and Norway.

Alongside providing bespoke engineering and development for defense applications one of the Group's key products is the patented Coda Echoscope® - the first real time 3D sub-sea sonar which is used in oil and gas, underwater construction, search and rescue operations and port and harbor security and constructions. The top end software which runs on the Echoscope® (Underwater Survey Explorer) is also proprietary to Coda Octopus. The Echoscope® is also at the heart of the Underwater Inspection System which is being adopted for port and harbor security, and other applications globally. We have a number of products which are based on our real time 3D technology (Echoscope®, Underwater Inspection System and Dimension® (the latter being a forward looking real time sonar targeted at ROV applications)).

With this patented revolutionizing sub-sea visualization capability, and the existing systems integration skills within Coda Octopus Colmek, Inc. and Coda Octopus Martech Ltd., the Coda Octopus Group believes it can become a world leading integrated sonar technology supplier.

For further information, please visit <http://www.codaoctopusgroup.com> or contact Coda Octopus at [info@codaoctopusgroup.com](mailto:info@codaoctopusgroup.com).

## **Safe Harbor Statement**

This press release contains certain forward-looking statements. These forward-looking statements can generally be identified as such because the context of the statement will include words such as Coda Octopus Group plans, expects, should, believes, anticipates or words of similar import but all statements other than of historical fact could be deemed forward-looking statements. Stockholders, potential investors and other readers are cautioned not to place undue reliance on these forward-looking statements that are predictions and opinions based only on current information as of the date of this press release that are inherently subject to risks and uncertainties that could cause future events or results to differ materially from those set forth or implied by the forward-looking statements. Certain of those risks and uncertainties are discussed in registration statement on Form SB-2 and include, but are not limited to, market acceptance of CodaOctopus' planned products and their level of sales, access to the capital necessary to finance and grow the business, a highly competitive environment in the security field that includes numerous large and well established companies much larger than ours, and our ability successfully to deploy our technologies and products to meet the technical demands and market requirements of our customers. These forward-looking statements are only made as of the date of this press release and Coda Octopus Group does not undertake any obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances.