



SCRYB INC. (formerly Relay Medical Corp.)

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS
FOR THE THREE AND SIX MONTHS ENDED MARCH 31, 2023
(Expressed in Canadian Dollars)**

Dated May 30, 2023



Management's Discussion and Analysis of Operations For the three and six months ended March 31, 2023

This Management's Discussion and Analysis ("MD&A") is prepared as of March 31, 2023 and has been prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts are in Canadian dollars.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls and to ensure that information used internally or disclosed externally, including the financial statements and MD&A, is complete and reliable. The Company's directors follow recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The board's audit committee meets with management quarterly to review the financial statements including the MD&A and to discuss other financial, operating and internal control matters.

Caution Regarding Forward Looking Statements

This document contains forward-looking statements, such as statements regarding future sales opportunities in various global regions and financing initiatives that are based on current expectations of management. These statements involve uncertainties and risks, including the Company's ability to obtain and/or access additional financing with acceptable terms, and delays in anticipated product sales. Such forward-looking statements should be given careful consideration and undue reliance should not be placed on these statements.

The preparation of the MD&A may require management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Management bases estimates and judgments on historical experience and on various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities. Actual results may differ from these estimates under different assumptions or conditions. Management believes the accounting policies, outlined in the Significant Accounting Policies section of its consolidated financial statements, affect its more significant judgments and estimates used in the preparation of its consolidated financial statements.



Introduction

The following MD&A for the six months ended March 31, 2023, has been prepared to help investors understand the financial performance of Scryb Inc. (formerly Relay Medical Corp.) (“the Company” or “Scryb”), in the broader context of the Company’s strategic direction, the risk and opportunities as understood by management, and the key metrics that are relevant to the Company’s performance. The Audit Committee of the Board of Directors has reviewed this document and all other publicly reported financial information for integrity, usefulness, reliability and consistency.

All amounts are expressed in Canadian dollars (CAD) unless otherwise noted.

Additional information about Scryb Inc. (formerly Relay Medical Corp.), this document, and the related quarterly financial statements can be viewed on the Company’s website at www.scryb.ca and are available on SEDAR at www.sedar.com.

The Company’s Common Shares are listed and traded on the CSE (“CSE”), the Frankfurt exchange and the OTCQB under the symbols SCYB, EIY and SCRF respectively.

Corporate Overview

Scryb develops and productizes emerging technologies and builds disruptive, high-growth businesses. Scryb’s team identifies and advances high-potential opportunities and applies its technology development platform to rapidly scale its growth. Scryb’s most recent venture was the early-stage company, Cybeats Technologies (CSE: CYBT), which Scryb maintains ~60% ownership(as of the date of this MD&A), and others across applied AI, digital health, medical devices, and biotech. At market close on Friday, May 26th, Cybeats (CSE: CYBT) had a market capitalization of approximately \$109 million, with a \$1.15 price per share. The value of Scryb’s approximately 60% ownership in Cybeats at this price level has a market value of approximately \$69 million.

Scryb’s core assets are summarized as follow:

- Cybeats is an innovative cybersecurity company in supply chain cybersecurity and IoT device security. On November 4, 2022, Cybeats closed a financing of approximately \$8.3M with Cybeats Technologies Corp. and commenced its first day of trading on the CSE on November 21, 2022. Scryb maintains a majority stake in the newly publicly listed company.
- Fionet Rapid Response (“FRR”) is a joint venture arrangement between Scryb and Fio Corp. that specializes in decentralized testing IT solutions.
- Glow LifeTech Corp. is a biotechnology company that specializes in producing enhanced nutraceutical and cannabinoid-based products. Scryb supported Glow in its go-public listing In March 2021 via a reverse takeover transaction. Scryb maintains minority investment in the company.



Results of Operations

Overview

With the leadership of Scryb, Cybeats evolved from an early-stage technology into a high-growth cybersecurity company. The Company expects that as the market continues to take notice of Cybeats' and its successes, Scryb's ownership will have a substantial impact on shareholder value in tandem with any future commercial success.

During the six months ended March 31, 2023, the Company expanded the commercial operations of Cybeats, and significantly increased its go to market initiatives and capabilities. The Company has also expanded its sales and marketing teams and capabilities, with the hiring of new sales leadership, enlisting of industry leaders, adding key opinion leaders and growing its commercial channel partnerships. Scryb will continue to give transitional guidance to Cybeats after the go public listing subsequent to the six-month period ending March 31, 2023.

Cybeats Technologies Inc.

On March 18, 2021, the Company closed the acquisition of Cybeats Technologies Inc. ("Cybeats"). At the time of acquisition, Cybeats was an innovative On-Device security platform that addresses a growing market of IoT devices. The IDC report predicts there to be over 55 billion connected devices by 2025. The global IoT market is growing in an unprecedented way which has left a crucial delta in the cybersecurity of over 20 billion devices worldwide.

Cybeats On-Device platform is a solution for IoT devices manufacturers whereby a microagent (small piece of software) is installed on each IoT device that continuously monitors for anomalies, and that may potentially indicate a cybersecurity breach. Cybeats' On-Device platform solution not only provides insights to security teams about real and immediate threats, but it can also eliminate malicious code within seconds. Cybeats competitive advantage is the unique microagent protection it provides to devices without affecting their normal operation and enables the visibility from within the device. It continuously monitors for vulnerabilities and maintains the software responsible for the device communications and operations to detect and block threats. Cybeats allows manufacturers of IoT devices to integrate their equipment with high-end security in a cost-efficient manner. Scryb's used its existing capabilities in Artificial Intelligence (AI) to enhance the technical functionality of the On-Device solution.

In addition to the existing On-Device security platform, Cybeats used its and Scryb's existing infrastructure and vulnerability data capabilities along with an expenditure of significant resources to develop, and later commercially launch, 'SBOM Studio'. Scryb used its valued added platform and assets in AI to support additional product development, to help implement smart and predictive cybersecurity in SBOM Studio. SBOM Studio is an enterprise software management tool which offers software supply chain cybersecurity solutions to enterprises, governments, small-medium sized businesses, and any persons developing or consuming software with security in mind. Adding this product suite to its portfolio increases the offering scope and addressable market segments of cybersecurity. In so doing, SBOM Studio has increased the value of Cybeats greatly during the fiscal period. Few competitors offer both On-Device security products and supply chain security products. The naming of SBOM Studio comes from SBOM (Software Bill of Materials) which is a term in the software supply chain industry. SBOM provides an inventory list of all the various component software that a product is using which is similar to nutritional facts or ingredient labels found on everyday products.



In May 2021, United States President Joe Biden outlined a policy making cybersecurity a top priority and essential that the Federal Government lead by example for all Federal Information Systems to exceed the standards and requirements set forth by the order. The order's primary mandate is to enhance the integrity of software supply chains by requiring a Software Bill of Materials (SBOM); a solution that is already at the core of Cybeats' SBOM Studio. Since the Executive Order government agencies around the world have begun adopting the SBOM standard to mitigate the software supply chain risks such as the FDA (Food & Drug Administration) Federal Mandate¹ with other Western governments looking to follow the United States lead.

SBOM Studio Product Background

To remain competitive in today's market, organizations rely on previously developed software or proprietary third-party software components known as "open-source software" (OSS) to meet the demands of frequent software releases in a cost-effective and timely manner. In fact, 99% all software today contains open-source components.

The use of OSS carries inherent risks with studies showing that 75% of open-source software contains vulnerabilities that pose cybersecurity threats. With the widespread use of OSS in modern software development, it is crucial for organizations to have a system in place to manage and mitigate these risks.

The threat of cyberattacks that exploit vulnerabilities in open-source software (OSS) is increasing rapidly, with a growth rate of 700% per year. Many organizations may not be aware that they are using OSS, making it crucial for them to take steps to protect themselves against these threats. The log4j and SolarWinds events serve as examples of the potential damage caused by attacks that exploit OSS vulnerabilities, affecting 18,000 customers including government agencies and critical infrastructure providers. To mitigate OSS risks, creating and continuously monitoring a Software Bill of Materials (SBOM) is becoming a must.

Introducing SBOMs

Software Bill of Materials (SBOMs) are lists of the ingredients and their versions that make up a particular piece of software, similar to the nutritional facts or ingredient list found on food labels such as for dairy, cookies or juice. SBOMs provide important information about software, including any open-source components, which can help companies and governments determine if the software is safe to use. SBOMs are used across a variety of industries and are becoming required by government regulators, such as the FDA's recent mandate requiring SBOMs for medical device submissions. Many companies are already generating SBOMs as part of their software development process, following recent industry standards for SBOM generation. However, implementing SBOM practices can be challenging due to the scale of the change and the manual work involved. As organizations seek to improve the security and reliability of their software in the face of evolving threats and regulatory requirements, the adoption of SBOMs is becoming increasingly important. By using SBOMs, companies can better manage their software supply chain risks and improve the overall quality of their software.

¹ <https://www.fda.gov/regulatory-information/search-fda-guidance-documents/cybersecurity-medical-devices-quality-system-considerations-and-content-premarket-submissions>



Cybeats' SBOM Studio is a comprehensive solution designed to manage and distribute software bill of materials (SBOMs) in a single platform. It provides organizations with a centralized view of cybersecurity vulnerabilities, enabling them to improve the visibility and security of their software supply chain. SBOM Studio is useful for organizations of all sizes and industries, as it helps them to improve their vulnerability management processes, reduce the cost of protection, and enhance compliance.



SBOM Studio is also agnostic to SBOM generation tools, meaning it can work with any tool to validate and correct imported SBOMs, improving the accuracy of SBOMs. In addition, it simplifies the implementation process, speeds up the fixing of vulnerabilities, and automates SBOM management, ultimately improving the return on investment of SBOM adoption in an organization.

Key features of SBOM Studio include:

- Automated SBOM Management
- Accelerated Vulnerability Management
- Improved Workflow for Security Operations
- SBOM Sharing and Exchange Capabilities
- Data-Driven Business Decisions
- Regulatory Compliance and Licence Infringement
- VEX(Vulnerability Exploitability Exchange) Reports

SBOM Studio provides SBOM management solutions to agnostic market verticals, but currently focused on targeting the following sectors:

- Industrial Controls and Critical Infrastructure
- Healthcare and Medical
- Enterprise
- Automotive and Aerospace

Cybeats has made significant progress in attracting cybersecurity industry leaders to its advisory board, with the additions of six new strategic advisors;

- Chuck Brooks (Inventor of the first commercial Firewall and Digital Software Bill of Materials)
- Chris Blask (Inventor of the first commercial Firewall and Digital Software Bill of Materials)
- Setu Kulkarni (former WhiteHat security corporate strategist)
- Duncan Sparrell (former Chief Security Architect of AT&T)
- Erik Couture (former Cybersecurity advisor for Bank of Canada)
- Nicolas Chaillan (former U.S. Air Force and Space Force Chief Software Officer (CSO))
- Dr. Georgianna Shea (Chief Technologist at Democracies' Center on Cyber and Technology Innovation)



Cybeats has also expanded the sales and marketing team to address the growing market interest by adding Bob Lyle, a sales leader with over 25 years of software sales and cybersecurity experience, as Chief Revenue Officer (CRO). Subsequent to the six-month period ending March 31, 2023 Cybeats added two additional salespeople including Gonda Lamberink, VP Sales, a well-known sales leader who has international experience in the software supply chain industry. These additional team members will focus on expanding the commercial capabilities of Cybeats.

Cybeats deploys the following framework for the commercial engagement pipeline and related opportunities:

(i) Trial Deployments at zero cost:

Currently Cybeats has nine trial deployments in a variety of industries.

It was recently reported that 75% of SBOM Studio evaluations have converted into commercial contracts leading to an effective sales funnel for the product.

(ii) Paid Software Evaluation Licenses:

Cybeats is *currently* in various stages of discussion with potential customers in multiple industries to have a paid software evaluation period.

(iii) Commercial Licenses to Enterprise Product Suites:

As at May 30, 2023 Cybeats has closed on several multi-year six figure enterprise engagements including:

- Schneider Electric SE, a digital automation and energy management company
- Integral Ad Science, a leader in digital media quality and advertising technology
- Global Medical Device Manufacture
- Global Technology Leader in 'Smart Buildings' and building security equipment
- Institutional fintech company
- International manufacturer of industrial controls
- Contract medical technology engineering firm

(iv) Partnership Programs:

Currently Cybeats has multiple partnerships that include:

- Co-marketing partnership with Veracode, a leading global provider of application security testing solutions
- Device Authority, a company that provides end to end compliance and operational effectiveness to IoT devices
- Large American cybersecurity company as part of its technology partnership alliance
- Next Generation Manufacturing Canada (Ngen) to further its relationship development with Canada's leading manufacturing companies
- Large American endpoint and security management cybersecurity company as part of its technology partnership alliance
- International network cybersecurity company as part of its technology partnership alliance



(v) Resellers:

Cybeats is pursuing partnerships and resellers that are trained and equipped to market and sell its products and services, or that have typically been focused on serving a single country where Cybeats does not have a direct sales force. In some instances, resellers will collaborate with the direct sales team on larger scale strategic opportunities in a joint selling model. In all instances that resellers are used to actively market and sell our products and services, Cybeats remains responsible for the delivery of our products to the customer and oversee establishing pricing. We recognize products and services sold through resellers will be sold at wholesale prices and will be recognized in revenue in a similar manner to those sold by Cybeats direct sales channel. In the fiscal year Cybeats announced a reseller agreement with a leading cybersecurity firm and advisor to the Government of Canada departments on SBOM with a focus to resell Cybeats SBOM Studio.

With an innovative product, and key strategic advisors and an engagement with a leading marketing firm, and a growing sales capacity, Cybeats is well positioned to capture a growing market of software supply chain security and IoT cybersecurity.

To support the acceleration growth, Scryb has signed a non-binding Letter of Intent to list Cybeats Technologies Inc. via an RTO transaction with a further Amalgamation Agreement between Cybeats Technologies Inc. and Pima Zinc Corp. signed on August 11, 2022, that describes the proposed transaction. On November 4, 2022, Cybeats closed a financing of approximately \$8.3M with Cybeats Technologies Corp. commencing its first day of trading on the CSE on November 21, 2022. This allows Cybeats to access the public markets for the capital it will need to grow its business without resulting in further dilution in the number of shares outstanding in Scryb. Scryb maintains a significant equity position of the newly established public company with approximately a 60% ownership (as at the date of this MD&A).

The financial statements of Scryb have been prepared on a consolidated basis with Cybeats Technologies Corp ("Cybeats Corp"), in accordance with International Financial Reporting Standards (IFRS) 10 - Consolidated Financial Statements. Scryb is deemed to have control over Cybeats Corp as it owns approximately 65% of the outstanding shares of Cybeats Corp. As such, Scryb consolidates the financial results of Cybeats into its own financial statements.

The consolidation is effective from the date that Scryb obtained control over Cybeats, which was November 11, 2022. All intercompany transactions, balances and unrealized gains and losses between Scryb and Cybeats have been eliminated upon consolidation. In conjunction with the reverse takeover transaction and amalgamation, Scryb recognized a gain from the fair value adjustment of Cybeats Technologies Corp. from the private placement financing at \$0.5 per share. The non-controlling portion of Cybeats Technologies Corp. of approximately 35% was adjusted on the balance sheet, Income statement and statement of equity in the NCI accounts.



Fionet Rapid Response Group ('FRR')

In late 2020, Scryb and Fio Corporation entered into a joint venture agreement, with a third party (Fio Corp), through a private company called Fionet Rapid Response Group ('FRR'). The joint venture is structured to maintain joint decision making between Scryb and Fio Corp. FRR is a private company that controls the Fionet Platform, which is an end-to-end, rapid testing and tracking technology solution for community-based or decentralized settings. Combining a fast, handheld point-of-need device connected in real time to cloud data services, the Fionet Platform handles scheduling and registration via phone app at home, on-site check-in, rapid, on-the-spot antigen testing, data integration with other testing devices, result notification, public health notification as appropriate, and anonymized data and stats for dashboards for authorized stakeholders. The Joint Venture is structured with the following ownership and royalties to Scryb:

- Scryb owns 33% of the Joint Venture
- Scryb receives a 33% commission on all revenues from testing revenue
- Scryb receives a 20% commission on all revenues from device revenue
- Scryb receives a 10% commission on all revenues from data revenue

Product Offering

Prior to the commencement of the JV the technology was deployed on more than one million cases in over a dozen countries for managing community-based RDT testing, triage, and tracking outbreaks of high-consequence infectious diseases, such as malaria, HIV, dengue, and Ebola, and has been further validated by several dozen publications in scientific journals.

Drawing on resources from both Scryb and Fio, the JV has deployed the Fionet platform in pandemic testing management settings using approved third-party rapid diagnostic tests (RDT), as well as for molecular tests (such as PCR). Scryb has extended the technical capabilities of the FRR product offering by leveraging its expertise and complementary expertise in machine vision, AI and cloud processing, which originated from Scryb's portfolio of technology assets including HemoPalm Corp. and Pharmatrac technologies. Several Rapid diagnostic tests (RDTs) have been approved to detect active infections by targeting antigens of various viruses to detect past infections and immune response by targeting specific antibodies. When combined with the technology-based quality control and automated interpretation, RDT tests can provide fast and accurate results that are seamlessly transmitted to the cloud and distributed to public health and other stakeholders responsible for managing a given infectious outbreak or pandemic. Given the importance of the health data, FRR provides tools which can help assure diagnostic accuracy and collate results which are needed to facilitate safe and effective mass testing of the population for disease presence and exposure.

Fionet Platform

Fionet platform is a mobile IT platform and infrastructure that:

- Manages multiple current and future pandemic use cases right now
- Manages any decentralized disease-and-wellness testing
- Automated aggregator of frontline healthcare data
- Proven with multiple diseases, geographies, databases, test types, client types
- Strong m-LIS (mobile lab information system) contender, with potential for standardization



Beyond COVID-19 Testing

COVID-19 has highlighted the need for decentralized testing technology solutions. From airports to high volume settings, to local and at home testing needs FRR is positioned to service decentralized testing demand. FRR is exploring commercial activities in the at home testing space. Some of these at home tests could include conjunctivitis (pink eye) tests, sexually transmitted infection tests and other viral tests.

Ongoing Commercial Activities

- An engagement with USAID, one of the largest aid organizations in the world, to test Malaria in the Democratic Republic of Congo in 144 remote based community healthcare sites
- A deployment of the Fionet Platform for Malaria Epidemic Management in Rwanda Africa
- An engagement with an international aid foundation in the Republic of South Africa

Operations and Moving Forward

FRR is currently servicing a key customer by way of implementing its solution for the purposes of testing through an approximate \$3.3 million USD contract. FRR currently has received 20% of the contract payments and is expecting an additional 30% of payment in June 2023 with the additional amount to be received in 2023 and early 2024. FRR is also continuing to explore significant future opportunities. FRR is positioned as a leader in decentralized infectious disease testing. The advancements in its partnerships represent a significant testament to the technology and value that FRR is providing its partners and clients. Scryb looks to continue to support the product development and expansion of the commercial and business development activities. FRR is actively seeking capital to fund future operations.

Glow LifeTech Corp.

Glow LifeTech was formerly a subsidiary of Scryb and was spun out into its own public company through an RTO transaction on March 15, 2021. Scryb played a critical role in the go public transaction. Scryb maintains a significant amount (14.47%) of Glow LifeTech Corp., a publicly traded company on the CSE under the symbol "GLOW". Scryb continues to provide limited management guidance to Glow. Glow LifeTech is a Canadian-based biotechnology company focused on producing nutraceutical and cannabinoid-based products with dramatically enhanced bioavailability, absorption, and effectiveness. Glow has rights to the ground-breaking, plant-based MyCell™ Technology delivery system, which transforms poorly absorbed natural compounds into enhanced water-compatible concentrates, unlocking the full healing potential of natural active compounds.

Glow LifeTech Corp. submitted on March 11, 2021, an application to Health Canada, to obtain product licenses for its Natural Health Product (NHP), ArtemiC™, which recently reported successful results from a COVID-19 Phase II clinical trial. ArtemiC™ was submitted to Health Canada's Natural and Non-prescription Health Products Directorate (NNHPD) on Mar 11, 2021. The application, which is currently under review by Health Canada, included ArtemiC™ supporting COVID-19 Phase II clinical trial results. Under Canadian regulations, all NHPs must obtain premarket approval by Health Canada to assure they are safe, effective and of high quality before being allowed to be sold in Canada. Once Health Canada makes this assessment, they are issued a Natural Product Number (NPN).



Glow LifeTech Corp. completed the buildout of the Canadian facility and commissioned the proprietary reactor. Glow has completed the development of Proprietary MyCell® Liquid Cannabis Ingredients and now plans for commercialization in the Canadian market, given product readiness.

Selected Annual Information

	For the three months ended March 31, 2023	For the three months ended March 31, 2022	For the six months ended March 31, 2022	For the six months ended March 31, 2022
Revenues	639,408	73,297	749,039	137,939
Expenses	2,241,466	3,496,326	11,836,962	5,544,722
Gain (Loss) for the period	(1,602,058)	(3,423,027)	(11,087,923)	(5,406,783)
Gain (Loss) per share	(0.01)	(0.01)	(0.05)	(0.02)
Total assets	11,662,357	11,665,451	11,662,357	11,665,451
Total liabilities	4,135,862	1,247,701	4,135,862	1,247,701
Working capital	1,719,350	2,564,849	1,719,350	2,564,849

The following table sets forth selected financial information for Scryb Inc. for the six months ended March 31, 2023. This information has been derived from the Company's financial statements for the years and should be read in conjunction with the financial statements and notes thereto.

The following table sets forth selected financial information for Scryb Inc. for the years ended September 30, 2022, 2021, and 2020. This information has been derived from the Company's financial statements for the periods indicated and should be read in conjunction with audited financial statements and the notes thereto.

	Year Ended 30-Sep-22	Year Ended 30-Sep-21	Year Ended 30-Sep-20
Loss before non-operating income	\$ 11,144,009	\$ 17,253,280	\$ 7,119,076
Loss before income taxes	11,144,009	17,253,280	7,119,076
Loss per common share, basic and diluted	0.05	0.08	0.05
Net and comprehensive loss	11,144,009	17,253,280	7,119,076
Net Loss per Common Share, Basic and Diluted	0.05	0.08	0.05
Weighted average number of shares outstanding	240,051,037	210,112,140	130,890,338
Total assets	11,219,978	18,066,037	2,850,473
Net working capital	2,287,760	8,230,473	(25,304)



For the three months ended March 31, 2023 and 2022

The schedule below presents the three-month statement of earnings to highlight the non-recurring items.

	March 31, 2023	March 31, 2022	Variance
Revenues			
Royalties	492,782	12,709	480,073
Other revenue	146,626	9,208	137,418
Government grant and subsidies	-	51,380	(51,380)
	639,408	73,297	566,111
Expenses			
Advertising and promotion	96,370	56,398	39,972
Amortization expense	341,842	372,741	(30,900)
Consulting and management fees	270,066	559,791	(289,725)
Depreciation	41,372	10,144	31,228
Foreign currency loss (gain)	(11,770)	-	(11,770)
Insurance expenses	17,262	36,501	(19,239)
Interest and accretion	53,854	15,073	38,781
Office, general and administrative	114,026	164,032	(50,006)
Product research and development costs	205,504	128,509	76,995
Professional fees	64,342	77,099	(12,757)
Proportionate share of (profit) from FRR	(230,017)	40,865	(270,882)
Salaries and benefits	978,127	682,720	295,407
Shareholder communications and marketing	98,424	149,936	(51,512)
Transfer agent and filing fees	78,313	5,882	72,431
Net loss before Share-based compensation and Loss on investment in associate	(1,478,308)	(2,226,392)	748,086
Non-cash - Unrealized loss on investment in associate	123,750	1,196,635	(1,072,886)
Net earnings (loss) and comprehensive income (loss)	(1,602,058)	(3,423,027)	1,820,971

- Royalties' revenue comprises of royalties from the Fionet JV. This increased due to a key customer contract with FRR.
- Other revenue includes revenues generated from the bill out from the Fionet JV as well as sales revenues from Cybeats. This increased from the increased commercial activity in Cybeats (Refer to "Commercial Licenses to Enterprise Product Suites" section above).
- Government grant revenues include funding from the Scientific Research and Experimental Development Tax Incentive Program (SR&ED) which decreased due no claim in SR&ED credits in the current period.
- Advertising and promotion increased due to the increase in activities of Cybeats as a part of the commercial scale up.
- Amortization expense increased due to increased amortization of intangible assets related to Cybeats.
- Consulting and management fees decreased due to a reclass of certain expenses to better reflect the expenses incurred.
- Depreciation expenses increased in the current quarter as certain assets were purchased that increased the depreciation



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- Insurance expense decreased due to a higher headcount of the Company's employees coupled with insurance coverage not present in the prior year.
 - Interest and accretion expense increased from the right-of-use accretion relating to the Cybeats office.
 - Office, general and administrative expenses decreased due to reclass of certain expenses to better reflect the expenses incurred.
 - Product research and development costs comprises of expenditures relating to the Company focusing its attention towards the development of Cybeats' product offering, in particular the SBOM studio. These increased as more resources were spent on the development of SBOM Studio.
 - Professional fees include certain legal and accounting expenses decreased due to higher fees needed for the preparation of the Cybeats go public transaction
 - Salaries and benefits increased due to a larger headcount from the Cybeats acquisition and commercial ramp up. There was also an increase from some consultants becoming full time employees which corresponded with a decrease in consulting and management expenses.
 - Shareholder communications and marketing decreased due to lower marketing and promotional activity required when compared to the same quarter in the prior period.
 - Share of loss (profit) from joint venture represents the proportionate profit and loss from the FRR joint venture attributed to Scryb
 - Transfer and filing fees increased compared to the prior quarter as Cybeats Technologies Corp. became a public issuer with new filing fees that were not present in the prior period.
 - Unrealized Gain on investment in associate relates to Scryb's investment in Glow LifeTech Corp.



For the six months ended March 31, 2023 and 2022

The schedule below presents the six-month statement of earnings to highlight the non-recurring items.

	March 31, 2023	March 31, 2022	Incr/(Decr)
Revenues			
Royalties	525,498	63,660	461,838
Other revenue	223,541	22,899	200,642
Government grant and subsidies	-	51,380	(51,380)
	749,039	137,939	611,100
Expenses			
Advertising and promotion	362,524	150,256	212,268
Amortization expense	699,686	718,586	(18,901)
Consulting and management fees	1,863,938	1,061,669	802,269
Depreciation	126,092	48,567	77,525
Foreign currency loss (gain)	1,136	-	1,136
Insurance expenses	34,736	77,356	(42,620)
Interest and accretion	64,998	34,909	30,089
Office, general and administrative	331,664	966,179	(634,515)
Product research and development costs	332,555	249,209	83,346
Professional fees	171,230	185,224	(13,994)
Proportionate share of (profit) from FRR	(189,103)	21,508	(210,611)
Salaries and benefits	2,126,211	1,190,854	935,357
Sales commissions	354,750	-	354,750
Shareholder communications and marketing	120,083	343,950	(223,867)
Transfer agent and filing fees	109,059	22,963	86,096
Net earnings (loss) before Share-based compensation and Loss on investment in associate	(5,760,521)	(4,933,291)	(827,230)
Non-cash - Gain on equity dilution in Cybeats Technologies Inc.	757	-	757
Non-cash - Share-based compensation	5,285,395	-	5,285,395
Non-cash - Unrealized loss on investment in associate	41,250	473,492	(432,242)
Net earnings (loss) and comprehensive income (loss)	(11,087,923)	(5,406,783)	(5,681,140)

- Royalties' revenue comprises of royalties from the Fionet JV. This increased due to a key customer contract with FRR.
- Other revenue includes revenues generated from the bill out from the Fionet JV as well as sales revenues from Cybeats. This increased from the increased commercial activity in Cybeats. (Refer to "Commercial Licenses to Enterprise Product Suites" section above)
- Government grant revenues include funding from the Scientific Research and Experimental Development Tax Incentive Program (SR&ED) which decreased due no claim in SR&ED credits in the current period.
- Advertising and promotion increased due to the increase in activities of Cybeats as a part of the commercial scale up.
- Amortization expense remained relatively stable as compared to the prior period
- Consulting and management fees increased due to the increased costs associated with the Cybeats go public transaction



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- Depreciation expenses increased in the current quarter as certain assets were purchased that increased the depreciation
 - Insurance expense decreased due to a higher headcount of the Company's employees coupled with insurance coverage not present in the prior year.
 - Interest and accretion expense increased from the right-of-use accretion relating to the Cybeats office.
 - Office, general and administrative expenses decreased due to reclass of certain expenses to better reflect the expenses incurred.
 - Product research and development costs comprises of expenditures relating to the Company focusing its attention towards the development of Cybeats' product offering, in particular the SBOM studio. These increased as more resources were spent on the development of SBOM Studio.
 - Professional fees include certain legal and accounting expenses remained relatively consistent.
 - Salaries and benefits increased due to a larger headcount from the Cybeats acquisition and commercial ramp up. There was also an increase from some consultants becoming full time employees which corresponded with a decrease in consulting and management expenses.
 - Sales commissions and bonuses increased compared to last year due to the increased sales activities related to Cybeats commercial activities.
 - Shareholder communications and marketing decreased due to lower marketing and promotional activity required when compared to the same quarter in the prior period. Certain expenses were also reclassified to better reflect the expenditures incurred.
 - Share of loss (profit) from joint venture represents the proportionate profit and loss from the FRR joint venture attributed to Scryb
 - Transfer and filing fees increased compared to the prior quarter as Cybeats Technologies Corp. became a public issuer with new filing fees that were not present in the prior period.
 - Share-based compensation was granted to new employees and consultants as compared to the same period last year. This increased due to a large number of Cybeats options being granted relating to the go-public transaction. This represents a non-cash item.
 - Gain on the equity dilution of Cybeats Technologies Corp. relates to the gain from the reverse takeover transaction and the financing of Cybeats Technologies Corp.
 - Unrealized Gain on investment in associate relates to Scryb's investment in Glow LifeTech Corp.



Summary of Quarterly Results

The following table is a summary of selected unaudited financial information for the eight most recent fiscal quarters.

Quarter ended	Income	Net income (loss)	Net income (loss) per share
March 31, 2023	639,408	(1,602,058)	(0.01)
December 31, 2022	109,631	(8,624,969)	(0.04)
September 30, 2022	410,806	(715,915)	(0.00)
June 30, 2022	63,385	(4,405,727)	(0.02)
March 31, 2022	73,297	(3,423,027)	(0.01)
December 31, 2021	64,641	(1,325,944)	(0.01)
September 30, 2021	733,902	(4,807,136)	(0.02)
June 30, 2021	Nil	(730,376)	0.00

The net loss was from an operating loss of Cybeats and Scryb. The public listing of Cybeats will enable Scryb to lean down in its capital overhead obligations as salaries move from Scryb to the independent issuer, Cybeats Technologies Corp. The income came from revenues related to both the Company's joint venture (FRR), and from minor initial traction following Cybeats commercial launch earlier in 2022.

Funding & Liquidity

Scryb will require additional funding to fund its ongoing operations and growth. The majority of financing of current operations is achieved by issuing share capital. With Scryb's primary focus being to support the scale-up commercial operations for both FRR and Cybeats, Scryb will require additional funding. With the recent RTO transaction and public listing of Cybeats Technologies, Scryb is able to lean down in its capital overhead obligations related to Cybeats, as salaries move from Scryb to the independent issuer. Cybeats is also positioned to more effectively access the public markets for its capital funding requirements, without further dilution to Scryb. Lastly, as Glow is a standalone public company, the issuer oversees its own financial and capital funding requirement.

Related Party Transactions

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors, Corporate Officers and Vice Presidents.

Off-Balance Sheet Arrangements

The Company has not entered into any off-balance sheet arrangements, other than previously disclosed, that has, or is reasonably likely to have, an impact on the current or future results of operations or the financial condition of our company.

Critical Accounting Policies and Estimates

The preparation of these consolidated financial statements in conformity with IFRS requires that management make estimates and assumptions about future events that affect the amounts reported in the consolidated financial statements and related notes to the consolidated financial statements. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

i) Critical accounting estimates

Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amount of assets and liabilities within the next financial year and are, but are not limited to, the following:

Share based payments and warrants

The fair value of stock options and warrants issued are subject to the limitation of the Black Scholes option pricing model that incorporates market data and involves uncertainty in estimates used by management in the assumptions. Because the Black Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share prices, changes in subjective input assumptions can materially affect the fair value estimate.

Useful life of intangible assets

Management has exercised their judgment in determining the useful life of its patents, patent applications and software license. The estimate is based on the expected period of benefit of the patent and the expected life of the product in the marketplace.

(ii) Critical accounting judgments

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are, but are not limited to, the following:

Evaluation of going concern

The preparation of the financial statements requires management to make judgments regarding the going concern of the Company.

Impairment of intangible assets

Management has exercised their judgment in determining if the intangible assets are impaired. The judgment is based on management's ability to assess indicators of impairment.

Income taxes

Management has exercised their judgment in determining the provision for future income taxes. The judgment is based on the Company's current understanding of the tax law as it relates to the transactions and activities entered into by the Company.



Control

The Company uses judgement when assessing if the Company controls an investee, which includes the assessment of whether it holds power over the relevant activities, is exposed to variable returns and has the ability to use that power to affect those variable returns.

Research vs. Development Stage

The Company uses judgement when assessing if the Company has achieved development stage activities with its internally generated intangible assets.

Accounting standards and amendments issued but not yet adopted

Amendment to IFRS 3 – Business Combinations

On October 22, 2018, the IASB issued Definition of a Business (Amendments to IFRS 3: Business Combinations). The amendments to IFRS 3 are applicable for acquisitions occurring on or after January 1, 2020 and are adopted prospectively. These amendments to the implementation guidance of IFRS 3 clarify the definition of a business to assist entities to determine whether a transaction should be accounted for as a business combination or an asset acquisition. The amendments to IFRS 3 – Business Combinations may affect whether future acquisitions are accounted for as business combinations or asset acquisitions, along with the resulting allocation of the purchase price between the net identifiable assets acquired and goodwill. The Company does not expect any impact to the financial statements as a result of its adoption of the amendments to IFRS 3.

Risks and Uncertainties

History of Losses – The Company has been in a cumulative net loss position throughout its operating history. The Company's limited operating history makes it difficult to evaluate the future financial prospects of its business. There is no assurance that the Company will grow or be profitable or that the Company will have earnings or significant improvement in its cash flow from operations in the future. The future earnings and cash flow from operations are dependent on the Company's ability to further develop and sell its products and the Company's operational expenses. Management expects that the Company will continue to have high levels of operating expenses, since the Company needs to make significant up-front expenditures for product development, and corporate development activities. Management anticipates that the operating losses for the Company may continue until such time as the Company consistently generates sufficient revenues to support operations.

Need for Additional Financing - The implementation of the Company's business plan requires significant capital outlays and operating expenditures over the next several years. There can be no assurance that additional financing will be available to the Company when needed, on commercially reasonable terms, or at all. Any inability to obtain additional financing when needed would have a material adverse effect on the Company. Further, any additional equity financing may involve substantial dilution to the Company's then existing shareholders. Debt financing, if available, may involve onerous obligations, monetary or otherwise. If adequate funds are not available, the Company may obtain funds through arrangements with strategic partners or others who may require the Company to relinquish rights to certain technologies, any of which could adversely affect its business, financial condition and results of operations.



Product Risks

Uncertain Demand for Products - Demand for technologies is dependent on a number of social, political and economic factors that are beyond the control of the Company. The technology industry is likely to continue to change as the public and government will alter regulation and demand for the products. While the Company believes that demand for technological solutions will continue to grow, there is no assurance that such demand will exist or that the Companies products will be purchased to satisfy that demand.

Dependence on Development of New Products - New technological or product developments in the technology industry may render the Company's products obsolete or reduce their value. The Company's future prospects are highly dependent on its ability to develop new products - from new technologies and achieve market acceptance. There can be no assurance that the Company will be successful in these efforts.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents. The Company has reduced its credit risk by investing its cash equivalents with Canadian chartered banks.

Disclosure Controls and Procedures & Internal Controls over Financial Reporting

In accordance with the Canadian Securities Administrators National Instrument 52-109 ("NI 52-109"), Certification of Disclosure in Issuers' Annual and Interim Filings, the Company has filed certificates signed by the Chief Executive Officer and the Chief Financial Officer that, among other things, report on the design and effectiveness of disclosure controls and procedures and the design and effectiveness of internal controls over financial reporting.

The Company continues to review and document its disclosure controls and procedures and internal controls over financial reporting and may, from time to time, make changes aimed at enhancing their effectiveness and to ensure that its systems evolve with the business. There were no changes in the Company's internal controls over financial reporting during the period ended March 31, 2023, that have materially affected, or are reasonably likely to materially affect, its disclosure controls and procedures and internal controls over financial reporting.

Share Data

As at March 31, 2023, there were 250,247,672 common shares issued and outstanding, 16,660,445 warrants, and 43,309,500 options outstanding.

As at May 30, 2023, there were 257,012,672 common shares issued and outstanding, 23,425,445 warrants and 43,309,500 options outstanding.

"Yoav Raiter"

Chief Executive Officer
May 30, 2023