# Scryb Reports on Strategy and Future of Cybeats Cybersecurity

- Cybeats Technologies Inc. was acquired by Scryb in March 2021
- The Company initiated development of its SBOM Studio product subsequent to the acquisition and launched the product in September 2021
- Favourable M&A transactions, market trends and enhanced regulation has validated Cybeats approach and value proposition
- Leadership is now working with advisors to evaluate opportunities that would result in Cybeats being funded in conjunction with a "spin-out" transaction that would result in Cybeats trading independent of Scryb

TORONTO, Dec. 17, 2021 /CNW/ - **Scryb Inc. ("Scryb" or the "Company")** (CSE: SCYB) (OTCQB: SCYRF) (Frankfurt: EIY2), an applied intelligence Company, is pleased to provide a comprehensive update on Cybeats cybersecurity technology (**"Cybeats"**) and growth strategy moving into 2022. Initial development of the Cybeats product suite commenced in 2016 and was acquired by Scryb in March 2021 with the intent of the strategic acquisition to accelerate the product's path to market and explore potential integration of the Scryb's AI platform to generate additional value.

In late summer 2021 Cybeats entered the market with a soft commercial launch and shortly thereafter announced its first commercial engagement publicly. Critical initiatives now include the expansion of leadership and commercial/sales teams, infrastructure scale-out, and business development activities. In addition to the initial product suite, integration of elements of Scryb's platform has resulted in enhanced functionality, broadening the addressable market and value proposition. With favorable market conditions and positive industry feedback, leadership is now evaluating multiple opportunities to accelerate Cybeats growth and improve competitive positioning by direct funding and a resulting public spin-out transaction.

*"The safety of our families, businesses and homeland security requires cybersecurity to keep critical infrastructure safe. With high profile hacks becoming more frequent the threat is just starting to get the attention it deserves. We believe that Cybeats can make a meaningful impact in helping solve or prevent some of these issues and create substantial value in doing so. Our sights are set on bringing Cybeats to the largest markets in the world which includes public listings in Canada and the US NASDAQ or NYSE listing thereafter." said* **Yoav Raiter**, CEO, Scryb Inc. *"Earlier this year the NASDAQ hosted the largest cybersecurity IPO of all time in SentinelOne's $10B transaction and there have been numerous notable transactions since then. These valuations are driven by the panic for solutions that are being developed or do not yet exist to protect products that are already in the market being used by citizens, employees and the government that are open and exposed for attack. Cybeats has been developed to create certainty and provide solutions for the future of cybersecurity."*

The Cybeats product suite offers software developers and device manufacturers intelligent security applications for software supply chains and IoT connected devices, autonomously detecting and eliminating cyber threats in real-time.

*"Scryb's AI/ML expertise allowed us to build strong foundations at the intersection of cybersecurity and machine learning, developing solutions that provide customers proactive and predictive security solutions," said* **Dmitry Raidman***, Co-founder & CTO, Cybeats. "The addition of the SBOM Studio product offering has also allowed Cybeats to have a holistic approach to software supply chain security, and provide security from the design phase through to its legacy."*

**State of Business**

*Commercial & Market Validation*

In July 2021, Cybeats announced a commercial engagement with StarFish Medical which is Canada's leading medical device design, development and contract manufacturing company.

Forbes Magazine published 'Bolstering Cybersecurity Risk Management with SBOMs', with Cybeats featured in it. Notably from the article, 'organizations cannot fully protect digital assets unless it is known what software applications they have connected to enterprise networks and devices, and where SBOMs can significantly improve the transparency and accountability of such assets.'[1]

*Additional Product Offering - SBOM Studio™*

SBOM Studio is the enterprise software management tool that helps you understand and track the third-party components

that are an integral part of your software. SBOM Studio is used to document all the components that make up the product and plan for security maintenance over the life of the product. The solution launched commercially in September 2021 and is in the active commercial scale-up phase with companies in various stages of the sales pipeline.

### Android Development

In July 2021, the team successfully developed the addition of Android compatibility, which significantly expanded the addressable market for Cybeats, and established it as one of the limited number of IoT cybersecurity solutions to service the dominant operating system.

### Key Advisory Board Appointments

Chuck Brooks[2] was named one of the "Top 5 tech experts to Follow on LinkedIn", & as a 2020 top leader and influencer in "Who's Who in Cybersecurity" and Thomson Reuters "Top 50 Global Influencer in Risk, Compliance". Chuck is a two-time Presidential appointee who was an original member of the Department of Homeland Security. As well as a contributor to Forbes.

Chris Blask[3] has a 25 year career that spans the cybersecurity industry. He invented one of the first firewall products, built a multibillion-dollar firewall business at Cisco System, founded an information sharing center for critical infrastructures, and has advised public and private organizations around the world. Blask was also the inventor of the Digital Bill of Materials (DBOM).

Setu Kulkarni[4] is a corporate strategy & product management executive with a successful track record working in the global cybersecurity market which included leading the corporate strategy & product management functions at WhiteHat Security, before its acquisition by NTT Security (TYO: 9432), a USD $100 billion entity.

Duncan Sparrell[5] is the former Chief Security Architect of AT&T and a highly accomplished cybersecurity leader with more than 40 years of innovation in engineering, software development, cybersecurity, and international standards.

### Gartner

Cybeats has been identified by Gartner as a representative Medical Device Security Solution Vendor alongside other notable cybersecurity companies such as Palo Alto Networks and Armis in the article 'Market Guide for Medical Device Security Solutions'.

### Live Webinar Series on the State of Cybersecurity Industry

Throughout 2021 Cybeats showcased a free Cybersecurity webinar series on the state of cybersecurity, recently announcing its 5th upcoming webinar in early 2022. The series spans cyber industry needs and commentary across multiple sectors, most notably critical infrastructure and medical devices industry panels.

Some notable Webinar panelists include:

- Allan Friedman, Senior advisor and Strategist at Cybersecurity and Infrastructure Security Agency (CISA)
- Ginger Wright, Energy Cyber Portfolio Manager at Idaho National Labs
- Tim Roxey, President at Eclectic Technology
- Suzanne B. Schwartz, Director of Office of Strategic Partnerships & Technology Innovation at U.S. Food and Drug Administration
- Nimi Ocholi, Senior Director for Product Security at Medtronic Technical Fellow
- Ken Hoyme Sr. Fellow of Product Security at Boston Scientific
- Kate Stewart, Vice President of Dependable Embedded Systems at The Linux Foundation
- Steve Springett is the Chair of CycloneDX SBOM Standard

### Bluetext Rebranding

Cybeats has engaged and nearly completed its rebranding with the notable Bluetext agency. It is expected that the new Cybeats branding will better speak to the value and market-needs for cybersecurity across industries.

### AI Developments, Capabilities, R&D

Technical developments include machine learning algorithms that predict the degradation of the security of a product over time which allows a company to know the security risk of the product in the future and properly budget accordingly. Cybeats provides a holistic software supply chain risk management solution with proactive and predictive capabilities. The recent addition of data analytics and predictive models allow Cybeats to service customers with advanced insights through their design and development phases, reaching all the way to legacy which further differentiate from other cyber offerings.

## State of Industry, Market Conditions

*What is SBOM?*

SBOM (Software Bill of Materials)[6] is an inventory of all the various component software that a product is using. And since over 90% of software is built from existing software, there are various potential threats and vulnerabilities across software. SBOM is used to assess software security risk by knowing the makeup of the software itself. An analogy for this would be the nutritional facts/ingredients labels found in everyday products.

*Regulatory Developments*

On October 20, 2021, the Department of Homeland Security (DHS) Software Supply Chain Risk Management Act of 2021 was passed by the U.S. House of Representatives. With its passing, the Under Secretary for Management is now required to issue department-wide guidelines for identifying materials used in software development such as the Software Bill of Materials (SBOM). These new guidelines will work to modernize the DHS acquisition process and strengthen cybersecurity by requiring DHS contractors to submit SBOMs identifying the origins of each component in the software provided to the agency.[7]

In May of 2021, the White House released an executive order mandating cybersecurity improvements across industry, critical infrastructure and supply chains.[8] This mandate came with an unexpected explosion into cyber awareness, and implied industry growth. Cybeats is well positioned to service these national infrastructure needs, and other mandated software requirements.

Certain sectors and enterprises have been critically impacted by both security flaws or government regulatory mandates. The widely-used Hikvision[9], a Chinese state-owned surveillance and connected security camera manufacturer, unveiled a critical vulnerability that was discovered in more than 100 million connected camera devices currently operational in the market. Since this revelation, the affected products from Hikvision have been pulled and banned from the U.S.

## Notable Events

*Recent Cybersecurity Transactions*

- Armis was purchased by Insight Partners for USD $1.1 billion[10] in 2020.
- JFrog purchased Vdoo for USD $300 million in June of 2021[11]
- Blackberry buys Cylance for USD $1.4 billion, largest acquisition in company history[12]
- Microsoft buys RiskIQ, investing $500 million USD into Iot Security sector[13]
- SentinelOne goes public at USD ~$12 billion valuation, largest cyber IPO in history[14]

*Recent Cyber Attacks*

- A widespread log4j[15] vulnerability discovered on December 9th potentially allows unauthorized remote access. Log4j is used in thousands of applications, and affected entities include the likes of Amazon, Apache and Microsoft.[16] The United States Cybersecurity and Infrastructure Security Agency issued an alert about the vulnerability, and noted that it is reportedly being actively exploited.[17]
- On May 30th, 2021, JBS Foods (BVMF: JBSS3), the world's largest meat processing company, suffered a coordinated cyberattack that forced it to close 10 processing plants, pause operations in North America and Australia, and cancel shifts for thousands of workers. The attack wiped out nearly a fifth of America's meat production for the duration of this incident as investigations are still ongoing.[18]
- In May 2021, an attack on Colonial Pipeline[19] destabilized U.S. oil prices and caused several state oil shortages.
- In July 2021 the Oil giant, Saudi Aramco, suffered cyber-extortion of $50 million USD.[20]

## About Cybeats
Cybeats delivers intelligent security applications for software supply chains and IoT connected devices, autonomously detecting and eliminating cyber threats in real-time. Cybeats - Software made certain.

Website: www.cybeats.com

## About Scryb
Scryb is a platform that powers businesses and technologies with applied intelligence, real-time analytics, and actionable insights. The platform boasts proven adaptability across diverse markets, from digital health and diagnostics to cybersecurity and manufacturing. The cloud-based platform is composed of crucial elements including sensor technology, IoT, predictive analytics, and computer vision.

For more information, please visit our website at: http://scryb.ai

## Forward-looking Information Cautionary Statement

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