
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 10-K/A

ANNUAL REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended October 31, 2025

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission file number: 001-38154

CODA OCTOPUS GROUP, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

34-2008348
(I.R.S. Employer
Identification Number)

3300 S Hiwassee Rd, Suite 104-105, Orlando, Florida, 32835
(Address, Including Zip Code of Principal Executive Offices)

407 735 2406
(Issuer's telephone number)

Securities registered under Section 12(b) of the Exchange Act:
COMMON STOCK, \$0.001 PAR VALUE PER SHARE

Securities registered under Section 12(g) of the Exchange Act:
NONE

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

• Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer or a smaller reporting company.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C.7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

• State issuer's revenues for its most recent fiscal year: \$26,563,126

• State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of April 30, 2025 representing the last business day of the registrant's most recently completed second fiscal quarter: approximately \$37,100,000.

• State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date 11,270,575 as of January 25, 2026.

This Amendment No. 1 on Form 10-K/A (this “Amendment”) amends the Annual Report on Form 10-K of Coda Octopus Group, Inc. (the “Company”) for the fiscal year ended October 31, 2025, originally filed with the Securities and Exchange Commission on January 29, 2026 (the “Original Form 10-K”).

The Original Form 10-K inadvertently omitted the signature of Frazier & Deeter, LLC on its report of the Company’s independent registered public accounting firm included in Item 8. This Amendment is being filed solely to include the properly signed audit report.

No other changes have been made to the Original Form 10-K. This Amendment does not reflect events occurring after the filing of the Original Form 10-K and does not modify or update the disclosures contained therein in any way other than as described above.

In accordance with Rule 12b-15 under the Securities Exchange Act of 1934, as amended, this Amendment sets forth in full the financial statements required by Item 8. In addition, the certifications of the Company’s principal executive officer and principal financial officer are filed as exhibits to this Amendment.

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

Exhibit Number	Description
2.1	Plan and Agreement of Merger dated July 12, 2004 by and between Panda and Coda Octopus⁽¹⁾
3.1	Restated Certificate of Incorporation⁽²⁾
3.2	By-Laws⁽¹⁾
10.30	Employment Contract dated January 1, 2013 between Coda Octopus Products, Inc. and Blair Cunningham⁽³⁾
10.31	Employment Contract dated March 16, 2017 between the Company and Annmarie Gayle⁽⁴⁾
10.32	2017 Stock Incentive Plan⁽⁵⁾
10.33	Employment Agreement dated May 7, 2021 between Coda Octopus Colmek, Inc and Kevin Kane⁽⁶⁾
10.34	2021 Stock Incentive Plan⁽⁷⁾
10.35	Employment Agreement dated August 30, 2023, between the Company and John Price⁽⁸⁾
10.36	Share Purchase Agreement dated October 29, 2024, between LG Motion and Others and Coda Octopus R&D Limited⁽⁹⁾
14	Code of Ethics⁽¹⁰⁾
23.1	Consent of Frazier & Deeter, LLC⁽¹¹⁾
31.1	Chief Executive Office and Interim Chief Financial Officer Certification
32	Certificate Pursuant to 18 U.S.C Section 1350
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

- (1) Incorporated by reference to the Company’s Registration Statement on Form SB-2 (SEC File No.143144)
- (2) Incorporated by reference to the Company’s Registration Statement on Form 10.
- (3) Incorporated by reference to the Company’s Annual Report on Form 10-KSB for the year ended October 31, 2010
- (4) Incorporated by reference to the Company’s Registration Statement on Form 10/A filed March 29,2017
- (5) Incorporated by reference to the Company’s Annual Report on Form 10 for the year ended October 31, 2017
- (6) Incorporated by reference to the Company’s Form 10-K for the year ended October 31, 2021, filed February 14, 2022
- (7) Incorporated by reference to the Company’s Definitive Statement filed August 2, 2021
- (8) Incorporated by reference to the Company’s Current Report on Form 8-K filed September 5, 2023
- (9) Incorporated by reference to the Company’s Form 10-K for the year ended October 31, 2024, filed January 29, 2025.
- (10) Incorporated by reference to the Company’s Form 10-K for the year ended October 31, 2017, filed January 30, 2018
- (11) Incorporated by reference to the Company’s Form 10-K for the year ended October 31, 2025, filed January 29, 2026

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

DATE: February 26, 2026

CODA OCTOPUS GROUP, INC.

/s/ Annmarie Gayle
Chief Executive Officer

POWER OF ATTORNEY

Each person whose signature appears below constitutes and appoints Annmarie Gayle, his or her true and lawful attorney-in-fact and agent, with full power of substitution and re-substitution, severally, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to this annual report on Form 10-K, and to file the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he/she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them or their or his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof. This power of attorney may be executed in counterparts.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature _____ Title _____ Date _____

<u>/s/ Annmarie Gayle</u> Annmarie Gayle	Chief Executive Officer and Chairman (Principal Executive Officer)	February 26, 2026
<u>/s/ Gayle Jardine</u> Gayle Jardine	Interim Chief Financial Officer (Principal Financial and Accounting Officer)	February 26, 2026
<u>/s/ Michael Hamilton</u> Michael Hamilton	Director	February 26, 2026
<u>/s/ Robert Harcourt</u> Robert Harcourt	Director	February 26, 2026
<u>/s/ Gwenael Rouy-Poirier</u> Gwenael Rouy-Poirier	Director	February 26, 2026
<u>/s/ Blair Cunningham</u> Blair Cunningham	Director	February 26, 2026

CODA OCTOPUS GROUP, INC.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

	<u>PAGE</u>
REPORT OF INDEPENDENT REGISTERED CERTIFIED PUBLIC ACCOUNTING FIRM (PCAOB ID: 215)	F-2
CONSOLIDATED BALANCE SHEETS AS OF OCTOBER 31, 2025 AND 2024	F-3
CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME FOR THE YEARS ENDED OCTOBER 31, 2025 AND 2024	F-5
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY FOR THE YEARS ENDED OCTOBER 31, 2025 AND 2024	F-6
CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED OCTOBER 31, 2025 AND 2024	F-7
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS	F-8

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
Coda Octopus Group, Inc.

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Coda Octopus Group, Inc. and subsidiaries (the "Company") as of October 31, 2025 and 2024, and related consolidated statements of income and comprehensive income, changes in stockholders' equity, and cash flows for the years then ended, and the related notes (collectively referred to as the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of October 31, 2025 and 2024, and the results of their operations and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

Critical audit matters are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. We determined that there are no critical audit matters.

/s/ Frazier & Deeter, LLC

We have served as the Company's auditor since 2014.
Atlanta, Georgia
January 29, 2026

CODA OCTOPUS GROUP, INC.
Consolidated Balance Sheets
October 31, 2025 and 2024

<u>ASSETS</u>	<u>2025</u>	<u>2024</u>
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 28,682,615	\$ 22,479,072
Accounts Receivable, net	3,732,806	3,493,463
Inventory	13,636,512	13,975,529
Unbilled Receivables	2,988,779	1,657,827
Prepaid Expenses	434,021	537,289
Other Current Assets	531,469	838,835
Total Current Assets	50,006,202	42,982,015
FIXED ASSETS		
Property and Equipment, net	7,295,791	6,822,990
Right of Use Asset, net	372,647	413,171
Total Fixed Assets	7,668,438	7,236,161
OTHER ASSETS		
Goodwill	3,639,334	3,639,334
Intangible Assets, net	3,179,588	3,687,034
Total Other Assets	6,818,922	7,326,368
Total Assets	\$ 64,493,562	\$ 57,544,544

F-3

CODA OCTOPUS GROUP, INC.
Consolidated Balance Sheets (Continued)
October 31, 2025 and 2024

<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>	<u>2025</u>	<u>2024</u>
CURRENT LIABILITIES		
Accounts Payable	\$ 1,407,439	\$ 1,034,488
Current portion of operating lease liabilities	34,862	32,298
Accrued Expenses and Other Current Liabilities	2,475,952	1,604,596
Deferred Revenue	1,722,796	1,225,634
Total Current Liabilities	5,641,049	3,897,016
LONG TERM LIABILITIES		
Deferred Tax Liability, net	317,949	82,011
Non-current operating lease liabilities	360,070	380,873
Deferred Revenue, less current portion	59,080	56,121
Total Long Term Liabilities	737,099	519,005
Total Liabilities	6,378,148	4,416,021
Commitments and contingencies		
STOCKHOLDERS' EQUITY		
Common Stock, \$.001 par value; 150,000,000 shares authorized, 11,270,575 issued and outstanding as of October 31, 2025 and 11,195,487 shares issued and outstanding as of October 31, 2024	11,271	11,195
Preferred Stock \$.001 par value; 5,000,000 shares authorized, zero issued and outstanding as of October 31, 2025 and 2024	-	-
Treasury Stock	(61,933)	(61,933)
Additional Paid-in Capital	63,321,294	63,096,583
Accumulated Other Comprehensive Loss	(1,878,657)	(2,510,831)
Accumulated Deficit	(3,276,561)	(7,406,491)
Total Stockholders' Equity	58,115,414	53,128,523
Total Liabilities and Stockholders' Equity	\$ 64,493,562	\$ 57,544,544

F-4

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

	Year Ended October 31,	
	2025	2024
Net Revenues	\$ 26,563,126	\$ 20,316,161
Cost of Revenues	8,900,758	6,143,056
Gross Profit	17,662,368	14,173,105
OPERATING EXPENSES		
Research & Development	2,447,762	2,242,429
Selling, General & Administrative	10,678,578	8,346,545
Total Operating Expenses	13,126,340	10,588,974
INCOME FROM OPERATIONS	4,536,028	3,584,131
OTHER INCOME		
Other Income	268,092	88,382
Interest Income	708,097	938,775
Total Other Income	976,189	1,027,157
INCOME BEFORE INCOME TAX EXPENSE	5,512,217	4,611,288
INCOME TAX EXPENSE		
Current Tax Expense	1,149,815	713,670
Deferred Tax Expense	232,472	251,622
Total Income Tax Expense	1,382,287	965,292
NET INCOME	\$ 4,129,930	\$ 3,645,996
NET INCOME PER SHARE:		
Basic	\$ 0.37	\$ 0.33
Diluted	\$ 0.37	\$ 0.32
WEIGHTED AVERAGE SHARES:		
Basic	11,232,440	11,166,956
Diluted	11,252,667	11,290,327
NET INCOME	\$ 4,129,930	\$ 3,645,996
Foreign Currency Translation Adjustment	632,174	931,718
Total Other Comprehensive Income	\$ 632,174	\$ 931,718
COMPREHENSIVE INCOME	\$ 4,762,104	\$ 4,577,714

F-5

CODA OCTOPUS GROUP, INC.
Consolidated Statements of Changes in Stockholders' Equity
For the Years Ended October 31, 2025 and 2024

	Common Stock		Additional Paid-in Capital	Other Comprehensive Income (Loss)	Accumulated Deficit	Treasury Stock	Total
	Shares	Amount					
Balance, October 31, 2023	11,117,695	\$ 11,118	\$ 62,958,984	\$ (3,442,549)	\$ (11,052,487)	\$ (46,300)	\$ 48,428,766
Employee stock-based compensation	-	-	137,676	-	-	-	137,676
Stock issued for options exercised and stock grants	77,792	77	(77)	-	-	(15,633)	(15,633)
Foreign currency translation adjustment	-	-	-	931,718	-	-	931,718
Net Income	-	-	-	-	3,645,996	-	3,645,996
Balance, October 31, 2024	11,195,487	\$ 11,195	\$ 63,096,583	\$ (2,510,831)	\$ (7,406,491)	\$ (61,933)	\$ 53,128,523
Employee stock-based compensation	-	-	224,786	-	-	-	224,786
Stock issued for options exercised and stock grants	75,088	76	(75)	-	-	-	1
Foreign currency translation adjustment	-	-	-	632,174	-	-	632,174
Net Income	-	-	-	-	4,129,930	-	4,129,930
Balance, October 31, 2025	11,270,575	\$ 11,271	\$ 63,321,294	\$ (1,878,657)	\$ (3,276,561)	\$ (61,933)	\$ 58,115,414

F-6

CODA OCTOPUS GROUP, INC.
Consolidated Statements of Cash Flows

	Year Ended October 31,	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 4,129,930	\$ 3,645,996
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation of property and equipment	861,292	710,059
Amortization of intangible assets	530,218	60,476
Stock-based compensation	224,786	137,676
Deferred income taxes	232,472	251,622
Gain on sale of asset	-	(33,907)
Earn Out provision	213,343	-
Allowance for credit loss	89,456	119,405
(Increase) decrease in operating assets, net of assets acquired		
Accounts receivable	(242,369)	(506,120)
Inventory	625,090	(707,897)
Unbilled receivables	(1,321,804)	(758,537)
Prepaid expenses	111,296	(284,041)
Other current assets	335,972	73,234
Increase (decrease) in operating liabilities:		
Accounts payable and other current liabilities	957,310	93,685
Deferred revenue	464,176	(349,976)
Net Cash provided by Operating Activities	7,211,168	2,451,675
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(1,170,718)	(502,525)
Purchases of other intangible assets	(25,351)	(89,103)
Acquisitions, net of acquired cash	-	(4,605,285)
Proceeds from the sale of property and equipment	-	775,821
Net Cash Used in Investing Activities	(1,196,069)	(4,421,092)
CASH FLOWS FROM FINANCING ACTIVITIES		
Purchase of treasury stock	-	(15,633)
Net Cash Used in Financing Activities	-	(15,633)
EFFECT OF CURRENCY TRANSLATION ON CHANGES IN CASH AND CASH EQUIVALENTS	188,444	15,281
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	6,203,543	(1,969,769)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	22,479,072	24,448,841
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	\$ 28,682,615	\$ 22,479,072
SUPPLEMENTAL CASH FLOW INFORMATION		
Cash paid for taxes	\$ 415,221	\$ 363,374

F-7

CODA OCTOPUS GROUP, INC.
Notes to the Consolidated Financial Statements
October 31, 2025 and 2024

NOTE 1 – ORGANIZATION AND DESCRIPTION OF BUSINESS

Coda Octopus Group, Inc. (“Coda,” “the Company,” or “we”) operates three operating business units. These are the Marine Technology Business (“Products Business,” or “Products Segment”), Acoustics Sensors and Materials Business (“PAL”), and the Defense Engineering Services Business (“Services Business,” “Engineering Business” or “Services Segment”).

The Marine Technology Business is an established supplier of underwater technologies and solutions, to the underwater/subsea market. Its products and solutions comprise both hardware and software for which it is the innovator, developer, manufacturer and distributor. It has key proprietary 3D/4D/5D/6D imaging sonar technology marketed under the name of Echoscope[®], Echoscope PIPE[®] and Echoscope PIPE *NANO Gen Series*[®] and diving technology marketed under the name of DAVD. The Echoscope[®] sonar series is the only sonar that can generate multiple real time 3D images of moving objects underwater in zero visibility conditions. This business also launched the DAVD system in 2021 which emanated from the requirements of the Office of Naval Research as part of its Future Naval Requirements Program. The DAVD embeds a pair of transparent glasses inside of the diver Head up Display (HUD) which is used as the data hub for displaying real time data to the diver. It allows both the diver underwater and the dive supervisor on the surface to see the same data or underwater scene. In addition, by combining the DAVD with the Echoscope[®], dive operations can be performed in zero visibility conditions. These conditions are a common barrier which impinges on the ability to perform these activities and therefore the DAVD combined with the Echoscope[®] is a critical requirement for these operations.

The Company acquired PAL on October 29, 2024. PAL is a supplier of acoustic sensors and materials. PAL serves a broad base of markets such as the medical, subsea, defense, universities and research and development institutes. PAL 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. This business was acquired to gain access to their expertise and leverage this across the group including in the area of advancing the Echoscope[®] technology. We believe the addition of their expertise and capabilities positions the Group to qualify to compete for larger Defense contracts.

The Defense Engineering Services Business is an established sub-contractor (with operations in the U.S. and U.K) to prime defense contractors and generally designs, engineers, manufactures and supplies proprietary sub-assemblies for incorporation into broader mission critical defense systems. These sub-assemblies are typically supplied for the life of the program. The Defense Engineering Services Business' scope of services for these defense programs typically extends to concept, design, prototype, manufacture, and post-sale support. The manufacturing contracts for these sub-assemblies can run over many years and during this time they enjoy sole supplier status for these sub-assemblies which they supply into these programs.

F-8

CODA OCTOPUS GROUP, INC.
Notes to the Consolidated Financial Statements
October 31, 2025 and 2024

NOTE 2 - SUMMARY OF ACCOUNTING POLICIES AND SUPPLEMENTAL DISCLOSURES

Basis of Presentation

The accompanying consolidated financial statements of the Company and its wholly owned subsidiaries have been prepared in accordance with generally accepted accounting principles ("GAAP") in the United States ("U.S.") and the applicable rules and regulations of the Securities and Exchange Commission (the "SEC").

The Company's fiscal year ends on October 31. The Company employs a calendar month-end reporting period for its quarterly reporting.

Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. The accounting estimates and assumptions that require management's most significant, challenging, and subjective judgment include estimates related to the percentage of completion method used to account for contracts including costs and earnings in excess of billings, billings in excess of costs and estimated earnings, the valuation of the deferred tax asset, the valuation of the assets purchased and liabilities assumed in our acquisition of PAL, and the valuation of goodwill. Actual results realized by the Company may differ from management's estimates.

Reclassifications

Certain amounts included in the accompanying Consolidated Balance Sheets, Consolidated Statements of Income and Comprehensive Income, and Consolidated Statements of Cash Flows for the year ended October 31, 2024, have been reclassified to conform to the presentation as of and for the year ended October 31, 2025.

Revenue Recognition

Revenue is recognized when control of the promised goods or services is transferred to a customer in an amount that reflects the consideration the Company expects to receive in exchange for those goods or services, which may include various combinations of goods and services which are generally capable of being distinct and accounted for as separate performance obligations. See "Note 4 – Revenue" for a detailed discussion on revenue and revenue recognition.

Cost of Revenue

Our Cost of Revenues includes the cost of materials and related direct costs. With respect to sales made through the Company's sales agents distribution network, we include in our costs of revenues the commissions paid to agents for the specific sales that they make. All other sales-related expenses, including those related to unsuccessful bids, are included in selling, general and administrative costs. Sales commissions included as a component of Cost of Revenues were \$896,046 and \$740,507 for the years ended October 31, 2025, and 2024, respectively.

F-9

CODA OCTOPUS GROUP, INC.
Notes to the Consolidated Financial Statements
October 31, 2025 and 2024

Foreign Currency Translation

The Company's operations are split between the United States, United Kingdom, Denmark, Australia and India with the latter operations being dormant. The foreign subsidiaries' functional currencies are those of their respective local jurisdictions and are translated into U.S. dollars for the purpose of reporting the Company's consolidated financial results. The translation of assets and liabilities into U.S. dollars for subsidiaries with a functional currency other than the U.S. dollar is performed using exchange rates in effect at the balance sheet date of October 31, 2025 and 2024 respectively. Stockholders' equity, fixed assets and long-term investments are recorded at historical exchange rates. The translation of revenues and expenses into U.S. dollars for subsidiaries with a functional currency other than the U.S. dollar is performed using the average exchange rate for the respective reporting period. Gains or losses from cumulative translation adjustments, net of tax, are included as a component of accumulated other comprehensive loss in the Consolidated Balance Sheets. The Company records net foreign exchange transaction gains and losses in the Consolidated Statements of Income and Comprehensive Income.

For the years ended October 31, 2025, and 2024, the Company recorded an aggregate transaction loss of \$208,015 and \$287,939, respectively. The aggregate transaction losses were recorded as a component of Selling, General & Administrative ("SG&A").

Treasury Stock

Repurchases by the Company of common stock awarded pursuant to the Company's Stock Incentive Plan to provide our employees with funds to pay their tax obligations on such common stock are classified as treasury stock on our Consolidated Balance Sheet. We account for treasury stock under the cost method. When treasury stock is re-issued at a price higher than its cost, the difference is recorded as a component of additional paid-in-capital in our Consolidated Balance Sheet. When treasury stock is re-issued at a price lower than its cost, the difference is recorded as a reduction of retained earnings in our Consolidated Balance Sheet.

Segment Reporting

Operating segments are defined as components of an enterprise for which separate financial information is available and that is evaluated on a regular basis by the chief operating decision-maker ("CODM") in deciding how to allocate resources to an individual segment and in assessing the performance of each segment. Our chief operating decision-maker (CODM), who is our Chairman and Chief Executive Officer, analyzes the results of our business through the following three reportable segments– Marine Technology Business (Products), Acoustic Sensors and Materials Business (PAL) and Defense Engineering Services Business (Services). Our CODM evaluates the operating results and performance of all three of our segments using GAAP-reporting for revenue, expenses and net income by segment. This financial metric is used to view operating

trends, perform analytical comparisons and benchmark performance between periods and among geographic regions, take decisions on business investments and to monitor budget to actual performance on a monthly, quarterly and annual basis.

Cash and Cash Equivalents

The Company considers all highly liquid investments with an original maturity of three months or less at the time of purchase to be cash equivalents. Cash and cash equivalents are maintained with various financial institutions. As of October 31, 2025, approximately \$27.1 million may be in excess of federal deposit insurance limits.

F-10

CODA OCTOPUS GROUP, INC.
Notes to the Consolidated Financial Statements
October 31, 2025 and 2024

Financial Instruments

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist principally of cash, cash equivalents, accounts receivable, accounts payables, and deferred revenue. The carrying amounts of the Company's cash, cash equivalents, accounts receivables, unbilled receivables, accounts payables, accrued liabilities and deferred revenue, as reflected in the consolidated financial statements approximate fair value due to the short-term maturity of these items. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The long-term deferred revenue approximates its carrying amounts as assessed by management. The Company's financial instruments are exposed to certain financial risks, primarily concentration risk. Concentration risk is the risk of financial loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's cash, cash equivalents and trade receivables. The carrying amount of the financial assets represents the maximum credit exposure. The Company limits its exposure to concentration risk on cash by placing these financial instruments with high-credit, quality financial institutions and only investing in liquid, investment grade securities. The Company's bank deposits are held with financial institutions both in and outside the United States. At times, such amounts may be in excess of applicable government mandated insurance limits. The Company has not experienced any losses in such accounts or lack of access to its cash. The Company's accounts receivables are subject to potential concentrations of credit risk, since a significant part of the Company's sales are to a small number of companies and, even though these are generally established businesses, market fluctuations may affect our customers' ability to meet their obligations to us. Furthermore, trade disputes may result in impairment or delays in receivables.

Accounts Receivable

The timing of revenue recognition may differ from the timing of invoicing to customers. The Company records a receivable when revenue is recognized prior to cash collection.

Payment terms and conditions vary by contract type, location of customer and the products or services offered, although terms generally require payment from a customer within 30-60 days (depending on the type of customer) for our Products Business and between 45-60 days from our Services Business. When the timing of revenue recognition differs from the timing of cash collection, an evaluation is performed to determine whether the contract includes a significant financing component. Accounts Receivable, net were \$3,732,806, \$3,493,463 and \$2,643,461 as of October 31, 2025, 2024 and 2023 respectively.

Allowance for Credit Losses

The allowance for credit losses, which includes the allowance for accounts receivable and unbilled accounts receivable, represents the Company's best estimate of lifetime expected credit losses inherent in those financial assets. The Company's lifetime expected credit losses are determined using relevant information about past events (including historical experience), current conditions, and reasonable and supportable forecasts that affect collectability. The Company monitors its credit exposure through ongoing credit evaluations of its customers' financial condition and limits the amount of credit extended when deemed necessary. In addition, the Company performs routine credit management activities such as timely account reconciliations, dispute resolution, and payment confirmations. The Company may employ collection agencies and legal counsel to pursue recovery of defaulted receivables. The Allowance for Credit Losses was \$65,253, \$123,885 and \$0 for the years ended October 31, 2025, 2024 and 2023, respectively.

Inventory

Inventories consist primarily of raw materials and finished goods and are stated at the lower of cost or net realizable value on an aggregate basis. Cost is computed using the average of actual cost, on a first-in, first-out basis. Adjustments to reduce the carrying amount of inventory to the lower of cost or net realizable value are made, if required, for excess or obsolete goods, which includes a review of, among other factors, demand requirements and market conditions. This valuation requires us to make judgments, based on currently available information, about the likely method of disposition, such as through sales to individual customers, returns of product to vendors, or liquidations, and expected recoverable values of each disposition category. These assumptions about the future disposition of inventory are inherently uncertain and changes in our estimates and assumptions may cause us to realize material write-downs in the future. In addition, we enter into supplier commitments for certain electronic and mechanical device components such as Printed Circuit Board Assemblies (PCBAs) and certain products particularly those which are subject to very long delivery times. These commitments are based on forecasted customer demand. If we reduce these commitments, we may incur additional costs. The sales cycle for our goods and services is long and also requires us to predict our inventory requirements. However, demand for our products and services can change significantly between the time of inventory or components are ordered and the date of the sale. In addition, when we begin selling or manufacturing a new product or offering a new service, it may be difficult to establish vendor relationships, determine appropriate product or component selection, and accurately forecast demand. The acquisition of certain types of inventory or components requires significant lead time and prepayment, and they may not be returnable. Furthermore, such prepayments may be at risk. We carry broad selection and significant inventory levels of certain products, such as PCBAs, mechanical assemblies and other components which have no after-market value outside of utilization with our products. Any one or more of the inventory risk factors set forth above may adversely affect our operating results.

F-11

CODA OCTOPUS GROUP, INC.
Notes to the Consolidated Financial Statements
October 31, 2025 and 2024

Business Combinations

The Company accounts for business combinations using the acquisition method of accounting in accordance with ASC 805, "Business Combinations." Identifiable assets acquired and liabilities assumed are recorded at their fair values on the acquisition date. The excess of the fair value of purchase consideration over the fair values of these identifiable assets and liabilities is recorded as goodwill. Acquisition-related costs are expensed as incurred. Upon acquisition, the accounts and results of operations are consolidated as of and subsequent to the acquisition date. When determining the fair values of assets acquired and liabilities assumed, management makes significant estimates and assumptions, especially with respect to intangible assets. The Company utilizes commonly accepted valuation techniques, such as the income, market and cost approaches, as appropriate, in establishing the fair value of intangible assets. Typically, key assumptions include projections of cash flows that arise from identifiable intangible assets of acquired businesses as well as discount rates based on an analysis of the weighted average cost of capital, adjusted for specific risks associated with the assets.

Goodwill and Intangible Assets

Goodwill and intangible assets consist principally of the excess of cost over the fair value of net assets acquired (i.e., goodwill), customer relationships, value of technology, non-compete agreements and licenses. Goodwill was allocated to our reporting units based on the original purchase price allocation. Goodwill is not amortized and is evaluated for impairment annually or more often if circumstances indicate impairment may exist. Customer relationships, non-compete agreements, value of technology, patents and licenses are being amortized on a straight-line basis over periods of 4 to 15 years. The Company amortizes its intangible assets using the straight-line method over their estimated period of benefit. We annually evaluate the recoverability of goodwill and intangible assets and carefully consider events or circumstances that warrant revised estimates of useful lives or that indicate that impairment exists.

The goodwill impairment test is conducted once a year, or more frequently if necessary, and is used to identify potential impairment by comparing the fair value of the reporting unit with its carrying amount, including goodwill. If the fair value of the reporting units, which is based on future discounted cash flows, exceeds the carrying amount, goodwill is not considered impaired. If the fair value of the reporting unit is less than its carrying amount, goodwill is impaired in the amount of the difference between the higher carrying amount and the fair value of the reporting unit. The Company has adopted Accounting Standards Codification 2017 – 04, Simplifying the Test for Goodwill Impairment, which permits the Company to impair the difference between the carrying amount in excess of the fair value of the reporting unit as a reduction in goodwill.

At the end of each year, we evaluate goodwill on a separate reporting unit basis to assess recoverability, and impairments, if any, are recognized in earnings. An impairment loss would be recognized in an amount equal to the excess of the carrying amount of the reporting unit compared to the fair value of the reporting unit. To date, the Company has not had any goodwill impairments.

Finite-lived intangible assets consist of acquired patents, customer relationships, value of technology and non-compete agreements resulting from business combinations. The Company's intangible assets are amortized on a straight-line basis over their estimated useful lives, ranging from 4 to 15 years. The Company makes judgments about the recoverability of finite-lived intangible assets whenever facts and circumstances indicate that the useful life is shorter than originally estimated or that the carrying amount of assets may not be recoverable. If such facts and circumstances exist, the Company assesses recoverability by comparing the projected undiscounted net cash flows associated with the related asset or group of assets over their remaining lives against their respective carrying amounts. Impairments, if any, are based on the excess of the carrying amount over the fair value of those assets. If the useful life is shorter than originally estimated, the Company would accelerate the rate of amortization and amortize the remaining carrying value over the new shorter useful life. The Company evaluates the carrying value of indefinite-lived intangible assets on an annual basis, and an impairment charge would be recognized to the extent that the carrying amount of such assets exceeds their estimated fair value.

F-12

CODA OCTOPUS GROUP, INC.
Notes to the Consolidated Financial Statements
October 31, 2025 and 2024

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. Expenditures for minor replacements, maintenance and repairs which do not increase the useful lives of the property and equipment are charged to operations as incurred. Major additions and improvements are capitalized.

Depreciation is computed using the straight-line method over their estimated useful lives:

Buildings	50 years
Office machinery and equipment	3-5 years
Software	5-7 years
Rental assets	3-7 years
Furniture, fixtures, and improvements	3-5 years

Depreciation expense is presented as a component of SG&A expense in the Consolidated Statements of Income and Comprehensive Income. Depreciation expense related to the Marine Technology Products Business "Rental Assets" which forms the asset pool utilized for rental services, is allocated 70% to Cost of Revenues and 30% to SG&A expense. For the years ended October 31, 2025, and 2024, our depreciation costs allocated to Cost of Sales for rental assets were \$215,808 and \$271,273, respectively.

Leases

We review our documents to determine if an arrangement is a lease or contains a lease at inception. Even though we own most of our property, we still may have a lease agreement for office and/or production facilities. The determination if these agreements are lease agreements does not require significant estimates or judgments on our part. Our leases may also contain non-lease components such as payments of maintenance, utilities, and taxes ("non-lease components") which we account for separately as these non-lease components are readily determinable. At the commencement date of a lease, we recognize a liability to make lease payments and an asset representing the right to use the asset over the lease term. The lease liability is measured at the present value of the minimum rental payments discounted using our incremental borrowing rate over the lease term. The incremental borrowing rate is the rate of interest that we would have to pay to borrow on a fully collateralized basis over a similar term and amount equal to the lease payments in a similar economic environment at the time of lease initiation. We determine the incremental borrowing rate through discussion with our principal bank. The right-of-use asset is measured at cost, which includes the initial measurement of the lease liability and initial direct costs, net of lease incentives, if any.

The lease term used to measure right-of-use assets and lease liabilities may include renewal options which we deem are reasonably certain to be exercised. Operating lease costs are recognized on a straight-line basis over the lease term. Variable lease expense increases, based on indices that are fixed and included in the lease document, are included in the right-of-use asset and lease liability.

Our lease portfolio consists of one non-cancellable operating lease of office and production space that we assumed as part of our acquisition of PAL. This lease expires in March 2033. There was no operating lease payments included in our consolidated financial statements for this lease expense during the year ended October 31, 2024, although we did establish the right-of-use asset and lease liability in the opening balance sheet of PAL at fair value.

F-13

CODA OCTOPUS GROUP, INC.
Notes to the Consolidated Financial Statements
October 31, 2025 and 2024

Other information related to operating leases was as follows:

Year Ended
October 31, 2025

Year Ended
October 31, 2024

Lease liability	\$	394,932	\$	413,171
Future minimum lease payments	\$	518,953	\$	568,076
Remaining life of the lease in Years		7.42		8.42
Discount Rate		6.75%		6.75%

Estimated future minimum lease payments as of October 31, 2025, are as follows:

Years Ending October 31,	Amount
2026	\$ 62,764
2027	64,647
2028	66,586
2029	68,584
2030	70,642
Thereafter	185,730
Totals	\$ 518,953

Impairment of Long-Lived Assets

Management reviews long-lived assets, including property and equipment, right of use assets and intangible assets, for possible impairment whenever events or changes in business circumstances indicate that the carrying amount of the assets may not be fully recoverable. Such events and changes may include: a significant decrease in market value, changes in asset use, negative industry or economic trends, and changes in the Company's business strategy. The Company measures recoverability of these assets by comparing the carrying amounts to the future undiscounted cash flows that the assets or the asset group are expected to generate. If the carrying value of the assets is not recoverable, an impairment charge is recognized by discounting the undiscounted cash flow and determining the amount by which the carrying amount of the asset exceeds the fair value of the assets.

Research and Development

Research and development costs are comprised primarily of employee-related costs, stock-based compensation expense, engineering consulting expenses associated with new product and technology development which may include significant sunk costs relating to prototyping and testing, investment in certain technology chipset, product commercialization, quality assurance, as well as costs related to information technology, patent applications and examinations, materials, supplies, and an allocation of facilities costs. All research and development costs are expensed as they are incurred.

Stock-Based Compensation

The Company accounts for stock-option compensation expense in accordance with the authoritative guidance on stock-based payments. Under the provisions of the guidance, stock-option based compensation expense is measured at the grant date based on the fair value of the option using a Black-Scholes option pricing model and is recognized as expense on a straight-line basis over the requisite service period, which is generally the vesting period.

The authoritative guidance also requires that the Company measure and recognize stock-based compensation expense upon modification of the term of a stock award. The stock-based compensation expense for such modification is the sum of any unamortized expense of the award before modification and the modification expense. The modification expense is the incremental amount of the fair value of the award before the modification and the fair value of the award after the modification, measured on the date of modification. In the event the modification results in a longer requisite period than in the original award, the Company has elected to apply the pool method where the aggregate of the unamortized expense and the modification expense is amortized over the new requisite period on a straight-line basis. In addition, any forfeiture will be based on the original requisite period prior to the modification.

Calculating stock-based compensation expense requires the input of highly subjective assumptions, including the expected term of the stock-based awards, stock price volatility, and the pre-vesting option forfeiture rate. The Company estimates the expected life of options granted based on historical exercise patterns, which are believed to be representative of future behavior. The Company estimates the volatility of the Company's common stock on the date of grant based on historical volatility. The assumptions used in calculating the fair value of stock-based awards represent the Company's best estimates, but these estimates involve inherent uncertainties and the application of management judgment. As a result, if factors change and the Company uses different assumptions, its stock-based compensation expense could be materially different in the future. In addition, the Company is required to estimate the expected forfeiture rate and only recognize expense for those shares expected to be vested. The Company estimates the forfeiture rate based on historical experience of its stock-based awards that are granted, exercised and cancelled. If the actual forfeiture rate is materially different from the estimate, stock-based compensation expense could be significantly different from what was recorded in the current period.

F-14

CODA OCTOPUS GROUP, INC.
Notes to the Consolidated Financial Statements
October 31, 2025 and 2024

The Company may grant restricted stock units ("RSUs") to employees or consultants. RSU awards vest upon grant or fixed term, generally 12-36 months. The Company uses the closing trading price of its common stock on the date of RSUs vest as the fair value of awards of restricted stock units. Stock-based compensation from RSU awards is recognized on a straight-line basis over the RSU awards' vesting period.

Income Taxes

The Company accounts for income taxes in accordance with Accounting Standards Codification 740, Income Taxes (ASC 740). Under ASC 740, deferred income tax assets and liabilities are recorded for the income tax effects of differences between the bases of assets and liabilities for financial reporting purposes and their bases for income tax reporting. The Company's differences arise principally from the use of various accelerated and modified accelerated cost recovery systems for income tax purposes versus straight line depreciation used for book purposes and from the utilization of net operating loss carry-forwards.

Deferred tax assets and liabilities are the amounts by which the Company's future income taxes are expected to be impacted by these differences as they reverse. Deferred tax assets are based on differences that are expected to decrease future income taxes as they reverse. Correspondingly, deferred tax liabilities are based on differences that are expected to increase future income taxes as they reverse. Note 11 Income Taxes discloses the amounts of deferred tax assets and liabilities and presents the impact of significant differences between financial reporting income and taxable income.

For income tax purposes, the Company uses the percentage of completion method of recognizing revenues on long-term contracts which is consistent with the Company's financial reporting under GAAP.

From time to time, the Company engages in transactions in which the tax consequences may be subject to uncertainty. Significant judgment is required in assessing and estimating the tax consequences of these transactions. Accruals for unrecognized tax benefit liabilities, which represent the difference between a tax position taken or expected to be taken in a tax return and the benefit recognized for financial reporting purposes, are recorded when the Company believes it is more-likely-than-not that the tax position will be sustained on examination by the taxing authorities based on the technical merits of the position. Adjustments to unrecognized tax benefits are recognized when facts and circumstances change, such as the closing of a tax audit, notice of an assessment by a taxing authority or the refinement of an estimate. Income tax benefit includes the effects of adjustments to unrecognized tax benefits, as well as any related interest and penalties. The Company currently does not have any uncertain tax positions.

Comprehensive Income

Comprehensive income is defined to include all changes in equity except those resulting from investments by owners and distributions to owners. Comprehensive income includes gains and losses on foreign currency translation adjustments and is included as a component of stockholders' equity.

F-15

CODA OCTOPUS GROUP, INC.
Notes to the Consolidated Financial Statements
October 31, 2025 and 2024

Advertising

Advertising costs are expensed as incurred and are presented as a component of SG&A expense in the Consolidated Statements of Income and Comprehensive Income. Advertising expenses for the years ended October 31, 2025 and 2024, were \$0 and \$2,732 respectively.

Contingencies

From time to time, the Company may be involved in legal and administrative proceedings and claims of various types. The Company records liability in its consolidated financial statements for these matters when a loss is known or considered probable, and the amount can be reasonably estimated. Management reviews these estimates in each accounting period as additional information becomes known and adjusts the loss provision when appropriate. If the loss is not probable or cannot be reasonably estimated a liability is not recorded in the consolidated financial statements. If a loss is probable but the amount of loss cannot be reasonably estimated, the Company discloses the loss contingency and an estimate of possible loss or range of loss (unless such an estimate cannot be made). The Company does not recognize gain contingencies until they are realized. Legal costs incurred in connection with loss contingencies are expensed as incurred. In 2025 FY, the Company made provision of \$213,343 (or £163,000 British Pounds – the currency of the earnout obligation) since it determined that PAL met the pre-conditions for the payment of the Year 1 Earnout, relating to revenue and pre-tax income targets, as stipulated in the Acquisition Agreement.

NOTE 3 – RECENT ACCOUNTING PRONOUNCEMENTS

Accounting Pronouncements to be Adopted

In December 2023, the FASB issued Accounting Standards Update 2023-09 entitled Income Taxes (Topic 740), Improvements to Income Tax Disclosures to enhance the transparency and decision usefulness of income tax disclosures. Essentially ASU 2023-09 requires significantly more granularity regarding the items that impact the determination and disclosure of the effective income tax rate. The effective income tax rate reconciliation will be broken down into nine tax categories, as applicable and requires a lower materiality threshold related to income tax disclosures. This disclosure standard is effective for annual periods beginning after December 15, 2024, which means that the Company will adopt this standard effective November 1, 2026. The Company has all the information available to make these disclosures and is reviewing the best way to present the information in accordance with ASU 2023-09.

In November 2024, the FASB issued Accounting Standards Update 2024-03 entitled Income Statement–Reporting Comprehensive Income–Expense Disaggregation Disclosures, Disaggregation of Income Statement Expense (ASU 2024-03). The FASB issued ASU 2024-03 to improve the disclosure about a public business entity's expense and to address requests from investors for more detailed information about the types of expenses (including purchases of inventory, employee compensation, depreciation, amortization and depletion) included in commonly presented expense captions (such as cost of sales, SG&A and research and development). This is a disclosure-only standard, and the Company expects to adopt ASU 2024-03 on November 1, 2026, and include the interim disclosures beginning with our quarterly report on Form 10-Q for the quarter ended January 31, 2027.

In March 2025, the FASB issued Accounting Standards Update 2025-02, Liabilities (Topic 405): Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 122. Certain Securities and Exchange Commission rules are included in the FASB's Accounting Standards Codification. ASU 2025-02 incorporates those amendments into the Accounting Standards Codification. This ASU doesn't change any GAAP, and the Company is already subject to all the SEC's rules and regulations, so ASU 2025-02 will not have any effect on the Company.

In November 2025, the FASB issued Accounting Standards Update 2025-05, Financial Instruments–Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets. There are two amendments in ASU 2025-05, only one of which relates to public companies. That amendment permits a company to assume that the economic conditions at the time of a sale that is recorded in current accounts receivable and any related contract assets are reflective of future economic conditions, such that an entity does not need to consider future economic changes in its determination of its allowance for credit losses. The amendments in ASU 2025-05 will be effective for public companies for annual reporting periods after beginning after December 15, 2025. The Company will adopt ASU 2025-05 on its effective date.

F-16

CODA OCTOPUS GROUP, INC.
Notes to the Consolidated Financial Statements
October 31, 2025 and 2024

In December 2025, the FASB issued Accounting Standards Update 2025-10, Government Grants (Topic 832): Accounting for Government Grants Received by Business Entities. The amendments in ASU 2025-10 address when it is appropriate to recognize a government grant and how to account for that government grant. In accordance with ASU 2025-10, government grants will be realized ratably over the life of an asset or as deferred income if the government grant relates to amounts that offset an entity's operating costs. The accounting in ASU 2025-10 is not applicable to transactions within the scope of Topic 740, Accounting for Income Taxes, below-market interest rate loans and government guarantees. The amendments are effective for public companies for annual reporting periods beginning after December 15, 2028, and early adoption is permitted. The Company receives government grants from time to time and will implement the standard on its effective date.

In December 2025, the FASB issued Accounting Standards Update 2025-11, Interim Reporting (Topic 270): Narrow-Scope Improvements. The amendments in ASU 2025-11

are more organizational in nature in that they are consolidating the interim reporting requirements in other Accounting Standards Codification topics to make Topic 270 more understandable and easier to use and they have added one additional disclosure principle that requires entities to disclose events since the end of the last annual reporting period that have a material impact on the entity. The amendments are effective for interim reporting periods within annual reporting periods beginning after December 15, 2027, and early adoption is permitted. The amendments in ASU 2025-11 can be applied either prospectively or retrospectively to any or all prior periods presented in the financial statements. The Company will comply with the amendments in this standard beginning on the effective date.

In December 2025, the FASB issued Accounting Standards Update 2025-12 entitled Codification Improvements. ASU 2025-12 is the latest in a series of updates that the FASB makes to the existing GAAP literature to amend or supplement that literature related to minor changes and corrections that have identified and made amendments to 33 Accounting Standard Codification topics. This ASU is effective for annual reporting periods that begin after December 15, 2026, and interim periods within those annual reporting periods. Based on the Company's review of ASU 2025-12, it is not expected that any of the amendments will have any effect on the Company's financial statements.

NOTE 4 – REVENUE

Revenue Recognition

The Company recognizes revenue under the Financial Accounting Standards Board's Topic 606, *Revenue from Contracts with Customers* ("Topic 606").

Topic 606 has established a five-step process to determine the amount of revenue to record from contracts with customers. The five steps are:

- Determine if we have a contract with a customer;
- Determine the performance obligations in that contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations; and
- Determine when to recognize revenue.

Revenues are earned under formal contracts with our customers and are derived from both sales and rental of underwater technologies and equipment for real time 3D imaging, mapping, defense, and survey applications and from the engineering services which we provide primarily to prime defense contractors. Our contracts do not include the possibility for additional contingent consideration so that our determination of the contract price does not involve having to consider potential additional variable considerations. Our sales do not include a right of return by the customer.

For the Marine Technology Business, all of our products are sold on a stand-alone basis and those market prices are evidence of the value of the products. To the extent that we also provide services (e.g., installation, training, post-sales technical support etc.), those services are either included as part of the product or are subject to written contracts based on the stand-alone value of those services. Revenue from the sales of services is recognized when those services have been provided to the customer and evidence of the provision of those services exists.

F-17

CODA OCTOPUS GROUP, INC.
Notes to the Consolidated Financial Statements
October 31, 2025 and 2024

Revenue derived from either our subscription package offerings or rental of our equipment is recognized when performance obligations are met, in particular, on a daily basis during the subscription or rental period.

For arrangements with multiple performance obligations, we recognize product revenue by allocating the transaction revenue to each performance obligation based on the relative fair value of each deliverable and recognize revenue when performance obligations are met including when equipment is delivered, and for rental of equipment, when installation and other services are performed.

Our contracts sometimes require customer payments in advance of revenue recognition and are recognized as revenue when the Company has fulfilled its obligations under the respective contracts. Until such time, we recognize this prepayment as deferred revenue.

For software license sales for which any services rendered are not considered distinct to the functionality of the software, we recognize revenue upon delivery of the software.

With respect to revenues related to our Defense Engineering Services Business, there are contracts in place that specify the fixed hourly rate and other reimbursable costs to be billed and recognized based on material and direct labor hours incurred. Revenues from fixed-price contracts are recognized on the percentage-of-completion method, measured by the percentage of costs incurred (materials and direct labor hours) to date to estimated total costs to be incurred (materials and direct labor hours) for each contract. This method is used as we consider expenditures for direct materials and labor hours to be the best available measure of progress on these contracts.

On a quarterly basis, we examine all our fixed-price contracts to determine if there are any losses to be recognized during the period. Any such loss is recorded in the quarter in which the loss first becomes apparent based upon costs incurred to date and the estimated costs to complete as determined by experience from similar contracts. Variations from estimated contract performance could result in adjustments to operating results.

Recoverability of Deferred Costs

In accordance with Topic 606, we defer costs on projects for service revenue. Deferred costs consist primarily of incremental direct costs to customize and install systems, as defined in individual customer contracts, including costs to acquire hardware and software from third parties and payroll costs for our employees and other third parties. The pricing of these service contracts is intended to provide for the recovery of these types of deferred costs over the life of the contract.

We recognize such costs in accordance with our revenue recognition policy by contract. For revenue recognized under the percentage of completion method, costs are recognized as products are delivered or services are provided in accordance with the percentage of completion calculation. For revenue recognized over time, costs are recognized ratably over the term of the contract, commencing on the date of revenue recognition. At each quarterly balance sheet date, we review deferred costs, to ensure they are ultimately recoverable.

Any anticipated losses on uncompleted contracts are recognized when evidence indicates the estimated total cost of a contract exceeds its estimated total revenue.

F-18

Other Revenue Disclosures

See Note 16 – “Disaggregation of Revenue” for a breakdown of revenues from external customers and cost of those revenues between our Product Segment, Acoustic Sensors and Materials Business and Services Segment including information on the split of revenues by geography. The Acoustic Sensors and Materials Business (“PAL”) was acquired on October 29, 2024 and had no material income statement activity for the remaining two days of up to October 31, 2024. Therefore, there is no comparative segment information data for the Acoustics Sensors and Materials Business for the 2024 FY.

Contracts in Progress (Unbilled Receivables and Deferred Revenue)

Unbilled Receivables includes earned revenue in excess of billings on incomplete contracts representing accumulated project expenses plus fees which have not been invoiced to customers as of the date of the balance sheet. The amount of unbilled contracts receivable may not exceed their net realizable value. Unbilled Receivables were \$2,988,779, \$1,657,827 and \$894,251 as of October 31, 2025, 2024 and 2023, respectively.

Sales of equipment include a provision for warranty or through life support (“TLS”) services which may be purchased by customers and are treated as deferred revenue. These amounts are amortized over the relevant warranty or TLS period (12 months is our standard warranty contract obligation or for TLS, 24, 36 or 60 months) from the date of sale.

Deferred Revenue (current) includes customer prepayments prior to delivery of the agreed service, customer prepaid support to be delivered within twelve months, warranty provision or current TLS apportionment. Deferred Revenue was \$1,722,796, \$1,225,634 and \$975,537 as of October 31, 2025, 2024 and 2023, respectively.

Deferred Revenue (current) consisted of the following as of October 31, 2025, 2024 and 2023:

	2025	2024	2023
Deferred Revenue	\$ 1,074,488	\$ 670,339	\$ 420,611
Customer Technical Support Obligations	308,683	275,347	324,218
Product Warranty	339,625	279,948	230,708
Total Deferred Revenue (Current)	<u>\$ 1,722,796</u>	<u>\$ 1,225,634</u>	<u>\$ 975,537</u>

Deferred Revenue (non-current) includes customer prepaid support, TLS, to be delivered past the initial twelve months and provision for TLS services to be provided past the initial twelve months.

Deferred Revenue (non-current) was \$59,080, \$56,121 and \$133,382 as of October 31, 2025, 2024 and 2023, respectively.

F-19

CODA OCTOPUS GROUP, INC.
Notes to the Consolidated Financial Statements
October 31, 2025 and 2024

NOTE 5 – FAIR VALUE

The Company carries its financial instruments at fair value. Fair value is defined as an exchange price that would be received for an asset or paid to transfer a liability, (an exit price), in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. At October 31, 2025, and 2024, respectively, the Company’s financial assets and liabilities were in cash and cash equivalents. The cash equivalents are highly liquid investments with maturities of three months or less. Our recently acquired subsidiary, PAL, whose financial assets and liabilities were in cash and cash equivalents, follows the Company’s existing practice of keeping these assets in highly liquid investments with maturities of three- months or less.

The established fair value hierarchy requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. There are three levels of inputs that may be used to measure fair value:

- Level 1 Quoted prices in active markets for identical assets.
- Level 2 Observable market-based inputs or unobservable inputs that are corroborated by market data.
- Level 3 Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

When applying fair value principles in the valuation of assets, the Company is required to maximize the use of quoted market prices and minimize the use of unobservable inputs. The Company calculates the fair value of its Level 1 and Level 2 instruments based on the exchange traded price of similar or identical instruments, where available, or based on other observable inputs.

There were no marketable securities required to be measured at fair value on a recurring basis as of October 31, 2025 and 2024.

F-20

CODA OCTOPUS GROUP, INC.
Notes to the Consolidated Financial Statements
October 31, 2025 and 2024

NOTE 6 – COMPOSITION OF CERTAIN FINANCIAL STATEMENT CAPTIONS

Certified Deposit Interest Bearing Accounts

The Company established certified deposit interest-bearing accounts with its current bankers HSBC NA and Jyske Bank in February 2023. These interest-bearing accounts are for rolling fixed short-term periods not exceeding 3 months and are classified in our financial statements as “cash equivalents”. The Company also maintains an interest-bearing deposit account in the UK that tracks the Bank of England base rate, which has no restrictions on access and has a current rate of 3.75%. The table below indicates the amounts which, at the date hereof, are held in certified deposit and unrestricted interest-bearing accounts, and interest earned in the period:

Deposit	Interest	Deposit	Interest
---------	----------	---------	----------

Country	October 31, 2025	October 31, 2025	October 31, 2024	October 31, 2024
USA	\$ 18,693,053	\$ 616,437	\$ 15,156,719	\$ 823,816
UK	3,416,612	82,126	764,659	103,144
*Denmark	-	9,534	-	11,815
	<u>\$ 22,109,665</u>	<u>\$ 708,097</u>	<u>\$ 15,921,378</u>	<u>\$ 938,775</u>

* This amount relates to interest earned on our Jyske bank current account which is not part of our Certified Deposit arrangement

Inventory consisted of the following as of:

	October 31, 2025	October 31, 2024
Raw materials and parts	\$ 10,622,753	\$ 10,368,350
Work in progress	565,147	193,062
Finished goods	2,448,612	3,340,464
Stock in transit	-	73,653
Total Inventory	<u>\$ 13,636,512</u>	<u>\$ 13,975,529</u>

F-21

CODA OCTOPUS GROUP, INC.
Notes to the Consolidated Financial Statements
October 31, 2025 and 2024

Other current assets consisted of the following as of:

	October 31, 2025	October 31, 2024
Deposits and other assets	\$ 59,715	\$ 63,630
Other Tax Receivables	-	240,909
Employee Retention Credit Receivables	212,300	212,300
Other Foreign Tax Receivables	259,454	321,996
Total Other Current Assets	<u>\$ 531,469</u>	<u>\$ 838,835</u>

Fixed assets consisted of the following as of:

	October 31, 2025	October 31, 2024
Buildings	\$ 5,979,758	\$ 5,881,237
Land	200,000	200,000
Office machinery and equipment	2,194,151	1,872,693
Software	364,923	-
Rental assets	2,874,192	2,784,921
Furniture, fixtures and improvements	1,611,168	1,549,965
Totals	13,224,192	12,288,816
Less: accumulated depreciation	(5,928,401)	(5,465,826)
Total Property and Equipment, net	7,295,791	6,822,990
Right of Use Asset (Operating Lease), net	372,647	413,171
Total Fixed Assets, net	<u>\$ 7,668,438</u>	<u>\$ 7,236,161</u>

Depreciation expense for the years ended October 31, 2025 and 2024 were \$861,292 and \$710,059, respectively.

Property and equipment, net, by geographic areas were as follows:

	October 31, 2025	October 31, 2024
USA	\$ 1,990,372	\$ 1,743,840
Europe	5,305,419	5,079,150
Total Property and Equipment, net	<u>\$ 7,295,791</u>	<u>\$ 6,822,990</u>

Accrued Expenses and Other Current Liabilities consisted of the following as of:

	October 31, 2025	October 31, 2024
Accruals	\$ 759,323	\$ 560,986
Other Tax Accrued or Payable	1,664,590	924,735
Employee Related	52,039	118,875
Total Accrued Expenses and Other Current Liabilities	<u>\$ 2,475,952</u>	<u>\$ 1,604,596</u>

CODA OCTOPUS GROUP, INC.
Notes to the Consolidated Financial Statements
October 31, 2025 and 2024

Total Other Income, net consisted of the following for the year ended:

	October 31, 2025	October 31, 2024
Grant Income	\$ 194,761	\$ 34,422
Other	73,331	53,960
	<u>268,092</u>	<u>88,382</u>
Interest	\$ 708,097	\$ 938,775
Total Other Income, net	<u>\$ 976,189</u>	<u>\$ 1,027,157</u>

NOTE 7 – ACQUISITION OF PRECISION ACOUSTICS LIMITED

On October 29, 2024, the Company acquired all the issued and outstanding shares of PAL for \$6,538,569 in cash. At the acquisition date, the Company had immediate access to PAL's cash balance of \$ 1,933,284, which resulted in a net cash outlay at the acquisition date of \$4,605,285. The Company agreed to pay the sellers for all cash in PAL's bank account on the date of its acquisition, which was in excess of the agreed working capital amount of \$595,869 and, as part of the transaction, the Company paid the sellers \$1,337,415 for the excess cash balance.

The Company acquired PAL to gain access to its expertise in acoustic and medical imaging technologies which we believe can be leveraged through development for use in the subsea market, the primary sector for the Marine Technology Business and more broadly to expand the Group's collective capabilities in order to qualify to compete for larger Defense-related contracts. Prior to the acquisition, PAL was a non-key supplier to our Marine Technology Business, which purchased on average approximately \$ 80,000 of acoustic materials from PAL. It expects to continue to purchase these materials, at a similar dollar level, from PAL in the future.

In addition to the cash paid at closing, the share purchase agreement provides for certain earnout payments over a three-year period, and which are conditional upon PAL meeting the defined targets (revenue and pre-tax profit) in each of the earnout years. The potential earnout provision amounts are shown in the table below applying an exchange rate (from British Pound to USD) of \$1.278973, the exchange rate of the transaction:

Earnout	2025 FY	2026 FY	2027 FY
Revenue Target	\$ 5,334,584	\$ 5,867,914	\$ 6,454,962
Pre-Tax Profit Target	\$ 1,046,476	\$ 1,295,597	\$ 1,573,133
Earnout Amount Payable based on Targets	\$ 208,472	\$ 418,223	\$ 652,275

At the time of acquisition and based on the projections the Company used, we did not anticipate that there would be earnouts payable and therefore no contingent liability for earnout payments was recorded in the Company's income statement for the fiscal year ended October 31, 2024. For the fiscal year ended October 31, 2025, PAL's operating results exceeded the Company's initial forecasts, and it achieved the qualifying financial conditions for the payment of the year one earnout. As such, in our 2025 FY we expensed \$213,343 (or £163,000 British Pound – the currency of the earnout obligation) representing the full amount of the year one earnout liability. Future earnout payments, if earned, will be expensed at the point in time that qualifying conditions for the earnouts are met.

CODA OCTOPUS GROUP, INC.
Notes to the Consolidated Financial Statements
October 31, 2025 and 2024

In the event that the business combination between the Company and PAL had occurred at the beginning of the Company's 2024 FY comparable annual reporting period, the unaudited supplemental pro-forma information concerning revenue and expenses for PAL (which have been translated from British Pound to USD using the exchange rate used by the Company for those reporting periods) is shown below:

	October 31, 2025	October 31, 2024
Net Revenue		
Coda Octopus Group	\$ 21,153,172	\$ 20,316,161
Precision Acoustics	5,409,954	4,942,389
Combined Net Revenue	<u>26,563,126</u>	<u>25,258,550</u>
Net Income		
Amortization of acquired intangible assets, pro forma	\$ (480,325)	\$ (477,181)
Coda Octopus Group	3,226,502	3,645,996
Precision Acoustics	1,383,753	483,776
Combined Net Income	<u>\$ 4,129,930</u>	<u>\$ 3,652,591</u>

Purchase Price Allocation

In accordance with the requirements of FASB ASU 805, Business Combinations, the acquisition of PAL was accounted for using the acquisition method of accounting. The Company determined the fair value of the PAL balance sheet as of October 29, 2024, the date of acquisition.

During the one-year measurement period that began on October 29, 2024, the Company did not make any adjustments to the amounts originally recorded at fair value in the PAL opening balance sheet and the measurement period has now expired. Subsequent adjustment, if any, will be made through the income statement although the Company does not anticipate any such adjustments.

The table below shows the fair value of the assets acquired and liabilities assumed in connection with the PAL acquisition.

Description	October 29, 2024 Amount
Tangible assets and liabilities acquired	
Cash (including excess cash amount purchased of \$1,337,415)	\$ 1,933,284
Accounts receivable	698,595
Inventory	980,594
Property, plant and equipment	509,337
Right of Use Asset	417,881
Accounts payable	(362,305)
Lease liability	(417,881)
Deferred revenues	(498,422)
Accruals and other liabilities	(151,532)
Intangible assets and liabilities at fair value	
Fair value of noncompete agreement	224,637
Value of PA technology	2,947,155
Expected value of earnout provision	-
Goodwill	257,226
Total purchase price	\$ 6,538,569
Acquisition, net of acquired cash	\$ 4,605,285

PAL's technology was valued using the multi-period excess earnings method related to the income approach since this is the main identifiable intangible asset. Significant inputs used to measure the fair value included estimates of projected revenue and costs associated with generating those revenues and a discount rate of 12.36%. The discount rate is a level 2 fair value measurement, and the other assumptions used in the determination of the opening value of the PAL balance sheet at fair value are level 3 inputs. The fair value of the non-compete agreement was developed using the with and without income approach method. Estimates of the potential loss of business resulting from certain employees leaving the business were made and compared to the value of the business assuming the employee did not leave during the four-year non-compete period. Revenue projections and related projected costs of revenue were made and discounted at a 12.36% discount rate. The discount rate is a level 2 fair value measurement, and the other assumptions used in the determination of the opening value of the PAL balance sheet at fair value are level 3 inputs.

F-24

CODA OCTOPUS GROUP, INC.
Notes to the Consolidated Financial Statements
October 31, 2025 and 2024

Goodwill represents the future economic benefits expected to arise from other intangible assets acquired that do not qualify for separate recognition, including an experienced workforce that will help accelerate product development and our go to market strategy, as well as expected future synergies generated by integrating PAL's products with those in our existing platform. None of the goodwill is expected to be deductible for tax purposes.

We recorded as part of our SG&A expenses transaction related costs of \$1,531, in the twelve-months ended October 31, 2024.

During the 2025 FY our Marine Technology Business purchased \$35,263 of acoustic materials from PAL and contracted \$16,633 for R&D efforts These were eliminated from our financial statements.

NOTE 8 – GOODWILL AND IDENTIFIED INTANGIBLE ASSETS

Intangibles consisted of the following as of:

Finite-lived intangible assets	Average Life (Years)	October 31, 2025			October 31, 2024		
		Gross Asset	Accumulated Amortization	Net	Gross Asset	Accumulated Amortization	Net
Customer Relationships	10	\$ 919,503	\$ (919,503)	\$ 0	\$ 919,503	\$ (919,503)	\$ 0
Non-Compete Agreements	4	423,548	(255,744)	167,804	423,548	(198,911)	224,637
Value of Technology	7	2,947,155	(426,070)	2,521,085	2,947,155	-	2,947,155
Patents	10-15	845,906	(355,207)	490,699	820,555	(305,313)	515,242
Total intangible assets		\$ 5,136,112	\$ (1,956,524)	\$ 3,179,588	\$ 5,110,761	\$ (1,423,727)	\$ 3,687,034

Estimated future annual amortization expenses of finite-lived assets as of October 31, 2025, is as follows:

Years Ending October 31,	Amount
2026	\$ 523,996
2027	521,218
2028	521,218
2029	465,059
2030	465,059
Thereafter	683,038
Totals	<u>\$ 3,179,588</u>

Amortization of intangible assets for the years ended October 31, 2025, and 2024 was \$30,218 and \$60,476 respectively, driven by the acquisition of PAL.

Goodwill consisted of the following as of:

October 31,

October 31,

	2025	2024
Coda Octopus Engineering, Inc. (US Based)	\$ 2,038,669	\$ 2,038,669
Coda Octopus Products Limited (UK Based)	62,315	62,315
Coda Octopus Martech Limited (UK Based)	1,281,124	1,281,124
Precision Acoustics Limited (UK Based)	257,226	257,226
Total Goodwill	<u>\$ 3,639,334</u>	<u>\$ 3,639,334</u>

NOTE 9 – NET INCOME PER SHARE

The following table sets forth the computation of basic and fully diluted loss per common share for the years ended:

Fiscal Period	2025	2024
Numerator:		
Net Income	<u>\$ 4,129,930</u>	<u>\$ 3,645,996</u>
Denominator:		
Basic weighted average common shares outstanding	11,232,440	11,166,956
Unexercised portion of options and restricted stock awards	20,227	123,371
Diluted outstanding shares	<u>11,252,667</u>	<u>11,290,327</u>
Net income per share		
Basic	\$ 0.37	\$ 0.33
Diluted	\$ 0.37	\$ 0.32

F-25

CODA OCTOPUS GROUP, INC.
Notes to the Consolidated Financial Statements
October 31, 2025 and 2024

NOTE 10 – CAPITAL STOCK

Common Stock

2017 and 2021 Stock Incentive Plan (together “SIPs”)

On December 6, 2017, the Board of Directors adopted the 2017 Stock Incentive Plan (the “2017 Plan”). The purpose of the 2017 Plan is to advance the interests of the Company and its stockholders by enabling the Company and its subsidiaries to attract and retain qualified individuals through opportunities for equity participation in the Company, and to reward those individuals who contribute to the Company’s achievement of its economic objectives. The 2017 Plan was adopted by the Board of Directors and approved by Stockholders at the Company’s Annual General Meeting held on July 24, 2018, and provides for a maximum of 913,612 to be issued under this Plan.

On July 12, 2021, a second plan was adopted by the Board of Directors (“2021 Plan”) and approved by Stockholders at the Company’s Annual General Meeting held on September 14, 2021. The 2021 Plan is identical to the 2017 Plan in all material respects except that the maximum number of shares allocated for issuance is 1,000,000.

The shares available for issuance under the SIPs may, at the election of the Compensation Committee, be either treasury shares or shares authorized but unissued, and, if treasury shares are used, all references in the SIPs to the issuance of shares will, for corporate law purposes, be deemed to mean the transfer of shares from treasury.

As of October 31, 2025, there were 406,808 shares available for future issuance under the 2017 Plan.

As of October 31, 2025, there were a total of 1,406,808 shares available for issuance under the 2017 and 2021 Plans.

A summary of stock options activity is as follows:

	Number of Shares Subject to Options	Weighted Average Exercise Price Per Share	Weighted Average Remaining Contractual Life (in years)	Aggregate Intrinsic Value
Balance at October 31, 2023	104,671	\$ 4.67	3.4	\$ 202,419
Granted	-	-		
Vested	-	-		
Exercises	-	-		
Forfeited or cancelled	-	-		
Balance at October 31, 2024	104,671	\$ 4.67	2.4	\$ 202,419
Granted	0	-		
Vested	0	-		
Exercises	(99,671)	\$ 4.67		
Forfeited or cancelled	0	-		
Balance at October 31, 2025	<u>5,000</u>	\$ 4.62	1.4	\$ 28,150
Vested and expected to vest at October 31, 2025	<u>5,000</u>	\$ 4.62	1.4	\$ 28,150
Exercisable at October 31, 2025	<u>5,000</u>	\$ 4.62	1.4	\$ 28,150

The aggregate intrinsic value in the table above represents the total pre-tax intrinsic value that option holders would have realized had all option holders exercised their options on the last trading day of fiscal years 2025 and 2024. The aggregate intrinsic value is the difference between the Company’s closing stock price on the last trading day of the fiscal year and the exercise price, multiplied by the number of in-the-money options (CODA: NASDAQ).

The following table summarizes information about stock options outstanding and exercisable under the Company's Stock Option Plan at October 31, 2025:

Options Outstanding				Options Exercisable			
Range of Exercise Prices Per Share	Number Outstanding	Weighted Average Exercise Price Per Share	Weighted Average Remaining Contractual Life (in years)	Range of Exercise Prices per Share	Number Exercisable	Weighted Average Exercise Price Per Share	Weighted Average Remaining Contractual Life (in years)
\$ 4.62	5,000	\$ 4.62	1.4	\$ 4.62	5,000	\$ 4.62	1.4

There are no unamortized compensation expenses related to Stock Options

F-26

CODA OCTOPUS GROUP, INC.
Notes to the Consolidated Financial Statements
October 31, 2025 and 2024

A summary of restricted stock award activity is as follows:

	Shares	Weighted Average Grant Date Fair Value	Non-Vested	Weighted Average Grant Date Fair Value
Outstanding at October 31, 2023	87,428	\$ 7.04	85,546	\$ 7.04
Granted	21,208	\$ 6.37	21,208	\$ 6.37
Vested	(72,542)	\$ 7.06	(70,660)	\$ 7.06
Treasury Stock	(2,394)	\$ 7.16	(2,394)	\$ 7.16
Forfeited or cancelled	(15,000)	\$ 7.39	(15,000)	\$ 7.39
Outstanding at October 31, 2024	18,700	\$ 6.42	18,700	\$ 6.42
Granted	17,646	\$ 7.64	15,299	\$ 8.14
Vested	(18,619)	\$ 6.44	(18,619)	\$ 6.44
Treasury Stock	-		-	
Forfeited or cancelled	(2,500)	\$ 8.14	(2,500)	\$ 8.14
Outstanding at October 31, 2025	15,227	\$ 7.52	12,880	\$ 8.14

In certain situations, in 2024 and 2023, certain RSAs that vested were net share settled such that the Company withheld common shares with a value equivalent to the employees' obligation for the applicable income and other employment taxes and remitted the cash to the appropriate taxing authorities. The total shares withheld were zero for both 2025 and 2024, and 109,154 for 2023 and were based on the value of the RSAs on their respective vesting dates as determined by the Company's closing stock price. The Company has classified the withheld common shares as treasury stock and may issue these shares at a future date.

All stock options and restricted stock awards have been made pursuant to the 2017 Plan.

Total stock-based compensation expense from stock options and restricted stock awards was \$24,786 and \$137,676, respectively for the years ended October 31, 2025, and 2024. As of October 31, 2025, there was approximately \$38,635 of total unrecognized stock-based compensation cost related to 15,227 unvested restricted stock awards.

During the 2025 FY, we granted 10,000 shares of common stock to a related party (Item 13) for consulting services. These were issued outside of the SIPs.

Preferred Stock

Series A and Series C Preferred Stock

The Company is authorized to issue 5,000,000 shares of preferred stock with a par value of \$0.001 per share. As of October 31, 2025, there were no shares of Preferred Stock designated, issued or outstanding.

F-27

CODA OCTOPUS GROUP, INC.
Notes to the Consolidated Financial Statements
October 31, 2025 and 2024

NOTE 11 - INCOME TAXES

The Company provides for income taxes and the related accounts under the asset and liability method. Deferred tax assets and liabilities are determined based on the difference between the financial statement and tax bases of assets and liabilities using enacted tax rates and will be updated if the enacted tax rate changes before the expected reversal dates. Valuation allowances are established when management determines it is more likely than not that some portion, or all, of the deferred tax assets will not be realized.

The provision (benefit) for income taxes comprises:

	October 31, 2025	October 31, 2024
Current federal expense	\$ 594,187	\$ 174,094
Current state income tax expense	128,005	53,147

Foreign tax expense	427,623	486,429
Total current tax expense	1,149,815	713,670
Deferred federal (benefit) expense	(47,205)	249,693
Deferred state (benefit) expense	(13,375)	(11,585)
Deferred foreign tax expense	293,052	13,514
Deferred tax expense	232,472	251,622
Total Income Tax Expense	\$ 1,382,287	\$ 965,292

F-28

CODA OCTOPUS GROUP, INC.
Notes to the Consolidated Financial Statements
October 31, 2025 and 2024

The expense for income taxes differed from the U.S. statutory rate due to the following:

	October 31, 2025	October 31, 2024
Statutory tax rate	21.0%	21.0%
R&D Relief	(8.6)%	(8.8)%
Foreign Tax expense	10.4%	7.5%
State Income Tax	2.3%	(1.2)%
Total	25.1%	20.9%

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes.

Significant components of the Company's deferred tax assets and liabilities are as follows:

	October 31, 2025	October 31, 2024
Noncurrent deferred tax assets (liabilities)		
Temporary differences		
Restricted Stock Awards	103,021	42,441
Book/Tax Depreciation	(1,213)	(7,666)
Foreign fixed assets	(519,899)	(213,484)
Foreign short term timing differences	87,890	-
Foreign NOL carryforwards	12,252	96,698
Subtotal Deferred Asset	203,163	139,139
Subtotal Deferred (Liability)	(521,112)	(221,150)
Valuation allowance	-	-
Total Deferred (Liability) Asset, net	\$ (317,949)	\$ (82,011)

As of October 31, 2025, we had no U.S. federal net operating loss (NOLs) carryforwards.

The Company's tax jurisdictions are the USA, UK, Denmark, India, and Australia (our India and Australian operations are currently dormant). As a result, the Company's foreign derived income is subject to GILTI tax in the United States. The Company has elected to treat GILTI inclusions as period costs.

The Company has filed tax returns for federal, state, and foreign jurisdictions. The Company's evaluation of uncertain tax matters was performed for the tax years ended October 31, 2025, and October 31, 2024. The Company has elected to retain its existing accounting policy with respect to the treatment of interest and penalties attributable to income taxes and continues to reflect interest and penalties attributable to income taxes, to the extent they arise, as a component of its income tax provision or benefit as well as its outstanding income tax assets and liabilities. The Company believes that its income tax positions and deductions would be sustained upon audit and does not anticipate any adjustments to result in a material change to its financial position.

The One Big Beautiful Bill Act of 2025 (the "2025 Tax Act") was signed into law on July 4, 2025. The 2025 Tax Act makes changes to the U.S. corporate income tax, including reinstating the option to claim 100% accelerated depreciation deductions on qualified property, with retroactive application beginning January 20, 2025 and immediate expensing of domestic research and development costs, with retroactive application beginning January 1, 2025. While we are still carefully evaluating the full extent of the 2025 Tax Act's impact, in 2025 we do not anticipate major changes to our U.S. taxes.

In the future (2027) we expect our income tax provision to increase primarily due to a decrease in our foreign income deduction under the Act's global intangible low-taxed income ("GILTI") provisions. In the Current FY 66.6% of our consolidated net revenue was attributable to the Company's foreign subsidiaries.

The Company's UK Operations, under the applicable UK tax rules, have certain carryforward trading losses (referred to in this Form 10-K disclosure as "UK NOLs"). Under the applicable UK tax rules, any trading tax losses incurred from 2017 up to and including the current fiscal year can be surrendered for group relief (between and among the Company's "UK companies") to offset or reduce current year tax liability relating to any of the UK companies. Any UK NOLs arising before 2017 in a UK company can only be used by the UK company to which it pertains (and cannot be used within the UK tax group). The benefit of these UK NOLs is available indefinitely unless the nature of the business with the tax benefit changes substantially. Under UK tax rules, the UK entities are also eligible for research and development (R&D) Tax Credit. The UK Marine Technology Business in any one financial year performs significant R&D work due to the nature of its business (researching and developing products and solutions) and typically receives R&D allowance. Similarly, PAL performs research and development activities which also qualify for R&D tax credit. In the 2025 FY we believe that our UK R&D allowance will be insufficient to completely eliminate our corporate tax liability and as such we have recorded a current income tax provision for UK entities of \$265,434 for 2025 FY, compared to \$267,759 for 2024 FY. We have also made a deferred tax provision in our UK entities of \$293,052 for 2025 FY. Our UK Operations have the

CODA OCTOPUS GROUP, INC.
Notes to the Consolidated Financial Statements
October 31, 2025 and 2024

NOTE 12 – LINE OF CREDIT

The Company has in place a \$4,000,000 revolving line of credit facility with HSBC NA which expires on April 2026 but is subject to renewal at the sole discretion of HSBC NA. This line of credit is available to the Company for short-term working capital purposes. All amounts under the Revolving Line of Credit are payable at the end of each financial year. We have not utilized this line of credit and as a result the outstanding balance on the line of credit was \$0 as of October 31, 2025 and 2024.

NOTE 13 – CONCENTRATIONS

Significant Customers

During the year ended October 31, 2025, the Company had no customers from whom it generated sales greater than 10% of net revenues.

During the year ended October 31, 2024, the Company had one customer from whom it generated sales greater than 10% of net revenues. Revenues from this customer were \$3,104,089, or 15.3% of net revenues during the period. Total accounts receivable from this customer as of October 31, 2024, was \$94,149 or 8.1% of accounts receivable.

NOTE 14 - EMPLOYEE BENEFIT PLANS

The Company's U.S. subsidiaries maintain a 401(k)-retirement plan. The plan allows the Company to make matching contributions of 4% of employee compensation, subject to IRS contribution limits. U.S. employees who have at least six months of service with the Company are eligible. In addition, the Company's UK subsidiaries operate statutory pension schemes which provide for the payment of certain contributions by the Company and the Employee. These schemes in the UK operate on a defined contribution money purchase basis and the contributions are charged to operations as they arise. Finally, the Company is obligated to provide pension funding according to the laws in which it operates including in both Denmark, Australia and India. The Company has an arrangement that fulfils this requirement. Costs related to the Company's contribution to these employee benefit plans for the years ended October 31, 2025 and 2024 were \$253,950 and \$130,650, respectively.

CODA OCTOPUS GROUP, INC.
Notes to the Consolidated Financial Statements
October 31, 2025 and 2024

NOTE 15 -SEGMENT ANALYSIS

Our segment reporting is in accordance with the new standard ASU 2023-07 Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures.

We operate three reportable segments, "Marine Technology Business", "Acoustic Sensors and Materials Business" and "Defense Engineering Services Business" which are managed separately based upon fundamental differences in their operations. Segment operating income is total segment revenue reduced by cost of revenues and operating expenses, Research and Development ("R&D"), and Selling, General & Administrative ("SG&A") identifiable with the reporting business segment. Corporate includes general corporate administrative expenses. The Acoustic Sensors and Materials Business ("PAL") was acquired on October 29, 2024 and had no material income statement activity for the remaining two days of up to October 31, 2024. Therefore, there is no comparative financial data for PAL for 2024 FY. However, the fair value of assets acquired, and liabilities assumed for PAL have been included in our audited Consolidated Balance Sheet for the 2024 FY and in respect of the Segment Disclosure for 2024 PAL was included in the Supplemental Disclosures relating to the Marine Technology Business. The Segment Disclosure information for the 2025 FY includes full Income Statement information for PAL.

Our Chief Operating Decision Maker (CODM) evaluates the operating results and performance of all three of our segments using GAAP-reporting for revenue, expenses and net income by segment. This financial metric is used to view operating trends, perform analytical comparisons and benchmark performance between periods and among geographic regions, take decisions on business investments and monitor budget-to-actual variances on a quarterly and annual basis.

There are inter-segment sales in the table below which have been eliminated from our financial statements. Inter-company sales are not included in our financial statements. For segment reporting purposes we have shown in the table below our inter-company sales during the reporting period.

Coda Octopus Products (with entities operating in the UK, USA and Denmark) constitute the Marine Technology Business ("Products Segment") and is an established supplier to the subsea marking where it sells and rents both hardware and software solutions which include imaging sonar technology solutions, diving and diving communications technology, geophysical products, rental equipment, customization, and field operations services. PAL is a supplier of products and services to the ultrasound, acoustic measurement and NDT market. Coda Octopus Engineering, Inc. (a Utah corporation) and Coda Octopus Martech Ltd (a UK corporation) constitute the Defense Engineering Services Business (Services Segment) and are subcontractors mainly to prime Defense contractors where they provide engineering services.

The following table summarizes segment asset and operating balances by reportable segment as of and for the years ended October 31, 2025 and 2024, respectively.

The Company's reportable business segments sell their goods and services in four geographic locations:

- Americas
- Europe
- Australia/Asia
- Middle East/Africa

	Marine Technology Business ("Products")	Acoustic Sensors and Materials Business ("PAL")	Defense Engineering Services Business ("Services")	Corporate	Total
Year Ended October 31, 2025					
Net Revenues	\$ 13,221,339	\$ 5,409,954	\$ 7,931,833	\$ -	\$ 26,563,126
Cost of Revenues	<u>3,375,922</u>	<u>2,237,430</u>	<u>3,287,406</u>	<u>-</u>	<u>8,900,758</u>
Gross Profit	9,845,417	3,172,524	4,644,427	-	17,662,368
Research & Development	1,858,139	414,370	175,253	-	2,447,762
Selling, General & Administrative	<u>4,091,421</u>	<u>1,920,985</u>	<u>2,466,341</u>	<u>2,199,831</u>	<u>10,678,578</u>
Total Operating Expenses	5,949,560	2,335,355	2,641,594	2,199,831	13,126,340
Income (Loss) from Operations	3,895,857	837,169	2,002,833	(2,199,831)	4,536,028
Other Income					
Other Income	73,331	194,761	-	-	268,092
Interest Income	<u>505,465</u>	<u>5,661</u>	<u>107,106</u>	<u>89,865</u>	<u>708,097</u>
Total Other Income	<u>578,796</u>	<u>200,422</u>	<u>107,106</u>	<u>89,865</u>	<u>976,189</u>
Income (Loss) before Income Taxes	4,474,653	1,037,591	2,109,939	(2,109,966)	5,512,217
Income Tax Expense					
Current Tax Expense	201,167	43,118	183,338	722,192	1,149,815
Deferred Tax Expense (Benefit)	<u>188,755</u>	<u>91,045</u>	<u>13,252</u>	<u>(60,580)</u>	<u>232,472</u>
Total Income Tax Expense	<u>389,922</u>	<u>134,163</u>	<u>196,590</u>	<u>661,612</u>	<u>1,382,287</u>
Net Income (Loss)	<u>\$ 4,084,731</u>	<u>\$ 903,428</u>	<u>\$ 1,913,349</u>	<u>\$ (2,771,578)</u>	<u>\$ 4,129,930</u>
Supplemental Disclosures					
Total Assets	\$ 38,279,403	\$ 7,100,814	\$ 14,766,853	\$ 4,346,492	\$ 64,493,562
Total Liabilities	\$ 2,969,095	\$ 1,376,533	\$ 1,198,902	\$ 833,618	\$ 6,378,148
Revenues from Intercompany Sales - eliminated from sales above	\$ 6,144,638	\$ 51,896	\$ 374,311	\$ 2,600,000	\$ 9,170,845
Depreciation and Amortization	\$ 563,530	\$ 710,565	\$ 65,480	\$ 51,935	\$ 1,391,510
Purchases of Long-lived Assets	\$ 531,792	\$ 248,560	\$ 53,980	\$ 336,386	\$ 1,170,718

F-32

CODA OCTOPUS GROUP, INC.
Notes to the Consolidated Financial Statements
October 31, 2025 and 2024

	Marine Technology Business ("Products")	Defense Engineering Services Business ("Services")	Corporate	Total
Year Ended October 31, 2024				
Net Revenues	\$ 12,806,603	\$ 7,509,558	\$ -	\$ 20,316,161
Cost of Revenues	<u>2,824,541</u>	<u>3,318,515</u>	<u>-</u>	<u>6,143,056</u>
Gross Profit	9,982,062	4,191,043	-	14,173,105
Research & Development	2,019,112	223,317	-	2,242,429
Selling, General & Administrative	<u>3,814,860</u>	<u>2,248,493</u>	<u>2,283,192</u>	<u>8,346,545</u>
Total Operating Expenses	5,833,972	2,471,810	2,283,192	10,588,974
Income (Loss) from Operations	4,148,090	1,719,233	(2,283,192)	3,584,131
Other Income				
Other Income	53,960	34,422	-	88,382
Interest Income	<u>657,817</u>	<u>198,239</u>	<u>82,719</u>	<u>938,775</u>
Total Other Income	<u>711,777</u>	<u>232,661</u>	<u>82,719</u>	<u>1,027,157</u>

Income (Loss) before Income Taxes	4,859,867	1,951,894	(2,200,473)	4,611,288
Income Tax Expense				
Current Tax Expense	316,955	169,374	227,341	713,670
Deferred Tax (Benefit) Expense	<u>(5,655)</u>	<u>19,169</u>	<u>238,108</u>	<u>251,622</u>
Total Income Tax Expense	<u>311,300</u>	<u>188,543</u>	<u>465,449</u>	<u>965,292</u>
Net Income (Loss)	<u>\$ 4,548,567</u>	<u>\$ 1,763,351</u>	<u>\$ (2,665,922)</u>	<u>\$ 3,645,996</u>

***Supplemental Disclosures**

Total Assets	\$ 40,922,453	\$ 13,404,567	\$ 3,217,524	\$ 57,544,544
Total Liabilities	\$ 3,072,876	\$ 842,450	\$ 500,695	\$ 4,416,021
Revenues from Intercompany Sales - eliminated from sales above	\$ 3,367,839	\$ 238,143	\$ 1,266,000	\$ 4,871,982
Depreciation and Amortization	\$ 632,882	\$ 88,166	\$ 49,487	\$ 770,535
Purchases of Long-lived Assets	\$ 345,191	\$ 23,786	\$ 89,103	\$ 458,080

* In the 2024 FY Supplemental Disclosures Information, the Marine Technology Business Disclosure under "Total Assets" includes \$4,529,648 of assets pertaining to PAL and under "Total Liabilities" includes \$1,455,145 of liabilities pertaining to PAL. There was no Revenue from Intercompany Sales, Depreciation and Amortization or Purchases of Long-lived Assets pertaining to PAL.

F-33

CODA OCTOPUS GROUP, INC.
Notes to the Consolidated Financial Statements
October 31, 2025 and 2024

NOTE 16 - DISAGGREGATION OF REVENUE

	For the Year Ended October 31, 2025			
	Marine Technology Business ("Products")	Acoustic Sensors and Materials Business ("PAL")	Defense Engineering Services Business ("Services")	Grand Total
Disaggregation of Total Net Sales				
Primary Geographical Markets				
Americas	\$ 4,228,821	\$ 1,021,809	\$ 3,685,905	\$ 8,936,535
Europe	1,651,453	2,307,790	4,245,928	8,205,171
Australia/Asia	5,897,362	1,967,015	-	7,864,377
Middle East/Africa	<u>1,443,703</u>	<u>113,340</u>	<u>-</u>	<u>1,557,043</u>
Total Revenues	<u>\$ 13,221,339</u>	<u>\$ 5,409,954</u>	<u>\$ 7,931,833</u>	<u>\$ 26,563,126</u>
Major Goods/Service Lines				
Equipment Sales	\$ 9,407,469	\$ 4,537,692	\$ 463,420	\$ 14,408,581
Equipment Rentals	1,476,713	6,214	-	1,482,927
Software Sales	752,312	59,600	-	811,912
Engineering Parts	-	-	6,356,615	6,356,615
Services	<u>1,584,845</u>	<u>806,448</u>	<u>1,111,798</u>	<u>3,503,091</u>
Total Revenues	<u>\$ 13,221,339</u>	<u>\$ 5,409,954</u>	<u>\$ 7,931,833</u>	<u>\$ 26,563,126</u>
Goods transferred at a point in time	\$ 10,159,781	\$ 4,597,292	\$ 478,517	\$ 15,235,590
Services transferred over time	<u>3,061,558</u>	<u>812,662</u>	<u>7,453,316</u>	<u>\$ 11,327,536</u>
Total Revenues	<u>\$ 13,221,339</u>	<u>\$ 5,409,954</u>	<u>\$ 7,931,833</u>	<u>\$ 26,563,126</u>

F-34

CODA OCTOPUS GROUP, INC.
Notes to the Consolidated Financial Statements
October 31, 2025 and 2024

	For the Year Ended October 31, 2024		
	Marine Technology Business ("Products")	Defense Engineering Services Business ("Services")	Grand Total
Disaggregation of Total Net Sales			
Primary Geographical Markets			
Americas	\$ 2,838,857	\$ 4,448,704	\$ 7,287,561
Europe	3,372,430	3,060,854	6,433,284

Australia/Asia	5,475,401	-	5,475,401
Middle East/Africa	<u>1,119,915</u>	<u>-</u>	<u>1,119,915</u>
Total Revenues	\$ <u>12,806,603</u>	\$ <u>7,509,558</u>	\$ <u>20,316,161</u>
Major Goods/Service Lines			
Equipment Sales	\$ 7,210,169	\$ 1,193,776	\$ 8,403,945
Equipment Rentals	2,328,781	-	2,328,781
Software Sales	878,516	-	878,516
Engineering Parts	-	5,520,032	5,520,032
Services	<u>2,389,137</u>	<u>795,750</u>	<u>3,184,887</u>
Total Revenues	\$ <u>12,806,603</u>	\$ <u>7,509,558</u>	\$ <u>20,316,161</u>
Goods transferred at a point in time	\$ 8,088,685	\$ 1,248,751	\$ 9,337,436
Services transferred over time	<u>4,717,918</u>	<u>6,260,807</u>	<u>10,978,725</u>
Total Revenues	\$ <u>12,806,603</u>	\$ <u>7,509,558</u>	\$ <u>20,316,161</u>

CHIEF EXECUTIVE OFFICER AND INTERIM CHIEF FINANCIAL OFFICER CERTIFICATION

I, Annmarie Gayle and Gayle Jardine, certify that:

1. We have reviewed this annual report on Form 10-K/A of Coda Octopus Group, Inc.:
2. Based on our knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on our knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and we are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and we have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 26, 2026

/s/ Annmarie Gayle

Date: February 26, 2026

/s/ Gayle Jardine

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the annual report of Coda Octopus Group, Inc. (the "Company") on Form 10-K/A for the year ended October 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Annmarie Gayle, Chief Executive Officer, and I, Gayle Jardine, Interim Chief Financial Officer, certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that:

- (1) This report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Annmarie Gayle

Chief Executive Officer

Date: February 26, 2026

/s/ Gayle Jardine

Interim Chief Financial Officer

Date: February 26, 2026
